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SENATE—*Friday, September 28, 1973*

The Senate met at 8: 45 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, the unfailing source of light and strength, we praise Thee for Thy power and goodness. We open our minds to admit Thy truth and our hearts to receive Thy love. When the way is cloudy and the choices unclear, impart a wisdom greater than our own. Be with us, Lord, each moment. In our weakness give strength, in tenseness give serenity, in discouragement grant hope, and in weariness bring rest. Help us to serve as stewards of a high trust, not in our strength alone but in that strength which comes from Thee. Work through us Thy will for this Nation and the world. And to Thee shall be all praise and thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 28, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, September 27, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF SMALL BUSINESS ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 385.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

Calendar No. 385 (S. 2482), a bill to amend the Small Business Act.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Business Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided,* That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91-596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

SEC. 4. Notwithstanding the provisions of Public Law 93-24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occured after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92-385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

SEC. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided,* That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease".

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

SEC. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

Sec. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATION AMENDMENT

Sec. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Administrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

Mr. MANSFIELD. I move to reconsider the vote by which S. 2482 was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the calendar beginning with "New Reports."

The ACTING PRESIDENT pro tempore. Without objection, the Senate will go into executive session to consider the nominations.

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the Navy.

Mr. MANSFIELD. Mr. President, I make the same request.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed.

NATIONAL ENDOWMENT FOR THE ARTS

The second assistant legislative clerk read the nomination of Nancy Hanks, of New York, to be Chairman of the National Endowment for the Arts for a term of 4 years.

Mr. MANSFIELD. Mr. President, this is an exceptionally fine appointment. Nancy Hanks has done an exceptional job as Chairman of the National Endowment for the Arts. I am glad she is being in the Government and has been reappointed Chairman. I am certain that she will continue to serve well in this sensitive capacity.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ROUTINE NOMINATIONS PLACED ON THE SECRETARY'S DESK

The ACTING PRESIDENT pro tempore. Without objection, the nominations placed on the Secretary's desk, in the Air Force, in the Army, and in the Marine Corps are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I request that the President be notified of the confirmation of these nominations and also of the nominations which were confirmed earlier in the week, for which no request was made.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified of the nominations confirmed today and also earlier this week.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. GRIFFIN. No, Mr. President.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. In accordance with the previous order, the Chair recognizes the distinguished senior Senator from Maryland (Mr. MATHIAS) for not to exceed 15 minutes.

WAGE-PRICE PROGRAM

Mr. MATHIAS. Mr. President, we in the Congress are well aware of the severe economic dislocation which the United States is now facing. Its effects are widespread and take many forms. In my own State of Maryland, which is America in miniature. I have seen the breadth and range of our current problems. In Montgomery County, prices are rising in supermarkets at a dizzying rate. In Prince Georges County, homeowners' mortgages have grown prohibitively expensive—as interest rates have shot sky high—when the money is obtainable at all. Poultry producers from the Eastern Shore, caught in a cost-price squeeze, have threatened to destroy their chickens in an attempt to call attention to their need for relief. Housewives in Baltimore County have organized meat boycotts in the hope that they can have some lasting impact on prices. Independent gasoline dealers, threatened by a loss of supply and the ability to do business, have publicly petitioned for redress under current price controls, and are striking to avoid further losses. Schools are already threatened with shortages of fuel for heating during the winter. These are but a few of the many problems that are being called to my attention on a daily basis.

For a period, during the mid-1960's, economists in the United States were regarded as omniscient. The country was in the midst of a boom and Keynesian economics had become our new orthodoxy. The Congress enacted a tax cut at the behest of these economists and the measure appeared to work just as predicted. I recall well the great debate that raged in those years over how best to spend the anticipated Federal surplus that would be generated by rising incomes.

Today the economist is no longer enjoying the heady status of that earlier time. Attempts to "fine-tune" the economy are no longer advanced with the same confidence. Despite the current range of Government controls, our ability to adjust those controls for the benefit of all the people and not merely for particular interest groups is being called into question. In part, this is a question of political "will". We know how difficult it would be for the Congress to enact a tax surcharge of 10 percent, as hinted by Presidential Counselor Melvin Laird, even if such a devastating step appeared required by the laws of economics. But, in large measure, the problem may well be the inability to master the intricacies of our economic system which produces $1 trillion worth of goods and services annually and is inevitably intertwined with a world economy which churns out many times that amount in goods and services. We are increasingly being made aware of the extent to which the available control mechanisms are interrelated so that each step we take has a profound impact on some other sector of the economy. Each intervention has an impact elsewhere in the economy and frequently calls for further intervention, a fact often unforeseen at the time.

Intervention also may have its impact on other values that we as a society regard as important. While we cannot go back to a time when we believed that government had no business in the marketplace—a belief that was always more honored in the breach than in the observance—we must constantly remain aware of the impact of Government regulation on other values and we must attempt to achieve the preservation of as much as those values as is possible.

The impact of economic regulation on other values is shown by the economic stabilization program, frequently called the wage-price program. This program is significantly different from the methods and agencies we have traditionally used to regulate our economy in that it regulates individual wage and price transactions. But it is not without precedent for in modern times we have seen wage-price controls imposed to steady a wartime economy. The historical roots of such controls reach back to ancient times. In the fourth century A.D. the Roman Emperor Diocletian established ceilings on prices and wages and froze workers to their jobs. Kublai Khan in the 13th century prescribed maximum prices. In our country, in 1636, the Puritans in the Massachusetts Bay Colony proposed a wage and price code which was "agreeable to the word of God." Such regulations have been enacted periodically throughout history.

The current wage-price program cuts across all current regulatory schemes. Unlike the ICC, the FPC, and the FCC, the Cost of Living Council which administers wage-price controls is not limited to jurisdiction over a particular industry. While the Government has for many years attempted indirectly to affect the price of certain commodities, the farm program being the most striking example, it has traditionally shied away from attempts to impose direct controls by regulating the individual wage and price transactions themselves. The sheer magnitude of the number of such transactions is staggering. Such a program makes the Government a party to every sale and contract in our incredibly complicated economy and, to that extent, gives it a responsibility for a whole series of related prior and subsequent transactions. And certain decisions reached under the program impact squarely on our own foreign policy and the economy of virtually every nation in the world.

The economic stabilization program is one which grants enormous power to small groups of men whose decisions can make or break any business in America. These men can have this impact even by their failure to decide. They are subject to only the most vague statutory standards—exceptions to their rulings—for instance can be granted upon a showing of "economic hardship" or "gross inequity." They are subject to unclear and uncertain statutory standards in the procedures they must follow and hence can wield their enormous power without effective hearings, without explanations, and with only a limited right of appeal. This is executive discretion in the extreme.

In the summer of 1971 I was one of a group of Senators who advocated the adoption of an "incomes policy" to restrain inflation. After consultation with economists in this country and elsewhere, I proposed a system of guidelines for the American economy.

The proposal contemplated the employment of Government to influence the course of wage and price fluctuation, rather than to mandate control. Within 2 weeks, however, the initial freeze was imposed, to be followed by phase I.

From the outset, the wage-price program has been characterized as temporary. As we enter its 3d year, however, I believe we must reexamine what is meant by temporary. The authority which the Congress has given to the President and through him to the Cost of Living Council to administer the program is vast and largely unchecked. Such authority on a temporary basis under emergency circumstances is not without precedent. As cochairman of the Special Committee on the Termination of the National Emergency, I have been exploring the effect of granting similar power in other circumstances. I can appreciate that under emergency circumstances and on a temporary basis, the Congress has been traditionally more willing to forgo limitations on Executive authority. But, if, as it appears the wage price program is to be with us for a prolonged period of time, I think it is vitally important that we now examine the manner in which the program is operating with a view toward learning whether limitations or guidelines might be proper.

On October 9 and 10, the Subcommittee on Separation of Powers of the Committee on the Judiciary will hold hearings on the wage-price program. The chairman of that subcommittee will examine the extent to which current legal requirements are being complied with by the Cost of Living Council. In addition, the subcommittee will examine possible changes that might appear warranted in light of the history of the program to date.

It is not the purpose of these hearings to look into questions of economic policy. Such questions are under constant congressional review and will continue to be considered by the relevant Senate committees when the authorization for the current program expires and the Congress, once again, considers whether to grant an extension. Rather, the subcommittee will look into questions of the administrative procedure employed by the agency, personnel now being used to administer the program, sanctions provided for in the act and otherwise in use, the mechanism for enforcement and its use, and the availability of judicial review. During the first two days of hearings, the subcommittee will pay particular attention to the exception procedure and to the procedures for clarifying rulings issued under the program.

In so doing, we are particularly concerned with the impact of the program on the regulated. Thus, the ability of individuals and corporations to both know the nature and extent of their obligations under the law and to effectively state their case is of paramount importance to the subcommittee. This much seems clear—no program will long retain, or deserve, popular support if its decisions are not arrived at by a process which appears open, fair, consistent, thorough, rational, enforceable, and necessary.

In undertaking this investigation, I am cognizant of the awesome problems that such a program presents to those charged with administering it. Whether or not an effective wage-price program can be administered at the levels of personnel now available is a major question. It may also be that we will conclude the Council would suffer a breakdown under procedures that required full recordkeeping and other procedural rights. If this is the case, it is an issue I believe should be squarely faced.

These hearings are in keeping with a tradition of the Subcomimttee on Separation of Powers which has conducted hearings to consider the role of the independent administrative and regulatory agencies. Senator ERVIN has articulately stated the subcommittee's purpose:

> The independent administration agencies now constitute a fourth branch of the Federal Government—some have described them as the "headless" fourth branch. In a relatively short time, they have come to have responsibility over major areas of public interest—transportation, public relations, communications, trade regulations, and finance, to mention only a few. Further, the administrative agencies are an innovation in the tripartite type system, conceived by the founding fathers. The fact that they exercise a combination of legislative, executive and judicial powers, and so represent a major deviation from the separation of powers formula, is another reason for including them in our study.

I am hopeful that these hearings can make a meaningful contribution to the debate which the Congress will enter when the authorization for the wage price program again comes due. I am confident that by airing some of the prior difficulties with the program and by openly examining the current procedures, the subcommittee can make a meaningful contribution to the work of the program.

Mr. President, I yield the floor.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair lays before the Senate Senate Resolution 171, which the clerk will please report.

The legislative clerk read as follows:

Calendar No. 383, S. Res. 171, disapproving the alternative plan for pay adjustments for Federal employees.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. Debate on the resolution is limited to 2 hours, to be equally divided between the proponents and the opponents of the resolution.

Mr. McGEE. Mr. President, I suggest the absence of a quorum with the time to be deducted equally from the two sides, if that is agreeable.

The ACTING PRESIDENT pro tempore. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIRE). Without objection it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, with statement therein limited to 3 minutes, without the time being charged against the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following letters, which were referred as indicated:

Costs of the Federal Airport and Airway System

A letter from the Secretary of Transportation transmitting, pursuant to law, a report entitled "Determination, Allocation, and Recovery of System Costs" (with an accompanying report). Referred to the Committees on Commerce and Finance.

Deferral of Construction Repayment Installments

A letter from the Assistant Secretary of the Interior reporting, pursuant to law, the approval of a deferment of the construction repayment installments concerning the Casper-Alcova Irrigation District, Kendrick Project, Wyo. Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation by the Attorney General

A letter from the Attorney General transmitting a draft of proposed legislation to make unlawful the receipt of property taken in violation of certain sections of title 18, U.S.C. (with accompanying papers). Referred to the Committee on the Judiciary.

Proposed Transfer of the Lexington Clinical Research Center

A letter from the Secretary of Health, Education, and Welfare giving notice, pursuant to law, of the proposed transfer of the buildings and property known as the Lexington Clinical Research Center, administered by the National Institute of Mental Health, to the Bureau of Prisons, Department of Justice (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

Proposed Legislation by the Secretary of Commerce

A letter from the Secretary of Commerce transmitting a draft of proposed legislation for the general reform and modernization of the Patent Laws, title 35 of the United States Code, and for other purposes (with accompanying papers). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ALLEN):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION NO. 32

"Relative to providing assistance to Nicaraguan earthquake victims

"Whereas, The capital city of Managua, Nicaragua, was totally destroyed by the earthquake which occurred on December 23, 1972; and

"Whereas, The population of Nicaragua is comprised of over two million people; and

"Whereas, A drought in 1972 destroyed 90 percent of the crops, leaving the country financially unstable; and

"Whereas, Over 300,000 people were left homeless and financially destitute because major businesses and industries were centralized in Managua; and

"Whereas, There are large Nicaraguan communities spread throughout the United States, in New York, New Jersey, Philadelphia, New Orleans, Miami, Chicago, and major cities in California, particularly San Francisco, in which the estimated Nicaraguan population is of about 40,000 people, which constitutes the largest proportion of Spanish-speaking; and

"Whereas, It will take at least a year to begin to normalize general conditions of the welfare of the Nicaraguan people; and

"Whereas, Nicaragua has always been a friend and firm supporter of the United States, as demonstrated by the help given to San Francisco in the disastrous 1906 earthquake; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California, in consequence of the general feeling towards the people of Nicaragua, responds in supporting continuous assistance to the Nicaraguan earthquake victims and requests the following:

"(a) That the State of California give every possible support to the local united efforts of the Nicaraguan earthquake relief program and make available whatever resources it has to aid the Nicaraguan people, including medical supplies, medical assistance, food, local transportation, manpower, centralization of collection of goods, and other emergency needs.

"(b) That the United States provide whatever transportation necessary to move the cargo contributed to Nicaragua.

"(c) That the United States Immigration Service initiate a refugee program for Nicaraguans wishing to come to the United States similar to the one adopted for Cuban refugees, and also provide extensions of visas and permits for Nicaraguan tourists and students stranded in this country.

"(d) That the President and the Congress of the United States, the Governor of the State of California, private groups, religious groups, and individuals open their hearts in a true humanitarian spirit towards the unfortunate victims of the Nicaraguan disaster; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Governor of the State of California."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Interior and Insular Affairs:

"ASSEMBLY JOINT RESOLUTION NO. 52

"Relative to the Auburn Dam Project

"Whereas, The United States Bureau of Reclamation is constructing the Auburn Dam on the American River in the State of California; and

"Whereas, The Auburn Dam Project, which is proposed to have a reservoir capacity of 2,300,000 acre-feet, is urgently needed to provide flood protection for the area surrounding and including the City of Sacramento; and

"Whereas, The additional water supply which will be made available by the project for municipal and industrial and agricultural purposes will greatly benefit the people and economy of the State of California; and

"Whereas, The project will have installed capacity to generate 750 megawatts of nonpolluting hydroelectric power, which is most urgently needed by the people of California; and

"Whereas, The project also will assist in maintaining adequate flows in the lower reaches of the American River; and

"Whereas, The State of California and the Boards of Supervisors of Placer, El Dorado, Sacramento, and San Joaquin Counties, as well as numerous other local agencies, strongly support the construction of the Auburn Dam Project at the earliest possible time; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to proceed with the construction of the Auburn Dam Project on the American River in the State of California as quickly as possible; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Town of Irvington, N.J., urging the enactment of legislation to restore the death penalty for persons convicted of first-degree murder. Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, without amendment:

S. 2466. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Wash.; Boston, Mass.; San Francisco, Calif.; Galveston, Tex.; New Orleans, La.; Baltimore, Md.; Staten Island, N.Y.; and Norfolk, Va. (Rept. No. 93–410).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SYMINGTON:

S. 2498. A bill to authorize the disposal of zinc from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

By Mr. FONG:

S. 2499. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the 65-year-age limitation. Referred to the Committee on Labor and Public Welfare.

By Mr. HARTKE (for himself and Mr. GRAVEL):

S. 2500. A bill to establish an Office of Constituent Assistance, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. GURNEY (for himself and Mr. COOK):

S. 2501. A bill entitled the Motor Vehicle Disposal Act of 1973. Referred to the Committee on Public Works.

By Mr. PROXMIRE (for himself, Mr. MCGEE, Mr. MCINTYRE, Mr. GRAVEL, Mr. THURMOND, Mr. CLARK, Mr. WILLIAMS, Mr. PERCY, Mr. HELMS, Mr. RANDOLPH, Mr. HANSEN, Mr. HUGHES, Mr. BIBLE, Mr. NELSON, Mr. DOMENICI, Mr. HUDDLESTON, Mr. ROTH, Mr. PELL, Mr. BARTLETT, Mr. HUMPHREY, Mr. HARRY F. BYRD, JR., and Mr. MCGOVERN):

S.J. Res. 159. A joint resolution to provide for the designation of the first Sunday in July of each year as "Walk a Mile for Your Health Day". Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE (for himself and Mr. GRAVEL):

S. 2500. A bill to establish an Office of Constituent Assistance, and for other purposes. Referred to the Committee on Rules and Administration.

OFFICE OF CONSTITUENT ASSISTANCE ACT

Mr. HARTKE. Mr. President, today, I introduce legislation to provide for reform of congressional procedures.

Mr. President, during the past 50 years, we have witnessed the growth of an ever-more-complex society. Problems of housing, employment, education, and health which hardly were imagined a half-century ago now beset us.

Today, there are few aspects of our daily lives that are not touched upon by the Government. One need only look about in this, the Nation's Capital, to see the vastness of our Government. Behind the walls of glass and stone sit people whose actions and decisions affect the lives of others who may be hundreds or thousands of miles away.

Inevitably, careless or senseless exercises of public authority occur. The bureaucratic process is prone to impersonality and redtape. Caught up in confusing regulations, procedures, and policies, the individual citizen is often helpless. Nearly 200 years ago our forefathers entered into a Declaration of Independence for the people claiming:

> In every stage of those oppressions we have petitioned for redress in the most humble terms: our repeated petitions have been answered only by repeated injury.

We, the elected representatives of the people, must establish a peaceful, efficient, productive, direct method for the people to petition their complex government for redress of their grievances.

The people who come to us in Congress in search of help, request an answer to a problem or a redress of a grievance. In short, they make use of us as their advocates. No function could be more appropriate, for we are here in Washington to represent their interests and look to their welfare.

So great have the needs of our constituents become that Members of Congress and their staffs spend from one-third to one-half of their time on what has come to be called "casework." Although constituents write to us about a multitude of problems, many letters concern a right or a benefit which has been denied or an administrative action which was undertaken arbitrarily.

In the face of an ever-increasing amount of casework, our staffs are finding it difficult to keep up with the mail. We must protect against the possibility that constituent requests for assistance receive only perfunctory treatment. The most diligent and efficient staff has a limit to the amount of casework which it can handle in depth.

Mr. President, because I join my colleagues in placing a high priority on casework, and because I am alarmed at the prospects for its rapid growth in the future, I am today proposing legislation which would create an Office of Constituent Assistance as part of the legislative branch. This office will assist Members of Congress in handling some of their casework, and thus free their staffs to spend more time on legislation.

I believe that the ties between a Member of Congress and a constituent are vital to the democratic process. Nothing in my proposal would weaken those ties or intrude upon that important relationship. In fact, the office I propose would actually strengthen our relationship with constituents by making it possible for us to serve them better.

The Office of Constituent Assistance would investigate those cases which have been referred to it by a Member of Congress or by a congressional committee. The Director of the Office is empowered to investigate those cases involving administrative actions which might be: First, contrary to law or regulation; second, arbitrary or unfair; third, mistaken in law; fourth, improper in motivation or based on irrelevant considerations; fifth, unclear or inadequately explained when reasons should have been revealed; sixth, inefficiently performed; or seventh, otherwise objectionable.

Certain matters and governmental agencies are exempted from the investigative powers of the OCA. Any administrative action which relates to a personnel decision affecting a member of the Armed Forces or an officer or employee of the Government of the United States, or any administrative action based upon a complaint which the Director of the OCA determines to be trivial or frivolous is exempted from investigation by the Director. Similarly, the Director's investigative powers do not extend to matters concerning the President, the Congress, the courts of the United States, or court-martial and military commissions. I raise these points because I wish to assure my colleagues that this legislation would not establish an all-powerful office of investigation. I merely propose to create a congressional office to help us in providing our constituents with assistance.

The Office would also assist us in establishing a priority analysis of issues which are of the greatest concern to the people. Each Member and each committee would send a weekly report to the office indicating the number of letters received on each issue. The Office would make a monthly report to each Congressperson of the inquiries and an analysis thereof.

The Director of the OCA would be an officer of Congress, appointed by the President pro tempore of the Senate and the Speaker of the House, upon the advice and consent of both Houses, for a term of 4 years. His findings and recommendations would be reported directly to the Member of Congress by whom the case was referred.

The paramount virtue of the Office of Constituent Assistance is that it would provide each of us with a central staff of caseworkers to assist our personal staffs. As is the case with the Office of Legislative Counsel and the Congressional Research Service, the OCA would make available a deep reservoir of expert talent to assist us in our work.

There is a second important advantage to be gained from establishing this office. At the present time, 535 different offices handle casework, but many of the problems handled by one office are mirror images of the problems handled by others. One centralized office will make it possible to determine if there are any patterns and common elements to constituent problems and thus facilitate legislative efforts to correct the conditions which cause these problems.

The establishment of such an office does not mean that we are less interested in the needs of our constituents, nor will it mean that we are in any manner removed from our responsibilities as advocates for our constituents. The OCA will enable us to perform these functions more efficiently and more effectively than in the past.

In summary, I believe that the Office

of Constituent Assistance would have these major advantages:

First, it would assist us in handling the ever-increasing volume of casework.

Second, it would enable us to give more detailed and expert attention to the problems of our constituents.

Third, it would enable our staffs to devote more time to legislation.

Fourth, it would enable each of us to handle the problems of our constituents with more efficiency.

Fifth, it would assist the Congress in correcting those administrative deficiencies which give rise to constituent complaints.

Mr. President, I have attempted to draft my proposal so that the delicate web of checks and balances and the layers of mutual respect and trust which exist among the various branches of Government are not injured. I am convinced that the caseworkers on our staffs are dedicated and highly competent professionals whose devotion to their work is proved every day of the year. In the final analysis, however, the amount of casework and our desire to do our best to meet the needs of constituents require us to seek help. That is why I am proposing that the Office of Constituent Assistance be established.

Mr. President, I ask unanimous consent that the text of my bill appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Office of Constituent Assistance Act".

DECLARATION OF PURPOSES

SEC. 2. The Congress finds and declares that there is a need for a more explicit and reasonable method of handling constituent inquiries to the various Members; and that the bureaucratic process in the Federal Government is such that the citizenry is unable to ascertain the appropriate remedy to pursue in cases of grievances; that the various issues which concern the citizenry are so numerous that an analysis of these issues will lead to an informed representation; and that the staffs of the various Members are unable to expertly assist their constituents. In order to meet the needs of the constituents of the Congress persons and to establish a framework of national issue analysis within which the decisions of the Members can be made in a consistent and considered manner, and to stimulate an informed awareness of the national priorities, it is hereby declared to be the intent of Congress to establish an office within the Congress which will carry out the purposes herein set forth.

ESTABLISHMENT

SEC. 3. (a) There is established in the legislative branch of the Government the Office of Constituent Assistance (herein after referred to as the "Office").

(b) There shall be in the Office a Director of Constituent Assistance (hereinafter referred to as the "Director") and an Assistant Director of Constituent Assistance (hereinafter referred to as the "Assistant Director"), each of whom shall be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives and confirmed by a majority vote of each House.

(c) The Office shall be under the control and supervision of the Director, and shall have a seal adopted by him. The Assistant Director shall perform such duties as may be assigned to him by the Director, and during the absence or incapacity of the Director, or during a vacancy in that office, shall act as the Director.

(d) No person may serve as Director or Assistant Director while a candidate for or holder of any elected office, whether local, State or Federal, or while engaged in any other business, vocation, or employment.

(e) The annual compensation of the Director shall be at the rate provided for level III of the executive schedule in title 5 of the United States Code. The annual compensation of the Assistant Director shall be at the rate provided for level IV of such executive schedule.

(f) The terms of office of the Director and the Assistant Director first appointed shall expire on January 31, 1977. The terms of office of Directors and Assistant Directors subsequently appointed shall expire on January 31 every four years thereafter. Except in the case of his removal under the provisions of subsection (g), a Director or Assistant Director may serve until his successor is appointed.

(g) The Director or Assistant Director may be removed at any time by a joint resolution of the Senate and House of Representatives, when, in the judgment of the Congress, either has become permanently incapacitated, or has been guilty of any felony, misconduct, or any other conduct involving moral turpitude.

(h) The professional staff members, including the Director and Assistant Director, shall be persons selected without regard to political affiliations who, as a result of training, experience, and attainments, are exceptionally qualified to execute the purposes of the Office.

DUTIES OF THE DIRECTOR AND ASSISTANT DIRECTOR

SEC. 4. (a) Upon the request of any Member of either House of Congress, or the request of any standing committee, special committee, or select committee of the House of Representatives or of the Senate, or any joint committee of the Congress, the Director is authorized—

(1) to conduct or cause to be conducted, in such manner as he determines to be appropriate, an appropriate investigation of any administrative action not exempted under section 6, which might be —

(A) contrary to law or regulation;

(B) unreasonable, unfair, oppressive, or inconsistent with the general course of an administrative agency's functioning;

(C) mistaken in law or arbitrary in ascertainments of facts;

(D) improper in motivation or based on irrelevant considerations;

(E) unclear or inadequately explained when reasons should have been revealed;

(F) inefficiently performed; or

(G) otherwise objectionable;

(2) prepare a complete report on the results of the investigation, and furnish a copy of the report to the requesting Member or committee and furnish a copy of the report to the head of the agency concerned with a request for a reply, and whenever he determines not to investigate, inform the requesting Member or committee of his determination, with his reasons therefore; and

(3) prepare such interim reports to the Congress as he deems appropriate.

(b) The Director shall cause to be issued a questionnaire each week to each Member and committee which shall request information pertaining to a list of issues which each recipient shall promptly return to the Director indicating the number of constituent inquiries on each issue. The questionnaire shall—

(1) be without regard to political affiliation;

(2) contain available space for the addition of issues;

(3) contain space for comments peculiar to regional analysis; and

(4) reflect patterns peculiar to a single issue.

FUNCTIONS

SEC. 5. (a) The Office shall make such studies as it deems necessary to carry out the purposes of section 2. Primary emphasis shall be given to supplying such analysis as will be most useful to the Congress in voting on the measures which come before it, and on providing the framework and overview of priority considerations within which a meaningful consideration of individual measures can be undertaken.

(b) The Office shall submit to the Congress on the first Monday of each month, unless a legal holiday in which case the first working day thereafter, and annually on March 1 of each year, a report on constituent inquiries and copies of such reports shall be furnished to each committee and each Member of the Senate and the House of Representatives. The reports shall contain—

(1) an index of the issues and the total number of inquiries per each issue as furnished by the office of each Member and Committee;

(2) issues under investigation by the Office, and the agency involved; and

(3) recommendations concerning priorities among Federal programs and courses of action, including the identification of those programs and courses of action which should be given greatest priority and those which could more properly be deferred as reflected by the constituent inquiries.

EXEMPTED MATTERS

SEC. 6. No complaint shall be subject to investigation by the Director under the provisions of this Act if such complaint involves—

(A) any administrative action concerning the appointment, removal, discipline, benefits, or other personnel matters with respect to—

(1) any member of the Armed Forces of the United States;

(2) any officer or employee of the Government of the United States;

(B) any administrative action, which occurred more than one year prior to the date on which the person complaining of such action had actual notice thereof, except in unusual circumstances, the Director may investigate a complaint of an administrative action that would otherwise be exempt under this paragraph;

(C) any administrative action based upon a complaint which the Director determines, at his discretion, to be trivial, frivolous, vexatious, or not made in good faith.

DEFINITIONS

SEC. 7. As used in this Act, the term—

(A) "administrative action" includes action, omission, decision, recommendation, practice or procedure;

(B) "agency" means each authority of the Government of the United States, whether or not it is within or subject to review by another agency, and any officer, or member thereof acting or purporting to act in the exercise of his official duties, but does not include—

(1) the President;

(2) the Congress;

(3) the courts of the United States;

(4) the governments of the territories or possessions of the United States;

(5) the government of the District of Columbia;

(6) agencies composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them;

(7) courts martial and military commissions; or

(8) military authority exercised in the field in time of war or national emergency.

ADMINISTRATIVE PROVISIONS

SEC. 8. (a) In order to carry out the provisions of this Act, the Director is authorized to—

(1) employ and fix the compensation of such attorneys, clerks, and other personnel as may be necessary to carry on the work of the Office, and such personnel shall be employed without reference to political affiliations and solely on the basis of fitness to perform the duties of the office;

(2) to make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the duties of the Office under this Act;

(3) delegate authority for the performance of any such duty to any officer or employee of such Office;

(4) request such information, data, and reports from any agency as the Director may from time to time require and as may be produced consistent with other law;

(5) hold private discussions or meetings with either the person complaining of an administrative action under investigation or officers or employees of the agency concerned, or both;

(6) prepare and submit annually to the President, to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report on the activities of the Office during the previous year;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code; and

(8) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(b) Upon request made by the Director each agency is authorized to make its information, data, and reports (including suggestions, estimates, and statistics) available to the greatest practical extent consistent with other laws to the Director in the performance of his functions.

(c) Section 2107 of title 5, United States Code, is amended by—

(1) striking out the "and" at the end of paragraph (7);

(2) striking the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and the word "and"; and

(3) adding at the end thereof the following new paragraph:

"(9) the Director, Assistant Director, and employees of the Office of Constituent Assistance.".

EFFECT OF OTHER LAWS

SEC. 9. The provisions of this Act shall be in addition to the provisions of any other law or regulation under which any remedy or right of appeal is provided for any person, or any procedure is provided for the inquiry into or investigation of any matter, and nothing in this Act shall limit or affect any such remedy, right of appeal, or procedure. The powers conferred on the Director by this Act may be exercised by him notwithstanding any other provision of law to the effect that any administrative action or omission shall be final or that no appeal shall lie in respect thereof.

AUTHORIZATION OF APPROPRIATION

SEC. 10. There are hereby authorized to be appropriated to the Office of Constituent Assistance such sums as may be required for the performance of the duties of the Office under this Act. Amounts so appropriated shall be disbursed by the Secretary of the Senate on vouchers approved by the Office of Constituent Assistance.

By Mr. GURNEY (for himself and Mr. COOK):

S. 2501. A bill entitled the Motor Vehicle Disposal Act of 1973. Referred to the Committee on Public Works.

Mr. GURNEY. Mr. President, today I, along with the distinguished Senator from Kentucky (Mr. COOK) introduce a bill entitled the "Motor Vehicle Disposal Assistance Act of 1973." This bill would afford a practical means of disposing of junked and abandoned motor vehicles by providing Federal financial assistance to States to carry out programs approved by the Administrator of the Environmental Protection Agency.

Mr. President, I introduced this measure in the last Congress as I felt then, and still do, that one of the larger ecological problems facing America today, is the cluttering of streets and littering of the landscape by abandoned and junked vehicles.

Too often we simply use an item until we decide it is no longer of value and then we discard it in whatever manner is most convenient. The junked motor vehicle is the most obvious and noticeable example of our solid waste disposal problem.

Mr. President, this problem area involves not just autos, but also the growing and unsightly accumulation of junked buses and trucks encircling our cities, and dotting fields and vacant lots in the countryside.

This year, our motor vehicle manufacturing industry passed a significant milestone with the 300 millionth car coming off the assembly line. But, as the size of our automobile population grows, the number of vehicles being abandoned also grows and the Nation that relies on and enjoys the automobile is about to be overwhelmed by a proliferation of rusting hulks. It is indeed sad that the adage "old chassies never die, they just trade away" cannot be applied to junked vehicles, and it is time we realized that.

Mr. President, a look at the statistics indicates that the dimensions of the problem are becoming truly staggering. As of 1972, there were 96.9 million cars and 23.7 million trucks and busses registered in the United States. The Department of Transportation's Federal Highway Administration predicts that between 1971 and 1990 there will be a total of 162.7 million motor vehicles registered—a 51 percent increase over the 1972 total. The number of motor vehicles processed for scrap each year is about 8 million, of which 90 percent or 7 million are recycled. Therefore, we can safely say that at least 1 million motor vehicles each year and perhaps even more, are added to the visible junkpiles around the country. Although nobody knows exactly how many rusty hulks are strewn across the American countryside, the current estimates run between 15 and 20 million. This represents more than $1 billion of reusable metals.

Mr. President, although discarded motor vehicle hulks constitute a small fraction of the solid waste disposal problem in terms of tonnage, they are, however, higher in metal recycle value than most waste materials. The use of 1 ton of scrap eliminates the need for 1½ tons of iron ore, 1 ton of coke, and a half ton of limestone. Surely, in a time when our Nation must tighten up on her use of natural resources, this vast resource of ugly eyesores could go a long way in conserving what resources we have left.

Presently, American mills and foundries use from 60 million to 80 million tons of scrap annually. Without it, the iron and steel industry would rely entirely on dwindling supplies of American iron ore, coke, limestone, or imported ore from foreign mines.

Mr. President, we must rid our Nation of the use and discard syndrome, for old motor vehicle hulks also represent a source of other valuable materials which can be conserved, if a sound program such as I am proposing is put into effect. Presently 60 percent of all the rubber, 20 percent of all the steel, 10 percent of all the aluminum, over 7 percent of the copper, 13 percent of all the nickel, 35 percent of all the zinc, and over 50 percent of all the lead consumed in the United States goes for automotive use. Quite obviously, junk motor vehicles are truly a valuable resource out of place.

We must act now to take the necessary steps to recycle the ever-growing number of wornout hulks so that we can change our national eyesores into national assets. With this aim in mind, I urge my fellow colleagues to join with me in sponsoring the "Motor Vehicle Disposal Assistance Act" to provide aid to the States to be used for retrieving junked motor vehicles and processing them for scrap.

Mr. President, I would like to briefly outline what my bill would do:

This bill would offer Federal financial aid to the States and extracontinental territories administered by the United States to execute programs to remove junk motor vehicles from public thoroughfares, junkyards, and remote rural areas. Funds would be allotted to each State in an amount which bears the same ratio as the number of motor vehicles registered in such State bears to the number of such vehicles in all the States. The portion of any State's allotment for a fiscal year which will not be required will be reallotted no later than the 10th month of that fiscal year to other States in proportion to their original allotment.

Under this plan Federal regulations are to be established to spell out requirements for State participation. Such guidelines would include requirements to provide for the administration by a public agency in the State of a junked motor vehicle disposal plan to provide for the efficient removal to scrap processing facilities of junked motor vehicles. States would also provide an efficient means of transferring title of junked motor vehicles—or other evidence of ownership of such vehicles in States not requiring title certification—to public agencies or private business concerns charged with the responsibilty of processing such motor vehicles.

The criteria established under the section on State plans will also include, after thorough study and evaluation by the Secretary, pertinent information available from authoritative sources—as DOT, HEW, Interior, Commerce, President's Council on Environmental Quality, the Institute of Scrap Iron and Steel—a description of the most efficient means of transporting junked motor vehicles as well as the average cost of such scrap transportation.

Payments under this act will be made from a State's allotment to any State agency which administers a plan approved by the Administrator of the Environmental Protection Agency. Payments from a State's allotment with respect to the cost of carrying out its State plan will equal 50 percent of the costs for any fiscal year. In other words, half will be Federal; the other half will be State. The Federal share for the total cost of carrying out this plan will be $25 million per year, for fiscal year 1974 through 1977.

Under this bill, and with Federal assistance, States will be able to shrink, or at least begin to shrink, the huge accumulation of junk hulks to nothing within a few years. The ultimate goal would be a smooth flow of old motor vehicles back into the steelmaking facilities without the intermediate stops on city streets, junkyard stockpiles, or in woods off country roads. Unless this recycling occurs, we will soon find ourselves in a national crisis—buried in the effluents of our own affluence.

Mr. President, I feel this plan will assist the States in a twofold fashion. First, it will aid the States, which in most cases lack the financial resources to carry on a meaningful program on their own initiative. Second, this financial assistance should provide the needed incentive to pass State legislation dealing with junked motor vehicles.

Mr. President, I realize my bill is not the be-all and end-all and I do not offer it as the final word or the final solution—but, I think it is a good working start and I feel that the hearings held on this bill in the 91st Congress pointed to this fact. I continue to be amenable to suggestions, modifications, or improvements to my approach and I hope that the members of the Public Works Committee will view it in this light.

I have offered my bill at this time because I think it is a balanced, flexible, fundable, and easy to administer program which fills a very real and pressing need. It is my sincere hope that some significant legislation will come out of this Congress to deal with this mounting problem of junked and abandoned motor vehicles.

I ask unanimous consent that the bill I now introduce be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Motor Vehicle Disposal Assistance Act"

APPROPRIATIONS AUTHORIZED

SEC. 2. There is hereby authorized to be appropriated, not to exceed $25,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, $25,000,000 for the fiscal year ending June 30, 1977.

GRANTS TO STATES

SEC. 3. The Administrator is authorized to make grants to States which have State plans approved by him, to pay the Federal share of the cost of carrying out motor vehicle disposal plans.

ALLOTMENTS TO STATES

SEC. 4. (a) From the sums available for the purposes of section 3 for any fiscal year, the Administrator shall allot not more than 2 per centum among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Canal Zone. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of motor vehicles registered in such State bears to the number of such vehicles in all States. For the purposes of this subsection, the term "State" does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Canal Zone.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Administrator determines will not be required to carry out the State plan for that fiscal year, shall be reallotted not later than the tenth month in such fiscal year, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Administrator estimates such State needs and will be able to use for such period for carrying out its State plans approved under this Act, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The number of motor vehicles registered in a State and in all States shall be determined by the Administrator on the basis of the most recent satisfactory data available to him.

STATE PLANS

SEC. 5(a) Any State desiring to receive its allotment of Federal funds under this Act shall submit a State plan consistent with such basic criteria as the Administrator may establish. Such plan shall—

(1) provide for the administration by a public agency in the State of a junked motor vehicle disposal plan designed to provide for the efficient removal to scrap processing facilities of junked motor vehicles;

(2) provide assurances that a State law substantially in accordance with requirements established by the Administrator, after consultation with the Attorney General, has been enacted or will promptly be enacted by such State designed to provide an efficient means of transferring title of junked motor vehicles (or other evidence of ownership of such vehicles in States not requiring title certification) to public agencies or private business concerns charged with the responsibility of transporting such motor vehicles to scrap processing facilities;

(3) provide assurances that the State agency will pay from non-Federal sources the remaining costs of such program;

(4) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disposal of and accounting of Federal funds paid to the State agency (including such funds paid by the State agency to any agency of a political subdivision of such State) under this Act; and

(5) provide for making such reasonable reports in such form and containing such information as the Secretary may reasonably require to carry out his functions under this Act and for keeping such records and for affording such access thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) The Administrator shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(c) Criteria established under this section shall include, after consideration by the Administrator of the latest and best information available, a description of the most efficient means of transporting junked motor vehicles, the average cost of such scrap transporting the requirements set forth in paragraph (2) of subsection (a), and other information as the Administrator deems relevant and necessary.

ADMINISTRATIVE PROVISIONS

SEC. 6. (a) In order to carry out the objectives of this Act, the Administrator is authorized to—

(1) promulgate such rules and regulations as may be necessary;

(2) appoint such advisory committees as he may deem advisable;

(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code; and

(4) use the services, personnel, facilities, and information of any other Federal department or agency, or any agency of any State, or political subdivision thereof, or any private research agency with the consent of such agencies, with or without reimbursement therefor.

(b) Upon request by the Administrator each Federal department and agency is authorized and directed to make its services, personnel, facilities, and information, including suggestions, estimates, and statistics, available to the greatest practicable extent to the Administrator in the performance of his functions under this Act.

(c) Any agency or organization which receives assistance from a State under this Act shall make available to the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, for purposes of audit and examination, any books, documents, papers and records that are pertinent to the assistance received by such agency or organization from the State under this Act.

PAYMENTS

SEC. 7. (a) Payments under this Act shall be made from a State's allotment to any such State agency which administers a plan approved under section 5. Payments under this Act from a State's allotment with respect to the cost of carrying out its State plan shall equal 50 per centum of such costs for any fiscal year. In determining the cost of carrying out a State's plan, there shall be excluded any cost with respect to which payments were received under any other Federal program.

(b) Payments to a State under this Act may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayments, and may be made directly to a State or to one or more public agencies designated for this purpose by the State, or to both.

WITHHOLDING OF GRANTS

SEC. 8. Whenever the Administrator, after giving reasonable notice and opportunity for hearing to a grant recipient under this Act finds—

(1) that the program or project for which such grant was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or project there is failure to comply substantially with any such provision; the Administrator shall notify such recipient of his findings and no further payments may be made

to such recipient by the Secretary until he is satisfied that such noncompliance has been, or will promptly be, corrected. However, the Administrator may authorize the continuance of payments with respect to any projects pursuant to this Act which are being carried out by such recipient and which are not involved in the noncompliance.

DEFINITIONS

SEC. 9. As used in this Act—

(1) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(2) the term "motor vehicle" means any vehicle driven or drawn by mechanical power manufactured primarily for use on the public streets, roads, and highways, except any vehicle operated exclusively on a rail or rails. The Administrator may exclude classes of motor vehicles other than passenger automobiles from the definition of motor vehicle for the purpose of this Act upon a finding that to do so is in the public interest;

(3) the term "junked motor vehicle" means any motor vehicle which the owner desires to dispose of, including derelict motor vehicles;

(4) The term "derelict motor vehicle" means any obviously abandoned vehicle which has component parts missing, is inoperable, or is worth less than $100 in value;

(5) the term "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa.

By Mr. PROXMIRE (for himself, Mr. McGee, Mr. McIntyre, Mr. Gravel, Mr. Thurmond, Mr. Clark, Mr. Williams, Mr. Percy, Mr. Helms, Mr. Randolph, Mr. Hansen, Mr. Hughes, Mr. Bible, Mr. Nelson, Mr. Domenici, Mr. Huddleston, Mr. Roth, Mr. Pell, Mr. Bartlett, Mr. Humphrey, Mr. Harry F. Byrd, Jr., and Mr. McGovern):

S.J. Res. 159. A joint resolution to provide for the designation of the first Sunday in July of each year as "Walk a Mile for Your Health Day." Referred to the Committee on the Judiciary.

WALK A MILE FOR YOUR HEALTH DAY

Mr. PROXMIRE. Mr. President, on behalf of myself and Senators McGee, McIntyre, Gravel, Thurmond, Clark, Williams, Percy, Helms, Randolph, Hansen, Hughes, Bible, Nelson, Domenici, Huddleston, Roth, Pell, Bartlett, Humphrey, Harry F. Byrd, Jr., and McGovern I introduce for appropriate reference a resolution calling on the President to designate the last Sunday of May of each year as "Walk a Mile for Your Health Day."

Mr. President, two statistics that may seem unrelated in reality have a great deal to do with each other. First, 49 million adult Americans get no exercise beyond that required by their jobs. Second, heart disease accounts for 54 percent of all deaths in the United States.

What is the connection between these statistics? Well, simply put, the first statistic is a factor that contributes substantially to the second statistic. In other words a lack of exercise can lead to heart disease.

It is no coincidence that in the decade of the sixties, when everything from golf carts to electric can openers cut down on the effort we make to live in this affluent country, the rate at which young men between 25 and 44 died from heart attacks increased by an alarming 14 percent.

The heart is a muscle, like any other. It needs exercise, like any other. What happens if we put unusual stress on an unused muscle? A charley horse or a torn ligament. But if we put the same sort of stress on the heart the result may be a severe heart attack.

There are four generally recognized conditions that make any of us candidates for a heart attack. The first is heredity. If both of our parents have had heart trouble we have to be particularly careful to care for our heart. The second is smoking. The third is a high cholesterol level. And the fourth is inadequate exercise.

We cannot do anything about heredity. We may or may not be able to substantially reduce our cholesterol level without drugs. We can stop smoking, although many find this very difficult. But one very obvious, simple and important step we can take is exercise.

How do we exercise to get into shape and stay there? One thing we should not do is to go out after months or years of no exercise and run 2 or 3 miles or play a strenuous game of tennis.

The best, easiest, cheapest, and most enjoyable way to exercise is to walk your way to health. You can do it at any time of the day. You can do it anywhere. You can do it with your family or by yourself. You can do it without any special equipment.

And how enjoyable it can be. A brisk walk in the fall air is a tonic superior to anything you can get over your neighborhood drug counter. It has the further benefit of reacquainting you with those surroundings you normally whiz by in the car every few days. It makes you aware of your environment. It makes you realize how important it is to keep our air fresh and our water clean.

For all of these reasons I am introducing today a resolution calling on the President of the United States to proclaim the last Sunday of May each year as "Walk a Mile for Your Health Day."

I wish that I could claim this idea as my own. But it really started with a marvelous letter I received last January from Bruce Ruska of Chatham, Mich. I intend to have this letter reprinted in the Record at the conclusion of my remarks, because it spells out with the force of great sincerity how enjoyable and meaningful such a day could be for millions of Americans.

However, I was fortunate to be able to participate in a short term effort to implement the "Walk a Mile for Your Health Day" concept this past July.

This brief effort resulted in a symbolic walk with my Senate colleagues, Senators Harry F. Byrd, Jr., Chiles, Javits, Mansfield, McGovern, Nelson, and Thurmond as well as a statement saluting the observance of "Walk a Mile Day" by the President of the United States.

The day was endorsed and proclaimed by President Nixon personally and by the President's Council on Physical Fitness and Sports. It received the specific endorsement of the American Medical Association as well as the American Heart Association and the Amateur Athletic Union.

A number of television commercials were played in cities around the country emphasizing the importance of this day to good health. Members of the television industry were particularly helpful in the promotion of this idea.

But we can do more. I am convinced that a congressional endorsement of the "Walk a Mile for Your Health Day" concept is essential if it is to become truly a national event. This coupled with a change in the date on which the event is to be celebrated to a time when Americans have not yet left for their summer holiday at the beach or the mountains would help to make the day a great success.

One ancillary effect of the "Walk a Mile" campaign should be a substantial saving in Federal tax dollars. Better exercise habits undoubtedly will lead to better health. As Americans are inspired by this resolution to get that vital exercise their medical bills will shrink. And Uncle Sam's cost in medical payments as well as lost productivity will dwindle.

Thus all of us who have an interest in reducing spending at the Federal, State, and local level should support this resolution.

These are the reasons 21 of my colleagues and I have introduced this resolution today. I hope that the Congress will act with dispatch to approve the measure so that planning for next year's event can proceed quickly and effectively. Quite literally, lives may depend on it.

I ask unanimous consent that the Ruska letter I referred to earlier in my speech, the President's statement saluting "Walk a Mile for Your Health Day," the Physical Fitness Council's proclamation, and the text of the resolution itself be reprinted in the Record at this point:

There being no objection, the material was ordered to be printed in the Record, as follows:

CHATHAM, MICH.,
January 18, 1973.

DEAR SIR: My name is Bruce Ruska, I'm 24 years old and single. Today is the 18th of January 1973. I don't know where you are, but I'm in Alger County and it's a really great day for winter. My girlfriend and I just came back from a mile hike down the highway in Forest Lake, Michigan. As I was walking I began thinking what would it be like if we set aside one day during the summer, probably a Sunday, where-as people would walk instead of drive. We could call it, "Walk A Mile For Your Health". This would be so helpful in so many ways, physical fitness would probably be the first. But just think of all the other ways, pollution from automobiles, I really don't know how much it would help pollution but it should in some way. I know it wouldn't be possible to stop all people from driving, people do have emergencies. But if people would sit down and just think about it, what harm could it do. Setting aside one day a year for this purpose sure wouldn't be asking much.

I just wonder how many people drive to the corner store maybe a mile away for a pack of cigarettes, a quart of milk, a loaf of bread, or a Sunday paper. Why can't people walk? How about a Sunday walk in the area around you? I know the area I live in, Alger

County, in the Upper Peninsula, I haven't seen all the beauty of nature within a couple of miles of my home town. People can learn many beautiful things from nature. People can have picnics and outings, getting together, talking to people, forgetting everyday problems, out in the fresh air of nature, while we still have some fresh air left to breathe. Walking and driving are two different things. What do you think about when you are driving? Do you think about the trees or the sky or how beautiful nature is? How about the beer cans and debris along our highways!

I don't know about you, but my mind is on my driving, do I need gas, maybe a quart of oil, do my tires have enough air in them? I hope you get my point. Now let's take a look when people are walking. Maybe you're walking down a highway, you talk about how beautiful that big blue sky is, the color of trees, heck, you could place those beer cans in neat piles along side a highway so the clean-up crew can do a better job at keeping our highways cleaner.

How about teaching your children to be better citizens! How about walking down a trail on a beautiful summer day with your family and friends. Maybe your going on a picnic or maybe just walking along a nice fishing stream. Stop and think about it, if not for you, how about your children! It's hard for me to put down on paper the feelings I had while I was walking down that highway on this beautiful winter day. I know many people who should read this will probably joke about it. People will probably think I'm one of those nature lovers, but I'm not, I'm just an average human being like you. So stop and just think about it for a second, "Walk A Mile For Your Health".

I would be very pleased if you would write back and let me know how you feel on this subject. I would also like to know if you plan to pursue this very important subject or whatever. Thank you.

Sincerely yours,

BRUCE RUSKA.

WALK-A-MILE-FOR-YOUR-HEALTH DAY

(By the President's Council on Physical Fitness and Sports)

A PROCLAMATION

Whereas appropriate physical exercise on a regular basis is instrumental in promoting good health and in preventing heart disease;

Whereas walking is a safe, inexpensive and effective form of exercise which is available to everyone except the disabled and the very young;

Whereas a recent national survey by the President's Council on Physical Fitness and Sports showed that 49 million adult Americans get no exercise beyond that required by their jobs; and

Whereas there are many urgent personal and economic reasons for placing greater emphasis on preventive health care;

Now, therefore, the President's Council on Physical Fitness and Sports does endorse and proclaim Sunday, July 1, as Walk-a-Mile-for-Your-Health-Day. States, municipalities and other local jurisdictions, and sports clubs and organizations, are urged to promote activities appropriate to this observance, and all individual Americans are urged to walk a mile on that day, alone or in company with others, as the first step toward a regular program of physical fitness.

STATEMENT BY THE PRESIDENT

This Sunday scores of Americans, including Members of the Congress, health and athletic associations, and the President's Council on Physical Fitness, and sports will join in celebrating "Walk a Mile for Your Health Day." I heartily join in saluting this observance.

Whether out of habit or inclination, millions of men and women in this country do not reap the benefits that simple walking will provide. Yet beyond the obvious health benefits of walking, I know from personal experience that long walks are refreshing exercises of the mind as well as the body. It offers time for reflection and time for personal thought.

"Walk a Mile for Your Health Day" this weekend is an opportunity for all Americans to recognize the many health benefits of walking. It is my hope that we will continue this and other important physical fitness programs on every day thereafter.

S.J. RES. 159

Whereas, regular moderate physical exercise is recognized scientifically as instrumental in promoting good health and in preventing heart disease;

Whereas, this Nation's tradition of vigorous physical exertion stands in healthy contrast to the present trend toward the sedentary life;

Whereas, walking is a pollution-free, natural, and inexpensive mode of transportation requiring no special skill or ability;

Whereas, walking allows individuals to experience the beauty of their surrounding environment; and

Whereas this Nation should make a commitment to persuading all Americans to sample the joys and benefits of walking: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the last Sunday of May of each year as "Walk a Mile for Your Health Day", and calling upon the people of the United States and interested groups and organizations to rededicate themselves to obtaining physical exercise through walking and, on that day, to abandon other modes of transportation in favor of walking.

S. 2495—ADDITIONAL REFERRAL TO COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MAGNUSON. Mr. President, day before yesterday I introduced S. 2495 and asked and obtained unanimous consent to have the bill referred to the Committee on Science and then to the Committee on Commerce.

I ask unanimous consent that the bill be sent also to the Committee on Labor and Public Welfare.

The PRESIDING OFFICER (Mr. HOLLINGS). When the bill is reported by the first 2 committees, is there objection to the request of the Senator from Washington. The Chair hears no objection, and it is so ordered.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2350

At the request of Mr. MOSS, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2350, to amend the National Aeronautics and Space Act of 1958 to provide for the coordinated application of technology to civilian needs in the area of earth resources survey systems, to establish within the National Aeronautics and Space Administration an Office of Earth Resources Survey Systems, and for other purposes.

S. 2354

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 2354, a bill to provide for the participation of the United States in the African Development Fund.

S. 2445

At the request of Mr. MCINTYRE, the Senator from Vermont (Mr. STAFFORD), the Senator from Maine (Mr. HATHAWAY), the Senator from Indiana (Mr. BAYH), the Senator from Colorado (Mr. DOMINICK), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 2445, a bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes.

SENATE JOINT RESOLUTION 158

At the request of Mr. RANDOLPH, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of Senate Joint Resolution 158, to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended.

SENATE CONCURRENT RESOLUTION 48—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO CONGRESSIONAL POLICY AND FEDERAL RESPONSIBILITY TO THE AMERICAN INDIAN AND ALASKAN NATIVES

(Referred to the Committee on Interior and Insular Affairs.)

Mr. BARTLETT (for himself and Mr. DOMENICI) submitted the following concurrent resolution:

S. CON. RES. 48

Whereas the Constitution, legislation, judicial decisions, and executive action have recognized that the United States has a continuing duty and the legal and moral obligations of a trustee to American Indians and Alaska Natives, requiring the highest degree of loyatly, care, skill, and diligence by the United States in fulfilling that trust responsibility; and

Whereas Congress has from time to time, and particularly in H. Con. Res. 108 of the Eighty-third Congress, declared a congressional policy disavowing the responsibilities created by the aforesaid trustee obligation of the United States to certain American Indians and Alaska Natives, which policy has come to be known as the termination policy; and

Whereas the termination policy declared in H. Con. Res. 108 has created among American Indians and Alaska Natives apprehension that the United States may not in the future honor its trustee obligation, and uncertainty has severely limited the ability of Indian tribes to develop fully the human and economic potential of their communities in accord with their cultural values; and

Whereas the termination policy declared in H. Con. Res. 108 has had adverse social consequences for tribal communities and individuals upon which it has been imposed: Now, therefore, be it

Resolved by the United States Senate (the House concurring), That it is the sense of Congress that—

(1) the policy, of termination announced by H. Con. Res. 108 no longer represents the policy of Congress and is hereby repudiated as a policy of the Congress;

(2) the integrity and right to continued existence of Indian tribes and Alaska Native governments are expressly confirmed;

(3) the American Indians and Alaska Natives and their governments are, by this concurrent resolution, assured that the United States will continue to perform its trust responsibilities to them including, but not limited to, responsibilities for their health, education, and welfare, and that those trust responsibilities of the United States are recognized, reaffirmed, and will be performed with the highest degree of loyalty, care, skill, and diligence.

(4) the Federal Government shall be charged with the responsibility for developing program efforts and procedures that will improve the quality and quantity of social and economic development efforts of Indian people and maximize opportunities for Indian control and self-determination which shall be a major goal of our National Indian policy.

Mr. BARTLETT. Mr. President, over the years the Federal Government has experienced many failures in its relationship with the American Indian. None of the failures of recent years has been so apparent as the termination policy expressed in House Concurrent Resolution 108 passed by the 83d Congress in 1953. The policy expressed by this resolution served no useful purpose other than to threaten the Indian tribes with the termination of the trust relationship between the tribes and the Federal Government.

Indian people throughout the country have expressed the desire to have the policy of termination rescinded. President Nixon in his Indian message to Congress on July 8, 1970, called for an end to termination when he said:

> For many years we have talked about encouraging Indians to exercise greater self-determination, but our progress has never been commensurate with our promises. Part of the reason for this situation has been the threat of termination.

Yet as a result of House Concurrent Resolution 108, termination remains the policy of the U.S. Congress.

Mr. President, I am today introducing a resolution asking Congress to repudiate the termination policy which for 20 years has hung over the tribes like the sword of Damocles. The resolution, if enacted, will end the era of termination and begin an era of self-determination for the Indian tribes.

Mr. President, I welcome others who wish to join me in this effort which will allow the Indian to determine his own destiny yet will reaffirm the Federal Government-Indian partnership.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 160

At the request of Mr. HUMPHREY, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of Senate Resolution 160, to establish a temporary select committee of the Senate regarding regulatory agencies.

FEDERAL ACT TO CONTROL EXPENDITURES AND ESTABLISH NATIONAL PRIORITIES—AMENDMENT

AMENDMENT NO. 559

(Ordered to be printed and referred to the Committee on Government Operations.)

BUDGET REFORM

Mr. MUSKIE. Mr. President, I am introducing today on behalf of myself, Senator BROCK, and Senator MAGNUSON, an amendment, in the form of a substitute to S. 1541, the Federal Act to Control Expenditures and Establish National Priorities, on which the Government Operations Committee will begin markup sessions next week.

This amendment is a revised version of the amendment to S. 1541 Senator BROCK and I introduced in the Subcommittee on Budgeting, Management, and Expenditures. That amendment was defeated in subcommittee by a 5–4 vote.

The revised Muskie-Brock amendment calls for far-reaching, but workable, reforms of the system by which the Congress considers the Federal budget.

This amendment would provide for both a meaningful debate on budget priorities and for firm controls on Federal spending. It would, in fact, call for Congress to have completed all of its actions on the Federal budget before the beginning of each new fiscal year.

There is little dispute that the present congressional system of considering the budget is in need of reform.

Under the present appropriations process, Congress lacks both the staff and the information it needs to consider the budget comprehensively. Congress, to be sure, is at a disadvantage compared to the President in making budgetary decisions. It does not have its own budget staff, and it must rely on the executive branch for much of the information, the judgments, and the evaluations it needs to make fiscal decisions.

Under the present appropriations process, the Congress does not have the time it needs to consider the budget adequately. This time problem is twofold: Congress gets a late start on its budget consideration, and it cannot complete action on the budget in time to avoid forcing the executive branch to run on continuing resolutions for many months.

Under the current appropriations process, major spending decisions are fragmented. Presently, only 44 percent of the budget goes through the Appropriations Committee. And it is generally recognized that a principal cause of increased Federal spending is an ever-increasing use of backdoor spending measures which do not go through the regular appropriations process.

Mr. President, the challenge before the Congress is to solve those readily acknowledged problems with the appropriations process. S. 1541 would not do that. Rather, it is an overreaction to these admittedly serious problems which could, in the long run, complicate the process of congressional consideration of the budget even more.

First, S. 1541 would needlessly complicate the appropriations process by adding another committee. It is ironic that a budget reform aimed to do something about fragmentation of the budget process would further fragment that process by layering still another committee into the process.

The logical outcome of the creation of the Budget Committee—under S. 1541 it would be a virtual Executive Committee of the Senate—is the abolition of the Appropriations Committees. If the Budget Committee decides the priorities and reconciles spending with macroeconomic realities, the role of the Appropriations Committee would be substantially diminished and perhaps unnecessary.

Second, S. 1541 would establish by April 15 binding ceilings for all spending measures—ceilings that can only be changed by a two-thirds vote of the Senate. S. 1541 would enforce those binding ceilings by creating a hopelessly complex system of Senate rules that would tie up the Senate in its consideration of spending bills.

Those ceilings would be so binding that the Appropriations Committee would be prevented from reporting to the Senate floor an appropriations bill that it had approved if it exceeded any of the ceilings in the concurrent resolution. That means, for example, that if the Appropriations Committee after careful deliberation decided to cut $5 billion from the HEW appropriations bill, and add $4 billion to the Defense appropriations bill, the Defense bill could not be reported to the Senate floor even though the total spending for the two bills would be $1 billion less than the combined ceilings for the two bills in the concurrent resolution.

And the ceilings would be so binding that the full Senate would be prevented from passing an appropriations bill that exceeded any of the ceilings in the concurrent resolution—even if it voted to do so.

The proponents of S. 1541 argue that a simple majority of the Senate could change the ceilings in the first concurrent resolution by passing another concurrent resolution. But that would be unlikely since all concurrent resolutions must be reported by the Budget Committee.

Third, S. 1541 would require the Congress to make its most important decisions on budget priorities at the time it is least equipped to do so—at the beginning of its consideration of fiscal measures. Under S. 1541, Congress would set binding ceilings on expenditures before it has had the benefit of complete hearings on either authorization or appropriations bills. This approach would make a mockery out of the appropriations and authorization processes since all the most important decisions would be made long before either is completed. And it would effectively cut the public out of a significant role in the budgetary decision process of its government since it is through appropriations and authorization hearings that the public now gets its input.

Fourth, S. 1541 addresses neither of the critical timing problems with the current appropriations process. S. 1541 does call for the President to submit his budget to Congress by November 15, but as a practical matter, the period during which Congress would consider the budget would be the same as it is now—the period between the time it got back in January until it finished consideration. And even the proponents of S. 1541 project that under the procedure in that bill Congress would not complete action on the budget before October 30, a full

4 months after the beginning of the fiscal year. This timetable would put Congress in the ridiculous positon of cementing into law the fact that it cannot complete its consideration of the budget on time—before the beginning of the fiscal year.

In contrast, the substitute amendment we are offering would make some basic reforms in the current appropriations process to give Congress a firm handle on budget consideration.

First, it would provide Congress with more time to consider the budget by shifting the beginning of the fiscal year to October 1—a move recommended by the Comptroller General.

This would increase by a full 3 months the time Congress has to work on the budget. And in addition, our amendment would require that the action on authorization bills be completed by June 30 so that the Congress could spend the period between July 1 and September 30 working on appropriations bills.

Second, our amendment would not further fragment the appropriations process by adding another committee to it. Rather, recognizing that backdoor spending is the practice which accounts for the fragmentation of the budget process and the inability of Congress to maintain effective control over spending, our amendment would return control over backdoor spending measures to the Appropriations Committee and rename that Committee the Committee on Budget and Appropriations.

Third, our approach would require the Congress to establish initial targets for spending before it begins consideration of individual appropriations bills. In fact, under our amendment, the Congress would pass a concurrent resolution on the Budget similar to the one it would pass in S. 1541. However, our amendment would give Congress the flexibility to readjust those targets as it further considered spending measures.

Then, under our approach, after all individual appropriations measures had cleared Congress—but before the beginning of the next fiscal year—Congress would make whatever adjustments it thought necessary to reconcile its actions on individual spending measures with the initial targets set forth in the first concurrent resolution.

This approach would provide for a meaningful debate on budget priorities both at the time the first concurrent resolution was considered and, more importantly, at the end of the budgetmaking process when Congress adjusts its actions on individual spending measures.

Most importantly this procedure would allow Congress to make its final decisions on budget priorities at the end of its process of consideration of the budget rather than forcing it to make that final decision at the beginning of the process.

Mr. President, this amendment is a workable alternative to S. 1541. It would provide real and meaningful reforms of our appropriations process. And it would allow Congress to get a firm handle on Federal spending.

I ask unanimous consent that Senator Brock's remarks, a copy of the amendment, and a summary and explanation of the amendment be inserted in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Brock

I am pleased to join with the distinguished Senator from Maine, Mr. Muskie, in offering an amendment, in the nature of a substitute, to S. 1541, a bill to control spending and upgrade priorities.

No subject before the Congress is closer to my heart than thoroughgoing reform of the Congressional budgetmaking process. We simply must do a better job of allocating the people's money than the current haphazard system.

There is substantial agreement on that point. And yet, agreement on the details of any particular reform system has been complicated by the extremely complex nature of the subject itself, and by the plethora of new ideas and suggestions that have been brought to the fore.

The procedural system which would be established under this amendment is an effective and workable one. It is a system which can engender wide support from this body. I believe, in short, that it is a practical avenue to the early achievement of the reform we need so badly.

In addition, it corrects three principal trouble spots in S. 1541, as reported out by the budgeting and management subcommittee. First, it avoids adding another layer of committees to the budget consideration process, with the inevitable slowing of the process which that brings. Second, it does not inhibit the ability of Senators to seek the flexibility of change in spending priorities. History has shown us that when reasonable flexibility is lacking, ceilings, goals and deadlines very quickly find themselves ignored.

Third, it avoids putting Congress into the ridiculous position of writing into law the fact that it cannot complete its budget deliberations prior to the beginning of the fiscal year.

A particularly noteworthy feature of this amendment is the new control it would give the Congress over backdoor spending, by requiring these items to be processed through a new Committee on Budget and Appropriations.

In addition, the amendment changes the beginning of the fiscal year from July 1 to October 1, and establishes a budget development schedule which assures that final action on the budget will be completed prior to the start of the fiscal year, thereby ending the supplemental appropriations system which has ill-served the country, creating an administrative nightmare for local and state recipient agencies.

Throughout the budget development process there are safeguards against exceeding agreed-upon spending limits, a crucial feature, and there are also required of both the Executive and Congressional budgets, five-year spending projections on all programs. This feature is one of the most important elements of any reform, for we must have a way of knowing whether newly-sought programs are going to balloon in cost, as some have during the last decade.

Another important feature is the creation of a Congressional Office on the Budget, the professionally staffed "legislative OMB" which will give us, for the first time, the expertise and resources to do the job effectively.

In short, this amendment represents a workable system of budget reform, one that can be supported by Senators of all persuasions. I am pleased to join with Senator Muskie in offering it, and urge quick action on it.

Summary and Explanation of Proposed Muskie-Brock Amendment

The substitute amendment to be offered by Senators Muskie and Brock is designed to strengthen and to reform the Congressional budget process.

It would give Congress the firm handle it needs to control the budget process and to control Federal spending by returning jurisdiction over all spending measures—including backdoor spending—to one committee, a Committee on Budget and Appropriations.

It would provide Congress with the resources it needs for efficient and expeditious consideration of the budget by creating a Congressional Office on the Budget and by requiring the President to submit a current services budget to Congress two months in advance of the submission of his final budget.

It would provide for a meaningful debate on budget priorities both early in each session and, more importantly, at the end of the budget decision-making process, the time when the full Senate is best informed about the spending priorities decisions it must make.

It would move the beginning of the fiscal year to October 1, to insure that Congress completes consideration of the budget prior to the beginning of each fiscal year.

Most importantly, it would insure members of Congress and Congressional Committees maximum flexibility during consideration of spending measures, and, at the same time, provide for firm spending controls on both the Congress and the Executive Branch.

And, unlike the Subcommittee bill, it would do all of these things without adding another layer of committees to the budget consideration process, without unnecessarily reducing the flexibility of Congress to set spending priorities, and without putting the Congress in the ridiculous position of cementing in law the fact that it cannot complete its consideration of the budget on time—before the beginning of the fiscal year.

REVISED AUTHORITY OF THE APPROPRIATIONS COMMITTEE AND CONTROL OF BACKDOOR SPENDING

This amendment would return control over backdoor spending measures to the Appropriations Committee and rename that Committee the Committee on Budget and Appropriations.

The Joint Study Committee on the Budget presented conclusive evidence that backdoor spending is the practice which accounts for the fragmentation of the budget process and the inability of Congress to maintain effective control over spending. The record of the Appropriations Committee has, in fact, been one of cutting spending below the level recommended by the President in his budget.

At the present time, however, more than $100 billion in spending does not go through the Appropriations Committee. One of the main reasons for this is the upsurge in backdoor spending in recent years.

If the backdoor spending is again policed by the Appropriations Committee, it will be possible to control spending and set spending priorities within the regular Appropriations process.

CHANGE IN THE FISCAL YEAR

Under this amendment, the fiscal year would begin on October 1 rather than on July 1. An October 1 date would enable the Congress to adequately consider the budget, and it would enable the President to submit a budget using actual prior year figures. As Comptroller General Staats has said:

"It is clear that the Congress cannot reasonably be expected to complete appropriation action on the budget by July 1."

Moving the fiscal year to October 1 would eliminate one of the most serious budgetary problems the Congress now faces—that of having to run the country on continuing resolutions from July 1 until the appropriations process is completed. And, moving the fiscal year to October 1 would eliminate the incredible circumstance that would result from the Subcommittee bill of the Congress writing into law the fact that it cannot finish consideration of the budget before the beginning of the fiscal year.

CONGRESSIONAL OFFICE ON THE BUDGET

Like the Subcommittee bill, this amendment will create a Congressional Office on the Budget to give the Congress the resources it needs to consider the budget. The Congressional Office on the Budget will serve the Budget and Appropriations Committee. The Congressional Office on the Budget will be basically the same as it is in the Subcommittee bill.

EXECUTIVE SUBMISSION OF THE BUDGET

This amendment would provide the Congress with additional and more timely budget information by requiring the President to submit his budget in two parts.

First, by December 1, the President would be required to submit to the Congress a current services budget. This would provide the Congress with an estimate of spending for the next fiscal year based on current spending levels. A current services budget will ordinarily be a 90 to 95 percent reflection of the final budget, and will provide the Congress basic budget information to start its own budget consideration process.

Second, the President's final budget would be submitted to Congress at the same time he does now. With the current services budget as a base, Congress will be in a better position to analyze the budget impact of policy changes by the Executive Branch as soon as the final budget is submitted.

FIRST CONCURRENT RESOLUTION ON THE BUDGET

Like the Subcommittee bill, this amendment would require enactment of the First Concurrent Resolution on the budget. This Resolution would set out the following:

1. Total budget authority and total outlays;
2. Revenue estimate;
3. Estimated surplus or debt; and
4. A breakdown of individual spending measures by budget authority contained in regular appropriation bill categories and in permanent appropriation categories (backdoor and mandatory spending measures) by functional areas.

The timetable for consideration of the First Concurrent Resolution would be somewhat different than that in the Subcommittee bill. And the First Concurrent Resolution, under this proposal, would be reported to the floor by the Budget and Appropriations Committee rather than by the Budget Committees. The Budget and Appropriations Committees would be required to report the Resolution to the Senate by June 1. By June 15, the Senate shall complete its action on the Resolution, and by July 1, final Congressional action on the First Concurrent Resolution shall have been completed.

This timetable will provide Congress with a reasonable amount of time in which to consider the First Concurrent Resolution. Congressional hearings on the budget will be well under way—and some of them perhaps completed—by the time the Budget and Appropriations Committee reports the First Concurrent Resolution to the Senate. Under the Subcommittee bill, in contrast, the Senate committees would be forced to supply their input to the budget committee by February 15, a date by which in every other year some committees have barely even organized.

AUTHORIZING LEGISLATION

All authorization legislation for the next fiscal year must be enacted prior to June 30. If action on regular authorization bills is not completed by June 30, Congress may move directly to consideration of appropriations measures in those areas where authorizing legislation has not been enacted.

CONSISTENCY IN THE FIRST CONCURRENT RESOLUTION

Before action on the First Concurrent Resolution can be completed it must be consistent in that the sum of the budget authority contained in the breakdown of individual spending measures must equal the total budget authority in the Resolution. In the event that is not the case after action on all amendments is completed, the Resolution shall be recommitted to the Budget and Appropriations Committee to be made consistent. A consistent First Concurrent Resolution must then be reported within three days.

REPORT ACCOMPANYING FIRST CONCURRENT RESOLUTION

The report accompanying the First Concurrent Resolution should include the following items:

1. A comparison of the figures in the Resolution with those in the President's budget;
2. A statement of the economic objectives underlying the Resolution; and
3. Five-year projections of expenditures, revenues, surpluses and deficits.

SCOREKEEPING PROCEDURES

This amendment would add extensive scorekeeping provisions. The purpose of the scorekeeping provisions is to keep the Congress informed during its consideration of authorization and spending measures of how its actions correspond to the appropriate spending levels set forth in the First Concurrent Resolution.

The elements of the scorekeeping provisions include:

1. All reports of all committees shall include a section written in consultation with the director of the COB detailing:

a. how that bill would compare with the figures in the Concurrent Resolution; and

b. a five year projection of the impact of the bill on expenditures.

2. The COB shall prepare daily tabulations of Congressional progress on spending bills.

3. After reconciliation COB shall prepare a report detailing a five year projection of the impact of Congressional action.

REAFFERMATION OF CONGRESSIONAL SPENDING PRIORITIES AND RECONCILIATION

By September 30, Congress shall enact a bill that reconciles the actions it has taken on individual spending measures with the appropriate levels for spending it set out in its latest Concurrent Resolution.

This process will not only allow the Congress to adjust its spending actions, but it will also permit the Congress to take a final look at its overall spending priorities and either reaffirm or adjust the priorities it established in the First or succeeding Concurrent Resolutions.

The process would work like this:

All Congressionally approved spending bills would have written into their enacting clause a provision triggering their going into effect upon the passage of the reconciliation bill.

If the sum of the individual spending measures approved by the Congress is equal to or less than the total spending ceiling in the most recently enacted Concurrent Resolution, then the Budget and Appropriations Committees would report and the Congress would enact a bill to trigger the previously approved spending measures.

If the sum of the individual spending measures approved by Congress exceeds the total spending ceiling in the most recently approved Concurrent Resolution, the Budget and Appropriations Committees would report and the Congress would enact a bill that makes the spending total in individual bills consistent with an overall spending ceiling. That bill can raise the overall spending ceiling to equal the total of the spending in individual bills; it can contain cuts in individual bills to meet the spending ceiling in the latest Concurrent Resolution; or it can make adjustments somewhere in between. In the case that floor amendments make the reconciliation bill inconsistent, the same recommital process should be followed as during consideration of the First Concurrent Resolution. The reconciliation bill, when enacted, would automatically trigger previously approved spending bills.

A key element of this reconciliation process is that it be completed before the beginning of the fiscal year.

The reconciliation bill is reported by the Budget and Appropriations Committee which has jurisdiction under this amendment over all spending bills, including backdoor spending.

Under this procedure, the Congress would send to the President at one time all of its spending action for the year. This procedure would give the Congress a stronger hand in dealing with the President on spending matters. However, unlike an omnibus appropriations bill, this procedure would mean that individual spending measures would go to the President as separate bills. That means he could veto one spending measure without vetoing the entire budget.

But most importantly, this approach gives Congress the opportunity to deal with the problems setting budget priorities in line with economic realities at a time in which the members of Congress are best equipped to make that kind of decisions—at the end of the budget decision-making process, not at the beginning. It would parallel the construction of the President's own budget which, after all, is the sum total of a great many individual decisions. The Congressional determination of budget priorities would be what it should be—an end-product of the decision-making process—not an early stage, running, flying guess based on little specific information.

AMENDMENT NO. 561

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. JAVITS. Mr. President, I introduce an amendment to S. 1541, the budget reform bill, relating to tax expenditures.

My amendment provides that the revenue effects of tax expenditures such as those enumerated in the publication by the House Ways and Means Committee entitled "Estimates of Federal Tax Expenditures" be reviewed by the appropriate committees and the Congress in the consideration of budget ceilings. I believe we cannot have a meaningful debate on Government spending without some consideration of indirect spending by way of the tax system.

I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 561

On page 21, line 6, Section 2 is amended by renumbering paragraphs "(3)" and "(4)" as "(5)" and "(6)" and adding the following two paragraphs:

"(3) The term 'tax expenditures' means those reductions in Federal revenue attributable to provisions of the Internal Revenue Code which grant a special exclusion, exemption, deduction, deferral, credit, rate of tax or other monetary benefits representing a deviation from the normal income tax rate structure for individuals and corporations. The term 'tax expenditure budget' means the enumeration of such tax expenditures as published by the House Ways and Means Committee in 'Estimates of Federal Tax Expenditures'. Such enumeration shall correspond to the functional classifications shown in the most recent budget of the United States.

"(4) With respect to this Act, the terms 'new budget authority,' 'outlays' resulting therefrom or 'new budget outlays' shall include the amount of losses in Federal revenues attributable to any tax expenditures to be enacted or expanded in the fiscal year or years under consideration."

On page 22, line 8, Section 101(a) is amended by adding the following new sentence: "Such limitations and further subdivision shall take into account existing federal tax expenditures in each such area of allocation and subdivision."

On page 22, line 20, Section 101(a) is amended by relettering "(F)" and "(G)" as "(G)" and "(H)", and inserting the following new clause:

"(F) The publication of the existing levels of tax expenditures (the tax expenditure budget, consideration of their effect on federal revenues and their relationship to matters set forth in clauses (A) through (E) above."

On page 23, line 10, Section 101(a) is amended by relettering "(C)" as "(D)" and inserting the following new clause:

"(C) to make continuing studies of tax expenditures and methods of coordinating the categories of tax expenditures policies and programs and direct budget outlays, and to report the results to the Senate on a recurring basis."

On page 24, line 19, Section 102(a) is amended by adding the following new sentence: "Such limitations and further subdivision shall take into account existing federal tax expenditures in each such area of allocations or subdivision."

On page 25, line 7, Section 102(a) is amended by relettering "(f)" and "(g)" as "(g)" and "(h)", and inserting the following new paragraph:

"The publication of the existing level of tax expenditures (the tax expenditure budget), consideration of their effect on federal revenues and their relationship to the matters set forth in paragraphs (a) through (e) above."

On page 25, line 22, Section 102(a) is amended by renumbering "(3)" as "(4)", and inserting the following new clause:

"(3) to make continuing studies of tax expenditures and methods of coordinating the categories of tax expenditure policies and programs and direct budget outlays, and to report the results to the House on a recurring basis.

On page 30, line 24, Section 202(a) is amended by adding the following clause after the word "authority." "and tax expenditures"

On page 32, line 9, Section 202(d) is amended by striking everything after "forth" to the end of that sentence, and inserting the following: "The existing levels of tax expenditures and an estimate, based on projected economic factors, of any anticipated change in the level of tax expenditures for the fiscal year referred to above."

On page 32, line 21, Section 202(e) is amended by adding the following new sentence: "The information shall include the effects of tax expenditures on the above."

On page 34, line 15, Section 301(a) is amended by renumbering paragraph "(5)" as "(6)" and inserting the following new paragraph:

"(5) TAX EXPENDITURE BUDGET.—The tax expenditure budget by major budget category;"

On page 58, line 24, Section 501(a) is amended by striking everything after "title," through "be)," on page 59, line 1.

On page 61, line 12, Section 602(a) is amended by striking everything after "separately" and inserting the following: "The existing levels of tax expenditures and an estimate based on projected economic factors, of any anticipated change in the level of tax expenditures for that fiscal year."

On page 63, line 5, Section 602 is amended by inserting the following phrase after the word "programs": "including assistance from tax expenditures"

On page 63, line 21, at the end of that line add the following: "or tax expenditure"

FOREIGN ASSISTANCE ACT OF 1973—AMENDMENTS

AMENDMENT NO. 560

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK submitted an amendment intended to be proposed by him to the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 562

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 563

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY (for himself, Mr. JAVITS, and Mr. DOLE) submitted an amendment intended to be proposed by them jointly to the bill (S. 2335), supra.

AMENDMENT NO. 564

(Ordered to be printed and to lie on the table.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 566

(Ordered to be printed, and to lie on the table.)

Mr. HELMS submitted amendments, intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 567

(Ordered to be printed, and to lie on the table.)

Mr. FULBRIGHT submitted an amendment, intended to be proposed by him, to the bill (S. 2335) supra.

BILINGUAL COURTS ACT—AMENDMENT

AMENDMENT NO. 565

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. TUNNEY. Mr. President, on May 7 I introduced S. 1724, the Bilingual Courts bill, to give all non-English speaking citizens a right to interpreters in judicial proceedings.

This legislation is vitally needed if we are going to protect individuals handicapped by their inability to speak or understand the English language so as to comprehend the charges made against them. It is a protection demanded by the Constitution and fully recognized by the courts.

Therefore, as a result of extensive conversations with many individuals deeply interested in seeing this legislation pass, I offer an amendment to S. 1724 proposing that certain changes be made which should strengthen and improve the measure without in any way negating its original intent. These changes are as follows:

First. The population figure established in section 2 for the purpose of designating certified bilingual districts unnecessarily excludes certain minority groups whose numbers are not reflected in the census statistics as strongly as those of other non-English speaking groups, but whose rights to courtroom interpreters are nevertheless equal. For this reason, I have amended the bill to provide that all individuals have the right to interpretation where the need is demonstrated.

Second. Section 3(a)(1) which makes the granting of simultaneous interpretation in criminal proceedings a matter of judicial discretion is retained; however, once granted, the right is broadened to encompass all phases of the proceedings, including arraignment, hearings, and trial.

Third. Another provision is added [section 2(a)(2) of the amendment] which permits a judge to determine in a civil proceeding whether translation should be simultaneous, consecutive or summary. However, if a party requests simultaneous translation, then the court must give the request special consideration. The purpose here is to insure maximum protection of a non-English speaking party's rights even in civil proceedings, while recognizing that in certain cases where the factual issues are of a highly technical nature, the interests of justice may still be served and the proceedings expedited by interpretation that is not simultaneous.

Fourth. The provision in section 2 pertaining to certification of interpreters is strengthened to require the use of a certified interpreter for any individual incapable of speaking or understanding the English language. An interpreter not so certified can only be used after the court has demonstrated that it was unable to locate a certified interpreter.

While this establishes the fundamental right to a highly qualified interpreter, it also recognizes the fact that in certain areas of the country a particular non-English language is spoken only by few individuals or the language is generally one of such rarity that interpreters certified in the language are unavailable.

Fifth. In lieu of the provision requiring electronic recording of the entire proceedings in all cases, a provision is substituted which permits the judge discretion in requiring such records. This change would reduce costs while still providing for adequate verification of the official transcript of the proceedings. The possibility of error in translation from one language to another, which such recordings are designed to detect, will also be substantially lessened by the use of certified interpreters. This is also reinforced by the addition of language requiring the Director of the Administrative Office of the Courts to direct the employment of certified, full-time or part-time interpreters where justified.

Sixth. A provision is added requiring the Director of the Administrative Office of the Courts to report to the Congress annually on the frequency of requests for, and the use and effectiveness of interpreters pursuant to the provisions established in this bill.

Seventh. In lieu of the provisions pertaining to payment of interpreter's fees and recording costs, language is substituted which requires payment of such fees and costs in all criminal proceedings by funds appropriated to the Judiciary. In civil proceedings, the court may, at its discretion, direct that all or part of such expenses be apportioned between the parties or allowed as costs in the action.

With these changes, I believe that the legislation will be substantially enhanced.

I urge the Senate to give its strong support to this measure.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 535

At the request of Mr. TUNNEY, the Senator from Massachusetts (Mr. KENNEDY), the Senator from Illinois (Mr. STEVENSON), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from Utah (Mr. MOSS) were added as cosponsors of amendment No. 535, intended to be proposed by Mr. TUNNEY (for himself, Mr. HUMPHREY, and Mr. CRANSTON) to the bill (S. 2335) the Foreign Assistance Act of 1973.

NOTICE OF HEARINGS ON S. 794 AND S. 2292

Mr. CRANSTON. Mr. President, I wish to announce that the Subcommittee on Labor will hold open hearings on October 4, 1973 at 10 a.m. in room 4232, Dirksen Senate Office Building, on S. 794 and S. 2292 to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals. Testimony will be received from the AFL–CIO. For further information contact the Subcommittee on Labor, room G–237, Dirksen Senate Office Building, telephone number 225–3674.

ADDITIONAL STATEMENTS

NEW STUDY SHOWS FAILURE OF BUSING

Mr. BROCK. Mr. President, those of us who have opposed the concept of forced busing of schoolchildren to achieve racial balance have argued that such a system injures the educational process by placing an artificial goal—balance—ahead of the proper goal of education, education itself.

Our opponents have argued that in fact education was promoted by busing, contending that the achievement levels of black students were being adversely affected by the lack of racial balance in the schools. Black children, they maintained, would get a better education in appropriately balanced schools than they would otherwise. That being the case, the goal of quality education would be served by busing.

At the time that argument was advanced, there was no empirical data by which to prove or disprove the busing proponents' theory. Now that we have had busing schemes in effect for several years in some cities, however, a factual study of the results is possible.

Such a study has been prepared by Jeffrey J. Leech, and published in the Indiana Law Review. It demonstrates conclusively that the probusing theory was not correct. Busing has not increased the achievement levels of black students. Indeed, most cities reported that the achievement gap between white and black students had widened after busing.

In view of this factual evidence, it should be obvious that busing is not needed and not warranted. The Leech study removes any trace of an intellectually honest foundation for busing. I do not see how any Senator can now support the continuance of this system, and I believe this body should move swiftly to outlaw its existence, preferably by constitutional amendment.

A good summary of the Leech study has been published by the Indianapolis News, and I would ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY—NEW STUDY SHOWS FAILURE OF BUSING

(By Stan Evans)

Citizens perplexed by the issue of busing and wondering what the controversy is all about now have a solidly factual answer available to them.

The Indiana Law Review, 735 W. New York St., has published an extensive study of the issue conducted by . . . Jeffery J. Leech, which answers most of the major questions in admirable fashion. . . .

Leech traces the development of the busing movement from both a legal and sociological standpoint—beginning with the Supreme Court's 1954 decision in Brown vs. Board of Education, embracing the Coleman Report and the education studies of the Federal bureaucracy, and concluding with the somewhat cryptic utterances of Chief Justice Warren Burger.

The author shows from these and other sources that the object of busing is to surround Negro children with white culture and white schoolmates, on the theory that such enforced association will improve learning skills, raise achievement horizons, and smooth out racial antagonisms. This so-called "contact" theory was a sociological creation more or less invented to replace all the other previous theories about increased spending, pupil-teacher ratios, etc., that had already failed.

Now that we have had several years of extensive busing, Leech observes, it is possible to find out whether the theory is right or not. A year ago David Armor of Harvard caused a considerable stir by examining the evidence on half-a-dozen experiments with busing which failed to demonstrate any of the hoped-for effects and in many cases produced the opposite of the results intended. Now Leech has extended the survey to include data above and beyond the researches of Armor.

". . . of the 10 cities which have systematically studied the effects of busing on the achievement levels of school children," Leech concludes, "one shows moderate gains (Sacramento), two show mixed results (Hartford-New Haven, Rochester) three are inconclusive (Buffalo, Evanston, White Plains), and four show either losses or no significant gains (Ann Arbor, Berkeley, Boston, Riverside). In every city studied, busing failed to reduce the gap between black and white achievement.

"In fact, most cities reported that the achievement gap had grown even larger after busing. Scholars who have reviewed the evidence, including Armor, Bell, Edmonds, Glazer, and St. John, have concluded that busing has little if any effect on the academic achievement of either black or white children. Thus, the most recent sociological evidence fails to confirm a basic premise underlying the rationale for court-ordered busing, i.e., that it will positively affect the academic performance of minority children."

Leech also examines data concerning self-esteem, achievement goals, and racial harmony and comes to similar conclusions. In case after case, he finds the result of busing to be psychologically harmful rather than beneficial, and in particular to be a source of racial friction rather than amity. He notes several cases where antagomisms were directly traceable to busing and adds that "in no city did busing appear to increase interracial contact or better interracial understanding."

It is in alleged pursuit of these goals that busing has been promoted in all cities studied and numerous others including our own, at enormous cost in dollars spent and disruption of the affected communities. Leech urges a searching reappraisal of the whole affair, concluding that "in light of the tremendous social, political, and economic costs being paid for busing, the absence of any consistent educational gains, the deleterious psychological impact of busing upon black children, and the increasing polarization of the races, such a re-examination is long overdue."

SOMETHING NEW UNDER THE SUN

Mr. MOSS. Mr. President, in the past 9 months no single subject has received more discussion than our soaring food prices. If the problem were not such a severe one that has created such a hardship for so many families, one might say that the entire matter had been over-discussed, overanalyzed, and overplayed.

And surely one would think that by now there would be nothing new left to say on the subject. But I am pleased that this is not the case. We are an inventive and problem-solving people, always ready with fresh solutions to difficult problems.

Just this past Friday, the Salt Lake City Deseret News published an editorial that contains a number of new, and I believe, very sound ideas on what might be done to hold down food prices while we strive to increase agricultural productivity and supply. The editorial mentions such measures as centralization of operations at the retail level, cutting down on overhead, and the possibility of applying certain technological innovations.

As the editorial notes, Salt Lake City has been particularly hard hit by the recent rise in food prices, and now ranks fourth in average food prices among 20 major cities across the Nation.

It is essential that Congress continue to take steps that will enable supply to meet demand, which in the long run is the only way to achieve price stability. But in the meantime, the suggestions put forward by the Deseret News have considerable merit.

I ask unanimous consent that the editorial from the September 21 edition of the Deseret News be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Here's a High Rating Salt Lake City Can Do Without

If anyone has a reasonable explanation for the way food prices seem to have increased more sharply in Salt Lake City than in many other parts of the country, let's hear it.

In terms of average prices for a typical market basket of food items, Salt Lake City has gone from 12th among 20 major cities across the nation to fourth place.

One factor may be the increasing trend toward seven-day-a-week, 24-hours-a-day grocery stores. Unless the laws of economics have been repealed, staying open longer means higher overhead and other operating costs—and eventually these increased costs of doing business must be passed along to consumers. But the trend to around-the-clock operations never has been confined to Utah grocers but has been under way in many other parts of the country for a year or more.

At first glance, it may seem strange that Salt Lake City has the fourth highest price for sugar even though sugar refining is an important Utah industry. But don't read too much into that fact because sugar is produced in some 30 states besides Utah—and prices are high in some of those places, too.

The increase in Salt Lake City's ranking in the market basket survey may reflect not so much an increase in local food prices as a decline in certain food prices elsewhere. On the East Coast there is said to have been a significant decline in some prices since A&P, the nation's largest grocery chain, abandoned food stamps and cut prices so sharply the firm lost more than $50 million the past year. But even this seems like only a partial explanation for what's happened in Salt Lake City.

Whatever the causes may be, the best hope of preventing sharp increases in food costs in the future—beyond increasing farm supplies and abandoning federal controls that create artificial shortages—lies in productivity improvement in the food marketing system.

For instance, many supermarkets are said to use larger loading pallets than those used by wholesalers. As a result, when food products are moved from one place to another, they often must be unloaded and reloaded by hand. Standardizing pallets could be a great saver of labor costs.

More chain stores could cut all of their meat at a central location, eliminating the added expenses involved in meat-cutting at individual stores.

Moreover, the Uniform Grocery Product Code Council, a group of food processing and retailing stores, is pushing a plan which could eliminate the checker in supermarkets of the future. The plan features the stamping of a symbol on every product, which would enable an optical scanner to record the price automatically and add up the shopper's total food bill.

Consumers may never again see food prices as low as they were before politicians started tinkering with the economy. But with increased supplies of many farm products on the way, prices ought to go down somewhat. And when you're only No. 4 as Salt Lake City seems to be, you ought to try harder—to become No. 5 or get an even lower ranking in the market basket ratings.

POLITICAL AND ECONOMIC IMPLICATIONS OF MULTINATIONAL CORPORATIONS

Mr. ROTH. Mr. President, one of the most hotly debated issues in recent months has been the political and economic implications of multinational corporations. Recently, the United Nations established a panel to study multinationals, and Congress also must devote greater attention to the issues raised by their growth. I am delighted that the chairman of the U.N. panel is my good friend, Mr. L. K. Jha, the former Ambassador of India to the United States. Among those who testified before Mr. Jha at the recent public hearings in New York was the very articulate vice chairman of the board of the E. I. du Pont de Nemours & Co., of Wilmington, Del., Mr. Irving S. Shapiro.

I believe that the testimony and recommendations of Mr. Shapiro should be of great interest to my colleagues as the viewpoint of one business leader. I ask unanimous consent that Mr. Shapiro's testimony be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Remarks of Irving S. Shapiro

September 11, 1973.

To most practicing businessmen, this hall is an unaccustomed environment. But so too, I admit, is the glare of the spotlight that has been focused the past few years on the multinational corporation. Subjects rooted in economics seldom command the attention given to political affairs. But the multinational enterprise must certainly be one of the 20 most talked-about worldwide subjects of the day. It has been inspected, analyzed and debated in millions of words. Some make sense. Others are nonsense. The time has come to bring order and perspective to a chaotic body of thought and, regardless of the outcome of this group's work, it will be useful if it contributes to that end.

The examination that you are now undertaking, if done in a thorough and objective manner—as we know it will be—will allay the concern of some that corporations with worldwide interests are becoming laws unto themselves, answerable to no sovereign authority.

All multinational companies are not alike. Since I plan to speak today as a representative of one company, you can perhaps understand me better if I describe it briefly.

E. I. du Pont de Nemours and Company ranks 23rd in total sales among the manufacturing multinationals listed in the Report before you. Its sales volume this year will be something over $5 billion, of which about 20 per cent will be outside the United States. It is headquartered in the U.S., but of its 200 manufacturing and processing facilities, 94 are in 26 countries outside the United States. Worldwide employment is over 126,000, a fifth outside the U.S. Total investment of Du Pont and its subsidiaries and affiliates is $8.5 billion, of which $1.6 billion is outside the U.S.

Du Pont business activities outside the United States include manufacturing, processing, marketing, importing, exporting, licensing and fundamental and applied research. They are carried out through the parent company and overseas companies in which parent company ownership ranges from less than 25 per cent to 100 per cent.

Du Pont's business is chemicals and we make about 1600 product lines. We are basically suppliers of ingredients to many different industries, and for the most part we are not integrated backwards into raw materials or forward into the consumer market. Our products have a high technological content, and our business is oriented toward extremely high-volume production. The nature of the chemical industry makes our operations capital-intensive; plant construction and modernization have cost more than 11 per cent of net sales volume for the past five years.

Probably the most notable attribute of our operations is the intensity and scope of our research and development, which not only yields new and improved products, but also increases the efficiency and lowers the cost of our processes.

Now, as to the substance of the Report about which you have asked our views.

It occurs to me that its utility as a working paper might have been enhanced had there been more detailed discussion of the constructive role of the multinational corporations as an effective economic instrument and perhaps some informed speculation as to what the state of the world economy might be today if multinationals had been stifled at an early stage of gestation. I trust that this omission will be corrected in your deliberations.

The Report has many merits. I must add, however, that we are somewhat distressed by its adversarial tone—its implicit conviction that the goals of multinational corporations and the goals of people and national entities are fundamentally in disagreement and perhaps irreconcilable. Although we readily agree that there are tensions in this system, as there are in any system, we contend that the overall economic process has a broad and all-inclusive goal—the effective use of the world's resources in behalf of all. That goal is shared by producers, consumers, and nations alike, regardless of the short-term incentives by which each may be motivated. Viewed in this light, points of controversy can often be more easily and equitably resolved.

The collective and individual size of multinational corporations, which the Report emphasizes, should be no surprise to those who understand the practicalities of modern business. In numerous industries, including our own, the cost and availability of many goods are highly sensitive to the economies of scale, which require enormous aggregations of capital.

In our case, for example, a manufacturing plant for one of the fibers we make with a 5 million pounds a year capacity would cost about $2.00 per pound of capacity to build and its operation would be high-cost and inefficient. A plant for the same product 20 times as large costs only $.70 per pound of capacity and operates with low cost and high efficiency. There's a significance to that difference that goes beyond our balance sheet. Only the well-to-do can afford the output of the small plant. It wastes resources, and that waste is paid for by the consumer and, more broadly, by society at large. That larger plant, with its low-price product, incidentally, would cost as much as $70 million and would require an ingredients plant costing another $75 million. And it would make only a dent in the 53 billion-pound-a-year worldwide demand for fibers. Only a large organization can assemble that $145 million and create the technology and the know-how that make it work. The example is repeated in our other product lines; an efficient plastics resin manufacturing plant costs about $100 million, one for synthetic dyes comes in at $60 million. And the same principle applies to other industries like automobiles, primary metals, and petroleum. In enterprises like ours, size is dictated by the nature of the business, not by the reach of its owners.

Some thoughtful people have philosophical difficulties with large aggregations of productive resources, but I submit that they are essential in the producer mix if the level of goods and services available to all the 4 billion people in this world is to be raised perceptibly.

In our case, the considerations of size also affect the location of our operations. The Report points out that only one-third of multinational corporation foreign investment is in developing countries; our own ratio is lower than that. Since we are not in the extractive industries and since we sell to large-volume industrial consumers, it is the size and character of the potential market that determine where we go. We expand into developing countries when there is a fit between their needs and our capabilities. Brazil's economy has, for example, recently matured to the point that it requires basic chemicals in substantial volume, and we are expanding our production there in wholly-owned and joint ventures with both the government and local enterprise. To have done so earlier would have been unproductive both for Brazil and for us.

Technology transfer is an aspect of the multinational debate in which we have a special interest as a high-technology company. The value of technology seems to be generally accepted, as is the unique role of the multinational corporation in both developing it and making it available in one way or another. What is sometimes forgotten is that technology is a capital asset, bought and paid for, just as a manufacturing plant is. Du Pont spends over a quarter of a billion dollars a year on research and development. Forty-five hundred people in U.S. and overseas laboratories that cost $363 million are engaged in it and they do it very well. But the risks are exteremly high. Only one out of twenty projects ever results in a commercial development. That's just the kind of business it is. But the effort is enormously expensive and our costs must be recovered in the products we sell, both at home and abroad. If we negotiate hard about the value of technology in our dealings with government and others, it is because we understand very well what it costs and what it's worth.

Royalty and licensing income is small, however, in comparison with our rsearch and development costs. Over the past ten years, it has amounted to $254 million, one-tenth of the $2 billion, 430 million expenditures on technological development over the same period.

The worldwide patent system is sometimes criticized because it grants the investing organization the exclusive use of its inventions for a period of time. From our viewpoint, it is precisely the proprietary rights granted by the patent system that make research and development worth doing. There is little practical incentive to incur the costs of invention, if its commercial fruits are to go to competitors. Any substantial relaxation of the patent institution would tend to stifle the creation of new and needed technology.

Although we prefer to utilize our technology in our own plants, we are open to making it available by other means including licensing, joint ventures, sales, and other appropriate methods. We have frequently done this in the past and expect to do so in the future.

Reference is frequently made in the report to the political and social pressures exerted on and by the international economic system. Not much popular attention is paid, however, to the controlling influence of competition, which is often brushed off by the report with references to oligopoly. You gentlemen would be proceeding under an erroneous assumption if you should conclude that multinational corporations work their own wills, without a restraining force in the marketplace. Our experience is exactly to the contrary. For example, nylon is an important element of our business. We invented it and have about a billion and a half dollars invested in it. There are now more than 100 producers worldwide and they compete head-to-head with us wherever we go. Prices have declined by almost 50 per cent in 15 years despite inflation, and our share of the market has dropped substantially. We don't dictate what happens in the nylon market; nobody does, except the customer, who puts a value on the product according to his own self-interest. We are the largest fiber producer in the world, but in Western Europe, despite a $400 million investment, we supply less than 4 per cent of synthetic fibers sold there. The same pattern holds for most of our product lines and in most markets where we operate. Competition applies to the licensing of technology as well. The last time we negotiated to sell one of our manufacturing processes, we were one of six companies bidding aggressively for the business. Competition is based not only on price, but also on quality and all the terms and conditions of sale. Whether our competitors are multinational companies or local producers, they impose a discipline upon us that is as strict as any enforced by governments. The marketplace has harsh rules and regulates effectively in behalf of the customer.

Discussions of the impacts and tensions, real or potential, that are attributed to multinational corporations in international relations illuminate the fact that the most consequential decisions about multinational corporations are, and properly should be, made by the nation-states. The largest of the important issues involve relationships between nations and the consequences of diverse national policies. Cross-border transactions would be no problem, nor would trade and monetary matters, if national policies were harmonized.

Extraterritoriality and home-host country relationships are matters for agreement among governments. Business organizations are essentially bystanders in matters of this magnitude. They are nonsovereign and not laws unto themselves, despite implications in the report to the contrary. They are subject to the control of nation-states. Despite isolated examples, their power to unduly influence governments is largely theoretical. Neither Du Pont nor its subsidiaries has ever subverted, or even significantly influenced, national policy. On the other hand, even in the case of smaller nations, governmental power to control is enormous, ranging from the subtleties of taxation to expropriation.

We believe that everyone would benefit if there were reasonable uniformity and stability in the laws and rules affecting business, both national and multinational, in such matters as taxation, incentives, business practices and environmental protection. Not absolute uniformity, since the situation of a developing country in Africa or Latin America is different than that of an industrialized country in Europe. And not absolute stability since needs and conditions change.

Before I turn to the recommendations of the staff report, I'd like to take a look at one of the fundamentals before us. Politically the world is fragmented; it always has been and, short of a miracle, it always will be. I accept that as a fact of life, but I am a devoted and optimistic advocate of what I call one-world economics. There are no geographical boundaries to the material needs of people and no justification in morals or ethics for some nations to be haves and others to be have-nots. Our economic system, like our politics, sprang from national origins, and when its capability was limited, its incentives were linked to national well-being. But there has been a change. Now, thanks mainly to technology and industrialization and to developments in communication and transportation, production capacity with its supporting structure has matured to the point that it can look beyond national boundaries to the task of meeting needs on a worldwide scale.

One-world economics envisions worldwide needs as a worldwide market and the worldwide business structure as a resource for meeting its needs. It is an escalation of national economic systems and attitudes to a global scale. It is an extension and refinement of the European community idea in which nations and business alike are making the accommodations necessary to maximize the benefits of resources, technology and industrialization for all.

The demands of the worldwide market, as we see it, are by no means uniform; not everybody wants television sets and some people prefer cotton to nylon. The mechanism for supplying the demands is not uniform, either; it includes multinationals, of course, but as based on thousands of national companies and state enterprises of varying size and function. In one-world economics, the objective is to fill whatever material needs exist wherever they are and, as in any good business deal, there are benefits for both sides. Business can make a fair profit to satisfy its objectives while helping nations and people improve their well-being to satisfy theirs. Unlike one-world politics, one-world economics is within reach. The productive system is proven out, and much of it is in place. What remains is to harness it effectively to the worldwide task.

Some of the staff recommendations speak directly to that objective.

A common code of behavior for multinational—and, for that matter, national—business would be a logical and constructive step so long as it were accompanied by parallel standards for other parties to the arrangements—government and labor.

The International Chamber of Commerce guidelines, with their references to respect for national policies and objectives, among other subjects, may be a good starting point. However compiled, such codes should establish reasonable criteria and should reflect a balance between all the interests involved, not only as a matter of equity but also to make the system work. Codes dreamed up in a vacuum are meaningless and these should be hammered out by the participants, with business as well as others having a hand in their framing.

The existence of codes automatically leads to thoughts of a mechanism for overseeing their implementation. The record of international regulatory mechanisms is uneven at best and massive problems would be encountered in constructing another one. But one-world economics will require us to break new ground. GATT comes to mind as a device that has worked rather well, despite some shortcomings. It has the desirable elements of predictable rules, reciprocity, long-term flexibility, and adjudication. The time may not be right for a full-fledged GATT for investment, but serious exploration of the possibility may lead to an evolutionary development that would be acceptable to all concerned. We would like to participate in the study.

On the other hand, we are opposed to the concept of supranational corporations. Even in a one-world economy, citizens will be subject to national law and we don't think that any corporate entity ought to have a special status.

A number of the Report's recommendations deal with the purposeful collection and dissemination of data and the provision of a forum for debate. For our part, we already furnish mountains of statistics to home and host governments, and I suspect that much of what is wanted is already in existence. On the surface, data-gathering and debating seem sound enough proposals, yet there are hazards in their execution. Data are subject to interpretation and even distortion, especially when there is an avowed purpose "to influence public opinion." Safeguards against one-sided and adversarial use of information are of critical importance.

The staff's proposal for greater harmonization of national policies, particularly in the areas of taxation and incentives, makes uncommonly good sense. Such measures would not unduly impair national sovereignties and they would deal with the root cause of some of the perceived potential problems.

They would be an integral part of the home, host-country and regional programs, which are also covered by the recommendations. These programs are crucial to the issues under discussion, more important in the near-term than any likely international actions. The producer side of one-world economics is ready; the rules have to be written in national capitals, hopefully with international consultation and in harmony with each other.

The regional programs seem to us to be a promising avenue to accelerated progress in economic development, so long as their objective is really to seize the opportunities that are available. We would welcome the chance to look at regions, with their larger markets, to see if there is a fit between their needs and our capabilities. The European Economic Community is obviously not a model that can be literally followed by everyone else, but it works and it could be a guide for other nations.

The recommendation that an international organization supply additional technical expertise and training to developing countries is a beneficial one, in cases where those functions are needed and wanted. Everyone is better off when the role of technology and the industrialization process are thoroughly understood and when development goals are well defined. If outside technical assistance is needed to achieve those ends, we are all for it. As a practical observation, incidentally, the people in developing countries who have sat across the tables from us have been technically informed and hard bargainers.

In this connection, there is a real need for a better flow of information between nations and business on the working level. Business ought to have a better knowledge of what nations need and they, in turn, need a better understanding of what multinationals can bring under what set of conditions.

I think the United Nations could help bring that exchange about. In Du Pont we have a device called the development conference in which we sit down with high-level members of customer companies and explore in detail what they need and what we can provide. Eyeball-to-eyeball contact of principals provides a clear and realistic evaluation of our value to each other and business of mutual benefit results.

We think that this device would work on a larger scale. Suppose that four or five high-level business representatives were to sit down with top national leaders of developing countries—one country at a time or perhaps more—accompanied by whatever technical experts seemed appropriate and exchanged information about national objectives, the investment climate, wage policy, social development, tax problems, the need for reasonable profits, technology transfer and similar subjects. The objective would not be to discuss specific projects—that would come later—but to facilitate a rational matching of needs and capabilities, which is one objective in my view of one-world economics. The United Nations could be the force behind such meetings, and Du Pont, for one, would be more than willing to enter into them. We believe that they would produce positive results, both long- and short-term.

On a closing note, one-world economics is based on our side on the profit motive, a fact about which we we are neither defensive or apologetic. The profit sytsem is a stern and creative mechanism for the allocation and maximization of resources and despite its imperfections, it has worked well for most of the world. We do take, however, a long view of profits and recognize that they can continue only if we merit in the broadest sense the continuing favor of customers, employees, home country and host-countries and others. Corporate responsibility is a business imperative as well as a moral obligation.

We are convinced that international business is here to stay, and that it, together with national business everywhere, can work in the service of mankind. One-world economics is on the way and nations and businesses alike should work to make it happen.

RHODESIA

Mr. McGEE. Mr. President, in the Record of September 27, I noted the distinguished senior Senator from Virginia (Mr. Harry F. Byrd, Jr.) voiced several objections to the upcoming vote on legislation placing this Nation back in compliance with U.N. sanctions against southern Rhodesia.

Therefore, I would like to take this opportunity to respond to my colleague's observations and point out that I, too, share many of these concerns.

However, I do disagree with his observation that there has never been a vote in the Congress to impose sanctions against Rhodesia and that the sanctions were unilaterally imposed by the President of the United States. I responded to this concern on June 22, 1973—page 20878 in the Record—when I pointed out the constitutional basis for President Johnson's action is to be found in the United Nations Participation Act of 1945, which was passed overwhelmingly by the Congress of the United States by a vote of 89–2. There can be no question that congressional approval of both the United Nations Charter and the United Nations Participation Act clearly gives the President of the United States the authority to make a judgment on a mandatory Security Council resolution. If such actions are not in the best interests of our Nation, then the United States has the veto power in the Security Council to block any resolutions it so desires.

In my June 22 statement, I also noted that I had taken an oath to uphold and defend the Constitution and laws of the United States. Nowhere in that oath am I sworn to uphold and defend all laws except the United Nations Participation Act of 1945.

I would also point out that I am a firm advocate of proceeding through legal channels if we find existing law detrimental to our interests as a nation. In this regard, I would point out that the United Nations has a provision whereby those nations can be granted exceptions to the Security Council Resolution imposing economic sanctions against Rhodesia, if it can be shown that compliance with the resolution would work a hardship on that nation. Yet, none of the special interests who would have us unilaterally violate U.N. sanctions against Rhodesia have ever petitioned our Government to proceed through legal channels in order to seek an exception due to economic hardships. I am concerned with the apparent double standard that we set for the citizens of this Nation. We all claim to respect the law, but it is apparent there are special interests in our Nation who feel the law does not apply to them.

In this connection, I would point out this Nation stands in violation of another law with our continued violation of sanctions against southern Rhodesia. I am referring to section 307 of the Tariff Act of 1930 which prohibits this Nation from importing goods produced in Rhodesia by workers who are forced to comply with a Master and Servant Act, which imposes criminal conviction for any violations.

In response to my distinguished colleague's call for a full-scale Senate debate on the United Nations, I could not agree with him more. In fact, it is apparent that he endorses the report to the Senate Foreign Relations Committee submitted by the distinguished Senior Senator from Kansas (Mr. Pearson) and me on our service as delegates to the 27th United Nations General Assembly last fall. In that report we note that it would be worthwhile for both Congress and the executive branch to engage in a comprehensive analysis and discussion of the Lodge Commission Report in an effort to begin implementing innovative approaches to our involvement in the U.N. We urge the Congress to do so and we urge the appropriate committees of both the Senate and the House to begin this in-depth study.

My point is that we pursue the normal congressional channels in assessing the United Nations and determining what efforts we can exert to making our participation in particular, and the operations of the U.N. in general, more effective.

Since the issue of our violation of sanctions against southern Rhodesia is not concerned with the merits of the United Nations, I would urge that my colleagues proceed with the vote on the basis of S. 1868, and on this basis alone. I recall that efforts over the past 2 years have been directed at resolving this issue by a straight up and down vote. I did not fear the results of those legislative initiatives then, nor do I fear the results of our upcoming effort. I am a strong advocate of allowing all members of this body to determine the merits of legislation and exercising their right to do so. I do not fear the will of the Congress as I believe in the Congress of the United States and our constitutional heritage. To attempt to forestall the exercise of this right on the part of every individual in this body shows an unwillingness to allow each individual to exercise his own judgment and will.

In conclusion, I would like to comment briefly on the argument that Rhodesia's unilateral declaration of independence from Great Britain can be compared to our experience of 200 years ago. I have long taken pride in our concepts of democracy and our historical support for the principle of majority rule. I strongly oppose the rule of a minority at the expense of the majority whether it be authoritarian rule emanating from philosophies on the right or on the left. I would hope that we are not being asked to discard another of our historical beliefs or that we are once again being called upon to demonstrate to the world that our rhetoric and ideals certainly are not matched by our actions.

NATIONAL TOURISM RESOURCES REVIEW COMMISSION

Mr. JAVITS. Mr. President, on July 25, 1973, the National Tourism Resources Review Commission submitted its report, "Destination U.S.A.," to the President and the Congress.

This excellent report discusses in detail the travel needs and resources of the United States, and addresses the many problems that confront world tourism. I commend the report to all of my colleagues. For that reason I ask unanimous consent that the recommendations of the Commission be printed in the RECORD, so that each of us may have an opportunity to review and study the results of this important study.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS OF THE COMMISSION

In some ways the National Tourism Resources Review Commission feels like an explorer who has stumbled upon a new continent.

Tourism is a vast economic and social phenomenon that has largely been ignored by Americans, even though most participate in it and an impressive number benefit from it.

A great part of the Commission's work was prosaic—defining, measuring, analyzing. These tasks were made difficult by the lamentable state of the tourism data resource.

A few broad conclusions were reached, even though they cannot be stated with ultimate precision. Tourism in the United States is a huge enterprise. In 1970 tourism spending totaled $50 billion. Commission projections indicate spending at a rate of $127 billion by 1980. Simple arithmetic yields tourism expenditures and investments approaching a trillion dollars for the decade. (See page 97, The Economic Impact of Tourism.)

The Commission's analysis determined that tourism spending more than doubled between 1960 and 1970 and may more than double again between 1970 and 1980. A large portion of the private U.S. work force—3.8 percent or 2,300,000 people—were employed by tourism related enterprises in 1970. That number could increase 60 percent by 1980. In 1967 Americans took 361.2 million trips. If more recent data were available, it would show a much higher total.

Three factors contribute to the startling size of tourism and its extraordinary growth.

First, income per household has been increasing, placing more and more households in higher income brackets. Since tourism is a discretionary activity, it is highly sensitive to household income increases that permit a smaller proportion to be budgeted for necessities and a consequently larger "surplus" to be spent on pleasant but not essential activities such as tourism.

Second, growth in population represents a continual upward pressure on spending totals.

Third, an increase in leisure coupled with more convenient, less costly transportation and a generally higher level of education lead more people to more travel. Becoming a tourist is no longer difficult.

Many of these factors pertain worldwide. Travel expenditures among all countries were $20 billion in 1971, an increase of 11 percent over the previous year, and a preliminary estimate for 1972 is $25 billion. International tourism, is the largest single factor in world trade. In all, 198 million visits to major tourism countries were made in 1972.

Establishing the dimension and rate of growth of tourism leads logically to concern about the tourism resource. The tremendous amount of activity must be serviced. Partly that means investment by the private sector in accommodations and transportation services and in incidentals that are difficult to isolate but impressive in the aggregate. Partly it means demand for publicly provided facilities—highways, parks, recreation areas and airports.

NEGATIVE EFFECTS

Private resources tend to thrive as use increases. Higher hotel-motel occupancy means more revenue. More passengers mean higher airline load factors. The public resource does not benefit similarly. A national park is harmed by overuse. A heavily used highway becomes crowded. A congested airport means delay for passengers and, if congestion becomes too severe, actual danger as aircraft compete for landing and approach space.

More than anything else the Commission was impressed by the broad economic and social activities represented by tourism and the obligation to mobilize them with effective federal leadership. As this report shows, sound tourism planning will have an effect in areas where national goals are at stake: community development, environmental quality and the balance of payments, to name three important examples. The real result of expanded tourism and recreation facilities, the Commission concluded, will be improvement of the quality of life in America.

As it prepared its report, Destination USA, the Commission mulled the problems of macrotourism while trying not to lose sight of microtourism. For all its size and complexity tourism comes down to a single experience for an individual tourist. The report deals with the quality of that individual experience. Does it cost too much? Does it need to be protected? Should it be enhanced and how?

Much of the report evaluates the federal role. The Commission's major conclusion was that this role needs to be made more effective. Extensive governmental involvement in tourism already exists, particularly at the federal level. As the report establishes, however, this involvement is fragmented and inefficient and has internal contradictions. There are about 100 tourism related programs in more than 50 federal agencies. The major Commission recommendation is that a National Tourism Administration be established. Such a step does not imply creation of a new agency that would add another layer of bureaucracy to a cumbersome structure, but rather a consolidation of present federal involvement. Under a single tourism agency programs would be coordinated, and some—in cases of duplication—would be eliminated.

The National Tourism Administration would become responsible for a single federal policy that would specifically address tourism problems in the national interest and in the interest of both the tourism industry and the consumer.

Americans have a high propensity to travel to other countries. While many foreigners visit the United States, their spending here does not come close to balancing what Americans spend abroad. The result is a travel deficit that makes up a significant part of the overall balance of payments deficit. This deficit puts a severe strain on the stability of the dollar in the international economy.

The United States Travel Service (USTS) in the Department of Commerce is responsible for promoting the United States as a destination for foreign tourists. Each dollar spent here by a foreigner decreases the balance of payments deficit. Thus USTS programs could be significant factors in helping to preserve the value of the dollar.

A purpose of the Commission's major recommendations—the need for a national tourism policy and the creation of an organization to carry out that policy—is to preserve USTS programs by recognizing them as important parts of larger objectives. The Commission believes USTS will be more effective as part of an enlarged tourism agency.

The policy and organization recommendations are listed below along with other major ones that resulted from the Commission's study. They appear again in this volume—as do subsidiary recommendations—where the research and conclusions that led to them are summarized.

The Commission recommends that Congress establish and the President carry out a national tourism policy. Objectives of the policy should be: adequate facilities for future needs; assurance of the high quality of a tourist's experience; cooperation with private industry; reduction of the balance of payments deficit; optimum utilization of public lands consistent with environmental protection; assistance to states; dispersal of tourism activity to relieve congestion and aid to economically depressed areas.

To implement this policy the Commission recommends that a National Tourism Administration be established. The administration should consist of four bureaus:

A Bureau of Tourism Research and Planning to determine future tourism needs and prepare plans that ensure adequate development of resources and to coordinate these plans with other agencies and private industry.

A Bureau of Tourism Information and Promotion to respond to the international travel deficit, a major issue, and, through expanded, aggressive promotion abroad, increase foreign travel to and within this country and encourage Americans to know their country better.

A Bureau of Tourism Facilities to be responsible for development and management of tourist facilities on public land, in cooperation with private industry.

A Bureau of Regional Tourism Development to assist states in developing tourist facilities and to move tourism activity away from areas of congestion to areas of need.

The Commission recommends that the National Tourism Administration be located in the Department of Commerce and that its administrator be given the rank of Undersecretary.

The Commission recommends that the Bureau of the Census be authorized and adequately funded to conduct an annual tourism survey.

The Commission recommends that the National Tourism Administration begin research as soon as practical to develop accepted standards for tourism measurement and to recommend methods for conducting tourism surveys. These definitions and methods would be proposed to regions, states, localities, private industry and others who may survey aspects of tourism so that, as far as possible, all tourism data and research in America will have a common base and be compatible with mutually acceptable international standards.

The Commission recommends that the private tourism industry continue to work closely with the federal government in the promotion of tourism in America. In the course of this cooperative effort special attention should be given to selective development, a finely tuned effort to attract tourists to less used rather than overused areas of the country.

The private sector should also continue to collect and study valuable tourism research. This effort should be coordinated closely with the National Tourism Administration.

The Commission recommends that the National Tourism Administration pay close attention to the particular needs of small tourism enterprises.

The Commission recommends that as feasibility studies are made for federal and other projects such as resort areas and parks, particular attention be given to their potential for providing small business opportunities.

The Commission recommends that the National Tourism Administration take urban tourism needs into account in three specific ways:

Gear its data collection and research output as precisely as possible to the special needs of cities.

Give specific assistance to cities in tourism planning. That assistance might include a model urban tourism plan communicated to interested cities through the auspices of an existing urban organization such as the U.S. League of Cities/Conference of Mayors.

As concepts of regional tourism planning are developed, design such plans around major cities in the region.

The Commission recommends that the National Tourism Administration encourage state and local governments in sound land use planning. There are many useful precedents in existence. What is needed is not only uniformity of legislation but also determination to protect and, where necessary, salvage land that is America's primary tourism resource.

The Commission recommends that the National Tourism Administration undertake, as a first priority, a thorough study of the impact of tourism on the environment.

As the recommendation to establish a National Tourism Administration would require legislative action, the Commission takes note of the requirement under the National Environmental Policy Act of 1969 (PL 91–190, January 1, 1970) that such legislation would have to include an environmental impact statement.

The Commission recommends that to better serve the tourist the National Park Service emphasize preservation of areas of natural beauty and ecological significance. The use of natural areas of the park system for recreation purposes harmful to the environment should be ruled out.

The Commission urges that the Park Service and the National Tourism Administration work together to minimize the intrusion of man-made facilities in the natural areas. Future facilities should be located at park perimeters or just outside the parks where possible.

Transportation facilities (roads, trails, etc.) inside the parks should be designed and constructed to intrude as little as possible on natural surroundings, and development of internal transportation systems should be speeded up to reduce congestion and eliminate pollution.

The Commission encourages partnership with private operators in the development of tourist facilities in and around national parks, with firmly defined standards of quality related to the nature, needs and planned use of each park.

The Commission recommends that the National Tourism Administration work closely and continually with the Department of Transportation and with the regulatory agencies as it develops a national tourism policy, providing them with data on tourism transportation needs.

A nationally accepted rating system of accommodation and facilities is desirable. Establishing such a system depends largely on the diligence, integrity and credibility of the rating body, which should evolve in the private sector.

The National Tourism Administration should coordinate distribution of tourist information produced or paid for by the federal government, and it should promote the widespread availability of such information in foreign languages.

The National Tourism Administration should, when requested, assist state efforts to improve information facilities.

The Commission recommends that the National Tourism Administration give particular emphasis to promotion programs developed by the United States Travel Service and that USTS programs be authorized and fully funded at a $30 million level by Congress. The Commission further recommends that until such time as the National Tourism Administration is created, the $30 million level would apply.

The National Tourism Administration should concern itself immediately and directly with the state of international travel data. Standards must be established and measuring processes reviewed to close gaps in counting procedures.

The Commission recommends a national policy, defined by Congressional resolution and stated by Presidential proclamation, that the United States make every reasonable effort to welcome foreign visitors and to facilitate their entry. The policy would provide a uniform guide to all federal agencies which deal with the entry of foreign visitors.

The Commission recommends that action be taken to assure accurate reporting of the number of visitors from Canada and Mexico who remain in the United States more than 24 hours. The present system counts only those visitors from Mexico who remain more than 72 hours.

The Commission recommends that the United States join and participate actively in the World Tourism Organization.

The Commission recommends that the National Tourism Administration assist and support states and regions in programs to promote foreign visits to this country.

The Commission recommends that the matter of facilitating entry into this country by foreign visitors be reorganized to cut down the delays and individual inconvenience that now contribute to a negative image of this country and intensify airport congestion.

The Commission especially recommends that preclearance, a useful device, should be continued and expanded, not ended or curtailed, and that passengers not precleared should be helped to enter this country with an absolute minimum of formality and delay.

The Commission recommends reciprocal relaxation of visa requirements.

The Commission recommends that in international economic negotiations the United States government should strive to secure national, reciprocal and most favored nation treatment of tourism, travel and international transportation services.

The Commission recommends that Congress extend the definition of qualified income under DISC (Domestic International Sales Corporation) to include income from sales of tourist and travel services abroad.

The Commission recommends that the cost of travel to and within this country by foreigners be reduced to the greatest extent that sound economics will allow.

The Commission recommends that a goal of the National Tourism Administration should be to reduce language barriers within this country as much as possible.

The Commission recommends that the National Tourism Administration seek to identify the economic impact of foreign visitor spending on the domestic tourism industry. Once that impact is understood the businesses involved could appreciate better the need to shape their services to meet foreign tourist needs and to encourage hospitality among their service personnel.

The Commission recommends that the National Tourism Administration should be authorized to speak and act for tourists as consumers.

ALL OF OUR CHILDREN CAN LEARN TO READ

Mr. PELL. Mr. President, a recent guest editorial in Parents magazine, by the Honorable EDWARD M. KENNEDY, discusses in most telling terms just how we can insure that all of our children can learn to read. I commend Senator KENNEDY for this editorial. It is most timely, for the Subcommittee on Education of the Senate Committee on Labor and Public Welfare has currently been discussing the issue of "right to read" during our hearings on elementary and secondary education.

I ask unanimous consent that this editorial to be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT PARENTS CAN DO TO GUARANTEE EVERY CHILD'S RIGHT TO READ

(By EDWARD M. KENNEDY)

Three hundred and twenty-five years ago, the Colony of Massachusetts mandated the establishment of the first public schools in this country and ordered those schools "to teach such children as shall report . . . to write and read. . . ."

Yet today, our educational system has so badly failed us that more than eighteen million American adults cannot read a newspaper.

The cost of this failure is not solely personal. It is tallied on the nation's welfare rolls, prison logs, and unemployment files. Studies reveal that more than half of the welfare recipients in Chicago cannot read. In New Jersey, more than half of the prison inmates cannot read. In our largest cities, more than half of the young people under twenty-one who are unemployed cannot read.

Every taxpayer pays for our failure to teach children to read and write well enough to function as adults in our society. Yet the treadmill continues to send illiterates out of the schoolhouse door. One quarter of the children attending school today have serious reading disabilities, according to the late Dr. James E. Allen, former U.S. Commissioner of Education.

Why haven't we acted to bring relief to the children now in schools and to the adults who still can learn and who still can be given hope for a better future?

The problem is that educators have been unsure of what could be done to change the situation. Most teachers have never been taught how to teach reading. In sixteen states, there is no requirement that a would-be elementary teacher spend even an hour in a course on how to teach reading. Another eighteen states require only a single course to qualify teachers to teach reading.

As a people, as a government, and as a nation, we have failed to make the right to read a part of our heritage. Our federal government was first unwilling to recognize the problem, then unwilling to commit the resources necessary to remedy it. When finally President Nixon promised $200 million annually to provide better reading programs, his message to the Congress establishing the Right to Read was not followed by a request for adequate funding. Now, four years later, the budget requests total less than $30 million instead of the $200 million a year that is needed.

I cannot conceive of a program more important to the national interest than one to teach all our children to read. And I cannot conceive of a program that will pay back more to the Treasury in taxes and in lower welfare costs. Now is the time to rewrite national priorities and place the right to read at the highest rung of the ladder.

New legislation must be introduced in the 93rd Congress. The need is clear. The resources are available. What has been lacking is the political will. Beyond the expenditure of funds, other things have to be done both at the national and community level.

First, we must analyze what has worked

in pilot projects of the past, evaluate the reading abilities of students in each school across the country, and make an objective catalogue of what the capabilities to teach reading are in these schools.

Second, we must set about multiplying the successful projects in every school across the nation that needs them. But the program must respond to local needs, and it must be the local school teachers, parents, and principals who choose the program best for them.

Third, every local community institution—unions, chambers of commerce, city councils—must pull together to help survey the adult community to discover where the Right to Read can work best. Then those same local institutions must be brought together to help implement a plan to bring literacy packages into the plants, businesses, and civic institutions of our communities.

Finally, teacher-training colleges and universities must provide the most comprehensive instruction in the best ways to teach reading.

These are the major elements in legislation that has been submitted to the Senate. These are the major elements for breathing new life into the national commitment to reach national literacy by 1980. They are goals that I believe all parents in this country should support.

NAIROBI

Mr. BROCK. Mr. President, the International Monetary Fund meeting, currently underway in Nairobi, comes at a time when reform of world monetary agreements is desperately needed.

This fact makes it all the more disappointing that it now seems unlikely that the meeting will result in the sort of hard substantive decisions which are necessary if order is to be wrought from the current chaos in the world marketplace.

An agreement on a broad statement of principles is likely. But such agreements are of minor importance unless they are accompanied by collateral agreements on details. I fear that this sort of agreement will not be forthcoming from the current conference, and I regret that fact deeply.

An excellent study of the problems that lie in the way of real reform was outlined in an editorial in the Wall Street Journal on Thursday, September 20. As it explains much about the complexity of the issue, I would like to call it to the attention of this body, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NAIROBI AS A NONEVENT

Finance ministers and central bankers last spring were telling their publics that the work of creating a new world monetary order would begin to jell at the annual meeting of the International Monetary Fund in the fall.

But now that the IMF meeting is at hand (it formally opens in Nairobi Sunday) there is a great deal less certainty about the jelling process. In fact, some U.S. Treasury officials are doubtful that any very useful consensus on a future monetary system will emerge from Nairobi.

That might at first sound like cause for public alarm, but in fact the opposite is true. The lack of a sense of urgency as the world's money men wend their way to the Kenyan plateau is bad only if you happen to be an IMF operative wondering what future role the agency will perform. For everyone else, it's pretty good, particularly compared with the frequent crisis meetings these same men were having before March of this year.

In other words, the current currency float, a non-system that came into being when nations finally gave up on trying to adhere to IMF currency exchange parities, is serving the world's needs reasonably well. After some worrisome times last spring when the dollar was moving downward relative to certain other key currencies, market forces brought about a reasonable stability. And central banks are no longer faced with the task—highly costly to their efforts at sound domestic money management—of trying to stop sudden flights from the dollar or other weak currencies.

Since last June, when the post-float exchange gyrations calmed down, the British pound has fallen to about where it was, relative to the dollar, in the late 1960s. The dollar has firmed against the German mark, proving that the mark couldn't really go up forever. The dollar has held its own with the Swiss franc and the Japanese yen and has slipped a bit relative to the French franc. What this means is that the float is working pretty much the way its proponents said it would after the initial adjustments were made.

Further, the market-induced exchange rate adjustments have seemingly had a desired effect on payments balances. The U.S. showed a small surplus in its current accounts balance in the second quarter, according to figures made public yesterday; it was the first surplus since the last quarter of 1969. Conversely, the Japanese, whose surpluses were a significant factor in the payments imbalances that were upsetting the IMF fixed exchange rates, have been running deficits recently and running down their large reserves of foreign currencies.

Finally, all signs are that world trade has continued to expand at a healthy rate during the float. The dangers supposedly associated with floating rates simply have not materialized. That is not to say they may not as the system is further tested, of course, but we simply cannot understand the haste to end the test when the initial results show nothing wrong.

Especially so since it is not at all clear the alternatives under consideration at Nairobi would not have dangers of their own. Critics worry, for example, about the proposal that IMF-created special drawing rights, or SDRs, replace the dollar as the "numeraire" for the money system and also replace foreign currencies and gold as the basic reserve asset. Would heavier reliance on SDRs, a sort of fiat currency, be managed in a way that would prevent world inflation? On this score there is little encouragement to be found in the further proposal that SDRs be dispensed to less developed nations as sort of a foreign aid gift.

The current world-wide inflation, indeed, ought to be the principal topic for the finance ministers and central bankers at Nairobi. Its origins lie in the irresponsible money creation policies of central banks, particularly dollar creation by the U.S. Federal Reserve. No system will really provide stability until this underlying problem is dealt with.

The float has a benefit here too, however, in that excessive creation of a currency is quickly reflected in a weakness of that currency in international markets. What is necessary is for government officials to come to an awareness that such weakness does not serve their long-term national interests. If such an awareness jells at Nairobi there will be even less cause to worry that nothing else did.

MAKES GENOCIDE AN INTERNATIONAL CRIME

Mr. PROXMIRE. Mr. President, the Genocide Treaty, signed in December 1948 by a U.N. Assembly vote of 55 to 0, seeks primarily to make genocide an international crime. Whether committed during peace or war, the treaty defines genocide to be certain acts which are punishable, regardless of who committed the act.

It is imperative that the U.S. Senate ratify this treaty. The importance lies not only in the substance of the treaty, but more important, in the commitment of the signatory nations to a common ideal of justice.

In February 1970, President Nixon urged the Senate to reconsider this convention and to grant its advice and consent to ratification. Such action, he said, "will demonstrate unequivocally our country's desire to participate in the building of international order based on law and justice."

Mr. President, I urge ratification of the Genocide Treaty.

TRADE TALKS MUST FOCUS ON SCARCITY ISSUES

Mr. HUMPHREY. Mr. President, amid the shortages which have occurred over this past year in basic food commodities we might forget the importance of securing international consultation in establishing principles to guide policies to control materials in short supply.

The issue may not seem so pressing as long as we are in the position of setting such policies for world trade ourselves, but what happens when certain countries restrict our access to oil or minerals using the precedents for imposing export controls which the United States has unilaterally established?

We must not disregard the possibility that such actions may someday return to haunt us.

It also would not be prudent to discount the balance-of-payments implications for export restrictions.

Unless we can establish firm markets abroad for American goods and regain a stable, positive balance-of-payments position we will continue to add to the surplus of dollars abroad and thereby the inflationary pressures at home. American agriculture represents the brightest spot in our entire trade picture.

Agriculture and agricultural exports could easily become America's biggest growth industry for the next decade.

Yet it is the markets for our farm products which have been jeopardized by the recent rash of export controls.

I am not suggesting that we can allow excess foreign demand for our products to create inconveniences here at home. But I do feel that policies relating to commodities in short supply can and should be worked out in a multilateral context.

We are now entering a new round of trade negotiations. The responsibilities to create a stable basis for the expansion of international trade over the next decade cannot be underestimated.

It is crucial the nations of the world reestablish and reaffirm principles to guide international trade, to replace the atmosphere of recrimination and unilateralism that has come to threaten the channels of international commerce.

There must also be immediate consultation among the importing and exporting nations of the world to assess and determine actions that might have to be taken to provide equitable sharing of basic commodities in short supply.

The Washington Post of September 27 carries an editorial which talks about the importance of addressing the issues of access to the world's basic resources in the next round of trade negotiations. I think this editorial states these concerns quite well, and I ask unanimous consent that this article, "Oil, Grain and the Trade Talk," be printed in the RECORD for the attention of my colleagues.

The responsibilities for establishing sound principles for international trade have never been greater. Broadening the President's power to unilaterally determine international trade policies such as the control of commodities in short supply is not an adequate solution. These policies must be worked out on a multilateral basis to assure that when a country for any reason feels it necessary to impose export restrictions that it will be done on an equitable basis in accordance with international principles.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OIL, GRAIN, AND THE TRADE TALKS

The massive and ponderous process of world trade negotiation has now begun, to the accompaniment of loud public fanfare and quiet private doubts. The doubts arise from the basic aims of the negotiations, which are now to a significant degree obsolete. These trade talks were originally organized as a further attempt to reduce protectionism among the rich nations, and open up markets for the poor. But the world's economy has changed suddenly and profoundly over the past year or two. The central issue now is not so much the various countries' attempts to shut out each others' goods. To the contrary, the real and pressing danger is the savage competition for access to limited supplies of those imported goods crucial to every nation's life—above all, grain and oil.

The world has no rules for distributing scarce commodities. Or, more accurately, it rations them to the highest bidder by raising prices. Currently that means soaring commodity prices that are inciting spectacular inflation rates in the industrial countries, and are lifting these goods altogether beyond the reach of the poor. It is an efficient process, in a mechanical sense, but it is intolerably disruptive and cruel. The trade negotiators seem to be commencing a long solemn discussion of barriers to imports, at a moment when their governments at home are scrambling frantically to grab the imports that they need.

Nearly two years ago, at the time of the first American devaluation, the leading nations all agreed that they ought to work out orderly new rules for world trade and money. The long labor of reorganizing the monetary system is now getting under way at the International Monetary Fund's meeting in Nairobi. The parallel reform of the trading rules, after months of preparation, now has formally begun with a meeting of 103 nations in Tokyo. They published a formal declaration pledging themselves to seek "the expansion and ever-greater liberalization of world trade." That is an admirable objective, but it is not at the moment the most important one. Nor is it likely to be the most important one for some years to come.

The great symbol of the sudden reversal of the issues is the United States and its wretchedly battered trade policy. After years of drumming on the European Common Market to loosen its barriers to American farm products, last June we swung around without notice and embargoed the exports of soybeans on which those same Europeans were counting. Meanwhile, after 15 years of limiting our imports of foreign oil, in order to keep our domestic prices up, we are now desperately trying to buy enough fuel oil in Europe to get ourselves through the coming winter.

The most urgent business for trade negotiators these days are those two commodities, food and oil. In both cases, there will be no international agreement at all unless the United States takes the initiative. But the United States does not seem to have any very clear idea precisely what it wants to do with either of them.

Regarding oil, the importing nations need an agreement on dividing up the available supplies, whatever they may be. Granted, an agreement would be agonizingly difficult to work out. But month after month of snarling and squabbling among the oil-fueled nations would inflict catastrophic damage on the relationships that have, for a generation, guaranteed world stability.

The prospects for an international grain system are, if anything, even dimmer. Solutions exist. Last week a group of eminent economists from Japan, Europe and this country met here at the Brookings Institution and worked out a draft plan for an international grain reserve. It would be expensive and complicated. It would require a kind of international consultation and joint action reaching well beyond the rather rudimentary procedures of the present trade and monetary systems. The only thing to be said for it is the cost of the alternative, in recurrent inflation, panic and anger.

The trade meeting in Tokyo was a sign of progress. The negotiations are now under way. But they are like a big ship, difficult to turn under full steam. There is a risk that this huge enterprise, with 103 nations aboard, will keep sailing ahead, by sheer force of momentum, toward an obsolete purpose instead of turning to the work that most needs to be done.

TWO GOP FRESHMEN GO HOME TO FIND WATERGATE AT EBB

Mr. BROCK. Mr. President, last year I campaigned in behalf of a young man running for Congress in the Sixth District of Tennessee, ROBIN BEARD. As luck and a lot of hard work would have it, Mr. BEARD was successful in his bid, defeating a longtime incumbent, former Congressman William Anderson.

Since his election ROBIN BEARD has been repaying those who supported him last year by becoming the hardest working Congressman in memory. I am sure no Representative has ever spent more hours serving the Sixth District than he.

Several weeks ago, Mr. BEARD, along with his outstanding young colleague RON SARASIN, of Connecticut, was the subject of a front page article in the Washington Post. The article, authored by political analyst David Broder, followed both men during the August recess in their home districts.

Mr. Broder sought to identify the relative importance of the Watergate case and the general question of what issues seemed to be foremost in the minds of the voters. His conclusion: the Watergate is "at ebb," as reflected in the headline on the article, and the Congressmen in question stand to be judged more on their own performance than on the scandal facing the administration.

Mr. President, I believe Mr. Broder is correct. Anyone challenging Tennessee's ROBIN BEARD in next year's election is going to have a tiger by the tail. If my impressions of his service are accurate, ROBIN BEARD will be working for his State with diligence and dedication for a long time to come. I hope so, for his constituents and our Nation are well served by this outstanding young man.

I recommend the article to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO GOP FRESHMEN GO HOME TO FIND WATERGATE AT EBB

(By David S. Broder)

FRANKLIN, TENN.—The members of the Rotary Club had enjoyed their roast pork and beans at the Holiday Restaurant. They had heard their congressman, freshman Republican Robin Beard, tell them about his "exciting" new job in Washington, his assignment to the Armed Services Committee, his doubts about the voluntary army, his fear that "Phase IV will not work in any way, shape or form to reduce prices," and his own determination to cut government spending—even by casting "protest votes" against highway beautification, the Peace Corps and the Bicentennial Commission.

"Now," said Beard, "you'll want to know what I think about this Watergate situation. Sure, I'm concerned. The worst of it is that it damages what little credibility people felt toward their officials. Most of the elected officials in both parties are honest.

"But I think we have here a situation in which some people, through total naivete or stupidity or whatever, made some just unbelievable decisions. There were some bad mistakes made.

"But I'll tell you right now. I believe in standing behind the President. I believe in giving him the same rights we give the Ellsbergs and Angela Davises of this world.

"And I think when this case is all through the system will be stronger. This little cancerous growth will be removed. We'll survive."

As the members filed past Beard to shake his hand after the speech, one said: "Tell 'em to get off old Spiro, now."

Another: "Tell 'em it's time to close up that damned Watergate, Robin."

And a third: "Watch yourself up there, Robin, you don't get wet in that Watergate."

Twenty-four hours earlier, and almost 1,000 miles away, another group of Rotarians had gathered at Dominick's El Dorado in Danbury, Conn., to hear Rep. Ronald A. Sarasin, another freshman Republican.

Sarasin, too, announced that his new job was "the most exciting thing I've ever done in my life." Then, giving no formal speech, he asked the Rotarians what was on their minds.

The questions came. On revenue-sharing allotments, highway fund diversions to mass transit, the status of urban renewal, the prospects for pension reforms, the danger of a fuel-oil shortage and even the likelihood of conversion to the metric system.

Finally, with time running out, Sarasin brought up Watergate himself. "No one can be very proud of what the Watergate hearing shows. But we are learning a lesson from it—that our system of law works, and that no one is above the law, not those involved in Watergate and not those on the other side of the political spectrum who break into draft boards or steal papers from the Pentagon," he said.

"I'm not crazy about these hearings. As a lawyer, I'd prefer to see these questions settled in court. But I'm glad the story's come out, it's become clear that this is not a Republican operation; that it was done by some of these clowns in the Re-election Committee and apparently the White House.

"I consider myself a professional politician and I'm proud of both words. And as a professional politician, I'm offended by what took place.

"But I want to say this to you. I'm not willing to condemn the President at this point. I think he's entitled to the presumption of innocence that everyone's entitled to. And nobody seems to give him that. We keep waiting for him to prove his innocence. Well, that burden isn't on anyone in this country. And it isn't on him."

Sarasin sat down to loud applause, and later told aides: "I think maybe Watergate has run its course. Just a couple weeks ago, you wouldn't have gone anywhere without getting a Watergate question. I brought it up myself today, because I don't want anyone to think I'm afraid to talk about it. Frankly, I don't think there's any reason to be."

August has become the pulse-taking month for American politicians. The annual congressional recess sends the members rushing home to check the mood of their constituents.

This August, many Republicans faced that prospect fearfully. The euphoria of the 1972 Nixon landslide had been battered by a barrage of bad news—inflation, Watergate and spreading commodity and food shortages.

Washington troubles seemed to dog their trails at home. Sarasin was doing a radio call-in show on Wednesday morning, when the station joined its network for five minutes of news. The opening news item said the Justice Department was refusing comment on payoff charges reportedly facing Vice President Agnew. The closing item said the Agriculture Department was predicting that increases following Monday's start of Phase IV would send the food price index for the year up 20 per cent over the January level.

"Terrific," said Sarasin.

Of all those on the firing line, none would seem to have more cause for apprehension than the 44 freshman Republicans, many of whom were carried into office last November on President Nixon's coattails.

No pair of freshmen are "typical," but 33-year-old Ron Sarasin and 33-year-old Robin Beard share many of the characteristics of the group.

Both are energetic, ambitious young products of state government who decided in 1972 to tackle well-entrenched incumbents in reapportioned districts with long Democratic voting histories.

Sarasin took on a seven-term veteran in Connecticut's Fifth District, which ranges from the industrial towns of the Naugatuck valley down to the suburban affluence of New Canaan.

Beard ran against a four-term incumbent in Tennessee's Sixth District, a huge, largely rural territory, with most of its population at opposite ends of a 220-mile line stretching from the outskirts of Nashville to the suburbs of Memphis.

Both applied miles of shoeleather and thousands of handshakes to dislodging older men they accused of "forgetting" the constituents who had sent them to Capitol Hill.

Both strapped the weight of George McGovern to the shoulders of their uncomfortable opponents. Both joined hands firmly with the popular President.

Sarasin handed out "at least 70,000" cards with a color picture of him shaking hands with Mr. Nixon. Beards recalls that "in almost every speech, I said I thank the Lord every day that I am running with Richard Nixon and not George McGovern."

And both saw their efforts pay off—thanks, in no small part, to the Nixon coattails. The President carried Beard's district by 65,000 votes, and Beard won by one-fourth that margin. In Connecticut's Fifth, Mr. Nixon's majority was 56,400; Sarasin's, 5,400—just one-tenth as much.

Both men know they are high on the Democrats' target list for 1974. But if the impressions gathered in their districts last week are accurate, the Watergate scandals will not sink them.

A far greater danger to their chances lies in the rampant inflation and the fear of growing fuel and food shortages.

There is little they can do to protect themselves directly against that economic backlash, so their best hope is the old salesman's remedy: Get out and hustle. That is exactly what Sarasin, Beard and dozens of other Republicans were doing last week

Topic A for the constituents, for weeks, has been the worry over rising prices and threatened scarcity, both men say. And on this topic, neither man offers a word to justify past policies or to promise future relief.

Sarasin spent Wednesday in Danbury, where Sen. Abraham A. Ribicoff (D-Conn.), himself facing re-election next year, had come the previous day to spread the word that the administration's energy policies would cause a serious heating oil shortage in New England next winter.

As Sarasin toured the same radio stations and newspaper offices Ribicoff had visited, he agreed with the forecast, if not the laying of blame.

A member of the "energy task force" of the House Republican Conference, Sarasin said he saw no short-term solution, but has co-sponsored a bill for a "crash program" to develop new energy sources.

GOP FRESHMEN FIND VOTERS CARE MOST ABOUT HOME

As for Phase 4 and prices he told a cable television interviewer: "When we remove the freeze, there's no question we'll see higher prices, but over the longer haul, the only way to bring prices down is to increase the supply."

"Are you just telling the harried housewife to bide her time?" asked interviewer Chris Silva.

"I wish I had better advice but there isn't a practical solution in sight," Sarasin said. "Price freezes don't solve problems. We have tinkered with the economy and every time we have we've loused it up a little bit more."

Down in Franklin, Beard took almost the same line. "I wish I could say I see some relief in sight," he said on station WAGG, "but my fear is prices are going up even higher. I wish I knew what the answer is, but I think we're going to have to rely on supply and demand."

Beard and Sarasin both believe that Congress has shucked its own responsibilities for economic management, and both try to remind the voters that the President should not carry the whole burden of blame.

Sarasin drew a good response from the Rotarians when he recounted the "ridiculous" amendments offered on the House floor by grandstanding Congressmen, when the Economic Stabilization Act was up for renewal last spring.

"Someone said we should roll back prices to last year," he said. "Someone said we should go back to 1929. Somebody said we should amend the law to reduce the gestation period of cows by half. So we ended up just handing the problem to the President."

"Why doesn't Congress set a budget and live with it?" a Rotarian asked.

"I don't know," Sarasin said. "They don't want the responsibility. It's much easier to demagogue."

Beard, too, told his Rotarians that "Congress talks fiscal responsibility, but they don't vote it." But in interviews, neither man sees much political hope in Mr. Nixon's pre-Watergate tactic of focusing public anger at the "big spenders" in Congress.

"I don't think it will work any more," says Beard. "The Democrats will talk about hospitals and schools and say, "We're for the things that are good for the people.' "

In fact, though both men are generally found in the President's corner on House votes, both have broken away to vote for spending for their districts on airport development, vocational rehabilitation, impacted schools aid and public works, which Mr. Nixon opposed.

Both have fought their battles with the Office of Management and Budget. And when local editors last week congratulated Sarasin for springing $700,000 for the Still River project and Beard for restoring funds for the Columbia, Tenn., dam, neither refused to take credit.

Above all else Robin Beard and Ron Sarasin see their political salvation in being visible, accessible and accommodating servants of their districts. When news director Charles Dibrell of WIZO told Beard on the air "Your constituents are more aware of what Robin Beard is doing than any Congressman we've ever had," Beard replied, "You've made my day."

Neither man has ever stopped campaigning. Beard has been home all but five weekends since January; Sarasin, whose family still lives in Connecticut, has not missed a one.

Sarasin has converted his campaign bus into a "mobile district office," and is now completing his second circuit of his 26 towns, holding office hours in each.

Beard has been holding office hours in the courthouse of each of his counties, and both say that compared to the urgency of the personal problems the constituents bring to these sessions, Watergate and its ramifications seem remote and abstract.

Beard sat for two hours at the Williamson County courthouse Thursday, listening to a stream of problems and requests; an oil man angry about the independents' propaganda against his company; a naval academy applicant; two families whose homes are in the route of a parkway; a committee seeking a levee for the town creek; several social security and disability claimants; two men seeking help on getting jobs with the state; the wife of a government employee being "harassed" by his supervisor; a young man seeking to have his "undesirable" discharge reviewed; even some rural residents, who thought the Congressman could get the phone company to stop charging long distance rates for calls to the county seat.

Of the 50 to 60 people who came by, exactly one, a woman, wanted to talk about Watergate. "What I want to ask you," she said, "is what's the sense of having twelve men ask one man the same question twelve times in one day. What's the sense of that? Don't they have anything else to do up there?" Although their districts and personal political stances differ, with Beard and his constituents more conservative than Sarasin and his, two freshmen have it on the same way of dealing with the Watergate situation.

Both say they will not condone the "mistakes" or the "stupid things" that occurred. Both say that the Watergate crimes are not part of politics as they understand it.

But both come down clearly on the President's side of the issue—without demanding any further explanation from him.

On the question of the tapes, Sarasin told a Danbury interviewer: "The lawyer in me says he doesn't have to give them up. The inquisitive part of me says I'd like to hear him. I don't know what the answer is, but the President has an obligation that goes beyond himself, to protect the prerogatives of the presidency. I think that's what he's doing.

"My own feeling is he did not know about Watergate or the coverup, that he was lied to by the people around him. I see a lot of people who shouldn't have been in those positions, who decided they were above the law. And the good thing about this is that we're demonstrating that no one is above the law . . ."

On a similar interview program in Franklin, Beard said, "I believe in standing behind the President. He's still popular down here. The majority of the people I've talked with say if they had it to do all over again today, they'd vote for Mr. Nixon again, 'cause the man has done a good job for us—made fantastic inroads in our foreign policy."

Both seized on the impeachment move of Rep. Robert Drinan (D-Mass.) as device for disassociating themselves from the President's more rabid critics. Sarasin hurried out a press release opposing the move. Beard told a radio interviewer, "I cannot tolerate such people as Father Drinan having the gall to say, 'Let's impeach the President.' This is the same type of guy who screamed on behalf of the constitutional rights and civil liberties of bums like Ellsberg, Angela Davis and people like that. I say its a two-way street . . ."

While backing the President, both men are taking steps to avoid being caught in the Watergate backlash they see demeaning all politicians in the public's eye.

Mindful of the unfavorable impression many of the lawyer-witnesses have made during the hearings, Sarasin makes a point of noting in every speech or interview that "I gave up my practice, partnership, association and income" when elected to Congress. "My full-time job is to represent this district."

Beard has gone much further, developing a long monologue about his fears of becoming the victim of "Potomac fever," which he says develops in Congressmen who have served in Washington so long they have been forgotten by their constituents.

"So, I'm putting the monkey on your back," he told the Rotarians, "to see I don't become one of these great world statesmen who you see up there. I'll be back here, lookin' you in the eye, and tellin' you how I cast the only vote you got on the floor of the House. But I can't read your minds. You got to tell me what you think and what you want me to do, and if you help me that way, I'll stay the most hustlin', hard-workin' Congressman you've ever had."

Ironically, while both Beard and Sarasin feel it is politically safe in their districts to speak up unequivocally for Mr. Nixon, they must thread their way carefully around the controversies surrounding the Republican Senators from their states who serve on the Watergate committee.

To judge by their comments, the problem of being in the same party as Richard Nixon is less worrisome than that of sharing a party label and a state with Sens. Lowell P. Weicker, Jr. or Howard H. Baker, Jr.

Publicly, Sarasin told the Rotarians that he is "proud of our own Senator Weicker, who has pointed out that this was not a Republican Party operation at all." Privately, he says that Weicker's stance has helped the Senator with independents and Democrats, "but it's aggravated a lot of Republicans."

Beard says the attitude toward Baker "is fairly rough. People feel like he's been a little bit too rough, that he's overacting in some of his questioning."

Publicly, however, he defends the senator, saying, "He's handled himself well in a very difficult situation." Beard compares it to the time he had his brother in his own Marine platoon and "I had to give him the roughest treatment of all, to show I wasn't partisan to him."

"I think Howard Baker has tried to do an objective job, and compared to other members, has handled himself extremely well."

As they tour their districts this August, these freshman Repulbicans, of course, are thinking about 1974 and what it may bring. They may be wrong, but they do not see any great peril in Watergate.

When a friendly journalist told Sarasin his likely Democratic opponent "is going to run on Watergate," Sarasin said flatly: "That won't be the issue," and let the matter drop.

Beard told a radio interviewer: "Without any question, anyone who tries to use Watergate as an issue against me, a congressman representing a district in Tennesssee, is going to be a pretty weak candidate."

"He can take my voting record and tear it up as much as he wants to; that will be a legitimate campaign. But for anyone to have the gall to run against me on the basis of Watergate, well, the people are just better informed than that. They won't put up with it. It will backfire on him." A Democratic editor Beard met later in the day told the congressman he agreed completely on that proposition.

Both men were asked if they would want President Nixon or Vice President Agnew to campaign for them now. Sarasin said, "I think it would be a help. People want to come out and see them. They're certainly a drawing card. But I am trying to do the job I was elected to do, and if I can get the point across, hopefully I can be re-elected on my own."

Beard replied: "I'd like to think that through good, hard work I can win on my own. I'm realist enough to know this is a Democratic district, and I have to sell myself."

Are there any pluses in being a Nixon man? Sarasin said, "Well, yes. This being a Republican administration, there are people I can deal with in the executive branch who might perhaps be a little more kind to me than they might be to a Democrat. I don't look on being a Republican as a disadvantage."

Beard said, "I don't know. Personally, I think he's done a good job, but I don't consider myself totally a Nixon man. Whether there are pluses now" I don't know. I'm just looking for Robin Beard pluses, trying to let 'em know what I'm doing."

Beard and Sarasin may not be typical. But if you were to generalize from their experiences at home this past week, their attitudes, you would say:

There's little likelihood today that the Republican congressmen will come back to Washington on Labor Day ready to raise hell with the President about Watergate. They will want—but don't really expect to get—reassurances from him about the economy. Some of them may well tell their Senate colleagues it's time to shut down the Watergate hearings.

They will come strengthened in their belief that they are on their own for 1976. That may well be reflected in more deviations from the administration line or coming votes. Faced with a choice of voting their district or helping the President, most will vote their district.

Unless these men and the constituents, editors and broadcasters they met are all mistaken, Watergate itself will not put their Democratic opponents in office next year. And if most of the Republican freshmen are working for re-election as hard and as early as Ron Sarasin and Robin Beard are, any Democrats who beat them will know they have been in a fight.

HOME, INC.

Mr. MUSKIE. Mr. President, earlier this year, the New England Regional Commission awarded a $50,000 grant to HOME, Inc., a crafts cooperative in Orland, Maine. The cooperative now has about 1,000 craftsmen members, supplementing their income by selling their products. In order to give my colleagues a better idea of what that $50,000 helped buy, I ask unanimous consent that an article in today's New York Times describing the project be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Partners Are Three Nuns—And 1,000 Maine Craftsmen

(By Lisa Hammel)

Orland, Maine.—"All I know of tomorrow is that Providence will rise before the sun."

The felt and burlap poster announcing this belief hangs in a small room in a weathered board house just outside this 18th-century village, about a half-hour's drive south from Bangor.

The house is occupied by three nuns, still members of the Carmelite order although they are no longer cloistered. And if Providence has begun to smile on them in the last few years, it may be because they have been meeting it more than halfway.

RENTED COTTAGE

The nuns—Sisters Margaret Dorgan, Lucy Poulin and Patricia Veale—left their cloistered monastery in New Hampshire and, with church sanction, moved to this state. Sister Lucy said they were seeking a simpler life than they believed they had in their "two-city-blocks-long monastery."

Settling temporarily in a rented cottage, they found work sewing shoes, which they could do at home. But soon there was more work than the three could handle, and at the same time they began to be aware of the poverty and needs of many of the people who lived around them.

"The essence of the Carmelite life is solitude, silence and prayer," said Sister Lucy, whose maroon beret still held a bit of straw left from her afternoon chore of baling hay. "But as Christians," she continued, "we responded to what we were faced with."

The sisters soon rounded up 30 women who were eager to do the sewing. And there were 200 more on a waiting list. But a year later, because of a change in operating costs, the factory closed.

"We still had to earn a living though," recalled gray-haired Sister Margaret, who had come into the basement reception room of the farm-house they later built for themselves. She was clad in the shirt and dungarees that are a kind of mufti habit for the three nuns when they are not out in public.

So the sisters made suede clothing and accessories ("We had learned leatherwork by doing the shoes," Sister Margaret explained) and then, she said, "we peddled from store to store with our black suitcases. In one year we did $7,000 worth of business."

In the meantime, the women they had helped, who had now been put out of work by the closing of the shoe factory, began to turn to them. And it occurred to the sisters that they could marshal the native talents of these women and other men and women like them—and form a crafts cooperative, which they saw as one way of returning power to the people.

COMPLEX OF BUILDINGS

"The plight of the rural woman," Sister Lucy said, "is the worst I know of. She's poor, isolated and powerless. The big trick is to break the welfare cycle that has been perpetuated for generations."

In May, 1970, the HOME Cooperative (the letters are an acronym for Homeworkers Organized for More Employment) was opened, with one building, a few acres, a staff of two, excluding the sisters, about 100 participating members and work that Sister Lucy recalled as just a notch above "a typical church bazaar."

Today, just a little more than three years later, there is a complex of buildings on about 24 acres, almost 1,000 craftsmen members, a wholesale operation (a line of suede, patchwork and denim fashions will shortly be available at a New York boutique—Betsy, Bunky & Nini at 237 East 53d Street), a free mail order catalogue (P.O. Box 408, Orland, Me. 04472), a summer store in Bar Harbor and a Christmas store in Bangor, Me. There is also an adult education program that teaches both crafts and "coping skills," as Sister Lucy described it, to more than 400 students.

And while only a handful of the craftsmen are making a living wage at what they do, the co-op has begun providing many of them with a supplementary income.

VOLUNTEER WORKERS

There are also now about 35 regular staff members (mostly VISTA workers officially assigned to the project, along with some local people), whose ranks are swelled by dozens of volunteers from around the country who heard about HOME and came to donate their services.

The staff and volunteers cover an impressive cross-section of dedicated citizenry.

They work on construction, help run the retail or wholesale operations, handle the finances or attend to administrative matters. They range from high school students to keen-eyed grandmothers and salty men of advancing years, and in background from Air Force veterans to priests, from millworkers to attorneys.

And each has come because of a belief in the importance of helping people to help themselves.

As for the craftsmen, they have their own reasons for being involved in the Home the nuns built.

Eighty-three per cent of the members are women, many without men, and bone-poor. Other members are retired artisans or factory workers, or their wives, living on fixed incomes and glad of the occupation and the additional money.

Dolores Roi, an ample woman with gray eyes that match her crisp gray hair, is the mother of nine children. Her late husband was in the Air Force. Mrs. Roi, who lives in a comfortable old farmhouse with attached barn in Orland, started with the project when it was first organized, and now teaches sewing for the co-op as well as making things herself.

"It's a good opportunity for many people," she said, "even if they don't get wealthy with it. A lot of people who have been quite isolated have come and taken part; and it's done the more affluent ones good to see what some of the problems are. I had never realized there were people in that kind of need so close by."

Charles Frederickson, who is a very lively 80, retired 15 years ago from an aircraft plant in Connecticut to a green shingled house on Verona Island overlooking the broad expanse of water where the Penobscot River turns into Penobscot Bay.

Mr. Frederickson, who has a basement full of woodworking tools, does canning for the co-op. "I can't just sit in a chair till I die," he said. "I have to have something to do. So I do canning for them."

Francis Arey is retired from the St. Regis Paper Company's big mill in Bucksport, and lives with his wife and a saucy myna bird at the end of a road that dwindles off into meadow and small woods. Mr. Arey, who "just picked up woodworking," makes candlesticks and candle lanterns and bowls on a lathe he built himself.

"I can't make wages at it," he noted, "but it brings in a little. And if it wasn't for this, I'd be with some of my friends down at the senior citizens playing pool."

Esther Hills arrived at HOME one morning lugging a number of oversized stuffed dolls, some quilts and a made-to-order 90-foot-long rag rug stair tread she had just finished. She also weaves for the co-op on a loom she inherited from her mother-in-law. Her husband, Mark, is an automobile and farm mechanic.

"I visualize in my mind what I want to do," she said. "I like to create. It's what I've always wanted to do but never had the privilege of."

Mrs. Hills works in a nursing home four mornings a week, tends her garden and does "all my own freezing, canning and berrying. And in the evening, I put my eyes on the TV and weave."

One of Mrs. Hill's fondest hopes, she said, is that "in a couple of years, I'll have enough business so I can just do this. I strike out whenever I hear about a gift shop on a main route. But HOME has done the best by me. They've done beautifully by me."

Annie Stritham, whose husband, Harley, is also retired from the Bucksport paper mill, sat on a recent afternoon in her front parlor—a room furnished with a few antimacassar-topped armchairs, a yellow and white braided rug and photographs of some of her eight grandchildren.

"I spend an average of a few hours every day doing the sewing," she said. "That keeps me busy enough. And I knit sweaters, too. I've always done things, but never had a chance to sell before."

The craftsmen's co-op seems like a fine idea to her. "It doesn't pollute the air or destroy the soul, and it's profits for everyone, not just for a few."

Mrs. Stritham glanced down for a moment at the pile of gaily printed patch-work placemats she had brought in, and then lifted her head, looking almost girlishly pleased. "There must be an awful lot of homes in the country that my things are in," she said.

OFFICE OF SPANISH-SPEAKING AFFAIRS

Mr. DOMENICI. Mr. President, yesterday I joined several of my colleagues to petition Secretary Caspar Weinberger urging him to reconsider his decision to eliminate the Office of Spanish-Speaking Affairs within the Office of Education.

I did not earlier join Senators HASKELL, STEVENSON, and others because I was unaware of the situation until late yesterday afternoon. Unfortunately, a letter informing me of this action on the part of my colleagues was misplaced by a member on my staff. However, as soon as I was informed, I immediately sent a telegram to the Secretary in order that he be aware of my position. I later sent a follow-up letter stating in further detail my great concern for the future of education for our Spanish-speaking citizens. If there is no objection, a copy of that letter will follow my statements here.

In my State, and, I would dare say, in the entire Nation, there is still a need for a special emphasis in dealing with the educational problems of the Spanish-speaking person. Since the Office of Spanish-Speaking Affairs was initiated in 1966, it has helped Spanish-speaking educators obtain information and necessary assistance from Federal programs. Without this assistance, I am afraid the progress made in this area would have been slowed considerably.

Furthermore, during the past few years the Office has served as a vigorous advocate of programs designed to meet the needs of the Spanish-speaking community. Many accomplishments have been made despite the fact that there are only 3–7 employees and the office operated on a budget of approximately $50,000 last year.

I believe that this is not the time to terminate the Office. Diligence is still needed in seeing many of these programs through, for although I have seen great strides in my own State as a result of these programs, there is stil much to do.

Mr. President, a basic principle by which this Nation was founded was that all men would have at least an equal chance to participate in all national programs. Some of our citizens are at a disadvantage yet today. We are all aware of the progress made with the passage of many legislative initiatives to make that dream a reality. Certainly we would all agree that education is the great equalizer. Certainly then, we must guarantee the right of all citizens to the best we have to offer. I feel that the Office of Spanish-Speaking Affairs was trying to live up to that ideal. They ought to be able to continue their efforts until we are closer to the goal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 27, 1973.

Hon. CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare,
Washington, D.C.

DEAR SECRETARY WEINBERGER: This is written in opposition to the proposed plan to dismantle the Office of Spanish Speaking Affairs in the Office of Education. I feel this action would be counterproductive to the needs of the Spanish speaking community and the nation as a whole.

Education has been looked upon as one of the main avenues to equality for the Spanish speaking. The dismantlement of the agency charged with the responsibility of seeing that this avenue remains open would be a signal to the Spanish speaking community that your department no longer considers them important.

I would urge you to reconsider this decision and to also please inform me of the status of the plans for its continued existence.

Sincerely,
PETE V. DOMENICI, *U.S. Senator.*

RURAL TRANSPORTATION CRISIS MAY NEGATE INCREASED FARM PRODUCTION

Mr. HUMPHREY. Mr. President, we as a Nation have set a goal of all-out food production for next year and the foreseeable future.

We must achieve this goal in order to control food prices at home, help avert threatened catastrophic famines in many developing nations, and protect the value of the U.S. dollar abroad.

As an additional goal, this Nation is attempting to achieve a balance of urban and rural growth in the future in which rural areas must play an important growth role.

These are realistic short- and long-range, bipartisan goals which we must achieve.

However, the existence of one major stumbling block is becoming increasingly apparent. The magnitude of this obstacle is frightening, and the extent of its parameters is unknown.

That stumbling block is rural transportation, or rather the inadequacy and, in some cases, complete lack of usable facilities for rural transportation.

No effort has been made to determine the impact of tens of thousands of miles of rail abandonments on rural America and its agricultural production. Concurrent with this has been emphasis on interstate-type highway construction without a similar emphasis on improving deteriorated primary, secondary, and county roads—the latter two comprising our "farm-to-market" road system.

No study has been made which relates the effects of rail abandonments and inadequate farm-to-market roads to farm production and the cost of agricultural products, not to mention its relationship to farm failure and the decay of rural communities.

The first effort along these lines is a study this Congress ordered, as a part of the Agricultural Appropriations Act, on the "Crisis in Rural Transportation." This crisis is indeed very real and, in this case, not overstated.

I request that we consider on an urgent basis, an expansion of this study which may offer some possible, partial solutions, at least, in time to prevent a disastrous breakdown in transportation when full farm production is achieved, if indeed this production level can be attained without transportation solutions beforehand.

I say possible solutions since it will take research and study to find the limits of feasibility of any new concepts.

The expanded study would encompass research on utilization of the "container concept" in the movement of bulk agricultural products, both within the country and overseas.

The "container concept" is revolutionizing all forms of transport worldwide, and in virtually all major industries. The economic benefits of containerization have, among other things, brought about the restoration of our merchant fleet.

The "Crisis in Rural Transportation" study, to be conducted by the Economic Research Service of the U.S. Department of Agriculture, would be expanded as follows:

Study the potential for utilization of the container concept in the movement of agricultural products and agribusiness products to and from the farm.

Study potential use, intracontinental United States.

Study potential use for export and backhaul potential.

Study potential use of refrigerated containers for shipment of processed poultry and meats, both intra-United States and for export.

Study combination usage between agribusiness and nonagribusinesses to utilize containers both ways and thus encourage dispersal of industry and jobs.

A research and development program to develop hardware—especially new types of containers—if necessary—development of inexpensive methods of on- and off-loading containers on—farms—at elevators and collection points, and—onto flatcars and barges.

Recommend sources of private capital to finance and/or rent and lease containers, such as farm cooperatives, elevators, produce buyers, rail, truck, and barge lines.

Coordinate this study with the "Crisis in Rural Transportation" study to see if present rural highways and railbeds are sufficient to handle container loads. Study should detail deficiencies, if any where these deficiencies exist and the cost and timetable estimates for correcting them.

Mr. President, this matter of improved rural transportation and the "container potential" is of great interest to me. I strongly urge the U.S. Department of Agriculture to make it a part of this congressionally mandated study of the "Crisis in Rural Transportation."

PAPER MOON—WALL STREET JOURNAL SEES GROUND FOR SUSPICION IN IMF REFORM PROPOSAL

Mr. HELMS. Mr. President, I commend to the attention of my colleagues an editorial which appeared in the Wall Street Journal on September 27, dealing with the International Monetary Fund reform discussion which has been going on in Nairobi, Kenya.

The editorial is a perceptive analysis of some of the dangers to world monetary stability which would result from a liberalization of the current use of special drawing rights.

I hope Senators will keep these points in mind when evaluating the international monetary changes which will result from these current meetings.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

PAPER MOON

Part of the rationale of the creation of Special Drawing Rights (SDRs) under the aegis of the International Monetary Fund in 1969 was that there was a need for an additional reserve asset to insure sufficient liquidity for international commerce.

Lack of liquidity is scarcely a problem today, as Mr. Stabler notes on this page today, but another use for SDRs is getting heavy promotion at the IMF annual meeting in Nairobi: They could be issued to the less developed countries (LDCs) as a substitute or supplement for the various forms of aid those countries receive from developed nations of the world. The idea has beauty in its simplicity, but there are good reasons for having doubts about it.

One of them is the attitude of the less developed countries. They like the idea so well that they are willing to go to some lengths to have it realized. Specifically, they are willing to vote as a bloc to thwart the establishment of a new monetary order unless that order provides them with the special SDR aid.

It is the attitude that bothers us, not the possibility that it might somehow delay formation of the new monetary order. As has been noted here before, the present non-system of floating exchange rates seems to be working well enough; we can see no need to junk it hurriedly in favor of an untried scheme. We see no special attraction to organization merely for organization's sake.

But the attitude that the problems of the world can somehow be solved by merely calling pieces of paper "money" and sending them out to the folks who have the problems—well, that's a bit disturbing.

If the LDCs got their aid SDRs they could indeed use them to buy dollars and francs and pounds which could in turn be spent on autos, textiles, roofing shingles or what have you. But there is no guarantee that this added claim on the world's finite supply of real goods wouldn't merely result in further erosion of the purchasing power of dollars, francs, pounds or other currencies. In other words, there is no guarantee that SDR aid would really give the LDCs much real added purchasing power.

In fact, there is every reason to believe that the 9.5 billion SDRs that already have come into use, equivalent to $9.5 billion in 1969 pre-devaluation dollars, have aggravated a tendency towards worldwide inflation. Since the 1960s, the world has gone from a presumed liquidity shortage to a super-excess of liquidity. Most of this has been caused by excesses of national currencies, particularly the dollar, but the simple fact is that the world does not need more liquidity when price inflation in the major industrial countries is averaging close to 9%.

Further, the SDR scheme might not serve the specific national interests of the LDCs as well as its promoters believe. Given the realities of politics, are we to assume that the added nominal purchasing power would go to build the productive capacity of LDC economies? Present forms of aid, with all their problems of misdirection and inadequate project evaluation, at least are heavily aimed at building productive capacity.

Industrial nations which have supported the SDR aid scheme as a simple answer to the problems of the LDCs many well be doing the cause of world development and world monetary stability a substantial disservice. The United States, to its credit, has been strongly resisting the idea. Some of its critics claim that the U.S. merely wants to keep strings tied to aid so it can be used for political purposes. But this is an unfair charge considering the commitment the U.S. already has made in multilateral forms of foreign aid that give it very little real leverage.

As to the LDCs themselves, they can perhaps not be blamed for wanting all the help they can get and even trying to use political leverage to move things along a bit. But it might be well for LDC finance ministers at Nairobi to think a bit more about the proposition. There always are grounds for suspicion when someone promises the moon and the grounds become even more solid when the moon is made of paper.

INTERSTATE LAND SALES

Mr. HARTKE. Mr. President, in 1968, the Congress enacted the Interstate Land Sales Act in an attempt to halt the fraud prevalent in interstate land sales. Unfortunately such unethical practices continue to persist. It is for this reason that I have introduced S. 1753, the Interstate Land Sales Act amendments. The bill requires Federal licensing of all interstate land sales dealers.

Mr. President, an article which appeared in the Chicago Tribune shows what can happen to an individual who unwittingly falls into the trap set by some fast-talking interstate land salesman. I request unanimous consent that this article from the Chicago Tribune be printed in the Record for the information of the Senate.

There being no objection, the article was ordered to be printed in the Record, as follows:

Buyer Beware—Out-of-State Land Seldom Shangri-la

(By Bob Walton)

What does a person say to a retired man who has invested $2,700 of his pension money in unseen Colorado property and has received no record of his payments?

It's too late to tell him never to buy property without first taking a look at it and the surrounding territory. For all he knows his acreage could be on the side of a steep mountain.

For every person who has profited by such an investment thousands have lost and the victims invariably are thoese who can't afford to take such a gamble. Florida, for example, is a beautiful state, but no one knows how many underwater lots have been sold to the unsuspecting.

The story of the Colorado investment is told in a letter from a 68-year-old man who lives in a suburb of Detroit.

"We recently, bought a 9½-acre parcel from a firm selling property in Colorado," he wrote. "We paid $950 for a downpayment and later the salesman persuaded us to buy a bigger place at twice the price.

"After giving it thought for a few days, I decided it was too big a chunk for me to handle because I was paying for it with my pension money and it would take twice as long to pay it off."

Continuing, he wrote that he and his wife decided to go back to the original deal "and when we canceled out, the contract was returned as was our second check for $950."

He then went on to explain he and his wife are planning to pay off the balance in two years instead of 10 years as provided for in the contract. "We are doing that by making four monthly payments each month and have put up $2,700, but there have been no acknowledgement of the money having been received.

"Is this customary?" he asked.

He answered his own question when he wrote that in buying their present home on a GI contract, "we knew where we stood after every payment.

"In this deal we are saving our [cancelled] checks, as they represent the only way we have of knowing when we are paid up." he wrote. "Can we demand a statement on the payments we have made?"

And now for the finale of this unusual letter.

"We have until next July 15 to inspect the property and my wife wants to know that, if we decide not to buy, would we get our money back?" he asked.

It is possible he can get his money returned, but he will have to get tough and act fast and he should engage an attorney at once.

Most states have laws designated to protect innocent victims of such investments. Once the promoters receive a letter from an attorney it is likely they will settle in a hurry, if for nothing else than to shut him up.

Meanwhile, he will have to keep those cancelled checks under lock and key and he should never let them out of his hands.

He didn't say, but it is within the realm of possibility that the promoters will offer him and his wife "free" transportation to Colorado to inspect his acreage.

If he feels he wants to see the property, it should be at his expense because a "free" trip would be anything but that for him. When a man is as easy with his money as he is, it's almost a certainty he'll reinstate the second purchase he cancelled.

FOREIGN AID AND THE DRUG TRAFFIC

Mr. CANNON. Mr. President, the flow of drugs into the United States from countries receiving American foreign aid is shocking and scandalous. Although we have been aware of this problem for some time, American law enforcement cannot on its own conquer the trafficking problem. We must choke this flow at its source. This can only be done with the cooperation of nations in which drug production occurs.

Today I am asking that every Member of the Senate give serious consideration to the amendment 502 to S. 2335, offered by the Senator from Indiana (Mr. Hartke), which would stop all foreign aid to any country that doesn't take adequate steps to control the production, distribution, transportation, and manufacture of heroin. I am pleased to cosponsor such important and badly needed legislation.

This amendment calls for a good faith effort on the part of these countries through the establishment of an effective agency for enforcement. Most importantly, this proposal requires cooperation with the United States in its efforts to eradicate the shocking undermining of the moral fibre of our society caused by the illicit use of heroin.

We here in Congress will have the opportunity to evaluate a finding by the Secretary of State which would determine whether each country, consistent with its individual problems, has made a good faith effort. A resolution rejecting the administration's affirmative finding will cut off all foreign aid to that country.

Mr. President, it is time to stop this criminal trade and restrain the epidemic of hard drug addiction. Let us halt the destruction of our most valuable asset, our country's young people.

PRESIDENT'S HOUSING MESSAGE

Mr. CRANSTON. Mr. President, I commend the President for announcing immediate moves to make mortgage loan money available and to unfreeze money for rehabilitation loans and subsidized rental housing. I also applaud his recommendation to raise the FHA ceiling on single-family mortgages from the current $33,000 limit. I pledge my support for speedy approval of these recommendations.

But on long term housing poilcy, the President's message Wednesday was incomplete and disappointing.

Uncertainty clouds the President's housing plans for fiscal year 1975 and fiscal year 1976. More disturbing, however, is what the President's message does make clear: He has no strategy for improving rural housing; he has no intention of having the Federal Government assist people of modest means to buy new homes; he has no plans to give Federal assistance for the construction of rental units adapted to the special needs of the elderly, the handicapped, large families, and the single-nonelderly person. These groups require units specially designed for them. Yet, the President is recommending a rental housing construction program which is not tailored to the unique needs of certain groups of renters. The President's primary program, direct cash payments, is applied principally toward existing units, and many of these lack the congregate facilities, incline ramps, and other features required by the elderly, the handicapped, and others.

A housing allowance relies principally on units that have already been constructed. Yet thousands of these units are being lost each year from our Nation's housing stock because landlords and owner occupants are either unwilling or unable to finance repairs. In my own State of California, there are 700,000 substandard units. Without rehabilitation, these units and the neighborhoods where they are located will continue to go downhill.

To prevent the deterioration of housing and the surrounding neighborhood, Senator Taft and I introduced the Home Preservation Act of 1973 to provide rehabilitation financing under a variety of circumstances and in a variety of locales. I am disappointed that the President, while pinning the allowance to existing units, offers in his message only a small sample of rehabilitation assistance.

The idea of housing allowances did not originate with this administration. The 1970 Housing and Urban Development Act authorized the Secretary of Housing and Urban Development to undertake research programs to test the feasibility of providing poor families with cash payments to assist them in renting standard units of their choice. The first data from the congressionally authorized experiment are not yet in. Clearly, the continuation and expansion of that experiment is necessary to yield reliable results.

In his message, the President outlined several questions that he wants to see answered in the course of the experiment. None of the President's questions were directed at what I believe to be an essential goal of a federally aided housing program: Protection for the consumer against poor quality housing.

The housing allowance is designed to enable poor families to move into decent and safe housing. The President did not raise the question of who will judge and enforce standards of decency and safety. Which standards will, in fact, be used? Who will see to it that the poor and aged find standard units when they may be too old or weak to locate such housing on their own? What will prevent landlords from responding to increased purchasing power—the allowance—by making only cosmetic improvements to their units while neglecting defects that affect health and safety? These are some of the questions I want to see answered in the coming year by the housing allowance experiment.

HUD officials indicate that out of a

full-scale housing allowance program costing between $8 to $11 billion, as much as one-half billion would be spent for administration. That is one-half billion per year. How this money is used—whether it will assure that the recipient finds and enjoys standard housing—or whether it is used to pay a top-heavy bureaucracy here in Washington—this is a matter that needs to be clarified.

The President failed to explain what kind of housing programs we will have in fiscal year 1975.

He announced the approval of 200,000 more subsidized units through fiscal year 1974, the end of the suspension of the section 23 leased public housing program, and the release of $60 million in rehabilitation loans-actions I was happy he decided to make. But I am disappointed that the President is not releasing all the impounded section 312 rehabilitation loan money as I proposed in a bill earlier in the session. I am distressed that the President has stuck to his decision to terminate conventional public housing, rent supplements, and in section 235 and 236 programs while offering no substitute housing program for fiscal year 1975.

By the end of 1974, the President stated he may be ready to make a final decision on his principal approach: Direct cash payments to the poor applied toward existing units. But if the housing allowance experiment shows that this approach is unworkable, what then for fiscal year 1976?

I agree with the President that up to now, Federal housing programs have been weighted toward new construction. We need, I believe, to strike a better balance between Federal support for new and existing units. But the President's shift is inequitable for persons of low-to moderate-income seeking homeownership.

By fiscal year 1975, the section 235 program will be dead. By refusing to keep subsidized homeownership live, the President is leaving the moderate-income family—a family earning between $8 to $10,000—with little access to homeownership. These families used the 235 program. They will be forced in fiscal year 1975 to turn to conventional financing for houses in their price range: $20,000 or less. The supply of housing in this price range is small. Rising construction costs and financing costs will reduce this small number even further. Only 14 percent of new homes sold so far in 1973 were priced at $20,000 or less whereas the average price of a new home in the first quarter of 1973 was $32,800. By contrast, in May 1972, that home sold for $27,000.

Eighty-one percent of the users of the section 235 program had incomes of less than $8,000. Turning to conventional financing is no alternative for these individuals. For them, the end of the 235 program means the end of the chance of owning a newly constructed home.

I believe we need a construction program for single-family housing that is priced for those with modest incomes. Further, construction programs that add to the supply of housing in the price range of the 235 program will help keep down housing prices for all persons of moderate incomes.

If the housing allowance program replaces the present subsidized programs, it will confine the predominant number of people receiving Federal housing assistance to the status of renters. In his message, the President has foresaken the concept of assisting poor families in owning new homes. He has left those of moderate income adrift, for without some kind of Federal subsidy, persons of modest means cannot afford to buy a house. No subsidy to moderate-income familiies for homeownership is being offered by the President.

Homeownership opportunities for people of modest incomes should be opened up, not closed. The President's housing message shuts the homeownership door in their face. I believe the Congress should see to it that it is reopened.

In contrast to his neglect of modest income home buyers, the President makes several recommendations to help middle-income purchasers.

I share the President's view that the FHA single-famiy maximum mortgage limit of $33,000 is unrealistic in today's market. His request to raise that limit has my support. Considering today's high price of new and resale homes, the home buyer using FHA financing is lucky if he finds a house within the maximum mortgage loan amount of $33,000. In high cost metropolitan centers in California, FHA activity is drying up. The FHA loan amount is just too low. In the Los Angeles-Long Beach area, for example the average purchase price of a new house was $37,400 in March 1973. In the San Francisco-Oakland area, the average purchase price was $37,000.

Today's high prices are not about to go down. The strong demand for housing, which has helped push housing prices up, is continuing.

New families are being formed at a high rate; personal disposable income is rising; older housing is dropping out of our housing stock—these factors sustain demand for new units and sustain prices.

The high costs of land, labor, and materials is not about to subside either. Over the past year, hourly wage rates in the building trades have gone up 7 percent; overall construction materials went up by 15 percent—the most important building material, lumber, increased by 35 percent; and the average cost per acre of a finished lot outpaced other increases by going up 30 percent.

If FHA mortgage loans are going to be originated, they must reflect a housing market which has changed since the 1969 housing act set the $33,000 figure. A higher FHA limit is necessary and has my support.

The President's other proposals affecting FHA—the experimental authority to permit flexible repayment terms; the setting of FHA and VA interest rates at the market rate; and FHA reinsurance of private mortgage insurance companies—all require study by the Congress. A careful evaluation is also required of the President's proposal to allow a mortgage interest tax credit to financial institutions who invest in residential mortgages.

Of immediate value is the President's decision to ease his tight money policy that has made mortgage money at reasonable rates almost impossible to get.

On July 5, Federal monetary authorities tried to check the outflow of savings from thrift institutions by authorizing higher interest rates on time deposits. On the same day the Secretary of Housing and Urban Development announced that interest rates on FHA and VA loans would be raised from 7 to 7¾ percent in order to avoid large discounts. While both actions were intended to do some good, both have failed the savings and housing industries and the homebuying public.

Despite the higher interest rates payable on time deposits, savings and loan associations and mutual savings banks have actually lost hundreds of millions of dollars since July 5 to commercial banks and to investments in more attractive Treasury bills and other market instruments.

The result is that mortgage money that was gradually disappearing prior to July 5, quickly dried up.

When the Secretary of Housing and Urban Development announced on July 5 that FHA and VA rates would be raised to 7¾ percent, he did so because sellers were having to pay at least 8 discount points to make the FHA mortgage marketable.

Despite the interest rate hike, many who depended on FHA and VA financing still found they were out in the cold. The Secretary of Housing and Urban Development suspended the GNMA tandem plan for nonsubsidized FHA loans on the theory that this assistance would not be needed once a higher interest rate was effective. Discount points, however, did not plummet. Since then, the Secretary of Housing and Urban Development has raised the FHA interest rate to 8½ percent. Even so, sizable discount points continued to be charged.

As of August 30, the date of my response from Housing and Urban Development on the subject of the GNMA tandem plan, the Department stood fast by its decision not to reinstate the GNMA tandem plan assistance for nonsubsidized programs. Mr. President, the Department's response was prepared for the record of hearings by the Senate Housing Subcommittee on housing legislation. Since this record has not yet been printed, I ask unanimous consent to print the Department's response to my questions in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Questions From Senator Cranston

The termination of the GNMA Tandem Plan for the unsubsidized programs has caused a great deal of concern in my State and, I am sure, in others. Some sponsors, for example, had firm commitments at the time GNMA said it had closed its doors.

1. Why has HUD terminated the GNMA plan for the unsubsidized programs?

2. Will GNMA honor those firm commitments made around June 27–28?

3. Will the Tandem Plan for the subsidized

programs cover all those applications in the pipeline?

ANSWERS TO SENATOR CRANSTON'S QUESTIONS

1. The Secretary has increased the maximum allowable interest rate permitted for mortgages insured by FHA to 8½ percent. HUD's Tandem Plan for FHA insured housing (unsubsidized) will remain suspended (except for multifamily housing mortgages covered by FHA commitments issued prior to June 30, see 2. below) because the Plan will not be needed with the reduction in discounts resulting from the higher interest rate.

2. GNMA will honor all commitments made by it for the purchase of mortgages prior to the close of business June 28. It is anticipated, however, that most mortgage lenders with commitments covering unsubsidized housing mortgages will have their FHA commitments increased to the new interest rate thereby avoiding the need for Tandem Plan participation. All Tandem Plans were suspended, effective June 28, 1973, when funding authorizations were exhausted. Since that time, in July and August, the Tandem Plans for Programs 16 (section 235(j)), 17 (section 221(d)(3)), 236, and rent supplements), and 18 (section 235(i)) were reinstated when funding authorizations were approved. Effective on August 27, the Tandem Plan for Program 21 (unsubsidized multifamily housing mortgages was also reinstated for mortgages covered by FHA commitments issued prior to June 30.

3. In order to avoid inequity in connection with the increase in the interest rate, Tandem Plan assistance will continue as to all HUD subsidized housing in process which would not be feasible at the higher interest rate and requires Tandem Plan assistance to remain economically viable. A letter is required from the local HUD office to GNMA documenting the finding of infeasibility at the higher rate.

Mr. CRANSTON. The suspension of the GNMA tandem plan on July 5, for the unsubsidized programs was premature. I am pleased that the administration has reversed itself and is reinstating this assistance.

Besides the reinstatement of the GNMA tandem plan, I am encouraged by the President's announcement that the Federal Home Loan Bank Board is authorized to work out a program of "forward commitments," worth $2.5 billion, designed to give savings and loan associations the confidence to make mortgage loans.

But, the GNMA tandem plan and the program of "forward commitments" alone are not enough to solve the current credit crunch of tight money and high interest rates that threatens to shut down homebuilding and shut out people who need and want to buy homes. Congress must continue its investigation of the impact of actions taken by the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board on July 5, and take other corrective measures where necessary. These actions included increasing interest rates on time deposits, decreasing to ¼ percent the differential on passbook savings between commercial banks and thrift institutions, and introducing a new type of time deposit which is causing wild bidding between banks and savings institutions for the savings dollar. This new savings category is a 4-year, $1,000 minimum, unlimited interest time deposit.

I personally support a proposal being offered by Senator McIntyre that requires Federal banking regulatory agencies to set interest ceilings on certificate of deposits in order reasonably to assure the flow of money into savings institutions and the housing market.

The President will be sending his legislation to Congress shortly. I hope the legislation is more specific than his message. The course for housing programs for fiscal year 1975 and fiscal year 1976 are still unchartered despite all the fanfare about new directions. Putting housing programs on the right course is a task now for the Congress.

AN HONEST MAN BOWS OUT

Mr. HUDDLESTON. Mr. President, all of us feel a sense of sadness over the impending departure from the Senate of the distinguished senior senator from Iowa (Mr. Hughes). Senator Hughes has been an eloquent spokesman for so many causes that this Nation needs to address—the cause of peace, the cause of combatting alcoholism and drug abuse, and the cause of giving every man a sense of dignity and self-respect.

Senator Hughes has been and doubtless will continue to be a great spiritual and humanitarian leader. He exemplifies the kind of spiritual leadership that combines the force of conviction with the compassion for need.

So we can all join in wishing him well in his new endeavors. I have no doubt that he will make just as great—if not greater—contributions for the good of his fellow man in his new role as a Christian lay leader and spokesman. And I, for one, certainly hope that Senator Hughes will on a regular basis give the Members of the Senate the benefit of his views on matters with which he will be dealing.

In a time when so many people are skeptical and downright suspicious of public officials, it is refreshing to note that there are many, many fine men and women in public office. They, like Senator Hughes, serve the cause of man and God as best they know how—and often at very great personal sacrifice. Many of the finest men and women I know are public officials who have dedicated their lives to making life better for their State and Nation.

It is a great tribute to Senator Hughes that the Paducah Sun-Democrat, a relatively small but outstanding daily newspaper in my State, devoted its lead editorial of September 20 to Senator Hughes. The editorial is entitled "An Honest Man Bows Out," and I think the Sun-Democrat was correct when it stated:

> Many people have disagreed with many of the positions Senator Hughes has taken. But nobody has had the temerity to ascribe his positions to anything less than lofty motives.

Mr. President, I ask unanimous consent that the Paducah Sun-Democrat editorial of September 20, 1973 be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

An Honest Man Bows Out

Somebody once remarked that the one unbeatable thing in this world is a completely honest man.

Such a man, if we judge correctly, is Sen. Harold Hughes of Iowa. Once a truck driver who slid into the abyss of alcoholism, he recovered through a profound spiritual experience. As a result, he determined to test what could be accomplished by a completely honest and dedicated man.

The people of Iowa have been so caught up in the drama of his life and the extraordinary ability that was unshackled when the bonds of alcoholism were severed, that it's inconceivable that they would deny him any office he asked for.

He has served them three times as governor and is now in his first term as United States senator. No doubt, he could go on serving in the Senate until the end of his active life.

But now, having established the truth of the maxim about the honest man, he has decided not to run again. He is going to leave the Senate at the end of his term "to work full-time for Christ."

Why is he walking out of an office which is the summit of ambition for many men?

Because, he told a press conference, he has made a "compelling, intuitive commitment to launch out in a different kind of effort that will be primarily spiritual rather than political."

Sen. Hughes' great strength has risen from his rejection of the false values that ensnare other men. It's impossible to imagine anyone even offering him a bribe. He works for different goals, and he is actuated by different motives from those that move lesser men. In serving the people, he believes, he is serving God.

There is a special danger for this type of man. Because he knows his motives to be better, he is likely to believe that his opinions are also sounder than those of other men. Sen. Hughes avoids this snare better than most.

Many people have disagreed with many of the positions Sen. Hughes has taken. But nobody has had the temerity to ascribe his positions to anything less than lofty motives.

"Nor does the wisdom of the spirit solve precisely the perplexing problems of worldly conduct," Walter Lippmann wrote in "The Public Philosophy." "For it is the realm of being in which the problems of earthly existence are not solved but transcended."

Maybe Sen. Hughes has concluded that people have a greater need today to learn to transcend some of the difficult problems facing the nation than to have them solved. Or maybe that the problems aren't solvable at all until we do learn the "wisdom of the spirit" that transcends them.

SENATOR BENTSEN WINS PRAISE

Mr. McINTYRE. Mr. President, yesterday's Washington Post included an article by Spencer Rich which summed up the feelings of many of my colleagues about Senator Lloyd Bentsen.

Entitled "Soft Spoken Bentsen Gains Wide Respect in the Senate," the article predicts the Senator's hard work and followthrough will rapidly turn him into one of the Senate's brighter lights.

As one Senator who has had the opportunity to work with Senator Bentsen when he was on the Armed Services Committee—and on my Research and Development Subcommittee—I heartily agree. Indeed, after 2½ years in the Senate, I think Senator Bentsen has already become one of our brighter stars.

I am delighted Senator Bentsen's fine work has been recognized in the article in yesterday's Washington Post and I know my colleagues will want an opportunity to read the piece.

Mr. President, I therefore ask unanimous consent that the article be printed in its entirety at the conclusion of these remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Soft-Spoken Bentsen Gains Wide Respect in the Senate

(By Spencer Rich)

Although he is little known to the general public, Sen. Lloyd Bentsen, the quiet man from Texas, is rapidly winning widespread respect and admiration in the Senate, and may soon become one of its brighter Democratic stars.

Soft-spoken, hard-working, persuasive, extremely well organized and systematic and known as a follow-through man, Bentsen, 52, is already being talked about as a man of future leadership potential, although he has been in the Senate only 2½ years.

"Probably he is the best Democratic senator to come into the Senate in the last dozen years," said one Senate staff man who has seen them all for nearly two decades.

"He's the most promising first-term senator in the Senate—without question," said one high-ranking Democrat who asked not to be identified, lest his praise of Bentsen provoke the resentment of other freshmen.

"He's a heavyweight. He has made his mark as a speaker. He carries the ball intelligently and aggressively. When we're up against him we know we have to work," said Senate Minority Leader Hugh Scott (R-Pa.) recently.

Attractive Senate newcomers often lose their luster as time passes, their drive and enthusiasm fades and they settle down to a comfortable routine merely designed to get them reelected. This could happen to Bentsen—only time will tell—or he could conceivably reach for the presidency, as some think he may, and become singed and tarnished in the process, as has often happened to other men.

But so far, Bentsen looks good to his colleagues. What earns men Brownie points around the Senate is hard work, a certain willingness to give and take, a respect for democratic institutions, and forbearance from excessive showboating.

So far, Bentsen has demonstrated these qualities, plus a quiet but articulate manner of speaking which comes across extremely well both in person and on television, and a moderate political stance in which he has supported civil rights, Democratic economic programs and end-the-war legislation, while looking after the oil interests of his native state. Bentsen startled the Southern establishment last year when, in a move wholly unlike a junior Southerner, he opposed acceleration of the Trident submarine system. He had shocked it even more when he first came to the Senate with a strong but fallacious reputation as an arch-conservative, and promptly bucked the most ancient traditions of the South by voting to make it easier to cut off filibusters.

A close associate of Lyndon B. Johnson and John B. Connally in his earlier political career, and a sort of protege of famed Speaker Sam Rayburn during a 1949–55 stint in the House, Bentsen became an insurance millionaire (his net worth in 1971 was $2.4 million) and in 1970 tackled long-time liberal Democratic Sen. Ralph Yarborough (D-Tex.) for the Senate nomination.

In a rough campaign which polarized the positions of both men, Bentsen narrowly beat Yarborough in the primary and then went on to whip George Bush, now GOP national chairman, in the general election.

It was in these campaigns that Bentsen earned an exaggerated reputation as a conservative. It was widely expected in Washington that he would become a part of President Nixon's hoped-for "ideological majority" when he took office in 1971.

Arriving in Washington, he immediately held a news conference to announce that, while he didn't consider himself a liberal, he wasn't a fascist either, and if there was anything he could be labeled it was "moderate" and "regular Democrat."

"You know, when I was in the House I was one of only two Texas congressmen who voted against the polltax," he said in a recent interview. "The other was Albert Thomas, who represented a fairly liberal constituency in Houston. That doesn't sound like much now, but believe me, in those days it was something."

Bentsen emerged on the Senate Finance Committee this year as one of the strong men in support of the committee's pension reform bill. Those who worked with him said they were amazed at his knowledge of the technical aspects of pensions. "I did a lot of study on it," he said. "And I was in the insurance business, the banking business and the mutual fund business."

Although a freshman, he has been named chairman of the Senate Democratic Campaign Committee by Majority Leader Mike Mansfield (D-Mont.). He admits to being a good political fundraiser: "I'm pretty good at it. I work at it," he said. "As long ago as 1960, I was finance chairman for the Kennedy-Johnson ticket in Texas."

Bentsen is a millionaire and he doesn't hide it. He dresses conservatively but he rides around town in a big black car with a telephone. He has helped to hire extra staff with his private funds, and has recently taken on Ben Palumbo, a former aide to Sen. Harrison A. Williams Jr. (D-N.J.), as an "advance man" on some political matters. Palumbo is paid with money left over from a Bentsen campaign dinner.

Bentsen says Palumbo will help him with Senate Democratic Campaign Committee work. A number of others around the Senate think he may just be dreaming of the presidency—an idea Bentsen denies—and may be using Palumbo in a dual role.

When Bentsen first came to the Senate, he hired a systems analysis firm to analyze his employee needs and help him work out job descriptions for every function in his office, which has since won a reputation as one of the more smooth-running Senate operations.

Partisan politically but not on policy matters, Bentsen has often stood with the President on defense or other substantive issues. But on the Watergate tapes, "If the Supreme Court says that the President has to surrender those tapes, then he has to surrender them," he said. Refusal would be so destructive to our system of government that it could not go unchallenged, he contended.

Bentsen appears to have won widespread respect among conservative Democrats, substantial respect among moderates, and somewhat grudging if increasing respect, from the party's liberal wing, which doesn't completely trust him yet.

"He makes the right moves; he's smooth; so far he looks good. But I'm not clear about him yet," said one Northern Democrat. "I'll have to see him more. How much he gets through. How much staying power he has."

Bentsen disclaims national ambitions or the desire to run for a Senate leadership post, but leaves the impression his arm could be twisted.

"I'm enjoying myself working in the Senate. This (town) is the center of the world," he said, adding, "Am I running for President or Vice President? I'm not." But at another point he said: "Everyone in the Senate knows that the place you can influence the destiny of this nation most is there in the presidency."

TRANSPORTATION

Mr. McGOVERN. Mr. President, members of the South Dakota Board of Transportation met in Sioux Falls with people from all walks of life to discuss what can be done to halt the deterioration of our Nation's transportation systems: The theme of the meeting was "Where Do We Go From Here?"

We in South Dakota have become more aware than most that the railroads must be saved. We need the rails to ship the grain and meat products we produce for consumers throughout the United States and to bring in the petroleum, machinery, and other things we need to do our jobs.

Our dependence on rail transport was dramatically illustrated this past summer when, because of improvident administration policies, we could not get the boxcars needed to ship our grain.

So while we recognize the contribution the truckers and the airlines have made to our country and our economy, we feel that railroads have a role to play which no other mode of transportation can replace.

So I welcomed the opportunity to report to this meeting what measures the Congress is considering to improve rail service and what I think can be done in this area. Mr. President, I ask unanimous consent that a copy of my statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Transportation Crisis: Where Do We Go From Here?

When we talk about where we go from here as we consider transportation in South Dakota, we know the answer. We must go in a direction precisely opposite to the policies we have followed since the end of World War II. There must be more rather than less track mileage, more rather than fewer freight cars, more rather than less frequent service, and an end to the problems we had this year in getting our grain crop to market.

As I see it, there are three areas which need serious and prompt consideration: an immediate ban on all line abandonment; a plentiful supply of freight cars; and a careful study of the different alternatives the Federal government might adopt to help solve the crisis.

The importance of rail transportation in the United States is illustrated by the many bills which have been introduced in Congress dealing with its improvement, excluding those which have to do with railroad employees, wage bargaining, or pensions.

Senator Vance Hartke of Indiana has introduced a bill called the Midwest and Northeast Rail System Development Act. It provides for study of a restructured rail transportation system in the Midwest and Northeast regions of the nation in order to meet the present and future needs of commerce, the national defense, as well as the environment, the service requirements of passengers, mail shippers, States, communities and the public at large.

When the bill comes to the Senate floor, Senator Pearson will offer an amendment for the Northeast as a substitute to the Hartke bill. One of the Pearson provisions, called the Local Rail Services Act of 1973 authorizes federal subsidies of up to $50 million annually to make up for railroad losses to avoid abandonment of unprofitable rail services which are essential to the local community. Thirty percent of the funds would come from State and local sources.

In contrast, the Hartke bill calls for a survey of existing rail transportation operations and facilities, an analysis of rail service needs and a study of methods of effecting economies in the cost of rail operations. On the basis of such surveys, the Congress could develop methods for accomplishing the transition from the existing, inefficient, unreliable and insolvent rail system to an efficient, reliable and financially supportable restructured system.

I am proposing an amendment to this bill which will do two things: extend the study to include the feasibility of the Federal government's purchasing rights-of-way, track and all appurtenances such as signal systems and bridges, except rolling stock, at the request of any railroad in the country, and then lease them back in return for a user's fee or other form of payment by the railroad. In this way, railroads could become more competitive with the airlines and truckers; the former receive Federal support for airport construction and the latter benefit from the highways and roads, which are built and maintained through gasoline taxes, license fees and tolls.

I also think that the Federal government should take an active part in seeing to it that the supply of boxcars is sufficient, that it undertake research to have manufactured the most efficient kinds, and that some workable method is devised so that the cars can be distributed in the quantities needed as demand peaks in various areas during certain seasons of the year.

All of this may take some time to accomplish. But in the meantime, we must have a moratorium on all line abandonment. For I am convinced that every mile of track lost in South Dakota and in many other States will have to be replaced at some future date. And when it is, the cost of doing so will be far greater than what I propose.

The public interest demands that we prevent the collapse of our railroads. For no matter how efficient our air and truck transport may be, there are certain things which only our railroads can do. And if Federal airport and highway aid has made railroads unprofitable then the answer lies not in hurting those industries but in helping the railroads to efficiently answer the people's needs.

MOORE-McCORMACK

Mr. LONG. Mr. President, enactment of the Merchant Marine Act of 1970, nearly 3 years ago has set us on the greatest peacetime program of shipbuilding in our history. Hopefully, when we commemorate the 200th anniversary of the birth of the United States, we will be able to look with pride on our fleet as being one of the most modern and efficient in the world.

The Congress has done its part in assisting our maritime industry in rebuilding our fleet. Now the management leadership of the industry must meet the challenges of international competition and operate these vessels on an efficient and profitable basis. Without profits our efforts in passing the 1970 act will have been in vain.

The New York Times earlier this month described the upward turn in the operating results of Moore-McCormack Lines, under the leadership of its president, James R. Barker. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A CURE FOR MOOREMACK: RUBBING BUDDHA'S BELLY SEEMS TO PAY OFF

(By William D. Smith)

Late one night in January, 1971, James R. Barker placed himself in front of the fire in his home to contemplate a question that almost every man broaches seriously at least once: "What do I really want to do with my life?"

But Mr. Barker's contemplative sojourn lasted only as long as it took to pose the question.

The reply was instantaneous: "I want to take a crack at running a steamship line."

The query and the reply were not mere conjecture. Earlier in the evening the 35-year-old management consultant had been offered a job as chairman and chief executive officer of the Moore & McCormack Comapny, Inc., one of the most famous names in American shipping.

Moore-McCormack still had the name, but through the years it had gradually been losing the financial game. In 1970 it lost $17.1-million.

"Most of American shipping was ailing, and Mooremack was a perfect case in point of an industry and a company unable to cope with changing circumstances," Mr. Barker recalled.

Rather than try to create a turnabout situation, when he took the job in February, 1971, Mr. Barker began turning the company inside out. He has eliminated such businesses as the time-honored passenger liner service and has entered such new fields as mining and energy.

"I see the future of Moore-McCormack as a transportation and natural-resource company with planned and programed synergism between the two components," Mr. Barker said.

Mr. Barker had detailed a 14-point program for survival to the Mooremack board while employed as a consultant. Although the program contained some bitter pills such as cutting back personnel, the directors decided that it was the medicine needed to cure the corporation's malady and that the man to administer it was the man who had devised it.

Thus far the figures indicate that the prescription is working. Earnings moved into the black in 1971 with a net income of $2.11-million and tripled to $6.45-million in 1972, including an extraordinary credit of $2.75-million. In the first six months of 1973 Mooremack had profits of $4.88-million, double the $2.01-million of the first half of 1972.

Mr. Barker predicts profits of more than $8-million for this year. Furthermore, he believes his goal, a growth rate of 15 per cent a year, "is attainable given the base we have and our program for the future."

Moore-McCormack's head man, a broad-framed six footer, made all state in the tough battle grounds of Ohio high-school football. He talks softly with rather a gravelly voice.

Mr. Barker has a touch of the old-fashioned "Protestant ethic" in that he believes firmly that doing a good job and fighting the good fight are rewards in themselves.

But he prides himself on being a pragmatist. "I think I have the ability to size up a situation and act upon it in a rational fashion," he commented. Yet he never fails when lunching with other shippers at the India House to rub the belly of the statue of Buddha that stands in the entrance way, the traditional ship owners' good-luck gesture.

Mr. Barker says that much in his early life pointed to a career in shipping and "I took the hint."

During childhood he spent summers with his uncle, a boat captain in Sault Ste. Marie, Mich., and when he was old enough for summer work, he got jobs on ships plying the Great Lakes trade.

After graduation from Columbia College in 1957, Mr. Barker became a Coast Guard officer and returned to Sault Ste. Marie.

"As executive officer under a very tough skipper, I became deeply involved in all the operational problems of the ships, their captains and their owners. I worked damn hard, but was more than adequately paid back with a fine practical education," he recalled.

His next move was to the Harvard Graduate School of Business Administration, where he hoped to learn to "bring a rational systems perspective to a rather tradition-bound business."

He found what he wanted, particularly under the guidance of Prof. Paul Cherington, who "had a fantastic influence on my life and outlook."

After graduation Mr. Barker went to work for Pickands Mather & Co., a major raw-materials production and shipping company in the Great Lakes area and ironically one that had turned him down for a summer job the year before.

"I knew what I was looking for and I am the persistent type," he explained. During four years at Pickands Mather, Mr. Barker did everything from financial analysis to helping the personnel manager crew boats.

"The most significant intellectual accomplishment of my whole life was the construction of a mathematical model of the company," he said. "It worked then and is still working, allowing the company to pick from numerous options the best alternative for both its 13-ship fleet and its production activities."

Next he joined Professor Cherington, at Harbridge House, a management consulting firm, as a transportation specialist. In January, 1970, with Carl Sloane and Peter Temple, he formed a new management consulting firm. Moore-McCormack hired Temple, Barker & Sloane four months later to evaluate its problems.

"This wasn't too hard to do really. They stared you right in the face." He ticked them off:

The impracticality of passenger shipping. Mooremack had two liners laid up at an annual cost of $1.5-million.

A rate war in the North Atlantic. The company has since quit the run.

Containerization, which had not yet begun to pay off.

Serious difficulties in the South American and African cargo trade.

"The problems were such that only a total restructuring would do the trick," he said. "Anything less and Moore-McCormack would probably not be here today."

When he joined the company, Mr. Barker said, "My job was to protect the assets of the company in its weakened position from raiders, while turning it toward the future, as we saw it, as a water-transportation and natural-resource operation."

Mr. Barker said the company had these needs:

Credibility in the natural-resource business.

A management group to develop new projects.

Earnings to support it as it moved toward its long-term goals.

Mr. Barker moved on several fronts. The two laid-up passenger ships were sold for about $20-million. The asset base was strengthened by negotiating a new agreement with the Maritime Administration for an interim capital construction fund, freeing $26-million for developing as a transportation and water-resources company.

The cargo routes it kept posted a 54 per cent increase in operating profits, propelled by agreements with Brazil, one of the world's largest and fastest-growing economies. Similar agreements are being negotiated with Argentina.

Vessel utilization was improved by increasing containerization of cargo to more than 70 per cent from less than 60 per cent in 1971.

Most startling, Mr. Barker returned to Pickands Mather—but as a buyer. Mooremack bought the company, except some of its chemical operations, from Diamond Shamrock for $66-million in December, 1972.

"We had a list of eight companies that might give us credibility in the natural-resource field. P.M. led the list, and we had our vehicle for growth, as well as credibility and solid management, he said.

Besides running its Great Lakes fleet, Pickands Mather operates iron, coal and other mineral mines around the world both for its own account and for others. It is the world's sixth largest iron-ore producer. In April the company and the South Carolina Electric and Gas Company announced plans for a synthetic natural-gas plant costing $10-million.

In early July Pickands Mather and the Bethlehem Steel Corporation announced plans to invest $150-million in the construction of a new large scale iron-ore pelletization complex at Hibbing, Minn.

Late in July the company announced that it would build three tankers costing in excess of $63-million.

"Obviously we are interested in joint ventures, Mr. Barker said, "They allow us to get maximum benefit from our capital, as well as get into more fields because of the variety of expertise we now offer."

Mr. Barker plans for the company to begin reaching its potential in 1976 and between now and then "to just get increasingly profitable."

"Our plans will require capital. In the present market it is very difficult to raise money," he observed. "If companies like ours with a very promising future can't raise money, then economics will have it that the growth of the country itself must certainly slow."

Mr. Barker lives with his wife, and three children in Darien, Conn., to be near the water, although he finds little time to sail his boat, an ensign. It may be because he practices his own basic principle of management—"work your tail off."

He commented, "Businesses aren't run by geniuses. It is a matter of putting one foot after another in a logical fashion. The trick is in knowing in what direction you want to go."

PEACE—ONE CITY, ONE NATION, ONE WORLD

Mr. HARTKE. Mr. President, in 1798, Dr. Benjamin Rush, a signer of the Declaration of Independence, and later Treasurer of the United States, proposed that a Department of Peace be established at the cabinet level of the new government.

Since then, the proposal has been introduced in nearly every Congress. I, along with the distinguished Senator from West Virginia (Mr. RANDOLPH) introduced S. 1024 in the 93d Congress.

Mr. President, perennially elusive peace throughout the world deserves more than the silent treatment. Now, that the United States is no longer involved in a conflict of violence, the concept of "World Peace" has left our mind, only to be restored if we again engage in hostilities.

Under my proposal, peace would be as important a concept of discussion as defense. Let me remind my colleagues of the time and energy that we are now expending on the floor of the Senate to determine how much money shall be spent or how many weapons shall be produced—weapons that only kill.

Mr. President, I would like my colleagues to consider the expenditure of $633 million for an airplane, the F–14, that the Navy neither needs nor is sure will be functional and the expenditure of $1.147 billion for an airplane, F–15, for the Air Force which is not close to perfection in the design stage. The Congress is going to spend nearly $2 billion for weapons that are not perfected while they are unable to see the utility of an expenditure for the establishment of a Department of Peace.

If the questionable expenditure of vast sums to carry-on war is plausible, then, I ask my fellow Senators, is not the establishment of an academy to further peace as worthy an expenditure of the taxpayers' dollars.

Mr. President, peace may not come to the world in our generation, or our children's generation, but unless man begins to think in terms of peace, instead of violence and weapons, we will never have peace.

I ask unanimous consent that an article by Nachman M. Gerber appearing in the February 1973, issues of Current magazine, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows.

[From Current magazine, February, 1973]

TOWARD A CITY OF PEACE

(By Nachman M. Gerber)

(NOTE.—Mr. Gerber, a Baltimore, Maryland business man and president of the foundation, Peacefully Yours, Inc., offers suggestions for raising our consciousness about peace through educational efforts, new institution building and creating a wholly new Peace City in the United States. Adapted from "Peace in the Twentieth Century," an address by Nachman M. Gerber to the International Convocation 1972, Education for Peace, Manhattan College, Bronx, N.Y., Oct. 14, 1972.)

In this troubled times, when peace is so sought after, why is it so elusive? To sum up an answer in a few words, the peoples of the world, accept historical values which revolve around a philosophy of war and all its derivatives. This covers almost every aspect of living, including relations among nations, our economic systems and production of munitions for war, and keeping a large percentage of the world's population poor, hungry and illiterate.

As a result of the perpetuation of such philosophies, the world's people elect or accept men and women for leaders of their governments who also believe these philosophies and in their leadership keep some part of the world at war at all times.

ON CHANGING VALUE SYSTEMS

How can this seemingly all-pervasive system of values be reevaluated and redirected? Obviously no easy or quick answers are available. But as President Dwight Eisenhower said in 1955 to the British Prime Minister Harold Macmillan: "One day the peoples of the world will want peace so badly, the governments better get out of the way and give it to them."

Embedded in these words which, on the surface, appear all to simplistic, is a deep understanding that value systems centuries old can change and be supplanted by philosophies and modes of living which will demand a peaceful arena in international affairs.

And the time now seems ripe for setting in motion certain measures which can lead to reevaluation and redirection of man's dream for peace. Such measures must inevitably bring forth new institutions dedicated to peaceful endeavor. They must also lead to new systems of education and reeducation for peace. And such beginnings must provide for an appropriate symbolism of peace to replace the overriding militaristic thoughtways and veneration of war we still endure.

Perhaps the latter is of prime importance of all the steps we could now take. I discuss it last, however, in suggesting the creation and building of Peace City, because such an endeavor would be not only novel but all-embracing and thus a fitting and unifying symbol for peace. The new institutions and educational steps we should undertake are more straightforward to sketch in outline.

NEW PEACE INSTITUTIONS

On the institutional side, I suggest we create forthwith three new governmental agencies. First, the President and Congress should create a Department of Peace as a cabinet level institution. Second, our government and all governments where possible should set up Peace Research Institutes. And third, that a Peace Academy be established, comparable to the Army's Academy at West Point, the Naval Academy at Annapolis and the Air Force Academy at Colorado Springs.

The Department of Peace should have regular cabinet status, and oversee at least the initial establishment of a United States Peace Research Institute. For reasons of adequate funding such an institute should probably be maintained as an official government agency. What autonomy it should have from the Department of Peace is only one of many organizational problems involved in setting up these new institutions. Obviously prolonged analysis and decision-making would be involved in creating the new cabinet department. What functions would the present Secretary of State and the State Department continue to fulfill?

Such questions need debate, but they raise the fundamental issue of what purpose a new Department of Peace should fulfill. Of highest importance again, it seems to me, is the fact that by its very existence a Peace Department would symbolize our government's serious concern for the problems effecting peace. A Secretary of Peace could be expected continuously to bring to cabinet level attention the problems of peace and solutions to them that are now often considered only in traditional national state versus national state terms or in military perspective.

If such a Peace Department would raise to the highest level a constant and overt dedication to peace, so too a Peace Research Institute, adequately funded, could undertake significant and broadbased research on problems of peace that are now only fitfully under study in private peace organizations or through private scholarly research. Such Peace Research Institutes should be established in many other countries.

THE ROLE OF A PEACE ACADEMY

In suggesting the establishment of a Peace Academy, comparable to our present military service academies (and also a four-year academy), I have in mind not only a training center for personnel of a Department of Peace, the State Department, our diplomatic and consular services, but also personnel destined for careers in the various United Nations agencies and private or public agencies like the Peace Corps. True, many of our universities now function as training grounds for such personnel. But I have no doubt that future needs in this area will provide a significant place for such an academy. Such an academy should also be duplicated in other countries.

Moreover, I would hope that the Peace Academy (and its counterparts in other countries) could perform an additional and wholly new service. It should be required, through legislation, that every leader of each government take course work at the Peace Academy of his or her nation, and if no such academy exists. then such leaders should attend an academy of another country. This training should be required of high administrative officials, members of Congress or comparable bodies, and also members of state and local governments where a need for peace orientation is indicated.

Such an effort in leadership education for peace orientation is but the capstone of a vast system of education and reeducation for peace that is needed throughout the world and from elementary through college and graduate educational levels. Certainly one of the first tasks that could be undertaken by the Peace Research Institutes would be the designing of curricula for all such educational levels.

In short space it is not necessary to detail what educational areas need attention. Some new thinking about peace education has in recent years begun to appear in the work of social scientists. Much more is needed if the tradition-bound ideas associated with different peoples, different cultures, nationalism, economic rivalry and the like are to be redirected toward peaceful cooperation.

New educational programs on a far vaster scale than are now available should also be founded. For example, I suggest a Peace Central be established as a worldwide organization to promote contact between and among millions of youngsters through correspondence and visits with their peers.

Fundamentally, all of the above suggestions have one common denominator—the effort to raise our consciousness about peace, through childhood and adult education and a new education for leadership, but also through new institution building for peaceful orientation.

A VIABLE PEACE CITY

Last, I suggest the creation of Peace City to be located not far from Washington, D.C. (In due course such cities could hopefully be built in other countries as well.)

Such a city should become the symbol of peace for all citizens. It should rival and surpass in beauty and meaning the countless symbols we have raised to wars and war heros. It should certainly include a Peace Hall of Fame where a beginning can be made to laud the efforts for peace. Great religious figures. Nobel Peace Prize winners and others from all cultures and times who have contributed to peace could be enshirned in such a Hall of Fame.

But Peace City should be a viable, functioning city in which the dominant activities relate to peaceful pursuits—the study and research about peace, the training of students and leaders in peace orientation and executive, administrative and other legal activities related to peace. As such Peace City should provide the site for the Department of Peace, the U.S. Peace Research Institute, the Peace Academy and Peace Central, all mentioned above.

As a viable city, it can take its place as one of the new cities America must build in any case in the next decade or two for reasons of population growth. For similar reasons, the building of viable Peace Cities in many other countries would appear to be quite practicable.

But above all Peace City, and the vital peace activities it would encompass, would raise to a level never heretofore accomplished a symbol of peace which would alone aid mightily in redirecting our thoughts and modes of living towards peace and away from the time-honored subjugation to war.

HEARINGS ON "AMERICAN FAMILIES: TRENDS AND PRESSURES"

Mr. MONDALE. Mr. President, this week the Subcommittee on Children and Youth, which I chair, has been holding overview hearings on "American Families: Trends and Pressures."

During these hearings we have received extremely valuable testimony from a variety of individuals and groups concerning the needs of families and children in America, the extent to which governmental policies are helping or hurting families, and what kinds of support systems should be available.

In order that these recommendations be available to the Congress and to the public, I ask unanimous consent that the prepared statements of the witnesses who appeared at the second day of our hearings be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement by Dr. Margaret Mead

I wish to congratulate Senator Mondale on his forward-looking recognition of the changes that are going on in the United States and the overriding importance of the well-being of the American Family.

Our people are in a parlous state; millions are undernourished, three million door step children roam the country with no one responsible for them, our small fragile defenseless families are breaking up, lacking support, or protection from neighbor, kin, community or the nation, our old people are ending their lives in squalor and misery. Those on whom a country must rely for its well being, the hundreds of thousands professionally engaged in caring for and teaching children, helping families, finding meaningful career paths for youth, and giving meaning to the life of the elderly, are in dispair. They have watched us steadily deteriorate from a people who came out of the Depression and World War II more determined than we had ever been that no child would ever go hungry, no sick person unattended, no youth without someone accountable, no working father unable to care for his children, no abandoned mother with no way of caring for her children while she worked, no grandparent left with empty hands. Beginning with the Depression the nation had steadily assumed responsibility for every man, woman and child, within our borders.

And for twenty-five years we have watched ourselves sliding into a pit of deterioration, corruption, apathy, indifference and outright brutality towards the weak, the sick, the young and the poor.

But as more children went hungry, more old people uncared for, more families broke up, there were also thousands of efforts, at local, state and federal level to do something about our cities falling into ruins that breed crime and misery, our alienated young people, our disappointed minorities, our rural poor. Each new effort brought hope that some solutions would be found. But the efforts at amelioration often made matters worse, raised expectations that could not be fulfilled, cancelled each other out. We looked back on the great reform efforts of the early quarter of this century and watched them go sour, as children's detention homes, meant to rescue children from prisons, proved training grounds for crime, as junior high schools meant to relieve the pressure of mammoth senior high schools instead isolated together children least fitted to be together, and as the move of parents to the suburbs—for their children's stake—ended in the destruction of the city and the loneliness of the suburbs where friendless young mothers went into post partum psychosis, and the children of the affluent took to drugs and petty thrill-producing crime.

Whether the efforts came from small communities or from federal initiative, they bred both hope and dispair, for there was still a sense that something was happening, that there might be now towns that were communities, schools where children were not placed on a single ladder where all who did not fit were branded as failures, efforts to recompense the culturally disadvantaged for homes where no one had time to talk to them.

Then came 1973, and we saw the whole system of Federal provision for people, for people who were poor, or unfortunate, for children and young families and the lonely, old, impoverished being dismantled almost over night. And the dismantling had echoes within every matching state and local program, compound of uncertainty about what revenue sharing meant, and inability to deal with the results of inflation. Welfare limits were raised. Before all the children who should have had school lunches ever got them, recent cuts will reduce the rolls of hungry children—it is estimated—by 800,000. Hundreds of thousand of eager workers, who have been recruited in the new belief in community participation and para-professionals, have lost their jobs. Students who had planned to go to college find no way to go. And families, families that are absolutely crucial to the health of the nation, crumble under burdens too great to bear; housing programs that force men to desert their wives so their children won't go hungry, welfare that degrades, prisons filled with those who have never been found guilty but cannot furnish bail, while money and research goes not to new ways of finding unpolluting energy for our homes, but to more rapid ways of devastating our landscape, not to a better understanding of children but to better ways of suppressing the symptoms of dispair which own our policies have evoked, by training more police and providing new methods of surveillance.

The country is in terrible disarray. Richest and strongest of nations we may be, but we seem to have lost any concern for those who are young or weak, old or poor.

Out of this debacle there must come something new, some new recognition of how we can strengthen and support our families, rebuild our communities, bring the old people back into the community to be useful and warm to the young, provide many kinds of education instead of only one, stop giving priority to miles and miles of cement above the well being and safety of our children.

It will not be enough to humanize the new "Federalism," to invoke help in the courts to get us back where we were before the dismantling began, before more babies began to die, and old people gasp and choke to death with our polluted cities. Because where we were was not good enough; where we were very ill befitted our wealth. Our steadily rising GNP dismally matched our steadily rising rate of meaningless imprisonments for the young and the poor, the black and the brown, steadily rising divorce, steadily rising number of children irretriveably and irreversibly mared by malnutrition in infancy.

Out of the depths into which our Nation concern for people has sunk, we may now begin to face a need that has been recognized for a quarter of a century, but for which we may now be ready, the need as Dr. Zigler expressed it yesterday, for an overall policy on the family, the need for some kind of family *well being impact statement.*

In 1944, I visited an exhibition of new well designed kitchen equipment, highly approved and backed by the Home Economic Departments. But within these white and convenient fixtures there was no place for a baby, nowhere to hang it up, sit it, or let it lie down. I asked why and the answer was revealing, "Because there is no Bureau of Family Life within the United States Department of Agriculture." And so, there was no place for the baby. Unless there is a central spot from which the well being of the family, the impact on the family of every piece of legislation every program . . . there will indeed be no place for the baby—neither in federal programs, now in the concern of the nation. Such a statement of the impact of federal legislation and programs on the well being of the American family would have enormous consequences. On the one hand, we could look at things like urban renewal that breaks up communities and makes thousands homeless, at freeways that cut communities in half and leave once happy homes abandoned and burning, tax laws which bear unfairly on young families and on women who have to work, provisions for medical care that tangle the elderly and less educated up in bundles of red tape. And we would look also at the benevolent legislation—when such legislation is revived—to evaluate whether we had not been taking too many children out of their homes into institutions, rather than providing support for frantic, desperate families from which adolescents run away, and within which little children are abused. We can now take into account both the dreadful consequences of valuing balancing a budget more than caring for people and cutting services to human beings to save funds for oil subsidies, strip mining, more and more deadly weapons. And we can take account of criticisms which have been levied against our schools, our hospitals, our housing programs, our youth hostels, our rehabilitation centers, our half way houses, our day care centers. While things seemed to be going in the right direction, those who cared deeply for the fate of the mothers and infants were loathe to attack many practices which they felt were undesirable. But now, when hope is almost dead, we need not be afraid that criticism will damage the dying programs. Instead we can start to plan in a much more coherent and responsible way, placing the family and its needs at the center, scrutinizing every kind of legislation, every kind of program for what it will mean to the well being of the family.

We can ask, is there anything about this proposal that will force young people to marry too early or prevent them from marrying at all, that will hinder their finding a home in which to raise their children, that will help or hinder each young man who wants to learn to do some kind of work, that will penalize or help a working woman left with the care of her children, that will help or hinder early diagnosis of handicap, that will provide or reduce the possibility for every child's adequate nutrition, that will create, or destroy, communities within which families can be given support and help, that will mean better schools, more diversified schools, or schools which force all children into the same mold. We can start now to develop a national policy on the family which will be far better than anything that we as a nation have ever done—knowing that as the family goes, so goes the nation.

TESTIMONY BEFORE THE SENATE SUBCOMMITTEE ON CHILDREN AND YOUTH

(By Urie Bronfenbrenner, Professor Human Development and Family Studies and Psychology, College of Human Ecology, Cornell University, Ithaca, N.Y.)

SEPTEMBER 25, 1973.

Mr. Chairman, two years ago, at the first hearings conducted by this Subcommittee, I presented evidence of what I viewed as a disturbing trend in the position and prospects of the American family and its children. I then went on to speak with some optimism of policies and programs—some already in force, others clearly on the horizon—which could counteract the trend, and perhaps even reverse it.

I appear before you today a more sober man. The disturbing trend to which I called the Committee's attention has increased, and so has the evidence for its course and its consequences. But I can claim poor credit as a prophet, for the policies and programs that I saw on the horizon have turned out to be not a rising sun, but a falling star, barely perceptible by its now cold, reflected light.

I speak today, perhaps not with optimism, but yet with hope. For as we have gained more knowledge about our growing problems, we have learned more as well about their possible solution. Some of these solutions lie within the purvey of the Federal government, not only directly through its legislative and executive powers, but also indirectly through its influence as a voice of national leadership and, I would add, by example, as the nation's top employer and administrator.

But first, I will speak to the broader issue to which these hearings are addressed: trends and pressures affecting American families.

The winds of change

The most important fact about the American family today is the fact of rapid and radical change. The American family of 1973 is significantly different from what it was only a quarter of a century ago. Witness the following statistics:

In 1971, 43 percent of the nation's mothers worked outside the home. In 1948, the figure was only 18 percent. The greatest increase has occurred for mothers of preschool children. One in every three mothers with children under six is working today. In 1948 the figure was one in eight. Now there are more than 5,600,000 children under six whose mothers are in the labor force. This figure represents over a quarter of all the nation's children under six years of age.

As more mothers go to work, the number of other adults in the family who could care for the child has shown a marked decrease. For example, fifty years ago in the state of Massachusetts, 50 percent of the households included at least one other adult besides the parent. Today the figure is only 4 percent.

The divorce rate among families with children has been rising substantially during the last twenty years. The percent of children from divorced families is almost double what it was a decade ago. If present rates continue, one child in six will lose a parent through divorce by the time he is 18.

In 1970, 10 percent of all children under six—2.2 million of them—were living in single parent families with no father present in the home. This is almost double the rate for a decade ago. Moreover, almost half of the mothers in single parent families are now in the labor force, and a third of them are working full-time.

In 1970, the average income for a single-parent family with children under six was $3100—well below the poverty line. Even when the mother worked, her average income of $4200 barely exceeded the poverty level. Among families in poverty, 45 percent of all children under six are living in single-parent households; in non-poverty families, the corresponding figure is only 3.5 percent.

Of the 5.6 million preschool children whose mothers are in the labor force, one million live in families below the poverty line (e.g. income below $4000 for a family of four). An additional one million children of working mothers live in near poverty (income between $4000 and $7000 for a family of four). All of these children would have to be on welfare if the mother did not work. Finally there are about 2.5 million children under six whose mothers do not work, but where family income is below the poverty level. Without counting the many thousands of children in families above the poverty line who are in need of child care services, this makes a total of about 4.5 million children under six whose families need some help if normal family life is to be sustained.

The situation is especially critical for the families of Black Americans:

Of all Black children, over half (53 percent) live in families below the poverty line; the corresponding figure for Whites is 11 percent.

Of all Black children, almost half (44 percent) have mothers who are in the labor force; the corresponding figure for Whites is about a quarter (26 percent).

Of all Black children, over 30 percent live in single-parent families; the corresponding figure for Whites is 7 percent.

The census does not provide comparable information for other groups living under duress, such as American Indians, Mexican Americans, Whites living in Appalachia, etc. If and when such data become available, they are likely to show similar trends.

Among families that are intact and well-off economically, and, of course, predominately White, research results indicate that parents are spending less time in activity with their children.

For example, a survey of changes in child-rearing practices in the United States over a 25-year period reveals a decrease in all spheres of interaction between parent and child. A similar trend is indicated by data from cross-cultural studies comparing American families with their European counterparts. Thus in a comparative study of socialization practices among German and American parents, the former emerged as significantly more involved in activities with their children, including both affection and discipline. A second study, conducted several years later, showed changes over time in both cultures reflecting "a trend toward the dissolution of the family as a social system," with Germany moving closer to the American pattern of "centrifugal forces pulling the members into relationships outside the family." (Rodgers, 1971)

THE ECOLOGY OF FAMILY AND CHILD

Although the nature and operation of these centrifugal forces have not been studied systematically, they are readily apparent to observers of the American scene. The following excerpt from the report of the President's White House Conference on Children summarizes the situation as seen by a group of experts, including both scientists and practitioners.

In today's world parents find themselves at the mercy of a society which imposes pressures and priorities that allow neither time nor place for meaningful activities and relations between children and adults, which downgrade the role of parents and the functions of parenthood, and which prevent the parent from doing things he wants to do as a guide, friend, and companion to his children . . .

The frustrations are greatest for the family of poverty where the capacity for human response is crippled by hunger, cold, filth, sickness, and despair. For families who can get along, the rats are gone, but the rat-race remains. The demands of a job, or often two jobs, that claim mealtimes, evenings, and weekends as well as days; the trips and moves necessary to get ahead or simply hold one's own; the ever increasing time spent in commuting, parties, evenings out, social and community obligations—all the things one has to do to meet so-called primary responsibilities—produce a situation in which a child often spends more time with a passive babysitter than a participating parent. (Report to the President, 1970, p. 242)

The forces undermining the parental role are particularly strong in the case of fathers. For example, although in one interview study of middle class families fathers reported spending an average of 15 to 20 minutes a day playing with their one year old infants (Ban and Lewis 1971), an observational research revealed a rather different story:

The data indicate that fathers spend relatively little time interacting with their infants. The mean number of interactions per day was 2.7, and the average number of seconds per day was 37.7. (Rebelsky and Hanks, 1971, page 65)

Another factor reducing interaction between parents and children is the changing physical environment in the home. For example, a brochure recently received in the mail describes a "cognition crib" equipped with a tape recorder than can be activated by the sound of the infant's voice. In addition, frames built into the sides of the crib permit insertion of "programmed play modules for sensory and physical practice." The modules come in sets of six, which the parent is "encouraged to change" every three months so as to keep pace with the child's development. Since "faces are what an infant sees first, six soft plastic faces . . . adhere to the window." Other modules include mobiles, a crib aquarium, a piggy bank and "ego building mirrors." Parents are hardly mentioned except as potential purchasers.

Although no systematic evidence is available, there are indications that a withdrawal of adults from the lives of children is also occurring outside the home. To quote again from the report of the White House Conference:

> In our modern way of life, it is not only parents of whom children are deprived, it is people in general. A host of factors conspire to isolate children from the rest of society. The fragmentation of the extended family, the separation of residential and business areas, the disappearance of neighborhoods, zoning ordinances, occupational mobility, child labor laws, the abolishment of the apprentice system, consolidated schools, television, separate patterns of social life for different age groups, the working mother, the delegation of child care to specialists—all these manifestations of progress operate to decrease opportunity and incentive for meaningful contact between children and persons older, or younger, than themselves. (Report of Forum 15, page 2)

This erosion of the social fabric isolates not only the child but also his family. In particular, with the breakdown of community, neighborhood, and the extended family, and the rise in the number of father-absent homes, increasingly greater responsibility has fallen on the young mother. In some segments of the society, the resulting pressures appear to be mounting beyond the point of endurance. For example, the growing number of divorces is now accompanied by a new phenomenon: the unwillingness of either parent to take custody of the child. And in more and more families, the woman is fleeing without waiting for the mechanism of a legal or even agreed upon separation. Increasing numbers of married women are being reported to police departments as missing. Although no national statistics are available, news media have reported a "quantum leap" in the number of runaway wives whom private detectives are hired to retrieve by the fathers who are left with the children.

Systematic data are at hand, however, to document an increase in a more gruesome trend.

The killing of infants under 1 year of age—infanticide—has been increasing since 1957. Although the number of infant homicides accounted for only 2.2 percent of the total homicides in 1964, the rate of 5.4 deaths per 100,000 population was higher than that for all persons aged 55 years and over. The 74 percent increase from 3.1 in 1957 placed infanticide in 1964 at the highest level recorded since 1945. (U.S. Department of Health, Education, and Welfare, 1967.)

This increase may, of course, be partly due to more accurate registration; no tests of the extent of underreporting of this cause of death have been made. It should be noted that the rate of increase of such deaths is significantly greater than for all other age groups.

A similar pattern appears for less violent forms of child abuse involving bodily injury. A recent survey of over 1300 families (Gil 1970) estimated 2 to 4 million cases a year, with the highest rates occurring for the adolescent age group. More significantly, over 90 percent of the incidents took place in the child's home. The most severe injuries occurred in single parent homes and were inflicted by the mother herself, a fact which reflects the desperation of the situation faced by some young mothers today.

Even in intact families the centrifugal forces generated within the family by its increasingly isolated position have propelled its members in different directions. As parents, especially mothers, spend more time in work and community activities, children are placed in or gravitate to group settings, both organized and informal. For example, between 1965 and 1970 the number of children enrolled in day care centers doubled, and the demand today far exceeds the supply. Outside preschool or school, the child spends increasing amounts of time solely in the company of his age mates. The vacuum created by the withdrawal of parents and other adults has been filled by the informal peer group. A recent study has found that at every age and grade level, children today show a greater dependency on their peers than they did a decade ago. A parallel investigation indicates that such susceptibility to group influence is higher among children from homes in which one or both parents are frequently absent. In addition, "peer oriented" youngsters describe their parents as less affectionate and less firm in discipline. Attachment to age-mates appears to be influenced more by a lack of attention and concern at home than by any positive attraction of the peer group itself. In fact, these children have a rather negative view of their friends and of themselves as well. They are pessimistic about the future, rate lower in responsibility and leadership, and are more likely to engage in such anti-social behavior as lying, teasing other children, "playing hooky," or "doing something illegal." (Siman 1973.)

The roots of alienation

What we are seeing here, of course, are the roots of alienation and its milder consequences. The more serious manifestations are reflected in the rising rates of youthful runaways, school drop-outs, drug abuse, suicide, delinquency, vandalism, and violence documented in charts and tables specially prepared for the White House Conference on Children (Profiles of Children, pp. 78, 79, 108, 179, 180) and more recent government publications (Report of the New York State Commission, 1973). According to these data the proportion of youngsters between the ages of 10 and 18 arrested for drug abuse doubled between 1964 and 1968; since 1963, juvenile delinquency has been increasing at a faster rate than the juvenile population; over half the crimes involve vandalism, theft, or breaking and entry; and, if the present trends continue, one out of every nine youngsters will appear in juvenile court before age 18. These figures index only detected and prosecuted offenses. How high must they run before we acknowledge that they reflect deep and pervasive problems in the treatment of children and youth in our society?

What is the ultimate source of these deep and pervasive problems? Where do the roots of alienation lie? Scientific studies of human behavior have yielded few generalizations that are firmly grounded in research and broadly accepted by specialists in the field. But there are two answers to the foregoing questions that do meet these exacting criteria. Moreover, the two conclusions are directly relevant to the concerns of this Committee.

1. Over the past three decades, there have been literally thousands of investigations conducted to identify the developmental antecedents of behavior disorders and social pathology. The results of these researches point to the almost omnipresent overriding factor—family disorganization.

2. Many of these same researches also reveal that the forces of disorganization arise primarily not from within the family itself, but from the circumstances in which the family finds itself and the way of life which these circumstances, in turn, impose.

Specifically, when these circumstances, and the way of life which they generate, undermine relationships of trust and emotional security between the family members, when there is no support or recognition from the outside world for one's role as a parent, and when time spent with one's family means frustration of career, personal fulfillment, and peace of mind—it is then that the development of the child becomes adversely affected. The first symptoms occur in the emotional and motivational sphere and are manifested in disaffection, indifference, irresponsibility, and inability to follow through in activities requiring application and persistence. In less favorable family circumstances, the reaction takes the form of antisocial acts injurious to both self and society. Finally, for children who come from environments in which the capacity of the family to function has been most severely traumatized by such destructive forces as poverty, ill health, and discrimination, the consequences for the child are seen not only in the spheres of emotional and social maladjustment, but also in the impairment of that most distinctive human capacity—the ability to think, to deal with concepts and numbers even at the most elementary level. The extent of this impairment in contemporary American society, and its roots in social disorganization, are reflected in recent studies conducted at national and state levels. Two reports from the National Health Survey describe intellectual development and school achievement as a function of demographic and socioeconomic factors in a probability sample of over 7000 children 6–11 years of age. Differences were assessed across region, race, size of place of residence, degree of educational mobility, income, and parents' education. Although substantial variation was found across each of these domains, the most powerful predictors of school achievement were parental education and income.

Proficiency in two skills—reading and arithmetic—was most strongly associated with educational level of the children's parents and nearly as closely with their family income. These relationships are both substantially greater than that found with race. If the racial and regional influences are removed, the degree of association of school factors is reduced only slightly. (U.S. Department of Health, Education, and Welfare, 1971, page 26.)

Confirmatory results are available from a New York State survey. In a study of over 300 schools, 58% of the variation in student achievement was predicted by three socioeconomic factors—broken homes, overcrowded housing, and education of the head of the household . . . When the racial and ethnic variables were introduced into the analysis, they accounted for less than an additional 2 percent of the variation. (New York State Commission on the Quality of Education, Vol. 1, p. 33.)

And there is a secular trend. One of the most striking phenomena in the achievement score data is that over time more and more children throughout the state are falling below minimum competence. (Idem.)

How are we to reverse this debilitating trend? Again, the evidence indicates that the most promising solutions do not lie within the immediate setting in which the child is found, in this instance, the classroom and the school. An impressive series of investigations, notably the studies by Coleman (1966) and more recently by Jencks (1972) demonstrate that characteristics of schools, of classrooms, and even of teachers predict very little of the variation in school achievements. What does predict are family background characteristics, particularly those which reflect the position of the family in relation to the larger social contexts in which it is embedded—the world of work (e.g., occupation, income), neighborhood and community.

The crucial question thus becomes: can our social institutions be changed, can old ones be modified and new ones introduced in such a way as to rebuild and revitalize the social context which families and children require for their effective function and growth?

A proved strategy for conserving human potential

Mr. Chairman, as my first answer to this question, I ask your indulgence to repeat a statement I made to this subcommittee two years ago. At that time I testified as follows:

"We now have the knowledge and the know-how to increase significantly the ability and competence of the next generation of children to be born in this country.

"We know what is needed, we know how it can be done. All that remains is to do the job. At least a dozen nations are doing the job better than we do it now." (Hearings, Subcommittee on Children and Youth, 1971.)

What I can add today, Mr. Chairman, is that we in America not only have the know-how, we have now applied it, and know that it works effectively and on a massive scale. We tried, we succeeded, and, just as we were beginning to avert tragedy for thousands of American families, the effort was abandoned—precisely at the level with which these hearings are concerned—Federal policy and Federal action.

I know the members of this subcommittee are well aware of the problem to which I refer, but perhaps not of the evidence for its practical solution. America, the richest and most powerful country in the world, stands thirteenth among the nations in combating infant mortality; even East Germany does better. Moreover, our ranking has dropped steadily in recent decades. A similar situation obtains with respect to maternal and child health, day care, children's allowances, and other basic services to children and families.

But the figures for the nation as a whole, dismaying as they are, mask even greater inequities. For example, infant mortality for nonwhites in the United States is almost twice that for whites, the maternal death rate is four times as high, and there are a number of southern states, and northern metropolitan areas, in which the ratios are considerably higher. Among New York City health districts, for example, the infant mortality rate in 1966–67 varied from 41.5 per 1000 in Central Harlem to 13 per 1000 in Haspeth, Forest Hills.

Ironically, of greater cost to the society than infants who die are the many more who sustain injury but survive with disability. Many of these suffer impaired intellectual function and behavioral disturbance including hyperactivity, distractability, and low attention span, all factors contributing to school retardation and problem behavior. Again, the destructive impact is greatest on the poorest segments of the population. It is all the more tragic that this massive damage and its subsequent cost in reduced productivity, lower income, unemployability, welfare payments, and institutionalization are avoidable.

The way to the solution is suggested by a paradox that emerges when the medical data are analyzed in the socio-economic terms. The relation between birth complications and subsequent impairment of psychological development is indeed substantial for families in poverty, but is much smaller for middle class samples. The analyses show further that the same prenatal complication has substantially more serious sequellae for a child born in a low income family than a middle income family. In other words, the consequences of prenatal injury depend less on the injury itself than on the treatment the child receives. And the treatment in turn depends on the circumstances in which the family live.

This same sequence is reflected by the results of the two-stage analysis carried out by Dr. Harold Watts for the Advisory Committee on Child Development of the National Academy of Sciences. First, Watts demonstrated that 92% of the variation in infant death among the 30 New York City health districts is explainable by low birth weight. Second, he showed that 97% of the variation in low birth weight can be attributed to the fraction of mothers who received no prenatal care or received care only late in their pregnancy, and the fraction unwed at the time of delivery.

Confirmatory evidence is available from an important and elegant study, published just this year, on the relations between infant mortality, social and medical risk, and health care (Kessner *et al.* 1973). From an analysis of data in 140,000 births in New York City, the investigators found the following:

1. The highest rate of infant mortality was for children of Black native-born women at social and medical risk and with inadequate health care. This rate was 45 times higher than that for a group of White mothers at no risk with adequate care. Next in line were Puerto Rican infants with a rate 22 times as high.

2. Among mothers receiving adequate medical care, there was essentially no difference in mortality among White, Black, and Puerto Rican groups, even for mothers at high medical risk.

3. For mothers at socio-economic risk, however, adequate medical care substantially reduced infant mortality rates for all races, but the figures for Black and Puerto Rican families were still substantially greater than those for Whites. In other words, other factors besides inadequate medical care contribute to producing the higher infant mortality for these non-white groups. Again these factors have to do with the social and economic conditions in which these families have to live. Thus, the results of the New York City study and other investigations point to the following characteristics as predictive of higher infant mortality: employment status of the breadwinner, mother unwed at infant's birth, married but no father in the home, number of children per room, mother under 20 or over 35, and parents' educational level.

4. Approximately 95% of those mothers at risk had medical or social conditions that could have been identified at the time of the first prenatal visit; infants born to this group of women accounted for 70% of the deaths.

What would have happened had these conditions been identified and adequate medical care provided? The answer to this question has recently become available from an analysis of data from the Maternal and Infant Care Projects of HEW which, in the middle 60's, were established in slum areas of fourteen cities across the nation and in Puerto Rico. In Denver, a dramatic fall in infant mortality from 34.2 per 1,000 live births in 1964 to 21.5 per 1,000 in 1969 was observed for the 25 census tracts that made up the target area for such a program. In Birmingham, Alabama, the rate decreased from 25.4 in 1965 to 14.3 in 1969, and in Omaha from 33.4 in 1964 to 13.4 in 1969. Significant reductions have also occurred over the populations served by these programs in prematurity, repeated teenage pregnancy, women who conceive over 35 years old, and families with more than four children.

Mr. Chairman, it is because of our distorted priorities that these programs are currently being dismantled, even though the proposed replacement of support through revenue sharing is not even visible on the horizon. As the statisitics I have cited indicate, phasing out these programs with nothing to take their place will result in a return of mortality rates to their earlier higher levels. To speak in human rather than purely statistical terms, more babies will die, and more mothers as well.

IS EARLY INTERVENTION EFFECTIVE?

New information is available as well in a second problem area substantially affected by Federal policy. In connection with my work as a member of the MRC–MAS Advisory Committee on Child Development, I had the responsibility of preparing a report evaluating the effectivenes of so-called intervention programs that have been conducted with thousands of preschool children over the past decade (Bronfenbrenner 1973). As the Committee knows, these programs were introduced in an effort to counteract the destructive impact of poverty on the development of the young. In a number of instances, children were followed-up for three to five years after completion of intervention in order to assess long-range effects. The scientific interest of these studies is enhanced by the fact they employed strategies varying in the degree to which they involved the child alone, solely his parents, or some combination of both. Specifically, four types of intervention were examined:

1. *Parent education*. Here the immediate and direct focus of attention was the parent, usually the mother. The program typically took the form of a lecture or discussion, usually accompanied by printed materials. Also included were parent education efforts presented entirely via mass media (press, radio or television).

2. *Group preschool programs*. The target of intervention was the child in a group setting, with a ratio of at least four children to one adult.

3. *Home-based tutoring*. A tutor visited the child in his home on an individual basis.

4. *Parent-child intervention*. This approach involved working with parent and child simultaneously, usually in the home.

Each of these approaches was evaluated for its influence on the child's cognitive development. From this perspective, one strategy—that of parent education—proved generally ineffective. There was no evidence that informational programs directed solely at the parent had any appreciable impact on the child's intellectual function or academic performance.

Both group programs and home tutoring produced gains in cognitive development (as measured by intelligence and achievement tests), but the effects were temporary only. By the first or second year after completion of the program, sometimes while it was still in operation, the children began to show a progressive decline and, by the third or fourth year, the once-substantial differences between experimental and control groups became negligible or nonexistent. In contrast, parent-child intervention produced substantial improvements in intellectual function which were still evident three to four years after termination of the program. In addition, beneficial effects were observed not only in the target child but also his younger siblings.

An analysis of research on conditions underlying impairment of development and failure of intervention efforts with particular individuals or groups led to a general conclusion with important policy implications:

Any force or circumstance which interferes with the formation, maintenance, status, or continuing development of the parent-child system in turn jeopardizes the development of the child.

Such destructive forces may be of two kinds. The first and most damaging are externally imposed constraints, such as inadequate health care, poor housing lack of education, low income, and, under certain circumstances, the necessity for full-time work, all factors which prevent the parents from doing what they might be quite able and willing to do given the opportunity and the knowledge. Second, there are social forces and educational arrangements that diminish the status and motivation of parents as the most powerful potential agents for the development of their child.

Evidence in support of these conclusions comes from several sources:

1. The children who showed the greatest initial impairment of psychological development were those from the most deprived social and economic backgrounds, Especially relevant in this regard were such variables as the employment status of the head of the household, the number of children in the family, the level of parent's income and education, and the presence of only one parent in the home.

2. The children from these same backgrounds were also those who profited least from intervention programs provided for them, and showed the earliest and most rapid decline. Conversely, children benefiting most compensatory effects were those who came from the least deprived social and economic conditions.

3. The success of intervention efforts was positively correlated with the degree to which parents were accorded high status and actively involved in the program. When primary responsibility for the child's development was assumed by professionals and the parent relegated to a secondary role, the intervention was less effective, particularly with respect to long-term effects.

4. Although group programs per se did not have lasting impact, exposure to parent intervention during, and especially prior to, enrollment in preschool or school resulted in greater and more enduring gains achieved in the group setting.

5. Families willing to become involved in intervention programs tended to come from the upper levels of the disadvantaged population. At the most deprived levels, parents were so overburdened with the tasks and frustrations of sheer survival that they had neither the energy nor the psychological resources necessary to participate in an intervention program designed to benefit their children.

The foregoing findings indicate that for children from the most deprived environments no strategy of intervention is likely to be effective that focuses attention solely on the child, the preschool, or the parent-child relationship. The critical forces of destruction lie neither within the child nor within the family but in the desperate circumstances in which the family is forced to live. Accordingly, what is called for is intervention at the ecological level, measures that will effect radical changes in the immediate environment of the family and the child. Such measures include provision of health services, adequate housing opportunity for employment, and an income sufficient to sustain life and growth. It is significant that the H.R.C. Committee could find no research bearing on the effects of ecological intervention of this kind on the development of children. It is conceivable that a program which provides the family breadwinner with a job, guarantees an adequate income, supplies needed nutrition and health services, or furnishes better housing, may produce greater and more enduring gains in cognitive development than are presently achieved by strategies directly aimed at this objective. We do not know whether this is so, but could easily find out simply by adding well designed research components to a number or existing Federal, state, or local programs.

The studies I have been discussing document the importance of what I have called family support systems for increasing the development in the preschool years. What about the school-age child? Does the family, and its supportive systems, still play the critical role in the child's development?

Breaking down the wall between home and school

I believe it significant that in review of research, I was able to find only one study that examined the relation of parent involvement to the child's learning in school. The project, carried out in Flint, Michigan, involved approximately 1000 children from low-income families, most of them Black, attending two public elementary schools (Smith 1968). Children of similar socioeconomic background in another elementary school were selected as a control group. The effort involved parents in activities both at home and in the school.

On the home front, parents, including fathers, were requested to read aloud to their children, listen to their children read, read regularly themselves in the presence of their children, show interest by looking at the child's work, and give encouragement and praise as needed and deserved. In addition, parents were asked to provide a quiet period in the home for reading and study. During this time the television or radio was to be turned off, telephone callers were asked to phone back later. Parents were requested to occupy the attention of younger children. The parents were not asked to help the child with homework; instead, they were informed that the teacher would be checking with them on whether the child did his work rather than how well the task was done. "Every child could therefore be successful, provided that his parents were giving the needed support at home." (Smith 1968, p. 97.) A children's dictionary was also made available to each family with a child in grades four through six. Families were asked to write their names in the dictionary and encourage its use. Many other innovations were introduced to provide support in the home for the child's activities at school.

The program also brought the parents into the school. This was accomplished by a group of thirty volunteer mothers who assigned themselves specific blocks in the school district and made a personal call on every family inviting the parents to a program "to learn what they could do to help their children achieve better in school." (Smith 1968, p. 95.) In addition, parents and other residents of the neighborhood who held skilled jobs were asked to visit classrooms in order to explain their work and to indicate how "elementary school subjects had been important to them in their lives." (Smith 1968, p. 102.)

The results of the program are reflected by the gains in achievement test scores in reading made during the year by the experimental groups. For the first time in their school career, the children attained and, in some grades, surpassed the national norms.

Real children and families in the school curriculum

The relation between family and school has significance in yet another quarter. It is a commonplace among educators to affirm that the task of the school is to prepare the child "for life". Yet there is one role in life which the overwhelming majority of all children ultimately take, but for which they are given virtually no concrete preparation. I am referring, of course, to education for parenthood. In our cross-cultural observations we were struck by the differences between American children and adolescents and those from other societies in the ease with which they could relate to infants and young children, engage their interest, and enjoy their company. This reflects the fact that with the important exceptions of certain minority groups, including Blacks—many young people, especially males, never have experience in extended care and activity with a baby or young child until they have their own. A solution to this problem, which speaks as well to the need to give young people in our society genuine and consequential responsibility, is to introduce into the regular school curriculum functional courses in human development. These would be distinguished in a number of important ways from courses or units on "family life", as they are now usually taught in the junior high school, chiefly for girls who do not plan to go on to college. The material is typically presented in vicarious form; that is, through reading, discussion, or at most, through role playing, rather than actual role taking. In contrast, the approach being proposed here would have as its core responsible and active concern for the lives of young children and their families. Such an experience could be facilitated by locating day care centers and Head Start Programs in or near schools, so that they could be utilized as an integral part of the curriculum. The older children would be working with the younger ones on a regular basis, both at school and at home. They would thus have an opportunity to become acquainted with the younger children's families, and the circumstances in which they live. This in turn would provide a vitalizing context for the study of services and facilities available to children and families in the community, such as health care, social services, recreation facilities, and of course, the schools themselves. Obviously, the scope of responsibility would increase with the age of the child, but throughout there would have to be adequate supervision and clear delineation of the limits of responsibility carried by older children in relation to the young.

Critical contexts for the future of the American family

Health services and education are two of the many institutions which must serve as support systems for the family. Others include day care, the world of work, mass media, transportation, architecture, and urban planning. I have touched on most of these matters in testimony before this subcommittee two years ago. More recent developments in these areas are discussed in an article published last year, entitled "The Roots of Alienation", a copy of which I would be happy to submit as an addendum to this report. There are one or two aspects of these matters which because of their controversial or novel nature merit specific mention here. The first of these is day care.

Day care

Day care is coming to America. The question is: what kind? Shall we, in response to external pressures to "put people to work", or for personal considerations of convenience, allow a pattern to develop in which the care of young children is delegated to specialists, thus further separating the child from his family and reducing the family's and the community's feeling of responsibility for their children? Or, shall our modern day care be designed, as it can be, to reinvolve and strengthen the family as the primary and proper agent for the process of making human beings human?

The answers to these questions depend on the extent to which day care programs are so located and so organized as to encourage rather than to discourage the involvement of parents and other non-professionals in the development and operation of the program both at the center and in the home. Like Project Head Start, day care programs can have no lasting constructive impact on the development of the child unless they affect not only the child himself but the people who constitute his enduring day-to-day environment in the family, neighborhood, and community. This means not only that parents must play a prominent part in the planning and administration of day care programs, but that they must also actively participate in the execution of the program as volunteers and aides. It means that the program cannot be confined to the center, but must reach out into the home and the community so that the whole neighborhood is caught up in activities in behalf of its children. From this point of view, we need to experiment in location of day care centers in places that are within reach of the significant people in the child's life. For some families this means neighborhood centers; for others, centers at the place of work. A great deal of variation and innovation will be required to find the appropriate solutions for different groups in different settings.

Fair Part-time Practices Act

In my previous testimony I presented a proposal for an act prohibiting discrimination against parents who sought or held part-time jobs. Today I should like to enter into the record the instructive experience of one state legislator who attempted to put through such a bill, the Honorable Constance Cook, Assemblywoman from New York. Mrs. Cook sent me a copy of her Bill as introduced in committee. It began "no employer shall set as a condition of employment, salary, promotion, fringe benefits, seniority. . . ." etc. the condition that an employee who is parent or guardian of a child under 18 years of age shall be required to work more than "*forty* hours a week". Yes, Mr. Chairman, you heard me correctly—forty hours a week, which, of course, is full time. Mrs. Cook informed me that there was no hope of getting a bill through with a lower limit.

It turned out that even forty hours were too much. The bill failed of passage even in committee. The pressure from business and industry was too great. They wanted the right to require their employees to work overtime.

There is, however, a ray of hope. It is my understanding that a critical issue in the present strike against the Chrysler Corporation, and one on which the union is taking a strong position is precisely this question of compulsory overtime.

Families and neighborhoods

I should also like to enter into the record the results of a research conducted in Germany which sheds light on the influence of the neighborhood on the lives of children and families. The study compared the actions of children living in 18 new "model communities" with those from youngsters living in older German cities. The research was conducted by the Urban and Planning Institute in Nuremberg in collaboration with the Institute of Psychology at the University of Erlangen-Nuremberg. The following are excerpts from a special bulletin to the New York Times (May 9, 1971):

"In the new towns of West Germany, amid soaring rectangular shapes of apartment houses with shaded walks, big lawns and fenced-in play areas, the children for whom much of this has been designed apparently feel isolated, regimented and bored . . .

"The study finds that the children gauge their freedom not by the extent of open areas around them, but by the liberty they have to be among people and things that excite them and fire their imaginations . . .

"Children in the older cities seemed enthusiastic about their surroundings, painting a great amount of detail into a variety of things they found exciting around them, according to those who interpreted their art.

"The children in the model communities often painted what were considered despairing pictures of the world the adults had fashioned for them, depicting an uninviting, concrete fortress of cleanliness and order and boredom."

The implications of the research are self evident. In the planning and design of new communities, housing projects, and urban renewal, the planners, both public and private, need to give explicit consideration to the kind of world that is being created for the children who will be growing up in these settings. Particular attention should be given to the opportunities which the environment presents or precludes for involvement of children with persons both older and younger than themselves. Among the specific factors to be considered are the location of shops and businesses where children could have contact with adults at work, recreational and day care facilities readily accessible to parents as well as children, provision for a family neighborhood center and family oriented facilities and services, availability of public transportation, and, perhaps most important of all, places to walk, sit, and talk in common company.

It is perhaps fitting to end discussion of this matter with a proposal for nothing more radical than providing a setting in which young and old can simply sit and talk. The fact that such settings are disappearing and have to be deliberately recreated points both to the roots of the problem and its remedy. The evil and the cure, lie not with the victims of alienation but in the social institutions which produce it, and their failure to be responsive to the most human needs and values of our democratic society.

What are the implications of these kinds of considerations for the work of your committee? I offer my recommendations in the form of a document entitled the "American Family Act of 1974: Suggested Principles and Provisions". The date and the substance, Mr. Chairman, represent a compromise between desperation, realism, and hope.

THE AMERICAN FAMILY ACT OF 1974

SUGGESTED PRINCIPLES AND PROVISIONS

A. Principles

1. The family is the most humane, effective, and economical system of child care known to man. The first aim of any child care program, therefore, should be to strengthen the family and enable the parents to function as parents for their children. This can be best accomplished by providing a variety of *support systems* for the family in the home, neighborhood, place of work, and community.

2. All programs should be family-centered rather than merely child-centered. This means service to parents as well as to children, and opportunity for the involvement of parents in the planning and execution of programs both within and outside the home. Research results indicate that where programs have involved families as a whole there is greater likelihood of lasting effect beyond the duration of the program itself, with an impact not only on the target child but other children in the family as well. Also such programs tend to be more economical because of the greater participation of family members in the work of the program.

3. During the first six years of life, particularly during the first three, an enduring one-to-one relationship is especially important for the child's development. For this reason special encouragement should be given to arrangements which permit one of the two parents to work part-time. In particular, welfare eligibility requirements should not discriminate against families in which one or both parents are working part-time rather than full-time.

4. Many families today are unable to function effectively to meet the needs of their children because of circumstances beyond their control. The principal debilitating factor is poverty. Others include reduction of the family to only two adults, or, in many instances, only a single parent; the involvement of both parents in full-time jobs; working on different shifts; the social isolation of families—especially the mother—because of the breakdown of neighborhoods. Measures designed to alleviate these conditions can contribute in reenabling parents to function more effectively. Hence such measures should become a part of any comprehensive child care program, especially because they are more economical in the long run.

5. In addition to the parents, other persons can play a significant role both in relation to the child himself and in providing support to those primarily engaged in his care, especially to the mother. The most important persons in this regard are other family members such as grandparents, aunts, uncles, older brothers and sisters but also neighbors, friends, teachers, social workers, and other professionals. Finally, the research evidence also points to the powerful impact of older children on the development of the young. Therefore, both on psychological and economic grounds, an effective child care program should utilize and encourage the involvement of other adults and older children in the care of the young.

6. To be effective, programs must be comprehensive in nature not only in relation to the needs of the child but also those of his family in the areas of health, education, and social services. For example, the most effective and economical measure to insure the health of the child may often be to meet the health problems of his parents, or of other sick, handicapped, or aged family members who sap the parents' strength and resources.

7. Families live in widely differing circumstances. Any program of child care services must therefore supply a variety of options. In accordance with this principle, child care services should not be limited to group day care provided outside the home.

B. "Family Support Systems"

1. Revision of Welfare and Work Legislation

No single parent of young children should be forced to work full time or more to provide an income at or below the poverty line. The statement applies with equal force to families in which both parents are compelled to work full time or longer to maintain a minimal subsistence level. Under such circumstances, a parent wishing to do so should be enabled to remain at home for part of the day. The following measures could help achieve this objective:

a. Welfare legislation should be amended so as to encourage rather than penalize low income parents, especially single parents, who wish to work only part-time in order to be able themselves to care for their own children.

b. To free parents in poverty from full-time employment so that one of them can care for the children. Federal and state programs should provide funds for part-time parental child care at home in lieu of wages.

c. There should be legal prohibition against unlimited compulsory overtime for parents with young children.

d. Federal or state legislatures should pass Fair Part-Time Employment Practices Acts prohibiting discrimination in job opportunity, rate of pay, seniority, fringe benefits and job status for parents who seek or are engaged in part-time employment.

2. Incentive Programs

a. Tax incentives should be extended to businesses and industries who set up family and child services for their employees such as day care programs, part-time work opportunities, flexible working hours, special programs designed to acquaint children and young people with the world of work, etc. In particular, employers should be encouraged through tax benefits to modify work schedules so as to enable parents to be home when their children return from preschool or school thus decreasing the need for babysitters during the child's waking hours or for "latchkey" arrangements for older children.

b. Special incentives should be provided for the development of neighborhood and community-wide programs benefiting families and children, especially on a non-age-segregated basis.

d. Incentives should be offered to groups responsible for the design of neighborhoods, housing projects, apartment complexes, churches, industrial sites, urban renewal projects, etc. to provide for the needs of children and families in the planning of these environments. For example, apartment complexes should incorporate day care facilities adapted for parent participation, large housing projects should be provided with a family neighborhood center.

e. Incentives should be offered to schools for introducing programs involving older children in responsibility for the young both within the school and in neighborhood settings (including the old and the sick, and also for the development of programs which bring members of the community in contact with school children so as to reduce the widening gap between the worlds of childhood and adolescence on the one hand, and the world of adults on the other.

3. Family Impact Assessment

Both Houses of Congress and analogous governmental bodies at state and local levels should change or establish committees to monitor all legislation or proposals coming before the body in question for possible impact in the welfare of families and children.

4. Homemaker Services

Many disadvantaged or single parents are unable to spend time in activities with their young children because of other demands in the home, such as care of old or sick relatives, meeting the needs of a large family, housekeeping under difficult conditions, etc. Local residents trained as homemakers, or high school students in special programs (see above) could take over some of these responsibilities during regular visits so that the parent could be free to engage in activities with the younger child.

5. Group Day Care

a. Day care eligibility should not be limited to parents engaged in full-time employment.

b. Some off-hour and around-the-clock day care should be available.

c. Some provisions should be made for the availability of emergency day care when parents are sick, incapacitated, or for other urgent reasons temporarily unable to provide adequate care for their children.

d. In the establishment of care programs, provision should be made for the involvement of other family members besides the parents such as adult relatives, and older children of the family.

6. Training Programs for Child Care Workers

These should be available for persons of all ages by including them in the curricula of high schools, adult education programs, community colleges, etc. They should incorporate as a regular feature voluntary child care services while in the period of training. This would make available large numbers of trained personnel at low cost for families who need such assistance.

7. Commissions for Children and Families

Federal encouragement should be given for the establishment of such commissions at the neighborhood or community level. They would have as their initial charge finding out what the community is doing for its children and their families. The commission would examine the adequacy of existing programs such as maternal and child health services, family planning clinics, day care facilities, social service and recreational opportunities. They also would have the responsibility for looking at the entire community as an environment for children. Attention would be given not only to institutions and programs designed explicitly to serve families and children, but also to town planning, housing, traffic, entertainment, etc. from the point of view of meeting the needs of families and their children. The commission would be expected to report its findings and recommendations to appropriate executive bodies and to the public at large through the mass media. After completing the initial assessment phase, the commission would assume continued responsibility for developing and monitoring programs to implement its recommendations.

8. Research

Provision should be made for studies designed to assess the comparative effectiveness of specific strategies for furthering the development of children and families. Unlike the massive surveys employed to date, such investigations should focus on specific components of particular programs, rather than attempting an indiscriminate evaluation of many complex programs differing in content, clientele, and social setting.

9. A Family-Centered Employment Policy in the Federal Government

The Federal Government as an employer should be mandated to set an example by adopting, at least on an experimental basis, the policies and practices proposed in these recommendations.

Urgent actions

Finally, Mr. Chairman, there are two urgent steps that cannot wait for the passage of a bill in 1974. They must be taken *now:*

1. Reinstating and Expanding Material and Infant Care Services

In view of its urgency, a separate bill should be introduced in the Congress now to reestablish and expand the new material and infant care services and to mandate that the appropriated funds not be impounded by the Executive branch.

2. Verifying the Support of Family Programs on Revenue Sharing

Many vital federal programs for families and children have been dismantled by the present administration with the assurance that they would be "picked up" by states and local communities with support from revenue sharing. For the sake of the nation's children, it is essential that this process be monitored by an appropriate agency in the federal government, such as the office of Child Development, to identify any lapse in critical programs. An effort should then be mounted, by the Congress if necessary, to assure that the vital needs of families are being met.

Summary

Mr. Chairman, I should like to summarize with three statements:

1. The family is the most humane, efficient and economical system for making human beings human known to man.

2. With all its strength, the family cannot survive and function in a vacuum. It requires support from the neighborhood, from the world of work, and from social and political institutions at the local, state, and national level.

3. The future belongs to those nations that are prepared to make and fulfill a primary commitment to their families and their children. For, only in this way will it be possible to counteract the alienation, distrust, and breakdown of a sense of community that follow in the wake of impersonal technology, urbanization, bureaucratization, and their unplanned, dehumanizing consequences. As a nation, we have not yet been willing to make that commitment. We continue to measure the worth of our own society, and of other countries as well, by the faceless criterium of the GNP—the gross national product. We continue, in the words of the great American psychologist, William James—to "worship the bitch-goddess Success".

It appears, Mr. Chairman, that we are a "stiffnecked people". That phrase calls to mind that the worship of idols is not new in human experience, and its almost inevitable and awesome consequences are a matter of familiar record. Yet, the God of Abraham, we will recall, was merciful. He sought to warn his people by lesser calamities before Sodom and Gomorrah were destroyed. Or, to translate to our own time and venacular: "Things may have to get worse before they can get better". If so, Mr. Chairman, we can take heart from the facts and figures I have brought before you; we surely are making progress!

Mr. Chairman, our nation must make and fulfill the commitment to its families and children before time runs out. Ultimately that commitment must be made and fulfilled by the people themselves. In the last analysis, it is they who must decide to change the institutions which determine how they and their neighbors live—who can get health care for his family, a habitable dwelling in which to live, opportunity to spend time with one's children, and help and encouragement from individuals and society in the demanding and richly gratifying task of enabling the young to develop into competent and compassionate human beings.

Untimately, all of us must make this national commitment. But it can begin only where national leadership begins, in the halls of Congress and in the White House. It is, of course, unlikely that within the next three years that commitment will be made at the other end of Pennsylvania Avenue. It appears to be a long way from there to the lives and hearts of the people, their families, and their children. The way is surely shorter from here, from these halls, where the representatives of the people gather to serve the people's interest. I have high hope, Mr. Chairman, that the Hearings being conducted by this Committee will mark the beginning of a new era in the history of the Congress and the country, and that the Senate of the United States, under the leadership of this bipartisan Committee, will act in behalf of the people in making a national commitment to meet the needs and realize the tragically unfulfilled potential of our families and our children.

PARENTS WITHOUT PARTNERS, INC.,
September 19, 1973.

To Senate Subcommittee on Children and Youth, Old Senate Office Building, Washington, D.C.

From Parents Without Partners, Inc., George B. Williams, Executive Director, Washington, D.C.

My name is George B. Williams, and I am Executive Director of Parents Without Partners, Inc., the world's largest organization of single parents. With me today are three members of my organization who will present their personal stories and findings on several aspects of our national life affecting the dissolution of the family and the resulting deleterious effects on children and youth.

Before introducing them, let me tell you something about our organization, Parents Without Partners. We are an international, voluntary membership organization of single parents—the widowed, divorced, separated and never-married—who are bringing up children alone in what is still a dual-parent society. Custody is not a requirement for membership, and 35% of our members are men. PWP's North American membership (United States and Canada) lists 90,000 members. We were founded nearly 16 years ago and have doubled in size every third year of our existence; our growth has been phenomenal, and the future of our organization has never been brighter. This doesn't say much for the future of the traditional marriage as we have known it or of the so-called nuclear family.

More than 700 Chapters of our organization exist in all 50 States and in most Canadian Provinces. We also have large affiliated groups, exclusive of our 90,000 members in North America, in Australia, New Zealand, England, Mexico and Venezuela. Chapters range from upwards of 1,000 members in urban areas to fewer than 100 in the smaller towns and cities. Each Chapter, with elected volunteer leaders, plans and conducts its own programs of service to its members and their children, with administrative aids, materials, advice and guidance from the International Office here in Washington. We are tax-exempt as a non-profit, non-sectarian, educational organization devoted exclusively to the welfare and interests of single parents and their children.

Our members come from all walks of life and represent a kaleidescope of occupation interests and educational attainment. Ages range from the 20's into the 60's with the bulk of the membership in the 30's and 40's. Thirty-five percent of our members are widows and widowers, but the majority are divorced. Never-marrieds are a tiny growing minority, and there are many "separateds" who do not divorce for religious or other reasons. Sixty-five percent of the total are women. The only requirement for membership in Parents Without Partners is single parenthood. We represent a typical cross-section of the millions who have suffered marriage termination, have children to worry about, and are in the throes of a reorganization of their lives. Our members come to us at all stages in the process of separation; some are only recently widowed or divorced while others have lead the "single again" life for some time.

Some have young children; others have teenagers. Some are fairly sophisticated, others naive. They are of all faiths. A few have had professional counseling; most know nothing about it. Basically middle to lower-middle class on the socio-economic scale (a marriage termination invariably means that the party or parties to it take a step or two down that scale), many are bitter about marriage, others hopeful about remarriage. About the only other generalization I can make about the organization I represent is that the members are all in the process of transition and change and have come to us for help. Having received the help they need, and having completed the process of transition, they leave. The average tenure of membership is about two years. We are a permanent organization of transients. We are a do-it-yourself, self-help organization. We've had to be.

For the most part, gentlemen, you as individuals are members of the legal profession, and you know full well that the end of a marriage, especially if children are involved, is a tremendously traumatic experience for all concerned. Even if problems were anticipated, nobody, it seems, ever expects them to be so critical. Beyond that, many unpredicted situations and problems have to be faced. In any case, demoralization and despair are the frequent response. There is much that government can do in many, many areas to make the transition smoother for those who suddenly enter the world of the formerly married because of marriage dissolution.

It is most encouraging to see, beginning with the hearings by this subcommittee, that the nation is beginning to address itself to the escalating phenomenon of broken families and marriage termination. All I can say is that it's about time.

Marriage dissolution should be the Number One subject of the decade. The family is the fundamental unit of civilization, and the traditional marriage has been a corner-stone of our society. Marriage dissolution is reaching epidemic proportions, and the societal impact on all levels of our national life is now beginning to manifest itself.

Strange things are happening to the institution of marriage as we know it in the United States and in Western society; curious things are happening to divorce in America. The pain and trauma associated with the break-up of a marriage have not impaired the prevalence of marriage dissolution. Approximately four of every 10 couples who marry this year will not live happily ever after.

They will divorce after, on the average, seven years of marriage. It can be safely said that the divorce rate is soaring to a record peak; it is beginning to approximate 50%.

One of every six children in the United States is now being raised in a single parent home. The first-marriage rate is now at its lowest ebb since the Depression. Second marriages have also leveled off dramatically. "The Pill" and liberalized abortion laws have accounted for the fact that the birth rate has reached its lowest level in our history, and even where children aren't involved directly, equally striking is the rising number of marriages that split apart after the major child-raising chores are finished. Among couples married 15 to 19 years, divorce has doubled since 1960, while in the 20-years-and-over bracket, it is up 56%.

And in spite of the pill and liberalized abortion laws, the number of so-called "illegitimate" births is rising.

Let me also state here and now that those who suffer most in a marriage dissolution are *not* the children. Children are amenable to change and resilient. It is the *adult* who suffers most.

The best thing one can do for a child is to enable him to have a reasonably well-adjusted, functioning parent or parents. We are all aware that innocent children are innocent victims of marriage dissolution. Parents can become disturbed, overwrought and traumatized when they enter the world of the formerly married, and they must readjust their lives in a happy, organized manner. Above all, this has the most beneficial effect on children. Contributing heavily to the trauma and maladjustment suffered by many members of the single parent community are several inequities which can be corrected by government, both in the legislative, enforcement and policy-making areas.

From personal experience, the three members of our organization whom I will introduce to you now will present their personal experiences as well as their recommendations in several of these areas. In order of their appearance, they are as follows:

Ms. Katheleen Carroll Gallagher. Ms. Gallagher has been a member of our organization for several years and has served in several leadership capacities. In the business world, she is Assistant Secretary of Coachman Industries, Inc., of Middlebury, Indiana. She is also the Administrative Assistant to the President of that corporation, Mr. T. H. Corson. You'll be interested to know that when Mr. Corson was approached to give Ms. Gallagher the time to come to Washington to testify before this committee, he said, "My opinion of the men in government and those elected Senators has risen considerably since learning that they have asked you to discuss the problems of the single parent. They can benefit greatly from your knowledge and that of your organization, and its' gratifying to know that Congress is actually seeking the advice of those who had experience with the problems. Hopefully, they'll do more of this in all areas of government."

Ms. Gallagher became a single parent 12 years ago and at that time, her two sons were age 13 and 15 and her daughter was 14. Since her divorce, her children have successfully completed the total of 16 years of college in nine of those 12 years. Her eldest son has his doctorate from Stanford University in nuclear and systems engineering, and her younger son is a graduate of Indiana University and is now a Certified Public Accountant. Her daughter is a Registered Nurse specializing in the intensive care of newborn babies. All of them are happily married.

Ms. Martin Creasy, Ms. Creasy is a former member of the Armed Services herself and was married to a non-commissioned officer in the United States Air Force for more than 14 years. She is divorced, and a parent of three growing boys. She has direct knowledge of how politics governing the military affect the lives of enlisted servicemen and their families while on active duty. Ms. Casey is a housewife from New Ipswich, New Hampshire.

Ms. Patricia Young. Ms. Young is the divorced mother of three children and is a resident of Andover, Massachusetts, She is employed as a Secretary. Her situation is rather unique, because her divorce from a senior non-commissioned officer in the United States Army did not solve very many problems for her. Many of those problems continue because of some military policies no longer in existence but which, in her case, are not yet resolved. While she is divorced from a former Army non-commissioned officer, her testimony will show, I believe, that her divorce from problems generated by "benign military neglect" will not be final until she leaves this planet.

STATEMENT OF MS. GALLAGHER

I am personally delighted to discuss certain areas of concern which I share with other single parent women functioning in the business world.

My 12 years spent as a single parent were not easy ones. I'm not complaining, because I've been very fortunate. My children have turned out well. I've worked extremely hard in spite of the fact that both my family and I have felt like "second class" citizens because of my divorce. A man or woman divorced or separated with children is the subject of a wide variety of overt and covert discrimination, some of which is directly due to lack of governmental controls and laws. This discrimination takes many forms, and I would like to review with you some of the particularly relevant aspects. If you magnify my problems as one single parent woman by the 10,000,000 single parents in the United States today, you will easily realize my concern as an individual as well as the concern of my organization, Parents Without Partners.

(1) It goes without saying that one of the most commonly shared dilemmas of single parents is adequate income. Child support payments or life insurance benefits are rarely adequate to provide for the needs of a family. In nearly every case, it is mandatory that a single parent be employed outside the home in order adequately to support the household. This leads to ansulary problems of child care, low income levels of the average woman, bringing their occupational skills current, and finding a suitable job. Today one family in nine is headed by a woman—this means 5.6 million families headed by women. In the decade between 1960 and '70, this group increased 24% in numbers.

Compounding this problem is the fact that despite women's rights movements and equal opportunity legislation from the Congress, figures on the earnings by occupational and educational levels clearly show that a working woman with a high school education earns approximately 56% of the salary attained by men on an equivalent level of age and education. From the standpoint of society, concern must be centered on the status of those single parent families with dependent children. Most are not as fortunate as I have been. I did manage to keep three children in college at the same time on earnings of approximately $6,000 per year, plus approximately $2,800 in child support annually.

This is a very broad problem. The proportion of mothers working outside the home is now more than double that of 25 years ago. For a graphic illustration of the problem, consider the group of mothers with children under six. Last year, there were more than 4.3 million mothers with children under six in the labor force. More appalling, there were 1.3 million mothers with children who were bringing up their families without a husband. Add to this the children from six to 17 years of age being raised by single parent women—almost 3.3 million—and one soon realizes that compared to the estimated number of licensed day-care slots of 800,000, the recent veto by the President on the matter of day care facilities only serves to aggravate immediate solutions to this gigantic problem for single parents and their children.

(2) The second area of concern are the problems generated by inequitable taxation of the single parent. Most assuredly, child care expenses should be treated as a business expense rather than a personal expense.

An industrialist can hire 2 dozen extra secretaries and even a chauffeur and there is never any shadow of a doubt that their wages will be a legitimate tax deduction. He pays their wages from one pocket and recoups a handy tax break from the Treasury with another. The secretaries help him work more effectively. They help him spend time more productively so that he can make a greater contribution to our nation's economy. Without them and their help, he would be very much cut down to size.

But what about fathers or mothers who can't even get to the stage of taking a job at all without paying someone to look after their children or clean their homes? They don't have the resources of a millionaire, but they have to hire someone or pay someone to help them all the same. No business deduction for them—despite the fact that many of these parents could not even work at all without incurring such expenses, let alone getting to the stage of thinking in terms of help to enable them to work more effectively.

Certainly, where two divorced or separated parents provide support to children, there should be some automatic, equitable formula for allowing them to split exemptions and claim tax credit, both for support and for the education of those dependent children. Meaningful tax reform is long overdue. I would think the House Ways and Means Committee would be seriously embarrassed by their inaction. I, and other single parents, wonder exactly what the time table on this glacier is?

Let me personalize tax problems as they affect single parents. I am one of those who may have read about who was the subject of IRS harassment. On two occasions, the IRS chose to audit my returns as a single parent—the first time when my former husband claimed both me and the three children (mind you, this was two years after the divorce) and it was this incorrect filing that triggered an audit of my return, and the burden of proving the deductions and exemptions fell on my shoulders. At one point, I was threatened by the IRS auditor that he would take away *all* my dependent exemptions unless I would "give" some of these exemptions to my former husband. Actually, the auditor also threatened to use my older son's scholarship money against me in computing which of us contributed 50% of the total support. This, in spite of their own printed rulings which state that scholarships are not to be considered as income in such cases. I finally had to utilize the services of a practicing tax consultant to plead the hearing successfully before an IRS examiner. All this, at unnecessary and great expense to me at a time when I could little afford it.

(3) The third area of concern are problems encountered in the areas of credit, mortgages and insurance for the widowed and divorced.

Let me sight a couple of brief examples:

In 1962, I suffered the indignity of being refused automobile insurance coverage simply because I was newly-divorced, and considered a bad risk for that reason. Allstate Insurance Company refused my application, refused even to process it, because I had not been divorced for at least a year. I submit that I was a better driver after my divorce than I was before. Not only that, why could I not be considered as an individual and be judged on my own driving record?

From all that I hear in my organization, insurance discrimination against the divorced and widowed still exists and has not receded at all. From what I am told, I believe it has escalated.

As far as credit is concerned, I've been fortunate. My income level is higher than most single parent women. However, there is one interesting anecdote to indicate discrimination. In May of 1971, I sent an application for a BankAmericard to First Bank and Trust Company in South Bend, Indiana. This was while I was employed as business administrator for eight doctors, managing several X-ray facilities, and my income was indicated near $10,000. Within that very same week, a woman appeared from the BankAmericard Central Office to apply for my job, but I never heard anything directly from BankAmericard. I wrote the banking facility to which the application had been sent and explained what had happened. I also explained that I would still like to have a card. To this day, I have never received an acknowledgement to my application or my letter, nor have I received a BankAmericard.

(4) The fourth concern I have is the problem of divorce and separation and the effect on the education of the dependent children. The education of my children has been my prime motivation these past 12 years. I was stunned when I read my divorce decree in 1961 to learn that no reference or provision had been inserted in the decree for their higher education. This is one area where a national divorce code with mandatory provisions for shared responsibility for the education of children would be of great and lasting benefit. Such provisions will probably not exist as long as states are the control point for the issuance of divorce decrees. In addition, there should be mandatory provisions for the insurance and health protection of those children.

There are many, many reasons for a national divorce code and it could be approached through the states on the same basis that the "no-fault" automobile insurance legislation was approached: minimum standards and a time frame.

(5) Problems relating to the dissolution of marriage will continue to plague us until government makes more adequate provisions in our educational system to provide that all children, equally and fairly, are given the right to learn about marriage, about divorce, about being good, effective parents, etc., in order that they may better prepare themselves for the certainties of their life styles. The recently developed program, "Education for Parenthood", launched by the Office of Education and the Office of Child Development in September, 1972, is most exciting in all respects. This is just the type of thing our nation needs as we view with considerable anxiety the recent trends in marriage dissolution. Hopefully, similar programs in other areas will be developed and launched. My organization continues to be available as consultants and is prepared at all times to share our experience with all governmental levels concerned. Let me also add, Senators, that it is gratifying to know that you are asking us to discuss pertinent viewpoints toward speedy solutions to our shared problems of single parents and their children in our society today . . . and tomorrow.

Thank you very much.

STATEMENT OF MS. CREASY

I was involved with the military for 14 years. Many problems were encountered and, of course, not all of them were militarily connected. Problems common to most marriages become more prominent, however, because of the stresses of military life. Many problems encountered directly result from policies governing military personnel as well as, in some cases, the lack of covering policies.

The overriding problem for enlisted military families is money. Ninety percent of the families I knew in the military found it necessary to "moonlight" in order to survive. No matter how tight the hold on the purse strings, it was necessary for me to work on a full-time basis and for my husband to work part-time, three nights a week plus Saturdays every week. He held the rank of Technical Sergeant, at that time the second highest non-commissioned officer rank.

Even though military pay scales have escalated recently, so has the cost of living. The "tight money" situation for enlisted military families has not altered.

The necessity of "moonlighting" adds its own strain to family life. My children spent more time at under-staffed nurseries and with baby-sitters than in their own home. This factor, plus the added physical stress of "moonlighting", placed my husband and me in an atmosphere where family life was almost nil. Although low finances is one problem nearly everyone encounters at some point, one would think that men in the military service of their government, whatever their rank, would be able to support a small family without the added mental and physical stress of "moonlighting".

One of the biggest financial strains placed on wives of non-commissioned officers came when a decision was made to allow non-commissioned officers to receive family allotment checks along with their monthly pay checks. No consideration was given to the wives and children of non-commissioned officers whose husbands were already using their pay to their own personal satisfaction. This decision was a mistake.

Unnecessary transfers run a close second to financial problems for military families. Undue mental, physical and—again—financial strain is placed on families in the process of transferring from one base to another. The strain is even greater when the family is not allowed to follow.

Moving from one home to another, from one school to another, becomes more difficult as the children get older and friends become closer.

Transfers to overseas bases where life is totally different and where housing is either non-existent or of low quality places other kinds of strain on family life.

Overseas bases where only families of officers are allowed makes the enlisted man feel guilty of his rank. Another strain, perhaps the biggest strain of all is placed on those families where the wife is forced, without advance or continued counsel, to take over the full responsibility as a "head of household".

Military life makes unique demands in many ways and all members of the family have pride in service to our country and do their very best to meet those demands without complaining. However, a woman becoming both father and mother to her children for any length of time learns to be less dependent on her husband, more independent and more capable of being her own boss. In many cases where the husband is the true foundation of the marriage, the marriage begins to falter with this type of transfer. Every effort should be made by the Armed Services to keep the families together and, where it is impossible to do so because of security reasons or war-time conditions, then counseling should be readily available for those who stand and wait. The divorce statistics of our Viet Nam POWs bear me out.

Is it too much to ask that when a serviceman is taken from his family for six months or more for security reason which cannot be divulged that a senior officer come by and explain the necessity of it to the wife and children in terms they will understand without divulging the necessity of the mission? From my experience, this would have been extremely helpful, and would have saved much strain on many marriages. After all, the percentage of field grade officers and above is at its highest point in military history. While the Armed Services do a good job of "taking care of their own" the word "own" should be more fully extended to include the military dependents, too.

The military does take care of widows and orphans. Divorce, in many respects, has the same effect as death on military dependents. Even worse effects! I believe that there must be a greater concern shown for military divorcees and their children, particularly as they may affect the children in terms of financial supoprt and medical care.

In preparing for this testimony I was advised by a member of our organization, a field grade officer now retired from the Army, that conditions leading to marriage dissolution and resulting single parenthood are more acute in the service than among civilians. This is true because many families cannot adjust to the constant relocating which seems to be required in the miitary, that breakups are caused by low pay and poor living conditions among the enlisted personnel (many of whom are on welfare), and the necessity of "hardship tours" (one year overseas without family).

He found, as did I, that the military is highly sensitive about releasing any statistics to any organization on subjects which they feel might cause an unfavorable public image. Maybe you can change this. I hope so.

Thank you.

STATEMENT OF MS. YOUNG

Gentlemen, my gross weekly income is $135.00; my net $104.00. I receive no other income for either myself or my children. I can barely meet my expenses, which are greater than they need be because I have to work and that means baby-sitters.

My expenses are also larger because I have to clothe myself for my work, a greater expense than it would be if I were a housewife. Also, I don't have time to prepare economical meals, and I rely on so-called "convenience foods", and one must pay for the convenience. I am one of those heads of households whose tax base is higher, and I pay a penalty because I happen to be a single parent.

In 1957 I was married to a serviceman, attached to Army security, with the rank of SP–4. My former husband attained a rank of SP–5 in 1958, then took a year's separation from the Army in 1958–59. He re-enlisted in 1959 as an SP–5, the grade he left. Prior to our marriage, he had served 18 months in Korea, and his service record was excellent.

Upon re-enlistment, he taught as an instructor at Fort Devens, Massachusetts. He was selected for the Non-Commissioned Officers Academy in New Jersey and from there, he went on to Washington, D.C., for instructorial courses. He was then selected for language school in Monterey, California. His specialty was Arabic. At this time he was promoted to the rank of E–6.

Following language school, he returned to Washington to receive instructions and await orders for assignment to Turkey. After one year in Turkey, he was assigned to Beirut for 2 years and was promoted to the rank of E–7, the Army highest, shortly after his arrival. All throughout his military career he received numerous commendations and recommendations from his commanding officers for outstanding performance.

Prior to my leaving for Beirut with my children, another child was born and, in addition, one of our sons was hospitalized. After my arrival in Beirut, there were five additional hospitalizations for the entire family. I developed meningitus and was later operated on for a tubal ligation which, following surgery, developed serious infections. My husband also had an accident while swimming, and my son suffered complications in a routine tonsilectomy and adenoidectomy.

My husband's assignment in Beirut was extremely demanding, and the pressures were great. In addition, the frequent and serious illnesses of our family plus the death of his father (the majority of the funeral expenses were placed on my husband), the constancy of doctor and prescription bills, the cost of hiring domestic help because of my confinement to bed under doctor's orders all contributed to my husband's suffering considerable mental and nervous tension and anguish.

When we decided that he should seek professional assistance, we discovered that all that was available in Beirut was a physician who could administer tranquilizers. Unfortunately, my husband turned to alcohol for relief, and a distinguished military career began to go down the drain.

There were no medical facilities available to us as a military family in Beirut. We incurred very costly medical and prescription bills. There was no policy established for reimbursement at the United States Embassy in Beirut. My husband's income was in no way sufficient to cover these bills in addition to the day-to-day living expenses.

After many months of medication for my son's ear infections (the operation did not help), it was upon the written statement and strong advice of my son's physician that we returned to the United States for proper medical treatment and change of climate. When my husband put in for a transfer back to the States, he was threatened that if he left his assignment in Beirut he would probably be transferred out of his outfit. And this is exactly what did occur.

While awaiting orders to be transferred back to the United States, my husband received a communication that stated he was no longer with the ASA due to "debt" (hospital, physicians and medication which the military didn't pay and for which the Embassy did not reimburse). The military used this excuse to transfer him from his unit and the resulting humiliation he suffered caused him great anguish. He had great pride in himself, his unit and his career. He was a man torn between his love for his job and his love for his family and it was at this point that he seemed to fall apart and turn totally to alcohol.

When we arrived in the States, the children and I went to Ohio. My husband continued on to his assignment in California. Shortly after reporting to his new assignment, I received a telephone call that he was absent without leave. He later turned himself in and was brought up for court martial. I flew to California and left my five-year-old and two toddlers in Ohio. After long discussions with his defense counsel and his commanding officers, they advised me that he was greatly in need of medical and psychiatric assistance. They did not want to see him court martialled. However, due to his rank, he was to be used as an "example" to others. This was actually told to my husband and me by these officers. Because he was to be an "example", no medical assistance was forthcoming.

At this time, my own physical deterioration was extreme. After the court martial, my husband was assigned to Fort Huachuca, Arizona. Before I left him in California to return to Ohio, my husband's physical and mental state was at an all-time low. After a brief period, he instructed me to bring the family to Arizona and, upon my arrival, I discovered that he was again AWOL. This time, six weeks elapsed before he returned.

He was again brought up for court martial and again demoted in rank. During this entire period, he had one interview with a psychiatrist.

It was at this time that my husband was advised to "leave the military service" He left the service, but not for medical reasons. Thus, my children and I no longer have any consideration as military dependents. There is no support for my children, nor is there any available medical care or other privileges which would be available to us if he had a medical discharge.

During his year's tour of duty in Turkey, my daughter and I were hospitalized in the States. My husband was not able to be with us. In addition to this, the Army's non-reimbursement of our medical bills in Beruit had left us in great financial debt upon return to the States and I was not able to give him very much moral and physical support during his post-Beruit assignments in California and Arizona. These separations created great strains on the family as a unit and upon my husband and me as individuals and in turn, upon our entire marriage.

After Beruit, my husband endeavored to receive reimbursement for our medical bills incurred in Lebanon. They were never honored!

When my husband was assigned to Beruit, our marriage was very sound. I feel that the lack of medical assistance to our family (as well as other families in the service, and I have plenty of examples), no family counseling, no psychiatric care and at that time no recognition of alcoholism as a disease—all of these factors assisted the deterioration of our marriage in a most viable manner.

Because my husband's illness was not recognized at the time of his discharge (after 14 years of active military service) which up to the time of Beruit was commendable, he did not receive the medical discharge for which he was qualified. Therefore, my children reap no military benefits nor do I for their care and support.

The deterioration of my husband due to alcoholism occurred while in the service. It caused great stress upon my children, and I was not able to save our marriage nor was my husband able to cope with his escalating problems. A very fine marriage ended, a very valuable soldier's service was lost to his country and my children and I continue to suffer because of the ineptitude of the military, the necessity of creating "the example" and the "benign neglect" of the fact that military wives and children are people too.

Frankly, it would be better had he died. My children would have greater security if that had happened. He might have died, and it may be that he has. I don't know. I haven't heard a thing for three years.

The ineptitude with which my husband's case was handled, has caused untold emotional stress, particularly for my oldest daughter. The only assistance for her which I can afford is school counseling. She needs much, much more than that.

I might also add that after my husband's discharge and subsequent desertion of his family, our household goods were shipped to Ohio. I went back to Massachusetts with the children. I couldn't obtain a release to have the furniture sent to me because I "needed my former husband's signature". Conseqently, this pedantic attention to red tape caused me to beg from relatives to have a home for my children. I also had to spend money I desperately needed for lawyers to try to obtain my home furnishings. In addition, many of our households goods were sold in Beruit to pay some of the medical bills we owed and for which we were never reimbursed.

The Army must provide for greater cognizance for their families in trouble. Many times I thought that if the system or even one of his commanding officers had the backbone to stand up and fight for my husband that today there would be a whole family unit with a father who is a whole person. The need at that time for decent medical and psychiatric attention was acute but lacking.

Maybe it still is. My nine-year-old son tells people that his father is dead because he cannot accept the fact that he has been rejected. My seven-year-old can't remember his father, and my 12-year-old daughter is fighting a desperate battle within herself about who is to blame for her father's disappearance from her life. If this is not a destruction of the family unit by separation, military ineptitude and basic ignorance, I don't know what you would call it.

Military families have a difficult lot at best. Military men would do a much more efficient job in serving our country if the basic instability of military families caused by low pay, frequent transfers and duty-necessitating frequent and lengthy absences could be alleviated by a greater concern and awareness for the needs of military wives and children, plus more adequate psychiatric, psychological and marriage counseling services. Without that, the problems of the innocent victims of military marriage dissolution, the children, will not be appreciably alleviated.

I do hope you'll do something about it.

Thank you very much.

CONCLUSION

In summary, gentlemen, let me reiterate the fact that there are many, many things our Federal Government can do to alleviate the pain, suffering, trauma and maladjustments caused by marriage dissolution, all of which have deleterious effects on children and youth. I won't take the time to define all the reasons why it is necessary to do so because they are more eloquently stated in the testimony than I can articulate in a summary.

The four of us did not spend very much time talking about what single parents consider to be the most critical area of need . . . meaningful Day Care and Child Development legislation. From all that I have been told by not only my own 90,000 members but every single parent with young children I have talked to, this is the *Number One Priority*. Hopefully, forces can again be mustered to make this legislation a reality. Our nation needs it now, our children need it now, and it is their *right* as well as the right of those yet unborn *to have it*. It simply must be done. I might add that as this testimony is being drafted in its final form (Thursday, September 20) our expert on the subject of Day Care had to cancel her scheduled appearance with us . . . she couldn't find anyone to take care of her children.

In addition to unvetoed Day Care and Child Development legislation, my organization also suggests the following:

1. A total end, in fact as well as theory, to class discrimination based on sex or marital status in the areas of housing, credit and insurance.
2. Immediate tax reform which, in fairness and equity, will equalize the tax base between married couples and heads of households; such legislation to provide for the deduction of child care expenses as a *business* deduction rather than a personal deduction and, in addition, a percentage consideration for the dependent deduction when two parties not in the same household contribute to child support.
3. A re-examination by the Armed Services as well as other governmental departments of all policies covering transfers and family relocations. (I've been told by many marriage counselors, psychiatrists and psychologists that the chances of marriage dissolution rise sharply—at least 50%—following a family relocation. I believe it.)
4. The Armed Services should re-examine all their policies covering dependents with particular reference to control of allotments for child support and alimony.
5. Uniform standards by all states in divorce codes should be encouraged by the Federal Government with particular attention to "no-fault" provisions. The archaic divorce codes in many of our states encourage the adversary system in divorce practice by lawyers and usually brands a party "guilty" or "at fault." This does not end the contentiousness which a divorce purports to cure and has long term, deleterious effects on children.
6. Uniform child custody and support laws and enforcement.

The Impact of the Income Tax on the Family

(Testimony of Harvey E. Brazer, professor of economics and research associate, Institute of Public Policy Studies, the University of Michigan)

Within the tax structure of the Federal Government only the individual income tax bears directly on the stability of the family. My concern in these remarks is not with the effects of the weight of taxes in general. It lies, rather, with those features of the tax law that impose heavier burdens on the family headed by two adults as compared with the single-head family.

The joining together of two people through marriage to form a household—or their separation through divorce or death—need not be permitted to affect tax liability by more than the consequences of adding or dropping a dependent's exemption. As in Canada and some other taxing jurisdictions, a man and a woman each of whom receives income, may pay jointly the same amount of income tax irrespective of whether or not they marry or, if married, stay married. The problem arises in this country in part because under our law the unit for taxation is, essentially, the household, rather than the individual. And under an income tax that aims at taxing people according to their relative economic power of wellbeing, this is as it should be. At the same time, however, under this approach it is difficult to steer a course between the single individual, the single head of household, and the married couple that will do justice to all and also avoid either imposing tax penalties on, or offering tax bonuses for, marriage. On the other hand, the alternative of ignoring the marital status of the tax payer, largely or entirely, inevitably results in vastly different treatment of similarly circumstanced economic units or households.

In the discussion that follows it should be kept in mind that the institution of marriage may no longer be as easy to define as it once was. Changing social mores suggest that formal, legal marriages coupled with "no-fault" divorce laws, may be increasingly difficult to distinguish from less formal or non-legally sanctioned liaisons that appear to be gaining more widespread acceptability. To the extent, therefore, that "marital status" becomes more a matter of legal form rather than a description of living arrangements relevant for measuring economic and, therefore, taxpaying capacity, any differential impacts of the income tax that turn on the distinction between married and single individuals take on greater weight and may be hitting an increasingly fragile institution.

I shall discuss first the principal features of the United States income tax that differentiate between married and single taxpayers. These are the rate structure, the low income allowance and the optional standard deduction, the medical deduction, the child care allowance, and the capital loss carryover. This is by no means a completely inclusive list, but for all except a small handful of taxpayers other aspects of the tax code that make tax liability turn in some part on marital status are irrelevant esoteria.

THE TAX RATE STRUCTURE

From 1948 to 1969 married couples enjoyed the privilege of being taxed as though they were single individuals each having half of their joint incomes. In 1951 approximately half of the benefits of income-splitting was extended to single persons who maintain a home occupied by one or more dependents. For individuals with substantial incomes who contemplated marriage with someone whose income was zero or relatively low, the law offered the opportunity, through income-splitting, to "marry into lower brackets." It also brought enormous pressures for change from single persons subject to very much higher tax rates than their married compatriots who enjoyed equal incomes. Until the 1969 Revenue Act took effect the single taxpayer's tax liability exceeded that of the married couple with the same taxable income by an amount that ranged from 3.6 percent at taxable income of $1,000 to 25.2 percent at $12,000, and a peak of 42.1 percent at $28,000.[1] Expressed in this fashion the tax law seems to have dealt harshly with the single person and most generously with the married couple only one party to which had income. It was, however, very well suited to the case of the married couple with income equally attributable to husband and wife, as compared with the single taxpayer with income equal to one half of that of the couple. Stated another way, under the pre-1970 law if brothers A and B and sisters X and Y each had $10,000 per year of *taxable* income and continued to do so after they became married couples AX and BY, marriage would not have affected their tax liabilities.

The Revenue Act of 1969, however, changed all this. While the tax rates applicable to married couples filing either joint or separate returns remained unchanged, for single individuals rates applicable to taxable income in the brackets $4,000 to $6,000 up to $38,000 to $44,000 were reduced by from 1 at $4,000 to $6,000 to 10 percentage points at $20,000 to $26,000, or by as much as 20.8 percent (from 48 to 38 percent in the $20,000 to $22,000 bracket). As a consequence our taxpayers A, B, C, and D each would pay tax of $2,090 as unmarried individuals, for a total of $8,360. As they contemplate marriage, however, they now observe that their joint tax liabilities will rise, after marriage, to $8,760. Thus the change under the 1969 Revenue Act in the rate structure in the circumstances described has imposed an annual tax of $200 per couple on marriage!

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[1] Staff of the Joint Committee on Internal Revenue Taxation, *General Explanation of the Tax Reform Act of 1969, H.R. 13270, 91st Congress, Public Law 91–172* (Washington: U.S. Government Printing Office, 1970), p. 224.

Those who may file tax returns as heads of households are placed approximately half way between single persons and married couples filing joint returns in the construction of the tax rate schedules. And the tax costs of marriage vary with income and the proportions of income attributable to each member of a married couple. Thus it is difficult to generalize about the penalty borne by marriage under current tax rate schedules. Clearly it may be negative or zero, either where income is very low or where substantially more than half of the couple's income is received by only one of the parties, while it rises to a very large sum where income is high and equally divided between the two spouses. For example, if the man and woman each earns $50,000 in taxable income per year, as single individuals they would pay income taxes of $20,190 each, or $40,380. The "tax price" of marriage is $4,800, for as a married couple their tax liability would rise to $45,180. And, of course, if all of the $100,000 of taxable income was earned by either the husband or wife it could be divided evenly between them through marriage followed by divorce and an appropriate alimony agreement, with a tax saving to the couple of almost $5,000 per year. At the other extreme, with only $1,000 of taxable income accruing to each individual, marriage would actually save $5 per year. I will not speculate on the implications of these figures for the attitude of the Congress with respect to the relation between income and virtue.

THE OPTIONAL STANDARD DEDUCTION AND THE LOW INCOME ALLOWANCE

Taxpayers may not avail themselves of one of three options for handling non-business deductions. They may take itemized deductions for state and local taxes, charitable contributions, interest paid, medical expenses, and a miscellany of other expenses. Or they may choose instead the optional standard deduction of 15 percent of adjusted gross income subject to a maximum of $2,000. The third option is the low income allowance of a flat $1,300. The choice between the standard deduction and the low income allowance turns simply on income. Up to $8,667 the low income allowance exceeds the standard deduction and will be taken unless itemized deductions are greater than $1,300.

The standard deduction and the LIA are so designed as to impose tax costs on marriage because they apply under the same terms to married as to single taxpayers. Thus, for example, returning to brothers A and B and sisters X and Y, let us suppose that each has $12,000 of adjusted gross income. Collectively, while single, they would be entitled to $7,200 ($1,800 x 4) in standard deductions. But following the marriages of A and X and B and Y, other things remaining the same, the standard deduction permissible is reduced to $2,000 per couple, for a reduction of $3,200 in total and an increase, on this account, of some $600 in the tax liabilities of the four people.

The operation of the low income allowance has a similar impact on marriage. Suppose two people each with adjusted gross income of $5,000. As single taxpayers each is entitled to a LIA of $1,300, or $2,600 in total. If they now marry their combined income of $10,000 entitles them to only a standard deduction of $1,500, for a loss of deductions of $1,100. In this instance marriage costs over $150 per year in additional tax liability.

It should be noted, of course, that married couples cannot regain the tax advantages of status as single taxpayers by filing separate returns. In the case of separate returns the LIA permitted is only $650 per return and the maximum standard deduction is reduced to $1,000. Divorce, once more, is the clear-cut answer to the problem!

THE DEDUCTION FOR MEDICAL EXPENSES

Medical expenses may be taken as an itemized deduction only to the extent that they exceed 3 per cent of adjusted gross income and the costs of medicine and drugs count as medical expenses only insofar as they exceed 1 per cent of AGI. In cases where most or all of such expenses are incurred in behalf of one spouse the medical expense deduction may be substantially larger if that spouse both has income and can file as a single taxpayer.

As we have seen, divorce is one way in which single taxpayer status may be attained and the income of a couple divided between them. Suppose that (1) married couple AX has AGI of $20,000, all earned by A, and (2) medical expenses of $1,000 and $200 of drug costs are incurred in behalf of X. Filing jointly as a married couple, AX may deduct only $400. But if A and X, following a divorce, were to divide their income so that X received $8,000 and A $12,000, the medical expense deduction available to X would be $880,[2] or $480 higher.

Obviously any of an infinite number of combinations of income and medical expense allocations between married couples is possible. The foregoing numbers are merely one illustration. As such the numbers have no particular significance other than to demonstrate another, probably minor, burden that the income tax law may impose on marriage.

THE CHILD AND OTHER DEPENDENTS CARE ALLOWANCE

As much as $400 per month or $4,800 per year may be deducted for the costs of household services or for the care of one or more dependent children under the age of 15 or an incapacitated spouse or dependent when such costs are incurred in order to enable the taxpayer to be gainfully employed. This amount is deductible, however, only if AGI is equal to or less than $18,000. Above that level the amount of the allowable deduction is reduced by 50 cents for each dollar by which AGI exceeds $18,000. Thus at AGI of $27,600 the deductible amount is reduced to zero.

Let us suppose now that a married couple with two children under the age of 15 earns $36,000, divided evenly between husband and wife. At this income level they are not permitted to deduct anything that may be spent for household services or for the care of the children. If, however, the marriage is terminated and one child is assigned to each parent, since we now have two AGIs of $18,000 rather than one of $36,000, the total allowable deduction for household services or child care may amount to as much as $9,600. Thus entirely apart from the tax savings accruing from the dissolution of the marriage because of other aspects of the law, this one feature by itself may cut taxable income by close to $10,000 and provide a tax reduction of some $2,500.

It should be remembered that the kind of tax impact noted here is not applicable merely to younger or young middle-aged taxpayers with children under age 15. It applies as well to taxpayers who may be responsible for incapacitated parents or adult children. And, while one may strongly favor this liberal treatment of the kind of expenses under discussion, the very large difference in the treatment of single as compared to married taxpayers is striking indeed.

THE DEDUCTION FOR CAPITAL LOSSES

Net capital losses in any one year may be deducted from other income in an amount of up to $1,000. The excess may be carried forward indefinitely and, if not offset by capital gains, the carryover is, again, deductible from ordinary income to the extent of $1,000 per year.

The $1,000 limit applies irrespective of the marital status of the taxpayer. Thus if both husband and wife have suffered substantial capital losses and neither the current year nor succeeding years bring offsetting capital gains, they could double the amount deductible on this account if they attained single status as taxpayers.

This feature of the tax law as it impinges upon marriage is probably not of major quantitative importance. Nevertheless, it does, once more, raise the question as to whether any element of the tax code should operate in such fashion as to bring a higher tax liability simply by reason of the fact that the taxpayers are married rather than single.

OVERALL IMPACT ON MARITAL STATUS

To this point we have been looking at selected aspects of the individual income tax with each of them viewed independently of the others. In an effort to gain some additional perspective it may be helpful to look at the tax consequences of marriage under some illustrative circumstances with respect to level of income, the distribution of income between husband and wife, and the nature of non-business deductions. In Table 1 some hypothetical tax liabilities are presented. In the first row of this Table we have the liabilities incurred by taxpayers filing joint returns. In the two rows that follow the computations are based on the assumption that income is split equally between the dissolved marriage partners, either because one half was earned by each or because alimony equal to one half of AGI is paid to the ex-spouse. In the second row each of the parents is assigned one child and thus they both file tax returns as heads of households, while in the third row both children are assigned to one parent, who qualifies as a head of household, and the other parent files his tax return as a single individual.

It will be observed that an even split of both income and children always, in the illustrative cases presented, produces the smallest tax, liability. The difference in income tax liability may amount to as much as $98 per year even where AGI is only $5,000, and that difference rises to a range of about $1,500 to $2,500 at an AGI of $40,000, depending on whether or not deductions are itemized. These figures, however, do not include the effects, described earlier, of the treatment of medical expenses and costs of household services and care of dependents, and the capital loss effect. Thus in the case of the couple with AGI of $40,000, for example, dissolution of the marriage could permit further deductions of $9,600 for household services and child care, an additional $1,000 deduction for capital losses, and $600 of medical expenses not deductible in the joint return. This $12,200 in reduced taxable income could bring the tax saving, assuming itemized deductions are taken, from less than $1,500 to as high as $5,000 per year. This amount represents nearly one-sixth of the after-tax income available to the couple filing a joint return. Similar calculations would offer startling, but less dramatic, evidence indicating how expensive marital ties can be under the Federal income tax, even at low or moderate income levels.

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[2] $1,000 + $200—.01($8,000)—.03($8,000).

TABLE 1.—EFFECTS OF MARITAL STATUS ON TAX LIABILITY, FAMILY OF 2 PARENTS AND 2 DEPENDENT CHILDREN, SELECTED INCOMES

[Tax liability in dollars]

Type of return and income and family split	AGI $5,000		AGI $10,000		AGI $20,000		AGI $40,000	
	LIA	Itemized deductions [1]	Standard deduction	Itemized deductions [1]	Standard deduction	Itemized deductions [1]	Standard deduction	Itemized deductions [1]
Joint	98	79	925	785	3,010	2,586	9,920	8,270
Head/head; 50–50; 2–2	0	78	[2] 672	756	2,520	2,367	7,390	6,800
Head/single; 50–50; 3–1	62	207	[2] 702	800	2,625	2,518	7,725	7,202
Maximum difference	98	1	253	29	490	219	2,530	1,470

[1] Itemized deductions as a proportion of AGI assumed to be equal to the average for the AGI class on joint returns filed in 1970. Computed from U.S. Department of the Treasury, "Statistics of Income, 1970, Individual Income Tax Returns" (Washington: U.S. Government Printing Office, 1972)

[2] Low income allowance used on each of 2 $5,000 AGI returns.

TAX POLICY AND FAMILY STABILITY

It is difficult to believe that the pecuniary incentives for dissolving marriages that are currently offered under the individual income tax are of no influence on people's decisions in this area. And the influence exerted can hardly be conducive to improved family stability. I leave it to those better qualified than I to attempt to gauge the effect. Having attempted to spell out the dimensions and sources of the tax pressure on marriage, I will venture some suggestions as to how that pressure might be reduced or eliminated. It may tempt some, as a means of enhancing family stability, to go further in the direction of favoring marriage through the tax system. I reject this for two reasons. The first is that if married couples enjoy tax concessions these concessions will appear inequitable to widows and widowers and the "wronged" parties to divorces, none of whom chooses to be unmarried. And if the special tax treatment is extended to such people holding the line against only some single people seems neither equitable nor politically viable. My second reason is that legally identifiable and recognized marriage may or may not involve interpersonal relationships that are substantially different from those that may obtain in the absence of legal or religious sanction. Men of the cloth may preach, and any of us may moralize, but surely the tax code is not the appropriate vehicle for rewarding virtue or punishing sin. Rather, it seems to me that the tax system should incorporate a completely neutral stance in this regard.

With respect to the rate structure under the income tax, neutrality requires that income be taxed to the individual who earns it or to whom it accrues. Each individual in receipt of income would be a unit for taxation, including each of the two marriage partners. If one spouse had less than some minimal income he or she could be given dependency status. Putting aside problems relating to property income, this approach would ensure that entry into or the dissolution of marriage would leave tax liability unaffected.

Property present difficulties because of community property rules in eight states, and because property may readily be divided between husband and wife and tax liabilities thereby reduced in the absence of joint returns and income-splitting. It was the first of these considerations that led the Congress to introduce income-splitting in 1948. But the results would have been far preferable if, instead, the Congress had provided that state laws with regard to community property were not to be permitted to govern in allocation of income for purposes of the Federal income tax. It is this move that I urge at this time.

The distribution of property among family members now provides a means of reducing income tax liabilities. My proposal would simply add the spouse to the potential beneficiaries and would not pose a new set of problems. Whether or not the suggested change should be contemplated, there is much to be said for either a gift tax with a much more substantial bite than that imposed under present law, of the inclusion of major gifts in the income of the donee.

I would not be concerned about the allocation of exemptions for dependent children between parents as taxable entities. As I suggested at length elsewhere,[3] the present form of the exemption would be better abandoned in favor of an income-conditioned children's allowance patterned along lines not very different from the Family Allowance Plan that was passed in the House but failed to gain approval in the Senate last year.

The problems presented by the cost of household services and child care deduction are readily solved. If the deduction is warranted for a couple with income of up to $18,000 it should also be warranted at higher levels of income. Thus all that is required is that the provision under which the deductible amount is reduced as income exceeds $18,000 be dropped.

If my first proposal, re-establishing the individual as the taxable unit, should be adopted neither the capital loss offset of not more than $1,000 against other income nor the LIA or standard deduction would continue to present problems. Difficulties arise now because the amount of these deductions available is made to turn on whether two people are or are not married. Under the suggestions offered here each income recipient would constitute a taxable entity irrespective of his or her marital status. Thus neither marriage nor dissolution of marriage would affect allowable deductions for capital losses, optional standard deduction, or LIA. Much the same can be said for the medical expense deduction.

I suspect that the present income tax, despite its obvious shortcomings, is not a major influence on family stability. But it does seem to me both inequitable and potentially disruptive of an institution that has served our society well (for the most part), to continue in the tax law those features that permit tax liability to turn in some appreciable measure on one's marital status. It distresses me to think that A may never marry X on advice of their tax accountant.

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[3] "The Federal Income Tax and the Poor", *California Law Review*, April, 1969.

MARYLAND INSTITUTE FOR EMERGENCY MEDICINE

Mr. BEALL. Mr. President, the August issue of "Contemporary Surgery" featured an article on Maryland's statewide effort in the emergency medicine area.

The State has established a Maryland Institute for Emergency Medicine which has been given the mandate by the Governor to move statewide. I have been in close contact with Dr. R. Adams Cowley, the Director of the Maryland center and worked with the State in securing a grant to develop its communication network. It is estimated that a statewide system in Maryland, when operational, will cut the accidental death rate in our State in half. Because of the interest in emergency medicine, I ask unanimous consent that this article be printed in the RECORD. I believe it illustrates the need and importance for the enactment of the emergency medicine legislation which I feel confident the President will sign.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATEWIDE TRAUMA CARE: MARYLAND INSTITUTE FOR EMERGENCY MEDICINE

The Maryland Institute for Emergency Medicine is now designated the "systems control center" of a new statewide program—a program that will radically affect every hospital emergency room in the state. Based at the University of Maryland in Baltimore, the institute is unique in having a statewide network of radio communications and interhospital collaboration centered upon it, unique in its agressive treatment of patients by teams of doctors and other personnel who are forewarned and waiting when the patients arrive by helicopter or ambulance, and unique in the fast processing of laboratory data.

The program's multidisciplinary approach combines these life-saving measures with hour-by-hour basic research into many aspects of trauma and its treatment. This includes the investigation of shock as a metabolic disease process at the cellular level. Dr. R Adams Cowley, director of the center, also heads the state's new Division of Emergency Medical Services.

The origins of the institute (formerly called the Center for the Study of Trauma) go back to 1956, when Dr. Cowley, a heart surgeon, became interested in studying shock. At that time, he recalls, "the main problem was getting the patient off the pump with the right amount of blood." This was done, rather cumbersomely, by weighing the patient before and after surgery, making allowances for preweighed tubes and other paraphernalia. To apply Dr. Bill Esmond's suggestion that measurement of pressures in the right atrium would provide a good index, Dr. Cowley started trying to develop an animal model for shock. The first thing he discovered was that he couldn't match the findings reported in the literature. "Nobody had experiments that could be duplicated, yet everybody was talking about therapy."

Study of 1,000 shocked dogs convinced Dr. Cowley of two things. First, predictions of what physiologic sequences would cause death or permit life could not be made intelligently unless mathematicians, biochemists, and other specialists were directly involved. Second, species differences are so great that if the results were to be therapeutically useful, the kind of data he was collecting from dogs had to come from humans.

But shock is a "pause in the act of death," and when a human being is in shock, the task at hand is to keep him from dying.

Lifesaving measures cannot be interrupted for research; you can't stick data-collecting devices into the patient unless you are thereby aiding his survival. In 1959, when Dr.

Cowley first asked the Army to finance shock research on people, the Army was leery of human experimentation with prolonged insertion of catheters in the heart, arteries, or veins because of the risk of clotting or infection.

From 1960 to 1964, Dr. Cowley's two-bed (later four-bed) shock trauma unit developed a data bank showing that physiologic variables gave very little indication of who would live and who would die. "That proved we were handling those factors pretty well," Dr. Cowley says. "It was the enzyme, carbohydrate, and protein studies that told us what was bad." Patients who did not survive were autopsied to see what organs were most damaged by shock and whether a characteristic injury could be discovered. "Everybody (including ourselves) was talking about the lung, but lo and behold it was the liver. Once that little chemical factory goes, you've had it, no matter what your physiologic test show."

By 1964, Dr. Cowley recalls, work at his unit had demonstrated that one can collect complex data without interfering with treatment. From 1964 on, the research techniques—including intensive physiological, biochemical, and clinical monitoring—increasingly became part of the routine treatment of patients admitted to the unit. "To do these kinds of studies, we had to develop expert techniques of patient care that in any other environment would be risky."

By now, the institute has grown a long way beyond the original two beds. It occupies a separate five-story building with its own admitting area distinct from the university hospital's emergency room; two new operating rooms right next to the admitting area (last year, before these were opened, 15 patients died on the way to the hospital OR); a 24-hour clinical laboratory serving only the patients in the institute; a 12-bed intensive care unit; 14 additional beds for somewhat less intensive monitoring; and a large hyperbaric chamber. About 80 physicans, nurses, and other personnel are on the staff, which serves some 1,000 patients annually. According to plan, the building will expand eventually to eight stories, with the heliport on its own roof rather than on that of the nearby hospital garage. Patients are now transported to the admitting area by fire department ambulance, and during this five-minute ride the patient is undressed and examined neurologically.

HELICOPTER PROGRAM

Accidents are the number one cause of death in the U.S. in persons under age 37 and the third leading cause of death in the whole population, ranking right behind cancer and heart disease. Seventy per cent of accidental deaths occur in rural areas, where good emergency medical services are often least available. In the cities, only one auto accident injury in 70 results in death; in rural areas the ratio is one in 20. The Maryland program uses helicopters to bring in far-away patients who will die unless treated promptly.

Out on the highway, the helicopter pilots try to control external hemorrhage and establish a clear airway, but other than that they concentrate on getting the patient to definitive care as fast as possible rather than using their other paramedical skills. One additional thing they sometimes should do, suggests Dr. William Gill, clinical director of the institute, is to insert a flutter valve when there are signs of pneumothorax. "It can do no harm even if the patient does not have pneumothorax," he says.

Four fast, light Bell Jet Ranger state police helicopters (seven, it is hoped, by next year) spend about 10% of their time in the emergency medical services program, which gets absolute priority over such other tasks as chasing criminals, controlling traffic, and looking for marijuana fields. The pilots have had 81 hours of standard first aid training plus a two-week course at the institute where they learn by observation what types of patients should be brought there. They return to work at the institute one week each year and take additional upgrading courses as well.

About 60% of the patients the pilots bring in come directly from a highway crash. Most of the others are interhospital transfers including some nontrauma patients with severe postoperative peritonitis or septicemia. "Any doctor in the state can phone in if he's in trouble, and we'll take the patient, usually without any question," says Dr. Gill. "Only about 4% or 5% come here who probably shouldn't."

With the increasing effectiveness of the helicopter program over the last few years, patients in worse and worse condition are being brought in, yet the institute's survival rate has risen from 46% to 80%. Even patients declared dead by a physician at the roadside have been brought in and saved. "Our mortality rate includes the DOAs," says Dr. Gill. "We have got to find out why they arrive dead. It is ludicrous not to count those who die in the first hour or the first four hours." Without the streamlined organization and pre-existing plan involving multidisciplinary teams of surgeons, the survival rate would undoubtedly be much lower. Most emergency rooms, lacking facilities and staff, could not hope for such a survival rate with a comparable patient group.

ADMITTING AREA

Within minutes after a patient's arrival in the admitting area, there will be as many as six intravenous lines connected; blood gas and other laboratory data will be coming back from the lab via teleprinter and intercom; and surgeons may be working simultaneously on the patient's brain, abdomen, and fractures. X-rays are taken on the spot; equipment is set up and ready in adavnce. Doctors, nurses, and lab personnel are on hand around the clock. Nurses needn't chase around for special surgical equipment, because it's all right there, neatly wrapped and classified. Fast-moving, aggressive treatment is done almost by rote, and the resemblance to activity in an average emergency room is minimal.

LAPAROTOMY IS PERFORMED ON ALL PATIENTS WITH POSITIVE TAPS OBTAINED BY ABDOMINAL LAVAGE

"We treat before we diagnose," says Dr. Gill. "If you waste time the old-fashioned way, listening to the patient's abdomen, he's dead." Sometimes a patients' abdomen will be opened without asepies in the admitting area so that the surgeon can squeeze the abdominal aorta with his hand as a start at getting the blood pressure up above zero.

The Maryland group believes that traditional abdominal inspection and palpation are virtually useless in multiple trauma. Chest injuries are likely to make the abdominal muscles tight, and the presence of drugs or alcohol may result in a misleading evaluation. Nor does the institute rely on the ordinary needle-and-syringe method—or even the four-quadrant tap—for checking the abdomen. Instead, abdominal lavage is performed; a purse-string suture is used on the incision to prevent blood from getting into the liter of sterile solution that is poured in through the abdomen. This solution fills the entire peritoneal cavity and then drips out by gravity. If the solution is pink when it comes out, there is trouble inside.

"This test is very accurate—almost too accurate," says Dr. Gill. "It will pick up even two or three drops of blood from small torn vessels within the peritoneal cavity. The question is, when the solution is very, very pale pink, what do you do? We think you should do a laparotomy on all patients with positive taps. Even in patients with very pale pink taps one third have significant injuries inside. We believe getting that one at the start outweighs the two negative laparotomies."

Dr. Gill cites a study of 100 consecutive autopsies of patients who died of trauma. It showed that 18 of the deaths were due to simple abdominal injuries that had not been diagnosed. "For the one third who need it [laparotomy], each day you wait the morbidity and morality will rise. In emergency problems like these, the risks of missing something far outweigh the very small risk of exploratory laparotomy. You have to accept the concept of the negative laparotomy as 'the final diagnostic test'; when you look and see, you miss nothing. We do not regard negative exploration as a fault but actually as part of treatment."

MANAGEMENT

"In over-all shock management we rarely resort to pharmacologic agents such as vasopressors or alpha and beta blockers," says Dr. Gill. "We agree with Dr. Max Weil and his group in Los Angeles that everything still revolves around adequate ventilation and adequate volume replacement. The vast majority of patients with shock caused by blood loss or septicemia need a volume expander and will respond." The unit does use such cardiac stimulators as digoxin.

With spinal cord injuries, however, the body's ability to dilate and compress blood vessels may be thrown off. "Sometimes we can get adequate pressure merely by tipping the table, or vasopressors may be indicated even though they are contraindicated in almost every other type of shock," says Dr. Gill.

Uncross-matched O positive blood is used freely—about 250 units a week for an average of about 20 patients. Packed cells are used, with plasmanate to make up the volume. Platelets and fresh plasma are given routinely, in correlation with the amount of blood transfused. Blood temperature is watched closely. "You get irreversible shock unless you pay close attention," Dr. Gill comments. "Most blood warmers are not suitable for emergency use. The long coil makes it hard to get blood in fast enough." Although adequate techniques for warming blood are still not available, a special effort is made to do so early. Crystalloid solutions are avoided because of the risk of overloading lung cells with fluid.

"We feel that arteriography has only a small part to play in the critical emergency admission," says Dr. Gill. "Some writers report in the literature that it is the best way to diagnose spleen injuries; we think that's nonsense."

Routine carotid arteriography, on the other hand, is an important part of the institute's approach to head injuries. According to Drs. James Dunn and Ron Paul, neurosurgical members of the Maryland team, the institute has reversed the mortality in head injuries—and not by conventional means. The institute's aggressive approach includes prompt bilateral carotid arteriography for almost all patients with suspected head injury. Continued monitoring of intracranial pressures via a catheter inside the brain is used extensively in severe head injuries, both open and closed. In the latter, the catheter is inserted through a hole drilled in the skull.

Trauma patients with uninjured lungs run a high risk of succumbing to respiratory failure even if they survive the original injuries. At the institute, however, Dr. Gill says "we find we have hardly anything you could call shock lung." He attributes this to an aggressive preventive approach: Nearly all incoming patients are placed on respirators, with continuous positive and expiratory pressure ventilation. This technique, which never allows the lung to relax completely, was introduced by Dr. Thomas

Crawford McAslan, professor of anesthesiology and associate clinical director of the institute. Dr. McAslan noted that the lesions seen in shock lung resemble those of the postperfusion lung syndrome, which he had prevented by the same method—years ago, before he came to the trauma unit—while performing open heart surgery with Dr. Cowley.

With fractures, too, the institute's approach is aggressive. "We aim as much as possible at definitive surgery and internal fixation rather than treatment of fractures with traction or splints," says Dr. T. H. Morgan, orthopedic surgeon. The Maryland group considers fracture treatment part of the basic multisurgical teamwork because, if it is not done as soon as possible after the injury is sustained, the risk of infection becomes greater. The institute's approach makes the patient much more easily movable, and it avoids interfering with the treatment of other injuries.

DATA COLLECTION

Once a patient's condition has been stabilized he is moved from the first floor of the insitute, which contains the admitting area and the operating rooms, to the 12-bed intensive care unit (see photograph, page 35) on the top floor. There, treatment is guided by an innovative system of bedside monitoring and automatic centralized data recording that is designed to serve the needs of research as well as therapy. An acute clinical laboratory, operating 24 hours a day, every day of the week, provides blood chemistries and other laboratory studies every six hours (more frequently when necessary) for critically ill patients.

The automatic data collection system monitors cardiac output, central venous pressure, heart rate (analog-computed from the electrocardiogram signals), and temperature (via a rectal thermistor probe), as well as respiratory gases and pulmonary function. Almost all patients have tracheostomies or endotracheal tubes. Breath by breath, air samples are drawn to the nursing station and are elevated at the center of the 12-bed unit. These samples are then automatically put through a mass spectrometer, which rapidly ionizes the gases and sorts the ions magnetically. A Wang desk calculator correlates the signals from the O_2 and CO_2 channels of the spectrometer with airway pressure and with ultrasonic air flow measurements to provide a complete respiratory picture.

This relatively inexpensive minicomputer is now being programmed to provide for all patients an hourly printout (or a minute-by-minute printout for any individual patient) that includes temperature, heart rate, systolic and mean blood pressure, frequency of respiration, tidal volume, minute ventilation, pulmonary compliance, and airway resistance. It also provides airway pressure at the end of expiration, alveolar pCO_2 and pO_2, fractional concentration of inspired oxygen, rate of oxygen consumption, respiratory exchange ratio, calories consumed (based on oxygen consumption and respiratory quotient), cardiac output, and expired CO_2 tension.

Dr. Stephen Z. Turney, the institute's expert in respiratory physiology and life support systems, emphasizes the economy and practicality of the system. The $7,000 Wang calculator is relatively inexpensive. It can store 1,000 sets of instructions, control the $14,000 mass spectrometer, read an analog-to-digital converter, and edit out spurious or noisy signals. "People with a vested interest in a medical school's big computer haven't helped much except to make things more complicated and more expensive," Dr. Turney comments.

A second, off-line, Wang calculator has access to the same memory as does its on-line, real-time cousin. The second calculator facilitates the correlation of each patient's laboratory studies ("anything you can put a number to," as Dr. Turney puts it) with the data monitored automatically.

MULTISYSTEM ANALYSIS

In severe trauma, Dr. Cowley says, "it's time for physicians to get out of the art of medicine and into the science of medicine." And one of the institute's current projects is "putting a number" to as many aspects of the post-traumatic process as possible. This "quantification of injury" goes far beyond the clinical judgment of anatomic damage to various parts of the body. For every tissue, except those in the brain, biochemical parameters are being developed that will serve as an index to the extent of cell death and cell injury. The goal is to study the efficacy of treatment more objectively with the aid of a single multisystem analysis of relative total-body failure. Data from the institute's trauma registry, directed by Dr. David Wilson, are being fed into the computers of the statewide Illinois trauma service (developed by Dr. David Boyd, formerly of the Maryland institute staff) and into the computers maintained by the Army at the Aberdeen and Edgewater biological research installations in Maryland.

The institute's methods of mapping the fast-moving metabolic changes that follow injury are based on the pioneering work of Dr. Francis Moore in Boston and draw heavily from current hormonal studies in many institutions. "But what makes this place unique," says Dr. William Long of the Maryland group, "is that our patients are basically preselected. We're looking at a much more severely injured group of patients than Dr. Moore studied, with far greater circulatory changes and hormonal disturbances." The breakdown of fat and protein for energy purposes is massive. "We see catabolism like hardly anyone else in the country sees," says Dr. Howard Champion. Dialysis is being started earlier and earlier in an attempt to improve survival rates.

Almost every patient at the institute receives parenteral hyperalimentation. "This has been neglected for a long time," says Dr. Alistair Conn. "It's becoming clear that trauma patients need it to keep from wasting away." But with the standard solutions currently used for hyperalimentation in this country, a patient's daily requirement of 8,000 or 9,000 calories (together with up to 200 or 300 units of insulin to maintain blood glucose levels) creates osmolality difficulties and other complications. The renal failure that is produced by protein breakdown makes the fluid requirements of hyperalimentation much more important for the institute's patients than they are for routine postsurgical patients.

Clinicians at the institute hope to surmount these problems by using fat emulsions and fat solutions in addition to proteins and carbohydrates, thus raising the number of calories per unit of volume. This approach has worked well in Europe, but it is still legally restricted in the U.S. Dr. Philip Gold and other researchers at the institute hope to put hyperalimentation on a less intuitive basis by means of radioactive tracer studies of the metabolism of glucose, lactate, fatty acids, and amino acids.

"Dr. McAslan's treatment is preventing shock lung," says Dr. Champion, "but shock liver is still a wide open field." Shock liver is usually accompanied by renal failure, and in multiple trauma patients it is usually fatal. Up to now the pathologist's picture of shock liver has been clearer than the clinician's or the biochemist's, but researchers are hoping that data from the institute's unique preselected patient population will help close this gap. For one thing, Dr. Edgar Neptune, research director, is interested in determining whether pharmacologic control of cyclic AMP can improve the patient's status. "We hope to define the natural history and course of shock liver by the end of this summer," says Dr. Long.

At the cellular level, one focus of research at the institute is the attempt to understand changes in energy metabolism, especially what happens to ATP production by the mitochondria. Patients who die of severe trauma and shock or of systematic infection have shown an impaired ability to produce ATP, while patients who die of pure central nervous system injury still have intact mitochondria as far as the production of ATP is concerned. These findings are supported by results of electron microscopy and time-of-death mitochondrial activity study of tissues obtained in the institute's innovative "instant autopsy" program; University of Maryland pathologists, under the direction of Dr. Benjamin F. Trump, remove tissues from 19 sites within a few minutes after heart death.

Not surprisingly, kidney tissue shows the most mitochondrial failure at the time of death, with the liver second. Little failure is seen in the heart. (Brain mitochondria are difficult to isolate). Is mitochondrial failure the critical parameter in cell necrosis? And what mechanism causes the damage? The institute's biochemical team, which is headed by Dr. Neptune, is seeking answers to these questions.

Unlike those who had thought that mitochondria are very susceptible to anoxia, Dr. Joel Gargus believes that in a proper ionic environment and substrate, liver, kidney, and heart mitochondria are comparatively resistant to anoxia. "It would take relatively profound shock for a long time to produce these changes," he says, "or else other mechanisms are at work." His hypothesis: The fall in ATP production is due to damage to the membranes of the cells, not vice versa. Membrane damage may be caused by the elaboration of free fatty acids and breakdown products of phospholipids. Autopsy tissues are being analyzed for these substances, and researchers are attempting to develop a model of the process in the rat.

PREVENTING INFECTIONS

Severely injured patients are highly vulnerable to infection. Like many cancer patients, their resistance seems to be almost negligible. Dr. Roger Miller, the institute's infectious disease specialist, hypothesizes that in damaged polymorphonuclear leukocytes, phagocytosis probably continues, but that the ingested infectious organism can survive and reproduce, protected from antibiotics by the white cell itself.

Dr. Miller is now virtually able to predict infections before they appear. He has modified the nitro blue tetrazolium (NBT) test of white cells from peripheral blood samples and gets a positive reaction from 12 to 14 hours before systemic infection becomes clinically apparent. The test is based on the percentage of cells in which the stain is reduced to a blue-black precipitate. Normally, fewer than 10% of the cells will show this precipitate. "If you see 15% or 20%, you know something's wrong," says Dr. Miller. He regards the test as an index of membrane-damaged cells.

The test has also predicted recovery from infection. "I didn't believe it myself," Dr. Miller says of one severely infected girl whose NBT test suddenly dropped from 37% to normal. But ten hours later her temperature was normal and her blood cultures were negative.

"Any village idiot can do it," Dr. Miller comments on the NBT test, which registers systemic infections but not localized abscesses or wound infections. Splenectomy produces a transient false-negative, perhaps because one of the functions of the spleen is to remove damaged cells from the bloodstream. Steroids interfere with the intra-cellular biochemical mechanism that causes the precipitation and therefore gives false-negatives. Dr. Miller hopes that the test will be useful in patients who have undergone extensive surgery as well as in those who are in shock due to trauma.

Dr. Vladimir Vitek, a biochemist at the institute, has discovered an alteration of carbohydrate metabolism after severe trauma that is reflected in urinary excretion of sugars not normally found in urine. He has identified a high level of isomaltose, not previously observed in human urine at all, as an "integral part of the systemic response to severe trauma." Institute researchers are looking at the carbohydrate composition of cell membranes to see if damage to them may be partly responsible for this phenomenon.

Summing up, Dr. Cowley says: "We feel we've gone about as far as we can go with what we know now. For the next big push somebody's got to find out why generalized cell sickness results from local injury." He speculates that five years from now, trauma research such as that being done at the institute will have advanced to the point that use of enzyme replacements, or substances that act on substrates until the enzymes are replenished, can save the lives of those who now succumb to such metabolic effects of trauma as liver shock.

EXPANDING EFFORT

Meanwhile, the institute is overwhelmed by the number of patients who need the kind of care that only a specialized trauma center can provide. Satellite centers such as the Baltimore City Hospital's burn unit and the Johns Hopkins pediatric trauma center are already included in the helicopter program, and more than 700 infants have been flown to the primary newborn and preemie nursery program set up by Drs. Herman Reisenberg and Ron Gutberlet at Baltimore City Hospitals and the University of Maryland Hospital. But the statewide plan to be set up under Governor Mandel's executive order goes far beyond that.

Most accident victims in Maryland are still being transported by ambulances to the nearest hospital with an emergency room, regardless of its facilities and staff. Under the new program, which Dr. Cowley has been commissioned to implement, the state will be divided into five regions, each with its own regional emergency medical center, and all emergency and intensive care facilities will be categorized according to the kind of care they are equipped to give. Ambulances and helicopters will be in radio contact with the emergency rooms and regional centers, and leased telephone lines will connect all the emergency rooms in a region to each other and to the regional centers. These centers will be set up in existing major hospitals to coordinate all emergency care within the areas they serve. At the system's control center in the Maryland Institute for Emergency Medicine, electronic display panels will indicate bed and physician availability and current emergency room status throughout the state.

There will also be extensive traumatology education programs for physicians, nurses, and emergency medical technicians in all the five regions in an effort to achieve interhospital collaboration without duplication of facilities. "We're going to have doctors everywhere talking to each other," says Dr. Cowley. "And we're going to knock the socks off the death rate in this state."

THE ADMINISTRATION AND ITS LOSING BATTLE AGAINST INFLATION

Mr. HUMPHREY. Mr. President, the August reports on consumer prices showed an extraordinary acceleration of inflation, with a 1-month increase in overall prices of about 2 percent, and a 1-month increase in food prices of 6 percent.

The August report brings the overall rate of inflation for 1973 to over 10 percent, and the food inflation rate to about 32 percent.

Unfortunately, at the same time prices have been rising, the volume of the administration's rhetoric to minimize public understanding of the seriousness of these inflation rates has also been mounting.

I am extremely concerned about such rhetoric because it distorts our perception of the problems and dissipates our energy in meeting them. The Consumer Economics Subcommittee held 2 days of hearings this week on the meaning and implications of the August price statistics and the record on inflation for the year.

The hearings were held on September 25 and 26. Testimony was heard from Gary Seevers, member, Council of Economic Advisers; Arthur Okun, senior fellow, the Brookings Institution; Howard W. Hjort, consulting food economist, Washington, D.C.; and F. Thomas Juster, Institute for Social Research, University of Michigan.

Mr. President, I ask unanimous consent that the statements of Arthur Okun and Howard Hjort be printed in full in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, today, I would like to take a few minutes of the Senate's time to report some of the facts presented to our subcommittee. I regret to say that the evidence shows that the current inflation is the worst in the peacetime history of the United States, and that the main thrust of the President's energies in coping with this inflation are misdirected.

A UNIQUE INFLATION IN 1973

I do not believe the President, his economic advisers, or many others for that matter, realize that the inflation we are experiencing in 1973 is of historical magnitude and of somewhat unique origin. We can see that it is of historical magnitude by comparing it with some previous periods, using various measures of inflation.

The postwar average—1946 to 1972—price increase in the GNP deflator was 3 percent; so far this year it has risen at an annual rate of 6.6 percent.

The postwar average increase for the consumer price index was about 3 percent; so far this year consumer prices have risen at an annual rate of about 10 percent.

The postwar average for the wholesale price index has been about 3 percent; so far this year wholesale prices have increased at a 20-percent annual rate.

I say that the origin of the inflation in 1973 is unique because, although it may have some of its origins in excessive Government deficit spending in 1972 and previous years, it is today primarily due to supply shortages in the areas of food, fuel, and raw materials. Shortages in the area of food, for example, account for slightly over 60 percent of the entire rise in the consumer price index in the first 8 months of 1973.

In addition, the inflation in 1973 is uniquely a worldwide phenomenon. To the extent that one can say there is any excess demand in the American economy today, it is an excess in international demand that is a result of prosperous economic times in many other countries of the world.

Taken together, both the nature and magnitude of the current inflation pose extremely difficult problems for economic policy. It is an especially poor time to pose old ideological positions as solutions to these difficult new problems. It is also a poor time to cloud the issues with rhetoric. This is what the administration has done with respect to budget policy, the seriousness of the food situation, and in acknowledging the difficult times consumers presently face.

THE BUDGET AND INFLATION

In his statement to Congress on September 10, the President said:

> No issue is of greater concern to the American public than rising consumer prices . . . [and] we can reach our goal only if we also apply the single most important weapon in our arsenal: "control of the Federal budget". Every dollar we cut from the Federal deficit is another blow against higher prices.

Yet the President's concern about high levels of Federal spending is not supported by a review of any of the statistics on the Federal budget. The latest Department of Commerce information on the Federal deficit, as measured on a national income accounts basis, indicates that for the second quarter of this year, the Federal budget is in approximate balance. Looking at the fiscal 1974 budget that projects Government spending patterns into the future, and measuring the deficit in the full employment terms that this administration popularized, we see that there is in fact a full employment surplus of more than 3 billion. In other words, there is no statistical evidence to support the President's contention that the current inflation is the result of excess Government spending.

Nor is the President's position supported by the consensus of economic opinion in the Nation. As Dr. Arthur Okun told the subcommittee just yesterday:

> The inflation directly attributable to the spurt in aggregate demand is minor . . . by any reasonable standard of past performance or of present knowledge of the arts, fiscal and monetary policy has not been the major problem in 1973. The budget has moved dramatically away from stimulus and toward restraint, producing a balance in the second quarter.

Dr. Paul Samuelson, writing in Newsweek magazine on September 24, argues in fact that the growth of government has lagged behind the private sector. Dr. Samuelson says:

> The real goods and services consumed by government—by all levels of government—are lower than they were five years ago when inflation began! Not only has the public share of GNP dropped in percentage terms,

its money magnitude has not even kept up with the rising prices of public goods and services. Since mid-1971, real public spending has been growing at but half the rate of total real GNP: 3.1 percent for government, 6.2 percent for all.

THE POSSIBILITY OF A RECESSION IN 1974

In fact, rather than being concerned about an overly stimulative Federal budget at this time, we should be careful not to cut the budget below present levels. The level of $268 billion for the fiscal 1974 budget, as established by the Senate, and which is slightly below the level proposed by the President, is about right. Now is the time to debate and alter priorities, and to develop their anti-inflationary tools; we should not be wasting our time with discussions about cutting the budget further.

Dr. Okun made this point very clearly in his testimony yesterday. He said:

> In my judgment, the job of restraint has not been overdone thus far. But I must emphasize the growing danger that intensifying or maintaining the present level of restraint for much longer would create a serious risk of recession in 1974.
>
> Such a recession would do little to curb inflation, probably even less than did the recession of 1969–70. I would argue that fiscal restraint be maintained as prescribed in the budget, while monetary restraint should be reduced promptly but gradually.

I am pleased to see that this morning's Washington Post covered our hearings and highlighted the risks of recession in 1974. Mr. President, I ask unanimous consent that this morning's Washington Post story be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OKUN PREDICTS A RECESSION UNLESS UNITED STATES LOOSENS REINS

(By Peter Milius)

The Joint Economic Committee of Congress was told yesterday there is probably going to be a recession unless the government soon starts to loosen its tight clamps on the economy.

The prediction was made by economist Arthur M. Okun, who was chairman of the Council of Economic Advisers in the Johnson administration, and now is at the Brookings Institution here.

The government's purpose in clamping down on the economy has been to combat inflation. The White House has tried to slow federal spending, and the semi-independent Federal Reserve Board has tightened up on the money supply.

Okun made two points about this yesterday. One was that much of the present inflation was caused by things other than federal spending; the issue has been blown up out of proportion. "Neither tax hikes nor spending cuts nor slower monetary growth could conceivably have altered the basic picture of food price explosion or of international pressures" on U.S. prices this year, he said.

His second point was that the present policies now have done all they can, and that it is time to start slowly letting up, particularly on the money supply.

"The job of halting the boom has been done," he said. "The amount of braking action necessary to stop a boom becomes excessive once the boom halts."

It would be a mistake, Okun told the committee, to keep the brakes on for the "many months" it will now take for inflation to recede.

"Surely if the brakes were held on at their present position until prices slow down, a recession would become inevitable." Okun testified. "The economy is starting to say 'Uncle,' and the policymakers should be listening."

Okun's testimony came on the second day of food price hearings before the Subcommittee on Consumer Economics headed by Sen. Hubert H. Humphrey (D.-Minn.). The first day's witness was Gary L. Seevers, a member of the Council of Economic Advisers. A key issue both days was how far the price rises of the last eight months have eaten into the average American's standard of living.

Seevers said Tuesday that, "despite widespread feelings to the contrary," the "level of living of the average American family was . . . significantly higher than a year earlier," and "the improvement was substantially better than the average annual improvement in the past 10 years." He based that assertion on figures showing that real disposable income per capita rose 5 per cent between the second quarter of 1972 and the second quarter of this year.

Okun, however, produced statistics showing a decline in the purchasing power of the average workingman's hourly wages since the first of this year.

"Whereas in previous inflations pensioners and fixed-income recipients were the only obvious losers, this time the vast majority of the urban and suburban population of America is getting the short end of the stick," he said.

Still another statistic, reflecting real income per household instead of per capita, was offered yesterday by F. Thomas Juster of the University of Michigan.

In the last several years, he said, this number has risen at an annual rate of only 1.4 per cent, and in the second quarter of this year it fell at an annual rate of 3 per cent.

THE CONSUMER CRUNCH

Mr. HUMPHREY. Mr. President, the impact of inflation on consumers has been very serious this year. I know that because I go home and talk to the people in my State, the older people, the small businessman who runs a gas station, the average working family, and many others. In fact, the impact of inflation on consumers has been so serious that it could well precipitate the recession in 1974 that I just discussed.

So the first step the Nixon administration must take to improve its economic policies is to recognize that at the present time the consumer is not well off. As Dr. Okun said yesterday, the administration could improve its credibility if it abandoned its attitude that there is nothing more important than convincing the people that they never had it so good.

Unfortunately, this is what the administration's spokesmen have been doing in recent days. On Tuesday Dr. Seevers told the subcommittee that:

> It is easy to fall into a debate about the ill effects of the recent inflation and to ignore the economic expansion that has enabled incomes to rise faster than inflation . . . The level of living for the average American family was not only significantly higher than earlier, despite widespread feelings to the contrary, but the improvement was substantially better than the average annual improvement in the past 10 years.

But while these statistics are technically correct, they do not tell us what has happened to consumer income in 1973. By looking at the last year, Dr. Seevers has cleverly used the real income gains in 1972—which was a pretty good economic year—to offset the disastrous impact of inflation on real incomes in 1973.

Dr. Seevers is also very clever to measure real income in aggregate terms, rather than per capita terms, or per family terms, or per lower moderate income family terms, because this allows the administration to gloss over the fact that on a per capita or per family basis real income has declined in 1973.

Dr. Thomas Juster of the University of Michigan presented the subcommittee with accurate information on how the 1973 inflation has affected the real per capita or per family income of American consumers. Dr. Juster pointed out that there is no good reason to look at real income in the aggregate, since consumers quite naturally tend to view inflation and their income on a per capita or per family basis. He argued further that the per family basis is the best way to study the impact of inflation on consumers because that is the way consumers view inflation. I ask unanimous consent that table 2 of Dr. Juster's testimony be made a part of the record so that my colleagues can see, on a quarter by quarter basis, what has happened to the real disposable income of consumers from 1965 until the most recent quarter of 1973.

Looking at 1973, it is clear that by any measure consumers are not better off. For the second quarter of 1973, aggregate disposable income only increases by 0.6 or 0.4, real disposable income per capita is about zero and real disposable income per family declines by 3 percent. It is not hard to see from this data why consumers believe they are worse off. And I think this information shows that consumers have a better understanding of the impact of inflation on their budgets than the Government economists working for President Nixon.

Without objection the table follows:

TABLE 2.—SELECTED GROWTH RATES OF INCOME, QUARTERLY CHANGES AT ANNUAL RATES, 1965–73

	Disposable income, current prices	Disposable income, 1958 prices	Disposable income, deflated by CPI	Disposable income, 1958 prices per head	Disposable income, deflated by CPI, per household
1965:					
2	7.7	5.5	5.1	4.4	3.6
3	13.9	13.1	12.5	11.7	11.0
4	9.0	7.9	7.0	6.6	5.5
1966:					
1	6.8	3.3	2.9	2.3	1.5
2	4.9	1.1	1.2	0	–.1
3	7.8	5.7	4.4	4.5	3.1
4	7.5	4.2	4.2	3.0	2.9

TABLE 2.—SELECTED GROWTH RATES OF INCOME, QUARTERLY CHANGES AT ANNUAL RATES, 1965-73—Continued

	Disposable income, current prices	Disposable income, 1958 prices	Disposable income, deflated by CPI	Disposable income, 1958 prices per head	Disposable income, deflated by CPI, per household
1967:					
1	5.9	4.0	4.5	3.1	3.2
2	5.9	4.2	3.7	3.3	1.0
3	6.9	3.3	2.8	2.1	−.1
4	6.7	3.5	3.3	2.4	.6
1968:					
1	10.8	6.9	5.9	6.1	3.2
2	9.3	5.3	5.3	4.4	3.1
3	4.7	1.6	−.1	.5	−2.3
4	6.9	2.8	1.8	1.7	−.4
1969:					
1	4.6	1.0	−.4	.1	−2.4
2	8.6	3.6	2.2	2.6	.6
3	11.2	5.7	5.5	4.6	4.1
4	8.0	3.0	2.2	1.8	.8
1970:					
1	7.4	2.3	1.0	1.3	−0.4
2	12.4	8.9	6.5	7.8	4.5
3	7.8	4.3	3.4	3.2	1.3
4	2.7	−3.1	−2.8	−4.3	−5.0
1971:					
1	11.4	7.7	7.9	6.7	5.6
2	9.1	5.0	5.1	4.0	2.7
3	4.3	1.3	.4	.3	−2.0
4	4.5	3.2	2.0	2.2	−.5
1972:					
1	6.5	3.4	2.9	2.7	1.0
2	6.5	4.2	3.9	3.4	.4
3	7.9	5.4	4.3	4.6	1.5
4	13.9	10.9	9.9	10.0	6.8
1973:					
1	11.8	5.9	5.0	5.2	2.0
2	8.5	.6	.4	−.1	−3.0

Sources: Statistical Abstract of the United States, various current issues of the Survey of Current Business and Business Conditions Digest.

Mr. HUMPHREY. Mr. President, because inflation has so seriously eroded consumer income, consumers are now extremely pessimistic about future economic conditions and the ability of Government to sensibly manage the economy. In November of 1972, for example, survey data showed that 54 percent of the American consumers expected favorable economic conditions during the 12 months ahead, and only 17 percent expected unfavorable conditions. By August, however, after 7 months of the worst peacetime inflation in the history of this country, consumers have completely reversed their attitudes with only 26 percent believing that economic conditions in the next 12 months will be better, while 48 percent now believe that conditions will be worse. These sharply pessimistic attitudes could cause consumers to stop buying and investing, and this in turn would lead to the recession in 1974 that I mentioned above.

THE FOOD OUTLOOK

We have also had a great deal of rhetoric from administration spokesmen about the food problem. All this year, Secretary Butz has been: either telling consumers that food prices really are not going to increase very much, or after they do increase blaming the consumers for the price increase. The whole food situation is a lot more complex than Secretary Butz' self-serving comments would indicate. Yesterday we had some exceptionally fine testimony from Mr. Howard Hjort, a consulting food economist here in Washington, and I recommend that my colleagues take a look at that testimony, which I have asked to be inserted in the RECORD. As Dr. Hjort points out, although we are going to have good harvest next year, the food situation this year is extremely precarious. The harvests are still in the fields and a great many things could go wrong between now and when we finally have them on the grocery shelves. Let me just mention a few:

First. There is a serious fertilizer shortage that could reduce our crop production;

Second. There is a propane shortage that could reduce crop production because we need that propane for drying certain crops;

Third. There still are serious transportation problems in the agriculture area, both in terms of rail transportation, and port transportation; and

Fourth. Finally, and most important, we may well have overcommitted some of our crops for export this year.

Unfortunately, the Secretary of Agriculture insists in sloganizing about the merits of the free economy, which I happen to think are significant, instead of setting up an adequate intelligence system, and a contingency plan for allocating food exports. Wheat exports this year could well be 1.4 billion, an export demand that is extremely large, and if anything goes wrong in the agricultural area, either here at home or abroad, we could have a serious economic crisis.

Dr. Hjort also pointed out that the outlook for food prices is not rosy. Despite Dr. Dunlop's statement yesterday that beef prices are going to fall, I again alert my colleagues to my belief that we are going to see high food prices for the long-run, not the short-run. And I remain concerned that, while the prices for farm products have declined, so that choice steers are now selling for $38, we still have not seen any of those price declines reflected in retail food prices.

DEVELOPING A NEW ANTI-INFLATION PROGRAM

As I have indicated, I do not believe that the President's overemphasis on cutting the budget is the way to halt the current inflation. Nor do I think sermonizing the consumer about how well off he is, is appropriate. What is appropriate is the development of a new, better balanced, anti-inflation strategy. Working with yesterday's witnesses before my Consumer Economic Subcommittee, we developed the following elements of such a new strategy:

First. Tax reform to lighten the burden of taxation on the average worker;

Second. A national food plan for the balance of the decade consisting of: a good intelligence system for estimating world-wide supply and demand for food, a contingency plan to implement export allocations for food found to be in tight supply, and the development of new options for farm policy to insure that we significantly increase food supply;

Third. A national energy plan that provides for short-term allocation of scarce fuel, and long-term policies to conserve energy, as well as to develop new sources of energy;

Fourth. The development of manpower programs that will help us to reduce unemployment without causing excess stimulus to the economy;

Fifth. The development of a long-range price-wage policy apparatus that would focus on correcting structural problems in the economy, and provides us with the information we need to prevent this lurching from freezes, phases, and so on;

Sixth. The maintenance of a Federal budget policy in approximate balance at the present time, with a reordering of priorities from the defense sector, as well as outmoded civilian programs, to higher priority needs; and

Seventh. A prompt but gradual easing of the credit squeeze policies that presently exist.

These are some of the alternative anti-inflation strategies I believe the Congress should pursue. I think rather than engaging in the bombastic rhetoric the administration has initiated, I hope the Congress will turn to the serious, difficult issues associated with developing these badly needed policies. I believe that the economy is the No. 1 issue on the minds of citizens in this country, and that they will judge the performance of the Congress primarily on this issue.

EXHIBIT 1

STATEMENT BY ARTHUR M. OKUN

SUMMARY

1. The inflationary upsurge of 1973 has stemmed from several sources. A veritable explosion of food prices has been the largest single source. A number of subordinate factors also played a significant role—including the excessive pace of economic advance late in 1972 and early in 1973, the mismanagement of price controls, and the impact of world markets on nonfood commodities associated with the devaluation of the dollar and strong growth abroad.

2. The only one of these factors that could be controlled by federal fiscal and monetary policies is the excessive pace of overall economic advance in the United States. In fact, monetary and budget policy have acted to end the boom. That job has been done and, by reasonable standards of economic policy-making, it has been done fairly well.

3. In my judgment, the job of restraint has not been overdone thus far. But I must emphasize the growing danger that intensifying or even maintaining the present level of restraint for much longer would create a serious risk of recession in 1974. Such a re-

cession would do little to curb inflation, probably even less than did the recession of 1969–70. I would urge that fiscal restraint be maintained as prescribed in the budget, while monetary restraint should be reduced promptly but gradually.

4. The misfortunes and mistakes of the past year make excessive inflation inevitable for many months ahead. Vigor in Phase IV can help; export allocations for key farm products would provide some insurance in the critical food area. But our present disease has no instant cure. Recognizing that, we should focus on longer-run therapy and on preventive medicine.

THE SOURCES OF THE 1973 INFLATION

On the basis of returns for eight months, it is clear that 1973 will surpass the inflation rate of any year since 1951. So far in 1973, consumer prices have soared at a 9 percent annual rate, a startling and abrupt jump of 6 points from the 3 percent pace experienced a year ago. That performance averages two quite different stories: 1) A broadly diffused and troublesome but unspectacular acceleration in the prices of most groups of nonfood commodities and services, and 2) A catastrophic explosion in food prices. More than three-quarters of the acceleration in the cost of living this year is attributable to the jump in food prices, as can be seen from the figures below:

CONSUMER PRICE INDEX ANNUAL RATE OF INCREASE

[Percent]

	August 1971 to August 1972	December 1972 to August 1973
Food	3.8	29.2
Nonfood	2.6	3.9
Commodities	1.9	3.3
Services	3.4	4.4
Total consumer prices	2.9	9.3

The food price explosion has caused an actual decline in the real purchasing power of the hourly wage or salary of the average American worker since the beginning of the year. Whereas, in previous inflations, pensioners and fixed-income recipients were the only obvious significant losers, this time the vast majority of the urban and suburban population of America is getting the short end of the stick. I should emphasize that the stupendous increase in farm prices and farm incomes reflects no villainy on the part of the American farmer, or even the grain trader, nor is it an injustice when viewed against the background of relative incomes in the farm and nonfarm sectors. But it has effected a massive $20 billion (annual rate) transfer of real income from nonfarm earners, and their pain is no figment of imagination.

In the nonfood areas, the significant and troublesome acceleration of inflation flows from several sources. The economy advanced too rapidly in the fourth quarter of 1972 and the first quarter of 1973, spurred by consumer enthusiasm that responded to the better employment and inflation news of Phase II. The rapid expansion ran into capacity bottlenecks in several key areas where prices are quite flexible and hence tended to shoot upward, such as paper, some primary metals, and oil refining. Strong growth in Europe and Japan stimulated the demand for our exports and reduced the availability of inexpensive imports. The devaluation of the dollar added further to the pressures of world markets in raising the price of key nonfood as well as food commodities. The relaxation of price controls in symbol and substance under Phase III also had inflationary effects on industrial prices, particularly once businessmen correctly suspected that controls would be tightened again and hence acted to avoid getting caught with their price lists down.

The role of fiscal and monetary policy

Most of the forces that caused the major inflationary upsurge of 1973 were largely beyond the scope and domain of fiscal and monetary policy. Neither tax hikes nor spending cuts nor slower monetary growth could conceivably have altered the basic picture of food price explosion or of international pressures. No actions that the Treasury, or the Federal Reserve, or the Congress could have taken in the areas of budgetary or monetary control could have prevented 1973 from setting inflation records. To be sure, with perfect foresight, fiscal and monetary actions might conceivably have prevented the spurt in overall economic activity that marked the fall of 1972 and the winter of 1973.

But neither the policymakers nor their present critics are equipped with the perfect crystal ball. Moreover, I strongly doubt that any tax-spending-credit package could have held down the inflation rate that we are now observing by as much as 1 percentage point. The inflation directly attributable to the spurt in aggregate demand is minor; it lies well within the tolerance limits of imperfect foresight in fiscal-monetary policy making. By any reasonable standard of past performance or of present knowledge of the arts, fiscal and monetary policy has not been the major problem in 1973. The budget has moved dramatically away from stimulus and toward restraint, producing a balance in the second quarter (reflecting a very substantial surplus in the standard calculation of the full employment surplus at a 4 percent unemployment rate).

The Federal Reserve has been absurdly maligned both as the engine of inflation and as the launcher of astronomical interest rates. Over the entire past two years, the money supply has grown at 6.1 percent (annual rate). On historical relations of GNP to money growth, such a rate of monetary expansion would be associated with an expansion of GNP in current dollars of 8 or, at most, 9 percent; in fact, that GNP growth rate has been close to 11 percent, revealing that liquidity has not been the driving force behind the economic upswing. To be sure, the money supply has fluctuated around 6.1 percent growth path, but never has it been above a hypothetical smooth trend line by as much as $2 billion. Not a single shred of evidence exists to suggest that the path of economic activity would have been changed in any noticeable way—for better or for worse—had the expansion of the money supply been absolutely smooth and steady in every moment of the past two years.

When it became clear early this spring that the economy was spurting, a significant fiscal restrictive action—realistically a tax increase—would have been desirable to curb the boom without relying on tight credit. No such action was recommended by the President or initiated by the Congress. Since the fiscal restraint was providing only a small part of the necessary total restraint to curb the boom, monetary restraint was applied with vigor. And so the unwelcome side effects of tight money—soaring interest rates and tailspinning home construction—are again on the scene.

But so is the welcome slowdown that tight money was intended to produce. The prospective further decline in homebuilding is vital anti-boom insurance, as most economists view the outlook for the year ahead. All the economic indicators and all the economic forecasters suggest that the 1972–73 boom is now history. But the inflation is not history. Even the part due to domestic demand pressures will take many months to respond to the economic slowdown.

The job of halting the boom has been done; I do not believe that, so far, it has been overdone. For the first half of 1974, the outlook points to a slow growth of production, significantly below the normal trend rate of 4 percent. Despite its adverse consequences, and high costs to all Americans, a low growth rate of 2 to 3 percent in the first half of 1974 must be regarded as appropriate under present circumstances to help break our bottlenecks and catch our breath. But a recession would be intolerable, compounding the social costs of economic instability and offering no significant additional relief from inflation.

Putting the economy through the wringer would not squeeze out food inflation or help prevent cost-push wage inflation. The cooperation of labor has produced moderate wage behavior in the face of immoderate price behavior this year; adding layoffs and jobs insecurity to the cost-of-living squeeze would not be the way to preserve that spirit of cooperation in 1974. In short, a recession in 1974 would probably have an even higher cost and an even smaller payoff than the 1969–70 recession fiasco.

Let me repeat that a recession in 1974 is not the likely outcome on the basis of anything that has happened thus far. But if the present level of monetary-fiscal restraint were to be maintained for much longer, recession would become probable. Surely if the brakes were held on at their present position until prices slow down, a recession would become inevitable. The amount of braking action necessary to stop a boom becomes excessive once the boom halts. The economy is starting to say "Uncle," and the policymakers should be listening.

Against this background, the proper basic strategy for fiscal-monetary policies today is reasonably clear:

1. This is no time for a tax increase or any measure of additional fiscal or monetary restraint.

2. Neither is it the time to relax and stimulate the economy.

3. It is the time to begin tapering off the amount of restraint.

4. Since most of the restraint has been applied by monetary policy, that is the place to start tapering it off with a prompt but very gradual easing of credit conditions and reduction of interest rates.

5. Meanwhile, fiscal policy should be maintained at the level of restraint prescribed in the Administration's budget. Of course, sound fiscal policy does not require Congress to accept the President's preferences on priorities within the budget nor to tolerate the practice of executive impoundment.

OTHER MEASURES TO COMBAT INFLATION

The need to accept a slowdown and to avoid a recession is the most important advice I can offer. But anti-inflationary policies have many other important dimensions.

In the nonfood area, Phase IV looks like a workable program to reduce inflation; but it is too soon to say whether or not it is working. Effective enforcement and implementation of the rules should bring particular relief in those industries where wholesale prices outpaced costs during the relaxed Phase III period.

In the food area, the forthcoming harvests will tell the basic story for the year ahead. I see some grounds for optimism, but far greater grounds for uncertainty and even anxiety. The one constructive measure that could provide insurance against continued food inflation would be the setting of export ceilings for key farm products, designed to moderate (not to reverse) the growth of foreign sales, and to distribute the products equitably to countries that have traditionally depended on the United States as a supplier.

In the area of wages, we should be searching for measures that might help to extend the period of labor tranquility and cooperation that has prevailed to date. As one possibility, I would suggest a tax reform that lightened the burden of taxation on the average worker, while balancing the revenues with a reduction of existing tax preferences on property incomes.

These are not panaceas by any means. The hard truth is that no instant cures exist for our present disease. We are bound to suffer from an undesirably high inflation rate and an unhappily low growth rate in the months ahead. The way back to a noninflationary growth track can not be paved with ad hoc responses to crisis. It requires a broader view over a longer time horizon. We need a national food plan for the balance of the decade to prevent a repetition of the cataclysmic failure of intelligence in 1973, and to explore new options for farm policy. We need a national energy plan that offers clear prospect of meeting our needs at reasonable prices over the years ahead. We need to explore the constructive role that price-wage policy can play in the long run—and to end the illusion that the government will abandon any and all concern about private wage and price decisions. We need to prepare manpower programs that will capitalize on the opportunities to train and upgrade workers when the economy picks up again.

Unless we design long-term therapy for our fundamental problems, we will continue to grope from phase to phase, from crisis to crisis, from disappointment to distress. And it has become apparent that the nation's best hope for such leadership lies in the Congress.

Statement by Howard W. Hjort

You have invited me to respond to four questions that relate to food prices. I will respond briefly to each question in the order they were given.

Is the current budget deficit in any way related to the current food inflation?

A number of federal programs have an impact on food prices, some more direct than others. There is, therefore, a relationship between the budget deficit and food prices.

About 16 million acres of cropland is withheld from production this year under the 1973 wheat and feed grain programs. The Secretary of Agriculture initially announced wheat and feed grain programs designed to capture a much larger acreage, and later, after it was too late to avoid making large payments, the programs were curtailed. If those programs had been set-aside instead of the land some of the 16 million acres would be in production this year, more grain would have been produced, farm and food prices would be lower, and the budget deficit would not be as large.

Food grain shipments under foreign food assistance programs were reduced last year and are likely to be cut even further this year. The food grants component of the program was suspended several weeks ago. With food grain prices far higher than were anticipated when the budget was prepared, funds will have to be increased or the quantity provided reduced. A smaller quantity shipped to the developing countries reduces the demand for food grains, which takes some of the pressure off food grain prices. An increase in expenditures, and the deficit, will keep the pressure on grain prices. But to reduce food grain shipments just when they are needed more than ever by the poorest countries and people of the world is not in our or their best interests.

Federal expenditures for domestic food programs—food stamp, direct food distribution, school lunch, special milk, and the others—have a direct impact on food prices. An increase in federal expenditures adds to the deficit and to the demand for food. But because food prices have risen so rapidly, it requires an increase in funds just to maintain year earlier consumption levels. In any event, the impact on food prices would be small, because the aggregate expenditures for food is so much larger than federal expenditures.

Grain owned by the government is being sold, and that reduces the budget deficit and the upward pressure on grain prices. But it also means we have no reserves held by the government.

There are other federal programs that have an impact on food prices, but they are not likely to be the causes of the current food inflation.

What are the other causes of the current food inflation?

The major causes of the current food inflation are the weather, the consumer, and the policies of governments.

The weather was so bad in so many places from the fall of 1971 to the spring of 1973 that world grain production for 1972–73 dropped for the first time in modern history. Grain production fell so far below requirements that grain trade moved up to record highs that strained the capacity of the delivery system, and stocks were drawn down sharply. Even so, high prices and actual shortages in some areas brought about a decrease in food grain consumption for the developing countries as a whole. Potential oilseed production also was reduced in most countries where grain crops were poor, and an already tight high protein supply situation turned into a near impossible one when it no longer was possible for Peru to continue fishing for anchovies, and protein meal prices skyrocketed.

The consumer has been responsible for some of the sharp swings in farm and food prices. Early in the year they continued to stay with earlier buying patterns, and the strength in demand kept pushing food prices higher. Then came the boycott meat effort, which was followed by near panic buying when they became convinced that either prices were going to move sharply higher or supplies of meat would be seriously short. That spurt of buying helped send prices skyward, and they reached a level that turned the consumer off. The crash in livestock and livestock product prices since mid-August is in part the result of consumers standing aside, waiting for what they believe are better prices.

Farm and food prices have moved higher and have been more volatile than necessary due to actions and policy positions taken by the Administration. Grain prices are higher today than they would have been if the Administration had released all the acreage for production this year, instead of deciding to restrict acreage. The decision to impose ceilings on meat prices, and the later one to freeze all food prices while at the same time failing to take any action to hold grain and other feed prices in check put the squeeze on food producers profits and caused livestock producers to put expansion plans on the shelf. The consequence is higher prices this fall and winter than was in prospect. The release of food prices from the freeze, again in the absence of any action to hold raw agricultural product prices in chek, was partially the reason for the sharp upward burst in food prices noted from July to August. Action to curb exports of soybeans and soybean meal was taken only after it became obvious that the supply had been oversold, and that was too late to keep prices from rising to very high levels and too late to prevent unnecessary foreign policy complications.

High food prices have an impact on people everywhere. In this country meat consumption drops, and in the developing countries food grain consumption drops. But the real burden of a decision to give priority to dollars over people falls most heavily upon the poor, both here and there. High prices improve the balance of payments, but they also lead to cuts in food aid and market expansion.

What can be done about high food prices at this time, particularly in the light of world-wide supply and demand?

World grain production appears to be headed for a new record this year. Production should be large enough to meet minimal requirements with only a modest further reduction in grain stocks. But due to the timing of harvests, and the location of the major increases in grain production, grain stocks in the United States are likely to be drawn down significantly again this year. Wheat stocks are expected to be pulled down to absolute minimal levels, unless more wheat is used as a food grain, and less as a feed grain than now seems likely.

To supply minimal consumption requirements wheat prices are expected to face greater upward price pressure than rice, rice prices are expected to be stronger than feed grain prices, and feed grain prices stronger than oilseed prices.

The developed countries appear to be in a more comfortable supply position than the developing countries. In the latter rice production is expected to improve significantly over last year, but is not expected to be appreciably above the 1971–72 level.

At this time the odds favor another reduction in world grain stocks. Food grain stocks are expected to be drawn down even further, to rock bottom levels. Any appreciable stock build-up will have to wait until the 1974–75 crop and marketing year. In this situation, even a relatively modest deviation from the expected can move prices sharply higher or lower. Unfavorable weather conditions for the 1974–75 crop could send grain prices even higher than they have reached this year; favorable weather could send them far below today's levels.

Given this precarious situation a reliable early warning system needs to be in operation, that will let us know when supplies are moving down to the critical point and there needs to be an allocation plan based upon need that is ready on a stand-by basis to be implemented before instead of after the fact. The present policy of letting price be the rationer leads to a situation where those who have the intelligence systems and the financial resources are able to capture more of a short supply commodity than those less equipped.

What is the current outlook for food prices for 1973?

The rise in farm and food prices from July to August was almost beyond belief—in 30 days farm prices jumped 20 percent, while wholesale food prices climbed 9 percent and retail prices rose 6 percent. By early August food prices to the consumer were 20 percent higher than they were a year earlier, a rise in one year as large as the advance over the previous four years. Wholesale food prices this August were 30 percent higher than in August 1972, and farm prices were up more than 60 percent.

Since mid-August hog, cattle, broiler and egg prices have plunged. Cattle and hogs moving to markets this week bring 30–35 percent less than in mid-August. Cattle prices have moved back to December 1972 levels. Livestock feeds have become less expensive in recent weeks but they again are high relative to current hog, cattle, and broiler prices. The price of wheat, our major food grain, continues to hold around the mid-August level.

The key to food price movements rests at the moment with the consumer. When the price of meat, chicken and eggs at the retail level comes back down to the level in line with current farm and wholesale markets will she move back to the higher consumption level of a few months ago, or will she stay at the current reduced level.

There are two possible patterns for food prices to follow over the balance of the 1973 year and into 1974. One is for prices to gradually rise beginning in October or November over the next several months, and the other is for prices to jump upward during the last quarter of 1973 and then again find a resistance level, come crashing down, and then gradually rise.

The supply of meat and chicken for the last quarter of 1973 should be well below the year earlier amount. Consumers may be content to consume a smaller quantity this year, but I expect they will be attracted by current prices and want to consume more. My guess is that the September CPI will be about at the August level, that the October CPI will be below the September, and that the November and December CPI's will both show month-to-month advances that in any year other than this one would appear to be large. Livestock and livestock product prices have to move up, or feed prices down to encourage an expansion in broiler and hogs, and even to keep the cattle pens full.

RESPONSE TO THE REPORT OF THE PRESIDENT'S ADVISORY PANEL ON TIMBER AND THE ENVIRONMENT

Mr. McGEE. Mr. President, I would like to call the attention of my colleagues to the Report of the President's Advisory Panel on Timber and the Environment which was released to the public this last Monday. I address myself to the report today because I believe it may be very important, though not necessarily in a constructive way, to the shaping of future forest management policy. In short, the report may become the convenient instrument of those who advocate the intensive exploitation of our national forests.

This is not to insinuate that the report is totally without worth, many of its recommendations are timely and deserve the thoughtful consideration of the President of the United States. In particular, I would cite certain aspects of recommendation 17, wherein it is observed:

> A better method of more adequate and more timely financing of forest management programs on all Federal forest lands is essential.

I think this would adequately account for the basis of understanding upon which the Senate considered and passed Senate Joint Resolution 134, to prohibit any reduction in the number of Forest Service personnel, and why the budgets of many of the programs in the Interior budget for fiscal year 1974 were increased.

It was an evident contradiction of intents that prompted the administration to call for an increased timber cut on the one hand, and attempt to cut back the manpower necessary to adequately plan, supervise, and replant timbering operations in our national forests. It still amazes me to think that at a time when, as never before, we have been made so aware of what real treasures we possess in our natural resources, we would be presented with a budget that proposes reductions in budgets of every agency charged with their supervision. I would add here that the budget has been vastly improved from its initial presentation to the Congress, although many of us would have hoped for even more.

In spite of the good marks which the report might receive in some areas, such as adequate financing to execute good forest management, its general tone is one which alarm the sensibilities of all who are concerned with perpetuation of a viable national forest system. Its tone and theme is "turn our national forests into tree farms." Its aim seems to be the diminution of the "multiple-use" concept. Essentially, the President's Advisory Panel recommends that the Forest Service identify those areas of our national forests with high commercial timber potential and develop them to the extreme. Mind you, I am reading through the fine words and rhetoric of the recommendations offered in the report, trying to filter out those statements which recommend a change in policy rather than those which only restate the status quo.

Let us look for a moment at the Panel's first recommendation:

> The President issued a statement or proclamation to the Nation, emphasizing the unique renewability of the timber resource, and the opportunities to improve substantially the productivity and the value of the Nation's forest resources to meet the multiple demands now being made and likely to be made in the future on these forests; and emphasizing that forest resources are to be cherished, nurtured, and used.

A harmless enough suggestion on the outside, but what single recommendation proposes significant change from the course upon which forest management policy is already set? Increased production. And it is that call which echoes again and again throughout the report. Recommendation 2 states that the President should prepare a short-, medium-, and long-range timber supply program, something which the Forest Service did last year. Recommendation 4 advises that all land not withdrawn into the wilderness system "should be designated for commercial timber production and other compatible uses and be managed in accordance with appropriate national policies." A refinement of that recommendation appears later in the text wherein the Panel says that the Forest Service should "redefine its classification of forests into commercial and noncommercial categories." Furthermore, the Panel advises that the Forest Service reconsider its timber management priorities, in order to concentrate more of its efforts, manpower, and funds on intensive management of its more productive sites.

Mr. President, I think I need offer no more demonstration as to the Panel's effort to bring about the demise of the multiple-use management concept. Forests are to be classified with an either/or status. Manpower is to be shifted from the multiple attentions demanded by our forests to the production of timber, and timber only.

We in Wyoming know and understand the values of our national forests far beyond such a limited scope as advocated by the President's Panel. We know that the forests are a principal source of our abundant wildlife resources; we know that our water for the summer is laid down upon the mountains in winter, retained there to be released at an even and plentiful rate throughout our driest seasons. We know the enjoyment of the crisp fall air among the aspen, and the warm forest meadows of a summer's afternoon. We know that forests are a natural phenomenon, and we appreciate natural uncivilized presence, their unique contrast to the manmade world. We know that forests are for more things than just the lumberman's saw, the timber truck's flatbed, and the sawmill's kiln.

Before I conclude my remarks, I would like to make a few short observations about the Panel's position on clearcutting. Appendix L to the Panel's report, authored by Dr. David M. Smith, asserts that with the possible exception of "some instances in the Wyoming forest," clearcutting has been a success, producing regeneration in each instance. This includes the Bitterroot National Forest in western Montana. The author concedes that "the wisdom of spending $50 per acre to plant stands that will grow only 250 board feet per acre annually on a 100-year rotation is debatable." I would venture that if the only criterion is whether one can get a tree to grow on a particular site, regardless of the cost, we could build greenhouses on the slopes of the Bridger National Forest, get a couple of seedlings growing, and claim that regeneration was successful.

It should also be noted that while Dr. Smith has no qualms about clearcutting in general, Dr. Earl Stone, writing appendix M on the "Impact of Timber Harvest on Soils and Water," does caution:

> It is not yet clear whether the thin organic layers found under many northern and western conifer forests may generate nitrate at a much slower rate after exposure than does the hardwood humus at Hubbard Brook. In view of the usefulness of clearcutting in some conifer stands, this question calls for research.

It must be assumed, by the Panel's failure to recommend further research into the possible environmental effects of clearcutting, that it found Dr. Smith's research more convenient that that of Dr. Stone.

Gentlemen, I am not afraid of the truth about this matter. If clearcutting is a justified practice, so be it and let it be done. Yet, as a wise sage once said: "Before men can speak the truth, they must learn to hear it." My fellow colleagues, I would offer that the truth is not to be found in the "Report of the President's Advisory Panel on Timber and the Environment."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there morning business? If not, morning business is closed.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 171) disapproving the alternative plan for pay adjustments for Federal employees.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I understand the pending business is Senate Resolution 171.

The PRESIDING OFFICER. The Senator is correct.

Mr. McGEE. Mr. President, I wish to address myself to the resolution very briefly.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. McGEE. Mr. President, the resolution is one of the options under the existing law affecting comparability adjustments for Federal employees. Back in 1962 Congress adopted the comparability principle for Federal employees, so that jobs in the Federal service were to be compared by an impartial group with comparable jobs in private industry to measure any discrepancy, and determine what adjustments should be made. Since the principle of comparability as public policy was enacted into law, we have found ourselves at the Federal level playing a continuing game of catch-up; that is, we determine private industry pay rates in the spring and make needed adjustments for Federal employees effective 6 months later on October 1.

In 1970 Congress approved the Comparability Act to set up a specific formula to take the question of the size of the Federal pay adjustment out of the hands of Congress. The law provides that the Bureau of Labor Statistics in March shall assemble statistics and subsequently submit to the executive branch its estimate of whatever adjustments are required by comparability as of the March figures.

Then, both the Civil Service Commission and the Bureau of the Budget, as the President's "agent," advise him on what should be done, what the percentage increase should be, if that were needed, whether there should be an increas, or, theoretically, if it ever happened in our economy, whether there should be a decrease.

The law provides that the effective date in this pay adjustment shall be made by the President on October 1.

Now, the history of the operation of this act since its adoption in 1970 reveals that on the last three occasions the President has delayed or deferred the date on which the act itself called for the pay adjustment. It was deferred from the first of January 1972, for a half year, but Congress intervened and restored the increase at a lower figure. It was deferred in the second instance from October 1972 to January 1, 1973. Each time, the President had recourse to an alternative plan authorized by law; and this year the President's alternative was to defer until December 1.

However, Congress can turn around his postponement by a simple majority vote in either body. That majority vote would require the President to make his recommendation on the scheduled date, and that is precisely where we are this morning in this situation.

Mr. President, the point is that the President's deferral once again illustrates a deviation from the comparability principle of the act. It would be one thing if there were extenuating circumstances in not allowing this cost-of-living adjustment, if a modest increase were going to transfuse the economy into some kind of explosive inflation. There is obviously no manifest intention by the President to negate the increase because of inflationary factors. He is going to grant it in December, so why not now, as required by law?

The intent of the Committee on Post Office and Civil Service in reporting this resolution of dissent is to restore the October 1 effective date provided for by law.

In the private sector again and again pay increases have been allowed, and in the Government they have allowed the 6-plus percent pay increase for the 600,000 Postal employees. Therefore, in the pattern of what the President's own Cost of Living Council has allowed, it seems to be only equity that this adjustment be kept on schedule at this date of October 1, provided by the law.

I would hasten to point out that the reading by the Bureau of Labor Statistics on the pay in the private sector is already 6 months old. Thus, if we add another 2 months, we would widen the gap by 8 months.

I have been given a letter written by the Director of the Bureau of the Budget, Roy Ash, addressed to the Senator from Montana (Mr. MANSFIELD) recommending that the Senate resolution not be agreed to. I wish to note the reason he gives in his letter—that the difference between an October 1 and a December 1 effective date would be inflationary, aside from the fact that all the other pay groups have been allowed their inflationary jump or 4, 5, 6, and 7 percent in some cases. Why single out Federal employees and disallow what the law provides?

But, second, the Director of the Bureau of the Budget says that Federal employees just received a pay adjustment last January 1. Mr. President, let us set the record straight. The only reason Federal employees received that pay adjustment last January 1 was that the President had deferred it from October of last year. There have not been two jumps this year; the January increase was already overdue when it was dragged into adjustment. The time for this measure is now, October 1, beginning next Monday.

It is for that reason that the Committee on Post Office and Civil Service believes that all equity lies in the simple recognition that the President's delay be disallowed by the Senate. We do not fix the percentage; we do not have any business to fix the percentage, except to say that comparability must prevail. We are out of the pay adjustment business. We are seeking simply to establish the operation of the law signed by the President.

It is our considered judgment that there are no rationalizations that stand up to the test. Federal employees are already 6 months behind now and, therefore, equity calls for a pay adjustment to keep up with rising incomes outside Government.

We urge that the adjustment be announced by the President next week.

Mr. FONG was recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. FONG. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, this request has been cleared with the minority leadership; it has been cleared tentatively with the distinguished manager of the resolution, the chairman of the committee (Mr. McGEE), the distinguished Senator from Ohio (Mr. SAXBE), the distinguished Senator from Hawaii (Mr. FONG), the distinguished Senator from Utah (Mr. MOSS), and the request is as follows.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at no later than 10:15 a.m. today the pending measure be set aside temporarily and the Senate proceed to the consideration of the military procurement bill; provided further, that at the hour of 12 noon the Federal pay adjustment measure be again resumed, that the unfinished business be laid aside temporarily, and that the debate on the Federal pay adjustment measure then be limited to 20 minutes, the time to be equally divided between Mr. McGEE and Mr. FONG or Mr. SAXBE, at the close of which 20 minutes the Senate proceed to vote on the Federal pay resolution.

Mr. FONG. Ten minutes on each side?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Hawaii further yield?

Mr. FONG. I yield.

Mr. ROBERT C. BYRD. If the Chair will indulge me, I ask that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, if a vote is reached on any amendment to the military procurement bill at any time prior to the hour of 11:45 a.m. today, that vote be set for the hour of 11:45 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator for yielding.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 171) disapproving the alternative plan for pay adjustments for Federal employees.

Mr. FONG. Mr. President, the resolution presently before the Senate, Senate Resolution 171, which I have cosponsored with the distinguished chairman of the Committee on Post Office and Civil Service of the Senate, would put into effect on October 1 of this year, a pay increase for approximately 1.3 million Federal white-collar employees and approximately 2 million military personnel. Senate Resolution 171 would accomplish this by the procedure of disapproving the President's alternative pay plan to defer those increases for 2 months, to December 1.

For background, it might be well to recall for the Senate some of the history of the principle of pay comparability for Federal employees, which is the basis for this resolution.

In 1962, the Congress adopted the principle of comparability for Federal white-collar salaries with their counterpart salaries in private industry. This initial law was further refined by the Pay Comparability Act of 1970.

Under the Federal pay comparability law, as amended, the salaries of employees under the Federal statutory pay system—the white collar jobs—are fixed in accordance with the principles that first, there be equal pay for substantially equal work and second, Federal pay rates be comparable with private enterprise pay rates for the same levels of work.

The procedures for determining comparability call for the President to adjust the Federal pay rates annually on October 1 of each year. The adjustments are based on reports and comments from three separate advisory groups to the President. These groups are: first, the U.S. Civil Service Commission, the Office of Management and Budget, and the Bureau of Labor Statistics; second, the Federal Employees Pay Council, composed of Federal employee organization representatives; and third, the Presidential Advisory Committee on Federal Pay, composed of selected private citizens.

Under the law, the President also has the option of recommending an alternative pay plan to the Congress by August 31 of each year, if a national emergency exists or if national economic conditions dictate a change. The alternative pay plan could include an effective date other than October 1.

Either house of Congress would then have 30 days of continuous session after receiving the President's alternative pay plan to disapprove it, in which case the original pay plan effective October 1 would go into effect.

I must point out that all of these procedures now in law were worked out in detail between the respective committees of both Houses of Congress, the Civil Service Commission, the Office of Management and Budget, and the White House.

It is also important to recall for the record that, in 1971 and 1972, the President, utilizing authority under the Wage Stabilization Act amendments—Public Law 92-210—deferred pay increases for Federal white-collar employees. Under this authority, the pay increase scheduled by the Comparability Act for January 1, 1972, was deferred by the President to July 1, 1972. This deferral was due to the fact that the President's Wage Stabilization Board had not yet set national wage guidelines on salaries. However, before the deferral took effect and after the setting of national wage guidelines by the Board, the pay increase was reestablished by the Congress to take place on January 1, 1972, but at a lower rate—5.5 percent as compared with the initial 6.6 percent rate.

The President, under the same Wage Stabilization Act authority, postponed a second pay increase of 5.14 percent from October 1, 1972, to January 1, 1973. Congress agreed to this deferral.

On August 31 this year, the President sent to the Congress a third pay deferral proposal postponing the October 1, 1973 pay increase 2 months to December 1, 1973.

The President, in his deferral message, stated:

> At a time when the rising cost of living is a major concern to us all, the Federal Government and its employees have a special obligation to avoid any action that would needlessly fan the flames of inflation. . . It is in this spirit, and with the knowledge that the action I am taking will help to hold down the cost of living for all Americans, that I now recommend a sixty day deferral in the pending pay adjustment for Federal employees.

The President is correct in pointing out that we should avoid any action that would "needlessly fan the flames of inflation."

I commend the President for his many previous courageous efforts to curb inflation, particularly during this period when inflation is a worldwide problem. Compared with other major nations, the President has been far more successful in controlling inflation. Congress has sustained the President on most of his vetoes of measures he considered inflationary. I have stood by the President on every occasion, save one.

In this particular instance, however, I believe the President has been misadvised as to the impact of implementing the Federal white-collar salary increase on October 1, rather than on December 1.

I want to emphasize at this point that the President did not veto Federal white-collar salary increases. He simply deferred them for 2 months. This resolution is not one to override the President's veto. It is only one to set the effective date of increase on October 1, 1973, or 2 months later on December 1, 1973.

Again, I want to emphasize here that the President is in favor of a salary increase. He understands the need and justification for these increases, but would put them into effect on December 1 of this year rather than 2 months earlier. We are all in agreement that these increases must go into effect.

In asking that these salary increases go into effect on October 1 this year, as originally set by law, I would like to give the following reasons:

One, Federal salaries are already lagging behind private industry by at least 6 months. The Bureau of Labor Statistics survey of private industry salaries was made in March this year for adjustments in Federal salaries this October. In many instances, increases in private industry salary rates had been made many months before the BLS March survey.

We are advised by the Bureau of Labor Statistics and the Civil Service Commission that it takes from 3 to 6 months to process the raw survey figures into usable data from which valid comparisons with Federal salaries can be made.

Therefore, Federal salaries right now are lagging 6 months or more behind the salaries for comparable positions in private industry. Federal salaries are following, not leading, private industry salaries. If we are to observe the principle of comparability, it is essential that Federal salaries be brought up to industry levels as soon as possible.

Two, approximately 1.3 million Federal civilian employees and 2 million military personnel will receive pay increases under the comparability principle law.

There are some 85 million people in our national work force. The percentage of Federal employees and military personnel who would receive a pay increase on October 1, if this resolution passes, comprises only 4 percent of our national work force—a very small percentage by comparison.

I am not persuaded that a 2-month deferral of a 4.7-percent pay increase—which I presume would be the percentage increase—for 4 percent of our national work force would have any appreciable effect on holding the line on inflation.

Three, the cost of permitting a 4.7-percent pay increase to go into effect on October 1, rather than December 1, is estimated at $357 million.

In comparison to the total Federal spending budget for fiscal year 1974—estimated at $268.7 billion—$357 million is a miniscule amount. The impact on the Federal budget of the 2-month cost of the pay increase is diminished even further when one realizes that approximately one-third of the $357 million will be returned to the Federal Government in taxes paid by these employees.

Four, these Federal employees have already experienced one delay since the enactment of the 1970 pay comparability law. I believe it would be inequitable to delay their October pay increase to December 1.

Five, wage-board employees of the Federal Government have received their pay increases on a timely basis.

Generally, Federal employees are paid under either of two pay systems:

First. Statutory-salaried or white collar and

Second. Wage board or blue collar.

The white-collar employees are paid on a national wage schedule, while blue-collar employees are paid wages based on the prevailing wages in their local private industry.

Blue-collar pay increases vary in amounts and effective dates throughout the country, depending on the area in which the employee works. However, their pay increases this year and in 1973 have not been deferred, but have been allowed to go into effect on schedule.

I believe there are approximately 600,000 wage board employees. Their pay increases were not deferred in 1972. Nor have they been deferred this year.

To allow the blue-collar pay increases to become effective as scheduled and then defer the increases for white-collar pay is grossly discriminatory. The increases for Federal white-collar pay should be permitted to go into effect as scheduled by law. This would be treating all Federal employees alike.

Six, private industry wage settlements this year resulting from collective bargaining have been in the order of 5 or 6 percent. The 600,000 Federal postal workers received a 6.8 percent pay increase this year, retroactive to July 26—a pay increase approved by the President's Cost of Living Council.

So we see, Mr. President, already more than 1,200,000 Federal employees have had their pay increased this year and last year. Their pay increases have not been deferred, whereas here we would be deferring the pay increases for the white-collar employees if we were not to agree to this resolution today.

Certainly, a 4.7-percent pay increase for 4 percent of our national workforce is on the low side of salary increases when compared to those given other workers in our Nation this year. It is obvious the Federal white-collar pay increase effected October 1 will have only a very small impact on inflation.

I have studied this matter very carefully and have weighed the President's alternative pay plan and its accompanying message with great care.

After considering all of the facts, I am compelled by equity and fairness to call for permitting the pay increase for our 1.3 million Federal white-collar employees and the 2 million military personnel to go into effect on October 1, rather than delaying it 2 months to December 1.

I urge the Senate to approve Senate Resolution 171.

Mr. McGEE. Mr. President, I yield 3 minutes to the Senator from Utah.

Mr. MOSS. Mr. President, I support the Senate resolution. It seems to me that the President has shown an incredible insensitivity in attempting to delay the Federal employee pay adjustment on the spurious grounds that its effectiveness will lead to more inflation.

Now, it may be true that Mr. Nixon can be credited with some accomplishments during the past 5 years. But I am afraid that successful management of the economy is not among them.

The economic track record of the Nixon administration is one of the worst in the history of this country. The record of the past 5 years includes two devaluations, sustained unemployment, skyrocketing inflation, chronic balance-of-payments deficits, and, as the latest wrinkle, recordbreaking interest rates.

The litany of economic failure during this administration has now become almost as depressing as its moral obtuseness. When it comes to the pay adjustment for Federal employees, President Nixon has actually managed to combine economic ineptitude with insensitivity to considerations of basic fairness.

Last month President Nixon announced that he would attempt to postpone from October 1 to December 1 the pay increase mandated under the Federal Comparability Act of 1970. It was the third time in 3 years that the President has attempted such a delay. Unfortunately, Congress acquiesced to the first two delays, despite the strong objections of a number of us here in the Senate, and even though in 1971 we eventually restored some of the pay lost through that delay.

This time I believe the President will not be able to get away with the sleight-of-hand gesture of controlling inflation at the expense of the Federal employees. The Senate should vote to block the delay and insure that Federal salaries are brought closer in line with salary levels in the private sector.

A majority of the Senate is now aware that it is unfair to hold down Federal salaries at a time when prices are rising at a rate of more than 10 percent a year. Most of the credit for the new awareness must go to the American Federation of Government Employees.

In the past, the legitimate interests of the Federal employees have often been ignored simply because Congress has believed that, unlike many other groups in society, the Federal employees were diverse and politically unorganized. But now, thanks largely to the efforts of the AFGE, the point of view of the Federal employee is being presented in a cogent and forceful manner.

As a result, I believe the Senate will reject the President's arguments for still another delay in the Federal pay adjustment. For it is clear that these arguments are bogus ones. All of us want to see an end to the current inflationary spiral. But depriving the Federal employees of the adjustment that the Pay Council has recommended is hardly the answer to inflation. It is rather like attempting to cure cancer with an aspirin tablet.

President Nixon used the anti-inflation argument in both 1971 and 1972 when he kept Federal salaries below those in the private sector. But these delays did not put a stop to rising prices, and the latest proposed delay would be no more successful. If the President is really serious about controlling prices he should stop fiddling with Federal pay adjustments and take a serious look at corporate profits which increased more during the first two quarters of 1973 than ever before in history.

The President's continued attempts to control inflation by holding down Federal salaries is at best a nonsequitur. It is like the man who after a bad day at the office returns home and begins beating his dog. The difference, of course, is that we are not talking about a dog, but about a large number of dedicated public servants who are finding their hard-earned income steadily eaten away by rising prices.

Senate Resolution 171 is related to inflation in one very important way. But Mr. Nixon has the realtionship the wrong way around. Delay of the Federal pay adjustment will not put a stop to inflation. But passage of this resolution will enable a very important group of Americans to make up some of the losses they have already suffered as a result of inflation.

This period of the most rapid advance in prices we have experienced in two or three decades, when the cost of food is soaring, is the least propitious time to put a delay on the comparability adjustment of the salaries of those who happen to work for the Federal Government.

I commend the AFGE for its work in bringing this issue clearly to the attention of the Senate, and I hope this body will vote decisively for Senate Resolution 171.

I thank the Senator for yielding.

Mr. McGEE. Mr. President, in behalf of the proponents I yield the floor.

Mr. SAXBE. Mr. President, I am well aware of the unpopularity of the job I have to do this morning. But it is something that needs to be done, and I think that there is good reason to try to understand the President's position. If we are interested in trying to balance the budget, hold the line on inflation, and are interested in trying to put some soundness into the dollar, I think we should pause before we vote and consider where we are headed on these issues.

I know everyone needs more money in this country. Certainly the Federal employees, with their loyalty to their jobs, need the money. Certainly the military people do, also. The blue-collar workers, the white-collar workers, the General Motors employees, the Chrysler employees, and the farmers, in this time of inflation, need every cent that they can get, and it still is not enough. There are millions of people in this country on fixed incomes, either living on savings or some kind of private pension plans, social security, or aid to the aged, who are locked into a fixed income and cannot get the relief that we are talking about for Federal employees this morning.

The administration has often asked Congress for a balanced budget—a budget that is based upon the amount of income that this country receives and the amount of income that is to be spread around over the various costs of Government. Without exception, we have turned down those requests. We seem to have the concept in this country that we do not even need to go to the people for taxes any more. I do not know whether we will ever have another tax increase. We have found out that we can take it all out of the inkwell; simply run up the debt and then simply print the money to pay off the debt, and we are supposedly back in business. It is a rather shocking development that we have seen since we have discovered that all we need to do is run the printing press a little faster, and that we can solve any problems.

But let me tell you, any country that has tried to solve its economic development problems through the printing press, through inflation of its currency, has eventually faced a severe disaster. As the printing presses speed up, the money gets worth less and less, and you never catch up.

The President has recently been trying, through various small measures, because he cannot get any of the big ones through, to control inflation. It is almost a retrograde action. He fights from one stump to another. He holds out as long as he can on one particular issue until he realizes he has to give up. Impoundment was such a stump for a while; then the dam burst, and impoundment is over. Then we have had various economic measures; such as the price ceiling on gasoline as a temporary measure. But this measure is going to have to go also. It causes injustice to the gasoline station operators, because the big companies can profit without providing a passthrough for the operator. We know that the money market today is pinching millions of people; it is holding back housing development. It will most certainly have serious repercussions.

Why does the President request a brief 2-month delay in pay increases when he knows it is only a temporary measure? Simply because we gain a little here and we gain a little there, holding on, while trying to make the dollar more solid.

If we are going to go into this spiral, with no apparent end to it, I just do not see why we do not build in a 10-percent yearly increase for Federal employees. In the last 10 years, the pay of Federal employees has been increased 81 percent. This is a startling reflection, not upon their inflation, but on the inflationary process of the country. If we are going to continue to do this another 10 years, I question whether we can hold it at 81 percent. The President is trying to hold the line almost single-handedly, but almost everyone disagrees with him and with the nature of the individual actions. We say, "He can't do this to gasoline operators, to real estate men, to builders. This is an injustice; it is unreasonable."

We say, "He can't do this to Federal employees. Why should they bear the brunt of this?"

The fact remains that in this retrograde action we are fighting a backward fight in trying to hold the line to make the American dollar meaningful, not only in this country but also throughout the world.

The Economic Stabilization Act was designed to bring Federal employees into parity with their counterparts in industry. As a result of this, they have received an 81-percent increase in the last 10 years. But a 2-month's delay, amounting to approximately $80 for each Federal employee concerned, will contribute a lot to hold down inflation. This $350 million is important.

More than that, it would be a symbol to the rest of the country. I might say that the wage earners in the country have been very patient. It will be a symbol to them that we must all bear a fair share of the fight against inflation.

Four percent of the employees of the country are not necessarily going to precipitate the entire country into a 10-percent increase in December or a 10-percent increase now, but it will contribute to an overall inflationary effect.

I feel very strongly that the Federal employees I am acquainted with do need an increase, but I do not think it is unreasonable to ask that the increase be held up until December; if for no other reason than to demonstrate to the employees in private industry that we all share in this problem. I am also aware that once this inflationary move goes into effect, we can expect it to occur all over the country.

What is really the role of Congress in this situation? What role have we had? We profess that we are going to be fiscally responsible, that we are going to set a budget of our own, and that we are going to allocate the money available in that budget. But if we go over that budget, then we would have to say that this money has got to come out of new taxes; it is going to have to come from somebody else, because we just do not have it. In other words, it would have to come out of some other program. Or we will have to say that the money will have to come from the deficit that has been referred to so often. We increase the debt limit also for this purpose. We have got into the habit—in this body, anyway—of thinking that we are not vitally concerned with this. Last week, in this body we had an amendment come before us that would speed up social security from next spring to the present. The cost was estimated at $800 million. Why, we ran over each other trying to vote in favor of that measure. We could hardly wait to vote for it. No one said, "Are we going to increase the social security rates? Are we going to increase taxes now? Are we going to take this out of the general fund? Are we going to raise the debt limit?"

No. No one talks about the unpleasant parts. We want all the goodies. We want to vote for an increase in social security. We want to vote for all the benefits. But even when it comes to increasing the debt limit, everyone sits around here and says, "We cannot vote for the debt limit, because it is not our fault."

Well, if it is not our fault, whose fault is it? Whose responsibility? Who else votes on these questions?

So we have a fight on increasing the debt limit. We never take it away from someone else.

I, and others, are working on a program to have a congressional office of the budget. The distinguished Senator from Montana (Mr. METCALF) is the chairman of the subcommittee and I am the ranking minority member. We have put in a lot of time trying to put together a plan that will enable us to analyze our own budget. Many Senators have appeared at the hearings of the joint committee and before our subcommittee who think this is a good idea. But it is floundering. I do not believe it will get through this session and I question whether it ever will take effect. It seems to me we do not want fiscal responsibility here. We would rather be fiscal "junkies." Every kind of spending idea that comes along, we want to get in on it. We do not even want to talk about the unpleasant part about raising taxes, the distasteful aspect of raising the debt limit or taking it away from someone else in another program.

In the very bill we are interrupting now, we have the so-called recomputation. There are many retired military people who badly need the increase of recomputation. I might say that a person who purchased an insurance policy in the 1930's and the 1940's, expecting to retire on it, needs to be recomputated. Also, people in private pension plans, we can make a case for them. There is no reason why we should not be sympathetic to those people who would like to be recomputed. The cost of this is some $16 billion over the lives of the people we recompute, if we never recompute them again. But I would guess we would continue recomputing them year by year. But if we never recompute them again, it will cost $16 billion. Still no mention of where the money is coming from on the floor of the Senate.

I asked someone about that and he said, "Well, we have a firm assurance that it will be killed in the House." Mr. President, what kind of business is this? Is the Senate trying to fool our military people by voting for their bill with the assurance that we know it will be killed somewhere else? That is the phoniest argument I have ever heard. But it seems to be the practice.

Who says where the money is going to come from? We do not even talk about it. The very people who run over each other voting for an increase in the debt limit will say, "I have nothing to do with that. That is the fault of that criminal administration downtown which is responsible for all Government spending."

Well, Mr. President, let me point out that the executive branch cannot spend 1 cent that this body does not approve sooner or later.

When we talk about the rest of the economy, the average fellow employee who is affected by this raise now makes $13,000 plus $3,200 in fringe benefits. These are figures given me by the Bureau of the Budget. This is not the lower income group. We can call them blue-collar workers or whatever we want to, but if the people affected by this, the average Federal employees, are going to be put out by $80 in an effort to hold together the line on inflation, I think that is not unreasonable. The psychological impact upon the rest of industry and labor with the spendthrift image of Congress in their minds will have a tremendously greater effect on the overall inflationary pressures.

Yes, the raises of last January were put off, but within 12 months, and still have a substantial life which means 81 percent in 10 years.

What workingman in the shops has had an 81-percent pay increase in his job over a period of 10 years?

Mr. STEVENS. Mr. President, will the Senator from Ohio yield?

Mr. SAXBE. I yield.

Mr. STEVENS. Is the Senator familiar with the fact that the increase we are talking about in this resolution, which should go into effect October 1, is a recomputation based on comparability with pay raises that 93 percent of the employees of the country have already received? Here we are dealing with 7 percent of the employees of the country who have not received it. It is already a year behind in terms of comparability. Does the Senator realize that?

Mr. SAXBE. I realize that, of course. But I do not think it is 7 percent. It is nearer 4 percent.

Mr. STEVENS. Let me ask the Senator another question——

Mr. SAXBE. Let me say this to my good friend from Alaska, that I do not expect to change his vote, or any other vote; but I do think there are some things that should be said about spending in regard to wages. If the Senator will let me complete my remarks, as I have nothing to say that will be an affront to the Senator, then I shall be glad to yield to him.

Mr. President, the so-called spiraling inflation is a serious question. As I say, it is much more serious because there is a philosophy that is growing as a result of this inflation that should shock all of us.

Suppose the average blue-collar worker reaches the point where he is receiving $2,500 a month and his rent is $750 a month for what he is now paying $150 a month. In other words, inflation affects everyone, but worst of all, it hurts those we are trying to help here today.

Inflation is the most insidious thing that can affect our country.

Look at the countries that have fallen recently, like Chile. They have fallen because they were not able to control runaway inflation, which resulted in all kinds of civil disturbances.

Look at the results of inflation in countries that we had great hopes for becoming democratic countries. We have seen them go into controlled economies where inflation is no worry, where we see so many pounds of potatoes for a ruble or a dollar. They do not have to worry about inflation.

Some Senators went to Russia recently. I was one of them. We stayed in a prominent hotel. At 6 o'clock in the evening the dining room filled up with people. Every last table was occupied and every last chair was pulled out. The people came in at 6 o'clock. They went in and had dinner. There was a dance band there and everything.

I said, "My goodness, how can these people afford this kind of thing?" I asked, "How much does this cost?" I was told 85 rubles, which is about two and a half weeks pay for the average worker in Russia. I said, "These people are not in the higher income brackets." No, I was told, these are the people getting that pay, and they have to make their reservations 9 months ahead of time. They like to bring their wives to dinner. I wondered, how do they afford it? How can they spend their money there? Their rent is controlled. Their food is controlled, and their clothing is rationed. Their vacations are also controlled. They cannot buy an automobile. In other words, we do away with the marketplace when we have a controlled economy, but we also have done away with any effective control by people over their own lives as they would like to manage them. They turn them over to the government to manage for them.

Mr. President, this is not the time for a lengthy discussion on inflation, but what I am saying is that a controlled economy is the only successor to inflation. After a certain period of wildness one is then thrust into what must necessarily be a tightly controlled economy.

I am saying now that the President, in his effort to fight this retrograde action, to hold the line on this and hold the line on that, even though it will hurt certain groups of people now, it will hurt the building and loans this week, and the builders next week, and then the Federal employees, if we do this.

I acknowledge that, but it is going to mean that the dollar he gets is going to be worth something, not only this year but also next year. If we try to control this country out of the printing press, it is going to mean that there is no turning back. If Congress is not willing to exercise fiscal responsibility, no one else is going to do it.

We said earlier, before the military procurement bill came up, that we can increase social security, that we can do all these things, because we are going to take it out of the military procurement bill. We have seen how they are going to take it out of the military procurement bill. Everything has gone sailing through. In fact, we bought about another billion dollars worth of F–14's. We have added to the military procurement bill. Yesterday, there was an amendment for some troop cuts. It probably will not stand up. We have said all along that we are going to take it out of the military procurement bill and that we can afford some of these reckless things.

There are things for which we need to spend money in this country, and there are things we can afford to do without. But there is also the fact that if we are going to go beyond our budget, if we are going to spend money we do not have, we will have to do one of three things.

First, we will have to increase the taxes, and nobody wants to talk about that. I would go for an increase in taxes. I am a spender. I would like to give the Federal employees more money. But I would like to tax the people so that we would keep it from being inflationary.

Second, if we do not do that, we will have to take it from somebody else, and nobody takes it from somebody else in the Federal Government. We have programs 40 years old, and nobody knows what they do; but they just pump money into them because we have a bunch of bureaucrats telling us how important the programs are.

Third, we will have to increase the debt limit. The Office of Management and Budget would have to require that anybody who says, "We are going to increase this or that," would have to say, "We are doing one of these three things." Then, when they come back at the end of the year and ask for an increase in the debt limit, we could no longer hide and say, "There ain't nobody here but us chickens."

That is the way we act. Everybody stands up and says, "I had nothing to do with that. It's the spenders downtown." The old political trick of voting for all spending and against all taxes is finally coming back to haunt us. We are now in an inflationary spiral and are making it increasingly worse.

With respect to this measure, I say we should hold off for 2 months. It is going to pinch; it is going to hurt people who deserve the raise. But let us try to help the President in his fight to hold the line on inflation. I believe that, if nothing else, it could turn the corner in this country by being the psychological thing that demonstrates to the country that we are fiscally responsible and that we are going to try to hold the line.

Mr. President, the Federal Government pays its employees about $50 billion each year in direct wages and salaries. In addition, it pays $9 billion for fringe benefits. These are massive amounts, and they reflect not only huge employment but also the high wages the Federal employer pays.

What the President proposed—this 60-day deferral of yet another increase—will save the taxpayers $340 million. Now, it could be argued that in this arena of billions, the savings are small. But two points should be made. One is that because the work force is so immense, any penalty suffered by a particular employee is extremely small. Second, but even more important, this $340 million will have to come from somewhere else. It can come from a mental health clinic, a drug addiction center. It can come from a manpower training center or a veterans hospital. Or it can be an add-on to the Federal debt. Then it comes from every citizen's pocket through higher prices for everything he buys.

Does that make sense? Do we want to bust the budget by $340 million so the Federal employees can get their pay increase 2 months early, when they had an increase only last January? The President is trying to stay inside the budget. This resolution would undermine the budget to provide a small monetary gain to Federal workers. It should be defeated.

Mr. McGEE. Mr. President, I ask unanimous consent that an excerpt from the committee report be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

PURPOSE

The purpose of this Resolution is to express the disapproval of the Senate of the President's alternative pay plan sent to the Congress September 5, 1973. The alternative pay plan would postpone a pay adjustment for Federal employees from October 1, 1973, to December 1, 1973. Section 5305(c) of title 5 provides that the President may submit an alternative pay plan to Congress if he believes an October 1 pay adjustment is inappropriate because of economic conditions. It also provides that the President's alternative plan becomes effective unless either House of the Congress adopts a resolution within 30 calendar days of continuous session after the date on which the alternative plan is submitted. Approval by the Senate of this Resolution would thus have the effect of nullifying the President's postponement so that Federal employees would receive an October 1, 1973, pay adjustment, in accordance with the provisions of law, if the Resolution is adopted prior to that date. If this Resolution is adopted after October 1, the pay increase would become effective at the beginning of the first pay period on or after the adoption date.

BACKGROUND

In 1970 the Congress enacted the Federal Pay Comparability Act, the basic purpose of which was to divest Congress of what had become an almost annual exercise of considering and enacting Federal civilian pay adjustments. But the Act retains for Congress its historic policymaking authority in the matter of determining how Federal compensation shall be adjusted. Supporting the Comparability Act is the undergirding principle of comparability established by Congress as public policy in 1962—the principle which holds that Federal pay rates shall be comparable with private enterprise pay rates for the same levels of work (5 U.S.C. 5301).

Under the Comparability Act, the Bureau of Labor Statistics assembles data each spring comparing the pay rates of Federal employees with rates at the same levels of work in private enterprise. These findings form the basis of a report to the President from his agent recommending appropriate rate adjusments. The President has named the Office of Management and Budget and the Civil Service Commission as his agent. The Act establishes an independent impartial three-member Advisory Committee on Federal Pay appointed by the President from outside Government. The Advisory Committee assists the President in his purpose of carrying out policy as established by Congress when it adopted the comparability principle. The Committee reviews the report of the President's agent, considers additional views, and reports its recommendations to the President.

The law directs the President's agent to establish a five-member Federal Employees Pay Council to represent Federal employee organizations and to have meetings with the Council to hear its views and recommendations. The views of the Council may include the coverage of the annual BLS surveys, how the private-government pay rates are compared, and the most equitable percentage adjustment to be recommended to the President.

The President considers the report of the Civil Service Commission and the Office of Management and Budget together with the findings and recommendations of the Advisory Committee and adjusts statutory pay rates in accordance with the comparability principle. The adjustments are effective October 1. He sends to Congress a report of the pay adjustment and a copy of his agent's report and the recommendations of his Advisory Committee.

On September 5, 1973, the President sent a message to Congress transmitting an alternative plan postponing the adjustment until December 1. He said that his agent recommended a 4.77 percent increase and that this recommendation was being considered by his Advisory Committee, which had not yet advised him of its views of the percentage recommendation. He said he would decide on the size of the December 1 increase in late September, and he called on Federal employees to be prepared to make sacrifices in order to hold down inflation.

STATEMENT

In approving S. Res. 171, the Committee considered the President's reminder in his message on the need for sacrifice. "At a critical time in the economic health of our Nation," he said, "when many are being called on to make sacrifices in order to hold down inflation, no one should enjoy special immunity." The Committee agrees and offers the parallel view that no one group should be singled out as less worthy than others of catch-up relief made necessary by economic conditions apparently out of control. Private industry settlements this year resulting from collective bargaining have, in the main, been reasonable—on the order of 5 or 6 percent. Other Federal employees, the 600,000 postal workers whose representatives annually negotiate with management on pay, have received a 6.8 percent pay increase retroactive to July 26, a pay adjustment approved by the President's Cost of Living Council. Negotiations with the Postal employees were efficiently completed in short order. The difference in cost between a 4.77 percent increase for Federal statutory employees on October 1 as opposed to December 1 is $156.02 million, a paltry sum when compared to total Federal spending. The Committee does not believe that this amount, even when added to the $201.7 million cost of a military pay increase (which, under law, would follow) at the earlier date, would have a worsening effect upon the Nation's inflationary difficulties.

The Committee has taken note of the differences of opinion which have arisen between the Federal Employees Pay Council (the employee group appointed by the President's agent) and the agent (the Civil Service Commission and the Office of Management and Budget). The Council recommends a 5.47 percent increase, plus a cost-of-living supplement of $198 for each statutory employee without regard to salary. The Council bases its higher figures on the fact that since March, 1973, when the BLS survey was made, the Consumer Price Index has steadily risen (2.3 percent between March and July) and the annual inflation rate is much higher. The Committee expresses no views in this dispute, taking the position that the law should be the controlling factor: "Federal pay rates [shall] be comparable with private enterprise pay rates for the same levels of work." (5 U.S.C. 5301).

The Federal Pay Comparability Act of 1970, designed to provide periodic catch-up pay increases, which allow Federal employees to lag about six months behind the pay rates of comparable private-enterprise employees, obviously is not working as planned. This fact gives the Committee strong concern, suggestting the need for review of the procedures established by the Act. The chief difficulty is related to the fact that the "alternative-plan" provision of the Act, seen when the measure was acted upon as a safety valve to give the President some leeway in triggering a pay increase in times of national emergency or adverse economic conditions affecting the general welfare, is invoked almost every year by the President. His September 5 message marked the third time in three years he has submitted an alternative plan. The President proposed postponing a January 1, 1972 pay increase of 6.6 percent for a half-year. The Congress intervened and provided a 5.5 percent increase for January 1, 1972. He postponed the October 1, 1972 increase of 5.14 percent until January 1, 1973. And now again, he proposed a deferral. The Committee believes the postponement he now proposes, in all equity, should be nullified.

COST

Since the President has announced no percentage pay adjustment figure, it is impossible to compute the cost of adoption of this Resolution. However, if the 4.77 percent figure suggested by the President's agent is recommended, the differences between an October 1, 1973, effective date and a December 1, 1973, effective date are: Federal statutory employees, $156.2 million; military, $201.7 million.

This estimate is provided by the Civil Service Commission.

Mr. FONG. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Indiana (Mr. HARTKE) and the distinguished Senator from Alaska (Mr. STEVENS) be added as cosponsors of Senate Resolution 171.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of Senate Resolution 171: The Senator from West Virginia (Mr. RANDOLPH), the Senator from North Dakota (Mr. BURDICK), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Utah (Mr. MOSS)—all of whom are members of the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, what is the time situation?

The PRESIDING OFFICER. One minute remains until the time to resume the consideration of the unfinished business.

Mr. McGEE. Mr. President, the Senator from Ohio made an eloquent statement for a rigid and tough combating of inflation, and I buy that.

If the President would just say to us, "We are going to freeze all wages, all profits, and all interest rates; let us get with it," that would be one thing. But he set up a Price Control Board and a Cost of Living Board, and they have recommended 4-percent, 5-percent, 6-percent, and 7-percent wage increases because of increases in the cost of living. Only this white-collar group of Federal employees, for the most part, has been left out. All their colleagues have been included.

The President, himself, is not stopping the increases. He is simply deferring them to December 1.

Let us get tough and impose the freeze on all, or let us at least be willing to deal in equity and not to flout public law. Public law says that a decision has to be made by October 1, not that it should be deferred to December 1.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate resumed with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 544

Mr. STEVENS. Mr. President, I call up my amendment 544.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. —. Notwithstanding any other provision of law, under such regulations as the Secretary of Defense shall prescribe, where housing on any military installation is insufficient to provide quarters for all members of the Armed Forces (and their dependents) assigned to duty at such installation, all members assigned to duty at such installation and not furnished Government quarters shall be paid quarters allowances in the same amount without regard to grade.

Mr. STEVENS. Mr. President, while traveling abroad in recent weeks, I had occasion to speak with various young servicemen, and as a result of our discussions, I observed a very disturbing situation which has confronted junior enlisted members of the armed services for too long.

Married servicemen of the lowest military rank, or E–1, E–2, E–3, and E–4 with less than 2 years of service, stationed at high cost of living duty assignments throughout the world, are unable to provide their wives and children with adequate housing facilities in situations where on-base housing is unavailable and the serviceman's family chooses to join him at his duty station. There are presently about 23,000 junior enlisted servicemen oversea who have transported their wives, and in some cases, their children, to their duty station at their own expense. Once a serviceman of low grade is accompanied by his wife and family to a particular duty station, and on-base housing is unavailable, he is faced with renting suitable accommodations in inflated housing markets on quarters allowances which are not commensurate with his housing needs, if he receives them at all.

To provide an eventual remedy to this situation and to accomplish an adequate subsistence for housing for all military personnel, I have offered an amendment—and I have a substitute for it—to the military procurement authorization bill which will direct the Secretary of Defense to study the present payment of housing allotments and quarters allowances for military personnel and their dependents where on-base housing is unavailable.

Congress recently passed amendments to make permanent certain provisions of the Dependents Assistance Act of 1950. That act, as amended, now provides for payment of amounts to military personnel for basic allowances for quarters.

I ask unanimous consent to have printed in the Record a table of allowances, showing the allowance with dependents and without dependents.

There being no objection, the table was ordered to be printed in the Record, as follows:

	With dependents	Without dependents
E–1	105.00	60.00
E–2	105.00	63.90
E–3	105.00	72.30
E–4	121.50	81.60
E–5	138.60	92.70
E–6	150.00	95.70
E–7	161.40	104.70
E–8	172.20	122.10
E–9	184.20	130.80
W–1	160.80	123.90
W–2	173.70	137.10
W–3	191.70	155.40
W–4	207.90	172.50
0–1	141.60	108.90
0–2	175.80	138.60
0–3	195.60	158.40
0–4	215.40	178.80
0–5	238.80	198.30
0–6	258.30	211.80
0–7	288.00	230.40
0–8	288.00	230.40
0–9	288.00	230.40
0–10	288.00	230.40

Mr. STEVENS. An E–1 receives a $60 allowance, off-base, without dependents; $105 with dependents. The top of the allowance scale is $288 with dependents and $230 without dependents.

It seems strange to me that a serviceman in the lower ranks, with dependents, would receive less money for allowance for quarters off-base than a person without dependents, without regard to what his rank would be.

The purpose of my amendment is to require that the allowances—off-base housing allowances, in particular—be paid without regard to military grade.

At present, military personnel above E–4 are provided cost-of-living allowances at overseas duty stations with inflated costs of living. The provisions of 37 U.S.C. 402 et seq., permit the payment of allotments for travel costs, shipment of household goods, trailer allowances, dislocation allowances, oversea station allowances, the shipment of privately owned vehicles, and tax advantages, all at Government expense.

Mr. President, junior enlisted personnel do not receive these benefits. The evidence of inequity to junior enlisted military personnel is further amplified by observing the differences between the housing payments and benefits allotted to junior enlisted personnel and senior grade personnel. In high cost of living stations, such as Germany and in various duty stations in the United States, where on-base housing is unavailable, low grade military personnel with dependents must move to off-base housing and be subject to the same housing market regardless of rank or housing requirements. This situation poses a distinct disadvantage and hardship to lower grade servicemen because they are paid quarters allowances on the basis of rank and long term commitment to the military rather than on the basis of housing requirements. Consequently, an E–2 with a wife and children receives significantly less in quarters allowances and housing benefits than bachelor senior grade personnel.

This practice of failing to adequately compensate junior enlisted military personnel for off-base housing where on-base housing is unavailable has resulted in inadequate living conditions for a significant segment of the military population of junior enlisted personnel.

I have a feeling it has a great deal to do with turnover and the lack of reenlistment of people in these ranks.

Therefore, I consider it necessary to analyze the existing military quarters and housing compensation system in depth so that the inequities which have persisted may soon be revised and junior enlisted personnel may be afforded adequate housing allowances in lieu of on-base housing.

My amendment provides for a mandated study by the Secretary of Defense to revise the differentials of the existing housing compensation system, and requires that the Secretary place particular emphasis on the compensation of military personnel for off-base housing. The amendment further directs the Secretary to complete the study within 4 months after its enactment and submit a Department of Defense proposed method to accomplish the system improvement objectives to Congress. By the submission of this study by the Secretary, the Congress will be able to analyze the inequities in compensation paid to junior enlisted personnel for off-base housing, and either accept or modify the conclusions, recommendations, and analysis of the Secretary for appropriate revision to the existing housing compensation system.

Mr. President, in particular, in Germany I visited four young enlisted men with dependents who were living off base because quarters were not available. They were not available primarily because they were not given any allowances for their families. They were really not permitted to have their families with them in accordance with military regulation but most of them had just been married and had taken their wives with them. Several of them had children that had been born in Germany, very young children. It seemed to me that the conditions they were living in were probably the worst I have seen at any military base.

In one instance a couple had two children in a cold water, third floor, walk-up flat. They did not have any transportation and the young man had to walk back and forth to the base 5 miles a day because his income was just sufficient to pay for the housing and food. They had no life at all except in that cold water, walk-up flat. They had made the decision they were going to stay together in spite of the Army, which I think is a decision we should encourage. It is up to Congress to see to it that these young men, and particularly these young families, receive the money they need to live on in accordance with the standards we expect of our services.

I have discussed this amendment with the manager of the bill.

At this time I wish to send to the desk a substitute for my amendment No. 544.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to modify his amendment?

Mr. STEVENS. Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. Is there objection to the modification? If not, the amendment is so modified. The amendment as modified will be stated.

The assistant legislative clerk proceeded to read the amendment as modified.

Mr. STEVENS. Mr. President, I already have explained the amendment and I ask that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment ordered to be printed in the Record is as follows:

At the appropriate place in the bill insert a new section as follows:

Sec. —. The Secretary of Defense shall conduct a comprehensive study and investigation of the present system for the payment of quarters allowances, station housing allowances, and station cost-of-living allowances to members of the armed forces and report the result of such study and investigation to the Congress not later than four months after the date of enactment of this Act together with such recommendations for the improvement of such system as he deems appropriate. He shall specifically include in such report suggestions for a system that will (1) provide for the payment of quarters allowances, station housing allowances, and station cost-of-living allowances to all military personnel having the same number of dependents where adequate quarters are not furnished by the Government for such personnel and their dependents, and (2) provide for the payment of station housing allowances and cost-of-living allowances to all junior enlisted personnel in cases where such personnel are permanently assigned to any duty station for more than 6 months.

Mr. THURMOND. Mr. President, I have talked with the distinguished Senator from Alaska about this amendment. There is no question about the housing situation. It is one that deserves great consideration. So far as we are concerned on this side we are willing to take the amendment to conference. It merely provides for a study and it could result in a great improvement in the situation. I hope it will be accepted on the other side.

Mr. SYMINGTON. Mr. President, I have discussed this matter with the distinguished Senator from Alaska and also with the ranking minority member of the committee. We are prepared to accept the amendment on our side.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. STEVENS. Mr. President, I appreciate the courtesy of the manager of the bill and the ranking Republican member on the committee.

Before yielding back my time I wish to say this. I understand the circumstances of this bill this year. I am quite hopeful from the discussions that the amendment will survive in conference to tell the Department of Defense to get on with their review of this matter. I know they have a study coming up through the Department of Defense and I know they are proceeding along the same line of providing off-base allowances, based on rank.

As far as I am concerned, that concept of housing with respect to on-base housing is one thing, but when personnel go off base it seems to me the problem of the serviceman's needs should be considered first, and not his rank.

An E-1 with children obviously cannot get quarters with the allowance he has today, nor will he anywhere in the world, with the declining value of the dollar, as long as they give a bachelor colonel almost three times as much as the E-1 gets, when the E-1 has greater need for housing for his family.

I hope this measure survives conference and if it is not straightened out, next year when this bill comes up I intend to press very hard for a congressionally mandated system that provides for the need without regard to rank.

Mr. President, I yield back the remainder of my time.

Mr. THURMOND. I yield back our time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Alaska, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The Senate will now proceed to the consideration of the Clark amendment, No. 519, on which there is 4 hours for debate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that consideration of that amendment be temporarily delayed. Senator CLARK is away from the Senate due to a death in his family.

LEAVE OF ABSENCE

Mr. President, I ask unanimous consent at this time—and this is a request I should have made yesterday—that under rule V Mr. CLARK be given a leave of absence from the Senate on yesterday and today because of a death in his family.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. But probably he will be back by 12 o'clock or 1 o'clock today and we can then proceed with his amendment.

QUORUM CALL

Mr. President, in the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on an amendment by Mr. JACKSON to provide four star rank to Admiral Rickover, there be a time limitation of 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that on an amendment by Mr. JACKSON providing extension of military sales to Israel to the year 1975, there be a time limitation thereon of 1 hour, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADMIRAL RICKOVER

Mr. JACKSON. Mr. President, I send an amendment to the desk, which I ask to be read.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk read the amendment, as follows:

> At the appropriate place in the bill insert a new section as follows:
>
> SEC. —. In recognition of the vital contribution of Vice Admiral Hyman G. Rickover (United States Navy retired) to our national defense and in special recognition of his invaluable guidance, initiative, and perseverance in developing the nuclear submarine, the President is authorized to appoint the said Hyman G. Rickover to the grade of admiral on the retired list with all the rights, privileges, benefits, pay and allowances provided by law for officers appointed to such grade.

Mr. JACKSON. Mr. President, the amendment to H.R. 9286 which I have just sent to the desk regarding Admiral Rickover is identical in language to the bill, H.R. 1717, which has already passed the House.

In substance, what this bill does is to authorize the President to appoint Admiral Rickover, who is a vice admiral, to the grade of admiral. While in an active status, Admiral Rickover would draw the full pay and allowances of any other officer in the grade of admiral.

When he leaves active service he would be treated like any other retired four star admiral and receive the appropriate percentage of the basic pay of that grade.

As a technical matter, Mr. President, Admiral Rickover is on the official "retired list" but at the same time is on active duty. When he leaves active duty, he would still be on the retired list in the grade of full admiral under the authority of this legislation.

As a matter of legislative history, Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the House report on this matter, which among other things, indicates the strong support of the Navy for this legislation, together with the text of H.R. 1717 to authorize the President to appoint Vice Adm. Hyman G. Rickover, U.S. Navy retired, to the grade of admiral on the retired list.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

> The purpose of the bill is to authorize the President to appoint Vice Admiral Hyman G. Rickover, United States Navy, retired, to the grade of admiral on the retired list.
>
> Passage of the bill would be recognition by the Congress and the President of the singular contribution that Admiral Rickover has made to national defense and particularly the initiative and perseverance he has shown in bringing about the development of the nuclear submarine. Admiral Rickover's great achievements are well known to the Members of Congress and to his countrymen. He is a unique American whose indomitable drive enabled the United States to develop and deploy an invulnerable undersea nuclear deterrent.
>
> Admiral Rickover's present status is that of an officer on the retired list who has been recalled to active duty. He originally retired on February 1, 1964, and was recalled to active duty on the orders of the President. As a retired officer, he is ineligible for consideration for promotion under the normal selection procedures.
>
> The Committee on Armed Services appreciates that promoting a man to a rank above what his billet would normally call for and in a manner which may cause asymmetry of rank within the chain of command can be justified only in very exceptional circumstances. The committee certainly does not intend for the present bill to create a precedent. However, Admiral Rickover's situation is certainly very exceptional; and this additional recognition by the Congress and the country is singularly well deserved. Admiral Rickover has served in his position for an extended period and has served with great distinction.
>
> The admiral has been many times honored. (A list of his awards and honorary degrees is included further on in this report.) However, the committee believes that the most appropriate honor for him is to achieve the highest rank in the military service to which he has given his life and to have that honor

bestowed on the initiative of the Congress of the United States.

Admiral Rickover was born on January 27, 1900, and graduated from the U.S. Naval Academy in 1922. He received an M.S. (Electrical Engineering) degree from Columbia University in 1929. In 1937 he was selected for "engineering duty only." He was assigned to nuclear-propulsion development in 1947 and since that year has been in charge of the Navy's nuclear ship propulsion program, now within the Naval Ships Systems Command. Since 1949 Admiral Rickover has been Director, Division of Naval Reactors, U.S. Atomic Energy Commission, in charge of the AEC's naval reactors program.

MILITARY MEDALS HELD BY ADMIRAL RICKOVER

Gold Star in lieu of a Second Distinguished Service Medal. (Awarded by the Secretary of the Navy)—February 13, 1964.

Navy Distinguished Service Medal, New London, Connecticut—January 17, 1961.

Gold Star in lieu of a Second Legion of Merit—July 7, 1952.

Legion of Merit, "For exceptionally meritorious conduct"—as Head of the Electrical Section of Bureau of Ships—February 7, 1946.

Letter of Commendation from War Department, with authorization to wear the Oak Leaf Cluster on his Commendation Ribbon—1946.

"For outstanding service in connection with the development of the Atomic Bomb" as Assistant Director of Operations, Manhattan District.

Letter of Commendation with authorization to wear the Commendation Ribbon from Commander in Chief, U.S. Pacific Fleet—1945.

China Service Medal—1937.

American Campaign Medal, American Defense Service Medal, Asiatic Victory Medal, National Defense Service Medal, Navy Occupation Service Medal, World War II Victory Medal, World War I Victory Medal.

Honorary Commander, of the Military Division of the Most Excellent Order of the British Empire—1946.

AWARDS PRESENTED TO ADMIRAL RICKOVER

Certificate of Distinguished Service, National Navy Club—1954.

ASME—George Westinghouse Gold Medal, American Society of Mechanical Engineers, Boston, Massachusetts—June 21, 1955.

Egleston Medal Award, Columbia Engineering School Alumni Association, Columbia University, New York, New York—April 28, 1955.

International Communication Award, "Christopher Columbus" for 1957, Genoa, Italy—October 12, 1957.

Meritorious Award, Navy League of the United States, San Francisco, California—May 2, 1958.

High School Teachers Education Award, High School Teachers Association of New York City (Presented at Rhodes School)—June 26 1958.

Citation, Quincy Chamber of Commerce, Quincy, Massachusetts—July 11, 1958.

Michael I. Pupin 100th Anniversary Medal, Columbia University Forum, New York, New York—October 23, 1958.

Theodore Roosevelt Distinguished Service Medal, Theodore Roosevelt Association, New York, New York—October 27, 1958.

Gold Medal of Honor, Army & Navy Union, U.S.A., Akron Ohio—November 10, 1958.

Bicentennial Science Award, City College Chemistry Alumni Association, New York, New York—December 29, 1958.

Golden Legion Award, Seashore Council of the American Legion, Atlantic City, New Jersey—January 24, 1959.

Special Gold Medal, United States Congress—April 15, 1959.

Gold Award of Merit and Citation, Veterans of Foreign Wars, (presented at Los Angeles, California)—September 13, 1959.

Electronics Institute Science Award Detroit, Michigan—September 12, 1959.

Meritorious Service Medal, National League of Masonic Clubs, New York, New York—October 9, 1969.

Golden Omega Award, National Conference on the Application of Electrical Insulation, Washington, D.C.—December 8, 1959.

Citation for Distinguished Public Service, American Bill of Rights Day Association, New York, New York—December 15, 1959.

Award for Notable Achievement Advertising Club of New York, New York, New York—December 30, 1959.

Award for Distinguished Achievement, Golden Slipper Square Club, Philadelphia, Pennsylvania—January 6, 1960.

Citation, The American Legion, Department of Illinois, Bloomington, Illinois—January 26, 1960.

Wendel L. Willkie Award, Willkie Foundation for Leadership, Indiana University, Bloomington, Indiana—March 20, 1960.

Gold Medal for Distinguished Achievement, Holland Society of New York, New York, New York—October 28, 1960.

Patriotism Award, University of Notre Dame, Notre Dame, Indiana—February 22, 1961.

Silver Helmet Defense Award, AMVETS, Washington, D.C.—March 31, 1962.

Freedom Award, The Order of Lafayette, New York, New York—December 3, 1962.

"Uncle Sam" Sesquicentennial Medallion, Schenectady, New York—December 21, 1962.

International Platform Association Award, (presented in Wash., D.C.—a silver bowl)—October 24, 1963.

Heart of the Year Award, American Heart Association, Inc., (presented at the White House)—January 30, 1964.

George Washington Honor Medal Award, Freedoms Foundation at Valley Forge, Valley Forge, Pennsylvania—April 13, 1964.

Christopher Columbus Award, Columbus, Ohio—October 10, 1964.

Enrico Fermi Award, Given by the U.S. Atomic Energy Commission, (Presented at White House by President)—January 14, 1965.

Prometheus Award, National Electrical Manufacturers Association, (Presented in Washington, D.C.)—November 9, 1965.

Gold Good Citizenship Medal, Sons of the American Revolution, (Presented at West Point)—April 30, 1966.

Franklin Award for Distinguished Service, Printing Industries of Metropolitan New York—January 16, 1967.

Membership, National Academy of Engineering—1967.

The Newcomen Medal, The Newcomen Society in N. America, at the Franklin Institute, Philadelphia, Pa.—January 16, 1969.

Honorary Membership, Western Society of Engineers, Chicago, Illinois 1970.

The Washington Award Medal, Western Society of Engineers, Chicago, Illinois—February 25, 1970.

Steuben Society of America, 5th "Steuben Society of America Award To An Outstanding American," New York, New York—May 23, 1970.

Honorary Naval Aviator, Washington, D.C.—July 21, 1970.

The General Leslie R. Groves Gold Medal Award, The American Ordnance Association, New York, New York—November 17, 1971.

Admiral H. G. Rickover Junior High School, Sauk Village, Illinois—1971.

HONORARY DEGREES OF ADMIRAL RICKOVER

Doctor of Laws—Honoris Causa, Syracuse University, Syracuse, New York—June 7, 1954.

Doctor of Science, Williams College, Williamstown, Massachusetts—June 13, 1954.

Doctor of Science—Honoris Causa, Colby College, Waterville, Maine—June 15, 1954.

Master of Science—Honorary Bradford Durfee Technical Institute, Fall River, Massachusetts—June 6, 1955.

Doctor of Engineering—Honoris Causa, Drexel Institute of Technology, Philadelphia, Pennsylvania—June 18, 1955.

Doctor of Engineering, Polytechnic Institute of Brooklyn, Brooklyn, New York—April 19, 1958.

Doctor of Science—Honoris Causa, Stevens Institute of Technology, Hoboken, New Jersey—June 14, 1958.

Doctor of Laws—Honoris Causa, Allegheny College, Meadville, Pennsylvania—June 8, 1959.

Doctor of Science—Honoris Causa, Columbia University, New York, New York—June 1, 1960.

Doctor of Science—Honorary, Georgetown University, Washington, D.C.—March 19, 1964.

Doctor of Laws (Honoris causa), University of Birmingham, Birmingham, England—July 16, 1965.

Doctor of Science, University of Denver, Denver, Colorado—June 11, 1969.

PUBLICATIONS OF ADMIRAL RICKOVER

(In addition to numerous articles)

Education and Freedom (1959), E. P. Dutton and Company.

Swiss Schools and Ours: Why Theirs Are Better (1962) Little, Brown and Company (under auspices Council for Basic Education).

American Education—A National Failure (1963), E. P. Dutton and Company.

Eminent Americans—Namesakes of the Polaris Submarine Fleet (1972), U.S. Government Printing Office.

Report on Russia (1959), Committee on Appropriations, House of Representatives.

Education for All Children: What We Can Learn From England (1962), Committee on Appropriations, House of Representatives.

FISCAL DATA

Enactment of this bill will result in no increase in the budgetary requirements of the Department of Defense.

DEVELOPMENTAL DATA

The Department of Defense reported favorably on the proposed legislation as is indicated in the following letter, which is hereby made a part of this report:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., April 30, 1973.

Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Your request for comment on H.R. 1717 a bill to authorize the President to appoint Vice Adm. Hyman G. Rickover, U.S. Navy retired, to the grade of admiral on the retired list, has been assigned to this Department by the Secretary of Defense for the preparation of a report expressing the views of the Department of Defense.

The bill would authorize the President to appoint Vice Adm. Hyman G. Rickover (U.S. Navy retired) to the grade of admiral on the retired list with all the rights, privileges, benefits, pay and allowances provided by law for officers appointed to such grade.

As stated in the bill, Vice Adm. Rickover has made a vital contribution to our national defense and his assistance in the development of nuclear submarines has been invaluable.

In view of the foregoing the Department of the Navy, on behalf of the Department of Defense, strongly recommends enactment of this legislation.

The Office of Management and Budget advises that, there is no objection to the presentation of this report on H.R. 1717 for the consideration of the committee.

Sincerely yours,
JOHN W. WARNER,
Secretary of the Navy.

COMMITTEE POSITION

The Committee on Armed Services, on June 14, 1973, a quorum being present, approved the bill and recommends its enactment.

SUMMARY

The purpose of H.R. 1717 is to authorize the President to appoint Vice Adm. Hyman G. Rickover, USN, retired, to the grade of admiral on the retired list.

FISCAL DATA

There will be no increase in budgetary requirements of the Department of Defense as a result of enactment of the bill.

COMMITTEE POSITION

The Committee on Armed Services, on June 14, 1973, a quorum being present, recommended enactment of the bill without amendment.

H.R. 1717

An act to authorize the President to appoint Vice Admiral Hyman G. Rickover, United States Navy retired, to the grade of admiral on the retired list

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of Vice Admiral Hyman G. Rickover (United States Navy retired) to our national defense and in special recognition of his invaluable guidance, initiative, and perseverance in developing the nuclear submarine, the President is authorized to appoint the said Hyman G. Rickover to the grade of admiral on the retired list with all the rights, privileges, benefits, pay and allowances provided by law for officers appointed to such grade.

Mr. JACKSON. Mr. President, I do not think that there is any need to detain the Senate in an explanation of this measure. I think it is long past due. I would strongly urge that the Senate agree to the amendment.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. SYMINGTON. Mr. President, is it not customary for the President to send up nominations of this character?

Mr. JACKSON. That is true. However, may I say that Admiral Rickover's career has not been a normal one.

I recall in 1953 when the Navy passed him over for the second time as captain to be promoted to admiral. The first thing I did as a Member of the Senate, having come to the Senate in 1953, was to ask the chairman of the Senate Armed Services Committee, at that time former Senator Saltonstall, for an inquiry into the matter. The upshot of that inquiry was that the man who received Admiral Rickover's slot, for engineering duty only, was an officer in the Navy who had pooh-poohed the whole idea of a nuclear submarine. He was promoted to admiral. As a matter of fact, this particular person had written a memorandum saying that it would take many, many years to get a nuclear submarine when, in fact, at that time—that is, at the time the promotion was up—the *Nautilus* had gone to sea.

The Navy selection system, as the Senator will recall, was sorely tested. And I pointed out that if that is the way the selection system worked, we had better have a new one.

I believe the history of Admiral Rickover's service to the Navy and to the country is such that it warrants this action. I think there is ample precedent for a move of this kind.

As the Senator knows, here is a man who would not have continued to render service, a man who did not need to. However, he has dedicated his life to the Navy. He is 73 years of age. He has suffered two or three heart attacks. He gives away all of his earnings from speeches and from writing. He is the most selfless man that I know of in the service of the Nation.

I feel very deeply that something of this kind is long past due. And the Congress constitutionally does have authority to act.

I know that the Senator from Missouri has been outspoken concerning the fact that Congress ought to exercise its own authority more often.

That is what we are doing here today, Mr. President. I think it is the right thing to do. I do not think that we should wait until it goes through the Pentagon for recommendation. The Navy has recommended this legislation and supports it. The House has already passed an act to accomplish this.

Mr. SYMINGTON. Let me say to my friend from Washington, as he remembers, I joined with him and with Representative Yates of Illinois at that time to block the retirement. If we had permitted his retirement, we would not have had his services over the years. I think that was a wise and constructive move, at that time.

Mr. JACKSON. Mr. President, the Senator from Missouri was most helpful at that time.

Mr. SYMINGTON. I tried to be. This is a different situation. I am not saying I would vote against him at this time, but I am getting increasingly worried about the political operations of various admirals and generals.

We have a general in the White House now. I understand he is a fine and able man. I do not know him well. He went from colonel to four-star general in 4 short years after becoming associated with the White House.

Does not the Senator believe, instead of Congress taking over the promotion list, this nomination should be sent up by the President and passed upon by the Armed Services Committee? Should it not be handled in that manner?

Mr. JACKSON. Mr. President, I mentioned this before in the Armed Services Committee. I said that I was going to offer it on the floor, that I did not want to take up the time of the committee. I did mention it before and said that I would offer it as an amendment on the bill.

Mr. SYMINGTON. Mr. President, under normal circumstances it ought to be taken up in the regular fashion. His name ought to be sent up by the executive branch instead of being handled in this manner. I want the Senator from Washington to know how I feel about this nomination.

Mr. JACKSON. I fully understand. However, I point out that the executive branch failed to send up his name in 1953 until after we had made our views up here in Congress unmistakably clear. If we had not acted at that time, we would have lost his valuable service to the Nation over the past 20 years.

Mr. President, I am happy to yield to the distinguished senior Senator from Rhode Island.

Mr. PASTORE. Mr. President, I certainly want to associate myself with the remarks of the distinguished Senator from Washington.

I have a very sentimental attachment for what we are doing here today.

In my humble opinion, to know Admiral Rickover is to not only respect him, but also to admire him.

Admiral Rickover is now in the twilight years of his life. He has already been extended beyond his retirement time two or three times. He has acceded to the request of the Government to continue in the position he now occupies.

Admiral Rickover is the father of our nuclear Navy. Our nuclear Navy, and especially our underwater Navy, is the first line of defense of our Nation. Here is a man who has given his entire life to his country. In my opinion he exemplifies what a great American should be.

He was poor. He comes from a very poor beginning. He is still very poor, because his ambition in life has not been to accumulate wealth, but to serve his country. And that he has done every waking moment of his life. He is a member of the U.S. Navy and is serving his country.

There is no accolade we can give to this man beyond the fact that at this time in life he be given his four stars. How long he will be able to enjoy them, none of us know. However, the fact remains that this should be the crowning jewel in his career.

Here is a man who, because of his religion, regardless of his outstanding performance in the service of his country, has been buffeted around. Here is a man for whom we should stand up and say, "We pat you on the back for what you have done. We love you as a great American, and we love you as an individual. You ought to have the four stars."

Mr. JACKSON. Mr. President, I wish to say that that is a beautiful statement.

I would add that Admiral Rickover's career is a Horatio Alger story.

Mr. PASTORE. It is the story of America.

Mr. JACKSON. The Senator is correct. Admiral Rickover came to the United States from an area of Poland that is now part of Russia at a time when he was 4 years old. His father worked at the tailor's bench until he was 84 years of age.

Mr. PASTORE. That is part of the reason that I have a sentimental attachment for him. My father was a tailor, too.

Mr. JACKSON. That is why I mentioned it.

Mr. President, I yield now to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to support the amendment of the distinguished Senator from Washington.

I would feel honored if the Senator from Washington would see fit to add my name as a cosponsor of his amendment.

Mr. JACKSON. Mr. President, I ask unanimous consent that the names of the Senator from South Carolina (Mr.

THURMOND), the Senator from Rhode Island (Mr. PASTORE), the Senator from Vermont (Mr. AIKEN), and the Senator from Texas (Mr. TOWER) be listed as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, normally I would not favor this procedure. It is customary for the President of the United States to send down to the Senate nominations for promotion in the armed services. It is customary for the armed services to consider these recommendations for promotion, and then to act thereon, and after they act the matter comes to the Senate.

However, this is such an unusual case that I favor taking action at this time. I do not know of a man in the armed services today for whom I would favor suspending all these procedures in the matter of promotion except Admiral Rickover.

Mr. President, I say that because Admiral Rickover, in my judgment, is the greatest nuclear expert in the world. I know of no one anywhere, in any country, who is as knowledgeable on nuclear matters as is Admiral Rickover. I know of no one anywhere who has rendered as much service to his country in supporting the armed services and a strong defense program and in promoting nuclear submarines and nuclear ships as Admiral Rickover. In my judgment, he is a superb man.

In my judgment, we are fortunate to have this gentleman, who was born in another country, who has come here and worked his way up and, because he did not follow tradition exactly, maybe, at times, he was neglected and, as someone said, he was kicked about. But this gentleman has risen and risen in the esteem of the Members of Congress and of the American people. He has done that because he has proved that he possesses the qualities that make great men.

What are those qualities? First of all is character. Admiral Rickover has an unblemished character. He has been through the fire, so to speak. He has proven that he can be stable and sound under all conditions, even though he has had almost to go up against the wall at times.

Next, Mr. President, Admiral Rickover has shown tremendous courage in what he has done. He has had to go against his superiors. His superiors, in many cases, did not have the vision and foresight he had, and therefore he had to oppose them in what he was doing for the good of the American people, to keep America first and foremost in the nuclear field in the world.

Then, Mr. President, his great capacity has been demonstrated by his work. I have talked with this man. I have worked with this man. I have never known a man more dedicated to his cause and to helping the people as a whole.

I remember some years ago I read an article by him on education. I did not know him too well then. I was so impressed that I wrote him a letter and got in touch with him, and I was amazed at the knowledge this man had in educational matters. He was pointing out that the Soviet Union was getting ahead of the United States in the matter of training scientists and skilled people.

He was pointing out that America was not going forward like the Soviet Union in training scientists and engineers, and the people we needed to keep this country ahead from a military and scientific standpoint.

Mr. President, I do not know of any other man I have ever met who has impressed me more with his dedication, with his character, with his capacity, or with his courage. Above all, he is a gentleman. I have never known a man who is more courageous or more humble. When you are around Admiral Rickover, he is so humble that he appears as if he wanted to be a servant; and that is truly what he wants to be. He wants to be a servant of this country and of his people. This man possesses the attributes of a gentleman in every sense of the word. He is a great man, an able admiral, and an outstanding citizen, and in my judgment we will do honor to a person who eminently deserves to be honored if Congress sees fit to promote him to four star rank. I am pleased to join in this action, and to join as a cosponsor of the amendment.

Mr. THURMOND subsequently said: Mr. President, this morning I joined Senator JACKSON to sponsor an amendment to the military procurement authorization bill to promote Vice Adm. Hyman George Rickover to four star, full admiral.

In support of my previous remarks today to recommend Admiral Rickover for promotion in recognition of his unparallelled achievements, it is appropriate to insert in the CONGRESSIONAL RECORD a complete biography of Admiral Rickover's distinguished service to our Nation and a record of his outstanding accomplishments.

Mr. President, I ask unanimous consent for the biography of Admiral Rickover to be printed in the CONGRESSIONAL RECORD at the conclusion of my previous remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

VICE ADM. HYMAN GEORGE RICKOVER, U.S.N.

Vice Admiral H. G. Rickover is considered by many to be the outstanding naval engineer of this century.

He graduated from the Naval Academy on June 2, 1922. In 1929 he received the degree of Master of Science in Electrical Engineering from Columbia University. He served many tours of sea duty as a general line officer before being designated for Engineering Duty in 1937. These sea tours included, among others, qualification to command submarines, duty as Engineer Officer of the battleship *New Mexico*, and command of the USS *Finch* on the Asiatic station.

In June 1939 he was assigned to the Bureau of Ships in Washington where he remained throughout the greater part of World War II as head of the Electrical Section of the Bureau of Ships. The Navy awarded him the Legion of Merit for his outstanding work:

"Overcoming tremendous procurement difficulties created by shortages in materials, manpower and manufacturing facilities at a time when an unprecedented increase in production of electrical equipment was required to meet the needs of our rapidly expanding Navy, Captain Rickover rendered invaluable service in obtaining competent engineers to man the Electrical Section, in determining the raw materials required, in scheduling and expediting production and in providing adequate manufacturing facilities for all electric power and lighting equipment necessary for the Navy's shipbuilding and maintenance program. Working with foresight and ability, he brought about continual improvements in electrical equipment to meet the developing and expanding needs of modern naval warfare, thereby contributing to the increased military effectiveness of the vessels of the fleet and to the successful prosecution of the war."

The British considered his work "of the very greatest value to the Admiralty" and made him an Honorary Commander of the Military Division of the Most Excellent Order of the British Empire.

In 1946 then Captain Rickover was assigned to the Manhattan Project at Oak Ridge, Tennessee to learn the nuclear technology which had been developed to that time and to determine what steps would be necessary to develop nuclear propulsion for naval ships. He has been the man in charge of the naval nuclear propulsion program ever since. For the first five years of his work in nuclear propulsion for the Navy, the Secretary of the Navy, in July 1952, presented him with a Gold Star in lieu of a Second Legion of Merit:

"Displaying exceptional talents in the field of Mobile Power Reactors and exercising unceasing drive and energy, Captain Rickover more than any other individual, is responsible for the rapid development of the nuclear ship program. He has held tenaciously to a single important goal through discouraging frustration and opposition and has consistently advanced the submarine thermal reactor well beyond all expectations; his efforts have led to the laying of the keel of the world's first nuclear powered ship well in advance of its original schedule. His careful and accurate planning, his technical knowledge and his ability to clarify and resolve problems arising between the Atomic Energy Commission, the Bureau of Ships and civilian contractors, have proven a contribution of inestimable value to the country's security and reflect great credit upon Captain Rickover and the United States Naval Service."

In addition to his contributions to the development of the nuclear Navy, Admiral Rickover also led the scientific, technical and industrial team which developed and constructed the Shippingport Pressurized Water Reactor (PWR) at Shippingport, Pennsylvania, the first nuclear powered electric utility central station in the United States. The Shippingport project was first authorized in July 1953. Official ground breaking took place September 6, 1954, when President Eisenhower closed an electrical circuit in Denver which started an unmanned bulldozer at the Shippingport site. The station achieved initial criticality on December 2, 1957, exactly 15 years after the initial chain reaction achieved by Enrico Fermi in Chicago. On December 18, 1957, the Shippingport Atomic Power Station began supplying electricity to the Duquesne Light Company, serving the Greater Pittsburgh, Pennsylvania area.

The technology developed under Admiral Rickover's leadership in the Shippingport Program has provided most of the basic technology upon which the present day nuclear power program in the United States is founded. Admiral Rickover is currently in charge of the development of an advanced core for the Shippingport plant called the Light Water Breeder Reactor (LWBR). This reactor core which will be installed in 1975 is expected to demonstrate breeding of more new fuel than is burned during operation of the reactor core. This core uses the thorium-uranium-233 fuel system. Since the LWBR concept is based on the proved technology of the pressurized light water system, it is the only reactor system that promises significant improvement in fuel utilization while being devoid of many of the technical problems that must be solved to obtain high fuel utilization using other systems.

On August 28, 1958, the President approved a Joint Congressional Resolution to award Admiral Rickover a Gold Medal in recognition of his achievements "in successfully directing the development and construction of the world's first nuclear-powered ships and the first large-scale nuclear powered reactor devoted exclusively to production of electricity." He was promoted to the rank of Vice Admiral to rank from October 24, 1958.

Six years after the USS Nautilus first signaled "Underway on nuclear power," the Secretary of the Navy presented the Distinguished Service Medal to Admiral Rickover:

"For exceptionally meritorious service to the government of the United States from 17 January 1955 to 17 January 1961, while in charge of the Naval Nuclear Propulsion Program in the Department of the Navy and in the United States Atomic Energy Commission. Through Vice Admiral Rickover's skillful technical direction, unusual foresight, and unswerving preseverance, the United States has attained preeminence in the field of naval nuclear propulsion. His vision in the training of the crews of our nuclear-powered ships, and his insistence on high engineering standards are influencing those who bear a responsibility in preparing the Navy and the Nation for the demanding and exacting trials of the nuclear and missile age. As a result of his untiring and relentless efforts, nuclear propulsion has provided us with the foundation of the new Navy—nuclear-powered submarines which have revolutionized naval offensive and defensive tactics and nuclear-powered surface ships, free to go anywhere at anytime. Nuclear propulsion, developed under his astute leadership, will take its place in history as one of the key developments profoundly affecting all the navies of the world. In addition to his major effort in the nuclear propulsion field, Vice Admiral Rickover has made other important contributions in the field of naval engineering and has always been a source of wise counsel in matters affecting both the Navy and national interest. His distinguished and inspiring accomplishments reflect the highest credit upon himself and the United States Naval Service."

On February 13, 1964, President Johnson presented Vice Admiral Rickover with a Gold Star in lieu of a second Distinguished Service Medal. The citation reads as follows:

"For exceptionally meritorius service to the Government of the United States in positions of great responsibility as Manager, Naval Reactors, Division of Reactor Development, U.S. Atomic Energy Commission, and as Assistant Chief of the Bureau of Ships for Nuclear Propulsion from January 1961 to January 1964. During this period, Vice Admiral Rickover exercised dynamic leadership and outstanding professional competence in assuring the continuing contributions of a major element in our national capability to deter aggression. He skillfully directed the efforts of his staff toward the cooperative development of the Polaris weapons system to the present advanced state, with sixteen Polaris submarines now in active service and twenty-five more under construction. In addition, during this period, the nuclear-powered surface ships, Enterprise, Long Beach, and Bainbridge, joined the Fleet. These ships, each of a different combatant type, are establishing high standards for the new fleet of combatant surface ships to follow. Under Vice Admiral Rickover's leadership, the cost of United States naval nuclear propulsion plants has been lowered, reactor core life has been increased, and significant improvements in simplicity and dependability have been achieved. His contributions in the field of civilian reactors have been important factors in the continued development of these units. He has exerted considerable influence on the industrial community in general with his keen insight and discerning comments on quality control and product reliability. Vice Admiral Rickover's distinguished and dedicated service reflects the highest credit upon himself and the United States Naval Service."

In November 1964 the Atomic Energy Commission announced that they had selected Admiral Rickover as recipient of the Enrico Fermi Award for 1964 in recognition of his outstanding engineering and administrative leadership in the development of safe and reliable nuclear power and its successful application to our national security and economic needs. The award consists of a gold medal, a citation, and $25,000.

Admiral Rickover was the first engineer-administrator and the eighth person to receive the award, named for the late Enrico Fermi, leader of the group of scientists who achieved the first sustained, controlled nuclear chain reaction on December 2, 1942, at Stagg Field, Chicago.

The selection of Admiral Rickover for the award was made by the Commission after consideration of recommendations from its statutory General Advisory Committee.

President Johnson, in presenting the Fermi Award to Admiral Rickover on January 14, 1965, made the following remarks:

"Admiral Rickover, it is a gratifying pleasure to participate in this ceremony recognizing your contributions to our Nation's security—and to our peaceful economic growth in the future.

"The citation of this eighth Enrico Fermi Award states:

"For engineering and administrative leadership in the development of safe and reliable nuclear power and its successful application to our national security and economic needs.'

"In just three days, we shall be celebrating the tenth anniversary of the first sea voyage of a nuclear-powered submarine—the Nautilus. The Nation is grateful for your courageous and dedicated role in that historic development.

"Over the ten years since, the Nautilus has been joined by more than 50 other nuclear-powered naval vessels. Today our nuclear fleet numbers 22 attack submarines, 29 Polaris submarines, and 3 surface ships. Together these nuclear-powered vessels have traveled a total of more than 4,300,000 miles on patrol for peace and freedom.

"Your personal leadership has made an invaluable contribution to our national security—and to our capacity for keeping the peace.

"Your personal dedication to excellence—your personal faith in the future—offer examples which this nation must emulate if we are to fulfill the potential that is ours.

"In no field is the promise—and the challenge—more exciting than the peaceful potential of nuclear power.

"Beyond the present naval applications, perhaps there may be much broader horizons for nuclear power on the high seas. I hope the day will come when nuclear power will be so economical for our merchant ships that the American Maritime Fleet will once again become preeminent—with a new generation of swift long range nuclear-powered vessels.

"You were instrumental in the construction of the world's first large nuclear generating station at Shippingport, Pennsylvania, in 1957. From that beginning, we are now able to foresee the day—only 15 years away—when we shall have some 70 million kilowatts of installed capacity from nuclear power generation stations.

"I look forward to the day when this great energy resource can be applied to desalting the sea, assuring us the additional fresh water needed for our growing population and expanding industries. In these important years you have played a role of first importance in helping us to understand and use more rationally the great force of nuclear energy. It is often overlooked that your many accomplishments and contributions have been made while in the service of your Government. Your achievements and your career should stand as an example to the many present and future Government personnel that there is a large job that can be done—and that a job well done is recognized.

"For these significant contributions to our national security and growth, I am privileged to present to you—on behalf of the Atomic Energy Commission and the people of the United States—the Enrico Fermi Award for 1964."

As of September 1973 there are 41 Polaris/Poseidon ballistic missile type nuclear submarines, 60 attack type nuclear submarines, one deep submergence nuclear-powered research vehicle, one nuclear aircraft carrier, one nuclear cruiser, and two nuclear frigates in operation. These ships have steamed over 24 million miles. In addition 23 more attack type nuclear submarines, two nuclear aircraft carriers and five nuclear frigates are under construction. Over 30,000 officers and men have or are being trained to operate the nuclear propulsion plants of our nuclear submarine and surface warships.

PUBLICATIONS

For more than a decade, Admiral Rickover has spoken and written on the need for educational reform. He has published several comparative studies. His first book, Education and Freedom (E. P. Dutton and Company, New York 1959) contained notes on Dutch and Russian education in its annex. After his visit to Russia as a member of Vice President Nixon's party (July 1959), he was asked by the Committee on Appropriations of the House of Representatives to testify on Russia; published as Report on Russia, his comments deal largely with Russian education. The entire report was incorporated in the paperback edition of Education and Freedom in 1960 (E. P. Dutton and Company). His study of Swiss education appeared under the title Swiss Schools and Ours: Why Theirs Are Better, as a Council for Basic Education book (Atlantic Monthly Press, Little, Brown and Company, Boston, 1962). On September 3, 1962, a report on English education which he made in testimony before the same Congressional Committee was issued as a Government document under the title Education for All Children: What We Can Learn From England. This report was subsequently published in 1963 with considerable new material added as a book called American Education—a National Failure (E. P. Dutton and Company).

Admiral Rickover has made numerous speeches; many have later appeared as articles in popular and professional magazines; notably "The World of the Uneducated," "America Versus Russia: The Nature of the Contest," "National Goals," "Education in a Free Society," "The Individual in a Free Society," "The Never-Ending Challenge," "A Humanistic Technology," etc.

Early in 1966 Vice Admiral Rickover was invited to participate in the Royal National Foundation's First Athens Meeting, an international cultural gathering held every other year in Athens, Greece. The object of the Athens Meeting is "to provide an opportunity for eminent contemporary thinkers from all over the world to express the human ideals and aspirations in the light of present knowledge and experience. Prominent representatives of the Arts, Sciences, Philosophy, Cults and other intellectual activities are invited to deliver their message by a talk." Admiral Rickover, as the United States representative, addressed the meeting on June 2, 1966, in the open on the Hill of the Phyx, and the title of his speech was "Liberty, Science and Law."

In 1972 the Government Printing Office published as House of Representatives Document Number 92–345, Eminent Americans—Namesakes of the Polaris Submarine Fleet. "Within the great sweep of American history fall the careers of those men for whom the 41 United States Polaris submarines have been named." This book, written by Admiral Rickover, uses the careers of these men as the focus for essays which are broad enough to include the significant events which occurred during their lifetimes. The careers of these men, who left a lasting imprint on the political, cultural, and military life of our Nation, span the full range of American history from the time of the Revolution to the present century. The 41 biographical essays reflect historical themes which have particular relevance for the kinds of problems our Nation faces today. These essays reveal "the amazing diversity of principles and ideals our forebears had to reconcile in building a Nation out of 13 suspicious and jealous colonies." The essays include studies on such great Americans as George Washington, John Adams, Thomas Jefferson, Abraham Lincoln, Woodrow Wilson, and many other famous Americans who have helped shape the course and destiny of our Nation.

DEGREES

Doctor of Laws—Honoris Causa, June 7, 1954, Syracuse University, Syracuse, New York.

Doctor of Science, June 13, 1954, Williams College, Williamstown, Massachusetts.

Doctor of Science—Honoris Causa, June 14, 1954, Colby College, Waterville, Maine.

Master of Science—Honorary, June 6, 1955, Bradford Durfee Technical Institute, Fall River, Massachusetts.

Doctor of Engineering—Honoris Causa, June 18, 1955, Drexel Institute of Technology, Philadelphia, Pennsylvania.

Doctor of Engineering, April 19, 1958, Polytechnic Institute of Brooklyn, Brooklyn, New York.

Doctor of Science—Honoris Causa, June 14, 1958, Stevens Institute of Technology, Hoboken, New Jersey.

Doctor of Laws—Honoris Causa, June 8, 1959, Allegheny College, Meadville, Pennsylvania.

Doctor of Science—Honoris Causa, June 1, 1960, Columbia University, New York, New York.

Doctor of Science—Honorary, March 19, 1964, Georgetown University, Washington, D.C.

Doctor of Laws—Honoris Causa, July 16, 1965, University of Birmingham, Birmingham, England.

Doctor of Science, June 11, 1969, University of Denver, Denver, Colorado.

AWARDS

Certificate of Distinguished Service, 1954, National Navy Club.

ASME—George Westinghouse Gold Medal, June 21, 1955, American Society of Mechanical Engineers, Boston, Massachusetts.

Egleston Medal Award, April 28, 1955, Columbia Engineering School Alumni Association, Columbia University, New York, New York.

International Communication Award, October 12, 1957, "Christopher Columbus" for 1957, Genoa, Italy.

Meritorious Award, May 2, 1958, Navy League of the United States, San Francisco, California.

High School Teachers Education Award, June 26, 1958, High School Teachers Association of New York City (presented at Rhodes School).

Citation, July 11, 1958, Quincy Chamber of Commerce, Quincy, Massachusetts.

Michael I. Pupin 100th Anniversary Medal, October 23, 1958, Columbia University Forum, New York, New York.

Theodore Roosevelt Distinguished Service Medal, October 27, 1958, Theodore Roosevelt Association, New York, New York.

Gold Medal of Honor, November 10, 1958, Army and Navy Union, U.S.A., Akron, Ohio.

Bicentennial Science Award, December 29, 1958, City College Chemistry Alumni Association, New York, New York.

Golden Legion Award, January 24, 1959, Seashore Council of the American Legion, Atlantic City, New Jersey.

Special Gold Medal, April 12, 1959, United States Congress.

Gold Award of Merit and Citation, September 3, 1959, Veterans of Foreign Wars (presented at Los Angeles, Calif.).

Electronics Institute Science Award, September 12, 1959, Detroit, Michigan.

Meritorious Service Medal, October 9, 1969, National League of Masonic Clubs, New York, New York.

Golden Omega Award, December 8, 1959, National Conference on the Application of Electrical Insulation, Washington, D.C.

Citation for Distinguished Public Service, December 15, 1959, American Bill of Rights Day Association, New York, New York.

Award for Notable Achievement, December 30, 1959, Advertising Club of New York, New York, N.Y.

Award for Distinguished Achievement, January 6, 1960, Golden Slipper Square Club, Philadelphia, Pennsylvania.

Citation, January 26, 1960, The American Legion, Dept. of Illinois, Bloomington, Illinois.

Wendel L. Willkie Award, March 20, 1960, Willkie Foundation for Leadership, Indiana University, Bloomington, Indiana.

Gold Medal for Distinguished Achievement, October 28, 1960, Holland Society of New York, New York, New York.

Patriotism Award, February 22, 1961, University of Notre Dame, Notre Dame, Indiana.

Silver Helmet Defense Award, March 31, 1962, AMVETS, Washington, D.C.

Freedom Award, December 3, 1962, The Order of Lafayette, New York, New York.

"Uncle Sam" Sesquicentennial Medallion, December 21, 1962, Schenectady, New York.

International Platform Association Award, October 24, 1963, (presented in Wash., D.C.—a silver bowl).

Heart of the Year Award, January 30, 1964, American Heart Association, Inc. (Presented at the White House).

George Washington Honor Medal Award, April 13, 1964, Freedoms Foundation at Valley Forge, Valley Forge, Pennsylvania.

Christopher Columbus Award, October 10, 1964, Columbus, Ohio.

Enrico Fermi Award, January 14, 1965, Given by the U.S. Atomic Energy Commission.

(Presented at White House by President).

Prometheus Award, November 9, 1965, National Electrical Manufacturers Association, (Presented in Washington, D.C.).

Gold Good Citizenship Medal, April 30, 1966, Sons of the American Revolution (Presented at West Point).

Franklin Award for Distinguished Service, January 16, 1967, Printing Industries of Metropolitan New York.

The Newcomen Medal, January 16, 1969, The Newcomen Society in N. America at the Franklin Institute, Philadelphia, Pa.

The Washington Award Medal, February 25, 1970, Western Society of Engineers, Chicago, Illinois.

Steuben Society of America, May 23, 1970, 5th "Steuben Society of America Award To An Outstanding American," New York, New York.

Honorary Naval Aviator, July 21, 1970, Washington, D.C.

The General Leslie R. Groves Gold Medal Award, November 17, 1971, The American Ordnance Association, New York, New York.

MISCELLANEOUS

Honorary Commander, 1946, of the Military Division, of the Most Excellent Order of the British Empire.

Admiral in the Texas Navy, September 22, 1964, State of Texas.

The Honorable Order of Kentucky Colonels, June 23, 1966, appointed as Aide-de-Camp with the rank of Colonel on the staff of Commander-in-Chief, Governor Edward T. Breathitt.

International Yachtsmen's Association Award, November 13, 1971.

MEMBERSHIP

The Newcomen Society in North America, 1969.

National Academy of Engineering, 1967.

Awards Committee, The Belle W. Baruch Foundation, 1966.

Honorary Membership, Western Society of Engineers, Chicago, Illinois, 1965.

MILITARY MEDALS

Gold Star in lieu of a Second Distinguished Service Medal, February 13, 1964, (Awarded by the Secretary of the Navy).

Navy Distinguished Service Medal, January 17, 1961, New London, Connecticut.

Gold Star in Lieu of a Second Legion of Merit, July 7, 1952.

Legion of Merit, February 7, 1946, "For exceptionally meritorious conduct—as Head of the Electrical Section of Bureau of Ships."

Letter of Commendation from War Department with authorization to wear the Oak Leaf Cluster on his Commendation Ribbon, 1946.

"For outstanding service in connection with the development of the Atomic Bomb as Assistant Director of Operations, Manhattan District.

Letter of Commendation, 1945, with authorization to wear the Commendation Ribbon from Commander in Chief, U.S. Pacific Fleet.

China Service Medal, American Campaign Medal, American Defense Service Medal, Asiatic-Victory Medal, National Defense Service Medal, Navy Occupation Service Medal, World War II Victory Medal, World War I Victory Medal, 1937.

Mr. SYMINGTON. Mr. President, I yield such time as he may require to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, while I do not intend to indulge in rhetoric as have my colleagues in praising Admiral Rickover, I do want to agree with all they have said about him. I have known him for a long time and have had great admiration for his brilliance; and his brilliance is equaled only by his courage and determination, qualities which have sometimes got him into the doghouse.

I do not think the United States can ever adequately repay Admiral Rickover for what he has done for this country in developing the uses of atomic power. In fact, the nuclear submarine, for which he is responsible for the propulsion plant, has in my opinion been our first line of defense against another large-scale war.

Mr. President, that is all I have to say. I hope that the proposal to make him a four-star admiral will be approved by the Senate.

Mr. JACKSON. Mr. President, I wonder if we could have a vote on this matter now, unless more time is desired.

Mr. SYMINGTON. I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr.

Hartke). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF SECTION 501

Mr. JACKSON. Mr. President, I call up an amendment which I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> At the appropriate place in the bill insert a new section as follows:
>
> Sec. —. Notwithstanding any other provision of law, the authority provided in section 501 of the Defense Procurement Act of 1970, Act of October 7, 1970, Public Law 91-441 (84 Stat. 909) is hereby extended until December 31, 1975.

Mr. JACKSON. Mr. President, I ask unanimous consent that the names of the Senator from Georgia (Mr. Nunn) and the Senator from Rhode Island (Mr. Pastore) be listed as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield for a question?

Mr. JACKSON. I yield.

Mr. ROBERT C. BYRD. Does the Senator anticipate a roll call on this amendment?

Mr. JACKSON. No, I shall not ask for a roll call, and I will take only three minutes.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. SYMINGTON. This is simply an extension of the present law, is it not?

Mr. JACKSON. That is correct.

Mr. President, the amendment I am proposing is not only simple, it is even familiar. I offer it here today as I did on two earlier occasions, and for much the same reason.

The amendment extends the life of section 501 of Public Law 91-441 until December 31, 1975, since the existing authority will expire December 31 of this year.

Without this amendment, we face the very real possibility that the President will be left without the authority to extend much-needed military credits to Israel in a timely fashion and on the basis of interest rates the Israelis can afford.

Mr. President, I would remind my colleagues that the credits made available under section 501 of the Defense Procurement Act of 1970, as here amended, are to be extended at concessionary terms of interest—say 3 percent—not at cost-of-money terms as is sometimes the case under other authority. This is in recognition of the heavy burden of arms purchases from the United States borne by Israel these recent years.

It is essential, if the uninterrupted flow of equipment to Israel is to continue, that we move now to extend the life of the current authority granted under my amendment to the 1970 Defense Procurement Act.

Mr. President, I am confident that the Senate will extend the law it has so strongly supported and passed when I have offered it before. It was important then, as it is now, to the security of the United States and to the safety of its brave and trusted friend, Israel.

Mr. President, I would point out that this amendment was extended last year by a vote of 76 to 9.

Mr. President, I ask unanimous consent to have printed in the Record the text of the amendment we extended last year—section 608 of Public Law 92-436.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

> SECTION 608, PUBLIC LAW 92-436,
> (SEPTEMBER 26, 1972)
>
> Sec. 608. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91-441 (84 Stat. 909) is hereby extended until December 31, 1973.

Mr. JACKSON. Mr. President, I reserve the remainder of my time.

Mr. SYMINGTON. Mr. President, I yield back my time.

Mr. JACKSON. I yield back my time.

The PRESIDING OFFICER (Mr. Pell). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Washington (Mr. Jackson).

The amendment was agreed to.

Mr. JACKSON. Mr. President, I now move to reconsider the vote by which the Senate adopted the amendment.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRIBUTE TO SENATORS STENNIS AND SYMINGTON

Mr. NUNN. Mr. President, I want to take a moment or two, while we have an interlude here, to mention something about which I know there is no controversy.

During the past 4 days, we have had a whole lot of controversy on a whole lot of issues which are very important to this country. We have had a whole lot of well meaning people, well intentioned, well reasoned on every side participating, but one thing I think all of us can agree on in the Senate is that the floor manager of the pending bill, the acting chairman of the committee, the distinguished Senator from Missouri (Mr. Symington), has done a very fine job.

He has displayed, as manager of the bill, the forcefulness, the effectiveness, and the courtesy which are so typical of him and which so many people who have known him for a long time have always known were his qualities.

As a new member of the Armed Services Committee, I can tell the Senate that his performance here on the floor of the Senate has been a continuing demonstration of a talent, skill, and dedication which he has so admirably displayed during the absence of the chairman of the committee, the distinguished Senator from Mississippi (Mr. Stennis).

Senator Symington took over this committee as acting chairman at a point in history where there was certainly an awful lot of controversy. He spent many, many long, dedicated and hard hours, that I know personally about, considering every aspect of the bill.

As a new member of the committee, I do not think that anyone has ever been treated with more kindness, courtesy, and consideration than I was by Senator Symington.

I know that all Senators join me in thanking him, as we near the conclusion of this bill, for a job well done.

Mr. President, I am sure that all Senators are delighted with the return of the distinguished Senator from Mississippi (Mr. Stennis) to active duty in the Senate. He has always devoted his full energies to the business of the Senate and we are delighted to have him back.

Mr. President, I just wanted to make this a part of the record as to my feelings toward both Senators Stennis and Symington, and especially to invite attention to the fact that Senator Symington has done such an excellent job in very difficult circumstances.

As one Member of the Senate, and one member of the Armed Services Committee, I am, indeed, very grateful.

Mr. SYMINGTON. Mr. President, I am very grateful for the remarks of the junior Senator from Georgia (Mr. Nunn).

In turn, it has been a privilege to work with him. He is already one of the true authorities in the Senate on the question of military personnel. He is able, intelligent, and hard working, and I predict a long and brilliant career for him in the Senate on behalf of the Nation and his State in the years to come.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. DOLE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment of the Senator from Iowa (Mr. Clark), which was to have been taken up at this time, be temporarily delayed, and that the Senator from Kansas be permitted to offer his amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a limitation of 10 minutes on the Dole amendment, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendment.

The legislative clerk read as follows:

At the appropriate place in the bill it is proposed to add a new section as follows:

"Sec. . No funds authorized to be appropriated by this or any other Act shall be used directly or indirectly to provide aid, promote trade or cultural exchange, or undertake any other form of assistance or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government (Viet Cong) until such time as the President shall certify to the Congress in writing that said governments have fully complied with Chapter III, Article 8, paragraph (b) of the Agreement of January 27, 1973; Article 10 of the Protocol to the Agreement; and point 8(e) of the Joint Communique of June 13, 1973, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtaining information on those still considered missing in action; and in no event shall any such aid or assistance be made available unless the Congress has specifically authorized such aid or assistance by legislation enacted after the date of enactment of this section."

Mr. DOLE. Mr. President, let me state briefly the purpose of the amendment. It merely provides that no funds authorized in this bill or any other act be expended, directly or indirectly, to aid North Vietnam or the Vietcong until there has been an accurate, complete, and full accounting of the Americans still missing in action.

Mr. President, this amendment is intended to accomplish two purposes. First, it will clarify and underscore the intention of this Nation that North Vietnam and the Vietcong live up to their obligations under the agreements which ended U.S. involvement in the Vietnam war.

Second, it will serve to demonstrate to the wives, families, and friends of some 1,300 missing Americans that these men are not forgotten.

Eight months ago, yesterday, the Paris agreements were signed. Eight months ago, the North Vietnamese and Vietcong promised to permit us to undertake and assist us in efforts aimed at resolving the questions and uncertainties surrounding the Americans who are listed as missing in action throughout Southeast Asia.

For 8 months, the North Vietnamese have not only refused to cooperate in our efforts to assert our rights under these agreements, but they have obstructed and frustrated our efforts to do so. This has not been a matter of hardship for North Vietnam or the Vietcong. It has not been a matter of honest misunderstanding or confusion. Instead, it has been a course of deliberate, calculated, and cynical refusal to comply with the clear obligations of the agreements and to permit the exercise of our rights.

I do not know the motivation for this policy. Many years ago I gave up attempts at understanding conduct which is so alien to the most basic humanitarian principles and which appears to offer no hope for any conceivable gain or profit on the part of those who engage in it.

I do understand, however, the agony, the uncertainty, and the suffering of parents, wives, and children who long for any shread of evidence which might provide the basis for resolving the unknown fate of a son, a husband or a father. And I know that for 8 months these Americans have been waiting and anticipating something which was promised to them and the entire Nation by the North Vietnamese and the Vietcong. They were promised a chance to know what became of their men.

These people are not naive. They are not living on false hopes. They know that the passing of every day reduces the chances for survival for anyone listed as MIA. And even before January 27, many days had passed. But they want a chance to have some certainty in their lives. They want to be able to live in the present and look to the future. They want to be able to set their personal and legal affairs in order—on the basis of fact, not speculation or some arbitrary administrative action.

So, today, I offer this amendment to foreclose—to the maximum possible extent—any opportunity that North Vietnam or the Vietcong can expect any advantage or gain to flow from their violation and flouting of the Paris agreements. Not only does this amendment deny any American aid—either direct or indirect—but it assures that no funds will be used to promote trade, engage in cultural exchange programs or any other kind of accommodation which other nations might enjoy with the United States.

I do not believe it is asking too much of any nation or any political organization to abide by humanitarian obligations which it has clearly and unambiguously assumed in a formal agreement. For 8 months, Hanoi and the Vietcong have acted in the most blatant disregard of these obligations, and I believe it is far past time that Congress act to demonstrate its refusal to tolerate such conduct.

I offer this amendment in the hope that Congress will consider it an appropriate means of going on record to demand that the North Vietnamese and Vietcong provide the full accounting and opportunities for verification of the status of our missing men to which we are entitled by the Paris agreements.

I ask unanimous consent that the text of a full-page advertisement published in today's Washington Post be printed in the Record. This advertisement, an open letter to the President, was placed by VIVA, an organization which has been active in building public awareness of POW and MIA matters for many years. I believe it indicates the extreme frustration and torment being suffered by the parents, wives and families of these men. I certainly find no fault with nor criticize them for their anxiety or any expression of it.

But I do believe this advertisement serves to provide additional force to support adoption of this amendment. Hanoi and the Vietcong must be pressured relentlessly and continuously until they live up to their obligations, and every means of applying this pressure in Congress, in public opinion, and elsewhere must be utilized.

There being no objection, the advertisement was ordered to be printed in the Record, as follows:

AN OPEN LETTER TO THE PRESIDENT

Hon. Richard M. Nixon,
The White House,
Washington, D.C.

Dear Mr. President: We would like to express our thanks publicly for the concern you have shown for the POW/MIA's and their families. We have not forgotten it under your administration the Defense Department reversed it policy and allowed POW/MIA families to discuss the plight of their men.

Once informed the American people joined in the largest and most dramatic display of brotherhood in our history to help men they had never met. This power of public opinion influenced the Communists to improve the treatment of our men, to which many returned POWs attribute their very lives.

Unfortunately, the Communists are still perpetrating a barbaric form of mental cruelty on almost 1200 POW/MIA families. This inhumanity may never be ended unless the American people are again informed and utilize the power of public opinion.

Many have said that all the POWs are home. Yet more than 50 men, who were known to be prisoners and are still officially listed as POWs by our Government, did not return home nor were they listed as dead by the Communists. Their capture was substantiated by evidence such as a letter written home, photos in captivity, propaganda broadcasts, etc.

Mr. and Mrs. Sparks have a letter from their son Don which says he is in fine health and has been held for ten months without seeing another prisoner. It is fair that because no returned prisoner saw Don that the responsibility now falls on Mr. and Mrs. Sparks to prove that Don is still alive in order to prevent our own Government spokesmen from saying, "All POWs are home and all MIAs are dead," thereby relieving the Communists from their obligation to account for Don and hundreds like him?

To presume that the Communists could possibly account for all MIAs is ludicrous, but to presume that it takes over seven months for them to account for men who were known to be captured is just as ludicrous. Would our outrage have been demonstrated more vocally if only 50 POWs had returned and 500 known POWs had not been accounted for?

We are aware of the ability, sincerity and dedication of our delegation to the Four Party Military Team responsible for handling the negotiations and the men of the Joint Casualty Resolution Center who seek to account for the missing. These men acknowledge there has been little success in encouraging the Communists to live up to the Peace Agreement and that perhaps public awareness is the only weapon left. We have also been assured by Melvin Laird that the administration supports efforts to broaden public awareness of the failure of North Vietnam to comply with the Paris Agreement.

We can only assume, therefore, that it has not been brought to your attention that the Defense Department has been hindering the effective use of this weapon rather than supporting efforts to broaden public awareness.

This is evidenced by public statements such as the one made by Assistant Secretary of Defense William T. Clements who labeled everyone who distributes bracelets and bumper stickers "charlatans". It is also evidenced by the fact that a spokesman for the Department of Defense uses every possible opportunity to urge returned POWs, POW/MIA family members, and concerned citizens to refrain from making public statements on the issue and leave it to the government "experts" lest they harm the negotiations in progress.

Such actions negate the efforts toward awakening public awareness and are completely contrary to the statements of Mr. Laird's and those actually involved in the negotiations.

Although only the Communists know whether any of them are still alive, all POWs did not return home, nor were they accounted for.

Please, Mr. President, don't allow anyone in our government to render less effective the only weapon the POW/MIA families may have left—that of public opinion.

Please grant representatives of the national organizations directly involved with this issue a meeting to clarify these discrepancies in order that your pledge of support to the POW/MIA families be fulfilled.

Sincerely,

NATIONAL BOARD OF DIRECTORS VIVA—
VOICES IN VITAL AMERICA.

Mr. DOLE. Mr. President, I have discussed this amendment with the distinguished Senator from Missouri and the distinguished Senator from South Carolina. We have made one change in the amendment, after conferring with the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.), and it is my understanding that the committee is willing to accept the amendment.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. SYMINGTON. Mr. President, the able Senator from Kansas and I discussed the amendment yesterday. This is a subject in which the distinguished senior Senator from Virginia has been interested. Portions of the language were changed with the approval of the Senator from Kansas. As a result, we on this side of the aisle have no objection.

Mr. THURMOND. Mr. President, we on this side of the aisle are willing to accept the amendment. We think it is a good amendment, because it ought to give leverage to the President to get the North Vietnamese and the Vietcong to live up to their agreement. If it does this, it certainly will be worthwhile. We are all anxious, of course, to locate the missing in action and to get those back who are still living. We think this amendment will be helpful in that respect.

I commend the able Senator from Kansas for offering the amendment.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. SYMINGTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 552 (AS MODIFIED)

Mr. GOLDWATER. Mr. President, I call up my amendment No. 552, as modified.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

Mr. GOLDWATER. Mr. President, I might say to the assistant majority leader that this matter will take only a few minutes. I hope the acting chairman will accept the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. CLARK, which was to be called up at this time under the order, be temporarily delayed, that the distinguished Senator from Arizona (Mr. GOLDWATER) may be permitted to call up his amendment, and that there be a time limitation thereon of 10 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, as modified, is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. (a) Title 10, United States Code, is amended by adding the following new section at the end of chapter 101:

"§ 2004. Detail of commissioned officers of the military departments as students at law schools

"(a) The Secretary of each military department may, under regulations prescribed by the Secretary of Defense, detail commissioned officers of the armed forces as students at accredited law schools, located in the United States, for a period of training leading to the degree of bachelor of laws or juris doctor. No more than twenty-five officers from each military department may commence such training in any single fiscal year.

"(b) To be eligible for detail under subsection (a), an officer must be a citizen of the United States and must—

"(1) have served on active duty for a period of not less than two years nor more than six years and be in the pay grade O–3 or below as of the time the training is to begin; and

"(2) sign an agreement that unless sooner separated he will—

"(A) complete the educational course of legal training;

"(B) accept transfer or detail as a judge advocate or law specialist within the department concerned when his legal training is completed; and

"(C) agree to serve on active duty following completion or other termination of training for a period of two years for each year or part thereof of his legal training under subsection (a).

"(c) Officers detailed for legal training under subsection (a) shall be selected on a competitive basis by the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense. Any service obligation incurred by an officer under an agreement entered into under subsection (b) shall be in addition to any service obligation incurred by any such officer under any other provision of law or agreement.

"(d) Expenses incident to the detail of officers under this section shall be paid from any funds appropriated for the military department concerned.

"(e) An officer who, under regulations prescribed by the Secretary of Defense, is dropped from the program of legal training authorized by subsection (a) for deficiency in conduct or studies, or for other reasons, may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed by regulations issued by the Secretary of Defense, except that in no case shall any such member be required to serve on active duty for any period in excess of one year for each year or part thereof he participated in the program.

"(f) No agreement detailing any officer of the armed forces to an accredited law school may be entered into during any period that the President is authorized by law to induct persons into the armed forces involuntarily. Nothing in this subsection shall affect any agreement entered into during any period when the President is not authorized by law to so induct persons into the armed forces."

(b) The table of contents of chapter 101 of title 10, United States Code, is amended by adding the following new item at the end thereof:

"2004. Detail of commissioned officers of the military departments as students at laws schools.".

Mr. GOLDWATER. Mr. President, the amendment which I offered will allow the military services to send regular line officers to law school. The need for this legislation is unquestionable. The Armed Forces must have a basic source of career military lawyers to draw upon now that the compulsory draft has ended. At the same time the legal workload of the judge advocates of the military services is peaking as a result of their new responsibilities under the Uniformed Military Justice Act of 1968, the ratio of career officers in the JAG Corps is substantially declining. For example, the Army JAG Corps presently has a total authorized strength of 1,560, but of that number only 431 officers are in the career force. The corps is actually short 53 percent of its authorized field grade officers. Similar problems exist in the other military services.

Mr. President, my amendment is straightforward and is aimed at helping to solve the legal mission problem of the

Armed Forces over the long run. Under its provisions, regular line officers with 2 to 6 years of service can be detailed to law school in any year the draft is not in effect. It is that simple. The amendment puts an overall ceiling on each of the services of 25 officers who could enter the program in any one year. To be eligible for participation in the program, an officer selected would have to be serving in a grade not above lieutenant in the Navy or captain in the Army, Air Force, or Marine Corps.

For each year of training received, the bill provides that the officer would be obligated to serve a minimum of 2 years in legal duties in his military service. The service obligation incurred by any officer under this program would be in addition to any obligation he has already incurred. The total program would cost no more than $450,000 a year when fully operative, if it is used to the maximum. This is a DOD estimate and I think the true cost is actually lower because many of the people detailed to this program may be ones who would have been chosen for advanced studies in other fields.

Mr. President, there would be no need for this amendment except that Congress has routinely placed a legislative rider on defense appropriations preventing the use of defense funds for training in any legal profession. This rider has been overlooked with time and has become outmoded in a volunteer military and in a period of history when the legal mission of all the Armed Forces has multiplied tremendously.

Mr. President, if I might draw upon one legal shop with which I am personally familiar, I can verify the great current workload of military lawyers in the JAG Corps. During the fiscal year ending June 1972, the Judge Advocate lawyers of the Department of Law at West Point prepared approximately 300 written legal opinions, processed nearly 500 military justice cases brought before the U.S. magistrate's court, provided legal assistance in 5,900 cases involving such matters as adoption, citizenship, civil rights, domestic relations, powers of attorney, and wills and estates, and acted as counsel in more than 1,200 claims cases and 250 procurement law matters. You can multiply this workload servicewide through all the services and get an idea of what the legal work of the military really is.

Workloads of this size and the elimination of the military draft were simply not foreseen back in 1953 when the first legislative rider was passed, and I think it is high time that Congress endorses a new policy by authorizing a program along the lines of the one which I am proposing.

My amendment is no panacea. It is not meant in any way to impede the continued operation of the present leave program by which a few young officers who can afford it attend law school at their own expense and without pay. It is not a substitute for proficiency pay legislation, which I have cosponsored. But it does make a start at providing a source of military lawyers who will be service-motivated and likely to remain with their service as career legal officers. The lawyers coming out of this program would provide the military services with the kind of experienced and balanced officer structure which is necessary to the success of the Armed Forces legal missions.

Mr. President, the amendment is based on S. 1518, which I introduced on April 10, and I understand that the Department of Defense supports my proposal.

I ask the acting chairman if he will accept this amendment. It has been cleared with the staff. They know of it and the need for it.

Mr. THURMOND. I yield myself such time as I may require.

Mr. President, I have read the amendment, and it appears to have considerable merit. The services have had trouble securing doctors, dentists and lawyers, and this amendment would enable the services to send some individuals to law school. The amendment provides that they will serve at least 2 years for each year or part thereof that the legal training requires. This will give some stability to the Judge Advocate General's Corps.

The amendment also provides that the individuals will be selected on a competitive basis, which is the proper way to do it. Since they will be selected on merit, no one can say that the service is just choosing someone to send to law school. We are in favor of the amendment.

Mr. SYMINGTON. Mr. President, there probably is great merit in this amendment, but it could be handled in separate legislation. It might be discussed in the committee itself. We have taken many amendments on this floor.

I would hope that the able Senator from Arizona would give consideration to that suggestion, not just ask to have it passed by voice vote on the floor prior to the completion of the bill.

Mr. GOLDWATER. Mr. President, this matter was discussed in committee—not this particular measure; it was not ready at that time.

All the amendment does is to make clear that we can do what we have been doing. The Appropriations Committee, in the past, long years past, placed a rider on appropriations which prevent money authorized and appropriated by this bill to be used for educational purposes. But it has been done. We do it every year. I just wanted to make it legal; and I see no reason why it should not be done on the floor, instead of waiting until next year, when we can hold hearings on it again.

I hope the committee will accept the amendment. It is not a backbreaking item so far as money is concerned. It would simply allow the services to start being able to take care of their JAG duties. They are at a great disadvantage today. In fact, consideration is even being given to hiring civilian lawyers to do JAG work, they are so short.

Mr. SYMINGTON. Mr. President, the Senator did not speak to me about the amendment, to the best of my recollection.

Is money involved in the amendment?

Mr. GOLDWATER. It will not cost more than $450,000 a year, and probably less, because it will relieve the funds that are now being used for this and other special training purposes to go to this purpose.

Mr. SYMINGTON. If the able Senator from Arizona would agree, I would postpone consideration of the amendment at this time, in order to discuss it with the staff, with the assurance to the Senator it will be taken up again today.

Mr. GOLDWATER. I will do anything the Senator wishes. The staff is aware of it. They suggested three changes in the amendment, which I have made. But I would hope we could get a vote on it today, or an acceptance of it today.

Mr. SYMINGTON. Mr. President, I assure the Senator we will get to the amendment today.

The PRESIDING OFFICER. Does the Senator ask that the amendment be withdrawn?

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Mr. President, what is the proper procedure?

Mr. SYMINGTON. Mr. President, I ask unanimous consent, with the approval of the distinguished Senator from Arizona, that we postpone consideration of this amendment until later today, when it will be called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I wish to ask the distinguished Senator from Arizona this question. Does he know what is the position of the Department of Defense?

Mr. GOLDWATER. The Department of Defense requested me to put in the amendment. The need for the request came from West Point. I am on the Board of Visitors there. They are doing a lot of the Army's legal work now, and they cannot handle it with the depleted staff they have. The request came from the Department of Defense.

Mr. SYMINGTON. The staff tells me we sent it over and received no comment. I appreciate the Senator advising us. We did not know.

Mr. GOLDWATER. I would not have put it in had not the Department of Defense asked me to do so.

Mr. SYMINGTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, on behalf of myself and the Senator from

South Carolina (Mr. THURMOND) I send an amendment to the desk and ask unanimous consent that reading of the amendment be dispensed with.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. CLARK—which, under the order, was to be pending at this time—be temporarily laid aside until the disposition of the Federal pay adjustment resolution, and that the Senator from Minnesota (Mr. MONDALE) be permitted to call up his amendment at this time under a limitation of not to exceed 20 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will read the amendment.

The legislative clerk proceeded to read the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent to dispense with reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, before line 25, insert the following:

"(c) Any regular officer of the Armed Forces discharged from service under authority of this section shall be entitled to severance pay in an amount equal to the amount such officer would be entitled to receive in readjustment pay under section 687 of title 10, United States Code, if he were a member of a reserve component of the Armed Forces being released from active duty involuntarily."

Mr. MONDALE. Mr. President, this amendment seeks to deal with an inequity which came to my attention following adoption of the amendment which was adopted the other day dealing with the grade creep problem, which amendment was designed to authorize the Department of Defense to retire Reserve and other Army officers in the best interests of the service. The inequity that came to my attention was that, under the best conditions of our bill, a Reserve officer would be given termination pay if severed from the service, but if a Regular officer were severed from the service he would not receive similar severance pay. This, in my opinion, would be unfair to such an officer and might also inhibit the services from making the kinds of judgments they would otherwise make in the best interest of the services.

The Senator from South Carolina (Mr. THURMOND) has reviewed this amendment, along with the distinguished floor manager, and has kindly agreed to serve as cosponsor of the amendment.

I might add, parenthetically, that I regret that there is not a similar program for severance pay for noncommissioned officers in the services. It does seem somewhat unfair to have severance pay for officers but not to have a similar program for noncommissioned officers, who are just as deserving and perhaps in some cases more needful of that help than others might be.

In any event, I believe this inequity needs correction. That being the purpose of my amendment, I would hope the committee might accept the amendment.

Mr. SYMINGTON. Mr. President, we on this side have studied the amendment, and will accept it.

Mr. THURMOND. Mr. President, we feel the amendment does correct an injustice. We are pleased to go along and accept the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. MONDALE. Mr. President, I yield back my time.

Mr. SYMINGTON. Mr. President, I yield back my time.

Mr. THURMOND. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, with reference to amendment No. 552 of the able Senator from Arizona, we have a statement now from the Department of Defense, in which they state:

EFFECT OF THE AMENDMENT

The amendment will permit the Secretary of a Military Department to detail, on a competitive basis, a limited number of commissioned officers of the Armed Forces to studies at accredited law schools for a period of training leading to the award of a basic law degree and admission to the practice of law. No more than 25 officers per Military Department may commence such training in any fiscal year. To be eligible the officer must have completed at least two but not more than six years of active duty and must sign an agreement that he will serve as a judge advocate or law specialist for a specified period subsequent to successful completion of the training. This program of lawyer procurement would provide a hardcore source of career legal officers who have previously demonstrated their motivation and aptitude for a military career.

DOD POSITION

The Department of Defense strongly supports the enactment of this Amendment and believes it would materially assist in alleviating the present critical problems of grade imbalance and inexperience and the chronic problem of career retention in the military lawyer force.

Mr. President, I have discussed this amendment with my distinguished colleague the Senator from South Carolina (Mr. THURMOND), and we are prepared to accept the amendment on this side of the aisle.

Mr. THURMOND. Mr. President, we will be pleased to accept the amendment.

The PRESIDING OFFICER. Is the Senator from Missouri asking that the amendment be considered again at this time?

Mr. SYMINGTON. Mr. President, I am asking that the amendment be considered.

The PRESIDING OFFICER. Without objection, amendment No. 552, as modified, will be considered.

Amendment No. 552 (as modified) is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . (a) Title 10, United States Code, is amended by adding the following new section at the end of chapter 101:

"§ 2004. Detail of commissioned officers of the military departments as students at law schools

"(a) The Secretary of each military department may, under regulations prescribed by the Secretary of Defense, detail commissioned officers of the armed forces as students at accredited law schools, located in the United States, for a period of training leading to the degree of bachelor of laws or juris doctor. No more than twenty-five officers from each military department may commence such training in any single fiscal year.

"(b) To be eligible for detail under subsection (a), an officer must be a citizen of the United States and must—

"(1) have served on active duty for a period of not less than two years nor more than six years and be in the pay grade O-3 or below as of the time the training is to begin; and

"(2) sign an agreement that unless sooner separated he will—

"(A) complete the educational course of legal training;

"(B) accept transfer or detail as a judge advocate or law specialist within the department concerned when his legal training is completed; and

"(C) agree to serve on active duty following completion or other termination of training for a period of two years for each year or part thereof of his legal training under subsection (a).

"(c) Officers detailed for legal training under subsection (a) shall be selected on a competitive basis by the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense. Any service obligation incurred by an officer under an agreement entered into under subsection (b) shall be in addition to any service obligation incurred by any such officer under any other provision of law or agreement.

"(d) Expenses incident to the detail of officers under this section shall be paid from any funds appropriated for the military department concerned.

"(e) An officer who, under regulations by the Secretary of Defense, is dropped from the program of legal training authorized by subsection (a) for deficiency in conduct or studies, or for other reasons, may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed by regulations issued by the Secretary of Defense, except that in no case shall any such member be required to serve on active duty for any period in excess of one year for each year or part thereof he participated in the program.

"(f) No agreement detailing any officer of the armed forces to an accredited law school may be entered into during any period that the President is authorized by law to induct persons into the armed forces involuntarily. Nothing in this subsection shall affect any agreement entered into during any period when the President is not authorized by law to so induct persons into the armed forces."

(b) The table of contents of chapter 101 of title 10, United States Code, is amended by adding the following new item at the end thereof:

"2004. Detail of commissioned officers of the military departments as students at law schools.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOLDWATER. Mr. President, I thank the Senator from Missouri. I apologize for not having an adequate statement from the Defense Department. The statement I put in the RECORD provided that information. It was given to me verbatim.

I think it would be a step in the right direction if we could put that in the law. Actually, we are doing these things, but we are doing them around the Appropriations Committee. I do not think we should work around, but go straight.

Mr. SYMINGTON. Mr. President, may I say that because of my respect for the Senator from Arizona I accept that statement, but I thought we would want to have a statement from the Department of Defense in the RECORD prior to conference.

Mr. GOLDWATER. I appreciate that very much.

Mr. SYMINGTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PASSAGE OF S. 2482 VITIATED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the earlier action in passing S. 2482 be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask unanimous consent that the vote on passage of the bill reoccur right after the vote on Senate Resolution 171, and that it be in order at this time to order the yeas and nays on that vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The PRESIDING OFFICER (Mr. PELL). The hour of 12 o'clock having arrived, the Senate will now resume consideration of Senate Resolution 171, which the clerk will state by title.

The assistant legislative clerk read as follows:

S. Res. 171, disapproving the alternative plan for pay adjustments for Federal employees.

The Senate resumed the consideration of the resolution.

Mr. McGEE. Mr. President, I yield 4 minutes to my colleague from Hawaii, the ranking minority member of the committee, who has been very active in this legislation.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 4 minutes.

Mr. FONG. Mr. President, I want to say again that Senate Resolution 171 is not a resolution to override the veto of the President on a Federal salary increase. There is no question here that the President is in favor of a salary increase for Federal white-collar workers and military personnel. However, he says that this increase should take effect not on October 1 when the statute authorizes it but that it become effective 2 months later on December 1.

This year, Mr. President, 600,000 postal employees, all of them Federal employees, have had a 6.8 percent increase in their wages. Their wages have not been deferred.

This year, 600,000 blue-collar workers, all of them Federal employees, have already received or will receive a pay increase, and that pay increase will not be deferred.

That being so, how can we in good conscience ask the other 1.3 million Federal white-collar workers to defer their pay increase when we know that their pay is lagging 6 months or more behind the salaries of their counterparts in private industry?

Federal salaries follow the salaries of private industry. They do not lead the salaries of private industry. Because Federal salaries follow those of private industry, the impact of their salary increases on inflation is minimal.

Private industry pay increases this year have been in the area of 5 percent or 6 percent. To allow the increases in private industry and those of the other 1.2 million Federal employees to go into effect without deferral this year and at the same time defer the pay increases for Federal white-collar and military personnel is grossly discriminatory and inequitable.

The Federal white-collar employees and military personnel who will benefit from this resolution number only 3.3 million—4 percent of our national workforce of 85 million. Presuming the pay increase they will receive will be 4.7 percent, I am not persuaded that a 2-month deferral of a 4.7 percent pay increase for 4 percent of our national workforce would have any appreciable effect on holding the line on inflation.

These Federal employees have already experienced one delay—last year—of their pay increases since enactment of the Federal Pay Comparability Act of 1970.

I believe the President was misinformed and ill-advised when he deferred the Federal white-collar and military personnel pay increase for 2 months, from October 1 to December 1.

It would be inequitable to delay their increases for a second consecutive year, especially when pay increases in other sectors of the country are allowed to go into effect on schedule.

A review of all the facts mandate approval of Senate Resolution 171. Equity and fairness compel me to support putting this white collar and military pay increase into effect on October 1, rather than delaying it 2 months to December 1.

I again urge the Senate to approve Senate Resolution 171.

Mr. SAXBE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. SAXBE. Mr. President, the facts are fairly plain. The President and the Office of Management and Budget are trying to fight inflation. They are trying to fight inflation on every front they can find. Sometimes I find that their position is not well taken and hard to support. But it is a rear guard action. We fight from stump to stump, trying to hold the dollar where it will amount to something, because when we do not do so we take it out of the hides of people on fixed incomes, their life savings, those who are trying to get by on small Social Security payments, out of aid for the aged and their savings.

Mr. President, inflation hurts everyone but it hurts these people the most.

Our Federal employees certainly are deserving of a raise but, like everything else, we are trying to hold the line. We are trying to hold the line here for 2 months, on $350 million dollars, which is not an inconsequential amount of money. But, even more than that, the psychological effect of a pay raise of 3.5 percent for the Federal employees of this country will open the gates for increases every other place.

How can we tell a man who works in the shops, "Just sit tight. We are fighting inflation. We are doing this for you. It is for your pension. It is for your retirement," when he has the same demands on him as any Federal employee.

It would almost seem to me that Congress is doing everything it can to thwart the fight against inflation. All summer long we have said, "Let us spend for this, let us spend for that, and take it out of the military appropriation bill when it comes up," We not only vote for everything that comes along, but we increase it, we increase it by passing more bills and pumping more money into them. We have had so many irresponsible acts here of late that it must mark Congress as being totally irresponsible. It came up with a speed-up of social security. Everyone ran over everyone else to vote for it. But no one said where the money would come from. No one said, "We will have to increase taxes in order to pay for all this, but "Take it out somewhere else." It will not even suggest an increase in the debt limit. The most suggestion I could get was, "We will take it out of the deficit."

Well, what is the deficit? The deficit is the printing plant down there that prints the money as we try to control the economy of this country. By inflating our currency, we will be in for continued inflation and continued trouble.

The people that will be affected by this bill will get approximately $80 per Federal employee concerned, which would be the amount they would lose between now and December.

I believe that if we are going to operate as Senators and statesmen with some responsibility here today, we should say no.

Let us defer the question. Let us help the President hold the line. He is trying to hold it on very unpopular items, on the price of gasoline, trying to hold it on the interest rates by keeping interest rates up so that they will not flood the economy. All these things have, one after another, been discredited. He is trying to hold the line by impoundments, one thing after another; so Congress comes in and says, "Oh, you cannot hold it there, you cannot hold it there, either. No way we can do it there," but just pump more money in here.

So that it comes down to: We must help the President hold the line. If we do not do it in this situation, how can we tell General Motors and Chrysler to get tough. So, let us sit down and hold the line on this. I realize that this is an unpopular cause. I have talked to many colleagues who say:

> Well, I think the President is right. I think we have to hold the line. The dollar is getting worthless. We are being discredited in the world because our dollar internationally has gone to pieces. But I have too many Federal employees in my State. I am going to be a candidate next year.

This is ridiculous.

The recomputation amendment the other day was a good example. Everybody wants to be recomputed. You want to be recomputed with respect to retirement or salary, whatever it is. You would like to be recomputed on the present dollar. Everybody voted for it. I think there were 14 votes against recomputation. I went around to some Senators I considered responsible and I said:

> Why do you vote for recomputation? It will cost $16 billion. Where is the money coming from?

They said:

> We have firm assurance that the House is going to kill it.

What kind of business is this? If we are going to hold the line on inflation, this is where we can begin. It is not popular.

The PRESIDING OFFICER (Mr. HASKELL). The time of the Senator has expired.

Mr. SAXBE. I reserve the remainder of my time.

Mr. COOK. Mr. President, will the Senator yield me 2 minutes?

Mr. SAXBE. I yield.

Mr. COOK. Mr. President, I recall that a short time ago we had quite a debate on the floor as to whether we were going to move the question relative to pay raises over to the House and what would occur. I never heard such tears in my life about the financial crisis in the United States, and that we should not under any circumstances, until inflation had been cooled down, even consider such an increase for the Members of Congress.

I was in on that debate, and I was in on the discussion of the amendment by the distinguished Senator from Alabama. It was on the wrong bill, at the wrong time, but it fermented comment all over the United States. At that stage of the game, we talked about the responsibility of the people in this country to sacrifice.

We have 500 filling stations in western New York that have decided they are not going to pump gasoline this afternoon and all weekend, because Congress—every one of us—voted to put facilities in the hands of the Executive to control the economy, to control the price of items, to control what things could be sold for, to control the fact that many people in the industrial sector were going to lose money, that employees were going to lose money.

We are saying, "Do you believe that to try to control inflation in the United States in this particular fiscal year is worth 60 days of sacrifice?" That is really what we are saying.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOK. Mr. President, will the Senator yield me 1 additional minute?

Mr. SAXBE. I yield.

Mr. COOK. I do not know who is up for election. Perhaps we have some elections in regard to some of the people who represent Government employees. I do not know. Perhaps we can compare those to the elections that some of the Members of this body have to face next year.

Does it really mean anything to say any more in the United States that you have to sacrifice to get your house in order, or does it really mean nothing?

Is anyone telling me that if we were to poll the people who are standing in line to get this $80 between now and the first of the year, which would amount to more than $300 million, they would not agree that it would be a pretty good deal if it kept their country in a little better financial shape?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SAXBE. Mr. President, I think the Senator from Kentucky has hit it very directly. If a vote were taken on this matter in the cloakroom, I am sure we would vote "present," because we are interested in our retirement.

Mr. COOK. Mr. President, will the Senator yield?

Mr. SAXBE. Not just now.

We put in butter and we get back oleo, because of inflation.

The thing we have to remember here today is that if you go down the road and say you cannot touch this, you cannot touch that, you cannot bother the Federal employees, you cannot take it from there, it never gets done, as a result.

I think the time has to come in this body and in Congress when we accept the full responsibility. We talk about congressional responsibility, that we have given too much away to the President.

But believe me, the reason the President has it is that we do not want it. We do not want fiscal responsibility. We want to be fiscal junkies. Every time a goodie comes along, we will vote for it, but we will vote against all taxes. The same people who want to vote for all spending, when the time comes to increasing the debt limit work like a bunch of dodgers. They say, "We cannot vote to increase the debt limit. It is the fault of the people downtown." I know that my remarks will not have a great deal of effect here today, because of the public pressure that creates some of the feeling on this subject. But I know this: That unless we assume fiscal responsibility and are willing to tax ourselves to pay for the things we want, or take it away from somebody else whom we have given it to over the years, or to increase the debt limit every time we have a spending bill come up, we are inviting fiscal irresponsibility.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McGEE. Mr. President, I ask for the yeas and nays on the adoption of the resolution.

The yeas and nays were ordered.

Mr. McGEE. Mr. President, I am willing to have the yeas and nays in the cloakroom, if that would satisfy the suggestion that somehow Senators would vote one way in the cloakroom and would not be counted on the floor. The issue here is not a popularity vote. The issue is equity and the law.

Look at the record. The President of the United States and his Council on the Cost of Living approved a 6-percent increase to adjust to the cost of living for the rubber industry. They approved a 7.2-percent increase for the major trucking industries this year, because of inflation and the rising cost of living. They approved a 7-percent increase for the electrical manufacturing industry. They approved a 5.5-percent increase for General Electric.

The private sector requests have been approved by the same President and his Cost of Living Council, because of the rising costs that have reduced the capability of families to make ends meet.

Mr. COOK. Mr. President, will the Senator yield?

Mr. McGEE. No; I am not yielding. I have 5 minutes, and I am going to use it.

There are 1.2 million Federal employees who have also received this approval from the executive branch of the Government. The postal workers got 6.8 percent. The blue-collar workers got an adjustment this year, a group that has been extensively referred to. But the Federal employees are the only ones not affected by the guidelines the President laid down.

The petition from our committee is that we should live up to the intent of the public law, and that is that the President's decision be made on October 1. There is no economist living, whom I know of, with all present company excepted, who would pretend that a 2-months advance for 3½ percent of the work force, in an adjustment that is going to be made by the President, is going to have a bad effect on the country.

The policy has been set, the guidelines have been adopted, and the procedures have been ratified, only they are now, at this moment, for some curious reason, not applied to the Government workers. Equity is at stake with the only group that is left that has not been included in the guidelines set down to try to prevent inflation.

The guidelines were not set by me; the guidelines were set by the President and his officers. This is it. We are recommending, from the committee, that the guidelines be honored. We are not setting the percentage. The President can make it 1 percent, if he decides. His officers say it ought to be somewhere between 5.7 and 8.4 percent. But that is up to the President. We are merely saying that this group, at the back end of the line, is already 6 months late. Let us honor the intent of the law, which is that the President's judgment should be delivered on the 1st of October. He delayed last year; he delayed the year before that. Congress thought otherwise.

Therefore, Mr. President, it is my petition that this body stand up and be counted wherever they feel the most comfortable on what equity calls for on this question. If we were starting some new round of negotiations, it would be an entirely different kettle of fish. This is the one group that is left. In this country 83 million working people have come under the guidelines so far with 5.5 percent, 6.1 percent, and 7.2 percent increases. This tiny group is all that has been left out. For that reason, Mr. President, I would hope that our colleagues will stand up and be counted and that the judgment will be to restore equity and to bring us under the intent of public law in honoring the October deadline for this adjustment for Federal employees.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. MANSFIELD. Mr. President, I ask that all votes after this vote, which will be a 15-minute vote, be 10-minute votes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HANSEN. Mr. President, today, when the Senate considers Senate Resolution 171 to grant Federal pay raises in October instead of December, I plan to vote against this measure.

If the Senate approves Senate Resolution 171 and requires that pay increases become effective in October rather than later, the added cost to the taxpayers will be at least $156.2 million for regular Federal employees and an additional $201.7 million for members of the military—a total cost of $357.9 million which we can ill afford in a time of inflation which requires sacrifices of all citizens.

Federal employees received pay increases in January of this year, and while I fully recognize the impact on their income of price increases since then, I believe all in this Nation will benefit by reduced Federal expenditures, including Federal employees.

The people of this country reacted promptly to recent rumors that a tax increase to fight inflation was under consideration. My office began receiving letters from Wyoming citizens who emphatically denounced such an approach, advocating instead a decrease in Federal spending as the best way to fight inflation and stabilize prizes.

Inflation will be reduced only when the Federal budget is balanced. The Federal budget can be balanced in one of two ways: Either taxes must be increased to bring income up to the level of expenditures; or spending must be cut to the level of income. I doubt if we could find a single citizen in this country who wants his or her taxes increased.

The people expect the Government to reduce spending. They expect the Government to set the example in the fight against inflation. I am very strongly opposed to a tax increase, believing that reduced spending is the proper approach and the responsibility of Congress. Consequently, I shall vote against this resolution to grant pay increases 60 days earlier than the President recommended. If my position prevails and the resolution is defeated, $357.9 million will have been saved and we will be that many dollars closer to the time when Federal spending will equal Federal revenue.

Earlier this year when legislation was being considered to pave the way for pay increases to Members of Congress and other top Federal officials, I introduced a resolution to deny such increases. Many of my colleagues joined as cosponsors. My reasons for opposing the pay raise now under consideration are the same as my reasons for opposing the earlier pay increase proposal: In times of inflation and high prices triggered by inflation, Government must set the example of the sacrifices everyone is called upon to make, and Government must reduce its spending.

I hope the Senate will defeat this resolution and allow the scheduled pay raises to take effect on December 31, 1973, as proposed by the President.

Mr. DOLE. Mr. President, considering the provisions of law and the basic purpose of the Federal Pay Comparability Act, it seems only equitable that the increases scheduled to go into effect be allowed.

HISTORY OF ACT

In 1962, 5 U.S.C. 5301 was enacted to express the public policy that—

> Federal pay rates shall be comparable with private enterprise pay rates for the same level of work.

Then in 1970 we enacted the Federal Pay Comparability Act of 1970 to eliminate the almost annual consideration of Federal civilian pay adjustments by the Congress but at the same time to provide catchup pay increases to be put into effect by administrative action to reduce the lag.

Historically the "alternative plan" provisions of the act were to provide the President flexibility in changing Federal pay increases in times of national emergency or adverse conditions.

QUESTION OF INCREASE

In consideration of the law it seems discriminatory to require Federal employees to make sacrifices based on economic conditions of inflation when private industry has had reasonable increases. We can all agree that inflation should be held down, but to single out only Federal employee salaries for deferral ignores the reality that Federal employees are affected by the same Consumer Price Index increases as any other individual.

Certainly the facts and equities justify implementing the Federal white collar and military pay increases into effect on October 1 rather than deferring it 2 months to December 1.

Mr. DOMENICI. Mr. President, I would like to say a few words with regard to my supporting vote for Senate Resolution 171 to allow civil servants a pay increase beginning October 1, 1973.

Mr. President, for the family of the Federal employee, as for those in the private sector, the cost of food, health care, housing, and fuel have continued to rise, insuring that the economic crunch is with us for some time to come. In the next few months we can expect that there will be further announcements of rises in the cost of living. The Federal employee is not immune to this hazard.

I believe it is the expressed and demonstrated intent of the majority of this Congress to hold down unnecessary Government spending and to follow the course of economic stabilization. I have spoken repeatedly as to my intentions in this regard and I am aware of the feelings of my colleagues. I do not feel the passage of this measure to go against this intent of Congress.

Under the provisions of the Comparability Act in 1969, it was determined that there would be an automatic review of salaries paid in the business sector compared to those employed in Government service.

Private industry settlements this year resulting from collective bargaining have, in the main, been reasonable—on the order of 5 or 6 percent. The Senate Post Office and Civil Service Committee felt that business management has been reasonable and agreed that Federal employees should be held to those same guidelines.

I would like to emphasize at this time that this pay increase would in no way affect Senators' salaries or the salaries of House Representatives.

In his message to Congress, the President praised the private business sector on pay increases by stating:

> Labor and management in the private sector have done their share by acting with commendable restraint in agreeing upon new wage increases.

Federal employees have not shared in these increases. I felt they should be given comparability with the past increases in private sector salaries which the President has praised.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. Mr. President, what is the parliamentary situation?

Mr. McGEE. A vote of "aye" would rescind the President's announcement to give this increase on the 1st of December, and would return it to the other procedure under the law of requiring that he make the decision and on what percentage on October 1.

Mr. SAXBE. A vote of "aye" is for immediate approval of the wage increase, and a vote of "no" is that it be effective December 1.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. COTTON (after having voted in the negative). On this vote I have a pair with the Senator from Oregon (Mr. PACKWOOD). If he were present and voting, he would vote "yea." I have already voted "nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce

that the Senator from Missouri (Mr. EAGLETON) and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), and the Senator from Alaska (Mr. GRAVEL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

The pair of the Senator from Oregon (Mr. PACKWOOD) has been previously announced.

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from Ohio (Mr. TAFT). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 72, nays 16, as follows:

[No. 434 Leg.]

YEAS—72

Abourezk
Aiken
Allen
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Dole
Domenici
Dominick
Eastland
Ervin
Fong
Fulbright
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—16

Baker
Bartlett
Bennett
Brock
Buckley
Cook
Curtis
Fannin
Goldwater
Griffin
Hansen
Helms
Hruska
Saxbe
Thurmond
Tower

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Cotton, against.

NOT VOTING—11

Clark
Eagleton
Gravel
Johnston
McClellan
Packwood
Pearson
Percy
Scott, Hugh
Scott, William L.
Taft

So the resolution (S. Res. 171) was agreed to, as follows:

S. RES. 171

Resolution disapproving the alternative plan for pay adjustments for Federal employees

Resolved, That the Senate disapproves the alternative plan for pay adjustments for Federal employees under statutory pay systems recommended and submitted by the President to Congress on August 31, 1973, under section 5305(c) of title 5, United States Code.

Mr. McGEE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. FONG. Mr. President, I move to lay that motion on the table.

Mr. ROBERT C. BYRD. Mr. President, the motion is not in order.

The PRESIDING OFFICER. The motion is not in order.

AMENDMENT OF SMALL BUSINESS ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 2482, a bill to amend the Small Business Act. The time for debate has expired. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON) and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 435 Leg.]

YEAS—89

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—11

Clark
Eagleton
Gravel
Johnston
McClellan
Packwood
Pearson
Percy
Scott, Hugh
Scott, William L.
Taft

So the bill (S. 2482) was passed, as follows:

S. 2482

An act to amend the Small Business Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Business Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided,* That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91–596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

Sec. 4. Notwithstanding the provisions of Public Law 93–24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occurred after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92–385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

Sec. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided,* That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease".

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

Sec. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

Sec. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATION AMENDMENT

Sec. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Administrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Mr. President, is a motion to reconsider this vote in order?

The PRESIDING OFFICER. A motion to reconsider is not in order since the bill has already been reconsidered once.

Mr. STEVENSON. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENSON. Mr. President, would it be in order to make a unanimous-consent request that passage be reconsidered, that third reading be reconsidered, that amendments be agreed to, and that as thus amended the bill be passed?

The PRESIDING OFFICER. That would be in order.

Mr. STEVENSON. And for how long would such a unanimous-consent request be in order?

The PRESIDING OFFICER. At any time so long as the bill is in the possession of the Senate.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974.

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active-duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loans, and for other purposes.

Mr. MANSFIELD. Mr. President, under the previous agreement, I call up amendment No. 519, offered by the distinguished Senator from Iowa (Mr. Clark).

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

On page 18, line 18, strike out "$3,628,700,000" and insert in lieu thereof "$2,971,000,000".

On page 19, between lines 3 and 4, insert a new section as follows:

"Sec. 102. None of the funds authorized to be appropriated by this or any other Act may be used for the purpose of procuring any items or services in connection with the construction of the CVN–70 nuclear attack aircraft carrier.".

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time consumed be charged equally to both sides.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, the Senate is now in the midst of consideration of the military authorization bill. In so doing it should be moving the American defense program into the post-Vietnam era.

Considering this fact, I find it very curious that there has not been more serious conceptual discussion about the future of our military affairs. This year ought to be a turning point, the time when we take the long view, and begin to chart our requirements for the remainder of this century.

Relieved of the burden of supporting de facto combat, we should be engaging in a national debate on broad policy questions, seeking to assess the lessons of the past, the realities of the present and the potential of the future, with the goal of a balanced program to assure the strength of our Nation and the security of its future.

Instead, I fear we have fallen into a syndrome of nitpicking.

It would sometimes appear, from the newspapers, that the most important question of our military policy is this: how high ranking should an officer be in order to deserve a chauffeur?

For some, the key debating point on national defense is simply scissor work. The rallying cry is "cut," and the only limitation is to make sure that the cuts do not affect one's hometown economy. For others, it seems that any suggested addition is automatically good.

By the time this body completes its action, I suspect that there will be amendments to cut every program, and amendments to increase every program.

It is, of course, proper and necessary to debate the appropriate level of individual program expenditures. This controversy over how much to spend, however, is a poor substitute for the kind of in-depth study in which we should be engaging at this vital turning point in the history of American defense policy.

Where are the goals? Where is the overview? Where is the careful consideration of defense priorities?

I have made some suggestions, and I would like to review them briefly today. But I cannot believe that others in this body and elsewhere do not have ideas equally good, or better.

I would suggest first of all that we need better coordination within and between the various committees on the question of national security policy. In that regard, I have proposed an Ad Hoc Subcommittee on National Security to be established within the Government Operations Committee. Senator Ervin has graciously promised to study the idea when Congress recesses, and I am hopeful that such a group can be formed in time that at least some preliminary reports may be published in time for the fiscal year 1975 appropriations debate.

It is also clear that we need some streamlining techniques for studying the military budget. Consider the current authorization bill. The section for naval vessels has two lines. The first is the title: "Naval Vessels." The second, laconic in the extreme, reads "for naval vessels: for the Navy, $3,628,700,000." Over $3½ billion disposed of in two lines. How is one to vote responsibly on that?

We look into the committee report, and here we find two and a half pages of discussion on naval vessels, but this is not in-depth conceptual thinking, relating this expenditure to some specific strategic or tactical objective.

Or consider an even better example. We have the key strategic concept of Triad, the mixture of land-based, sea-based, and airborne strategic nuclear weapons. Why, then, does the word Triad appear nowhere in the bill, and in no organizational sense in the report?

Modernization programs for land-based missiles, the Minuteman III program, for example, appear in one section, conversion of sea-based missile to MIRV are somewhere else, and the B-52 modernizations are in still another section.

Individually, each of these systems can be justified, and each can be criticized, but if Triad is more than just a word, the proper way to analyze it is in a unified structure; it is not three programs, it is one, and we will do little justice to our responsibility for policy development if we view it otherwise.

If, then, we are to have a rational basis for discussion, we need to develop some general baseline concepts. I have four to suggest, among many. Whether we use these four, however, or some others, the point is that without a yardstick, an enveloping theory, it is difficult and dangerous to judge separate systems.

The four concepts I have suggested are these:

STAGGERED PHASE-IN

We cannot afford everything at once. The current proposal is to modernize all three legs of Triad at once. Two things disturb me about this, the first and obvious being the cost, and the second, more subtle but equally important, the fact that if all are begun at once, all may become obsolete at once.

This concurrent obsolescence is perhaps less obvious with regard to Triad than it is with other programs. For example, in fighter planes, the Navy F-14 and Air Force F-15 are proceeding astep. The initial cost here is disturbing enough, but what really bothers me is that these two expensive airplanes will become obsolete at the same time.

Since they are both already at the production stage, it is probably too late to apply the principle of staggered phase-in, but other programs, still at the R. & D. stage may be appropriate for this sort of thinking, such as our programs for close-support aircraft, are currently under development by the Air Force—the A-10—and the Army—the advance attack helicopter.

HI-LO

I believe in a strong military posture. The incredible cost of modern weapons, however, leads me to the conclusion that it is both necessary and desirable to mix high-cost items in with some that are more economical.

The $12 million F-15, for example, could be obtained in reduced quantities, with the remainder of our required number of fighter planes with the cheaper, but adequate F-5E. Similarly, we should balance the high-cost proposed new XM-1 tank with some of lower cost and with antitank weapons.

We simply cannot afford to replace the $3 million F-4 with the $12 million F-15 or the $300,000 M-60 tank with one costing $1 million, unit for unit.

But we do need planes and tanks and other weapons in quantity, simply to keep parity with the Soviet Union, and the Hi-Lo approach will provide us with an answer.

I was particularly pleased to see the Armed Services Committee add $14 million for F-5E R. & D. I think the Congress should give a good hard look at the results of these studies on this lightweight aircraft. On the other hand, I view with some apprehension the deletion of funds for the Navy's sea control ship, which might make a very good "Lo" for our aircraft carrier "Hi's."

With the current cost of weaponry, the armed services are simply going to have to start developing more "Lo's" in order to fill the quantity gap. Jane's editors now assert that the Soviet Navy is "the world's largest by almost any criteria," and the reason is that we have priced ourselves out of contention for at least the immediate future.

CAPABILITY WITHOUT PRODUCTION

With the cost of weaponry soaring, it is not unreasonable to suggest that we undertake a conscious program whereby we develop a sophisticated weapons system, while delaying production until the system is actually needed. In this, it is necessary to recognize that such a system might never be produced.

It does not follow, however, that the money spent on R. & D. was wasted. Rather, we may more properly say that the money not spent on production was saved. The R. & D. is always an investment in greater technology, whether used in one specific program or not.

The Brookings Institute, commenting on the SALT talks, said:

> In the last analysis, the United States brings two advantages to these negotiations: its technical leadership and its superior economic resources.

We must never lose that technical leadership. With our superior economic resources and technical leadership, we can quickly put into production items that may be urgently required in any given situation.

NEW DEFINITION OF RULES

We clearly need to reexamine the roles of the various services. The committee report opposes excessive concurrency, and questions the need for four separate tactical air forces, but we have established no clear role definitions that will serve as models for the consideration of weaponry, manpower, and other elements of defense requirements.

In addition to role reexamination between the services, we need a close examination of the roles and methods of such matters as manpower, military education, and procurement.

CONCLUSIONS

The Nation has been greatly concerned with the domestic matters in this year, and as a result, we have not seized this historic opportunity to mold a new military policy.

This is regrettable, but regrets will not change the fact. I am confident that if the sort of thinking needed were to take place, we could save the American people substantial sums of money. Certainly, we could spend their money more efficiently.

In the absence of clear-cut debate, however, one is left with the situation of deciding piecemeal about whether or not to cut this program or that. Piecemeal cuts do little to assure the defense of the Nation, and I shall err on the side of safety in the current series of votes—frustrating as that course may be.

I hope I shall have better alternatives in next year's debate. I hope that each of us in this body will have then the opportunity we do not have now: to build for the future an efficient and effective defense system for the post Vietnam era, and for the protection of the American people and the liberties we cherish.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

THE FEDERAL OCEAN PROGRAM—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

The past decade has been a productive period in our Nation's effort to better understand and utilize our marine resources. The early 1960's saw the establishment of a firm foundation for our Nation's oceanographic research programs. Building on this research base in the late 1960's and early 1970's, we began formulating policies and carrying out plans to derive practical benefits from our ocean activities. New marine-related institutions were developed, the importance of marine sciences to the activities of existing institutions was recognized, and their efforts were expanded. While recognizing the ongoing importance of basic research, I believe that this emphasis on practical benefits must also be carried forward in the years ahead.

OCEAN INDUSTRIES

We have been particularly concerned of late with the challenge of relieving our dependence on marine imports and, at the same time, providing new products and services for export. Our fishing industry has been a special focus of concern. At present, we import approximately 70 percent of our fish products, in spite of the fact that some of the world's most fertile fisheries lie directly off our coasts. These imports contribute a billion dollars to our foreign trade deficit. To help protect our domestic fishing industry, I have recommended legislation which would permit U.S. regulation of foreign fishing off our coasts to the fullest extent authorized by international agreements and would permit Federal regulation of domestic fisheries in the U.S. fisheries zone and in the high seas beyond that zone.

Of the non-living or mineral resources of the seabed, petroleum from our continental shelves will be the most important to the Nation for some years to come. I have directed the Secretary of the Interior to continue to accelerate the leasing of Outer Continental Shelf lands for oil and gas production to a level triple the present annual acreage rate by 1979, as long as such development can proceed with adequate protection of the environment and under conditions consistent with my Oceans Policy statement of May 1970.

We are also seeking agreement with other nations on a suitable means for developing mineral resources beyond the limits of national jurisdiction.

MANAGING OUR MARINE RESOURCES

Our efforts to improve the means by which we extract resources from the sea must be accompanied by efforts to ensure that those resources are managed properly to protect their continued abundance. In America, as in other nations, there is a deepening concern for the marine environment and the welfare of its associated plant and animal life. There is also a growing worldwide recognition that the welfare of the ocean resources is of international concern. This concern has been manifested in the establishment of the United Nations Environment Program and Fund following the Conference on the Human Environment at Stockholm and in the recent Convention on International Trade and Endangered Wild Species of Fauna and Flora. The Marine Mammals Act of 1972, which will help in the preservation of porpoises, seals, whales and other mammals which inhabit the seas and shores, is another significant step in the effort. So is my proposed Endangered Species Conservation Act, which would permit protective measures to be undertaken before a species is so depleted that its recovery is difficult or impossible.

The need for proper management of our coastal areas is inextricably linked with the need for proper management of our marine resources. Much of our population is concentrated on the relatively narrow band of our national coastal zone. The problems of urban development and land transportation within this zone, as well as the impact of ocean vessels of mammoth tonnage, demand serious consideration of our entire coastal transportation complex—including deepwater ports and off-shore terminals. Recently proposed legislation for the licensing of deepwater ports is another key element in our effort to anticipate and resolve this problem.

I believe that coastal zone management must be part of a program for the proper management of all our national lands. For this reason, my legislative program for this year includes again my recommendation for a major National Land Use Policy Act, a bill which would place special emphasis on the problems of our coastal zone.

I have further requested that the Senate give its consent to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, adopted in November 1972 by the United States and 91 other nations. I have proposed amendments to our ocean dumping legislation fully to implement the Convention and I am proposing legislation to carry out other international agreements related to pollution control under the auspices of the Intergovernmental Maritime Consultative Organization.

MARINE ADVISORY SERVICES

To support Federal marine programs and to assist in their application for the benefit of the American public, a marine advisory service has been established to serve as a two-way communications link with the public. Field agents of this advisory service—"county agents in hip boots"—will help bring to the Nation an awareness of our ocean heritage and its potential for satisfying many of our economic and social needs.

INTERNATIONAL COOPERATION

Problems of the marine environment have a unique global dimension. As we continue our efforts in the marine areas that I have highlighted, we shall also work to improve the performance of these functions within the international community. We are already making headway, for example, in advancing the International Decade of Ocean Exploration, the International Field Year of the Great Lakes, and the Integrated Global Ocean Station System of the Intergovernmental Oceanographic Commission and the World Meteorological Organization.

We have also established special agreements for cooperative marine activities with a number of nations, including Canada, France, Japan, and the U.S.S.R. In addition, we shall take whatever efforts are required to fulfill those commitments made at the Stockholm Conference on the Human Environment, the meetings of the International Whaling Commission, and the significant deliberations of numerous other organizations dedicated to fisheries and the marine environment. We shall also continue to work with developing nations, helping them to realize more fully the benefits available to them from the oceans and generating the climate necessary to assure freedom of research at sea for all nations.

Finally, we must seek ways to insure that the oceans remain an avenue of peaceful cooperation rather than an arena of tension-filled confrontation. Our efforts in the Law of the Sea deliberations, now beginning, will be devoted to this goal.

CONCLUSION

America is a seagoing nation with great dependence on the oceans that surround it We can take pride in our past leadership and our accomplishments in marine science and engineering. I am determined that our future Federal marine effort will continue that leadership to the benefit of our Nation and all mankind.

RICHARD NIXON.

THE WHITE HOUSE, *September 28, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Under the same conditions, charging the time equally?

Mr. MANSFIELD. Yes, to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) may be permitted to call up an amendment at this time; that there be a time limitation thereon of 40 minutes. to be equally divided in accordance with the usual form, with a time limitation on any amendment thereto, debatable motion, or appeal limited to 10 minutes, to be equally divided in accordance with the usual form.

Mr. TOWER. Mr. President, reserving the right to object—and I shall not object—this is with the understanding that we will return immediately to the pending amendment, once the amendment of the Senator from Virginia has been disposed of.

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. That will be the procedure, under the agreement.

Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

GOVERNMENT OF INDIA LOAN SETTLEMENT

SEC. —. The United States Government may not agree to any settlement with the Government of India with respect to sums owed by that Government to the United States Government on sales and on loans made pursuant to law, unless—

(1) that settlement provides for the Government of India paying all of such sums owed; or

(2) Congress, by law, specifically authorizes settlement in an amount which is less than all of such sums owed.

Mr. HARRY F. BYRD, JR. I yield myself 5 minutes.

Mr. President, on September 19, the press reported that the Indian Government has proposed, and the United States has tentatively accepted, settling India's $3 billion debt to the United States. The settlement provides for the United States to obtain $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries. Obviously, the United States gets nothing out of the second proposal, dealing with the $900 million.

Under the terms of the proposal carried to Washington from New Delhi by U.S. Ambassador Daniel P. Moynihan, the remaining $2 billion debt would be used to underwrite agricultural development, rural electricity, housing, and other Indian projects. This debt has been built up over many years.

So for the $3 billion owed the United States by India, the United States would get only $100 million.

Mr. President, a little while ago, the Senate adopted an amendment to this bill providing for aid to Israel. I favor that aid to Israel amendment. My amendment is what I call an aid-to-the American-taxpayers amendment—aid to the American taxpayers, the forgotten people.

In my judgment, it is neither right nor logical nor sound to permit an ambassador, whether it be the eminent Dr. Daniel P. Moynihan or some other ambassador, to go to a foreign country and make a settlement with that government to virtually cancel that government's debt to the United States.

That money is the property of the American taxpayer. Only the Congress can appropriate tax funds.

The amount involved is huge—approximately $3 billion. Other countries have debts to the United States, but I am dealing today only with India. I do this because the amount is so large and because a giveaway of U.S. tax funds seems imminent.

The Government of India owes the United States $3 billion. I submit that that $3 billion, belonging to the taxpayers, should not be given to India, or to any other nation, for that matter, without the approval of Congress.

I will not pass judgment as to whether the agreement made by Ambassador Moynihan is wise or unwise; but I say that when $3 billion is involved, Congress—the elected representatives of the people—must make the decision as to whether such debt will be canceled.

The proposal I have offered to the Senate says that there shall be no settlement at less than 100 cents on the dollar of the debt owed by India to the United States, unless Congress approves. It leaves the decision with the Congress.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. GOLDWATER. Is the proposal the Senator has made in the form of a resolution or a bill?

Mr. HARRY F. BYRD, JR. It is in the form of an amendment to the pending bill.

Mr. GOLDWATER. I would feel highly honored if the Senator would allow me to be a cosponsor.

I do not think we have the right—I do not think the President has the right—to give the taxpayers' money away.

If he wants to give it away, let us give it back to the taxpayers.

Mr. HARRY F. BYRD, JR. I agree thoroughly.

Mr. GOLDWATER. I never voted to give money to any nation in the world, but we have done it. I see no legal, moral way we can cancel debts owed to us. I wish somebody would cancel my income tax.

Mr. HARRY F. BYRD, JR. I thank the Senator. I agree thoroughly.

Mr. President, I ask unanimous consent that the able and distinguished Senator from South Carolina (Mr. THURMOND) and the able and distinguished Senator from Arizona (Mr. GOLDWATER) and the able and distinguished Senator from North Carolina (Mr. HELMS) may be made cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able Senator from Virginia for offering the amendment.

If India owes the United States $3 billion, it owes it to the people of this country. I certainly do not think Ambassador Moynihan or even the President of the United States should undertake unto themselves the authority to cancel such a debt; only Congress should pass on that matter. As a Member of Congress, I would not favor such a proposal. If they borrowed the money, then why not have them repay it? If they want to take a long time, that can be arranged, but why should we cancel it?

Furthermore, India has not been too friendly to the United States in recent years. I wonder if this is a gesture to try to buy friendship. My experience has been we cannot buy friendship. We have furnished money all over the world, and instead of making friends we have lost friends because they get angry if we contact them about having the money paid back, and they feel like using that money for ulterior purposes.

I agree wholeheartedly with the Senator. On this side we are willing to take the amendment to conference.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield to the Senator from Minnesota. First, Mr. President, I ask unanimous consent that the name of the able Senator from Georgia (Mr. NUNN) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I rise merely to sound a note of caution, to stop, look, and listen. The basic thrust of this amendment, of course, meets with considerable immediate approval. But let me tell Senators what it is about.

There are approximately $7 billion worth of rupees, Indian rupees, as a result of sales under Public Law 480, surplus agricultural commodities, over a long period of time, going back to the 1950's. Those rupees are in an account of the Government of the United States and stand as a mortal threat to the economic solvency of India.

The effort was made here to arrive at some kind of settlement in hard currency for these rupees. Ambassador Moynihan just the other day came to speak to me about the matter very briefly. Apparently negotiations have been underway for some time. Previous efforts were made. A much smaller figure was bandied about in the U.S. Government for settlement.

I understand Ambassador Moynihan was able to negotiate a settlement of about $1 billion. I think that is about right.

Mr. HARRY F. BYRD, JR. I think the Senator is mistaken.

Mr. HUMPHREY. That is what he told me, anyway.

Mr. HARRY F. BYRD, JR. It depends on how the $1 billion is figured. The news account states that the United States will get $100 million in cash and $900 million will be spent on U.S. operations in India and aid to neighboring countries—and another $2 billion will be used to underwrite projects in India.

Congress has not passed on that. I am not passing judgment, I might say to the distinguished Senator from Minnesota, on the merits of what Ambassador Moynihan did.

All my proposal provides is that before $3 billion in debts owed to the United States by India is canceled, the American Congress, the representatives of the taxpayers, make the final decision. That is all it provides.

Mr. HUMPHREY. The figures are so confusing, because the figures I have heard often are far in excess of $3 billion.

Mr. HARRY F. BYRD, JR. The Senator is speaking of rupees; I am speaking of U.S. dollars.

Mr. HUMPHREY. I am speaking of dollars, too. Also, the money is not in dollars. Actually what we got from the sale of surplus commodities in the past we were able to sell to them for what we call counterpart funds—for their currency. Much of that currency is not convertible at all. We did the same thing with the Italian lira, with the Polish zloty; and the same thing in the instance of Spain's peseta. All these moneys accumulate as a result of transactions in what we then called surplus agricultural commodities. We had agreements with those countries that if that money could be expended, they would have to program it through their ministries of finance, so that there would not be a flush of money running into their economy, which would be inflationary and might cause a scarcity of goods. Some people have called it funny money. It is not comparable to money that has been piled up, where it has become a serious matter of diplomatic relations and of serious concern to the economy of the country that held it, strange as that may seem.

All I would say is that we might have consulted on this matter with the Treasury Department, or with the Secretary of the Treasury, Mr. Shultz; with the Secretary of State, Mr. Kissinger; or with someone who could give us a little more insight than we have now. I am sorry that someone is not here from the administration's side to take care of this case. I know that the President, the Secretary of State, and the Secretary of the Treasury have been deeply concerned about the matter. I was only trying to put up a warning signal, so that we could hear the other side of the situation before we took precipitate action. I tend to agree with what the Senator offers, but I know there is another side to the story, and it has not been stated on the Senate floor.

Mr. HARRY F. BYRD, JR. I am not passing judgment on the merits of the settlement. Probably I would not agree with the merits of the settlement, but I am not passing judgment on that now. All I am saying is that, whether it be Ambassador Moynihan or Secretary of State Kissinger or President Nixon, none of these individuals has the right to take $3 billion that belongs to the American taxpayers and give it to India, or to other countries, without coming to Congress.

Mr. HUMPHREY. From what I learned from Ambassador Moynihan, that settlement was to be referred to Congress. The Committee on Agriculture and Forestry was the authorizing committee of Public Law 480.

Mr. HARRY F. BYRD, JR. Then this amendment will do no damage.

Mr. HUMPHREY. May I say to the Senator quickly—I shall not take more time—that my concern was that somebody should come in and explain the administration's position on this question. It is a serious matter. I think the Senator's proposal is reasonable from his point of view; but it seems to me that we will need to know much more about it. If the matter is going to be sent to Congress, it ought to be referred to the Committee on Agriculture and Forestry.

Mr. HARRY F. BYRD, JR. That is fine. This amendment will require that the matter be submitted to the Congress.

Mr. HUMPHREY. Very good. I think we ought to ventilate the matter a little bit. If we do not do that, we may have to make another 180-degree turnaround and do a little stopping, looking, and listening wherever that is necessary.

Mr. GOLDWATER. Mr. President, I should like to inquire of either Senator whether this money is what we call counterpart money.

Mr. HUMPHREY. That is correct; that is what it is.

Mr. GOLDWATER. Being that, this money remains in the country concerned?

Mr. HUMPHREY. It was my understanding, from what I have been informed in conversation, that this was an effort to take a substantial amount of counterpart rupees and come down to an agreement on a billion dollars' worth, and that $2 billion dollars would be left for whatever purposes would be agreed on for use.

As I understand from what the Senator from Virginia has read from the press report, he has thought there would be $100 million in cash payment and $900 million available to the Government of the United States for payment of its own needs within India and for other things that might be available in other countries.

So I think that what we are really trying to get at here, and the whole question the Senator from Virginia poses, is whether Congress should have something to say about it. I think Congress should have something to say about it.

The PRESIDING OFFICER. The Chair will remind the Senator that 15 of his 20 minutes have expired.

Mr. GOLDWATER. The subject of counterpart funds has always bothered me, and the fact that these moneys, which rightly belong to the United States, rest around the world in different countries through transactions known as Public Law 480. As I understand the law, they cannot be returned to the United States, but are used to build embassies, maintain embassies, and so forth. I think this whole subject, as the Senator suggests, deserves not a little airing, but a lot of airing. I am glad the Senator has injected himself into it.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, what the Senator from Arizona has said has great merit. I agree with him. As a matter of fact, may I say to the Senator that, as a result of the concerns he has expressed, along with others, in years past, Public Law 480 has been amended, so that instead of going into counterpart funds, we go into concessional sales of dollars, where there is more favorable rates of interest and terms, so that at least we have some convertible dollars. But in earlier days, rather than living up to Public Law 480, we played games and we took counterpart funds which we used for our Embassies, travel, to make loans for businessmen who wanted to build plants overseas, et cetera.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that a news article on this subject, plus a telegram which I sent to the Secretary of State, plus a letter which I had hand delivered to the Secretary of State be inserted at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INDIA MAY SETTLE DEBT TO UNITED STATES

WASHINGTON.—The Indian government has proposed—and the United States tentatively accepted—settling its $3 billion debt for $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries.

Under terms of the proposal carried here from New Delhi by U.S. Ambassador Daniel P. Moynihan, the remaining $2 billion debt would be used to underwrite agricultural development, rural electricity, housing and other Indian projects.

The debt has built up over the years from two primary sources: American grain supplied during the famine years of the 1960s under the Food for Peace program, and now-completed U.S. aid loans to India. Although the debt is equivalent to $3 billion, it is actually owed to America by India in terms of rupees, not U.S. dollars.

SEPTEMBER 27, 1973.

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

MY DEAR MR. SECRETARY: The attached is a copy of a telegram which I sent to you last evening. I know the heavy volume of mail your office must handle, so I am having a copy hand delivered.

I would appreciate a prompt reply.

Cordially,

HARRY F. BYRD, Jr.

SEPTEMBER 26, 1973.

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.:

The Associated Press on September 19, reported that the Indian government has proposed and the United States has tentatively accepted settlement of its $3 billion debt for $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries.

The report says the remaining $2 billion debt would be used to underwrite various Indian projects. I would appreciate a detailed statement as to the accuracy of The Associated Press report and whether this arrangement is being made unilaterally by the Executive Branch or will its terms be submitted to the Congress for approval. A prompt reply would be appreciated.

HARRY F. BYRD, Jr.,
U.S. Senator.

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from South Carolina control the opposition time?

Mr. THURMOND. I suppose I do, Mr. President, and I am in favor of the amendment. I yield back whatever time I have on it and we can have a vote.

The PRESIDING OFFICER. All time having been yielded back on the amendment, and the yeas and nays having been ordered, the question is on agreeing to the amendment of the Senator from Virginia (Mr. HARRY F. BYRD, JR.). The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Hawaii (Mr. INOUYE), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Louisiana (Mr. Johnston) are absent on official business.

I also announce that the Senator from Iowa (Mr. Clark) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood), the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from Virginia (Mr. William L. Scott) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announced that the Senator from Illinois (Mr. Percy) is absent by leave of the Senate.

I further announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

Also, the Senator from North Dakota (Mr. Young) is detained on official business.

The result was announced—yeas 67, nays 18, as follows:

[No. 436 Leg.]

YEAS—67

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Gurney
Hansen
Haskell
Hathaway
Helms
Hollings
Hruska
Hughes
Humphrey
Jackson
Long
Magnuson
Mansfield
McClure
McIntyre
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Tower
Weicker
Williams

NAYS—18

Aiken
Bellmon
Church
Griffin
Hart
Hartke
Hatfield
Huddleston
Javits
Kennedy
Mathias
McGee
McGovern
Mondale
Saxbe
Sparkman
Stevenson
Tunney

NOT VOTING—15

Clark
Cotton
Eagleton
Gravel
Inouye
Johnston
McClellan
Metcalf
Packwood
Pearson
Percy
Scott, Hugh
Scott,
  William L.
Taft
Young

So the amendment of Mr. Harry F. Byrd, Jr., was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Iowa.

Mr. TOWER. Mr. President, I yield to the Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT ON PENDING BILL

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate. The Senator from West Virginia may proceed.

Mr. ROBERT C. BYRD. Mr. President, at the direction of the distinguished majority leader, I propound the following unanimous-consent request:

First of all, may I ask Senators as to whether any Senator present has an amendment which he wishes to call up to the pending bill? I know that Senator Magnuson has an amendment, and Senator Humphrey has an amendment which is already clocked in; and the pending amendment, of course, is the amendment by Mr. Clark, which would reduce funds for aircraft carriers.

Mr. STENNIS. Mr. President, does the Senator expect to finish that up this afternoon?

Mr. ROBERT C. BYRD. Yes; I do not think there is any question but that action will be completed on that one, may I say to the distinguished Senator.

If any other Senator has an amendment, this is the time to make that known, before I make the following unanimous-consent request.

Mr. McINTYRE. Mr. President, if the Senator will yield, I understand that the Senator from New York (Mr. Buckley) has an amendment.

Mr. ROBERT C. BYRD. Senator Buckley has an amendment; I thank the Senator.

Mr. President, I shall make the following series of requests, and I hope Senators will wait until I complete my requests before they object or ask questions, because this is a bit more difficult than the usual request.

I ask unanimous consent that time on any amendment other than the amendment by Mr. Humphrey and the amendment by Mr. Clark, which is now pending, be limited to 1 hour, to be equally divided in accordance with the usual form; that time on any amendment to such amendment be limited to 30 minutes, to be equally divided in accordance with the usual form; and that time on any debatable motion or appeal in relation thereto be limited to 10 minutes, to be equally divided in accordance with the usual form.

That following the disposition of the amendment by Mr. Clark, the amendment by Mr. Buckley be called up, and that upon the disposition of the amendment by Mr. Buckley, the amendment by Mr. Magnuson be called up.

This does not, of course, keep the Senate from switching the order of those two amendments, depending upon the convenience of the authors and the circumstances, and so on. But for the time being we will leave it in that sequence.

Provided that upon the disposition of the amendment by Mr. Magnuson, the distinguished Senator from Minnesota (Mr. Humphrey) then be recognized to call up his amendment, which will be open to an amendment in the second degree under the Senate rules;

Provided, that I may be recognized to call up a perfecting amendment to the amendment by Mr. Humphrey without the time having expired on the amendment by Mr. Humphrey, and that debate on the amendment by Mr. Humphrey and/or my amendment thereto be limited, today, to 1 hour on the amendment by Mr. Humphrey and 20 minutes on my amendment thereto;

That the bill then be put aside, if there is other business to be called up, until Monday—there will be no session tomorrow—and that upon Monday at no later than the hour of 3:30 p.m., the Senate resume debate on the Humphrey amendment and the perfecting amendment thereto, with a limitation on both, to run concurrently, of 30 minutes, to be equally divided between Mr. Humphrey and Mr. Thurmond;

That, at the hour of 4 o'clock p.m., a vote occur on the adoption of the Byrd perfecting amendment, to be followed immediately by a vote on the adoption of the Humphrey amendment, to be followed immediately by a vote on final passage of the bill; and

That rule XII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not, because this agreement has been discussed with the leadership on this side and with the managers of the bill in general, I think it would be useful to the Members to say that the amendment of the Senator from Minnesota (Mr. Humphrey) involves a $750 million across-the-board cut, and that the perfecting amendment to be offered by the Senator from West Virginia (Mr. Robert C. Byrd) will be, as I understand it, a perfecting amendment to make that a $500 million cut.

I have only one concern, and that is that there is a request that there be 1 hour of debate on any other amendment. We do not know of any other amendments other than the Buckley amendment and the amendment to be offered by the Senator from Washington (Mr. Magnuson). That is certainly agreeable with respect to those two amendments, but I would have some concern about a 1-hour limitation on any other amendment, without knowing what those amendments might be.

Mr. ROBERT C. BYRD. May I say to the distinguished assistant Republican leader that we have ordered a sequence of amendments today.

Mr. GRIFFIN. I am aware of the fact that on Monday other amendments will not be in order.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I understand that, and they would have to be offered today.

Mr. ROBERT C. BYRD. But may I say that under the request, they could also not be offered today.

Mr. GRIFFIN. I see.

Mr. ROBERT C. BYRD. Because under the request the Senator from New York (Mr. Buckley) would be recognized to call up his amendment on the disposition——

Mr. GRIFFIN. In other words, it applies only to those two amendments?

Mr. ROBERT C. BYRD. That is correct. Only to amendments specifically mentioned.

Mr. GRIFFIN. If that is the understanding, that is fine.

Mr. TOWER. Mr. President, reserving the right to object, I did not hear the Senator enter a unanimous-consent request on the Clark amendment.

Mr. ROBERT C. BYRD. If we can get the other things taken care of first, we will try to reduce the time on that.

Mr. TOWER. I just wanted to make sure, because I did not hear that.

Mr. GRIFFIN. Mr. President, I think this request is very acceptable, and I want to thank the majority whip for working so hard to work this out, because a majority of the Members are not able to stay until a late hour today, and too many of them would have had to miss the votes.

Mr. DOLE. Mr. President, reserving the right to object, am I to understand that no further amendments can be offered if this request is agreed to?

Mr. ROBERT C. BYRD. That was the purport of the agreement. Senators were asked if other Senators had amendments. The Senator from Kansas was not in the Chamber at the time.

Mr. DOLE. I have an amendment with the Senator from South Dakota (Mr. McGOVERN), but we think that will be accepted. We are working on the amendment with my staff now.

Mr. ROBERT C. BYRD. Allowing for that kind of contingency, then, Mr. President, we could allow 30 minutes on any amendments other than those enumerated, with the understanding that no nongermane amendments would be in order.

Mr. ABOUREZK and Mr. BUCKLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. BUCKLEY. Mr. President, is my understanding correct that the next order of business would be an amendment by Mr. CLARK?

Mr. ROBERT C. BYRD. That is the present order of business. The next order of business would be the amendment by the Senator from New York.

Mr. BUCKLEY. With a 1-hour limitation?

Mr. ROBERT C. BYRD. Yes.

Mr. BUCKLEY. I have no objection.

Mr. TOWER. Mr. President, reserving the right to object, I understand that does not involve the amendment by the Senator from Kansas, because we do not want a time limitation on amendments we do not know exist.

Mr. ROBERT C. BYRD. How much time does the Senator from Kansas want on his amendment?

Mr. DOLE. Ten minutes.

Mr. ROBERT C. BYRD. Ten minutes to be equally divided?

Mr. DOLE. Yes.

Mr. ROBERT C. BYRD. Very well.

Mr. SYMINGTON. Mr. President, reserving the right to object, there has been a considerable effort on the part of the leadership in the past to get the bill over today, and I have cooperated with some of my colleagues who stated they would like to have the bill over today; and until very recently, when the assistant majority leader was kind enough to call me in the dining room, I thought the bill would be over today with the Humphrey amendment decided on.

So may I ask my able leader to explain what I shall explain to those to whom I have stated that the bill in all probability would be over today somehow, without a Saturday session, that it is now going to be put over until Monday?

Because we have all been doing our best to accede to the wishes of the leadership so as to finish the bill at the earliest opportunity.

Mr. ROBERT C. BYRD. The able Senator has asked a question that should have been answered by me before the question was asked.

Mr. President, there are 4 hours, under the previous order, allotted to the pending amendment of Senator CLARK. It has been brought very persuasively to the attention of the leadership on this side of the aisle that unless some agreement can be entered into, putting the vote on the Humphrey amendment and final passage of the bill over until next week, any request to limit the time further on the Clark amendment will be objected to. Hence, that would mean that the Senate would have to spend 4 hours on that amendment today.

It was also pointed out that perfecting amendments were being prepared to the amendment by Senator HUMPHREY—on which there is a 2-hour limitation with a 30-minute limitation on any amendment thereto—and that those amendments would be offered ad infinitum into the evening; which would mean that if we came in tomorrow it would probably be an exercise in futility; and if we remained here until 8 or 9 o'clock tonight, we would still not be able to finish the Humphrey amendment or reach final passage of the bill.

Confronted with these circumstances, the leadership on this side of the aisle felt that it would be the better part of wisdom and be more convenient to all Senators, to accomplish the same result—insofar as final passage and action on the amendments are concerned—by entering into an agreement which would allow the Senate to work its will today on the other amendments, cut the time on the Clark amendment, and put over until Monday next the action on the Humphrey amendment and final passage of the bill.

Mr. GRIFFIN. Mr. President, the Senator from West Virginia states the situation accurately. I will be glad to accept responsibility for some of that situation.

Mr. TOWER. Mr. President, I will be glad to take part of it, too.

Mr. THURMOND. Mr. President, so will I.

Mr. ABOUREZK. Mr. President, I want to ask a question. Under the proposed unanimous-consent agreement, when will the final vote be taken today on any amendments?

Mr. ROBERT C. BYRD. That is a good question. Hopefully, there would be a reduction of time on the Clark amendment.

Mr. TOWER. Mr. President, if the Senator will yield at that point, I would be prepared to agree to 1 hour to a side on that amendment. Three and a half hours remain and we could cut that down to 2 hours. I would be prepared to agree to that.

Mr. ROBERT C. BYRD. If that will be agreeable to the Senator from Iowa (Mr. CLARK), and he is expected to be here shortly, I think we could proceed. I believe it will be agreeable to him when he gets here, and if he wants any additional time we can try to be helpful to see that he gets it.

Mr. TOWER. I would anticipate that I would yield back most of my time anyway.

Mr. ROBERT C. BYRD. That would be subject, of course, to the approval of the Senator from Iowa (Mr. CLARK). Unfortunately, he is away from the Senate under very extenuating circumstances. So, then we would be able to take up the amendment by the Senator from New York (Mr. BUCKLEY) on which there is a 1-hour time limitation. The indications are that the time thereon could be reduced. That would be followed by the Magnuson amendment on which there is a 1-hour limitation. Then there is the amendment by the Senator from Kansas (Mr. DOLE) on which there is a time limitation of 10 minutes.

Thus, so far as I know now, there would be no more amendments today. That would take up a total of 4 hours and 10 minutes, excluding rollcalls, if all of that time were taken.

Mr. ABOUREZK. Does the majority whip anticipate the foreign assistance bill coming up on Monday morning?

Mr. ROBERT C. BYRD. Yes. The majority leader has already announced that, in advance, and on more than one occasion, regarding the foreign assistance bill, upon disposition of the military procurement bill, the Senate would take up the foreign assistance bill, on which there is a time agreement already entered into. The Senate will meet at 10 o'clock on Monday next. There will be three 15 minute speeches under the orders previously entered, and then 15 minutes of morning business which would mean that by 11 o'clock, say, the Senate would take up the foreign assistance bill.

Mr. ABOUREZK. I thank the Senator very much.

Mr. JACKSON. Mr. President, could there be an understanding that we would not have any rollcall votes on that until noon?

Mr. ROBERT C. BYRD. Yes. That could easily be arranged. One o'clock?

Mr. JACKSON. One o'clock.

Mr. ROBERT C. BYRD. Because there are Senators who have to come from faraway points over the weekend and the leadership has always tried, and will continue to try to accommodate Senators by arranging the rollcall votes accordingly.

Mr. JACKSON. I hope we would be able to put off any votes prior to 1 o'clock.

Mr. CANNON. May I ask the Senator from West Virginia the reason for the delay, why we are delaying this matter until Monday rather than trying to finish the bill today, or tomorrow?

I ask that question, because it was pointed out earlier, when we were meeting to arrange the schedule, that this bill was likely to be one of the items that would hold up adjournment and, therefore, if we do not finish the bill this weekend and have the staff prepared to get the report ready by Monday, it will mean that adjournment will be delayed approximately another week as a result of this bill's going over. So I would like to ask the reason why we are putting this over instead of going right on through and getting it finished late tonight or some time tomorrow.

Mr. ROBERT C. BYRD. Both the majority leader and I worked hard in the effort to get an agreement which would allow us to finish action on this bill today. We thought we were within reach of that goal. However, it was snatched away from us when we found out that there were Senators prepared to offer amendments to the Humphrey amendment, were prepared to object to a reduction in the time on the amendment of the Senator from Iowa (Mr. CLARK), and were also prepared from a parliamentary standpoint to force the bill over until Monday by the use of quorum calls, and so forth and so forth. So we thought it better, rather than to "spill blood" in this useless way, to try to reach an agreement under which every Senator would be spared of such waste of time and would know what the schedule would definitely be.

Mr. CANNON. That does not really answer my question. What I asked was, why the delay, why the desire to delay this matter until Monday?

Mr. TOWER. Mr. President, perhaps I can partially answer that question. The distinguished Senator from Arkansas (Mr. McCLELLAN), the chairman of the Appropriations Committee, is ill and is unable to be here today. He wanted to be able to participate in this debate on the Humphrey amendment, because it affects the appropriations process. Some of us felt that he has that right and that we should try to accommodate him. That is the only reason.

Mr. CANNON. That is a pretty good reason.

Mr. ROBERT C. BYRD. I thank the Senator from Nevada.

Mr. CANNON. I thank the Senator from West Virginia.

Mr. HUMPHREY. Mr. President, what time will the Senate convene tomorrow?

Mr. ROBERT C. BYRD. The Senate would convene at 10 a.m. on Monday.

Mr. HUMPHREY. I am supposed to be handling the foreign assistance bill, but I cannot get back here until 11:30 a.m. on Monday. That is the best the airplane will bring me back. I would hope, as I indicated to the majority whip earlier, that we might come in at noon. I have a granddaughter who is being confirmed and I am going to be there Sunday night, the Senate notwithstanding. [Laughter.]

Mr. MANSFIELD. Make it 11 o'clock.

Mr. ROBERT C. BYRD. Mr. President, very well. I have grandchildren myself, so I have sympathy with what the Senator has said.

Mr. President, at the direction of the distinguished majority leader, may I say that the Senate will convene at 11 a.m. on Monday next. There will be three 15-minute orders, and morning business, so that the foreign assistance bill could come up at 12 noon.

Mr. HUMPHREY. My grandchild will love that.

Mr. SYMINGTON. I appreciate the majority whip's explanation to the Senate, especially those of us on this side of the aisle, which is the one I had been told about before, why it is necessary to put this bill off until Monday.

The PRESIDING OFFICER (Mr. HELMS). Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, I would like to propound a unanimous-consent agreement by the Senator from West Virginia (Mr. ROBERT C. BYRD), that the remaining time on the Clark amendment be limited to 2 hours, to be equally divided and under the control of the junior Senator from Iowa and the senior Senator from Texas for the consideration of the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. STENNIS. Mr. President, do I understand correctly that the pending amendment now is the carrier amendment?

Mr. ROBERT C. BYRD. That is correct.

Mr. STENNIS. And that the author of this amendment is not here yet but will be ready to proceed?

Mr. ROBERT C. BYRD. Well, yes, or if the Senator from New York (Mr. BUCKLEY) is ready on his amendment, we could be utilizing that time and proceed on that.

Mr. STENNIS. Inasmuch as the Senator from Iowa (Mr. CLARK) is not here yet, I do not think that I will be here much on Monday. I hope we can dispose of this carrier matter and that it does not lose its place on the list.

Mr. ROBERT C. BYRD. I appreciate the Senator's circumstances, and every effort will be made to expedite the action on the Clark amendment today.

ORDER FOR VOTES ON THE FOREIGN ASSISTANCE ACT AND SIX TREATIES ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any vote on the Foreign Assistance Act or amendments thereto on Monday be delayed until 2:45 p.m.; that at 2:30 p.m., the Senate go into executive session to consider six treaties; that there be one rollcall vote on the six treaties, with that one rollcall vote to count for six votes, thus saving 75 minutes of the Senate's time.

The PRESIDING OFFICER (Mr. McCLURE). Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. Did the Senator from West Virginia propound the unanimous-consent request I suggested?

Mr. ROBERT C. BYRD. I think that when the Senator stated it, the Chair granted the request.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the amendment by Mr. MAGNUSON be limited to 50 minutes, with 25 minutes to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. I yield myself such time as I may require.

Mr. President, the fiscal year 1974 budget contains $657 million, the balance of the funding for CVN–70, our fourth nuclear-powered carrier. Congress in the fiscal year 1973 budget approved $299 million for long leadtime items, basically nuclear powerplant components.

CVN–70 will be a truly impressive aircraft carrier, the most powerful, most capable ship that our technology can produce. This is a significant point, for our carrier force level has dwindled from 25 to 16 in less than 10 years. The force level is programed to drop further to 15 in fiscal year 1974. With a smaller carrier force level, it is increasingly important that the carrier force we do have is as capable as we can make it.

Even more important is the fact that when CVN–70 joins the fleet in 1981 all *Essex*- and *Midway*-class ships will have long since reached the end of their 30-year expected service lives. Our carrier force then will consist of only 12 modern, broadly capable carriers—8 oil burning *Forrestals* and 4 nuclear powered ships.

CVN–70 would be a difficult target in any future conflict. Critics like to say that the carrier is very vulnerable, to enemy submarines, bombs, or missiles. Nothing could be further from the truth. The *Nimitz*-class carriers are the best protected and least vulnerable ships ever designed. Added protection has been provided by extensive use of armor plating against bombs and guided missiles and improved antitorpedo hull design. Watertight compartmentation throughout the hull divides the ship into more than 2,000 watertight and shock-resistant compartments designed to confine damage to small areas.

Redundancy has been built into essential systems for command and control aircraft operations, ship control, ship propulsion, and damage control. CVN–70's structure is designed to provide for continuing effective offensive and defensive action while limiting damage.

The 1969 accident aboard the *Enterprise* illustrates the capability which our ship designers have provided our nuclear powered carriers. The *Enterprise* withstood the detonation of nine major caliber bombs on her flight deck. This is equivalent to about six cruise missiles. In spite of this, the ship could have operated aircraft within a few hours—after the deck was cleared. Her launching and landing capability were still intact.

When discussing survivability, critics should also remember that a carrier normally does not operate independently. The task force would consist of one or more carriers with a number of escorts dependent on the mission and the expected enemy threat. The escorts could include frigates, cruisers, detroyers, and submarines. An enemy would have an initial problem in finding the carrier task force in the vast ocean operating areas. Then, assuming that the force could be located, the enemy would have the additional problem of identifying the individual ships to determine which is the carrier as the force maneuvers, uses electronic deception and jamming, changes composition, courses, and speeds. Identification of carriers, in a pack of ships, is an immensely more difficult problem than one would think. A hostile submarine would have to maneuver to firing position, which may be extremely difficult if the carrier is moving at high speed.

Hostile air, surface, and submarine forces can be detected long before they enter the carrier's operating area. The launch of a missile can be detected by various carrier escort, and aircraft sensors. Thus, a would-be attacker must penetrate a defense in depth comprised of various combinations of aircraft, surface ships, and submarines.

The task force has a number of defenses that can engage the enemy before he launches his weapons, after they are launched, and during their flight. The first line of defense is the detection and destruction of the delivery vehicles—surface ship, submarine, or aircraft. The guided missiles themselves become the primary target in the second defensive phase. Some of these missiles are comparable in general size and performance to aircraft, and are therefore vulnerable to the task force's antiaircraft defenses. To reach the carrier, the antiship missiles must evade fighter aircraft, and then successfully penetrate the surface-to-air missile defenses of the screening guided missile ships in the task force. Finally, any surviving enemy missiles are exposed to the highly effective fire of short range, point defense missiles, and to automatic gun fire from ships of the task force.

The guided missile threat to the carrier is not a new threat. In World War II, the Japanese launched over 2,000 aircraft in kamikaze attacks against the U.S. fleet. These aircraft carried bombs which made them roughly equivalent to a modern guided missile. They were slower than modern guided missiles, but so were the weapons that we had to defeat them with, so the odds tend to balance out. Despite the fact that the Japanese launched as many kamikazes as they did, and despite the fact that the carrier was their prime objective, not a single attack carrier was sunk by them, despite the fact that their guidance system—the human brain—represents the most sophisticated guidance system possible.

Mr. President, I might add a note of personal experience. In the battle of Okinawa during World War II, I saw kamikaze aircraft hit a carrier. It damaged the carrier, but the carrier continued its launch and recover mission.

In summary, while nothing is invulnerable, the part of the world's surface that is represented by CVN-70 will be the strongest piece of real estate that we can put together. A direct hit will have predictable results on an airfield, or a city. The carrier, however, being mobile, is a much more difficult targeting problem. It appears that the logic is not lost on the Russians, as they build their first true aircraft carriers, patterned, of course, for their own specific naval strategy.

Some argue that the cost of the $956 million CVN-70 will be closer to $3 billion, because of the support vessels and aircraft which the carrier will require. But they evidently do not understand how the Navy plans its force levels. The Navy currently has in being escort and support ships and aircraft for the carriers it is now operating. CVN-70 will not increase the number of carriers in service, rather, it will replace one of our older existing carriers in order to maintain a modern carrier force. Therefore, it will not be necessary to acquire additional ships and aircraft just to support CVN-70 when it joins the fleet—though modernization of escort ships will eventually occur—regardless of the status of CVN-70.

While it is true that over the life of CVN-70 there will be other and newer aircraft fly from her decks, this factor is not a detriment but rather demonstrates the inherent flexibility and value of these vital ships. CVN-70 can accept and operate improved aircraft when they become available and are required to meet changing threats, thus maintaining a viable combat capability over a period of 30 years. Only naval forces provide this flexibility.

It is also well to note that our primary advantage over the Soviet navy lies in the sea-based air superiority provided by our carrier forces. If we allow forces to degrade due to age and obsolescence, we will have to procure many more surface escorts to keep our sea lines open—lines over which a significant part of our badly needed energy supply must travel. Without a viable carrier force, it is doubtful if these lines could be defended.

Of all the types of ships that could be built, only the aircraft carrier can operate the modern, high performance aircraft needed to maintain our sea lines against concentrated enemy attack. The sophisticated protective systems built into CVN-70 provide greater combat survivability than those for other types of surface ships. The carrier's aircraft provide a greater range and depth of defensive firepower than any other ship in the world.

Continued construction of CVN-70 represents the minimum modernization effort required to maintain a modern force of 12 aircraft carriers when she joins the fleet. As the Navy's fourth nuclear-powered aircraft carrier, CVN-70 will permit a flexible and rapid response to any contingency. Without CVN-70, the Navy will have to look to a future without sufficient airpower at sea to carry out its mission with any assurance of success.

Therefore, Mr. President, I urge that the amendment of the Senator from Iowa be rejected.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I rise to oppose the amendment by the Senator from Iowa, but I believe some explanation is necessary on my part because I have written and spoken on the subject of tactical air across this country and I have observed in my writings and in my speeches that the aircraft carrier, in my opinion, can see the end of the tunnel.

I am going to vote against the amendment because I do not believe we should stop this fourth nuclear carrier. We have to maintain the force we have and as long as the National Security Council, the President of the United States, and the Joint Chiefs see a need for carriers we should supply them with the best.

But if I remain in this body and another carrier is ever suggested, I shall not vote for it for personal reasons that I have expressed.

I feel that tactical air some day will be of such duration and the possibilities will be such that we can provide naval tactical cover by ground based fighters. So I am going to oppose the amendment of the Senator from Iowa and I shall oppose it very strongly.

When we have spent three-fourths of the money needed to build any weapons system, I do not believe it is wise to stop that system. We have had extended debate on the SAM-D and F-14; we had an attempt in the committee on the B-1. I think all of these efforts are mistakes.

The committee expressed its interest in this system. I think it is a wise expenditure. Even though I would not vote for the construction of another one, I do want to see this one completed.

Mr. TOWER. I thank the Senator for his remarks. Knowing that he is an old Air Force man, I know he is inclined from time to time to look with a jaundiced eye on the carrier forces in the Navy. I do appreciate his statements, and I am sure they will have great weight in this debate.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. GOLDWATER. I know that the Senator is a Navy man and from time to time he looks with a jaundiced eye on the Air Force. I can understand that.

Mr. TOWER. Mr. President, would the Senator yield?

Mr. GOLDWATER. I might say that I have flown from aircraft carriers and I have the highest respect in the world for any aviator who takes off in these high performance aircraft from the carrier and returns. As a ground based pilot, even if I could lose 45 years quickly, I do not know if I would have the courage to try it; I do not know if I could land it. I respect the Navy and the pilots on the carriers, but I think the carriers have had it, as far as I am concerned.

Mr. TOWER. I thank the Senator. I do not view the Air Force with a jaundiced eye. There are 25 Air Force Bases in Texas and we are delighted to have them there. I have always supported new forces for the Air Force and I shall continue to do so. We have to have the F–15 and the B–1. I certainly will support advance systems for the Air Force any time it can be demonstrated they are needed by that organization.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. TOWER. Mr. President, I yield whatever time the distinguished Senator from Mississippi, the chairman of the committee, may request.

Mr. STENNIS. Mr. President, will the Senator yield to me for 7 minutes?

Mr. TOWER. I yield 7 minutes to the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Texas.

I can add very little, if anything, Mr. President, to what has been said already. The Senator from Texas is well versed, indeed, on this carrier. The Senator from Arizona has made a very impressive statement with respect to putting a value on this carrier.

Let me say this to Members who have not been here and who have not heard the debate and who have not had a chance, perhaps, to get into this question in depth, as much as they would like to do.

The plan was to build three modern nuclear-powered carriers. They took the name CVAN–68, CVAN–69, and CVAN–70. This is the third and last one, now designated CVAN–70. It is in the bill.

The carriers were sharply challenged and 3 years ago a joint committee of the House and the Senate was set up by a resolution, and the joint committee was directed to make an in-depth study of the facts and to make recommendations.

Those who served on the committee were the Senator from Missouri (Mr. SYMINGTON), the Senator from Washington (Mr. JACKSON), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the then Senator from California (Mr. Murphy). I was the other member from the Senate. The House chose Representative BENNETT, of Florida; Representative STRATTON, of New York; and then Representative STAFFORD, of Vermont, who is now a Member of this body.

A most intense study was conducted by the staff, which included additional staff members beyond the ordinary staff. Hearings were conducted. We did not confine ourselves by any means to the Department of Defense and the Navy views but carefully selected outside witnesses, people versed in this field, and took testimony. After the fullest consideration, and arguing among ourselves—we were not unanimous, as I recall; the Senator from Missouri was the only one in the minority—all others recommended that these carriers proceed. That was in April 1970, over 3 years ago, and the Congress took that recommendation—I believe one of those carriers had already had leadtime money at that time—and the first two, 68 and 69, are now under construction. Sixty-eight will be delivered September 1973 plus 6 months, and it is almost completed. That 6 months is the slippage. The second one, 69, will be delivered 21 months after the 68. And long leadtime items for the 70 have already been authorized—money spent—$299 million has been appropriated, and up to $100 million of that money could not be recovered if we do not proceed.

That is what this amendment proposes. It is very simple in its wording. It just strikes out $657 million that is in the bill now, and that is estimated to be the amount that will complete funding of this carrier.

We did delay this new carrier somewhat. We were going to save money. Some persons who were for the three new carriers thought we would delay this one and save money. The economy went the other way. Inflation hit it and the price ran up somewhat, but not in a great excess.

Based on the way I see and feel and evaluate the place of a carrier—and I am not talking about it as a military man—while the Polaris, Poseidon, and Trident are our No. 1 strategic deterrent, based on their capacity, the carrier is No. 1 of the surface instruments, as I see it, as a deterrent.

We are right in the heart of things now where we get to the deterrent.

As these carriers come and go in the Mediterranean, the North Sea, the Atlantic, the Pacific, around the Taiwan area, Japan, and elsewhere in the world—and they can be moved about, as we all know, like checkers on a board—they have a tremendous influence in the thinking of the people of those nations. We do not make threats, but even the most uninformed person in those countries knows what those carriers can do. He knows the average one carries 90 to 100 aircraft of various kinds. He knows they have a tremendous influence in the other side of the world. And as they plow through the sea with their supporting forces, I think they are the most effective deterring influence in our favor that we have and are of incomparable value in this field.

Take the Mediterranean Sea alone. Say what you will, since the end of World War II our foreign policy in that area of the world and in Western Europe has been highly successful.

I believe the carriers made a difference in the possible outbreak of wars more than once and have stabilized things. We have not abused the technical skill and knowhow which we and other nations have developed. The time will still come for the nations which have not been to the front yet, those that are not so skilled or do not have so much of their own resources.

I believe a great deal of this progress is due to the magnificent power that is ever ready, but has never been abused, as I see it, in that part of the world since World War II. These carriers have been built in light of that war.

I think we ought to put our money into the best weapons, in certain areas, that money can buy. I would rather have a few of the very best than to have many of those that might be second best. This time we have also had to cope with modern planes for the carriers. Just the other day—I could not be present myself—the Senate voted to provide money for the F–14, so that our carriers could have the best weapons as we saw it.

It is thought that with four nuclear powered carriers, we shall have two for each side of the world, if it is desired to spread them that way. But there will be three that are ready to go at any given time. All of them have to go to the shop, just like anything else that is made with human hands. But we will have three at sea at all time, as a minimum; and we will have four nuclear carriers if we want to have them at sea most of the time.

I do not see, with all deference, how anyone can say that we should turn back now and throw away the plan we adopted and agreed on after this investigation, and throw away $100 million, or approximately that.

The situation is very much the same as when we started the first three, except that we were engaged in a war in South Vietnam. These are the minimum forces. We will have a total of 12 carriers—four nuclear and a total of 12. We now have 16 carriers, but two are in the process of being retired. In the 16, we have an earlier nuclear carrier, the *Enterprise*, then 8 of the Forrestal class—a relatively modern type—and 7 of the old World War II carriers. Unquestionably that is a formidable, effective armada of strength to be a deterrent day and night, 365 days and nights of every year, except leap year, and in that case one day and one night more.

The PRESIDING OFFICER (Mr. MCCLURE). The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise in support of the nuclear carrier, known as CVN–70, and the Navy's fiscal 1974 fund request for $657 million. I oppose the pending amendment not only because I believe our country needs this nuclear powered aircraft carrier, but because an attempt is being made to cancel a major weapons system after the Congress indicated its approval of CVN–70 by previously authorizing and appropriating almost $300 million.

Mr. President, the merits of CVN–70 have been discussed many times in the Senate, and it may be recalled that last year during the debate on this bill a similar amendment was offered by my distinguished committee colleague, Mr. SAXBE. That particular amendment would have denied the initial funding for CVN–70 of $299 million, but it was defeated 29 to 60 on July 26, 1972. However, I might add, Mr. President, that was the proper time to debate the merits of CVN–70. It was the proper time because the program was just beginning. The end result was that the majority of the Senate thought the program should proceed.

Now, more than a year later we find ourselves going over the same arguments on the pros and cons of CVN–70 in particular and of aircraft carriers in general. Frankly, I do not see that anything has changed the situation in any way that lessens the requirement for CVN–70. In fact, with our increasing trend toward isolationism I believe the requirement for CVN–70 has actually increased.

What really disturbs me the most is our increasing tendency to try and cancel programs long after they have been underway. For CVN–70, the cost to cancel, which includes what has been spent thus far, would not be a large amount relative to the total cost but, nevertheless, Navy estimates those costs to be between $60 and $100 million. Whatever the amount might be it would represent an expenditure of taxpayer dollars that could not be recovered. That, to me, is the wrong way to treat the taxpayer's dollars.

The proponents of the pending amendment will argue that since the entire $956 million is a wasteful expenditure, it will be worth it if we can get out of the program for only about a 10-percent loss, or $100 million.

Mr. President, I argue that the $956 million is not a wasteful expenditure and I would point out that, based on an analysis of the vote against Mr. SAXBE's amendment, 59 of my colleagues agreed that CVN–70 was necessary. This year, during consideration of the bill by the Armed Services Committee no amendments to reduce CVN–70 were offered and the full amount requested was approved. In this report the committee stated,

> Aircraft carriers are indispensable components of United States naval strength now and for the foreseeable future. The carriers provide essential sea based capability to defend the worldwide sea lanes so vital to our national economy and survival. With the reduction of overseas bases and forces, aircraft carriers operating in international waters provide a mobile capability to employ effective and credible naval power, under complete and unquestioned United States control, to meet any vital national interests.

Again, I would like to emphasize the point that the Congress as a whole after proper debate and discussion and after initially funding for a particular system or program should in subsequent years support the funding required to complete that system or program. I would qualify my observation by adding that subsequent year funding would not necessarily apply if the program incurred significant and unacceptable changes.

Regarding further justification and review of the CVN–70 program, I was privileged in 1970 to have been a member of a Joint Senate-House Armed Services Subcommittee to study the requirement for the CVAN–70 aircraft carrier. This study requirement resulted from a House-Senate conference agreement to delete from the fiscal year 1970 procurement program the procurement of the long leadtime items required for the construction of what was then known as CVAN–70.

The subcommittee was charged to—

> Jointly conduct and complete a comprehensive study and investigation of the past and projected costs and effectiveness of attack aircraft carriers and their task forces and a thorough review of the considerations which went into the decision to maintain the present number of attack carriers. The result of this comprehensive study shall be considered prior to any authorization or appropriation for the production or procurement of the nuclear aircraft carrier designated as CVAN–70.

As a consequence of the extensive hearings conducted by the special subcommittee a majority of the Senate Members and all of the House Members strongly recommended that the Congress approve the initial funding request for CVAN–70.

Mr. President, this subcommittee also made the following observations on the roles and missions of aircraft carriers that I believe are still valid today:

> The attack aircraft carrier has in the past and will into the foreseeable future, continue to perform a vital and indispensable role in insuring the control of our sea lanes essential to our commerce. Our industrial operations could not last more than a very short time if our strategic materials were to be cut off from overseas.
>
> In addition, carrier air forces are able to provide tactical air in support of land forces operating far beyond existing American air bases or where such bases have been rendered inoperative. In particular, with the current emphasis on reducing American commitments abroad in both Europe and the Pacific, the highly mobile carrier provides a unique means of providing American air power in distant locations without establishing bases and installations ashore.

Mr. President, in my judgment the Congress has long since decided on the merits and requirements for this fourth nuclear powered carrier. The question before us is not whether CVN–70 is required, but whether we are going to continue with this on again-off again funding for required weapons systems.

I feel the carrier is indispensable.

I strongly urge the Senate to reject the amendment.

Mr. President, I yield back the remainder of the time allotted to me.

Mr. TOWER. Mr. President, is the Senator from Iowa ready to make his presentation?

Mr. CLARK. I will be ready in about 2 or 3 minutes.

Mr. TOWER. Mr. President, may I inform the Senator that during his absence we got a unanimous-consent agreement to cut the time down to 2½ hours. This was conditioned upon the agreement of the Senator from Iowa. I wanted to know whether that is agreeable to the Senator from Iowa.

Mr. CLARK. Yes, it is.

Mr. TOWER. Mr. President, I yield 5 minutes to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I support the Armed Services Committee recommendation that would authorize the funds to complete the CVN–70. I am opposed to the amendment offered by the distinguished Senator from Iowa.

As I see it, it is essential that the United States have a Navy. And if we are going to have a Navy, it must be a modern Navy. That means it must be a nuclear Navy. The completion of the CVN–70 would give the Navy four nuclear-powered aircraft carriers which would be deployed, two on each coast. That is all the Navy will have in the way of nuclear-powered aircraft carriers. Even if the CVN–70 is approved, there will only be four nuclear-powered aircraft carriers. As I say, if we are going to have a Navy, we certainly should have a modern Navy. And if we are going to have a modern Navy, we must have a nuclear Navy.

The aircraft carrier is a vital element in the protection of U.S. interests. There is no viable strategy for the defense of our overseas interests that does not require the free use of the seas, and carrier-based aircraft form a critical part of the force necessary to insure that free use.

To be certain, the degree of our interests overseas, and the commitments we have throughout the world, can honestly be debated. I do not feel we can maintain our role as world policeman but neither can we withdraw to our shores. And, so long as we have interests abroad worth defending we will need tactical aircraft to defend them.

There are many times when the carrier would be the only base available either because of geography or political restraints on the use of foreign bases or restriction on overflying foreign territory.

All of us know what happened to that great American base in Libya, Wheelus Air Force Base. One day the Libyan Government said, "Get going, remove all of your aircraft, and close this base," which of course we did, and we no longer have the use of that facility.

The 6th Fleet in the Mediterranean is in a different situation from the Wheelus Air Force Base. The United States can make the decision whether to keep that 6th Fleet in the Mediterranean or to remove it. The decision is entirely ours, and I submit that the 6th Fleet is vitally important to whatever stability there is and is likely to be in the Middle East.

But the vitality and importance of the aircraft carrier goes beyond defense strategy alone.

We are a trading nation. Neither the United States nor other nations of the world can sustain their population and build better lives for their people unless there is an exchange of raw materials and finished products.

Today more goods are being shipped by sea than ever before. The shipment of oil from the Middle East is a good example. As late as the 1940's, the United States was an exporter of oil. Today we import one-third of our petroleum needs and, by 1980, it is estimated we will import 60 percent of our oil.

Trade is important to our survival. It is essential to maintain open lines of trade and that can only be done if there is a true freedom of the seas.

The completion of our four nuclear powered aircraft carriers is an essential step to assure that the United States can protect its interests overseas, and insure the freedom of the seas.

We face a major challenge to freedom of the seas and that comes from the Soviet Union. Ten years ago the Soviet

Navy—except for submarines—was a second-class naval power. At that time even its submarine force still included more than 100 World War II submarines and only a couple of nuclear-propelled submarines.

Today the Soviet Navy is the world's largest by almost any criteria. It operates approximately the same number of surface warships as the U.S. Navy, considerably more submarines—including more nuclear powered submarines, more small ships and about as many amphibious vessels.

I believe that the Russian naval forces are part of a major Soviet effort to use the sea for economic, political, and military purposes.

Not only has the Russian bear learned to swim, but he is making a big splash—in the Mediterranean, in the Indian Ocean, and increasingly all around the globe.

During the past decade the Soviets have put to sea more new classes and more numbers of surface warships than any other nation; and more new classes and more numbers of submarines—including again nuclear submarines—than any other nation.

The trends in Russian development of naval power must be watched closely.

Clearly the importance of a strong modern Navy is not only based on sound military judgment but also on sound economic and political judgments.

I have never supported a blank check policy for Pentagon projects. I supported, in committee, cuts of nearly 2 billion from the military procurement authorization proposal.

I have said many times we must cut the fat but leave the muscle in the defense budget.

The nuclear aircraft carrier represents some of our strongest muscle in the defense budget.

I say again, Mr. President, that if we are going to have a Navy, it is vitally important that we have a modern Navy. If we are going to have a modern Navy, we must have nuclear-powered aircraft carriers, and even with the completion of CVN-70, we would have only four nuclear-powered aircraft carriers.

I thank the Senator from Texas.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I would like to take just a moment to thank the leadership, and particularly the majority whip, for their cooperation in scheduling this amendment. We planned to bring it to the floor earlier this week, but due to a death in my family that was prevented. I would particularly like to express my thanks to the leadership and to the Senate for their cooperation and their kindness.

For the last 10 days, the Senate of the United States has spent virtually all of the time on the military procurement bill, the annual authorization for research, development, and construction of new aircraft, ships, and missiles for the military. Now, we have about reached the end of our work on it. This amendment—to save $657 million by eliminating the Navy's request to build a fourth nuclear carrier, CVN-70—will be one of the last amendments offered to the bill. Before we begin discussing it though, perhaps we ought to pause briefly to take stock of things, to see what has happened here with this legislation.

The military procurement bill began as a $22 billion request by the administration for military hardware. Under the able leadership of its acting chairman (Mr. SYMINGTON), the Senate Armed Services Committee reduced that request by $1.5 billion, as did the House of Representatives, leaving this authorization bill of $20.4 billion before us today.

The reductions in military spending recommended by the Armed Services Committee were significant, although it should be said that its effect on the overall military budget is minimal. The committee slowed down the B-1 manned bomber program, reduced manpower levels by 7 percent, and took steps to save money on other weapons programs. But in some areas, often by very close votes, the committee accepted the military's proposals without change. Those decisions led some of us to offer amendments to the bill.

In each case, our differences with the military's proposals have been based on sincere and honest differences of opinion. In each case, a particular program or request has been challenged because many of us have felt that it is inefficient or wasteful, or just not necessary this year.

Ten days ago, many of us had high expectations for the success of at least some of those amendments. The President had made such a point of the desperate need to cut Federal spending to control inflation. The Congress had made such a point of exercising fiscal responsibility—and restraint. The people had made such a point to me and to my colleagues of expecting a dividend from the SALT talks and the end of the terrible American war in Southeast Asia.

Standing here today, 10 days later, after a great many speeches and a great many votes, I cannot help but feel disappointed.

One by one, the amendments to reduce military spending came to the floor, and, one by one, they were defeated—from Senator HUGHES' proposal on the A-10 to Senator MCINTYRE's proposal on the Trident missile submarine, defeated yesterday by just two votes.

The day before, after a switch of 4 votes in a few hours, the Mansfield amendment for troop reductions failed like all the others. As each amendment failed, the Senate lost another opportunity to keep the budget under control.

While all of this was happening, the Senate approved an amendment that actually increased the military spending authorization by $495 million. And so, perhaps for the first time, the Senate has been left with legislation that authorizes more money for military spending than the Armed Services Committee had recommended and more money than the House of Representatives had approved.

When final passage comes on Monday, I think the American people will be very surprised—surprised and disappointed. Critics of the Armed Services Committee over the years have said the committee was "hawkish." But this year, compared with the Senate as a whole, that certainly is not the case. This year, the Senate has actually authorized more military spending than the committee recommended.

The United States is the most awesome military power in the history of the world. That position should not be allowed to change—this country should be second to none—but we can maintain military superiority without inefficiency, without wasting money, simply by getting the best possible return for every dollar spent on defense.

That just means spending wisely.

The security of this country cannot be measured only by the number of dollars spent each year on new weapons. It must include far more. Two weeks ago, the acting chairman of the Senate Armed Services Committee (Mr. SYMINGTON) emphasized that when he went before the Appropriations Committee to testify on military spending.

At one point, he said:

> There can be no more dangerous assumption than a policy based on a conviction that this Nation continues to have unlimited resources. If we do not recognize, now, that our resources are becoming increasingly limited, and impose a sense of discipline on such institutions as our armed services, not only are we certain to damage our economy, but we will also further reduce the people's confidence in government.

Perhaps there was a time when this country could afford to be extravagant, but it is not this year—not when Federal spending has to be reduced, not when the only alternative is a tax increase, not when the country has taken such strides forward with SALT and the end of the war, and not when there are so many domestic problems that need solutions.

Yet, months of incredible progress in the search for peace have been followed by a $4 billion increase in the military budget. Months of intense pressure to reduce spending on domestic programs have been followed by relatively little effort to reduce military spending.

The President's policy of détente with the Soviet Union and the People's Republic of China has the country's strong support. The "Nixon Doctrine," the SALT talks and disarmament conferences, the discussions of mutual balance force reductions in Europe—all of these have been important initiatives, and we have heard them hailed as the beginnings of a "generation of peace."

But that slogan is beginning to have the hollow ring of an empty promise, especially when considered in light of the military spending request for fiscal 1974. It is more now than it was at the height of the Vietnam war.

Where are the benefits of peace, the benefits of détente? Can we accept the declaration of a "new era of peace" while voting for awesome expenditures for expensive weapons systems that may turn out to be unnecessary and inefficient? Mr. President, I did not realize that peace could be that expensive.

The people in this country know that the economy is in terrible shape. They know that the military budget has never been higher, they know about the cost overruns and the waste in the past, and every person who has ever served in the military knows of the waste firsthand. Yet despite this, we all know that the United States already has the power to destroy every city with a population of more than 20,000 in the Soviet Union 3 times over with nuclear weapons.

Mr. President, they know it, too, and I cannot help but think that they are going to be a bit disappointed with us.

This amendment will be one of the very last opportunities the Senate has to reduce the military procurement authorization responsibly and save some money. I hope that the Senate takes that opportunity.

I hope that in the next few hours, we all take a hard look at this specific proposal, because that kind of intense scrutiny is our responsibility. The President has challenged Congress to hold the line on Federal spending. Well, we have done better than that before—Congress has cut spending below the President's request every year for the last 4 years—and I still think we can do better this year.

We have talked about it here for 9 months, loudly and clearly. Now the time has come to fulfill our promise.

If we are not successful in reducing military expenditures—which, after all, are the single biggest controllable item in the Federal budget—then it will be difficult, indeed, for Congress to meet its own spending ceiling. This is a challenge that we have set for ourselves, and unless the challenge is met, the administration may well be justified in its charge that the Congress is "budget busting."

I am not a member of the Armed Services Committee, and like 12 of my colleagues, I am new around here. But over the last few months, I have tried to take a hard look at the major weapons proposals. The military has been more than cooperative in responding to my questions and inquiries. We spent hours discussing the merits of the B–1 and Trident, for example, with the men responsible for managing those projects.

After all of these discussions, and some additional research and thought, I concluded that this country could do without some of the military's proposals this year. So, I have voted to reduce funds for the Trident program and the A–10 and the F–14, because in my judgment they are not worth what they are going to cost the American taxpayer, because in my judgment we can cut more than $1.5 billion from the President's budget request, as the Armed Services Committee suggested, and then some, without sacrificing a strong national defense.

It is for those reasons that I am offering this amendment to stop construction of the CVN–70 nuclear aircraft carrier.

AIRCRAFT CARRIERS: SOME PERSPECTIVE

It is impossible to discuss the merits of one aircraft carrier without discussing the merits of aircraft carriers in general, and for the military historian that is a fascinating study.

The aircraft carrier is a relatively new weapon that began, as many weapons do, with innovation and boldness. A civilian made the first aircraft landing on a ship in 1910. Putting his Curtis biplane down on a wooden platform that had been rigged on the battleship *Pennsylvania*. The platform cost $500.

Naval experts did not pay much attention to it then—Admiral Dewey thought it was a waste of time—but by 1920, the Navy had its first real "aircraft carrier," a converted ship called the *Langley*. (The Navy bought the arresting gear for the carrier from the British for $40,000.)

By 1941 though, the aircraft carrier had started to establish itself in the Navy. There were 27 aircraft carriers in operation or under construction then. In the next 5 years, the number grew to 98, and there was never a doubt that the aircraft carrier was the backbone of the World War II fleet. The outcome of the war in the Pacific turned on their success. At Midway Island, in the Coral Sea, in the Philippine Sea, in naval battles across the Pacific, the firepower provided by naval aircraft and aircraft carriers against the Japanese fleet with its carriers was awesome.

Again, in Korea, and most recently during the war in Southeast Asia, the aircraft carrier played an important role in this country's military effort, bombing enemy ground targets in the absence of naval opposition.

The Navy should be proud of the carrier's distinguished record. Innumerable times, before innumerable committees of the Congress, Navy spokesmen have pointed out the carrier's role in a variety of "crisis" situations, and they have been right because the aircraft carrier has served this country well.

Only 2 days ago, the Skylab astronauts came back to earth, and it was a small aircraft carrier that went to pick them out of the sea.

But, Mr. President, the past value of the aircraft carrier is not at issue today. Nor do I question the value of having aircraft carriers, because they are an important part of the fleet. Times have changed though, and with them the role and the usefulness and the effectiveness of the aircraft carrier has changed. So, we have to reevaluate them as weapons, and the CVN–70 is the place to begin.

Right now and in the years ahead, what is the purpose of an aircraft carrier? What is the best kind? How many does this country need? Can we afford to build one this year? The answers to those questions and others like them ought to help determine the outcome of the Senate's decision on this amendment to delete the funds for the CVN–170.

SOME VITAL STATISTICS

Before we go much farther, everyone should understand what a CVN–70 is: How big it is and what it could do.

The CVN–70 would be this country's fourth nuclear-powered aircraft carrier. The first nuclear-powered carrier, *Enterprise*, was commissioned in 1961. The two others, *Dwight D. Eisenhower* and *Nimitz* are being built and won't join the fleet for several years.

If it is built, the CVN–70 will be very similar to *Nimitz* except, of course, in its cost—which will be almost double.

CVN–70 will displace about 94,400 tons. It will be longer than three football fields, and it will take more than 5,000 people to make it work correctly.

Scheduled for completion late in 1980, the CVN–70 will be the most modern, the most versatile, the fastest, the best equipped aircraft carrier in history. It will have more sophisticated aircraft, better damage control and armor plating, more back-up systems, and greater fuel and ordnance capacity than anything that has ever floated. But that does not mean it should be built this year, this way.

At issue is not its capability, but rather its desirability.

LEGISLATIVE HISTORY

That desirability has been questioned before—during the CVN–70 project's 7 years of stormy history. It first was announced in January of 1966 when then Secretary of Defense Robert McNamara said the Navy needed three nuclear-powered attack carriers, in addition to the *Enterprise*. Congress authorized construction of the first two carriers—and then hesitated.

It ordered a joint committee to study the need for a fourth nuclear carrier and, in April of 1970, the committee recommended that Congress approve funding for long-lead items for the carrier.

By then though, there was a great deal of dispute within the executive branch over the need for CVN–70, and both in 1971 and in 1972, the administration refused to formally request money for construction. So, Congress did not consider a CVN–70 authorization until the administration had made up its mind about the carrier proposal, and that did not occur until February 1972, when then Secretary of Defense Melvin Laird asked for $299 million in the fiscal 1973 budget. It would be used for development and initial construction of the nuclear powerplant for the CVN–70.

A year later, Deputy Secretary of Defense David Packard summarized the hesitancy within the executive branch over the carrier proposal during an NBC news documentary on the CVN–70. Packard said:

> The carrier has a useful function in certain types of show of force or application of its force around the world. It's not very important in our nuclear deterrent posture.
>
> It's not very important in our sea control, so it's just a question of balancing these priorities. So the carrier has a limited role and that's why I came up with the feeling that probably in terms of absolute priorities, our nuclear attack submarines would come higher than a carrier.

It was a matter of priorities. And there was that same kind of sentiment in the Senate last year when Senator SAXBE led a fight to have the $299 million request deleted from the fiscal 1973 authorization bill. The Senate Armed Services Committee had approved the request by a vote of 12–3. Senator SAXBE challenged it on the floor and lost 29–60. A similar challenge in the House of Representatives last month was no more successful.

So, the CVN–70 has never been a matter of unanimous consent. It has had the serious and concerned critics—within both the legislative and executive branches of the Government. If the CVN–70 was a questionable proposal last year at $299 million, it is even more questionable this year at twice the price.

Mr. President, I think it is important to note that throughout the years of legislative controversy over the CVN–70, the distinguished Senator from Mississippi, the chairman of the Armed Services Committee (Mr. STENNIS), has been extraordinarily fair and patient with the opponents of the project, as he has been extraordinarily fair and patient with me.

I can say to him only that I appreciate that courtesy very much—and that I may be the last opponent of the CVN–70.

If the Senate defeats this amendment today, this country will have a fourth nuclear aircraft carrier, CVN–70, and it will cost us about $3 billion to put it in operation.

THE COST: $3 BILLION

Mr. President, I know that every year about this time, Congress finds itself in the middle of this thicket—the military's annual budget.

First comes the barrage of witnesses from the Air Force, the Army, and the Navy who explain to the Armed Services Committee and the Appropriations Committee of the Senate and the House why they need so much money. Then come committee deliberations and committee votes, and finally, the bills themselves arrive on the floor. It is a long and complicated process and very much a rite of fall in Washington, D.C.

In the past, few Congressmen even bothered to complain about anything in the military's budget. The spending recommendations went from the Pentagon to the White House and from the White House to the Congress. With few exceptions, Congress approved them all without such questions, and it was not unusual for the military to end up with more spending money than it had asked for in the first place.

Times are changing though, but ever so gradually. Twelve years of war in Southeast Asia are partly responsible for the change and so is the growing realization that the American taxpayer does not possess limitless wealth. Members of Congress are questioning the military's proposals more often now, both in committee and on the floor, but as I said earlier, we haven't been very successful.

That, too, might change if Congress as a whole did a better job of analyzing the budget request, if we realized exactly what we are being asked to authorize.

The CVN–70 is a case in point.

In the Senate Armed Services Committee report, the request for the aircraft carrier reads simply "CVN aircraft carrier, Nuclear $657 million." Last year, the same line carried the figure $299 million. Congress approved it, and initial construction of long lead items began. The strong implication is that these figures represent the total cost of one CVN aircraft carrier—nuclear—but these figures are only the beginning.

To start with, there will be an additional $16 million or so for outfitting the ship after it has been built, according to the Navy's estimates, and outfitting brings the cost to just under $1 billion. For that price, the country gets the largest ship in the world—but an empty ship.

An aircraft carrier without aircraft cannot be very useful. If it is constructed, CVN–70 will carry just over 100 sophisticated airplanes, including 24 of the new F–14 jets. The initial cost alone for these planes—fighters, attack planes, tankers, electronic warfare aircraft, reconnaissance and antisubmarine warfare planes—will come to just under $1 billion altogether. Now we are up to $2 billion.

Whatever its strengths or weaknesses as a tactical weapon, a 94,000-ton aircraft carrier is not unobtrusive. It is relatively easy to find, especially in a small area like the Mediterranean Sea. So, it needs protection. Right now, the Navy assigns a number of escorts—usually four to six destroyers—to each aircraft carrier and, together, they form a task force.

If this country is going to build another big aircraft carrier, it ought to be nuclear powered, because nuclear power gives the ship significant advantages in speed and range. However, if the escort vessels are not also powered by nuclear engines, those advantages will be of little use, and the carrier cannot be totally effective.

Four nuclear escorts for the CVN–70 will cost more than $1 billion. That is a third billion. The Navy presently has only two nuclear frigates in commission. Five more are under construction or will be soon, and there is authority in this bill for two more.

That adds up to nine, but as the House Armed Services Committee noted in its report, if the CVN–70 is built, "a minimum of 16 escorts is needed—because of the obvious requirement for additional nuclear-powered frigates to accompany our nuclear-powered aircraft carriers."

The cost for all of this will be staggering. But the importance of nuclear-powered escorts for the CVN–70 cannot be overemphasized.

Without nuclear escorts, a nuclear carrier loses many of its advantages, especially time, and nuclear escorts cost a great deal of money.

Counting the construction cost, the cost of providing the planes, and the expense of building nuclear escorts, the total price tag for CVN–70 comes to $3 billion. That is more than twice the amount of the State budget for all of Iowa last year.

Of course, all of this assumes that the cost estimates for the aircraft carrier, its planes, and escorts hold firm. Experience has taught us not to count on that. Last year, the General Accounting Office took a look at the two nuclear carriers presently under construction and found that the combined cost of the two—*Dwight D. Eisenhower* and *Nimitz*—had gone up $833.3 million over the original Navy planning estimate. Even at that, the cost of CVN–70 alone will be almost double the cost of the *Nimitz*.

Even at $3 billion, the bill still is not paid; $3 billion does not cover the salaries of the 5,000 people aboard CVN–70. It does not cover maintenance, and maintenance of a carrier is the most expensive maintenance in the Navy. It does not provide the money to replace the aircraft on the carrier every 6 years, their normal life.

For the lifespan of this one aircraft carrier, which the Navy estimates at 30 years, the real cost will exceed $10 billion. A table prepared by the Center for Defense Information provides a good picture of the true price of CVN–70.

Costs of CVN–70 over 30 years—$10 billion [1]

Carrier procurement	$972,000,000
Aircraft procurement [2]	4,103,200,000
Escort ships procurement [3]	1,088,400,000
Task force operation and maintenance (30 years) [4]	4,218,000,000
30-year total cost	10,381,600,000

[1] In constant FY 1973 dollars.

[2] Four full buys of F–14's, A–7E's and A–6E's; and 3 buys of all other aircraft.

[3] Cost of 4 nuclear-powered escorts.

[4] $140.6 million per year.

Mr. CLARK. It does not make good sense to spend that much money for one ship, especially since the United States still will have 12 aircraft carriers in 1981. Three of them nuclear-powered. Using all of that money to build a single aircraft carrier obviously means it can not be used on other projects and programs, domestic and military programs. Comdr. Roy Beavers, U.S. Navy, retired, a former member of the staff of the Chief of Naval Operations, summarized the problem very clearly:

> I'm concerned that if we make too many of these big heavy investments in the traditional carrier-type Navy, we're not going to have the resources to make these investments of a new kind that we need for the submarine underseas war.

These kinds of choices are the most difficult decisions Congress has to make. But they also are the most important. When the Senate voted yesterday to move rapidly forward with the Trident submarine, it made that decision. Yesterday, this body decided to go ahead with what Commander Beavers called the new kind of investment. That decision makes it all the more imperative that we hold up on the old type investment, the aircraft carrier. This country cannot afford everything that the military proposes.

This is the point: As Congress considers the budget for fiscal 1974, it is doing far more than allocating money for next year.

It is spending money that is not in the treasury yet, money that taxpayers have not even earned yet. A decision to build weapons today will affect Federal spending and inflation for years and years into the future.

The Brookings Institution has estimated that military spending will exceed $100 billion in the next 5 years. Whether or not that actually will happen depends to a great extent on what Congress does and has done in the last 10 days—on the new weapons systems outlined in the military procurement bill before us now and on the Department of Defense appropriations bill next month.

There has been a great deal of discussion throughout this year about the need to reform the way Congress considers the Federal Government's budget. The discussion often focuses on changing the committee structure and making more information available to Congress so it can make enlightened decisions, but if Congress is really to assert control of

Federal spending, it is necessary to look beyond the confines of a particular budget. Every Federal budget is restricted by the fiscal year, but the impact of that Federal budget is not.

And if the Senate approves the $657 million for the aircraft carrier this year, the country will still be paying for it in the year 2010.

Perhaps, Mr. President, we could accept that staggering cost, with its terrible impact on inflation, if the CVN–70 offered an excellent return on the $3 billion investment. But the return is not excellent—it is questionable at best.

A 94,000-ton aircraft carrier is terribly vulnerable. Smaller and less expensive ships can do the job better, and even if the aircraft carrier is still an extremely effective and useful ship, this country already has enough of them. We do not need another one—not now, not at $3 billion.

THE AIRCRAFT CARRIER'S PURPOSE

The Navy has told us that the aircraft carrier has two major roles in peacetime: to control the seas and to project U.S. military power abroad.

At best, the use of aircraft carriers to project power by "showing the flag" is questionable. At worst, it is dangerous. This administration has emphasized wisely that Pax Americana is no longer a legitimate aim of foreign policy. It is no longer useful to have the fleet steam into Manila Bay. My distinguished colleague from Arkansas (Mr. FULBRIGHT) has spoken on occasion about the "role" of the aircraft carrier in executing foreign policy:

> It is true that it is a precision instrument of diplomacy, if the diplomacy is to be directed toward the intimidation and coercion of smaller countries around the world . . . the aircraft carrier would be an incentive, would tend to induce intervention in many places where, with a little passage of time and patience, there would be no need to intervene.

If the U.S. Navy is strong and able, every country in the world is going to know about it. The strength and ability cannot be based on the illusion of power that comes with the display of large ships. The power and effectiveness must be real. Besides, if the Navy really is interested in flexing its muscles in public, all it needs to do is have a Polaris submarine "show the flag." After all, a Polaris represents strategic nuclear deterrence. At best, the carrier is a tactical weapon, not even part of that deterrent force.

A second fundamental use for aircraft carriers, the Navy contends, is helping to keep the sea lanes open. No one disputes the need to do that. We depend on free and open naval commerce for oil and countless other essential products. So, the question is not whether to control the sea lanes but how best to do it.

Aircraft carriers can help do the job, but there are other weapons systems as capable or more capable of doing it. Every year, for the last 3 years, The Brookings Institution has analyzed the Federal budget and published its results in a remarkable series of books, "Setting National Priorities." The Brookings Institution's 1972 report discussed the alternatives to building more big aircraft carriers:

> Virtually all of the missions can be performed at least to some extent by forces other than carriers—land based fighter attack and ASW aircraft and submarines, for example.

The advocates of the CVN–70 cite this country's response to the 1970 Jordanian crisis as an example of the unique ability of aircraft carriers. Without engaging in a debate over the wisdom or effectiveness of sending an aircraft carrier to respond to that situation, it is enough to say that if this amendment passed, there still will be a 6th fleet with aircraft carriers in the Mediterranean. And the fleet and the carriers will be no less effective than they are today.

At issue here is not whether to eliminate aircraft carriers but whether to add another one—at a cost of $3 billion.

The aircraft carrier at one time was the backbone of the fleet. But the outcome of nuclear or conventional wars at sea no longer will depend on the effectiveness and firepower of aircraft carriers. The incredible advances in submarine technology—with a corresponding lag in anti-submarine warfare—have made the submarine master of the sea. If there is a "backbone" of the Navy, it is the submarine, not the aircraft carrier. Both as a tactical and strategic weapon, the submarine has replaced the carrier as the dominant naval force.

The U.S. Navy and the Soviet Navy have recognized that. The Soviet Navy though has put away its pretensions about the importance of surface ships as offensive weapons, while we apparently have not. In the July 1972, issue of the proceedings of the U.S. Naval Institute Comdr. Roy Beavers questioned the modern role of the aircraft carrier:

> Is it going to take a war at sea to prove that the U.S. Navy's capital ship—the aircraft carrier, though defended by its costly retinue of escorts and umbrella of manned aircraft—is ill-suited to contest command of the seas emanating from the capital ship of the Soviet Navy, the attack submarine?

It is a provocative question, and I hope there are better ways to find the answer.

HOW VULNERABLE IS IT?

Mr. President, during the debate on the CVN–70 proposal in the Senate last year, much of the controversy turned on the "vulnerability" of an aircraft carrier. My distinguished colleague from Ohio (Mr. SAXBE) summarized one side of the argument succinctly and graphically:

> Obviously, we are pricing ourselves out of business, $10 billion down the hole with a carrier that can be sunk by a motorboat.

Needless to say, the Navy disputes that contention. But it is indisputable that surface ships are very vulnerable in an age of nuclear attack submarines, reconnaissance satellites, and surface-to-surface guided missiles—the kind that sunk the Israeli destroyer *Eilat* in the Mediterranean Sea more than 5 years ago. And of all the surface ships, the aircraft carrier is the biggest.

At least where the aircraft carrier is concerned, the issue of vulnerability carries with it two separate questions. First, can the aircraft carrier be sunk easily? And second, can the aircraft carrier be put out of action easily?

On the first question, the Navy makes a good case. If the CVN–70 is built, it will carry the latest in defensive and safety measures. It will have special armor plating along its hull. In short, it would be difficult to sink during a conventional war. Of course, in a nuclear war, the aircraft carrier, like every other surface ship, simply wouldn't have a chance.

The second question—can the aircraft carrier be put out of action easily?—is not disposed of so readily. To be effective, the aircraft carrier must be able to launch and recover its aircraft. It has a flight deck to do that, but as the experiences of World War II have indicated, a few bombs—today, perhaps a few missiles—on the flight deck will force the aircraft carrier out of action, because it cannot launch or recover its aircraft. The 1972 Brookings Institution study on the aircraft carrier emphasized the problem:

> In the Second World War, 60 percent of the carriers that took one hit by a kamikaze and all carriers that were hit more than once were forced to return to port for repairs . . . making ample allowance for improvements in damage control since World War Two, it is estimated that four or five hits by Soviet air-to-surface missiles (ASMs) would force a carrier to retire . . . since only a few hits on a carrier would force it to retire, it seems unlikely that carriers could be successfully defended. . . .

And the Brookings report concluded that "technology and other developments in recent years have made the aircraft carriers more, rather than less, vulnerable."

In response to all of this, the Navy points out that it did not lose a single carrier to land-based aircraft during all of World War II and that, since then, not a single carrier has been lost, period. But those arguments ignore one fundamental point: Since World War II, U.S. aircraft carriers have never been opposed or seriously threatened by an enemy, not in Korea, not in Lebanon, not in Jordan, and not in Southeast Asia. The enemy rarely had the ability, let alone the desire, to attack them.

Assuming for the moment that there might ever be a conventional war at sea with the Soviet Union—and that assumption is highly questionable—U.S. aircraft carriers would be faced with serious opposition for the first time, opposition from submarines, patrol boats, and land-based aircraft. To respond to that threat, the aircraft carrier would have to use a very large percentage of its resources, aircraft and escort vessels, for defense. That very obviously limits its effectiveness as a tactical weapon.

The problem is particularly acute in areas like the Mediterranean where it is difficult to hide and where Soviet submarines, patrol boats, and land-based aircraft can easily strike at U.S. aircraft carriers. The recent developments in technology and Soviet naval deployment led Brookings to conclude in its latest report that the carrier would not do this country much good in a conventional war with the Soviet Union:

> In practice, carriers probably would not be used at all, or at most in ancillary operations, against land targets . . . thus the United States is likely to need fewer carriers for the projection (of power) mission in the 1980's...

Vulnerability cannot be separated from cost. Every surface ship—no matter how expensive or well-armored—can be sunk. Every surface ship can be put out of action and forced to retire. So, in this area as with so many others, it becomes a question of worth. How great a degree of survivability does this weapons system provide and at what price?

Even if the chances of a nuclear aircraft carrier's survival in a conventional or a nuclear war are 50–50 or better, we still must pause before committing $3 billion and 5,000 lives on those odds.

HOW MANY CARRIERS DO WE NEED?

Mr. President, there is one more vitally important question that remains to be discussed and answered. If we accept the Navy's argument about vulnerability, if we accept the contention that a 94,000-ton aircraft carrier is "uniquely" suited for the job it is supposed to do, and even if we agree that $3 billion is a reasonable price to pay for it, the CVN–70 still is not justified. By voting for this amendment and against the CVN–70, the Senate will not be voting against the aircraft carrier as a concept or as a naval weapons system. Right now, today, this country has 14 major aircraft carriers and 2 antisubmarine warfare—ASW—carriers. Given that force level, we do not need, and we cannot afford, another one.

The fluctuations in the number of aircraft carriers in the U.S. Fleet over the years make an interesting study. At the beginning of World War II, there were seven in operation. At its end, there were almost 100. The number of carriers had dropped to 7 by the time the conflict in Korea began, but 13 years later, in 1965, the United States had 24. Now, there are 14, and if the CVN–70 is not built, this country still will have 12 aircraft carriers in 1981—3 of them nuclear powered.

The Navy has provided a chart on the makeup of the current carrier force, and I ask unanimous consent to have the chart printed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Name	Number	Commissioning date	Age as of July 1, 1973	Age as of July 1, 1981 if CVN–70 is built
Dwight Eisenhower	CVAN–69	1976	----------	6
Nimitz	CVAN–68	1974	----------	8
John F. Kennedy	CVA–67	Sept. 7, 1968	5	14
America	CVA–66	Jan. 23, 1965	8	17
Enterprise	CVAN–65	Nov. 25, 1961	12	21
Constellation	CVA–64	Oct. 27, 1961	12	21
Kitty Hawk	CV–63	Apr. 29, 1961	12	21
Independence	CV–62	Jan. 10, 1959	14	23
Ranger	CVA–61	Aug. 10, 1957	16	25
Saratoga	CV–60	Apr. 14, 1956	17	26
Forrestal	CVA–59	Oct. 1, 1955	18	27
Coral Sea	CVA–43	Oct. 1, 1947	26	*35
Franklin D. Roosevelt	CVA–42	Oct. 27, 1945	28	*37
Midway	CVA–41	Sept. 10, 1945	28	*37
Oriskany	CVA–34	Sept. 25, 1950 [1]	23	*31
Hancock	CVA–19	Apr. 15, 1944	29	*38
Ticonderoga [2]	CVS–14	May 8, 1944	29	*39
Intrepid [2]	CVS–11	Aug. 16, 1943	30	*38

[1] Oriskany (CVA–34) was launched Oct. 13, 1945. Construction suspended 2 years. Rushed to completion for Korean war.

[2] Plans for retirement in fiscal year 1974 have been announced.

* Beyond expected service life.

Mr. CLARK. At committee hearing after committee hearing, the Navy has emphasized the need for a minimum carrier force of 12. The service would have preferred 15 carriers but, as the Navy has conceded, that is not practically or financially feasible. However, without CVN–70, the Navy still will have a force of 12 carriers by 1981, the year CVN–70 would go into operation. As the chart indicates, 11 aircraft carriers—from the *Eisenhower*, the newest, to the *Forrestal*, the oldest—will be "modern," by the Navy's own definition. The 12th aircraft carrier, *Midway*, was built just after the war, but it recently has been overhauled and modernized.

The status of the *Midway*—and its effectiveness into the 1980's—was the subject of a great deal of controversy during a debate on an amendment similar to this one last year. *Midway* was overhauled and partially rebuilt 2 years ago at a cost of $197.2 million. The conversion included new deck-edge elevators, new catapaults and arresting gear, a larger angled flight deck, and a variety of other improvements. When *Midway* rejoined the fleet, the Navy was rather proud, and it issued a press release which read, in part:

> *Midway's* conversion was the most comprehensive modernization ever made to a U.S. Navy ship. She will be capable of handling the largest and most complex aircraft and weapons systems in the Navy's arsenal *through the 1980's*—emphasis added.

Since then, the Navy has changed its mind, arguing that *Midway* cannot be counted on after 1981 when it will be over 35 years old, and the Navy changed its mind about *Midway* only when the CVN–70 proposal became controversial.

The Navy has had excellent success with other conversion and modernization programs, and there is no sound reason for selling *Midway* short. No one would argue that *Midway* will be as fast or as versatile or as capable as a brand new CVN–70. Of course, it would not.

But to argue that *Midway* can never be as good as CVN–70 begs the question. The real issue before us is not *Midway*, but rather we, as a Nation, can afford to spend $3 billion to build another giant aircraft carrier when we already have 14, when we still have 12 in the next decade.

Midway and CVN–70 aside, there is a great and unresolved controversy over whether even 12 carriers are necessary. The Navy repeatedly has said that it needs 12 carriers—four of them nuclear-powered—but it never really has explained why it needs 12. Why not 13? Why not 11 or 9, as some naval experts have suggested and recommended? Why is the number 12 so magical when it is connected with aircraft carriers?

Of the 14 U.S. aircraft carriers, 10 are on patrol right now. *Oriskany, Midway, Kitty Hawk* are in the eastern and central Pacific. *Hancock* and *Coral Sea* are in the South China Sea—*Constellation* in the Philippine Sea. The *Roosevelt* and *John F. Kennedy* are in the Atlantic on their way to and from Mediterranean patrol. The *Independence* is in the Mediterranean, *America* is cruising off Norfolk, Va. Four other carriers are tied up: *Enterprise* and *Saratoga* in overhaul, *Ranger* and *Forrestal* in port.

The Navy says that these aircraft carriers perform a variety of essential services—"controlling" the seas, projecting U.S. military power by "showing the flag," and maintaining American presence overseas. Accepting, for the moment, the need for those services, the question still remains: Why does it take 12 aircraft carriers, four of them nuclear-powered, to perform those services?

For the purposes the Navy describes, an 11-carrier force in the 1980's will be sufficient, and a 9-carrier force might be able to do the job as well. The burden of proving the necessity for 12 aircraft carriers rests with the Navy, and so far at least, the Navy has not made its case.

As part of its analyses, the Brookings Institution has outlined 3 broad carrier force level alternatives, including force levels of 9 carriers and 11 or 12 carriers.

Brookings sets the minimum number of aircraft carriers at nine, as its 1973 fiscal year report said:

> . . . on the assumption that this force would be adequate from now throughout the 1980's.

The report goes on to say:

> This policy would assume that carriers would not be usable against land targets in a war with the U.S.S.R. and that nine carriers would be sufficient for other missions in a war in which the U.S.S.R. was involved, for other types of wars, and for peacetime political and crisis needs.

The Brookings report notes that, as a rule of thumb, it takes three carriers in the force to maintain one carrier continuously on station. The backup carriers make crew rotation and maintenance possible. "On this basis," the Brookings report concludes:

> The force level on nine would allow one carrier to be continuously on station in the Mediterranean and two in western Pacific, or vice versa.

Even with only nine carriers in 1981, more than three could be on patrol at once. The ratio right now is 4 carriers out of service for every 10 on patrol. As two more nuclear-powered carriers join the fleet, that ratio can only improve because of the advantages in speed, range, and staying power that nuclear energy brings.

In the past, the Navy has argued that a nuclear carrier is at least one-and-a-half times as valuable as a conventional carrier. Using that reasoning, a carrier force of 9 in 1981 would be as effective as a carrier force of 10 or 11 today.

The importance of this issue of carrier force levels goes far beyond this debate today and CVN-70. If the Navy insists on maintaining a "modern" carrier force of 12 into the future, a new aircraft carrier will have to be authorized by Congress and under construction every other year. In order to maintain a 12-carrier force that includes no ships older than 30 years, 7 new carriers would have to be authorized between 1979 and 1985. With that in mind, Congress will have to reconcile itself to vast expenditures in the next decade for carriers.

To keep a force of 12, it will cost more than to build the Trident fleet, because each aircraft carrier with escorts and planes will be $3 billion.

The only alternative is to reduce the carrier force level and find other ships that can do the job of the mammoth carrier for less money.

Finally, it is important to note that the size of any carrier force cannot be discussed in a vacuum. The aircraft carrier is not this country's only military representative overseas. It does not provide this country's only source of tactical air power.

In countries across the world, the air force maintains tactical fighters and bombers. As the number of aircraft carriers has declined, so has the number of aircraft carrier air wings.

Those tactical aircraft have increased range and effectiveness. There are fewer overseas Air Force bases today but the Air Force has not complained that its forces have diminished. In addition, the Army has troops stationed around the world with greater firepower and mobility than ever before.

Some aircraft carriers are necessary but I do not believe we need another aircraft carrier now.

THE SOVIET THREAT

During the debate over the Trident submarine proposal, much was made of the Soviet threat with the implication that the Soviet Union had a "Trident"-type of submarine already. When the representatives of the Navy have testified about the need for CVN-70, they too have talked about the Soviet threat—in terms of Soviet aircraft carriers.

We have heard that same justification for the B-1, the ICBM, the Trident, and every other weapon proposed. "We must build," the argument goes, "because the Soviets are catching up or going ahead of us."

There should be no confusion on this point.

The Soviet Union has built what can be called an "aircraft carrier." They are building another one now, according to the Navy. But in no sense of the word can these two ships be considered comparable or threatening to this country's attack carriers. Secretary of Defense Elliot Richardson's testimony before the Senate Armed Services Committee in March bears that out:

> They have one (deleted). And they have just laid the keel for the second. The first one is about 900 feet long, and 40,000 tons. It is about half of the displacement of our own *Forrestal* class or *Eisenhower* class carriers. It has a rather short flight deck (deleted). It appears to be designed to provide air cover for Soviet naval task forces through the use of helicopters and very short takeoff and landing aircraft.

Helicopters and very short takeoff and landing aircraft—these are a far cry from the tactical firepower that is massed on every major U.S. aircraft carrier. Unlike our own carriers, the Soviet light carrier is designed primarily for defense purposes. It hardly represents a major threat.

So let us make this plain: the Soviets have no aircraft carriers of our type. We have no knowledge of any plans for them to build supercarriers. We have heard of the threat of the Soviet Navy and how it might surpass ours, yet they have no carrier of our type and no plans for any.

All of the countries of the world put together do not have one quarter of the aircraft carrier power of this country. There are no indications that the balance will change—whether the U.S. carrier force level stands at 15, 12, or even 9.

During the Trident debate yesterday, there also was great controversy over the importance of the Trident program as a "bargaining chip" in the SALT talks. My distinguished and able colleague from the State of Washington (Mr. JACKSON) argued forcibly that the United States could not bargain from a position of strength without Trident.

Whatever the merits of that argument, Mr. President, it is not an issue here. The aircraft carrier generally—and the CVN-70 in particular—cannot possibly be a "bargaining chip" because no one else has the quantity and quality of carriers that we do and, furthermore, no one else seems to want them.

The mere fact that no other navy in the world is bent on building majestic and gigantic aircraft carriers—together with an acceptance of the changing role and incredible cost of big carriers—ought to lead our own Navy to reevaluate the big carrier as a practical weapon.

ALTERNATIVES

Unless we are to continue to spend billions of dollars indefinitely to build large aircraft carriers, we have to find alternatives. The Navy itself has proposed a "sea control ship"—SCS—that it says is designed to supplement the large carriers in "low-risk" areas.

The Navy had requested almost $30 million in this year's budget for initial procurement of long lead items for SCS, but the Senate Armed Services Committee rejected the request. The committee said funding should wait "until such time as the concept has been completely validated and the 'optimum aircraft'—for SCS—have been fully defined."

SCS could perform many of the duties of the large carriers—from antisubmarine warfare to convoy escort duty to displaying American presence overseas—and it could perform them with less expense. The Navy plans eight of these ships at a total cost of $1.1 billion, just about what it takes to construct the CVN-70.

During hearings by the House Armed Services Committee, Vice Admiral Price said sea control ships "can adequately carry out worldwide sea control tasks in an effective manner—but—it could not carry the F-14's the aircraft carrier has to have." But the big carriers would still carry the F-14's.

COST OF CANCELLATION OR DELAY

It is no secret that Congress authorized $299 million last year for the construction of long lead items for the CVN-70, mostly for propulsion. The advocates of the CVN-70 proposal no doubt will argue that the authorization presents us with a fait accompli. It most certainly does not.

The Navy has told me that, as of September 15, 1973, less than 2 weeks ago, only $15 million of that amount had been spent. It said that the remainder of the money has been "obligated" to contractors. During his testimony before the House Armed Services Committee, Vice Adm. Hyman G. Rickover, Director, U.S. Navy Nuclear Propulsion Directorate, estimated that it would cost "$60 to $100 million—if the CVN-70 is not approved this year, and we are required to terminate the contracts we have placed." Admiral Rickover also said that a delay in the CVN-70 program would cost $50 million.

However, at least some of that "investment" would not be lost. Since CVN-70 would be almost identical to *Eisenhower* and *Nimitz*, equipment being built for CVN-70 could be used as spare parts for those two other aircraft carriers. In any event, at worst, the Federal Government would be out $155 million, using the Navy's own figures, and at best, it would be out $65 million. Whatever the figure, it is a far cry from the $3 billion that all of us will be out if the CVN-70 is built. It certainly makes little sense to throw good money after bad. Less than 3.5 percent of the total cost would be lost if we discontinued CVN-70.

CONCLUSION

Mr. President, I urge my colleagues to support this amendment. Physically, the CVN-70 will be an impressive ship, but then so will its cost. If we build it, the American people will not be getting a good return on their investment of $3 billion. For all of the publicity and projections, CVN-70 remains a proposal grounded more on naval tradition and nostalgia than on commonsense. Times have changed—the "golden age" of the aircraft carrier has passed—and so must the traditional concepts of naval military power. With its sea control ship proposal, the Navy has started to move in the right direction, but it first must clear the hurdle of an obsession with yet another supercarrier.

On this vote—one of the last on the military procurement bill—more is at stake than just the fate of the CVN-70 nuclear aircraft carrier. I think our credibility and our responsibility are at stake as well. We all have spoken of the need to control Federal spending. We all have maintained that fiscal responsibility is the Congress responsibility. Yet, time after time, in these last 10 days, the Senate seems to have forgotten that—in the face of some rather intense "persuasive" efforts that, I am told, are virtually unprecedented. Whatever the reason, whatever the cause, the Senate has not voted to reduce military spending. It has voted to increase it—by one-third over the recommendations of the Armed Services Committee.

The amount of Federal spending always has been an issue in this country, and little more than 20 years ago, it was the subject of a speech by a prominent public official. This is how part of it went:

> Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children . . . the cost of one modern heavy bomber is this: a modern brick school in more than 30 cities. It is two electric power plants, two fine fully-equipped hospitals. . . . We pay for a single fighter plane with a half-million bushels of wheat. We pay for a single destroyer with new homes that could have housed more than 8,000 people. This, I repeat, is the best way of life to be found on the road the world has been taking. This is not a way of life at all, in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron.

The speaker was Dwight D. Eisenhower. The costs have increased quite a bit since then. And so has the need to make the right decisions.

So I urge the defeat of this additional money, the $657 million this year, which will ultimately cost us $3 billion. I urge support of this amendment.

Mr. TOWER. Mr. President, I am prepared to yield back the remainder of my time if the Senator from Idaho is prepared to yield back his time.

Mr. CLARK. The Senator from Arkansas wanted me to yield to him.

Mr. TOWER. Then I reserve my time.

Mr. CLARK. Mr. President, I yield to the Senator from Arkansas. How much time did the Senator want?

Mr. FULBRIGHT. Five minutes ought to be enough to start with.

Mr. CLARK. Mr. President, I yield 5 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I would like to commend the Senator from Iowa for a very thoughtful and thorough speech. He dealt with the basic question, I think, in an unanswerable way.

Mr. President, I am pleased to join the Senator from Iowa (Mr. CLARK) and others in cosponsoring the amendment to eliminate the $657 million requested by the Navy for construction of another nuclear aircraft carrier, the billion-dollar CVN-70, or I could say $3 billion.

In considering this request for funds, we should weigh the needs for this extremely expensive ship against the need to reduce Government spending. We should contrast the $657 million the administration wants to spend for this additional carrier against the cuts it wants to make in health disaster relief, water and sewer, and education programs.

In my view the determination of need can be made rather easily. The Navy already has one nuclear carrier, as the Senator from Iowa has pointed out, the *Enterprise*, in service, and two others, the *Nimitz* and the *Dwight D. Eisenhower*, under construction. These two carriers will cost a total of $1.3 billion according to the Navy, with the *Nimitz* due to be delivered in 1974 and the *Eisenhower* in 1975.

The Navy currently has 14 attack aircraft carriers and has estimated that a force of 11 or 12 modern aircraft carriers will be in operation in the early 1980's, with the CVN-70 becoming the 12th if it is built. These carriers, with 1,000 modern aircraft, would constitute a powerful and more than adequate fleet. Without the CVN-70 we would still have six carriers stationed in the Atlantic and Mediterranean, and five carriers in the Pacific, three of which would be nuclear-powered.

CVN-70 would represent an incremental addition to our sea-based power of only one-twelfth, at a cost ranging well into the billions. There is simply no justification for such an enormous expenditure for this purpose.

It is important to remember that the $1 billion is the cost of the construction of the carrier only. Costs of the aircraft and escort vehicles would also be considerable, probably as much as $1 billion for the planes and another billion for the escort ships. Thus the basic costs of CVN-70 would really be more in the range of $3 billion. This says nothing of the costs of operating, maintaining, and manning the ship. The Center for Defense Information calls this the most expensive ship ever built and says that over 30 years the carrier, its aircraft and its ship and air crew will cost about $10.4 billion.

The CVN-70 is an extravagance from the standpoint of both cost and need. Indeed there are strong questions about the role and value of aircraft carriers in this era. Aircraft carriers have no role in the direct defense of the United States and also are unlikely to have a mission in any nuclear war. Carriers will be extremely vulnerable in any major confrontation.

The carrier is in no way vital to the defense of the United States. It is an outmoded naval weapons system. Its only real role in this age is as an instrument of intervention. It is a weapon without a legitimate mission.

By now we should be aware of the unwisdom of military intervention in the affairs of other nations. I see no reason why we should equip ourselves with still another carrier. It has been demonstrated that we already have more than ample means of getting involved in faraway adventures.

Testifying last year on behalf of the CVN-70, Vice Adm. Jerome H. King told the Committee on Armed Services:

> The peacetime presence mission of the attack carriers, particularly those which are nuclear powered, is one of our most effective instruments of national power. We must back up the President's decision and be prepared to back them up at any time with effective ready forces that can move out rapidly and deploy in a timely manner.

I believe that Congress has indicated in recent months that action of this sort should not be the "President's decision," as the admiral phrased it.

The decision to use our military power abroad should be a decision in which the Congress participates. It should participate in this with due deliberation, or we will again repeat, as I have indicated, the misadventure such as we have had in Southeast Asia.

In a sense, approval of another carrier is an implicit approval of what I believe is the discredited policy of allowing the executive to intervene any time and any place it chooses to do so.

The aircraft carrier is essentially designed for, and about the only mission I can think of is, intervention in other countries affairs.

As the Senator from Iowa has indicated, the Russians have had no similar aircraft carrier up to now, and I doubt seriously that they will have one, except if we can continue to build them, I suppose, like the old instinct to keep up with the Jones, they may decide to copy us.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. May I have 2 minutes, please?

Mr. CLARK. Mr. President, I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. FULBRIGHT. Mr. President, the CVN-70 would be an outmoded, sitting duck or sinkable airfield, if you prefer, in a nuclear age. The only apparent purpose for this extremely expensive ship would be as an instrument of intervention by force directed primarily at the smaller nations, not against Russia. Such a ship would be too vulnerable for any responsible naval officer to approach the shores of Russia, with their capacity for defending against such cumbersome and enormous targets.

For our country to try to preserve a "Pax Americana," to police the world by force, rather than to use diplomacy and persuasion, is a misguided, obsolete approach, unsuitable to the conditions which have developed in the world with the advent of nuclear weapons.

I cannot imagine that even as a "bargaining chip" in the SALT talks, the aircraft carrier would be a very valuable one in contrast to the submarine.

The only argument that seemed to me to have even a little validity with regard to the Trident was, "Well, if we continue production of the Trident and it is in the ways, it will be a powerful ship to put into the SALT talks to dissuade the Russians from continuing or increasing the building of submarines on their part."

Perhaps that is a valid argument, assuming, of course, the irrationality of the Russians, as well as ourselves, and it has been supported, I think, largely on that ground; but, in any case, their having no aircraft carriers of their own, I am not sure, with that as the chip, they would have to match it. Furthermore, I do not think the Russians worry about whether we will waste too much money on such obsolete weapons. They would probably prefer us to build obsolete weapons, involving so much money, because it would divert those funds from the building of additional submarines, whether they be large and ungainly ones, or the Poseidon, which, from the arguments I have heard, are the best weapons we have.

Mr. President, I believe that this authorization for further funding is for an obsolete ship and is contrary to our national interest.

I hope the Senate will support the amendment of the distinguished Senator from Iowa.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, will the Senator from Iowa yield to me for a question?

Mr. CLARK. Mr. President, I yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. Mr. President, has the Senator placed in the RECORD the cost of the CVN-70 over a period of years?

Mr. CLARK. Yes, I have.

Mr. SYMINGTON. Mr. President, as I understand it, the cost for 30 years is estimated at $10 billion for one carrier task force.

Mr. CLARK. $10.4 billion over 30 years.

Mr. SYMINGTON. Mr. President, when we get into the question of submarines, the story they give us is that we are way behind the Soviet Union and that therefore, we should catch up in order to have the same number as the Soviet Union.

Does the able Senator know how many carriers the Soviet Union has?

Mr. CLARK. The Soviet Union has no carriers of our type. They have one carrier and another under construction. They are only half the size of those in our present fleet of 14.

Mr. SYMINGTON. Mr. President, I am not counting the *Moskva*-class carrier, which is for helicopters. They have two, and they may have a carrier that will take planes and they may not. We are not sure.

Mr. CLARK. There certainly is no Soviet nuclear aircraft carrier, and to the best of our knowledge, none other than would accommodate the helicopters and the vertical flight planes.

Mr. SYMINGTON. If they have one, it would be 14 to 1 in our favor.

Mr. CLARK. The Senator is correct.

Mr. SYMINGTON. We not only want to equal them in submarines as soon as possible, based on the discussion, but it would result in building by all odds the 10 most expensive boats in the history of the world. We want to get more carriers, even though we outnumber them by 14 to 1. Is that correct?

Mr. CLARK. The Senator is correct.

Mr .SYMINGTON. The newly appointed distinguished Secretary of State, Dr. Kissinger, made an agreement in Moscow to give the Soviet Union more ICBM's than we have because of the added capability of our strategic bombers and forward-based aircraft. That was upset by Members of the Senate, and the administration agreed that the formula which the present Secretary of State used in a press conference to justify that agreement with the Soviet Union was incorrect. Therefore, it is my understanding that based on language adopted by the Senate last year with respect to the SALT agreements, in addition to our strategic bomber, where we outnumber any possible enemy, and our forward based aircraft, we should also have the same number of ICBM's as the Soviet Union has. Is that correct?

Mr. CLARK. That is my understanding.

Mr. SYMINGTON. It is my understanding, too. Under those circumstances, it would appear that we must be equal or superior in every category of every weapon in the world regardless of our superiority in the strategic bomber and number of warheads.

Mr. CLARK. It certainly appears that way to me.

Mr. SYMINGTON. The State Department a year ago put out a pamphlet in which they stated the United States at that time had 6,000 nuclear warheads and the Soviet Union had 2,500. They also said that by 1977 the 2,500 of the Soviet Union would be increased to 4,000, and the 6,000 nuclear warheads under the present plans of the United States would be increased to 10,000.

Mr. CLARK. The Senator is correct.

Mr. SYMINGTON. No doubt there may have been some changes in that since last year, but actually we only have to be destroyed once in order to be destroyed. Is that correct?

Mr. CLARK. The Senator is correct. It is my understanding that we can now destroy every city in the Soviet Union of more than 20,000 population three times over. I would think that is sufficient.

Mr. SYMINGTON. Actually if we had only 4,000 nuclear warheads, instead of 10,000 in 1977, and the Soviets had 10,000 based on the figures the able Senator from Iowa has just presented, it would be possible for us to destroy the Soviet Union, would it not?

Mr. CLARK. That is correct.

Mr. SYMINGTON. So what the Senator has said is that he believes in the basic soundness of the theory of overkill. Am I correct?

Mr. CLARK. That is correct.

Mr. SYMINGTON. I have no illusions about any success that we may have with respect to this amendment. A cartoon in the Baltimore Sun this morning shows the Senate being lined up by an officer who appears to be annoyed by the relatively ineffective efforts that were made to hold the military budget down to a reasonable figure. I do think as we continue to recognize the increasing problems we have at home—the cost of meat in the supermarket, the high taxes, the high interest rates, the inability of young people to buy homes, the lack of adequate care of the sick and aged, the lack of adequate money for the education of our youth, and so forth—I do think that even though we may be controlled, on this bill, by the Pentagon, we ought to make a record to show how wrong are some of the programs that have been lobbied for by the military.

Mr. CLARK. I agree.

Mr. SYMINGTON. I thank the Senator. I shall vote for his amendment.

Mr. CLARK. I thank the Senator for his support and also for his questions and comments.

Mr. TOWER. Mr. President, is the Senator from Iowa prepared to yield back the remainder of his time?

Mr. CLARK. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Iowa has 8 minutes left; the Senator from Texas has 25 minutes remaining.

Mr. CLARK. I should like to take about 3 minutes.

Mr. TOWER. Mr. President, the reason I made the inquiry is that some of our brethren, both Democratic and Republican, have said that they would like to have the vote come now.

Mr. CLARK. I will take 2 minutes.

After 10 days, we have not cut one single dollar from the committee's recommendations. Instead, we have added half a billion. This is virtually our last opportunity to vote responsibly to hold down the military program budget. We have applauded the President's success at détente; his success at various mutual reduction of arms conferences; and at the SALT talks. Yet we have seen no benefits from that détente.

The Senator from Missouri (Mr. SYMINGTON) said that we now possess significant overkill with our present system. That fact is indisputable. We know an argument for strategic weapons is made that we must keep up with the Soviet Union. Yet clearly we know that the Soviets plan no carriers of our type.

So, when we see all of this, when we realize that an aircraft carrier no longer fills the role it once did in the Second World War and the wars that occurred thereafter, it simply makes no sense for us to permit another $3 billion to be spent on a vulnerable and unnecessary aircraft carrier.

I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

Mr. STEVENSON. Mr. President, will the distinguished Senator from Iowa yield to me?

Mr. CLARK. I yield to the distinguished Senator from Illinois.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. CLARK. How much does the Senator wish?

Mr. STEVENSON. Three minutes.

Mr. CLARK. I yield the Senator 3 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 minutes.

Mr. CLARK. Mr. President, if the Senator will withhold for a moment, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, this amendment would not only save funds, as the Senator from Iowa and the Senator from Missouri have pointed out; it would also, in my judgment, lead to a stronger naval capability.

This weapons system is expensive. With its complement of aircraft and escort vessels, it would cost about $3 billion.

It is highly vulnerable to attack by surface-to-surface missiles, and also to attack by nuclear submarines.

But, Mr. President, the chief point I want to make is that all of its capabilities could be performed more effectively and at lower cost by other combinations of vessels. Its antisubmarine role could be performed more cheaply by land-based planes and multipurpose vessels. Its sea control mission could be performed less expensively by other surface vessels. Its shore support mission might be performed by surface-to-surface missiles launched from less expensive naval platforms, or by planes launched from less expensive carriers.

I am concerned, too, that the Pentagon's request for this fourth nuclear aircraft carrier is not dictated by any clear perception of political or military realities in the latter half of the 20th century, but instead by habit, and bad habit. It is a throw-back to the old battleship, and little more than a status symbol for the Navy and a tribute to interservice rivalry.

I urge the Senate to support the amendment offered by the Senator from Iowa.

DELETE FUNDS FOR THE CARRIER

Mr. HUGHES. Mr. President, I am happy to join my distinguished colleague from the State of Iowa (Mr. CLARK) in his effort to delete the $657 million proposed for the newest nuclear aircraft carrier, the CVN–70.

The case for aircraft carriers rests much more on history and tradition rather than commonsense or sophisticated analysis. The naval limitation treaties of the 1920's and 1930's locked us into the notion that we needed 15 capital ships, and now that battleships have gone into mothballs, that means 15 carriers.

Never mind that the Soviet Union has never followed the same course. The U.S. Navy still wants to spend its limited resources for surface ships on huge programs like giant aircraft carriers rather than buying more but smaller ships.

Now is the time to learn the lessons of history and adapt to modern weaponry by turning away from large-scale carrier development.

Carriers look impressive. They can "show the flag" in remote ports. They can carry a vast potential for destruction. But in the event of a major war with a major power, they will be floating coffins. To make all carriers totally invulnerable to enemy submarines, aircraft, cruise missiles, and the like would be as costly and as futile as our mistaken attempt to protect all our missiles and cities by an ABM.

In a conventional war, I believe that the sea lanes could be kept open better by a larger number of special purpose ships rather than a handful of carriers. The very power of carriers—with dozens of aircraft on each—makes them a high priority target for any enemy. And the neutralization or incapacitation of one carrier would seriously weaken our Navy's ability to perform its sea control mission. This vulnerability would be especially true in the most discussed limited war contingency—in the eastern Mediterranean. In that area, the Soviet Union can already deploy submarines, land-based aircraft, and high-speed surface ships equipped with antiship missiles. The effort to protect even one carrier under those circumstances would vastly reduce our ability to give support to combat operations, for Navy doctrine calls for reducing its attack aircraft by over one-third in order to perform an ASW mission.

In a nuclear war, the survivability of carrier task forces is remote, so remote that I am surprised that the Navy still foresees a role for such ships in those circumstances. To continue to build huge carriers is to continue to put too many high-priced eggs into a very shaky basket.

These tactical considerations only strengthen the cost arguments for deleting funds for another nuclear carrier. When all the costs are added up, we find that the total bill will be staggering—not only for the Navy but also for our hard-pressed taxpayers.

This one carrier, the CVN–70, will cost nearly $1 billion. To equip this one carrier with its typical air wing will cost another $657 million. To provide only six escort ships will take another $577 million, for a partial total of $2.19 billion. And even this figure does not take into account other escort or supply and replenishment ships which might be needed.

According to official Navy estimates, these seven ships and associated aircraft will cost $140.6 million each year to operate. Who knows what the cost will be in then-year dollars, when inflation has padded the bill even more?

Thus, to buy and operate these planes and ships for 10 years will cost nearly $3.6 billion. And this is only the price tag for one carrier group.

The Navy says it also wants to have replacement carriers in 1985, 1987, 1989, and so forth. If we are to build to meet these deadlines, we will have to make down payments on additional multi-billion-dollar systems in the next few years.

Mr. President, I am not willing to ask the American people to pay all these bills for such a questionable and vulnerable capability.

Senator CLARK has done a valuable public service by raising these issues here and now, so that we can stop payment on this carrier before we all find ourselves in budgetary bankruptcy.

Mr. McGOVERN. Mr. President, since the beginning of this year many of us have been making speeches about the contest between the President and the Congress over national priorities and over control of the national budget.

Many of us have described this struggle in essentially the same way. We have refuted the claim that the Congress is a spendthrift institution bent on adding to the budget, to the deficit, or to inflation. On the contrary, we have adopted our own budget ceiling of $268 billion—lower than the President's—to demonstrate that if anything we are more serious than the President about limiting spending to responsible levels. And we have asserted that our quarrel is instead about priorities, with the Congress determined to meet the backlog of human needs at home, while Mr. Nixon wants more money to underwrite our military posture abroad. We both want to limit the budget, we have said. But in different places.

After watching Senate action on the military procurement bill, I am forced to retract that description.

After all the debate and all these amendments, the net effect of Senate action has been to add $500 million to the military spending levels recommended by the committee.

When all is said and done, we have timidly followed the instructions of our supposed servants in the Pentagon, and we have given them virtually everything they wanted.

It is a shame that those who want the economy repaired, or energy supplies assured, or inflation stopped, or housing built, or medical care improved, cannot come up here in impressive uniforms and lobby so persistently and so persuasively. Maybe then we would override some of these vetoes of domestic programs, and perhaps even insist that arms spending must at least stop rising if a "generation of peace" is at hand.

But in any case, it seems clear that many of us had misconstrued the argument.

The President wants to cut the budget in the wrong places. But the Congress seems unwilling to cut it at all.

And our actions seem to be telling the American people that regardless of what we might say, the public purse does not reside on Capitol Hill; the biggest part of it is at the Pentagon, and the rest is in the President's pocket.

Mr. TOWER. Now does the Senator yield back the remainder of his time?

Mr. CLARK. I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. McCLURE). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Pennsylvania (Mr. SCOTT). If he were present and voting, he would vote "nay;" if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. METCALF), the Senator from Arkansas (Mr. McCLELLAN), and the Senator from Indiana (Mr. BAYH) are necessarily absent.

I further announce that the Senator from Alaska (Mr. Gravel), and the Senator from Louisiana (Mr. Johnston) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood), the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from Virginia (Mr. William L. Scott) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that the Senator from Illinois (Mr. Percy) is absent by leave of the Senate.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy), and the Senator from Ohio (Mr. Taft) would each vote "nay."

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The pair of the Senator from Pennsylvania (Mr. Hugh Scott) has been previously announced.

The result was announced—yeas 30, nays 55, as follows:

[No. 437 Leg.]

YEAS—30

Abourezk
Bible
Biden
Brooke
Burdick
Case
Chiles
Church
Clark
Cranston
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Javits
Kennedy
Long
McGovern
Mondale
Moss
Nelson
Pell
Proxmire
Saxbe
Stevenson
Symington
Tunney

NAYS—55

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Cook
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Huddleston
Humphrey
Jackson
Magnuson
Mathias
McClure
McGee
McIntyre
Montoya
Muskie
Nunn
Pastore
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Weicker
Williams
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, for.

NOT VOTING—14

Bayh
Cotton
Eagleton
Gravel
Inouye
Johnston
McClellan
Metcalf
Packwood
Pearson
Percy
Scott, Hugh
Scott,
  William L.
Taft

So Mr. Clark's amendment was rejected.

Mr. THURMOND. Mr. President, I move that the vote by which amendment was rejected be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent, before the next amendment is laid before the Senate under the agreement, that the distinguished Senator from Illinois (Mr. Stevenson) be recognized for not to exceed 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2482—TO AMEND THE SMALL BUSINESS ACT

Mr. STEVENSON. Mr. President, I ask unanimous consent that the passage of S. 2482 be reconsidered, that third reading be reconsidered, and that the distinguished Senator from Kansas (Mr. Dole) and the distinguished Senator from Minnesota (Mr. Humphrey) be added as cosponsors of the amendment which I now have at the desk, and that the amendment be agreed to and that, as thus amended, the bill be repassed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER (Mr. Helms). The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill add the following new section:

"Sec. 10. (a) Section 3 of Public Law 93–24 is amended by striking therefrom: ', and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time', and insert in lieu thereof the following: 'Such loans shall be made without regard to whether the required financial assistance is otherwise available from private, cooperative, or other responsible sources'.

"(b) The provisions of subsection (a) of this section shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after April 20, 1973.

"(c) With regard to all disasters occurring on or after December 27, 1972, the Secretary of Agriculture shall extend for ninety days after the date of enactment of this section the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act as amended by this section.

"(d) Section 321(a) of Public Law 87–128, as amended, is hereby amended by striking 'which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under subtitles A and B of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time'. The provisions of this subsection shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after December 27, 1972."

Mr. DOLE. Mr. President, I am pleased to cosponsor the amendment being proposed by the junior Senator from Illinois (Mr. Stevenson) requiring the Farmers Home Administration to make emergency loans to farmers and rural families on the same terms as are now being made by the Small Business Administration to other businessmen antd urban residents This amendment is necessary to correct an inequity that has arisen as a result of enactment of Public Law 93–24 earlier this year. Under the provisions of that law, a farmer applying for a disaster loan from the Farmers Home Administration must show that he is unable to obtain credit elsewhere before being eligible for the 5 percent disaster loan. A businessman, on the other hand, is not subject to the same credit limitations on receiving the 5 percent loans. Farmers are being required to go out and try to obtain loans for rebuilding their damaged property at the current market rates of 7, 8, or 9 percent, while other businessmen in the same community receive 5 percent loans to restore their businesses.

Traditionally, and as expressly provided in the Disaster Relief Act of 1970, which I helped to write, disaster loans were made to an individual without requiring that the applicant try to obtain credit from other sources. It has always been the intent of Congress to treat all disaster victims alike—in urban or rural areas. The Stevenson-Dole amendment is necessary to restore that element of fairness and equality of treatment.

Farmers are themselves businessmen and basic fairness dictates that they should receive benefits which are equal to the Federal disaster relief available to commercial operations through the Small Business Administration. I would point out that recent storms in Kansas have hit at a critical time of year when the summer crops are being harvested and the fall crops are being planted. And any relief which can be provided to put farmers back in operation is also important to the Nation as a bounteous crop from our farms is vitally needed in the coming year to meet our national demands and put food on the grocer's shelf at a price the consumer can afford.

I ask unanimous consent that portions of an article, which appeared in the Kansas City Times on Thursday, September 27, describing the recent devistating storms in Kansas be printed in the Record at the conclusion of my remarks, for I believe the Dole-Stevenson amendment will be extremely important to the efforts of Kansas farmers to rebuild and repair their property.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Kansas City Times, Sept. 23, 1973]

Storm Area Faces Flooding Threats

Under gray and threatening skies, residents of Clay Center and Greenleaf, 25 miles north-northeast, sadly but thankful to be alive, went about the task of retrieving scattered and damaged possessions. While the property damage was heavy, Clay Center's 5,100 residents escaped with no deaths. At Greenleaf, two children among the 480 residents were killed when a twister blew down a home. They were Angie Buhr, 5, and her sister, Harmyln, 1. Their parents, Mr. and Mrs. George Buhr, and another sister, Jo Ann, 3, were injured.

The scenes of people attempting to begin their lives anew were common all along the storm's path—near Salina where the storm damaged a mobile homes court, at Niles on I–70 between Salina and Abilene where Mrs. Marie Bell, 67, was killed in her cafe.

Public utility crews worked around the clock to restore electric power and telephone service. Some power was restored in parts of all the communities hit. Telephone service, completely knocked out here along with the electricity, was restored on an emergency basis.

"We're still not accepting direct-dial long-distance calls for Clay Center, a telephone company spokesman said in Topeka. "All calls have to be placed through an operator because of the volume of telephone traffic trying to get in there."

Long-distance service has been restored to Washington Hollenberg, Marquette, Morrowville, Linn, Palmer, Barnes, Salemberg, Hunter and Barnard. Still without long-distance service were Green, Morganville and Greenleaf.

The other deaths caused by the storm were Mr. and Mrs. Herman Meier of Lincoln, Kan., who were swept into a creek north of Ellsworth. Two women missing and feared killed in Clay County were accounted for during the day as the cleanup efforts moved into high gear.

As weary cleanup workers settled into emergency shelters and untouched homes here last night a 7 p.m. to 6 a.m. curfew was put into effect and security was tightened to prevent looting, some of which was reported shortly after the tornado struck.

The full scope of the damage was just beginning to emerge last night. The Red Cross said a * * * 500 Clay Center homes damaged, * * * with major damage and about * * * destroyed. About 75 percent of the town's businesses were damaged in some way by the tornado.

The east wing of the Clay County Hospital here was badly damaged and a hospital spokesman said there was no trace of a 7½-ton air conditioner ripped from the hospital's roof. Marvin Henry, Topeka, area Civil Defense co-ordinator, estimated damage to the hospital at $250,000.

Henry said damage at the municipal power plant here was estimated at $250,000.

In addition to the 40 mobile homes near Salina that were damaged, Henry said, the Western Electric plant there was hit.

Henry said that of the 150 houses in Greenleaf 50 were destroyed, and the others were damaged. He estimated the damage to the city hall and fire station at $30,000 each.

Maj. James Martin of the highway patrol said he flew over Linn yesterday, said two houses in that town of 544 persons were destroyed and eight others damaged. The roof was blown off the school. Martin said he saw 20 or 30 farm houses north of Clay Center that were damaged or destroyed.

Lorin Kasper, Clay Center police chief said 10 per cent of the cleanup work had been completed during the day, but travel was possible on only two roads, K–15 and U.S. 24. Tree branches and debris covered other streets. Kasper said he believed the damage to homes, businesses and public facilities would exceed $2 million.

"This was a beautiful city, but now it will be a blight," Elmer Anderson, Clay Center lawyer, said.

"We were all but wiped out," a sad-faced man in a yellow raincoat said as he directed emergency vehicles past an intersection in the early morning hours. "There's my place. Look at it."

His was the second house on the right from the corner—a 2-story frame structure which for all practical purposes, had been scattered about, its front and back yard.

"Oh, she's all gone, isn't she," said a dazed local business man whose lumber yard, car wash and wrecking business was demolished by the twister.

A flash flood watch for northeast Kansas and northwest Missouri was canceled about 10:15 p.m. last night as showers over the area decreased significantly, a National Weather Service spokesman said.

While light to occassionally moderate showers continued, they posed no flooding threat in those areas.

Rainfall in Kansas City from 7 a.m. to 7 p.m. yesterday measured 1.34 inches. Rainfall reading in area communities for the 12-hour period ending at 7 p.m. yesterday were: Bonner Springs, .74 inch; Shawnee, 1.40 inches, and Olathe, 1.70 inches.

The significant rainfall recorded at Kansas City International Airport in the past week has been concentrated in the last four days. Last Thursday it rained .01 of an inch. Then no rain was recorded here until Sunday, when 1 inch of rain fell. Rainfall total for the first part of this week: Monday, 4.04 inches; Tuesday, .01 inch, and yesterday, 1.34 inches.

The Kansas Highway Commission last night reported 11 roads closed throughout the state because of high waters.

Streams in the Kansas City area were below banks last night but rising. The Big Blue River was about 9 feet below banks at Bannister Road but 2 feet above banks at U.S. 50 at 5 p.m. yesterday, the weather service said. The Little Platte River at Smithville, Mo., was falling slowly but was still 4 feet above its banks there at 5 p.m., the weather service said. Only minor rises were expected on the Little Blue River in eastern Jackson County.

The Missouri River at Kansas City was rising late yesterday afternoon but the weather service expected it to crest at 17 feet. Its flood stage is 22 feet. However the Missouri River at Waverly reached 19.1 feet by noon yesterday over its flood stage * * *. At St. Joseph the Missouri River was expected to crest at * * * this morning, over its flood stage of 17 feet.

In Kansas high waters already have closed these roads, according to the highway commission:

In northeast Kansas: K–9 at Monrovia, K–18 at Zandale and near K–177 south of Manhattan, K–30 between I–70 and Maple Hill, K–82 south of Seneca and south of Sokiler, K–87 north of Vilets, and K–138 at Paxio.

In north-central Kansas: K–4 from Gypsum to U.S. 81, and K–106 from K–18 north to Minneapolis.

In south-central Kansas: U.S. 183 about 4 miles north of Greensburg because of a washed-out bridge, U.S. 50 from Kinsley to a junction with U.S. 281, and U.S. 56 from Kinsley to a junction with U.S. 183.

Shawnee police reported yesterday that Ogg Road at Mill Creek was closed. Wilder Road and Woodland Road three blocks north of 55th were reported covered with water but passable, a Shawnee police dispatcher said.

The Kansas River was expected to contain flood waters within its banks, and its tributaries in central Kansas, the Solomon, Saline, Smokey Hill and Republican rivers, were about 3 feet below the 1951 flood level.

The flood stage of the Solomon, at Niles, where a woman was killed during a tornado Tuesday, is 24 feet. Yesterday afternoon waters there were reported at 28 feet by the weather service. In 1951 the river crested at 31 feet.

The Saline River at Tescott, north of Salina, was reported at flood stage yesterday, 5 feet short of 30 feet, its crest in 1951.

The Republican River at Clay Center, which was hit by two tornadoes Tuesday, reached 19 feet, 4 feet above its flood stage and 3 feet short of its crest in 1951.

Kinsley, on the Arkansas River, reported waters at 11 feet, about 3 feet over the flood stage of 9 feet and 2 feet higher than it reached in 1951.

In Johnson County, Kansas, a sheriff's dispatcher said access road from K–7 to the small community of Wilder was closed.

In Clay County, Missouri, several gravel roads north of Smithville were closed due to flooding.

The Civil Defense director of Platte County, Millard Pope, Jr., said the Platte River was rising there and might flood low-lying areas in Tracy if rain continued.

Mr. PELL. Mr. President, the legislation now before the Senate, S. 2482, is of importance to small businessmen throughout the country, but it is of special and indeed critical importance to hundreds of small businessmen in the State of Rhode Island.

When the Senate first considered the Small Business Act amendments earlier this year, it adopted my amendment, on a record vote of 69 to 11, providing assistance to small businesses that suffer economic hardship because of the closing of Federal military installations. I regret that the President, because of provisions unrelated to this amendment, vetoed that original bill.

The legislation now before us is designed to meet the objections raised by the President to the original legislation. I am delighted, however, to note that my amendment, providing assistance to these small businesses damaged by base closings, is included as section 6 of the bill now before us.

The major naval installations in Rhode Island have been for decades a vital part of the economy of the State. Hundreds of small businesses have been established and operated to help meet the needs of the thousands of naval personnel and their families assigned to Navy bases in Rhode Island.

The sudden, abrupt, and, I believe, outrageously wrong decision to close major portions of those bases leaves many of these businesses, through no fault of their own, facing severe economic hardships.

The assistance provided by my amendment, section 6 of this bill, will at least give these small businesses a chance to adjust and survive in drastically changed economic conditions.

The administration has promised to provide readjustment assistance to my State. I hope it will follow through on that promise by giving its support and ultimate approval to this legislation, including my amendment, to assist small businesses hurt by base closings.

And in conclusion, I want to express my appreciation to the senior Senator from California (Senator CRANSTON) for his assistance, his cooperation, and his sensitivity to the special and particular problem confronting the small businessmen of Rhode Island.

Mr. BAKER. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the Stevenson-Dole amendment to S. 2482, to amend the Small Business Act.

The amendment would insure that the emergency Farmers Home Administration loans shall be available to farm families in rural areas following a flood, drought, or other natural disaster, on the same terms and conditions that the SBA disaster loans are available to businessmen and urban dwellers. This subject has been before the Congress several times in the last year, but it has always been my position that the availability of emergency disaster loans should be the same under the various authorities, whatever the terms enacted.

Without his amendment, as Senator STEVENSON explained, the SBA emergency loans are made at 5 percent interest under the act of April 20, 1973, without regard to whether the applicants affected by the disaster are able to secure private loans. While that act made the Farmers Home Administration emergency loans available at the same interest rate, a proviso required a showing by applicants that they could not secure private credit at "reasonable rates"—with the result that the FHA is apparently requiring applicants in disaster areas to secure private loans at 7-, 8-, and 9-percent interest. The Stevenson amendment which, as I understand, is retroactive to disasters declared since December 27, would correct this inequity.

In practical terms the amendment returns to the principle of Public Law 91-606, the comprehensive Disaster Relief Act developed by the Public Works Committee in 1970, which provided for both types of disaster loans to be made without regard to a showing that private credit was not available, although the forgiveness and interest rates have been changed since that time.

There are many counties in Tennessee which have been affected by the differences this year between the terms of the FHA and SBA disaster loans. The amendment will be helpful in my State. I am glad that it is acceptable to the administration, and hope that it will be maintained by the House of Representatives.

The PRESIDING OFFICER. Without objection, the various requests of the Senator from Illinois are agreed to and the bill is passed.

The bill as amended and passed is as follows:

S. 2482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Busines Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alternations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided,* That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91-596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

SEC. 4. Notwithstanding the provisions of Public Law 93-24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occurred after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92-385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

SEC. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided,* That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease.

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

SEC. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its exiting location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

SEC. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATION AMENDMENT

SEC. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Adminstrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

SEC. 9. (a) Section 3 of Public Law 93-24 is amended by striking therefrom: ", and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time", and insert in lieu thereof the following: "Such loans shall be made without regard to whether the required financial assistance is otherwise available from private, cooperative, or other responsible sources".

(b) The provisions of subsection (a) of this section shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after April 20, 1973.

(c) With regard to all disasters occurring on or after December 27, 1972, the Secretary of Agriculture shall extend for ninety days after the date of enactment of this section the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act as amended by this section.

(d) Section 321(a) of Public Law 87-128, as amended, is hereby amended by striking "which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under subtitles A and B of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time". The provisions of this subsection shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after December 27, 1972.

Mr. CANNON. Mr. President, are we going to have an explanation of the amendment? I do not know what we are doing here.

Mr. TOWER. Mr. President, this is an amendment to the SBA bill. It has been agreed to by the manager of the bill, the Senator from California (Mr. CRANSTON) and myself as manager on the minority side. It is supported by the administration. It would just be like voting for motherhood.

Mr. CANNON. That still does not tell me what the amendment does, and before I would consent——

Mr. STEVENSON. Mr. President, the

Farmers Home Administration makes disaster assistance loans bearing interest at the rate of 5 percent, when disaster victims are unable to obtain credit elsewhere at reasonable rates and terms. The FHA has taken the position that market rates are reasonable. Farm loans now bear interest at between 8 and 10 percent.

The effect of this position is to deprive most farmers stricken by natural disaster of the 5-percent loans which Congress intended. The market rate is so prohibitively high that the FHA has effectively deprived many farmers of all credit.

The clear effect of FHA's position is to discriminate against farmers. City dwellers can get 5-percent disaster loans whether or not bank loans are also available. There is no "credit elsewhere" provision in the Small Business Administration statutes or regulations.

My amendment ends this injustice for farmers by striking the "credit elsewhere" provision in the FHA's statutes, thereby making disaster loans available to farmers and city dwellers on the same terms. By striking this provision, disaster-stricken farmers will again be able to get a fair measure of assistance at a time of need.

Mr. CANNON. In other words, it puts them all on an equal footing as to the rates?

Mr. STEVENSON. That is correct.

Mr. CANNON. I have no objection.

The PRESIDING OFFICER. Under the previous order——

Mr. MANSFIELD. Mr. President, has the bill been passed?

The PRESIDING OFFICER. Yes.

Mr. ROBERT C. BYRD subsequently said: Mr. President, earlier today S. 2482, a bill to amend the Small Business Act, was reconsidered and amended by unanimous consent after its having been passed, reconsidered, and a motion to reconsider laid on the table.

It is my understanding that the distinguished majority leader, after the unanimous-consent request to that effect was agreed to today, had intended to move again to reconsider, upon which he was advised that such motion was not necessary or was no longer in order, or something to that effect.

At this time, I enter a motion to reconsider the vote by which S. 2482 was passed and that the Senate proceed to its consideration, and that the motion to reconsider be laid on the table. This would accomplish what the distinguished majority leader had intended to do.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 554

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the distinguished Senator from New York (Mr. BUCKLEY) is recognized to call up amendment No. 554.

Mr. BUCKLEY. Mr. President, I call up my amendment No. 554 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 19, line 14, strike out "$2,958,200,000" and insert in lieu thereof "$2,960,200,000 of which amount not less than $2,000,000 shall be available for the initiation of a research program for the development of an effective missile guidance and control system for use in strategic ballistic missiles, including the Minuteman III and Poseidon missiles, which will aid in achieving a yield-accuracy combination capable of attacking military as opposed to urban targets."

On page 19, line 12, strike out "$2,656,200,000," and insert in lieu thereof "$2,658,200,000, of which amount not less than $2,000,000 shall be available for the initiation of a research program for the development of an effective missile guidance and control system for use in strategic ballistic missiles, which will aid in achieving a yield-accuracy combination capable of attacking military as opposed to urban targets."

Mr. BUCKLEY. Mr. President, my amendment is simple and very much to the point. It would increase research funds by $2 million each for our Minuteman III and Poseidon missile guidance systems with the objective of increasing accuracy to a point where a President of the United States would have the option of attacking military targets. As of now, we are effectively limited by current strategic policy. We are precluded from attacking anything but urban centers. In other words, our current option is either not to respond to a nuclear attack or to destroy tens of millions of men, women, and children.

Mr. President, I wish to say at this time that I intend to withdraw this amendment after I have discussed it a few minutes. I will do so because I have received assurances from the chairman of the Armed Services Committee (Mr. STENNIS) that he will schedule closed hearings to examine the desirability for changes in our strategic thinking in light of the very different world in which we now live.

Mr. President, we have a way in this country of becoming captive to certain phrases or pat conclusions that may have long since outlived their usefulness. In no area is this so true as in the case of strategic thinking. The unspeakable horror of a nuclear exchange is such that we tend to retreat from a facing up to current realities and future possibilities while taking refuge in positions that with time have taken on the character of revealed truth. And so we cling to an abhorent concept that deems civilians—men, women, and children—to be the only acceptable targets for strategic weapons.

For better or for worse, we are still committed to the doctrine of deterrence—of a balance of terror—that came into being during the McNamara years. Under this concept, each side would, in effect, hold its civilian population hostage to the other. Under this concept, we considered our best defense to be to assure ourselves of the sufficient survivability of our strategic weapons to inflict unacceptable losses on the civilian populations and economy of an aggressor. As a result of this doctrine, we deliberately leveled off the size of our land-based intercontinental ballistic missiles, deliberately limited the accuracy of our missiles so that they could attack only an enemy's cities and not military installations or nuclear weapons which would require a far higher degree of accuracy, and waited for the Soviets to catch up. It was confidently predicted that once the Soviet Union achieved parity, thus establishing the full conditions of mutual deterrence, the Soviet leadership would turn to other pursuits.

Unfortunately, the Russians have refused to play the game. Instead of stopping when their intercontinental ballistic missiles and submarine-launched ballistic missiles caught up with ours, they have insisted on plowing ahead with the deployment of more and bigger weapons. As a result of this enormous effort, and a result of the terms of the interim SALT agreement, the Soviets are assured a 50-percent advantage in numbers of these weapons, and a severalfold advantage in throw-weight that within the next 4 or 5 years they will be able to convert—through a MIRV technology—into a decisive qualitative as well as quantitative advantage.

More than that, because their individual warheads, even after MIRVing, will be so significantly larger than ours, they will have achieved a capacity to destroy most of our land-based intercontinental ballistic missile and a significant proportion of our strategic bombers in a first strike while retaining more than sufficient weapons to destroy all our cities should a President attempt to retaliate against the destruction of our missile silos and bombers with a strike against Russian cities. Of course, it is unthinkable that a President in the future would strike out in so suicidal a manner. They will have assured, in fact, a flexibility we have insisted on denying ourselves.

The evidence is clear. The Soviet Union's military and civilian leadership have not accepted the idea that war is deterred by threatening the civilian "hostages" to deterrence; rather they think in the more traditional military terms of focusing on the development of the ability to attack military forces. This is attested to, not merely by the nature of the strategic nuclear forces which the Soviets have been deploying—forces which far exceed the requirements of a simple policy of targeting civilians—but by their writings. One leading scholar of Soviet affairs, Dr. Thomas Wolfe, recently noted:

> It is my impression from the Soviet literature and also two weeks of discussion that I have just had in Moscow with various Soviet military theorists that the Soviet Union doesn't really regard us as a good model for their strategy; they seem to feel that a responsible strategy is one which doesn't prepare for deterrence only and rest on assured destruction (the U.S. policy), but one that looks to a situation where deterrence might fail and tries to prepare the country for war-waging capabilities, damage limitation, survival, and so on.
>
> The point, it seems to me, that comes out here is that we must ask—if we continue on the deterrence-only path and the Soviet Union continues on a war preparation-survival path, do we come to a point when this asymmetry in our approaches becomes significant in terms of how leaderships react during a confrontation or not.

The nature of recent Soviet efforts in their own ballistic missile programs tends to confirm the thrust of Dr. Wolfe's remarks.

Nearly a year ago, for example, the Soviets flight tested a missile which they have now deployed on one of their submarines known as the SS-N-8. This missile contained a guidance system known as a "stellar inertial" system. It is instructive that a similar program for our own Poseidon missile system was terminated in 1970 when it was determined that this system would be too accurate. A related Air Force program for the Minuteman III missile has been blocked for similar reasons. Evidence which has emerged in the newspapers in recent weeks fail to suggest that the Soviet Union has had a change of mind.

The proposal I am making is a modest one. It does not prejudge the matter of whether or not it is desirable for the United States to actually build such a capability into its strategic missiles. Rather, it simply initiates an R. & D. program which could provide us with the option to deploy such a system if it became desirable to do so at some future time.

My proposal would provide the R. & D. base for the option to deploy ballistic missile systems which have the capability to attack targets other than urban targets with a minimum of destruction to nearby civilian areas. For example, there are a wide range of important military targets such as divisional and corps headquarters, command and control centers, and storage areas which, under some circumstances, may be appropriate targets of attack rather than simple retaliation against urban areas. At the present time we cannot do this without causing vast destruction to nearby urban areas because of the relatively high yield of our existing nuclear weapons stockpile and their inaccuracy compared to what might be technically feasible.

I believe one idea should be dealt with at the outset, however. That is the notion that this proposal establishes the aura of a developing "first strike" capability for our strategic forces with all of the destabilizing properties such capability implies. Nothing could be further from the truth for reasons of technology as well as for imperatives of strategy.

The recent SALT accords have limited our strategic forces to a maximum of 1,000 land-based ICBM's and 750 sea-based ballistic missiles launched from submarines. The Soviet Union may have 1,400 land-based ICBM's and 1,016 submarine-launched ballistic missiles. If we were able to cut the miss-distance in half, and double the explosive energy of the Minuteman III warhead from what it now is, we would only be able to destroy 200 to 225 Soviet ICBM silos. Similarly, if we were able to cut the miss-distance of the Poseidon warhead in half, and double the explosive energy of its warhead, only an additional 375 missiles silos could be attacked successfully if we chose to fire every single missile in our inventory. This is, even under these totally unrealistic military conditions, a long, long way from a posture that looks remotely like a "first strike." Indeed, any competent military observer would not require more than a few minutes of calculatior to know that this is true. What it would do, however is mean a substantial improvement in our deterrent credibility.

This would be so because any plausible nuclear conflict initiated by an aggressor would require that a substantial fraction of his forces be withheld following an initial attack so that those remaining could be used to coerce an opponent through a threat to his civilian population.

It may well be that at this point in time, there need not be any requirement to deploy such a system if we had it available, but simple prudence dictates that if there could plausibly arise a set of circumstances when some future President might find such a capability essential, Congress could make the option available. This can only occur if the Congress has provided the needed funds for such R. & D.

I am persuaded that initiating such an R. & D. program could also have a very beneficial impact upon our ability to negotiate a sustainable pact to limit and ultimately reduce strategic nuclear arms.

In recent weeks we have seen the effects of a vigorous Soviet R. & D. program; the Soviets are developing three new ICBM's to replace their currently deployed models, at least one of which appears to be equipped with MIRV's. This is a development of considerable concern because of the potential threat these forces could present to our land based missiles. On the other hand, if the United States indicated an intention to proceed with an R. & D. program that could eventually lead to the deployment of ballistic missiles capable of successfully attacking a significant fraction of their Soviet counterpart, they might well be dissuaded from proceeding with a heavy investment in the equipping of their land-based forces with MIRV warheads. Such a development, if it would occur, could certainly aid in alleviating some of the anxieties that have developed over the Soviet R. & D. and deployment program, and thereby contribute to the development of a sustainable set of arms limitation agreements—even leading toward actual reductions in land-based forces.

Mr. President, I believe that it is entirely appropriate that the Congress take the lead in an effort such as this because it is far more than a mere technical matter involving the fine-tuning of esoteric military forces. It is concerned with the very essence of security—the philosophy which guides the manner in which we will use our forces should they have to be used. It is ultimately a congressional responsibility to raise an armed force, and insuring that there exist an adequate R. & D. based to support a viable set of defense alternatives is one of the most important efforts that can be made at this time.

Mr. THURMOND. Mr. President, I commend the distinguished junior Senator from New York for the interest he has taken over the past 2 years in this very important issue of improving warhead guidance capability. I know of no single item in the military budget of comparable cost which could have such a positive impact on our defense posture.

We have had testimony in the Armed Services Committee that our defense planning has deliberately chosen a level of accuracy for ballistic missiles that is less than that attainable within the state of the art for a relatively small expense. The rationale put forward for this astonishing decision is that the installation of higher accuracy guidance would be a destabilizing element in the strategic balance, and encourage the Soviets to conclude that we were trying to prepare to destroy their ballistic missiles with a first strike.

I have never accepted that argument. In the first place, whatever we know about Soviet strategic writings indicates that the Soviets place no reliance on the "balance of terror" strategy so beloved to the academic civilian planners of the United States think tanks. Their strategy is based upon sound principles of military planning. Instead of trying "to hold our cities hostage," by targeting them indiscriminately with nuclear weapons, their writers recommend a sensible target list that gives military and defense installations the highest priorities. They have damage-limiting priorities designed to paralyze enemy retaliation and enemy military activity. For their own part, they have civil defense preparations of impressive proportions intended to allow the supposed hostages of our much-touted strategic theories to escape. Even if they do not escape, the Soviets have allowed millions of their citizens to die for political reasons in the past, and we must assume that they can tolerate a high level of population decimation in their system today.

For my own part, I think that our strategy of "massive retaliation" upon defenseless civilians leads us into the realms of moral fantasy. The targeting of cities is indefensible from a moral standpoint, where the most effective military strategy is to target militarily significant sites, with Soviet ICBM installations leading the list. Such a strategy is not destabilizing because it would be symmetrical with the Soviets' own priorities. The Soviets, after all, depend upon a triad of land ballistic missiles, submarine-launched ballistic missiles, and bombers, just as we do. We cannot expect to destroy their whole triad on a first strike, and the Soviets know it.

But even if the old arguments ever made sense, they make no sense since the interim agreement on strategic arms limitation was signed. As everyone knows, the agreement halted competition in quantity of nuclear weapons, and turned the area of concentration toward quality. The President admitted that the agreement gave the Soviets the edge in quantity, but it left us with our superiority in technology. But it also left the Soviets the way open to improve their own technology.

No one had any doubt that the Soviets would use this freedom to increase the quality of their missiles. We know today that the Soviets are much further along in their technology than we would have expected a year ago. The Secretary of Defense has spoken of the new missiles systems they are developing, and of the advanced state of their testing of multiple warheads. Also much has been said in recent days of the Soviet pop-up launching system that makes the silo-size limitations of the agreement almost meaningless.

We are now on the threshold of the SALT II negotiations. When the President met with General Secretary Brezhnev last June, they arrived at a general agreement on basic principles of SALT negotiation. At that time, I wrote to the President commending him for the high hopes expressed in the basic principles, saying:

> If they are to be realized in a permanent, agreement, it is of the utmost importance that we do not unilaterally deprive ourselves of any of the permitted steps under the basic principles. Our desire for peace must be safeguarded with prudence, and I would underscore your significant achievement in agreement on the Fifth Principle; namely, "The modernization and replacement of strategic offensive arms would be permitted under conditions which will be formulated in the agreements to be concluded."

This fifth principle of President Nixon and General Secretary Brezhnev practically mandates the upgrading of our missile systems. Any reductions and restrictions on our strategic systems which come out of SALT II will make it of the utmost urgency that we continue modernization of the present systems. This is not a "bargaining chip" to be thrown away in negotiations. We know by the Nixon-Brezhnev agreement that SALT II will permit us to modernize our missiles; we know that the Soviets have a tremendous momentum in modernization; we would be derelict in our duty if we did not modernize ours.

As I wrote to the President in June, modernization—

> Allows us to drop the pretense of the outdated "assured destruction" strategy, and to develop flexible strategies more suited to the era of arms limitation. We can only achieve those strategies if we maximize both the number of replacements permitted to us, and the level of warhead accuracy up to the current state of the art.

Improving warhead accuracy is one of the cheapest ways of modernizing and one of the most important. It cannot be destabilizing because both parties involved have agreed to permit modernization. The Soviets expect us to modernize, and are modernizing themselves.

The proposal offered by Senator BUCKLEY is a modest step in developing improved accuracy, and I support it.

Mr. STENNIS. Mr. President, will the Senator yield briefly?

Mr. BUCKLEY. I yield.

Mr. STENNIS. Mr. President, I was detained and could not be in the Chamber when the Senator started his speech. I have listened to most of it. This raises a delicate matter which the Senator is greatly interested in and has worked on. I know we talked about it last year. It is almost impossible to go into these things on the floor of the Senate. However, I would be glad to review the situation again.

Mr. BUCKLEY. I thank the distinguished chairman of the committee. I did say I would withdraw my amendment without bringing it to a vote.

Mr. MANSFIELD. Mr. President, would the Senator yield to me for one-half minute?

Mr. BUCKLEY. I yield.

Mr. MANSFIELD. Mr. President, the reason I am asking for this time is that there seems to be a rumor or rumors going around that there will be no more votes this afternoon.

I wish to inform the Senate that to the best of my knowledge there will be at least one and perhaps two votes this afternoon, the first occurring on the Magnuson amendment.

Mr. BUCKLEY. Mr. President, I reserve the remainder of my time.

Mr. BROOKE. Mr. President, will the manager of the bill yield?

Mr. McINTYRE. Mr. President, I yield to the Senator from Massachusetts.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator yield to me for 5 minutes without losing his right to the floor? The Senator from Kansas (Mr. DOLE) has an amendment and he has to catch a plane.

Mr. McINTYRE. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Kansas may be permitted to offer his amendment now and that there be a time limit thereon of not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I have an amendment at the desk which I will call up now.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> At the appropriate place in the bill insert a new section as follows:

The amendment is as follows:

> SEC. (a) It is the sense of the Congress that the Armed Forces of the United States should act favorably on any request for an early release from active duty made by any physician or dentist serving on active duty and on the request of any physician or dentist to be relieved from an obligation to serve on active duty if (1) such physician or dentist agrees, under regulations prescribed by the Secretary of Defense, to practice medicine or dentistry, as the case may be, in a health manpower shortage area, and (2) the Secretary of Defense, in consultation with the Assistant Secretary of Health, Department of Health, Education and Welfare, determines that the health manpower needs of the community in which such physician or dentist is to practice are greater than those of the military department concerned, and (3) the medical needs of the military Department can be met with the physicians remaining on active duty.
>
> (b) Notwithstanding any other provision of law or any rule or regulation issued under any provision of law, in determining whether any physician or dentist serving in the Armed Forces should be given an early release from active duty, or whether any physician or dentist should be relieved from an obligation to perform active duty, in order that he may practice medicine or dentistry, as the case may be, in any community which has a health manpower shortage, such determination shall be made without regard to whether such physician or dentist has previously practiced medicine or dentistry in such community.
>
> (c) Special consideration shall be given any request for an early release from active duty made by any physician or dentist serving on active duty made by any physician or dentist to be relieved from an obligation to serve on active duty if such physician or dentist has agreed to serve (1) in an area designated by the Secretary of Health, Education and Welfare as a health manpower shortage area, or (2) in a rural area, or (3) in an economically deprived area.
>
> (d) As a condition to receiving a release from an obligation to perform active duty under this section, a physician or dentist may be required by the Secretary of Defense to perform not more than two years of duty in an active reserve unit of an armed force of the United States. A physician or dentist who obtains an early release from active duty under this section may be required to serve an amount of time equal to the active duty obligation that has been waived, in an active reserve unit of an Armed Force of the United States.

Mr. DOLE. Mr. President, first I wish to thank the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from New York (Mr. BUCKLEY), and other Senators for providing this time.

I have discussed this amendment with the ranking minority member and the ranking majority member of the committee. With a certain change suggested by the committee staff, it is my understanding that this is acceptable to the distinguished Senator from Missouri and the distinguished Senator from South Carolina.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. SYMINGTON. Provided the clause "the medical needs of the Military Department can be met with physicians remaining on active duty" is included, and inasmuch as section (a) starts out with the words "It is the sense of Congress," we will accept the amendment on this side.

Mr. THURMOND. We are willing to accept the amendment on this side.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. PROXMIRE. Mr. President, the amendment has not been read and we have no idea at all what it is. We would appreciate it very much if the amendment were explained.

Mr. DOLE. The amendment is intended to alter the procedure by which the Department of Defense considers requests submitted by physicians and dentists who wish to receive an early release from service or a waiver of a pending service obligation in order that they might practice in a civilian community which is in extreme need of their professional services.

I must emphasize at the outset that this amendment does not authorize the massive raid on the military physician corps by the civilian sector, nor does it ignore the fact that the uniformed services also are experiencing difficulty in maintaining adequate numbers of health professionals. The amendment simply expresses the sense of Congress that physicians and dentists who have incurred a service obligation to the Federal Government should be permitted to fulfill that obligation in a manner which helps meet the Nation's greatest needs whether those needs exist in the military or civilian sector. The amendment does not place greater emphasis on civilian needs but neither does it give the military a priority position in the competition for physcians and dentists. Simply stated, the amendment stands for the proposition that the Secretary of Defense should upon the request of the physician or dentist consider the needs of the civilian as well as the military sector before determining the assignment of that physician or dentist.

The second portion of the amendment prevents application of a DOD rule which has in the past disqualified the requests of physicians and dentists who have asked to serve in a health manpower shortage area in lieu of military service. Because of the rule, many requests are denied before they really have an opportunity to be considered on their merits. The ruling of which I speak is outlined in this letter which I ask to be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SELECTIVE SERVICE SYSTEM,
Washington, D.C., May 16, 1972.

Lt. Gen. HAL B. JENNINGS, JR., MC
The Surgeon General,
Department of the Army,
Washington, D.C.

DEAR GENERAL JENNINGS: The National Advisory Committee to the Selective Service System on the Selection of Physicians, Dentists, and Allied Specialists (NAC/SSS) has recently been asked for advisory opinions regarding the community essentiality of certain Berry Plan reserve officers being called to active duty, and certain active duty personnel who have requested early releases.

After carefully considering a number of such cases, the NAC/SSS has voted to institute the following policy:

"Physicians, dentists, and allied specialists will be ruled *not essential* to communities where they have never practiced."

I hope that this information will be useful to you. If you have any questions regarding this policy, please call me on Area Code 202, Number 395-3100.

Sincerely,
AUGUST H. GROESCHEL, M.D., *Chairman.*

Mr. DOLE. The letter is authored in behalf of the National Advisory Committee to the Selective Service System on the selection of physicians, dentists, and allied specialists, and states that—

> Physicians, dentists, and allied specialists will be ruled not essential to communities where they have never practiced.

Although the Advisory Committee no longer exists, the ruling is still followed and is included in Army Regulation 635-100. Since a finding of "community essentiality" is necessary before a physician can obtain a release from or waiver of any active duty commitment, the lack of prior service in the civilian community in which the physician or dentist wishes to practice is adequate in itself to disqualify his request. In the majority of cases, a physician or dentist will enter or has entered military service immediately upon completion of medical school, internship, or residency. He has normally not practiced in a community prior to entering the service, and thus cannot obtain a waiver or release from military duty regardless of the severity of the need in the civilian community in which he has requested permission to practice in lieu of military service.

ASSESSMENT OF COMPARATIVE NEEDS

I feel that the rule requiring prior service in a community as a necessary prerequisite before a doctor or dentist's services can be ruled essential to that community ignores the real issue and the rule should no longer be utilized. In the spirit of the amendment I am now proposing, the determination of where a physician or dentist should fulfill his Federal service obligation is based upon the comparative needs of the civilian and military communities interested in the physician's services and the alternatives each has for obtaining and maintaining adequate professional health care services for its residents. In making this determination, I feel many factors should be taken into consideration. The doctor/patient ratio within the two communities and the patient load which results due to the specific population characteristics of the community should be considered in determining comparative need.

In addition, the availability of paraprofessional, technicians, and adequate equipment would have a bearing on the relative need of the contesting communities for the professional services. Third, it would seem that the alternative means each community possesses for attracting or employing health care professionals should also be weighed in the decision. If either the civilian or military has reasonably available to it other means of attracting a physician or dentist, this should certainly be taken into consideration. The special health care delivery problems of communities and the resulting demands on health manpower created by the geographical distribution of the population to be served would also have a bearing on the comparative needs of two communities for the services a physician or dentist might have to offer.

KANSAS NEEDS

When these and other relevant factors are taken into consideration, I cannot help but feel that some civilian communities and particularly some rural communities in Kansas can demonstrate a greater comparative need for the services of Kansas physicians who have been refused a waiver of military service or denied an early release from service to practice in areas of extreme need within the State. At last report there were 2,173 practicing physicians in Kansas. However, 54 percent of these physicians practice in four of the State's most densely populated counties, leaving the remaining 902 physicians to serve the other 101 counties of the State. A 1972 survey of Kansas illustrates that over half of the counties in the State had no dentist or had a dentist/patient ratio which exceeds 3,000 patients per dentist. Especially in the rural areas, there are extreme needs in many communities for additional health care professionals.

The amendment I am offering will not satisfy all of these needs nor does it get at the real source of the problem. But if it can offer much needed professional services to some of the communities without causing a corresponding decrease in the services available within the military sector, it is well worth our consideration. I am confident that not every physician who has incurred a military obligation or is currently serving on active duty will request a release to serve in a civilian community of extreme need. The demands on a young physician or dentist who practices in an underserved area are enormous and the pressures severe. But those who are willing to undertake this challenge should be given the opportunity if the Defense Department can in any way adjust its medical corps program and assignments to make up for the loss of personnel. There are currently 6,617 physicians enrolled in the Berry plan who are completing residency requirements and will enter the military sometime between now and 1980. The Berry plan is a military physicians' program which permits a physician to remain in an inactive reserve status until he completes his medical education, at which time he is obligated to serve 2 years on active duty. If only a small portion of these physicians were permitted to fulfill this Federal service obligation in a civilian community of extreme need, it would make a significant difference.

SOME REQUESTS SHOULD BE APPROVED

Taking into consideration the cessation of American military combat activity since the Vietnam peace agreements and the prospects for passage of a bill which would readjust pay rates for uniformed service health professionals, I feel the Armed Forces could afford the losses which might result from the amendment I now offer.

Using the figures provided by the Department of Defense, my office has learned that the doctor/patient ratio in the military is more than 120 patients per doctor lower than in the civilian sector and three times as low as in many of the rural Kansas communities.

According to information supplied my office by the Pentagon, the last DOD figures indicate that there are currently 13,754 physicians serving in the Department of Defense. This compares with an authorized strength of 13,741. The number of physicians on active duty had decreased during the period July 1, 1972, to April 1, 1973, by less than 1 percent. At the same time, active duty military strength has been reduced by nearly 10 percent.

In addition, military physicians have the benefit of serving a population which resides in a compact area and thus is not faced with the health care delivery problems associated with rural medical practice. Also, the military physician has the benefit of a larger number of technicians and corpsmen to assist him in serving his patients. Although I recognize the needs to sustain a high level of medical care in the military, statistics indicate that some of the physicians currently serving in the military could be permitted to serve in areas of critical civilian need without jeopardizing the level of military health care.

KANSAS REQUESTS

During the past year I have received several requests from several Kansas physicians asking that they be granted the opportunity to fulfill their military obligation in health professional shortage areas within the State. One request came from a physician completing his residency requirement in Phillipsburg, Kans., who was interested in remaining in that community if he were permitted to fulfill his Federal obligation under the Berry plan in that manner. His request, however, was denied by the Air Force. Although I am not aware of his military assignment or the need for his services at that duty station, I am certain that it would have been very difficult for those needs to exceed the medical needs of the city of Phillipsburg and Phillips County, Kans. At the present time only one permanent physician is available to serve the county's population which exceeds 8,000 people. It is difficult to believe that some accommodation could not have been made within the military medical corps so that the Phillipsburg medical requirements could have been met. Every possible alternative is being explored in Phillipsburg as the effort continues to obtain an additional physician for the area. However, as is the case in many rural areas, the problem of attracting a physician is a difficult one and one which too often is not solved regardless of the effort at the local community level. Everyone agrees that it is in this Nation's best interest that health care be made more readily available to rural America, and the Department of Defense shares the responsibility of meeting this national interest.

The amendment I am now proposing expresses this policy and will hopefully in the future help focus attention on all the considerations which I feel should be given the request of a dentist or physician under these provisions.

There have been other requests from Kansas physicians which I feel were treated rather cursorily by the Department of Defense. One was a request by a physician to serve as the second doctor in a southwestern Kansas county which was in need of more professional health services. The request was turned down and the physician assigned to a 66-member physicians staff at a base on the east coast. At present an appeal is pending from one of the four neurosurgeons in the Wichita area who wishes to remain in the area rather than enter the service and an additional request for an early release from military service has also been submitted by a physician from a small western Kansas community so that he might return to that community to practice medicine.

POLICY CLARIFICATION NEEDED

I do not contend that all these requests should be approved, but I do feel that civilian as well as military needs should be weighed in making the determination and that every possible consideration should be given the approval of those requests from doctors who wish to serve in lieu of military service in areas that have difficulty in attracting an adequate number of health care professionals.

The need for a policy clarification in this area is evident. The Department of the Navy reports that last year approximately 150 requests were received from its physicians for a release to serve in a civilian capacity. None were approved and department officials indicated to my office that it was unlikely that any would be in the near future. Yet, at the same time the physician manpower in the armed services was maintained at its authorized strength. This to me indicates that all possibilities for approval of these requests are not being pursued. I, therefore, offer this amendment to insure that all Defense Department policies serve the best interests of our Nation as they relate directly to defense issues and also as they have ramifications in other areas of Government and society. I am hopeful that the amendment will receive Senate approval and become binding policy within the Department of Defense.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. HUMPHREY. Mr. President, will the Senator permit me to join as a cosponsor of the amendment? We have a situation in our State which has caused great consternation.

Mr. DOLE. Mr. President, I ask unanimous consent that the name of the Senator from Minnesota be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask that the name of the Senator from Delaware be added as a cosponsor, and I yield back my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Several Senators addressed the Chair.

Mr. McINTYRE. Mr. President, I yielded the floor for 5 minutes to the Senator from Kansas. Who has the floor?

The PRESIDING OFFICER. The Senator from Missouri has the time in opposition.

Mr. SYMINGTON. Mr. President, I yielded to the Senator from New Hampshire, who had the floor, and he thereupon yielded to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from New Hampshire, of course, has the floor.

Mr. McINTYRE. I ask for 8 minutes.

Mr. President, how much time does the Senator from New Hampshire have?

The PRESIDING OFFICER. Thirty minutes.

Mr. McINTYRE. Mr. President, how much time do I have?

The PRESIDING OFFICER. Thirty minutes.

Mr. McINTYRE. Do I have 8 minutes?

Mr. SYMINGTON. I yield 8 minutes to the Senator.

Mr. McINTYRE. Mr. President, I must object strongly to the amendment proposed by Senator BUCKLEY which would, if adopted, be in direct contradiction to the principles underlying the SALT and ABM agreements of May 1972, and the agreements reached this year between President Nixon and Premier Brezhnev. In fact, it could undermine SALT II which is just now getting underway.

The amendment introduced by my colleague from New York would add $4 million to the fiscal year 1974 research and development program to initiate a research program to develop a missile guidance and control system that will aid Minuteman III and Poseidon, as well as other strategic ballistic missiles to achieve a yield-accuracy combination capable of attacking military as opposed to urban targets. The proposed amendment in its earlier form included the phrase "capable of performing the strategic counterforce mission." That phrase might just as well have been left in because the meaning of the new language is identical. Regardless of how you state it, it still means a first strike capability.

Mr. President, 2 years ago Senator BUCKLEY introduced two similar amendments to the procurement bill, one covering Minuteman and the other the Poseidon missile. The first was defeated by a voice vote and the second by a lopsided vote of 68 to 12. At that time the Department of Defense opposed Senator BUCKLEY's amendments and stated the following reason in support of their opposition:

> The Defense Department cannot support the proposed amendment. It is the position of the United States to not develop a weapons system whose deployment could reasonably be construed by the Soviets as having a first strike capability. Such a deployment might provide an incentive for the Soviets to strike first.

Let me provide some additional background, which clearly establishes the position of the administration as well as the Department of Defense in opposing the objective of first-strike capability.

First. President Nixon wrote to my good friend from Massachusetts, Senator BROOKE, on December 29, 1969, and stated as follows:

> The purpose of our strategic program is to maintain our deterrent, not to direct any Nation with a first strike . . . there is no current U.S. program to develop a so-called hard-target MIRV capability.

Second. The Armed Services Committee, in reporting on the fiscal year 1971 military procurement bill deleted funds from the Air Force advanced ballistic reentry systems program and stated:

> This reduction relates to effort in support of any future hard-target kill capacity. Those efforts which are pointed toward strictly retaliatory objectives which can be met with substantially less accuracy and more modest yields than needed for the counter force mission are to be fully supported.

Third. The Congress denied funds requested in the fiscal year 1973 military procurement bill to begin development of a more accurate, higher yield reentry vehicle for the Minuteman III missile.

The Department of Defense has refused to take a position on this amendment and I believe that they should be criticized for this lack of positive action. I am advised that the Armed Services Committee has had little cooperation by the Department of Defense in providing its position on many of the amendments which have been debated on the floor. Nevertheless, the position of the Department of Defense taken 2 years ago which I have quoted, in my opinion would apply equally if not more today.

By these specific statements of the President and the Department of Defense and by these positive actions of the Congress the objective of first strike, counterforce, hard target kill capability which are the stated objectives of improvements in guidance and control systems and, therefore, accuracy of our reentry vehicles, have been flatly rejected. Nothing has changed.

The stated position of the Department of Defense which I have quoted previously bears repeating:

> It is the position of the United States to not develop a weapons system whose deployment could reasonably be construed by the Soviets as having a first strike capability. Such a deployment might provide an incentive for the Soviets to strike first.

Today, Mr. President, we have progressed far beyond the uncertainties which existed when the Senate rejected my distinguished colleague's amendments 2 years ago. Since that time the SALT I Interim strategic arms limitation agreement has been signed. The ABM treaty has been signed. Earlier this year the President and Premier Brezhnev signed a series of agreements which is a further step toward an early permanent agreement between the two nations limiting not only the quantity but also the quality of strategic nuclear weapons. Moreover, the President plans to visit the Soviet Union next year for the stated purpose of moving more rapidly toward such agreements. This could bring to earlier fruition the efforts which have just recently started in the SALT II negotiations.

Clearly, Mr. President, the atmosphere today is markedly improved as compared with that 2 years ago. While the tensions between the two countries remain high, substantial and meaningful progress has been made and hopefully will continue. We must in no way convey to the Soviets any impression that we are embarking upon the development of a capability which they could interpret as representing first strike. The change in the language of the amendment indicating that such a capability would be to attack military as opposed to urban targets has only one meaning and it is impossible for a potential adversary to distinguish between the capacity of a reentry vehicle to destroy hardened command centers or bridges, for example, and its ability to destroy hardened missile silos.

In conclusion, Mr. President, I would advise my colleagues not to rock the boat. Let us not undertake measures which would be regressive. While we are providing billions of dollars to improve and expand our strategic capability to provide against any eventuality, we must continue to strive toward the limitation of arms, the reduction of world tensions, and hopefully a mutual reduction of forces.

I am very delighted that the Senator from New York is going to withdraw his amendment.

Mr. STENNIS. Mr. President, may I ask the Senator to yield me 1 minute?

Mr. BUCKLEY. Mr. President, I am delighted to yield 1 minute to the Senator from Mississippi.

Mr. STENNIS. Mr. President, the Senator from New York mentioned this matter to me yesterday or the day before. I could not approve his amendment. I was opposed to it 2 years ago. On the merits, I would be against it now. But the request today was just for a promise that somewhere in the course of the next year, at some appropriate hearing, in some executive session, the Senator would have a chance to present this matter. I agreed to do that. I would do that for any other Senator here.

Mr. SYMINGTON. Mr. President, I yield myself 5 minutes.

Mr. President, I have listened with interest to the distinguished Senator from New York, and I read his amendment. I thought first it was going to be brought up for a vote.

I would hope that when the hearing is held on the subject of counter-force—another word for it is first strike—that it be held in public. To me the great tragedy in the whole concept of the effort to keep this country secure lies primarily in the nuclear field and the secrecy which surrounds the nuclear field. Recently, thanks to the efforts of many, including my friend the Senator from Rhode Island, more information about our nuclear capacity is being released than ever before.

It is true that in order to win World War II, we had to drop 2,240,000 tons of TNT on Europe and Japan. It is also true that that amount is but one-twenty-fifth of 1 percent of what we have in equivalent tonnage in our nuclear stockpile today.

With that premise, why, when these matters come up, can we not discuss them in an open session?

If the Soviet Union attacked us tonight, without warning, within 48 hours we would wipe them off the face of the Earth. We have our submarines, the Minuteman ICBM's, the strategic bombers, the forward based aircraft. Actually, we have four systems, not just the triad.

If we attacked the Soviet Union tonight and they did not know we were coming, within 48 hours there would be 100-million dead Americans.

So that would be, as I see it, a rather Pyhrric victory.

With that premise, let us get out in the open what is really available for the defense of the United States. Let us get the secrecy out of the picture, so the people can understand why it is that, even though the world has changed tremendously in recent years, certainly in the last 25 years, the Department of Defense, in effect, has changed not at all except that it now has more lethal weapons.

So I would hope—and I say this in all respect to my friend from New York—let us talk about this in the open, not in executive session.

Let the people of the United States know more about the strength of any possible enemy. And let the people of the United States know more about the true strength of this country in this field.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. SYMINGTON. Mr. President, I would be glad to yield to the able and distinguished Senator from Massachusetts.

Mr. MAGNUSON. Mr. President, will the Senator from Massachusetts yield me 1 minute so that I might get an amendment at the desk. We are talking here about no amendment at all. This way there will be some business at the desk.

The PRESIDING OFFICER. An amendment is pending.

Mr. MAGNUSON. Oh, I thought the Senator withdrew it.

The PRESIDING OFFICER. He did not withdraw it.

Mr. MAGNUSON. Mr. President, I send to the desk my amendment and ask for the yeas and nays on my amendment when it is called up.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the Magnuson amendment when the amendment is called up.

The PRESIDING OFFICER. The Senator will have to ask unanimous consent that it be in order to ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the Magnuson amendment when it is called up.

The yeas and nays were ordered.

Mr. SYMINGTON. Mr. President, I yield 5 minutes to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I have great respect for my colleague, the Senator from New York (Mr. BUCKLEY). However, I must confess that I was somewhat alarmed when I read the first version of his amendment to H.R. 9286 and the language which referred to the capability of carrying out the "counterforce mission."

I was somewhat pleased, but nevertheless found little solace in the changing of that language to read "capability of attacking military as opposed to urban targets."

In 1971 my distinguished colleague did present a similar amendment. When it was offered, I was personally so concerned at that time that I asked the President of the United States as to our position relative to seeking a first strike capability. I also asked the Defense Department.

My distinguished colleague, the Senator from New Hampshire (Mr. Mc-

Intyre) has already given the response from the executive branch of our Government as to whether we were seeking a first-strike capability. The answer was that we were not.

Then in 1972, through some action in the House, I believe, some money was placed in the bill for funds that could be used to develop a hard target capability. Being alarmed again, I went to see the distinguished Senator from Mississippi (Mr. Stennis), who was chairman of the conference. Even before 1971, the position of Senator Stennis was that we did not need a capability whose primary purpose would have been to destroy enemy missiles and silos before they were launched. During the conference, the Senator from Mississippi was most effective in having those funds deleted from the bill.

I share with my distinguished colleague, the Senator from New York, the concern about the security of the United States and the peace of the world. In this regard, I have been somewhat encouraged by the SALT talks, and I have been somewhat encouraged by the direction in which both we and the Soviet Union have come. Frankly, I was prepared to spend as much time as possible on the floor to convince my colleagues that this amendment should be rejected. However, recognizing the lateness of the hour and knowing the Senator from New York's intention to withdraw his amendment, I ask unanimous consent that my prepared remarks be entered into the Record at this point.

Mr. President, today we have again heard expressed in developing a "hard target" capability for our nuclear arsenal. I had hoped that this particular form of nuclear irresponsibility had been abandoned once and for all in light of the intent of the Congress to forbid the development of this clearly destabilizing capability. Apparently this is not the case.

A decision by the United States to build and deploy the so-called "hard-target warhead" would represent a fundamental and dangerous change in this country's long-standing strategic policy. Such a drastic change in our nuclear weapons doctrine of deterrence must be made, if at all, only after close and careful scrutiny by the Congress and the executive branch.

A hard-target warhead capability would permit a country possessing it to move toward a credible first strike posture. This is an option which we have long decided to forego, because it would inevitably provoke others to try to protect their own security with new offensive and defensive weapons, and thus set off another round in the strategic arms race.

For over a decade, the security of the United States has rested successfully on a strategy of assured destruction. This policy dictates that the United States have the ability to inflict unacceptable destruction on any nation which attacks us, even after we absorb a barrage of nuclear-tipped missiles. This "second-strike" posture means that no adversary would escape sudden and widespread damage if it committed nuclear aggression against the United States. With our present array of nuclear weaponry, the threat of a second strike provides an awesome deterrent to nuclear adventurism.

President Nixon and former Defense Secretary Melvin Laird have reaffirmed the present administration's commitment to a second strike or assured destruction strategy in successive statements in 1969, 1970, and in 1972. The ABM Treaty and the Interim Agreement on Strategic Offensive Weapons—SALT I accords—signed with the Soviets in 1972, embody these principles by limiting ballistic missile defenses and placing a ceiling on offensive nuclear missile launchers and launch platforms. Both of the major nuclear powers have thus agreed to limit threats to each other's deterrent forces and to rely on a policy of mutual assured destruction to keep the peace between them.

The hard-target warhead has been aptly described as a system designed "to destroy enemy missiles in their silos before they are launched". It would allow its possessor to strike first and perhaps decimate an adversary's retaliatory force, so that the latter would be robbed of its own deterrent and thus its security. That is why such a missile is called a "counterforce" weapon. Faced with such a missile, an adversary can only be expected to seek drastic remedies, perhaps even a preemptive missile strike.

In the past, the Department of Defense declared that its policy was—

> Not to develop weapons systems whose deployments could reasonably be considered by the Soviets as having a first strike capability. Such deployment might provide an incentive for the Soviets to strike first.

This concern expressed by the Defense Department hits the nub of the problem with the hard-target warhead.

Even if the Soviet Union, confronted by a U.S. "hard target" capability, did not elect to attempt a preemptive strike, it would still be likely to build hard-target warheads of its own, as well as improved defenses against incoming missiles. These steps would void the SALT agreements and leave the United States and the U.S.S.R. on the very thin ice represented by a mutual surprise attack capability. Further, such steps would entail a serious setback to the hard-won gains in our relations with the Soviets over the last 5 years. Questions of increased trade and mutual cooperation in other spheres would be left dangling by the slender and uncertain thread of an imminent attack resulting from even the smallest disagreement or altercation, such as an incident at sea or diplomatic misunderstanding. And this uncertainty would further prompt both sides to serious contemplation of the advantages of a preemptive or first strike, with or without provocation.

To sum up, let me say that embarking on the precarious tightrope implicit in a counterforce or first-strike strategy means the loss of real gains in exchange for the prospect of greatly increased dangers and uncertainties in our security posture. Given the present American inventory of strategic weapons and those which we plan to build—such as Trident— to start a hard-target warhead program would not only be provocative, counterproductive, and dangerous to our own security; it would be superfluous. We do not need it for strategic purposes and it makes no sense as a bargaining chip, because it represents—like MIRV—the kind of threat to Soviet security on which they are unlikely to bargain, once the United States has such a system.

Rather than reversing our proven strategy of assured second-strike destruction, I recommend that we continue to depend on the twin pillars of security which have served us so well over the past years: A policy of deterrence plus sincere efforts to limit strategic weapons and especially destabilizing new armaments such as the hard-target warhead. We should only abandon this policy if a clear and present danger exists to its credibility and validity. Such a danger does not exist at present.

Mr. President, I am very pleased that my colleague does intend to withdraw the amendment. I see nothing wrong with having this matter considered by the Armed Services Committee. I think that it makes a lot of sense. Rationale arguments can be made on both sides. I would enjoy the opportunity to join with the Senator in the presentation of evidence before the Armed Service Committee. However, I would hope that that hearing would be open, as suggested by the distinguished acting floor manager of the bill, because I think the American people have the right to know what is discussed. If there is anything secret or classified, that part can be discussed in executive session.

I do hope that my colleagues would agree with the suggestion made by the distinguished Senator from Missouri that these hearings be open. I join with him in expressing the desire for an open hearing on this matter.

As strongly as I can do so, I oppose attempts by the Soviet Union, the United States, or any other country of the world to gain a first-strike capability.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. SYMINGTON. Mr. President, I am glad to hear the Senator's comment with respect to open hearings. As chairman of a subcommittee of the Joint Committee on Atomic Energy, we held hearings, beginning last March, with experts in the field of nuclear weapons. As a result of declassifying the testimony of the first witness General Giller of the AEC. The hearings disclosed information that was never known before to the American people.

Later, in May, we heard from the Deputy Assistant Secretary of Defense in charge of atomic matters, Dr. Walshe. They took out practically everything except the names of the witnesses; therefore, we sent back the document and said, "We are not satisfied with this declassification. The people of this country are putting up the money for all of these weapons, and they have a right to know something about it."

The document still remains in the Pentagon. We have not had any action on this.

Then in June we heard testimony from the general in charge of SHAEF, the supreme commander, General Goodpaster. And a couple of weeks ago I wired him and asked him where the testimony was, classified or declassified. He had taken it back and had said he would declassify it, but we did not hear anything further for many months.

We understand now that the testimony he took back to declassify is in the Pentagon. We hope that some months from now perhaps we will get a chance to look at that, too.

This whole situation has become rather absurd to me. I think that the Senator from New York could be making a real contribution to the people of this country if we are able to let them know what we are talking about. It costs the American people a great many billions of dollars.

Mr. BUCKLEY. Mr. President, it was not my idea to open the hearings. Nothing would make me happier than to have as full and open an exploration of all issues, because quite candidly I have far more confidence in the people of the United States making a sound decision for their own future than I do in this enlightened group.

Mr. BROOKE. Mr. President, I am pleased to hear my colleague say what he said, although I am not surprised that he did say it.

I am glad that we will follow this approach. We can do so for the edification of the American people and at the same time maintain our security.

Mr. CASE. Mr. President, if the Sentaor would yield, I would like to ask the Senator from Missouri if I am right in understanding that the excuse given by the Pentagon was that they do not want to find out how good we are at finding out information. Is that a correct understanding?

Mr. SYMINGTON. I honestly could not say.

Mr. CASE. I cannot imagine any other reason why this information is not forthcoming.

Mr. SYMINGTON. I do know we have three nuclear stockpiles. One is the stockpile we have in the countries overseas, and that runs thousands of times more than everything that was dropped in World War II. The second largest stockpile is what we have on our ships. But by far the largest stockpile is the stockpile back here at home.

For some strange reason, despite the billions upon billions of dollars the taxpayers are being forced to put up for national defense, we are not able to get these facts out to the people.

The PRESIDING OFFICER. Who yields time?

Mr. BROOKE. Mr. President, I would just like to propound one question that I think might be helpful.

I am concerned about the question of the definition of "hard-target kill" capability and the prohibition on development of the same.

I would like to ask the Senator if he would agree to forbid the use of any funds to develop, test, or procure a MIRV system in which an individual reentry vehicle possesses that combination of warhead yield and accuracy required to generate the equivalent of one-third the level of blast overpressures and related effects considered necessary to enable a single warhead to neutralize a hardened missile silo.

Mr. BUCKLEY. Mr. President, I would gladly approve such an amendment if one could obtain complete assurance from the Soviet Union that they would not develop a comparable warhead. That is the problem we run into on so many of these matters.

Mr. BROOKE. I see. I thank the Senator.

Mr. BUCKLEY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. BUCKLEY. I shall not use all that time. I am sensitive to the desires of others to go home.

I am delighted that we have had this experience. I think it emphasizes the differences that do exist.

This is a matter of such extreme importance that we need the largest quorum that is possible, in hearings open if possible, or closed if in the opinion of the Armed Services Committee that it is necessary. But I would like to make a couple of points, because I believe there is misunderstanding as to some vital issues reflected in the remarks made by the Senator from New Hampshire, the Senator from Missouri, and others.

There was a reference to an amendment which I had submitted almost 2 years ago to the day, and the reactions of the Department of Defense, and that has been cited as continuing policy. I would like to suggest that there has been a dramatic shift in the respective strategic positions of the Soviet Union and of the United States in the intervening years.

Two years ago, the strategic arms limitation talks were still in the process of negotiation, and obviously no one wanted any waves to be made.

In May of last year, those talks were concluded, and, to the surprise of many, they had the effect of freezing the Soviet Union with a quantitative advantage of 50 percent in each of the systems of strategic weapons covered by the agreement, but we were assured by the administration and by the military at that time that the Soviet Union was not likely to develop, in fact we were assured that they would not develop, the technology to take advantage of that quantitative throw-weight advantage they had much before 1977, by which time we would have SALT II.

Unfortunately, as has happened so often in the past, the Soviets were moving far more rapidly than our experts anticipated, and we know from what we have seen printed in recent weeks that they have a MIRV capability, and that in due course we can see that reflected in SALT.

The net effect is to give them a counterforce capability, or give them the potentiality of that capability, by the end of this decade. So we are not talking about moving in a direction that would cause them to rush to achieve this capability.

I think, too, when we start talking about a counterforce or a first strike, we should rid ourselves of notions from the context of the early sixties, when the McNamara doctrine of "assured destruction" first evolved. At that time, we did not have large numbers of missile-launching submarines deployed. At that time it was possible to conceive of a surprise strike that would completely obliterate the attacked nation's capacity to retaliate. That simply is not the fact today, and cannot be the fact, because each side has not only land-based missiles, but submarine-based missiles as well.

Even if this were not the case, we are not capable of striking Soviet strategic forces with that kind of effect. In my judgment, even if we were capable of delivering our entire inventory of warheads, because of the present limitation on numbers we could only attack and destroy a portion of the land-based Soviet armament.

What I am speaking about, and what I hope Senators will be thinking about in the hearings we will have early next year, is the need for providing flexibility and the need for providing the President with the option to respond to an attack on a basis other than the horror of destroying whole populations.

The distinguished Senator from Missouri (Mr. SYMINGTON) stated in his scenario that if we were to be attacked by the Soviets, we would destroy 50 or 60 million Russians. If in the year 1980 the Soviets, with the capability that they then would have to retaliate against our land-based missiles—which are in isolated sections of our country—thereby destroyed those missiles, but did not touch our population, I think it would be foolhardy and irresponsible for the President to press the button and destroy large cities of the Soviet Union, because to do so would be to invite the destruction of our people.

I welcome the agreement by the chairman to consider all this, and to consider the facts with an open mind, so that we may move into the next decade with military options designed to meet military objectives.

Mr. President, I ask unanimous consent that I may withdraw my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is withdrawn.

Mr. MAGNUSON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with. I will explain it.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

At the appropriate place in the bill add a new section as follows: viz:

PUBLIC HEALTH SERVICE HOSPITALS

SEC. —. (a) Except as provided in subsection (b), the Secretary of Health, Education, and Welfare shall take such action as may be necessary to assure that the hospitals of the Public Health Service, located in Seattle, Washington, Boston, Massachusetts, San Francisco, California, Galveston, Texas, New Orleans, Louisiana, Baltimore, Maryland, Staten Island, New York, and Norfolk, Virginia, shall continue—

(1) in operation as hospitals of the Public Health Service.

(2) to provide for all categories of individuals entitled or authorized to receive care and treatment at hospitals or other stations of the Public Health Service inpatient, outpatient, and other health care services in like manner as such services were provided on January 1, 1973, to such categories of individuals at the hospitals of the Public Health Service referred to in the matter preceding paragraph (1) and at a level and range at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on such date, and

(3) to conduct at such hospitals a level and range of other health-related activities (including training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973 at such hospitals.

(b)(1) The Secretary may—

(A) close or transfer control of a hospital of the Public Health Service to which subsection (a) applies,

(B) reduce the level and range of health care services provided at such a hospital from the level and range required by subsection (a)(2) or change the manner in which such services are provided at such a hospital from the manner required by such subsection, or

(C) reduce the level and range of the other health-related activities conducted at such a hospital from the level and range required by subsection (a)(3), if Congress by law (enacted after the date of the enactment of this act) specifically authorizes such action.

(2) Any recommendation submitted to the Congress for legislation to authorize an action described in paragraph (1) with respect to a hospital of the Public Health Service shall be accompanied by a copy of the written, unqualified approval of the proposed action submitted to the Secretary by each (A) section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) the area in which such hospital is located or which is served by such hosiptal, and (B) section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) such area.

(3) For purposes of this subsection, the term "section 314(a) State health planning agency" means the agency of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) (referred to in paragraph (2) as a "section 314(a) plan"); and the term "section 314(b) areawide health planning agency" means a public or nonprofit private agency or organization which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) (referred to in paragraph (2) as a "section 314(b) plan").

(c) Section 3 of the Emergency Health Personnel Act Amendments of 1972 is repealed.

Mr. MAGNUSON. Mr. President, my amendment concerns the eight Public Health Service hospitals and is identical to the Public Health Service hospital provision contained in the emergency medical services bill (S. 504) which was vetoed by the President. It is also identical to S. 2466, a bill I introduced on September 21, and which has been unanimously reported today to the floor by the Labor and Public Welfare Committee.

In fiscal year 1973, 26.4 percent of the hospitals' in-patients were active-duty or retired military personnel and military dependents. Consequently, the future of these hospitals has a direct bearing on the Armed Forces and it is entirely proper and germane that we consider this amendment in the course of our deliberations on H.R. 9286.

This amendment would not require that the hospitals be kept open forever. In fact, it lays out a definite procedure by which HEW may bring to Congress for our consideration their proposals and their alternatives, if they have any, to close or transfer these hospitals.

What the amendment would do is simply to assure that Congress, not HEW, will make the final decision about the future of these hospitals.

Mr. President, I do not believe it is necessary to discuss this amendment in any great detail because it is very familiar to the Senate. As I already noted, it was in the emergency medical services bill which was considered and approved by the Senate on three separate occasions. We passed the original bill to 79 to 13. We passed the conference report on the bill 97 to 0 and we voted 77 to 16 to override the President's veto.

Likewise, the emergency medical services bill containing this provision was approved three times by an overwhelming majority in the House.

And we all know, the only reason this provision is not law right now is because of just five votes in the House.

The health of America's servicemen and the health of all others served by these hospitals—and they serve many others—is far too important to be jeopardized by the vote of a small minority of the Members of one House in the Congress.

I urge the Senate to express its determination to keep these hospitals open by adopting this amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the military personnel who are dependent on these hospitals.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PHS HOSPITALS AND MILITARY PERSONNEL

According to HEW, in F.Y. 73, 26.4% of the PHS Hospital in-patients were active duty military personnel, retired military personnel, or military dependents. Following is a break-down of that 26.4%.

[In percent]

Active duty personnel	7.9
Retired personnel	7.6
Dependents of active duty personnel	3.1
Dependents of retired personnel	7.8
Total	26.4

Mr. MAGNUSON. Mr. President, in Baltimore, in San Francisco, and out in my own town of Seattle, these PHS hospitals comprise critically important health research resources. In Baltimore and Seattle both, for example, the PHS hospitals have excellent leukemia clinics that are saving lives.

We have checked the figures many times in the Appropriations Committee, and we find that the cost of transferring the in-patients out of these hospitals will cost far more in the long run than it will cost to keep these hospitals open.

Only yesterday the Subcommittee on HEW Appropriations, which I chair, approved appropriations to keep the hospitals open. That money will be in the HEW appropriations bill, when it is taken up in full committee Monday.

Mr. BEALL. Mr. President, will the Senator from Washington allow me to become a cosponsor of his amendment?

Mr. MAGNUSON. I will be happy to do so, but first, Mr. President, I ask unanimous consent that the Senator from Washington (Mr. JACKSON), the Senator from California (Mr. CRANSTON), the Senator from Texas (Mr. TOWER), the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Massachusetts (Mr. BROOKE) be added as cosponsors of this amendment.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection it is so ordered.

Mr. BEALL. Mr. President, will the Senator from Washington yieled?

Mr. MAGNUSON. I yield.

Mr. BEALL. Mr. President, the Senator from Washington makes a very valid point when he points out that this amendment does not make a determination as to whether the Government should be in the hospital business. But he says that if the Government is not going to be in the hospital business, then some orderly planning should be laid out so that the various communities will not be deprived of the capacity of the hospitals to provide care and not disrupt the delivery of hospital care services by abrupt action of HEW to close the hospitals.

I have had some firsthand experience with the hospital in Baltimore where a great many military people are served. If, in fact, that hospital should be closed, thousands of dependents of military personnel, active personnel, and retired personnel would not have any primary care medical care facility available to them in order to get the much-needed medical services they require.

Therefore, the distinguished Senator from Washington (Mr. MAGNUSON) is to be congratulated on this amendment.

Mr. CRANSTON. Mr. President, I want to express my deep admiration and considerable astonishment at the absolute determination of the distinguished Senator from Washington (Mr. MAGNUSON) to achieve what he wishes to achieve and then setting out to do it. He figures out the legislative strategy and the tactics to accomplish an objective and keeps at it until it is reached.

We have had here today another magnificent example of his ability to deliver when he offered his amendment on the Senate floor.

Mr. President, this measure is very important for two basic reasons. First, it is false economy to close the hospitals. It costs less per day to treat patients who need help in Federal hospitals than in community hospitals by a substantial margin. For the President to have vetoed the bill on grounds of economy made absolutely no sense at all.

Second, the administration was required by law, passed by the 92d Congress, to report to Congress before closing any hospitals stating how it proposed to take care of its beneficiaries. The administration did not comply with that law. We should keep the hospitals open until they have presented evidence to Congress that those patients eligible for care are offered a real alternative.

The patients in these hospitals are members of the military, veterans, merchant marine, and others, who have served their country. They are entitled by statute to be given medical treatment by the Public Health Service hospitals. There is no certainty that they will receive that treatment if the hospitals are closed. Until assurances are given that these beneficiaries will receive a high quality of medical care wherever needed through an alternative system, I believe, the hospitals must be kept open.

For these and many other reasons, Mr. President, I strongly support and again applaud the efforts of the distinguished Senator from Washington.

Mr. MATHIAS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from Washington for yielding. I wanted to thank him for the initiative and energy he has shown in bringing this question before the Senate. I am happy to join him and associate myself with his remarks.

I should like merely to confirm the observations made by my colleague (Mr. BEALL). I think he is entirely right, that there is a continuing need for public health hospitals, and until there is an alternative we must maintain this service in order to keep good faith with the people with whom the Government has contract obligations.

I, therefore, hope that the Senate will support this legislation.

Mr. KENNEDY. Mr. President, I rise in strong support of the provisions of this amendment which is identical to the bill which was favorably reported today by the Labor Committee and which was introduced in the Senate by my friend and colleague, the distinguished Senator from Washington (Mr. MAGNUSON).

Mr. President, this amendment is identical to the provisions contained in S. 504, the emergency medical services, which overwhelmingly passed the Congress a few weeks ago. The original version of S. 504 passed the Senate by a vote of 79 to 13: the conference report was approved 97 to 0; and the Senate also voted to override the President's veto of S. 504 by a vote of 77 to 16.

S. 2466 which is identical to Senator MAGNUSON's amendment does not require that the PHS hospitals be continued in operation forever. Instead, it simply makes clear, once and for all, that Congress—rather than the Department of HEW—shall determine their future. The recommendations of the Department would, of course, be useful and welcome. In fact, the amendment seeks to elicit such recommendations by establishing a definite procedure by which the Department may bring its recommendations before the Congress.

But, while contemplating the likelihood that the Department will wish to bring to the Congress plans for closing, transferring, or altering the services of some or all of these hospitals, the amendment is quite clear in prohibiting the Department from closing, transferring, or reducing the services of these hospitals until such time as the Congress, by law, provides such action. I wish to emphasize the clarity of that prohibition in the amendment.

During previous congressional debate of the language now contained in S. 2466 and this amendment the concern was occasionally expressed that it unduly restricted the Department of HEW. I do not share that concern and suggest that the Department, provided that it complies fully with the bill itself, approach the question of the PHS hospitals' future just as it would in proposing a wholly new program to the Congress. In those commonplace circumstances the Department submits legislation to the Congress and then works together with the relevant committees to develop final legislation acceptable to both the Congress and the executive branch. Such an approach would be quite appropriate.

Mr. President, I want to again commend the author of this provision, Senator MAGNUSON. And, as chairman of the Health Subcommittee, I urge my colleagues to vote in favor of it.

Mr. JAVITS. Mr. President, I support the amendment offered by Senator MAGNUSON to provide for the continued operation of the Public Health Service hospitals. Just today, the Labor and Public Welfare Committee—of which I am the ranking minority member—favorably reported a separate bill (S. 2466) setting forth the provisions of this amendment.

The amendment continues Senator MAGNUSON's legislative leadership with regard to congressional intent in support of the continued operation of the hospitals.

The congressional commitment in respect to these facilities was conclusively established with the passage of Senate Concurrent Resolution 6 in the first session of the 92d Congress. The joint explanatory statement of the committee of conference stated:

> The Senate Concurrent Resolution expressed the sense of the Congress that all Public Health Service hospitals and outpatient clinics should remain open; that the administration should fund and staff these facilities at a sufficient level to allow them to perform their multiple responsibilities throughout fiscal year 1972, and that the Secretary of Health, Education, and Welfare and the Congress should explore the resources and capabilities of these facilities to determine which facilities should continue to be operated by the Public Health Service, which facilities should be converted to community operation, and which facilities, if any, should be closed.

Although I am gratified by Secretary Weinberger's decision in respect to the Staten Island Public Health Service hospital:

> We have decided that the Staten Island hospital is to continue its operation unchanged, and the Department presently has no plan either completed or under development to transfer to community hospitals the care now provided there on an inpatient or outpatient basis.

I am concerned that the Department of Health, Education, and Welfare has continued to proceed with plans to phase out the other PHS hospitals without giving due consideration to the provisions of Senate Concurrent Resolution 6.

There has been no evidence offered to support the HEW assertion that the beneficiary population of the hospitals would be better served if these hospitals were not operated by the Federal Government. Moreover, there has been no information to suggest that the beneficiaries share the conviction that they will be better served if the PHS hospitals were closed and they were referred to other community facilities. In fact, other beneficiary groups have successfully brought judicial actions in Federal courts in Seattle and New York to keep the hospitals open. In response to any allegations that it is not possible to continue the operation of the hospitals because of staff shortages, it is important to understand that the administration proposes to present Congress with the fait accompli, that is, first it encourages employees to leave and now it argues that the hospitals should be closed because of staff shortages. In response to the argument that to close the hospitals without congressional approval would fly in the face of sound administrative judgment makes no sense. There is nothing that would have precluded HEW from closing these hospitals if it had demonstrated with hard evidence that it can and will provide in some other fashion for those now being treated at the hospitals, for the health manpower training activities being carried on at the hospitals, and for the health research being conducted at the hospitals. Should Congress be expected to approve closure of the hospitals without that evidence and on the basis of the administration's assertions alone? It is argued that we should not require the 314(a) and 314(b) local planning agencies to approve any plans for closure of the hospitals. But this is based on the President's principle with respect to the decentralization of power, the returning of power to the people, and abhorrence of the idea that the Federal Government always knows best; and, moreover, 314(a) and 314(b) agencies were established pursuant to Federal law and receive Federal funds for the very purpose of participating in health planning at the State and local levels.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back our time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Washington. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr.

Bayh), the Senator from Missouri (Mr. Eagleton), the Senator from Hawaii (Mr. Inouye), the Senator from Montana (Mr. Metcalf), the Senator from Arkansas (Mr. McClellan), the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Michigan (Mr. Hart), the Senator from Colorado (Mr. Haskell), the Senator from Minnesota (Mr. Humphrey), the Senator from Massachusetts (Mr. Kennedy), the Senator from South Dakota (Mr. McGovern), the Senator from Maine (Mr. Muskie), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I further announce that the Senator from Alaska (Mr. Gravel) and the Senator from Louisiana (Mr. Johnston) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. Baker and Mr. Brock), the Senator from Kansas (Mr. Dole), the Senator from Oregon (Mr. Packwood), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Virginia (Mr. William L. Scott), the Senator from New Mexico (Mr. Domenici), the Senator from Arizona (Mr. Goldwater), the Senator from Florida (Mr. Gurney), and the Senator from Wyoming (Mr. Hansen) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that the Senator from Illinois (Mr. Percy) is absent by leave of the Senate.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy) would vote "nay."

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The result was announced—yeas 52, nays 19, as follows:

[No. 438 Leg.]

YEAS—52

Abourezk
Aiken
Allen
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Eastland
Ervin
Fulbright
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Jackson
Javits
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Mondale
Montoya
Moss
Nunn
Pastore
Pell
Randolph
Ribicoff
Schweiker
Sparkman
Stevens
Stevenson
Symington
Talmadge
Tower
Tunney
Weicker
Williams
Young

NAYS—19

Bartlett
Bellmon
Bennett
Buckley
Cook
Curtis
Dominick
Fannin
Fong
Griffin
Helms
Hruska
McClure
Nelson
Proxmire
Roth
Saxbe
Stafford
Thurmond

NOT VOTING—29

Baker
Bayh
Brock
Byrd,
  Harry F., Jr.
Cotton
Dole
Domenici
Eagleton
Goldwater
Gravel
Gurney
Hansen
Hart
Haskell
Humphrey
Inouye
Johnston
Kennedy
McClellan
McGovern
Metcalf
Muskie
Packwood
Pearson
Percy
Scott, Hugh
Scott,
  William L.
Stennis
Taft

So Mr. Magnuson's amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, on September 19, I met with the Secretary of the Air Force. As an ex-Air Force pilot, I was interested in the mandatory reduction in force of the number of people in the Air Force. I was particularly interested in the fact that this bill would mandate the release of 6,000 officers in this fiscal year.

When I inquired about the cost of that, I was told that it would cost $99 million for the one time involuntary separation costs to pay for this mandated reduction.

Interestingly, if that reduction were spread over 4 or 5 years, there would be a saving to the Government because of this plan for the utilization of the manpower involved being an annual reduction in force instead of an arbitrary action of Congress.

I have discussed the amendment with the able chairman, and I understand that the whole matter will be before the conference. I do not see how it could be resolved in the time left to consider this bill. Therefore, I bring this to the attention of the Senate.

Today I received a letter from the Secretary of the Air Force, John L. McLucas, which I ask unanimous consent to have printed in the Record so that the Record will be clear as to the effect of what we are doing in mandating reductions without regard to planning, that they will cost more than if we give them time under the schedule of reduction in forces and mandate the reduction in forces over a period of time, in which there would be a break between the cost and the savings, brought about because of the one-time cost involved with involuntary separation of officers from the Air Force.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Air Force,
Washington, D.C., September 28, 1973.

Dear Senator Stevens: During our September 19th discussion, you asked about the impact on the Air Force of the proposed Senate reduction in Department of Defense manpower. Assuming that the Armed Services Committee suggested reduction of 37,000 were imposed on the Air Force, approximately 6,000 officers would have to be involuntarily released. In this regard, you specifically asked what the cost impacts and savings would be if such involuntary release actions were taken in one year or spread over a four- or five-year period.

If all 6,000 officers were involuntarily released in FY 1974, separation costs would amount to an estimated $99 million. There would be no offsetting savings in FY 1974 since the releases would now be so late in the year that no manyear savings would accrue. In succeeding years, savings in pay and allowances for these 6,000 officers would approximate $108 million per year.

If the release of the 6,000 officers were spread evenly over four years, separation costs would again amount to some $99 million ($24.7 million per year) but the planning lead time would permit the realization of $202.5 million in manyear savings over that period (none the first year and from $40.5 million to $94.5 million in each of the remaining three years.) The net impact of this alternative would be a four-year savings of $103.7 million.

If the release of the 6,000 officers were phased evenly over five years, the same $99 million cost would be applicable but a five-year savings of $259.2 million would accrue (again nothing in FY 1974 and from $32.5 million to $97.2 million in each of the remaining four years). The net impact of this course of action would be a five-year savings of $160.2 million.

A table is attached which portrays this information in tabular form. I trust that this information is responsive. Thank you for your interest in the Air Force.

Sincerely,

John L. McLucas,
Secretary of the Air Force.

	Fiscal year—					
	1974	1975	1976	1977	1978	Total
1-year RIF						
Cost	$99.0					$99.0
Savings						
Net	99.0					99.0
4-year RIF						
Cost	24.7	24.7	24.7	24.7		98.8
Savings		40.5	67.5	94.5		202.5
Net	24.7	15.8	42.8	69.8		103.7
5-year RIF						
Cost	19.8	19.8	19.8	19.8	19.8	99.0
Savings		32.4	54.0	75.6	97.2	259.2
Net	19.8	12.6	34.2	55.8	77.4	160.2

AMENDMENT NO. 557

The PRESIDING OFFICER (Mr. Hollings). The Chair lays before the Senate the amendment of the Senator from Minnesota, which the clerk will state.

The second assistant legislative clerk read as follows:

At the appropriate place in the Act, add a new section as follows:

SPENDING CEILING

"Sec. —. Notwithstanding any other provision of this Act, the total amount of money authorized to be appropriated under the provisions of this Act shall not exceed $20,197,700,000."

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Minnesota (Mr. Humphrey) I yield to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of calling up Executive O, Executive J, Executive G, Executive M, Executive S, and Executive K on the Executive Calendar.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider executive business.

INTERNATIONAL COFFEE AGREEMENT 1968, AS EXTENDED—AGREEMENT WITH CANADA FOR PROMOTION OF SAFETY ON THE GREAT LAKES BY MEANS OF RADIO, 1973; CONVENTION FOR THE PROTECTION OF PRODUCERS OF PHONOGRAMS; EXTRADITION TREATY WITH ITALY; TREATY ON EXTRADITION WITH PARAGUAY; TREATY ON EXTRADITION AND COOPERATION IN PENAL MATTERS WITH URUGUAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the treaties and agreements be considered collectively at this time, passed through the proper readings today, with the vote to be undertaken on Monday next.

All of these treaties were reported from the Committee on Foreign Relations unanimously and I urge the Senate at the appropriate time to give them approval.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the six treaties, being Executive O, 93d Congress, 1st session, the International Coffee Agreement 1968, as extended; Executive J, 93d Congress, 1st session, agreement with Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973; Executive G, 93d Congress, 1st session, Convention for the Protection of Producers of Phonograms; Executive M, 93d Congress, 1st session, Extradition Treaty with Italy; Executive S, 93d Congress, 1st session, Extradition Treaty with Paraguay; and Executive K, 93d Congress, 1st session, Treaty with Uruguay on Extradition and Cooperation in Penal Matters; which were read the second time, as follows:

INTERNATIONAL COFFEE AGREEMENT, 1968; AS EXTENDED

PREAMBLE

(Modified)

The Governments Parties to this Agreement,

Recognizing the exceptional importance of coffee to the economies of many countries which are largely dependent upon this commodity for their export earnings and thus for the continuation of their development programmes in the social and economic fields;

Considering that close international cooperation on coffee marketing will stimulate the economic diversification and development of coffee-producing countries and thus contribute to a strengthening of the political and economic bonds between producers and consumers;

Finding reason to expect a tendency toward persistent disequilibrium between production and consumption (* * *) and pronounced fluctuations in prices which can be harmful both to producers and to consumers;

(* * *)

Noting that it has not been possible to complete the negotiation of a new International Coffee Agreement and that additional time is required for this purpose,

Have agreed as follows:

CHAPTER I—OBJECTIVES

ARTICLE 1

(Modified)

Objectives

The objectives of the Agreement are:

(1) to preserve and promote the understanding between producers and consumers necessary for the conclusion of a new International Coffee Agreement and to avoid the consequences prejudicial to both which would result from the termination of international co-operation;

(2) to preserve the International Coffee Organization:

(a) as a forum for the negotiation of a new Agreement;

(b) as a competent and effective centre for the collection and dissemination of statistical information on the international trade in coffee, in particular on prices, exports, imports, stocks, distribution and consumption of coffee and on production and production trends.

CHAPTER II—DEFINITIONS

ARTICLE 2

(Modified)

Definitions

For the purposes of the Agreement:

(1) "Coffee" means the beans and berries of the coffee tree, whether parchment, green or roasted, and includes ground, decaffeinated, liquid and soluble coffee. These terms shall have the following meaning:

(*a*) "green coffee" means all coffee in the naked bean form before roasting;

(*b*) "coffee berries" means the complete fruit of the coffee tree; to find the equivalent of coffee berries to green coffee, multiply the net weight of the dried coffee berries by 0.50;

(*c*) "parchment coffee" means the green coffee bean contained in the parchment skin; to find the equivalent of parchment coffee to green coffee, multiply the net weight of the parchment coffee by 0.80;

(*d*) "roasted coffee" means green coffee roasted to any degree and includes ground coffee; to find the equivalent of roasted coffee to green coffee, multiply the net weight of roasted coffee by 1.19;

(*e*) "decaffeinated coffee" means green, roasted or soluble coffee from which caffein has been extracted; to find the equivalent of decaffeinated coffee to green coffee, multiply the weight of the decaffeinated coffee in green, roasted or soluble form by 1.00, 1.19 or 3.00 respectively;

(*f*) "liquid coffee" means the water-soluble solids derived from roasted coffee and put into liquid form; to find the equivalent of liquid to green coffee, multiply the net weight of the dried coffee solids contained in the liquid coffee by 3.00;

(*g*) "soluble coffee" means the dried water-soluble solids derived from roasted coffee; to find the equivalent of soluble coffee to green coffee, multiply the net weight of the soluble coffee by 3.00.

(2) "Bag" means 60 kilogrammes or 132.276 pounds of green coffee; "ton" means a metric ton of 1,000 kilogrammes or 2,204.6 pounds; and "pound" means 453.597 grammes.

(3) "Coffee year" means the period of one year, from 1 October through 30 September.

(4) *"Export of coffee" means any shipment of coffee which leaves the territory of the country in which the coffee is grown save that the shipment of coffee from any of the dependent territories of a Member to its metropolitan territory or to another of its dependent territories for domestic consumption therein or in any other of its dependent territories shall not be considered as the export of coffee.*

(5) "Organization", "Council" and "Board" mean, respectively, the International Coffee Organization, the International Coffee Council, and the Executive Board referred to in Article 7 of the Agreement.

(6) "Member" means a Contracting Party *including an intergovernmental organization which, as provided for in Article 3, has acceded to the Agreement;* a dependent territory or territories in respect of which separate Membership has been declared under Article 4; or two or more Contracting Parties or dependent territories, or both, which participate in the Organization as a Member group under Article 5 or 6.

(7) "Exporting Member" or "exporting country" means a Member or country, respectively, which is a net exporter of coffee; that is, whose exports exceed its imports.

(8) "Importing Member" or "importing country" means a Member or country, respectively, which is a net importer of coffee; that is, whose imports exceed its exports.

(9) "Producing Member" or "producing country" means a Member or country, respectively, which grows coffee in commercially significant quantities.

(10) "Distributed simple majority vote" means a majority of the votes cast by exporting Members present and voting, and a majority of the votes cast by importing Members present and voting, counted separately.

(11) "Distributed two-thirds majority vote" means a two-thirds majority of the votes cast by exporting Members present and voting and a two-thirds majority of the votes cast by importing Members present and voting, counted separately.

(12) [Deleted.]

(13) "Exportable production" means the total production of coffee of an exporting country in a given coffee year less the amount destined for domestic consumption in the same year.

(14) "Availability for export" means the exportable production of an exporting country in a given coffee year plus accumulated stocks from previous years.

(15) [Deleted.]

(16) [Deleted.]

(17) [Deleted.]

CHAPTER III—MEMBERSHIP

ARTICLE 3

(Modified)

Membership in the Organization

(1) Each Contracting Party, together with those of its dependent territories to which the Agreement is extended under paragraph (1) of Article 65, shall constitute a single Member of the Organization, except as otherwise provided under Articles 4, 5, and 6.

(2) A Member may change its category of Membership, previously declared as approval, ratification, acceptance or accession to the Agreement, on such conditions as the Council may agree.

(3) *Any reference in this Agreement to a Government shall be construed as including a reference to the European Economic Community or an intergovernmental organization having comparable responsibilities in respect to the negotiation, conclusion and application of international agreements, in particular commodity agreements. Accordingly, reference in this Agreement to accession by a Government under the provisions of Article 63 shall be construed as including a reference to accession by such an intergovernmental organization.*

(4) *Such an intergovernmental organization shall not itself have any votes but in the case of a vote on matters within its competence, it shall be entitled to cast the votes of its member States and shall cast them collectively. In such cases, the member States of such an intergovernmental organization shall not be entitled to exercise their individual voting rights.*

(5) *The provisions of paragraph (1) of Article 15 shall not apply to such an intergovernmental organization but it may participate in the discussions of the Executive Board on matters within its competence. In the case of a vote on matters within its competence and notwithstanding the provisions of paragraph (1) of Article 18 the votes which its member States are entitled to cast in the Executive Board shall be cast collectively by any one of those member States.*

ARTICLE 4

Separate Membership in Respect of Dependent Territories

Any Contracting Party which is a net importer of coffee may, at any time, by appropriate notification in accordance with paragraph (2) of Article 65, declare that it is participating in the Organization separately with respect to any of its dependent territories which are net exporters of coffee and which it designates. In such case, the metropolitan territory and its non-designated dependent territories will have a single Membership, and its designated dependent territories, either individually or collectively as the notification indicates, will have separate Membership.

ARTICLE 5

(Modified)

Group Membership Upon Joining the Organization

(1) Two or more Contracting Parties which are net exporters of coffee may, by appropriate notification to the Secretary-General of the United Nations at the time of deposit of their respective instruments of (. . .) acceptance or accession and to the Council, declare that they are joining the Organization as a Member group. A dependent territory of which the Agreement has been extended under paragraph (1) of Article 65 may constitute part of such a Member group if the Government of the State responsible for its international relations has given appropriate notification thereof under paragraph (2) of Article 65. Such Contracting Parties and dependent territories must satisfy the following conditions:

(*a*) they shall declare their willingness to accept responsibility for group obligations in an individual as well as a group capacity;

(*b*) they shall subsequently provide sufficient evidence to the Council that the group has the organization necessary to implement a common coffee policy, and that they have the means of complying, together with the other parties to the group, with their obligations under the Agreement; and

(*c*) they shall subsequently provide evidence to the Council either:

(i) that they have been recognized as a group in a previous international coffee agreement; or

(ii) that they have:

(*a*) a common or co-ordinated commercial and economic policy in relation to coffee; and

(*b*) a co-ordinated monetary and financial policy, as well as the organs necessary for implementing such a policy, so that the Council is satisfied that the Member group can comply with the spirit of group membership and the group obligations involved.

(2) The Member group shall constitute a single Member of the Organization, except that each party to the group shall be treated as if it were a single Member as regards all matters arising under the following provisions:

(*a*) [Deleted.]

(*b*) Articles 10, 11 and 19 of Chapter IV; and

(*c*) Article 68 of Chapter XX.

(3) The Contracting Parties and dependent territories joining as a Member group shall specify the Government or organization which will represent them in the Council as regards all matters arising under the Agreement other than those specified in paragraph (2) of this Article.

(4) The Member group's voting rights shall be as follows:

(*a*) the Member group shall have the same number of basic votes as a single Member country joining the Organization in an individual capacity. These basic votes shall be attributed to and exercised by the Government or organization representing the group;

(*b*) in the event of a vote on any matters arising under provisions specified in paragraph (2) of this Article, the parties to the Member group may exercise separately the votes attributed to them by the provisions of paragraph (3) of Article 12 as if each were an individual Member of the Organization, except for the basic votes, which shall remain attributable only to the Government or organization representing the group.

(5) Any Contracting Party or dependent territory which is a party to a Member group may, by notification to the Council, withdraw from that group and become a separate Member. Such withdrawal shall take effect upon receipt of the notification by the Council. In case of such withdrawal from a group, or in case a party to a group ceases, by withdrawal from the Organization or otherwise, to be such a party, the remaining parties to the group may apply to the Council to maintain the group, and the group shall continue to exist unless the Council disapproves the application. If the Member group is dissolved, each former party to the group will become a separate Member. A Member which has ceased to be a party to a group may not, as long as the Agreement remains in force, again become a party to a group.

ARTICLE 6

Subsequent Group Membership

Two or more exporting Members may, at any time after the Agreement has entered into force with respect to them, apply to the Council to form a Member group. The Council shall approve the application if it finds that the Members have made a declaration, and have provided evidence, satisfying the requirements of paragraph (1) of Article 5. Upon such approval, the Member group shall be subject to the provisions of paragraphs (2), (3), (4) and (5) of that Article.

CHAPTER IV— ORGANIZATION AND ADMINISTRATION

ARTICLE 7

Seat and Structure of the International Coffee Organization

(1) The International Coffee Organization established under the 1962 Agreement shall continue in being to administer the provisions and supervise the operation of the Agreement.

(2) The seat of the Organization shall be in London unless the Council by a distributed two-thirds majority vote decides otherwise.

(3) The Organization shall function through the International Coffee Council, its Executive Board, its Executive Director and its staff.

ARTICLE 8

Composition of the International Coffee Council

(1) The highest authority of the Organization shall be the International Coffee Council, which shall consist of all the Members of the Organization.

(2) Each Member shall be represented on the Council by a representative and one or more alternates. A Member may also designate one or more advisers to accompany its representative or alternates.

ARTICLE 9

Powers and Functions of the Council

(1) All powers specifically conferred by the Agreement shall be vested in the Council, which shall have the powers and perform the functions necessary to carry out the provisions of the Agreement.

(2) The Council shall, by a distributed two-thirds majority vote, establish such rules and regulations, including its own rules of procedure and the financial and staff regulations of the Organization, as are necessary to carry out the provisions of the Agreement and are consistent therewith. The Council may, in its rules of procedure, provide a procedure whereby it may, without meeting, decide specific questions.

(3) The Council shall also keep such records as are required to perform its functions under the Agreement and such other records as it considers desirable. The Council shall publish an annual report.

ARTICLE 10

Election of the Chairman and Vice-Chairman of the Council

(1) The Council shall elect, for each coffee year, a Chairman and a first, a second and a third Vice-Chairman.

(2) As a general rule, the Chairman and the first Vice Chairman shall both be elected either from among the representatives of exporting Members, or from among the representatives of importing Members, and the second and the third Vice-Chairman shall be elected from representatives of the other category of Members. These offices shall alternate each coffee year between the two categories of Members.

(3) Neither the Chairman nor any Vice-Chairman acting as Chairman shall have the right to vote. His alternate will in such case exercise the Member's voting rights.

ARTICLE 11

Sessions of the Council

As a general rule, the Council shall hold regular sessions twice a year. It may hold special sessions if it so decides. Special sessions shall also be held when either the Executive Board, or any five Members, or a Member or Members having at least 200 votes so request. Notice of sessions shall be given at least thirty days in advance, except in cases of emergency. Sessions shall be held at the seat of the Organization, unless the Council decides otherwise.

ARTICLE 12

(Modified)

Votes

(1) The exporting Members shall together hold 1,000 votes and the importing Members shall together hold 1,000 votes, distributed within each category of Members—that is, exporting and importing Members, respectively—as provided in the following paragraphs of this Article.

(2) Each Member shall have five basic votes, provided that the total number of basic votes within each category of Members does not exceed 150. Should there be more than thirty exporting Members or more than thirty importing Members, the number of basic votes for each Member within that category of Members shall be adjusted so as to keep the number of basic votes for each category of Members within the maximum of 150.

(3) *The remaining votes of exporting Members shall be as set out in Annex D.*

(4) The remaining votes of importing Members shall be divided among those Members in proportion to the average volume of their respective coffee imports in the preceding three-year period.

(5) The distribution of votes shall be determined by the Council at the beginning of each coffee year and shall remain in effect during that year, except as provided in paragraph (6) of this Article.

(6) The Council shall provide for the redistribution of votes in accordance with this Article whenever there is a change in the Membership of the Organization, or if the voting rights of a Member are suspended or regained under the provisions of Article 25 (—).

(7) No Member shall hold more than 400 votes.

(8) There shall be no fractional votes.

ARTICLE 13

Voting Procedure of the Council

(1) Each representative shall be entitled to cast the number of votes held by the Member represented by him, and cannot divide its votes. He may, however, cast differ-

ently any votes which he exercises pursuant to paragraph (2) of this Article.

(2) Any exporting Member may authorize any other exporting Member, and any importing Member may authorize any other importing Member, to represent its interests and to exercise its right to vote at any meeting or meetings of the Council. The limitation provided for in paragraph (7) of Article 12 shall not not apply in this case.

ARTICLE 14

Decisions of the Council

(1) All decisions of the Council shall be taken, and all recommendations shall be made, by a distributed simple majority vote unless otherwise provided in the Agreement.

(2) The following procedure shall apply with respect to any action by the Council which under the Agreement requires a distributed two-thirds majority vote:

(*a*) if a distributed two-thirds majority vote is not obtained because of the negative vote of three or less exporting or three or less importing Members, the proposal shall, if the Council so decides by a majority of the Members present and by a distributed simple majority vote, be put to a vote again within 48 hours;

(*b*) if a distributed two-thirds majority vote is again not obtained because of the negative vote of two or less importing or two or less exporting Members, the proposal shall, if the Council so decides by a majority of the Members present and by a distributed simple majority vote, be put to a vote again within 24 hours;

(*c*) if a distributed two-thirds majority vote is not obtained in the third vote because of the negative vote of one exporting Member or one importing Member, the proposal shall be considered adopted;

(*d*) if the Council fails to put a proposal to a further vote, it shall be considered rejected.

(3) The Members undertake to accept as binding all decisions of the Council under the provisions of the Agreement.

ARTICLE 15

Composition of the Board

(1) The Executive Board shall consist of eight exporting Members and eight importing Members, elected for each coffee year in accordance with Article 16. Members may be re-elected.

(2) Each member of the Board shall appoint one representative and one or more alternates.

(3) The Chairman of the Board shall be appointed by the Council for each coffee year and may be re-appointed. He shall not have the right to vote. If a representative is appointed Chairman, his alternate will have the right to vote in his place.

(4) The Board shall normally meet at the seat of the Organization, but may meet elsewhere.

ARTICLE 16

Election of the Board

(1) The exporting and the importing Members on the Board shall be elected in the Council by the exporting and the importing Members of the Organization respectively. The election within each category shall be held in accordance with the following paragraphs of this Article.

(2) Each Member shall cast all the votes to which it is entitled under Article 12 for a single candidate. A Member may cast for another candidate any votes which it exercises pursuant to paragraph (2) of Article 13.

(3) The eight candidates receiving the largest number of votes shall be elected; however, no candidate shall be elected on the first ballot unless it receives at least 75 votes.

(4) If under the provisions of paragraph (3) of this Article less than eight candidates are elected on the first ballot, further ballots shall be held in which only Members which did not vote for any of the candidates elected shall have the right to vote. In each further ballot, the minimum number of votes required for election shall be successively diminished by five until eight candidates are elected.

(5) Any Member which did not vote for any of the Members elected shall assign its votes to one of them, subject to paragraphs (6) and (7) of this Article.

(6) A Member shall be deemed to have received the number of votes originally cast for it when it was elected and, in addition, the number of votes assigned to it, provided that the total number of votes shall not exceed 499 for any Member elected.

(7) If the votes deemed received by an elected Member would otherwise exceed 499, Members which voted for or assigned their votes to such elected Member shall arrange among themselves for one or more of them to withdraw their votes from that Member and assign or reassign them to another elected Member so that the votes received by each elected Member shall not exceed the limit of 499.

ARTICLE 17

(Modified)

Competence of the Board

(1) The Board shall be responsible to and work under the general direction of the Council.

(2) The Council by a distributed simple majority vote may delegate to the Board the exercise of any or all of its powers, other than the following:

(*a*) approval of the administrative budget and assessment of contributions under Article 24;

(*b*) (*c*) (*d*) (*e*) [All deleted.]

(*f*) waiver of the obligations of a Member under Article 57;

(*g*) [Deleted.].

(*h*) establishment of conditions for accession under Article 63;

(*i*) a decision to require the withdrawal of a Member under Article 67;

(*j*) (* * *) termination of the Agreement under Article 69; and

(*k*) recommendation of amendments to Members under Article 70.

(3) The Council by a distributed simple majority vote may at any time revoke any delegation of powers to the Board.

ARTICLE 18

Voting Procedure of the Board

(1) Each member of the Board shall be entitled to cast the number of votes received by it under the provisions of paragraphs (6) and (7) of Article 16. Voting by proxy shall not be allowed. A member may not split its votes.

(2) Any action taken by the Board shall require the same majority as such action would require if taken by the Council.

ARTICLE 19

Quorum for the Council and the Board

(1) The Council shall appoint the Executive Director on the recommendation of the of the Members representing a distributed two-thirds majority of the total votes. If there is no quorum on the day appointed for the opening of any Council session, or if in the course of any Council session there is no quorum at three successive meetings, the Council shall be convened seven days later; at that time and throughout the remainder of that session the quorum shall be the presence of a majority of the Members representing a distributed simple majority of the votes. Representation in accordance with paragraph (2) of Article 13 shall be considered as presence.

(2) The quorum for any meeting of the Board shall be the presence of a majority of the members representing a distributed two-thirds majority of the total votes.

ARTICLE 20

The Executive Director and the Staff

(1) The quorum for any meeting of the Council shall be the presence of a majority Board. The terms of appointment of the Executive Director shall be established by the Council and shall be comparable to those applying to corresponding officials of similar inter-governmental organizations.

(2) The Executive Director shall be the chief administrative officer of the Organization and shall be responsible for the performance of any duties devolving upon him in the administration of the Agreement.

(3) The Executive Director shall appoint the staff in accordance with regulations established by the Council.

(4) Neither the Executive Director nor any member of the staff shall have any financial interest in the coffee industry, coffee trade, or coffee transportation.

(5) In the performance of their duties, the Executive Director and the staff shall not seek or receive instructions from any Member or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization. Each Member undertakes to respect the exclusively international character of the responsibilities of the Executive Director and the staff and not to seek to influence them in the discharge of their responsibilities.

ARTICLE 21

Co-operation With Other Organizations

The Council may make whatever arrangements are desirable for consultation and co-operation with the United Nations and its specialized agencies and with other appropriate inter-governmental organizations. The Council may invite these organizations and any organizations concerned with coffee to send observers to its meetings.

CHAPTER V—PRIVILEGES AND IMMUNITIES

ARTICLE 22

Privileges and Immunities

(1) The Organization shall have legal personality. It shall in particular have the capacity to contract, acquire and dispose of movable and immovable property and to institute legal proceedings.

(2) The Government of the country in which the headquarters of the Organization is situated (hereinafter referred to as "the host Government") shall conclude with the Organization as soon as possible an agreement to be approved by the Council relating to the status, privileges and immunities of the Organization, of its Executive Director and its staff and of representatives of Members while in the territory of the host Government for the purpose of exercising their functions.

(3) The agreement envisaged in paragraph (2) of this Article shall be independent of the present Agreement and shall prescribe the conditions for its termination.

(4) Unless any other taxation arrangements are implemented under the agreement envisaged in paragraph (2) of this Article the host Government:

(*a*) shall grant exemption from taxation on the remuneration paid by the Organization to its employees, except that such exemption need not apply to nationals of that country, and

(*b*) shall grant exemption from taxation on the assets, income and other property of the Organization.

(5) Following the approval of the agreement envisaged in paragraph (2) of this Article, the Organization may conclude with one or more other Members agreements to be approved by the Council relating to such privileges and immunities as may be necessary for the proper functioning of the International Coffee Agreement.

CHAPTER VI—FINANCE

ARTICLE 23

Finance

(1) The expenses of delegations to the Council, representatives on the Board, and representatives on any of the committees of

the Council or the Board will be met by their respective Governments.

(2) The other expenses necessary for the administration of the Agreement shall be met by annual contributions from the Members assessed in accordance with Article 24. However, the Council may levy fees for specific services.

(3) The financial year of the Organization shall be the same as the coffee year.

ARTICLE 24

Determination of the Budget and Assessment of Contributions

(1) During the second half of each financial year the Council shall approve the administrative budget of the Organization for the following financial year and shall assess the contribution of each Member to that budget:

(2) The contribution of eacn Member to the budget for each financial year shall be in the proportion which the number of its votes at the time the budget for that financial year is approved bears to the total votes of all the Members. However, if there is any change in the distribution of votes among Members in accordance with the provisions of paragraph (5) of Article 12 at the beginning of the financial year for which contributions are assessed, sucn contributions shall be correspondingly adjusted for that year. In determining contributions, the votes of each Member shall be calculated without regard to the suspension of any Member's voting rights or any redistribution of votes resulting therefrom.

(3) The initial contribution of any Member joining the Organization after the entry into force of the Agreement shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current financial year, but the assessments made upon other Members for the current financial year shall not be altered.

ARTICLE 25

(Modified)

Payment of Contributions

(1) Contributions to the administrative budget for each financial year shall be payable in freely convertible currency, and shall become due on the first day of that financial year.

(2) If any Member fails to pay its full contribution to the administrative budget within six months of the date on which the contribution is due, both its voting rights in the Council and its right to have its votes cast in the Board shall be suspended until such contribution has been paid. However, unless the Council by a distributed two-thirds majority vote so decides, such Member shall not be deprived of any of its other rights nor relieved of any of its obligations under the Agreement.

(3) Any Member whose voting rights have been suspended under paragraph (2) of this Article (* * *) shall nevertheless remain responsible for the payment of its contribution.

ARTICLE 26

Audit and Publications of Accounts

As soon as possible after the close of each financial year an independent audited statement of the Organization's receipts and expenditures during that financial year shall be presented to the Council for approval and publication.

CHAPTER VII—REGULATION OF EXPORTS

ARTICLE 27

General Undertakings by Members

[Deleted.]

ARTICLE 28

Basic Export Quotas

[Deleted.]

ARTICLE 29

Basic Export Quota of a Member Group

[Deleted.]

ARTICLE 30

Fixing of Annual Export Quotas

[Deleted.]

ARTICLE 31

Additional Provisions Concerning Basic and Annual Export Quotas

[Deleted.]

ARTICLE 32

Fixing of Quarterly Export Quotas

[Deleted.]

ARTICLE 33

Adjustment of Annual Export Quotas

[Deleted.]

ARTICLE 34

Notification of Shortfalls

[Deleted.]

ARTICLE 35

Adjustment of Quarterly Export Quotas

[Deleted.]

ARTICLE 36

Procedure for Adjusting Export Quotas

[Deleted.]

ARTICLE 37

Additional Provisions for Adjusting Export Quotas

[Deleted.]

ARTICLE 38

Compliance with Export Quotas

[Deleted.]

ARTICLE 39

Shipments of Coffee from Dependent Territories

[Deleted.]

ARTICLE 40

Exports not Charged to Quotas

[Deleted.]

ARTICLE 41

Regional and Inter-regional Price Arrangements

[Deleted.]

ARTICLE 42

Survey of Market Trends

[Deleted.]

CHAPTER VIII—CERTIFICATES OF ORIGIN AND RE-EXPORT

ARTICLE 43

Certificates of Origin and Re-export

[Deleted.]

CHAPTER IX—PROCESSED COFFEE

ARTICLE 44

Measures relating to Processed Coffee

[Deleted.]

CHAPTER X—REGULATION OF IMPORTS

ARTICLE 45

Regulation of Imports

[Deleted.]

CHAPTER XI—INCREASE OF CONSUMPTION

ARTICLE 46

Promotion

[Deleted.]

ARTICLE 47

Removal of Obstacles to Consumption

[Deleted.]

CHAPTER XII—PRODUCTION POLICY AND CONTROLS

ARTICLE 48

Production Policy and Controls

[Deleted.]

CHAPTER XIII—REGULATION OF STOCKS

ARTICLE 49

Policy Relative to Coffee Stocks

[Deleted.]

CHAPTER XIV—MISCELLANEOUS OBLIGATIONS OF MEMBERS

ARTICLE 50

Consultation and Co-operation with the Trade

[Deleted.]

ARTICLE 51

Barter

[Deleted.]

ARTICLE 52

Mixtures and Substitutes

(1) Members shall not maintain any regulations requiring the mixing, processing or using of other products with coffee for commercial resale as coffee. Members shall endeavour to prohibit the sale and advertisement of products under the name of coffee if such products contain less than the equivalent of 90 percent of green coffee as the basic raw material.

(2) The Executive Director shall submit to the Council an annual report on compliance with the provisions of this Article.

(3) The Council may recommend to any Member that it take the necessary steps to ensure observance of the provisions of this Article.

CHAPTER XV—SEASONAL FINANCING

ARTICLE 53

Seasonal Financing

[Deleted.]

CHAPTER XVI—DIVERSIFICATION FUND

ARTICLE 54

Diversification Fund

[Deleted.]

CHAPTER XVII—INFORMATION AND STUDIES

ARTICLE 55

(Modified)

Information

(1) The Organization shall act as a centre for the collection, exchange and publication of:

(*a*) statistical information on world production, *production trends,* prices, exports and imports, distribution and consumption of coffee; and

(*b*) insofar as is considered appropriate, technical information on the cultivation, processing and utilization of coffee.

(2) The Council may require Members to furnish such information as it considers necessary for its operations including regular statistical reports on coffee production, *production trends,* exports and imports, distribution, consumption, stocks and taxation, but no information shall be published which might serve to identify the operations of persons or companies producing, processing or marketing coffee. The Members shall furnish information requested in as detailed and accurate a manner as is practicable.

(3) If a Member fails to supply, or finds difficulty in supplying, within a reasonable time, statistical and other information required by the Council for the proper functioning of the Organization, the Council may require the Member concerned to explain the reasons for non-compliance. If it is found that technical assistance is needed in the matter, the Council may take any necessary measures.

ARTICLE 56

Studies

(1) The Council may promote studies in the fields of the economics of coffee production and distribution, the impact of governmental measures in producing and consuming countries on the production and consumption of coffee, the opportunities for expansion of coffee consumption for traditional and possible new uses, and the effects of the operation of the Agreement on producers and consumers of coffee, including their terms of trade.

(2) The Organization may study the practicability of establishing minimum standards for exports of coffee from producing Members. Recommendations in this regard may be discussed by the Council.

CHAPTER XVIII—WAIVER

ARTICLE 57

(Modified)

Waiver

(1) The Council by a distributed two-thirds majority vote may relieve a Member of an obligation, on account of exceptional or emergency circumstances, force majeure, constitutional obligations, or international obligations under the United Nations Charter for territories administered under the trusteeship system.

(2) The Council, in granting a waiver to a Member, shall state explicitly the terms and conditions on which and the period for which the Member is relieved of such obligation.

(3) [Deleted.]

CHAPTER XIX—CONSULTATIONS, DISPUTES AND COMPLAINTS

ARTICLE 58

(Modified)

Consultations

Each Member shall accord sympathetic consideration to, and shall afford adequate opportunity for, consultation regarding such representations as may be made by another Member with respect to any matter relating to the Agreement. In the course of such consultation, on request by either party and with the consent of the other, the Executive Director shall establish an independent panel which shall use its good offices with a view to conciliating the parties. The costs of the panel shall not be chargeable to the Organization. If a party does not agree to the establishment of a panel by the Executive Director, or if the consultation does not lead to a solution, the matter may be referred to the Council (* * *). If the consultation does lead to a solution, it shall be reported to the Executive Director who shall distribute the report to all Members.

ARTICLE 59

Disputes and Complaints

[Deleted.]

CHAPTER XX—FINAL PROVISIONS

ARTICLE 60

Signature

[Deleted.]

ARTICLE 61

Ratification

[Deleted.]

ARTICLE 62

Entry into Force

[Deleted.]

ARTICLE 63

(Modified)

Accession

(1) The Government of any State Member of the United Nations or of any of its specialized agencies may accede to this Agreement upon conditions that shall be established by the Council. (* * *).

(2) Each Government depositing an instrument of accession shall, at the time of such deposit, indicate whether it is joining the Organization as an exporting Member or an importing Member, as defined in paragraphs (7) and (8) of Article 2.

ARTICLE 64

Reservations

Reservations may not be made with respect to any of the provisions of the Agreement.

ARTICLE 65

(Modified)

Notifications in Respect of Dependent Territories

(1) Any Government may, at the time of (* * *) deposit of an instrument of (* * *) acceptance or accession, or at any time thereafter, by notification to the Secretary-General of the United Nations, declare that the *extended* Agreement shall apply to any of the territories for the international relations of which it is responsible and the *extended* Agreement shall apply to the territories named therein from the date of such notification.

(2) Any Contracting Party which desires to exercise its rights under Article 4 in respect of any of its dependent territories, or which desires to authorize one of its dependent territories to become part of a Member Group formed under Article 5 or 6, may do so by making a notification to that effect to the Secretary-General of the United Nations, either at the time of deposit of its instrument of (* * *) acceptance or accession, or at any later time.

(3) Any Contracting Party which has made a declaration under paragraph (1) of this Article may at any time thereafter, by notification to the Secretary-General of the United Nations, declare that the Agreement shall cease to extend to the territory named in the notification and the Agreement shall cease to extend to such territory from the date of such notification.

(4) The Government of a territory to which the Agreement has been extended under paragraph (1) of this Article and which has subsequently become independent may, within 90 days after the attainment of independence, declare by notification to the Secretary-General of the United Nations that it has assumed the rights and obligations of a Contracting Party to the Agreement. It shall, as from the date of such notification, become a party to the Agreement.

ARTICLE 66

Voluntary Withdrawal

Any Contracting Party may withdraw from the Agreement at any time by giving a written notice of withdrawal to the Secretary-General of the United Nations. Withdrawal shall become effective 90 days after the notice is received.

ARTICLE 67

Compulsory Withdrawal

If the Council determines that any Member has failed to carry out its obligations under the Agreement and that such failure significantly impairs the operations of the Agreement, it may by a distributed two-thirds majority vote require the withdrawal of such Member from the Organization. The Council shall immediately notify the Secretary-General of the United Nations of any such decision. Ninety days after the date of the Council's decision that Member shall cease to be a Member of the Organization and, if such Member is a Contracting Party, a party to the Agreement.

ARTICLE 68

Settlement of Accounts With Withdrawing Members

(1) The Council shall determine any settlement of accounts with a withdrawing Member. The Organization shall retain any amounts already paid by a withdrawing Member and such Member shall remain bound to pay any acounts due from it to the Organization at the time the withdrawal becomes effective; provided, however, that in the case of a Contracting Party which is unable to accept an amendment and consequently either withdraws or ceases to participate in the Agreement under the provisions of paragraph (2) of Article 70, the Council may determine any settlement of accounts which it finds equitable.

(2) A member which has withdrawn or which has ceased to participate in the Agreement shall not be entitled to any share of the proceeds of liquidation or the other assets of the Organization upon termination of the Agreement under Article 69.

ARTICLE 69

(Modified)[2]

Duration and Termination

Negotiation of a New Agreement

(1) The extended Agreement, subject to the provisions of paragraph (2), shall remain in force until 30 September 1975 or until a new Agreement has entered into force, whichever is the earlier.

(2) The Council may at any time, by vote of a majority of the Members having not less than a distributed two-thirds majority of the total votes, decide to terminate the Agreement. Such termination shall take effect on such date as the Council shall decide.

(3) Notwithstanding termination of the Agreement, the Council shall remain in being for as long as necessary to carry out the liquidation of the Organization, settlement of its accounts and disposal of its assets and shall have during that period such powers and functions as may be necessary for those purposes.

(4) The Council may, by a vote of 58 percent by the Members having not less than a distributed majority of 70 percent of the total votes, negotiate a new Agreement for such period as the Council shall determine.

ARTICLE 70

Amendment

(1) The Council by a distributed two-thirds majority vote may recommend an amendment of the Agreement to the Contracting Parties. The amendment shall become effective 100 days after the Secretary-General of the United Nations has received notifications of acceptance from Contracting Parties representing at least 75 percent of the exporting countries holding at least 85 percent of the votes of the exporting Members, and from Contracting Parties representing at least 75 percent of the importing countries holding at least 80 percent of the votes of the importing Members. The Council may fix a time within which each Contracting Party shall notify the Secretary-General of the United Nations of its acceptance of the amendment and if the amendment has not become effective by such time, it shall be considered withdrawn. The Council shall provide the Secretary-General with the information necessary to determine whether the amendment has become effective.

(2) Any Contracting Party, or any dependent territory which is either a Member or a party to a Member group, on behalf of which notification of acceptance of an amendment has not been made by the date on which such amendment becomes effective, shall as of that date cease to participate in the Agreement.

ARTICLE 71

(Modified)

Notifications by the Secretary-General

The Secretary-General of the United Nations shall notify all Contracting Parties to the International Coffee Agreement *1968* and all other Governments of States Members of the United Nations or of any of its specialized agencies, of each deposit of an instrument of (* * *) acceptance or accession (* * *). The Secretary-General of the United Nations shall also notify all Contracting Parties of each notification under Articles 5 (* * *), 65, 66 or 67; of the date (* * *) on which *the Agreement* is terminated under Article 69; and of the date on which an amendment becomes effective under Article 70.

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[2] Paragraph 2 of this Article corresponds to paragraph 3 of Article 69 of the 1968 Agreement and paragraph 3 of this Article corresponds to paragraph 4 of Article 69 of the 1968 Agreement.

ARTICLE 72

(Modified)

Supplementary and Transitional Provisions

(1) The present Agreement shall be considered as a continuation of the International Coffee Agreement 1962.

(2) In order to facilitate the uninterrupted continuation of the Agreement:

(*a*) All acts by or on behalf of the Organization or any of its organs (* * *) in effect on 30 September *1973* and the terms of which do not provide for expiry on that date, shall remain in effect unless *they have been* changed under the provisions of the present Agreement. *Except as provided in sub-paragraphs* (*b*) *and* (*c*) *hereof all acts based on the deleted Articles of the International Coffee Agreement 1968 are expressly revoked with effect from 1 October 1973.*

(*b*) *After 30 September 1973 the Diversification Fund shall remain in being for as long as is necessary to carry out its liquidation, the settlement of its accounts and the disposal of its assets. During that period the Council may adopt such amendments to the Statutes as it deems necessary for those purposes.*

(*c*) *After 30 September 1973 the World Coffee Promotion Committee shall remain in being for as long as is necessary to carry out the liquidation of the Promotion Fund, the settlement of its accounts and the disposal of its assets.*

(*d*) All decisions (* * *) taken by the Council during the coffee year *1972/73* for application in coffee year *1973/74* shall (* * *) apply on a provisional basis as if the *extension of the Agreement had become effective.*

(* * *)

The texts of this Agreement in the English, French, Portuguese (* * *) and Spanish languages shall all be equally authentic. The originals shall be deposited in the archives of the United Nations and the Secretary-General of the United Nations shall transmit certified copies thereof to each (* * *) *Contracting Party to the Agreement.*

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND CANADA FOR PROMOTION OF SAFETY ON THE GREAT LAKES BY MEANS OF RADIO, 1973

The Government of the United States of America and the Government of Canada,

DESIROUS of promoting safety of life and property on the Great Lakes of North America by means of radio;

BELIEVING that this purpose will be served by making provision in common agreement for the use of radiotelephone communication for distress, safety and navigational purposes;

CONSIDERING that these objectives may best be achieved and maintained by the conclusion of an Agreement between the two Governments;

Have agreed as follows:

ARTICLE I

Definitions

For the purpose of this Agreement, unless expressly provided otherwise:

(*a*) "Approved" or "Approval" means, in relation to compliance with the terms of this Agreement by vessels of Canada and of the United States, approval by Canada and the United States, respectively, and in relation to vessels of other countries, approval by either Canada or the United States;

(*b*) "Vessel" includes every description of watercraft or other artificial contrivance used or capable of being used as a means of transportation on or over the water, except aircraft;

(*c*) "Towing" means the act of pulling or pushing or towing alongside a vessel or floating object;

(*d*) "Great Lakes" means all waters of Lakes Ontario, Erie, Huron (including Georgian Bay), Michigan, Superior, their connecting and tributary waters and the River St. Lawrence as far east as the lower exit of the St. Lambert Lock at Montreal in the Province of Quebec, Canada, but shall not include such of the connecting and tributary waters as may be specified in the Technical Regulations;

(*e*) "Mile" means a statute mile of 5,280 feet or 1,609 meters;

(*f*) "International Radio Regulations" means the Radio Regulations in force annexed to the International Telecommunication Convention, or any regulations which have been, or which from time to time in the future may be, substituted for such regulations;

(*g*) "Technical Regulations" means the regulations in force referred to in paragraph 2 of Article III of this Agreement;

(*h*) "Distress, safety and calling frequency" means the radiotelephone frequency or frequencies designated for this purpose in the Technical Regulations;

(*i*) "Radiotelephone alarm signal" means the automatic alarm signal prescribed by the International Radio Regulations for radiotelephony;

(*j*) "Radiotelephone auto alarm" means a warning device which is capable of being actuated automatically by the radiotelephone alarm signal, and which complies with the International Radio Regulations.

ARTICLE II

Purposes of the Agreement

The purposes of the Agreement are:

(*a*) To provide for cooperation between Canada and the United States in the field of governmental regulation and practices relating to fitting, usage and maintenance of radiocommunication equipment for safety purposes aboard specified classes of vessels of all nationalities operating on the Great Lakes of North America;

(*b*) To provide the highest practicable standards in matters concerning use of radiocommunication and associated equipment for maritime distress, safety and efficiency of navigation on the Great Lakes;

(*c*) To provide uniformity of regulations on radio communications for safety purposes to ships of all nationalities operating on the Great Lakes.

ARTICLE III

General Provisions

1. The Contracting Governments undertake to collaborate in encouraging the highest practicable degree of uniformity in standards for radiocommunication and associated equipment, where such uniformity will facilitate and improve maritime safety and efficiency of navigation on the Great Lakes.

2. The Technical Regulations annexed to this Agreement are an integral part thereof and every reference to this Agreement implies at the same time a reference to the Technical Regulations unless the language or context of the reference clearly excludes the Technical Regulations.

3. The Agreement shall apply to vessels of all countries as provided in Article V.

4. Each Contracting Government agrees that any vessel which is not subject to this Agreement, and which is permitted by such Government to use any radio frequency designated by this Agreement, shall be required, while on the Great Lakes, to use such radio frequency in the same manner as a vessel subject to this Agreement.

5. No provision of this Agreement shall prevent the use by a vessel or survival craft in distress of any means at its disposal to attract attention, make known its position, and obtain help.

ARTICLE IV

Notification to the Intergovernmental Maritime Consultative Organization (IMCO)

1. The Contracting Governments agree to notify the Secretary-General of the IMCO as soon as possible of the entry into force of this Agreement and of any subsequent amendments.

2. The Contracting Governments agree, also, to deposit with the Secretary-General of IMCO a true copy of the Technical Regulations annexed to this Agreement and any amendments to these Technical Regulations which may subsequently be agreed in accordance with paragraph 2 of Article XVIII.

ARTICLE V

Applicability to Vessels

A vessel to which this Agreement applies generally, as stated in paragraph 3 of Article III of this Agreement, and which falls into any of the following specific categories of paragraphs (a), (b) or (c), and not excepted by paragraphs (b) and (d), shall be subject to the requirements of this Agreement and the Technical Regulations while being navigated on the Great Lakes:

(*a*) Every vessel 65 feet or over in length (measured from end to end over the deck exclusive of sheer), except that the Contracting Governments, each with respect to its own vessels, may specify a smaller dimension;

(*b*) Every vessel engaged in towing another vessel or floating object, except:

(*i*) where the maximum length of the towing vessel, measured from end to end over the deck exclusive of sheer, is less than twenty-six (26) feet and the length or breadth of the tow, exclusive of the towing line is less than sixty-five (65) feet;

(*ii*) where the vessel towed complies with the requirements of this Agreement and the Technical Regulations annexed thereto;

(*iii*) where the towing vessel and tow are located within a booming ground; or

(*iv*) where the tow has been undertaken in an emergency and neither the towing vessel nor the tow can comply with this Agreement and the Technical Regulations annexed thereto;

(*c*) Any vessel carrying more than six passengers for hire;

(*d*) A vessel shall not be subject to the requirements of this Agreement if such vessel falls in any of the following specific categories:

(*i*) Ships of war and troop ships;

(*ii*) Vessels owned and operated by any government and not engaged in trade.

ARTICLE VI

Coast Station Watch

1. Subject to paragraph 2, each Contracting Government agrees to ensure that necessary arrangements are made for coast stations to maintain a continuous watch on the distress, safety and calling frequency or frequencies.

2. During the non-navigation season of the St. Lawrence Seaway system continuous watch need be maintained only by such shore stations as may be required for the service of shipping which continues to operate in the open water areas.

ARTICLE VII

Ship Station Operators and Listening Watch

1. There shall be on board, at least one operator whose qualifications for radiotelephone operation for safety purposes on the Great Lakes have been certified by each of the Contracting Governments for citizens of its own country on vessels of that country or for persons on vessels of other countries, as meeting the qualifications set forth in the Technical Regulations.

2. From among those certified operators, the master shall designate one or more who shall operate the radiotelephone station. The duties of the operators so designated need not be restriced to duties in connnection with the radiotelephone station but may include any and all duties assigned them by the master.

3. There shall be an effective continuous

listening watch on the distress, safety and calling frequency or frequencies required by the Technical Regulations by at least one person who has been designated by the master to perform such listening. The person so designated may simultaneously perform other duties relating to the operation or navigation of the vessel, provided that such other duties do not interfere with the effectiveness of the listening.

4. Notwithstanding paragraph 3 of this Article, Contracting Governments may require that the continuous listening watch shall be maintained on a frequency other than the distress, safety and calling frequencies while the vessel is within designated national waters of a Contracting Government where it assumes the distress watch for the vessel.

5. Vessels may be permitted by each of the Contracting Governments, with respect to its own national waters, to suspend temporarily the continuous listening watch required under paragraph 3 or paragraph 4 of this Article, in order to engage in Maritime Mobile communications on other frequencies.

6. A vessel shall not be navigated unless the qualified radio operator required under paragraph 1 of this Article is on board. However, if the vessel is deprived of the services of such operator while underway the master shall notify authorities of the Contracting Governments of this fact, and shall comply with such instructions as may be given by those authorities. In any event, the master shall obtain a satisfactory replacement operator at the earliest practicable moment.

ARTICLE VIII

Cases of Force Majeure

A vessel which is not subject to the provisions of this Agreement shall not become subject thereto due to stress of weather or any other cause of *force majeure*.

ARTICLE IX

Exemptions

1. Each Contracting Government, if it considers that the conditions of the voyage or voyages affecting safety (including but not necessarily limited to the regularity, frequency and nature of the voyages, or other circumstances) are such as to render the full application of this Agreement unreasonable or unnecessary, may exempt partially, conditionally or completely any individual vessel for one or more voyages or for any period of time not exceeding one year from the date of exemption. Each Contracting Government shall promptly notify the other of each exemption that is granted and of the significant terms thereof.

2. Since the waters to which this Agreement applies are under the jurisdiction of Canada or the United States, the exemptions referred to in paragraph 1 of this Article may be granted only by each of the Contracting Governments, for vessels of its own country or for the vessels of other countries.

ARTICLE X

Radiotelephone Station

1. Each vessel shall, except as it may be exempted under Article IX, be fitted with a radiotelephone station in effective operating condition and approved as meeting the requirements set forth in the Technical Regulations.

2. If the vessel's radiotelephone station ceases to be in effective operating condition, the master shall forthwith exercise due diligence to restore the radiotelephone station to effective operating condition at the earliest practicable moment. If the radiotelephone station becomes defective while underway, the master, if practicable to do so, shall notify authorities of the Contracting Governments of this fact, and shall comply with such instructions as may be given by those authorities.

ARTICLE XI

Vessel Records

Each vessel shall, except as it may be exempted under Article IX, maintain such records of the use of the radiotelephone station for safety purposes as may be required by the Technical Regulations.

ARTICLE XII

Annual Inspections and Surveys

1. So far as concerns the enforcement of this Agreement, the radio-telephone stations of all vessels subject to the provisions of this Agreement and the Technical Regulations shall be subject to inspection from time to time. In addition, vessels subject to the provisions of this Agreement and to the Technical Regulations of the two countries concerned shall be subject to a periodic survey of the radiotelephone station not less than once every thirteen months. This survey shall be made while the vessel is in active service or within not more than one month before the date on which it is placed in such service.

2. The inspection and survey of radiotelephone stations shall be carried out by the officers of the Contracting Governments for their respective vessels. With respect to any vessel which belongs to any other country, such inspection shall be carried out by officers of the Contracting Governments within whose jurisdiction such vessel first enters, and thereafter by the Contracting Government having jurisdiction as determined by the location of the vessel at least once each thirteen months or at the time of any inspection deemed necessary by such Government.

3. Each Contracting Government may entrust the inspection and survey of the radiotelephone stations either to surveyors nominated for this purpose or to organizations recognized by it. In every case the Contracting Government concerned fully guarantees the completeness and efficiency of the inspection and survey.

ARTICLE XIII

Certification and Privileges

1. If, after appropriate inspection or survey made in accordance with Article XII, the Contracting Government responsible for the inspection or survey is satisfied that all relevant provisions of this Agreement have been complied with, including any exemptions or conditions of exemption approved in accordance with Article IX, that fact shall be certified immediately after each such inspection or survey either on the vessel's radiotelephone station license or by means of another document as determined by the Contracting Government.

2. The certification prescribed by paragraph 1 of this Article shall be kept on board the vessel while the vessel is subject to the provisions of this Agreement, and shall be available for inspection by the officers authorized by the Contracting Governments to make such inspections. Certifications issued under the authority of a Contracting Government shall be accepted by the other Contracting Government for all purposes covered by this Agreement.

ARTICLE XIV

Issue of Certificate by Other Contracting Government

Each of the Contracting Governments may, at the request of the other, cause a vessel, for the survey of which the requesting Government is primarily responsible, to be surveyed and, if satisfied that the requirements of this Agreement are complied with, issue certificates to the vessel in accordance with the terms of this Agreement. Any certificate so issued must contain a statement to the effect that it has been issued at the request of the Government which made the request, and it shall have the same force and receive the same recognition as a certificate issued under Article XII of this Agreement.

ARTICLE XV

Control

1. Over and above the application of this Agreement as set forth in the provisions of Article V of this Agreement, every vessel required by this Agreement to have a certificate issued by one Contracting Government in acordance with Article XII or Article XIV is subject in the ports of the other Contracting Government to control by officers duly authorized by such Government in so far as this control is directed towards verifying that (a) there is on board a valid certification, (b) that the conditions of the radiotelephone apparatus coresponds substantially with the particulars of that certification, and (c) that there are on board the necessary personnel.

(2) In the event of this control giving rise to intervention of any kind, the authorities carrying out the control shall forthwith inform the appropriate authorities of the country to which the vessel belongs of all the circumstances in which intervention is deemed to be necessary.

ARTICLE XVI

Responsibility of the Master and Radiotelephone Operators

The radiotelephone station and all persons designated to perform radiotelephone operating duties shall be under the control of the master. These designated persons and the master shall comply with applicable telecommunication laws and international agreements and with the rules and regulations made pursuant thereto.

ARTICLE XVII

Laws and Regulations

The Contracting Governments undertake to communicate to each other the text of laws, decrees, and regulations promulgated on the various matters within the scope of this Agreement.

ARTICLE XVIII

Amendments

1. Amendment of the Articles of this Agreement shall be by agreement between the Contracting Governments and shall become effective following an exchange of notes between the Contracting Governments indicating that whatever approval may be required constitutionally has been obtained.

2. Notwithstanding paragraph 1 of this Article, amendment or modification of the Technical Regulations annexed to this Agreement may, when agreed upon by the interested agencies of each of the Contracting Governments, be effected by an exchange of diplomatic notes between the Contracting Governments. Any such amendment or modification shall enter into force on the first day of February of the year following the exchange of notes constituting final agreement thereto, provided that an earlier date, but not less than three months from the date of such final agreement, may be specified in the exchange of notes if further delay would adversely affect the safety of vessels subject to this Agreement.

ARTICLE XIX

Termination of Prior Agreement

Upon the coming into force of this Agreement, the Agreement for the Promotion of Safety on the Great Lakes by Means of Radio, signed at Ottawa on February 21, 1952, between the United States of America and Canada, shall terminate and cease to have effect.

ARTICLE XX

Entry into Force

This Agreement shall be ratified and instruments of ratification shall be exchanged at Washington as soon as possible. This Agreement shall come into force one year after the date on which the instruments of ratification are exchanged.

ARTICLE XXI

Termination

1. This Agreement may be terminated by either Contracting Government at any time after the expiration of 5 years from the date on which this Agreement comes into force, except where the Contracting Governments agree to terminate earlier. Termination shall be effected by a notification in writing from either Contracting Government to the other Contracting Government.

2. Termination of this Agreement shall take effect twelve months after the date of such notification.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed the Agreement.

DONE in two copies at Ottawa this 26th day of February 1973 in English and French, each language version being equally authentic.

Adolph W. Schmidt: For the Government of the United States of America.

J. Marchand: For the Government of Canada.

CONVENTION FOR THE PROTECTION OF PRODUCERS OF PHONOGRAMS AGAINST UNAUTHORIZED DUPLICATION OF THEIR PHONOGRAMS

The CONTRACTING STATES,

concerned at the widespread and increasing unauthorized duplication of phonograms and the damage this is occasioning to the interest of authors, performers and producers of phonograms;

convinced that the protection of producers of phonograms against such acts will also benefit the performers whose performances, and the authors whose works, are recorded on the said phonograms;

recognizing the value of the work undertaken in this field by the United Nations Educational, Scientific and Cultural Organization and the World Intellectual Property Organization;

anxious not to impair in any way international agreements already in force and in particular in no way to prejudice wider acceptance of the Rome Convention of October 26, 1961, which affords protection to performers and to broadcasting organizations as well as to producers of phonograms;

have agreed as follows:

ARTICLE 1

For the purposes of this Convention:

(*a*) "phonogram" means any exclusively aural fixation of sounds of a performance or of other sounds;

(*b*) "producer of phonograms" means the person who, or the legal entity which, first fixes the sounds of a performance or other sounds;

(*c*) "duplicate" means an article which contains sounds taken directly or indirectly from a phonogram and which embodies all or a substantial part of the sounds fixed in that phonogram;

(*d*) "distribution to the public" means any act by which duplicates of a phonogram are offered, directly or indirectly, to the general public or any section thereof.

ARTICLE 2

Each Contracting State shall protect producers of phonograms who are nationals of other Contracting States against the making of duplicates without the consent of the producer and against the importation of such duplicates, provided that any such making or importation is for the purpose of distribution to the public, and against the distribution of such duplicates to the public.

ARTICLE 3

The means by which this Convention is implemented shall be a matter for the domestic law of each Contracting State and shall include one or more of the following: protection by means of the grant of a copyright or other specific right; protection by means of the law relating to unfair competition; protection by means of penal sanctions.

ARTICLE 4

The duration of the protection given shall be a matter for the domestic law of each Contracting State. However, if the domestic law prescribes a specific duration for the protection, that duration shall not be less than twenty years from the end either of the year in which the sounds embodied in the phonogram were first fixed or of the year in which the phonogram was first published.

ARTICLE 5

If, as a condition of protecting the producers of phonograms, a Contracting State, under its domestic law, requires compliance with formalities, these shall be considered as fulfilled if all the authorized duplicates of the phonogram distributed to the public or their containers bear a notice consisting of the symbol ℗, accompanied by the year date of the first publication, placed in such a manner as to give reasonable notice of claim of protection; and, if the duplicates or their containers do not identify the producer, his successor in title or the exclusive licensee (by carrying his name, trademark or other appropriate designation), the notice shall also include the name of the producer, his successor in title or the exclusive licensee.

ARTICLE 6

Any Contracting State which affords protection by means of copyright or other specific right, or protection by means of penal sanctions, may in its domestic law provide, with regard to the protection of producers of phonograms, the same kinds of limitations as are permitted with respect to the protection of authors of literary and artistic works. However, no compulsory licenses may be permitted unless all of the following conditions are met:

(*a*) the duplication is for use solely for the purpose of teaching or scientific research;

(*b*) the license shall be valid for duplication only within the territory of the Contracting State whose competent authority has granted the license and shall not extend to the export of duplicates;

(*c*) the duplication made under the license gives rise to an equitable remuneration fixed by the said authority taking into account, inter alia, the number of duplicates which will be made.

ARTICLE 7

(1) This Convention shall in no way be interpreted to limit or prejudice the protection otherwise secured to authors, to performers, to producers of phonograms or to broadcasting organizations under any domestic law or international agreement.

(2) It shall be a matter for the domestic law of each Contracting State to determine the extent, if any, to which performers whose performances are fixed in a phonogram are entitled to enjoy protection and the conditions for enjoying any such protection.

(3) No Contracting State shall be required to apply the provisions of this Convention to any phonogram fixed before this Convention entered into force with respect to that State.

(4) Any Contracting State which, on October 29, 1971, affords protection to producers of phonograms solely on the basis of the place of first fixation may, by a notification deposited with the Director General of the World Intellectual Property Organization, declare that it will apply this criterion instead of the criterion of the nationality of the producer.

ARTICLE 8

(1) The International Bureau of the World Intellectual Property Organization shall assemble and publish information concerning the protection of phonograms. Each Contracting State shall promptly communicate to the International Bureau all new laws and official texts on this subject.

(2) The International Bureau shall, on request, furnish information to any Contracting State on matters concerning this Convention, and shall conduct studies and provide services designed to facilitate the protection provided for therein.

(3) The International Bureau shall exercise the functions enumerated in paragraphs (1) and (2) above in cooperation, for matters within their respective competence, with the United Nations Educational, Scientific and Cultural Organization and the International Labour Organization.

ARTICLE 9

(1) This Convention shall be deposited with the Secretary-General of the United Nations. It shall be open until April 30, 1972, for signature by any State that is a member of the United Nations, any of the Specialized Agencies brought into relationship with the United Nations, or the International Atomic Energy Agency, or is a party to the Statute of the International Court of Justice.

(2) This Convention shall be subject to ratification or acceptance by the signatory States. It shall be open for accession by any State referred to in paragraph (1) of this Article.

(3) Instruments of ratification, acceptance or accession shall be deposited with the Secretary-General of the United Nations.

(4) It is understood that, at the time a State becomes bound by this Convention, it will be in a position in accordance with its domestic law to give effect to the provisions of the Convention.

ARTICLE 10

No reservations to this Convention are permitted.

ARTICLE 11

(1) This Convention shall enter into force three months after deposit of the fifth instrument of ratification, acceptance or accession.

(2) For each State ratifying, accepting or acceding to this Convention after the deposit of the fifth instrument of ratification, acceptance or accession, the Convention shall enter into force three months after the date on which the Director General of the World Intellectual Property Organization informs the States, in accordance with Article 13, paragraph (4), of the deposit of its instrument.

(3) Any State may, at the time of ratification, acceptance or accession, or at any later date, declare by notification addressed to the Secretary-General of the United Nations that this Convention shall apply to all or any one of the territories for whose international affairs it is responsible. This notification will take effect three months after the date on which it is received.

(4) However, the preceding paragraph may in no way be understood as implying the recognition or tacit acceptance by a Contracting State of the factual situation concerning a territory to which this Convention is made applicable by another Contracting State by virtue of the said paragraph.

ARTICLE 12

(1) Any Contracting State may denounce this Convention, on its own behalf or on behalf of any of the territories referred to in Article 11, paragraph (3), by written notification addressed to the Secretary-General of the United Nations.

(2) Denunciation shall take effect twelve months after the date on which the Secretary-General of the United Nations has received the notification.

ARTICLE 13

(1) This Convention shall be signed in a single copy in English, French, Russian and

Spanish, the four texts being equally authentic.

(2) Official texts shall be established by the Director General of the World Intellectual Property Organization, after consultation with the interested Governments, in the Arabic, Dutch, German, Italian and Portuguese languages.

(3) The Secretary-General of the United Nations shall notify the Director General of the World Intellectual Property Organization, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director-General of the International Labour Office of:

(*a*) signatures to this Convention;

(*b*) the deposit of instruments of ratification, acceptance or accession;

(*c*) the date of entry into force of this Convention;

(*d*) any declaration notified pursuant to Article 11, paragraph (3);

(*e*) the receipt of notification of denunciation.

(4) The Director General of the World Intellectual Property Organization shall inform the States referred to in Article 9, paragraph (1), of the notifications received pursuant to the preceding paragraph and of any declarations made under Article 7, paragraph (4). He shall also notify the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director-General of the International Labour Office of such declarations.

(5) The Secretary-General of the United Nations shall transmit two certified copies of this Convention to the States referred to in Article 9, paragraph (1).

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Convention.

DONE at Geneva, this twenty-ninth day of October, 1971.

TREATY ON EXTRADITION

BETWEEN THE UNITED STATES OF AMERICA AND ITALY

The PRESIDENT OF THE UNITED STATES OF AMERICA and the PRESIDENT OF THE ITALIAN REPUBLIC, desiring to make more effective the cooperation between the two countries in the repression of crime by making provision for the reciprocal extradition of offenders;

Have decided to conclude a treaty for this purpose and have appointed as their plenipotentiaries:

THE PRESIDENT OF THE UNITED STATES OF AMERICA, H. E. Graham MARTIN, Ambassador of the United States of America, and

THE PRESIDENT OF THE ITALIAN REPUBLIC Senator Professor Giuseppe MEDICI, Minister of Foreign Affairs.

Who, having exchanged their respective full powers, which were found in good and due form, have agreed as follows:

Article I

Each Contracting Party agrees to extradite to the other, in the circumstances and subject to the conditions described in this Treaty, persons found in its territory who have been charged with or convicted of any of the offenses mentioned in Article II of this Treaty committed within the territory of the other or outside thereof under the condtiions specified in Article III of this Treaty.

Article II

Persons shall be delivered up according to the provisions of this Treaty for any of the following offenses provided that these offenses are punishable by the laws of both Contracting Parties and subject to a term of imprisonment exceeding one year:

1. Murder; manslaughter; assault with intent to commit murder.

2. Malicious wounding; inflicting grievous bodily harm.

3. Illegal abortion.

4. Unlawful throwing or application of any corrosive or injurious substances upon the person of another.

5. Rape; indecent assault.

6. Unlawful sexual acts with or upon children under the age specified by the laws of both the requesting and requested parties.

7. Procuration defined as procuring a woman to have unlawful sexual intercourse or to become a prostitute, or living on the earnings of prostitution or exercising control over a prostitute.

8. Child stealing of a minor under the age of fourteen years, willful nonsupport or willful abandonment of a minor under the age of fourteen years when personal injury or death results.

9. Kidnapping; abduction; false imprisonment.

10. Robbery; assault with intent to rob.

11. Burglary; housebreaking.

12. Larceny.

13. Embezzlement.

14. Fraud, including:

a. Obtaining property, money or valuable securities by false pretenses or statements or by threat of force or by defrauding any governmental body, the public, or any person, by deceit, falsehood, use of the mails or other means of communication in connection with schemes intended to deceive or defraud, or other fraudulent means.

b. Fraud by a bailee, banker, agent, factor, trustee, executor, administrator or by a director or officer of any company.

15. Bribery, including soliciting, offering and accepting.

16. Extortion by private or public persons.

17. Receiving or transporting any money, valuable securities or other property knowing the same to have been unlawfully obtained.

18. Forgery and counterfeiting, including:

a. Forgery or uttering what is forged.

b. The forgery or false making of official documents or public records of the government or public authority or the uttering or fraudulent use of the same.

c. The making or the utterance, circulation or fraudulent use of counterfeit money or counterfeit seals, stamps, dies and marks of the government or public authority.

d. Knowingly and without lawful authority, making or having in possession any instrument, tool, or machine adapted and intended for the counterfeiting of money, whether coin or paper.

19. Perjury; false swearing; subornation of perjury.

20. Arson.

21. Any malicious act done with intent to endanger the safety of any person traveling upon a railway, or in any aircraft or vessel or other means of transportation.

22. Piracy by law of nations.

23. Mutiny or revolt on board an aircraft or vessel against the authority of the captain or commander of such aircraft or vessel; any seizure or exercise of control, by force or violence or threat of force or violence, of an aircraft or vessel.

24. Malicious injury to property.

25. Fraudulent bankruptcy.

26. Offenses against the laws relating to narcotic drugs, cannabis sativa L., hallucinogenic drugs, cocaine and its derivatives and other dangerous drugs and chemicals.

27. Offenses against the laws relating to the illicit manufacture of or traffic in substances injurious to health.

28. Offenses against the laws relating to the sale or transportation of securities or commodities.

29. Offenses against the laws relating to firearms, explosives, or incendiary devices.

30. Unlawful obstruction of juridical proceedings or proceedings before governmental bodies or interference with an investitgation of a violation of a criminal statute by the influencing, bribing, impeding, threatening, or the injuring by any means, any officer of the court, juror, witness, or duly authorized criminal investigator.

Extradition shall also be granted for the Italian offense of "associazione per delinquere" if the request establishes the elements of a conspiracy, as defined by the laws of the United States, to commit any of the offenses mentioned in this Article. The requirement that a conspiracy under the laws of the United States be established will be fulfilled when evidence is produced establishing probable cause that two or more persons have conspired to commit any offense in this Article and when one or more of such persons have done any act to effect the object of the conspiracy.

Extradition shall also be granted for attempts to commit, conspiracy to commit, or participation in, any of the offenses mentioned in this Article.

Extradition shall also be granted for the above-mentioned offenses, even when for the sole purpose of recognizing United States Federal jurisdiction, circumstances such as the transportation from one State to another, have been taken into account. By transportation is meant any transport or transfer of persons, articles, or other items.

Article III

A reference in this Treaty to the territory of a Contracting Party is a reference to all the territory under the jurisdiction of that Contracting Party, including airspace and territorial waters and vessels and aircraft registered in that Contracting Party if any such aircraft is in flight or if any such vessel is on the high seas when the offense is committed. For purposes of this Treaty an aircraft shall be considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends.

When the offense has been committed outside the territory of the requesting Party, in the case of a request emanating from Italy, the executive authority of the United States, and in the case of a request emanating from the United States, the competent authority of Italy, shall have the power to grant extradition if the laws of the requested party provide for the punishment of such an offense.

Article IV

A requested Party shall not decline to extradite a person sought because such person is a national of the requested Party.

Article V

Extradition shall be granted only if the evidence be found sufficient, according to the laws of the requested Party, either to justify his committal for trial if the offense of which he is accused had been committed in its territory or to prove that he is the identical person convicted by the courts of the requesting Party.

Article VI

Extradition shall not be granted in any of the following circumstances:

1. When the person whose surrender is sought is being proceeded against or has been tried and discharged or punished in the territory of the requested Party for the offense for which his extradition is requested.

2. When the person whose surrender is sought has been tried and acquitted or has undergone his punishment in a third State for the offense for which his extradition is requested.

3. When the prosecution or the enforcement of the penalty for the offense has become barred by lapse of time according to the laws of the requesting Party or would be barred by lapse of time according to the laws of the requested Party had the offense been committed in its territory.

4. When the offense constitutes an infraction against military law which is not an offense under ordinary criminal law.

5. When the offense for which extradition is requested is of a political character, or if the person whose surrender is sought proves that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character. For the purposes of the application of the present paragraph, the seizure or exercise of control by force or violence or threat of force or violence committed on board an aircraft in flight carrying passengers in scheduled air services or on a charter basis will be presumed to have a predominant character of a common crime when the consequences of the offense were or could have been grave. If any question arises as to whether a case comes within the provisions of this paragraph, the authorities of the Government on which the requisition is made shall decide.

Article VII

If a request for extradition is made under this Treaty for a person who at the time of such request is under the age of eighteen years and is considered by the requested Party to be one of its residents, the requested Party, upon a determination that extradition would disrupt the social readjustment and rehabilitation of that person, may recommend to the requesting Party that the request for extradition be withdrawn, specifying the reasons therefor.

Article VIII

When the offense for which the extradition is requested is punishable by death under the laws of the requesting Party and the laws of the requested Party do not provide for such punishment for that offense, extradition shall be refused unless the requesting Party provides such assurances as the requested Party considers sufficient that the death penalty shall not be imposed, or, if imposed, shall not be executed.

Article IX

When the person whose extradition is requested is being proceeded against or is serving a sentence in the territory of the requested Party for an offense other than that for which extradition has been requested, his surrender may be deferred until the conclusion of the proceedings and the full execution of any punishment he may be or may have been awarded.

ARTICLE X

The determination that extradition should or should not be granted shall be made in accordance with the law of the requested Party and the person whose extradition is sought shall have the right to use all remedies and recourses provided by such law.

Article XI

The request for extradition shall be made through the diplomatic channel.

The request shall be accompanied by a description of the person sought, a statement of the facts of the case, the text of the applicable laws of the requesting Party including the law defining the offense, the law prescribing the punishment for the offense, and the law relating to the limitation of the legal proceedings or the enforcement of the penalty for the offense.

When the request relates to a person who has not yet been convicted, it must also be accompanied by a warrant of arrest issued by a judge or other judicial officer of the requesting Party and by such evidence as, according to the laws of the requested Party, would justify his arrest and committal for trial if the offense had been committed there, including evidence proving that the person requested is the person to whom the warrant of arrest refers.

When the request relates to a person already convicted, it must be accompanied by a judgment of conviction and sentence passed against him in the territory of the requesting Party, by a statement showing how much of the sentence has not been served, and by evidence proving that the person requested is the person to whom the sentence refers.

The warrant of arrest and deposition or other evidence, given under oath, and the judicial documents establishing the existence of the conviction, or certified copies of these documents, shall be admitted in evidence in the examination of the request for extradition when, in the case of a request emanating from Italy, they bear the signature or are accompanied by the attestation of a judge, magistrate or other official or are authenticated by the official seal of the Ministry of Justice and, in any case, are certified by the principal diplomatic or consular officer of the United States in Italy, or when, in the case of a request emanating from the United States, they are signed by or certified by a judge, magistrate or officer of the United States and they are sealed by the official seal of the Department of State. Any deposition or other evidence which has not been given under oath but which otherwise meets the requirements set forth in this paragraph shall be admitted in evidence as a deposition or evidence given under oath when there is an indication that the person, prior to deposing before the judicial authorities of the requesting Party, was informed by those authorities of the penal sanctions to which he would be subject in the case of false or incomplete statements.

Article XII

The executive authority of the United States and the competent authority of Italy shall, in their discretion, have the power to grant extradition of persons in cases of conviction in absentia or in contumacy. The request for extradition of such persons shall be accompanied by evidence establishing probable cause that the offense has been committed by the person sought. Should the law of the requesting Party so provide, such convictions may be treated as final convictions.

The executive authority of the United States and the competent authority of Italy may require information concerning the notification procedure employed in the case of a person whose extradition is requested in accordance with this Article and the procedures, if any, which was available to that person to reopen the judgment of conviction.

Article XIII

In case of urgency a Contracting Party may apply for the provisional arrest of the person sought pending the presentation of the request for extradition through the diplomatic channel. This application may be made either through the diplomatic channel or directly between the Italian Ministry of Grace and Justice and the United States Department of Justice. The application shall contain a description of the person sought, an indication of intention to request the extradition of the person sought, and a statement of the existence of a warrant of arrest or a judgment of conviction, including convictions in absentia and in contumacy, against that person, and such further information, if any, as would be necessary to justify the issue of a warrant of arrest had the offense been committed, or the person sought been convicted, in the territory of the requested Party.

On receipt of such an application the requested Party shall take the necessary steps to secure the arrest of the person claimed.

A person arrested upon such an application shall be set at liberty upon the expiration of forty-five days from the date of his arrest if a request for his extradition accompanied by the documents specified in Article XI shall not have been received. This stipulation shall not prevent the institution of proceedings with a view to extraditing the person sought if the request is subsequently received.

Article XIV

If the requested Party requires additional evidence or information to enable it to decide on the request for extradition, such evidence or information shall be submitted to it within such time as that Party shall require.

If the person sought is under arrest and the additional evidence or information submitted as aforesaid is not sufficient or if such evidence or information is not received within the period specified by the requested Party, he shall be discharged from custody. However, such discharge shall not bar the requesting Party from submitting another request in respect of the same offense.

Article XV

A person extradited under the present Treaty shall not be detained, tried or punished in the territory of the requesting Party for an offense other than that for which extradition has been granted nor be extradited by that Party to a third State unless:

1. He has left the territory of the requesting Party after his extradition and has voluntarily returned to it;

2. After being free to do so, he has not left the territory of the requesting State within forty-five days; or

3. The requested Party has consented to his detention, trial and punishment for an offense other than that for which extradition was granted, or to his extradition to a third State.

These stipulations shall not apply to offenses committed after the extradition.

Article XVI

A requested Party upon receiving two or more requests for the extradition of the same person either for the same offense, or for different offenses, shall determine to which of the requesting States it will extradite the person sought, taking into consideration the circumstances and particularly the possibility of a later extradition between the requesting States, the seriousness of each offense, the place where the offense was committed, the nationality of the person sought, the dates upon which the requests were received and the provisions of any extradition agreements between the requested Party and the other requesting State or States.

Article XVII

The requested Party shall promptly communicate to the requesting Party through the diplomatic channel the decision on the request for extradition.

If a warrant or order for the extradition of a person sought has been issued by the competent authority and he is not removed from the territory of the requested Party within such time as may be prescribed by the laws of that Party, he may be set at liberty and the requested Party may subsequently refuse to extradite that person for the same offense.

Article XVIII

To the extent permitted under the law of the requested Party and subject to the rights of third parties, which shall be duly respected, all articles acquired as a result of the offense or which may be required as evidence shall, if found, be surrendered if extradition is granted.

Subject to the qualifications of the first paragraph, the abovementioned articles shall be returned to the requesting Party even if the extradition, having been agreed to, cannot be carried out owing to the death or escape of the person sought.

Article XIX

The right to transport through the territory of one of the Contracting Parties a person surrendered to the other Contracting Party by a third State shall be granted on request made through the diplomatic channel provided that conditions are present which would warrant extradition of such person by the State of transit and reasons of public order are not opposed to the transit.

The Party to which the person has been extradited shall reimburse the Party through whose territory such person is transported for any expenses incurred by the latter in connection with such transportation.

Article XX

Expenses related to the translation of documents and to the transportation of the person sought shall be paid by the requesting State.

The appropriate legal officers of the United States shall, by all legal means within their power, assist Italy before its respective judges and magistrates and, reciprocally, Italy undertakes to represent the interests of the United States by all legal means envisaged by its legal system.

No pecuniary claim, arising out of the arrest, detention, examination and surrender of persons sought under the terms of this Treaty, shall be made by the requested State against the requesting State.

Article XXI

This Treaty shall apply to offenses mentioned in Article II committed before as well as after the date this Treaty enters into force, provided that no extradition shall be granted for an offense committed before the date this Treaty enters into force which was not an offense under the laws of both Contracting Parties at the time of its commission.

Article XXII

This Treaty shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

This Treaty shall enter into force upon the exchange of instruments of ratification. It may be terminated by either Contracting Party giving notice of termination to the other Contracting Party at any time and the termination shall be effective six months after the date of receipt of such notice.

This Treaty shall terminate and replace the extradition convention between the United States and Italy signed at Washington, March 23, 1868, as amended and supplemented by the conventions signed January 21, 1869 and June 11, 1884, respectively, as well as the agreement effected by exchange of notes of April 16 and 17, 1946.

IN WITNESS WHEREOF the Plenipotentiaries have signed this Treaty and have hereunto affixed their seals.

DONE in duplicate, in the English and Italian languages, both equally authentic, at Rome this eighteenth day of January, one thousand nine hundred seventy three.

For the United States of America

GRAHAM MARTIN.

For the Italian Republic

MEDICI.

TREATY ON EXTRADITION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The United States of America and the Republic of Paraguay, desiring to make more effective the cooperation of the two countries in the repression of crime, agree as follows:

ARTICLE 1

The Contracting Parties agree to extradite on a reciprocal basis to the other, in the circumstances and subject to the conditions established in this Treaty, persons found in the territory of one of the Parties who have been charged with or convicted by the judicial authorities of the other of the offenses mentioned in Article 2 of this Treaty committed within the territory of such other, or outside thereof under the conditions specified in Article 3.

ARTICLE 2

Persons shall be delivered up according to the provisions of this Treaty for any of the following offenses provided that these offenses are punishable by the laws of both Contracting Parties by deprivation of liberty for a period exceeding one year:

1. Murder or manslaughter.
2. Abortion.
3. Aggravated injury or mutilation; assault.
4. Illegal use of arms.
5. Willful abandonment of a child or spouse when for that reason the life of that child or spouse is or is likely to be endangered or death results.
6. Rape; statutory rape; indecent assault; corruption of minors, including unlawful sexual acts with or upon minors under the age specified by the penal laws of both Contracting Parties.
7. Procuration; promoting or facilitating prostitution.
8. False imprisonment; abduction or child stealing; kidnapping.
9. Robbery or larceny or burglary.
10. Extortion or threats.
11. Bigamy.
12. Fraud; embezzlement or breach of fiduciary relationships; obtaining money, valuable securities or property, by false pretenses or by other fraudulent means including the use of the mails or other means of communication.
13. Unlawful manufacture, use, distribution, supply, acquisition or possession, or theft of bombs, apparatus capable of releasing nuclear energy, explosive or toxic materials. asphyxiating or flammable materials.
14. Offenses that endanger the safety of means of transportation or communications, including any act that endangers any person on a means of transportation.
15. Piracy and any act of mutiny or revolt on board an aircraft or vessel against the authority of the captain or commander of such aircraft or vessel, any seizure or exercise of control, by force or violence or threat of force or violence, of an aircraft or vessel.
16. Offenses against public health.
17. Unlawful introduction or importation, exportation, fabrication, production, preparation, sale, delivery or supply of narcotic drugs, psychotropic drugs, cocaine and its derivatives and other dangerous drugs including cannabis sativa L., and chemicals or substances injurious to health or of primary materials designed for such fabrication.
18. Introduction, export, fabrication, transportation, sale or transmission, use, possession or stockpiling of explosives, offensive chemicals or similar materials, substances or instruments designed for such fabrication, arms, munitions, nuclear elements and other materials considered war material, other than such acts legally provided for or properly authorized.
19. Bribery, including soliciting, offering and accepting.
20. Malversation.
21. False statements, accusations or testimony effected before a government agency or official.
22. Counterfeiting or forgery of money, bank bills, negotiable instruments whether bearer or not, documents, of credit, seals, stamps, marks, and public and private instruments.
23. Execution or issuance of checks without sufficient funds.
24. Smuggling.
25. The acquisition, receipt or concealment of money, objects or valuables, knowing the article is the result of a crime.
26. Arson; malicious or willful injury to property.
27. Any offense against the bankruptcy laws.
28. Offenses against the law relating to the sale or transportation or purchase of securities or agricultural futures.
29. Unlawful interference in any administrative or juridical proceeding by bribing, threatening, or injury by any means, any officer, juror, witness or duly authorized person.
30. Assault upon a public official.

Extradition shall also be granted for participation in any of the offenses mentioned in this Article, not only as principal or accomplices, but as accessories, as well as for attempt to commit or conspiracy to commit any of the aforementioned offenses when such participation, attempt or conspiracy is subject, under the laws of both Parties, and in accordance with the principles of the penal code containing the lesser penalty, to a term of imprisonment exceeding one year.

If extradition is requested for any offense mentioned in the first or second paragraphs of this Article and that offense is punishable under the laws of both Contracting Parties by a term of imprisonment exceeding one year, such offense shall be extraditable whether or not the laws of both Contracting Parties would place that offense within the same category of offenses made extraditable by the first or second paragraphs of this Article and whether or not the laws of the Requested State denominate the offense by the same terminology.

Extradition shall also be granted for any offense against a federal law of the United States in which one of the above-mentioned offenses is a substantial element, even if transporting, transportation, the use of the mails or interstate facilities are also elements of the specific offense.

In the case in which a person has already been sentenced, extradition will be granted only if the sentence imposed or remaining to be served is a minimum of one year of imprisonment.

ARTICLE 3

For the purposes of this Treaty, the territory of a Contracting Party shall include all territory under the jurisdiction of that Contracting Party, including airspace and territorial waters and vessels and aircraft registered in that Contracting Party if any such aircraft is in flight or if any such vessel is on the high seas when the offense is committed. For purposes of this Treaty an aircraft shall be considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends. The aforementioned provisions do not exclude the application of penal jurisdiction exercised in accord with the legislation of the Requested Party.

When the offense for which extradition has been requested has been committed outside the territory of the Requesting Party, the Requested Party may grant the request provided that the laws of the Requested Party provide for the punishment of such an offense committed in similar circumstances.

ARTICLE 4

Notwithstanding the general principle contained in Article 1, the Contracting Parties shall not be bound to grant extradition of their own nationals, but the executive authority of the United States or the competent authority of the Republic of Paraguay shall have the power to deliver them up, if, in its discretion, it be deemed proper to do so.

If the request for extradition is denied on the basis of nationality, the person claimed shall be tried by the Requested Party for the offense on which the request for extradition was based, unless that offense is not punishable under its own laws or the Requested Party lacks appropriate jurisdiction.

The status of nationality shall be determined by the laws of the Requested Party.

ARTICLE 5

Extradition shall not be granted in any of the following circumstances:

1. When the person whose surrender is sought is being proceeded against or has been tried and discharged or punished in the territory of the Requested Party for the offense for which his extradition is requested.
2. When the person whose surrender is

sought has been tried and acquitted or has undergone his punishment in a third State for the offense for which his extradition is requested.

3. When the prosecution or the enforcement of the penalty for the offense has become barred by lapse of time according to the laws of either of the Contracting Parties.

4. When the offense for which the extradition is requested is of a political character, or connected with such an offense, or the person whose extradition has been requested proves that the extradition request has been made for the purpose of trying or punishing him for an offense of the above-mentioned character. In either case, the final judgment as to the application of this subparagraph shall rest with the Requested Party.

The provisions of subparagraph 4 of this Article shall not be applicable to the following:

(*a*) An attempt, whether consummated or not, against the life, the physical integrity or the liberty of the Head of State of either Contracting Party or of a member of the Cabinet of the Government of the United States of America or a Minister of the Government of the Republic of Paraguay or a member of the respective family.

(*b*) A kidnapping, murder or other assault against the life or physical integrity of a person to whom a Contracting Party has the duty according to international law to give special protection, or any attempt to commit such an offense with respect to any such person.

(*c*) An offense committed by force or threat of force on board a commercial aircraft carrying passengers in scheduled air services or on a charter basis.

5. When the offense in respect of which the extradition is requested is a military offense and does not fall within the jurisdiction of ordinary criminal law.

ARTICLE 6

When the person whose extradition is requested is, at the time of the presentation of the request for extradition, under the age of 18 years and has permanent residence in the territory of the Requested Party and the competent authorities determine that extradition would prejudice the social readjustment and rehabilitation of that person, the Requested Party may suggest to the Requesting Party that the request for extradition be withdrawn, specifying the reasons therefor.

ARTICLE 7

When the offense for which the extradition is requested is punishable by death under the laws of the Requesting Party, extradition shall be denied unless the Requesting Party provides such assurances as the Requested Party considers sufficient that the death penalty shall not be imposed, or, if imposed, shall not be executed.

ARTICLE 8

When the person whose extradition is requested is at the time of the receipt of the request for extradition being proceeded against or is serving a sentence in the territory of the Requested Party for an offense other than that for which extradition has been requested, his surrender may be deferred until the conclusion of the proceedings and, in the case of a conviction, until the full execution of any punishment he may be or may have been awarded.

ARTICLE 9

The determination that extradition should or should not be granted shall be made in accordance with this Treaty and the law of the Requested Party. The person whose extradition is sought shall have the right to use such remedies and recourses as are provided by the law of the Requested Party.

ARTICLE 10

1. The request for extradition shall be made through the diplomatic channel.

2. The request shall be accompanied by:

(*a*) A statement of the facts of the case.

(*b*) The data necessary to prove the identity of the person whose extradition is sought including, when possible, photographs and fingerprints.

(*c*) The text of the applicable laws, including the laws defining the offense, the law prescribing the punishment for the offense and the laws relating to the limitation of the legal proceedings or the enforcement of the legal penalty for the offense.

3. When the request relates to a person who has not yet been convicted it must be accompanied by a warrant of arrest issued by a judge or other judicial officer of the Requesting Party.

The Requested Party may require the Requesting Party to produce evidence to establish prima facie that the person claimed has committed the offense for which extradition is requested. The Requested Party may refuse the extradition request if an examination of the case in question shows that the warrant is manifestly ill-founded.

4. When the request relates to a person already convicted, it shall be accompanied by:

(*a*) When emanating from the United States, a copy of the judgment of conviction and of the sentence if it has been passed.

(*b*) When emanating from the Republic of Paraguay, a copy of the sentence.

In a case envisioned in this paragraph, a certification showing that the sentence has not been served or how much of the sentence has not been served shall also be sent to the Requested Party.

5. The documents which, according to this Article, shall accompany the extradition request, shall be admitted in evidence when:

(*a*) In the case of a request emanating from the United States, they are signed by a judge, magistrate or officer of the United States, authenticated by the official seal of the Department of State and certified by the competent diplomatic or consular officer of the Republic of Paraguay in the United States.

(*b*) In the case of a request emanating from the Republic of Paraguay, they are signed by a judge or other judicial authority and are legalized by the competent diplomatic or consular officer of the United States in the Republic of Paraguay.

6. All the documents mentioned in this Article shall be accompanied by a translation into the language of the Requested Party which will be at the expense of the Requesting Party.

ARTICLE 11

In case of urgency the Contracting Parties may request, through their respective diplomatic agents, the provisional arrest of an accused as well as the seizure of objects relating to the offense of which he has been accused and which objects are in the possession of the accused or of his agent, associate, or representative, and the location of which has been identified by the Requesting Party. The Requesting Party shall support a request for objects by evidence showing the relationship of the objects to the offense charged. The Requested Party may decline this request if it appears that the interest of innocent third parties has intervened.

The request for provisional arrest shall be granted if it contains a declaration of the existence of one of the documents enumerated in Article 10, paragraphs 3 and 4, the description of the person sought and the offense for which he has been charged.

If, within forty-five calendar days from the date of provisional arrest, the Requesting Party fails to present the formal request for extradition to the Ministry of Foreign Relations in a request emanating from the United States of America or to the Department of State in a request emanating from the Republic of Paraguay, supported by the documents required by Article 10, the person claimed shall be released and a new request based on the same offense shall be admitted only if a formal request for extradition is presented with all the requirements enumerated in Article 10.

ARTICLE 12

If the Requested Party requires additional evidence or information to enable it to decide on the request for extradition, such evidence or information shall be submitted to it within such time as that Party shall require.

If the person sought is under arrest and the additional evidence or information submitted as aforesaid is not sufficient or if such evidence or information is not received within the period specified by the Requested Party, he shall be discharged from custody. Such discharge shall not bar the Requesting Party from submitting another request in due form in respect of the same or any other offense.

ARTICLE 13

A person extradited under the present Treaty shall not be detained, tried or punished in the territory of the Requesting Party for an offense other than that for which extradition has been granted nor be extradited by that Party to a third State unless:

1. Upon being released, he remains in the territory of the Requesting Party for more than thirty days counting from the date his release was granted;

2. He has left the territory of the Requesting Party after his extradition and has voluntarily returned to it; or

3. The Requested Party has consented to his detention, trial or punishment for an offense other than that for which extradition was granted or has consented to his extradition to a third State provided such other offense is included in Article 2 of this Treaty.

For the purposes of subparagraphs 1 and 2 of this Article, the person extradited must be formally advised at the time he is released in the territory of the Requesting Party of the possible consequences if he remains in the territory of that Party.

The stipulations of subparagraphs 1, 2, and 3 of this Article shall not apply to offenses committed after the extradition.

ARTICLE 14

The Requested Party upon receiving two or more requests for the extradition of the same person, either for the same offense or for different offenses, shall determine to which of the Requesting States it will grant extradition, taking into consideration all the circumstances of the case and, particularly, the possibility of a later extradition between the Requesting States, the seriousness of each offense, the place where the offense was committed, the nationality of the person sought, the dates upon which the requests were received and the provisions of any extradition agreements between the Requested Party and the other Requesting States.

ARTICLE 15

The Requesting Party shall promptly communicate to the Requesting Party through the diplomatic channel the decision on the request for extradition.

If a warrant or order for the extradition of a person sought has been issued by the competent authority and he is not removed from the territory of the Requested Party within thirty days from the date of said communication, he shall be set at liberty and the Requested Party may subsequently refuse to extradite that person for the same offense.

ARTICLE 16

To the extent permitted under the law of the Requested Party and subject to the rights of third Parties, which shall be duly respected, all articles, objects of value or documents relating to the offense, whether acquired as a result of the offense or used for its execution, or which in any other manner may be material evidence for the prosecution, shall, if found, be surrendered upon the granting of the extradition even when extradition cannot be effected due to the death or disappearance of the accused.

ARTICLE 17

Transit through the territory of one of the Contracting Parties of a person surrendered to the other Contracting Party by a third State shall be granted on request made through the diplomatic channel, which request shall be accompanied by a copy of the warrant or order of extradition, provided that conditions are present which would warrant extradition of such person by the State of transit and reasons of public order are not opposed to the transit.

The Requesting Party shall reimburse the State of transit for any expenses incurred in connection with such transportation.

ARTICLE 18

Expenses related to the translation of documents and to the transportation of the person sought shall be paid by the Requesting Party. The appropriate legal officers of the country in which the extradition proceedings take place shall, by all legal means within their power, assist the Requesting Party before the respective judges and magistrates.

No pecuniary claim arising out of the arrest, detention, examination and surrender of persons sought under the terms of this Treaty shall be made by the Requested Party against the Requesting Party.

ARTICLE 19

This Treaty shall apply to offenses specified in Article 2 committed before as well as after the date this Treaty enters into force, provided that no extradition shall be granted for an offense committed before the date this Treaty enters into force which was not an offense under the laws of both Contracting Parties at the time of its commission.

ARTICLE 20

This Treaty shall be subject to ratification and shall enter into force the day of the exchange of the instruments of ratification which will take place in Washington.

It may be terminated at any time by either Contracting Party by prior notification to the other Contracting Party, and termination shall become effective six months after the date such notification is received.

This Treaty shall terminate and supersede the Extradition Treaty between the United States of America and the Republic of Paraguay done at Asunción on March 26, 1913.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Treaty.

Done in duplicate, in the English and Spanish languages, both equally authentic, at the City of Asunción, this twenty-fourth day of May, one thousand nine hundred seventy-three.

For the United States of America:
GEORGE W. LANDAU,
Ambassador Extraordinary
and Plenipotentiary.
For the Republic of Paraguay:
RAUL SAPENA PASTOR.
Minister of Foreign Relations.

TREATY ON EXTRADITION AND COOPERATION IN PENAL MATTERS BETWEEN THE UNITED STATES OF AMERICA AND THE ORIENTAL REPUBLIC OF URUGUAY

The United States of America and the Oriental Republic of Uruguay, desiring to make more effective the cooperation of the two countries in the repression of crime, agree as follows:

ARTICLE 1

The Contracting Parties agree to extradite on a reciprocal basis to the other, in the circumstances and subject to the conditions established in this Treaty, persons found in the territory of one of the Parties who have been charged with or convicted by the judicial authorities of the other of the offenses mentioned in Article 2 of this Treaty committed within the territory of such other, or outside thereof under the conditions specified in Article 3.

ARTICLE 2

Persons shall be delivered up according to the provisions of this Treaty for any of the following offenses provided that these offenses are punishable by the laws of both Contracting Parties by deprivation of liberty for a maximum period exceeding one year:

1. Murder or manslaughter.

2. Abortion.

3. Aggravated injury or mutilation or assault.

4. Illegal use of arms.

5. Willful abandonment of a child or spouse when for that reason the life of that child or spouse is or is likely to be endangered or death results.

6. Rape; statutory rape; indecent assault; corruption of minors, including unlawful sexual acts with or upon minors under the age specified by the penal laws of both Contracting Parties.

7. Procuration; promoting or facilitating prostitution.

8. False imprisonment; abduction or child stealing; kidnapping.

9. Robbery or larceny or burglary.

10. Extortion or threats.

11. Bigamy.

12. Fraud; embezzlement or breach of fiduciary relationships; obtaining money, valuable securities or property, by false pretenses or by other fraudulent means including the use of the mails or other means of communication.

13. Unlawful manufacture, use, distribution, supply, acquisition or possession, or theft of bombs, apparatus capable of releasing nuclear energy, explosive or toxic materials, asphyxiating or flammable materials.

14. Offenses that endanger the safety of means of transportation or communication, including any act that endangers any person on a means of transportation.

15. Piracy and any act of mutiny or revolt on board an aircraft or vessel against the authority of the captain or commander of such aircraft or vessel, any seizure or exercise of control, by force or violence or threat of force or violence, of an aircraft or vessel.

16. Offenses against public health.

17. Unlawful introduction or importation, exportation, fabrication, production, preparation, sale, delivery or supply of narcotic drugs, psychotropic drugs, cocaine and its derivatives and other dangerous drugs including cannabis sativa L, and chemicals or substances injurious to health or of primary materials designed for such fabrication.

18. Introduction, export, fabrication, transportation, sale or transmission, use, possession or stockpiling of explosives, offensive chemicals or similar materials, substances or instruments designed for such fabrication, arms, munitions, nuclear elements and other materials considered war material, other than such acts legally provided for or properly authorized.

19. Bribery, including soliciting, offering and accepting.

20. Malversation.

21. False statements, accusations or testimony effected before a government agency or official.

22. Counterfeiting or forgery of money, bank bills, bonds, documents of credit, seals, stamps, marks, and public and private instruments. For the purpose of this offense, holographic wills, sealed wills, checks, letters of exchange and negotiable or bearer documents shall be considered public instruments.

23. Issuance, acceptance or endorsement of receipts which do not conform, totally or partially, to purchases and sales actually performed.

24. Execution or issuance of checks without sufficient funds.

25. Smuggling.

26. The acquisition, receipt or concealment of money, objects or valuables, knowing the article is the result of a crime, whether or not the receiver participated in such crime or intervened pursuant to an agreement preceding the offense.

27. Arson; malicious or willful injury to property.

28. An offense against any law relating to the protection of the life or health of persons from contaminated or poisoned water, substances or products.

29. Any offense against the bankruptcy laws.

30. Industrial or commercial fraud, including:

(a) The raising or lowering the price of merchandise, public funds or negotiable instruments through the use of false information, simulated negotiations, meetings or coalitions, for the purpose of not selling certain merchandise or of selling at a fixed price.

(b) The offering of public funds or stocks or financial obligations of the corporations, companies, partnerships, or corporate bodies, dissimulating or concealing facts or true circumstances or affirming or expressing false statements or circumstances.

(c) The publishing or authorizing of false or incomplete inventories, accounts, profit and loss statements, reports or statements or informing a meeting of partners by falsehood or the withholding of information about important facts needed to understand the economic condition of a firm, for whatever end.

In the case of subparagraph (a) and (b) of this item, the offense can be committed by any individual as well as by members of corporations or partnerships of any nature. In the supposition of subparagraph (c) of this item, the offense must necessarily have been committed by incorporators, directors, administrators, liquidators or trustees of incorporated entities, cooperatives or other joint companies.

31. Assault upon a public official.

32. Unlawful interference in any administrative or judicial proceeding by bribing, threatening, or injury by any means, any officer, juror, witness or duly authorized person.

Extradition shall also be granted for participation in any of the offenses mentioned in this Article, not only as principal or accomplices, but as accessories, as well as for attempt to commit or conspiracy to commit any of the aforementioned offenses, when such participation, attempt or conspiracy is subject, under the laws of both Parties, to a term of imprisonment exceeding one year.

If extradition is requested for any offense mentioned in the first or second paragraphs of this Article and that offense is punishable under the laws of both Contracting Parties by a term of imprisonment exceeding one year, such offense shall be extraditable under the provisions of this Treaty whether or not the laws of both Contracting Parties would place that offense within the same category of offenses made extraditable by the first or second paragraphs of this Article and whether or not the laws of the requested Party denominate the offense by the same terminology.

Extradition shall also be granted for any offense against a federal law of the United States in which one of the above-mentioned offenses is a substantial element, even if transporting, transportation, the use of the mails or interstate facilities are also elements of the specific offense.

In the case in which a person has already been sentenced, extradition will be granted only if the sentence imposed or remaining to be served is a minimum of one year of imprisonment.

ARTICLE 3

For the purposes of this Treaty, the territory of a Contracting Party shall include all the territory under the jurisdiction of that Contracting Party, including airspace and territorial waters and vessels and aircraft registered in that Contracting Party if any such aircraft is in flight or if any such vessel is on the high seas when the offense is committed. For purposes of this Treaty an aircraft shall be considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends. The aforementioned provisions do not exclude the application of penal jurisdiction exercised in accord with the legislation of the requested Party.

When the offense for which extradition has been requested has been committed outside the territory of the requesting Party, extradition may be granted if the laws of the requested Party provide for the punishment of such an offense committed in similar circumstances.

ARTICE 4

A requested Party shall not decline to extradite a person sought because such person is a national of the requested Party.

ARTICLE 5

Extradition shall not be granted in any of the following circumstances:

1. When the person whose surrender is sought is being proceeded against or has been tried and discharged or punished in the territory of the requested Party for the offense for which his extradition is requested.

2. When the person whose surrender is sought has been tried and acquitted, or has undergone his punishment in a third State for the offense for which his extradition is requested.

3. When the prosecution or the enforcement of the penalty for the offense has become barred by lapse of time according to the laws of either of the Contracting Parties.

4. When the offense for which the extradition is requested is of a political character, or the person whose extradition has been requested proves that the extradition request has been made for the purpose of trying or punishing him for an offense of the above-mentioned character. In either case, the final judgment as to the application of this subparagraph shall rest with the requested Party.

The provisions of subparagraph 4 of this Article shall not be applicable to the following:

(a) An attempt, whether consummated or not, against the life, the physical integrity or the liberty of the Head of State of either Contracting Party or of a member of the Cabinet of the Government of the United States of America or a Minister of the Government of the Oriental Republic of Uruguay or a member of the respective family.

(b) A kidnapping, murder or other assault against the life or physical intergrity of a person to whom a Contracting Party has the duty according to international law to give special protection, or any attempt to commit such an offense with respect to any such person.

(c) An offense committed by force or threat of force on board a commercial aircraft carrying passengers in scheduled air services or on a charter basis.

ARTICLE 6

When the person whose extradition is requested is, at the time of the presentation of the request for extradition, under the age of 18 years and has permanent residence in the requested Country and the competent authorities of that Country determine that extradition would prejudice the social readjustment and rehabilitation of that person, the requested Party may suggest to the requesting Party that the request for extradition be withdrawn, specifying the reasons therefor.

The provisions of the preceding paragraph will be applicable only in the case in which the person sought is subject to prosecution in accordance with the laws of the requested Party.

ARTICLE 7

When the offense for which the extradition is requested is punishable by death under the laws of the requesting Party, and the laws of the requested Country do not permit the death penalty for that offense, extradition may be refused unless the requesting Party provides such assurances as the requested Party considers sufficient that the death penalty shall not be imposed, or, if imposed, shall not be executed.

ARTICLE 8

When the person whose extradition is requested is being proceeded against or is serving a sentence in the territory of the requested Party for an offense other than that for which extradition has been requested, his surrender may be deferred until the conclusion of the proceedings and, in the case of a conviction, until the full execution of any punishment he may or may have been awarded.

ARTICLE 9

The determination that extradition should or should not be granted shall be made in accordance with this Treaty and the law of the requested Party. The person whose extradition is sought shall have the right to use such remedies and recourses as are provided by the law of the requested Party.

ARTICLE 10

1. The request for extradition shall be made through the diplomatic channel.

2. The request shall be accompanied by:

(a) A statement of the facts of the case.

(b) The data necessary to prove the identity of the person whose extradition is sought including, when possible, photographs and fingerprints.

(c) The text of the applicable laws, including the laws defining the offense and the laws relating to the limitation of the legal proceedings or the enforcement of the legal penalty for the offense.

3. When the request relates to a person who has not yet been convicted, it must be accompanied by a warrant of arrest issued by a judge or other judicial officer of the requesting Party.

The requested Party may require the requesting Party to produce evidence to establish probable cause that the person claimed has committed the offense for which extradition is requested. The requested Party may refuse the extradition request if an examination of the case in question shows that the warrant is manifestly ill-founded.

4. When the request relates to a person already convicted, it shall be accompanied by the following:

(a) When emanating from the United States of America, a copy of the judgment of conviction and of the sentence if it has been passed.

(b) When emanating from the Oriental Republic of Uruguay, a copy of the sentence.

In a case envisioned in this paragraph, a certification showing that the sentence has not been served or how much of the sentence has not been served shall also be sent to the requested Party.

5. The documents which, according to this Article, shall accompany the extradition request, shall be admitted in evidence when:

(a) In the case of a request emanating from the United States of America, they are signed by a judge, magistrate or officer of the United States of America, authenticated by the official seal of the Department of State and certified by the principal diplomatic or consular officer of the Oriental Republic of Uruguay in the United States of America.

(b) In the case of a request emanating from the Oriental Republic of Uruguay they are signed by a judge or other judicial authority and are legalized by the principal diplomatic or consular officer of the United States of America in the Oriental Republic of Uruguay.

6. All the documents mentioned in this Article shall be accompanied by a translation into the language of the requested Party which will be at the expense of the requesting Party.

ARTICLE 11

In case of urgency the Contracting Parties may request, through their respective diplomatic agents or by direct communication between the Department of Justice of the United States and the Ministry of the Interior of the Oriental Republic of Uruguay, the provisional arrest of an accused as well as the seizure of objects relating to the offense of which he has been accused and which objects are in the possession of the accused or of his associate or representative, and the location of which has been identified by the requesting Party. The requesting Party shall support a request for objects by evidence showing the relationship of the objects to the offense charged. The requested Party may decline this request if it appears that the interest of innocent third parties has intervened.

The request for provisional arrest shall be granted if it contains a declaration of the existence of one of the documents enumerated in Article 10, paragraphs 3 and 4, the description of the person sought and the offense for which he has been charged.

If, within forty-five calendar days from the date of provisional arrest, the requesting Party fails to present the formal request for extradition to the Department of State in a request emanating from the Oriental Republic of Uruguay, or to the Ministry of Foreign Affairs in a request emanating from the United States of America, supported by the documents required by Article 10, the person claimed shall be released and a new request based on the same offense shall be admitted only if a formal request for extradition is presented with all the requirements enumerated in Article 10.

ARTICLE 12

If the requested Party requires additional evidence or information to enable it to decide on the request for extradition, such evidence or information shall be submitted to it within such time as that Party shall require.

If the person sought is under arrest and the additional evidence or information submitted as aforesaid is not sufficient or if such evidence or information is not received within the period specified by the requested Party, he shall be discharged from custody. Such discharge shall not bar the requesting Party from submitting another request in due form in respect of the same or any other offense.

ARTICLE 13

A person extradited under the present Treaty shall not be detained, tried or punished in the territory of the requesting Party for an offense other than that for which extradition has been granted nor be extradited by that Party to a third State unless:

1. If, upon being released, he remains in the territory of the requesting Party for more than thirty days counting from the date his release was granted; or

2. When, having left the territory of the requesting Party after his extradition, he has voluntarily returned to it;

3. When the requested Party has manifested its consent to his detention, trial or pun-

ishment for an offense other than that for which extradition was granted or to his extradition to a third State provided such other offense is covered by Article 2.

For the purposes of subparagraphs 1 and 2 of this Article, the person extradited must be formally advised at the time he is released in the requesting Party of the possible consequences if he remains in the territory of that Party.

The stipulations of subparagraphs 1, 2 and 3 of this Article shall not apply to offenses committed after the extradition.

Article 14

The requested Party upon receiving two or more requests for the extradition of the same person, either for the same offense or for different offenses, shall determine to which of the requesting States it will grant extradition, taking into consideration all the circumstances of the case and, particularly, the possibility of a later extradition between the requesting States, the seriousness of each offense, the place where the offense was committed, the nationality of the person sought, the dates upon which the requests were received and the provisions of any extradition agreements between the requested Party and the other requesting States.

Article 15

The requested Party shall promptly communicate to the requesting Party through the diplomatic channel the decision on the request for extradition.

If a warrant or order for the extradition of a person sought has been issued by the competent authority and he is not removed from the territory of the requested Party within thirty days from the date of said communication, he shall be set at liberty and the requested Party may subsequently refuse to extradite that person for the same offense.

Article 16

To the extent permitted under the law of the requested Party and subject to the rights of third Parties, which shall be duly respected, all articles, objects of value or documents relating to the offense, whether acquired as a result of the offense or used for its execution, or which in any other manner may be material evidence for the prosecution, shall, if found, be surrendered upon the granting of the extradition even when extradition cannot be effected due to the death or disappearance of the accused.

Article 17

Transit through the territory of one of the Contracting Parties of a person surrendered to the other Contracting Party by a third State shall be granted on request made through the diplomatic channel, which request shall be accompanied by a copy of the warrant or order of extradition, provided that conditions are present which would warrant extradition of such person by the State of transit and reasons of public order are not opposed to the transit.

The requesting Party shall reimburse the State of transit for any expenses incurred in connection with such transportation.

Article 18

Expenses related to the translation of documents and to the transportation of the person sought shall be paid by the requesting Party. The appropriate legal officers of the country in which the extradition proceedings take place shall, by all legal means within their power, assist the requesting Party before the respective judges and magistrates.

No pecuniary claim arising out of the arrest, detention, examination and surrender of persons sought under the terms of this Treaty shall be made by the requested Party against the requesting Party.

Article 19

In order to cooperate in the prevention and repression of crime, subject to their respective national laws the Contracting Parties agree as follows:

1. To exchange information and to consider the most efficient administrative techniques for the prevention and repression of crime;
2. To expedite as rapidly as possible requests in connection with those offenses listed in this Treaty;
3. To exchange statistical data and the results of research in the field of criminology.

The PRESIDING OFFICER. If there be no objection, Executive O. Executive J, Executive G. Executive M. Executive S, and Executive K, all of the 93d Congress, first session, will be considered as having passed through their various parliamentary stages up to and including the presentation of resolutions of ratification, which will be read for the information of the Senate.

The resolution of ratification of Executive O was read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Coffee Agreement 1968, As Extended, adopted by the International Coffee Council in its Resolution No. 264 of April 14, 1973 (Ex. O, 93–1).

The resolution of ratification of Executive J was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Agreement between the United States of America and Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, signed at Ottawa on February 26, 1973 (Ex. J, 93–1).

The resolution of ratification of Executive G was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of their Phonograms, done at Geneva October 29, 1971 (Ex. G. 93–1).

The resolution of ratification of Executive M was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition between the United States of America and Italy, signed at Rome on January 18, 1973 (Ex. M, 93–1).

The resolution of ratification of Executive S was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition between the United States of America and the Republic of Paraguay, signed at Asunción on May 24, 1973 (Ex. S, 93–1).

The resolution of ratification of Executive K was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition and Cooperation in Penal Matters between the United States of America and the Oriental Republic of Uruguay, signed at Washington on April 6, 1973 (Ex. K, 93–1).

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executive O (No. 93–16), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Excerpt from Report on Executive O—No. 93–16]

MAIN PURPOSE OF THE AGREEMENT

The main purpose of the agreement is to extend the International Coffee Agreement of 1968 for an additional period of two years, with substantial modifications. The extension will keep the structure of the International Coffee Organization intact until September 30, 1975, but the substantive economic provisions of the Coffee Agreement will lapse.

BACKGROUND

The International Coffee Agreement was negotiated in 1962 and came into force in 1963 in response to pressures from the coffee-producing countries of Latin America and Africa at a time of sagging coffee prices and burdensome surpluses. It was designed to stabilize the world price of coffee by assigning quotas to exporting countries. In 1968, the Agreement was renegotiated and extended for a period of five years, to September 30, 1973. The 1968 Agreement included new provisions designed to reduce the dependence of producing countries on coffee as a source of foreign exchange by encouraging diversification of their agriculture. To this end, a Coffee Diversification Fund was established to be financed by producing countries through a contribution of a stated amount per bag of their coffee exports. There was also established a World Coffee Promotion Committee.

During the 1960's, the Agreement achieved a degree of success in bolstering coffee prices. In the early 1970's, due mainly to bad weather in Brazil, the international coffee market changed drastically, shifting from a situation of surplus to one of shortage, and prices rose. (The price of Brazilian Santos No. 4 coffee in New York on September 21, 1973, for example, was 70 cents a pound, compared to 57 cents a year before.) A dispute arose between importing countries, which wanted to increase export quotas, and producing countries, which wanted to maintain the status quo. A sub-issue was a dispute among producing countries themselves, mainly between Brazil and Colombia (the two biggest producers) on one side, and the African producers on the other. Brazil, which had been so hard hit by the weather that it no longer had surplus stocks and was barely able to meet its commitments, and to a lesser extent Colombia were fearful that an increase in quotas would result in Africa capturing a larger share of the world market. African coffee was already becoming more competitive in the world market because of the growing use of instant coffee, most of which is made from African grades.

In any event, in prolonged meetings in late 1972, the International Coffee Council was unable to agree on quotas for the balance of the 1972–73 coffee year (ending September 30, 1973) and the operative provisions of the Coffee Agreement became, for practical purposes, a dead letter. It was apparent that efforts to negotiate a substantive extension of the Agreement would be fruitless, but at the same time it was felt that the International Coffee Council should be kept in being, both as a forum for future negotiations should the world coffee situation change and, in the meantime, as a mechanism for gathering and reporting coffee statistics. Therefore, on April 14, 1973, the Coffee Council approved a resolution extending the 1968 Agreement, with substantial modification, for a two-year period from September 30, 1973 to September 30, 1975.

PROVISIONS OF THE AGREEMENT AS EXTENDED

There is appended to this report the complete text of the 1968 Agreement with changes made by the 1973 extension. The most important of these changes are as follows:

1. As a reflection of the development of the European Economic Community, provision is made for that Community or comparable intergovernmental organizations to act as a single member of the Agreement.

2. The original Agreement provided that exporting members, as a group, would have 1000 votes and that importing members, as a group, would have 1000 votes. Decisions can be taken only by a majority (or in some cases, two-thirds) of each group. Voting power among exporting countries was proportional to their qoutas. Since there are no quotas in the extended Agreement, specific votes are assigned to exporting countries. The distribution of votes among importing countries remains, as before, in proportion to the average volume of their respective coffee imports in the preceding three-year period. In the case of the United States, this means a reduction from 400 votes originally to 386 currently.

3. The extension deletes all the provisions relating to regulation of exports, quotas, certificates of origin and re-export, processed coffee, regulation of imports, increase of consumption, production policy and controls, regulation of stocks, seasonal financing, diversification, barter, and disputes and complaints.

4. The old Agreement provided that it could be renegotiated or extended by a two-thirds majority of the votes exporting and importing members, computed separately. The extension contains a more complicated provision that a new Agreement can be negotiated "by a vote of 58 percent by the Members having not less than a distributed majority of 70 percent of the total votes." This convolution was designed to deal with differences between African and Latin American exporting countries. In any event, it does not affect the United States which currently has 38.6 percent of the importing votes and is unlikely to fall below 35 percent in the next two years.

5. Provision is made for the liquidation of the Diversification Fund and the Coffee Promotion Fund. Neither of these has been the recipient of any United States Government funds.

COMMITTEE ACTION

The President transmitted the extended Agreement to the Senate July 23, 1973 with a request for advice and consent to ratification. The Committee on Foreign Relations considered the matter in executive session on September 18 and 25. On the latter date, it voted (by voice vote) to report the Agreement favorably, without reservations.

COST ESTIMATE

The estimated cost to the United States of continuing to participate in the International Coffee Agreement as extended is $280,000 for fiscal year 1974 and should be substantially less of FY 1975 as the staff or the organization is dismantled.

COMMITTEE COMMENTS AND RECOMMENDATIONS

The committee approved the extension of the International Coffee Agreement mainly on the grounds that it is better to have such a forum for the discussion of coffee issues than not to have it. This action of the committee should by no means be taken to imply approval of any future substantive agreement relating to coffee—or to any other commodity, for that matter. That issue does not require decision at this time.

What does require prompt decision is the question of continuing United States participation in the organizational, as distinguished from the substantive, provisions of the Coffee Agreement. The old Agreement expires September 30. The extension becomes effective only if, by that date, at least 20 exporting members and 10 importing members, holding a majority of votes notify the Secretary General of the United Nations of their acceptance of the extension. It is important, therefore, that if the United States is going to accept the extension, it do so promptly.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executive J (No. 93–17), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This agreement was signed on February 26, 1973, and transmitted to the Senate on May 14. Upon entry into force, it will terminate and replace a similar agreement which was signed in 1952. The stated purposes of the agreement (Article II) are as follows:

(a) To provide for cooperation between Canada and the United States in the field of governmental regulation and practices relating to fitting, usage and maintenance of radiocommunication equipment for safety purposes aboard specified classes of vessels of all nationalities operating on the Great Lakes of North America;

(b) To provide the highest practicable standards in matters concerning use of radiocommunication and associated equipment for maritime distress, safety and efficiency of navigation on the Great Lakes;

(c) To provide uniformity of regulations on radiocommunications for safety purposes to ships of all nationalities operating on the Great Lakes.

MAJOR PROVISIONS

The pending agreement is designed to modernize certain technical provisions of the 1952 agreement and to provide more expeditious procedures for adopting amendments.

It is understood that as a result of increased vessel traffic on the Great Lakes, the congestion on the radio frequencies authorized by the 1952 agreement had become so great as to make it necessary to change that agreement to include another frequency band for certain radio functions. Accordingly, this new agreement requires that, effective January 1, 1975, all vessels covered by the agreement (i.e., vessels 65 feet or more in length; vessels engaged in towing another vessel or floating object; and any vessel carrying more than six passengers for hire) must have very high frequency radiotelephone equipment operating in a certain band (156–162 MHz). The agreement also designates a distress, safety and calling frequency (156.8 MHz). In addition, the technical regulations of the 1973 agreement are, in general, more specific and are updated to conform with modern radio practices and capabilities.

Amendments to the articles of the agreement (Article XVIII) may be accomplished through an exchange of notes between Canada and the United States "indicating that whatever approval may be required constitutionally has been obtained."

DATE OF ENTRY INTO FORCE

This agreement will come into force one year after instruments of ratification are exchanged (Article XX). It may be terminated by either party after the expiration of five years from the date the agreement enters into force, unless the parties agree to terminate it earlier. Termination will take effect twelve months following the date of notification (Article XXI).

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Agreement with Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, on September 25, 1973. At that time, Mr. Gordon L. Huffcutt, Office of Telecommunications, Department of State, testified in support of the convention.

On the same day, the Committee met in executive session and, by voice vote, ordered the convention reported with the recommendation that the Senate give its advice and consent to ratification.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executive G (No. 93–18), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The Convention for the Protection of Producers of Phonograms, done at Geneva October 29, 1971, is designed to deal with the illicit practice of pirating records and tapes. According to the administration, the unauthorized duplication of legitimate commercial recordings has grown by leaps and bounds during the last decade and it is now estimated that $300 million worth of pirated records and tapes are made and sold throughout the world each year. In the United States alone, the value of pirated records and tapes is estimated at $100 million. This unauthorized copying and sale of legitimately produced records and tapes is a serious problem for every composer, author, performing artist, and record producer, and it is expected that this activity will continue to grow unless effective legal efforts are taken to combat it and reverse the trend. The Committee on Foreign Relations is informed that the pending convention will provide the basis for a satisfactory resolution of the problem.

BACKGROUND

Twelve countries, but not the U.S.A., agreed to the Rome Convention of 1961 for the protection of Performers, Producers of Phonograms and Broadcasting Organizations. Although that convention protected record producers internationally, the United States and other countries favored negotiating the present convention in order to gain broader acceptance of the principle of protection. In consultation with the British, the United States proposed that French, German, United Kingdom, and United States representatives meet to outline general principles. Their draft was completed in December 1970. Subsequently, government experts from 41 countries met in Paris from March 1–5, 1971, and submitted the draft convention for adoption and signature at a conference held in Geneva from October 18–29, 1971. It entered into force in April 1973, with the deposit of the fifth instrument of ratification, and at the present time six countries (France, Sweden, United Kingdom, Finland, Fiji, and Argentina) are party to the convention. The Recording Industry Association of America and the American Bar Association endorse U.S. ratification.

MAJOR PROVISIONS

The key provision of this convention is article 2 which provides that contracting states will protect the nationals of other contracting states against the making or importation of duplicate recordings without the consent of the producer if the intent is to distribute them to the public.

Article III allows each state to determine how, under its own domestic laws, the convention will be implemented, such as through the issuance of copyrights, through laws relating to unfair competition or through penal sanctions.

Article VI considers the needs of "developing countries." It provides for compulsory licensing of sound recordings "solely for the purpose of teaching or scientific research" but, in consideration of the arguments advanced against compulsory licensing at the time the Senate discussed (and approved) the Universal Copyright Convention in 1972, it places limits on such licenses and requires "equitable remuneration" to be fixed by a competent authority.

Article VII allows parties to the convention to grant retroactive protection but does not make it obligatory.

Article VIII gives the International Bureau of the World Intellectual Property Organization, in cooperation with UNESCO and ILO, the responsibility of conducting studies and publishing information concerning the protection of phonograms taking place in each contracting state.

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Convention for the Protection of Producers of Phonograms on September 25, 1973. At that time Mr. Harvey J. Winter, Director, Office of Business Practices, Bureau of Economic and Business Affairs, Department of State, testified in support of the convention.

On the same day, the committee met in executive session and, by voice vote, ordered the convention reported with the recommendation that the Senate give its advice and consent to ratification.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executives S, M, and K (No. 93–19), explaining the purposes of the measures.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

TREATY WITH ITALY

The Extradition Treaty with Italy was signed at Rome on January 18, 1973, and transmitted to the Senate on June 27. It will terminate and replace the extradition treaty between the United States and Italy signed at Washington on March 23, 1868, as amended and supplemented by the conventions signed on January 21, 1869, and June 11, 1884, respectively, as well as the agreement effected by an exchange of notes dated April 16 and 17, 1946.

TREATY WITH PARAGUAY

The treaty with Paraguay was signed at Asunción on May 24, 1973, and transmitted to the Senate on September 12. It will terminate and supersede the extradition treaty between the United States and Paraguay done at Asunción on March 26, 1913.

TREATY WITH URUGUAY

The Extradition Treaty with Uruguay was signed at Washington on April 6, 1973, and transmitted to the Senate on May 21. It will terminate the treaty between the United States and Uruguay signed at Washington on March 11, 1905, but extraditable offenses committed prior to the entry into force to the present treaty will continue to be subject to extradition pursuant to the provisions of the earlier treaty.

PROVISIONS OF TREATIES

According to the Administration, the provisions of these treaties follow generally the form and content of extradition treaties recently concluded by the U.S. Government. The most significant offenses included in these treaties are those relating to narcotics, including psychotropic drugs and other dangerous drugs, and the offenses of aircraft hijacking. The treaties also include a provision in Article II which enables extradition to be granted in case of conspiracy to commit any of the extraditable offenses.

Set forth below is a comparative analysis of the provisions contained in all three treaties:

Article I. Persons found in the territory of the other country, charged with crimes listed in Article II, are subject to extradition.

Article II sets forth the extraditable offenses. They include: murder, assault, arson, rape, prostitution, the manufacture of bombs, piracy, dealing in narcotics, bigamy, larceny, offenses against public health, smuggling, counterfeiting, malversation, bribery, interference with judicial procedures, receipt of stolen goods, offenses against bankruptcy, industrial or commercial fraud, or conspiracy to commit any of those offenses. The Italian treaty defines "conspiracy" as being committed when evidence is produced "establishing probable cause that two or more persons have conspired to commit any offense . . . and when one or more of such persons have done any act to effect the object of the conspiracy." The Italian treaty places the offense under U.S. federal jurisdiction when transportation from one state to another is involved. Paraguay and Uruguay will grant extradition for "any offense against a federal law of the United States."

Article III defines the territorial application of each treaty to include all territory under the jurisdiction of either party including territorial waters and airspace and has been extended to include registered aircraft in flight, meaning from takeoff to landing as defined by the Tokyo Convention of September 14, 1963. The purpose is to extend jurisdiction to aircraft piracy whether committed over national territory or not.

The treaties with Italy (*Article IV*) and Uruguay (*Article 4*) provide that persons can be extradited even though they are nationals of the requested party. The Paraguayan treaty says "the Contracting Parties shall not be bound to grant extradition of their own nationals," and allows each to determine "the status of nationality." However, each can permit extradition if it believes it is proper to do so. If denied, the accused shall be tried locally under domestic laws, if they apply.

Article V requires, in the case of Italy, sufficient evidence that the accused has been properly identified and actually committed the crime.

Article 5 (for Paraguay and Uruguay) and *Article VI* (for Italy) provide that extradition will not be granted if contrary to the legal principles of double jeopardy, prior imprisonment for the same offense either locally or in a third country and, if the statute of limitations has run. It also excludes offenses of a political nature, although not in cases involving attempted homicide, kidnapping and threats to the safety of commercial aircraft. The Italian treaty also excepts infractions of military law which are not an offense under ordinary criminal law.

Under the provisions of *Article 6* (for Paraguay and Uruguay) and *Article VII* (for Italy), a party may refuse extradition of a person under 18 with permanent residence in its country if it is determined that extradition would disrupt the social readjustment and rehabilitation of that person.

Article 7 (for Paraguay and Uruguay) and *Article VIII* (for Italy) provide that, if the death penalty is possible under the laws of the requesting party but not that of the requested party, the latter may refuse extradition unless given assurances the death penalty will not be imposed. All recent treaties have carried a similar article so as to avoid judicial delays of extradition arising from claims of "cruel and unusual punishment."

Article 8 (for Paraguay and Uruguay) and *Article IX* (for Italy). The surrender of a fugitive may be delayed, if he is on trial or serving a sentence for a criminal act other than that cited in the extradition request, until either the trial or sentence is completed.

Article 9 (for Paraguay and Uruguay) and *Article X* (for Italy). The requested party shall determine if extradition should be granted according to the terms of the treaty and its own domestic laws. The accused may take all legal remedies to prevent extradition which are allowed under the laws of the requested party.

Article 10 (for Paraguay and Uruguay) *Article XI* (for Italy). Requests for extradition will be made through diplomatic channels and must be accompanied by a statement of the facts, positive identification of the individual, texts of applicable law, an arrest warrant, and sufficient evidence to establish probable guilt. For persons already convicted, the judgment and sentence shall be provided. Translations and proper authentication of documents are required. The text of the Italian convention differs, but it has substantially the same meaning.

Article XII of the treaty with Italy provides that the competent authorities of either country have the power to grant extradition of persons in cases of conviction in absentia or for willful contempt of court (contumacy) if the safeguards cited in the article are fulfilled.

Article 11 (for Paraguay and Uruguay) and *Article XIII* (for Italy). Provisional arrest and seizure of evidence may be requested through diplomatic channels or, in cases of urgency, through the appropriate departments of justice accompanied by appropriate supporting evidence. Provisional arrest must be followed within 45 days by a formal request for extradition or the accused may be released.

Article 12 (for Paraguay and Uruguay) and *Article XIV* (for Italy). If the evidence submitted is not deemed sufficient, the requested party may demand additional proof and specify the time for its submission. If the additional evidence is delayed beyond that time or is still considered insufficient, the accused may be released. However, if this is done, another request for the same or other offense may be submitted later.

Article 13 (for Paraguay and Uruguay) and *Article XV* (for Italy). A person may not be detained, tried or punished in the country to which extradited for other than the offense named in the request unless: (a) he remains in that country more than 30 days after being released (45 days for Italy); (b) returns to it voluntarily, or (c) the requested party consents to other charges being added. In the treaties with Paraguay and Uruguay, the person must receive due warning of the conditions set forth in (a) and (b). That stipulation is not included in the Italian treaty. Crimes committed after extradition are excepted.

Article 14 (for Paraguay and Uruguay) and *Article XVI* (for Italy). If two or more states request extradition of the same person, the requested party will determine which request to honor, taking into consideration the seriousness of the crimes, the nationality of the accused, the dates the requests were received, and provisions of extradition treaties of the requesting parties and itself.

Article 15 (for Paraguay and Uruguay) and *Article XVII* (for Italy. The requested party shall promptly communicate through diplomatic channels its decision on the extradition request. If within 30 days thereafter a properly executed warrant has not been issued and the accused has not been removed, the requested party may release him and subsequently refuse to extradite him for the same offense.

Article 16 (for Paraguay and Uruguay) and *Article XVIII* (for Italy). If extradition is granted, all supporting material evidence for the prosecution must be surrendered, subject to the rights of third persons, even if the accused escapes or dies.

Article 17 (for Paraguay and Uruguay) and *Article XIX* (for Italy). The transit of arresting officers and a person under extradition order from a third country will be granted provided a request is made through diplomatic channels and the requesting party reimburses the other for any expenses incurred in the transit.

Article 18 (for Paraguay and Uruguay) and *Article XX* (for Italy). Each party shall assist the other in the presentation of extradition cases before its respective judges and magistrates, but the expenses involved in the translation of documents and the transportation of a person shall be paid by the requesting state. This clause, which has become normal in recent conventions, is included because the costs of presentation have been a hindrance to the making of extradition requests.

Article 19 (for Uruguay). Both parties will exchange information dealing with the prevention and repression of crime, including statistical data and results of research in the field of criminology. This clause accounts for the difference in title between the treaty with Uruguay and those with Italy and Paraguay where the article is not included.

Article 19 (for Paraguay), *Article 20* (for Uruguay), and *Article XXI* (for Italy). The treaties apply to offenses specified in Article II committed before as well as after the date of ratification if the offense was illegal under the laws of both parties. In the case of Uruguay, crimes listed in the treaty of 1905, and committed prior to the entry into force of the present treaty, will continue to be subject to extradition pursuant to that treaty. With that exception, this article terminates the former treaty.

DATE OF ENTRY INTO FORCE

The Extradition Treaties with Italy, Paraguay and Uruguay will enter into force on the day instruments of ratification are obtained. Each treaty may be terminated by either party by giving six months' notice.

COMMITTEE ACTION

The Committee on Foreign Relations received testimony on the Extradition Treaties with Italy, Paraguay and Uruguay on September 25, 1973. At that time, Mr. Knute E. Malmborg, Assistant Legal Adviser for Management and Consular Affairs, Department of State, testified in support of the treaties.

During an executive session held later the same day, the Committee ordered the treaties favorably reported with the recommendation that the Senate give its advice and consent to ratification.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I yield 5 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. I thank the distinguished majority whip.

Mr. President, the Humphrey amendment that we are going to vote on Monday is of the greatest importance not only from the standpoint of the procurement bill but also from the standpoint of our economy, our inflation problems, and also the effect which the vote is going to have, which I think a number of Senators and the press do not realize, on other programs.

Mr. President, the Senate has to come to grips with the question of how we are going to stay within the $268 billion budget on overall spending which this House passed. The bill before us, unless reduced, is going to put us in a very painful position. As it stands, it is $500 million higher than the committee approved. Far from economizing, we have splurged and it will make it difficult, perhaps impossible, to live within our budget ceiling.

There are now several forces that are going to force this Congress to economize or forget the budget ceiling. First is the galloping increase in spending for interest on the public debt. It will be at least $4 billion higher this year than planned for in the President's budget in January, at the time he first submitted it. In fact, it could go as high as $7 billion more unless inflation is held in check.

Second is the social security program. The Senate has approved an increase in social security benefits that will cost about $2 billion more. And there is also the impact of inflation on the cost of living factors built into social security payments.

Now, Mr. President, Congress has no control over the increase for interest on the public debt. Neither does it control the effect of the inflation factor built into the social security program.

But where is the money going to come from?

In the President's budget there are $202 billion in uncontrollable outlays about which we cannot do anything in this session, in the remaining time we have before we make a determination of the 1974 budget—and only $75 billion in controllable outlays. We really have very little to say about most spending.

Of the $75 billion in controllable outlays, about 70 percent is taken up by the military, or $52 billion. Civilian programs only account for 30 percent, or $23 billion of that total.

Clearly this $4 to $7 billion increase for servicing the national debt plus the anticipated $2 billion for social security must come out of the controllable $75 billion. But it cannot all be taken out of domestic programs without causing a disruption so severe that it would be totally unacceptable to the American public.

If Senators disagree, I ask them to consider that in voting against the Humphrey amendment, which would cut $750 million in the procurement bill—it provides a ceiling $750 million below the ceiling—and for full-speed ahead in military spending, they are either voting to destroy the ceiling for which we overwhelmingly voted earlier in the session, or they are voting for a 25-percent to 40-percent cut in such programs as child nutrition, forest protection, health services, grants to elementary and secondary education, manpower programs, and airport safety. These are the programs, some of them already sharply reduced, which must be gutted if the military spending program is not reduced.

Senators may not like it, but a vote against the Humphrey amendment is a vote that is virtually certain to destroy some of the same programs which many of the same Senators have fought hard to provide, and that go right to the heart of building a strong as well as a compassionate country.

Mr. President, some of this increase must come out of the military budget.

It is time that we stop putting money into the military budget, as has happened here in recent days, and vote to hold inflation in check.

If we believe in that spending ceiling, as requested by the President, and as passed overwhelmingly by the Senate, then both military and civilian programs will have to be pruned.

A vote to reduce the military budget will be a vote to hold down inflation, food prices, and rents. It will make a stronger country.

I think all of us must realize what the polls are telling us day after day. It is not Watergate that is the number one issue; it is inflation. Some 80 percent of the people say inflation is their number one concern. That is why we have to make cuts everywhere. We have to make cuts in the domestic programs and in the military budget, but, whether we like it or not, the last chance we will have to vote on the military budget will be when we vote on the Humphrey amendment.

As one who has voted consistently to hold down spending in domestic programs, but who recognizes that we should not completely gut them, I ask Senators, where do we get the money if we do not make cuts of the kind embodied in the Humphrey amendment?

I thank the distinguished majority whip, and I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, does the Senator want additional time?

Mr. PROXMIRE. No; I have completed my statement.

Mr. THURMOND. Mr. President, I yield 5 minutes to the Senator from Florida (Mr. CHILES).

Mr. CHILES. Mr. President, I want to speak against the Humphrey amendment, and actually against the Byrd amendment to the Humphrey amendment, that will be coming up on Monday, too. Both of these propositions deal with the principle that we are going to make an across-the-board cut, a percentage cut. I feel like this is something any legislature ought to resist, because what it does when we make any percentage or across-the-board cut is surrender our legislative authority.

I have voted against many items in the defense budgets, many that would have made cuts more than what we are talking about, $500 or $750 million in spending. But I think if we are going to be a legislature and if we are going to follow our constitutional requirements and duties, then we should be the budget-setting authority and we should determine which items are going to pass and which items are going to fail.

I think it is bad when we have to take a process whereby we are just going to cut something across the board and surrender our legislative authority to the executive branch.

What is the reward to be reaped when we do that? The reward is that we give up completely any choice we might have, what kind of weapons system or what kind of appropriation there should be, and surrender it completely to the Department of Defense and surrender it completely to the executive branch. If they want to, they can shrink any programs, because either they have given us proper figures to carry out a mission or they have not. We ought to determine what mission is necessary and what is not necessary.

I hate to see us in this body say we cannot determine what should be the roles and we cannot determine what we should fund and what we should not fund, and say, "We are going to surrender that authority. We are going to cut across the board. We are going to close our eyes. Do not ask us to pick. Do not ask us what it is. Do not make any requirement. We are going to close our eyes and let you determine it."

If we are going to do that, why do we not do it in this appropriation? How long will it be before one day we just come to say what the bottom line is going to be?

If we have a budget ceiling, and let us say it is to spend $268 billion, should we say to the executive branch, "You figure out where it should be spent, and we will not determine how much will go to operate the Defense Department or how much we want to see go for education or how much we want to see go for health. We will just surrender that to you."

That is one step we will take when we start making across-the-board cuts for defense.

I, for one, do not want to see us say, "I cannot look at the budget and vote for what I think are the priorities." The day we do that, that is the day we do not need Congress any more. That is the day we have surrendered our authority to the Executive. That is the day we have surrendered to what the Executive has been saying for years now: that the legislative does not have sense to determine where the money should be spent that we have to have. And we are telling them even what taxes should be raised. They do not have the staff. They do not have the capabilities. And they do not have the intelligence to determine what programs and priorities the country should have.

Mr. President, we see that when the Executive impounds the money we have appropriated. I think we will have proved that the Executive perhaps has the right to impound it and the duty to impound those funds when we surrender and give them the responsibility of determining where it should be appropriated by saying that there will be an across-the-board cut.

Mr. President, what happens if we overappropriate? This is an authorization bill and not an appropriations bill. We are dealing with an authorization and not the appropriation of money. However, if we overappropriate, then I think that we have to sit down and determine if we have violated the ceiling that we set for ourselves.

Mr. President, I hope again that we do not say that we will cut 2 percent or that we will cut 4 percent across the board on everything. I do not want to see some Member of the Senate offer an across-the-board amendment on domestic programs. I do not think that should be done on these programs.

I think that if we are going to follow the role the Constitution gives us, we are going to determine where the money will be spent. If we do not have the gumption to do that, we do not have the right to be here. And the people ought to get a new bunch.

I think they will do just that if they see that all we are interested in is the bottom line figure. I think that if we do not have the gumption to say where the money will be spent, the people will see to it that they get another bunch up here.

Mr. President, I hope that we reject both amendments.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

Mr. President, the Humphrey amendment would reduce the authorization allowed under this bill by $750 million, and the Byrd amendment would reduce it by $500 million.

The bill reported out by the Senate Armed Services Committee totaled $20.4 billion, a net reduction of $1.5 billion. Added to the $1.5 billion cut by the committee we must recognize that the manpower reduction of 156,000 imposed by the committee will eventually result in an additional $1.5 billion annual savings. Therefore, we have an eventual reduction of $3 billion in this bill already, a total of about 15 percent from the request of nearly $22 billion—$21.9—by the administration.

Now, Mr. President, a ceiling cut is an easy thing to vote for because one does not have to address directly the consequences of that vote.

Our Senate Armed Services Committee and the Senate have worked hard to get this bill to the point it is today, a total of about $20.9 billion in authorizations. Every dollar in this bill is designated for some program.

Now the authors of these amendments are asking us to throw out $750 million and $500 million of these dollars, but they will not tell us from which programs they should be withdrawn.

Should we take them out of the F-14 program which the Senate approved by a vote of 66 to 26? If we do so, there will be a lot of unemployed people in New York and California as well as other States.

Should we take them out of the SAM-D program which the Senate approved 56 to 34 after nearly 5 hours of debate last night? I doubt the Senators from Massachusetts and New Hampshire would approve that decision. Massachusetts already is faced with thousands of unemployed because of the closing of shipyards in that State.

What about Trident? Are we to reverse the Trident vote by slashing $750 million or $500 million from this bill and cutting the Trident program back to the point favored by some but disapproved by the Senate as a whole?

What about the A-10, the Air Force close-air-support plane. We can account for 20 percent of this proposed cut, just 20 percent, by eliminating the A-10 program altogether. However, I doubt the Senators who voted to continue that program on the floor would think much of this idea.

Mr. President, this is an irresponsible approach to defense spending. Our committee has worked hard for 6 months; we have heard tens of thousands of words of testimony; we have published eight volumes of hearings like the one I hold in my hand; we have consumed hundreds of hours of time in trying to make wise decisions on this bill. Now it is proposed to wipe out these decisions at one stroke, in the 15 minutes it will take to call the roll. It just does not make sense.

Why do not the proponents of this amendment make specific proposals as to where they want to save $500 million?

Do they want it to come from the new tank program, from the new assault helicopter program? Where is it to come from? We would consider those proposals on their merits. No, they know they would be beat if they had to say where these cuts would come. Rather they would cloud issues with an across-the-board cut with which they think the Senators would be comfortable, because in this manner they can avoid the realities of their actions.

Senator STENNIS, our distinguished chairman, has always opposed these across-the-board slashes. He has argued many times here on the floor against them. He knows they make a mockery of the committee work. Earlier this week, the distinguished chairman of the Appropriations Committee (Mr. MCCLELLAN) argued eloquently along the same lines. They know about the labors of their committees. They sit there hour by hour, day by day, week by week, month by month, working to make sure every dollar goes to the right program.

If we were to follow the procedure advocated here, all of that would go out of the window. All of this study and work and the details and one program after the other will be thrown out of the window.

Then we come to the floor and debate this bill for over a week, long hours each day, deciding on this issue and that issue. This amendment wipes out all that work. It cancels all these decisions. It does not answer the questions the Senate should answer.

I wonder how the Senator decided on this particular level of spending. Does he propose to take this reduction out of procurement? Will it come out of research and development? We have a responsibility to say how this money should be spent. Let us be specific. What are we doing here in the Senate? Why do we not all go home and just send a note to the Secretary of Defense every year and say, "You have a ceiling of *x* number of dollars and spend it how you like." As the distinguished Senator from Florida asked, What kind of government is that? What responsibility is there on the part of the Senate in acting in such a manner?

Would the author of the amendment, for whom I have affection and respect, kindly tell me how he arrived at this particular level of reduction? What is magic about $500 million? Why not $1 billion, or one-quarter billion? Where do you propose these reductions be made? Who came forward with the idea that this is the level to which everything should be reduced? Can anyone really justify this particular reduction which would affect so greatly our national security?

Is it proposed to undo the $495 million for the F-14? Is it proposed to cut the aircraft carrier we just approved by a rollcall vote? This amendment is not specific, and does not tell us just where these cuts can be made.

Also, Mr. President, why do the Senators feel that we should go indirectly and have a ceiling limitation and take action that we have failed to take directly by rollcall votes? Why is this particular approach chosen? What is the logic of this amendment?

Mr. President, if this ceiling amendment passes, I question very seriously if we can have a viable conference and truly work the will of the House and Senate on this bill. There would be no real difference moneywise, between the House and Senate bills. If this amendment passes it will be difficult to write a conference bill which speaks to the will of the two great bodies of the Congress.

We may have to make decisions in conference which would decide major issues not considered by the Senate or House bodies because of this across-the-board approach to defense spending. I hope the Senate will not force that upon us.

I hope the Senate will give more serious consideration to this matter and will not take a meat-ax approach that would destroy the work of the committees.

I do not see how the chairmen in this body could afford such a procedure. I do not know how the chairmen—and they are all Democratic chairmen, on the other side of the aisle, of course—or even a single one of the chairmen could support this approach.

I do not see how a member of the committee, if he really is interested in the work of his committee and respects the procedure of committees, could support this amendment. Why, Senators go there and hold hearings day after day, whether it is on health, whether it is on defense, or whether it is on some other subject, and spend so much time; if the Senate is going to undo all of that with one rollcall, how frustrating it can be, how inappropriate it can be, and how unwise it can be.

Mr. President, I sincerely hope that the Senate will not accept this amendment. I not only think it is dangerous for this bill and dangerous to national defense, but I think it is a dangerous precedent to set here. I think we may, if we adopt this amendment, set a precedent that will haunt the Senate for years to come, because if we ever do it in one instance, it will be much easier to do it again.

Again I say, I hope the Senate will reject this unwise and impractical amendment.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 558

Mr. ROBERT C. BYRD. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an amendment (No. 558) to the amendment (No. 557) of the Senator from Minnesota (Mr. HUMPHREY), as follows:
>
> On page 1, line 3, strike "$20,197,700,000" and insert in lieu thereof "$20,447,700,000".

Mr. ROBERT C. BYRD. Mr. President, the amendment speaks for itself. It provides for a $500 million reduction in the overall authorization, whereas the amendment by Mr. HUMPHREY would provide for a $750 million reduction.

Since the bill came to the Senate, we have added something like $499,700,000 to the bill. My amendment would reduce the overall amount by almost the same amount that the Senate has increased the authorization since the bill first was called up and subjected to debate and amendment, so that the $1.5 billion reduction which the Armed Services Committee made in the bill then would be restored.

My reduction would not go to any line item; it would merely be an overall reduction of $500 million.

I think my amendment a fair compromise of conflicting viewpoints. Senator HUMPHREY is asking for a reduction of $750 million. There are those on one side, philosophically, who would like to see a larger reduction in the authorization. There are others who want to see no reduction at all in the authorization.

So, as we come to the close of action on the bill the time has come for the Senate to conclude, on Monday, whether there is to be an overall reduction. Some Senators would like to see a deeper reduction, as I say, and others no reduction at all. My amendment would simply reduce the overall reduction by an amount almost equal to the amounts added to the bill during the course of the debate here on the floor. Thus the committee would go to conference with about the same overall authorization, dollarwise, as was reported to the floor—which represented a $1.5 billion reduction at that time.

Mr. President, that is all I have to say on my amendment today.

SALE OF AMERICAN WHEAT TO THE SOVIET UNION

Mr. HUDDLESTON. Mr. President, a few days ago the junior Senator from Kentucky, responding to news reports in a Rome newspaper and numerous rumors within this country, requested that the Secretary of Agriculture investigate the possibility that the Soviet Union was selling quantities of wheat to other countries.

Such sales of wheat by the Soviet Union could only be possible because of last year's large purchases of American grain by the Russians, under favorable credit terms and subsidies financed by the American taxpayer.

We raised questions about the original sale and the current Soviet grain situation and sought answers because we believe that if a foreign country is able to reap profits and diplomatic benefits at the expense of the U.S. taxpayer as a result of administration policies, steps should be taken to prevent a recurrence.

The response to the Senator from Kentucky's inquiry was indeed surprising. Instead of addressing themselves to the issues involved, both the Secretary of Agriculture and an Assistant Secretary retorted with a castigation of the Senator from Kentucky for raising questions.

The Secretary was quoted in the press as saying it was an "irresponsible question raised by a headline-starved Senator pushed off the front pages by Watergate." His assistant leveled similar charges, just as intemperate and just as inaccurate.

Mr. President, the Associated Press has reported that the Soviet Union has just completed a loan of 2 million tons of wheat to India. The news release quoted Soviet Communist leader Leonid I. Brezhnev as saying the sale was made because of Moscow's "aspirations to develop friendly Soviet-India relations."

Mrs. Gandhi was quoted as accepting and conveying India's warm appreciation for this friendly gesture.

A few weeks ago it was announced that the Soviets had provided a substantial quantity of wheat to Bangladesh to assist that nation in meeting its critical shortage.

Also, Pakistan has indicated that it is in dire need of additional grain, and has suggested that if the United States could not supply that need it would have to turn to the Soviet Union for assistance.

Mr. President, the point is that whether these transfers of wheat from the Soviet Union to other countries are gifts, loans, or sales, they were, at least in part, made possible by Russia's unprecedented purchase of American wheat. And the benefit to the Soviet Union and detriment to the United States is tremendous.

Aside from any financial gains the

Russians may be making, they are without doubt assuming the role of Good Samaritan of the world, a role traditionally held by the United States. Countries are now turning to Russia for help, and the Soviets are able to enhance their relationship with those countries by making grains available to them while our bins are empty, in large part by the infamous deal.

Mr. President, as to the question of the responsibility of a Senator in raising the question of Russia's improving its position with America's wheat, the American housewife who is paying record prices to feed her family knows who was irresponsible.

And the American farmer who was kept in the dark about the Russian purchase and sold his wheat too low knows who was irresponsible.

And the developing nations which traditionally turn to the United States for help, but now find themselves seeking help from the Soviet Union, know who is irresponsible.

Mr. President, I again call for an examination of the disposition of the American wheat purchased by the Russians and of the benefits that may be accruing to the U.S.S.R. because of it, and, if it is found that the transactions have not been in the best interests of the United States, then adequate steps should be taken to prevent a similar trade arrangement in the future.

ORDER FOR RECOGNITION OF SENATORS KENNEDY, JAVITS, CHURCH, MONDALE, MUSKIE, AND HART ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. Kennedy, Mr. Javits, Mr. Church, Mr. Mondale, Mr. Muskie, and Mr. Hart.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VACATING ORDER FOR SATURDAY SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order providing for the convening of the Senate tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order providing for the Senate to convene at 10 a.m. on Monday be vacated, and that when the Senate completes its business today it stand in adjournment until 11 o'clock a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS HATFIELD, McGOVERN, ROBERT C. BYRD, AND PROXMIRE ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. Hatfield, Mr. McGovern, Mr. Robert C. Byrd, and Mr. Proxmire.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MANSFIELD ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. McGovern on Monday, the distinguished majority leader, the Senator from Montana (Mr. Mansfield), be recognized for not to exceed 15 minutes, prior to the recognition of the junior Senator from West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF THE FOREIGN ASSISTANCE BILL FOLLOWING THE TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the recognition of Senators under special orders on Monday, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate proceed to the consideration of the foreign assistance bill, S. 2335.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11 a.m. on Monday next, after which the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators Hatfield, McGovern, Mansfield, Robert C. Byrd, and Proxmire.

Then, there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes; at the conclusion of which the Senate will proceed to the consideration of S. 2335, the foreign assistance bill, under a time limitation of 3 hours with 1 hour on any amendment in the first degree.

At 2:30 p.m., a rollcall vote will occur on the six treaties to which the distinguished majority leader alluded earlier, and that one rollcall vote will count as six rollcall votes, thus saving 75 minutes of the Senate's time.

The Senate will then resume consideration of S. 2335, the foreign assistance bill. Amendments will be in order. Yea-and-nay votes could occur thereon.

At 3:30 p.m., the foreign assistance bill will be laid aside under the previous agreement and the Senate will resume consideration of the military procurement bill, on which one-half hour to be divided equally will run concurrently on the Humphrey amendment and the Byrd perfecting amendment thereto, the rollcall vote to occur at 4 p.m. on the Byrd of West Virginia perfecting amendment, making an overall cut of $500 million in the military procurement authorization bill.

Immediately after disposition of the Byrd of West Virginia amendment to the amendment, at 4:15 p.m., there will be a rollcall vote on the amendment by the Senator from Minnesota (Mr. Humphrey) making an overall cut of $750 million, or, in the alternative, as amended by the Byrd of West Virginia amendment, making an overall cut of $500 million.

At 4:30 p.m. a vote will occur on final passage of the military procurement bill, and that will be a yea-and-nay vote.

Following that, the Senate will resume the consideration of S. 2335, the foreign assistance bill, with yea-and-nay votes occurring on amendments thereto, and possibly on final passage of the bill that evening.

The foregoing enumeration of events does not preclude the calling up of conference reports or other business which has been cleared for action.

In summation, on Monday there will be at least nine rollcall votes the first of which will occur at 2:30 p.m.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Huddleston). Without objection, it is so ordered.

ADJOURNMENT TO MONDAY, OCTOBER 1, 1973

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. on Monday next.

The motion was agreed to; and, at 6:13 p.m., the Senate adjourned until Monday, October 1, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate September 28, 1973:

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Alvan C. Gillem, II, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

DEPARTMENT OF DEFENSE

Herman R. Staudt, of Florida, to be Under Secretary of the Army, vice Kenneth E. BeLieu, resigned.

Frank A. Shrontz, of Washington, to be an Assistant Secretary of the Air Force, vice Philip N. Whittaker, resigned.

IN THE COAST GUARD

The following-named officers of the U.S. Coast Guard for promotion to the grade of captain:

Peter A. Morrill
Clarence R. Gillett
Gerald O. Lesperance
Rudolph E. Anderson
William L. King
Donald D. Garnett
V. Wendell Driggers
Richard P. Cueroni
William J. Russell
Edmund L. Cope
Walter E. Paulsen
Theodore J. Wojnar
Donald W. Smith
George K. Greiner, Jr.
James H. Conrad
Edward Nelson, Jr.
William B. Clark
Nathaniel C. Spadafora
Jack A. Howell
William E. Heath
Arthur Solvang
Arthur W. Gove
William E. Smith
Rudolph V. Cassani
Thomas H. Rutledge
Ernest L. Murdock
Paul E. Schroeder
James C. Morrow
Richard G. Kerr
James F. Culbertson
John M. Wilkinson
William J. Tillo
Gerald J. Budridge
Charles L. Clark
Alfred F. Bridgman, Jr.
George T. Seaman
John R. Kirkland
Carlton W. Swickley
Clyde E. Robbins
James L. Fear
Alban Landry
Daniel B. Carter, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 28, 1973:

NATIONAL ENDOWMENT FOR THE ARTS

Nancy Hanks, of New York, to be Chairman of the National Endowment for the Arts for a term of 4 years.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Glen W. Martin [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed in the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Robert N. Smith, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Joseph R. DeLuca, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Lew Allen, Jr., [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Sanford K. Moats, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Warren D. Johnson, [redacted]R (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John B. Hudson, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. George H. McKee, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Austin J. Russell, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Jammie M. Philpott, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be general

Gen. Seth J. McKee, [redacted]FR (major general, Regular Air Force) U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be general

Gen. William W. Momyer, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer, under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Robert J. Dixon, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John R. Murphy, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Richard H. Ellis, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. Horace M. Wade, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John W. Roberts, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Timothy F. O'Keefe, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Carroll H. Dunn [redacted], Army of the United States (major general, U.S. Army).

The following-named officer for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3036, 3284, and 3307:

To be major general, Medical Corps

Maj. Gen. Richard Ray Taylor, [redacted] Army of the United States (brigadier general, Medical Corps, U.S. Army).

IN THE NAVY

Rear Adm. Joseph P. Moorer, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving and for appointment as senior Navy member of the Military Staff Committee of the United Nations pursuant to title 10, United States Code, section 711.

Vice Adm. Harry L. Harty, Jr., U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE AIR FORCE

Air Force nominations beginning Robert K. Ace, to be colonel, and ending William B. Price, Jr., to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1973.

Air Force nominations beginning Thomas J. Abelin, to be lieutenant colonel, and ending Wayne F. Kendall, Jr., to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1973.

The following-named officer for promotion in the Air Force Reserve, under the appropriate provisions of chapter 837, title 10, United States Code, as amended, and Public Law 92-129.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Hess, Jay C., [redacted].

Air force nominations beginning Howard S. Regent, to be captain, and ending Raymond C. Zindell, Jr., to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1973.

Air Force nominations beginning Charles D. Ablard, to be colonel, and ending Orlan V. W. Masters, to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on September 12, 1973.

IN THE ARMY

Army nominations beginning Thomas J. Kinane, to be captain, and ending Joachim Hagopian, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1973.

IN THE MARINE CORPS

Marine Corps nominations beginning Carl L. Burney, Jr., to be second lieutenant, and ending Walter W. Weigle, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 5, 1973.

EXTENSIONS OF REMARKS

SENATOR WILLIAM L. SCOTT ADDRESSES VIRGINIA MOTOR VEHICLE CONFERENCE

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Friday, September 28, 1973

Mr. HELMS. Mr. President, on September 25, our distinguished colleague, the junior Senator from Virginia (Mr. William L. Scott) delivered an excellent address in Richmond before the Virginia Motor Vehicles Conference.

I found Bill Scott's remarks exceedingly perceptive on a number of issues, and I commend his speech to the attention of my colleagues.

I ask unanimous consent that the text of his fine address be printed in the Extensions of Remarks.

There being no objection, the text of Senator William L. Scott's speech was ordered to be printed in the Extensions of Remarks, as follows:

ADDRESS BY SENATOR WILLIAM L. SCOTT

It is good to be with you this evening as you observe "National Highway Week." The President recognizes the vital part highways play in America's overall transportation system in his "Highway Week Proclamation." I notice the paragraph commencing with the words, "We must work." Now, of course, he continues, we must work "to enhance the efficiency of all transportation" but in looking over the list of organizations comprising your membership, it is evident that you have an organization of constructive workers. When it appears today that the work ethic is being weakened by the welfare concept and by lack of initiative, I am very glad to be with a group who make constructive contributions to our society.

As you attempt, through your various businesses, professions, and trade organizations to increase the quality of your products and services or to enhance the prestige of your associations, I'm sure you are also building a better society. The free enterprise system that is the backbone of our American standard of living is constantly under attack and will continue to be from collectivist groups and shallow thinking individuals, so I would urge that you waste no opportunity to speak up for our free enterprise system that helps make America the envy of the world.

It is an understatment to say that we have unsettled political conditions in Washington. Some seem dedicated to a policy of harassing and criticizing every constructive effort. You will recall in his speech to the Nation some weeks ago, the President remarked, "If it weren't Watergate, anything else, in order to keep the President from doing his job." We might ask, Who's leading this effort? To a large extent it is the people, the organizations, and liberal media whose views were decisively defeated at the polls last fall. The American people overwhelmingly chose President Nixon and Vice President Agnew to lead the Nation but their ability to lead is threatened by repetition of innuendo, hearsay, and half truths. No charges have yet been placed against the Vice President, but, this group has judged, tried and convicted him and even if he is completely innocent, his political future has been severely damaged. It was quite natural, therefore, for Mr. Agnew to ask the House of Representatives today to undertake a full inquiry into the charges apparently made against him in the course of an investigation by the United States Attorney for the District of Maryland. The Vice President states he made this request for the dual purpose of preserving the Constitutional stature of his office and to accomplish his personal vindication. Now, of course, it would be improper for me to comment at this time on the guilt or innocence of the Vice President because if the House of Representatives should find the basis for impeachment, I together with the other ninety-nine Senators would hear the case presented by the House to determine whether he should be removed from office. By the same token, the fact that the Attorney General is permitting the case to go to the grand jury in Maryland is no indication that he believes Mr. Agnew is guilty of any wrongdoing. Attorney General Richardson is both the chief law officer for the federal government and a Republican member of the President's Cabinet. He may prefer to have the issue of probable cause determined by the grand jury in order to remove all doubt of a political decision being made. While I have not had time for mature reflection on the procedures being followed, the action of both Vice President Agnew and Attorney General Richardson appear to be reasonable. A person holding high office, however, should not have less opportunity to achieve an impartial trial than the average citizen can achieve by a simple change of venue. We pride ourselves in having a government under which no man is above the law and no man is below the law and every man is entitled to his day in court and a fair and impartial trial by a jury of his peers.

We have many serious matters confronting the country, the Military Procurement Bill, now before the Senate; the energy crisis; inflation and other economic problems; our relationship with foreign countries; these require thoughtful and searching consideration by our Executive and Legislative Branches. Only a masochist would want to continue the present widespread self-criticism within our Nation to the detriment of its institutions, its standards of living and general well-being. You are the type of people, working as you do in a constructive way, to better our society, who should also speak out regarding the good in America and call for a return of trials in our courts, of a presumption of innocence, of the right to confront one's accusers and the end to attacks on the rights of individuals who happen to hold high office. This could expand, and possibly already has, until all public officials are suspect and subject to the strange new notion of public punishment at the whim of irresponsible individuals and groups. No one can properly conduct the affairs of government under such circumstances.

As you know, the Senate recently confirmed the President's nominee, Russell E. Train, to be Administrator of the Environmental Protection Agency. He appears to be a well educated, cultured, and devoted public servant. While I expressed some reservations during the hearings before our Public Works Committee and also on the floor of the Senate regarding the possibility of Mr. Train putting undue emphasis on cleaning up the environment to the detriment of our standard of living, Mr. Train assured the Committee that proper consideration would always be given to the affect of any regulation by his agency upon the economy and upon our standard of living. Yet, The Clean Air Act of 1970 may have gone too far and many members of Congress are taking another look at it. My staff is getting together a series of amendments to extend the time for maximum reduction of carbon monoxide and hydrocarbons for automobile emissions from

1976 to 1978 or 1980. The present date may put an undue restriction upon the automobile manufacturers, the car owner and ultimately, the trucker.

We are also including amendments to extend transportation control dates for states and air quality regions so that there can be greater flexibility in meeting cleaner air standards.

A Supreme Court decision some months ago in the Sierra Club vs. Ruckelshaus, affirming a lower court ruling by a 4-4 decision, cast considerable doubt on our ability to build new plants in rural areas by banning construction that might "significantly deteriorate air standards." Everyone wants a clean environment to live in, yet we need to have continued industrial growth to maintain our standard of living and to survive as a great industrial nation. The amendments our office are preparing will attempt to clarify and change the language of the Act so that there can be continued growth throughout the country with reasonable limitations upon pollution. To me the rule of reason should permeate all that we do in the field of public administration and we cannot let those with extreme points of view prevail in our society.

A colleague from West Virginia, Senator Robert C. Byrd, paraphrased these thoughts in a recent speech in this way: "All of us would like to see Minnehaha living once again in the wigwam of Nokomis, by the shining big-sea-water. But that wigwam is now a power plant, and Minnehaha—who used to live in the wigwam—is making two hundred dollars a week working in the office of the President of the power plant, while Hiawatha is working his tail off in the plant to keep up the payments on a split-level, a station wagon, and a boat. Like it or not, ours is an industrial society, and unless we are prepared to sacrifice our entire lifestyle, we will remain an industrial society." Someone else put it this way, "Maybe the environmental crusaders should be the ones to tell the unemployed factory worker, 'Well, you may not have a job, but by golly you've got cleaner air to breathe and cleaner water to dangle your shoeless feet in.' "

Some question has been raised within the last few days regarding my position on establishing wilderness areas in Virginia and I would like to take this opportunity to comment. The Interior Committee of the Senate is considering an Omnibus Wilderness Bill for the Eastern United States. It would convert something over 200,000 acres of land east of the Mississippi to the wilderness concept. Now this means that the land so designated would return to its natural state. No access roads would be permitted, no cabins or camps could be constructed, no timber could be cut, it would be preserved entirely in its natural state. The public could utilize it only by visiting on foot and physically carrying their supplies. Of course we need land for recreation but I support the concept of permitting the maximum use and enjoyment of our public land. I also support the concept of selective cutting within our national forests. We need timber for many purposes and selective cutting is better husbandry than nature's survival of the fittest concept in the woods. Many trees die and much valuable timber rots without some form of management. At a time when people are beginning to recognize that our natural resources are not limitless, we need to take a stand in favor of the wise use of these resources.

Let me hasten to add that my colleague from Virginia, Senator Harry F. Byrd, Jr., would, through separate legislation, establish a wilderness area on public land in the Shenandoah mountains. The area was a favorite hiking spot for his father, Senator Harry F. Byrd, Sr., and I believe this would be a fitting memorial to a man who served his State and Nation for so many years. Therefore, I support this measure, which has passed the Senate, but do not want the general wilderness concept, forbidding as it does all forms of motorized equipment, all forms of construction, and all timber operations. Such action would result in the use of this public land by only a tiny segment of our people, and ignore the need for recreational areas by the great mass of the people of Virginia.

Of course, I know this is a Motor Vehicle Conference and would like to devote the major portion of my remaining remarks to highway matters. Being privileged to serve on the Senate Public Works Committee, has permited me to hear a number of arguments made in favor of diverting highway trust funds to mass transit, including rapid rail transit. Yet, I feel that the interstate system of highways is a major achievement of this century and that there should be no diversion of trust funds until the interstate system is completed. The 115 million passenger cars, buses and trucks in the country are our principal means of transportation; we could not function without them. Putting gasoline taxes and highway related revenue into trust funds for highway purposes was the only way Congress could be sure money would be available when needed. Many lives have been saved by construction of safer roads and I am most interested in the completion of this interstate system of highways at the earliest possible date. While we need a balanced transportation system, especially in our metropolitan areas, the highway users are the ones contributing to this fund and it does not seem reasonable to divert highway taxes to pay the cost of other forms of transportation.

Of course you know that there was a difference of opinion within our Committee and between the two Houses of Congress on the 1973 Federal-Aid Highway Act and consideration of opposing views resulted in numerous conferences between representatives of the House and Senate. The final agreement was a compromise under which no highway funds shall be diverted this fiscal year. Next year funds will be allowed for buses and in fiscal year 1976, the trust fund will be opened for construction of rapid rail systems. All of us should realize, as I believe we do, that we need mass transit in our urban areas and that every American cannot travel in his individual automobile into our major cities and find a place to park without considerable congestion, pollution and personal inconvenience. My position has been, however, that the cost of mass transit should be borne either by the users of that form of transportation, paid from local or state tax revenues, or if Federally financed in whole or in part, from general revenue rather than from the trust fund set aside for highway purposes. This view has not prevailed in its entirety but we have what I believe to be a good three year Highway Act. When the bill was under consideration, I talked from time to time with our Virginia Highway Commissioner Doug Fugate and I am grateful to him for his counsel. I also talked with a number of other people here today and to representatives of various associations. I hope you will continue to share your thoughts and concerns with me.

The new highway bill has great importance to Virginians. It will provide more than $540 million in Federal funds over a three year period for highway construction in our State. More than $350 million of that money on a 90–10 ratio is allocated for further work toward the completion of our interstate highway system. I am personally pleased that the law includes an amendment I offered setting a schedule for the completion of preliminary studies relating to Interstate 66 from the Capital Beltway into the City of Washington. This vital highway link into our National Capital has been delayed for seventeen years and the law now states that the draft environmental impact study shall be completed by October 1 of this year and final review of the project, after appropriate hearings, shall be made by the Secretary of Transportation by December 31. It is hoped that this will permit the letting of contracts in the spring and that visitors to Washington for the Bicentennial will be able to travel over a modern interstate highway link in 1976.

Press reports may have overlooked new or modified provisions of the Act that affirm the Federal commitment to better highways, yet recognize the primary role of the states in the national highway program. For example, states, with Department of Transportation approval, may assume the day to day administrative responsibility for all highway projects, except the interstate program. The Federal Highway Administration would only make a final inspection of each project. This procedure could greatly reduce red tape and accelerate the construction of needed highways. The states are given greater latitude in transferring funds from one Federal aid system to another thus permitting each state to direct its money where it is most needed. The Act permits the state to shift up to 40%, rather than the old limit of 20%, between the primary and secondary road systems and between the two urban systems.

The 1973 Act also creates a new program, the priority primary system, which requires each state to identify those major roads most in need of improvement and authorizes funds to begin to upgrade these important transportation links. The program could be construed as evidence of the continuing emphasis on highways as the major means of transportation in the country and the importance of state responsibility in developing and maintaining our highway system. During this three year period, Virginia will receive $12½ million toward this priority primary work. Another area of real improvement is the greatly expanded highway safety program at a cost of $2 billion over the three year period. Virginia has been a leader in acheving highway safety. Its fatality rate per 100 million vehicle miles has declined from 4.8 in 1969 to 3.8 in 1972, which is significantly better than the national average.

Let me close by thanking you for inviting me to be with you tonight. It's a pleasure to represent Virginia in the Senate. I attempt to act responsibly and believe this is true of the entire Virginia delegation without regard to their political affiliation. Most of you are not directly involved in the affairs of government, yet you have a considerable stake in how it is conducted. For the most part, you are successful business and professional men with knowledge and experience which can be of considerable assistance to your public officials. We receive mail from all sorts of organized groups and those most active are generally of the more liberal variety reflecting a philosophy foreign to the views represented here and while your elected representatives attempt to use their best judgment in considering issues coming before the Congress, they may come to believe that the activist groups represent the feeling of the people of Virginia.

A few minutes ago I spoke of character assassination of those in public office. This extends also to the business and professional community. For example, highway builders may be accused of attempting to pave the entire country wtih asphalt and concrete; the manufacturer with having no concern about pollution of the air or water; the timberman with wanting to destroy our forests. All of you have an important stake in the future of our country and I would urge that you be as involved in the affairs of your government at all levels as your circumstances will permit. We cannot permit the ultra-liberal element to so deluge the media and government officials with their point of view that the more moderate or conservative opinions are subverted. We have a heritage in Virginia worthy of preservation upon which we can build a better society. Responsible citizens are needed to accomplish this and few grousp have greater talent to achieve this end than the one gathered in this room tonight.

FORESTRY INCENTIVE PROGRAM IN SOUTH AFRICA

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. RARICK. Mr. Speaker, the United States is not the only country in the world that recognizes the value of a forestry incentives program to encourage timber production.

The July 1973 issue of the South African Panorama contains an interesting article detailing the efforts of the Republic of South Africa to encourage timber production. This article is especially relevant in its emphasis on the financial return that a country can expect from an investment in timber growth.

As our colleagues know, the administration has proposed a reduction in U.S. Forest Service personnel of almost 1,600 individuals. This country is presently experiencing a timber shortage, and such a move could seriously worsen an already critical environmental situation as well as signal a reduction in funds provided the States from their share of the money gained from timber harvest on national forest lands. In fact, for every dollar spent in our timber programs, $4 is returned to the U.S. Treasury. Twenty-five percent of this amount goes to the States in which national forests are located.

The administration proposal to slash Forest Service personnel simply does not make sense. This is one of few Federal programs that actually make money for the taxpayer. It should and must be protected.

Mr. Speaker, the experience of South Africa is but one example of a country taking the necessary steps to protect its environment and insure adequate timber supply for future generations. It is an experience that the United States would do well to heed.

I include the previously cited article from the South African Panorama in the RECORD at this point:

[From the South African Panorama, July 1973]

OUR GREEN HERITAGE

South Africa is blessed with a wealth of natural resources. Nevertheless, the Republic is a poor country—poor because of a lack of trees, bushes and vegetation. Despite the fact that 1,1 million hectares are already under plantations which enable the sawmill industry to supply some 90 per cent of the local demand, the land faces a serious timber shortage towards the end of the century—unless existing afforested areas can be considerably increased. In the case of softwoods, the output will have to be trebled while the extent of the hardwood plantations will have to be increased by 60 per cent.

To make South Africa greener and its people more vegetation-conscious, a nation-wide promotion campaign, "Our Green Heritage" was launched early this year. For this purpose, thousands of trees were presented to schools for Whites, Bantu, Coloureds and Indians throughout the country and South West Africa by the Department of Forestry. Apart from ten decorative trees, each school could order other utility trees as well, to be planted at special occasions. Further, the relationship between the country and its timber resources was reviewed at a series of eight launching functions. These commenced with the opening of a forest reserve in the Franschhoek valley of the Cape by the State President, Mr. J. J. Fouché.

It was realized as far back as the beginning of this century that indigenous forests, which covered only 0.5 per cent of the country's surface, would never make a significant contribution to normal timber demands. Forestry experts therefore had to go into a new field: the establishment and administration of artificial forests of exotic tree species. Since the First World War, the State has taken positive steps towards augmenting the lack of natural timber resources. Intensive afforestation with pine types (for building, packaging of agricultural products and for chemical processing) followed, kept up for many years. The private sector also made a considerable contribution, especially after the Second World War, and today. South Africa is to a large extent self-supporting as far as pine is concerned.

The determined promotion of pine types for timber and pulp requirements, as well as Eucalyptus plantations which are grown in short cycles of six to 15 years for the production of mine props and telephone poles, meant that the requirements of the furniture, construction and carpentry industry were largely overlooked. Some 10 years ago, a start was made to offset the backlog by the systematic establishment of plantations to produce softwood. The softwood position, however, is still far from favourable. At present South Africa can only supply 10 per cent of its needs and softwood to the value of R25 million has to be imported annually.

The development of forestry in this country, which got into stride particularly as a result of the needs which arose during the Second World War and during the following 20 years, brought about the existence of the sawmill industry. The sawmill industry is the origin of all timber products with the exception of round poles and products which may be classified as chemically processed products of wood. Today, South Africa has more than 230 sawmills in production which process approximately 3,23 million cubic metres of log annually. These products are dried according to acknowledged standards, graded in accordance with compulsory specifications as laid down by the S.A. Bureau of Standards, and marketed by the timber trade and other industrialists for secondary processing. It reaches the consumer in a wealth of different kinds such as sawn and moulded timber, furniture, boxes and crates.

The most important species processed by the sawmill industry are pine (better known as S.A. Pine) and bluegum types, especially "Eucalyptus grandis". The mechanical characteristics of graded S.A. Pine (density, modulus of rupture and modulus of elasticity) compare favourably with those of imported harder pine types, while sawn eucalyptus timber is useful in the manufacture of furniture. Bluegum is also being used more and more for flooring and panelling.

The effective functioning of the sawmill industry can be attributed mainly to the setting up of the S.A. Lumber Millers' Association in 1941. This association acts as the channel by means of which its members (sawmills) can get technical advice and information. It also publishes a number of information brochures and pamphlets which are obtainable from the Timber Information Centre in Johannesburg. At the same time, the association acts as the mouthpiece of the private sawmill industry and unites the widespread timber industry in close unit.

Wattle, planted on a commercial scale in Natal before the end of the last century, and later in the eastern Transvaal, plays an important role in the economic structure of the local forestry industry in augmenting the Republic's growing pine and bluegum assets. The wattle industry, representing a total capital investment of approximately R50 million, produces about one million metric tons of wood to the value of R6 million annually. Earlier this year, South Africa signed an export contract of R40 million, spread over 10 years, with Japan to deliver wattle chips at a rate of 250,000 metric tons per year. Apart from the wood, bark and extract are also being produced and shipped to tanneries around the world, earning more than R12 million annually in foreign exchange.

Amongst the many uses of wood, its role in the manufacture of paper and rayon thread can be regarded as the most sophisticated. The pulp and paper manufacturing industry has gone ahead considerably in post-war years. At present the country's plantations which are being grown increasingly to produce pulp wood, form the main source of 15 pulp and board factories which supply about 80 per cent of the local requirements. As far as synthetics are concerned, the plantations also make a considerable contribution. Rayon pulp to the value of more than R25 million is delivered annually to textile factories throughout the world.

Two aspects which have a great influence on the expansion of forestry are training and research. In the case of the former, a diploma course was available in the beginning from the S.A. College, Cape Town, but when it was discontinued in 1911, students were encouraged to train overseas. Since 1931, the University of Stellenbosch has offered a four-year B.Sc. degree in forestry. The subjects include silviculture, forest management, timber technology, timber chemistry (post-graduate) while nature conservation has been a recognised study field since 1968. Apart from the academically trained professional forestry officers, technicians (foresters) are also trained (originally at the Tokai Forestry School, Cape Town, and since 1932 at the Saasveld College at George). Provision is made for the training of Bantu foresters at Fort Cox Agricultural College in the Ciskei.

The Department of Forestry began with silviculture in 1913 and with forest products research in 1919. Today there are four institutions which each work in a separately defined field. The Department's Forest Research Institute in Pretoria concentrates on studies of silviculture, catchment area management, tree propagation, timber drying, timber preservation, timber mechanics and wood structure and identification. The Wattle Research Institute (which falls under the University of Natal) has concentrated on silviculture and propagation research of the particular species since 1946. Thirdly, the forestry faculty of the University of Stellenbosch undertakes research in connection with forest hydrology and wood technology, for instance. The picture is completed by the Timber Research Institute of the CSIR which came into existence in 1960 to provide for the needs of the South African building trade. Investigations are carried out in the field of timber engineering, the processing of wood, pulp and paper, and technical and economic studies.

In the past seven decades, the infant South African forestry undertakings have changed considerably—a change which is described in detail in a profusely illustrated publication, "Our Green Heritage", which has just been published by Tafelberg Publishers, Cape Town. The industry as a whole, employing some 100,000 South Africans, represents an investment of R975 million and saves South Africa an annual R230 million in imported timber. But the cycle of forests as self-augmenting and permanent sources of prosperity is far from complete. There is a big responsibility resting on the shoulders of the present and future generations of South Africans to make our green heritage greater, richer and more beautiful.

MENNINGER CLINIC BULLETIN DISCUSSES GROUP PROCESSES IN POLICE-COMMUNITY RELATIONS

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. FAUNTROY. Mr. Speaker, I was most gratified to learn of a much needed effort to build a bridge between the policeman and citizens of the District of Columbia, which I proudly represent. A publication in the Bulletin of the Menninger Clinic, written by Dr. Kenn Rogers of the Cleveland State University, describes and evaluates this attempt to promote a better understanding between the working police officers and the citizens living in our city. The program involved four intensive seminars conducted by the Pilot District project, whose task was to educate middle-management police officials and other participants about group processes and authority lines. This provided participants with a frame of reference in which they could experience the effects of authority upon themselves and others. In the process, they examined their own role behavior, perceptions and attitudes as they manifested themselves within the different groups. The seminars instituted anxiety and conflict situations resulting in the open awareness of problems such as race, class, age, responsibility, and authority.

The Pilot District project's attempt to create improved police-community relations can be illustrated in Dr. Rogers' words from the paper where he states that the P.D.P.'s original mission was seen as an effort to break the vicious circle where on the one hand the police were perceived as an occupation army in enemy territory, displaying attitudes of hostility and brutality toward the residents. On the other hand, in the perceptions of the police, they were trying to exert honest and concerned efforts at enforcing the law.

This attempt at improving police-community relations is a step in the right direction and should be emulated in an effort to decrease the existing hostilities in our Nation's cities. The article by Dr. Rogers which details the dynamics which took place and points to alternative models for training of police was published in September 1972 by the Menninger Foundation. I recommend its helpful reading to all of my colleagues.

BROYHILL ENCLAVE BILL OPPOSED BY DISTRICT OF COLUMBIA GOVERNMENT

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. DIGGS. Mr. Speaker, the District of Columbia Government has just submitted its report on H.R. 9598, the Federal Enclave proposal of the gentleman from Virginia (Mr. BROYHILL). The analysis accomplished by the city's government points out several impacts of the bill upon the typical functions of an urban area.

I might add that the 1970 census shows that about 11,700 people live within the Federal District proposed by Mr. BROYHILL, that 51 percent of the taxable land area is made up of residential properties, and that the total assessment for the taxable properties in the area is more than $300 million.

A letter from Mayor Washington follows:

Hon. CHARLES C. DIGGS, JR.,
Chairman, Committee on the District of Columbia, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The District of Columbia Government has for report H.R. 9598, a bill "To reorganize the governmental structure of the District of Columbia by its separation into two entities, the city of Washington, Federal District, and the District of Columbia; to provide a charter for local government in the new District of Columbia subject to acceptance by a majority of the registered qualified electors in the new District of Columbia; to delegate certain legislative powers to the local government; to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia; and for other purposes".

H.R. 9598 is substantially similar to H.R. 9056, a bill reported by the Government Operations Subcommittee to the Committee on the District of Columbia. The District Government reported on H.R. 9056 on July 10, 1973. This report, therefore, incorporates by reference those portions of the report on H.R. 9056 which relate to identical provisions contained in H.R. 9598, and is limited to a discussion of those parts of H.R. 9598 which do not appear in H.R. 9056.

The principal differences between H.R. 9598 and other self-government bills under consideration by the House District Committee is the creation of a dual system of government within the District of Columbia, the omission of any reference to a Federal payment to the new District government, and the transfer of all facilities and functions relating to water supply and waste management services to the government of the Federal District.

Section 301 of H.R. 9598 would create an area to be known as "Washington, Federal District", within what is now the District of Columbia. The Federal District would be governed by the form of government established by Reorganization Plan No. 3 of 1967. The remainder of the District of Columbia would be governed by the form of government to be established upon approval of the charter in title IV of the bill.

The District government previously indicated, in a report dated August 30, 1973, its support of H.R. 9682, a bill which would establish the means of governance for the District of Columbia. We are of the view that H.R. 9682 would adequately protect the Federal interests in the District of Columbia and provide effective self-government for the city.

The District government opposes enactment of H.R. 9598 in the belief that creation of a dual form of government for the geographically limited area of Washington, D.C. will create unnecessary and costly problems without corresponding benefits. Rules and regulations, as well as policies and procedures affecting the Washington Federal District may differ in many instances from those adopted by the new District government. There would be severe and costly interjurisdictional problems of coordination and administration of public services, particularly with respect to law enforcement, transportation and environmental protection. In these and other areas, a likely result would be the creation of new entities to provide services in the Federal District matching those already being provided by the District of Columbia.

We have identified a number of specific areas in which enactment of H.R. 9598 would have an adverse affect upon efficient government. Comments on the specific areas of service involved are summarized in an attachment to this report. In addition, we have prepared a demographic analysis of the Federal District which is also attached. This analysis demonstrates the full impact which H.R. 9598 would have on the remaining portions of Washington, D.C. in terms of the type of Federal District which would be created and the nature of what would be left.

H.R. 9598 does not contain an authorization for the annual Federal payment to the District. However, the bill does not specifically repeal existing authority for the Federal payment, (D.C. Code, sec. 47–2501a), which provides for such a payment of $190 million for the fiscal year ending June 30, 1973 and for each fiscal year thereafter.

If it is the intent of H.R. 9598 to eliminate the Federal payment, the bill cannot be considered a feasible home rule proposal. The creation of a separate Federal District would not change the District Government's basic responsibilities to provide services in the areas of education, health, welfare, public safety, and transportation. Continued Federal contributions at a reasonable level are necessary to the financial stability of the District. This fact has, indeed, been recognized in every other major bill to provide self-government for the District of Columbia.

Because the division of responsibility for services cannot be fully determined from the provisions of the bill, we cannot estimate either the cost of operation of the Federal District or the additional costs which would result from duplication of effort between the two areas of government.

For the foregoing and attached reasons, the District Government strongly opposes the enactment of H.R. 9598.

Sincerely yours,
WALTER E. WASHINGTON,
Mayor-Commissioner.

THE OPPRESSED MINORITY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. RARICK. Mr. Speaker, we hear much of the term "oppressed minority" today. A recent letter to the editor, appearing in the Washington Star-News may add to the understanding of that term. It is for that purpose that I include the letter in the RECORD in its entirety:

[From the Washington Star-News, Sept. 26, 1973]

OPPRESSED MINORITY?!

SIR: Gerald Hopkins of the Fairfax County Redevelopment and Housing Authority, in a recent letter, ridiculed Fairfax County Supervisor John Herrity's use of the term "oppressed minority" in referring to a group of his middle class constituents. Specifically the group alluded to are the residents of Country Club View, three miles south of Fairfax City. Ninety-five percent of us are opposed to C–603, a proposed rezoning to permit 50 public multiple housing units being built in the midst of a seven year old established community of single family dwellings.

As a point of order, Herrity is not being "pressed" by the minority (toward which Mr. Hopkins exhibits obvious animus) but is simply being consistent with the philosophical assumptions of representation as it has evolved in the American experience.

Hopkins' profile of our affluence (cars, income, education, etc.) is fairly accurate; however, in fairness he could have added: "and a vast majority of the CCV homeowners came from poor and/or underemployed backgrounds" (this writer began working in the coal mines at age 12).

Hopkins implied that oppression can only stem from racial and economic motives and its victims can only be "poor, black, and underemployed." Hasn't he heard that we "establishment types" also utilize religion, education, government and the family to advance our reactionary policies of control? Also, that we have historically been known tc select as our targets Orientals, Jews, Catholics, Masons, bankers, merchants and even bureaucrats. For Hopkins' edification:

I am oppressed when an appointed bureaucrat has the hubris to attempt to run roughshod over the will of the majority.

I am oppressed when the liberal majority of the Fairfax County Board decides to build low-income housing in the only county district represented by a conservative.

I am oppressed when Utopian social engineers provide incomplete and inaccurate data to the decision makers, and change the data repeatedly to preclude opponents from challenging or disproving the data.

I am oppressed when so-called public hearings on vital issues are turned into a charade by the minority of the County Board—Preferential treatment for the proponents of C–603 and harassment of those opposed.

I am oppressed when hypocrites are for low-income housing in my neighborhood but against it in theirs.

I am oppressed when it is clear how the board is going finally to vote very early in the fact-finding stage.

I am oppressed when elected and appointed officials impugn my opposition as racism. This is McCarthyism at its ugliest.

I am not optimistic about Hopkins ever fully appreciating the complexities and nuances that are central to the American democratic process, nor do I expect him ever voluntarily to relinquish his "special insights." However, this he can understand: we have just begun to fight.

CHARLES GOTT,
Citizen Country Club View Addition.

LITTON SHIPYARD AND SUBSTANTIAL TURNOVER RATES

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. ASPIN. Mr. Speaker, low efficiency ratings and substantial labor turnover rates are continuing to plague Litton Industries' so-called "shipyard of the future" according to official Navy documents which I recently publicly released.

Litton's seemingly endless problem at the Pascagoula Shipyard will eventually be translated into cost overruns on its 30-ship DD–963 program. According to the documents which I have received from the Navy, the Litton Shipyard is today at least 18 percent less efficient than Litton's old shipyard was during 1969–70. Litton claims that its new style of construction in the Pascagoula Yard will "revolutionize" shipbuilding construction. The facts are that this new method, thus far at least, has been a failure.

The information provided to me by the Navy also indicates that from February to June of this year the labor turnover rate at the Pascagoula Shipyard averaged 8.1 percent per month. During July, turnover did dip to 5.9 percent. This high labor turnover coupled with low efficiency will eventually cause new cost overruns involving hundreds of millions of dollars.

In October, Litton will seek between $175 million to $221 million in additional cost growth as part of a so-called "reset proposal." The DD–963 contract allows the company to request an increase in the contract value up to $350 million, including profit. According to the original contract, Litton's profit can range between $107.5 million to $178.9 million according to the results of negotiations which will occur this October.

I am publicly calling upon the Navy to hold Litton to the absolute minimum profit allowed by the contract. In view of Litton's consistently faulty management of the entire shipbuilding program at Pascagoula, their profit must be curbed. Unless the Navy starts disciplining its contractors they will continue to bilk the taxpayers for hundreds of millions of dollars in cost overruns.

Already Litton's contract for the ships is between $586 million to $632 million higher than the original contract. But these cost overruns may be only the tip of the iceberg. They undoubtedly do not include all of the additional costs which will probably occur because of Litton's low efficiency and high labor turnover.

HARMFUL EFFECT OF THE ENCLAVE BILL ON THE DISTRICT OF COLUMBIA

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. FRASER. Mr. Speaker, H.R. 9598, introduced by Mr. BROYHILL of Virginia, does not provide a serious solution to many of the problems inherent in the delivery of services to the population of a large urban center of nearly a million persons. In fact, Mr. BROYHILL's Federal enclave bill creates additional services problems for the areas of law enforcement, emergency situations, highways and traffic, and environmental services, to mention a few.

The following comments by the District government point out problems which would arise through enactment of H.R. 9598:

COMMENTS ON SPECIFIC AREAS OF SERVICE WHICH WOULD BE AFFECTED BY H.R. 9598

LAW ENFORCEMENT

H.R. 9598 does not address itself to the potential law enforcement problems which would arise on a daily or emergency basis.

A. Role of the Metropolitan Police Department in Normal Police Operations of the Two Cities:

The Chief of Police is of the opinion that the creation of a Federal District in the heart of the city could result in jurisdictional and administrative problems which would have an adverse effect on law enforcement in the metropolitan area as a whole. The Federal District to be carved out of the present District of Columbia by H.R. 9598 would consist of a portion of the Second Police District (The Constitution Avenue corridor and the White House Area), and approximately one-half of the First Police District, including the Municipal Building, the court buildings, and the first substation of the First District. The Federal District also includes portions of virtually every major roadway in the downtown area of the city, as well as the 14th Street, Memorial, and Roosevelt Bridges. H.R. 9598 makes no provisions for coordinating the functions of the Metropolitan Police Department with Federal law enforcement agencies in the Federal District.

B. Role of the Metropolitan Police Department in Emergency Operations of the Two Cities:

This city has just come through a decade of potential and actual disorders. Some of these related to local, urban problems common to many large cities, others related to demonstrations directed against the Federal government.

H.R. 9598 does not delineate the jurisdiction or responsibilities of the Metropolitan Police Department in the Federal District area, either in normal times or in time of emergencies. The bill does provide that Federal and District officers and agencies may make agreements to furnish services to each other on a cost reimbursable basis. Presumably, all arrangements for police services and coordination are to be worked out in the future. Perhaps the presumption is that all police law enforcement agencies would maintain their present services and relationships, but there is no indication of this in the bill. This is a crucial omission, because of the unique status of the Nation's Capital. Had the governmental divisions proposed in H.R. 9598 existed during the civil disturbances of the last decade, it is likely that the problems caused by the disturbances would have been magnified many times. Civil emergencies within the District of Columbia are bound to affect the Federal District, just as civil emergencies within the Federal District are bound to affect the surrounding metropolitan area. It is unrealistic to expect rioters, demonstrators, or natural disasters to observe invisible boundary lines within the heart of the city, and it is imperative that law enforcement authorities be able to function effectively within the entire area of a civil disturbance or other emergency.

HIGHWAYS AND TRAFFIC

The Department of Highways and Traffic foresees serious problems of coordination between the two sectors established by H.R. 9598. Some of the problem areas on streets where jurisdictional responsibility is determined only by an imaginary division line involve continuity and coordination as it relates to the installation and maintenance of all underground utilities, traffic signal installation and timing, street signing and markings, and the construction and maintenance of streets, sidewalks, and alleys.

Federal-Aid apportionments to the States are made on the basis of population. At present, under Federal-Aid highway legislation, the District of Columbia is considered a State for construction purposes. In connection with the proposed Washington Federal District, the existing Federal-Aid highway legislation would have to be amended in order for this newly created sector to qualify for funding. In the case of the remaining portion of the city, it will first have to be determined whether this section can be considered a State. After that determination is made, and because of the resulting decrease in population therein, the Federal-Aid apportionments will be in lesser amounts.

ENVIRONMENTAL SERVICES

In the environmental control field, enactment of H.R. 9598 would mean a separation of the environmental services organizational structure into two separate entities, one to serve the Federal District and the other the District of Columbia. Under self-government the District obviously would desire to exercise regulatory functions within its area of jurisdiction, separate and distinct from those carried on by the Federal District government.

In addition, the District's Department of Environmental Services is particularly concerned with the implications of section 610 of the bill relating to Water Supply and Waste Management Services, which provides for the retention by, or transfer to the Washington, Federal District, of all facilities operated, and all functions, powers, and duties performed by the Department. One disadvantage to the District would be dilution of its decision-making powers in a regional decision-making body. H.R. 9598 would move control over these important activities even further from District residents. The bill would not provide for direct representation by any area jurisdiction in the decision-making process after the responsibilities were transferred to the Federal District Government. Further, based on our interpretation of the bill, the Department of Environmental Services or a similar organizational entity within the Washington, Federal District, would continue to perform all functions in the field of water supply, solid waste disposal, and liquid waste disposal as are currently carried on with one exception. Section 618 provides only for the "Treatment and Disposal of Solid Waste", and thus the District of Columbia would presumably be responsible for the collection of solid waste within its boundaries and the Washington Federal District would make the necessary collections within the remainder of the District. Further ramifications of such an arrangement would involve such matters as funding, appropriations, reimbursement for services, and other facets of the operation.

AN HISTORIC FARCE: PROPOSING SOVIET UNION MOST FAVORED NATION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. RARICK. Mr. Speaker, the American people have been led to believe that the only opposition to the President's trade reform bill granting most-favored-nation status to further subsidize the Bolshevik movement in the Soviet Union is based upon religious and minority oppression and suspension of intellectual freedom in their country.

While certainly these more publicized facts do exist, it should be remembered that they are after all matters of domestic policy of the Communist Party in power which our Government has at least tacitly ratified by our recognition of the Red dictatorship and détente with its party leaders.

But certainly just as important in opposition to the President's trade reform policy and granting privileged status to financial deals with the Soviets, must be their repudiation of international agreements which are in no way to be considered as domestic policy of a sovereign nation. I refer explicitly to the repudiation by the Soviet Government of any responsibility toward replacement of the Russian dollar bond debt. This is confirmed by correspondence from the Vice Consul of the Soviet Embassy here in Washington in correspondence as late as Sept. 5, 1973, a copy of which letter I ask follow my remarks.

Certainly, if the party in power in the Soviet Union today can repudiate any liability on past bond debts of that country today it can do the same thing on any obligations incurred in the future. Likewise, promises of reform in human rights treatment in the Soviet Union to soften American political resistance to the trade bill can be considered but a temporary accommodation to permit Members of the U.S. Congress to save face in voting to rubberstamp the President's previously made commitments by Dr. Kissinger and company.

Extending most-favored-nation treatment for credit and trade to the Soviet Union would make a farce of the entire program.

If you lie to me once, shame on you; if you lie to me twice, shame on me.

I ask that the aforementioned letter from the Soviet Embassy, correspondence from the Carl Marks & Co., Inc., and a newspaper clipping follow at this point:

EMBASSY OF THE UNION OF
SOVIET SOCIALIST REPUBLICS,
Washington, D.C., September 5, 1973.

CARL MARKS & CO.,
New York, N.Y.

DEAR EDWIN MARKS: In response to your letter concerning bonds of 1916 please be informed, that pre-revolution bonds were abolished by Decree of the Soviet Government of January 21, 1918.

So, Bonds of the Imperial Russian Government has no value now.

Sincerely yours,

V. USPENSKY,
Vice Consul.

CARL MARKS & CO., INC.,
New York, N.Y., September 26, 1973.

Re: Trade Reform Act of 1973.

Hon. JOHN R. RARICK,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN RARICK: With reference to my statement given to the Committee on Ways and Means on June 1, 1973, I herewith enclose a letter from the Russian Embassy, which clearly demonstrates the Soviet disregard for property rights. If the Russian Dollar Bond debt can be arbitrarily "abolished by decree" in violation of international law, what will prevent the Soviet Union from repudiating new commitments in the future?

In this context, it is difficult for us to understand how our government can even consider those proposed sections of the "Trade Reform Act of 1973" which enable "Most Favored Nation" treatment to be granted to the Soviet Union and repeal the Johnson Debt Default Act.

Officials of our government have acknowledged the legitimacy of the Imperial Russian Government Dollar Bond debt and claim to be awaiting the proper time to discuss it with the Soviets. We believe the time is *now*, before further concessions are made by us.

Respectfully,

EDWIN S. MARKS,
President.

[From the Washington Post, Sept. 28, 1973]

SOVIETS RATIFY U.N. RIGHTS PACTS, WITH EMIGRATION

(By Robert G. Kaiser)

MOSCOW, September 27.—The Soviet Union has ratified two United Nations conventions on the rights of man which provide for basic freedoms, including the right to emigrate, a Soviet newspaper revealed today.

The covenants commit nations which ratify them to respect each citizen's right to privacy, freedom of opinion, freedom to exchange books and newspapers "regardless of frontiers," freedom of religion and the freedom "to leave any country, including his own."

Moscow's ratification comes amidst a crackdown on internal dissedents and a campaign in the U.S. Congress to deny most-favored-nation tariff status to the Soviet Union unless it lifts restrictions against emigration.

If literally interpreted according to Western definitions, the covenants would require a radical transformation of Soviet society. But the first press comment on the pacts suggests that the Soviets will interpret them by their own definitions consistent with existing practices here.

Today's press accounts gave no hint of when the Soviet government ratified the covenants, but an article in the weekly magazine New Times hints that ratification may have occurred several months ago. Today's announcement appeared timed to answer foreign criticism of Soviet policies on human rights.

The two pacts were approved by the U.N. in 1966. Their formal names are "the international covenants on economic, social and cultural rights and on civil and political rights." They have not yet come into force, because only 19 countries have ratified them; 35 ratifications are needed. The U.S. and other major Western countries have not ratified the covenants.

[The United States never even signed, much less ratify, the two U.N. covenants for fear of Congressional opposition to treaties that might impose international laws on the United States that would go further than domestic civil rights laws. U.S. officials at the U.N. traced these fears back 20 years to Congressional rejection of the convention against genocide; to American Bar Association conservatism, since modified; and to Southern lawyers' objections as late as 1968.]

No Soviet newspaper actually carried the text of the covenants, and the published descriptions of them were incomplete.

As written, the covenant on civil and political rights contains loopholes. Each of the basic rights it guarantees can be suspended "for the protection of national security or of public order, or of public health or morals." In the Soviet Union, "national security" is interpreted extremely broadly.

The magazine New Times, in its issue that goes on sale Friday, says that capitalist countries have sought "to use the covenants for their own purposes—to interfere in the internal affairs of socialist states."

Discussing the article of the covenants on civil rights that provides for freedom of emigration, New Times cites a study by a Filipino judge who found that "only a few countries specifically recognize in their constitutions or their laws the right of their citizens to leave their own country, and nowhere is this right unconditional."

The magazine goes on to note that this article can be suspended to preserve national security, clearly implying that no Soviet citizen should expect any relaxation of the existing rigorous controls on travel abroad and emigration.

New Times notes that some people in the West "express dissatisfaction with the fact that the socialist states limit the distribution of 'information' and 'ideas,' names they try to attach to subversive organs of propaganda like 'Radio Liberty' and 'Radio Free Europe'." The magazine quotes several American politicians who have criticized these stations.

Emphasizing the covenants are not unconditional, New Times explains the loop on national security. "In other words," the magazine says, "the realization of the rights envisioned by the covenant of a country, its laws and traditions, or the customs of its people."

New Times and the official newspaper Soviet Russia, which published a long article on ratification of the covenants today, both emphasized the economic and social rights they guarantee, mentioning the right to education, medical care, social security and so on.

In traditional Soviet propaganda these rights are viewed as much more fundamental and important than "bourgeois" legal rights in more abstract fields.

"The socialist countries," wrote Soviet Russia, "have provided their citizens with a significantly higher level of rights and freedoms than the countries which allow the exploitation of man by man"—Soviet shorthand for the capitalist West.

By ratifying these covenants before the other major powers, according to New Times, the Soviet Union "has again emphasized that it is a consistent struggler for democratic rights and freedom, and for social progress."

HOUSE OF REPRESENTATIVES—*Monday, October 1, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

In everything by prayer and supplication with thanksgiving, let your requests be made known unto God.—Philippians 4: 6.

Eternal God, in whose presence we find peace, from whose spirit comes strength for daily duties and by whose guidance we are led from day to day, receive us as we pray and light the lamps of love and truth in all our hearts.

Thou hast called us to play a vital part in these decision days of destiny. Keep us from being little people in a great period of our Nation's life and make us more than a match for the movements of the modern mood.

Help us to raise to new heights of devotion in our service to our country and to our world. May we be partners with Thee in building a world where love and peace and truth shall dwell in the heart of every nation and live in the hearts of all people; through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1116. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes; and

S. 2482. An act to amend the Small Business Act.

The message also announced that the Senate had passed a resolution of the following title as follows:

S. RES. 171

Resolved, That the Senate disapproves the alternative plan for pay adjustments for Federal employees under statutory pay systems recommended and submitted by the President to Congress on August 31, 1973, under section 5305(c) of title 5, United States Code.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

SEPTEMBER 28, 1973.

Hon. CARL ALBERT,
The Speaker, House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 1:00 P.M. on Friday, September 28, 1973, and said to contain a message from the President transmitting to the Congress the annual report on the Federal Ocean Program.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

OCEANOGRAPHIC RESEARCH PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-159)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed with illustrations:

To the Congress of the United States:

The past decade has been a productive period in our Nation's effort to better understand and utilize our marine resources. The early 1960's saw the establishment of a firm foundation for our Nation's oceanographic research programs. Building on this research base in the late 1960's and early 1970's, we began formulating policies and carrying out plans to derive practical benefits from our ocean activities. New marine-related institutions were developed, the importance of marine sciences to the activities of existing institutions was recognized, and their efforts were expanded. While recognizing the ongoing importance of basic research, I believe that this emphasis on practical benefits must also be carried forward in the years ahead.

OCEAN INDUSTRIES

We have been particularly concerned of late with the challenge of relieving our dependence on marine imports and at the same time, providing new products and services for export. Our fishing industry has been a special focus of concern. At present, we import approximately 70 percent of our fish products, in spite of the fact that some of the world's most fertile fisheries lie directly off our coasts. These imports contribute a billion dollars to our foreign trade deficit. To help protect our domestic fishing industry, I have recommended legislation which would permit U.S. regulation of foreign fishing off our coasts to the fullest extent authorized by international agreements and would permit Federal regulation of domestic fisheries in the U.S. fisheries zone and in the high seas beyond that zone.

Of the non-living or mineral resources of the seabed, petroleum from our continental shelves will be the most important to the Nation for some years to come. I have directed the Secretary of the Interior to continue to accelerate the leasing of Outer Continental Shelf lands for oil and gas production to a level triple the present annual acreage rate by 1979, as long as such development can proceed with adequate protection of the environment and under conditions consistent with my Oceans Policy statement of May 1970.

We are also seeking agreement with other nations on a suitable means for developing mineral resources beyond the limits of national jurisdiction.

MANAGING OUR MARINE RESOURCES

Our efforts to improve the means by which we extract resources from the sea must be accompanied by efforts to ensure that those resources are managed properly to protect their continued abundance. In America, as in other nations, there is a deepening concern for the marine environment and the welfare of its associated plant and animal life. There is also a growing worldwide recognition that the welfare of the ocean resources is of international concern. This concern has been manifested in the establishment of the United Nations Environment Program and Fund following the Conference on the Human Environment at Stockholm and in the recent Convention on International Trade and Endangered Wild Species of Fauna and Flora. The Marine Mammals Act of 1972, which will help in the preservation of porpoises, seals, whales and other mammals which inhabit the seas and shores, is another significant step in this effort. So is my proposed Endangered Species Conservation Act, which would permit protective measures to be undertaken before a species is so depleted that its recovery is difficult or impossible.

The need for proper management of our coastal areas is inextricably linked with the need for proper management of our marine resources. Much of our population is concentrated on the relatively narrow band of our national coastal zone. The problems of urban development and land transportation within this zone, as well as the impact of ocean vessels of mammoth tonnage, demand serious consideration of our entire coastal transportation complex—including deepwater ports and off-shore terminals. Recently proposed legislation for the licensing of deepwater ports is another key element in our effort to anticipate and resolve this problem.

I believe that coastal zone management must be part of a program for the proper management of all our national lands. For this reason, my legislative program for this year includes again my recommendation for a major National Land Use Policy Act, a bill which would place special emphasis on the problems of our coastal zone.

I have further requested that the Senate give its consent to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, adopted in November 1972 by the United States and 91 other nations. I have proposed amendments to our ocean dumping legislation fully to implement the Convention and I am proposing legislation to carry out other international agreements related to pollution control under the auspices of the Intergovernmental Maritime Consultative Organization.

MARINE ADVISORY SERVICES

To support Federal marine programs and to assist in their application for the benefit of the American public, a marine advisory service has been established to serve as a two-way communications link with the public. Field agents of this advisory service—"county agents in hip boots"—will help bring to the Nation an awareness of our ocean heritage and its potential for satisfying many of our economic and social needs.

INTERNATIONAL COOPERATION

Problems of the marine environment have a unique global dimension. As we continue our efforts in the marine areas that I have highlighted, we shall also work to improve the performance of these functions within the international community. We are already making headway, for example, in advancing the International Decade of Ocean Exploration, the International Field Year of the Great Lakes, and the Integrated Global Ocean Station System of the Intergovernmental Oceanographic Commission and the World Meteorological Organization.

We have also established special agreements for cooperative marine activities with a number of nations, including Canada, France, Japan, and the USSR. In addition, we shall take whatever efforts are required to fulfill those commitments made at the Stockholm Conference on the Human Environment, the meetings of the International Whaling Commission, and the significant deliberations of numerous other organizations dedicated to fisheries and the marine environment. We shall also continue to work with developing nations, helping them to realize more fully the benefits available to them from the oceans and generating the climate necessary to assure freedom of research at sea for all nations.

Finally, we must seek ways to insure that the oceans remain an avenue of peaceful cooperation rather than an arena of tension-filled confrontation. Our efforts in the Law of the Sea deliberations, now beginning, will be devoted to this goal.

CONCLUSION

America is a seagoing nation with great dependence on the oceans that surround it. We can take pride in our past leadership and our accomplishments in marine science and engineering. I am determined that our future Federal marine effort will continue that leadership to the benefit of our Nation and all mankind.

RICHARD NIXON.

THE WHITE HOUSE, *September 28, 1973.*

CONFERENCE REPORT ON S. 1317, USIA AUTHORIZATION

Mr. HAYS submitted the following conference report and statement on the bill (S. 1317) to authorize appropriations for the U.S. Information Agency:

CONFERENCE REPORT (H. REPT. NO. 93-532)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1317) to authorize appropriations for the United States Information Agency, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: That this Act may be cited as the "United States Information Agency Appropriations Authorization Act of 1973".

SEC. 2. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1974, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) $196,000,000 for "Salaries and expenses" and "Salaries and expenses (special foreign currency program)", except that so much of such amount as may be appropriated for "Salaries and expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) $5,125,000 for "Special international exhibitions" and "Special international exhibitions (special foreign currency program)", of which not to exceed $1,000,000 shall be available solely for the Eighth Series of Traveling Exhibitions in the Union of Soviet Socialist Republics; and

(3) $1,000,000 for "Acquisition and construction of radio facilities".

Amounts appropriated under paragraphs (2) and (3) of this subsection are authorized to remain available until expended.

(b) In addition to amounts authorized by subsection (a) of this section, there are authorized to be appropriated without fiscal year limitation for the United States Information Agency for the fiscal year 1974 the following additional or supplemental amounts:

(1) not to exceed $7,200,000 for increases in salary, pay, retirement, or other employee benefits authorized by law; and

(2) not to exceeed $7,450,000 for additional overseas costs resulting from the devaluation of the dollar.

SEC. 3. The United States Information Agency shall, upon request by Little League Baseball, Incorporated, authorize the purchase by such corporation of copies of the film "Summer Fever", produced by such agency in 1972 depicting events in Little League Baseball in the United States. Except as otherwise provided by section 501 of the United States Information and Educational Exchange Act of 1948, Little League Baseball, Incorporated, shall have exclusive rights to distribute such film for viewing within the United States in furtherance of the object and purposes of such corporation as set forth in section 3 of the Act entitled "An Act to incorporate the Little League Baseball, Incorporated", approved July 16, 1964 (78 Stat. 325).

SEC. 4. (a) After the expiration of any thirty-five-day period beginning on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the Director of the United States Information Agency a written request that the committee be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in the custody or control of such agency, and relating to such agency, none of the funds made available to such agency shall be obligated unless and until there has been furnished to the committee making the request the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested. The written request to the agency shall be over the signature of the chairman of the committee acting upon a majority vote of the committee.

(b) The provisions of subsection (a) of this section shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Information Agency or to any communication directed by any such officer or employee to the President.

And the House agree to the same.

WAYNE L. HAYS,
THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
Managers on the Part of the House.

J. W. FULBRIGHT,
MIKE MANSFIELD,
GEORGE MCGOVERN,
G. D. AIKEN,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1317) to authorize appropriations for the United States Information Agency, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendment.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

The differences between the Senate bill, the House amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

The following table shows the sums in the Senate bill, in the House amendment, and in the conference agreement:

	Senate	House	Conference agreement
Salaries and expenses	$188,124,500	$203,279,000	$196,000,000
Special international exhibits	4,125,000	5,125,000	5,125,000
Radio facilities	1,000,000	1,000,000	1,000,000
Employee benefits	[1]	7,200,000	7,200,000
Devaluation costs	[1]	7,450,000	7,450,000
Total	193,249,500	224,054,000	216,775,000

[1] The Senate recommended an open-ended authorization for this item.

SALARIES AND EXPENSES

The Senate bill authorized an appropriation of $188,124,500 for this purpose for fiscal year 1974.

The House amendment authorized an appropriation of $203,279,000.

The committee conference agreed upon $196,000,000.

SPECIAL INTERNATIONAL EXHIBITIONS

The Senate bill authorized an appropriation of $4,125,000 for this purpose for fiscal year 1974.

The House amendment authorized an appropriation of $5,125,000.

The Senate receded.

SALARY BENEFITS

The Senate bill contained an open-ended authorization to permit the Agency to seek supplemental appropriations to cover increases in salary, pay, retirement, and other employee benefits authorized by law.

The House amendment authorized an appropriation of $7,200,000 for this purpose for fiscal year 1974.

The conference substitute is the same as the House amendment.

DEVALUATION COSTS

The Senate bill contained an open-ended authorization to permit the Agency to seek supplemental appropriations to cover increased costs due to the devaluation of the dollar.

The House amendment authorized an appropriation of $7,450,000 for this purpose for fiscal year 1974.

The conference substitute is the same as the House amendment.

LITTLE LEAGUE BASEBALL FILM

The House amendment included a provision to permit the Agency to sell to Little League Baseball, Inc. copies of a film "Summer Fever" dealing with Little League Baseball in the United States. Such film could be shown by the corporation in the United States only for educational purposes and for the recruitment of volunteers in the furtherance of the objectives of Little League baseball. It cannot be shown in connection with any fund-raising activities of the corporation.

The Senate bill did not contain a comparable provision.

The conference substitute is the same as the House amendment. The conferees agreed with the prohibition in the House report that "Admission will not be charged for viewing nor will it be shown in connection with any fund-raising activities of the federally chartered corporation," i.e. Little League Baseball, Inc.

ACCESS TO INFORMATION

The House amendment contained a provision requiring the Agency to respond within 35 days to a written request of either the Committee on Foreign Affairs or the Committee on Foreign Relations for any document, paper, communication, audit, review, finding, recommendation, report, or other material in the custody or control of such agency, and relating to such Agency. The request will be by the chairman of the committee acting on a majority vote of the committee. Failure to comply would result in the inability of the Agency to obligate any funds available to it.

The Senate bill did not contain a comparable provision.

The conference substitute is the same as the House amendment.

WAYNE L. HAYS,
THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
Managers on the Part of the House.

J. W. FULBRIGHT,
MIKE MANSFIELD,
GEORGE MCGOVERN,
G. D. AIKEN,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 7645, DEPARTMENT OF STATE AUTHORIZATION

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7645) to authorize appropriations for the Department of State, and for other purposes, with the Senate amendment to the House amendment to the Senate amendment thereto, disagree to the Senate amendment to the House amendment to the Senate amendment and agree to the further conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none and appoints the following conferees: Messrs. HAYS, MORGAN, ZABLOCKI, MAILLIARD, and THOMSON of Wisconsin.

THE GREAT PROTEIN ROBBERY

(Mr. STUDDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUDDS. Mr. Speaker, I rise today to call the attention of my colleagues to a very serious situation that threatens the future well-being of the people of our Nation and of the world. Fish and other marine life are a major source of the world's protein supply, and the continuing availability of the supply is being very gravely threatened.

Hundreds of foreign fishing vessels are fishing in our coastal waters, just beyond our 3-mile territorial sea and 9-mile contiguous fishing zone. These foreign boats, virtually unregulated and too numerous to monitor, are systematically depleting these once fertile fishing grounds.

Off New England, species such as haddock and herring have already been eliminated as sources of large amounts of harvestable protein. Other species of fish not yet depleted by the overwhelming foreign fishing effort are being brutally sucked from the sea by efficient, government-subsidized foreign fleets in quantities that guarantee their speedy elimination as exploitable sources of protein as well.

The problem of uncontrolled foreign fishing off our coasts is not one that confronts just New England—nor does it affect just our fishermen. It confronts all our coastal areas, our whole Nation, and the world.

A source of protein for the people of the United States and the people of the world is being irreparably damaged. The foreign nations fishing off our coasts must be restrained before they have completely destroyed this resource.

Mr. Speaker, we are being robbed of one of our most precious natural sources of protein—the fish in our coastal waters. I urge my colleagues in the Congress to act immediately and firmly to stop this depletion of our marine resources, to prevent this loss of an extremely valuable and necessary source of food—in short, to stop the great protein robbery that is occurring right now off our shores.

TO AUTHORIZE GRAPEFRUIT MARKETING ORDERS

(Mr. GUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GUNTER. Mr. Speaker, I am introducing a bill today to amend the Agricultural Adjustment Act to authorize grapefruit marketing orders. This bill recently passed the Senate for the second year in a row and I am hopeful that this year the House will act favorably on this proposal.

This bill will allow grapefruit growers who assess handlers for marketing promotion to also allow credits against such assessments in the case of those handlers who make direct expenditures for marketing promotion. Specifically, handlers of Florida Indian River grapefruit will be encouraged to continue developing their own promotions by crediting the cost of these promotions against the handlers assessment as authorized in the Indian River grapefruit marketing order.

A favorable recommendation was made by the Department of Agriculture on this legislation, and it is supported by the Indian River Citrus League which represents the vast majority of Indian River citrus growers. This is enabling legislation only, and the Indian River grapefruit industry will still have to adopt a specific program agreeable to them. This bill will merely give maximum flexibility to those involved in marketing Indian River grapefruit.

For promotional purposes under the existing marketing order, individual handlers are assessed so much per box of fruit to promote Indian River fruit. If, however, these handlers use the words "Indian River" in their own promotion, they should receive some credit toward their promotional assessment. This legislation would allow them to do that.

This bill is important in amending a program that is being improved through local initiative and cooperation. I believe this type of activity should not be impeded, and I hope my colleagues will concur in passing this bill.

THE MILITARY ALL-VOLUNTEER CONCEPT—FIFTH SEGMENT

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, my comments today are directed toward those among the public who only a short time ago, were pressing for an end to the draft in favor of a Volunteer Armed Force. There is growing evidence that volunteers may not be forthcoming in sufficient numbers to maintain our armed services at the required manpower levels.

We need also to take a good look to see if the volunteer system is going to be representative of the population of our great country.

If middle America is not willing to support our services and be proportionately represented among its ranks, the volunteer system may never work. Now is the time for those young men who were unhappy with the prospects of being drafted and were advocating the volunteer system to step forward and volunteer. If not, we will again have to resort to some form of compulsory military service. So I say to you volunteers here in the Chamber to step up to the recruiting table and let us fill and close the ranks.

STOPPING MANDATORY SEATBELT IGNITION INTERLOCKS

(Mr. WYMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WYMAN. Mr. Speaker, I am seeking cosponsorship on my bill, H.R. 10277, which I shall reintroduce tomorrow, to require that the Department of Transportation end at once its regulation that all 1974 automobiles have a built-in seatbelt ignition interlock.

Engineering estimates are that at least 3 percent of the 1974 manufacturing run will be defective mechanically. This is bad enough, but a mandatory buckleup order tied into the automobile ignition on 1974 models is an unreasonable invasion of private rights, costwise and decisionwise.

Suppose an accident involving fire, such as a rear-end collision, or a car immersed in water, and the seatbelt jammed. Or a woman being attacked who runs away, gets to her car, and then must buckle her seatbelt and harness before she can even start up.

Such a requirement is bureaucratic extremism. Optional perhaps, but mandatory never.

Last week I asked the Department of Transportation to review this requirement. The Department has informed me that it declines to modify its order.

In these circumstances and in the public interest I respectfully solicit cosponsorship of my bill. Some drivers do not wish to wear seatbelts. This is and should be their privilege. Others are not involved.

Mr. Speaker, I hope we can all get together on this and act without delay. The response to the DOT requirement across the country is one of solid opposition, and justly so.

THE CURRENT SITUATION INVOLVING THE VICE PRESIDENT—THE HOUSE HAS THE RESPONSIBILITY TO GET INVOLVED

(Mr. WIGGINS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. WIGGINS. Mr. Speaker, yesterday the distinguished chairman of the Committee on the Judiciary appeared on national television and commented upon the current situation involving the Vice President. In response to questions concerning the role of the House of Representatives, the distinguished chairman asserted that both the House and the Vice President should rely upon the courts to investigate and punish any proved misconduct on the part of the Vice President.

When questioned about the Vice President's claim that Justice Department leaks have deprived him of his constitutional right to a fair trial, the chairman of the Committee on the Judiciary asserted that the executive department had the responsibility of investigating such leaks and that Congress should keep its hand off.

Mr. Speaker, I wish to challenge both such assertions. For months the Committee on the Judiciary has been investigating alleged deprivations of civil rights by various classes of citizens. We have held the executive department up to the closest of scrutiny in these investigations. Given the seriousness of the charge by the Vice President of a pattern of conduct by officials in the executive department tending to deny him his constitutional rights, the right and duty of this Congress, and particularly Chairman RODINO's own committee to investigate is absolutely clear.

Great constitutional issues involving the relative power of the three branches of Government are now before the country.

This House, Mr. Speaker, must not be a spectator to these historic events by yielding to the courts for their resolution. We have the responsibility to get involved.

FURTHER LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker, I take this time to announce that on tomorrow we will call up two bills by unanimous consent from the Ways and Means Committee:

H.R. 8217, duty exemptions for certain foreign repairs to vessels owned by or operated for the United States; and

H.R. 8219, extending certain privileges and immunities to the organization of African unity.

Mr. Speaker, I should also like to announce that at the request of the chairman, H.R. 7730, San Carlos, Ariz., mineral strip purchase is asked to be called off for this week.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

REVISION OF EMPLOYEE CIVIL SERVICE RETIREMENT DEDUCTIONS

The Clerk called the bill (H.R. 9257) to amend chapter 83 of title 5, United States Code, relating to the rates of employee deductions, agency contributions, and deposits for civil service retirement purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 9257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That section 8334 of title 5, United States Code, is amended—

(1) by redesignating paragraph (a)(2) as paragraph (a)(3);

(2) by inserting after paragraph (a)(1) the following new paragraph (a)(2):

"(2) The Civil Service Commission from time to time, shall determine the amount necessary to be withheld from the basic pay of an employee to meet one-half of the normal cost of all benefits then in effect under this subchapter. If the percentage of employee deduction necessary to obtain such amount differs by more than one-fourth of 1 percent from the percentage of the deduction then in effect, the Civil Service Commission shall propose an adjustment, rounded to the nearest multiple of one-fourth of 1 percent, in the percentage of the employee deduction necessary to meet one-half of such normal cost and corresponding adjustments in each of the other percentages prescribed by the first sentence of paragraph (1) of this subsection. Notice of such proposed adjustments shall be transmitted to the President of the Senate and the Speaker of the House of Representatives. Unless within thirty calendar days of continuous session of the Congress after transmittal of the notice—

"(A) there has been enacted into law a statute which provides for different adjustments; or

"(B) either House of the Congress has

passed a resolution which specifically disapproves the proposed adjustments;
the proposed adjustments shall become effective at the beginning of the first applicable pay period which begins on or after the thirtieth day following the expiration of such thirty-day period. The continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period. Not more than one adjustment shall be proposed in any calendar year."; and

(3) by amending subsection (c) by striking out the colon and inserting in lieu thereof ", and an amount equal to the deductions, as adjusted from time to time under subsection (a)(2) of this section, for periods of service to which such adjustments apply:".

SEC. 2. The initial adjustment under section 8334(a)(2) of title 5, United States Code, as amended by the first section of this Act, shall be based upon the estimated normal cost of benefits in effect on the date of enactment of this Act and, notwithstanding the effective date provision of such section 8334(a)(2), shall become effective at the beginning of the first applicable pay period which begins on or after the thirtieth day following the date of such enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PEANUT ALLOTMENT TRANSFER

The Clerk called the bill (H.R. 9205) to amend the Agricultural Adjustment Act of 1938 with respect to peanuts.

There being no objection, the Clerk read the bill as follows:

H.R. 9205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 358 of the Agricultural Adjustment Act of 1938 be amended by adding a new subsection (j) to read as follows:

"(j) Notwithstanding any other provision of this Act, if the Secretary determines for 1973 or a subsequent year that because of a natural disaster a portion of the farm peanut acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the peanut acreage allotments for any farm in the county so affected to another farm in the county or in an adjoining county in the same or an adjoining State on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of peanuts and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be released acreage for the purpose of acreage history credits under subsection (g) of this section and section 377 of this Act: *Provided,* That notwithstanding the provisions of subsection (g) of this section, the transfer of any farm allotment under this subsection shall operate to make the farm from which the allotment was transferred eligible for an allotment as having peanuts planted thereon during the three-year base period.".

With the following committee amendment:

Page 1, line 7, strike the words "or a subsequent year".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHANGING NAME OF PATENT OFFICE

The Clerk called the bill (H.R. 7599) to amend the Trademark Act of 1946 and title 35 of the United States Code to change the name of the Patent Office to the "Patent and Trademark Office."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker. I would call to the attention of the Speaker the fact that these further bills are not eligible.

The SPEAKER. The Chair is advised that they are all eligible. The Chair has not counted the days.

Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING TRADEMARK ACT

The Clerk called the bill (H.R. 8981) to amend the Trademark Act to extend the time for filing oppositions, to eliminate the requirement for filing reasons of appeal in the Patent Office, and to provide for awarding attorney fees.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER. This concludes the call of the Consent Calendar.

CALL OF THE HOUSE

Mr. SCHERLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 484]

Addabbo
Alexander
Anderson, Ill.
Archer
Badillo
Barrett
Bell
Biaggi
Biester
Blatnik
Bolling
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Fla.
Carney, Ohio
Chisholm
Clark
Clawson, Del
Clay
Cleveland
Conte
Conyers
Danielson
Davis, Ga.
Dellums
Dingell
Dorn
Esch
Eshleman
Flowers
Flynt
Ford, Gerald, R.
Frelinghuysen
Fuqua
Gibbons
Goldwater
Gray
Green, Oreg.
Griffiths
Gubser
Gude
Hanna
Hansen, Idaho
Harrington
Hawkins
Hébert
Heinz
Holtzman
Hosmer
Howard
Hudnut
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kluczynski
Leggett
McSpadden
Madden
Mathias, Calif.
Matsunaga
Michel
Mills, Ark.
Minshall,Ohio
Mitchell, Md.
Mollohan
Murphy, Ill.
Murphy, N.Y.
Nelsen
Nix
Powell, Ohio
Quie
Railsback
Rees
Reid
Rooney, N.Y.
Rostenkowski
Runnels
Sandman
Shipley
Sisk
Slack
Smith, Iowa
Spence
Steiger, Wis.
Stokes
Stubblefield
Symms
Taylor, N.C.
Tiernan
Veysey
Waldie
Walsh
White
Wright
Young, Fla.
Young, S.C.

The SPEAKER. On this rollcall 336 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ESTABLISHING ADDITIONAL ASSISTANT SECRETARY OF THE INTERIOR FOR INDIAN AFFAIRS

Mr. MEEDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 620) to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be in the Department of the Interior, in addition to the Assistant Secretary now provided for by law, one additional Assistant Secretary of the Interior for Indian Affairs, who shall be appointed by the President by and with the advice and consent of the Senate, who shall be responsible for such duties as the Secretary of the Interior shall prescribe with respect to the conduct of Indian affairs, and who shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of the Interior.

SEC. 2. Section 5315 of title 5 of the United States Code is amended by striking out "(6)" at the end of item (18) and by inserting in lieu thereof "(7)".

SEC. 3. Section 462, Revised Statutes, as amended and supplemented (25 U.S.C. 1), and paragraph (45) of section 5316 of title 5 of the United States Code, are hereby repealed.

The SPEAKER. Is a second demanded?

Mr. CAMP. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MEEDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 620 authorizes the establishment of an additional Assistant Secretary of the Interior for Indian Affairs within the Department of the Interior. The new Assistant Secretary would replace the position of Commissioner of Indian Affairs, currently Chief Administrator of the Bureau of Indian Affairs.

The Bureau of Indian Affairs, created by order of the Secretary of War in 1824, is one of the oldest continuing agencies in the executive department. In 1832, Congress created the position of Commissioner of Indian Affairs, appointed by the President with the advice and consent of the Senate, to head the Bureau under the direction of the Secretary of War. The Bureau and the Commissioner were transferred to the Department of the Interior by the act of March 3, 1849.

The United States has a special duty to Indian tribes. It is charged with a high fiduciary duty to preserve and protect Indian assets. The Secretary of the Interior is the authorized officer of the Federal Government to perform this special duty, and the Commissioner of Indian Affairs, as the Administrator of the Bureau of Indian Affairs, reports to the Secretary through an Assistant Secretary of the Interior. Thus, the Bureau of Indian Affairs and the Commissioner of Indian Affairs are in a third-tier level within the administrative structure of the Department of the Interior, This creates two detrimental effects.

First, the Department of the Interior also has the duty to administer the Nation's resources for the greatest common good, and when these national interests conflict with the interests of Indian tribes, the Indian interests are often compromised in favor of the national interests. The third-tier positioning of the Administrator of the Bureau of Indian Affairs within the Department has substantially aggravated this inherent conflict of interest when the national or special non-Indian interest in water, power, minerals, timber, and so forth, are in conflict with the interest of Indian tribes in these areas.

Second, Indian matters within the Department of the Interior occupy a low level of importance and visibility.

Various statements of policy have put native American issues high on the list of national domestic priorities.

The adminstration has emphasized that the Nation does care about its trust responsibility to the first Americans and will work to live up to that responsibility.

However, the low level of importance of Indian matters in the Department of the Interior seriously weakens that emphasis.

H.R. 620 will raise the Department of Interior's responsibility for Indians to its proper level within the structure of the Department.

The Indians, who have given so much to make this country what it is today by ceding vast tracts of lands to the United States, deserve the protection which the Federal Government has so often promised in treaties and statutes, but has so seldom effectively provided.

The new Assistant Secretary will focus his attention solely on the unique problems of Indians to improve their economic and social conditions and assist in the development of their full potential, both for their own and the Nation's benefit.

He will also help guide the implementation of the new national policy of Indian self-determination.

Enactment of H.R. 620 as proposed by the committee will not, of itself, solve the deep-rooted problems affecting Indian people and the administration of Indian affairs.

But it is a small step in that direction which, if woven into a well-conceived and well-considered new national Indian program, may bring us closer to a realization of that long-sought goal.

The Committee on Interior and Insular Affairs favorably adopted the bill with one amendment repealing the law establishing the position of Commissioner of Indian Affairs. This position is no longer needed with an Assistant Secretary of Interior for Indian Affairs. The committee intends that the permanent, primary function of the new Assistant Secretary be that of Indian affairs and that he not be assigned other duties of a substantive, permanent nature.

Although the bill is derived from draft legislation proposing the establishment of an additional Assistant Secretary of the Interior transmitted by Executive communication, the Department of the Interior was reluctant to support his designation as Assistant Secretary of the Interior for Indian Affairs.

The Department gave a very weak argument supporting its stand.

With the repeal of the position of the Commissioner of Indian Affairs included in the bill and with Indian support for specifying the title and function, the committee favors the language in the bill designating the new Assistant Secretary as the Assistant Secretary of the Interior for Indian Affairs and limiting his primary, permanent functions to that of Indian affairs.

However, he may perform other temporary duties, such as serving as Acting Secretary of the Interior.

Mr. Speaker, I urge the House to enact the bill.

Mr. Speaker, I wish to commend the gentlewoman from Washington (Mrs. Hansen) the leader of the delegation upon which I have had the opportunity to serve, for her sponsorship of this legislation.

She has long been a very strong and effective advocate for the rights of Indians. Her initial sponsorship before anyone else certainly bears out her continuing concern.

Mr. Speaker, we have the support of the minority and the administration.

With that, I would like to urge the House to enact this bill.

Mr. CAMP. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I would like to ask a question or two about this bill. How did the Government get along for almost 50 years—49 years—without this Assistant Secretary? What is the justification for now coming up with a new Assistant Secretary in the Department of the Interior to manage Indian affairs?

I will yield to the gentleman from Washington (Mr. Meeds) if the gentleman can enlighten me.

Mr. MEEDS. Mr. Speaker, I think there are a number of reasons; first of all there are the reasons which I enunciated in my prepared text in which I stated the inherent problems of conflicts of interest which are exacerbated by the positioning on the third tier of that person who administers the affairs of the Indian tribes so that he has often been in conflict and relegated to a substantially lesser role than he ought to be with others.

Mr. GROSS. Would this be any less true if we approve another Assistant Secretary?

Mr. MEEDS. Yes.

Mr. GROSS. It would not be insofar as conflict of interest, would it?

Mr. MEEDS. The Assistant Secretary will then be dealing on the same level as other Assistant Secretaries in the Department of the Interior.

Mr. GROSS. That may be, but he might have other interests that could be construed to be conflicts of interest in the Department. I think that is the weakest reed you are trying to lean on in asking for a new Assistant Secretary.

Let me ask this question: Does this grow out of the uprising of Indians in Washington last fall?

Mr. MEEDS. No. I think that this has been proposed in previous Congresses. I believe the gentlewoman from Washington (Mrs. Hansen) sponsored this legislation in the last Congress.

Mrs. HANSEN of Washington. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentlewoman from Washington.

Mrs. HANSEN of Washington. Mr. Speaker, if I may say to the distinguished gentleman from Iowa, as I have sat as the chairman of the subcommittee of the Committee on the Interior for appropriations, I have been constantly faced with the variety of interests that the Indian Affairs program has. The Assistant Secretary has had to handle the business of land management, the territories, Indian affairs, et cetera, on which he is the Indian official, and these have grown throughout the years. And when I am given the opportunity I will explain some of these difficulties.

Also, in discussing this with Indians throughout this Nation I was requested by the Indian people to introduce this bill, and I was very pleased to do so, and I will explain, as I say, later, some of the reasons.

Mr. GROSS. I appreciate the gentlewoman's explanation, and I have no doubt that the Indians would like to have an Assistant Secretary in the Department of the Interior, but prestige hardly justifies the creation of an expensive office.

It was stated that the cost will be $2,000 a year, which would be the differential in pay of the Assistant Secretary and the former Commissioner, or Director of the Bureau of Indian Affairs. Invariably, when Congress creates an Assistant Secretary he requires additional supergrade employees. This seems to be the routine and to give prestige to the position of Assistant Secretary. So I do not think I will be deluded by the $2,000 a year, because I think it is going to be more.

But, let me ask the gentlewoman this question: Will this Assistant Secretary be able any more than was the Commissioner of Indian Affairs last fall when the deal was made to buy these Indians off—those Indians who invaded, took over, and wantonly destroyed the property at the Bureau of Indians Affairs—will he be able to represent any more than the Secretary of the Interior was able to represent the Department of the Interior in its accumulation of $65,000 or $66,000 in cash to buy these Indians off, and get them out of Washington, D.C.? That deal was carried out by the Bureau of the Budget and a representative of the OEO whose funds they stole to get them out of town.

Please tell me if the creation of an Assistant Secretary is going to result in any more efficiency than was exhibited last fall, when the Secretary of the Interior himself was supposed to be calling the shots. Is an Assistant Secretary going to be able to wield any more influence on the Indians than did the Secretary of the Interior who failed to get them out of town without paying a huge cash bribe for which apparently there will never be an accounting?

The SPEAKER. The time of the gentleman has expired.

Mr. GROSS. Mr. Speaker, I am opposed to this bill. We need fewer not more Assistant Secretaries.

Mr. MEEDS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington (Mrs. HANSEN).

Mrs. HANSEN of Washington. Mr. Speaker, I had not planned to speak at any length on this bill because it is self-explanatory, but I shall give the history of it.

More and more Indians have been seeking through the years, since I have been chairman of the Interior Appropriations Committee, and being familiar with their problems, a greater identity and a greater ability to be close to the Government without layers of bureaucracy.

Last fall I met with many Indian groups in my own district. I am privileged to have many tribes in my area of southwest Washington. I told them that I would be proud to sponsor an Assistant Secretary for Indian Affairs, if this was their desire. Heretofore, this office has been combined with the Territories and the Bureau of Land Management.

In the beginning I planned to have the assistant merely appointed by the Secretary of the Interior. However, because the Indian affairs of our Nation are of such immense importance, and because the Indian people, I think, need the recognition of a Presidential appointment, I changed my bill to read "appointed by the President and subject to confirmation by the Senate."

Naturally, I would assume that the President would consult with the Secretary of the Interior before making any appointment, as well as with the Indian people.

Immediately after preparation of the bill, I wrote to 209 Indian tribes and 144 Indian publications asking their opinions, suggestions, and if they wished to make any corrections or changes to notify me. Since that time I have received letters from tribes all over the United States supporting the bill. I sent a copy of my letter to the Indians to the White House, when I wrote the White House enclosing a copy of the bill. I also wrote to the Secretary of the Interior with the same material. They raised no objections.

I do today congratulate the committee for taking this step because I am going to be very frank—the Indian world has problems that are deep and serious. Not more than 10 days ago the Members heard me discuss in our conference report some of the Indian funding increases. You Members have heard us on the Committee on Interior come to you with some of the problems. Fifty percent of some Indian tribes are unemployed; their lands are unproductive; timber has not been cleaned up after being cut; and there are dozens and dozens and dozens of other wrongs to be righted in a range of fields from education to housing and health.

Mr. Speaker, I am hoping that the House today in good faith with our Indian brothers and sisters in this Nation will give them the opportunity to have an Assistant Secretary of Indian Affairs who can handle expeditiously and well the problems that beset the Indian people from Alaska to Florida and from Maine to California.

Mr. Speaker, I am not going to speak at length on this bill; I will give you the history.

More and more Indians have been seeking through the years that since I have been chairman of the Interior Appropriations Committee, a greater identity and a greater ability to be close to the Government without layers of bureaucracy.

Last fall I met with many Indian groups in my own district, and I told them that I would be proud to sponsor an Assistant Secretary for Indian Affairs. Heretofore, this office has been combined with the territories, et cetera.

In the beginning, I planned to have it merely appointed by the Secretary of Interior. However, because the Indian affairs of our Nation are of such immense importance and because the Indian people, I feel, need the recognition of a Presidential appointment, I changed my bill to read "appointed by the President and subject to confirmation by the Senate." Naturally, I would assume that the President would consult with the Secretary of the Interior before making any appointment as well as the Indian people.

Immediately after preparation of the bill, I wrote to 209 Indian tribes and 144 Indian publications asking their opinions, suggestions, and if they wished to make any corrections or changes, to notify me. Since that time, I have received letters from tribes all supporting the bill.

Congratulate the committee for its tremendously thoughtful and active interest in our Indian affairs.

Mr. CAMP. Mr. Speaker, I yield such time as he may conserve to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Speaker, I welcome this opportunity to support H.R. 620, which would create within the Department of the Interior an Assistant Secretary for Indian Affairs. Clearly, there is an immediate need for the establishment of this position to fulfill the United States' trust responsibility to protect the natural resource rights of American Indians.

We have operated too long under the assumption that the Department of the Interior can represent two opposing clients in one dispute. On the one hand, the Department must preserve Indian trust assets, while on the other, it must manage the Nation's natural resources. Unfortunately, when those interests conflict, evidence indicates that the Indians are the losers. I believe H.R. 620 is a great step forward in remedying this situation and increasing the efficiency with which the Government administers the welfare of our first Americans.

Yet, more importantly, I see with the creation of this position a far greater good.

The obligation to provide services for American Indians is rooted in the United States Constitution, and more specifically in the Federal statutes which establish special benefit programs for American Indians. The most important of these is the Snyder act, under which most Bureau of Indian Affairs funds are allocated.

The Snyder act gives the BIA authority to provide a wide range of services to "Indians throughout the United States." The BIA, on the other hand, has interpreted "throughout the United States" to mean on or near federally recognized Indian reservations and has limited the availability for its services accordingly. Therefore, approximately 3,000 Indians residing in the State of Maine do not receive the services of the Bureau of Indian Affairs because they do not belong to a "federally recognized" tribe. However, the use of the concept "Federal recognition" as an administrative vehicle for denying service to Indians has no basis in law. Only Congress can terminate the national responsibility to Indian tribes and it has never taken such action with regard to Maine's Indians.

Maine's Indians are in great need of assistance from the Federal Government to protect their legal rights and to develop their personal and tribal resources. The denial of these necessary services by the BIA, which is specifically charged by Congress to serve all Indians, is arbitrary and unfair. In this regard I support the President's position that there should be no termination of this Nation's trust responsibilities without the consent of the Indians involved.

The very name "Indian" was first applied to Indians of the Atlantic seaboard. It was these Indians who helped the European settlers to adapt to a new and forbidding land. Now it is time for us to reciprocate. I believe that when the termination of Federal services is the consequence of a decision by an administration agency, as is the case in Maine and with other so-called "State Indians," the restoration of services can be accomplished by a new administrative initiative. I would hope that the new Assistant Secretary of the Interior for Indian Affairs will seize this opportunity to better the plight of this Nation's most neglected minority.

Mr. CAMP. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Speaker, I rise in support of this legislation. I might say to my colleague, the gentleman from Iowa, that no one abhors, more than I, what happened last year when the Indian group took over the Bureau of Indian Affairs building and wrought havoc here in Washington; but on the other hand, Congress has not dealt fairly with our Indian wards over the years.

Under the English code of law, one is expected to apply standards toward his ward at least as high as he applies toward his natural-born children. We have not done this.

We have entrusted the care of our Indian wards to the Commissioner of Indian Affairs and to the Bureau under his supervision. But the degree of importance we attach to his responsibilities is reflected in both the status level and salary level of his position. Instead of reporting directly to a Cabinet officer, the Commissioner has been placed under the supervision and administration of an Assistant Secretary, not any specific Assistant Secretary, mind you, but whichever Assistant Secretary happened to be available. Our last Commissioner of Indian Affairs, for example, reported at one time to the Assistant Secretary for Public Land Management, and later to the Assistant Secretary for Management and Budget. There have always been any number of officers in the Interior Department who have outranked the Commissioner and could override his decisions.

The result has been that some of the sorriest chapters in American history have been written in the Bureau of Indian Affairs. Not necessarily because of venal commissioners or ill-intentioned commissioners, but because of commissioners whose low-level position rendered them virtually impotent in matters of policy.

This bill seeks to remedy that situation. What we are trying to do here today is merely to give the man who is entrusted with the administration of Indian affairs an equal rank in sitting down and determining policy. This man will answer only to the Secretary and the President, and will enjoy a salary status at least the equal of the Assistant Secretaries in charge of fish, animals, and public lands. Is that really too much to ask?

There are a number of bills pending in this session of Congress to implement the President's historic 1970 message on Indian policy. This is but one of the seven major initiatives we have taken in this field. We cannot set right in one session the wrongs of the entire past, but we can make a start—and Mr. Speaker, this bill is a good start.

Twenty years ago, during a period of time when both the Congress and the administration were embarking on the policy of termination for Indians, I stood on this floor and argued with all my strength against that policy. Since that time, we have become all too well aware of the tragic results of those policies, and we will be taking many legislative steps in the coming years to correct them. It is a new beginning, and one that must start with this bill that upgrades the entire area of Indian Affairs and demonstrates the will of this Congress to treat its Indian wards at least as well as it treats other Americans.

Mr. Speaker, I urge my colleagues to support not only this bill but the change in direction, the change in emphasis, the change in policy that it represents.

Mr. MEEDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I take this time to compliment the gentleman from Pennsylvania and all those Members on the other side who have worked so hard to bring this legislation to pass, but I think the gentleman from Pennsylvania deserves some special applause for his long and deep feeling about the problems of the Indian people in this country.

I would like to supplement what the gentleman said in answer to the gentleman from Iowa, who asked in effect if this was going to solve the problems of the Indians. I think it would be disastrous for this House to consider this bill as a panacea for the many problems the gentleman from Pennsylvania mentioned and the problems the gentlewoman from Washington mentioned as far as housing and poor health and all the other problems the Indians have.

This bill is not a single solution to all those problems.

As I said, it is a small step in the right direction. Hopefully, this committee is going to be coming before this House within the next year with other legislation which will also go a long way toward solving some of those problems.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of this bill is to upgrade the position of Commissioner of Indian Affairs—which of course would be eliminated by this proposal—to that of an Assistant Secretary of the Interior.

This Assistant Secretary, who would be in addition to those which the Department of the Interior currently has, would be appointed by the President with the advice and consent of the Senate; would have such duties as the Secretary of the Interior assigned, and would be paid at the same rate as the Department's other Assistant Secretaries. The proposal would amend section 5315 of title 5, United States Code, to increase the Department's number of Assistant Secretaries from six to seven.

The creation of this position would raise the Department's responsibility for Indians to its proper level within the structure of the Department. Indians will no longer have to compete with the land and other natural resources problems for attention as they now do in the day-to-day operation of the Department.

Focusing his attention solely on their unique problems, the new Assistant Secretary will work full time with Indians to improve their economic and social conditions to assist in the development of their full potential, both for their own and the Nation's benefit. One of the primary responsibilities of the new Assistant Secretary will be to help guide the implementation of the new national policy of Indian self-determination that President Nixon outlined in his July 8, 1970, message to the Congress and recently, in his March 1, 1973, human resources message to the Congress.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Mr. LUJAN. Mr. Speaker, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Speaker, I want to compliment the gentleman from Oklahoma. He has put his finger on exactly the crux of the problem. We have a policy of Indian self-determination and doing things for themselves, and yet we go on asking them, for whatever they might want, to compete with other interests that the department has.

I think in upgrading these functions to Secretary level is really one of the solutions which would lead to the better administration of Indian affairs.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I want to take this opportunity to associate myself with the remarks of the gentlewoman from Washington (Mrs. HANSEN) and the gentleman from Pennsylvania (Mr. SAYLOR) in support of this measure to create the position of Assistant Secretary for Indian Affairs.

The gentlewoman from Washington, who authored the bill before us today, recognizes the need for one high-level official in the Department of the Interior to be the focus for Indian programs because she has been so able and diligent in working to gain funding for these programs.

She knows the importance to the Indian people of the policy decisions of the Federal Government and believes, as I do, that we must reflect that importance by upgrading those who make Federal policy to a higher level in government.

The gentleman from Pennsylvania, who helped move this legislation through our Committee on Interior and Insular Affairs, is also aware of this need as he has demonstrated here today.

In his message on Federal programs for the American Indian in 1970, President Nixon pointed out that:

> The first Americans—the Indians—are the most deprived and most isolated minority group in our nation. On virtually every scale of measurement—employment, income, education, health—the condition of the Indian people ranks at the bottom.

While the white man has been in the United States for just over 300 years, most of us fail to appreciate the fact that the Indian has been here over 300 centuries.

The coming of the Europeans brought an end to a life style in which the Indian had lived in complete harmony with nature. A life style that had brought about cultural achievements far above anything the average American realizes today after having been exposed to thousands of "Western" movies based upon our oppressive treatment of the Indians in the 19th century.

But while the Indian's history is full of his frustration, hardship, and suffering, his survival is a testament to his endurance and inner strength.

The bill we are considering will be a symbolic gesture on the part of the Congress that it recognizes the complexity of issues involving the Indians and that it is committed to resolving them.

I, for one, will be working to insure that this symbolism is translated into substantive change on behalf of the Indian.

I hope this legislation will be enacted and implemented as soon as possible.

Mr. MEEDS. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Washington (Mr. MEEDS) that the House suspend the rules and pass the bill H.R. 620, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR DISTRIBUTION OF FUNDS IN SATISFACTION OF INDIAN CLAIMS COMMISSION JUDGMENTS

Mr. MEEDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8029) to provide for the distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes, as amended.

The Clerk read as follows:

H.R. 8029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other law, all use or distribution of funds appropriated in satisfaction of a judgment of the Indian Claims Commission or the Court of Claims in favor of any Indian tribe, band, group, pueblo, or community (hereinafter referred to as "Indian tribe"), together with any interest earned thereon, after payment of attorney fees and litigation expenses, shall be made pursuant to the provisions of this Act.

SEC. 2. (a) Within one hundred and eighty days after the appropriation of funds to pay a judgment of the Indian Claims Commission or the Court of Claims to any Indian tribe, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall prepare and submit to the Congress a plan for the use or distribution of such funds: *Provided, however,* That with respect to judgments for which funds have been appropriated and for which legislation authorizing use or distribution has not been enacted prior to enactment of this Act, the one hundred and eighty-day period shall begin upon the date of enactment of this Act. In any case where the Secretary determines that the circumstances do not permit the preparation and submission of a plan as provided in this Act, he shall submit, within such one hundred and eighty-day period, proposed legislation as provided in section 5(b).

(b) An extension of the one hundred and eighty-day period, not to exceed ninety days, may be requested by the Secretary or by the affected Indian tribe submitting such request to the committees through the Secretary, and any such request will be subject to the approval of both the Senate and House of Representatives Committees on Interior and Insular Affairs.

(c) The Secretary shall notify the affected Indian tribe on the date of submission of such plan and provide it with a copy thereof.

SEC. 3 (a) The Secretary shall prepare a plan which shall best serve the interests of all those entities and individuals entitled to receive funds of each Indian judgment. Prior to the final preparation of the plan, the Secretary shall—

(1) receive and consider any resolution or communication, together with any suggested use or distribution plan, which any affected Indian tribe may wish to submit to him; and

(2) hold a hearing of record, after appropriate public notice, to obtain the testimony of leaders and members of the Indian tribe which may receive any portion, or be affected by the use or distribution, of such funds, in the area in which such Indian tribe is located and at a time which shall best serve the convenience of the eligible members thereof.

(b) In preparing a plan for the use or distribution of the funds of each Indian judgment, the Secretary shall, among other things, be assured that—

(1) legal, financial, and other expertise of the Department of the Interior has been made fully available in an advisory capacity to the Indian tribe which is entitled to such funds to assist it to develop and communicate to the Secretary pursuant to closure (1) of subsection (a) of this section its own suggested plan for the distribution and use of such funds;

(2) the needs and desires of any groups or individuals who are in a minority position, but who are also entitled to receive such funds, have been fully ascertained and considered;

(3) the interests of minors and other legally incompetent persons who are entitled to receive any portion of such funds as are subsequently distributed to them are and will be protected and preserved;

(4) any provision, including enrollment provisions, of the constitution, bylaws, rules, and procedures of such tribe which may affect the distribution or other use of such funds are in full accord with the principles of fairness and equity;

(5) a significant portion of such funds shall be set aside and programed to serve common tribal needs, educational requirements, and such other purposes as the circumstances of the affected Indian tribe may justify, except not less than 20 per centum of such funds shall be so set aside and programmed unless the Secretary determines that the particular circumstances of the pertinent Indian tribe clearly warranty otherwise; and

(6) methods exist and will be employed to insure the proper performance of the plan once it becomes effective under section 5 of this Act.

SEC. 4. When submitting the plan as provided in section 2, the Secretary shall also submit to the Congress with such plan—

(1) copies of the transcripts of hearings held by him concerning the Indian judgment pursuant to clause (2) of section 3(a) and all other papers and documents considered by him in the preparation of such plan, including any resolution, communication, or suggested use or distribution plan of the pertinent Indian tribe submitted pursuant to clause (1) of section 3(a); and

(2) a statement of the extent to which such plan reflects the desires of the Indian tribe or individuals who are entitled to such funds, which statement shall specify the alternatives, if any, proposed by such Indian tribe or individuals in lieu of such plan, together with an indication of the degree of support among the interested parties for each such alternative.

SEC. 5. (a) The plan prepared by the Secretary shall become effective, and he shall take immediate action to implement the plan for the use or distribution of such judgment funds, at the end of the sixty-day period (excluding days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) beginning on the day such plan is submitted to the Congress, unless during such sixty-day period either House adopts a resolution disapproving such plan.

(b) Within thirty calendar days after the date of adoption of a resolution disapproving a plan, the Secretary shall submit to the Congress proposed legislation, together with a report thereon, authorizing use or distribution of such funds.

SEC. 6. (a) The Secretary shall promulgate rules and regulations to implement this Act no later than the end of the one hundred and eighty-day period beginning on the date of enactment of this Act. Among other things, such rules and regulations shall provide for adequate notice to all entities and persons who may receive funds under any Indian judgment of all relevant procedures pursuant to this Act concerning any such judgment.

(b) No later than sixty days prior to the promulgation of such rules and regulations the Secretary shall publish the proposed rules and regulations in the Federal Register.

(c) No later than thirty days prior to the promulgation of such rules and regulations, the Secretary shall provide, with adequate public notice, the opportunity for hearings on the proposed rules and regulations, once published, to all interested parties.

SEC. 7. None of the funds distributed per capita or held in trust under the provisions of this Act shall be subject to Federal or State income taxes, and the per capita payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act.

Amend the title so as to read: "A bill to provide for the use or distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes."

The SPEAKER. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MEEDS. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, H.R. 8029 provides for the distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims.

The act of August 13, 1946 (60 Stat. 1049) established the Indian Claims Commission to hear and determine claims by Indian tribes and groups against the United States accruing on or before the date of the act. Claimants were given 5 years in which to file claims or be barred.

A total of 611 claims were docketed before the Indian Claims Commission.

By December 1972, 208 dockets had resulted in awards against the United States totaling $423,926,883.92 and 176 dockets had been dismissed. Funds appropriated to satisfy these judgments are deposited in the U.S. Treasury to the credit of the plaintiff tribe. Prior to 1960, under an option of the Interior Solicitor, these funds were distributed by the Secretary of the Interior without further congressional action.

Since 1960, each Interior Department appropriations act has included a proviso that no provision of law shall be construed to authorize the expenditure of funds derived from appropriations in satisfaction of awards of the Indian Claims Commission or the Court of Claims after legislation has been enacted authorizing distribution and setting forth the purposes for which the funds will be used.

The Congress adopted this oversight procedure because it was felt that the Department was not giving adequate consideration to more effective use of parts of these awards by the tribe, such as education, economic development, and so forth.

Certain well-accepted guidelines and patterns for distribution of Indian judgment funds have been established in the 12 years of experience with the procedure of separate legislation for each award.

This procedure, while effective, has imposed a severe burden upon the time and efforts of members and staff of the Committee on Interior and Insular Affairs, preventing the committee from considering more pressing issues in Indian affairs. The present process of piecemeal legislation also results in delay in getting the funds into the hands of the Indian recipients.

The Department had advised the committee that there will be approximately 36 such awards awaiting separate legislative authorization in the 93d Congress.

H.R. 8029 directs the Secretary of the Interior to prepare and submit to the Congress a plan for the distribution of the funds awarded to any Indian tribe by judgment of the Indian Claims Commission or Court of Claims within 6 months after appropriation of such funds, with the exception that he may submit legislation rather than a plan in certain circumstances.

The bill provides guidelines, procedures and factors which the Secretary must take into consideration in preparing such plan, including active consultation with the affected Indian tribes and individuals. The Congress has 60 days in which to review the plan.

If neither House of the Congress passes a resolution disapproving the plan within the 60-day period, it becomes effective and the Secretary is directed to make distribution in accordance therewith.

If either house disapproves the plan, the Secretary must submit draft legislation of a plan of distribution within 30 calendar days of the date of such disapproval.

The bill directs the Secretary to promulgate rules and regulations for implementation of the act no later than the end of a 180-day period following enactment.

H.R. 8029 is designed to delegate much of the function of the Congress with respect to distribution while maintaining ample congressional oversight.

This will have the effect of freeing the time of the Committee on Interior and Insular Affairs and the Indian Affairs Subcommittee for more pressing and important considerations and expediting the distribution of the funds to the tribe.

H.R. 8029 exempts per capita payments and income on funds held in trust under any such plan from Federal and State income taxes and from being considered as income or resources for purposes of assistance or benefits under the Social Security Act.

The committee amended the bill to provide that the time for submitting a plan of distribution to the Congress in the case of judgments already appropriated is 180 days from the enactment of this legislation. For all subsequent judgments, the time will run from the date of appropriation.

Further amendment of the bill allows an extension of 90 days upon the request of the Secretary or the affected Indian tribe if approved by the Senate and House Committees on Interior and Insular Affairs.

Such an extension may be necessary on the more complex judgments.

It was the opinion of the committee that the Secretary must notify the affected tribes on the date he submits his proposed plan and provide them with a copy.

This will insure the Indian tribes opportunity to comment on the provisions of the plan to the two committees prior to approval or disapproval.

The bill was amended to reflect this opinion.

Further amendment requires the Secretary to take all appropriate steps to ascertain minority positions among the Indians affected by the distribution plan before preparing and submitting such plan.

Section 3(b)(4) of the bill provides that the Secretary must assure himself that the governing documents, such as enrollment provisions, of the constitution, bylaws, rules and procedures of such tribe which may affect the distribution or other use of funds are in full accord with the provisions of fairness and equity. This and section 3(b)(2) are to assure that nonresident members of the affected tribe will be treated with complete fairness and equity in any use or distribution of such awards.

Mr. Speaker, I urge the House to enact the bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I note in the letter from the Department of the Interior to the Committee, in the second sentence of the letter there appears this language:

> We recommend enactment of this bill, if amended as suggested infra.

The word "infra," is in italics.

What in the world does "infra" mean in connection with the enactment or passage of such a piece of legislation?

Mr. MEEDS. Mr. Speaker, I would just assume that it means in accordance with the suggestions which are made in the accompanying document and letter from the Department of Interior concerning the bill.

Mr. GROSS. Well, is that the meaning of "infra"—i-n-f-r-a?

Mr. MEEDS. That is the meaning which I would assume it has in this instance.

Mr. GROSS. Well, Mr. Speaker, I also note that the letter is unsigned except that it just provides blank spaces for the name of the "Assistant Secretary of the Interior."

May I assume that if the bill goes through creating the post of Assistant Secretary and it is just approved by the House and without passage by the other body, this new Assistant Secretary will sign his name to the communication, or does the gentleman suppose it will just remain "Assistant Secretary of the Interior" blank—anonymous?

Mr. MEEDS. Mr. Speaker, I do not know as a matter of fact which letter the gentleman is referring to.

Mr. GROSS. Mr. Speaker, it is on page 6 of the report, pages 6 and 7 of the report accompanying this bill.

Mr. MEEDS. Mr. Speaker, I have a letter dated June 19, 1973, from the Assistant Secretary, Mr. Kyle, which is signed.

Mr. GROSS. Well, this one is unsigned.

Mr. Speaker, I am particularly interested in the word, "infra." This is the first time I have discovered the word in legislation.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill amounts to nothing more than an attempt by Congress to speed up the delivery system of our Indian judgment funds. The mechanism which was created by Congress several years ago has proven too slow and too cumbersome, and the bill simply streamlines the mechanism.

We have made certain, I believe, in this legislation that all necessary safeguards have been included. The rights of the Indians, the responsibilities of the Congress and the prerogatives of the Secretary, I believe, have all been considered and, in my opinion, have been handled well in this legislation.

Mr. Speaker, I must remind my colleagues that the Subcommittee on Indian Affairs has not taken up a single individual judgment bill this year, even though a number of these judgments have been approved for payment by the Claims Commission. If for any reason the bill before us fails, we will have no time this year to consider individual bills, and the damage to many tribes will be considerable.

With this bill judgment payments will proceed at an orderly but faster pace, and all payments now pending will be made without the need for further congressional action. It is very important to the many thousands of Indian citizens that this bill be enacted promptly to permit this orderly process to be effected.

Let me just point out at this time that already there have been 11 bills introduced in order to release the funds that have been awarded by the Indian Claims Commission. There are some 32 or 33 that will require legislation just in this year. So we are talking about an additional 40-some pieces of legislation that must be dealt with.

As the chairman of the subcommittee pointed out, there are 227 different judgments pending now. We would have to take each one of those up in separate legislation. It is time-consuming. There is no need for that procedure.

If we adopt this bill today, I think we will speed up the process. I know we will speed up the process and certainly accomplish the objectives that we set out to accomplish many years ago.

Thank you, Mr. Speaker.

I now yield as much time as he may consume to the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Speaker, when Congress created the Indian Claims Commission in 1946, it was intended to have all Indian claims adjudicated and paid within 10 years. There has been delay in adjudication, resulting in two 10-year extensions of the Commission's authorization and culminating this year in a 1-year authorization. I think our action in that authorization bill will speed up the adjudication of these remaining claims and bring them all finally to judgment.

But that action takes care of only half the problem. After the Claims Commission or the Court of Claims makes a judgment award, the system now is for the House and Senate to agree on legislation authorizing payment of that award. Legislative delays have resulted in administrative delays, and it has many times taken 10 years or more for a tribe to receive the money that is rightfully theirs.

The bill before us takes care of this second problem. By authorizing the Secretary to proceed with the preparation of a payment plan immediately upon an award being made. We will get the wheels turning faster. And by permitting that plan to go into effect, unless Congress has objections, we speed the process even more.

By speeding the process at both the adjudication end and the administration end, we hope to wind up all of these claims once and for all this year.

This is the wrong bill to oppose on the grounds of the separation of powers doctrine. The issue is not clearly joined nor clear cut in this bill, and should not be raised at all. The language objected to by the Justice Department is identical to the language used in the act creating the Pennsylvania Avenue Commission. It is almost identical to the language in 25 U.S.C. 165 on Restoration of Unclaimed Tribal Per Capita Funds. Neither of these acts have been challenged on constitutional grounds, and the issue has never been raised in their implementation.

Purpose of H.R. 8029 is to speed up payment of claims. But in doing this, Congress is delegating to the executive branch certain administrative and decisionmaking powers that hitherto have been at the sole discretion of Congress. In making this delegation, we retain the responsibility, and thus the need for oversight. The responsibility is shared equally by both Houses of Congress, so either of them must have the opportunity to raise a red flag on an individual payment plan and say: "Wait a minute, Mr. Secretary, let us take another look at this one. Give it to us in the form of a bill so we can consider it more carefully."

I urge that the rules be suspended and that the bill does pass.

Mr. MEEDS. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. HICKS).

(By unanimous consent, Mr. HICKS was allowed to speak out of order.)

CONGRATULATIONS TO MRS. HANSEN OF WASHINGTON

Mr. HICKS. Mr. Speaker, the delegation from the State of Washington is very proud of the dean of our delegation, Mrs. HANSEN. All of the Members of the House are aware of the diligence with which she attends to her legislative duties, but I want to call the attention of the Members to one that went a little bit beyond the usual dedication.

On September 20 last, the gentlewoman from Washington (Mrs. HANSEN) handled for the Committee on Appropriations the Interior appropriations bill on this floor. Following the completion of that conference report the gentlewoman got in an airplane so as to go west as fast as she could because the gentlewoman was about to become a grandmother for the first time. When she arrived in Denver on the first leg of her journey her grandchild had arrived, and she received the news at that time that it was a 7 pound, 11 ounce girl, quite appropriately named Julia Ann Hansen.

I think that the gentlewoman from Washington should be congratulated for becoming a grandmother for the first time.

Mr. MEEDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on the question of separation of powers I think we ought to meet that issue head on.

We wrote to the Congressional Research Service of the Library of Congress and asked them to give their opinion on the question, when the Department of Interior indicated that they felt this legislative veto provision brought into focus a problem in this regard. I will quote to the Members the answer that they gave us, in the second paragraph in their letter of May 4, 1973, addressed to me on this question of the constitutionality of the legislative veto, and they said:

> The position taken by the Department of the Interior that section 5 of S. 1016, which provides Congress with 60 calendar days to disapprove plans of the Secretary to distribute certain funds is unconstitutional and, to be blunt, is untenable.

And that indeed it is untenable.

Mr. Speaker and Members of the House, we have had this thoroughly researched and, indeed, we have the Legislative Reorganization Act, as the gentleman from Pennsylvania pointed out, and that is almost identical to this language. That was not vetoed. As a matter of fact, this argument which is being made by the administration was first raised I think in an opinion of the Attorney General at that time, Mr. Mitchell, in 1933. It has been since repudiated by successive Attorneys General, and I think today certainly is in great disrepute, especially in view of the fact that we have passed ample pieces of legislation in the last year or 2 years which contained almost identical provisions.

So to say that this bill should not be passed because of that is really to say it should not be passed for some other reason because there is no judicial backing for this position.

Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. PRICE of Illinois). The question is on the motion offered by the gentleman from Washington (Mr. MEEDS) that the House suspend the rules and pass the bill, H.R. 8029, as amended.

The question was taken.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 331, nays 33, not voting 70, as follows:

[Roll No. 485]

YEAS—331

Abdnor
Abzug
Adams
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Bauman
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Dickinson
Diggs
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman

Ginn
Gonzalez
Grasso
Green, Pa.
Grover
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Wash.
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Horton
Hosmer
Howard
Huber
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Mahon
Mailliard
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Rarick
Regula
Reuss
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Ware
Whalen
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—33

Arends
Baker
Beard
Blackburn
Butler
Cochran
Collins, Tex.
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dennis
Devine
Goodling
Gross
Hanrahan
Holt
Hutchinson
Lott
Madigan
Maraziti
Mathis, Ga.
Rhodes
Robinson, Va.
Rousselot
Satterfield
Snyder
Spence
Taylor, Mo.
Treen
Wampler
Whitehurst
Wydler
Wylie

NOT VOTING—70

Addabbo
Alexander
Anderson, Ill.
Archer
Badillo
Barrett
Bell
Biaggi
Blatnik
Bolling
Brown, Calif.
Buchanan
Burke, Fla.
Carney, Ohio
Cleveland
Conyers
Davis, Ga.
Dingell
Dorn
Esch
Eshleman
Flynt
Ford, Gerald R.
Fuqua
Goldwater
Gray
Green, Oreg.
Griffiths
Gubser
Gude
Hanna
Hansen, Idaho
Harrington
Heinz
Holtzman
Hudnut
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Kuykendall
Leggett
McSpadden
Madden
Mathias, Calif.
Michel
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Mollohan
Murphy, N.Y.
Nix
Pepper
Railsback
Rees
Reid
Rooney, N.Y.
Runnels
Sandman
Sisk
Slack
Smith, Iowa
Steiger, Wis.
Stubblefield
Symms
Taylor, N.C.
Tiernan
Waldie
White
Young, Fla.
Young, S.C.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Stubblefield with Mr. Brown of California.

Mr. Rooney of New York with Mr. Jones of North Carolina.

Mr. Barrett with Mr. Mitchell of Maryland.

Mr. Addabbo with Mr. McSpadden.

Mr. Blatnik with Mr. Rees.

Mr. Dingell with Mr. Young of Florida.

Mr. Fuqua with Mr. Young of South Carolina.

Mr. Murphy of New York with Mr. Burke of Florida.

Mr. Nix with Mr. Leggett.

Mr. Sisk with Mr. Gerald R. Ford.

Mr. Slack with Mr. Buchanan.

Mr. Alexander with Mr. Michel.

Mr. Biaggi with Mr. Cleveland.

Mr. Carney of Ohio with Mr. Conyers.

Mr. Davis of Georgia with Mr. Minshall of Ohio.

Mr. Flynt with Mr. Archer.

Mr. Harrington with Mr. Bell.

Mr. Hanna with Mr. Hansen of Idaho.

Mr. Gray with Mr. Symms.

Mrs. Green of Oregon with Mr. Esch.

Ms. Holtzman with Mr. Gude

Mr. Jones of Tennessee with Mr. Mathias of California.

Mr. Madden with Mr. Eshleman.

Mr. Mills of Arkansas with Mr. Railsback.

Mr. Mollohan with Mr. Heinz.

Mr. Reid with Mr. Anderson of Illinois.

Mr. Pepper with Mr. Sandman.

Mr. Smith of Iowa with Mr. Goldwater.

Mr. Tiernan with Mr. Kuykendall.

Mr. Waldie with Mr. Hudnut.

Mr. Badillo with Mr. Steiger of Wisconsin.

Mr. Dorn with Mr. Gubser.

Mr. Runnels with Mr. Taylor of North Carolina.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the further consideration of the Senate bill (S. 1016) to provide a more democratic and effective method for the distribution of funds appropriated by the Congress to pay certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes, and ask for immediate consideration of the Senate bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1016

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Indian Judgment Funds Distribution Act of 1973".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress declares that a new method of distributing funds of Indian judgments must be established as the existing procedures for developing, approving, and enacting a distribution plan for each Indian judgment are cumbersome, and infringe upon the full and free development of the unique relationship between the Indian people and the Federal Government; and reduce the time available to, and limit the ability of, Congress to effectively investigate and legislate in the areas of substantive Indian policy.

(b) It is the purpose of this Act to declare a policy for the distribution of judgment funds to Indians; to delegate certain ministerial functions to, and establish specific guidelines and standards to be followed by, the Secretary of the Interior in the development of plans for the distribution of such funds; to provide maximum participation to Indian tribes, bands, groups, pueblos, or communities in determining the uses to be made of such funds; to protect the interests of any groups and individuals who are in a minority position but who are also entitled to receive such funds; to enhance the educational, social, and economic opportunities available to the Indian people; and to enable the committees of the Congress to dedicate the time and resources of their members more fully to substantive policy issues associated with the historic relationship between the Indian people and the United States Government and to the improvement of this relationship.

INDIAN JUDGMENTS

SEC. 3. Notwithstanding any other provision of law, from and after the date of enactment of this Act, all distributions of funds appropriated by the Congress to pay in favor of Indians, Indian tribes, bands, groups, pueblos, or communities judgments of the Indian Claims Commission and of the Court of Claims (hereinafter referred to as "Indian judgments" or "Indian judgment") shall be made pursuant to the provisions of this Act.

PLAN FOR DISTRIBUTION OF FUNDS OF INDIAN JUDGMENTS

SEC. 4. (a) Unless a request for an extension of time (i) is deemed necessary and is submitted by the Secretary or (ii) is made to the Secretary by the Indian tribe, band, group, pueblo, or community, which request shall be submitted to Congress by the Secretary within six months after the date of the appropriation of funds by the Congress to pay each Indian judgment, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall prepare and submit to the Congress a recommended plan for the distribution of such funds (hereinafter referred to as a "plan") to the Indians and Indian tribe, band, group, pueblo, or community which has been determined by the Secretary to be the present-day beneficiary or beneficiaries of the subject award and are entitled to participate in the distribution of the appropriated funds. The Secretary shall also submit to the Congress with such plan—

(1) copies of the transcripts of hearings held by him concerning the Indian judgment pursuant to clause (2) of subsection (c) and all other papers and documents considered by him in the preparation of such plan, including any resolution, communication, or suggested distribution plan of the pertinent Indian tribe, band, group, pueblo, or community submitted pursuant to clause (1) of subsection (c); and

(2) a statement of the extent to which such plan reflects the desires of the tribe, band, group, pueblo, community, or individuals who are entitled to such funds, which statement shall specify the alternatives, if any, proposed by such tribe, band, group, pueblo, community, or individuals in lieu of such plan, together with an indication of

the degree of support among the interested parties for each such alternative.

(b) The plan shall be prepared by the Secretary pursuant to the provisions of subsections (c) and (d) of this section and such rules and regulations as the Secretary may prescribe in accordance with section 7 of this Act.

(c) The Secretary shall prepare a plan which shall best serve the interests of all those entities and individuals entitled to receive the funds of each Indian judgment. Prior to final preparation of the plan, the Secretary shall—

(1) receive and consider any resolution or communication, together with any suggested distribution plan, which any affected Indian tribe, band, group, pueblo, or community may wish to submit to him; and

(2) hold a hearing or hearings of record, after appropriate public notice, to obtain the testimony of leaders and members of the Indian tribe, band, group, pueblo, or community who may receive any portion, or be affected by the distribution, of such funds. Such hearing or hearings shall be held in the area or areas in which such Indian tribe, band, group, pueblo, or community resides and at a time or times which shall best serve the convenience of eligible members thereof.

(d) In preparing a plan for the distribution of the funds of each Indian judgment, the Secretary shall, among other things, be assured that—

(1) legal, financial, and other expertise of the Department of the Interior has been made fully available in an advisory capacity to the Indian tribe, band, group, pueblo, or community which is entitled to such funds to assist it to develop and communicate to the Secretary pursuant to subsection (c) its own suggested plan for the distribution and use of such funds;

(2) the needs and desires of any groups or individuals who are in a minority position but who are also entitled to receive such funds have been fully considered;

(3) the interests of minors and others legally incompetent who are entitled to receive any portion of such funds and such portions as are subsequently distributed to them are and will be protected and preserved;

(4) the constitution, bylaws, rules, or procedures of such Indian tribe, band, group, pueblo, or community which relate to enrollment, eligibility to share in the distribution of such funds, and decisionmaking concerning the distribution of such funds accord with the principles of due process and equal protection;

(5) a significant portion, as defined in section 8 of this Act, of the net distributable funds shall be set aside and programed to serve common tribal, band, group, pueblo, or community needs, educational requirements, and such other purposes as the circumstances of the affected Indian tribe, band, group, pueblo, or community may justify; and

(6) methods exist and will be employed to insure the proper performance of the plan once it becomes effective pursuant to section 5 of this Act.

CONGRESSIONAL REVIEW

Sec. 5. (a) Congress shall have sixty calendar days from the date of submission of a plan by the Secretary in order to review such plan.

(b) Such plan shall become effective and the distribution of Indian judgment funds provided for by such plan shall be made by the Secretary upon the expiration of such sixty-day period.

(c) The full sixty-day period, or any portion thereof, may be waived by committee resolutions of the Committees on Interior and Insular Affairs of both the Senate and the House of Representatives. Such plan shall become effective and the distribution of such funds shall be made upon the effective date of the waiver of the committees of the Congress.

(d) Such plan shall not become effective and no distribution of such funds shall be made if, within such sixty-day period, a committee resolution disapproving such plan is passed by either House of Congress.

(e) Within thirty calendar days of the date of passage of a committee resolution disapproving a plan, the Secretary shall propose legislation embodying such plan, together with whatever changes the Secretary deems appropriate.

PROCEDURES IN ABSENCE OF A PLAN

Sec. 6. Whenever the Secretary determines that circumstances do not permit the preparation of a plan for the distribution of funds of an Indian judgment which shall meet the policies or purposes of this Act or the requirements of section 4 or whenever he shall determine that a plan for the distribution of such funds reflects a new policy or purpose not contemplated by this Act, he shall submit to the Congress his recommendations, either in the form of a report or of proposed legislation, to effect the distribution of such funds.

RULES AND REGULATIONS

Sec. 7. (a) The Secretary shall promulgate rules and regulations to implement this Act no later than six months from the date of enactment of this Act. Among other things, such rules and regulations shall provide for adequate notice to all entities and persons who may receive funds under any Indian judgment of all relevant procedures pursuant to this Act concerning any such judgment.

(b) No later than sixty days prior to the promulgation of such rules and regulations the Secretary shall publish the proposed rules and regulations in the Federal Register.

(c) No later than thirty days prior to the promulgation of such rules and regulations, the Secretary shall provide, with adequate public notice, the opportunity for hearings on the proposed rules and regulations, once published, to all interested parties.

Sec. 8. For the purposes of clause (5) of subsection 4(d), "significant portion" means a portion of the net distributable funds of an Indian judgment which shall be no less than 20 per centum unless otherwise warranted by the particular circumstances of the pertinent Indian tribe, band, group, pueblo, or community.

Sec. 9. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income taxes, and per capita payments less than $4,000 shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act.

AMENDMENT OFFERED BY MR. MEEDS

Mr. MEEDS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Meeds: Strike out all after the enacting clause of S. 1016 and insert in lieu thereof the provisions of H.R. 8029, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read:

To provide for the distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 8029) was laid on the table.

CORRECTING TYPOGRAPHICAL AND CLERICAL ERRORS IN PUBLIC LAW 93-86

Mr. POAGE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2419) to correct typographical and clerical errors in Public Law 93-86.

The Clerk read as follows:

S. 2419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 93-86 is amended as follows:

(a) Paragraph (6) of section 1 is amended by—

(i) striking "diary" and inserting "dairy",

(ii) striking the quotation marks following "articles.", and

(iii) striking "Agriculture Act of 1973" and inserting "Agriculture and Consumer Protection Act of 1973".

(b) Paragraphs (8) and (20) of section 1 are each amended by striking the comma from that part reading: "If the Secretary determines that the producers are prevented from planting, any portion".

(c) Paragraph (12) of section 1 is amended by striking "(12)(a)" and inserting "(12)".

(d) Paragraph (18) of section 1 is amended by—

(i) revising the first paragraph (C) appearing therein so that the quoted sentence contained therein is placed immediately after "follows:" and does not constitute a separate paragraph,

(ii) redesignating the second paragraph (C) appearing therein and paragraphs (D), (E), and (F) as (D), (E), (F), and (G), respectively,

(iii) inserting a comma at the end of the first paragraph (C) and at the end of paragraph (D) as so redesignated, and

(iv) striking the period at the end of paragraph (F) as so redesignated and inserting a comma and the word "and".

(e) The second paragraph of paragraph (26) of section 1 is amended by—

(i) inserting double quotation marks and "Sec. 703." at the beginning thereof,

(ii) striking the double quotation marks which precede the word "and" and inserting a single quotation mark, and

(iii) striking the period and double quotation marks at the end thereof and inserting a single quotation mark followed by a period.

(f) Quoted section 812 contained in paragraph (27) (B) of section 1 is amended by striking out the quotation marks at the end thereof.

(g) Paragraph (28) of section 1 is amended by—

(i) striking out paragraphs (1) through (4) appearing in quoted section 1001 and inserting said paragraphs in quoted section 1003(a) immediately before paragraph (5), and

(ii) changing the colon at the end of quoted section 1007(a) to a period.

(h) Section 3(b) is amended by striking "foreoging" and inserting "foregoing".

(i) Section 3(i) is amended by inserting "(1)" after the word "amended".

(j) The final sentence of section 3(k) is amended by inserting "members of" after "permit".

(k) Section 3(m) is amended by striking "for value" and inserting "for households of a given size unless the increase in the face value".

The SPEAKER. Is a second demanded?

Mr. TEAGUE of California. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. POAGE. Mr. Speaker, I yield myself such time as I may consume.

This bill does nothing more than correct the errors which were written into the Agriculture and Consumer Protection Act of 1973 when it was sent to the Government Printing Office.

Unfortunately, most of us have had the experience in the past few years of finding that the Printing Office brings in more errors than it corrects. That is the situation here.

This bill does not change any substantive portion of the legislation which was presented in the conference report to the House. It simply corrects those errors, most of which are of spelling, some of which are of punctuation, and in one case where there is a whole line placed in the wrong position.

We sought to correct those errors on the passage of the bill, and there was objection. We sought to correct them by unanimous consent, and again there was objection—based, as I understand it, on the desire of one of our colleagues to amend the conference report, on an appropriation bill. These objections do not go to the merits of this bill at all. That seems to me to be a very unfair approach.

Frankly, I do not recall any other instance in the House when there was objection to making a correction of a typographical error of this type, certainly there has been no other instance of such a blatant example of refusing to correct an error in one bill because the objector did not like another bill but objection has been made, so we have to bring the measure to the House in this form.

Mr. TEAGUE of California. Mr. Speaker, I yield myself such time as I may consume.

As my colleagues will remember, I was very much opposed to the general farm bill itself, and worked very hard to try to defeat it.

I certainly have no objection to making these corrections, which has to be done, of typographical errors and in one case the transposition of a line.

I do support this bill and recommend its enactment.

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I objected to this bill when it came up by unanimous consent the last day before the recess, and I again objected, I believe, about a week ago.

I spoke to the chairman about it. At that time I was hopeful we could arrive at a compromise with regard to the Agriculture appropriation bill. I wanted to retain the strict, no-loophole language with regard to the $20,000 payment limitation and also delete the $10 million subsidy for Cotton, Inc.

At the time I told the chairman that if these two things would be done, I would not raise an objection if this bill would come to the floor.

Unfortunately, the agriculture appropriations bill came back from the conference without the language that plugged the loopholes in the $20,000 subsidy payment limitation, even though the House had instructed its conferees to insist on this. The conference report made the motion passed by the House almost worthless, because big corporate farmers can still get around the law by leasing, subdividing, and making end runs around the payment limitation amendment adopted by both the House and the Senate.

However, Mr. Speaker, I did win a partial victory in regard to the $10 million payment to Cotton, Inc., which I exposed here on the floor as a fraud upon the taxpayers.

I was able to get $7 million deleted, which left just $3 million in the appropriation bill earmarked for cotton research.

I am not happy about the method by which this "technical corrections" bill has come to the floor. I wish that it had not come up under suspension, because if it came in under a regular rule, I would have another crack at putting in a strict $20,000 payment limitation and deleting the $10 million Federal subsidy for Cotton, Inc., which is in the authorization bill.

Mr. Speaker, the procedure by which the bill was brought in does not allow me to make such a motion. The bill was brought in under suspension, and if it is roll-called, I will vote against it.

(Mr. CONTE asked and was given permission to revise and extend this remarks.)

Mr. CLARK. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. CLARK. Mr. Speaker, I agree with the gentleman from Massachusetts 100 percent. I further wish to say that the people in my district feel exactly the same way. Therefore, I must vote and deal with the matter accordingly.

Mr. Speaker, I thank the gentleman for yielding.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. POAGE) that the House suspend the rules and pass the bill S. 2419.

The question was taken.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 330, nays 28, not voting 76, as follows:

[Roll No. 486]

YEAS—330

Abdnor
Abzug
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashbrook
Ashley
Aspin
Bafalis
Baker
Bauman
Bergland
Bevill
Bingham
Blackburn
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Corman
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Gross
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Lehman
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Randall
Rangel
Rarick
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Skubitz
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stuckey
Sullivan
Symington
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—28

Adams
Anderson, Calif.
Bennett
Biester
Clancy
Clark
Conte
Cotter
Donohue
Fish
Gilman
Grover
Hanrahan
Hosmer
Lent
Macdonald
Moakley
Pike
Pritchard
Riegle
Roncallo, N.Y.
Rosenthal
Saylor

Schneebeli
Shuster
Smith, N.Y.
Studds
Wydler

NOT VOTING—76

Addabbo
Alexander
Anderson, Ill.
Archer
Armstrong
Badillo
Barrett
Beard
Bell
Biaggi
Blatnik
Bolling
Brown, Calif.
Buchanan
Burke, Fla.
Carney, Ohio
Cleveland
Conyers
Cronin
Davis, Ga.
Diggs
Dingell
Dorn
Esch
Eshleman
Flynt
Ford, Gerald R.
Ford, William D.
Fuqua
Goldwater
Green, Oreg.
Griffiths
Gubser
Gude
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Heinz
Holtzman
Hudnut
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Leggett
McSpadden
Madden
Mathias, Calif.
Michel
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Mollohan
Murphy, N.Y.
Nix
Patman
Pepper
Railsback
Rees
Reid
Rooney, N.Y.
Runnels
Sandman
Sisk
Slack
Smith, Iowa
Steiger, Wis.
Stubblefield
Symms
Taylor, N.C.
Tiernan
Waggonner
Waldie
White
Young, Fla.
Young, S.C.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Flynt.

Mr. Stubblefield with Mr. Murphy of New York.

Mr. Addabbo with Mr. Patman.

Mr. Barrett with Ms. Holtzman.

Mr. Blatnik with Mr. Young of South Carolina.

Mrs. Green of Oregon with Mr. Gerald R. Ford.

Mr. Madden with Mr. Sandman.

Mr. Carney of Ohio with Mr. Symms.

Mr. Davis of Georgia with Mr. Eshleman.

Mr. Dingell with Mr. Young of Florida.

Mr. Mollohan with Mr. Railsback.

Mr. Nix with Mr. William D. Ford.

Mr. Leggett with Mr. Esch.

Mr. Jones of Tennessee with Mr. Buchanan.

Mr. Sisk with Mr. Minshall of Ohio

Mr. Reid with Mr. Bell.

Mr. Pepper with Mr. Goldwater.

Mr. Alexander with Mr. Beard.

Mr. Badillo with Mr. McSpadden.

Mr. Dorn with Mr. Gubser.

Mr. Diggs with Mr. Waldie.

Mr. Waggonner with Mr. Archer.

Mr. Tiernan with Mr. Cronin.

Mr. Slack with Mr. Gude.

Mrs. Hansen of Washington with Mr. Burke of Florida.

Mr. Hanna with Mr. Heinz.

Mr. Fuqua with Mr. Cleveland.

Mr. Biaggi with Mr. Mathias of California.

Mr. Conyers with Mr. Brown of California.

Mr. Jones of North Carolina with Mr. Hudnut.

Mr. Mills of Arkansas with Mr. Michel.

Mr. Mitchell of Maryland with Mr. Runnels.

Mr. Rees with Mr. Steiger of Wisconsin.

Mrs. Griffiths with Mr. Anderson of Illinois.

Mr. Smith of Iowa with Mr. Taylor of North Carolina.

Mr. White with Mr. Harrington.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE

Mr. HOLIFIELD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10397) to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes.

The Clerk read as follows:

H.R. 10397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes", approved December 30, 1969 (83 Stat. 838; 42 U.S.C. 4301), is amended as follows:

(1) Section 2 is amended—

(A) in subsection (b) thereof, by striking out "and" at the end of paragraph (11), by striking out the period at the end of paragraph (12) and inserting in lieu thereof a semicolon, and by adding after paragraph (12) the following new paragraphs:

"(13) the Secretary of Defense;

"(14) the Secretary of Transportation; and

"(15) the Administrator of Veterans' Affairs.";

(B) in subsection (e) thereof, by striking out "quarterly" and inserting in lieu thereof "semiannually"; and

(C) by adding at the end thereof the following new subsection:

"(f) A group of fourteen individuals in addition to the Chairman, each of whom shall represent one member of the Committee, shall meet at the call of the Chairman at least six times each year.".

(2) Subsection 3(a) is amended by adding at the end thereof the following new paragraph:

"(3) to advise and assist Spanish-speaking and Spanish-surnamed groups and individuals in receiving assistance available by law.".

(3) Section 4 is amended by adding at the end thereof the following new subsection:

"(d) The Committee shall operate such regional offices as may be necessary to efficiently carry out the provisions of this Act.".

(4) Section 7 is amended—

(A) in subsection (a) thereof, by striking out in the first sentence "nine" and inserting in lieu thereof "eleven", and by striking out in the second sentence "Committee" and inserting in lieu thereof "Chairman".

(B) in subsection (b) thereof, by striking out the first two sentences and inserting in lieu thereof: "The Advisory Council shall advise the Committee with respect to such matters as may be of concern to the Spanish-speaking and Spanish-surnamed community. The Chairman shall submit all independently produced reports and studies to the Advisory Council for advice and comment. The President shall designate the Chairman and the Vice Chairman of the Advisory Council."; and

(C) by adding at the end thereof the following new subsections:

"(d) The Advisory Council shall conform to the provisions of the Federal Advisory Committee Act (86 Stat. 770; 5 U.S.C. App. I).

"(e) The Chairman of the Committee shall call and attend a meeting of the Advisory Council at least quarterly during each year.".

(5) Section 9 is amended by adding the following new sentences at the end thereof: "No part of any funds authorized to carry out this Act shall be used to finance any activities designed to influence the outcome of any election to Federal office or any voter registration activity, or to pay the salary of the Chairman or any employee of the Committee after the date on which such persons engage in such activity, as determined by the United States Civil Service Commission. No person found by the United States Civil Service Commission to have violated this provision shall be required to repay more than thirty days of his salary. For the purpose of this section, the term 'election' shall have the same meaning as prescribed for such term by section 301(a) of the Federal Election Campaign Act of 1971 (86 Stat. 3), and the term 'Federal office' shall have the same meaning as prescribed for such term by section 301(c) of such Act.".

(6) Section 10 is amended by deleting the language therein and inserting in lieu thereof of the following: "There is hereby authorized to be appropriated for fiscal year 1974 the amount of $1,500,000 and for fiscal year 1975 for a period ending December 30, 1974, the amount of $750,000, to carry out the provisions of this Act. At least 50 per centum of the amount of any funds expended for salaries under this Act shall be expended for salaries of employees in regional offices of the Committee located outside Washington, District of Columbia".

The SPEAKER. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

Mr. WIGGINS. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman from New York opposed to the bill?

Mr. HORTON. Mr. Speaker, I am not opposed to the bill.

The SPEAKER. Is the gentleman from California opposed to the bill?

Mr. WIGGINS. Mr. Speaker, I am opposed to the bill.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the purpose of H.R. 10397 is to provide authorization for appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People through December 30, 1974, which is the date when the enabling legislation for the Cabinet Committee expires.

Under Public Law 91–181, approved December 30, 1969, the Cabinet Committee was established for a period of 5 years. However, appropriations were authorized initially only for 1½ fiscal years, and extended for 2 fiscal years in 1971.

As the situation now stands, the Cabinet Committee has 1½ years to run, but its funding authorization expired on June 30, 1973. It is now operating on the basis of a continuing resolution. Enactment of H.R. 10397 is necessary to authorize funding for the remainder of the Cabinet Committee's statutory tenure.

The Cabinet Committee on Opportunities for Spanish-Speaking People was created by statute in 1969 as a successor to the Inter-agency Committee on Mexican Affairs, which was established by President Johnson. Its objective is to help insure that Federal programs are responsive to the needs of the Spanish-speaking people. They comprise a diverse community, with Puerto Rican, Mexican, Cuban, and other backgrounds. Many of these Americans are seriously disadvantaged in terms of employment, education, housing, and health care.

The 1969 legislation provided that the Cabinet Committee be composed of seven Cabinet officials and four agency heads. The chairman of the Cabinet Committee is appointed by the President and confirmed by the Senate. He is a full-time official, in a level V position, directing a staff of approximately 40 employees.

An Advisory Council of nine members, appointed by the President, advises the

Cabinet Committee on such matters as the chairman may request. The Advisory Council, which represents major segments of the Spanish-speaking community, has met four times since its members were appointed in 1971.

The Cabinet Committee, according to its mandate, has an advisory role. It advises Federal departments and agencies in two respects: to assure that existing Federal programs are helping Spanish-speaking Americans, and to point out what new plans or programs may be needed.

In carrying out this advisory function, the Cabinet Committee is authorized to foster surveys, studies, demonstration projects, and technical assistance; also, to work with State and local governments and the private sector in solving special problems of Spanish-speaking Americans.

Hearings on the operations of the Cabinet Committee on Opportunities for Spanish-Speaking People were held on July 23 and September 12, 1973, by the Subcommittee on Legislation and Military Operations. The chairman of the Cabinet Committee, the vice chairman of the Advisory Council, and various representatives of Spanish-speaking organizations testified.

H.R. 10397 was introduced to authorize appropriations for the Cabinet Committee until December 30, 1974, when the enabling legislation expires. The committee unanimously reported the bill which was sponsored by 20 members.

The bill amends the enabling legislation in several respects to overcome certain deficiencies and improve the Cabinet Committee's effectiveness. As developed in subcommittee hearings on this matter, and in discussions with Members of Congress, two types of criticism have been heard: First, the Cabinet Committee has operated largely from a Washington headquarters and has not been close enough to the people in the Spanish-speaking communities; and, second, it has been used, to a certain extent, for partisan political purposes in the 1972 campaign.

In this bill, extending the Cabinet Committee's funding authorization for the remaining 1½ years of its tenure, we attempt to deal with the deficiencies which have been brought to our attention.

First, it seems generally agreed that a portion of the Cabinet Committee's funds should be expended in the field. Accordingly, the bill requires that regional offices be established, and that at least 50 percent of funds for salaries of Cabinet Committee employees be expended through these offices. Also, the Cabinet Committee has been assigned the added function of assisting Spanish-speaking groups and individuals in securing their participation in various benefit and assistance programs mandated by law. Previously the Cabinet Committee's role was simply to advise the Federal Government on such matters.

Second, there is language in the bill which bans partisan political activity by the chairman and employees of the Cabinet Committee had been used for partisan political purposes during the 1972 election campaign.

The bill makes clear that both the chairman and employees of the Cabinet Committee are prohibited from engaging in partisan political activities.

Third, the bill tries to make the Cabinet Committee a more effective instrument by broadening its membership and providing for a working group designated by the Cabinet Committee members. Recognizing that subcabinet officials are more intimately familiar with the problems that concern the Cabinet Committee and are able to give more time to its work, the bill provides that the department and agency heads comprising the Cabinet Committee designate representatives to constitute a working group, who are required to meet at least six times a year. The full Cabinet Committee, which the bill enlarges to include the Secretary of Defense, the Secretary of Transportation, and the Administrator of Veterans' Affairs, will be required to meet semiannually.

Fourth, the Advisory Council now provided by law would be made more effective by expanding its membership so as to become more representative of the Spanish-speaking community and by requiring quarterly meetings, with minutes of these meetings available for public inspection. The bill provides a greater range of problems on which advice would be given by the Advisory Council. It enables the Council to identify matters of concern to the Spanish-speaking community rather that merely subjects upon which the chairman has requested their advice.

The bill provides, for the first time, a dollar ceiling in the appropriations which may be authorized for the Cabinet Committee on Opportunities for Spanish-Speaking People. This ceiling is $1.5 million. The Cabinet Committee has been operating in recent years on a budget of $1 million per annum. To carry out the additional duties specified in the bill, and to perform more effectively, the Cabinet Committee may require a modest increase in its appropriations, and the ceiling was set with that in mind. The actual appropriations will, of course, be determined by the Congress on the basis of recommendations by the House and Senate Appropriations Committees.

To sum up, the Cabinet Committee on Opportunities for Spanish-Speaking People was created by statute in 1969 for a 5-year period, with funding authorization for a shorter period, which explains the need for the present bill. H.R. 10397 extends the authorization to coincide with the Cabinet Committee's tenure.

Although the Cabinet Committee's performance has been disappointing in some respects, your committee recognizes that many people in the Spanish-speaking community regard it as a helping hand of the Federal Government in their behalf. Consequently, we recommend the changes in the enabling legislation in the interest of making the Cabinet Committee more effective in the remaining period of its statutory life.

Mr. WIGGINS. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. HORTON).

Mr. HORTON. Mr. Speaker, I rise in support of H.R. 10397, a bill extending the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People. Chairman HOLIFIELD has given an excellent explanation of the bill, and I will not attempt to duplicate his effort. As he has pointed out, the Cabinet Committee has become a symbol within the Spanish-speaking community of the willingness of the Federal Government to be responsive to their needs. This legislation is needed to continue the Cabinet Committee through the life of its enabling legislation, which expires on December 30, 1974.

I think it is important for us to recognize that the Spanish speaking in America are not enjoying the standards of living, the educational opportunities, the health care that other Americans do. In 1969 we attempted to fashion a committee that would help make the Federal Government more responsive to the unique needs of Spanish-speaking Americans. On the basis of the experience we have had to date with the Cabinet Committee, the Government Operations Committee recommends this bill to correct the deficiencies found in its present organization and to reshape its legislative mandate to increase its ability to serve Spanish-speaking Americans.

Both the subcommittee and the full committee reported this legislation unanimously. We had discussions with the administration during the drafting of the legislation and came out with a bill that we believe took into account their views as well as those of the committee in an adequate manner.

At this time, this bill represents the best authorization possible, and the administration supports its adoption. In my opinion, this bill will strengthen the Cabinet Committee and I urge its passage.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I wish to commend the gentleman from New York for his fine presentation, and associate myself with his remarks.

Mr. Speaker, as a cosponsor of H.R. 10397, I want to say just a few words today in behalf of this most needed legislation.

This bill to extend funding of the Cabinet Committee on Opportunities for Spanish-Speaking People and to expand its membership would also effectively answer the two major criticisms leveled against it—namely, the drawbacks of over-reliance on a Washington headquarters and charges that the committee has been used for partisan political purposes.

To answer the first criticism, this bill stipulates that regional offices are to be operated and at least 50 percent of the total payroll must be allotted to employees located outside of Washington.

As to the latter criticism, this bill would prohibit outright any political activity by the chairman and employees of the Cabinet committee.

But there are even greater concerns we must be considering here today. And chief among them is the overwhelming need for this Congress to remain true to the promise made to our Spanish-speaking citizens so belatedly in 1969.

At that time, the Federal Government finally acted to insure that Federal programs are responsive to the needs of Spanish-speaking and Spanish-surnamed individuals in this country.

Prior to that time, this Nation had demonstrated precious little concern for this almost forgotten minority. Since that time, considerable progress has been made for our Spanish-speaking citizens, and considerable credit for that must go to this committee. But let us not entertain the idea here today that the job has been done. The fact is it has barely begun and this is not the time to desert the cause.

Recent statistics like the following point out the need for action: One-fifth of the families of Spanish origin in this country are living below the poverty level; 80 percent of the Spanish-speaking homes in this country are substandard; and the unemployment rate for the Spanish speaking is almost 10 percent, in a country where the national percentage is less than 5 percent.

We must change these statistics and one of the ways to do that is to support this legislation today.

We who constantly proclaim the equality of opportunity in America, have the opportunity today to back up that claim with action. I sincerely hope that this opportunity is not lost on the floor of this Chamber here today.

Mr. WIGGINS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Speaker, I would like to rise in support of this legislation.

Mr. WIGGINS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I dislike the interjection of controversy into the consideration of this bill. It ought to be noncontroversial. I have supported the Cabinet Committee on Opportunities for Spanish-Speaking People in the past, and would wish to support this legislation. Much in the bill is worthy of my support, particularly the recommendation that the advisory committee be made more responsive to all segments of the Spanish-speaking population.

However, I would wish to call the attention of my colleagues to one section of the bill which I regard as fatally defective. I would like to have the attention of at least one-third of the Members of this body, because I am going to ask that they vote "no" when this bill comes up for vote in a few minutes.

The section to which I refer is section 5, which begins at the bottom of page 3 of the bill and extends over onto page 4. It is a brief section. Let me quote the pertinent language:

> No part of any funds authorized to carry out this Act shall be used to finance any activities designed to influence the outcome of any election to Federal office or any voter registration activity, or to pay the salary of the Chairman or any employee of the Committee after the date on which such persons engage in such activity, as determined by the United States Civil Service Commission. No person found by the United States Civil Service Commission to have violated this provision shall be required to repay more than thirty days of his salary.

We should understand the character of the officer this language is directed against. This officer, the Chairman of the Cabinet Committee, is appointed by the President, and his nomination is confirmed by the Senate. He has been traditionally regarded to be outside the scope of the Hatch Act.

Yet a committee which has no jurisdiction over the Hatch Act would create a special amendment through special legislation aimed at one man, a Republican who happens to be the Chairman of the Cabinet Committee. Moreover, a unique penalty is to be imposed against this man; namely, if the Civil Service Commission should find that he has engaged in political activity he shall be required to forfeit 30 days of his salary.

Let me say to my colleagues, this is unprecedented.

The activities of the Chairman of the Cabinet Committee were investigated rather thoroughly by the subcommittee of the Committee on the Judiciary on which I serve, and we were unable to find, notwithstanding the complaints, that he acted in a manner outside of the legitimate scope of his activities.

I can understand Democrat Members being unhappy with a Republican appointee of the President going around the country and saying some kind things about this administration immediately prior to an election. But what would they expect him to say?

Let me say that I regard this as an unfortunate act of retribution against one man, and we should not tolerate it. We cannot stand and should not stand for a precedent which makes Presidential appointees, subject to confirmation by the Senate, subject to the Hatch Act.

That is what this legislation would do in section 5. It is a fatal defect. For that reason I ask my colleagues to oppose the legislation.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New York.

Mr. HORTON. One thing I should like to point out is I disagree with the gentleman's view that this officer is necessarily exempted from the provisions of the Hatch Act. I had always assumed that, but we did make a reexamination of the Hatch Act.

As the gentleman knows, there are five exemptions. The only exemption I believe could be applicable insofar as the Chairman of this Committee is concerned is that exemption which reads as follows:

> An employee appointed by the President, by and with the advice and consent of the Senate, who determines policies to be pursued by the United States in its relations to foreign powers or in the nationwide administration of Federal laws.

The Chairman here does not determine policy. This is not a policymaking committee. Literally the policies are made by the members of the Committee, because they are the heads of the various departments. So this particular officer does not, as the Chairman, determine policy.

The SPEAKER. The time of the gentleman from California has expired.

Mr. WIGGINS. Mr. Speaker, I yield myself 1 additional minute.

I respect the gentleman's opinion with regard to the meaning of the Hatch Act. I would be more comfortable with his opinion if it were coming from a member of the Committee on Post Office and Civil Service, that committee having jurisdiction over the law which he is interpreting.

Mr. Speaker, I interpret the language contrariwise, and the precedents seem to support me. In fact, the Hatch Act has never to my knowledge been made to apply to Presidential appointees who have been subject to the advice and consent of the Senate until this time. We should not start that precedent now.

Mr. HOLIFIELD. Mr. Speaker, I yield myself one-half minute.

Mr. Speaker, this language in the bill is patterned after 2 U.S.C. 452, which is almost identical to that which was applied to the Director of the Office of Economic Opportunity.

As my colleague, the gentleman from New York (Mr. HORTON) has said, the Chairman does not make policy; the Cabinet committee makes policy. As an administrative official, the record is replete with occasions where he violated the intent of the legislation. He was abjured by both the Republicans and the Democrats not to use this committee in a political way in a campaign either for Republicans or Democrats. Notwithstanding that admonition, he did this on numerous occasions, causing embarrassment to Congressmen and Senators in whose States or districts he acted in a political way.

Mr. Speaker, I now yield 4 minutes to the gentleman from California (Mr. EDWARDS) the chairman of one of the subcommittees on the Judiciary, who also made an investigation of this in regard to the jurisdiction of his committee.

Mr. EDWARDS of California. Mr. Speaker, I rise in support of H.R. 10397, to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People.

Spanish-speaking people represent this Nation's second largest minority. Their contributions to our history, our laws, language, and customs must not be underestimated. We in Government cannot afford to forget their contributions. Nor can we fail to recognize that while Spanish-speaking Americans have contributed greatly to our Nation's wealth, they have not often been its recipients.

On July 11 and 19, the Civil Rights and Constitutional Rights Subcommittee held oversight hearings on the role of the Cabinet Committee in providing equal opportunity to Spanish-speaking people. The Chairman of the Cabinet Committee, Mr. Henry M. Ramirez, testified, as did representatives of Spanish-speaking organizations. As a result of those hearings, I think that the evidence was clear that the Cabinet Committee had not fully met its statutory obligations and had indeed participated in partisan politics to an unacceptable degree.

The Cabinet Committee remains, however, the only vehicle in the Federal Government through which the voice of the Spanish speaking can be heard. It is for this reason that I recommend that the Cabinet Committee be reauthorized for an additional year.

H.R. 10397 makes some very constructive changes in the operation of the Cabinet Committee. I believe that it will insure against the kind of political activity that so marred the performance of the Cabinet Committee last year. The new authorization will also allow much greater input from the Spanish-speaking community. I would like, therefore, to recommend to my colleagues support for H.R. 10397.

Mr. WIGGINS. Mr. Speaker, will the gentleman yield

Mr. EDWARDS of California. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Speaker, may I ask the gentleman is it not true that the subcommittee itself was unable to make the judgment that the Cabinet Committee has engaged in unacceptable political activity?

Mr. EDWARDS of California. Mr. Speaker, in answer to the gentleman, I said that I believe that my view is shared by a majority of the Members. It is my personal belief that my view is shared. We have not had a vote; we have not written a report as such.

As the gentleman knows, I rise in support of the bill as presented by the Committee on Government Operations. But I do agree with the chairman of the full Committee on Government Operations that the conduct of Chairman Ramirez in the 1972 election was not what had been contemplated by the original legislation, and a little later on I hope that the author of the legislation, the gentleman from California (Mr. ROYBAL) will comment on it.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, is it not true that this provision is not a partisan provision? This is a provision that prohibits partisan activity in campaigns either on the part of the Democrats or the Republicans.

Therefore, the provision against political activity is not partisan in nature, but it is, in my opinion, salutary.

Mr. EDWARDS of California. I agree with the gentleman 100 percent. In the event there is a Democratic President in 1976, I am sure that we would be saying exactly the same things about this office in the event the chairman of the Cabinet Committee were chosen by a Democratic President and engaged in the same activity as Mr. Ramirez.

Mr. WIGGINS. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, this is not good legislation. On page 2 of the bill it is provided that:

> The committee shall operate such regional offices as may be necessary to efficiently carry out the provisions of this Act.

Where are these new regional offices to be located and how many? The bill does not state. There can be any number of them.

The bill also provides, as the gentleman from California (Mr. WIGGINS) has pointed out, a prohibition against the financing with Federal funds of any activities designed to insure the outcome of any election to Federal office.

Why not extend that prohibition to State, county, and municipal candidates and elections? Why limit it to Federal elections?

Then, what is the penalty for violation? Forfeiture of 30 days pay.

If you are dealing in politics—and this provision would not be in the bill for any other reason than to try to keep this outfit out of politics—why only 30 days forfeiture of pay?

I imagine if any of the officials or employees were worth their salt from a political standpoint they could get a contribution that would take care of that 30-day lost pay.

If you want to outlaw the use of these people in politics, why do you not provide that they be fired? Take their jobs away from them for political activity.

I agree, too, with the gentleman from California that the Government Operations Committee has invaded the jurisdiction of the Committee on Post Office and Civil Service in its direction to the U.S. Civil Service Commission, and there is nothing any Member can do about it under suspension of the rules by way of a point of order.

I am glad to yield to the gentleman from California and commend him for his opposition to this bill.

Mr. WIGGINS. Would not the gentleman agree it would impose a more onerous duty than we do on simple civil service employees, because the chairman can be punished for engaging in political activities at any time; whereas normal employees are permitted to engage in political activities on their own time.

Mr. GROSS. That is exactly right. Moreover, looking at this thing in broad terms, why a Spanish-speaking setup of this kind? Why not German- and Italian-speaking people? You name it. Refugees from Uganda are emigrating to this country. I doubt that very many of them know the English language. How about a fund of a few million dollars for every other group of citizens who happen to speak some other language? I know of no reason why we should not expand this all over hell's half acre.

Mr. SCHERLE. Will the gentleman yield?

Mr. GROSS. I yield.

Mr. SCHERLE. I thank my colleague for yielding.

My argument is pretty much the same as the gentleman's. I am a first-generation American. I am of ethnic nationality. I am both Hungarian and German.

I served on the national committee. I have just as much respect for the ethnics as anyone else in this country, particularly for my Spanish-speaking friends, not only in this Chamber but all over the United States.

How about the Hungarians and Poles and Slovaks and all the rest of them?

Mr. GROSS. No reason why we should not borrow the money and take care of them. There are a number of minorities coming to this country.

Why not take care of all of them?

Mr. SCHERLE. When the ethnics come into this country, they are all at a distinct disadvantage, so I think it is only fair to pay attention to all of them rather than to pay attention to only one small segment, and place them in a preferential group.

Mr. GROSS. Watch this legislation grow and grow in spending once we establish this bureaucracy with regional offices all over the country. This bill provides an unlimited number of them.

Mr. HORTON. Mr. Speaker, if the gentleman will yield, I am certainly not going to take issue with the gentleman in the well, or my good friend, the gentleman from Iowa (Mr. SCHERLE), with regard to other nationalities, but I do have a large number of Spanish-speaking people in my district, and I know from personal experience that they have had great difficulties in communication, they have large families, they have problems in the schools, and so forth.

The SPEAKER. The time of the gentleman has again expired.

Mr. WIGGINS. Mr. Speaker, I yield 1 additional minute to the gentleman from Iowa.

Mr. HORTON. Will the gentleman yield?

Mr. GROSS. I will yield to the gentleman in just one moment.

I do not know that their problems are any different than the problems of other ethnics.

There are Mexicans who work in the Third Congressional District of Iowa. They seem to learn to speak English without a bureaucrat from Washington to teach them.

Mr. HORTON. If the gentleman will yield, what I am talking about——

Mr. GROSS. And they have been working there for many years in nurseries and factories and they seem to get along.

Mr. HORTON. If the gentleman will yield, that is the problem, they do not get along.

Mr. GROSS. And they are getting along without high-salaried help from Washington or anywhere else. They are certainly learning the English language, and making themselves heard in the English language. This bill calls for the spending of $2.25 million. What has been accomplished with previous spending for this purpose?

Mr. SCHERLE. Mr. Speaker, if the gentleman will yield further, I would like to bring to the attention of the Members that we Germans and Hungarians are Catholics, and we have as many kids as anybody else.

The SPEAKER. The time of the gentleman has again expired.

Mr. WIGGINS. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. HORTON).

Mr. HORTON. Mr. Speaker, the point I was trying to make is that the Spanish-speaking people have been having difficulties. I recall that I received, about 2 years ago, a telephone call from one of the members of my district's Spanish-speaking community telling me that a member of the community was in jail. So I checked it out, and arranged for a Spanish-speaking interpreter. The man was released subsequently. They had not been able to understand him because of his inability to speak English.

The Spanish-speaking people throughout the country are having great difficulties in getting programs for housing, urban renewal, education, and other such problems.

It seems to me that it is very important that we have this committee. It is in existence. The committee was authorized by the Congress in its good wisdom. The Congress, also in its good wisdom, amended the Elementary and Secondary Education Act with a special provision to help Spanish-speaking people in their communities through bilingual programs.

So, Mr. Speaker, I hope this bill will pass.

Mr. HOLIFIELD. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Speaker, I rise in support of H.R. 10397, which would extend the life of the Cabinet Committee. A great deal has been said by some claiming that the Spanish-speaking people have no problems. Whoever believes that really does not know what the situation is.

Studies made by the U.S. Government have indicated over a period of a long time that the Spanish-speaking community in the United States have a great many problems. They are the last to be hired, and the first to be fired. In the field of education they have the largest number of school dropouts of any ethnic group any place in the United States.

In a 1972 report the U.S. Commission on Civil Rights documented the failure of our present school systems to meet the educational needs of the Spanish speaking. Within my own district, it is estimated that in the Spanish-speaking barrios of east Los Angeles three out of four drop out of school. The causes of this educational tragedy can be found in the failure of our school systems to respond positively to the cultural heritage and language of the various Latino groups.

In the area of employment, Mexican Americans and Puerto Ricans today remain basically in the same position as in 1969, particularly in employment rates and job opportunities. Even though labor force participation rates have increased, unemployment has worsened. In 1969, unemployment rates for males and females, 16 years of age or older, were 5.5 and 7.4 percent respectively for Mexican Americans, and 6.4 and 6.1 percent for Puerto Ricans. In 1972, these figures jumped to 7.9 and 9.1 for Mexican Americans and 8.8 and 17.6 for Puerto Ricans.

Another major employment problem is the lack of opportunities in the professional and white collar positions. A comparison of 1969 and 1972 figures shows very little change in the distribution of types of jobs held by Mexican Americans and Puerto Ricans. In 1969, only 18.5 percent of Mexican American and 19.3 percent of Puerto Rican workers held white collar jobs. In 1972 the situation worsened for Mexican Americans, falling to 17.5 and improved only marginally for Puerto Ricans at 21.5 percent.

Although income figures show increases in median family income for Mexican Americans and Puerto Ricans, under closer scrutiny the improvement is only an illusion. In 1969, the median family income for the total population was $7,894 and in 1972, $10,285. This represents an increase of $2,391 for the whole population, but the increase among Mexican American families was only $1,998 and among Puerto Ricans, $1,216. Clearly the rate of increase among these Spanish-speaking groups failed to match the rate for the rest of the population and, in fact, was negligible in face of our inflationary spiral.

Further, I would like to point out that the percentage of Mexican Americans and Puerto Ricans below the low income level are far greater than the national average. While 12.5 percent of the total population fell below the low income level in 1972, 28.9 percent of Mexican Americans and 32.2 percent of Puerto Ricans were living in poverty.

All in all, a comparison of 1969 data with more recent statistics paints a disappointing picture of progress for Spanish-speaking Americans. The fact is there has been very little improvement in the social and economic level of Mexican Americans and Puerto Ricans since 1969. The continuing lack of opportunity has meant a tremendous waste of valuable human talent and resources.

This pattern of neglect has also been reflected in the area of Federal employment. As you may recall, in November 1970 President Nixon announced a 16-point program to increase Federal employment opportunities for the Spanish speaking. Last year a House Judiciary Subcommittee held hearings on the effectiveness of this program. It was their unanimous and bipartisan conclusion that there had been "no significant increase in the level of Spanish-speaking employment relative to the total work force since the inception of the 16-point program."

During my investigations this year as a member of the Appropriations Committee, I found a similar lack of progress within such agencies as the Treasury Department, the Postal Service, and the Office of Management and Budget. The Department of Treasury, for instance, showed just 2.2 percent overall Spanish-speaking employment with only 0.7 percent at management levels—GS 13–18. Postal Service figures revealed 2.7 percent Spanish-speaking employment with only 0.9 percent in postal executive service categories. And the Office of Management and Budget, which formulates the President's budget and evaluates equal employment performance, produced the worse record with only 0.8 percent Spanish speaking. This is the reason why this committee was established.

Mr. Speaker, the problems of the Spanish speaking are so great that there is no time and no room for any of its administrators or any of its employers to be involved in any partisan political campaigns. When this committee was originally established under the Johnson administration, I called the Director and spoke with him with regard to this problem. He agreed that the problems of the Spanish speaking were so great that he should not continue in his endeavor to speak for the administration, and it stopped. When this new Director was appointed, I also had a long conversation with him and tried to impress him with the fact that the problems of the Spanish speaking were great that there was no time or no room for him or anybody else to be involved in partisan political campaigns.

It is the purpose of the Cabinet Committee to help reverse this Federal neglect and seek viable solutions to Spanish-speaking needs without involvement in partisan politics. As long as there continues to be a serious lack of opportunity and political representation for the Spanish-speaking, there is need for a Cabinet-level unit. This bill offers a constructive approach which will strengthen this agency and return it to the original intent of the legislation. I urge you to join me in adopting this approach and renewing our commitment to serve the Spanish-speaking.

The SPEAKER. The time of the gentleman has expired.

Mr. WIGGINS. Mr. Speaker, how much time do I have remaining?

The SPEAKER. The gentleman has 5 minutes remaining.

Mr. WYDLER. Mr. Speaker, will the gentleman yield for a very short statement?

Mr. WIGGINS. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, I rise in support of this legislation.

As one of the cosponsors, however, I want to make it very clear that in sponsoring this bill I did not intend, nor do I now, to in any way pass any kind of judgment on past activities of anyone connected with this organization. The guidelines for the future I consider are intelligent guidelines for the future only. They will keep this very unique organization out of trouble in the future, but it is not meant on my part to be any type of judgment on past action.

Mr. Speaker, I highly recommend that everybody vote "si."

Mr. WIGGINS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HINSHAW).

Mr. HINSHAW. Mr. Speaker, I am a member of the Government Operations Committee. I am a cosponsor of this bill, H.R. 10397. I believe that some of the points brought out about this bill today indicate that perhaps we should afford its opponents time for more extensive debate about the possibility of creating an exception to the Hatch Act that we might later regret.

Whereas I intend to support this legislation—and I have a large number of Spanish-speaking people in my area; about 10 percent of my constituents are Spanish speaking—I do think we should have more extensive debate upon points that have been brought up in opposition to this bill today, even though I will support the measure.

Mr. Speaker, I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, would the gentleman not agree that the responsible and sensible course of action at this time by those of us who truly support the Cabinet committee and its overall objective would be to defeat this bill under suspension at least, and send it back to House administration to clean up and to come back to the House under a rule where the bill can be fully debated, and those of us who have reservations concerning some of its provisions can offer amendments and get a vote on those amendments?

Mr. HINSHAW. Yes, I would think that would be a very good procedure. Certainly we have a difficult time limit in that the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People now expire, I understand, by September 30, but it seems to me we should have more extensive debate upon elements in this bill, and I think probably to defeat the suspension would be a good way to accomplish that.

Mr. WIGGINS. Mr. Speaker, I have no further request for time and I reserve the balance of my time.

Mr. HOLIFIELD. Mr. Speaker, the gentleman from Iowa (Mr. GROSS) said regional offices would be set up all over the country. I do not know how much the Appropriations Committee will give to this cabinet committee. They gave $1 million last year, and if they give the same amount this year, one-half of that would be obligated for regional offices. The testimony before us was it would take at least $100,000 to run an office with two or three people in it to bring these programs to the attention of the Spanish-speaking people. Ninety percent of these people live in six of the present Federal regions. That would mean maybe five or six regional offices, if they set the offices up, and if they get the money. If they get $1.2 million, there would be a maximum of six offices, but that is up to the Appropriations Committee. I do not know how much they are going to give on this matter, but I would hope that they would provide sufficient funds.

But let me bring to the attention of the Members this fact. Two Presidents of the United States have advocated this committee, President Johnson and President Nixon. Twice the Congress has passed a bill authorizing this committee, and this is the third extension. In the first place there was the original bill and we had a second bill, to extend the authorization. This is the third time we have come before the Members for such an authorization of such sums as the Appropriations Committee deems to be advisable.

Mr. Speaker, as the gentleman from California (Mr. ROYBAL) said there are close to 14 million Spanish-speaking people in the United States; our second largest minority group. No other national group is in this particular condition. Most of these people are native born citizens. Many are descended from ancestors who lived here before the English-speaking. Many of these people have been brought across the border to work for pittances on farms in the border counties of California, including my own district. Some of them have had children in the United States who are now citizens of the United States. These people are in an underprivileged group, denied because of their language difficulties in the main, their access to the mainstream of American life.

Mr. Speaker, I say $1.2 million or $1.5 million is a small gesture on the part of the United States to these 14 million people, the men, women, and children in many instances, who are doing the most menial types of agricultural labor in the United States. I say to make a big fight on the prohibition of partisan political activity at this time on the part of one man is to look at the mote and refuse to see the beam that is in the eye of our society.

Let us get down to the humane problems that are involved here and let us pass this bill, as two Congresses have, and as two Presidents including the one now in office have asked because they realized that here are peculiar conditions.

I assure the Members there will be no proliferation of field offices throughout the United States as far as we of the Government Operations Committee are concerned.

Mr. SISK. Mr. Speaker, I rise to express my gratitude to and support for Chairman Henry M. Ramirez, of the Cabinet Committee on Opportunities for Spanish-Speaking People. At my request the CCOSSP was instrumental in channeling Federal funds into one of the cities located in my district, Parlier, Calif. Rewarding results are already imminent. Construction began last month on a new $400,000 Parlier community center. The project is being financed with the help of a $268,821 grant from the Department of Housing and Urban Development. Furthermore, a medical clinic begins operating this month on a full-time basis, thanks to a grant from the Department of Health, Education, and Welfare. The Cabinet Committee's assistance was instrumental in securing these funds.

The city of Parlier, located in my district, has a population of 85 percent Mexican-American descent. My distinguished constituent, the Honorable Andrew Benites, mayor of Parlier, along with city government officials, has led the planning of the future of the community. In 1972, in their first month in office, the officials conferred with the staff of the Cabinet Committee and received invaluable assistance regarding implementation of major plans.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of H.R. 10397, to extend the authorization for the work of the Cabinet Committee on Opportunities for Spanish-Speaking People.

I am pleased to be a cosponsor of this legislation with the distinguished gentleman from California (Mr. HOLIFIELD) who has done an outstanding job of drafting legislation that can serve the needs of the Spanish-speaking people while preventing the Committee from being engaged in political activities.

The role of the Spanish-speaking people in our society is difficult for a variety of complex reasons. I am sure we are well aware of the rich cultural heritage we have received from these people.

The Committee can continue for the remainder of its 5-year life to compile and disseminate information on Federal programs of assistance to the Spanish-speaking people and to suggest ways in which these programs can be improved.

I have often seen demonstrated the proud tradition of individual initiative and self-sufficiency by the Spanish-speaking in California. They face linguistic and economic barriers but with an indomitable spirit and determination to conquer them.

Therefore, I strongly urge the enactment of the bill before us today.

Mr. RONCALIO of Wyoming. Mr. Speaker, the Cabinet Committee on Opportunities for Spanish Speaking People is the only Federal mechanism directly serving this country's 12 million Spanish-surnamed Americans. This committee functions in the hope of seeing the second largest, but fastest growing minority, at last obtain an equitable share of Government funds, and an equitable number of decision and policymaking positions in the Federal Government.

Nationwide, unemployment for Spanish speaking persons is at 10 percent and many of those who are working receive below poverty incomes. Within Government there must be an apparatus to assure that Federal programs are reaching these people, a people unique in that they have maintained with pride their rich language and culture.

In Wyoming, where over 4 percent of the population is Spanish surnamed—13,894 in the 1970 census—new and growing opportunities are developing. With an impending boom in resource extraction and development, there will be ground-level opportunities in which to grow with the economy. Not only will there be opportunities in industry, but also in the services and needs associated with an influx of population in small communities.

There is no reason why persons of Hispanic descent cannot and should not become established and be sitting on the boards of banks and savings and loan associations with their Anglo neighbors. They too should be reaping the benefits of their labors. We will not have future mass immigrations from Ireland, Germany, or southern Europe to supply a new labor force, to bring imagination and new blood into our lifestream.

This time the burden falls on all Americans alike to contribute, to revitalize and build America from within. Americans of Hispanic descent are a part of our mix and are entitled to every opportunity and advantage available to other Americans. The Cabinet Committee on Opportunities for Spanish Speaking People is a step in the direction to assure that they may share in prosperity, and share in the growth and building of a greater America.

Mr. STEELMAN. Mr. Speaker, I rise today to speak in support of H.R. 10397, a bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People until December 31, 1974.

This committee was established in 1969 to assure that Federal programs are responsive to the needs of Spanish-speaking and Spanish-surnamed individuals. It has made sure that Federal programs have provided the assistance that these people need while, at the same time, it has looked for new programs that may be necessary to handle problems unique to the Spanish-speaking American.

During hearings in the Subcommittee on Legislation and Military Operations of the Committee on Government Operations, it was made known that there are those who feel that the Cabinet Committee has not fulfilled its intended obligations—it has not gotten close to the people it it trying to help. Other critics say that the committee was used for partisan political purposes in the 1972 campaigns.

I feel that this bill, H.R. 10397, will appease these critics. First, the bill will make the committee more responsive to the Spanish-speaking American by establishing regional offices and requiring that 50 percent of the appropriated funds for salaries be expended through these regional offices. Second, the bill prohibits anyone connected with the organization from trying to influence the outcome of a political election as well as prohibits the expenditure of funds for such a purpose.

Moreover it expands the membership of the Cabinet Committee to include the Secretaries of Defense and Transportation as well as the Administrator of Veterans' Affairs, which includes many areas of involvement that are an integral part of the lives of Spanish-speaking Americans.

The bill will also authorize the committee to advise and assist Spanish-speaking and Spanish-surnamed groups and individuals in receiving legal assistance, when necessary.

I believe that the continuance of funding for this committee is vital for the well-being and improvement of the Spanish-speaking and Spanish-surnamed American. I strongly urge the passage of H.R. 10397 by my colleagues in the House.

Mr. DELLUMS. Mr. Speaker, I avidly support the move for improving conditions for all nationalities and minorities within our Nation and for effective legislation to meet that objective. Creation in 1969 of the Cabinet Committee on Opportunities For Spanish-Speaking Peoples, was in essence formulated for one main principle: To help insure the Federal programs are responsive to Spanish speaking and surnamed individuals.

It is obvious that many Spanish Americans are seriously disadvantaged in terms of employment, education, housing, and health care. Thus, the objective of the Cabinet committee, I believe, should be genuine concern to act effectively in dealing with the needs of our Spanish-American citizens. Yet, over the past 4 years the effort by the Cabinet committee has fallen short of intended goal. Our colleagues on the Committee on Government Operations clearly portray some problems which can develop in a Cabinet committee that at the outset would seem improbable. For example, the Cabinet committee operates largely from its Washington headquarters and is not close at all to most Spanish-speaking communities. Second, Cabinet committee membership, to a certain extent, was used for outright partisan political purposes in the 1972 Presidential and congressional campaigns.

What good are such tactics for Spanish-speaking communities all across the Nation?

The impression that I perceive in talking with minority leaders, remains one of intense pessimism toward the Federal Government. On many ocassions, Spanish Americans are not even aware that there exists a Federal Cabinet-level committee, whose sole purpose is to help their basic necessities.

How can we, as representatives of the people, spend money on a cause that presently is not meeting the role for which it was created.

The moment has arrived for a significant improval within the Cabinet committee. Hopefully, this bill will remedy the situation and will allow the Cabinet committee to indeed aid our fellow Spanish Americans.

Although the Cabinet committee's performance has been disappointing, Spanish communities throughout America need the help of the Federal Government on their behalf. I urge my colleagues, to support the authorization for the Cabinet Committee on Opportunities for Spanish-Speaking Peoples.

Mr. BOLAND. Mr. Speaker, I rise today in support of H.R. 10397, a bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People until the expiration on December 30, 1974, of the enabling legislation which created the cabinet committee. This legislation provides much needed recognition of the problems that the over 12 million Spanish-speaking and Spanish-surnamed citizens of this country face.

Spanish-speaking Americans have a national unemployment rate of 10 percent. The national figure is below 5 percent.

Housing for the Spanish speaking is nearly 80 percent substandard. Twenty percent of Spanish-speaking families live on incomes below the poverty level.

School dropout rates are also well above the national average. These statistics are in a sense all related to one another. Inadequate food and housing relate directly to poor school performance and truancy. This is particularly tragic in today's world where education counts for so much.

Schooling was the bootstrap by which many of our ethnic minorities pulled themselves out of poverty and into the mainstream of American economic and social life. Their experience serves as a lesson for the plight of Spanish-speaking Americans. Without a similar boost, Spanish-speaking Americans can only expect to fall further behind their fellow citizens at an ever increasing pace.

What is needed in the face of these sometimes overwhelming disadvantages in all areas of social life—accentuated by a different language and cultural tradition from that of most Americans—is a concerted effort by all Americans first to understand and relate the experience of our Spanish-speaking neighbors to our own situation, then to assist with all the forces at our disposal in righting the inequities under which so many Spanish-speaking Americans live and work.

It is for this reason that I voted for the 1969 legislation creating the Cabinet committee. For these same reasons I endorse H.R. 10397 today. The Cabinet committee was created to insure that Federal programs are responsive to the Spanish-speaking community by advising agencies and departments of Government when Spanish-speaking interests are affected and how best to implement programs and policies which are therefore attuned to their particular problems.

The legislation now before the House would insure expansion of that role. It would provide for the establishment of needed regional offices closer to various Spanish-speaking communities. The Cabinet committee, moreover, would move from its purely advisory role to one more representative of the Spanish-speaking community. The committee could thus offer more specific assistance to Spanish-speaking individuals and groups in obtaining various Government benefits. Since the committee would expand the scope of problems with which it would concern itself, appropriations would increase to $1.5 million in fiscal year 1974, an increase of $0.5 million from the previous year.

Mr. Speaker, I believe that the work of the Cabinet Committee on Opportunities for Spanish-Speaking People represents only a small part of what we can do for the 12 million citizens it attempts to serve. These Americans look to the Federal Government for assistance on many fronts. They must deal with many Federal agencies and departments. This, as we can all testify, can sometimes be a demoralizing experience. The feeling that their particular problems are receiving attention commensurate with their special needs is therefore very important to Spanish-speaking Americans. H.R. 10397 represents only a small step for national expenditure, but it could hasten a giant step for the Spanish-speaking citizens of this country—parity in fact as well as theory with their fellow Americans.

Mr. MATSUNAGA. Mr. Speaker, I urge approval of H.R. 10397, a bill which would extend and improve an important service for our Spanish-speaking brothers and sisters. The Cabinet Committee on Opportunities for Spanish-Speaking People, which is charged with the duty of opening new vistas and opportunities for our neglected Spanish minorities, deserves not only the funding authorization necessary to continue its important work, but also protection from political interference which has frustrated and obstructed it from fully attaining its true mission. This is what this bill will provide. Free of political manipulation and open to greater participation by those affected, the Cabinet Committee can return benefits many times over on the taxpayers investment by improving understanding and harmony between our citizens, bettering the lives of our less fortunate brethren, reducing the causes of poverty, crime and misfortune, and opening the door to all our citizens to a future of promise and hope.

The Committee on Government Operations is to be commended for fashioning this thoughtful legislation.

Mr. Speaker, H.R. 10397 is not dissimilar to H.R. 261, introduced by my colleague from California (Mr. GLENN ANDERSON) and myself, which would establish the same type of Cabinet committee for Asian-Americans.

I trust that H.R. 261 will soon receive congressional approval.

Today, of course, I urge my colleagues to approve H.R. 10397, which will enable the Cabinet Committee for the Spanish-Speaking to strengthen its efforts in behalf of that group of Americans.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. HOLIFIELD) that the House suspend the rules and pass the bill H.R. 10397.

The question was taken.

Mr. SCHERLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 241, nays 130, not voting 63, as follows:

[Roll No. 487]

YEAS—241

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Armstrong
Aspin
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Burton
Camp
Carey, N.Y.
Casey, Tex.
Chamberlain
Chisholm
Clausen, Don H.
Clay
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Wis.
de la Garza
Dellenback
Dellums
Dent
Derwinski
Diggs
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Foley
Ford, William D.
Forsythe
Fraser
Frenzel
Frey
Froehlich
Fulton
Giaimo
Gilman
Grasso
Gray
Green, Pa.
Guyer
Hamilton
Hanley
Hanrahan
Hansen, Wash.
Harsha
Harvey
Hawkins
Hébert
Heckler, Mass.
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holifield
Horton
Howard
Hunt
Johnson, Calif.
Jones, Ala.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Latta
Lehman
Lent
Long, La.
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
Macdonald
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Matsunaga
Meeds
Mezvinsky
Metcalfe
Melcher
Miller
Minish
Mink
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Price, Ill.
Price, Tex.
Pritchard
Quie
Randall
Rangel
Regula
Reuss
Rhodes
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Sikes
Skubitz
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Teague, Calif.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Walsh
Wampler
Ware
Whalen
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Tex.
Zablocki
Young, Ga.

NAYS—130

Abdnor
Andrews, N.C.
Andrews, N. Dak.
Arends
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Broomfield
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clark
Clawson, Del
Cochran
Collier
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Delaney
Denholm
Dennis
Devine
Dickinson
Downing
Duncan
Edwards, Ala.
Erlenborn
Flowers
Fountain
Frelinghuysen
Gaydos
Gettys
Gibbons
Ginn
Gonzalez
Goodling
Gross
Grover
Gunter
Haley
Hammerschmidt
Hastings
Hays
Hechler, W. Va.
Henderson
Holt
Hosmer
Huber
Hungate
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Okla.
Keating
Kemp
Ketchum
King
Kuykendall
Landgrebe
Landrum
Litton
Long, Md.
Lott
McEwen
McKay
Madigan
Mann
Mathis, Ga.
Mayne
Mazzoli
Milford
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Nelsen
Nichols
Owens
Poage
Powell, Ohio
Preyer
Quillen
Rarick
Roberts
Robinson, Va.
Rose
Roush
Rousselot
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Shoup
Shuster
Snyder
Spence
Staggers
Stephens
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Treen
Vigorito
Waggonner
Whitehurst
Whitten
Wiggins
Wilson, Charles, Tex.
Wylie
Young, Alaska
Young, Ill.
Young, S.C.
Zion

NOT VOTING—63

Alexander
Anderson, Ill.
Archer
Ashley
Badillo
Barrett
Bell
Bergland
Biaggi
Bolling
Brown, Calif.
Buchanan
Burke, Fla.
Carney, Ohio
Cleveland
Conyers
Davis, Ga.
Dingell
Dorn
Esch
Eshleman
Flynt
Ford, Gerald R.
Fuqua
Goldwater
Green, Oreg.
Griffiths
Gubser
Gude
Hanna
Hansen, Idaho
Harrington
Heinz
Holtzman
Hudnut
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Leggett
McSpadden
Madden
Mathias, Calif.
Michel
Mills, Ark.
Mitchell, Md.
Mollohan
Murphy, N.Y.
Nix
Railsback
Rees
Reid
Rooney, N.Y.
Runnels
Sandman
Sisk
Slack
Smith, Iowa
Steiger, Wis.
Symms
Waldie
White
Young, Fla.
Zwach

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Rees.

Mr. Barrett with Mr. Ashley.

Mr. Fuqua with Ms. Holtzman.

Mr. Murphy of New York with Mr. Cleveland.

Mr. Nix with Mr. Jones of North Carolina.

Mr. Alexander with Mr. Symms.

Mr. Davis of Georgia with Mr. Hudnut.

Mr. Dingell with Mr. Steiger of Wisconsin.

Mr. Jones of Tennessee with Mr. Railsback.

Mr. Leggett with Mr. Zwach.

Mr. Waldie with Mr. Michel.

Mr. Slack with Mr. Burke of Florida.

Mr. Reid with Mr. Esch.

Mrs. Green of Oregon with Mr. Gerald R. Ford.

Mr. Badillo with Mr. Conyers.

Mr. Mollohan with Mr. Buchanan.

Mr. Smith of Iowa with Mr. Gubser.

Mr. Sisk with Mr. Heinz.

Mr. Hanna with Mr. Eshleman.

Mr. Biaggi with Mr. Mathias of California.

Mr. Carney of Ohio with Mr. Bell.

Mr. Dorn with Mr. Archer.

Mrs. Griffiths with Mr. Gude.

Mr. Flynt with Mr. Goldwater.

Mr. Mills of Arkansas with Mr. Anderson of Illinois.

Mr. Mitchell of Maryland with Mr. Runnels.

Mr. Madden with Mr. McSpadden.

Mr. Bergland with Mr. Brown of California.

Mr. White with Mr. Harrington.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

VICTOR LAPIDOS—VICTIM OF SOVIET EMIGRATION POLICIES

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, it is a privilege for me to participate today in the "Congressional Vigil" which will take place each day until final House passage of the Mills-Vanik amendment and the Trade Reform Act. This is a measure which I strongly support and of which I am a cosponsor, and I was delighted last week when our colleagues on the Ways and Means Committee agreed to include the amendment in the bill.

The issue of human rights and freedom must always be paramount in any deliberations by this body. The denial of these rights by the Soviet Union to thousands of its citizens who want to leave that country and emigrate elsewhere must constantly be brought to national attention and our concern must be expressed. The case of Victor Lapidos is typical of the harassment and denial of human rights experienced by so many Jews in the Soviet Union.

Victor Lapidos, a doctor of technical sciences who worked in Moscow's Automobile Industry Research Institute, applied for an exit visa to Israel in August 1972, and was granted permission to leave the Soviet Union upon payment of a $30,000 exit fee. This is an astronomical amount of money in the Soviet Union and Dr. Lapidos could not hope to accumulate that much.

Suddenly, he was told he would not have to pay the fee if he left the U.S.S.R. within 10 days. He and his wife quit their jobs; his 11-year-old daughter withdrew from school; and his 19-year-old daughter and her husband were expelled from the university. The family was evicted from their apartment and, after the payment of approximately $1,000 for an exit visa for each member of the family, they were told it had all been a mistake and they would not be permitted to leave.

Mr. Speaker, we must make the Soviet Union understand the revulsion we feel upon hearing such stories. The granting of most-favored-nation trade status is important to the Soviet Government. They must know of our concern for human rights. The adoption of the Mills-Vanik amendment will do this. We must see to it that it is retained in the Trade Reform Act.

INTERNATIONAL DAY OF BREAD, OCTOBER 2

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, tomorrow, October 2, is the International Day of Bread. To help celebrate this special day as part of Harvest Festival Week, I again plan to distribute a complimentary loaf of bread to each of my colleagues. This complimentary loaf of bread is in behalf of the wheat growers, millers, and bakers.

I would like to ask that my colleagues join with us in breaking bread in thanksgiving and in committing our resources to world peace, understanding and a better tomorrow for all of mankind.

Harvest Festival Week has become a traditional time for peoples of the world to come together and express thanksgiving for the annual harvest in their native lands. To fully understand the significance of this event, I am submitting the following article, "The World Has a Day To Remember" and commend it to the attention of my colleagues:

THE WORLD HAS A DAY TO REMEMBER

Before recorded time, the family of man paused each autumn for rites of joy and gratitude for the bounty of Nature. Spontaneous ceremonies marked the completion of his harvest from field, farm, forest . . . from lakes, streams and seas.

This compelling impulse became part of tribal or religious custom beyond the reach of human memory. You still find Harvest Festivals—whether for grapes that make wine, grains for bread, or fish or meat for the larder—celebrated by most people of the world.

Following the Egyptians and those before them, the Greeks incarnated the concept in a goddess, *Demeter*, and paid her homage. The Romans called her *Ceres*, for whom cereals were named. *Bread* came to symbolize all food and the dependence of man upon the soil, the rain, the sun, the seasons and the labor of argiculture.

Bread thus signifies the reaping of all crops, of meat, milk and food itself, a meaning expressed in prayer, "Give Us This Day . . ." The thought gains greater import every day as governments around the world become increasingly concerned with problems of feeding the hungry and malnourished, at home and abroad.

In token of such values, the tradition was revived in West Germany in the early 1950's as a "Day of Bread." The observance spread to other countries of the Continent, to the Americas and the Far East. The President of the United States, the Governors of the 50 States, and the Mayors of scores of cities annually proclaim a "Day of Bread" on the first Tuesday of "Harvest Festival" Week, usually the first full week of October. Deeply rooted in the legacy of all mankind, the occasion has won acceptance as a contribution to human understanding, person-to-person, around the world, a means of national communication transcending boundaries of country, creed, or politics.

VIOLENCE IN AUSTRIA

(Mr. KEATING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEATING. Mr. Speaker, this summer I had the opportunity to visit the processing center at Schoenau, Austria, where thousands of Soviet Jewish refugees have been processed as they leave the Soviet Union for a new life in Israel. I was shocked by the news this weekend that the Austrian Government, under Arab terrorist threats, agreed to close down the center.

The decision to close down the Schoenau Center was hailed by the leaders of the Arab Terrorist Movement as their greatest victory to date. The decision cannot be allowed to stand. Once terrorists win one objective through violence, they will try again. There can be no compromise with those who are willing to blackmail society to achieve their goals.

When I visited Austria and Israel to inspect the international refugee program I was impressed by the fine work done in the Austrian center; it would be deplorable if this link in the migration program was broken.

We have witnessed acts of violence in England with the terrorist bombings and in Ireland; both of these countries stood up to the terrorists. During the violence we witnessed at Wounded Knee I spoke on the House floor urging that the Justice Department not give in to demands while lives were threatened. Recently I condemned the action of Ohio State officials who closed down a State park under the threat of a bomb scare. In Washington we have seen the attempt in 1971 to close the Federal Government and in 1972 the violent takeover of the Bureau of Indian Affairs. In short we must have a policy of not capitulating to acts or threats of violence.

In the case of the Austrian Government decision to close down the Schoenau Processing Center it is my feeling that the center must remain open.

The decision was made under duress and the law is very clear that a promise made under duress has no standing. Therefore, there is no legal reason for the Austrian Government to keep their promise to the Arab terrorists.

The Austrian center must remain open so that the Jewish refugees can continue to leave the persecution of the Soviet Union and it must remain open to show the Arabs and other potential terrorists that they will not achieve their goals through acts of violence.

WELCOME TO CARDINAL MINDSZENTY

(Mr. THOMPSON of New Jersey asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. THOMPSON of New Jersey. Mr. Speaker, it is with respect and admiration that I place before the House an editorial from the Saturday, September 29, 1973, issue of the New Brunswick Home News—an editorial which remarks upon the recent visit to New Brunswick, N.J. of His Excellency Jozsef Cardinal Mindszenty. Cardinal Mindszenty has become a living legend to tens of millions of people throughout the world as a symbol of the freedom of the human spirit. I think it is noteworthy to point out that the Home News editorial appeared on the front page in Hungarian thanks to the translation of Mr. Laszlo I. Dienes, who for 30 years has edited the Magyar Herald, the Hungarian newspaper in the eastern United States. The editorial reads as follows:

WELCOME, CARDINAL

With great pleasure and pride, our community today welcomes Josef Cardinal Mindszenty, Primate of Hungary and Archbishop of Esztergom, who is making a four-day visit during which he will officiate at the dedication of the relocated St. Ladislaus Church on Somerset Street.

The visit of this extraordinary religious leader is a singular honor for New Brunswick. The 81-year-old prelate, a legend in his own time, is known the world over as an ardent foe of communism, a champion of freedom in his beloved homeland, and the unflagging conscience of the free world.

Cardinal Mindszenty spent 23 years of his life, except for four days, either in prison or as a refugee in the United State mission in Budapest. Sentenced to life imprisonment by the Communist government in Hungary in 1949, the cardinal was released by Hungarian Freedom Fighters during the 1956 rebellion. When the tragic uprising was brutally put down, the cardinal took refuge, after four days, in the American mission in Budapest where he remained, silenced but unbending, until called from his exile by Pope Paul VI in 1971.

The courageous and steadfast Cardinal Mindszenty has lived since 1971 in Vienna, a living symbol of one extraordinary individual's unrelenting battle against tyranny.

Today, on the occasion of Cardinal Mindszenty's visit to New Brunswick, we join with the Hungarian community in extending our warmest welcome and our sincerest admiration and respect for a great man.

THANK YOU

The Home News is indebted to Laszlo I. Dienes for the Hungarian translation, which appears on Page 1, of our editorial welcoming Josef Cardinal Mindszenty. For more than 30 years Mr. Dienes has been the editor of the Magyar Herald, the only Hungarian weekly newspaper in the eastern United States. We are grateful to him for his assistance.

INQUIRY INTO CHARGES MADE AGAINST THE VICE PRESIDENT

(Mr. BAKER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BAKER. Mr. Speaker, I respectfully submit that the leadership of the House has erred in declining to act favorably on the request of Vice President SPIRO AGNEW to "undertake a full inquiry" into the charges which have been made against him during the course of the investigation by the U.S. attorney for the district of Maryland.

Based upon precedent, there is clear evidence that the Vice President should look to the House of Representatives in a situation of this kind, and it is just as clear that the House should respond by making the investigation which will determine the true facts of the charges before any further action is taken outside of Congress.

My position on the House's responsibility has been fortified by a telegram I received today from the Honorable Winfield Dunn, Governor of Tennessee, in which he asks me to prevail upon you, Mr. Speaker, to reconsider your decision and allow an immediate investigation of the charges against the Vice President. Governor's Dunn's telegram is included as a part of my remarks. I implore you, Mr. Speaker, to give it due consideration.

In your response to the Vice President's letter on September 25, you indicated that you would not "take any action on the letter at this time."

That decision was several days ago. Since that time, resolutions have been introduced calling upon you to instruct an appropriate committee to begin the investigation. Respected Members of the House and Senate have asked you to reconsider your decision and take this course. As you have given more thought to the proposition, I trust that you see it as your constitutional duty to undertake the investigation. You can make this decision without waiting for action on the resolutions. I am confident a majority of your colleagues in this body will support you in carrying out this responsibility.

The telegram from Governor Dunn follows:

NASHVILLE, TENN.

Hon. LAMAR BAKER,
119 Cannon Office Building, Capitol Hill, Washington, D.C.

I honestly request that you as a member of Tennessee delegation in the United States House of Representatives prevail on House Speaker Carl Albert to reconsider his decision and to allow an immediate investigation of charges of kickbacks and bribery against Vice President Spiro T. Agnew. In my judgment, it is imperative that such an investigation be conducted by the House to determine the facts. To date the Vice President has only been terribly abused without concrete grounds of factuality or authenticity. With the leaks of information concerning the Grand Jury investigation of the charges against Mr. Agnew, it seems to me to be virtually impossible for him to get fair hearing any other way. I strongly share the Vice President's view that under constitution the only avenue open for all the facts to be made known is through the House of Representatives. I support an investigation of this matter by the House and it is my sincere hope that you share my desire.

GOV. WINFIELD DUNN.

HOW MUCH LONGER?

(Mr. RANDALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RANDALL. Mr. Speaker, this is the fifth legislative day in succession that I have taken the floor to briefly but earnestly urge the administration to do something specific and concrete for assistance to our hard-pressed farmers now desperately needing adequate quantities of gasoline and diesel fuel to move from the fields feed grain and soybeans in the days that lie ahead. They also need some positive assurance that there will be forthcoming an allocation of propane in the event crops need to be dried.

For the past 3 months our office has been up the hill and down the hill urging action by Governor Love. We have called his attention to the unbelievable circumstances in our congressional district where suppliers of diesel fuel admit and agree they have available product in their tanks, but are prohibited from selling it by orders from higher up. What a spectacle that this kind of refusal to sell exists when crops remain unharvested in the fields, particularly silage which must be cut right now, or else suffer a loss in feed value.

Just today I asked our chairman of the House Committee on Interstate and Foreign Commerce when to expect floor action on mandatory legislation for allocation of petroleum products. His answer was within a week or 10 days with the hope our bill would be agreed to by the other body and a conference avoided.

But, Mr. Speaker, we do not need legislation and we have not needed any since April of this year. Anyone who can read English can see from the language of Public Law 93-28 that there is a clear and indisputable grant of authority for allocation of petroleum fuels.

Why does this administration wait? Why does Governor Love's office do nothing? Well, these questions remain unanswered day after day, even week after week.

The record will show that Governor Love came out of the West to become energy czar away back about July 1 of this year. As nearly as most of us can determine, he has done nothing since his arrival on the Washington scene but make lofty pronouncements about the disruptive effect of any kind of allocation on private enterprise. He means he does not want to disturb the tranquillity of the giant oil companies. He has repeatedly deplored the bureaucracy he says would be needed to enforce allocations. By that he means he wants to let the major oil corporations continue to do as they jolly well please while the independents and the public suffer the continued hardship of fuel shortages. Meanwhile, Governor, the condition of our farmers progressively worsens.

AUSTRIA: 1938 REVISITED

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, the response of the Austrian Government to the demands of two Arab terrorists to close down the processing center for Soviet Jewish emigrees bound for Israel is so outrageous that it is difficult to comment in moderate terms. The action of the Austrian Government makes it even more clear why Israel takes the position that its security and that of its citizens abroad can never be left to others to defend. Austria's history is not without blemish. During the Nazi era its citizens cooperated extensively with Germany and overwhelmingly supported Anschluss. Now, once again, Austria is taking an action against Jews which can only call up that past.

Unfortunately, Austria is not alone in submitting to extortionate Arab demands. The French, in their eagerness to achieve oil concessions in Algeria and other African countries, turned its back on Israel and provided Israel's enemy, Libya, with Mirages, knowing they would be available to Egypt. At the same time it denied Israel the same planes. Great Britain has made it clear that its desire to do business with Arab states will not be impeded by any display of fair play vis-a-vis Israel in the Security Council. And, of course, the Japanese, in submission to Arab threats, have engaged in an economic boycott of Israel by refusing to sell key electronic and other items which Israel needs. This is only a partial list of nations that have failed to give Israel fair treatment, to say nothing of support when Israel has been in need of help. It also does not take into account the recent drive by certain American oil companies, Mobil and Standard Oil of California among them, to change American foreign policy in the Middle East making it less favorable to Israel.

An examination of the record of the Security Council shows that on almost every occasion, the governments I have listed and those controlled by the Soviet Union, have excused Arab terrorism and condemned Israel's counteractions to deter that terrorism. If other countries, such as Austria, do not seek to deter terrorism by apprehending the terrorists and instead choose to deter it by submitting to the terrorists' demands, then what choice does Israel have but to strike the terrorists wherever they might find sanctuary?

Since the end of World War II and its recognition as a sovereign state in 1955, Austria has sought to win its way back as a respected democratic nation in the world. It is true that in heretofore providing a way station for Soviet Jewish refugees, Austria had in part demonstarted some contrition for its anti-Semitic outrages of the past, but its announcement that it will close Schoenau Castle to Israel-bound Soviet Jews is so grotesque that if not rescinded, it can only cause all decent people to ponder how different is Austria today than in 1938 when Anschluss occurred.

Nations normally principled look away when Arab nations encourage and support terrorists, and give them sanctuary, as Libya habitually does, while they are quick to condemn Israel's actions taken in self-defense to stop the terrorists. Where is justice?

RAISE HELL WITH THE COST OF LIVING COUNCIL

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, just about every day I get a mimeographed copy of a hell-raising speech by Secretary of Agriculture Earl L. Butz in my packet of press releases from the Department of Agriculture, in which he lambasts those decisionmakers who have foolishly disrupted meat production, or some other kind of food production, with unwise price controls.

From coast to coast he tells his audiences that the Cost of Living Council's actions are disastrous, that their decisions are counterproductive by destroying incentives to raise hogs and feed cattle, closing down food production plants and causing all sort of havoc throughout the food industry.

I wish he would raise hell instead with the Cost of Living Council here in Washington, give some of it to John Dunlop, who runs the CLC, or carry his case on up to the President.

Listen to what Mr. Butz told the American Meat Institute in Chicago 1 week ago today:

> We've just come through a period when, due to very heavy consumer pressures, we temporarily shelved producer incentives in food production, including meat. The results have been disastrous.
>
> Price ceilings imposed on meat at the retail counter have been counter-productive, just as many of us knew they would, and so predicted at the time.
>
> Freezing retail prices for food while production and processing costs continued to mount had the predictable effect. Producers and processors simply cut their losses and reduced or shut down their operations.
>
> Baby chicks destroyed a few months ago mean less chickens on the market. Breeder flocks sold off mean one complete life cycle in the life of a chicken before the industry can get back into full production.
>
> Pregnant sows taken to market earlier this year, because the profit motive has been removed and pork producers no longer could find their incentive in the marketplace, mean fewer pork chops next winter.
>
> Fortunately, in the case of beef, breeding herds were not liquidated during the freeze. For the most part, the animals stayed out there on the pasture and range. Now, since the beef-price ceiling has been lifted, beef is starting to come to market, although many animals are heavier than would have been the case if cattle marketings had remained normal.

These are points that need to be discussed, but there are many more hard facts to be faced if consumers are going to have adequate supplies of American beef.

The Secretary was mistaken about beef starting to come to market.

There always has been some coming to market, but not enough, and at the time the Secretary spoke the volume had not picked up. Cattle marketings last week were still running about 10 percent behind last year. The big bulge that Cost of Living Council predicted had not materialized when the Secretary made that speech; buyers were offering such low prices for cattle that many producers were still holding, rather than accepting bankruptcy returns for products it had taken years to produce.

The cattle business was in such agony that placement of cattle on feed for markets next year were hundreds of thousands of head behind last year's level. Placements on feed have been off since last April, when the beef boycott threatened the solvency of the business, and they will continue to stay down until prices are stabilized at least at a break-even level.

These are the points that have to be made emphatically here where it counts with the people who are damaging supply meat decisions.

And now the Cost of Living Council rejected an emergency price order for October milk earlier this week. Secretary Butz's Dairy Division recommended that the base for pricing class I fluid milk in October be set at $6.95 per hundredweight, an increase of 57 cents cwt. but CLC rejected it. Did USDA press its position at the CLC? Who appealed it to the President to point out this detrimental decision that will affect milk supplies?

Milk production in the United States was off 0.7 percent in January. Dairy herds were being liquidated. They have continued to be liquidated and production was down 3.8 percent by August. The dairy division, realizing the increasing costs of dairymen tried to stop the trend with the modest price increase. We are short on fluid milk already in some of our cities. Yet CLC rejected the modest increase.

Secretary Butz should note that this also is a "disastrous" and "counter-productive" new price ceiling John Dunlop was imposing. It may not be formally labeled a price ceiling but in reality it is.

And what is being done about a fertilizer supply for farmers?

When are we going to get some action that will stop the export of nitrogen that we desperately need in Montana to decompose stubble and prepare the ground for next year's wheat crop?

What is being done about fertilizer dealers having their supplies cut off out in my State of Montana?

I cannot find that the U.S. Department of Agriculture is doing anything to assure fertilizer for our agricultural producers, and my office is contacting USDA on shortages in our State. All we can get is explanations about who and why the cutoffs are made.

Is it because the USDA officials including the Secretary cannot go to the Executive Office Building, or if need be the White House to convince the administration that these are serious problems?

The food producers and consumers of this Nation are entitled, especially in these critical times, to have someone in Washington to raise hell where the hell ought to be raised. Secretary Butz makes his point in his speeches across the country about the "disastrous," "counter-productive" decisions his associates in the administration are making in his absence. They need a hell-raiser in Washington who can slug it out with Mr. Dunlop in the Oval Office if necessary. Adequate food supplies are at stake.

The action is here in Washington where the wrong decisions have been made and here is where those decisions must be corrected.

TOWARD THE REALIZATION OF PEACE, PROSPERITY, AND FREEDOM AS GOALS OF U.S. FOREIGN POLICY

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, last week the other body, exercising freely its constitutional prerogatives, confirmed the President's nomination of his principal foreign policy architect as the new Secretary of State. Dr. Kissinger will serve in the dual capacities as Secretary and as Assistant to the President for National Security Affairs. These dual responsibilities will afford the Secretary an unparalled staff capability, an access to the decisionmakers and policy implementors, and a structural ability to effectuate policies agreed upon. They will also place squarely upon him major responsibility for achieving our substantive foreign policy objectives. Secretary Kissinger ranks among the most knowledgeable of the men to serve in this most prestigious of cabinet posts. Few men, if any, are more qualified to perceive and to deal with the intricate maneuvers between nations and their leaders. Because he brings this forté to the secretaryship, he must be that much more prepared to deal with the achievement of the substance of our nation's foreign policies—the actual realization of policy goals.

What might be, in summary, some of these substantive foreign policy objectives which ought to be pursued?

First, to guarantee adequately the defense capability of the United States against potential aggression, either in full scale war or in small-scale military or para-military operations. Second, the making of no concession by the United States which does not result, on the whole, in the obtaining of commensurate concessions.

Third, to use the economic power of the United States to obtain concessions from foreign nations which result in the expansion of political freedom and the right of free expression by the citizens of that nation. The doctrine of "noninterference" holds that no nation ought to use its foreign policy in such a way as to "interfere" with the domestic policies of a second power. When the United States must formally confer with representatives of other nations, this is an understandable policy to publicly express. It is not, however, an accurate or desired doctrine. The controversial United States-Soviet Union grain deal shows clearly the way in which the Soviet Union was able to impact upon our domestic economy through that one trade package, that is, today, we have inadequate domestic grain supplies for home consumption, a misallocation of railroad boxcars, a resulting rise in domestic food prices, a serious dock shortage in some ports, et cetera, and the resulting political implications arising from these economic factors. I hope that our foreign policymakers perceive the realities of this doctrine, and its shortcomings. Trade can be such a weapon for freedom.

Fourth, to base any permanent realinements in power relationships between nations on the realities of commonly shared aspirations, heritage, and objectives, not upon "hoped-for" divergences between former allies or upon perceived changes from revolutionary fervor to status quo acquiescence when such changes may be only short-lived phenomena.

Fifth, to guard against any careless or precipitous withdrawal of support from our allies. By definition, our allies are allied with us; if "push should come to shove," it is these nations which will be "on our side." We need a conscious, deliberate, and visible foreign policy and expression of same which shores up the real and psychological needs of our allies and their governments.

Mr. Speaker, all of the foregoing substantive objectives will be frustrated unless the administrative capability for carrying out our foreign policies—the Department of State, the international-in-scope economic assistance agencies of our government, the foreign service—is, on all levels, operating in a manner consistent with the administration-determined policy objectives. To guarantee this is to shore the foundations for our policies; to fail to insure it—to "get along"—is to run the risk of total frustration.

THE TOOLS OF NEGOTIATION

Mr. Speaker, there are both positive and negative tools at our disposal to effectuate our foreign policy. From a positive sense, we have the significant advantage of trade, a trade capability engendered by our market economy. We have our economic, technical, and military assistance programs and funding sources. And we have the advantages of operating from a position of prestige, influence, and respect—although all of these factors have been waning in past years. From a negative sense, we have our military capability—as the ultimate use of foreign policy—and the capacity to withhold the advantages of economic, technical, and military assistance.

OUR NATION'S FOREIGN AFFAIRS AGENDA

The foreign affairs agenda of our Nation is a crowded one. We have the overriding problem of the allocation of energy producing resources among the powers—a way in which to say, the 60-year struggle for control of the oil fields of the Middle East has intensified. We have the presently very visible exposés on the plight of minorities and dissident intellectuals within the Soviet Union, most of whom are today subject to a repression unseen since the Stalinist purges of the 1930's, all because these individuals and sects seek the same freedom of expression for which the United States has stood since its Independence. We have the continuation of aggression within Southeast Asia, evidenced by increased subversive activity in Thailand, by new initiatives against the government in Cambodia, and by actual construction of military bases by the Communist North Vietnamese within the sovereign borders of South Vietnam. We have the expansion of trade with the Soviet Union and the question of conferring upon it, by an act of this Congress, the most-favored-nation status sought for it by both the Soviet Union and the United States but for which the Soviet Union appears to be unwilling to make any concessions on the rights of expression and exit.

We have the on-going Conference on European Security and Cooperation, popularly known as the European Security Conference, now being held in Geneva. We have the pervasive question of the mutual reductions of forces and armaments and associated measures in Central Europe, the outcome of which will govern the security of all Europe, if not the world. And, we have the second round of the Strategic Arms Limitation Talks—SALT II, the outcome of which may affect the very survival of the military capabilities of our Nation, for we have already, as a result of SALT I, moved from a position of military superiority to one perceived by many renowned experts as one of simple parity; that, is, in relationship to the Soviet Union, we are less strong today than we were previously.

TRADE AS AN INSTRUMENT FOR FREEDOM

Mr. Speaker, it is my intention to address this body at length on some of the crucial questions and issues arising out of the Nation's foreign policy agenda. I wish to discuss today, however, two aspects of that agenda—aspects which ought to have been intertwined by our Government some time ago. I speak of trade with the Soviet Union and of the suppression of dissent within the Soviet Union. They should not be treated by the administration as separate and distinct questions. We should force their intertwining; otherwise, we should refuse to confer the most-favored-nation treatment on the Soviet Union.

East-West trade is nothing more than a contemporary manifestation of a centuries-old policy question: To what extent ought a nation permit its industries to engage in commercial trade with nations which constitute an ideological, and often military, threat to that first nation? There can be little doubt, in the mind of one who has read history, that the arguments advanced for and against Carthaginian trade with the Roman Empire differed little from the arguments advanced for and against United States trade with Imperial Japan during the 1920's and 1930's. Whether the ensuing wars were the result of having increased the economic or military capacities of the weaker powers, or were the result of having withdrawn such trade once it was established—thereby forcing military aggression to obtain resources, history does tell us what the consequences of such trade were in both instances. In essence, while the conflicting ideologies and national aspirations have obviously been different, the strategic considerations have remained essentially unchanged, to wit: How much will trade mean aid? How much will aid help the other nation's military capabilities, or permit it to divert nonmilitary or consumer production to military production?

There are several critical points which must be raised and which must serve, collectively, as a frame of referene within which the United States ought to negotiate, or permit to be negotiated, trade packages with the Soviet Union or any other Communist power.

First, indiscriminate trade may jeopardize the security of the United States. There can be no trade in commodities which can be put to military use.

Second, certain types of nonstrategic trade, if under specific limited conditions—such as, obtaining political concessions in behalf of the freedom of their people by us in exchange for such trade—could be in the best interests of the United States and the world.

Third, such trade is not a simple commercial concept where American firms trade with private firms or individuals. It is trade by American firms with communist governments, or their representatives, which are more often than not oppressive and misrepresentative of the aspirations of their people. Such trade tends to strengthen those governments. Because this trade is not between private firms and private firms, or private firms and individuals, it is misleading to assert that there ought to be a removal of all restrictions on such trade. No matter how much our country may strike to remove restrictions, there is no free trade or free market allocation of resources on the receiving end until that nation makes similar and full removal of restrictions. This has not, and will not, happen, for government control of the means of production and distribution lies at the heart of the socialist economies of these nations.

Fourth, trade in nonstrategic goods can permit the communist government to divert requisite consumer production to military production.

Fifth, trade must be on terms which strengthen the U.S. dollar. The American taxpayer is, today, paying eight percent interest on dollars borrowed by the Government of the United States to permit the Soviet Union to buy the grain on credit with only 2 percent interest. The American taxpayer is subsidizing the remaining 6 percent and is not receiving any payments in gold—gold which would help shore up the value of the U.S. dollar against erosion at foreign money markets. Testimony offered by a former foreign service officer before the Commitee on Foreign Relations of the other body at the time of the confirmation hearings on Dr. Kissinger indicates the interest paid by the American taxpayer on the Soviet grain package is alone enough to pay the operating budget of the Department of State for a full fiscal year.

Sixth, the Communists, by sometimes disregarding ordinary patent conventions or treaties, seek to buy prototypes for copying purposes.

Seventh, the Communists refuse to pay cash. They want credits—credits underwritten by the American taxpayer. They want credit rates well below the customary rates on the American or world money markets. They want waivers on payments for a set minimum period of years after receiving the commodities. With such credit terms, trade runs the risk of being aid. I voted for the amendment proposed by the gentleman from Idaho (Mr. SYMMS) which would have required cash payment terms for all trade deals with Communist nations.

Eighth, trade with Communist countries, by relieving them of economic and domestic political burdens, discourages, rather than encourages, internal reform of the government or of the economy. We will never engender a market economy in the Communist countries when our market economy, through trade, continues to "bail out" their malfunctioning state-controlled economies.

Ninth, American businessmen are not starved for world markets and can seek out many more "business as usual" foreign markets.

Mr. Speaker, these concerns are underscored by the rising expressions of dissent among the Soviet intellectuals. Andrei D. Sakharov, the noted Soviet physicist who helped develop the Soviet hydrogen bomb and later took up the cause of civil rights in the Soviet Union, recently stated that an expansion in trade would turn out to be "very dangerous" if it was not accompanied by some democratization of Soviet life and some reduction of Soviet isolation from the outside world. He stated that "rapprochement has to take place with a simultaneous liquidation of—Soviet—isolation." In Sakharov's view, "politically unconditioned deals with the West merely strengthen the regime, without changing it, and aid it in its grab for world power."

Sakharov added:

> To get back to the question of whether (this wave of repression) is connected with the change of the international situation (toward détente), I cannot avoid the impression that the connection exists, and I believe this ought to show Westerners that in accepting détente they must realize that détente cannot be unconditioned. If it is that would be one more capitulation to our antidemocratic regime, an encouragement to its crimes. It could have grave and tragic consequences for the entire global situation.
>
> The West should also realize that if our country does not develop toward greater freedom, any agreement will be precarious. It will last only as long as immediate economic and political necessity compels the rulers of this country to respect it.
>
> The key issue to pose from the beginning ought to be an end to the isolation of this country. This means freedom to leave the country, freedom to return, freedom to renounce or to keep Soviet nationality.

In his article of September 28, 1973, "The Protracted Conflict," James Burnham commented concerning these Sakharov observations:

> He is contending that in this specific case of the presently developing relation between the existing Soviet Union and the Western nations, it is impossible to affect Soviet foreign policy in a manner of benefit to the Western nations unless there is a change in the domestic structure; that, in fact, Soviet policy without domestic changes must be a continuing and increasing danger to Western nations.

Mr. Speaker, there can be little doubt but that the trials and so-called confessions now emanating from the Soviet dissidents are designed with only one clear purpose in the mind of the Soviet hierarchy: to intimidate and silence all internal criticism of the government and to foreclose, thereby, any internal softening or normalization.

SOME VALID REASONS FOR EXPANDED TRADE

Mr. Speaker, there are advantages in the expansion of trade—trade with any nation—free or not free. Such trade can bolster the domestic production of commodities, thereby generating potential for increased employment and machinery purchases.

It can generate additional workloads—and therefore jobs—within the shipping industry—trucks, rail, barges, ships.

It can help aright our balance-of-trade deficits.

If on the right credit terms, or if for cash or gold, it can bolster the value of the dollar, domestically helping to curb inflation and halting and reversing the erosion on foreign money markets.

It is for these reasons—the positive aspects of trade versus the negative aspects of same, Mr. Speaker, that I strongly believe we should couple all trade negotiations with Communist nations with concessions and tradeoffs and for that reason I strongly support the Jackson amendment and its House version; that is, the Mills-Vanik amendment.

SOVIET INTELLECTUAL SUPPRESSION

Mr. Speaker, many eyewitnesses of Communist suppression from the captive nations of Eastern Europe have testified to the horrors of Soviet detention camps, of reprisals, of the unspeakable fear which comes from living under regimes which have no regard for human life or dignity, much less the rights of man as expressed in our Declaration of Independence and set forth in our Bill of Rights. My district is the home in this free land for thousands who have fled or escaped from Soviet suppression—from Poland, from Hungary, from Estonia, Latvia, Lithuania, the Ukraine, Germany. Many left all of their worldly possessions behind; many left their families and loved ones. There is no spirit within the psyche of man which is as driving a force as the search for liberty and freedom. The will of the suppressed and repressed people of these nations, even today, speaks as a testament to that spirit—the Polish uprisings several years ago, Czechoslovakia in 1968, Hungary in 1956, East Berlin always. The walls, the barbed wire, the mine fields, the watchtowers, the police dogs, the border patrols—they are not there to keep people out. They are there to keep freedom-loving people in.

There are well publicized cases of intellectual suppression in the Soviet Union today: Alexander Solzhenitsyn, the Nobel Peace Prize recipient, and Andrei D. Sakharov, the father of the Soviet hydrogen bomb, and others. And, there is the continuing repression of the Soviet Jewry.

Much has been said within the pages of the RECORD on the extensive repression within the Soviet Union, particularly against the suppression of intellectuals' dissent. I welcome the remarks of those persons whose silence has been loud on this issue prior to Solzhenitsyn's blast at those who remain silent while Stalinist repression goes forward daily. I wish to add to the record of this debate on Soviet repression by adding thereto an astonishingly frank and accurate editorial from the Wall Street Journal, Wednesday, September 19, 1973. The editorial follows:

> TOMORROW OF MANKIND?
>
> The latest warnings from Alexander Solzhenitsyn, printed elsewhere on this page, are of particular relevance to impending debates in the Senate. The Senate Democrats' liberal wing is assaulting the defense budget even more vigorously than usual, and also wants to cut off all foreign aid funds used for the South Vietnamese police force. How better could one illustrate the folly of which the Soviet Nobel laureate complains?
>
> To take the minor but telling matter first, the question of police funds for Saigon is a perfect example of the double moral standard Solzhenitsyn discusses so disdainfully. We have no doubt that there are valid criticisms to be levied against the South Vietnamese police: no doubt their prisons are abusive, no doubt there are instances of torture. Yet the Senate move is not directed narrowly at abuses, but broadly enough to cripple South Vietnam's struggle to survive against North Vietnam.

The cut-off professes to express moral anger at South Vietnam's abuses. But where is the moral anger at North Vietnam's far greater abuses? Where, Solzhenitsyn asks, is the anger at the Hue massacres? Senator Case. Senator Mathias. Senator Kennedy. Senator McGovern. The National Council of Churches. Where were they on the morality at Hue? Did they give the massacres more than the "momentary attention" of which Solzhenitsyn complains? Do they remember Hue in putting at the center of their view of Southeast Asia—and of their lobbying campaign—the curtailment of abuses by the South Vietnamese police?

Solzhenitsyn contributes just as relevantly to the far more important debate on the Defense Department authorization. For in essence this debate will turn not on judgments about military hardware, but on judgments about the nature of the Soviet regime. The underlying if often unspoken threat in the assault on the Pentagon budget is, since we are now making friends with the Russians, why do we need arms at all?

Yet is "friendship" the proper way to achieve any kind of detente with the kind of regime Solzhenitsyn knows and describes? We hope that he underestimates the resilience of the West in general and the United States in particular when he warns that Soviet-style repression is the "tomorrow of mankind." We will learn something of that resilience, or its lack, in the defense debate that starts this week.

John W. Finney reports in The New York Times that the Soviet government has been telling its Eastern European allies that detente is merely a tactic. Over the next 15 years or so it plans to pursue accords with the West to lull it into complacency while the Soviets build their own military strength. Then in the mid-1980s the Soviets will be in a commanding position, and able to dictate their own terms for detente, able to spread their own influence and social-economic system.

Mr. Finney reports that military leaders are worried, but that civilian analysts tend to excuse the Soviets. These warnings, they say, are merely ways to sell detente to Communist hardliners. Perhaps so, but why then is the Soviet Union investing so much money in a weapons building program entirely consistent with commanding superiority by the mid-1980s? The SALT-I agreement ratified Soviet superiority in numbers and throw-weight of Soviet strategic weapons, offset only temporarily by a U.S. lead in MIRV technology the Soviets have already started to close. This year Jane's Fighting Ships reported for the first time that the Soviet navy has eclipsed the American one, and of course in land forces we never have been their equal.

Given this arms building program, and given the internal rule Solzhenitsyn knows so well, it seems to us the most optimistic possible conclusion about Soviet intentions is that they have not made up their minds about detente. They are clearly keeping open the option of a hard line if the West does relax, but if that course does not seem promising the detente can continue. The way for the West to preserve the detente is to keep its military strong.

This is what is at stake in the defense spending debate. The details of specific programs aside, we need enough weapons to maintain the balance of forces that makes detente work. If anyone thinks instead that it works because of Russian friendship, let him remember Solzhenitsyn and the warning that the Soviet system is the tomorrow of mankind.

Mr. Speaker, on Sunday, the Washington Star-News featured an article based upon an eyewitness account of the Soviet "labor camps," the likes of which have not been seen since the days of Nazi Germany. It is estimated that there are perhaps 1,000 Soviet labor or detention camps in a nationwide system enslaving what some experts estimate to be up to 10 million persons. These camps are characterized by conscious policies of torture, separation, hunger, heavy labor, inadequate medical care, and sheer brutality. These are not the revelations of some right-wing anti-Communist, acting upon inadequate information. These are the observations of those who have been there, who have seen these camps, who have been in these camps. At this point in the RECORD, I wish to insert excerpts from this moving article, "Soviet Labor Camps: The Nightmare That Doesn't End," by Brian Kelly. The excerpts follow:

SOVIET LABOR CAMPS: THE NIGHTMARE THAT DOESN'T END

(By Brian Kelly)

As his train rocked and swayed on the KGB's narrow-gauge railway in the forests of Russia's Mordovia region, Alexander Krimgold was stunned by what he saw in the clearings. One ugly compound after another. Barbed-wire fences. Fierce-looking patrol dogs. Watchtowers and armed guards.

A Russian Jew escorting a prisoner's wife to a visit with her husband, Krimgold really had no reason to be surprised. Like millions of others in the Soviet Union today, he knew about labor camps.

Still, he never had seen one, and his glimpse of the Potma camp complex in Mordovia two summers ago left him with an image straight from Dostoyesvky.

The terrible labor camps of Potma, he later wrote, lie along the tracks "like so many boils." Describing that "the gloom can hardly be exaggerated," Krimgold says "Potma is a fearful place which readily evokes Nazi concentration camps."

But Krimgold saw only Potma. He traveled only on the KBG's 37-mile private rail spur from Potma to Barashevo, a rail line mysteriously missing from official maps of the Soviet Union.

Now safe in Israel, he didn't see Russia's remaining "boils." On Wrangel Island in the Arctic Ocean, along the steppe, across the Urals, in the Ukraine—camps stretch across the entire USSR, from its borders with Western Europe to the vastness of Siberia in the East. Camps dot the plains and forests at the sites of new cities, lumber camps, hydro-electric dams, railroad and airport constructon, coal mines and like projects requiring heavy labor. There are perhaps 1,000 of them in a nationwide system enslaving what many experts estimate to be 5 to 10 million persons. Many are political prisoners, members of the dissident movement that has surfaced in recent years, or people from minority groups—not only Jews, but members of every minority race or faith in the Soviet empire.

Camps for men, camps for women, for women with babies. Camps where men and women fall ill, and often die, from poor food, lack of medical care, exposure, outright brutality and overwork. Camps in one case at least, where prisoners have been the guinea pigs in dangerous medical experiments.

In the last third of the 20th Century it sounds like a forgotten nightmare, perhaps a last gasp of offsetting Nazi propaganda. A reminder of the terrifying Stalinist era in Soviet Russia.

But it is none of these. The details cited here come from survivors or observers of the hidden Russian labor camp system in the 20 years since Stalin's death in 1952, up to and including the last two years.

Krimgold says he saw the "boils" in July 1971. Reyze Palatnik, another recent emigrant to Israel, left a camp last December. It was "located in a swamp," she recalls, "buildings damp . . . semi-cold existence, no medical services. One had to lose consciousness to be allowed off for the day."

In February 1972, Yuri Galanskov, the dissenting writer and intellectual, wrote the International Red Cross and the United Nations, saying in part:

"The sixth year has begun . . . I am ill . . . duodenal ulceration. Denied food and sleep for more than five years now. Obliged to work eight hours a day. Every day a torture. Health deteriorating. I am gradually exterminated.

"No longer can keep quiet. Not only my health, but my very life, is now endangered."

Nine months later, Galanskov died in the Potma labor camps.

According to Mikhail Shepshelovich, another recent labor camp graduate, such deaths are no mistake. "Annihilation is achieved through a slow process of destruction over a period of many years," he writes.

"Continuous malnutrition and the constant nervous tension to which a prisoner is subjected in his environment, is the essence of this method.

"The prisoner's medical treatment depends very much on his attitude toward his political views. A person who does not renounce his political convictions receives practically no medical aid.

"In a labor camp, such people are condemned to slow deterioration and death."

* * * * *

Shifrin says he saw many horrors. He saw companions mutilate themselves in despair or protest. Prisoners working in lumber camps would even chop off a hand and place it in the stacks of wood as a reminder of their plight to the lumber's eventual recipients, some of them in the Free World. Shifrin saw others gash themselves, then infect their cuts with plaque from their teeth to gain the respite of a hospital bed. Protesting inmates severed their ears or tattooed their foreheads with anti-regime slogans.

Some desperate prisoners sliced flesh from their own bodies to put in their thin soup, or drew their own blood to enrich their plain bread, Shifrin testified.

In response, Shifrin saw his guards react with terrifying cruelty. One man he knew was punished—and died—when they poured water on him in temperatures 30 degrees below zero. Another died tied to a stake in a region infested by gnats, his body swelling visibly as the tiny insects swarmed.

In the northern camps, a number of prisoners died each night during winter.

Then there was Wrangel Island in the Arctic waters. Shifrin never was there himself, but he met one prisoner who was.

According to the Wrangel Island survivor, inmates there were subjected to medical experiments—injections, strange diets, radiation exposure, oxygen and submersion tests. The same source reported seeing Raoul Wallenberg, the Swedish diplomat who organized a rescue effort for Hungarian Jews fleeing the Nazis in World War II, only to "disappear" when the Red Army stormed Budapest. Also languishing at Wrangel Island was Rudolph Trushnovich, a leader of the anti-Soviet NTS organization who was kidnaped from West Berlin in 1954.

* * * * *

Convinced that world opinion has its effects upon Moscow, Shifrin urges a Free World outcry of revulsion against the Soviet slave labor system of the 1970's.

"We can help in two ways," he says. "First by exposing the facts, and second, by voicing our indignation.

"In helping them, we shall also be helping ourselves."

Mr. Speaker, that last point, raised by Avraham Shifrin, a Soviet Jew and intellectual who spent more than 30 years in and out of such camps, is vital here. I repeat it for emphasis:

> Convinced that world opinion has its effects upon Moscow, Shifrin urges a Free World outcry of revulsion against the Soviet slave labor system of the 1970's. "We can help in two ways," he says, "First by exposing the facts, and second, by voicing our indignation. In helping them, we shall also be helping ourselves."

Yet, Mr. Speaker, where is the recognition of this spirit as a part of our foreign policy objectives? Are we to recognize only the aspirations for markets and dollars as the denominators of our foreign policy formulae? What is so wrong with the use of moral and ethical criteria in the formulation of foreign policy—especially when such criteria rest upon a belief in political and economic freedom; the rights of free speech, freedom of worship, freedom of the press; the fundamental goodness of the exercise of free will—politically, economically, and morally; and the dignity of life? Is it that such criteria restrict the ability of our foreign policy makers to be pragmatist? Or that our foreign policy makers are too seated in relativist philosophy?

CONCESSIONS WHICH SHOULD BE SOUGHT

Mr. Speaker, there are a number of concessions which should be sought by the United States as a product of its negotiations with the Soviet Union and other Communist nations. These concessions can be obtained, albeit over a period of years and a variety of negotiations, as the so-called era of détente goes forward. I do think, however, that the negotiations now underway, and the legislation pending on the outcome of those negotiations, with respect to expanded trade with the Soviet Union and allied nations is an opportunity to move forward towards the first significant concession from the Soviet Union. If they want our trade badly enough, they will commence the relaxation of the police state which characterizes Soviet life.

What are some of these potential concessions?

First, the right to emigrate. Next to the right to life, the right to leave one's country and return is probably the most important of human rights. However fettered in one's country a person's liberty might be and however restricted his longing for self-identity, for spiritual and cultural fulfillment and for economic and social enhancement, opportunity to leave a country and seek a haven elsewhere can provide the basis for life and human integrity. On October 14, 1972, I introduced a concurrent resolution of the Congress, setting forth the manner in which some nations have not adhered to the United Nations Declaration of Human Rights, which specifically recites that all people have a right to expatriate themselves, and asking for a sense of the Congress expression that the Congress and the President, acting through the United Nations, should present to the United Nations General Assembly in fitting manner the issue of the right to emigrate from and also return to one's country. I hope the Congress will, now that there is heightened interest in the Congress on this matter, act promptly on this resolution.

Second, freedom of any citizen of the Soviet Union or any of its eastern European satellites to freely exit, on a permanent basis, with property and family and without the payment of exit fees or the reimbursing of the state for the costs of services. A compromise would be to permit third parties to pay the reasonable costs of exit or services, with the funds to be placed specifically in trust to be administered for the benefit of medical services in the country being departed by an international agency, like the International Red Cross. Families, organizations, synagogues could raise these funds.

Third, the granting to the Soviet people their inalienable right to freely express opinions, particularly in print. We regard this as an inalienable right for our citizens; if we are true and sincere in asserting that all men are equal and that we are all brothers, how can we ask for less for the citizens of these foreign nations?

Fourth, the lifting of restrictions on travel to and from the Soviet Union and its satellites to permit families divided by borders to be reunited and to visit one another—for the members of families in Buffalo, for instance, to be able to freely visit with their relatives in these countries, and vice versa.

Fifth, the reestablishment of freedom of religious worship.

Sixth, unrestricted travel among scholars and intellectuals.

Seventh, the free flow of postal mail between peoples. Citizens living in this country, with families still living within the Captive Nations, have great difficulty in getting mail to their relatives and friends there, and in getting mail from them.

It goes without saying, Mr. Speaker, that our negotiators must also obtain the economic concession of hereafter dealing in cash or gold, not on credit, with payments due before the shipments are made.

TOWARD A NEW ERA IN FOREIGN POLICY

Mr. Speaker, we have an opportunity, almost unparalleled in our Nation's history, to achieve vital substantive objectives in our foreign policy. We are not alone in perceiving this opportunity. In his open letter to the U.S. Congress, Sakharov stated:

> I express the hope that the Congress of the United States, reflecting the will and the traditional love of freedom of the American people, will realize its historical responsibility before mankind and will find the strength to rise above temporary partisan considerations of commercialism and prestige.

Mr. Speaker, we must concern ourselves with the substance of this task, and the criteria for that substance must be the fundamental rights of all men. I can think of no more worthy a goal for the Nation, for our President, and most assuredly for the people who will be the beneficiaries of such policies.

AMENDING THE BARTLETT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I am today introducing a bill which would amend subsection (b) of 16 U.S.C. 1082, the so-called Bartlett Act, to require that all fish on board any vessel apprehended fishing in American territorial waters be forfeited. Under the current law, only fish actually taken within our territorial waters need be confiscated.

The present statute does, indeed, provide a rebuttable presumption that all fish on board were in fact taken within our territorial waters. However, my bill replaces that rebuttable presumption with a conclusive presumption that they were so taken.

It is clear both from the statutory language and from the legislative history of section 1082(b) that fish can be ordered forfeited even though the vessel itself is not confiscated.

Mr. Speaker, this bill is necessary in light of the present situation facing our coastal fishermen. Time after time, the same nations are caught in violation of the law, either fishing inside the contiguous zone, or violating provisions of the international agreements that were drafted to protect and conserve the tremendous renewable resource of Alaska's waters.

Only last year, two Russian vessels, the 362-foot *Lamut* and the 278-foot *Kolyvan* were apprehended by the Coast Guard while conducting an illegal transfer of fish supplies off St. Matthew Island in the Bering Sea.

The apprehension of the two Soviet vessels by the Coast Guard Cutter *Storis* led by a classic nighttime sea chase through the ice-choked Bering Sea. It was ended only after the Americn vessel received permission to unlimber its 3-inch gun in preparation to putting a shot across the Russian vessels' bows.

Just last week, a Japanese fishing vessel, the *Mitsu Maru No. 30* was fined $230,000 for its flagrant violations of the fisheries treaties off the Aleutian Islands. Any captain who can navigate his way 3,000 miles across the North Pacific to find Alaska fish surely should be able to determine whether he is on the legal side of the 12-mile limit.

The Coast Guard does an exemplary job of patrolling the Alaskan coast. But this is just a case of good men being compelled to make do under the most trying circumstances. Alaska has more than 36,000 miles of coastline and millions of square miles of territorial waters. And yet the Coast Guard is unable to do more than put two or three boats on patrol.

Clearly, the odds lie in favor of the potential violators. If the Members of this Congress could listen in on the radio broadcasts of the foreign fishing fleets they would learn that most of the callers ask: "Where is the Coast Guard?"

They keep track of the American vessels in order that ships in the fleet may violate the treaties and take American fish in American waters with impudence.

Such intrusions into Alaska's territorial waters and the American contiguous fishery zone cannot and must not be tolerated any longer. Offenders must be dealt with harshly. Otherwise, not only this Nation, but the entire world stands to lose one of the richest fisheries and one of the most valuable sources of protein that has ever been discovered.

I would like to note that this bill specifically provides that the monetary value of the fish may be forfeited in lieu of the fish themselves. In order to insure that there is no question but that the forfeiture of the monetary value rather than the fish is to be at the discretion of the offending vessel's owner, this bill has been amended.

I request that the bill be printed in its entirety in the CONGRESSIONAL RECORD.

A bill to amend the Act prohibiting certain fishing in United States waters in order to revise the penalty for violating the provisions of such Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 2 of the Act entitled "An Act to prohibit fishing in the territorial waters of the United States and in certain other areas by vessels other than vessels of the United States and by persons in charge of such vessels", approved May 20, 1964, as amended (16 U.S.C. 1082(b)), is amended by striking out all of such subsection following "subject to forfeiture and all fish" and inserting in lieu thereof "aboard such vessel or the monetary value thereof shall be forfeited; the election to forfeit the monetary value rather than the fish themselves shall be made by the United States Government."

COL. MUAMMAR AL GADDAFI MAY BE THE ULTIMATE ANSWER TO OUR ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, Libya's radical leader Col. Muammar Al Gaddafi unknowingly may be the ultimate answer to America's energy crisis.

Remember how the Russians placed sputnik in orbit and triggered a massive U.S. buildup in the space program that, in a few years, put us well ahead in the space race?

Well, Colonel Gaddafi and his erratic actions could cause the same result in making us face and eventually solve our serious energy situation.

Several times since he took power, Colonel Gaddafi, chairman of oil-rich Libya's Revolutionary Command Council and Minister of Defense, has poked the United States with his big stick of oil: Libya's oil output has been slashed, prices have been sharply increased, control of American oil companies has been seized, and oil income has been used to subvert all governments that do not see things his way.

Instead of deploring the Libyan leader and his growing hostile actions, perhaps we should be grateful.

Colonel Gaddafi may be a Paul Revere in alerting our country and Europe and Japan to the serious stage to which our energy crisis has grown.

With every single burning light, working appliance, and passing car, our dependence on Colonel Gaddafi and Kuwait and Saudi Arabia grows geometrically. On any given incident of violence, terror or murder, emotions could be aroused so high that Arab countries would eagerly cut off our oil supplies.

Thanks in measure to Colonel Gaddafi, one of these days the Congress, our energy producing companies, our investors and our researchers are all going to get the lead out and start moving together toward finding a lasting solution to the problem. Only at that time will there be a lessening of our dependence on Libya's present boss. But, of course, he is not the only problem.

The Middle East oil countries have enough dollars to clean out Fort Knox.

In Saudi Arabia, what do you give the Sheik of Araby who has everything that he or we can think of? That is the crux of the problem in getting Saudi Arabia to increase oil output. You name it and they have it, unless it is an improved standard of living for the average man. Our technology and scientific knowhow can be put to good use in this area. But we cannot count on Saudi Arabia to jeopardize its own political stability merely to oblige the galloping oil consumption in the United States.

There are many actions being taken to end the shortage of oil here and to eventually cut short our need for imported oil. But, at the present time, the current demand in the United States has resulted in an increase of imported oil from the Middle East at a record rate.

Middle Eastern countries now export almost 1.2 million barrels of oil a day to the United States, an increase of about 800,000 barrels a day from 1972. Mideast oil now makes up 18 percent of U.S. imports.

The United States traditional oil suppliers have been Canada, Venezuela and the Dutch West Indies, but these sources are having to cut back.

Thus, we are faced with having to increase imports from the Mideast to meet demands. Unfortunately, we have not moved fast enough on the home front. We need more refineries, more exploration, and above all, more research.

Construction of the Alaskan pipe line is in the making and offshore drilling is moving ahead, but that is not enough to meet the immediate shortages.

The overall problem is certainly a complex one with no easy answers. If the shortage can be overcome, and that is far from certain, it will have to be largely due to a cooperative effort on the part of industry, government and the people.

In the meantime, Colonel Gaddafi may just force us to find the answers. If so, he has unwittingly done us a great favor.

HOUSE SHOULD INVESTIGATE CHARGES AGAINST VICE PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 10 minutes.

Mr. FINDLEY. Mr. Speaker, as I indicated when I introduced House Resolution 569, I feel strongly that the House of Representatives should investigate the charges against the Vice President of the United States. I consider it a matter of extreme importance and urgency.

At stake is public confidence in our institutions of Government, especially the Vice-Presidency. Confidence is severely shaken. People do not know what to believe. At the very time that the President of the United States through his new Attorney General seeks to reestablish confidence in the administration of the Department of Justice, the Vice President of the United States is making serious charges of maladministration.

While a Federal grand jury in Maryland hears evidence that may lead to an indictment of the Vice President, Mr. AGNEW declares he will not resign if indicted.

If an indictment is returned, the question of indictability inevitably will proceed through the courts. If, in the meantime, the House of Representatives, which has the initial responsibility in impeachment proceedings, sits on its hands and does nothing to begin an investigation, precious time will have been lost.

By then the cloud hanging over the Vice-Presidency will be black indeed. Presidential succession is a vital and precious part of our constitutional system. The uncertainties of life in this world must give us pause for thought.

The cloud must be dispelled as quickly and thoroughly as possible. Public confidence in the Vice-Presidency must be restored as soon as possible.

In these time-bomb circumstances the House has the special responsibility to begin an investigation. On September 26, I introduced a resolution, House Resolution 569, calling for a select committee for this purpose.

I introduced the resolution before I was aware that the Speaker had decided to reject the request of the Vice President that the House undertake such an investigation. Two days later I wrote a letter to the Speaker urging that he reconsider his decision. And today, in order to focus the attention of the House on the urgency of the matter, I have introduced a privileged resolution, one of inquiry.

It directs the Attorney General to furnish the House with any facts within the knowledge of the Department of Justice that the Vice President accepted bribes or failed to declare income for tax purposes. These are the central allegations that have been disclosed in the press and other media concerning the Vice President

The resolution will presumably be referred to the Committee on the Judiciary. It is my hope that the committee itself will see fit to direct the Attorney General to furnish this information as a part of a thorough investigation of the allegations. If the committee takes no action, however, it is my intention at the appropriate time to offer a motion in the House to discharge the committee of further consideration and bring the matter before the House for vote.

Here are the texts of House Resolution 569, my letter to the Speaker of September 28, and the text of the privileged resolution I am introducing today:

H. RES. 569

Whereas article I, section 2, clause 5, of the Constitution states that "The House of Representatives . . . shall have the sole Power of Impeachment"; and

Whereas article II, section 4, of the Constitution states that "The . . . Vice President . . . shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors"; Now, therefore, be it

Resolved by the House of Representatives, That the Speaker of the House, after consultation with the minority leader, shall appoint a select committee of the House to recommend after deliberate inquiry, whether the House shall undertake impeachment proceedings against the Vice President of the United States for violations of article II, section 4, of the Constitution of the United States of America.

SEC. 2. Such select committee shall be composed of a chairman and a vice chairman not of the same political party and twelve other Members as follows: seven of the majority party and five of the minority party.

SEC. 3. Such select committee shall commence its investigation under this resolution forthwith, shall have the power to subpena witnesses and compel their attendance at such times and places as the committee shall determine, and shall report its findings to the House of Representatives, together with its recommendations, at the earliest practicable date, but in no case later than the sine die adjournment of the first session of the Ninety-third Congress.

SEC. 4. There is authorized to be appropriated out of the contingency fund of the House of Representatives such funds as may be required by the select committee to carry out the requirements of this resolution.

SEPTEMBER 28, 1973.

HON. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Your decision Wednesday not to take any action "at this time" on the charges made against the Vice President stirs in me the hope that you will reconsider your decision in the coming days as you ponder the gravity of the situation.

Some of our colleagues have stated that they see no reason why the House of Representatives, controlled by the Democrats, should help a Republican Vice President out of his predicament. I feel confident that your decision was not based upon this reasoning. These Members have missed the basic point behind the impeachment provisions of the Constitution. The issue is not whether we shall help the Vice President, but whether the nation shall have a Vice President who is fully capable of taking over as President if the need arises.

Suppose that President Nixon should meet a terrible fate like that of President Kennedy just a decade ago. Could Vice President Agnew assume the great burdens of the highest post in the land with a criminal indictment hanging over his head? At a time of great national stress, could the Vice President provide the moral force to head the nation while he is engaged in a criminal trial and perhaps protracted appeals?

If the House takes a hands-off attitude while the matter is before the courts, a cloud may hang over the Vice President for several years, and all that time, Spiro T. Agnew will be just a heartbeat away from the Presidency. Only the House of Representatives can initiate action to remove that cloud promptly and guarantee to the nation the continuity of leadership which is so essential to our democracy. If the Vice President is guilty of high crimes and misdemeanors, he should be impeached. If he is not guilty, then the cloud should be removed so that he can carry out the functions of his office.

In your reply to the Vice President's letter, you predicated your decision upon the fact that this matter is presently before the courts. Perhaps one of your concerns was the fact that the request for action by the House came just two days before the grand jury began hearing evidence. To the extent that your decision was based upon a reluctance to interpose the House between grand jury action and the Vice President, you have been successful. The grand jury proceedings have now begun, and there seems little reason to believe that the courts will order them halted regardless of what action the House takes.

There are ample precedents for Congressional action while grand juries are considering the same or related issues. Throughout the Watergate hearings now being conducted by the Senate, several witnesses before the Committee have also appeared before grand juries, and some have been indicted. For example, former Secretary of Commerce Maurice Stans testified before the Senate committee only one month after a federal grand jury in New York indicted him for criminal conduct, and former Attorney General John Mitchell appeared just two months after his indictment. The fact that an indictment by grand jury or a criminal trial may be imminent is therefore no reason for the House to delay fulfilling its Constitutional responsibility.

If you wish to be completely on the safe side, you may decide to wait until the Vice President's lawyers attempt to quash the grand jury proceedings. By examining the court's decision you may determine whether there is any hint that Congressional action would act as a bar to further grand jury proceedings. I do not recommend this course of action, but it is preferable to doing nothing.

Perhaps your decision was based upon the belief that indictment and trial by the courts should precede impeachment by Congress. The Constitution would seem to contemplate impeachment first and subsequent trial. Article I, section 3 of the Constitution states:

"Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of honor, Trust, or Profit under the United States: but *the Party convicted shall nevertheless be liable and subject to Indictment, Trial, Judgment and Punishment, according to law.*" (Emphasis added.)

The use of the word "nevertheless" clearly contemplates that impeachment by Congress has already occurred. In a constitutional sense it unquestionably would be proper for Congress to proceed now to consider whether impeachment in this case is warranted.

As the person who is next in line after the Vice President to accede to the Presidency, you keenly feel, I am sure, the special responsibility which this burden imposes upon you. You can assume that responsibility and demonstrate a greatness of spirit and a willingness to rise above partisan consideration by reconsidering your decision.

If you decide to support an investigation into the charges made against the Vice President, your decision will not only enhance the position of the House of Representatives in the eyes of the American people, but it will also enhance your own position as a leader of the House and a leader of the country. It will confirm your own ability to lead the nation in a moment of trial. A distinct possibility exists that if the Vice President resigns or is removed, the Congress may become deadlocked over the choice of his successor, at which point you would be only a heartbeat away from the Presidency.

Recent years have found our institutions under heavy stress. Indeed, this year must rank as one of the most critical in our nation's history. The Congress has not escaped criticism. It is often derided as being so cumbersome and unresponsive as to be ineffective in a crisis. The crisis posed by the charges against the Vice President is the latest test of the Congress, and particularly the House. I feel we must do all possible to restore confidence in this vital institution so often and so accurately described as the people's branch of the government.

As it has been seldom in our history, now is the hour of the United States House of Representatives. I do hope that you will see fit to lead the House in meeting this challenge.

Sincerely,

PAUL FINDLEY,
Representative in Congress.

RESOLUTION

A resolution directing the Attorney General to inform the House of certain facts

Resolved, by the House of Representatives, that the Attorney General of the United States be, and he is hereby directed to inform the House of all the facts within the knowledge of the Department of Justice that the Vice President of the United States, Spiro T. Agnew, accepted bribes or received consideration for services rendered or promised in the performance of his official responsibilities as a public official in the State of Maryland or Vice President of the United States, or failed to declare his income for tax purposes.

NORTHEAST RAIL CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 60 minutes.

Mr. DRINAN. Mr. Speaker, six Northeast railroads are bankrupt. The economy of the entire Nation is dependent on the continued operation and successful reorganization of these railroads. But without substantial and immediate congressional help, the services of these railroads may be severely reduced if not eliminated entirely. No area of the country would be immune from the economic havoc that cessation of service would cause.

I have organized this special order today, with the cooperation of the New England Congressional Caucus, in order to emphasize with my colleagues the importance of Northeast rail service to the entire Nation, and to bring to the attention of the Congress and the public the urgent need for legislation to restructure the Northeast railroads into self-sustaining entities.

I am pleased that this special order has attracted bipartisan participation, and that Members of Congress from areas apart from the Northeast have joined in emphasizing the importance of the Northeast rail crisis and the need for a solution to it. The Northeast rail crisis is not a partisan issue. Nor is it a regional issue. It is a national problem—one that must be approached in a constructive spirit of compromise by all of the parties concerned.

I am grateful for the participation in this special order of my distinguished colleagues BROCK ADAMS from Washington and DICK SHOUP from Montana, who deserves a great deal of credit for the hard work that they have done on the Transportation and Aeronautics Subcommittee of the House Interstate and

Foreign Commerce Committee. I hope that the legislation they have coauthored, H.R. 9142, will receive prompt and favorable action by the full committee where it is now being considered.

The day of decision in the Northeast rail crisis is fast approaching. The trustees of Penn Central have already proposed liquidation and consequent termination of service. The Interstate Commerce Commission today released a report on the liquidation proposal which I understand recommends against immediate liquidation and proposes more hearings. And, on October 12 the bankruptcy judge in the rail proceedings, Judge John P. Fullam, will conduct a hearing on the future of Penn Central and the other bankrupt railroads—at which liquidation will certainly be considered. Judge Fullam has stated that:

> It appears highly doubtful that the Debtor [Penn Central] could be permitted to operate on its present basis beyond October 1.

While there is uncertainty among lawyers debating the power of Judge Fullam to order the bankrupt railroads into liquidation, there is ample evidence that without rapid congressional action severe reductions or even termination of service may occur.

If all things were possible, I would prefer that the bankrupt railroads reorganize entirely with private capital, as I am not enthusiastic about involving the Government in the business of running the railroads. But the evidence is that the many factors that have contributed to the declining fortunes of the Northeast railroads are not going to be reversed without some government involvement. The extent of government involvement should be carefully limited. But short-term assistance will be required to keep the railroads operating until the long-term effects of restructuring begin to take hold. Government guarantees of loans and bonds will be necessary to facilitate the modernization and restructuring of the railroads.

Certain changes will be necessary in regulatory procedures so as to make possible the streamlining of Northeast rail lines. A matching subsidy program will be appropriate to keep open branch lines of particular importance to shippers or local communities that would otherwise be abandoned as part of the restructuring. And, the Government will have to assume the social cost of labor that will be dispossessed as part of the restructuring.

Yet the direct government investment will be relatively small, especially when compared with the great economic importance of continued rail service and healthy, competitive Northeast railroads. Without this Government assistance, we take the risk that the already manifold problems of our economy could be further compounded, possibly to the point of a recession or beyond.

An article in the Wall Street Journal suggests that termination of Penn Central service alone would increase national unemployment by 60 percent, and decrease national productivity by 3 percent. The Senate Commerce Committee has estimated that a Penn Central shutdown would cause a cut in national economic activity of 4 percent after 8 weeks, with localized effects, particularly in the 17 northeast region States, more severe. Key industries would be particularly affected, including the automobile industry, lumber and other construction materials, and many perishable goods.

Termination or severe limitation of rail service would increase inflationary pressures throughout the Nation—at a time when the cost of living soars virtually uncontrolled. Use of alternate transportation modes, particularly trucking, would aggravate air pollution, further clog highways, and increase use of gasoline and other petroleum products at a time when fuel resources are already stretched thin.

Termination of service must be avoided. In its place we must work for an orderly restructuring of the Northeast railroads. The Northeast railroads should be given a chance to again become self-sustaining entities. Such an approach is embodied in the legislation coauthored by my colleagues, Congressmen SHOUP and ADAMS. But many difficult issues remain as yet unresolved, and each facet of the rail problem has its own legitimately self-interested constituency. I believe that, if every party to the railroad debate recognizes their mutual interest in a healthy Northeast rail system and exhibits a willingness to compromise, a workable solution can be found.

MASSACHUSETTS AND THE NORTHEAST RAIL CRISIS

While I and other Members assembled here today have stressed the national economic significance of the Northeast rail crisis, I would like to discuss as a case in point the great importance of rail service to the economy of my own State of Massachusetts, and particularly to the Montachusett and South Middlesex areas of Massachusetts which are located in my congressional district.

These areas are serviced primarily by the Boston & Maine railroad and the Penn Central. The Associated Industries of Massachusetts—AIM—a group representing 2,500 firms in Massachusetts who collectively employ 450,000 persons and thus represent three-quarters of the State's manufacturing employment, has estimated that between 2,500 and 3,000 shippers depend on continued service of just the B. & M., and that, according to AIM, at least 60,000 jobs stand to be lost if the B. & M. shuts down.

Another study of the B. & M., conducted by the Harbridge House Inc., a consulting firm in Boston, suggests that at least 51,250 jobs will be lost in the five New England States served by the B. & M., 35,842 of these in Massachusetts. This is a conservative estimate. According to the Harbridge House study, as many as 150,000 jobs could be lost in New England if B. & M. terminates service. At least $811 million would be lost to the States serviced by B. & M. if the line shut down, with Massachusetts taking the lion's share of the loss, $569 million. Nearly 10,000 of the jobs that could be lost are dependent on rail lines serving towns in the Fourth Congressional District which I represent.

According to the Harbridge House study, industries in Massachusetts which would be particularly hard-hit would be: plastics, tires and inner tubes, printing and publishing, sanitary paper products, machinery, fabricated steel products, paperboard boxes and containers, cotton fabrics, and paper. The consumer in Massachusetts would also be a big loser if the B. & M. folded, as the study forecasts a price rise of 4.9 percent for butter, 5.0 percent for cheese, 1.3 percent for malt liquor, 2.1 percent for lumber, 4.5 percent for plywood, 3.2 percent for fabricated structural material, and 2.0 percent for hydraulic cement. These are increases the beleaguered consumer can hardly be expected to bear.

The Harbridge House analysis notes that each job lost costs Federal, State, and local governments an average of $1,000 to $3,000 annually in lost tax revenues, increased welfare and employment security service, and other related costs. On the basis of these figures, the loss of 51,250 jobs related to the Boston & Maine in the Northeast would cost Federal, State, and local governments between $51.2 million and $153.8 million each year. When Massachusetts already suffers from chronic unemployment, thousands of new additions to the unemployment rolls must be avoided.

Two other studies on the impact of rail service in the Montachusett and South Middlesex areas of Massachusetts have been conducted at my request by the South Middlesex Area Chamber of Commerce and by the Montachusett Regional Planning Commission. I would like to take this opportunity to thank these groups and the other individuals, organizations, and business leaders that participated in the compilation of the valuable material that I have just recently received.

The study conducted by the Montachusett Regional Planning Commission, involving 22 towns served by 14 rail stations, estimates that at least 18,000 carloads will be either received or shipped by the industries in the region. More than 1,150 jobs in the towns included in this preliminary study depend on continued rail service. The study shows the towns of Gardner and Fitchburg to be particularly dependent on rail services: In 1972 Gardner received and shipped a total of 3,146 carloads, with the principal commodities being furniture, paper, lumber and steel.

The total carload figure for Fitchburg was 2,855, principally paper, plastics, steel, grain and lumber. It is especially interesting to note that 22 towns responding to the Montachusett Regional Planning Commission survey indicated that they would expect greater use of rail facilities if service were improved, while the most common complaints against the railroads were the slow or erratic delivery of freight and the recurring unavailability of freight cars when needed. These complaints signify areas that must be improved as part of the restructuring of Northeast railroads.

The South Middlesex Area Chamber of Commerce study, based on responses from 26 firms in the area, indicates that more than 3,500 jobs will be lost if rail service is discontinued. One-third of the firms responding use rail for 90 percent or more of their freight volume, and more than half the firms use rail for more than 50 percent of their freight volume. Cessation of rail services would cause the loss of all jobs at four firms, including 1,400 at one plant. Termination of service would cause the loss of more than 2,000 jobs at another plant.

The firms responding indicate an approximate yearly inbound use of 8,650 freight cars, and an average outbound use of 655 cars. Even though several respondents indicated that availability of piggyback service could be improved, total piggyback use by the firms amounted to over 3,500 cars per year. A number of responding companies criticized the railroads, noting most frequently slow service and poor condition of equipment. Still, most of the firms responding estimated substantial increases in freight volume over the next 5 years. Obviously these increases—and the economic growth they indicate, will not come to pass without a viable Northeast rail system.

The Northeast is the heart of industrial America. A significant portion of the economic activity of the entire nation originates in the 17 States directly affected by the Northeast rail crisis. The collapse of the bankrupt railroads, which could begin in as little as 30 days from today, would bring economic disaster felt throughout the country. Congress must act to avert such a peril. We must act rapidly, yet responsibly, to enact legislation that will save the threatened railroads and restructure these rail lines and companies into a self-sustaining system operating in the public interest. I believe that the best bill to do this job is that coauthored by my colleagues Congressmen Brock Adams and Dick Shoup, H.R. 9142. I am hopeful of its passage.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I am delighted to yield to our distinguished majority leader, the gentleman from Massachusetts (Mr. O'Neill).

Mr. O'NEILL. Mr. Speaker, I want to take this time to heartily congratulate my friend and colleague, Brock Adams, and members of his subcommittee for their diligent bipartisan efforts in reporting to the full Interstate and Foreign Commerce Committee a bill that offers the only constructive alternative to a policy which pretends that the Northeast rail crisis can be solved without substantial Federal assistance.

And I am pleased to participate in the special order called by my distinguished colleague from Massachusetts, Bob Drinan, to impress upon the members of this House that the Northeast crisis is a national problem with national repercussions. For, a healthy Northeast rail system is important to the economy of the entire Nation to preserve the markets and access to sources of supply and to keep transportation costs down.

If there is a serious interruption or curtailment of services over the Northeast railroads, customers in every region of the Nation would have to find other methods of transportation to receive their supply of goods, thus forcing an increase in transportation costs, which would serve to add fuel to our already inflated economy.

Only bold and imaginative congressional action as represented in the Adams-Shoup bill, will enable these railroads to continue their services to supply customers in every region of this Nation, thus preventing a national disaster in which all sections of the country could suffer instant recession.

How important are the northeast railroads to the rest of the country? A few examples will graphically illustrate.

Forty percent of all intercity freight moves by rail, and more than 50 percent of that total amount originates or terminates in the Northeast.

Thirty-six percent of all manufactured products that move by rail originate in the Northeast.

Fifty-two and eight-tenths percent of all mine products that move by rail originate in the Northeast.

While 9.8 percent of all agriculture products that move by rail originate in the Northeast, nearly 12.9 percent of all agriculture products that move by rail terminate in the Northeast, and

Nearly 63 percent of all coal that moves by rail originates in the Northeast.

The Shoup-Adams bill provides the kind of necessary long-range solution to the Northeast rail crisis, because it restructures the Northeast railroads with Federal financial assistance in the form of direct grants and Government guaranteed bonds. And these Federal loan guarantees are necessary safeguards for any kind of private investment solution to the problem. In addition, the bill provides a limited operating subsidy for bankrupt railroads threatened by a shutdown during the planning period. It contains labor protective provisions for workers who would be displaced by the reconstruction of the rail system.

H.R. 9142 provides a workable, balanced and comprehensive solution to the Northeast rail crisis. It provides a long range solution which will preserve these railroads in the Northeast region as a major and imperative resource for the national economy of the late 1970's and 1980's.

In closing, let me reemphasize that the future of the railroads in the Northeast will have an economic effect over the whole Nation, from Maine to California, from New York to Key Biscayne.

I urge all my colleagues to support the Shoup-Adams bill. For only by passing this bill can we avoid a national economic disaster.

Mr. SHOUP. Mr. Speaker, if the gentleman will yield further, it might interest the gentleman from Massachusetts, in reciting the importance of rail service in the Northeast to the Nation, to know that in my home State of Montana there are a few figures that are somewhat outstanding to me and others to the effect that 19 percent of all interestate railroad carloads that originate in Montana are delivered to the eight Northeastern States; and that 26 percent of all interstate rail movements of lumber and wood products loaded in Montana are delivered in the Northeast; and 34 percent of all interstate movements of primary metal products loaded in Montana are delivered to the Northeast by rail.

This is one factor that makes it very provincial in my consideration and in my determination for the sponsorship of and continued pressing for this bill.

Mr. O'NEILL. Let me emphasize that the future of the railroads of the Northeast has a great economic effect on the whole Nation, not only California and New York.

I want to congratulate Congressman Shoup, too, for his kind efforts in behalf of this legislation and for his consideration for not only the Northeast section of the country but for the entire Nation, because it is a national problem.

Mr. Speaker, I hope that the Adams-Shoup legislation, when it reaches the floor, will have a favorable result.

Mr. SHOUP. If the gentleman will yield further, I should like to express my appreciation to the majority leader for his support of this bill.

Mr. DRINAN. I, too, thank the gentleman from Montana (Mr. Shoup) and the distinguished majority leader, the gentleman from Massachusetts (Mr. O'Neill).

Mr. Speaker, before calling upon the gentleman from the State of Washington, I submit for inclusion at this point a long, comprehensive report of Gov. Francis W. Sargent of the Commonwealth of Massachusetts, in which the Governor sets forth imperative reasons for the continued services of the Northeast railroads to the Nation.

Commonwealth of Massachusetts,
Boston, Mass., October 1, 1973.

Hon. Robert F. Drinan,
U.S. Congress,
Washington, D.C.

Dear Congressman Drinan: I very much appreciate this opportunity to present my views on the national railroad crisis. As you know, the Commonwealth of Massachusetts has made a serious effort to come to grips on a state level with this complex problem not only as it affects our state's economy, but also because it bears very importantly upon the quality of life for our citizens. Just recently, for example, our state completed the acquisition of over 145 miles of Penn Central trackage for the purpose of preserving these valuable lines for intercity and intrastate passenger service. We are also negotiating with the Boston & Maine Railroad for a similar acquisition program. Thus, our state has a very real interest in the legislation that is now being considered by Congress.

There are four points which I would like to make at the beginning of my comments which underline my concern that Congress pass a comprehensive and effective railroad reform act that will come to grips with this problem:

1. The so-called "Northeast railroad problem" is not a problem limited to the Northeast. It is a problem which affects directly every region of the country as well as the rest of the continent and those countries which ship goods through our ports.

2. By focusing our attention on the Penn Central and, to a lesser degree, the other major bankrupt railroads, we tend to lose sight of the fact that most railroads in this coun-

try are making a profit, and that there is legislation before Congress which these railroads need and need now if they are to continue as healthy and growing organizations.

3. Large scale abandonments are not *the* answer to the railroad problem in the Northeast. While some rationalization of road and facilities must occur, excessive abandonments would hurt the railroads more than it would help them.

4. The implementation of the Northeast Corridor high speed rail passenger service project should be included in any overall solution to the northeast railroad problem.

While our state is very much concerned about the problems confronting the Penn Central Railroad, we are equally concerned about the other major carrier that operates in our state, the Boston & Maine Railroad. Together with our sister states in New England and the State of New York, we have undertaken an extensive analysis of the Boston & Maine Railroad, a bankrupt, Class One, railroad which is regional in character. The conclusions we have reached will be of considerable interest to you as you and your colleagues consider legislation affecting the railroads, since many of these conclusions pertain to other Northeastern railroads and Mid-western railroads.

In the event that the Boston & Maine were to shut down completely—and there have been proposals for the liquidation of this railroad as there have been of others—at least 51,000 jobs would be lost in the states of Maine, New Hampshire, Massachusetts, Vermont and New York. These are railroad jobs, jobs in manufacturing firms served by the railroad, and jobs with suppliers to these firms. 51,000 was considered to be a very conservative estimate, actual job loss could run as much as three times that number.

These jobs, plus the goods which they produce, contribute more than $800 million in value added to the New England economy.

Our state also looked at the rail abandonment program proposed by the B & M Trustees. Under their plan of Reorganization, over 25 percent of the present system would be abandoned. The Trustees estimated that this would save the Corporation one million dollars a year in costs. We found that this plan could probably save about 50% more than this figure with the proposed abandonments, but we also found that they would loss even more dollars in terms of revenues, resulting in a net income loss. Only if a quarter of the freight presently handled on these branch lines could be retained by the railroad, which might happen if shippers trucked their freight to another B & M rail line, could the railroad break even on these abandonments. What we found was that the B & M abandonment program is at best a break-even proposition. When we looked at other possible abandonments which had been mentioned at one time or another, we found that if the B & M undertook any further abandonments, the results would be clearly detrimental. Branch lines are important feeder lines to the rest of the system, and it is my fear that the emphasis being placed on abandonments will only accelerate the present trend of the declining importance of railroads in the movement of our freight.

Clearly there are some low-density lines, especially parallel lines which are clearly duplicative and branch lines which generate very little traffic, which should be abandoned. But before any abandonment occurs, we must take a long hard look at all these lines. We must develop a means for accurately determining whether or not they generate a profit. We must determine what the effect of each abandonment would be in terms of jobs and other economic considerations. We must determine what effect an abandonment would have on the rest of the system. We must determine whether there are other transportation alternatives which could be utilized. All this takes time. Until we know these things, we cannot be so casual about line abandonments.

Several bills being considered by Congress would provide a subsidy for branch line operations. I believe such a subsidy is essential, at the very least on a temporary basis, to allow us time to evaluate these lines, to allow shippers time to determine whether there aren't other alternatives available to them. In New England, we have recently faced some major military base closings. Our biggest problem is not so much the closings themselves, but the suddenness of it all. We do not have the time we need to develop job training programs and new industrial development. Let us not allow the same thing to happen in the case of rail line abandonments.

Should some lines be abandoned, it is essential that the rights of way be preserved in a land bank for possible future uses. Such corridors are almost impossible to duplicate and represent a resource which must not be lost. In the future, they might be needed for the restoration of rail service or for power lines, pipelines or recreation. While Massachusetts has been leading this effort at state level, federal policies and funding mechanisms must be designed not only to encourage, but to ensure the preservation of these corridors at both the national and state levels. In other words, notwithstanding this effort at the state level, federal policies and funding mechanisms must be designed to encourage the preservation of these corridors by federally assisted state acquisition.

Let me now turn to a brief discussion of the economic impact of freight service termination on the Boston & Maine system.

The Boston & Maine receives considerably more freight than it ships out. New England is heavily dependent on goods mined, grown or produced outside the region and, to a large degree, outside of the Northeast. The study of the B & M found that the cost to consumers of certain commodities could increase by as much as 5% if B & M rail service were for some reason terminated.

For some area of our economy, the results of a Boston & Maine shutdown could be catastrophic. For example, just about all the feed grain consumed in New England is imported from outside the region—we grow almost none of our own grain here. A full 75% of all the grain consumed is shipped in part over the Boston & Maine. The irony is that if B & M service collapsed, the major losers would not be B & M customers, but farmers in northern Maine who themselves are served by profit-making carriers.

Many of the points that I have raised above in reference to the Boston & Maine problem apply equally as well to the Penn Central reorganization. Indeed, it is our objective to insure that freight service to Massachusetts and New England along the Penn Central system is preserved and strengthened rather than terminated. Where consolidation with other Northeastern railroads is possible—after due consultation with the affected states—such programs should be undertaken.

While half of the rail miles operated in the Northeast are operated by bankrupt carriers, we tend to forget that other half—the half in the northeast operated by the nonbankrupt carriers—as well as other railroads operating throughout the country are in need of assistance. There is legislation before Congress, notably the Surface Transportation Act, which is designed to help all of our nation's railroads, and the surface transportation industry as a whole. I urge Congress to go forward with this significant piece of legislation. Our laws need to be changed so that railroads can operate with more flexibility, so that railroad managements can increase the efficiency and productivity of their operations, and so that railroading can be more innovative and thus compete more effectively in today's transportation market.

There is one more area which warrants immediate consideration and action, and that is the "Northeast Corridor Project." The development of high-speed rail passenger transportation between Boston and Washington has been studied and debated for a decade. Now is the opportune time to implement the project. Twenty percent of the population of the United States lives in the Northeast Corridor, on less than two percent of the nation's land. Our highways are congested; our airports are operating at near capacity. We need good, high speed rail service and we need it now. Much of the right-of-way needed for this project is also heavily used for freight and thus the two services must be coordinated. The corridor must be included as a part of the solution to the overall northeast rail problem. The northeast corridor is the first of several corridors throughout the country which are ideal for such service.

I believe there is a solution to the northeast rail problem. I believe that there is a solution which need not require huge federal grants, and I believe that in the end we will again see a healthy, private rail system operating in the region. Certainly studies by the U.S. Department of Transportation have demonstrated over and over again that the high-speed corridor can be profitable. And studies of the freight system show that there is business to be had in the Northeast once we get the railroads back on their feet.

Again, thank you for the opportunity to present our views concerning this most important national transportation problem.

With best wishes,

Sincerely,

FRANCIS W. SARGENT.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, I personally want to express my appreciation to the gentleman for having this special order today to afford us the opportunity to discuss this matter. I want to express my appreciation to the distinguished majority leader for his kind remarks on what we are attempting to do in the full committee.

My colleague, the gentleman from Montana (Mr. SHOUP) and I hope that tomorrow we will start on the markup of this bill in the full committee. The bill has had long and extensive work in the subcommittee, and I wanted to announce to the House, so that they will know that the bill has been completed in all of its particulars, that as of Friday of this last week an agreement was entered into between management and labor on the so-called labor protective agreements that would be necessary in order to start a new corporation in the northeastern part of the United States.

I think I would like to echo once again the remarks of my colleague, the gentleman from Montana (Mr. SHOUP) that this has been a bipartisan effort and it it not a regional matter; it is a national matter. Each of us has examined our States and, for example, I find in my own State that 31 percent of all of the railroad carloads in the State of Washington are destined for the northeastern part of the United States, and 45 percent of all of the interstate movements in lumber in the State of Washington are destined for the Northeast, and 41 percent of all farm products are destined for the Northeast.

One of the reasons why this Member of the House has been working on this problem for nearly 3 years is that we have had before the House, before the Committee on Interstate and Foreign Commerce, various bills dealing with strikes in the northeastern part of the United States on the Penn Central system, and each time the testimony of the various witnesses that have been before our committee has been that this country would be in a depression in less than 30 days if the railroad system in the Northeast were to stop. It is absolutely vital to this Nation. We estimate that in less than 2 weeks all perishable commodities would be embargoed out of the State of New York.

The most recent estimate is that they would start shutting down the automobile production facilities in Detroit in 5 days if the Penn Central Railroad were to stop because it would be unable to deliver commodities that are served only by the Penn Central to the Detroit area.

It is very important, I would say to the gentleman from Massachusetts, that we do this today. This is particularly appropriate today because Judge Fullam, the judge in charge of the reorganization of the Penn Central Railroad, required that the ICC report as of today as to what should be done with regard to the railroads, for it has been proposed by the trustees that the Penn Central begin a phased shutdown starting October 31.

That gives only 30 days for us in the Congress to arrive at a solution. The ICC in their report today to the court, as rereported in the Wall Street Journal this morning, states very forcibly that we simply cannot have a liquidation of these railroads in the Northeast.

The ICC goes on to say that the bill being considered at the present time in the House is the proper solution, that we are going to have to have Federal involvement in this matter, and we are going to have to have Federal involvement with regard to the jobs that are concerned in the railroad industry, and the ICC repeats the recommendations that something must immediately be done in terms of restructuring the whole system.

I would just conclude my remarks by stating to the House the proposal that has been introduced by the gentleman from Montana and myself and which has passed the subcommittee and is before the full committee provides for 20 months for a planning process, whereby a new corporation will be set up in the Northwest. The time will be spent to put together a system which will be viable for that portion of the country and the rest of the Nation.

I think this is vitally important. I hope this House will move on it rapidly, as well as the other body, so we may have this in statutory form and the process started before the Congress adjourns this year.

EFFICIENT RAIL SERVICE IN THE EAST ESSENTIAL TO STATE OF WASHINGTON'S ECONOMY

Mr. ADAMS. Mr. Speaker, I am pleased to join with my colleagues today in a discussion of the impending crisis that rail transportation in the Northeast is facing. This subject is painfully familiar to those of us who serve on the Committee on Interstate and Foreign Commerce, where we have been wrestling with the wreck of the Penn Central for more than 3 years.

One thing is very clear to me. This is not a regional crisis, but a threat to the national economy and the transportation network that binds it together. Actually, the term "Northeast crisis" is a misnomer, for the States served by the Penn Central and the five other bankrupt railroads include Michigan, Illinois, Indiana, Ohio, and West Virginia. The industrial heartland of America is threatened by a cessation of vital transportation service which would in short order close auto plants and steel mills. The crippling effect of a shutdown of the industrial East would soon be felt in my own State of Washington. We would have a statewide depression in a short period of time. For example, the Association of American Railroads informs me that:

Thirty-one percent of all rail carloads originating in Washington for out of State shipment are delivered to the Northeastern States;

Forty-four percent of all interstate rail movements of lumber and wood products loaded in Washington are delivered to the Northeast;

Forty-one percent of all interstate rail movements of farm products loaded in Washington are delivered in the Northeast;

Thirty six percent of all interstate rail movements of primary metal products loaded in Washington are delivered in the Northeast;

Eighteen percent of all interstate rail movement of pulp, paper and allied products loaded in Washington are delivered in the Northeast.

The State of Washington and the Pacific Northwest simply cannot tolerate the economic wrench that a collapse of rail service in the East could cause.

I believe that the bill presently before the full Committee on Interstate and Foreign Commerce, H.R. 9142, offers a practical solution to this transportation crisis. It would use Government backing to preserve a necessary public service but the ultimate ownership and management of the new railroad created from the shambles of the bankrupts would remain in private hands. Absent congressional action on this legislation, I fear that we will end up with the worst of all possible solutions—either an ongoing, expensive and inefficient subsidy program or outright nationalization at staggering cost.

Mr. Speaker, in a recent speech in Seattle to the National Association of Regulatory Utility Commissioners, I discussed the need for legislation to resolve the Northeast crisis and the impact that the transportation problems there could have on the people of Washington whom I represent. I would like to conclude my remarks with an excerpt from that speech.

As a Congressman from Seattle, I am deeply concerned about the fate of rail-road service in the Northeast—and the Northeast means official territory when we are talking about the Penn Central for it includes Illinois, Ohio, Indiana, and Michigan. I am worried not because of some idealistic principle, but because I am worried about the economy of Seattle and the State of Washington. Washington and Seattle, its economic center, depend on exports for economic survival. We export to the Asian East and look to a growing market there; but we also export to the East of the United States for by our constitutional union this country is the greatest internal market in the world.

This internal market depends on transportation to bind it together. What has impressed me most is how dependent we are on this transportation network for our economic unity. Much as we cherish our regional differences of salmon in the Northwest and cod in the Northeast, and argue about the virtues of baked beans versus black-eyed peas—our industrial Nation relies on a basic transportation structure for its day-to-day production. Now, today, as a nation, we depend on a transportation chain whose very link is rail transportation in the Northeast. If this Northeastern link fails, the industrial system will stop in a short time. Seattle must worry about the Northeast, for without a decent transportation system in the Northeast, we will have an economic recession in Seattle which will make the Boeing disaster of 1970 look like a minor event.

Let us look at some basic facts. The State of Washington is an exporter of raw materials to the East. And the balance of trade is in our favor. A sample of railroad waybills in 1969 showed that while we shipped 65,000 cars with 2.5 million tons of freight to the East, we received 48,000 cars carrying 1.2 million tons. These are 1969 figures and I am sure that 4 years later the carload tonnage figures will have increased.

The ratio of shipments from Washington to the East is 2 to 1. We export to the East raw materials for change into manufactured products.

Our lumber, grain and fruit depend on an Eastern market and rail service to bring them there. Some examples:

Weyerhaeuser is a well known name in the Northeast. How many know that Weyerhaeuser has 33 plants in the East which are served by the Penn Central, the Reading, the Central of New Jersey, the Erie Lackawanna and the Boston & Maine. These plants turn raw wood products into packaging materials and paper; they supply wood products to builders throughout the region. A shutdown of these plants for lack of rail service would soon be felt in the State of Washington.

The Federal Railroad Administration reports that 29 percent of the lumber, 36 percent of the plywood and 73 percent of the fruit in the Northwest moves to the East by rail. A major railroad serving Seattle says that in 1972, it moved more than 12,000 carloads from the Northwest to the East while it brought only 8,200 carloads from East to West. It says that about 60 perecnt of its traffic terminates in the East on the bankrupt railroads now threatened with liquidation.

Another major railroad tells me that it shipped more than 2 million tons from

Washington and Oregon to the territory served by the bankrupts in 1972; from this territory it received 600,000 tons.

I am told that ports in the Northwest receive about 100,000 tons in import containers each year for shipment to the East—it is estimated that each ton of cargo in these containers equals $60 to $70 in payroll for people in the Northwest. Here in Seattle we look to cargo by rail as part of the economic life blood of our great port.

Another railroad tells me that it alone receives 35 percent of Washington's potato crop, 64 percent of our apples, 68 percent of our pears, 35 percent of our pulp and 25 percent of our aluminum production for delivery to the East.

These statistics are examples, only, but I think they show why we in the Northwest should have more than neighborly concern for the transportation problems of the Northeast. The problems there are not New England regional problems, they are also the problems of Seattle.

Mr. DRINAN. Mr. Speaker, I commend the gentleman from Washington for all the extraordinary work he has done, as well as the gentleman from Montana (Mr. SHOUP) for the work he has done. I want to thank both of them for their collaboration with the 25 Members of this House who constitute the New England Congressional Caucus.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I thank the gentleman for yielding.

I commend the gentleman from Massachusetts as well as the gentleman from Washington for their initiative in proceeding in this extremely serious matter.

Coming from Akron, Ohio, as I do, which is not only the rubber capital of the world but also the trucking capital of the United States, I can say absolutely without any equivocation that the trucking industry is absolutely incapable of supplying the needs that would exist if the Penn Central Railroad, let alone other Northeastern railroads, were to shut down. We would be out of business in industry after industry in Ohio as well as in other parts of the Middle West. It is absolutely unthinkable that we would let this come to pass.

I think it is very commendable that the House leadership and the leadership of the committee are now prepared to close in on this. This is the kind of leadership we need. We are getting it from both sides of the aisle. We are going to have to act if we are not to have a catastrophe of earthshaking proportions.

As one Member from the Middle West, which is about halfway in between the two gentlemen, the one from Massachusetts and the one from Montana, I would like to say that everything in between is dependent on their bringing out a bill along the lines that have been indicated and I will do everything I can to support it.

Mr. SHOUP. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Speaker, is the gentleman from Ohio aware that although the North American Trucking Association has not endorsed this particular bill, they have come out in full support of some legislation which would enable the continuation of the railroads. They are certainly endorsing action by this body to insure the continuation of rail transportation.

Mr. SEIBERLING. I am aware of their basic position and I know they cannot take any other position because even if they wanted to they absolutely could not fulfill the need the railroads fill.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, reorganization of the six bankrupt Northeastern railroads is an urgent necessity.

A shutdown of these lines would result in serious economic distress, not just for Northeastern States, but for the entire Nation.

Interchanging and receiving of rail traffic from those areas, on lines which at present are unaffected by solvency crisis, would necessarily cease.

The margin of safety, represented by high traffic volume, which lines like the Union Pacific or Southern Railroads now enjoy, would disappear.

Estimates of the impact, that a strangulation upon rail movements in the Northeast would have, range, from a sharp drop in the gross national product, to a significant rise in unemployment.

I have been told, that the failure of reorganization legislation, would affect as many as 2,500 to 3,000 customer-shippers of just one beleaguered line, the Boston & Maine Railroad.

Sixty thousand, in Massachusetts alone, would lose their jobs in connection with a Boston & Maine cessation of operations.

The effect nationwide, of a northeast-wide rail collapse, would be a further rise in consumer prices. Manufacturing levels would fall off dramatically without adequate transportation facilities.

Even the switch to existing trucking lines—if it could be accomplished—would have the effect of further exacerbating the fuel oil shortages that are now beginning to be felt throughout the country.

All of these developments, moreover, will come at a time when our hard-hit economy is steadily nearing the brink of recession.

In the face of the severe repercussions that a rail failure could produce, available alternatives are few.

Temporary measures, designed to shore up existing operations, have many disadvantages. They fail to produce any long-range solution, while draining millions from the public purse. Such expenditures could have no conceivable termination.

Similarly, operating subsidies fail even to preserve the status quo, since rolling stock and equipment—much of it of already advanced age—must eventually be replaced.

In addition, creditors of the bankrupt railroads lose, when the assets of the lines wear out, and are not replaced, reducing still further, the amount of their investment they can expect to recover.

The principal objection, to a temporary solution to the plight of these railroads, is the certainty that there can be no expectation of improvement in the state of affairs without a commitment on every level—Federal, State and local—to a plan that can offer hope for an end to subsidies.

Nothing less than complete rejuvenation of all railroads—bankrupt or no—must be the goal of such a plan.

As I see it, three elements are essential to a railroad plan.

First, operating subsidies must be provided—but only as an interim measure. They will prevent the shutdown of northeastern railroads, while a plan is devised, for creating a core system of lines, without the present rail network.

When this plan for reorganization is presented and approved, then the third stage—that of the comprehensive and massive rehabilitation of that core system—must go forward.

Necessarily, this must be done under the auspices of Federal control. Eventually, however, if we have planned well and invested sufficiently, control as well as operation can pass once again into private hands.

This end—and the desire for a healthy economy—are my reasons for advocating this approach.

I feel that alternative plans—private sector rescue on the one hand or nationalization on the other—do not offer either realistic or workable evaluations.

I support wholeheartedly H.R. 9142, which was recently reported out of the Transportation and Aeronautics Subcommittee of the House Interstate and Foreign Commerce Committee.

I feel that it provides the perspective and proper funding to be successful legislation. I would like to point out, in particular, that the major funding provisions of H.R. 9142 constitute loan guarantees, not direct grants. The only direct grants are for operating costs, which are limited to the period during which the reorganization plan is developed.

I cannot accept the criticisms of some who cite the amount of loan guarantees—$2 billion—as too large or inflationary.

These guarantees constitute insurance for the operation of an industry which, despite its decline in recent years, is an essential element of the economic infrastructure of this country.

Railroads helped make this country what it is today.

We are, all of us, beginning to realize—after years of neglect—what this country might be without them tomorrow.

With these stakes at risk, it seems to me, that $2 billion is a rather low insurance premium. That amount happens to be the final price of the C–5A cost overrun, which, at best, flies infrequently.

Let me quote you some statistics concerning my district to give you an idea of how frequent—and how important—rail traffic is.

Let me emphasize that these statistics pertain to Penn Central operations only.

Twenty-four freight trains pass daily through the area carrying traffic between Selkirk, Beacon Park and New Haven, in addition to the local trains servicing industries on the Penn Central lines.

Fourteen passenger trains operate, extending service between Boston, Montreal, New Haven and beyond.

Springfield yards dispatch over 1,700 cars per week while receiving over 1,200 cars per week.

At Springfield, over 18,500 cars are interchanged annually onto Boston and Maine Railroad lines. Over 26,000 are received.

At Palmer, Mass., interchanges to the Central Vermont Railroad total over 29,000 cars annually and over 15,500 received.

The commodities handled in greatest volume are plastics, chemicals, tires, toys, egg cartons, matches and paper products. In addition, a wide variety of commodities are shipped into the district.

Among the greatest in volume are petroleum products, forest products, chemicals, paper, packing house products, canned goods, fruit and vegetables, iron and steel, building materials, plastics, and paper products.

The Penn Central serves numerous smaller industries located on their lines and participates in the routing of many of those located on the Boston and Maine Railroad and the Central Vermont Railroad.

Major patrons alone account for 17,700 car loads per year on Penn Central in my district.

The railroad employs a total of 518 persons in the area.

Mr. Speaker, my district is in many ways typical of many in the Northeast. It seems to me—and believe me, it seems this way to my constituents too—that without prompt and comprehensive action on the plight of Northeastern railroads, there is going to be a serious impact upon all of us in the Northeast.

Mr. Speaker, the Nation cannot afford to wait for the repercussions to spread outside the Northeast, for by then it will be too late.

Mr. Speaker, I want to take this opportunity to thank the distinguished gentleman from Washington (Mr. ADAMS) and the distinguished gentleman from Montana (Mr. SHOUP) for their leadership that ultimately will bring H.R. 9142 to the floor of the House for action. Both have given untold hours of labor and hearings to this problem. It is fair to say, Mr. Speaker, that without their persuasiveness, persistence, and intense interest, the matter would be wallowing without action and we would be treading water without meeting the problem head on. The New England Congressional Caucus expresses its appreciation with deep gratitude to both and to the Chairman of the full Committee the distinguished gentleman from West Virginia (Mr. STAGGERS) for his scheduling committee action and support of the proposal.

Mr. DRINAN. Mr. Speaker, I want to thank the distinguished gentleman from Massachusetts for these words, which have particular force in that they come from the former chairman of the Subcommittee on Transportation of the Appropriations Committee of the House. Mr. BOLAND has been long familiar with these problems. He is one of the most knowledgeable people in the entire House on this problem, and he is joining with Congressman SILVIO CONTE, also of Massachusetts, in giving leadership not merely to New England Congressional Caucus, but to the entire House on this matter.

Mr. SHOUP. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Speaker, I rise for the purpose of addressing myself to the special order on H.R. 9142 called for by my colleague from Massachusetts, Congressman DRINAN. His remarks made before the House and carried in the RECORD of September 25 are of the very highest caliber. They reflect a command of the bill which is to be most highly respected and for those of you who have not seen those comments they begin on page 31387 of the RECORD.

H.R. 9142 as of this date has advanced from the Subcommittee on Transportation to the full Interstate and Foreign Commerce Committee where markup sessions are scheduled to begin tomorrow. This legislation is very difficult to understand; its complexities confound those of us who have been intimately connected with it for many months. Parts of it have raised a storm of controversy among some very fine legal minds. These disputations cross party lines and raise the ire of almost all who become involved.

Why then in the face of all this must this legislation be brought forward to the Congress? I will not now attempt to raise and argue the many complexities of H.R. 9142 since the time for debate will soon be upon us. However, I would use this occasion to remind you that the Northeast rail disaster is upon us and it threatens the entire Nation with economic disaster of a proportion and degree that is most gloomy in all its prospects. Attempts have been made to avoid the problem and to postpone it through interim measures but one inevitable conclusion that cannot be avoided is that this problem will not go away but will only get worse the longer it festers. This then is the time to solve the problem and I firmly believe that H.R. 9142 is the vehicle to do the job. While not perfect in every detail it is structurally and basically sound.

I would further like to commend the Members from the Northeast region for their interest and support and specifically Congressman JIM HASTINGS of New York who demonstrated his concern by sponsoring identical legislation. But the greatest measure of credit and gratitude must be extended to my friend and colleague from the State of Washington, BROCK ADAMS. While mine is the name on the bill, this is very much the Shoup-Adams bill. BROCK's expertise, his firmness and dedication to transportation problems contributed greatly to the contents of this bill and its progress to where it now is today and by the same logic the future welfare of the bill. Therefore, I again extend my sincere thanks to Congressman DRINAN, Congressman HASTINGS, Congressman BROCK ADAMS, and to all the others who have contributed thought and energy to H.R. 9142 and I close by reminding you that a difficult struggle is yet ahead of us on this legislation, but I am confident that the measure will advance through this Congress and will be signed into law by the President. Thank you.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, I thank the gentleman from Montana very much for his comments. This has been a very long, difficult session for all of us involved. For example, the subcommittee met evenings and has met afternoons and over a great period of time.

Mr. Speaker, I would simply like to leave my part of this colloquy by stating to the gentleman in the well that I think a great deal of the success or failure of this bill will depend on the actions of the New England Caucus and of the States of New York, Ohio, Illinois, Maryland, and the District. All of these areas are heavily involved with these bankrupt railroads. I hope we solicit the interest of all the Members from this area to watch the bill, to make their comments on it, to be certain we are carrying out the public service aspects of Federal railroad participation, because to us that is the only reason any of us are involved in it.

This is a public service. It is very necessary for the Nation's economy, and I am very pleased that the New England Caucus and Members of the region involved are now aware of what is occurring. We desperately need and urgently solicit their support.

Mr. DRINAN. Mr. Speaker, I thank the gentleman from the State of Washington. Also, I express my gratitude to the 20 Members of Congress who will be submitting material in the CONGRESSIONAL RECORD today and in the next 5 days.

From this, we will hopefully build a body of knowledge that will be available to all of our colleagues at the time when we will have the vote on this bill.

I have also collected material from my own congressional district, from businessmen, chambers of commerce and from every source I can go to with respect to the urgent necessity of continuing a railroad service for heavy freight of all kinds.

Mr. CRONIN. Mr. Speaker, it is incumbent upon Congress to act now to solve the Northeast railroad crisis. We have watched too many weeks pass by and no solution has generated itself from the financial morass that is the Penn Central Railroad. Moreover, the branch lines that particularly involve my district, as well as Massachusetts and New England, are left helpless and without recourse until a positive decision is reached.

Many officials believe that the branch lines can easily be eliminated when a new plan is devised to salvage the railroads. A study of the Boston & Maine Railroad, a branch line of the Penn Central Railroad, conducted by Harbridge House under the auspices of the New England Regional Commission and Massport, proves that this assumption is entirely erroneous. The study clearly indicates that the branch lines are not a considerable drain on the main service lines, but rather an important contributing segment.

Within the region of Massachusetts served by the Boston & Maine Railroad fall 70 percent of our population and 67 percent of our manufacturing employment. Already the State has purchased the Passenger Corridor from Boston to the Rhode Island line in an effort to aid the struggle to revive the railroads. The purchase does not, however, directly affect my district. In fact, if the branch lines serving my district are abandoned, the value added loss in terms of direct and indirect jobs will be nearly $206,000,000 or 32,300 jobs. These figures alone are awesome and represent the loss to only one congressional district. I need not elaborate on their potential multiplicative results.

Clearly it is the responsibility of the Federal Government to do its part to assist the States like Massachusetts in easing the railroad crisis. The railroads are an important alternative to the automobile and the airplane, both energy-expensive and highly polluting means of transportation. Congress is the body of the Federal Government that can and should effect this action. I urge that it be done immediately.

Mr. BURKE of Massachusetts. Mr. Speaker, on Friday, September 26 the Wall Street Journal reported that:

> Federal Judge John P. Fullham of Philadelphia, overseeing the Penn Central's reorganization proceedings, has talked of starting liquidation of the railroad's assets warning 'unconstitutional erosion of the debtor's estate.' He has called a crucial hearing for October 12. It's understood he will delay action only until about November 1, to allow a bit more time for Government action to keep the freight trains and commuter lines running.

The Penn Central, the largest of the six bankrupt carriers, is rapidly running out of money. The economy of the Northeast as well as the Nation as a whole is intricately tied to the continued operation and reorganization of these railroads. Unless action is taken by this Congress and taken soon the repercussions of a cessation of service will be brutally felt throughout the Nation.

The Northeast railroads handle approximately 45.5 million tons of originating and terminating freight each year. About 70 percent of this amount is carried by two major bankrupt railroads, and the Boston & Maine and the Penn Central. The Boston & Maine has somewhere between 2,675 and 3,000 active shippers and the Penn Central is believed to handle somewhat beyond this amount for a total of at least 6,000 shippers. Thousands of shippers in the Northeast are dependent on these railroads. Once it is realized the great dependence that exists on the Northeast railroads in the 17 State Northeast region the impact of a shutdown becomes clearer.

Approximately three-fourths of all lumber and wood products are transported by rail. Large amounts of agricultural commodities and vast quantities of fuel for the region are carried by rail. What does this mean for the Northeast? Higher housing costs, higher food costs, fuel shortages in an area already fraught with critically short fuel supplies. A 1969 Department of Transportation survey showed that railroads carried 3.8 million tons of freight per day in the Northeast, including such vital products as coal, iron ore, heavy machinery, automobiles and parts, wood pulp and building materials. It is expected that just a shutdown of the Penn Central alone would affect the entire national rail system glut the highways, and push waterways and air carriers beyond their capabilities.

In fact, the Northeast rail crisis is not a regional problem but goes well beyond affecting the entire economy. Senator HARTKE in his statement in the CONGRESSIONAL RECORD of June 25 points out—

> If one of the bankrupt railroads in the Northeast ceased operation, the consequences could be disastrous to the more than 100 million people living in the region and the Nation as a whole. For example, a study has disclosed that if the Penn Central were to curtail activity for a period of 8 weeks economical activity in the Northeast would decline at a rate of 5.7%. Economic activity in the entire Nation would decline by a rate of 4% and the gross national product would decline by 2.7 percent.

In more human terms, thousands would be thrown out of jobs, widespread food shortages would occur and the health and safety of over 100 million threatened. And what about the farmer down South who ships his products North. Certain economic disaster would follow if he suddenly found that his market had disappeared.

During the past few months much of the progress scored in shaping legislation to deal with the Northeast rail crisis can be credited to the efforts of Congressmen BROCK ADAMS and RICHARD SHOUP. It is my understanding that a modified Adams-Shoup bill has just been reported from the House Interstate and Foreign Commerce Subcommittee on Transportation and Aeronautics to the full committee for their consideration. The bill would authorize $2 billion in loan guarantees to be offered by a new Federal National Railway Association—Fannie Rae—patterned after the Federal National Mortgage Association, the Government sponsored, but private corporation for the Federal housing mortgages. The Association would be authorized to raise $2 billion through bond issues guaranteed by the Federal Government and to make loans for purchase, rehabilitation, and improvement of railroads. The Association would be responsible for drawing up an operation plan for the Northeast region subject to the approval of Congress. The bill would also create a Northeast Rail Corporation authorized to issue stock and authorized to purchase and operate bankrupt railroad properties. Provisions are made for conveyance of bankrupt properties to the Corporation in exchange for stocks or Association bonds.

In addition shippers, States or localities could subsidize deficit rail operations to maintain service with Department of Transportation reimbursements of up to 70 percent, but not exceeding $50 million per year. In short, the bill mandates consolidation of the bankrupt railroads maintains Government expenditures at a minimum and vests control of the new system in a private corporation.

A major bone of contention yet to be settled between Congress and the administration is the amount of Federal funding that will be needed. The administration has maintained that private capital should provide the major financial support for a restructured system; however, I personally feel it is ridiculous to even entertain the notion that private investors without Government assistance or loan guarantees will provide the level of financing needed to undertake the reorganization. Investors have lost their shirts in railroad investments and it is difficult to imagine that they will come forth with capital without some sort of Government guarantee. In view of this, it is incumbent upon the Government to maintain an active role in providing adequate rail service and I think the Shoup-Adams bill offers us this opportunity in a highly sensible and constructive manner.

The Northeast and the Nation is heavily dependent on continued rail service in the Northeast. It is urgent that the House act at once on legislation to keep the railroads going. I think that the Shoup-Adams bill, H.R. 9142, represents a comprehensive and balanced approach to the Northeast rail crisis and we in this body should waste no more time in passing this urgent legislation.

Before closing my remarks today, I think it is important to mention at this time funding for the high-speed passenger rail project in the Northeast corridor which I hope to see included in the bill now being debated before the House Interstate and Foreign Commerce Committee. A 17 volume Northeast corridor transportation project was completed by DOT in 1969. Subsequently, DOT recommended that the project be started in its September 1971 report to Congress.

The passenger corridor basically comprises the Metroliner route from Washington to New York and the turbotrain link between New York and Boston. The improved passenger service is needed for several reasons. Passenger travel along the corridor is forecast to increase by a minimum of 3 percent per year. Air routes, as well as highways are reaching saturation point along the corridor and expected outlays for these two transportation modes far surpass the estimated cost of a high-speed passenger rail project.

It is my firm conviction that action by this Congress to improve the Northeast passenger corridor will prove beneficial in terms of cost, safety, energy consumption, noise, and pollution control and I certainly hope to see this provision carried as part of any legislation for the reorganization of the Northeast railroads.

Mrs. GRASSO. Mr. Speaker, I hope that my colleagues have read the commentary on the Northeast railroad situation given in the House on September 25 by my colleague, the gentleman from Massachusetts (Mr. DRINAN). This background information demonstrates the need for immediate forthright action to alleviate the critical situation affecting the State of Connecticut and the entire Northeast because of the Penn Central bankruptcy.

The basic facts of the situation are well known. The Penn Central operates a 20,000-mile railroad system covering 16 States with a population of 100 million people. It accounts for 70 percent of the Nation's passenger service and 20 percent of its freight transportation, including everything from raw materials and heavy manufactured goods to foodstuffs.

The Penn Central has faced financial difficulties ever since its merger in 1968. In 1972, it earned 14 percent of the Nation's rail revenues, but suffered a deficit of $198 million. Finally, on June 29, the trustees of the bankrupt system outlined a plan for the eventual liquidations of the system later this year. Today, October 1, was to have been the day of decision. Unless positive action is undertaken to prevent excess cash flow and further erosion of the estate of the system, liquidation could begin later this month.

The problems of the railroad have been known to us for years. Yet, the Northeast United States stands on the brink of economic disaster because a plan for restructuring and reviving the Northeast railroads has yet to be formulated.

One cannot overestimate the importance of the Penn Central to the economy of the Northeast. In Connecticut the railroad plays a vital role in the economy of the State, carrying raw materials to our numerous manufacturing concerns and transporting our finished goods nationwide. Trains bring in foodstuffs, grain for our dairy and poultry industries, fuel—virtually all the necessities of life. Finally, the State's citizens make 18 million commuter trips each year. Indeed, the Penn Central is, as the Greater Hartford Chamber of Commerce has stated, essential to the economic health of the State and region.

Without railroads, Connecticut's citizens would be forced to turn to motor transportation. But, the State's highways could ill afford the estimated 1,000 trucks needed each day to carry the 7.3 million tons of freight now transported by rail. Nor could they afford the thousands of additional commuter automobiles which would be forced to take to the road. In addition, some Connecticut businessmen have informed me that they could not remain in business without rail transportation. For these companies, a liquidation of the Penn Central would mean economic ruin, causing unemployment for their workers and additional tax burdens for the towns in which they now operate.

Let me emphasize, however, that this is not a Northeast problem, or a Midwest problem. It is a national problem. The liquidation of the Penn Central would mean a drop of 3 percent in national productivity and an increase of 60 percent in the unemployment rate. It would mean higher prices for goods and increased inflation. Increased fuel consumption by motor transportation would mean additional pollution and a larger balance-of-payments deficit.

Many in the Congress and the administration recognize the magnitude of the problem and have advanced proposals to deal with the crisis. They range from the Department of Transportation's piecemeal approach, relying totally on private enterprise, to creation of a nonprofit corporation. Earlier in the year, the entire Connecticut delegation sponsored a plan to save the Northeast railroads. However, at this crucial time, only one bill has the support needed to save the Penn Central. This is H.R. 9142, the Shoup-Adams bill. Without proffering a panacea to the problems of the bankrupt railroads, the bill provides the framework we must develop now if the Congress is to prevent a liquidation order later this month.

Mr. Speaker, the crisis is here—and it cannot be avoided without frightening economic consequences. The only foreseeable alternative to Shoup-Adams is the shutdown of the Penn Central and the other bankrupt Northeast railroads, which would cause economic disaster.

We must pass the Shoup-Adams bill with all possible dispatch.

Mr. CONTE. Mr. Speaker, I am indeed thankful for this opportunity to address the House concerning this imminent Northeast rail crisis. This, of course, is a problem of great concern to me as it is to a great number of my colleagues. Without the Northeast railroads, I daresay that this Nation of ours could very well face economic disaster. We will see a loss of jobs, a displacement of industry, a disruption of planned business, a slowdown of industrial development and expansion, all adversely affecting the national economy.

Should we be unfortunate enough to lose the major rail systems in the Northeast, the loss will be felt nationwide. Whether some want to admit it or not, a balance exists between the Northeast and the rest of the United States. Rail freight in the Northeast is a huge industry which supplies the United States many tons of merchandise daily. In just one day, 64,000 cars carrying 4 million tons of cargo will travel from the Northeast. What other means are we going to find to handle this monstrous load if the railroads are left to die? In shipments to points outside the Northeast, over 7 billion tons of cargo are needed annually. This boils down to over 5,000 carloads being put into use each day. In turn, the Northeast must rely heavily upon outside rail shipments for its merchandise. For example, the States of Minnesota, Texas, Wisconsin, and North Carolina supply us with over 60 million tons of cargo annually.

Immediate action must be taken, and we have the ability and the means to do it here in Congress. We must first halt the indiscriminate axing of sections of trackage, until indepth studies can be made of the situation. Second, we must bring passenger rail travel to its former first-rate status. These are only a couple of areas needing improvement which comprehensive legislation could go a long way toward solving.

The rail situation in the Northeast is a grave one indeed. I, therefore, join with my colleagues in offering my full support for the drafting of viable legislation which will keep the railroads alive.

Mr. KYROS. Mr. Speaker, I appreciate having the opportunity to join in this special order today to express my deep concern with respect to the needed reorganization of the Northeast railroads. At the outset, I want to commend my distinguished colleague from Massachusetts, Congressman BOB DRININ, for leading this colloquy and for his hard work and diligent attention to this pressing national problem.

At the risk, Mr. Speaker, of repeating what has been said many times already when discussing this problem, I want to stress that the word "Northeast," when speaking of the reorganization of the Northeast railroads, must not delude any of us into thinking that this is merely a regional problem. By no means is this the case. In fact, the nationwide ramifications of any shutdown of the Northeast railroads are so far-reaching as to be literally horrifying. It is estimated that if the Penn Central alone were to stop running, unemployment in the Nation might rise by 60 percent, with our entire national productivity cut by a full 3 percentage points. This is certainly not a problem for the Northeast alone.

Mr. Speaker, we have come to the point where the Northeast rail crisis is just that—a crisis, which must be faced squarely, forthrightly, and, above all, immediately. With this in mind, I want to express my sincere appreciation and profound respect for my two colleagues on the Interstate and Foreign Commerce Committee, Congressman BROCK ADAMS and Congressman DICK SHOUP, who have devoted literally months of time and effort in preparing legislation providing Congress with the groundwork for a comprehensive and realistic solution to this complex and forbidding problem. Mr. Speaker, these men are to be commended in the highest possible terms, for they set for themselves a monumental task. Unlike the Senate, which has already acted on three stop-gap bills, Congressmen ADAMS and SHOUP were determined to reconcile, as nearly as possible, the long-standing and deeply ingrained interests of the sundry parties affected by reorganization, so that the Members of this body might have for their consideration a truly comprehensive piece of legislation. While H.R. 9142, the bill for which they are primarily responsible and which has just been reported to the full Commerce Committee, is not a perfect bill or one that is equally satisfying to all parties, it does provide, as I have said, a blueprint for a genuine solution to this problem in the public interest.

As a member of the Interstate and Foreign Commerce Committee, I pledge, Mr. Speaker, to do all I can to see that a committee bill is reported to the floor of the House as soon as is humanly possible. Time is running out for the Northeast railroads, with consequences affecting the entire Nation. It is time that Congress act on this problem.

Mr. STEELE. Mr. Speaker, as a number of my colleagues have noted today, we are on the brink of a disaster of enormous proportions in the transportation industry of this Nation. Next week, a Federal judge will begin a review of plans to sell off the assets of the Penn Central Railroad, thereby breaking up the largest rail operation in the entire United States. If this liquidation is allowed to proceed, each and every consumer in my State of Connecticut and throughout the Northeast will feel its brutal effects. And beyond its immediate impact on the social and economic well-being of the Northeast, this liquidation would be a huge blow to our progress toward an efficient, comprehensive, and rational transportation system for the dense and bustling Northeast.

Let us look at the figures:

Each year the Penn Central ships for use by Connecticut residents alone nearly 1.6 million tons of coal, 800,000 tons of primary metals, and nearly 1 million tons of food. These commodities are vital to the Connecticut consumer, but none of them can be moved by truck at anything like comparable rates to rail shipping. If the railroads stop running, the result would be either large-scale inflation in the retail prices of these goods or the disappearance of these commodities from the market.

Moreover, the railroad employs 1,300 persons on a payroll of $43 million in Connecticut. It purchases $3½ million in goods and services in the State, thereby generating more than 11,000 supplementary Connecticut jobs. And it invests close to $11 million per year in industrial development within the State.

If the Penn Central stops running, the Connecticut consumer and worker are going to pay for it.

It is essential that we have emergency legislation to keep the bankrupt railroad operating while a comprehensive rail reorganization plan is developed. Once again, Congress must intervene to save the Nation's rail service. But this time has got to be the last time. We must make it clear that we do not intend to subsidize the bankrupt railroads any longer than is necessary to implement a comprehensive railroad reorganization.

Thus, I have joined with the other five Members of the Connecticut House delegation in introducing legislation to insure the continuation of rail service throughout the Northeast while laying the groundwork for the creation of a viable rail system designed to meet the overall needs of the area. This is only one of many proposals pending before this House to deal with the rail crisis. But—regardless of which bill and which approach we choose to take—the one essential thing to remember today is that we must have decisive action, now. Time is running out, and we cannot afford the disastrous consequences of liquidation of the Penn Central.

Mr. HARRINGTON. Mr. Speaker, I rise to support H.R. 9142, the Shoup-Adams Northeast railroad reorganization bill. In doing so, I would like to point out some of the serious consequences the present crisis has for New England, and to offer several proposals for dealing with that crisis.

INTRODUCTION

Construction of New England's railroads began over 100 years ago and peaked shortly after the turn of the century, long before alternative modes of transportation had been developed. As a result, the railroad system in the Northeast reached into almost every community in New England to provide both freight and passenger service. Since then, highway transportation has been substituted for all but the most densely traveled routes, and truck and pipeline transportation have made deep inroads in freight transportation.

Today, six of the railroads in the Northeast are bankrupt. Two of them, the Penn Central and the Boston & Maine, are of critical importance to the economy of New England. The six bankrupt railroads lost a total of $318 million in 1971, and even after the reorganization that followed the declaration of bankruptcy, the railroads lost $267 million last year. While the Penn Central alone earns some 15 percent of the Nation's railroad revenues, it has not had a profitable year since 1968.

It appears that the Penn Central will not be able to operate after October without substantial action by the Federal Government. There are two basic reasons for this: cash flow problems and the probability that the banktruptcy judge will liquidate the Penn Central so as to protect the rights of the railroad's creditors. Liquidation of the Penn Central would be an intolerable blow to all the railroads in the Northeast, a blow from which most of them could never recover.

BACKGROUND TO THE CRISIS

The Penn Central itself is a large part of the cause of the crisis. Mismanagement on the part of former Penn Central executives has certainly played a major role in Penn Central's financial problems, although it has not been the only factor. Among the more noted examples of mismanagement and scandal: an illegal attempt by Penn Central executives to organize their own airline, speculation by executives in stocks of Penn Central-controlled companies, the draining of railroad investment funds through ill-conceived diversification, poor planning in the 1968 merger, and a loss of $4 million to a foreign investor.

After the Penn Central formally went bankrupt, these problems were eliminated. But other factors continue to hobble the railroad:

First. While U.S. railroads now handle about 40 percent—260 million tons in 1971—of all intercity freight, originated tonnage has increased by only 1 percent nationally since 1957. Tonnage has decreased 21 percent in the East. The development of light manufacturing in the East and a modern highway system in the Northeast have combined to favor trucking over rail transportation.

Second. Shorter hauls and frequent terminal operations in the East mean that, while the Union Pacific in the West gets 1.6 million net ton-miles per employee, and the Southern Railway gets 2 million, the Northeast railroads get fewer than 1 million ton-miles per employee.

Third. All the Northeast railroads have been hit by the reduction in high-sulfur coal shipments, formerly a dependable source of revenue. High-sulfur coal has declined in use because of antipollution concerns.

Fourth. Overregulation has choked off innovation, even when proposed rate and/or service changes have been clearly in the public interest and would not work hardship on competing traffic modes. The ICC's overregulation of all transport modes has led to maintenance of cartels that cost the economy some $5 billion annually. The problem is not so much with the motivations of the ICC, but rather with the procedures under which the ICC must operate.

Fifth. Discriminatory taxation practices applied to railroad properties by many communities have been a significant factor in the Northeast. Both rail spokesmen and critics agree that equitable assessment and taxation must be substituted for the old-fashioned tax-gouging presently going on.

External factors have compounded the problem. In New England, there has been a marked shift away from heavy manufacturing to service industries and high technology goods, neither of which depend significantly on rail service. The Northeast, and especially New England, now produces little in the way of raw materials and the demand for rail-carried raw materials—notably coal—from other parts of the country has declined. Furthermore, the significance of the Northeast as a major port has diminished markedly. For example, in 1955, 218 million bushels or 49 percent of all U.S. grain exports passed through North Atlantic ports. By 1971, this figure had shrunk to less than 6 percent. Some of the reasons for this shift were essentially transportation-related, such as high labor costs at eastern ports. But others include the development of the St. Lawrence Seaway and subsequent easy access to grain elevators on the Great Lakes.

SOLUTIONS ARE CALLED FOR

It is clear that the rail network in the Northeast is overextended and must be cut back to reflect present-day requirements. Continued operation on nonessential low-density lines not only constitutes a drain on the rail system, but is highly inefficient in terms of manpower, equipment utilization, and energy conservation. On these points, I think we can all agree.

The answers to the following questions are less clear.

Which lines should be abandoned?

What are the cost of abandonment in terms of jobs lost or industry cutbacks? Can firms now served by these lines use alternative transportation modes?

Which lines are really losing money? How do you determine whether, or not a line is indeed losing money?

It would be folly for this Government to again tackle the problem of reorganizing the Northeast railroads without answers to these very fundamental questions—answers which are not presently available.

B. & M. STUDY

A study of the Boston & Maine Railroad conducted by several Masschusetts agencies and the New England Regional Commission has concluded that the trustees' estimates that they could realize an annual savings of $1 million by abandoning 370 miles of rail line are conservative. The study projects savings of $1.6 million annually. However, the study also discovered that the B. & M. would lose $2.1 million in revenues by such abandonments. In effect, closing the 370 miles of track would trigger a net loss to the railroad of $500,000 annually.

However, the study reasoned that if 24 percent of the freight on the branch lines could be retained for rail transport, as it found to be the likely case, then the abandonment of the 370 miles would prove to be an essentially break-even proposition.

Lastly, the study concluded that the effect of further abandonments, even of lines which in themselves could be shown to be losing money, would so deprive the railroad of revenues as to cause those portions of the system presently operating at a profit to begin to lose money. In other words, the study found that the rail system which produced the greatest potential earnings for the railroad was the one in which most of the present service was preserved.

The impact of abandonment on local economies is an additional factor to be considered. In terms of jobs, the B. & M. study found that for lines where no alternative transport would be available in the event of a B. & M. shutdown, 23 percent of the local jobs in manufacturing firms served by the B. & M. would be lost.

LOCAL IMPACT

The impact of such abandonment in my own congressional district, the Sixth of Massachusetts, highlights the serious nature of these eventualities. Closing spur service would affect 22,783 jobs, directly and indirectly. The job loss, direct and indirect, would amount to 5,309. The loss of value added would come to over $132 million.

At a time when the unemployment rate in my district is running around 10 percent and many communities have unemployment rates over 15 percent, we cannot accept policies which would set the economy farther back.

CONCLUSIONS

From the B. & M. study and other sources, I have come to a number of conclusions about the railroad crisis.

First, wholesale abandonments are not the answer, and are not even particularly important to the process of reorganization. some lines should be abandoned, but with a system rationalization, increased efficiencies, and improved marketing, many of the branch lines could be preserved profitably.

To look at the profitability or losses of a single line is not enough; we must recognize that this line feeds into a system and cannot be considered alone. On the B. & M., for example, there are many lines which lose money on a simple bookkeeping basis, but which generate the revenues that allow the rest of the system to make money. Any "core rail system" based on major population centers and freight densities tends to ignore the fact that many rail customers are located on branch or feeder lines, and that without their business, significant revenues would be lost.

In addition, we must consider potential as well as real revenues. A line must not be abandoned today because it is losing money, if it is also probable that in a few years developments along that line will make it far more profitable.

Nonrailroad costs must also be brought into consideration. The adequacy of the local highway system and the need for highway construction or repairs, with associated costs, must be assessed. For each branch line, it must be determined whether or not the commodities shipped or received can be transferred by truck. Materials such as lumber, coal, and grain cannot be shipped economically by any other mode of transportation. Where the goods shipped over a branch line are of this nature, abandonment is likely to have more of a critical impact than where other types of materials are handled.

Second, it is clear that Government policies—State, local and Federal—must change if a profitable, private rail system is to survive.

While the problems peculiar to the Northeast must be dealt with as such, a rational process for dealing with abandonments elsewhere in the Nation, as well as in the Northeast once the present problems are solved, must be developed. ICC procedures must be shortened and set within a specific time frame.

Basic to an abandonment proceeding is the determination of whether or not a line is profitable. Right now, no one really knows how many ton miles, how much revenue, or how much traffic is required to keep or make a line economically profitable. Several bills presently before us require that a process be developed whereby the actual costs and revenues associated with branch line operations can be identified. I have offered the strongest of such proposals. Such a process, in place of the present procedures based on guesses more than anything else, is badly needed.

Public subsidy of branch lines should be considered seriously, as it is in several of the bills before us. Public subsidies of transportation operations are not new. Barge construction is heavily subsidized. The CAB directly subsidizes local air service. If a railroad is ordered to operate in the public interest, then the public must be willing to bear a part of the cost.

It makes little sense for a rail carrier operating an unprofitable line in the public service to pay local taxes, which are often discriminatory. The adverse effect of these taxes has been thoroughly documented, and the taxes should be adjusted or abolished.

PENDING PROPOSALS

It is clear that the Congress must act quickly to preserve adequate rail service in the Northeast. I support three immediate measures to help solve the problems we face.

First, I strongly endorse H.R. 9142, the Shoup-Adams bill which has been reported out of subcommittee and is pending before the House Commerce Committee. It is the best and most comprehensive reorganization plan before the Congress. The bill would create the Federal National Railway Association, which would be charged with the responsibility for system planning and developing an implementation plan. Operations of the bankrupt lines would be the responsibility of a for-profit entity, the Northeast Rail Corporation, which would be created by the bill. This corporation would acquire bankrupt rail property in exchange for stock, and would rehabilitate and operate the railroad.

Second, I have proposed an amendment to the Shoup-Adams bill to require a complete economic evaluation of the Northeast rail system, along the lines of the B. & M. evaluation, before any reorganization plan is implemented. The figures I have offered documenting the impact on my own congressional district make it clear, I feel, that we must know the effect of what we are doing before we proceed. I hope that each of my colleagues will seriously consider supporting this proposal, and that the Commerce Committee will amend H.R. 9142 to include such provisions. The text of the amendment follows at the end of this statement.

Finally, I have proposed a bill, H.R. 10287, to provide Federal assistance to firms, workers, and communities adversely affected by the closing of railroad service. First, the bill would enable firms to explore alternative modes of transportation and alternative production processes to determine whether they can continue operation. In the event that the firms would have to close or relocate, the bill would provide assistance to workers who lose their jobs, and to the communities in which firms close.

In my view, the Federal Government has a responsibility to help those adversely affected by its policy decisions to adjust to their new circumstances. This is even truer when the local economy is as depressed as it is in much of the Northeast. I urge each of my colleagues to recognize this responsibility. I hope the Congress will act accordingly.

Mr. Speaker, I appreciate the opportunity the House has given to me, Congressman DRINAN, and my other colleagues in the House in our attempt to highlight our concern about the railroad crisis in the Northeast. It is important that the public and every Member of Congress understand the situation, so that we can act promptly and wisely to solve some very real problems.

The text of the amendment follows:

AMENDMENT TO H.R. 9142

Page 19, immediately after line 4, insert the following:

(b) In carrying out the provisions of subsection (a) of this section, the chairman shall conduct a comprehensive study of all railroads in the northeast region for the purpose of evaluating the economic viability of the rail system in such region, and of each railroad in such system; assessing the economic impact of changes in the level of rail services on communities, industries, and shippers adversely affected by such changes and on the economy of the northeast region; and determining necessary measures to be taken in the public sector and in the private sector to assure continuation of essential rail services in such region. Such study shall include an analysis of existing rail facilities and equipment, including the location, value, and use of such facilities and equipment and the cost of necessary improvements, and an analysis of the alternatives available to communities, industries, and shippers adversely affected by a loss of, or reduction in, the present level of rail services.

Page 18, line 15, immediately after plan —, insert "(a)".

Mr. COUGHLIN. Mr. Speaker, as a Congressman from eastern Pennsylvania, the Northeast rail crisis is of particular concern to me since two of the bankrupt lines—the Penn Central and the Reading—serve my congressional district.

Naturally, my constituents who are employed by these lines are distressed that they be adequately protected under a reorganization bill. Companies in my district also are concerned over the economic hardships which they would face should the threat of liquidation or interrupted service become a reality.

However, the Northeast crisis not only affects those of us from that particular geographic area. In fact, the ramifications of a rail collapse would be felt nationwide. Recent studies have shown that not only would there be an overall decline in employment and the gross national product, but there also would be an increase in the price of major consumer goods, construction materials, agricultural commodities and fuel supplies. At a time when we are struggling to find a means with which to combat the rising cost of living, not to mention the threat of a fuel shortage this winter, further complications brought on by a termination of Northeast rail service clearly are not needed.

I firmly believe it is the responsibility of the Congress to enact legislation which will again give the Northeast lines the opportunity to be self-sustaining. In the past, the Congress has provided massive amounts of Federal aid to other modes of transportation, specifically air, maritime, and highways. But assistance to the railroads has been minimal—and very recent. We simply cannot continue to neglect this vital means of transportation or allow it to deteriorate further.

While some have advocated a short-term solution to the present situation, I feel that such an action would be irresponsible. Piecemeal legislation is not the answer. The railroads have been declining for many years, and the application now of several bandages is not sufficient to heal the many wounds.

We need comprehensive, long-range legislation if we are to revitalize the railroads as an efficient and economical operation. Not only is it essential that we rejuvenate the Northeast system, which is our primary concern at present, but I feel it also is imperative that we later take a careful look at some of the other factors which have contributed to the rail decline. By this I refer to the disproportionately high taxes which have been levied against the railroads, as well as the stringent and unrealistic regulations of the Interstate Commerce Commission which have made it difficult for the railroads to abandon unprofitable lines or to adjust to changing market conditions.

Without an overall revision of the regulatory provisions of the Government agencies which deal with surface transportation, I feel that we will fail to come to grips with the problem before us, and while we may manage to produce a revival in the Northeast, this may only be short-lived. In addition, by failing to recognize and rectify the underlying causes, we may only be encouraging the possibility of similar disasters in other areas of the country.

I am pleased that the Interstate and Foreign Commerce Committee has devoted so much of its time to formulating legislation to resolve the Northeast crisis. I firmly support the principle of restructuring which is embodied in H.R. 9142, as well as the long-term approach which has been taken.

Now I feel it is the duty of all of us in the Congress to thoroughly review and evaluate this legislation in order to insure that the final measure which is passed represents a truly workable solution to the Northeast problem. We need action in this area, not just more studies, and we need a plan which can be implemented within a reasonable time frame. The delay already has been too long.

The legislation which we enact must be directed at the transportation problems of the 1970's and the years beyond, not a patchwork proposal to update laws and regulations of a bygone era. While I realize that the dilemma is indeed complex and that many special interests are affected, the overall national interest should be recognized above all else in formulating a measure which will restore the Northeast railroads as viable and contributing forces in our transportation network.

Mr. TIERNAN. Mr. Speaker, today is a significant day in which to focus-in on rail problems, particularly those that plague us in the Northeast section of the country. Federal Judge John Fullam of Philadelphia designated today, October 1, as a deadline for submittal of a plan to help solve the Penn Central operation.

As Members of the House know, the Subcommittee on Transportation and Aeronautics has reported out legislation which would assure maintenance of fully adequate rail service to the Northeast during a period of great change in the Government's role in railroad assistance. Briefly, the Adams-Shoup bill provides for a Federal National Railway Association—FNRA—which would design a new rail system and would also be a financing agent for the new system; a mandatory consolidation of selected rail properties into an operating, privately owned entity—RRC; an exchange of stock and FNRA bonds for the rail assets; labor protective provisions for workers displaced by restricting of the system and a limited operating subsidy for bankrupt railroads threatened by a shutdown during the planning period—about 15 months.

A great deal of hard work has gone into this legislation and it should give assurance to Judge Fullam that we are working out a solution to this problem. I want to commend the subcommittee for the effort and expertise spent on this matter; we are much in their debt.

During the planning period for granting a new and viable rail system, much research will need to be accomplished, collated and acted upon in order to carry out the mandate of the legislation. One of the critical areas to be researched is that of branch line abandonment, an issue vital to many small communities all over the country.

One of the major elements in railroad reorganization plans is the abandonment of a considerable portion of rail mileage, most of it branch lines. There are railroads in bankruptcy, among them Penn Central and the Boston & Maine, who claim that money could be saved by the abandonment of many of their branch lines and that if this occurred their financial problems would be solved. I just do not believe in such simplistic solution, and the best studies show that branch line abandonment is not a way to solve the railroad problem.

Some of the points neglected or not considered in branch line abandonment are:

The costs of abandonment in terms of jobs lost and industry failures.

The lack of alternative transportation modes.

Where the money is being lost, that is, which lines are the real losers?

How to determine whether a line is indeed a loser, what is the methodology used?

Whether the closing of a branch line would contribute to a greater financial deficit of the "Core" line?

What innovations can be implemented to make branch lines more competitive—with other transportation modes—and more flexible?

What is the public interest consideration in branch line abandonment?

What part does the Government and the shippers play in advancing subsidy programs?

What is the future usage of abandoned branch lines properties?

These questions beg for answers. It seems to me that before action is taken in future branch line abandonments, we must have these points debated and answered.

Just recently the Boston & Maine Railroad was the subject of a comprehensive, detailed computer study, commissioned by the New England Regional Commission and Massport and carried out by Harbridge House, a private consultant. The report has not been made officially public, but enough has been learned that suggests we would benefit from a similar study of all the Northeast rail lines. The Boston & Maine study shows in part the wholesale branch abandonments will not only not solve the railroad's problems, but any significant number of abandonments probably would worsen the situation.

I believe a modern computer study such as the Harbridge House study to be a necessity in resolving our rail problems. I urge the House to approve such an approach when it considers the General National Railway Association and Northeast rail proposals.

Mr. McKINNEY. Mr. Speaker, no doubt, as part of this special order, many of my colleagues will address themselves to the social, environmental and economic factors surrounding the Northeast rails and the "instant depression" that would result should the railroads stop running. For my part, I will spend my time discussing some aspects of the Shoup-Adams bill that concern me and possible additions and deletions which I feel are imperative.

On the whole I believe the principles of H.R. 9142 as amended present a workable and balanced approach to the Northeast rail crisis, one that will preserve railroads as a major resource for the economy of the late 1970's and 1980's. I was particularly happy to note that the Shoup-Adams bill does not address itself only to the Northeast but includes the Midwestern States in the rail emergency region. Often our rail crisis is narrowly referred to as the "Northeast rail problem" when, in fact, it is an urgent national problem. Should Congress address itself now only to the Northeast rail crisis at a later time—undoubtedly in the near future—we would have to devote attention to the Midwest rail crisis. We need to provide a coordinated, integrated rail system for the entire Nation and not approach the problem in our usual piecemeal fashion, only legislating when a crisis occurs. Our national transportation system demands a total approach and I commend the Subcommittee on Transportation and Aeronautics for taking this total approach.

One of my reservations regarding the bill concerns the membership of the Board of Directors of the Federal National Railway Association. I was disappointed to note that there is no representative of railway passengers or consumer groups or environmentalists. I believe a representative for these groups is as essential as representatives of shippers, railroads not in reorganization, Governors, mayors, and labor. Too often it is passenger service that has suffered cutbacks and now, more than ever, we need continued and increased passenger service in order to relieve the congestion of our highways. I would hope that the full Commerce Committee must revise the membership of the Board of Directors in terms of adding to their number a representative for passengers, consumers, and environmentalists.

The criteria for the formulation of the final system plan includes the requirements of commuter and intercity rail passenger service and coordination with the National Passenger Corporation. The criteria also includes identification of all short-to-medium distance corridors in densely populated areas in which the major upgrading of rail lines for high-speed passenger operation would return substantial public benefits. Such a provision only highlights the recognition of the necessity of passenger service and again emphasizes the need for inclusion of a passenger representative on the Board of Directors of the FNRA.

While I was pleased to note that one function of the FNRA is to provide assistance to Amtrak in the form of loans for the improvement of the Northeast corridor between Boston and the District of Columbia, at the same time I would have preferred stronger language with respect to the Northeast corridor, specifically, implementation of the Department of Transportation recommendations. It is time the Federal Government acquire the right-of-way between Washington, New York, and Boston. We must have such a transportation system in this growing megalopolis and the price will never be lower.

It is generally agreed that the Government must play an active role in any solution which is to maintain an adequate rail service. But I am worried about that section of H.R. 9142 which commits the Federal Government, in advance, to an extensive financing program. The administration believes that the proper approach is to first find out what is needed and then to arrange for the specific funds and guarantees. That was one of the primary aims of the bill introduced by the Connecticut congressional delegation: learn the facts and then determine what Federal assistance is necessary and what form it should take. I believe it would be a mistake to pour money into a system without adequate preplanning for no one really knows enough at this time to lay out specific programs or dollar commitments. I do not want to effect an unnecessary degree of governmental intervention or cause a voter backlash or Presidential veto because of overauthorization. This problem must be approached in a fiscally responsible manner; therefore, I would prefer to see the legislation merely provide "start-up" financing, assistance in solving the labor settlement and limited loan guarantees for modernization of the system. Then, later, after the facts are in and the requirements known, we can responsibly legislate additional funds.

I was pleased to note that the subcommittee draft recognizes the problem of abandonments and provides for a system of subsidies for State or local agencies that desire to operate a rail line scheduled for abandonment. However, I would like to see the full committee go further and include a moratorium on all abandonments until the core system is identified as well as provide that no abandonments occur until a modern computer study similar to the one done by Harbridge House on the Boston & Maine is carried out for the entire Northeast rail system. Too often it is assumed that excess branch lines are what is killing the railroads when, in reality, abandoning lines does not make railroads more viable in most cases.

Along this line I would like to see inclusion of a provision mandating preservation of existing rights-of-way—whether in use or not—for future mass transit use in the rail emergency region. The rights-of-way on lines that are dropped from the core system and not subsidized by the States, communities, shippers, or manufacturers, must be protected. Technical developments may restore economic possibilities of feeder lines in the future and other modes of transportation might make use of old transportation corridors. Once a railroad right-of-way has been held for development, it can never again serve transportation.

Included in any plan to resolve the Northeast railroad problem must be revisions of the Interstate Commerce Act. One of the basic problems of our railroads is that they are being regulated in the 1970's under a law written in the 1880's when the railroads were a monopoly. It would be easy to say that the fault lies with the Interstate Commerce Commission but that agency simply administers the laws written by Congress. Now is the time to rewrite the Interstate Commerce Act so that our new railroad system can make the proper adjustments to changing economic conditions.

For example, we must eliminate minimum rate regulations so all transportation can compete freely on the basis of price, speed, and service. We must eliminate restrictions that prohibit a company in one field of transportation—whether trucking, airlines or railroads—from operating in any of the other fields, thus granting the benefits of intermodal operations to both the shipping public and the railroads. I would urge the Commerce Committee to give full attention to this area for regulatory reform would immeasurably assist in underwriting the viability, durability and progress of the new railroad system.

Perhaps most important, I believe it is imperative that a management study of the railroad industry be mandated in the Shoup-Adams bill. It is obvious that fundamental structural changes are needed in the railroad industry for without basic management and operating reforms we cannot expect maximum returns on any funding that is infused into the new rail system. Public and private funding will just go down the drain—necessitating further drains on the public trust—unless outdated management and operating techniques are replaced by total systems economic analysis, adequate marketing and operating planning, advanced industrial engineering techniques, sound financial analysis for sound pricing patterns, new accounting procedures, and effective marketing programs that can return adequate profits.

We can give our railroads all the money in the world but until management and operating reform is achieved, our railroads will be unable to meet the needs of shippers in competitive climate and all our efforts at revitalizing our railroads will go to naught. In fact, it is not inconceivable that the board of directors of FNRA should include an expert on transortation management as a means of insuring that the necessary reforms are realized.

In conclusion, let me state my belief that the Shoup-Adams bill is a step in the direction of responsible legislation to meet our rail crisis. I stress the urgency of enactment of this legislation, particularly in light of our energy crisis, to meet the critical freight and passenger service needs not only of the Northeast but of the entire Nation.

Mr. MOAKLEY. Mr. Speaker, I join my distinguished colleague, Mr. DRINAN, in expressing deep concern over the Northeast rail crisis and its implications for my State, my region, and the country.

The bankruptcy of the six Northeastern railroads and the threatened termination of service will have a disastrous effect on the economy of New England, the Northeast, and indeed, on the entire Nation. The ICC has recently stated that a shutdown of rail service would have a severe impact on the economic well-being of the Northeast, an area which is already saddled with an impending fuel shortage and pockets of high unemployment. In another projection, the ICC predicted that an 8-week shutdown of the Penn Central alone would lead to a staggering 2.7-percent decrease in the growth rate of the entire national economy, a decrease which our faltering economy can ill afford.

Obviously, the fate of these six Northeastern railroads is of grave national as well as regional concern. As Mr. Drinan concluded in his September 25 congressional insert, the collapse of the six railroads would inevitably lead to a national recession.

The statistics for the Penn Central alone are awesome. This line moves 24 percent of the freight transportation of all new automobiles from the factory to the dealer; and serves 55 percent of America's manufacturing plants and 60 percent of its employees. Northeastern dealers receive some 1,300 carloads of General Motors automobiles weekly from Ohio. In Massachusetts, GM utilizes 406 carloads per week, while in New York, GM facilities employ 1,673 carloads per week.

At a time when unemployment is plaguing a large segment of our work force, one can hardly allow the dissolution of these railroads. In my own State of Massachusetts, where the closing of Army bases promises to inflate an unemployment rate already ranking among the Nation's highest, a termination of rail service would be a crippling blow.

The repercussions of a cessation of rail transport in the Northeast would reach far beyond Massachusetts and the Northeast. Each year, the State of California transports 7,941,000 tons to the Northeast by rail. Trains carry some 5,177,100 tons yearly from Florida, and the Northeast also receives 46,047,100 tons of freight from Minnesota.

Northeastern rail shipments to other regions of the country are likewise significant. Last year's rail shipments to North Carolina were recorded at 11,333,110 tons, transports to Wisconsin were 7,223,300 annual tons, and Tennessee received 10,522,300 annual tons.

Congressman Drinan, as well as other distinguished members of the New England congressional caucus, have noted that the maintenance of branch line operations is crucial to the continuing prosperity of their jurisdictions.

On another front, the rail crisis will have a serious effect on the energy crisis. Railroads require less fuel than any other mode of transportation and they burn it more efficiently. According to Richard A. Rice, professor of transportation at Carnegie-Mellon University, railroads have a gross efficiency of 200-ton miles per gallon, as compared to the 58-ton-mile per gallon for trucks and the 3.7-ton-mile per gallon for airplanes. To illustrate this point further, I call your attention to the Harbridge House study of the Boston & Maine, one of the six affected railroads. In 1972 the B. & M. carried 14.1 million revenue tons of freight. If this freight were carried by truck, it would have taken more than a million truck trips, requiring an additional 26.1 million gallons of fuel. At a time when service stations have tight gas supplies and the apprehension of a cold winter raises alarm, the savings in fuel consumption by trains is of crucial importance.

During the last several years, the Nation has made a commitment to improve our environment, and certainly transportation activities are a major factor in the fight against pollution. In the northeast corridor, transportation accounts for 90 percent of the carbon monoxide, 50 percent of the nitrogen pollutants, and almost 50 percent of the hydrocarbons. Rail service contributes less pollution per passenger than any other mode of transportation. As was stated earlier, trains use less fuel than trucks and equally important, they burn it much more efficiently. Analyses of rail emissions show that trains give off ⅓ as much pollutants as aircraft, one-twenty-fourth as much as buses, and one-thirtieth as much as automobiles. In short, trains meet the demand for transportation without further deteriorating the environment. Insuring the continuation of rail service would be an ecologically sound move.

Trains also contribute very little to noise pollution. Their impact is extended over a small area and only for a limited time. A rail system does not plague urban home owners as do low-flying aircraft.

Effective rail systems lessen the increasing demand for roads and highways at the same time as they help alleviate the congestion of innercity traffic. Continued and extended use of railroads also helps curtail the massive expansion of airports which have customarily bought up privately-owned residential areas for the construction of runways and other airport needs.

Railroads use a minimal amount of land and are able to transport a maximum amount of tonnage, all at reasonable expense. They neither pollute our environment nor disturb our urban dwellers. In short, their continued use is a necessity for the United States of the 1970's and 1980's.

The plight of the six bankrupt railroads will soon be before us. The continued operation of Penn Central and the other lines is a must for all those who are concerned about the economy of New England, the Northeast, and the Nation; it is a must for all those who are concerned about the energy crisis; it is a must for all those who are interested in saving our environment; it is a must for those who seek solutions to innercity traffic problems; it is a must for all those cities, such as Boston, where there is an acute shortage of land; and it is a must for those who are concerned about the high rate of unemployment in this country.

The Shoup-Adams bill, H.R. 9142 is presently being marked up by the Interstate and Foreign Commerce Committee and will be voted on shortly. It calls for a restructuring of the Northeast rail system with Federal financial assistance, in the form of direct grants and Government guaranteed bonds. I consider this to be a strong, viable solution; and I call upon my colleagues to actively support this crucial legislation.

GENERAL LEAVE

Mr. DRINAN. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SOUTH TEXAS TO PAY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Gonzalez), is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, it is absolutely incredible that the Railroad Commission has not looked to Coastal for the dollars needed to obtain gas to fulfill its contracts. After all, it is Coastal that stole the gas from its own contracts, in the first place. The fact that LoVaca cannot meet its contracts, stems from the actions of Coastal in stealing LoVaca's assets and from nothing else. In light of that, it is incredible and unconscionable that the Railroad Commission expects the citizens of San Antonio, and Austin, and south Texas to pay for the theft. I always thought that the object of law was to make the thieves pay and not the victims.

The Railroad Commission instead of granting an increase, ought to demand that Coastal put up the money to find the gas for LoVaca and, in addition, put up the money to pay for the hundreds of millions of dollars in damages that their criminal actions have caused to the people of San Antonio, and other communities affected by the ruthless tactics of the robber barons in control of Coastal.

I applaud the dissenting vote of Commissioner Wallace, and I can find no words adequate to express my dismay and utter contempt for the votes of the majority who have delivered us into the hands of these thieves.

U.S. BUSINESS INVOLVEMENT IN SOUTHERN AFRICA

The SPEAKER pro tempore. Under a previous order the House, the gentleman from Michigan (Mr. Diggs) is recognized for 10 minutes.

Mr. DIGGS. Mr. Speaker, in connection with U.S. business involvement in southern Africa, I would like to submit for the thoughtful attention of my colleagues the text of my statement before the Subcommittee on Civil Rights and Constitutional Rights of the Committee on the Judiciary, on September 20, 1973, on House Joint Resolution 269[*]—to influence U.S. companies doing business in South Africa to be equal opportunity employers by so conditioning eligibility for U.S. Government contracts. The statement follows:

STATEMENT OF REPRESENTATIVE CHARLES C. DIGGS, JR.

PART I—INTRODUCTION

Mr. Chairman, I wish to express my deep appreciation for the opportunity to appear before you today to testify on H. J. Res. 269 and for the awareness of the urgency of the problem which you and Chairman Rodino have demonstrated both by these hearings and by your co-sponsorship of this measure.

The shots at the gold mine in South Africa last week felling scores of people and killing 12 miners—a tragedy recalling the Sharpeville massacre of more than a decade ago—is the culmination of the waves of strikes this year in South Africa at Durban, and at Richards Bay. This disaster (and I would like to include an editorial from the Christian Science Monitor) brings home to us that the U.S. government cannot sit by with more exhortations and suggestions for fair play to their employees by the more than 30 U.S. companies with a billion dollars direct investment alone in South Africa. The unfair, unequal employment practices in that country, the abominably low wages for the armies of black workers appear to be bringing ever closer the holocaust that looms in that country. U.S. companies cannot, and must not, be a part of or a catalyst for such slaughter of labor. The irony of it is that the same companies, which are in the forefront of equal employment practices in the United States, in South Africa remain in the mainstream of discriminatory and, yes, exploitation practices.

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[*] (Also House Joint Resolution 522, 683, 699, 703, and 726.)

Our government must act to protect U.S. interests—both foreign policy and domestic interests are directly involved here—and use its legitimate leverage with respect to U.S. companies doing business in South Africa and Namibia, the international territory which South Africa continues to administer in defiance of the international community. We must use that leverage to influence U.S. companies to adhere at least to certain basic standards of equal opportunity.

Mr. Chairman, this measure was introduced after direct, on the ground observation of U.S. businesses in South Africa and after almost two years of hearings before the Subcommittee on Africa on U.S. business involvement in southern Africa. I would like to append my findings on the study mission to South Africa, pp. 163–172, of the Faces of Africa, for inclusion in the record.

These investigations demonstrated that: (1) In South Africa there is a governmentally prescribed and enforced system of non-free labor imposed by the South African government by legislative, administrative and other measures on the basis of race and color and as a part of the inhuman policy of apartheid, (2) Businesses do not respond, other than in a superficial cosmetic fashion, to voluntary efforts. The sporadic response to the questionnaire made this clear.

The response of the Executive Department to the recommendations made in my Action Manifesto of December 14, 1971 made it clear that it is the Congress that must put teeth in this effort. (Mr. Chairman, here I would like to introduce as an appendix to my statement, to be included in the record, the relevant recommendations [recommendations 26–32] from the Action Manifesto—a recommendation that the President establish an honor roll of U.S. firms doing business in South Africa as equal opportunity employers,—a recommendation that the President amend E.O. 11246 to make fair employment practices in their South African enterprises a condition of eligibility for government contracts.

It is the Congress that, at a minimum, must require that, where U.S. companies—notwithstanding the utter repugnance of the apartheid system, and their inevitable involvement in the all-pervasive unconscionable discrimination of that system—decide to continue doing business in South Africa, the U.S. employer must not engage in racially discriminatory practices with respect to the key areas of: wages; fringe benefits; hiring; training opportunities; opportunity for advancement to supervisory, and higher positions.

Thus, the proposed legislation provides:

"Section 1. No United States person (a) having a major investment in an enterprise in South Africa, or (b) affiliated with an entity doing business in South Africa, shall be eligible to enter into any contract with any agency of the United States Government unless such United States person is doing business in South Africa in accordance with fair employment practices and is listed on the roster to be established under section 4 of this joint resolution."

I do not believe there is time today to review the conditions of the workers in South Africa. For reference purposes, I am appending pp. 110–126 of *The Faces of Africa* on "The Economy" and "The Labor System of South Africa" to my statement, for inclusion in the record.

The thrust of my testimony today, Mr. Chairman, will be to build the legislative history by clarifying what we as initiators of this legislation conceive as its purpose, its scope and its application. Given the inherently discriminatory nature of that society, given the fact that any participant in that society must in itself be a part of the whole discriminatory pattern which permeates every aspect of life in that country given these facts, I believe it to be of crucial importance to spell out here the contemplated objectives of this legislation, immediately following a brief description of the main features of the Joint Resolution.

PART II—A REVIEW OF THE KEY PROVISIONS OF THE BILL

A basic concept written into this measure is flexibility. The Joint Resolution does not incorporate Title VII by reference. Rather, the bill provides for certain flexibility with respect to the term "doing business in South Africa in accordance with fair employment practices", except that the term "fair employment practices" is to include:

"the concepts of equal pay for equal or comparable work, equal fringe benefits, equal hiring and training opportunities, and equal opportunity for advancement to supervisory and higher positions, all without regard to race or color."

The designated administrator, the department of the government that administers government contracts—currently, the Department of Labor—is to have a Presidentially appointed advisory board for the purpose of recommending policy to him. The members of such board shall be drawn from the fields of: education; labor; civil rights organizations; business; concerned departments of government: Commerce, State and the Equal Employment Opportunity Commission; finally, there are to be two members representing the public interest.

The Administrator is (1) to review the employment practices of each U.S. person, having a major investment enterprise in South Africa or affiliated with an entity doing business in South Africa, and (2) to establish a roster of all such persons doing business in accordance with fair employment practices.

There is provision, for Presidential waiver of this requirement for reasons of national security, for a specified period. Judicial review is provided for any aggrieved person in accordance with the Administrative Procedure Act.

The provisions of the Joint Resolution would take effect one year after enactment.

PART III—WHAT THE BILL REQUIRES OF U.S. PERSONS DOING BUSINESS IN SOUTH AFRICA: AND QUESTIONS OF CONSONANCE WITH SOUTH AFRICAN LAW

Before we take a hard look at each fair employment standard which this measure would require of U.S. persons with major investments in South Africa, I believe it is desirable to state certain hypotheses basic to the implementation of the legislation and central to an understanding of the problem which is inevitably raised here as to whether this legislation would require U.S. companies to take actions which are prohibited by South African law.

Premise 1

The legislation is directed at preventing discrimination by the employer himself. This means that: (a) in the hiring situation, the U.S. employer must not discriminate, on the basis of race or color with respect to legitimate work seekers; (b) in the employer/employee relationship, the U.S. employer must not discriminate with respect to wages, fringe benefits, training, and advancement.

That is, we are concerned with that area where the employer has control.

Premise 2

In prescribing standards for U.S. businesses, the concern is what South African law requires. By virtue of custom, practices, and policies permissible under the law, discrimination is a way of life in that society. But the U.S. employer is not by statute obliged to discriminate in the specified areas of wages, fringe benefits, hiring, training, and advancement. Neither Custom nor discretionary implementation can be an excuse for non-compliance. To answer the question, what will the South African reaction be, we must be mindful that U.S. investment is eminently desirable to South Africa for a number of reasons:

(1) South Africa wishes to be identified with the West and particularly with the United States; (2) South Africa needs Western capital; (3) South Africa and South Africans are very practical people and the fact that many discriminatory measures are economically costly or the fact that they would be harmful to South Africa politically on the international scene would mean that the real concern here must be whether the law in any of the relevant areas mandates discrimination. For otherwise, the adoption, by the U.S. companies of the requisite standards is feasible. It may require hard-thinking. It may require ingenuity as to alternatives. It may require diplomacy, negotiations and tact. It may require determination and skill. But these are, we like to believe, attributes of American business. The standards set in this legislation are allowable under South African law and business must be called upon to adhere to them.

Premise 3

The concern here is primarily with the practices of the employer rather than his procedures. Thus, for example, the issues would not be whether discriminatory procedures or facilities were used by a U.S. employer for determining the wages of his white employees or whether such procedures differed from the measures used to determine those of the African employees.

Indeed under the laws providing for collective bargaining for the whites and denying it for the blacks, such procedures would probably be different. The pivotal issue would be the wage practices of the employer, whether he in fact is paying equal wages for equal or comparable work without regard to race or color.

Before considering each requirement, one at a time, let me address an old shibboleth. that it is a world-wide custom for U.S. firms to differentiate between wages for locals and expatriates. That is not the concern here. For in South Africa, we are concerned with systematic differentiation between locals on the basis of race and color.

(1) Wages

The Joint Resolution would require first, that the U.S. employer pay equal wages for equal work without regard to race or color. I am aware of no South African law which prohibits an employer from paying equal wages for equal work. Let me say here that the references which are cited in the State Department memorandum on differences in wage schedules refer to minimum wages. There is no law of which I am aware that puts a ceiling on maximum wages for private employers.

The Joint Resolution would require equal wages for comparable work without regard to race or color. I know of no South African law which prohibits an employer from paying equal wages for comparable work.

(2) Fringe Benefits

The Joint Resolution would require equal fringe benefits without regard to race or color. I am aware of no law which prohibits an employer from offering equal fringe benefits to all employees. Regrettably, U.S. employers have been very slow in providing sick pay, retirement and leave on a non-discriminatory basis for all their employees.

(3) Equal Hiring and Training Opportunities

a. Hiring

The Joint Resolution would require equal hiring opportunities without regard to race or color. The first premise, stated above, makes it clear that under this proposed legislation, a U.S. employer would be required to deal on an equal basis with all work seekers who present themselves to him legitimately as applicants for work.

Thus, the employer would not be held responsible for the vast discrimination in South Africa resulting from, say, the homelands policy, influx control, pass law regulations, the Group Areas Act, or the unequal educational opportunities provided by the government under the Bantu Education Act. I know of no law in South Africa which explicitly prohibits equal hiring and training. There is the possibility of potential conflict through implementation by the Minister of closed shop agreements, or through policies under the Apprenticeship Act, the Physical Planning and Utilization of Resources Act, the Bantu Law Amendment Act, Bantu Urban Areas Act, and Bantu Building Workers Act. Again, these are discretionary; and the power to exercise that discretion is vested in the central government which has an interest in cooperating with United States business for political reasons, international public relations reasons as well as economic reasons. Further, the Joint Resolution is only intended insofar as hiring is concerned to require the U.S. employer to give racially nondiscriminatory treatment to legitimate work seekers.

Note, job reservation is applicable to less than three percent of the jobs in South Africa. It, in fact, affects an even smaller percentage because of the exemptions that have been granted. With respect to this small area, job reservation does not present a conflict insofar as new applicants for employment are concerned, because under the test set out above, the U.S. employer is not required to hire persons who, under the law, are not eligible for such employment.

b. Equal training opportunities

In any effort to make a significant difference in the employment opportunities of all South African employees in U.S. plants, training is crucial. To see what is required of the U.S. employer with respect to training opportunities under the Joint Resolution, let us look first at off-the-job training and then at on-the-job training.

Off-the-job training—The Joint Resolution would require equal treatment, regardless of race or color, by the employer with respect to opportunities for off-the-job training. The employer is not responsible for the fact that different training schools are available for whites, and that such training opportunities may not in many cases be available for blacks in South Africa.

But, if the employer funds training for whites, he must fund it for blacks. If the employer does not fund it for blacks, whatever the reason—because there are no opportunities, there are no opportunities, there are no schools, or whatever—he cannot fund it for whites without violating the injunction against his participating in unequal training opportunities. Thus, the employer, if he is to fund training, or assist training for his white employees, must seek and find alternatives for offering equal opportunity, facilitation, and assistance to the black employee, either by sending him out of the country for training, or by setting up other centers for training in South Africa or other alternatives.

On-the-job training—This is a difficult area because of the pattern of discriminatory practices permissible under the various statutes, particularly the Apprenticeship Act. But again, the standard is that the employer provide equal training opportunities for his black and white employees. Notice, we are not saying identical, but we are saying equal. This might entail his bringing in personnel for this purpose from the United States, or elsewhere, to provide the training, if the South African workers refuse. It might involve his proceeding under the Artisans Act to get around the difficulties that he might find with respect to the Apprenticeship Act, in a particular case.

Since this area of training and the requirement of equal opportunity for advancement to supervisory or higher positions are perhaps the most delicate areas and require special thought, I wish to return to discussion of the training problem after looking at the requirement for equal opportunity or advancement.

(4) Advancement to Supervisory and Higher Positions

The Joint Resolution would require equal opportunity for advancement to supervisory and higher positions without regard to race or color. I am aware of no law which prohibits an employer from providing equal opportunity to all employees without regard to race or color for advancement to supervisory and higher positions. But, policies permissible under such laws as the Industrial Conciliation Act and Factories Act are such that special consideration must be given here. It is South African custom that whites are not to be supervised by blacks. It is not law. But the Minister has the discretion if he finds it desirable to use the job reservation mechanism of the Industrial Conciliation Act to cut off certain areas for advancement.

With respect to these two areas of equal training opportunities and equal opportunities for supervisory and higher positions—and with respect to these only, the standards must reasonably be:

(1) The U.S. employer must be required to take all possible means to provide training opportunities and equal opportunity for advancement to supervisory positions for all of his employees.

(2) Where he cannot provide such opportunities, the operative provision of the Joint Resolution disqualifying such U.S. person from eligibility for government contracts will be triggered unless he can show—with the burden of proof on him to show by clear and convincing evidence:

(a) that the South African government itself has taken action to prevent him from providing the particular opportunity in question, and (b) that he has taken, and is taking, every possible step to provide such training and advancement opportunities, including efforts to have the Minister of Labor exercise his discretion to remove the barrier to such training or advancement, as the case may be.

To sum up, on the point of consonance with South African law, I believe that force majeure, or South African law, should not be an excuse for non-compliance by U.S. businesses with equal opportunity standards as set forth in this legislation for two reasons:

First, South African law does not compel discrimination in any of these specified areas. Even in the areas of training and advancement, where the law can be implemented by the administrator to provide for such discrimination, the administrator, that is the South African government, has wide discretion to implement it the other way.

Second, where the employer meets the burden of proof in this area, that a specific law, such as a job reservation determination has been implemented to prevent him from providing an equal training or advancement opportunity, a Hickenlooper-type "appropriate steps" test may apply. That is, in each case, there is a continuing obligation on the employer to continue to take every appropriate step to remove such impediment. For example, if a job reservation was made in April to prevent his advancing a particular employee into a certain job, he must show that he has sought and is seeking each month an exemption from such determination and that he will continue to do this.

One other area, that of the closed shop contract, should be singled out for comment. For in South Africa, agreements between an employer and a union can have the force of law with criminal sanctions applicable. (Note, that under the Bantu Labour (Settlement of Disputes) Act, No. 48 of 1953 the term "employee" is defined to exclude Africans, to prevent registered trade unions from having African members, and to prohibit strikes by African employees.) A closed shop contract might require the employer to hire only persons who are members of the union and this would effectively exclude blacks who were not members. Or, in other more frequent cases, the closed shop agreement would require that all employers become members of the union within a specified period. Again, this would exclude blacks. Under the Joint Resolution, U.S. companies may not be parties to such contracts and continue their eligibility for U.S. government contracts. Where such contracts are in existence, and their normal period runs for three years, the U.S. employer cannot enter into another such contract.

PART IV—CONCLUSION

I've tried to cover some of the issues posed by the Joint Resolution. I will be happy to take questions. Let me say here that this explanation shows that the so-called conflicts with South African law, touted by those who basically, I am afraid, oppose the law on other grounds, are mostly imaginary. At this point, Mr. Chairman, I would like to enter for the record an editorial from a South African newspaper, The Johannesburg Star, entitled "Those Imaginary Race Laws". The editorial concludes:

"In fact, our laws governing pay—like the wage act and industrial agreements—are devoid of either color bars or ceilings. Stripped of imaginary trimmings, they are a perfectly valid foundation for the industrial revolution now underway."

What will the bill accomplish?

It will begin to put us, as a government, on the right side.

It will signal an end to U.S. complicity with apartheid and give substance to U.S. oral policy of abhorrence of apartheid.

It will enable U.S. companies to stand up against patterns of discrimination, and to become equal opportunity employers.

It will improve the living standards of employees of U.S. firms, relatively few they may be.

It will improve the chances for education and for a better life for the children of U.S. employees.

And, thus it holds some hope for being an element in moving that country out of the tragic situation in which it is today—a situation which threatens not only the peace of southern Africa, but is a scourge to the world.

Mr. Chairman, 55 Congressmen have joined us in co-sponsoring this measure. For this reason, I urge not only favorable consideration of this bill by your subcommittee, but I urge that it be reported to the floor by the full committee.

Let not the Congress of the United States, through inaction or misinformation, be in any way responsible for continuing the conditions which led to the mining massacre. Let not the myopia, which prevents us from seeing that U.S. vital interests include policy towards Africa, prevent us from seeing the compelling domestic interests requiring that the U.S. Government act towards ending U.S. business exploitation of black workers in South Africa.

FLAGLER COUNTY BICENTENNIAL PLANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 10 minutes.

Mr. CHAPPELL. Mr. Speaker, it is inspirational to get letters from all over my Fourth District of Florida, suggesting ways the people plan to participate in our bicentennial celebration.

One of the most encouraging proposals in the form of an editorial in the Flagler Tribune has come from the fine county of Flagler, a small coastal county that celebrated its 50th anniversary as a county in 1967.

The editorial written by John A. Clegg, publisher, reads in part:

> We believe that the people of Flagler County would be proud to celebrate the part we played in the history of this nation. We would like to see a committee appointed that would begin now to lay the groundwork for an even greater celebration than we had in 1967. We believe the committee would best be appointed by the Board of County Commissioners so as to have some official status; but, we would like to see the push for the grand event to come from such organizations as Flagler Chamber of Commerce, Jaycees and Jaycettes.
>
> It would take some money to stage such a celebration. We understand that Congress and the Legislature are pouring money into the nationwide Bicentennial; but, we believe there are enough public spirited individuals, business firms and civic organizations who would support our local celebration without having to call for tax monies.
>
> By 1976 there will be a lot of new residents in Flagler County who would enjoy learning more about the heritage of their newly adopted county. And, it would do the rest of us good to have a renewed acquaintance with our history.
>
> We hear so much of what is wrong with our country today that it would just do us a lot of good to learn more about the history and heritage of our nation. We are the oldest free nation in the world to have lived under one continuous form of government. We should be proud of it and we should proudly celebrate it.
>
> Now is the time to begin making our plans. All we need is some designated leadership and we will furnish the Bicentennial Spirit. While the rest of the nation is celebrating, let's celebrate in Flagler, too.

Mr. Speaker, the remarkable aspect of this editorial is that the people are so public spirited they are not making all their plans around Federal funds. Their plans spring from a deep-rooted patriotism and sense of heritage. We highly commend this county for projecting the true meaning of the bicentennial celebration.

TOM VAIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, at the age of 45 a person begins to look back over his life at what he has accomplished and look forward to what he may yet still hope to accomplish. Tom Vail really never had a chance to do either when the Good Lord called him before his time.

A driving, energetic personality, Tom continually strove to live life to its fullest and enrich the lives of all those with whom he worked or came in contact.

As chief counsel of the Senate Committee on Finance, Tom brought to his job a sense for human feelings and values, as well as an ability to get the job done.

An alumnus of the Joint Internal Revenue Taxation Committee staff—one of the best training grounds for leadership in one of the most demanding fields of public service—those who had worked with him over the years on this committee were glad they would continue working with him in conferences with the Senate Finance Committee. Tom was not only a good administrator, not only a man with in-depth knowledge of the complex subject matters within the purview of these committees, but a skilled diplomat who worked well with the strong personalities often found in congressional committees.

We often hear people praised in this Chamber for being an outstanding public servant—so frequently that the impression may well be encouraged that hard-working, self-effacing, professional, and nonpartisan aides and administrators are a dime a dozen—easy to find and easy to replace. Nothing could be further from the truth. Men like Tom Vail are rare among men, and Tom was the rarest of them all. Knowing full well the extent of his illness, Tom's order of priorities remained unchanged. His sense of obligation to his committee remained uppermost in his mind, and striving against the inevitable, he continued to follow committee developments up to the very end.

Yes, he will be sorely missed by all of us who had the opportunity to know and work with him. The late President John F. Kennedy once said while addressing this Nation:

> Ask not what your country can do for you, but rather what can you do for your country.

Tom was the living embodiment of this noble ideal.

I join with my colleagues in the House in extending sincerest condolences to Mrs. Vail and her family and hope she takes comfort in her hour of great personal loss in the knowledge that her loss is shared by so many others.

ANNUNZIO PROPOSES EXEMPTION OF PORTION OF RETIREMENT INCOME FROM FEDERAL INCOME TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the Senate has passed and sent to the House landmark legislation for reform of the private pension system. The thrust of this bill is to protect the rights of the workers who now participate in private pension plans and to permit individuals who are either not presently covered or are inadequately covered by employer pension plans a tax deduction for amounts they set aside toward their own retirement. This legislation would provide minimum vesting standards minimum funding standards, plan termination insurance, portability rights and fiduciary standards.

I strongly support pension reform and look forward with interest to the final version of this bill which will emerge when the Senate bill is combined with those currently under consideration by the House. However, the protections provided by reform legislation will be of little value if, when retirement benefits are received, they are taxed so heavily there is not enough left to live on.

Accordingly, I am introducing today a bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from Federal income tax for amounts received as annuities, pensions, or other retirement benefits, in the case of an individual or a married couple.

Under present tax law, retirement benefits may be partially or totally excluded from income for purposes of the Federal income tax depending on the nature of the benefits. Social security and railroad retirement benefits are excluded from income. If a retiree did not contribute to the cost of his pension or annuity, and it was fully paid by his employer, usually he is taxed on the full amount received each year. If a retiree contributed all or part of the cost of his pension or annuity, only part of each payment he receives will be taxed, whether he obtained his pension from a commercial organization or in connection with his employment.

If both the retiree and his employer contributed to the cost of the pension or annuity, and the retiree will recover his contribution within 3 years, no part of the payments he receives is taxable until his cost is recovered. After his cost has been recovered, all amounts he receives will be included in income and subject to tax. If the retiree will not recover his cost within 3 years, generally the payments are partially taxable and partially nontaxable.

Since most private pension plans are employer financed, most retirees are fully taxable on their retirement income. My bill will ameliorate the impact of this discriminatory treatment of retirement income by assuring that all retirees can receive up to $5,000 of tax-free income.

This amount of exempt income can hardly be termed lavish in terms of today's cost of living. The U.S. Department of Labor has updated to autumn 1972 its hypothetical budgets for a retired couple. The retired couple is defined as a husband, age 65 or over, and his wife. They are assumed to be self-supporting and living in their own home in an urban area; they are in reasonably good health and able to take care of themselves.

The budgets illustrate three different levels of living and provide for different specified types of amounts of goods and services. They represent estimates of total costs and are not based on actual expenditures. For this couple, the U.S. average cost of the lower budget amounted to $3,442, while budgets at an intermediate and higher level of living averaged $4,967 and $7,689, respectively.

These year-old estimates are already dramatically outdated. Not only has the overall cost of living—as measured by the Consumer Price Index—increased at an annual rate in excess of 6 percent since that time, but the bulk of acceleration has been in that crucial segment of the retiree's budget food which has increased at an annual rate of over 16.3 percent.

This appalling pace of inflation is difficult for all of us. But the chief burden is on those with fixed income. My proposal would greatly lessen this burden. We have an obligation to help those who have worked hard all their lives. Obviously, they do not want a handout. But they deserve protection from the cruel inroads of inflation. My proposal will accomplish this objective in a dignified manner. I urge my colleagues to enact this legislation.

DO NOT LET SCHONAU CLOSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, I was heartened to hear that last week, the House Ways and Means Committee voted to include most of the provisions of the Mills-Vanik Freedom of Emigration Act in the trade bill which they are considering. We have worked long and hard on this measure, and I am sure that we will be fully victorious when it comes up for a vote on the floor in the near future.

But, just as victory is within our reach in the Vanik amendment, we see it literally snatched away by the actions of political terrorists and cowardly Government officials.

When the Palestinian terrorists last week took three Jewish hostages in Austria, we were once again treated to a display of what happens when the world refuses to deal with the dangers of terrorism. I do not know how many times I have spoken on this, and how many countless times others have warned us of what would happen if we did not act to stem the terrorist onslaught. At first, it was airlines which capitulated to the demands of the terrorists. Now we are treated to the spectacle of an entire nation reversing a long-standing humanitarian policy because of the depraved actions of two amoral fanatics.

Chancellor Kreisky of Austria tells us that he made the decision to close the emigration center at Schonau because it was the only way to save the lives of the three Jewish hostages taken by the Palestinians. He says that he does not want Austria to become a center of conflict in the confrontation between Israel and the Arab States and their terrorist minions. He tries to reassure us that Austria will still be open to those who want to travel through it to some other country.

But how much of his words can we believe when we see that the center at Schonau Castle will be closed. I was at Schonau myself earlier this year, for the Passover holiday. I was deeply moved by the sight of hundreds of Jews, men, women, children, one of them a 3-month-old infant, who were stopping there on their way from Russia to Israel. At Schonau, these people were getting their first taste of freedom in their lives. They were given some information about what would be waiting for them in Israel. They were given a brief respite to collect and compose themselves, to rest between the oppression which they had suffered in Russia and the culture shock which they would undergo in Israel.

Closing Schonau Castle, and ending the immigration of groups into Austria, will undoubtedly strike a serious blow to Jewish immigration from the Soviet Union. Frankly, Mr. Speaker, the coincidence between the adoption of the Vanik amendment in the Ways and Means Committee and this newest terrorist attack is a little too close.

I would fervently hope that the Austrian Government will rethink its decision. Giving in to the terrorists, especially such as these who took two women as hostages, is craven cowardice. It appears from news reports that the decision to close Schonau was made on a suggestion originated by Prime Minister Kreisky. If this is indeed true, I am doubly angered. For when a nation extends its hospitality to those who are modern-day religious refugees, and then withdraws that hospitality when terrorism raises its head, is to display nothing less than an absolute lack of any morality and strength of character.

I appeal to Prime Minister Kreisky to abandon his decision to close Schonau. Promises extorted by such means as were used here are not promises worth keeping. In the court of world opinion, the Prime Minister will not be found of any crime if he breaks his word to the Palestinian terrorists. But if he keeps it, and if Jews from the Soviet Union are no longer able to travel through Austria on their way to Israel, then the Prime Minister will certainly be guilty of a sell-out. He will have sold out the integrity of his entire nation, and he will have sold out the hopes of thousands of Soviet Jews who had hoped to use the Schonau Castle way-station on their trip to Israel.

I cannot reiterate strongly enough that we must deal with the problem of terrorism. We will always have a gun pointed at our heads until we eradicate not only these bands of political outlaws but the conditions under which they thrive. We should not look at these as isolated incidents of sabotage and terror, but as a well-organized, and unfortunately, successful campaign against the very existence of Israel. We do not work in a complete vacuum here in Congress, but everything that we do has a profound impact on millions of people.

Our work will not be done simply with the adoption of the Mills-Vanik Freedom of Emigration Act. Rather, I believe that this event will mark the beginning of even greater demands being placed on the United States. We will have made it possible for Jews to leave the Soviet Union if they so desire. But simply having the right to leave will do them no good if they have no way of getting to Israel, or if the existence of Israel continues to be threatened by Palestinian terrorists and Arab leaders out for Jewish blood.

In the story of Exodus, Moses led his people to the Red Sea, where the waters were parted for them, so that they could escape from Pharoah and his armies. Moses did not stop with lifting his hands aloft, but led his people across the sea bed into safety. It may be a rather unusual analogy, but we have in a way parted a modern-day Red Sea for the Jews living in Russia. I do not think we can simply stop with opening the doors to emigration. We must make sure that a right to emigrate is a right that can be used by anyone who so desires. For unless a right can be used freely, it is meaningless and may as well not exist.

Schonau Castle is vital to the effort to save Soviet Jewry. I call on Prime Minister Kreisky, and I urge my colleagues to join me, to reverse his decision so that Jewish emigration from the Soviet Union will not be disrupted for even one day.

PROPOSED ESTABLISHMENT OF JOINT COMMITTEE ON NATIONAL GROWTH AND LAND USE POLICY

Mr. ASHLEY. Mr. Speaker, I rise to propose the establishment of a Joint Committee on National Growth and Land Use Policy to provide guidance and to oversee and monitor Federal and federally sponsored activities and programs that collectively shape our patterns of national land use and development. Presently, this is a matter of vital interest to many standing committees but the single responsibility of none.

I am pleased to advise that this proposal has the support, among others, of the Advisory Commission on Intergovernmental Relations, the American Institute of Architects, the American Institute of Planners, the Urban Land Institute, the Governors Conference, the National League of Cities, the Conference of Mayors and the National Association of Counties.

The decision to propose this joint committee, either by a separate resolution or as an amendment to the land use bill soon to be reported by the Committee on Interior, was not taken lightly. We are all well aware of the unusual demands on every Member's time. Just keeping up with our work within the standing committees is difficult enough. But it has grown increasingly apparent during the last several years that there is many a slip between the cup and the lip when it comes to what Congress intends when it enacts major legislation and the actual results we get when the act is implemented. This is not solely the fault of the executive agencies. All too often the Congress itself has acted without full awareness of the possible connections between a bill brought to the floor by one committee to achieve a special purpose and a bill brought before us for a separate purpose by still another committee. Yet it is the overall impact of such legislation that shapes the way the country develops.

If we are to maintain the balance of powers so essential to the successful functioning of this Government, Congress is going to have to have the instruments it needs to evaluate the consequences that flow from the legislation it enacts. We are at the mercy of the specialized agencies of the executive branch in the information we receive about these special programs and the effects they are having on the country. The standing committees are excellently equipped to evaluate the activities of the agencies over which they preside.

But many Members are coming to

realize that the actions and programs of the agencies when all taken together are what really shape the way this country has grown. Sometimes what we have authorized in good conscience for a special purpose conflicts with something else we have also authorized. The total result is often less than we hoped for, but we do not hear about it because each of the agencies, reporting to its own standing committee, looks at the problem from its own narrow point of view. We do not get all the facts because no one knows the facts. And Congress must have facts to legislate. We cannot blame the executive branch entirely for this state of affairs. The fault is in ourselves and the way we are organized to deal with these questions when they involve the interests of more than one or two of the standing committees.

No better example of the need to have the facts is likely to come before us than this bill to establish a national land use policy. Its subject and concerns touch the interests of the majority of standing committees.

Nearly every legislative committee has responsibilities which affect the nation's future development and land use.

The Committee on Interior and Insular Affairs has brought this vital legislation before us at the same time that it is deeply concerned with closely related questions involving our future sources of energy and supplies of materiel.

The Committee on Banking and Currency is urgently concerned with assuring that land is available in the right places and the right times for the future housing and development needs of the country. The committee has urged for several years the development of national policies on urban growth—policies very much related to the matters at issue in the land use legislation presently before us. It was because of this that the House approved the Urban Growth and New Community Development Act (42 U.S.C. 4501) in the 1970 housing bill calling upon the President to submit recommendations that would lead to the development of a national urban growth policy.

The Committee on Agriculture and Forestry has been much concerned for many years with the problems created in our rural areas as the population has drifted away to the metropolitan areas. On the recommendation of that committee we approved a Rural Development Act in 1972 that has as its purpose the achievement of balanced national growth. Over in the other body, the Committee of Agriculture and Forestry has before it legislation concerning this same matter.

Just recently, the Committee on Merchant Marine and Fisheries issued the results of its extensive hearings into the overarching problems of National Growth.

The Committees on Public Works in both the House and Senate, given their concerns with regional development, the development of our highway system, the management and quality of our air and water, and the construction of major public projects have a profound interest in these same matters and have considered over the last several years the need for a national development policy to harmonize the many activities of the National Government in this field.

The Committee on Interstate and Foreign Commerce has had equally great interest in connection with the impact of the transportation and communication activities of the Federal Government.

The responsibilities of nearly all other standing committees have an equally important bearing on the problem. As a matter of fact, last year the Committee on Interior and Insular Affairs in the other body inventoried the committees of the House and Senate with direct interests in land use policies and practices and found 11 in each House, plus 1 joint committee, which have continuing responsibilities in issues relating to national land use policies and practices. I include the list of jurisdictional responsibilities of the committees in each House related to this matter of land use at this point in the RECORD:

STANDING COMMITTEES IN THE SENATE AND HOUSE: JURISDICTION AND SUBCOMMITTEES INVOLVED WITH LAND USE POLICY

HOUSE

Agriculture Committee

Crop insurance and soil conservation.

Forestry in general, and forest reserves other than those created from the public domain.

Plant industry, soils, and agricultural engineering.

Rural electrification.

Subcommittee on Forests.

Special Subcommittees on Conservation and credit, family farms, and rural development.

Appropriations Committee

Subcommittees on:

Agriculture.

Independent Offices and Department of Housing and Urban Development.

Interior and Related Agencies.

Military Construction.

Public Works.

State, Justice, Commerce, and the Judiciary.

Transportation.

Armed Services Committee

Ammunition depots: forts: arsenals; Army, Navy, and Air Force reservations and establishments.

Conservation, development, and use of naval petroleum and oil shale reserves.

Special Subcommittee on Real Estate.

Banking and Currency

Public and private housing.

Subcommittee on Housing.

Interior and Insular Affairs

Forest reserves and national parks created from the public domain.

Forfeiture of land grants and alien ownerships, including alien ownership of mineral lands.

Geological survey.

Interstate compacts relating to apportionment of waters for irrigation purposes.

Irrigation and reclamation, including water supply for reclamation projects, and easements of public lands for irrigation projects, and acquisition of private lands when necessary to complete irrigation projects.

Measures relating to the care, education, and management of Indians, including the care and allotment of Indian lands and general and specific measures relating to claims which are paid out of Indian funds.

Measures relating to insular possessions of the U.S., except matters affecting the revenue and appropriations.

Military parks and battlefields.

Mineral land laws and claims and entries thereunder.

Mineral resources of the public lands.

Mining interests generally.

Mining schools and experimental stations.

Petroleum conservation on the public lands and conservation of the radium supply in the United States.

Preservation of prehistoric rivers and objects of interest on the public domain.

Public lands generally, including entry, easements, and grazing thereon.

Relations of the United States with Indians and the Indian tribes.

Subcommittees on:

Indian Affairs.

Irrigation and Reclamation.

Mines and Mining.

National Parks and Recreation.

Public Lands.

Territorial and Insular Affairs.

Interstate and Foreign Commerce

Regulation of interstate and foreign transportation, except transportation by water not subject to the jurisdiction of the Interstate Commerce Commission.

Interstate oil compacts, and petroleum and natural gas, except on the public lands.

Regulation of interstate transmission of power, except the installation of connections between government water projects.

Inland waterways.

Subcommittees on:

Communications and Power.

Transportation and Aeronautics.

Judiciary

State and Territorial boundary lines.

Special Subcommittee on Submerged Lands.

Merchant Marine and Fisheries

Navigation and the laws relating thereto, including pilotage.

Coast and geodetic surveys.

The Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone; and interoceanic canals generally.

Fisheries and wildlife, including research, restoration refuges, and conservation.

Subcommittees on:

Coast Guard, Coast and Geodetic Survey and Navigation.

Fisheries and Wildlife Conservation.

Panama Canal.

Public Works

Flood control and improvement of rivers and harbors.

Public works for the benefit of navigation, including bridges and dams (other than international bridges and dams).

Water power.

Oil and other pollution of navigable waters.

Public buildings and occupied or improved grounds of the United States generally.

Measures relating to the purchase of sites and construction of post offices, customhouses, Federal courthouses, and government buildings within the District of Columbia.

Construction or reconstruction, maintenance, and care of the buildings and grounds of the Botanic gardens, the Library of Congress, and the Smithsonian Institution.

Public reservations and parks within the District of Columbia, including Rock Creek Park and the Zoological Park.

Measures relating to the construction or maintenance of roads and post roads, other than appropriations therefor.

Subcommittees on:

Flood Control.

Public Buildings and Grounds.

Rivers and Harbors.

Roads.

Watershed Development.

Special Subcommittee on the Federal-Aid Highway Program.

Ways and Means

Transportation of dutiable goods.

Revenue measures relating to the insular possessions.

Veterans' Affairs

Subcommittee on:

Hospitals.

Housing.

SENATE

Agricultural and Forestry

Agriculture colleges and experimental stations.

Forestry in general and forest reserves; other than those created from the public domain.

Plant industry, soils, and agricultural engineering.

Rural electrification.

Crop insurance and soil conservation.

Subcommittees on:

Agricultural Credit and Rural Electrification.

Soil Conservation and Forestry.

Special Subcommittee on Watershed Projects.

Appropriations

Subcommittees on:

Agriculture and related agencies.

Department of Interior and related agencies.

Military construction.

Public Works.

Department of State, Justice, Commerce, and Judiciary and related agencies.

Transportation.

Armed Services

Forts, arsenals, military reservations, and navy yards.

Maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone.

Conservation, development, and use of naval petroleum and oil shale reserves.

Subcommittees on:

Military construction.

National stockpile and Naval Petroleum Reserves.

Banking, Housing and Urban Affairs: Public and private housing Subcommittee on Housing and Urban Affairs.

Commerce

Regulation of interstate railroads, buses, trucks, and pipelines.

Communication by telephone, telegraph, radio, and television.

Navigation and the laws relating thereto.

Coast and geodetic survey.

Except as provided in paragraph (c) [Armed Services Committee Jurisdiction], the Panama Canal and interoceanic canals generally.

Inland waterways.

Fisheries and wildlife, including research, restoration, refuges, and conservation.

Subcommittee on:

Aviation.

Communication.

Energy, National Resources, and the Environment.

Subcommittee on Surface transportation.

Finance

Transportation of dutiable goods.

Revenue measures relating to the insular possessions.

Interior and Insular Affairs

Public lands generally, including entry, easements, and grazing thereon.

Mineral resources of the public lands.

Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

Forest reserves and national parks created from the public domain.

Military parks and battlefields, and national cemeteries.

Preservation of prehistoric rivers and objects of interest on the public domain.

Measures relating generally to the insular possessions of the United States except those affecting their revenue and appropriations.

Irrigation and reclamation, including water supply for reclamation projects, and casements of public lands for irrigation projects.

Interstate compacts relating to apportionment of waters for irrigation purposes.

Mining interests general.

Mineral land laws and claims and entries thereunder.

Geological survey.

Mining schools and experimental stations.

Petroleum conservation and conservation of the radium supply in the United States.

Relations of the United States with the Indian and the Indian tribes.

Measures relating to the care, education, and management of Indians, including the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

Subcommittees on:

Indian Affairs.

Minerals, materials, and fuels.

Parks and Recreation.

Public Lands.

Territories and Insular Affairs.

Water and power resources.

Special Subcommittees on:

Outer Continental Shelf.

Legislative Oversight.

Judiciary

State and Territorial boundary lines.

Interstate and compacts generally.

Labor and Public Welfare: Measures relating to education, labor or public welfare generally.

Public Works

Flood control and improvement of rivers and harbors.

Public works for the benefit of navigation and bridges and dams (other than international bridges and dams).

Water power.

Oil and other pollution of navigable waters.

Public buildings and occupied or improved grounds of the United States generally.

Measures relating to the purchases of sites and construction of post offices, customhouses, Federal courthouses, and government buildings within the District of Columbia.

Measures relating to the construction or reconstruction, maintenance, and care of the buildings, and grounds of the Botanic Gardens, the Library of Congress, and the Smithsonian Institution.

Public reservations and parks within D.C. including Rock Creek Park and the Zoological Park.

Measures relating to construction or maintenance of roads and post roads, air pollution control measures; disaster relief; economics development; environmental pollution control measures.

Subcommittees on:

Air and water pollution.

Flood control—rivers and harbors.

Public buildings and grounds.

Public roads.

Special Committee on Aging

Subcommittee on Housing for the Elderly (does not report legislation).

JOINT COMMITTEES

Atomic Energy: ". . . shall make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy."

That same study found that 23 Federal departments and Federal agencies have programs related to land use policy and planning. There were 112 Federal land oriented programs. I include a table showing these programs at this point in the RECORD:

A. NATURAL RESOURCES

[Dollars in thousands]

			Fiscal year—			1973 budget appendix page No.
	Agency	Nature of program	1971	1972	1973	
A. LAND						
1. Council on Environmental Quality	Executive office of the president, CEQ	FP	$1,459	$2,154	$2,550	57
2. Agricultural research	USDA, Agricultural Research Service	FP	274,379	238,590	185,654	116
3. Cooperative State research	USDA, Cooperative State Research Service	FP	69,507	82,894	87,841	125
4. Agricultural stabilization and conservation	USDA, Agricultural Stabilization and Conservation Service	M	243,374	250,890	249,280	143
5. Commodity Credit Corporation	USDA, CCC	M, PP	8,824,567	10,047,456	9,398,378	154
6. Loans to farmers and ranchers	USDA, FHA	PP	368,565	333,225	351,038	171
7. Soil conservation	USDA, Soil Conservation Service	FP, PP	138,874	149,702	149,702	182
8. Great Plains conservation program	do	PP	16,243	17,907	17,907	189
9. Resource conservation and development	do	FP, PP	13,565	21,231	21,225	190
10. Forest protection and utilization	USDA, Forest Service	M, FP, PP	365,233	314,878	321,531	216
11. Forestland management, construction and land acquisition.	do	PP	13,450	37,675	32,290	218
12. Forest roads and trails	do	PP	166,568	170,763	169,563	210
13. Acquisition of lands for national forests	do	PP	12	80	80	211
14. Assistance to States for tree planting	do	PP	980	1,118	1,015	212
15. Forest Service permanent appropriations	do	PP	115,900	97,942	138,910	213
16. Management of public lands and resources	Interior Department, Bureau of Land Management	M	81,707	70,708	81,187	539
17. Construction and maintenance on public lands	do	M, PP	3,189	4,627	7,900	541
18. Public lands development roads and trails	do	PP	4,067	4,000	3,915	541
19. Range improvements	do	PP	1,931	2,523	3,073	544
20. Resources management of Indian-owned lands	Interior Department, Bureau of Indian Affairs	M, PP	73,507	70,132	81,159	549
21. Construction of buildings, utilities, and irrigation systems on Indian-owned lands.	do	PP	37,940	59,601	47,635	589
22. Road construction on Indian-owned lands	do	PP	20,385	40,327	53,941	532
23. Geological surveys, investigation and research	Interior Department, Geological Survey	FP	114,080	128,927	145,840	554
24. Legal matters relating to land	Justice Department, Land and Natural Resources Division	PP	4,736	4,902	5,334	632
25. Environmental Protection Agency operations, research and facilities.	Environmental Protection Agency	FP, PP	283,390	417,764	490,028	779
26. Franklin Delano Roosevelt Memorial Commission	F.D.R. Memorial Commission	PP	12	40	38	902
27. National Parks Centennial Commission	National Parks Centennial Commission	PP	--------	250	------------	902

A. NATURAL RESOURCES—Continued

[Dollars in thousands]

	Agency	Nature of program	Fiscal year—			1973 budget appendix page No.
			1971	1972	1973	
B. WATER AND WATER POWER						
28. River basin surveys and investigation	USDA, Soil Conservation Service	FP	$9,520	$10,333	$11,083	153
29. Watershed planning	do	FP	6,310	6,805	6,799	155
30. Watershed and flood prevention operations	do	PP	102,834	127,638	127,591	133
31. General investigations, river, harbor, flood control, shore protection and others.	Defense Department, Army Corps of Engineers	FP	39,909	51,079	57,649	358
32. Construction of water related projects	do	PP	947,425	1,076,361	1,301,663	357
33. Operation and maintenance of water related projects.	do	M	301,579	384,668	423,500	366
34. Emergency flood control and hurricane and shore protection.	do	PP	13,173	11,657	7,000	366
35. Flood control, Mississippi River and tributaries	do	PP	91,869	90,967	96,000	341
36. Loan program for small irrigation oriented projects.	Interior Department, Bureau of Reclamation	PP	4,918	15,895	19,170	689
37. Emergency fund for continuous operation of irrigation and power systems.	do	PP	1,331	1,229	1,000	689
38. General investigations and conservation planning	do	FP	19,744	22,999	21,600	561
39. Construction and rehabilitation of reclamation and power projects.	do	PP	188,443	235,554	275,306	532
40. Operation and maintenance of reclamation projects	do	M	69,115	83,856	89,889	594
41. Colorado River Basin project	do	M, PP	17,991	32,101	11,000	598
42. Upper Colorado River storage project	do	M, PP	43,725	53,526	68,325	598
43. Alaska power investigations	Interior Department, Alaska Power Administration	FP	614	604	584	644
44. Operation and maintenance of power projects in Alaska.	do	M	399	440	627	644
45. Construction of facilities, Bonneville Power Administration.	Interior Department, Bonneville Power Administration	PP	93,145	93,131	94,899	605
46. Operation and maintenance, Bonneville Power Administration.	do	M	39,306	66,384	96,450	605
47. Operation and maintenance, Bonneville Power Administration.	do	M	5,441	6,130	6,154	646
48. Construction of facilities, Southwestern Power Administration.		M	15,600	17,343	17,765	617
49. Operation and maintenance, Southwestern Power Administration.	do	M	15,600	17,343	17,765	617
50. Water resources research	Interior Department, Office of Water Resources Research	FP	13,225	14,258	14,257	912
51. Federal Power Commission	FPC	M	19,820	21,583	22,795	914
52. Delaware River Basin development, U.S. share	Delaware River Basin Commission	FP	175	179	215	914
53. Potomac River pollution control, U.S. share	Interstate Commission on the Potomac River Basin	FP	5	20	34	914
54. Susquehanna River development, U.S. share	Susquehanna River Basin Commission	FP	----------	75	150	916
55. Water resource planning	Water Resources Council	FP, PP	5,411	6,143	6,375	—
C. MINERALS						
56. Conservation and development of mineral resources.	Interior Department, Bureau of Mines	FP	48,298	48,432	53,351	567
D. FISH AND WILDLIFE						
57. Management and investigations of fish and wildlife resources.	Interior Department, Bureau of Sport Fisheries and Wildlife	M, FP	59,708	64,753	70,441	575
58. Construction of facilities necessary to conservation and management of fish and wildlife.	do	PP	4,613	9,153	6,961	576
59. Migratory bird conservation	do	M, PP	15,434	14,591	14,412	577
60. Anadromous and Great Lakes fisheries conservation	do	PP	2,280	2,368	2,330	578
E. RECREATION						
61. Planning and research and Federal coordination for outdoor recreation.	Interior Department, Bureau of Outdoor Recreation	FP	4,164	3,807	4,011	553
62. Land and water conservation for recreation	do	FP, PP	203,103	381,483	323,373	559
63. Parks and recreation areas management and research.	Interior Department, National Park Service	M, FP	65,823	79,642	84,755	581
64. Maintenance and rehabilitition of park roads, trails, and facilities.	do	M	50,517	56,444	72,556	582
65. Construction of park facilities	do	PP	17,502	46,838	42,025	583
66. Parkways, roads, and trails construction	do	PP	23,165	23,297	22,000	584
67. Preservation of historic properties	do	FP, PP	6,625	8,653	10,600	553
68. Recreational and fish and wildlife facilities	Interior Department, Bureau of Reclamation	M, PP	1,505	2,030	959	590

B. PHYSICAL DEVELOPMENT

A. HOUSING						
69. Rural housing for domestic farm labor	USDA, Farmers Home Administration	PP	$737	$3,767	$5,463	169
70. Mutual and self-help housing	do	FP	1,721	2,450	3,729	170
71. Family housing, defense	Defense Department	PP	668,235	802,417	958,829	316
72. Interstate land sales full disclosure	Department of Housing and Urban Development, Federal Housing Administration.	M	----------	700	500	487
73. Nonprofit sponsor assistance	do	PP	2,770	6,340	8,690	487
74. Housing payments	Department of Housing and Urban Development, Housing Management.	PP	808,176	1,310,400	1,882,000	510
75. Rehabilitation loan fund	Department of Housing and Urban Development	PP	50,872	51,485	51,700	524
76. Research and technology	do	FP	43,441	50,784	62,900	531
Operation Breakthrough	do	FP	26,715	16,284	4,560	531
B. URBAN DEVELOPMENT						
77. Comprehensive planning grants	Department of Housing and Urban Development	CP	45,794	66,389	100,000	514
78. New community assistance grants	do	PP	357	12,143	10,000	515
79. Model cities programs	do	CP, PP	520,625	620,500	620,000	517
80. Neighborhood facilities	do	PP	38,441	40,002	65,000	518
81. Open space land programs	do	PP	84,867	105,268	100,000	519
82. Urban renewal:						
Capital grants	do	FP, PP	1,239,331	2,321,091	1,300,000	521
Loans and planning advances	do	FP, PP	626,802	825,134	627,661	521
83. National Capital Planning Commission	National Capital Planning Commission	CP	1,092	1,527	1,365	911
C. RURAL DEVELOPMENT						
84. Extension Service	USDA	PP	159,607	172,269	181,631	125
85. Economic Research Service	do	FP	15,934	16,048	17,248	152
86. Rural Development Service	do	FP	----------	240	490	164
87. Public facility loans	Department of Housing and Urban Development	PP	48,980	61,988	62,241	526

	Agency	Nature of program	Fiscal year— 1971	Fiscal year— 1972	Fiscal year— 1973	1973 budget appendix page No.
D. REGIONAL ECONOMIC DEVELOPMENT						
88. Appalachian regional development	Appalachian Regional Commission	CP, PP	$262,888	$374,211	$300,000	71
89. Economic development facilities	Commerce Department, Economic Development Administration	PP	159,998	190,000	160,000	231
90. Industrial development loans and guarantees	do	PP	49,983	50,000	40,000	231
91. Planning, technical assistance and research	do	FP	20,778	20,855	22,368	213
92. Regional development programs	do	CP, PP	36,505	39,408	41,141	297
93. Tennessee Valley Authority	TVA	CP, PP, M	1,245,612	1,130,522	1,555,744	964
E. SANITATION						
94. Waste disposal planning and development	USDA, Farmers Home Administration	FP,PP	43,998	42,000	42,000	165
95. Basic water and sewer facilities	Department of Housing and Urban Development	PP	119,660	241,211	235,000	511
96. Construction grants for municipal waste treatment works.	Environmental Protection Agency	PP	1,228,364	2,080,500	2,000,000	751
F. TRANSPORTATION						
97. Transportation planning	Department of Transportation	FP	15,250	32,859	49,000	681
98. Transportation systems center	do	FP	24,098	34,257	50,618	618
99. Grants-in-aid for airports	DOT, Federal Aviation Administration	FP, PP	305,713	295,000	295,000	711
100. Highway beautification	do	PP	11,910	38,033	61,300	710
101. Forest highways	do	PP	30,933	22,878	22,040	711
102. Public lands highways	do	PP	12,936	10,000	12,000	718
103. Inter-American Highway, Alaska Assistance Program, Chamizal Memorial Highway.	do	PP	4,620	3,577	359	719
104. Federal and highways	do	PP	4,621,365	4,997,297	4,417,000	700
105. Right-of-way revolving fund	do	PP	50,000	50,000	50,000	700
106. High-speed ground transportation research and development.	do	PP	24,113	25,540	60,862	731
107. Urban mass transportation fund	DOT, Urban Mass Transportation Administration	FP, PP	334,077	696,175	1,000,000	735
108. Washington Metropolitan Area Transit Authority, U.S. contribution.	WMAIA	PP	180,028	188,011	174,321	919
G. OTHER						
109. Alteration of bridges	DOT, Coast Guard	PP	----------	8,750	13,900	892
110. Atomic Energy Commission plant and capital equipment.	AEC	PP	409,600	478,970	411,300	714
111. Sites and expenses, public building projects	General Services Administration	PP	22,704	28,750	34,500	703
112. Construction of hospital and domiciliary facilities	Veterans' Administration	PP	102,834	109,897	155,923	860

Each of us has a good idea of what should be accomplished under the separate bills with which we are concerned, but Congress has no way of knowing what the cumulative consequences of all these separate actions on the future growth and development of the country might be. There is little doubt that most of us are disappointed with the results we have sometimes achieved in the past and we are frustrated when the executive branch is unable to fully apprise us about what the overall impact of Federal programs is on the way the country is growing.

Some of the European nations are trying to sort out these problems. They are trying to put together policies that are harmonized so they do not have some of the accidental results of the kind that we have had within this country.

Most Members are concerned over the unbalanced development of the Nation which has occurred during the past five or six decades. Most of us recognize that much of rural America has been decimated as the country has become more metropolitan. Most of us are concerned with the enormous economic and social costs of central city decay. Most of us worry over the mismatch between where people who need jobs the most can live and where most of the new jobs are located. Most of us are well aware that we are in an environmental and resource crisis because of our unbalanced approach to national development. Most of us know that a policy on land use and a policy on national growth are closely linked. And most of us readily acknowledge that Federal policy has a heavy influence over all this.

But the fact is, Mr. Speaker, that we are not adequately equipped to do very much about making collective sense out of these policies. It is little wonder then that some of these programs have results we did not and could not anticipate.

Back in 1970, the Office of Management and Budget and the Economic Development Administration in the Department of Commerce tried to identify how the expenditure of Federal dollars was affecting the Nation's patterns of growth. They measured the proportion of the country's population living in the poorest and richest counties, the slowest-growing and fastest-growing counties, the metropolitan areas of more than 1 million and those less than 1 million. They measured those living in rural counties and those living in central cities and those living in suburban versus those living in depressed counties.

They then measured the proportion of Federal dollars flowing into each of those categories. They found twice as much proportionately flowing into the rich, fast-growing areas as into the poorest. The largest proportion by far is flowing into the most congested, fastest developing areas. The flow of Federal dollars in most cases reinforces the existing trends of development and land use in the country.

I place a table entitled "Locational Impact of Federal Expenditures—Fiscal Year 1969" at this point in the RECORD:

LOCATIONAL IMPACT OF FEDERAL EXPENDITURES, FISCAL YEAR 1969

	Population (percent of United States)	Program (percent of United States)	Concentration ratio
Poorest counties	10.0	6.1	0.61
Richest counties	10.1	13.2	1.31
Slowest growing counties	10.2	11.7	1.15
Fastest growing counties	10.0	12.4	1.24
SMSA's>1,000,000 in 1966	37.3	42.7	1.14
SMSA's<1,000,000 in 1966	29.6	30.5	1.03
Non-SMSA urban counties	11.0	9.9	.90
Rural counties	22.1	16.9	.76
Central cities	12.5	18.7	1.50
Suburbs	8.4	8.2	.98
EDA counties	38.3	39.4	1.03

Note: Report of the joint locational analysis project, Office of Management and Budget/Economic Development Administration, Sept. 1, 1970.

A few other studies have tried to identify which of the Federal programs have the heaviest influence on the location of population and economic growth.

It would surprise none of us that these studies discovered that of all programs involving direct Federal expenditures, the national highway program, under the jurisdiction of the Committee on Public Works, has the most profound effects on land use and patterns of growth.

The sewer and water programs, which are scattered among several Federal agencies and among the jurisdictions of several standing committees, rank next in impact among Federal direct grant programs.

Several other programs, all under the jurisdiction of the Committee on Banking and Currency, have important influence as well, particularly the housing guarantees of the Federal Housing Administration, urban renewal—and, looking into the future, new community assistance. One of the most important influences on the use of land for housing, however, falls under the jurisdiction of the Ways and Means Committee—housing interest deductions under the Internal Revenue Code.

I include a table entitled "Assistance Programs Having Moderate or Heavy Impact on National Development" at this point in the RECORD.

ASSISTANCE PROGRAMS HAVING MODERATE OR HEAVY IMPACT ON NATIONAL DEVELOPMENT[1]—FROM SURVEY OF 42 FEDERAL ASSISTANCE PROGRAMS

Program	Regional impact	Metropolitan impact		Nonmetropolitan areas
		Central city	Suburb satellite	
National highway program	Heavy	Heavy	Heavy	
Sewer and water programs		Moderate	Moderate-heavy	Moderate.
Urban renewal		do		
Housing guarantees (FHA)	Moderate	do	Moderate	Do.
Housing interest deductions	do	do	do	Do.
New community assistance			do	

[1] Adapted from Federal activities affecting location of economic development prepared for Economic Development Administration by Center for Political Research (Donald D. Kummerfeld, Donald W. Lief and others).

The most disturbing thing about these studies carried out for the Economic Development Administration by the Center for Political Research is that of the 42 direct Federal assistance programs surveyed, only these few programs seemed to have had or will potentially have moderate or heavy influence on national land use and settlement patterns. Most others, although they might have great local significance, appear to have only a light or negligible effect nationally. Yet Congress has enacted a great many programs in the past decade and a half specifically intended to ameliorate some of the lack of balance in our national growth patterns.

We have passed rural development programs. We have created special urban and regional development programs. We have launched special programs in housing. We have approved special planning assistance and environmental programs. But few of these, if we can believe the studies, seem to have had any major national impact on the way the country is growing and the way our land is being used.

An analysis of the budget provides one of the principal explanations for our disappointment. Until recently, one-third of our Federal outlays have gone for space, and defense, and international relations, a little more than an additional one-third has gone for the general functions of government. Most of these expenditures—nearly 70 percent of our total outlays go to the richest, fastest growing, most intensively developed sections of the country. There is a direct correlation between these expenditures and where the fastest growth has been.

The remaining one-third of our outlays have been allocated to resource and environmental programs—about 7 percent—social development programs, a little over 10 percent, and urban and regional development programs—just under 15 percent. Responsibilities for this vast array of separate programs are spread throughout the executive branch and among many of the standing committees of Congress. Analysis of their separate objectives finds them in conflict or redundant in many cases; one program giveth while another taketh away. The fact is that Congress is not equipped at the moment to look at all these Federal programs as a coherent whole and to assure that they make collective sense.

Even if they did add up to a whole, however, under our present approach we are expecting programs financed with less than a third of Federal outlays to dampen or ameliorate the effects achieved with expenditures made under the other two-thirds of the budget. I submit that therein lies one of the key sources of disappointment in many of these domestic programs and their seemingly inability to achieve the results we wish.

But this does not necessarily mean that our only recourse is to drastically increase our expenditures for domestic programs and cut way back on our international and military obligations. These same studies seem to indicate that the most powerful tools at the disposal of Congress for restoring some balance to national growth and land use are not those we achieve through appropriations for assistance to State and local government, but the direct actions of the Federal Government itself.

Much of our evidence about the success or failure of Federal policy in terms of its influence on achieving more orderly national growth is uncertain and fragmentary. We lack the mechanisms we need to make such an evaluation.

This bill, which would establish a whole new thrust in our continuing attempt to bring some order out of our patterns of national growth and land use should provide for the establishment of a new instrument to strengthen the hand of Congress in these matters. This is why this amendment authorizing the establishment of a Joint Committee on National Growth and Land Use Policy is proposed.

Twenty-seven years ago, at the conclusion of World War II, Congress faced the need to devise instruments of economic policy that would help us get through the transition from a war-time to a peace-time economy. That led to the Employment Act of 1946. Congress recognized then that economic policy was a pervasive subject involving many of the committees of Congress and many of the executive departments and agencies. In recognition of that fact, Congress established the Joint Economic Committee to provide advice and direct studies that would benefit all of the standing committees in carrying out their legislative responsibilities.

We are now at another watershed in national policy. We are concerned not just with the fiscal and monetary aspects of economic policy, but with its implications for the distribution of economic activity across the face of the lands as well.

We are concerned with the interactions between economic policy and environmental and resource development policy. We need to assure the adequate provision of land for housing and urban development while at the same time minimizing disruptions of the national environment and the waste of national resources. We want to measure the best ways to meet our continuing commitment to the improvement of social conditions and the quality of national life while protecting our natural wealth. We want to restore some balance, urban and rural, to our national system.

And we cannot do that unless we have the means to determine what problems we wish to correct, what cause and effect linkages exist between Federal policies and these problems, what decision levers we have at our disposal, and the possible consequences likely to flow from alternative actions that Congress might take.

Congress has already directed the executive to prepare or have prepared environmental impact statements in connection with major public or publicly-related projects as one step in this direction. We have authorized the establishment within Congress of a new office to help us assess the future consequences likely to flow from the introduction of specific technologies. The President is required, under the Housing and Urban Development Act to submit a report on urban growth every 2 years and the present bill requires regular reports from the and these problems, what decision levers

But Congress must have a means for scanning the broad landscape of Federal actions and responsibilities and the means for informing itself of the probable consequences of actions we have taken or are about to take for national growth and development. We also need a means for overseeing the relevant Federal activities and providing reports to the relevant standing committees. In these years of rapid social and economic change we have no alternative but to move toward an "anticipatory democracy" that tries to clearly see where it is going.

Without such mechanisms in such an era Congress cannot maintain the legislative initiatives and the effective checks and balances required to make our form of government work.

It is proposed that the Joint Committee on National Growth and Land Use Policy have three principal functions:

First. To file with the House of Representatives and the Senate, beginning with the second year of its existence, an annual report containing its findings and recommendations with respect to the actions of executive agencies, States, and local governments that will have a significant impact on national development and land use.

Second. Provide broad oversight for all major Federal and federally financed programs having a significant impact on national growth and development. To assist in this oversight, the Council on Environmental Quality shall report to the joint committee each year on the extent to which executive policies and actions have been harmonized toward the development of policies for future national growth. The joint committee could call such other witnesses from executive agencies and the general public as it deems appropriate to obtain the information it requires in its report to Congress.

Third. Conduct special studies to assist the standing committees of Congress in determining means for improving and harmonizing national policies and programs to achieve more desirable patterns of national growth and development so as to conserve our national environment and resources, promote balanced development of the country, and assist in achieving the Nation's economic and social objectives.

It is essential that the provision for establishing such a mechanism be included in this bill.

The legislation is designed to provide major incentives to State and local governments to develop policies and processes for more effective land use planning. It will require substantial professional skills in the executive branch to assure that the objectives of the legislation will be achieved successfully.

The bill requires consultations among the Departments of Agriculture, Commerce, Defense, Health, Education, and Welfare, Housing and Urban Development, Transportation as well as the Atomic Energy Commission, the Federal Power Commission, and the Environmental Protection Agency. Past experience with such interagency consultations offers little hope for successful coordination and policy. For the most part, such committees have functioned as committees of peers more interested in accommodating their separate agency interests than in obtaining the innovative objectives of the legislation. Conflict is steadily distilled out of their deliberations until the lowest common denominator of agreement is reached. Too often our hopes for past legislation have foundered on the rocks of these interagency committees, particularly when they are chaired by a cabinet officer who can attain authority only by negotiation over activities in another agency.

If the executive is not to be property structured to meet the comprehensive responsibilities envisioned under this bill, then Congress must have a greatly strengthened hand to oversee execution of the programs authorized under the bill and to assure effective orchestration of these programs with those authorized under other closely related, but separate legislation.

A highly competent oversight of Federal, State, and local activities assisted under this bill can help assure Congress that the objectives it has in mind will be achieved.

No existing committee in Congress, with all deference to the splendid staff of both Committees on Interior and Insular Affairs, has the resources, time, or staff to monitor the Land Use Policy and Planning Act on a continuing basis on behalf of all the standing committees of Congress that have a legislative concern for the manner in which the program is administered and the impact it is having on programs within their own jurisdictions.

The precedent of the Joint Economic Committee clearly serves us well.

The membership of the joint committee should be appointed by the Speaker of the House and President of the Senate from among the Members of each of the relevant standing committees much in the same manner as the Joint Economic Committee.

Chairmanship of the committee should be rotated between the two Houses following the procedure with the Joint Economic Committee.

The committee should be assigned competent professional staff and funds as necessary.

By establishing such a mechanism Congress will be better equipped to assess its past and future potential for promoting the balanced and orderly growth of the country.

With this kind of information and support we should be far better able to achieve the outcomes we desire in both urban and rural America.

COMPUTER DATA BANKS MUST BE REGULATED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, with today's unregulated amassment of information that probes deeper and deeper into the personal lives of our citizens, we are courting permanent erosion of privacy in this country. Most individuals do not know what Government agencies maintain files on them, or whether these files contain erroneous and unfairly damaging material. The Congress has been most remiss in this area since we have yet to develop a policy governing the collection, evaluation, dissemination and use of such material.

In 1969 I introduced the Federal Privacy Act which is currently pending before the House Government Operations Committee. This bill would initiate safeguards against the abuses of privacy by Federal data collecting systems by permitting a person to inspect the records maintained on him/her by a Federal agency, supplement them, and remove erroneous or misleading information contained in his file. The bill, H.R. 667 in the 93d Congress, would establish a Federal Privacy Board to monitor the operation of the Federal Government's data banks.

To extend the central premise of this legislation to all computerized data banks, not just Federal data banks, I introduced with the gentleman from California (Mr. ALPHONZO BELL) on August 1, H.R. 9786 to regulate the use of all computer data banks in the country. This bill will not prevent the collection of valid data either by private or governmental agencies, but will impose reasonable controls on what can be collected, or how it can be dispersed so as to protect the privacy of our citizens.

The proliferation of data collection systems has been the subject of study by commissions in Canada, Great Britain, and Sweden, the latter being the first country to recently enact the first nationwide law to protect its citizens from computer abuses. The legislation we have introduced is in great part modeled after the Swedish legislation.

It is about time that the Federal Government establish a national policy regarding computers and computer abuses in the interests of protecting the privacy of our citizens. Computers are becoming a hydra-headed monster. No amount of State legislation will insure that residents of another State will be protected. We must have Federal oversight in this matter.

On August 1, the HEW Secretary's Advisory committee on automated personal data systems released its report, "Records, Computers, and the Rights of Citizens." The committee, initiated by Elliot Richardson, then Secretary of HEW, made certain recommendations concerning the collection of personal information by data banks.

The basic provisions of the bill would implement those recommendations of the HEW report which are as follows:

First. There must be no personal data recordkeeping systems whose very existence is secret.

Second. There must be a way for an individual to find out what information about him is in a record and how it is used.

Third. There must be a way for an individual to prevent information about him that was obtained for one purpose from being used or made available for other purposes without his consent.

Fourth. There must be a way for an individual to correct or amend a record of identifiable information about him.

Fifth. Any organizations creating, maintaining, using, or disseminating records of identifiable personal data must insure the reliability of these data for their intended use and must take precautions to prevent misuse.

The following Members are sponsoring this measure: Mr. ASHLEY, Mr. BADILLO, Mr. BELL, Mr. BROWN of California, Mrs. CHISHOLM, Mr. CONTE, Mr. CONYERS, Mr. DANIELSON, Mr. DRINAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. LEGGETT, Mrs. MINK, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOSS, Mr. PEPPER, Mr. PODELL, Mr. RANGEL, Mr. ROSENTHAL, Mr. SARBANES, Mr. SEIBERLING, Mr. WARE, and Mr. WON PAT.

A copy of the bill, H.R. 9786, follows:

H.R. 9786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of this Act—

(1) the term "data bank" means any register or any other notes kept for any person (but not for any local, State, or Federal governmental authority), and made by automatic data processing and containing name, personal number, or other particular whereby information can be assigned to an individual;

(2) the term "personal information" means information concerning an individual;

(3) the term "individual registered" means an individual in respect of whom an entry has been made in a data bank; and

(4) the term "keeper of the data bank" means anyone for whose activity automatic data processing is being carried out.

Sec. 2. Except as provided in section 5, a data bank may not be kept except in accordance with the provisions of this Act. Permission to keep a data bank shall be obtained in the case of each such data bank from the Federal Privacy Board created under section 14.

Sec. 3. (a) Permission shall be granted by the Federal Privacy Board if it determines that there is no reason to assume that, with due observance of the regulations prescribed under section 6, undue encroachment on the privacy of individuals registered will arise.

(b) The Federal Privacy Board shall prescribe rules to assure that automatic data processing carried out for any local or general governmental authority of each State, the District of Columbia, and the Commonwealth of Puerto Rico is conducted so as to protect the privacy of individuals. Such rules shall insofar as feasible apply to standards established for protecting privacy in automatic data processing which are established for the agencies of the Federal Government.

Sec. 4. (a) Permission to record in a data bank information concerning a suspicion of or penalty for crime may not be granted to a person other than an authority which by law is responsible for keeping a record of such information, unless there are extraordinary reasons, therefor, as determined by the Federal Privacy Board.

(b) Permission to record, in a data bank, information that a person has received medical attendance, welfare, treatment for alcoholism or the like may not be granted to a person other than an authority which by law is responsible for keeping a record of such information, unless there are special reasons therefor, as determined by the Federal Privacy Board.

(c) Permission to record, in a data bank, information concerning political or religious views may be granted only where there are special reasons as determined by the Federal Privacy Board.

Sec. 5. (a) The Federal Privacy Board may determine that data banks of members, employees, tenants, insured persons, or other customers and similar kinds of data banks may be kept without permission otherwise required under section 2.

(b) No data bank may be kept under subsection (a) unless—

(1) with respect to a data bank other than a data bank of employees, the date of birth is not entered in the data bank;

(2) no personal information is entered in the data bank other than information given by the individual registered for the purpose for which the data bank is kept or by an authority according to law, or which has arisen within the activity of the keeper of the data bank or which concerns a change of address;

(3) no information referred to in section 4 is entered in the data bank;

(4) an individual registered is suitably informed that the data bank is kept by automatic data processing and concerning the kind of personal information entered in it;

(5) information from the data bank is not issued in such a manner that information is given concerning an individual except—

(A) when he has consented thereto;

(B) when information is issued to a person who, by permission granted according to section 2, is entitled to enter the information in a data bank;

(C) when information is issued to an authority according to law; or

(D) when the information issued is needed in order that the keeper of the data bank may be able to safeguard his rights against the individual registered.

(c) In order to prevent the risk of undue encroachment on privacy, the Federal Privacy Board may, by regulation, provide that no data bank may be kept under subsection (a) unless such data bank complies with other conditions in addition to those stated in subsection (b).

(d) Before a data bank referred to in this section is established, a notification thereof shall be made to the Federal Privacy Board.

Sec. 6. (a) If permission to keep a data bank is granted by the Federal Privacy Board under section 2, regulations shall be issued by the Federal Privacy Board as to—

(1) the purpose of the data bank,

(2) the personal information which may be entered in the automatic data processing equipment,

(3) the adaptation of personal information that may be made through automatic data processing equipment, and

(4) what particulars may be made accessible in such manner that information on individuals is provided.

(b) In other respects regulations may, insofar as needed, be issued concerning the obtaining of information for the data bank, the carrying out of the automatic data processing, the technical equipment, information to persons affected, the keeping and selection of information, the issuance of personal information to others and the use of such information in other respects, as well as regulations concerning control and security.

Sec. 7. At the request of the person who intends to carry out automatic data processing the Federal Privacy Board shall issue a binding statement as to whether permission or notification is required.

Sec. 8. (a) If there is reason to suspect that personal information in a data bank is incorrect, the keeper of the data bank shall, without delay, take the necessary steps to ascertain the correctness of the information and, if needed, to correct it. If the information cannot be verified, it shall be excluded from the data bank at the request of the individual registered.

(b) If a piece of incorrect information, which shall be corrected, or of unverified information, which shall be excluded, has been handed to a person other than the individual registered, the keeper of the data bank shall, at the request of the individual registered, notify the receiver concerning the correct information or concerning the exclusion of the information.

Sec. 9. If in a data bank there is personal information which with regard to the purpose of the data bank must be regarded as incomplete, or if a data bank which constitutes a record of persons contains no information on a person who with regard to the purpose of the register would be reasonably expected to be included in it, and if this may cause undue encroachment on privacy or risk of loss of rights, the keeper of the data bank shall enter the information which is missing.

Sec. 10. (a) At the request of an individual registered, the keeper of the data bank shall, for such minimal fees as the Federal Privacy Board shall prescribe, and as soon as possible, inform him of the personal information concerning him in the data bank. When an individual registered has been so informed, new information regarding such personal information need not be given to him until twelve months later.

(b) Subsection (a) does not apply to information which, pursuant to law may not be delivered to the individual registered.

Sec. 11. Personal information in a data bank may not be issued if there is reason to assume that the information will be used for automatic data processing not in accordance with this Act or abroad. If the issuance will not cause undue encroachment on privacy, the Federal Privacy Board may permit the issuance after opportunity for a hearing and notice to all persons concerned.

Sec. 12. (a) The keeper of a data bank or any person who has dealt with the data bank may not without authorization reveal what he has learned from it about the personal circumstances of an individual.

(b) If personal information has been issued in accordance with regulations prescribed under this Act that limit the right of the receiver to pass it on, the receiver or any person who in his activity has dealt with the information shall not reveal what he has learned about the personal circumstances of an individual.

Sec. 13. Information from an automatic data processing recording which is provided for the purpose of judicial or administrative proceedings shall be added to the relevant file in readable form. The Federal Privacy Board may permit specific exceptions from this rule, after opportunity for a hearing and notice to all persons concerned, where special reasons so warrant.

Sec. 14. (a) There is established the Federal Privacy Board (hereinafter in this section referred to as the "Board").

(b) The Board shall establish published rules to implement the provisions of this Act.

(c) The Board shall consist of seven members, each serving for a term of two years, four of whom shall constitute a quorum. The members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than four of the members appointed to serve at the same time shall be of the same political party, and all members shall be from the public at large and not officers or employees of the United States.

(d) Members of the Board shall be entitled to receive $100 each day during which they are engaged in the performance of the business of the Board, including traveltime.

(c) The Chairman of the Board shall be elected by the Board every year, and the Board shall meet not less frequently than bimonthly.

(f) The Board shall appoint and fix the compensation of such personnel as are necessary to the carrying out of its duties.

Sec. 15. For the purpose of its supervision the Federal Privacy Board shall be granted admission at reasonable hours to premises where automatic data processing is carried out or where computers or equipment or recordings for automatic data processing are kept, and may by subpena compel the production of documents relating to such processing. Enforcement of any subpena issued under this section shall be had in the United States district court for the district in which such documents shall be located.

Sec. 16. With respect to each data bank, the keeper of the data bank shall deliver to the Federal Privacy Board the information and particulars concerning the automatic data processing which that Board requires for its supervision.

Sec. 17. If undue encroachment on privacy arises through a data bank or its use, the Federal Privacy Board shall issue regulations concerning the collection of information for automatic data processing, the carrying out of automatic data processing, the information which may be included, the technical equipment, the adaptation through automatic data processing, notification of persons concerned, issuance or other use of personal information, the keeping or selection of information, control or security measures needed for protection against such encroachment. In conjunction therewith the Federal Privacy Board may amend regulations given in the decision granting permission to keep a data bank. If protection against undue encroachment on privacy cannot be attained by other means, the Board may cancel the permit or prohibit the keeping of a data bank kept under section 5.

SEC. 18. Any person who has dealt with a matter relating to a permission or with notification or supervision under this Act shall not reveal what he has learned about the personal circumstances of an individual or about professional or business secrets.

SEC. 19. Any person who willfully or through criminal negligence—

(1) keeps a data bank without permission under this Act, when such permission is required, or in contravention of a prohibition order issued pursuant to section 17;

(2) keeps a data bank referred to in section 5 without having notified the Data Inspection Board;

(3) violates rules or regulations issued under this Act;

(4) issues personal information in violation of section 11;

(5) violates the provisions of section 12 or 18; or

(6) gives incorrect information when fulfilling an obligation to provide information as stated in section 10 or 16;

shall be fined not more than $5,000 or imprisoned not more than one year.

SEC. 20. (a) A keeper of a data bank shall pay compensation to an individual registered for damage caused to him through incorrect information concerning him in the data bank. When assessing the damages, the suffering caused and other circumstances of other than a purely pecuniary significance shall be taken into consideration. The keeper of the data bank shall be liable even if the error or the damage has not arisen through any act or omission of his own.

(b) In the case of a class action to enforce liability under subsection (a), damages shall not exceed the greater of $50,000 or 2 per centum of the net worth of the defendant, as of the end of the fiscal year of the defendant immediately preceding the fiscal year in which the cause of action of such class action rose.

(c) In the case of any successful action to enforce liability under this section, the costs of an action, together with a reasonable attorney's fee, as determined by the court, shall be awarded to any prevailing party plaintiff.

SEC. 21. If the keeper of a data bank fails to grant access to premises or documents pursuant to section 15 or fails to give information pursuant to section 16 or to fulfill his obligations pursuant to section 8, 9, or 10, the Federal Privacy Board may assess a penalty of not more than $5,000 which may be recovered by the United States through an action in the appropriate United States district court.

SEC. 22. This section and section 14 of this Act shall take effect on the date of its enactment, and sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11. 12, 13, 15, 16, 17, 18, 19, 20, and 21 shall take effect one year after the date of the enactment of this Act.

CHARLES HARMON: AN AMERICAN MISSING IN CHILE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I want to call to the attention of the House a serious situation involving a young American, Charles Edmund Harmon. It is my understanding that he is the only American citizen not yet accounted for in Chile. I have spoken with a young woman, Terry Simon, also an American citizen, who was visiting with Charles Harmon and his wife, Joyce, at the time of the Chilean Army coup d'etat. She reports to me that Charles Harmon was seen by neighbors to have been physically taken into custody by members of the Chilean Army on Monday, September 17 in the late afternoon. The following morning, neighbors received calls from the Chilean Army Intelligence Service asking questions concerning Harmon's political background.

I have been advised by friends of the Harmons that they were in Chile for the purpose of producing an animated children's film. Charles is 31 and his wife, Joyce, is 28. They are both American citizens. I have contacted our State Department and have been advised that they have no information available on the young man and his whereabouts.

Since he is the only American still unaccounted for, I believe that it is critical that our Government at the highest level intercede with the Chilean Government to make a special effort to locate and release this young man so that he and his wife can return to the United States.

I have written to Secretary of State, Henry Kissinger, requesting his intercession. In my judgment, it would be helpful if other Members would indicate their concern for this young American by letters to our State Department.

ARMY POLICY: UP OR OUT?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to raise a question concerning the enlistment procedure of the Army. It involves the case of one of my constituents, an honorably discharged Air Force veteran, who was denied reenlistment into the Army. After making an inquiry into the case, the Army stated to me its reason for refusal of reenlistment privileges was that the veteran held the rank of E–3 at the time of discharge and should have been an E–4 after his period of service, which was 3 years, 8 months, and 15 days. For reenlistment into another service, the present regulations require that a man with prior service be able to meet reenlistment requirements into his own service, or be waived from such requirements by that service, or be the possessor of at least the Silver Star for combat heroism. It seems to me that with the Army unable to presently fill its quota of monthly enlistments—though it claims it will achieve its target goals by the end of this fiscal year—it is undermining the concept of a volunteer Army by promulgating overly strict norms in accordance with its qualitative management program. This program has taken as its policy "up or out." If certain designated milestones are not attained, the serviceman may be discharged even before his term of service is completed. The Army has cited this fact as one reason to deny reenlistment to a prior service veteran as being inequitable to a present Army serviceman subject to the same regulations and involuntarily and prematurely discharged.

That the Army should not be a dumping ground for incompetents—the GI term was even more descriptive—cannot be gainsaid. It was particularly distressing to me that a colonel in charge of recruitment policy in the Pentagon told a member of my staff that servicemen who could not rise in rank according to military expectations were "the dregs of the earth—thieves, addicts, and misfits". This attitude is philosophically unacceptable to me and surely administratively counterproductive. We certainly do not want an Army which lacks effectiveness and quality, especially at the salaries now being paid. The Army should not be considered a refuge for those men unable or unwilling to make it in civilian life. But there should be room for competent, if uninspired, soldiers. Suppose a man lacks the ambition to become a master sergeant, but is a capable and discplined rifleman, why should he be expelled from the Army or denied reenlistment, especially with the Army falling short of its manpower goals? It seems to be a policy designed to thwart the goal of a fully manned volunteer Army, as well as likely to cause unnecessary embitterment. Certainly we want quality, but unrealistic standards of achieval are damaging. I hope those in charge of policy in the Armed Forces will reconsider their policy as it applies to enlistees in general and to my constituent in particular.

INDEPENDENT GAS RETAILERS NEED PROTECTION

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, when the resolution to make continuing appropriations was before the House last Wednesday, I offered the following amendment to prohibit the Cost of Living Council from continuing to discriminate unjustifiably against small independent petroleum dealers and in favor of the major oil companies:

> None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

The amendment passed the House by a vote of 371 to 7.

This afternoon the Senate Appropriations Committee will mark up the House-passed continuing resolution. I strongly urge that my amendment be retained.

It is a wise insurance policy against renewed discrimination against small independent gasoline retailers by the Cost of Living Council. I make this earnest recommendation despite two important developments which have occurred since the House vote:

First. The announcement by COLC Friday which seems to respond thoroughly to the House demand that discrimination end. COLC issued new price regulations under phase IV which permit passthrough of costs to all but gasoline retailers, and bases pricing for independent retailers on the same May 15 date as earlier accorded the major oil companies, which are both retailers and refiners.

The principal complaints which led to the amendment were that the independent retailer was required to stick with a profitless January 10 price base and denied passthrough of cost increases, while the majors were given a more profitable May 15 base and permitted passthrough.

The failure of COLC to allow passthrough for gasoline dealers will still cause serious problems. After COLC announced its decision, several major oil refiners announced price increases which will now have to be eaten by the independent service stations. For example, this weekend, Shell increased its prices 0.2 cent, Union hiked its price 0.3 cent, and Arco raised its price a whopping 1.5 cents. None of these costs can be passed through even under the amended regulations.

Second. The publication of the letter dated Thursday, September 26, from COLC Chairman John T. Dunlop to Senator John L. McClellan, chairman of the Senate Committee on Appropriations. This letter curiously denounces the price-base changes my amendment requires. I say curiously because it must have been prepared at the same time and in the same office as the price-base changes which were yesterday announced by COLC.

In effect, the letter to the Senate committee argues against the price changes COLC was then in the process of ordering.

Several possible explanations come to mind: First, faced with the overwhelming vote of the House for a policy of nondiscrimination against the independent retailer, COLC quickly made changes to accommodate the expressed mandate; or alternatively, the left hand in COLC did not know what the right hand was doing. Considering the curious things that have happened in COLC in recent months, this is not surprising, but neither is it reassuring to a marketplace so dependent on COLC decisions.

A third possibility is that Mr. Dunlop is a shrewd politician. While bowing substantially to the will of the people, as expressed in the House vote, at the same time he protests against the intrusion upon what he considesr his own private domain.

In any exent, prudence dictates that the amendment prohibiting discrimination against the little fellow be retained. It is good insurance against price changes in the future that may be just as harmful to marketplace competition as those in the past.

The amendment is regarded as in good order and properly constructed by the Comptroller General, the Library of Congress, and the Federal Trade Commission—notwithstanding Mr. Dunlop's objection.

Finally, it is outrageous for Mr. Dunlop to argue that the amendment ill serves the interests of the consumer. Just the opposite is true. Under Mr. Dunlop's earlier price order, independent retailing of gasoline—so vital to the interest of consumers—would have been destroyed. Under his new price order—motivated, I believe, in great measure by the strong voice of the House of Representatives—competition can once more flourish to the great advantage of the consumer.

Mr. Speaker, at this point, I insert in the Record the text of a letter I sent to each member of the Senate Appropriations Committee, a letter from the Comptroller General of the United States, a memorandum prepared by the Library of Congress, a memorandum I prepared responding to several issues raised during floor consideration of my amendment, and Mr. Dunlop's letter to the chairman of the Senate Appropriations Committee:

Congress of the United States,
Washington, D.C., September 28, 1973.

Dear Senator: When H.J. Res. 727 making continuing appropriation was before the House this week, I offered the following amendment, which was adopted by a vote of 371–7:

"None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products."

When this resolution is considered by your committee Monday morning, some question may be raised as to whether the prohibition of discrimination might require the identical percentage of markup for all levels of petroleum marketing. This was not my intention, nor would it be the amendment's effect.

In offering the amendment, my intention was two-fold: first, to prohibit the Cost of Living Council from basing prices for one segment of the petroleum marketers on January 10 margins and another segment on May 15 prices; and second, to prohibit the Cost of Living Council from discriminating against levels of marketing by allowing some to pass through cost increases and some not.

In the attached letter from the Acting Comptroller General, he makes clear that identical percentages of markup for all levels of marketing would not be required.

The Assistant General Counsel to the Federal Trade Commission, Robert Montgomery, has also assured me that the amendment is "well drafted and on the point" and that he would expect the Cost of Living Council to be "fair-minded in applying it."

The American Law Division of the Library of Congress adds a memorandum which shows that the Supreme Court would look to the legislative history on the floor of the House and Senate in interpreting the amendment and would adopt the interpretation of the author and not that of its opponents, who "in their zeal to defeat a bill . . . understandably tend to overstate its reach."

I hope the Appropriations Committee will see fit to retain this amendment.

Sincerely yours,

Paul Findley,
Representative in Congress.

Comptroller General of the
United States,
Washington, D.C., September 27, 1973.

Hon. Paul Findley,
House of Representatives,

Dear Mr. Findley: You informally requested our interpretation of the following amendment offered by you to the joint resolution (H.J. Res. 727) making continuing appropriations for the fiscal year 1974, which amendment was adopted by the House of Representatives on September 25:

"Sec. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products."

The amendment prohibits the Cost of Living Council from using funds made available by the joint resolution for the purpose of formulating or carrying out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products. The amendment is thus stated in fairly broad terms and it is difficult to state specifically what problems may arise which would be affected by the amendment or just how the amendment would be applied except on a case-by-case basis. It is clear, however, from your statements on the floor of the House (Congressional Record, September 25, 1973, pp. 31353–31356) that the House of Representatives intended that the amendment would preclude the Cost of Living Council from basing prices for one segment of petroleum marketers on January 10 prices and basing prices for another segment of petroleum marketers on May 15 prices; and that the amendment would prevent discrimination at each level of marketing, that is, the producer, refiner, reseller, or retailer level and would not require the identical percentage of markup for all levels of marketing.

In the absence of anything to the contrary in the complete legislative history of the amendment as finally enacted by the Congress, we would construe the amendment in accordance with the foregoing intent of the House of Representatives.

Sincerely yours,

Paul G. Dembling,
Acting Comptroller General
of the United States.

The Library of Congress,
Congressional Research Service,
Washington, D.C., September 27, 1973.

To Honorable Paul Findley. Attention: Mr. Wixer.

From American Law Division.

Subject The Sponsor's Intent In Constructing the Meaning of a Statute.

This memorandum is submitted in response to your request for an analysis of the meaning of the following amendment to H.J. Res. 727 (Further Continuing Appropriations, 1974) which you offered and was agreed to by a yea-and-nay vote of the House of Representatives on September 25, 1973.

Sec. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products."

Aimed at preventing a future repetition of the type of double standard established by the Cost of Living Council in setting up Phase IV retail prices for gasoline, one for the independent retailer and one for the refiner which also markets its own products at retail, you stated the amendment's purpose as: "It requires that the Cost of Living Council treat all retailers alike, whether they be independent merchants; whether they also own their own refining operation." (119 Cong. Rec. p. 31353, daily ed. Sept. 25, 1973). In response to Rep. Moss' assertion that the amendment is ambiguous since "marketer" is not defined therein, and therefore would affect all marketing levels within the industry thereby disallowing historic markup standards, you replied, in part:

"If there is any ambiguity in this language, the legislative history today will certainly help to clear it up. A marketer, of course, can cooperate at the refining level. He can operate at the jobbing level. He can operate at the retail level.

"This amendment says that in establishing prices for petroleum products, the Cost of Living Council cannot discriminate within whatever level of marketing is at issue at this particular point. If it does not say that clearly to the gentleman's satisfaction, let my words in the Record clarify it for purposes of legislative history."

119 Cong. Rec. page 31354 (daily ed. Sept. 25, 1973).

In construing a statute, a court of law "must consider the purpose of its enactment, the evil to be eradicated, the object to be obtained and recognize the construction that would best effectuate those standards." *Gartner* v. *Soloner*, 384 F. 2d 248, 355 (3rd Cir. 1967), cert. den. 390 U.S. 1040 (1968):

"A court faced with this problem of interpretation, or another problem like it, can well begin with an inquiry into the purpose of the provision that requires interpretation. The language of the provision that is to be interpreted is, of course, highly relevant to this inquiry but it should never become a "verbal prison." [citation omitted] Other considerations, such as the court's sense of the conditions that existed when the language of the provision was adopted, its awareness of the mischief the provision was meant to remedy, and the legislative history available to it, are also relevant as the court attempts to discern and articulate the provision's purpose." *Eck* v. *United Arab Airlines, Inc.*, 360 F. 2d 804, 812 (2d Cir. 1966).

The Supreme Court has held that when the issue is simply the interpretation of legislation, it will look to the statements by legislators for guidance as to the purpose of the legislature. *United States* v. *O'Brien*, 391 U.S. 367 (1968):

"But we have often cautioned against the danger, when interpreting a statute, of reliance upon the views of its legislative opponents. In their zeal to defeat a bill, they understandably tend to overstate its reach. "The fears and doubts of the opposition are no authoritative guide to the construction of legislation. It is the sponsors that we look to when the meaning of the statutory words is in doubt." *National Labor Relations Board* v. *Fruit & Vegetable Packers & Warehousemen, Local 760*, 377 U.S. 58, 66 (1964).

In fact, in a recent case the Supreme Court stated that an interpretation placed by the sponsor of a bill on the very language subsequently enacted by Congress was appropriately part of the legislative history of the bill enacted, though the interpretation was given two years prior to the enactment with respect to a previous bill, the operative language of which was substantially carried forward into the Act. *United States* v. *Enmons*, 410 U.S. 396 (1973).

DANIEL HILL ZAFREN,
Legislative Attorney.

MEMORANDUM PREPARED BY REPRESENTATIVE PAUL FINDLEY ON THE EFFECT OF HIS AMENDMENT REGARDING OIL PRICING POLICY

Several distinguished members of the Congress have suggested that my amendment to H.J. Res. 727 is not sufficiently precise. The amendment forbids use of COLC funds in formulating or carrying out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products. It is suggested that this general statement alone is inadequate because (1) it could be construed to forbid the preservation of traditionally different margins earned at different levels of the industry or (2) the Cost of Living Council can contend that its regulations, in fact, provide equal treatment by subjecting different marketers to different rules. I believe that both of these objections can be adequately met.

Traditionally, crude producers, refiners, jobbers, dealers and jobber-dealers, as separate classes, have all earned different normal markups. Yet, because they all market petroleum products, some believe this amendment would forbid the Cost of Living Council to preserve these differences. It would not. The petroleum industry has for years been noted for the stable prices and markups which exist at each level and within each class of marketer. It is this very stability which has given rise to the term "normal" markup. Moreover, the scheme is so well understood as to be implicitly recognized in the "Prices" section of the Administration's proposed mandatory allocation regulations which refer to "normal and reasonable relationship(s)". As a result, it should be apparent that forbidding discrimination by COLC's new regulations is an attempt to preserve this established structure of different margins. The amendment makes this clear in that it does nothing more than expressly require a uniform "method of establishing prices; it does not require identical prices or identical markups. Thus, if prices are to be determined by means of a particular day, COLC must use the same day. If prices are to include a pass-through, there must be a pass-through at all levels.

Notice, too, that forbidding discrimination has not historically required uniformity where there was a reasonable basis for differences. The word "discrimination" may be new to the economic stabilization program, but it is a highly refined term of art in the broader spectrum of economic and pricing regulations. For example, the Robinson-Patman Act permits different prices to different customers where the differences are cost justifiable quantity discounts. This difference is not "discrimination" because the term is construed to allow reasonable differences. Similarly, "discrimination" by granting functional discounts resulting in different prices or margins is permitted where the underlying function is actually performed. *Mueller Co.*, 60 FTC 120 (1962), *aff'd* 353 F. 2d 44 (7th Cir., 1963), *cert denied*, 377 U.S. 923 (1964). Because existing statutory proscriptions on "discrimination" have not forbidden such reasonable functional differentiation, the present use of the word can be expected to permit the Cost of Living Council to allow crude producers, refiners, jobbers, dealers, jobber-dealers, and all other different marketers in the petroleum industry to have different markups to the extent that these markups reflect real function differences. At the same time, functionally identical transactions, e.g., sales of gasoline by refiner-retailers and dealers, must be governed by the same method of establishing price.

Should the courts or the Cost of Living Council find these precedents inadequate, they must look to the legislative history to clarify any ambiguity. There I made it clear that discrimination meant different dates for markup calculation and failure to provide a pass-through of all increased product costs at all levels of distribution.

The flexibility just outlined has led others to object that COLC will be able to justify its present rules as reasonable and therefore permissible discrimination. This also is not the case. The use of different dates for refiner-owned marketing operations and independent jobbers and dealers is clearly indefensible because there is no difference in the functions performed. In fact, markups reflecting functional differences are most likely to be preserved by taking all markups from a single day rather than by using different days when conditions and functions may be different.

Much the same logic would apply to a rule which does not permit a pass-through of increased product costs at all levels of the industry. Reducing one businessman's markup to increase another's could only be justified if the second man assumes a function which the first marketer stops. Without this rationale, the absence of a pass-through would not fall into any traditional concept of reasonable discrimination and it certainly could not be supported by simple logic or by an examination of my comments in the legislative record.

Given the specific language about "method of establishing prices", the traditional gloss on "discrimination", and my own comments in support of the amendment, it seems reasonable to expect that this amendment will be sufficiently clear to our courts and the Cost of Living Council to insure reform of the present blatant inequities in Phase IV.

ECONOMIC STABILIZATION PROGRAM,
COST OF LIVING COUNCIL,
Washington, D.C., September 26, 1973.
Hon. JOHN L. MCCLELLAN,
Chairman, Senate Committee on Appropriations, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to express serious concern over the amendment to H.J. Res. 727, adopted by the House September 25, 1973, and now before your Commitee, which would have the effect of dismantling the ceiling price system for gasoline, home heating oil and diesel fuel established by the Cost of Living Council. The amendment reflects a serious lack of understanding of the Council's petroleum regulations, ignores fundamental differences between the pricing structures of refiner-retailers and other retailers, and fails to recognize the need to protect American consumers from inflationary increases in the prices they must pay for petroleum products.

The amendment is ill-advised and I want to express in this letter my reasons for opposing it.

First, the Committee should be aware of the magnitude of the increases which have been experienced in petroleum prices this year. From January through August 1973, the fuel oil component of the wholesale price index increased at an annualized rate of 72.5%. For gasoline, the annualized rate of increase has been 63.6%. For all refined petroleum products, it has been 56.6%. These figures contrast sharply with the figure for all industrial commodities, which increases at a rate of 10.8%, and are significantly higher than the figures for the processed foods and feed component—about which there has been so much public concern—which has increased at a rate of 47.7% over the same period.

The same picture appears in the consumer price index. Gasoline at retail has increased at an annualized rate of 12.7%, fuel oil has increased at a rate of 22%, while the overall CPI has increased at an annualized rate of 9.3%. So the first point to be made is that petroleum products have contributed disproportionately to inflation. It is for this reason that the Cost of Living Council designed specialized regulations for the petroleum industry in Phase IV.

The Council gathered extensive dealer markup data as the basis for its decision to establish ceiling prices at retail for the sale of gasoline. It is important to emphasize, in this connection, that while the markups themselves deal in pennies per gallon, their aggregate impact upon the economy is substantial. Approximately 100 billion gallons of gasoline will be sold at retail in 1973. Thus, an increase in markup which is reflected in a price increase of a penny per gallon represents, in the aggregate, a price increase of $1 billion per year which must be paid by American motorists.

Information derived from industry and other sources collected by the Council in plannig Phase IV showed that during the period of the feared gasoline shortage this Spring, retail gasoline dealers substantially hiked their prices and obtained significantly increased markups. These markups were, on the average, far above what dealers had previously obtained and were, in the Council's view, inflationary. Dealer markups on retail sales of gasoline during 1972 averaged 6.74 cents per gallon. However, by July 1973, the average markup increased to 7.60 cents per gallon, an increase of 13%. The Council determined to reduce these markups to the levels which they occupied on January 10, 1973, the last day of Phase II, and which are more consistent with historic markup levels. At the same time, the Council took note of the fact that in some areas price wars were being waged in January, with the result that dealer markups were depressed on January 10. Consequently, it established a *minimum* markup of 7 cents per gallon which is above the *average* markup retailers were able to apply to all of 1972.

Under the Council's rules, dealers may add this markup (the January 10, 1973 markup of 7 cents, whichever is higher) to the actual cost of their products on August 1, 1973. Thus, the ceiling price is not the January 10, 1973, price. It is the actual cost of the product on August 1 plus the January 10 or 7 cents markup. This rule applies to the approximately 90% of the Nation's retail gasoline outlets which are not directly owned and operated by refiners.

Different ceiling price rules apply to retail sales made directly by refiners because products sold through these outlets reach the retail market through a series of intracorporate transfers, rather than arms-length transactions establishing costs and markups. The structure of these refiner-retailers and their pricing mechanisms simply do not lend themselves to price control on the same basis as other retailers and artificial symmetry cannot produce an effective or equitable price control mechanism.

Most refiners are vertically integrated firms which engage in the production, manufacture and distribution of an array of petroleum products. Phase IV rules respond to this reality by estabilshing a comprehensive system of different rules applicable to the particular characteristics of the petroleum industry at all levels—from the oil that is pumped out of the ground to the gasoline sold to motorists and the heating oil sold to home owners. The benchmark date for control of refiners prices is May 15, 1973. That is the date for establishing ceiling prices on domestic crude oil; it is the date for estabilshing base prices of the array of petroleum products manufactured and sold by refiners; and it is the date for establishing ceiling prices for retail sales of gasoline, home heating oil and diesel fuel by refiners.

Specifically, the ceiling price for retail sales of these three products by refiner-retailers is the May 15, 1973, selling price plus the increased costs of imports incurred between May 15 and August 1,. 1973. It is important to note that this ceiling price is based upon refiner-retailers *May 15 selling price* adjusted for increased costs of imports incurred *before* August 1, as distinct from the rule for other retailers which establishes a ceiling price base upon the *August 1* cost of the produce *plus* its *January 10 markup or 7 cents whichever is higher*.

Moreover, the May 15 selling price for refiner-retailers is generally no higher than the prices they were charging in August 1971 which were frozen in the first freeze of the Economic Stabilization Program and remained unchanged during all of Phase II unlike the prices of other retailers, which in most cases, were not controlled during most of Phase II because of the small business exemption. In both cases, however, the ceiling prices for refiner-retailers as well as other retailers are fixed and may not be increased until authorized by the Council.

It should also be pointed out that the Council regulates only the sale of petroleum products by most independent retail dealers. The remainder, and more profitable part of their sales (tires, batteries, accessories and repairs), are exempt from controls under the small business exemption. Such sales by refiner-retailers, however, are controlled by the Phase IV rules since they do not qualify for the small firm exemption. Sales of non-petroleum items generally account for larger profits to independent dealers than the sale of gasoline. Markups on non-petroleum products range from 33% to 50%.

The point I would make, therefore, is that while there are differences in the ceiling price rules that apply to refiner-retailers on the one hand and to other retailers on the other hand, these differences are premised upon vital differences in the particular economic characteristics of the firms being regulated and fairly reflect the different price behavior which the firms have experienced under the stabilization program. The charge that the differences in treatment were motivated by a desire to favor refiner-retailers or to discriminate against other retailers—or that the differences have this effect—is wholly without foundation and does not consider the practical economic need to treat different customary operating practices differently in a comprehensive price controls system.

The thrust of the House amendment is to require the Cost of Living Council to ignore economic conditions as they exist in the marketplace and to tie the Council's hands in implementing a system to control rapidly escalating prices in the petroleum sector. As the Committee knows, the Council is now conducting its first periodic review of the ceiling prices established under the regulations, and I am committed publicly to increasing those ceilings in the next few days to reflect the increased costs which the rules permit to be passed through the distribution system on a a dollar-for-dollar basis. This is in fulfillment of a commitment which the Council made in August when the regulations were originally issued.

To require the Council now, in addition, to perform major surgery on the regulatory framework is to invite serious inflationary consequences. It would also add greatly to public confusion. That is particularly true in the case of gasoline where the Council has required the posting of ceiling prices and minimum octane ratings by all gasoline retailers, to enable members of the public to assist in the enforcement and administration of these price ceilings.

It may well be that changes are warranted in the Council's regulations. The petroleum industry is complex and requires complicated regulations if it is to be effectively controlled. My colleagues and I are, of course, prepared to meet with appropriate Committees of the Congress to discuss the desirability of suggested changes and to do so in an orderly and responsible manner. But I am unalterably opposed to hasty and ill-conceived action which has not been thoughtfully examined, which is clearly premised upon misconceptions and which threatens to unravel the existing controls program in a highly inflationary sector of the economy.

I, therefore, strongly urge the Committee to eliminate the House amendment from the Bill which it reports to the floor.

Sincerely,

JOHN T. DUNLOP,
Director.

THE SAD PLIGHT OF OUR RUNAWAY YOUTH

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I have joined with many of my colleagues in sponsoring the Runaway Youth Act in the hope that we can in some way help resolve this tragic problem. The shocking disclosure recently that 27 young men missing from their homes had been murdered in Houston, Tex., has brought to light the startling fact that nearly 1 million young people a year are missing in this country. We must try to do something to keep them from getting lost and try to get them reunited with their families and back in their homes. We must encourage them to live normal lives in the years ahead. I intend to fight for this kind of program in the Congress and welcome the support of my colleagues.

In this connection, I commend to all my colleagues an excellent article appearing in the Miami News of September 25, 1973, by Jack Kassewitz, entitled "It's Not Always Easy for a Runaway To Return Home." I thought my colleagues would be interested in this article which reads as follows:

IT'S NOT ALWAYS EASY FOR A RUNAWAY TO RETURN HOME

(By Jack Kassewitz)

One of the toughest problems for the law enforcement-juvenile justice system is how to deal with runaway youths. More than a million kids are missing this year from their homes and the number is increasing. Unfortunately, national statistics have never been compiled and the exact number and causes therefor go undefined.

The tragedy of Houston, where 27 boys were victims of a sex murder ring preying on runaways, has moved the Congress to action. Rep. William Keating (R-Ohio) proposed two years ago that federal government help local and state police forces in establishment of a new communication system to report on runaways.

But the House was reluctant to do anything about Rep. Keating's legislation until recent months. The Senate, on the other hand, held quick hearings in June on a bill introduced by Sen. Birch Bayh (D-Ind.) and passed the federally-funded Runaway Youth Act which is very much like Keating's. Two other bills also were offered in the House and at long last Rep. Augustus Hawkins (D-Calif.) has called hearings for a week from today. The Keating bill suddenly has 45 cosponsors.

A strong point in the Keating bill gets similar attention in the Bayh bill. It would establish "halfway" houses, or quiet havens, where children could find food, medical care and most important of all, counseling by professional social workers.

For the runaway, returning almost seems more difficult and traumatic than the decision to leave home. He may fear punishment, or merely fear that he or she won't be able to explain the emotions that caused the flight from parental guidance. Halfway houses could help the youngsters get themselves together, and in turn, get together in a less demeaning manner with their families.

Government generally has paid little attention to the runaway problem. There is one federally funded home in Los Angeles which houses runaways and has proven a successful alternative, says Congressman Keating, to treating the child and keeping him out of the court system. The Los Angeles program has sent 85 per cent of 600 children back to their homes in the first year of operation, while 13 per cent of the children were sent to relatives or foster homes. The L.A. authorities found only two per cent of the children beyond their reach.

Metro Dade County initiated a program to help runaway young people last June. Arthur Foehrenbach, director of Youth Services, remembers when Dade County operated Youth Hall and half of its prisonsers actually were runaways who had no business being behind bars in the first instance.

"We want to get the child back home and have our social counselors work with him there," said Foehrenbach. "We've advised local police department of our program. They too, recognize the runaway generally has a social problem rather han a criminal one."

Foehrenbach says Youth Hall averaged 120 runaway custodial cases a month prior to the time that the state of Florida took over from Dade County. Now that the state operates the Hall, he isn't sure what the population count runs these days.

"We knew from experience about 40 per

cent of the population at Youth Hall should not be locked up," says Foehrenbach. "We're trying to find housing to serve as a temporary shelter for two or three days while the child is reunited with his family." (Average stay for a youngster in the Los Angeles haven is 2.9 days.)

Currently the Dade runaway intervention program (RIP) serves 88 children and their families. Foehrenbach is getting about 25 new charges every two weeks: "Our service is available to police 24 hours a day. They have been urged to telephone us when they pick up a runaway and we'll send out a social worker to take over the case."

Congress might do well to include in its program what many European countries already have—a system of youth hostels to provide basic food and shelter at low cost to wandering young people. The idea would not be to foster runaways but to decently accommodate the wayfarers who are increasing in number and in part to separate legitimate young travelers from the runaways, so the latter could be more easily spotted and offered aid. This idea has also been advanced by a private individual in Dade County, but never got off the ground with government.

LAW ENFORCEMENT AND STUDY OF CRIME IN AMERICA

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on Tuesday, August 7, I had the honor to address the National District Attorneys Association at Snowmass, Colo. The distinguished president of the National District Attorneys Association, Hon. Carroll Vance, district attorney in Houston, Tex., and his distinguished colleagues, Joe Busch, district attorney of Los Angeles; Bob Leonard, district attorney in Grand Rapids, Mich.; Milt Allen of Baltimore; and Allen Spector of Philadelphia, had testified earlier this year before the House Select Committee on Crime of which I was then chairman. In view of the contribution—the dedicated contribution—of the district attorneys of this country, of both the Federal and State system, to law enforcement and the protection of the lives, the persons, and the property of the people of this country, it was a privilege for me to have this opportunity to appear before this eminent group. I discussed with the group some of the problems of law enforcement in America and some of the results of the study of the crime problem of the United States over the last 4 years by the House Select Committee on Crime.

I ask, Mr. Speaker, that my remarks on this occasion appear in the RECORD following the introduction by Hon. Carrol Vance, president of the association.

The material follows:

ADDRESS OF HON. CLAUDE PEPPER TO THE NATIONAL DISTRICT ATTORNEYS ASSOCIATION, SNOWMASS, COLO., AUGUST 7, 1973

CARROLL VANCE, President. The Congressman has made a long trip and you might wonder how did we settle on Congressman Claude Pepper to be here and deliver this address today. Well, before I get into that just a little bit let me just say a little something about his background so you'll know how many years he's given to government service and the wealth of experience that he brings to this podium.

He, after attending the University of Alabama graduated from Harvard Law School (I've always wanted to know a Harvard lawyer). I finally got one and had dinner with one last night. At any rate, one thing that is very interesting I think about any Congressman is if they've previously served in the U.S. Senate and we won't say what year that was in, but at any rate, not only has he done so many things but we won't go into these.

He has had an outstanding government service through the years and you are still wondering why Congressman Pepper has come all this way—why is he our main kick-off speaker of this entire convention? Well it so happens that the Congressman was Chairman of the Select Committee on Crime that heard testimony from throughout the U.S. to try to come up with ideas and recommendations of what can be done to curb the crime problem (whether it is organized crime or crime in the streets). And I had the privilege of appearing before this particular Committee. And I know that others in our association appeared before this Committee. Milt Allen from Baltimore appeared before this Committee. Joe Busch and I were on the program. Joe is (not clear) attorney in Los Angeles as you know perhaps to go forward and read some comments into the minutes and spend perhaps 15 or 20 minutes in giving the testimony but Joe and I spent 3 hours before that Committee that day and this was one of the most knowlegeable Committees that I had ever seen. The Congressmen on this Committee had done their homework and asked very explicit and articulate questions and they knew what it was all about and you could tell that they had taken a very keen interest with very fine minds for over a 2 year period in trying to come up with some of these determinations.

So we felt like in that we were trying to go in that same direction to try to reduce crime on the streets that we could bring the very distinguished Chairman of this Committee to the prosecutors of the country that could share some of this information. And the only problem I have in introducing this wonderful person is that I just, just don't know what to call him. He says, "Well call me Claude or call me anything," and I finally got the nerve to ask him should I call you Congressman or call you Senator—he said well it really doesn't matter but he said, "most of the friends in the House call me Senator because they said once you're a Senator—always a Senator." So you might want to refer to him as Senator Claude Pepper and I know he has an exciting message for us today.

Senator Claude Pepper.

Let us give him a warm welcome (applause).

Mr. PEPPER. Thank you.

President Vance, Mrs. Vance, Mr. Robert Russell, Mr. Attorney General Moore, President-elect Mr. O'Hara and Mrs. O'Hara, Mr. and Mrs. Hallet, members of the National Association of District Attorneys, ladies and gentlemen.

I'm very profoundly grateful to your distinguished president for those generous and kind words of introduction. I've often said that anyone who'd been in politics as long as I have is grateful if the introducer is just kind—he doesn't have to be as complimentary as Carroll so kindly was today.

It is a great honor to be here because I consider this probably the premier organization in this country of those rendering distinguished and significant and dedicated public service. And I'm also very happy to be here for the second time in the vicinity of Aspen, Colorado, to have enjoyed, Mr. Russell, the most significant and gracious hospitality that you have extended to all of us who are fortunate enough to be here on this occasion.

Thirty-five years ago my wife and I were invited by Mr. Walter Paepcke who had a home near Denver to come by and spend a weekend there enroute to Seattle where I was to address a National Convention. Mr. Paepcke told us of his dreams for Aspen. On that visit we met a very wonderful young couple whose friendship we enjoyed for many, many years thereafter, Mr. and Mrs. Adlai Stevenson. And so I am glad to be here in the Aspen area which I understand Mr. Paepcke and an associate built. This beautiful part of Colorado is greatly famous throughout the world.

When we think of the formal court system, which we know so much about and of which you are so important a part, we sometimes tend to forget that there is another very important court in this country and that is the Court of Self Help. I heard an example of that a little bit ago about a truck driver who stopped early one morning at a roadside restaurant for breakfast. He went in, sat down, ordered bacon and eggs, buttered toast and coffee. His breakfast had been served and he was about ready to begin to eat when 3 of these motorcycle toughs roared up in front of the door. Clad in their black, leather jackets and in their characteristic uniform they strolled arrogantly into the little restaurant. They walked up behind this fellow who was sitting behind this counter about to eat his breakfast. One of them looked over his shoulder, reached down and picked up his coffee and started drinking it as he walked away. The truck driver followed him with his eyes but he didn't say anything.

Another fellow reached down, picked up a handful of his bacon and walked away. The truck driver's gaze followed him but he didn't say anything. The other fellow reached down, picked up his toast, and walked over to a table with it. The truck driver's look followed him but he didn't say anything.

The motorcycle toughs sat down to the table and had coffee. The truck driver got up quietly and walked over to the cashier and paid his check and walked out. After the motorcycle toughs finished their coffee, one of them walked over to the lady cashier. He said, "Lady, did you see what happened there a while ago?" She said, "Yes sir." "Well," he said, "that fellow wasn't much of a man was he? The lady replied: No, sir, he wasn't much of a truck driver either. He just ran over and flattened 3 motocycles as he drove off a while ago." [Laughter].

Before speaking of the areas in which you are concerned and to which you have contributed so much, I'd just like to mention three matters of considerable, national importance in the nature of constitutional confrontations which are under consideration in Washington today.

One of them of course with which you are very familiar from the media is the controversy about whether the President should release to the Watergate Committee and the Special Prosecutor and possibly to the courts the tapes of the conversations which he has had made and are in the President's custody. I heard Saturday evening at a dinner of the National Association of Women Lawyers in Washington former Justice of the Supreme Court, the honorable Arthur Goldberg, speak on that subject, on the release of the tapes. He finds in the decisions of the U.S. Supreme Court of the last year, assurance that the tapes will eventually, by the courts, be ordered to be turned over to the Committee and to the prosecutors and to the courts if called for.

The unhappy episode of Watergate has had a chilling influence upon the moral climate of this country. It has been one of the most unhappy episodes in our nation's history, tragic as it is and will be in its consequence international as well as national. We all hope that it will lay a path for the future that will be followed by those who tread that path more circumspectly than those who have trodden it in the past and that all of us will be able to walk on higher ground even when we are walking thru the thicket of politics.

The other two confrontations have to do

first, with the authority of the President to enter into and to wage war. Twice in recent times since I've been in the Congress, American troops to the extent of some ½ million have been sent by our Chief Executive to the other side of the world. And casualties have been in excess of 50,000 in one of those wars and comparable to that in the other. Expenditures in the Vietnam war now exceed $125 billion when we have many needs unmet in our own country.

While a war is in progress it is very difficult for Congress to suspend the operation of the Commander-in-Chief. The President said, very well, I have the right to send the troops over there. If you don't want to supply them with ammunition, if you don't want to pay them, if you don't want to give them supplies that are necessary—that's up to you of the Congress. So now that the war is over, as far as we are concerned we hope, Congress has been trying to define the respective roles of the President and the Congres in taking this country into the agony of war. We have legislation that's passed both bodies that is now in process of being reconciled between the two which will of course preserve the right of the President to respond to attack or the threat of attack and to engage in short-term military operations but with the understanding that he makes an immediate report to the Congress observable of course by a free people, and then the Congress will determine whether they give extended authority for those hostilities to be carried on.

A third confrontation relates to the impounding of funds authorized and appropriated by the Congress by the President. This Administration has been generally regarded as having impounded somewhat in excess of the funds impounded by previous administrations and for a longer period of time. The Constitution says that the President shall "take care that the laws be faithfully executed." The Constitution might have said "The President shall execute the laws" but the forefathers felt it necessary to put emphasis upon the President's obligation by adding, "The President shall take care that the laws be faithfully executed." So when the President doesn't carry out an Appropriation Act of the Congress, which in most instances he's signed into law, when he terminates legislative authority without the concurrence of the Congress, many of the Members of Congress and I suspect many of our fellow citizens feel that the President is exceeding his Constitutional authority.

And now we are trying to work out a system by which that controversy also will be reconciled. The Erwin Bill that was passed by the Senate provided that the President would not have authority to impound funds unless within 60 days the Congress by concurrent resolution should hold that the impoundment was legal. That took affirmative action on the part of the Congress for it to be legal.

The Mahon Bill which first was introduced in the House provided that the President's impoundment of funds should be valid unless the House and Senate disapproved it later within 60 days. We've reached a compromise in the House now providing that if the President impounds funds he shall within 10 days advise the Congress of his action and then if one House of the Congress within 60 days disapproves the impoundment, then the impoundment will not be legal and the authorized and appropriated funds must be expended as required by law.

But these are things in the larger forum of national interest and debate. You are concerned on the front line to try to preserve the right of the people of this country to be secure in their persons, in their homes, their businesses, their recreation and their property against those who would deprive them of what is rightfully theirs. And you have waged a gallant and meaningful fight to try to curb crime, to try to take the most effective measures to reduce the amount and volume and seriousness of it and try to protect the people of this country. You are the symbol primarily in every community in which you live of the community effort to try to protect and preserve the safety of the citizens round about you.

Carroll Vance was kind enough to refer to the actions of our House Select Committee on Crime. After a 4 year study of crime in the country we in the last hearings that we conducted tried to take up the various aspects of street crime and the system which is to us the administrator of the criminal law or criminal justice to see what could be done to better the system and to reduce crime.

First, we had 13 outstanding police departments of the country to come and tell about the innovative programs that they have initiated in their respective jurisdictions and how they have been able to reduce crime by the initiative they have taken in those innovative programs. And then we have, as Carroll has said, outstanding prosecuting attorneys of the country—four of whom are here: Carroll Vance, Joe Busch, Bob Leonard back here who participated on the panel discussion before the American Bar Association with me last Friday, and Milt Allen of Baltimore. Allen Spector of Philadelphia was also one of our witnesses, I haven't seen him here since I've been here. They gave us most interesting counsel and advice as to how the prosecuting attorneys screen out the cases that should not be put into the court system; about the diversionary programs under which they are withholding certain young people not previously guilty of the commission of serious crime from the criminal system giving them an opportunity for rehabilitation in their respective communities. They told us also in some instances, they have developed the equivalent of what we call in civil law the pretrial conference, cutting down the delay involved in the filing of many delaying motions which are often filed by a defense counsel. An excellent example of what can be done by court and counsel working together is the omnibus system initiated by Judge Albert Spear in the Western District of Texas in the Federal Court system. Other prosecuting attorneys have developed different techniques to improve the quality of the administration of justice. And I want to say that there is no officer in the whole system of the administration of the criminal law, more important, whose voice is more effectively heard, whose influence can be more gainfully employed than the prosecuting attorney.

The prosecutor is the symbol of the community's hope for the protection of its life and property against the criminal. The prosecuting attorney not only occupies a prime role in the administration of justice but he must also be a leader in the improvement of the system itself. All of us recognize whether we be in the White House or in the Congress or in the position of prosecuting attorney or occupy some other position of trust and confidence—we're all answerable to the people. We're all obligated to render the maximum of public service. Nobody should be immune to a good suggestion or above one.

The court system, too, is beginning to be more introspective and to be willing to accept change as we have learned from Federal and State judges. Yet the pace of change in the courts is still too slow.

I recall very well one innovative judge from the Fourth Circuit Court of Appeals who testified "I must tell you with regret and some embarrassment, I haven't been able to persuade many of my colleagues and my brethren of the bench to go along with me." Well the judges themselves must remember their obligation to make the judicial system function in the best possible way. You have a perfect right and I believe a duty to let your fellow citizens in your community know how the judges discharge their solemn responsibility.

Some of the judges, who have testified before our Committee, have come up with the proposal that we must use more modern techniques in trials—video tape for example—to reduce the length of time consumed on an appeal. Some judges have pointed out that maybe we don't need always to send up the usual transcript of record after a case has been tried in the Lower Court. We might use video tape or we might dispense with the total transcript. We don't need always to file lengthy briefs in all the cases that are pending on appeal. The presiding judge of my own Circuit, the Fifth Circuit Court of Appeals, Judge Brown, told me that his court has reduced the length of time for disposing of cases by eliminating a lot of oral argument which had previously been allowed. So the courts too are looking, we hope, with a more open eye and ear to find ways by which the system itself can be made to function more efficiently.

How frustrating it must be to you as prosecuting attorneys to have to wait a year or more to get your cases tried. In 1971, 30% of the cases on the Federal Court dockets of this country were over a year old. You can see the opportunity of repeated crime by the man out on bail while he's waiting for a trial. Many of the courts, as in my state of Florida, have said you must try a defendant in 60 days. If you don't, if exceptional circumstances do not exist, that case will have to be dismissed. While a good many were dismissed in the beginning, generally the prosecuting attorneys of the state have met the challenge of this requirement and much more speedy trial is assured today in Florida. Each jurisdiction will of course have to work these matters out in its own way.

And now may I mention just two other areas. They are the ones of the greatest hope and the greatest challenge in trying to curb crime according to the disclosures that we have discovered.

The first is the correctional system. That's the end of the line. That's where you're trying to put the defendant who's been convicted of serious crime. Well, what's going to be the effect of putting him there? What do we do with people who are convicted of serious crime? What should we do with them? What's in the public interest?

I attended recently in England at Ditchley Park a British-American Conference on correctional institutions. And the figures that we used there were that of the long-term people serving in our penal institutions almost all of them have served an average of three sentences before. Well that means that some prosecuting attorney convicted one of those men the first time and he went to prison and then he got out. Then he or some other prosecuting attorney had to prosecute him a second time—maybe after he committed, as usually is the case, more than one crime. He goes back a second time. Then he comes out. Ninety-seven percent of the inmates come out some time or another. Another prosecuting attorney has to prosecute and convict him a third time. There he is back in prison a fourth time with three previous convictions ahead of him. Well, we all wish that we could somehow or another divine the possibility of stopping the commission of the first crime. But we would make considerable progress if we could stop the third, let alone the second.

So what do we do? Well, in the old days as you know we had great institutions like Attica and like my state institution, Raiford in Florida, built out in a rural area for the function of simply warehousing dangerous people. In Attica, we went up there—my Committee did—on Friday of the tragic week and we found it was in a rural area. There were 55% of the inmates that were black and there wasn't a black guard because no black people lived in that area. Five percent of the inmates were Puerto Rican and there was one Puerto Rican guard—no Puerto Ricans lived in that area.

Well on the way up we stopped and had an interview with Governor Rockefeller. He said, "Gentlemen, nobody knows better than I that our penal system in New York is obsolete and archaic. But do you know how much it would cost to modernize our state institutions of penal character? There was a chairman of the Crime Committee of the State legislature there with us. The Governor turned to him and said, "How much do you think?" And they agreed on probably $200 million. The Governor said, "We haven't got the money. We're already in a deficit state of finances." There we are.

When we talked to the head of the prison, Mr. Oswald, he said, "I know how to run a modern prison but I don't have the money." He didn't have any vocational education program to give skills to those men. He didn't have any educational program for them to improve their education. He didn't have a single man in charge of a recreational program for the inmates. They spent 62% of their time in cells. He said, "I didn't have the money."

Same way in Florida, at Raiford, and many other institutions of similar character over the country. Well what do we do? Mr. Vance was just saying here a while ago and I'm sure it's true with most of you, you begin to recognize these inmates as they come back a second and a third or a fourth time. What do we do with those people? It's generally considered—the Chief Justice of the United States used the figure—that about 75% of the people who are in these institutions and get out later on commit crime and go back again. So the prison today is a revolving door.

Well, I don't know the answer and apparently our penologists haven't found the answer either. But probably public opinion contains the key to the problem. At least allow experimentation with the establishment of small institutions having no more than 3 or 4 hundred in custody, based in the communities primarily from which the inmates come where they can have access to community facilities, when they are trustworthy enough to enjoy them, and have an opportunity to get a job. How many jobs are around Raiford in Florida and Attica in New York and in other rural communities where so many of these old institutions built in the last century exist? If in urban areas near where they lived they could be visited by their families—now in most instances they are too far away for the families ordinarily to visit them.

I don't know whether it will work or not. But our Committee has recommended and we have introduced legislation that the Federal Government in order to encourage the states to try out these local, community-based programs would put up 50% of the cost and the local, state or community would put up the other 50% of the small urban centers operation, the local authorities—state or local—would be able to carry them on and the Federal Government will not have to participate in the cost of continued operation.

And so one of the most challenging problems we have today is to do something effective about the correctional systems of this country.

Now why do I speak to you about it? Well, I'll tell you why. If I get out and say too much about it, somebody can say, "Yes, Claude Pepper is soft on crime. Oh, he wants to coddle the criminal. He wants to make a luxury hotel out of a penal institution. He forgets about the tragedy that these culprits have inflicted on the people." And that is effective against a man in politics. But if you stand up, say, "Look here, nobody can charge me with being soft on crime. I've sent thousands to the institutions of penal character. All I'm trying to do my fellow citizens is to save you from being a future victim of these men's crime. I'm the fellow that has to prosecute them a second and a third and a fourth time. I want us to try something that may be more effective than what we've been doing in the past." What voice could be as persuasive as yours among your fellow citizens or before your state legislature, or before your local Bar Association or the National Bar Association, or before the Congress?

Now, I mention just one other area. Repeaters of crime are one of the largest segments of people who participate in crime but the largest segment is the youth of the country.

Consequently, we had outstanding witnesses before our Committee to tell about the problem of juvenile crime and delinquency and juvenile courts and corrections.

Mr. Vance and I were just comparing some figures here a while ago. They're generally known to you. Roughly speaking, half of the serious crimes are committed by people under 18 years of age, mostly boys. Two thirds of all the serious crime is committed by people under 28 years of age. It is that young group of criminals coming into the criminal law system which provides the principal imput into the penal institutions. If we could stop the young men and some women coming into the crime population we would have gained some substantial success in reducing and curbing crime in this country.

Well there again, what do you do with these boys and girls who get into trouble? Well a lot of these boys and girls could be saved in high school and in grammar school. Our Committee held hearings in six cities on drugs in the schools and we found out that a great deal can be done in the schools to curb drugs and crime but they don't have the money again. So we've introduced a bill to provide 500 million dollars federal aid to the schools to get a teacher that knows something about drugs or some other person in the faculty or on the schools grounds who help develop programs which will discourage the use of drugs and the commission of crime. They will also try to teach the parents themselves to recognize the evils of the drug problem. We've had mothers, with tears streaming down their cheeks, testify before our Committee, "Why didn't somebody tell we what was wrong with my son?"

I remember the case of a mother who told about her young son coming home one day acting strangely. He went into the bedroom where a little five year old daughter was asleep. In a few minutes time she heard a muffled scream coming out of that bedroom. Before the mother could get through a locked door that boy under the influence of drugs had strangled to death a beautiful little five year old girl. The sobbing mother said to us, "Why didn't somebody help me to recognize the drug problem—maybe to do something about it."

And so you know all the things you have tried to do. I'll not take the time to delineate them. Under the diversion program which many of you use, if a boy comes up before you who has not been guilty of a serious crime before, with the permission of the judge rather than putting him into the judicial system, you give him an opportunity in the community to redeem himself—to save himself from a criminal career. If he can't read or write, you put him in school. If he's unskilled, you put him through vocational training procedure. If his health needs care, attention is paid to that at the community level; you generally can as prosecuting attorney enlist the support of outstanding civil leaders and citizens, mothers and fathers to help with those boys.

Speaking to the Florida Bar Association in Florida a little bit ago, I said, "Listen gentlemen. When you're taking your sons on your next fishing or hunting trip, how about asking your sons if they have a boyfriend who has been having trouble in school—maybe he had dropped out, had begun to get in trouble in the community. Ask your sons if they would like to invite him to go along with you on your fishing and hunting trip or some other recreation that such a boy would find delightful and stimulating."

We had evidence of one man, a former distinguished opera singer now a great producer of records who took six months, paid his own expenses, carried only a photographer along besides the boys and took six boys, who had been in serious trouble in the juvenile courts, on a canoe trip from the Pacific Ocean to the Atlantic Ocean. I don't imagine those six boys had much time on that exciting canoe trip to think about crime or to get involved in crime. And what a lesson that is to us all as to what we may do.

These matters are all commonplace to you. You and I know that public opinion is going to have to be satisfied if we modernize the correctional institutions, if we show some consideration for these boys and girls who have gotten into trouble in the local community. And you are the voice to speak to the people. They will listen to you because you will be telling them you are their protector and you are trying to get them to help you to save them from more grievous crime that these young people may commit in the years ahead if they are not diverted from crime in their youth.

I close with this. Not long ago my wife and I visited in northern England a famous old house which had been for a long time the home of a famous English family. As we went through this house, we came to a place where there was a plaque on the wall and then we learned that in World War II the two children of this home had gone forth to war, a boy and a girl—one of them to North Africa and one to the Mediterranean and neither one ever came back. And here is what this plaque said coming as it were from that absent, never-to-return boy and girl of that home:

"When you go home, remember us and say for your tomorrow: We gave ours today."

And so, if we are going to have a better tomorrow, it behooves all of us to do all we can so to spend our today that that better tomorrow will someday happily arrive.

Thank you very much.

STUDY OF THE DESERT TRAIL AS A NATIONAL SCENIC TRAIL

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, in 1968, the National Trails Act designated two well-known hiking trails as national scenic trails and provided for the study of 14 others for possible designation. Today, I am introducing legislation to authorize a study of the Desert Trail for inclusion as a national scenic trail.

The Desert Trail concept is a most unique one, and I feel it should be carefully considered as a potential addition to the national system. Unlike most trails under study or in the system, this trail will cross primarily desert lands rather than mountain ridge crests. The fact that proposed routes cross very little private land increases the feasibility for this project. This Desert Trail will help meet the outdoor recreation needs of the average person with limited financial resources. And it will help to preserve the unique geological, biological, historical, and scenic attributes of the Western desert region.

The idea for a Desert Trail originated with one of my constituents, Russell Pengelly, a high school biology teacher at Burns Union High School in Burns, Oreg. Mr. Pengelly recognized the tremendous recreation potential of such a trail and has been generating public support for his idea for over 8 years. A Desert Trail Association was formed last year to help stimulate interest, and they are now meeting monthly to work out the details of the project.

Without any formal Government support or funding, a tentative trail has been plotted through Idaho, Oregon, Nevada, California, and Arizona. Some study has also been made of a possible route through portions of Washington. However, the trail has developed primarily as a point-to-point route through a particular area rather than as a step-by-step specified trail. The Bureau of Land Management, the Fish and Wildlife Service, the Forest Service, several State agencies and local conservation groups have helped put together a tentative trail, with special precautions taken to avoid crossing private land wherever possible. The route would begin at the Canadian border in northwest Idaho, pass through northern Idaho, eastern Oregon, northern and eastern Nevada to Hoover Dam, along the Colorado River in southern California, and into Arizona to the Mexican border.

Some development has already occurred in Oregon. One section, beginning near Diamond Craters, passes through the Malheur National Wilderness Refuge, to Page Springs, then to the summit of Steens Mountain.

In Idaho, the proposed route goes south from the Canadian border to Priest River, then southeast near the Idaho-Montana border through Lolo Pass, then southwest toward Homestead, Oreg.

In Oregon, it goes from Homestead to the lower edge of the Malheur National Forest near Drewsy, then down the Malheur River to Malheur Cave, across Diamond Craters and through the Malheur National Wildlife Refuge to Page Springs. It crosses Steens Mountain, drops to the Alvord Desert, and then proceeds south to Denio, Nev.

In Nevada, the BLM suggests a route across Black Rock Desert, paralleling U.S. 80 to Halleck, turning southward along the eastern edge of the Ruby Mountains. Below Ruby Lake, it swings east, then southward passing east of Las Vegas. An alternative route passing southwesterly from Ruby Lake enters California near Death Valley National Monument.

Californians propose a route through the Mojave and Colorado Deserts and along the Colorado River into Arizona near Yuma. In Arizona, it would proceed southeasterly to the Mexican border.

An additional advantage of this desert trail will be access, since it will be open almost year round. Only travel by foot or horse will be permitted in order to preserve the true recreational experience of hiking in and exploring the desert for others. This trail will eventually be a most significant addition to our national trails system, and I am pleased to introduce this study measure, which is as follows:

H.R. 10624

A bill to authorize the Secretary of the Interior and the Secretary of Agriculture to conduct a study with respect to the feasibility of establishing the Desert Trail as a national scenic trail.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That subsection (c) of section 5 of the National Trails System Act is amended by adding at the end thereof the following:

"(15) The Desert Trail, which extends from the Canadian border of Idaho, through parts of Oregon, Washington, Nevada, California, and Arizona, to the Mexican border."

MUSEUM SERVICES ACT

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, I am introducing today the Museum Services Act which would provide assistance for a variety of supportive programs of essential value to museums in this country.

For many years, the museums in our Nation have been primarily dependent upon local and State support to provide the basic services many of our citizens enjoy each year, but now, for a variety of reasons, that support is insufficient to enable them to maintain their services.

Every museum in this country offers something unique, and each deserves the chance to continue to serve its community. Federal support for the arts and humanities has been increasing rapidly over the past several years, and it is entirely appropriate that it expand into this important area. There is no greater reward to the thousands of dedicated professionals staffing our museums than the awed look on a child's face while viewing the exhibits at a museum. My bill seeks to insure the ability of our museums to provide our citizens, young and old, with cultural riches only a museum can give.

A brief description of the bill's major provisions follows:

First. The purpose of the bill is to encourage and assist museums in their educational role, and to assist them in modernizing their methods and facilities.

Second. An Institute for the Improvement of Museum Services would be created within the Department of Health, Education, and Welfare to oversee the disposition of funds appropriated under the bill.

Third. The Institute would be authorized to make grants to museums to increase and improve museum services through: First, construction or installation of displays, interpretations, and exhibitions in order to improve services to the public; second, development and maintenance of professionally trained or otherwise experienced staff; third, contributions to administrative costs for preserving and maintaining their collection, exhibiting them to the public and providing educational programs to the public through the use of their collections; fourth, development of cooperative traveling exhibitions, meeting transportation costs, and identifying and locating collections available for loan; fifth, conservation of artifacts and art objects; and, sixth, development and carrying out of specialized programs for specific segments of the public—such as programs for urban neighborhoods, rural areas, Indian reservations, penal and other State institutions.

Fourth. The Federal grants made under this program could not exceed 75 percent of the total project cost for which the grant was made.

Fifth. The Institute would be authorized to accept private donations, bequests, and gifts for use as described above.

Sixth. The bill would authorize $25 million in fiscal year 1974 and $30 million in each of the three succeeding years.

Seventh. For the purposes of this act the term "museum" is defined as a public or private nonprofit agency or institution which is organized on a permanent basis for essentially educational or esthetic purposes, employs a professional staff, owns and maintains tangible objects, and exhibits them to the public on a regular basis.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. ADDABBO (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. BURKE of Florida (at the request of Mr. ARENDS), on account of official business.

Mr. HEINZ (at the request of Mr. ARENDS), for today, on account of official business.

Mr. JONES of North Carolina (at the request of Mr. O'NEILL), for today and October 2, on account of official business.

Mr. MINSHALL of Ohio (at the request of Mr. ARENDS), for today, on account of official business.

Mr. TAYLOR of North Carolina (at the request of Mr. HENDERSON), for today, on account of attending a funeral.

Mr. YOUNG of Florida (at the request of Mr. ARENDS), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KEATING) and to revise and extend their remarks and include extraneous matter:)

Mr. KEMP, for 20 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

Mr. CRONIN, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. McCloskey, for 1 hour, on October 2.

Mr. Findley, for 10 minutes, today.

(The following Member (at the request of Mr. Regula) and to revise and extend his remarks and include extraneous matter:)

Mr. Hogan, for 5 minutes, today.

(The following Members (at the request of Mr. Gunter) and to revise and extend their remarks and include extraneous matter:)

Mr. Drinan, for 60 minutes, today.

Mr. Gonzalez, for 5 minutes, today

Mr. Diggs, for 10 minutes, today.

Mr. Chappell, for 10 minutes, today.

Mr. Burke of Massachusetts, for 10 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Podell, for 10 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Satterfield, for 60 minutes, on October 4.

Mr. Gaydos (at the request of Mr. Breckinridge) for 30 minutes on October 2 and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Ashley, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $940.50.

(The following Members (at the request of Mr. Keating) and to include extraneous matter:)

Mr. Towell of Nevada.

Mr. Robison of New York.

Mr. Findley in five instances.

Mr. Schneebeli.

Mr. Kemp in two instances.

Mr. Bell.

Mr. Hosmer in three instances.

Mr. Huber.

Mr. Widnall.

Mr. Broomfield.

Mr. Roncallo of New York.

Mr. Gerald R. Ford.

Mr. Broyhill of Virginia in two instances.

Mr. Bauman in two instances.

Mr. Goodling.

Mr. Chamberlain in two instances.

Mr. Zwach.

Mr. Shoup.

Mr. Hunt in two instances.

Mr. Young of Florida in five instances.

Mr. Wyman in two instances.

Mr. Derwinski in three instances.

(The following Member (at the request of Mr. Regula) and to include extraneous matter:)

Mr. Hogan in two instances.

(The following Members (at the request of Mr. Gunter) and to include extraneous matter:)

Mr. Natcher.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Dingell in three instances.

Mrs. Hansen of Washington in 10 instances.

Mr. Conyers in 10 instances.

Mr. Kyros.

Mr. de la Garza in 10 instances.

Mr. Helstoski in 10 instances.

Mr. Reuss in six instances.

Mr. Gunter in three instances.

Mr. Jones of Tennessee in six instances.

Mrs. Schroeder in 10 instances.

Mr. Charles H. Wilson of California in two instances.

Mr. Waldie in two instances.

Mrs. Grasso in 10 instances.

Mr. Fraser in five instances.

Mrs. Griffiths.

Mr. Burke of Massachusetts.

Mr. Harrington in five instances.

Mr. Sisk.

Mr. Flood.

Mr. Delaney.

Mr. Koch in three instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1116. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 22 minutes p.m.), the House adjourned until tomorrow, Tuesday, October 2, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1396. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to improve and simplify laws relating to housing and housing assistance; to the Committee on Banking and Currency.

1397. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of the Presidential Determination No. 74-4, finding that the extension of credit to the Government of Peru, in connection with the sale of F-5 military aircraft, is important to the national security of the United States, pursuant to section 4 of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

1398. A letter from the Chairman, Indian Claims Commission, transmitting the final determinations of the Commission in docket Nos. 30 and 48, *the Fort Sill Apache Tribe of Oklahoma, the Chiricahua Apache Tribe, et al.,* plaintiffs, v. *The United States of America,* defendant, and docket Nos. 30-A and 48-A, *The Fort Sill Apache Tribe of Oklahoma, The Chiricahua Apache Tribe, et al.,* plaintiffs, v. *The United States of America,* defendant, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1399. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 283. *The Mohave Indians Who are Members of the Colorado River Indian Tribes, and others,* plaintiffs, v. *The United States of America,* defendant, and docket No. 295, *(Consolidated) Mohave Tribe of Indians of Arizona, California, and Nevada, and Others,* plaintiffs, v. *The United States of America,* defendant, pursuant to 25 USC 70t; to the Committee on Interior and Insular Affairs.

1400. A letter from the Director, Bureau of Land Management, Department of the Interior, transmitting a report of negotiated sales contracts, made under Public Law 87-689 (79 Stat. 587) for disposal of materials during the period January 1 through June 30, 1973; to the Committee on Interior and Insular Affairs.

1401. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on the administrative processes under which the National Heart and Lung Institute will operate in carrying out the national heart, blood vessel, lung, and blood program, pursuant to section 8 of Public Law 92-423; to the Committee on Interstate and Foreign Commerce.

1402. A letter from the Secretary of Health, Education, and Welfare, transmitting a report of the proposed transfer of the Lexington (Ky.) Clinical Research Center from the National Institute of Mental Health to the Bureau of Prisons, Department of Justice, pursuant to Public Law 92-585; to the Committee on Interstate and Foreign Commerce.

1403. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of August 31, 1973, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1404. A letter from the Attorney General, transmitting a draft of proposed legislation to amend sections 656, 657, and 2112 of title 18, United States Code; to the Committee on the Judiciary.

1405. A letter from the Acting Secretary of Commerce and the Assistant Attorney General (Antitrust Division), transmitting a draft of proposed legislation for the general reform and modernization of the Patent Laws, title 35 of the United States Code, and for other purposes; to the Committee on the Judiciary.

1406. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254(c)(1)]; to the Committee on the Judiciary.

1407. A letter from the Director, Administrative Office of the U.S. Courts; transmitting a draft of proposed legislation to amend title 28, Judiciary and Judicial Procedure, of the United States Code to provide for membership of Courts of Appeal sitting *en banc;* to the Committee on the Judiciary.

1408. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated September 27, 1972, submitting a report, together with accompanying papers and illustrations, on Kansas River navigation, Lawrence to Mouth, Kans., requested by a resolution of the Committee on Public Works, House of Representatives, adopted September 26, 1963 (H. Doc. No. 93-160); to the Committee on Public Works and ordered to be printed with illustrations.

1409. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report covering fiscal year 1973 on grants by NASA in which title to equipment was vested under 42 U.S.C. 1892, pursuant to 42 U.S.C. 1893; to the Committee on Science and Astronautics.

Received From the Comptroller General

1410. A letter from the Deputy Comptroller General of the United States, transmitting a preliminary report on the special supplemental food program administered by the Food and Nutrition Service of the Department of Agriculture, pursuant to Public Law 92-433 (86 Stat. 724); to the Committee on Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of Sept. 26, 1973*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 9681. A bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority; and for other purposes; with amendment (Rept. No. 93-531). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted Oct. 1, 1973*]

Mr. HAYS: Committee of conference. Conference report on S. 1317 (Rept. No. 93-532). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 10594. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. Jones of Alabama, Mr. Roberts, Mr. Don H. Clausen, and Mr. Howard):

H.R. 10595. A bill to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities; to the Committee on Public Works.

By Mr. BINGHAM:

H.R. 10596. A bill to improve museum services; to the Committee on Education and Labor.

By Mr. BROYHILL of Virginia:

H.R. 10597. A bill to reorganize the governmental structure within the District of Columbia by providing for two municipal entites: the Federal city of Washington, and the city of Washington; to provide a charter for local government in the city of Washington subject to acceptance by a majority of the registered qualified electors in the city of Washington to delegate certain legislative powers to the local government; to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia; and for other purposes; to the Committee on the District of Columbia.

By Mr. CARTER (for himself and Mr. Winn):

H.R. 10598. A bill to establish an Office of Rural Health within the Department of Health, Education, and Welfare, and to assist in the development and demonstration of rural health care delivery models and components; to the Committee on Interstate and Foreign Commerce.

By Mr. CONTE:

H.R. 10599. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling waste paper; to the Committee on Ways and Means.

By Mr. CONTE (for himself, Mr. Walsh, Mr. Yatron, Mr. Denholm, Mr. Roush, Mr. Thone, Mr. Hosmer, Mr. Evins of Tennessee, Mr. Ketchum, Mr. Minshall of Ohio, Mr. Steiger of Wisconsin, Mr. Rosenthal, Mr. Gray, Mr. Won Pat, Mr. Ware, Mr. Moss, Mr. Fish, Mr. Gunter, Mr. Bergland, Mr. Leggett, Mr. Scherle, Mr. Fauntroy, Mr. Helstoski, Mr. Tiernan, and Mr. Mazzoli):

H.R. 10600. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. CONTE (for himself, Mr. Smith of New York, Mr. Nichols, Mr. Fascell, Mr. Howard, Mr. Bafalis, Mr. Powell of Ohio, Mr. Flowers, Mr. Quie, Mr. Williams, Mr. Preyer, Mr. Fulton, Mr. Archer, Mr. Culver, Mr. Riegle, Mr. Morgan, Mr. Buchanan, Mr. Studds, Mr. McDade, Mr. Dickinson, Mr. Charles Wilson of Texas, and Mr. Roncallo of New York):

H.R. 10601. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and copensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. CONYERS (for himself, Mr. Fish, Mr. Railsback, Mr. Bingham, Mr. Stark, Mr. Badillo, Mr. Clay, Mr. Hawkins, Mr. Brown of California, Mr. Moakley, Mr. Riegle, Mr. Blackburn, and Mr. Harrington):

H.R. 10602. A bill to provide Federal assistance to cities, combinations of cities, public agencies, and nonprofit private organizations for the purpose of improving police-community relations, encouraging citizen involvement in crime prevention programs, volunteer service programs, and in other cooperative efforts in the criminal justice system; to the Committee on the Judiciary.

By Mr. CRONIN:

H.R. 10603. A bill to amend the Consumer Credit Protection Act to prohibit discrimination on the basis of sex or marital status in the granting of credit, and to make certain changes with respect to the civil liability provisions of such act; to the Committee on Banking and Currency.

By Mr. FULTON:

H.R. 10604. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. GUNTER:

H.R. 10605. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion; to the Committee on Agriculture.

By Mr. HARRINGTON (for himself and Ms. Holtzman):

H.R. 10606. A bill to provide for posting information in post offices with respect to registration, voting, and communicating with lawmakers; to the Commttee on Post Office and Civil Service.

By Mr. HASTINGS:

H.R. 10607. A bill to establish an Office of Rural Health within the Department of Health, Education, and Welfare, and to assist in the development and demonstration of rural health care delivery models and components; to the Committee on Interstate and Foreign Commerce.

By Mr. HOSMER:

H.R. 10608. A bill to amend title 10, United States Code, to realine naval districts, and for other purposes; to the Committee on Armed Services.

By Mr. KASTENMEIER (for himself, Mr. Steiger of Wisconsin, and Mr. Zablocki):

H.R. 10609. A bill to provide for the establishment of an "open cities" program between the United States and the Soviet Union; to the Committee on Foreign Affairs.

By Mr. KOCH (for himself, Mr. Bell, Mr. Ashley, Mr. Badillo, Mr. Brown of California, Mrs. Chisholm, Mr. Conte, Mr. Conyers, Mr. Danielson, Mr. Drinan, Mr. Eckhardt, Mr. Edwards of California, Mr. Harrington, and Mr. Helstoski):

H.R. 10610. A bill to assure the constitutional right of privacy by regulating automatically processed files identifiable to individuals; to the Committee on the Judiciary.

By Mr. KOCH (for himself, Mr. Bell, Mr. Leggett, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moss, Mr. Pepper, Mr. Podell, Mr. Rangel, Mr. Rosenthal, Mr. Sarbanes, Mr. Seiberling, Mr. Ware, and Mr. Won Pat):

H.R. 10611. A bill to assure the constitutional right of privacy by regulating automatically processed files identifiable to individuals; to the Committee on the Judiciary.

By Mr. KYROS (for himself, Mr. Fuqua, Mr. Shriver, and Mr. Sebelius):

H.R. 10612. A bill to establish an Office of Rural Health within the Department of Health, Education, and Welfare, and to assist in the development and demonstration of rural health care delivery models and components; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself Mr. Ashbrook, Mrs. Boggs, Mr. Lehman, Mr. Matsunaga, Mr. McCloskey, Mr. Riegle, and Mr. Robinson of Virginia):

H.R. 10613. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of income tax returns by, and the disclosure of information therein to, Federal agencies; to the Committee on Ways and Means.

By Mr. PIKE (for himself and Mr. King):

H.R. 10614. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. RODINO:

H.R. 10615. A bill to amend the act of August 6, 1958, 72 Stat. 497, relating to service as chief judge of a U.S. district court; to the Committee on the Judiciary.

H.R. 10616. A bill to provide to the U.S. magistrates alternative means of disposition of certain offenders in minor offense cases, prior to trial, and for other purposes; to the Committee on the Judiciary.

By Mr. ROGERS:

H.R. 10617. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products; to the Committee on Banking and Currency.

By Mr. ROGERS (for himself, Mr. Staggers, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, and Mr. Hudnut):

H.R. 10618. A bill, Emergency Medical Services Systems Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALLO of New York:

H.R. 10619. A bill to amend the Communications Act of 1934 with respect to presentation of controversial issues of public importance on comedy shows; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 10620. A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELMAN (for himself, Mr. Wylie, Mr. Lehman, Mr. Breaux, and Mr. Stokes):

H.R. 10621. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEPHENS:

H.R. 10622. A bill to authorize the disposal of silicon carbide from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

Mr. TEAGUE of California:

H.R. 10623. A bill to amend title 38, United States Code, to permit payment of the annual reporting fee to certain joint apprenticeship training committees; to the Committee on Veterans' Affairs.

By Mr. ULLMAN:

H.R. 10624. A bill to authorize the Secretary of the Interior and the Secretary of Agriculture to conduct a study with respect to the feasibility of establishing the Desert Trail as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Alaska:

H.R. 10625. A bill to amend the act prohibiting certain fishing in U.S. waters in order to revise the penalty for violating the provisions of such act; to the Committee on Merchant Marine and Fisheries.

By Mr. FRASER (for himself, Mr. Harrington, Ms. Abzug, and Mr. Edwards of California):

H. Con. Res. 319. Concurrent resolution expressing the sense of the Congress with respect to the observance of human rights in Chile; to the Committee on Foreign Affairs.

By Mr. HUBER (for himself, Mr. Brown of California, Mr. Gilman, Mr. Gunter, Mr. Hechler of West Virginia, Mr. Podell, Mr. Roncallo of New York, Mr. Symms, Mr. Waldie, and Mr. Winn):

H. Con. Res. 320. Concurrent resolution offering honorary citizenship of the United States to Alexander Solzhenitsyn and Andrey Sakharov; to the Committee on the Judiciary.

By Mr. PEYSER:

H.R. Res. 571. Resolution that it is the sense of the House that the U.S. Ambassador to Austria be withdrawn until the Austrian Government reinstates its policy permitting transit for Soviet Jews; to the Committee on Foreign Affairs.

By Mr. FINDLEY:

H. Res. 572. Resolution directing the Attorney General to inform the House of certain facts; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

308. By the SPEAKER: A memorial of the Legislature of the State of California, relative to providing assistance to Nicaraguan earthquake victims; to the Committee on Foreign Affairs.

309. Also, memorial of the Legislature of the State of California, relative to commemorative postage stamps in recognition of the contributions of the Nation's hunters and fishermen; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HALEY:

H.R. 10626. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H.R. 10627. A bill for the relief of Benjamin Baxter; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

296. By the SPEAKER: Petition of the Fourth Mariana Islands District Legislature, Saipan, Mariana Islands, Trust Territory of the Pacific Services Corp., to the Micronesian Legal Islands, relative to the Committee on Education and Labor.

297. Also, petition of Simeon Mongcopa and Guillermo Alcoran, Dumaguete City, Philippines, relative to compensation for U.S. guerrillas in the Philippines during World War II; to the Committee on Foreign Affairs.

298. Also, petition of the Ohio Young Democrats, Yellow Springs, Ohio, relative to the Hatch Act; to the Committee on House Administration.

299. Also, petition of E. D. Guess, Fowler, Colo., relative to the broadcast license of radio station WXUR; to the Committee on Interstate and Foreign Commerce.

300. Also, petition of Ronald Del Raine, Marion, Ill., relative to redress of grievances; to the Committee on the Judiciary.

301. Also, petition of the Municipal Council, Irvington, N.J., relative to the death penalty; to the Committee on the Judiciary.

302. Also, petition of Stephen L. Suffet, Kew Gardens, N.Y., and others, relative to impeachment of the President; to the Committee on the Judiciary.

SENATE—*Monday, October 1, 1973*

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. Eastland).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, our Heavenly Father, who has brought us safely to the beginning of a new week, rule over us in this Chamber that first we may love Thee with our heart and mind and soul and strength and then serve this Nation and its people in the spirit of the Master. Transfigure every duty, great and small, that we may work with constancy and joy. Keep us from failing or falling. Keep our goals high, our vision clear, our minds keen. In the end grant us thankful hearts for having labored here to advance Thy kingdom.

In Thy holy name we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, September 28, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR HUGHES OF IOWA

Mr. MANSFIELD. Mr. President, the Louisville Courier-Journal on September 10, 1973, published an editorial entitled "Senator Hughes Will Be Missed."

I read in part as follows:

> Current wisdom holds that next year will be a fruitful one for the Democrats in Congressional races, so the announcement that a liberal Democrat will not seek re-election could be dismissed as a minor flaw in an otherwise rosy picture. But when the loss is someone as energetic, hard-working and decent as Iowa's Harold Hughes, observers of all political persuasions who care about an effective Senate cannot but be saddened.

Further on it states:

> His political triumphs were particularly noteworthy because of his background as a largely self-educated former truck driver and a reformed alcoholic. In the Senate he has pressed vigorously for reform of the nation's drug laws and for more sympathy and attention for victims of alcoholism.
>
> We wish the Senator success in his new endeavors, but we can't help feeling he will be sorely missed in the Senate.

Mr. President, I agree.

Mr. President, I ask unanimous consent to have this editorial printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Senator Hughes Will Be Missed

> Current wisdom holds that next year will be a fruitful one for the Democrats in Congressional races, so the announcement that a liberal Democrat will not seek re-election could be dismissed as a minor flaw in an otherwise rosy picture. But when the loss is someone as energetic, hard-working and decent as Iowa's Harold Hughes, observers of all political persuasions who care about an effective Senate cannot but be saddened.
>
> Senator Hughes says he will give up his seat and devote his time as a lay worker to two religious foundations. The foundations' gain is the Senate's loss. After serving three terms as governor of the usually Republican state of Iowa, he was elected to the Senate

in 1968, even though Iowans, as expected, gave President Nixon a solid majority in that year's presidential race.

His political triumphs were particularly noteworthy because of his background as a largely self-educated former truck driver and a reformed alcoholic. In the Senate he has pressed vigorously for reform of the nation's drug laws and for more sympathy and attention for victims of alcoholism.

He has also been a consistent critic of the U.S. military involvement in Indochina and was instrumental in uncovering the secret bombing campaign in Cambodia and the supposedly unauthorized bombing of North Vietnam during periods of negotiation in late 1971 and early 1972.

We wish the Senator success in his new endeavors, but we can't help feeling he will be sorely missed in the Senate.

Mr. HUGH SCOTT. Mr. President, the contributions of the distinguished Senator from Iowa (Mr. HUGHES) have been very considerable. He will be, indeed, very much missed in this Chamber.

He has made a decision of conscience. We must honor him for that. We in the Senate are aware how, more often than not, problems of conscience beset us and hard decisions have to be made.

This decision of the Senator does him great credit. In Iowa, what needs now to be taken as a lesson by both political parties is to find in the candidate of each party men and women who are hard working, energetic, and decent and let them contend against each other, fairly and honorably, let them advocate their causes, their beliefs, their intentions, as fugitive men of this body in their desire to serve their country, their State, and their people, and let them be chosen along those lines and with those important principles in mind; because I think the next election will probably turn not only in Iowa but around the country on the character and the personalities of the individuals on the issues which they generate and on the judgment of the people whether the candidate is really good for them and whether he has their interest genuinely at heart. The public is perfectly capable of passing on the differing philosophies as they evolve.

I do not think that the extraneous issues which have occupied our time, our thoughts, and our concerns so much in Washington will be major issues in the campaign for Federal offices or, for that matter, State offices, as recent elections have tended to illustrate.

I hope that in the course of the next campaign we can convince the people of this country that politics is an honorable profession, and that the elected or would be elected officials are capable and are worthy of the trust of the people and of their franchise. That is the way in which elections should be conducted.

We have learned a lot of things here. We have learned that some things are not good for the Republic. We have known those things all along but we have seen some of them happen and we know how very bad they are. I think the public does, too.

Therefore, I hope that we will conduct our campaigns along the lines I have mentioned.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Oregon (Mr. HATFIELD) is now recognized for not to exceed 15 minutes.

(The remarks Senator HATFIELD made when he introduced S. 2502, to amend the Internal Revenue Code of 1954, providing certain tax credits, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota (Mr. McGOVERN) is recognized for not to exceed 15 minutes.

COMPROMISE: KEY TO ECONOMIC RECOVERY

Mr. McGOVERN. Mr. President, this morning I shall speak briefly on the subject of the economy. I hope to be making a series of statements on various aspects of the economic difficulties that confront our country in the next few weeks. This represents the first in that series.

Mr. President, the fundamental flaw with the administration's economic policy is an almost panicked procession from phase to phase, characterized by poor timing and little forethought, so that the overall effect is not prudence, confidence, and revival, but carelessness, uncertainty, and further decline.

Indeed, the three phases so far this year, far from promoting order in the marketplace, have themselves become a principal source of disorder.

So I was particularly disappointed to learn from President Nixon's news conference and the subsequent statements of his spokesmen that phase IV, now only 2 weeks old, seems to be unraveling.

What the President said on September 5, and I quote:

> A number of my advisers, including, incidentally, Arthur Burns, have strongly recommended that the answer to this whole problem of inflation is in the tax structure.

He went on to endorse the concept of altering the investment tax credit but concluded, and again I quote:

> I think a number of suggestions have been made on the tax front which might be helpful in the control of inflation, but there isn't a chance that a responsible bill would be passed by this Congress.

Thereafter, the President's chief domestic advisor, Mr. Laird, floated the President's trial balloon on a variable investment tax credit and an income tax surcharge. That proposal appears to have been withdrawn, after Mr. Shultz publicly told Mr. Laird to "keep his cotton pickin' hands off economic policy" and the prospect of a general tax increase met with a cool reception on Capitol Hill.

What is the meaning of all this:

First, that President Nixon is not satisfied with his anti-inflation strategy but he is reluctant to seek from the Congress the economic tools he feels he needs to restore price stability; and

Second, there is a deep philosophical dispute among the President's principal advisors over the relative wisdom of conflicting economic approaches.

It is understandable that Mr. Nixon is dissatisfied with public economic policy and looks to the tax structure for better policy.

The most important thing for the economy is to achieve price stability and orderly growth. To do this, the President must opt for one economic approach or the other. He cannot permit Mr. Shultz to step on the fiscal accelerator while Mr. Burns applies the monetary brakes. For if things remain as they are we will experience the boom to bust cycle of the first Nixon administration.

So, I hope that we can renew now the constructive search for effective action to curb inflation. Our economic problems are so serious that they transcend the differences between the President and the Congress; I fear that if effective steps are not taken promptly, we face the prospect of an even more serious wage-price spiral next year—and perhaps a serious recession.

I say this, Mr. President, in a spirit of accommodation. I hope that these words from his opponent last year, coupled with those of the Senate and House majority leadership, will signal to Mr. Nixon that a compromise between him and the Congress is as possible as it is essential.

For discussions I have had with Members on both sides of the aisle since our return from the August recess have convinced me that the President will find a constructive response if he will meet the Congress half way.

In his second state of the Union message, the President said that in addition to his phase IV program, he hoped to control inflation by increased farm production, keeping the Federal budget down, and keeping interest rates high. He also acknowledged that his difference with Congress was not on how much to spend but on where to spend it. However, the President has remained adament about his view of national priorities, taking the hard line and threatening to veto any bill that decreases his military budget or increases his civilian budget.

So my first suggestion is that the President sit down with the leadership of the Senate and the House and compromise on the budget, costing out the probable outlays for the bills we will consider this year and next year. The key to this compromise is for the President to give at least a little on the military budget. The bombing halt in Indochina and the changed realities there since the budget was submitted last January alone indicate that as much as $3 billion could be cut from military spending without affecting the President's recommended baseline force. And an inconsequential 1- or 2-year delay in the development of several weapons systems could save the taxpayer as much as $3 billion more.

The basis for compromise is clearly present.

A major obstacle to a balanced budget would be a refusal to compromise. On the other hand, I am confident if the White House manifests a genuine spirit of cooperation, the Congress will quickly conclude an agreement on overall spending at a level that is both economically sound and socially responsible. Indeed, we, for our part, have already proven our willingness to cooperate by enacting a budget ceiling even lower—by $700 million—than the President requested.

The President may have the votes for his military and overseas budgets. But it is clear that he does not have the votes for his reduced domestic program, except by relying on the veto.

So the best the President can hope for is that Congress will pass the military and foreign programs he supports and the domestic programs he opposes. If this happens, we will travel again the uncertain path of veto and impoundment—and that will not moderate, and almost certainly will aggravate—the spreading climate of economic doubt which is at the heart of inflationary psychology.

Moreover, such a course would threaten to bust the budget in any case, if and when the Supreme Court rules on the constitutionality of impoundment.

Reasonable compromise would help both to resolve our economic crisis and to restore confidence in the Presidency as well.

My second suggestion is in the area of tax policy. The record inflation we have seen recently has been different in kind from the inflation on the first Nixon administration. And perhaps that is the reason, as the President has said, that the administration's economic forecasts have not been very good this year. The 1970–71 inflation was a textbook wage-price spiral. And although some of us criticized the phase I and phase II controls as biased in favor of big business, all agreed that temporary controls would flatten out the wage curve and, therefore, prices.

But in 1973 wage increases have been moderate. During the first 6 months of this year wages rose at annual rate of approximately 6 percent, while consumer prices rose at a substantially higher rate. So this time the worker could not be blamed for skyrocketing prices. And President Nixon recognized this by exempting wages from the summer price freeze.

And congressional spending could not convincingly be blamed either. The Federal budget for last year was held $4 billion below the President's recommended budget ceiling. Moreover, the projected budget deficits for the first two quarters of this year were sharply reduced with an actual billion-dollar surplus in the second quarter.

Last January, with wages under control and with Federal spending at a level the President thought proper, the administration relaxed the phase II controls in the expectation that the inflationary pressures had abated.

What has happened since then is history. Consumer prices soared, reaching an annual rate of nearly 10 percent this spring. Wholesale prices shot forward at an annual rate of over 20 percent between January and June.

In sum, phase III was an unmitigated disaster.

What the administration had failed to take into account was the effect of the fiscal, monetary, and farm policies of the prior year and a half.

During the first 2 years of his Presidency, Mr. Nixon practiced the economics of Herbert Hoover, seeking to restrain prices by raising unemployment. The result was recession—a major recession and inflation at the same time. Joblessness soared above 6 percent while the Consumer Price Index jumped 6½ points.

Then in a stunning reversal of his prior position, the President announced he had become a Keynesian. His new economic policy comprised elements of fiscal stimulation through tax reduction and increased Government spending, plus the comprehensive wage and price controls his congressional critics had advocated. This, combined with a rapid increase in the money supply, resulted in a degree of economic recovery by the time of his reelection.

But then Mr. Nixon, in shifting to phase III, forgot the other side of the Keynesian coin—the discipline of restraint. The economy, stimulated by record budget deficits and multibillion dollar tax breaks to big business raced forward at a dangerously rapid rate. And this expansion proportionately increased the demand for industrial commodities.

This increased commodity demand sharply escalated the prices manufacturers had to pay for material and in turn the prices consumers had to pay for goods. In the first 6 months of this year, crude materials went up at a rate of 18 percent, fuel and power, 18 percent; lumber, 30 percent; wool, 20 percent; petroleum products, 30 percent and so on down the line. As a result, wholesale prices also increased sharply—the cost of consumer finished goods rose at a rate of 19.4 percent, durable goods 9.8 percent, industrial commodities 12.6 percent and petroleum products a whopping 61.8 percent.

Arthur Burns, as Chairman of the Federal Reserve Board, repeatedly warned that the economy was expanding too fast and that serious demand-pull inflation would result. And when his warning went unheeded by Mr. Shultz and Mr. Stein, he did what he could to slow economic growth by increasing interest rates to record levels.

But the Federal Reserve's high-interest policy has been only a mixed success. Monetary policy is at best a rough hewn tool. It has reduced real growth in the gross national product from 8 percent in the first quarter of this year to less than 3 percent in the second quarter and an estimated 4 percent in the third quarter.

And this slowed growth has been bought at great cost. Because money is in short supply, housing starts are expected to decline by as much as one quarter to one third next year. If that is allowed to happen, the cost to the economy will be between $12 to $16 billion in the housing industry alone, not to mention the secondary effect on related industries. This would repeat the kind of needless dislocation which led to the first Nixon recession.

The second cost of this high interest rate policy has been the redistribution of income from the worker and the consumer to big business in the form of inflated profits. The loss of real income by working people threatens to inspire the kind of wage-price spiral we had in 1970–71.

Beyond these factors, high interest rates are a direct cost of living hardship on all those who depend on credit—especially small merchants, farmers, home buyers, and consumers at large. For millions of Americans, the attempt to reduce the cost of living by raising interest rates amounts to an actual increase in their cost of living.

A further irony of the high interest rate policy is that the higher cost of borrowing for the Government means a probable addition to the Federal budget of some $4 billion this year alone in the form of increased interest on Government debt.

This is the economic schizophrenia of present economic policy. Mr. Shultz is heating up the economy by tax incentives to big business while Mr. Burns tries to cool it down by making the cost of money more expensive.

Mr. Nixon has in effect replaced laissez faire economics with helter-skelter economics.

And the end result of contradictory economic policy is that Federal spending goes up, economic expansion continues, inflation soars, and consumers are priced out of the money market.

Moreover, the most recent economic evidence, indicates that the risk of recession is real. Due to the food inflation this year, consumers now have fewer dollars to spend for other goods and services. And so we saw a 1.6-percent decrease in orders for durable goods in August.

This phenomenon will clearly continue in the months ahead as the August wholesale price rise—which was at an annual rate of nearly 75 percent—is passed along to the consumer under phase IV rules. And unless we achieve price stability, sharp reductions in demand will result in decreased production and high unemployment.

Since the rate of decline in real income has been greater this summer than during the comparable period in the first Nixon recession, the risk of a more serious recession is proportionately greater.

Thus, if Mr. Nixon is to avoid his second recession he must understand that neither laissez faire nor helter skelter economics are adequate to our needs. He must adopt a fiscal policy to relieve the pressures on our over-burdened monetary system.

Arthur Burns has told the President the way to do this is by increasing business taxes. And the obvious place to start is with the investment tax credit and the accelerated depreciation guidelines which Congress adopted in 1969 and 1971 at the President's request. These tax breaks to big business are incentives to invest and expand which have pushed business borrowing rates and forced the Federal Reserve to pursue a restrictive monetary policy. If these tax incentives are at least temporarily suspended, inflationary pressures will be reduced, interest rates could be reduced, and the economy could grow at an orderly and moderate rate.

I have long favored outright repeal of the excessive accelerated depreciation allowances and a limitation of the tax credit to net increases in investment as the major cornerstone of comprehensive tax reform. But I would be willing to support the President's plan for a variable tax credit to be increased or decreased as economic conditions warrant, subject to congressional approval, as a reasonable compromise in the interest of avoiding more inflation and another recession.

However, I will not support—and I believe the Congress will oppose—a general income tax increase. The principal inflationary demand pressures are in the business, not the consumer, sector. An across the board tax increase not only would fail to deal with our economic troubles; it would also act as a depressant and pose the same recessionary risk as a continuation of present high interest rates and tight money.

Instead, I encourage the President to look to that part of the tax structure which offers a way out of the present quandary. And as one who has worked toward tax reform, I pledge my support for a reasonable compromise in this area.

Thirdly, so far as farm policy and food prices are concerned, I am generally in accord with what the President said in his recent message.

Food prices, which have paced inflation this year, rose sharply because production did not meet rising demand. This occurred in part because of the huge wheat sales to the Soviet Union last year, in part because of poor weather conditions and harvests abroad, and in part because of the second dollar devaluation and the rising affluence of European and Japanese consumers which made American products more attractive to foreign buyers.

The road to lower prices for the consumer is through higher farm production. Last year 40 million acres were kept out of production; this year, 20 million. The recent farm bill authored by the Congress and signed by the President has put us back on the right track. Our bill creates incentives to produce by guaranteeing to the farmer a fair price for his labor. This policy will reduce the cyclical factors in demand and production and insure us an adequate food supply in the years ahead. At the same time, for the first time in many years, America will exploit its greatest export market and hopefully bring its international payments back into balance, strengthening the dollar abroad.

But both the consumer and farmer need greater protection in the form of stricter regulation of the commodity markets.

Unprecedented increases in the price of farm commodities—particularly wheat, soybeans and other grains—were responsible for most of the food inflation this year. Many of these price increases resulted from commodity speculation.

The people's interest in commodity trading transcends the orderly functioning of commodity markets and the prevention of fraud. For every time a speculator or large grain company turns a profit by trading futures the housewife and the consumer pay a higher price. And since it is the speculator, not the farmer, who receives the windfall profit, the higher wholesale and retail prices do not act as a stimulant to production.

Therefore, Mr. President, I will discuss this subject further when I introduce later this week legislation to create an independent commission to regulate commodity trading. Hopefully, this legislation will lead to careful deliberation and discussion of the complex but vital subject of commodity trading.

My fourth and last suggestion for immediate action is that the phase IV rules be stiffened.

As I said last June, inflation will remain with us until we are able to resolve the underlying causes of inflation. Economic controls by themselves solve nothing. Phase IV is a band-aid response to the pressures which arose under the ill advised phase III program. So whether inflation will come under control depends upon whether the President, working with the Congress, develops a new and for the first time truly effective economic policy.

As I indicated earlier, I believe we can move rapidly toward this goal if the President and the Congress balance the budget by reducing military and foreign spending and restricting excessive tax stimulus to big business. And I think we can reduce food and commodity inflation by controlling speculation in futures and spot markets. But in the long run, the measures I suggest will have little effect if phase IV fails and we have more runaway inflation this fall.

This fall and especially next year, millions of workers will negotiate new employment contracts. Unless we restrain price inflation now, we cannot expect wage restraint then. And if workers escalate wage demands to keep pace with a further rise in prices, we will spur another round of wage-price inflation and potentially another recession of the kind we had 2 years ago.

Unfortunately, phase IV lacks the toughness to be convincing and effective. The price increases granted to the auto industry, and especially to the steel industry, earlier this month demonstrate the administration's continued reluctance to have its business friends share the cost of controlling inflation.

The case of steel is particularly flagrant. For American industry as a whole, second quarter profits were up 30 percent over the comparable period last year. For the steel industry profits were up 65 percent. The profits of United States Steel were up 88 percent and Armco and Bethlehem 59 percent. Profit margins were up as well, United States Steel posting a 30-percent increase, Armco 25 percent and Bethlehem 20 percent.

Yet in spite of those figures, the Cost of Living Council approved increases in the price of steel.

And the same pattern holds in both the auto and oil industries. Ford's second quarter profits were up 41 percent and General Motors' 18 percent. For the oil industry as a whole, second quarter profits were up 39 percent and profit margins over 20 percent.

Exempting large concerns from the burden of inflation control raises more than a question of equity; it raises a serious problem of credibility as well.

The labor leaders who will negotiate for their membership know that big business posted record profits this year. The administration's 5.5 percent wage guideline would mean a 2.5-percent loss in real income if inflation averages 8 percent this year. Why should working people be asked to sacrifice when big business chalks up record profits and executive compensation increases at a rate of 13.5 percent?

And the large corporations themselves, whose investment and production plans determine whether the economy will slow down to orderly growth or race ahead to renewed inflation, will continue to expand at record rates if their present behavior is rewarded by the administration.

So my fourth suggestion is that phase IV be stiffened by an indirect control on the profits of large enterprises. No price increase should be granted, even where costs for labor and materials increase, except to hold a company's profit at an appropriate base period level. The standards for this would differ from industry to industry.

This change would strengthen the credibility of phase IV. Prices would be under tighter control and long-term solutions would be given an opportunity to work.

In conclusion, Mr. President, let me again stress my hope that we in Congress can reach a reasonable compromise with the President on military spending so that together we can hold the cost of government to a level the economy can afford.

If the President takes a hard line, if he refuses to compromise with the Congress, we will pay the price in more years of economic confusion and uncertainty.

The choice is in the President's hands.

I hope he will decide to compromise with us so that we can work with him for the prosperity of the Nation.

In 1973, compromise is the key to economic recovery.

Mr. President, I ask unanimous consent that an analysis from Business Week magazine of the economy be printed in the RECORD.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973: THE PROFITS BOOM ROLLS ON

The boom in corporate profits not only continued through the second quarter of 1973, but actually picked up some steam.

The latest Business Week quarterly survey of corporate performance points to second-quarter after-tax earnings at better than a $70-billion seasonally adjusted annual rate—up more than 30% from the $53.4-billion rate of the second quarter of 1972.

The only hint of trouble in the second quarter was the softening of profit margins that occurred in some industries—an indication that productivity is beginning to lag, and that gains in earnings will be smaller in the second half than in the first. The over-all profit margin figure for all 880 companies covered in the survey was up handsomely—from 5.6 cents earned per $1 of sales a year ago to 6.1 cents this time. But more industries had trouble fattening margins than in either the second quarter of 1972 or this year's first quarter.

What's included. The quarterly survey is compiled by Investors Management Sciences, Inc. of Denver, a subsidiary of Standard & Poor's Corp. The 880 companies in the survey are spread among 36 industrial categories, from aerospace to utilities.

To hold the list to just 880 companies, the current survey omits those with sales of less than $26-million for the quarter. Utilities are listed only when revenues for the quarter topped $50-million, while only banks with $1-billion or more in deposits are included. Companies whose most recent fiscal quarter ended before May 1 were left out unless their sales for the quarter exceeded $100-million. Finally, companies had to report, in detail, by July 31, to be included in the survey.

The companies that did make the survey had some impressive stories to tell. Only two of the 36 industrial groups reported lower earnings in the quarter: railroads, where soaring costs and flood damage hurt many of the bigger carriers, and the nonbank financial category, where the profits squeeze on Wall Street dragged profits down for the whole group. The survey for the second quarter of 1972 covered 35 industrial groups, and four of them reported lower earnings for that period.

And earnings gains tended to be particularly steep this time for a wide array of industries. Nineteen industries reported profits up 20% or more this time against 17 a year ago; 12 reported profits up 30% or more this time against nine a year earlier. The big winner was the paper industry, with earnings for the group up by 69% on a 17% increase in sales. The big winners among the paper companies were Westvaco with profits up 161%, Crown Zellerbach up 129%, and Hammermill up 113%.

Hard behind the paper companies came the building materials companies, with the forest products companies doing particularly well.

Boise Cascade, fighting its way back from a near financial disaster, boosted second-quarter earnings by 195%, while Weyerhaeuser pushed its earnings up by 179%, Georgia-Pacific by 126%, and Potlach by 125%.

Sharpest turnarounds. The most spectacular turnarounds were by the metals companies, both steel and nonferrous metals. Each group reported sharply lower earnings in the second quarter of 1972—but sharply higher earnings this time. Reynolds Metals reported second-quarter profits up a stunning 750%, while at American Smelting & Refining the gain was 129%. Among steelmakers, U.S. Steel was up 62% for the quarter, and Bethlehem up 57%. Only Jones & Laughlin among the major producers reported lower earnings for the quarter.

No less impressive was the showing by the big oil companies, with industry giant Exxon up 54%, Shell up 54%, Gulf up 82%, and Standard of Ohio up 110%.

The retailers as a group did well in the quarter—including some of the food chains, which had been taking quite a pounding recently. A&P, for one, earned $2.4-million in the quarter against the $21-million it lost in the same period a year ago. Among the retailing giants, Sears boosted profits by 23%, Penney by 24%, and Marcor—with both its retailing and nonretailing businesses doing well—by 50%.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973

[Dollar amounts in millions]

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
AEROSPACE													
Airframes, general aircraft and parts													
Beech Aircraft [3]	$51.8	20	$101.5	19	$2.6	37	$5.0	48	5.0	4.4	19.8	7	2.09
Boeing	976.4	56	1,607.2	18	14.5	76	25.2	47	1.5	1.3	4.9	10	1.93
Cessna Aircraft [3]	98.8	42	194.0	56	6.2	47	12.3	80	6.3	6.1	20.1	8	2.81
Curtiss-Wright	65.6	9	123.3	8	2.1	79	3.8	185	3.3	2.0	4.2	31	0.79
General Dynamics	428.8	11	826.9	8	9.1	43	16.4	44	2.1	1.6	8.7	7	2.95
Lockheed Aircraft	726.7	8	1,342.3	15	4.4	5	7.9	4	.6	.6	5.1	6	1.17
McDonnell Douglas	915.0	21	1,731.2	29	40.5	23	74.9	37	4.4	4.4	16.4	7	3.31
Northrop	**155.5	1	287.7	7	2.3	−15	4.1	−20	1.5	1.8	6.4	7	2.46
Rockwell International [3]	831.7	19	1,633.0	18	35.3	31	69.6	32	4.2	3.9	11.7	8	3.72
Thiokol Chemical	65.4	3	135.6	5	3.2	21	6.2	28	4.8	4.1	12.7	7	1.90
United Aircraft	595.4	26	1,134.1	16	16.5	18	31.0	17	2.8	2.9	10.6	7	4.60
Industry composite	4,911.1	23	9,116.7	18	136.7	30	256.4	34	2.8	2.6	10.2	9	2.82
AIRLINES													
Allegheny Airlines	83.5	21	155.1	36	4.2	51	.8	−15	5.1	4.0	9.6	16	.65
American Airlines	364.4	7	686.2	5	−6.3	NM	−35.1	NM	NM	1.0	−3.7	NM	−.78
Braniff Airways	105.5	15	203.3	13	6.3	46	10.3	32	6.0	4.7	19.7	11	.97
Continental Air Lines	97.0	7	182.5	6	1.0	−65	.1	−95	1.0	3.2	4.9	17	.48
Delta Air Lines [6]	286.5	21	553.7	18	20.7	94	34.7	84	7.2	4.5	20.2	15	3.32
Eastern Air Lines	315.4	12	634.3	9	−6.7	NM	−8.6	NM	NM	3.0	−2.0	NM	−.35
Flying Tiger	68.5	9	130.1	9	7.8	15	13.6	20	11.4	10.9	20.9	10	2.71
Frontier Air Lines	32.6	17	61.5	20	2.4	−19	3.3	46	7.3	10.6	295.3	6	.99
North Central Airlines	31.3	10	58.7	8	1.5	15	1.5	16	4.8	4.6	21.8	8	.54
Northwest Airlines	141.4	10	261.4	5	12.0	42	20.0	52	8.5	6.6	5.1	21	1.15
Pan American World Airways	357.4	9	654.1	9	−2.9	NM	−22.0	NM	NM	NM	−3.8	NM	−.41
PSA	31.8	18	60.2	14	1.2	−50	.7	−78	3.7	8.8	3.8	16	.79
Trans World Airlines	406.3	13	731.0	14	21.7	−2	6.9	NM	5.3	6.2	13.2	6	3.73
UAL	512.1	14	954.3	12	16.6	573	7.1	NM	3.2	.6	5.1	14	1.48
Western Air Lines	99.4	18	194.3	13	4.4	777	7.3	195	4.5	.6	17.5	9	1.16
Industry composite	2,933.1	13	5,520.9	11	84.1	11	40.7	20	2.9	2.9	4.2	12	.89
APPLIANCES													
Magic Chef [6]	61.7	5	117.5	8	1.5	−48	2.6	−51	2.5	5.0	9.8	9	.98
Maytag	52.2	12	106.1	11	5.9	5	12.5	5	11.2	12.0	30.9	13	2.14
Singer	619.7	12	1,196.5	11	21.5	11	42.4	12	3.5	3.5	11.4	11	5.14
Tappan	61.0	14	127.2	23	1.0	−37	2.9	−9	1.6	2.8	11.1	6	1.90
Whirlpool	465.1	21	838.0	21	23.5	24	41.7	30	5.0	4.9	23.9	14	2.17
Industry composite	1,259.8	15	2,385.4	15	53.3	10	102.2	13	4.2	4.4	15.8	10	2.68
AUTOMOTIVE													
Autos, trucks, equipment and parts													
American Motors [3]	472.0	25	947.9	33	16.9	117	33.4	191	3.6	2.1	15.4	5	1.56
Arvin Industries	52.9	8	105.5	11	2.0	16	3.7	15	3.8	3.6	12.4	11	1.43
Bendix [3]	** 612.7	28	1,162.7	26	18.1	21	34.7	25	3.0	3.1	10.5	9	4.19
Borg-Warner	393.7	16	759.6	17	18.6	15	35.5	24	4.7	4.8	11.1	8	3.37
Budd	198.3	17	388.4	16	7.3	67	14.3	54	3.7	2.6	12.2	4	2.96
Champion Spark Plug	109.2	24	210.6	18	11.6	21	22.5	15	10.6	10.9	21.1	15	1.14
Chrysler	3,178.1	25	6,055.4	28	108.6	59	198.4	90	3.4	2.7	12.4	4	6.01
Cummins Engine	175.2	54	329.8	51	7.0	806	12.0	NM	4.0	.7	12.1	12	3.14
Dana [4]	271.0	18	511.5	18	16.7	23	30.8	26	6.2	5.9	17.4	7	4.01
Eaton	403.6	29	774.2	27	26.4	35	49.5	31	6.6	6.2	16.1	8	4.50
Federal-Mogul	87.2	15	166.5	17	4.0	−7	7.2	−4	4.6	5.7	10.7	9	2.50
Ford Motor	6,274.7	17	12,397.4	22	394.2	39	754.9	41	6.3	5.3	17.6	5	10.87
Fruehauf	164.8	11	322.3	16	8.6	15	16.6	26	5.2	5.0	12.7	8	3.44
General Motors	**9,674.6	14	19,294.0	18	797.4	10	1,614.3	18	8.2	8.5	20.9	8	8.35
Houdaille Industries	79.5	24	150.1	26	4.7	39	7.8	68	5.9	5.3	18.4	7	1.86
International Harvester [3]	1,095.4	18	1,951.0	26	37.4	17	50.1	44	3.4	3.5	8.5	8	3.71
Kelsey-Hayes [4]	147.9	18	279.7	19	3.8	22	6.2	33	2.6	2.5	9.3	6	3.59
Libbey-Owens-Ford	179.9	19	355.5	18	16.4	19	34.1	22	9.1	9.1	17.5	7	4.80
Maremont	82.5	8	150.6	10	5.6	57	8.0	68	6.8	4.7	26.2	14	3.33
McCord [4]	42.2	43	81.7	48	1.8	28	3.2	37	4.2	4.7	13.1	6	2.64
Novo	27.7	19	54.7	24	.5	37	1.0	42	1.8	1.6	8.5	5	1.01
Purolator	64.6	19	126.9	17	3.2	14	6.4	14	4.9	5.1	19.9	15	2.67
Questor	96.7	3	179.8	6	5.1	0	7.3	3	5.3	5.5	10.5	8	1.48

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973—Continued

[Dollar amounts in millions]

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
AUTOMOTIVE—Continued													
Autos, trucks, equipment and parts													
Raybestos-Manhattan	$46.5	10	$91.7	16	$1.9	4	$3.7	31	4.1	4.3	9.4	7	4.13
Royal Industries	48.7	17	90.9	19	1.9	27	3.6	25	3.9	3.6	16.2	6	1.24
Sealed-Power	30.8	21	59.2	20	2.1	15	3.9	12	6.9	7.3	15.2	9	2.38
Sheller-Globe [3]	76.5	19	148.0	19	3.8	19	4.8	17	3.7		9.4	6	1.92
Smith (A. O.)	166.4	29	322.8	27	6.5	86	11.0	44	3.9	2.7	8.4	6	2.70
Texstar [3]	47.9	34	89.5	30	1.2	25	2.2	26	2.5	2.7	16.4	5	.89
Timken	148.2	21	288.7	24	15.2	42	28.9	42	10.3	8.8	13.8	8	4.78
TRW	559.2	28	1,057.0	29	27.4	32	48.6	34	4.9	4.8	12.2	9	2.68
Wagner Electric	69.2	9	135.9	13	3.0	9	5.4	17	4.3	4.3	14.0	7	1.81
White Motor	308.3	31	581.9	25	5.0	161	8.1	113	1.6	.8	5.3	8	1.25
Industry composite	25,385.9	18	49,621.6	22	1,583.0	23	3,071.9	29	6.2	6.0	17.2	8	6.23
BANKS AND BANK HOLDING COMPANIES													
American Fletcher	30.9	33	60.8	32	2.9	20	6.2	19	9.4	10.4	15.1	11	2.81
Bancal Tri-State	46.1	30	89.3	26	1.5	4	3.4	52	3.2	4.0	8.8	10	2.45
BancOhio	44.2	27	83.4	23	5.4	13	10.1	13	12.2	13.8	11.3	9	2.84
Bank of New York	61.4	24	117.5	19	6.6	5	12.8	3	10.7	12.6	13.3	8	4.40
BankAmerica	503.4	25	961.5	22	47.9	13	95.3	13	9.5	10.5	13.8	16	2.90
Bankers Trust New York	238.9	56	440.2	42	14.9	12	30.5	16	6.2	8.7	12.5	9	6.15
CIT Financial	151.8	9	298.8	8	21.8	3	42.0	4	14.3	15.2	13.6	10	4.22
Cameron Financial	39.0	31	73.5	27	3.9	8	7.0	8	9.9	12.0	15.5	13	2.29
Charter New York	131.6	63	241.0	54	8.3	19	15.6	23	6.3	8.6	10.0	8	3.65
Chase Manhattan	511.9	48	972.7	41	38.2	11	78.3	11	7.5	10.0	12.4	10	4.87
Chemical New York	253.3	55	467.3	44	16.4	11	31.3	−3	6.5	9.1	9.2	10	4.58
Citizens & Southern National	57.6	34	109.6	31	5.9	2	12.2	9	10.2	13.4	14.7	20	1.06
Continental Illinois	236.9	80	430.8	63	19.3	8	41.3	5	8.2	13.6	12.6	12	4.64
Crocker National	129.9	28	248.2	24	8.3	2	15.6	−3	6.4	8.0	11.1	8	3.24
Detroit Bank	42.7	24	82.2	21	5.8	34	11.0	28	13.7	12.7	12.2	7	6.77
First Bank System	98.6	26	190.5	23	13.0	10	26.3	8	13.2	15.0	14.4	18	3.50
First Chicago	$236.2	70	$425.8	59	$22.0	10	$41.8	10	9.3	14.5	12.5	16	4.17
First International Bancshares	54.7	48	103.4	42	7.0	13	13.5	13	12.7	16.7	15.4	21	2.34
First National Boston	134.4	71	249.6	62	12.4	18	23.6	20	9.2	13.3	11.3	11	3.83
First National City	694.2	51	1,295.2	41	64.1	28	122.3	26	9.2	10.9	15.0	24	1.95
Franklin New York	76.0	61	138.6	45	3.6	14	7.3	9	4.7	6.6	8.4	10	2.34
Harris Bankcorp	58.7	64	107.4	54	5.3	32	10.3	28	9.1	11.3	11.3	8	6.54
Hartford National	26.4	27	50.1	23	2.1	0	4.2	0	7.9	10.1	9.8	8	3.09
Indiana National	30.7	46	58.4	43	3.0	22	5.7	14	9.9	12.0	12.3	11	2.45
Industrial National	35.8	61	66.1	55	4.4	28	8.3	26	12.2	15.4	15.7	10	3.19
Lincoln First Banks	40.5	20	80.7	21	2.8	−21	6.6	−10	6.9	10.6	9.9	7	3.68
Manufacturers Hanover	279.7	67	513.8	59	23.4	26	46.6	27	8.4	11.1	12.1	12	3.14
Mfrs. National Detroit	39.2	23	75.9	20	4.3	33	8.2	24	11.1	10.3	13.2	7	5.07
Marine Bancorp Seattle	36.3	25	69.4	20	2.7	26	5.2	16	7.5	7.5	9.2	8	2.74
Marine Midland Banks	191.0	46	357.3	41	9.5	−11	19.1	−11	4.9	8.2	11.1	8	3.32
Mellon National	122.6	62	226.4	51	12.8	20	25.4	18	10.5	14.2	9.6	9	4.97
Midlantic Banks	26.9	31	51.1	25	3.4	11	6.8	14	12.8	15.0	14.4	8	4.71
Morgan (J. P.)	285.8	59	533.7	49	35.6	25	71.1	22	12.5	15.8	14.9	17	3.63
National Detroit	92.8	35	177.2	28	10.0	21	19.6	14	10.8	12.1	11.0	7	6.19
NCNB	66.7	60	123.2	55	6.8	26	13.2	25	10.2	13.1	16.9	25	1.52
Northwest Bancorp	101.4	28	196.3	26	11.7	12	23.5	17	11.6	13.2	13.7	15	3.93
Nortrust	47.4	47	88.2	37	5.0	29	9.9	24	10.5	12.0	12.3	10	3.91
Provident National	39.2	33	74.1	31	4.1	22	7.5	22	10.5	11.4	11.9	9	3.84
Seattle-First National	63.3	40	119.4	34	5.9	6	12.0	6	9.4	12.4	13.5	11	5.27
Security Pacific	200.6	35	378.0	30	14.7	−1	29.6	4	7.3	10.1	10.8	9	2.88
Southeast Banking	38.1	48	71.8	42	4.7	42	8.9	33	13.5	13.0	16.6	17	2.03
State Street Boston Financial	27.7	27	54.2	22	2.5	16	5.6	25	9.2	10.0	11.8	7	5.46
Texas Commerce Bancshares	35 4	70	66.5	62	5.0	23	10.4	30	14.1	19.5	14.2	16	2.14
U.S. Bancorp	41.0	26	79.2	23	4.7	20	9.4	20	11.6	12.1	14.3	10	2.25
United Virginia Bankshares	35.3	34	68.6	33	3.3	−5	7.0	7	9.4	13.1	14.6	12	2.91
Valley National Bank Arizona	45.8	23	88.5	19	3.9	−4	7.7	−6	8.6	11.1	13.1	13	1.76
Wachovia	77.7	34	149.0	29	8.4	11	16.7	8	10.7	13.0	12.5	15	2.25
Wells Fargo	178.0	48	328.7	39	11.1	17	21.4	22	6.3	7.9	11.7	11	2.24
Western Bancorp	273.5	33	518.4	28	19.2	13	37.5	17	7.0	8.3	11.8	9	3.25
Industry composite	6,311.2	44	11,851.4	37	559.8	14	1,104.7	14	8.9	11.2	12.7	12	3.13
BEVERAGES, BREWERS, DISTILLERS, SOFT DRINKS													
Anheuser-Busch	272.5	6	521.4	8	18.7	−9	37.1	−2	6.9	8.0	16.8	24	1.68
Coca-Cola Bottling of New York	56.8	6	103.5	8	3.5	14	5.5	15	6.1	5.7	15.3	26	.86
Dr. Pepper	27.1	21	48.1	23	2.8	20	4.6	20	10.5	10.5	30.6	59	.47
Falstaff Brewing	45.7	−14	84.9	1	−.7	NM	−1.9	NM	NM	1.3	−17.4	NM	−1.94
Heileman (G.) Brewing	[1] 45.2	67	84.5	60	1.4	10	2.7	13	3.2	4.8	19.5	7	1.59
Heublein [6]	[1] 192.8	58	453.0	29	14.0	16	22.6	17	7.3	9.9	20.6	22	2.21
National Distillers & Chemical	[1] 307.0	9	589.9	8	10.1	47	20.1	42	3.3	2.4	8.8	10	1.49
Pabst Brewing	[1] 131.0	5	240.1	6	7.8	4	14.2	8	5.9	6.0	14.3	15	3.11
PepsiCo	373.1	16	694.7	17	18.8	11	32.4	12	5.0	5.3	17.9	27	3.18
Royal Crown Cola	49.9	3	96.3	2	3.9	8	6.5	9	7.7	7.4	24.4	19	1.53
Schlitz (Jos.) Brewing	191.7	11	345.1	15	18.5	19	28.5	23	9.6	9.0	20.7	38	1.76
Seven-Up	40.6	8	70.2	8	4.1	8	6.8	8	10.1	10.1	28.9	25	1.16
Industry composite	1,733.5	14	3,331.7	14	102.9	9	179.1	11	5.9	6.2	15.8	25	1.68
BUILDING MATERIALS													
Cement, wood, paint, heating and plumbing, roofing, etc.													
Amcord	54.2	17	86.7	12	2.5	10	2.4	19	4.6	4.9	5.4	7	.61
Ameron [1]	39.6	16	71.8	25	1.5	11	2.2	41	3.8	4.0	10.6	6	2.34
Bliss & Laughlin Industries	**41.5	21	81.6	25	2.2	23	4.2	40	5.2	5.1	15.2	7	2.48
Boise Cascade	345.9	21	672.3	21	27.6	195	43.9	202	8.0	3.3	9.5	6	2.23
Brown [1]	74.5	18	137.7	21	2.9	326	3.8	332	3.9	1.1	11.7	6	1.72
Carrier [2]	237.2	15	421.3	19	12.1	23	18.3	25	5.1	4.8	12.3	16	1.46
Certain-teed Products	125.5	26	225.2	21	6.9	15	11.4	19	5.5	6.0	15.2	7	2.24

Footnotes at end of table.

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
Champion International	$580.8	21	$1,105.8	19	$27.9	64	$48.3	63	4.8	3.5	11.3	7	2.37
Copeland [3]	53.2	11	106.8	19	2.9	18	6.0	24	5.5	5.2	22.9	13	1.56
Crane	240.0	11	454.9	11	5.3	92	8.0	64	2.2	1.3	9.7	6	2.98
De Sota	73.9	12	136.3	14	2.9	131	4.4	128	4.0	1.9	12.3	9	1.49
Evans Products	**302.3	16	532.5	20	11.9	24	16.1	24	3.9	3.7	14.0	8	1.84
Fedders [4]	**104.5	49	186.3	13	5.1	NM	7.5	22	4.9	.5	2.3	47	.30
Flintkote	119.6	10	198.2	10	6.3	18	6.2	21	5.3	4.9	8.7	6	2.81
General Portland	55.2	18	102.9	19	3.9	6	5.1	−6	7.2	7.9	9.2	7	1.61
Georgia-Pacific	589.4	37	1,107.2	38	56.6	126	93.5	110	9.6	5.8	20.7	14	2.73
Gifford-Hill	**50.4	21	86.9	18	3.3	12	4.9	0	6.5	7.0	13.1	7	2.11
Ideal Basic Industries	64.2	11	109.6	6	7.9	11	12.8	9	12.3	12.3	12.9	9	1.63
Interpace	52.3	−4	100.8	0	1.8	0	3.0	14	3.5	3.3	8.5	7	2.35
Johns-Manville	226.3	12	415.7	12	14.5	3	23.9	3	6.4	7.0	10.8	8	2.73
Kaiser Cement & Gypsum	46.5	17	80.9	10	3.4	27	4.8	7	7.3	6.7	8.7	7	1.14
Lehigh Portland Cement	36.7	7	61.5	4	3.5	75	4.5	85	9.6	5.9	8.7	6	2.38
Lone Star Industries	183.1	58	307.5	53	9.2	31	10.4	31	5.0	6.1	11.8	6	2.39
Marquette Cement Manufacturing	34.0	11	51.4	12	1.8	105	1.0	MN	5.2	2.8	1.8	17	.50
Masonite [4]	81.3	22	141.7	15	9.4	31	15.1	25	11.6	10.8	17.7	18	1.88
Medusa	38.0	13	58.8	17	2.5	17	2.1	64	6.6	6.4	9.6	8	3.03
National Gypsum	143.0	4	267.5	7	7.7	−9	13.8	0	5.4	6.1	9.8	7	1.90
NL Industries	328.4	25	616.1	23	14.6	24	22.5	17	4.4	4.5	9.6	9	1.67
Norris Industries	95.3	17	184.6	21	5.0	12	8.5	0	5.2	5.4	17.5	7	3.89
Owens-Corning Fiberglas	180.8	17	348.4	19	11.9	29	23.5	47	6.6	6.0	14.2	15	2.92
Potlatch	116.6	18	226.7	19	10.7	125	19.1	106	9.2	4.8	13.0	7	3.61
Robertson (H. H.)	64.9	12	122.8	10	1.4	8	2.6	52	2.1	2.2	11.6	7	2.73
Sherwin-Williams [4]	190.3	7	333.7	6	7.8	12	7.8	12	4.1	3.9	9.3	9	4.04
Sierra Pacific Industries	36.7	78	63.3	58	4.5	223	7.5	172	12.4	6.8	47.9	4	3.05
Southwest Forest Industries	114.6	37	218.7	56	3.9	33	6.9	47	3.4	3.5	11.8	4	2.25
Tecumseh Products	143.6	21	279.3	20	6.3	7	13.0	12	4.4	4.9	16.9	10	4.54
Temple Industries	31.6	17	60.5	20	3.7	41	7.0	35	11.7	9.7	16.3	9	1.84
Texas Industries [7]	**31.6	15	53.2	12	2.5	13	2.4	−25	7.9	8.0	14.1	8	2.24
Trane	86.0	16	156.5	17	6.1	24	10.7	42	7.1	6.6	13.2	13	3.69
U.S. Gypsum	188.3	15	358.4	16	13.8	11	25.4	9	7.3	7.6	11.0	8	2.91
Wallace-Murray	74.6	8	148.1	12	3.2	23	5.5	25	4.2	3.7	11.5	5	2.84
Walter (Jim) [4]	273.3	17	506.3	22	14.4	17	23.0	20.	5.3	5.2	14.9	7	2.91
Weil-McLain	**42.1	12	77.5	14	2.0	10	3.1	23	4.7	4.9	13.8	6	1.86
Weyerhaeuser	635.8	51	1,171.5	54	113.9	179	200.2	174	17.9	9.7	27.2	14	4.44
Industry composite	6,627.3	22	12,235.0	23	469.4	66	766.2	65	7.1	5.2	14.0	9	2.54
CHEMICALS													
Air Products & Chemicals (3)	103.1	5	199.1	7	6.7	24	12.4	26	6.5	5.5	11.5	26	1.67
Airco	143.2	13	272.6	11	4.9	−17	8.6	−27	3.4	4.6	5.5	10	1.27
Akzona	181.0	27	347.4	24	8.0	68	16.5	62	4.4	3.4	10.5	11	2.37
Allied Chemical	432.5	11	821.5	11	29.4	47	50.2	51	6.8	5.1	9.9	12	2.99
American Cyanamid	372.1	2	728.8	6	28.8	−4	58.3	8	7.7	8.2	12.7	10	2.30
Big Three Industries	28.3	21	55.5	17	3.3	41	6.3	31	11.5	9.9	15.8	18	2.36
Cabot [3]	79.6	12	158.2	11	6.7	33	11.8	25	8.4	7.1	9.5	7	3.89
Celanese	410.9	18	792.8	16	20.6	137	35.3	69	5.0	2.5	11.3	8	4.42
Chemetron	87.2	11	171.5	7	2.6	29	5.2	23	3.0	2.5	5.3	7	2.30
Commercial Solvents	32.6	15	60.4	13	1.5	80	2.4	99	4.7	3.0	5.9	16	1.05
Dart Industries	247.9	11	480.0	10	15.6	18	29.0	24	6.3	5.9	10.7	13	2.57
Diamond Shamrock	164.4	15	321.2	11	14.9	56	25.1	60	9.1	6.7	9.9	9	2.31
Dow Chemical	747.4	23	1,450.2	21	79.5	52	137.4	47	10.6	8.6	18.0	22	2.54
Dupont	1,353.0	21	2,600.5	20	159.0	39	297.3	39	11.8	10.2	16.2	17	10.23
Emery Industries [9]	33.3	24	63.5	19	2.0	18	3.9	19	6.1	6.4	11.6	9	.87
Ethyl	179.2	14	343.3	11	14.3	25	26.4	24	8.0	7.2	15.7	6	4.58
Ferro	63.0	19	117.8	18	4.6	33	8.4	40	7.3	6.5	20.4	11	3.68
Freeport Minerals	40.9	10	78.4	4	5.7	56	10.4	33	14.0	9.9	8.3	20	1.27
GAF	213.5	10	406.0	11	7.7	8	13.5	9	3.6	3.7	8.1	6	1.83
Grace (W.R.)	724.3	21	1,336.1	19	27.0	20	37.9	20	3.7	3.8	9.4	10	2.40
Hercules	295.6	18	548.9	18	25.3	21	44.7	27	8.5	8.3	16.0	17	1.97
Inmont	106.5	16	203.4	14	3.5	34	6.4	37	3.3	2.8	8.8	6	1.25
Kewanee Oil	**51.0	17	96.2	16	3.7	26	6.7	16	7.2	6.7	10.2	9	1.50
Koppers	185.9	20	332.2	17	8.4	32	12.2	58	4.5	4.1	11.7	7	4.78
Lubrizol	**70.4	26	127.5	18	10.2	52	17.4	35	14.5	12.1	22.3	27	1.53
Monsanto	665.0	18	1,360.1	15	65.2	105	139.0	75	9.8	5.6	13.4	11	5.26
Nalco Chemical	56.1	11	105.3	11	6.4	21	11.6	21	11.4	10.5	21.4	30	1.11
National Starch & Chemical	53.9	19	104.9	20	4.4	22	8.6	26	8.2	8.0	17.8	23	2.50
Olin	316.3	9	618.3	11	15.5	25	27.1	27	4.9	4.3	7.5	8	1.80
Pennwalt	125.7	9	240.1	10	6.2	26	10.0	31	4.9	4.3	6.6	12	1.91
Pepi	69.9	12	120.3	10	3.0	25	4.0	26	4.3	3.9	6.6	13	1.99
Reichhold Chemicals	71.6	23	135.4	21	3.0	19	5.5	25	4.2	4.3	10.6	8	1.35
Rohm & Hass	203.0	26	382.0	26	18.4	43	33.9	50	9.1	8.0	14.1	22	4.52
Stauffer Chemical	156.0	12	328.2	15	11.5	26	27.9	51	7.4	6.5	14.2	10	4.33
STP	26.0	−7	47.7	−2	1.7	−9	3.3	9	6.6	6.7	14.6	7	1.20
Texasgulf	79.6	16	152.0	22	14.1	131	22.9	90	17.8	8.9	10.8	19	1.36
Union Carbide	973.5	20	1,888.9	20	76.9	48	143.2	40	7.9	6.4	13.0	9	4.09
Witco Chemical	92.7	24	177.7	25	4.5	29	8.1	35	4.8	4.7	12.6	7	2.70
Industry composite	9,236.8	17	17,773.8	16	724.9	42	1,329.1	40	7.8	6.4	13.0	13	3.13
CONGLOMERATES													
Avco [1]	169.2	12	319.1	15	13.1	16	23.2	20	7.7	7.5	6.7	4	2.65
City Investing	472.2	11	891.5	8	19.6	14	35.7	13	4.1	4.0	8.3	5	2.48
Colt Industries	219.9	19	428.0	22	6.5	27	12.1	49	2.9	2.8	6.2	7	2.42
Gulf & Western Industries [5]	506.0	13	959.6	15	24.1	41	46.0	38	4.8	3.8	12.6	6	4.25
Indian Head [1]	141.3	10	267.3	14	5.2	26	8.1	24	3.7	3.2	15.4	6	3.24
IU International	**371.9	32	705.3	25	17.5	21	35.6	21	4.7	5.1	19.2	12	2.07
Kaiser Industries	56.9	−16	100.5	−27	24.9	2.79	29.7	NM	43.7	9.7	6.7	5	1.22
Kaman	34.5	20	65.0	19	.8	41	1.4	32	2.3	1.9	10.2	6	2.65
Katy Industries	40.0	37	75.0	37	2.8	126	3.9	91	7.0	4.2	12.5	6	.94
Kidde (Walter)	246.3	18	478.9	21	9.2	19	18.3	20	3.7	3.7	12.2	6	3.33
Litton Industries [5]	638.6	6	1,190.2	8	11.1	NM	21.9	NM	1.7	NM	3.4	11	.77
LTV	1,018.0	15	2,001.2	20	7.6	54	16.9	188	.7	.6	8.8	4	2.18
Martin Marietta	300.5	13	548.7	12	18.2	6	24.9	8	6.0	6.4	11.4	7	2.40
Northwest Industries	201.4	20	370.5	17	15.4	10	26.7	13	7.6	8.3	14.6	5	4.70
Signal	*424.1	12	833.7	14	12.1	14	28.3	48	2.9	2.8	8.6	9	2.30
Studebaker-Worthington	287.7	21	539.3	22	9.5	12	15.8	16	3.3	3.6	11.9	5	8.08
Teledyne [2]	359.1	16	693.6	17	14.8	0	29.2	−1	4.1	4.8	9.3	8	1.86
Textron	470.4	7	922.2	7	24.4	15	45.9	17	5.2	4.8	17.5	9	2.52
Whittaker [2]	171.8	23	313.5	21	4.1	7	7.1	6	2.4	2.7	7.7	6	.68
Industry composite	6,129.8	14	11,703.3	15	240.7	40	430.8	45	3.9	3.2	9.8	7	2.21

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973—Continued

[Dollar amounts in millions]

	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30		
Company	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)		P-E July 31	12 mo. earnings per share
CONTAINERS													
American Can	$545.7	2	$1,028.9	5	$19.4	7	$30.9	28	3.6	3.4	8.7	9	3.33
Anchor Hocking	92.4	7	180.3	8	4.5	−18	9.3	−4	4.8	6.3	12.7	7	2.89
Brockway Glass	66.4	17	129.5	16	3.3	−20	6.4	−14	5.0	7.3	11.4	6	2.80
Continental Can	635.1	11	1,200.5	11	27.7	16	44.2	21	4.4	4.2	12.0	9	3.03
Crown Cork & Seal	153.6	16	276.5	14	9.7	13	17.2	11	6.3	6.5	14.8	14	1.70
Diamond International	164.9	18	310.3	15	10.9	23	20.4	16	6.6	6.3	13.6	9	3.41
Dorsey	34.6	12	64.7	12	.7	−55	1.3	−50	1.9	4.7	7.4	6	.97
Federal Paper Board	65.1	15	122.7	11	3.8	81	5.4	50	5.8	3.7	7.6	6	3.14
Fibreboard	70.9	33	131.4	29	4.2	114	6.7	98	6.0	3.7	11.9	6	2.85
Inland Container	62.5	16	123.3	14	3.6	57	6.3	72	5.7	4.2	10.0	10	3.87
National Can	137.0	8	257.0	12	4.3	10	6.3	14	3.1	3.1	11.6	6	1.90
Owens-Illinois	469.6	14	888.5	10	23.3	16	36.3	14	5.0	4.9	10.1	8	4.27
Stone Container	38.7	26	73.0	20	1.6	100	2.9	102	4.1	2.6	11.3	7	1.43
Van Dorn	30.9	39	57.7	33	1.1	37	2.1	38	3.7	3.7	16.5	8	1.26
Industry composite	2,567.4	11	4,844.4	11	118.0	15	195.8	19	4.6	4.4	11.0	8	2.86
DRUGS													
Ethical, proprietary, medical, and hospital supplies													
Abbott Laboratories	150.4	21	289.5	18	10.2	20	20.8	18	6.8	6.8	14.8	23	3.10
American Home Products	440.1	11	927.7	11	45.3	19	96.8	17	10.3	9.6	28.5	39	1.16
American Hospital Supply	200.5	20	381.0	18	9.3	11	18.0	14	4.6	5.0	10.7	43	1.05
American Sterilizer	26.2	16	49.6	18	1.9	18	3.2	19	7.2	7.1	12.0	16	.78
Baxter Laboratories	87.7	30	165.7	23	7.6	34	14.0	27	8.7	8.4	13.5	59	.87
Becton, Dickinson [3]	89.0	19	174.8	18	6.2	20	12.5	18	7.0	6.9	14.2	28	1.39
Bristol-Myers	333.2	12	660.8	14	24.3	18	44.0	25	7.3	6.9	19.4	23	2.88
Damon [4]	31.3	15	61.3	15	2.4	28	4.5	30	7.7	7.0	24.2	35	1.33
ICN Pharmaceuticals [1]	42.7	6	83.0	6	1.3	34	2.5	28	3.2	2.5	6.3	20	.60
Johnson & Johnson	391.7	16	763.9	15	36.2	16	71.4	16	9.2	9.2	18.5	51	2.32
Lilly (Eli)	249.3	22	525.5	20	39.2	26	86.5	27	15.7	15.2	24.1	42	2.11
Merck	279.2	16	540.8	15	46.5	29	85.6	22	16.6	14.9	28.1	42	2.19
Miles Laboratories	83.6	12	170.0	11	3.9	21	8.3	20	4.6	4.3	14.4	15	3.10
Pfizer	312.5	18	593.2	16	25.3	17	53.4	18	8.1	8.2	16.8	31	1.61
Richardson-Merrell [6]	129.5	14	262.2	12	7.4	5	18.7	9	5.7	6.2	14.2	21	3.50
Robins (A.H.)	46.1	13	95.8	14	6.4	18	14.2	18	13.9	13.3	22.3	36	.97
Rorer-Amchem	51.7	34	111.7	21	5.4	48	13.1	26	10.5	9.4	24.1	18	1.70
Schering-Plough	**163.7	23	318.7	22	27.8	43	55.3	48	17.0	14.6	29.5	48	1.78
Searle (G.D.)	75.8	15	149.0	16	13.2	33	24.4	28	17.4	15.1	30.0	32	1.13
Smithkline	96.7	7	199.0	8	11.5	8	23.6	11	11.9	11.8	22.8	18	3.43
Squibb	210.6	15	404.4	15	19.5	14	34.2	14	9.3	9.3	16.1	30	3.31
Sterling Drug	190.2	10	379.8	10	15.0	10	34.1	10	7.9	7.9	19.6	29	1.23
Sybron	101.5	14	195.9	13	6.0	18	11.4	17	6.0	5.8	11.3	14	1.78
Upjohn	171.5	30	321.2	28	20.3	60	38.0	57	11.9	9.6	19.2	47	2.05
Warner-Lambert	399.8	10	796.7	10	32.2	12	66.8	13	8.0	7.9	16.2	30	1.67
Will Ross [9]	37.4	5	82.7	8	1.6	−9	4.1	5	4.3	4.9	13.6	15	1.45
Industry composite	4,391.7	16	8,703.9	15	426.1	22	859.3	21	9.7	9.2	19.7	31	1.73
ELECTRICAL, ELECTRONICS													
Heavy equipment, components, radio and TV sets, etc.													
Admiral	124.2	16	253.5	12	2.3	33	5.3	32	1.8	1.6	14.1	6	2.09
Ambac Industries	42.6	26	81.6	24	2.0	78	3.8	75	4.7	3.4	10.6	7	1.43
AMP	104.5	37	196.6	37	11.1	28	21.2	40	10.6	11.4	24.9	45	1.06
Bunker Ramo	74.1	15	138.4	10	2.5	−24	5.1	−11	3.3	5.0	8.9	6	1.57
Burndy	28.8	19	56.1	17	1.6	30	3.1	27	5.6	5.1	11.6	13	1.91
Crouse-Hinds	27.1	16	52.4	22	1.6	15	3.2	21	6.1	6.1	14.5	15	1.48
CTS	35.9	31	69.2	29	3.3	34	6.3	33	9.1	8.9	22.2	7	2.31
Cutler-Hammer	79.0	12	157.6	14	3.5	39	6.6	37	4.4	3.5	12.5	9	3.59
ESB [9]	87.3	10	187.2	9	2.6	22	7.8	28	3.0	2.7	11.2	10	2.88
E-Systems	35.8	−12	74.8	3	.8	13	1.6	24	2.4	1.9	9.9	6	1.69
Echlin Manufacturing [4]	36.4	40	64.9	35	2.0	29	3.8	27	5.5	5.9	28.7	27	1.24
Fairchild Camera & Instr	84.6	62	159.7	55	6.0	307	10.3	365	7.0	2.8	20.7	17	3.06
General Electric	2,886.9	13	5,434.3	14	137.3	13	251.7	12	4.8	4.8	18.7	21	3.06
General Instrument [10]	96.4	35	185.2	31	2.8	59	5.0	69	2.9	2.5	7.2	15	1.27
Globe-Union [3]	55.5	46	107.5	40	.5	113	1.1	12	1.0	.7	7.2	9	2.09
Hubbell (Harvey)	36.5	19	69.2	15	3.3	20	6.1	19	9.0	8.9	14.7	15	2.63
I-T-E Imperial	108.4	11	212.1	12	4.8	6	9.0	7	4.4	4.6	11.9	9	2.25
LCA	68.1	26	134.1	25	4.4	10	9.0	17	6.5	7.4	14.1	8	1.89
Leeds & Northrup	29.1	2	54.7	−1	.7	−55	1.0	−58	2.5	5.6	3.5	18	.70
Magnavox	130.6	−13	286.3	−8	.9	−79	2.8	−74	.7	2.9	6.2	14	.72
Mallory (P.R.)	54.6	18	107.5	18	2.1	26	4.0	23	3.9	3.7	10.4	10	2.11
McGraw-Edison	**220.6	17	442.6	23	11.2	9	20.8	8	5.1	5.5	12.9	11	2.70
Motorola	**368.6	31	689.9	30	23.7	73	38.0	75	6.4	4.9	16.2	22	2.47
National Semiconductor [7]	32.3	90	55.1	74	1.5	120	2.3	99	4.5	3.9	20.2	39	.96
North American Philips	196.7	13	359.9	13	9.2	17	15.3	17	4.7	4.5	13.2	7	3.40
Oak Industries	29.9	17	58.1	19	1.2	52	2.2	85	4.0	3.1	13.9	7	2.13
RCA	1,032.5	12	2,046.1	11	46.3	15	88.0	15	4.5	4.3	17.4	12	2.20
Raytheon	400.6	6	768.7	4	12.2	11	22.9	8	3.0	2.9	12.6	9	2.76
Reliance Electric [2]	113.0	22	214.9	20	5.0	47	9.0	55	4.4	3.6	11.0	9	1.74
Sola Basic Industries [9]	33.1	20	66.8	21	1.2	21	3.1	24	3.7	3.7	10.8	9	1.64
Sperry Rand [9]	599.0	20	1,234.0	18	23.5	32	52.7	39	3.9	3.6	11.2	16	2.79
Square D	98.4	12	187.2	12	8.3	−10	15.8	−8	8.5	10.5	20.7	19	1.47
Texas Instruments	316.4	34	605.4	34	20.4	72	39.3	74	6.4	5.0	17.4	37	2.89
Thomas Industries	29.8	21	59.6	19	1.5	25	3.1	19	5.1	5.0	16.2	8	1.45
UV Industries	110.5	18	213.2	17	5.2	59	9.0	55	4.7	3.5	NA	6	4.72
VLN	30.0	13	60.1	11	1.2	19	2.5	30	3.9	3.7	10.0	8	.87
Westinghouse Electric	1,409.5	12	2,677.6	10	53.4	1	94.1	−1	3.8	4.2	10.6	17	2.22
Zenith Radio	201.0	43	422.2	31	6.6	78	22.6	63	3.3	2.7	22.8	13	3.01
Industry composite	9,447.9	16	18,244.3	15	427.7	19	808.7	19	4.5	4.4	15.0	14	2.39

Footnotes at end of table.

	Sales				Profits				Margins		Return on common equity		
Company	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)	12 mo. ending June 30	P-E July 31	12 mo. earnings per share
FOOD													
Baked goods, canned and packaged foods, dairy products, meat, condiments, et cetera													
Allied Mills [9]	$147.1	71	$278.8	66	$7.0	NM	$8.4	NM	4.7	NM	17.3	6	4.41
American Maize Products	37.3	8	73.0	8	.9	−1	2.1	21	2.5	2.7	7.3	8	.88
Arizona Colorado Land & Cattle	**31.2	103	58.7	110	1.6	83	2.9	97	5.1	5.6	25.0	13	1.41
Beatrice Foods [10]	750.9	12	1,494.6	15	25.1	13	45.2	15	3.3	3.3	16.9	15	1.40
Borden	636.9	9	1,204.6	8	21.2	10	36.9	9	3.3	3.3	9.7	10	2.29
Brewer (C.)	43.4	31	83.1	23	2.3	12	4.1	32	5.4	6.3	8.0	8	1.72
CPC International	436.2	12	836.3	12	17.3	15	32.7	23	4.0	3.9	14.3	10	2.97
Campbell Soup [5]	317.2	14	645.6	13	20.6	40	43.9	37	6.5	5.3	14.0	13	2.32
Campbell-Taggart	101.4	22	193.1	19	3.0	3	5.7	−1	2.9	3.5	13.8	9	2.64
Castle & Cooke	161.3	11	294.6	7	8.7	22	13.9	14	5.4	4.9	NA	NA	NA
Central Soya [4]	341.2	53	647.5	45	6.8	95	14.5	89	2.0	1.6	15.0	10	3.10
Cook Industries [7]	**111.5	107	182.1	87	12.2	724	21.3	837	11.0	2.8	52.1	2	7.83
Del Monte [7]	264.9	9	507.0	8	9.5	13	15.5	11	3.6	3.5	10.9	9	2.16
Esmark [2]	971.7	20	1,839.6	17	10.3	23	19.6	29	1.1	1.0	9.9	7	3.26
Fairmont Foods [10]	102.6	9	194.9	8	1.2	−20	2.3	−2	1.2	1.6	7.8	8	1.13
Federal [7]	**96.5	34	173.9	31	3.2	83	4.9	54	3.3	2.4	12.1	7	5.10
Flavorland Industries [9]	67.2	−3	140.4	3	.2	−56	.9	9	.3	.6	10.5	4	1.85
General Foods [9]	664.2	10	1,415.1	12	26.5	6	57.8	7	4.0	4.1	13.8	12	2.24
General Host	**141.8	15	275.8	15	.9	NM	.8	NM	.6	NM	13.1	5	2.16
General Mills [7]	398.3	17	782.4	18	14.3	14	27.9	15	3.6	3.7	16.4	21	2.80
Gerber Products [9]	65.4	−6	136.3	−3	2.9	−39	6.4	−34	4.4	6.8	11.0	11	1.63
Green Giant [9]	77.3	7	178.2	12	1.5	8	4.6	10	2.0	2.0	8.5	10	2.21
Greyhound	**846.2	18	1,625.0	18	16.4	0	25.1	1	1.9	2.3	13.6	8	1.67
Heinz (H. J.) [8]	307.7	−13	593.3	−3	22.6	35	30.0	27	7.3	4.7	12.6	14	3.31
Hormel (Geo. A.) [3]	196.3	14	374.5	9	.2	−71	2.0	−34	.1	.4	6.8	12	1.40
Hygrade Food Products [3]	107.5	22	207.3	20	.9	195	2.0	48	.8	.3	11.5	8	2.98
Interstate Brands	69.1	3	156.1	2	0	−98	−.6	NM	0	1.6	−.9	NM	−.18
International Multifoods [10]	156.6	31	304.8	28	1.7	20	5.0	20	1.1	1.2	10.4	9	2.86
Iowa Beef Processeros [3]	390.3	28	760.0	32	3.1	120	6.1	113	.8	.5	21.6	5	4.27
Kane-Miller	155.4	53	295.0	53	2.0	45	3.8	107	1.3	1.4	10.9	6	2.61
Keebler	51.6	10	102.6	11	1.0	−2	1.8	2	2.0	2.2	8.9	9	2.20
Kellogg	205.0	7	417.3	16	15.9	9	29.9	12	7.8	7.6	22.6	16	.87
Kraftco	871.0	12	1,727.9	11	24.5	9	51.1	8	2.8	2.9	13.7	12	3.71
Mayer (Oscar) [3]	210.1	19	403.6	18	3.1	−23	8.0	4	1.5	2.3	11.8	13	1.73
Missouri Beef Packers [3]	124.4	31	241.1	36	.5	415	1.4	241	.4	.1	19.6	4	2.89
Nabisco	317.9	8	632.9	11	10.9	−11	24.3	−5	3.4	4.1	15.9	12	3.52
National Industries	**132.8	11	249.4	12	1.8	44	2.0	20	1.3	1.0	2.8	10	.30
Pillsbury [7]	233.9	25	430.4	21	5.4	10	9.5	22	2.3	2.6	12.1	12	3.86
Ralston Purina [3]	610.4	44	1,181.0	36	21.2	56	39.5	37	3.5	3.2	15.5	20	2.18
Rath Packing [3]	94.6	36	181.4	29	.3	NM	.7	NM	.3	NM	−14.3	NM	−2.10
Seaboard Allied Milling	74.1	35	112.6	34	.8	−7	1.3	8	1.1	1.5	10.1	4	1.70
Staley (A. E.) Manufacturing [3]	120.0	38	232.5	37	2.1	43	4.3	77	1.7	1.7	7.9	8	3.12
Standard Brands	* 350.5	9	672.1	9	11.1	11	22.3	10	3.2	3.1	14.9	15	3.35
Stockely-Van Camp	86.1	5	165.9	4	2.5	3	4.3	6	2.9	2.9	8.0	7	2.26
Tasty Banking	26.3	17	52.0	16	.9	3	1.7	−3	3.3	3.7	14.4	8	1.52
Tropicana Products [4]	28.9	7	59.7	11	2.8	18	5.1	15	9.7	8.8	25.3	26	1.03
United Brands	540.7	25	1,028.3	25	9.4	52	11.1	36	1.7	1.4	2.6	8	1.06
Wrigley (Wm.) Jr	59.9	8	111.9	8	6.3	12	10.5	10	10.5	10.2	15.3	13	4.89
Industry composite	12,332.8	18	23,953.9	17	364.7	23	674.3	22	3.0	2.8	13.0	10	2.14
GENERAL MACHINERY													
Machine tools, industrial machinery, metal fabricators, etc.													
ATO	109.9	12	212.9	11	3.1	36	5.2	23	2.8	2.3	9.3	7	1.12
Acme-Cleveland [3]	34.6	39	67.7	38	2.0	123	3.9	134	5.8	3.6	10.1	9	1.67
American Chain & Cable	64.4	43	121.2	46	2.0	119	4.0	330	3.2	2.1	9.2	7	3.34
Amtel	47.6	83	84.4	63	1.3	507	2.4	469	2.6	.8	9.4	9	.62
Associated Spring	44.5	16	87.1	14	2.2	27	4.0	27	4.9	4.5	12.8	8	3.20
Babcock & Wilcox	280.5	20	518.9	8	9.1	20	14.1	7	3.2	3.2	8.4	12	2.06
Baker Oil Tools [3]	48.4	9	92.5	7	2.7	−14	5.5	−2	5.7	7.2	15.4	27	1.10
Black & Decker Manufacturing [3]	107.1	23	221.0	22	7.6	29	17.3	26	7.1	6.7	17.4	50	2.45
Chicago Pneumatic Tool	60.9	18	114.4	25	4.3	11	8.1	15	7.0	7.5	10.9	11	3.12
Cincinnati Milacron	86.1	34	168.4	37	2.3	828	4.3	NM	2.6	.4	4.4	17	1.69
Combustion Engineering	330.4	13	578.8	11	10.0	7	18.9	8	3.0	3.2	13.8	20	3.90
Cooper Industries	74.9	35	140.8	28	4.8	50	8.6	46	6.4	5.8	13.8	10	3.10
Crompton & Knowles	31.4	−5	60.4	−5	1.2	5	2.2	4	3.8	3.5	9.9	8	1.82
Dover	7.56	75	137.9	52	4.8	42	9.0	35	6.3	7.8	20.1	11	3.70
Dresser Industries [2]	242.0	9	457.1	7	10.3	8	17.8	7	4.2	4.3	7.7	15	2.98
Emhart	68.9	0	135.8	1	3.9	26	7.4	16	5.7	4.5	10.8	6	3.14
Envirotech (9)	54.3	35	109.1	34	1.7	21	3.4	21	3.2	3.6	9.7	27	1.54
Ex-Cell-O (1)	84.7	24	160.3	21	4.3	133	7.8	118	5.1	2.7	7.8	10	1.67
Foster Wheeler	137.0	4	248.8	−5	2.3	29	4.0	22	1.7	1.3	10.5	16	2.47
Gardner-Denver	71.0	30	129.1	28	7.4	9	12.3	10	10.4	12.4	15.0	13	1.46
Garlock	32.5	22	64.3	27	1.5	20	2.9	30	4.5	4.6	12.6	8	2.17
Halliburton	488.1	49	982.1	60	23.0	45	38.2	33	4.7	4.8	17.8	38	4.28
Ingersoll-Rand	261.3	16	494.4	15	21.6	17	40.1	15	8.3	8.2	14.0	13	4.50
Joy Manufacturing (3)	88.7	7	170.1	4	3.6	10	5.3	−33	4.1	4.0	5.6	19	1.71
Keene	41.8	18	81.4	19	.9	3	1.6	8	2.3	2.6	8.1	6	.87
McNeil	34.1	6	67.5	10	1.6	25	3.0	33	4.6	3.9	8.6	8	1.81
Midland-Ross	84.5	17	162.7	22	2.5	15	4.3	18	3.0	3.0	6.8	8	1.54
Otis Elevator	213.8	10	365.7	10	11.3	67	19.4	37	5.3	3.5	13.4	10	4.16
Peabody Galion (3)	48.8	21	90.9	22	2.2	26	3.8	26	4.5	4.3	13.4	22	1.26
Roper	91.3	16	178.1	18	2.2	4	4.8	8	2.5	2.7	10.8	7	2.94
Smith International Industries	** 30.2	20	58.8	23	1.6	13	3.4	30	5.4	5.7	14.2	19	1.01
Sundstrand	94.9	33	181.3	31	3.4	75	6.4	72	3.6	2.7	6.4	12	1.61
U.S. Filter	39.1	30	73.4	21	1.9	27	3.4	25	4.8	4.9	NA	13	.84
USM (10)	151.0	26	300.3	22	4.5	183	8.6	204	2.9	1.3	6.4	7	2.84
Warner & Swasey	56.8	39	107.9	43	3.7	184	6.1	185	6.5	3.2	8.4	11	2.57
Zurn Industries (9)	52.0	8	108.9	12	1.2	15	3.2	50	2.2	2.1	10.5	15	1.00
Industry composite	3,863.5	22	7,334.3	21	173.6	33	314.5	29	4.5	4.1	11.3	14	2.41

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973—Contined

[Dollar amounts in millions]

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
INSTRUMENTS													
Controls, measuring devices, photo and optical													
Ametek	$46.8	16	$90.7	15	$2.3	36	$4.4	42	5.0	4.3	16.2	10	1.53
Bausch & Lomb	56.6	20	107.1	19	2.8	14	5.1	15	5.0	5.3	9.5	20	1.42
Bell & Howell	100.7	13	197.0	15	5.0	13	9.2	20	5.0	5.0	11.8	9	3.25
Bulova Watch [9]	45.1	33	87.7	29	1.0	15	2.4	89	2.3	2.7	8.9	9	1.77
EG & G	35.9	−5	69.0	0	1.2	27	2.0	24	3.2	2.4	13.1	19	.75
Eastman Kodak	906.7	15	1,704.4	17	154.3	31	277.0	34	17.0	15.0	23.2	36	3.82
Fisher Scientific	34.1	9	68.8	11	.7	14	1.5	10	2.1	2.0	6.3	10	.81
Foxboro	44.6	18	79.7	4	2.7	288	3.4	82	6.1	1.8	5.6	26	1.34
General Signal	98.1	11	190.3	10	4.6	17	8.5	18	4.7	4.4	12.0	18	2.46
Hewlett-Packard [3]	163.6	40	290.6	35	14.6	70	23.3	53	8.9	7.4	16.1	51	1.72
Itek	51.0	8	100.2	9	1.5	12	2.7	8	2.9	2.8	7.5	16	1.89
Johnson Service	60.2	17	113.5	12	2.2	0	4.3	1	3.6	4.2	12.9	8	2.36
Polaroid	**143.3	17	278.6	19	8.4	14	19.6	21	5.8	6.0	8.1	92	1.40
Ranco [3]	29.0	25	56.5	17	1.3	6	2.6	3	4.7	5.5	13.9	8	2.06
Robertshaw Controls	48.5	14	97.5	15	2.9	8	5.5	10	6.0	6.3	12.9	9	2.66
Sherwood Medical Industries	33.0	5	65.1	5	2.4	11	4.7	6	7.3	6.9	17.3	10	1.77
Talley Industries [9]	68.3	6	130.0	10	1.8	−28	3.9	−6	2.7	3.9	8.0	4	1.23
Technicon	31.9	17	61.0	18	3.9	35	7.1	48	12.1	10.5	16.0	23	.66
Tektronix [7]	56.4	29	116.0	25	4.6	21	9.3	24	8.2	8.7	11.3	21	1.92
Varian Associates [3]	62.8	20	123.6	19	1.8	52	3.4	113	2.8	2.2	5.3	14	.92
Industry composite	2,117.0	16	4,027.2	17	220.1	30	399.8	32	10.4	9.3	17.4	21	2.67
LEISURE TIME INDUSTRIES													
American Greetings [10]	**49.0	11	89.1	12	2.5	17	6.6	14	6.0	5.7	16.4	40	1.09
AMF	255.6	11	474.5	10	14.7	6	29.3	6	5.7	6.0	21.9	9	3.07
Brunswick	172.1	−1	346.6	11	10.3	22	19.5	23	6.0	4.9	16.7	11	2.12
Champion Home Builders [10]	92.5	23	157.3	23	4.5	0	7.0	−7	4.8	5.9	38.3	13	.47
Coleman	52.9	18	103.9	20	3.0	16	6.1	25	5.7	5.8	15.4	13	1.55
Disney (Walt) Productions [3]	102.4	19	188.8	17	13.8	34	24.2	25	13.4	11.9	9.9	56	1.57
Fleetwood Enterprises [5]	103.4	20	172.6	26	6.0	42	7.4	31	5.8	5.0	24.2	10	1.29
Fuqua Industries	**117.1	25	236.3	25	4.0	28	7.2	28	3.4	3.3	14.3	6	1.98
Gino's	42.6	29	75.6	27	2.3	36	3.1	38	5.3	5.1	27.9	13	1.26
Hilton Hotels	94.5	6	186.3	8	6.0	11	11.8	29	6.3	6.0	10.4	10	2.35
Holiday Inns	226.7	14	420.5	13	14.2	21	21.6	17	6.2	5.8	12.6	15	1.47
Host International	41.1	18	77.2	15	1.8	20	2.8	18	4.3	4.2	18.8	10	1.19
Howard Johnson	93.4	13	171.7	13	6.0	14	9.3	19	6.5	6.4	14.5	22	.96
Madison Square Garden [7]	38.8	40	67.9	35	1.3	−26	2.1	1	3.2	6.1	3.0	12	.55
Marriott [5]	132.3	28	285.2	29	5.9	18	10.6	22	4.5	4.8	11.6	43	.69
McDonald's	**147.2	40	272.2	43	14.6	39	25.1	46	9.9	10.0	23.6	57	1.13
Metro-Goldwyn-Mayer [4]	**45.1	33	90.5	10	−2.7	NM	.5	−87	NM	3.1	5.4	20	.95
Murray Ohio Manufacturing	37.2	9	69.3	11	1.5	19	3.0	20	4.0	3.7	16.2	11	2.62
National Homes	62.6	−5	111.6	6	−2.3	NM	−4.3	NM	NM	4.2	−2.2	NM	−.25
Norlin	39.6	18	76.6	20	1.6	28	2.9	29	3.9	3.6	12.4	5	3.58
Ramada Inns	**49.7	31	88.9	25	4.0	21	7.6	20	8.1	8.8	14.1	16	.60
Skyline [7]	112.6	15	179.0	11	5.7	−16	7.8	−22	5.0	6.9	26.4	13	1.59
Twentieth Century-Fox Film	**64.1	31	126.1	33	2.6	48	5.1	29	4.1	3.6	9.8	9	.92
Webb (Del E.)	**72.5	−14	146.1	−13	2.0	84	3.4	66	2.8	1.3	9.9	9	.63
Western Publishing	47.9	14	92.6	10	1.7	57	3.4	39	3.6	2.6	12.5	7	2.40
Winnebago Industries [10]	62.6	6	110.9	18	4.0	−35	8.0	−18	6.5	10.6	25.0	9	.68
Industry composite	2,347.4	15	4,417.2	16	128.9	9	231.0	12	5.5	5.8	14.4	18	1.22
METALS AND MINING													
Nonferrous metals, coal, iron ore, etc.													
Aluminiun Co. of America	541.6	21	1,037.5	20	30.3	47	51.3	27	5.6	4.6	8.8	13	5.10
American Metal Climax	336.7	54	613.3	46	24.9	51	46.8	55	7.4	7.6	11.7	11	3.21
American Smelting & Refining	273.9	32	529.9	27	28.0	129	44.7	80	10.2	5.9	10.1	8	2.59
Anaconda	333.6	24	624.0	23	21.9	49	35.2	48	6.6	5.5	6.0	9	2.50
Belden	38.2	25	74.3	24	1.5	12	2.7	9	4.0	4.4	15.0	8	2.53
Cerro	224.5	53	414.1	50	13.0	89	19.8	93	5.8	4.7	9.9	4	4.12
Chromalloy American	171.4	24	321.2	26	6.4	14	11.4	21	3.8	4.1	12.9	6	2.01
Cleveland-Cliffs Iron	**40.9	40	52.5	23	7.1	53	9.3	39	17.2	15.8	12.1	11	6.25
Copper Range	34.6	41	66.3	32	2.2	NM	2.8	NM	6.3	NM	.7	59	.29
Cyprus Mines	**115.1	34	211.8	25	10.7	28	20.1	20	9.3	9.7	15.7	10	3.50
Easco	36.8	19	74.6	19	1.3	16	2.6	21	3.5	3.5	10.0	7	1.82
Eastern Gas & Fuel Association	76.6	−5	174.3	−2	1.8	−54	8.3	−28	2.4	4.9	7.7	12	1.46
Essex International	220.1	26	423.8	26	11.4	14	22.3	16	5.2	5.7	15.9	8	2.18
Foote Mineral	31.5	33	60.6	34	.7	197	1.0	111	2.2	1.0	0	NM	0
Gulf Resources & Chemicals	**37.3	12	70.5	10	1.8	41	3.3	123	4.8	3.9	14.4	10	.96
Homestake Mining	**28.2	107	58.0	115	6.6	255	10.2	254	23.3	13.6	17.7	18	2.58
Kaiser Aluminum & Chemical	353.8	28	640.9	27	15.3	80	25.0	131	4.3	3.1	4.6	13	1.36
Kennecott Copper	352.1	25	663.1	20	41.5	85	70.1	72	11.8	7.9	9.6	8	3.52
Martin Marietta Aluminum	63.1	29	123.4	22	1.2	60	1.2	−43	1.9	1.5	.5	78	.11
North American Coal	32.1	25	63.6	31	1.4	48	2.1	6	4.3	3.7	9.7	12	1.77
Phelps Dodge	254.4	23	469.9	21	29.3	18	54.6	16	11.5	12.0	12.1	11	4.38
Pittston	145.7	5	338.4	2	5.9	3	13.3	−15	4.0	4.1	9.7	18	1.30
Revere Copper & Brass	125.9	25	242.0	24	.3	NM	−.5	NM	.3	0	−.6	NM	−.15
Reynolds Metals	358.0	17	674.8	17	5.7	750	9.1	NM	1.6	0.2	1.5	28	.53
St. Joe Minerals	62.3	23	121.8	20	8.0	34	15.8	28	12.9	11.8	15.5	9	3.33
Triangle Industries	60.7	32	113.9	31	1.2	60	2.2	52	2.0	1.6	7.5	9	1.71
Universal Oil Products	236.4	93	369.3	60	3.8	11	8.1	17	1.6	2.8	9.2	15	1.52
Industry Composite	4,616.5	29	8,683.3	25	295.3	56	512.9	47	6.4	5.3	9.0	15	2.60

Footnotes at end of table.

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
MISCELLANEOUS MANUFACTURING													
ACF Industries	$105.3	17	$212.6	20	$6.5	46	$13.9	46	6.2	5.0	11.6	12	4.18
Allied Products	61.7	9	116.8	14	1.7	15	3.0	32	2.8	2.7	11.5	6	2.96
Amsted Industries [3]	104.5	20	193.2	23	4.7	12	7.8	39	4.5	4.8	10.8	8	5.37
Apache	**41.4	25	76.4	23	2.0	41	3.6	35	4.7	4.2	12.8	8	1.85
Armstrong Cork	209.4	18	401.4	19	17.7	47	32.5	43	8.4	6.8	13.2	15	1.98
Athlone Industries	49.3	21	93.2	21	1.5	51	2.6	52	3.0	2.4	13.1	5	2.66
Bath Industries	103.7	18	192.0	17	6.2	21	10.5	7	6.0	5.8	26.6	7	3.05
Bemis	**123.8	18	240.2	17	3.8	40	6.6	33	3.0	2.6	10.3	8	2.60
Butler Manufacturing	61.4	24	104.2	27	4.3	70	6.0	83	7.0	5.1	18.6	8	5.24
Carborundum	103.4	20	199.6	18	5.6	32	10.3	36	5.4	4.9	10.4	10	5.14
Ceco	66.5	21	118.0	16	2.4	3	3.4	−6	3.6	4.2	11.0	7	2.40
Corning Glass Works	214.4	43	418.4	32	17.7	42	36.0	39	8.3	8.3	14.0	30	3.62
Eagle-Picher Industries [1]	81.9	21	151.5	14	4.2	28	7.2	29	5.1	4.8	15.2	9	2.97
General American Trans	102.4	23	190.0	18	11.3	22	22.1	20	11.0	11.1	12.5	13	3.57
General Cable	130.9	37	237.9	32	4.8	12	8.5	8	3.6	4.5	10.0	8	1.11
General Refractories	57.5	37	105.3	30	1.3	128	1.7	NM	2.3	1.4	3.5	8	.76
Howmet	100.6	16	193.3	20	5.4	25	9.3	0	5.3	5.0	11.4	9	1.35
Illinois Tool Work	48.8	25	95.0	27	4.6	34	8.4	36	9.4	8.7	19.3	23	1.42
Insilco	98.4	12	187.1	12	4.2	10	7.2	6	4.2	4.3	13.2	8	1.34
Kroehler Manufacturing	32.6	14	64.2	11	.6	13	1.2	8	1.8	1.8	7.1	7	2.74
Lamson & Sessions	27.0	23	51.3	20	.9	55	1.5	36	3.4	2.7	6.2	8	1.74
Lionel	*27.2	20	47.6	26	.2	−21.	−.6	NM	.6	.8	10.3	12	.32
Ludlow	57.0	14	106.4	11	1.5	−1	2.3	−17	2.7	3.1	9.2	8	1.68
Microdot	60.3	27	119.3	30	2.7	24	5.5	41	4.5	4.6	22.5	6	2.22
Minnesota Mining & Manufacturing	641.9	22	1,217.9	19	76.9	29	142.2	24	12.0	11.4	20.9	35	2.41
Norton	120.4	26	230.6	24	7.8	52	15.8	80	6.5	5.4	9.9	7	4.03
Nucor	26.1	37	50.5	32	1.2	21	2.4	20	4.6	5.2	25.9	7	2.54
Philips Industries [6]	59.5	7	111.8	7	2.4	1	4.4	19	4.0	4.2	14.2	7	1.10
Pittsburgh-Des Moines Steel	37.1	39	54.9	26	1.2	88	1.4	52	3.2	2.4	8.6	13	4.13
Porter (H. K.)	67.2	14	134.4	15	.6	19	1.3	162	.9	.8	1.4	30	.87
PPG Industries	384.7	7	755.0	10	24.2	14	48.2	21	6.3	5.9	12.7	7	4.37
Pullman	**237.1	27	458.3	24	10.5	168	16.8	109	4.4	2.1	11.3	13	5.54
Roblin Industries	**27.0	0	52.0	5	.3	−49	.5	−40	1.1	2.1	17.7	4	.75
Scott & Fetzer [1]	71.8	21	131.5	20	5.4	21	9.6	20	7.6	7.5	26.2	13	2.62
Scovill Manufacturing	148.3	11	293.5	15	5.0	11	9.5	15	3.4	3.4	11.7	8	2.40
Signode	85.9	21	165.5	24	5.5	17	10.6	27	6.4	6.6	16.1	19	2.79
Simmons	99.8	15	193.5	17	3.6	16	6.3	23	3.6	3.6	10.1	9	2.07
Standard Pressed Steel	37.8	18	73.6	20	1.7	115	3.2	206	4.4	2.4	8.8	7	.99
Stanley Works	122.9	20	236.8	22	6.2	23	11.5	23	5.0	4.9	14.1	13	2.85
Todd Shipyards [9]	37.8	−25	82.2	−12	.1	−75	1.0	NM	.2	.6	.1	NM	.04
Trans Union	**86.2	14	161.1	17	7.6	18	14.1	14	8.9	8.6	14.5	12	2.78
Trinity Industries [6]	44.5	160	83.0	143	1.2	214	2.0	100	2.7	2.2	15.4	10	2.19
Tyler	45.7	14	83.7	16	2.4	4	3.8	5	5.3	5.8	19.6	6	2.89
U.S. Industries	418.9	5	828.0	7	19.9	5	39.0	3	4.7	4.8	15.6	5	2.41
Unarco Industries	34.0	38	64.1	31	1.3	116	2.3	71	3.8	2.4	14.6	7	1.54
Vulcan Materials	81.4	15	146.7	17	6.6	25	8.2	41	8.1	7.5	16.4	8	3.32
Wheelabrator-Frye	53.3	30	105.4	31	2.2	23	4.0	25	4.0	4.3	9.8	14	1.11
Industry composite	5,038.7	19	9,629.1	18	309.1	28	568.5	28	6.1	5.7	14.3	11	2.50
NONBANK FINANCIAL													
Aetna Life & Casualty	1,140.1	8	2,378.4	13	50.9	8	85.3	17	4.5	4.5	12.7	10	6.97
Capital Holding	77.8	5	154.8	6	10.3	13	19.1	13	13.2	12.3	11.1	21	1.41
Continental	803.5	105	1,201.7	55	31.8	13	62.9	16	4.0	7.2	8.8	8	5.13
Creditthrift Financial	**34.9	10	61.0	9	2.4	−14	4.8	−6	6.9	8.9	16.2	9	.98
Hutton (E. F.)	**33.1	−9	69.5	−10	−.9	NM	.6	−92	NM	6.6	9.7	10	.97
INA	485.4	20	929.3	19	27.2	13	47.9	2	5.6	5.9	10.5	9	4.47
Marlennan	**5.30	7	109.4	9	7.8	20	16.3	15	14.7	13.1	26.0	22	2.06
Merrill Lynch	**158.9	−13	343.3	−11	2.8	−84	13.6	−68	1.7	9.4	9.6	13	1.28
MGIC Investment	**40.2	42	74.1	55	10.7	59	19.7	65	26.6	23.7	18.1	47	1.61
Transamerica	**515.5	5	1,010.8	6	21.6	3	42.7	8	4.2	4.3	10.7	11	1.25
USLIFE	81.9	8	161.4	10	5.9	3	11.4	8	7.2	7.6	19.0	22	1.46
Witter (Dean) [4]	35.1	−19	72.7	−14	.1	−96	1.6	−74	−.4	7.5	8.5	7	1.28
Industry composite	3,459.3	21	6,566.3	16	170.5	−2	325.8	−1	4.9	6.1	11.2	16	2.51
OFFICE EQUIPMENT, COMPUTERS													
Addressograph-Multigraph [5]	130.5	8	245.1	9	2.8	−53	6.0	−33	2.2	4.9	6.6	8	1.71
Apeco [1]	38.8	17	69.8	15	1.0	−36	1.8	−34	2.5	4.6	5.9	16	.25
Burroughs	**314.3	25	588.8	25	26.1	29	42.5	31	8.3	8.0	12.6	45	5.16
Control Data	229.2	38	432.2	46	15.5	−9	31.9	19	6.7	10.2	8.6	9	4.00
Diebold	47.1	23	92.7	23	3.0	55	5.9	58	6.3	5.0	17.2	22	2.24
Electronic Memories & Magnet	26.9	56	51.6	52	1.1	261	2.1	NM	4.2	1.8	35.3	8	.50
Honeywell	572.2	12	1,098.1	14	19.6	46	35.7	45	3.4	2.6	10.7	25	4.63
International Business Machines	2,546.7	8	4,997.2	7	356.7	14	696.8	13	14.0	13.2	18.5	34	9.33
Nashua	56.2	31	104.4	26	3.2	22	5.8	26	5.7	6.1	18.5	21	2.41
National Cash Register	433.4	13	800 8.	13	13.4	246	20.8	NM	3.1	1.0	−6.2	NM	−1.63
Pitney-Bowes	96.6	13	184.9	14	3.8	1	6.6	6	3.9	4.4	9.3	13	1.05
Standard Register	31.2	15	60.3	14	1.2	51	2.2	61	4.0	3.0	9.3	9	1.77
Uarco [3]	32.1	12	64.9	11	1.1	18	2.3	19	3.4	3.2	10.5	8	2.05
Victor Comptometer	50.5	−3	101.1	5	.9	−40	1.9	−23	1.9	3.0	7.4	9	1.07
Xerox	752.5	23	1,421.1	22	76.5	21	146.3	21	10.2	10.3	23.6	46	3.48
Industry composite	5,358.2	13	10,313.0	13	526.1	17	1,009.0	18	9.8	9.5	15.8	20	5.35

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973—Continued

[Dollar amounts in millions]

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
OIL													
Crude, integrated domestic and international													
Amerada Hess	**$393.7	27	$798.9	17	$33.3	66	$70.0	42	8.5	6.5	4.4	19	1.79
American Petrofina	82.1	13	155.7	13	6.3	63	11.0	79	7.7	5.4	15.8	12	2.98
Apco Oil	**32.6	3	63.3	6	1.5	0	2.3	−16	4.5	4.6	8.7	7	2.12
Ashland Oil [3]	518.0	16	957.0	13	22.3	35	38.2	38	4.3	3.7	17.2	10	3.18
Atlantic Richfield	*1,069.8	14	2,067.3	9	68.4	50	118.7	51	6.4	4.9	6.7	21	4.10
Cities Service	457.9	−2	979.7	4	30.5	28	64.9	22	6.7	5.1	7.8	11	4.27
Clark Oil & Refining	**96.4	41	180.2	30	8.4	773	13.2	650	8.7	1.4	24.2	7	2.79
Commonwealth Oil Refining	99.2	34	190.3	36	7.1	174	9.9	95	7.1	3.5	3.9	24	.44
Continental Oil	***1,029.9	17	1,961.1	13	51.7	24	99.2	18	5.0	4.7	11.5	8	3.67
Crown Central Petroleum	**43.1	−3	85.4	−3	.5	NM	.8	286	1.1	NM	3.9	12	1.30
Exxon	5,830.0	20	11,504.0	16	510.0	54	1,018.0	48	8.7	6.8	15.6	12	8.31
Getty Oil	364.8	5	725.4	4	23.6	120	50.6	53	6.5	3.1	6.5	24	4.93
Gulf Oil	***2,397.0	27	4,500.0	18	195.0	82	360.0	46	8.1	5.7	10.4	8	2.74
Kerr-McGee Oil	190.4	0	365.2	3	19.0	22	30.9	21	10.0	8.2	12.9	28	2.27
Marathon Oil	**363.0	24	717.9	20	27.6	66	51.7	58	7.6	5.7	12.6	9	3.30
Mississippi River	**33.2	−5	76.1	−2	3.7	19	7.5	19	11.1	8.8	11.9	10	1.60
Mobil Oil	***2,880.0	14	5,680.0	14	184.2	41	340.0	25	6.4	5.2	12.7	10	6.31
Murphy Oil	**114.4	30	222.3	22	9.2	645	15.6	194	8.0	1.4	13.6	16	4.30
Occidental Petroleum	810.3	21	1,491.7	11	26.9	566	36.5	276	3.3	.6	NA	21	.45
Pennzoil	244.3	12	499.3	14	19.3	25	38.9	24	7.9	7.1	11.5	10	2.03
Phillips Petroleum	**693.5	8	1,374.6	8	46.4	25	89.8	24	6.7	5.8	9.2	25	2.20
Quaker State Oil Refining	48.5	24	93.5	22	4.7	32	8.3	19	9.6	9.1	19.2	27	1.17
Shell Oil	**1,211.9	19	2,008.4	15	89.5	54	169.8	52	7.4	5.6	11.0	12	4.73
Skelly Oil	***157.8	8	311.3	8	9.0	25	19.0	10	5.7	4.9	7.1	17	4.34
Standard Oil (Indiana)	***1,527.2	11	2,997.0	11	121.3	37	242.5	29	7.9	6.4	11.4	14	6.14
Standard Oil (California)	1,817.2	26	3,425.7	22	181.7	42	334.5	33	10.0	8.9	12.2	10	7.43
Standard Oil (Ohio)	**394.9	16	774.6	13	27.0	110	44.5	81	6.8	3.8	7.5	19	5.86
Suburban Propane Gas (3)	38.7	21	87.9	20	1.3	60	5.1	23	3.3	2.5	14.0	11	2.10
Sun Oil	532.2	21	1,041.1	15	48.4	41	97.6	42	9.1	7.8	8.5	11	4.30
Tesoro Petroleum (3)	76.2	37	137.2	23	4.4	24	8.7	48	5.8	6.4	19.8	9	3.29
Texaco	**2,727.0	26	5,221.0	20	267.5	44	531.6	28	9.8	8.5	14.2	9	3.70
Union Oil of California	***714.6	17	1,267.4	14	40.2	44	78.4	36	5.6	4.6	7.9	9	4.18
Industry composite	26,990.0	24	51,960.4	18	2,089.8	52	4,007.7	39	7.7	6.4	11.9	14	4.43
PAPER													
Avery Products [1]	61.0	27	115.9	28	3.6	47	6.3	54	5.9	5.1	15.8	38	1.15
Crown Zellerbach	336.4	21	656.8	22	27.8	129	50.5	155	8.3	4.4	13.0	10	3.13
Dennison Manufacturing	**50.6	15	96.2	16	2.4	13	4.3	15	4.8	4.9	13.3	8	3.26
Fort Howard Paper	29.4	15	57.3	14	3.4	15	6.8	15	11.7	11.7	19.0	26	1.05
Great Northern-Nekoosa	122.9	23	239.3	21	6.6	59	11.8	41	5.3	4.1	8.8	12	3.99
Hammermill Paper	110.7	18	215.3	16	3.4	113	5.8	174	3.1	1.7	NA	12	1.19
International Paper	610.9	13	1,163.0	11	46.6	73	76.3	62	7.6	5.0	12.0	13	2.95
Kimberly-Clark	282.0	16	564.0	14	19.1	37	40.5	45	6.8	5.7	12.3	14	2.93
Mead	327.4	15	629.2	14	14.0	78	22.0	78	4.3	2.8	7.0	9	1.71
Scott Paper	232.6	14	454.1	14	14.1	44	28.2	53	6.1	4.8	9.0	10	1.39
Sonoco Products	47.1	24	90.7	21	3.0	33	5.5	27	6.3	5.9	13.0	15	2.08
St. Regis Paper	289.3	13	543.2	10	17.0	70	28.5	68	5.9	3.9	9.5	11	3.67
Union Camp	194.3	29	365.8	25	17.0	68	29.2	60	8.8	6.7	16.3	14	3.30
Westvaco [2]	129.4	13	256.9	16	6.3	161	11.5	302	4.8	2.1	8.3	13	2.03
Industry composite	2,823.9	17	5,447.5	15	184.3	69	327.2	70	6.5	4.5	11.2	15	2.44
PERSONAL CARE PRODUCTS:													
COSMETICS, SOAP, ETC.													
Alberto-Culver [3]	45.8	−4	95.0	3	1.2	−21	2.6	−5	2.7	3.3	12.2	8	1.23
Avon Products	259.6	16	480.5	17	29.1	10	49.4	14	11.2	11.7	37.3	51	2.26
Chesebrough-Pond's	103.4	10	215.4	10	7.5	12	16.4	14	7.3	7.2	21.9	31	2.35
Colgate-Palmolive	513.5	15	1,005.4	14	20.5	23	35.8	23	4.0	3.7	17.2	29	1.18
Faberge	31.6	3	63.1	3	1.1	1	2.5	4	3.6	3.6	8.2	6	1.34
Gillette	248.5	21	480.4	19	20.5	23	41.3	22	8.3	8.1	24.3	22	2.78
Revlon	116.0	11	226.2	10	11.2	16	20.5	16	9.7	9.2	17.7	22	3.08
Industry composite	1,318.4	14	2,566.0	14	91.1	16	168.4	17	6.9	6.8	22.8	24	1.99
PUBLISHING													
Periodicals, books, newspapers													
Gannett	77.7	7	146.6	8	7.8	21	12.9	23	10.1	8.9	15.5	30	1.24
Harcourt Brace Jovanovich	41.0	13	72.0	12	1.2	9	.1	NM	3.0	3.1	14.7	8	2.52
Knight Newspapers	86.6	10	164.2	9	6.5	13	10.7	13	7.5	6.3	15.9	21	2.12
Macmillian	97.6	8	181.9	6	2.2	38	3.7	31	2.3	1.8	7.2	7	1.13
McGraw-Hill	107.6	13	201.8	12	3.9	17	5.9	49	3.7	3.5	13.0	9	1.00
Media General	33.4	8	63.9	11	2.6	39	4.7	37	7.9	6.1	12.9	14	2.57
New York Times	90.9	11	175.4	9	5.8	104	9.7	88	6.3	3.4	14.9	9	1.47
Ridder Publications	42.6	16	77.7	12	4.2	14	6.5	11	9.8	10.0	11.7	14	1.40
Time	154.6	19	279.0	14	11.9	31	17.2	26	7.7	7.0	12.9	8	4.44
Washington Post	65.4	13	119.8	13	5.0	25	6.4	34	7.7	7.0	15.5	9	2.43
Industry composite	797.3	12	1,482.2	10	51.2	29	77.9	30	6.4	5.6	12.9	13	1.65
RADIO AND TV BROADCASTING													
American Broadcasting	216.3	5	452.3	9	14.9	46	24.7	49	6.9	5.0	17.1	11	2.48
Capital Cities Communication	34.5	9	63.9	9	6.1	20	10.2	18	17.7	16.1	16.3	21	2.42
Columbia Broadcasting System	355.3	11	719.0	12	23.4	14	45.7	39	6.6	6.4	21.6	10	3.34
Metromedia	48.3	14	97.7	18	3.6	1	5.2	10	7.5	8.5	15.1	6	2.08
Wometco Enterprises	31.7	21	59.7	19	2.0	25	3.5	26	6.4	6.2	14.0	12	1.23
Industry composite	686.0	10	1,392.5	12	50.1	22	89.2	36	7.3	6.6	18.7	12	2.69

Footnotes at end of table.

Company	Sales				Profits				Margins		Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)			
RAILROADS													
Burlington Northern	$298.0	7	$587.1	11	$3.2	−77	$16.9	−19	1.1	5.0	2.9	9	3.47
Chessie System	293.9	12	554.0	9	18.4	20	32.3	18	6.3	5.9	5.7	6	7.06
Illinois Central Industries	300.8	23	567.5	23	16.8	11	31.8	12	5.6	6.2	5.7	6	3.18
Kansas City Southern Inds	38.2	3	76.5	9	1.0	−53	2.5	−33	2.6	5.6	4.8	7	3.55
Norfolk & Western Ry	228.6	4	451.0	5	17.3	5	34.1	8	7.6	7.5	5.7	10	6.38
Rio Grande Industries	38.2	11	72.6	8	2.9	−26	6.0	−18	7.6	11.4	5.5	5	2.09
Santa Fe Industries	296.1	24	570.3	22	23.6	29	43.9	20	8.0	7.7	6.7	7	3.49
Seaboard Coast Line Inds	307.8	8	607.1	9	15.3	−34	31.7	−25	5.0	8.1	8.2	5	5.19
Southern Pacific	392.5	4	755.4	5	24.3	−29	38.4	−29	6.2	9.1	5.6	9	3.48
Southern Railway	200.0	6	390.0	6	20.2	13	38.5	13	10.1	9.5	7.4	9	4.24
St. Louis-San Francisco Railway	66.2	9	131.0	10	.9	−63	2.5	−44	1.4	4.1	2.5	14	2.43
Union Pacific	301.9	10	583.0	10	31.5	30	56.2	33	10.4	8.8	7.3	11	5.24
Industry composite	2,762.2	11	5,345.6	11	175.3	−6	334.9	1	6.3	7.5	5.9	8	4.15
RETAILING													
Department, discount, mail order, variety, food, specialty stores													
Acme Markets [9]	540.2	14	1,072.9	12	2.9	NM	6.3	114	.5	NM	3.7	10	2.01
Albertson's [11]	190.1	29	NA	NA	2.2	44	NA	NA	1.1	1.0	NA	NA	NA
Allied Stores [11]	342.3	15	873.1	16	3.2	NM	27.9	34	.9	.1	9.8	8	3.62
Amfac	231.4	30	415.0	28	6.0	10	11.2	7	2.6	3.1	11.2	8	2.21
Arlen Realty & Dvlpmt. [10]	173.2	5	349.1	−4	−.5	NM	.7	−87	NM	1.1	5.6	13	.45
Associated Dry Goods [11]	269.9	15	652.8	12	6.3	65	31.5	23	2.3	1.6	12.7	11	3.36
Bayless (A. J.) Markets	32.2	16	65.6	16	.4	−31	1.0	−15	1.2	2.0	13.1	5	1.76
Big Bear Stores [10]	**62.8	12	128.2	12	1.1	19	2.1	8	1.8	1.7	13.3	7	3.13
Borman's [11]	122.4	−1	220.4	1	−.2	NM	.5	16	NM	NM	1.9	20	.19
Broadway-Hale Stores [11]	216.0	17	556.9	19	5.1	21	24.9	24	2.4	2.3	12.1	17	1.93
Colonial Stores	181.7	12	357.1	9	2.5	12	4.4	3	1.4	1.4	11.2	8	2.09
Daylin [4]	134.3	10	269.1	11	2.2	−5	5.1	3	1.6	1.9	12.5	5	1.65
Dayton-Hudson [11]	296.5	19	741.5	21	1.4	54	20.7	13	.5	.4	9.1	8	1.77
Fed Mart [4]	51.0	7	113.0	14	.7	42	1.7	29	1.4	1.1	15.9	6	2.55
Federated Dept. Stores [11]	626.5	16	1,541.1	16	21.5	39	73.5	20	3.4	2.8	14.4	16	2.59
Fisher Foods	187.3	37	367.3	36	2.4	17	4.4	17	1.3	1.5	20.9	7	1.41
Food Fair Stores [5]	489.9	9	994.8	7	1.7	131	4.4	−28	.3	.2	2.3	16	.42
Gamble-Skogmo [11]	317.6	5	695.5	6	2.8	14	13.7	13	.9	.8	10.4	6	4.35
Gimbel Brothers [11]	180.5	4	444.4	5	−.2	NM	11.6	7	NM	.1	6.1	11	1.62
Gordon Jewelry [4]	33.0	21	83.0	20	1.2	34	6.1	23	3.6	3.2	12.0	10	1.45
Grand Union [10]	355.7	9	742.5	11	1.4	−42	4.8	−18	.4	.8	5.2	9	1.24
Grant (W.T.) [11]	380.1	19	924.8	20	−5.7	NM	30.0	2	NM	NM	10.8	8	2.33
Great A. & P. Tea [10]	1,640.5	10	3,321.1	15	2.4	NM	1.1	NM	.1	NM	−4.5	NM	−1.14
Jewel [11]	460.8	7	1,010.7	12	4.0	−14	15.6	3	.9	1.1	12.2	10	3.75
Kresge (S.S.) [11]	914.9	24	2,219.6	27	22.6	29	73.2	28	2.5	2.4	17.6	36	1.08
Kroger	957.4	15	1,885.5	13	5.5	1	9.1	−51	.6	.7	5.1	12	1.34
Kuhns Big K Stores	29.4	43	48.5	38	.6	45	.3	−6	1.9	1.9	21.1	6	1.55
Lerner Stores [11]	104.0	20	243.1	16	4.4	86	14.3	29	4.2	2.7	27.0	7	5.42
Lucky Stores [11]	530.9	13	1,083.6	13	7.2	5	17.9	8	1.4	1.5	21.5	13	0.95
Macy (R.H.) [5]	246.1	11	607.0	9	.7	NM	19.0	19	.3	NM	12.1	8	3.13
Marcor [11]	879.7	20	1,855.9	17	17.6	50	50.5	34	2.0	1.6	7.5	9	2.39
Marshall Field [11]	108.2	6	268.7	6	2.6	22	13.8	16	2.4	2.1	11.0	11	2.39
May Department Stores [11]	321.8	10	824.3	13	6.3	52	33.7	20	2.0	1.4	11.5	10	3.27
McCrory [11]	312.9	45	773.8	49	.2	NM	14.0	15	.1	NM	26.5	5	4.29
Mercantile Stores [11]	102.6	17	261.1	17	3.2	15	13.8	24	3.1	3.2	16.0	22	3.59
Mobile Home Industries [4]	31.2	34	52.8	29	1.6	21	2.5	21	5.1	5.6	27.4	9	1.26
Munford	**49.4	28	89.8	24	1.0	9	1.2	10	2.0	2.3	15.9	7	1.24
Murphy (G.C.)	112.5	16	201.8	12	2.2	17	2.4	6	1.9	1.9	7.4	8	2.03
National Tea [9]	278.7	13	NA	NA	−4.8	NM	−9.3	NM	NM	.4	−10.3	NM	−1.52
New Process	32.8	10	63.8	2	2.2	19	4.1	2	6.8	6.3	29.5	16	.76
Penn Fruit [4]	75.2	−16	154.4	−12	−.3	NM	−.7	NM	NM	.2	−10.6	NM	−1.91
Penney (J.C.) [11]	1,299.6	18	3,091.5	16	24.5	24	94.1	23	1.9	1.8	15.6	28	2.95
Peoples Drug Stores	59.7	3	113.9	2	.6	91	.7	34	1.1	.6	4.3	13	.60
Pneumo Dynamics [1]	**77.8	8	152.2	12	.6	72	.9	6	.8	.5	−1.0	NM	−.14
Pueblo International [11]	132.5	11	265.0	11	.4	−52	−.4	NM	.3	.7	−2.6	NM	−.25
Rapid-American [11]	619.4	28	1,446.2	32	8.1	160	24.8	67	1.3	.6	14.3	4	4.04
Rite Aid [10]	62.5	36	127.0	37	1.9	33	5.4	40	3.1	3.1	20.7	33	.94
Safeway Stores	1,519.8	11	2,988.7	11	21.9	5	39.9	3	1.4	1.5	15.5	9	3.58
Sears, Roebuck [11]	2,660.4	14	5,870.2	12	117.3	23	359.3	15	4.4	4.1	14.6	25	4.06
Skaggs	95.2	14	179.4	14	1.3	62	2.1	134	1.4	1.0	10.4	16	1.17
Southland	**351.8	12	654.9	11	7.0	15	9.9	15	2.0	2.0	11.9	14	1.35
Star Supermarkets	32.9	15	64.7	18	.3	51	.4	13	.9	.7	9.4	6	1.48
Stop & Shop (11)	309.5	8	574.1	10	1.1	843	6.2	83	.4	0	11.4	7	2.34
Supermarkets General (11)	300.5	18	652.3	24	.8	338	4.3	14	.3	.1	7.1	13	.57
Thrifty Drug Stores (4)	103.5	10	223.5	9	1.8	9	5.5	6	1.7	1.7	12.9	8	.96
Triangle-Pacific	65.2	39	117.9	45	2.0	96	3.2	105	3.0	2.2	18.0	6	2.94
Vornado (11)	172.4	6	399.1	11	.1	−36	5.9	−2	1.	.1	NA	5	1.81
Walgreen (8)	221.1	8	432.8	8	2.2	49	3.4	37	.1	.7	12.1	8	2.05
Weis Markets	64.9	17	128.2	16	2.3	18	4.7	8	3.5	3.4	17.8	9	1.67
Wickes (11)	259.1	40	491.0	48	3.9	30	6.8	62	1.5	1.6	10.4	9	2.12
Woolworth (F.W.) (11)	765.9	17	NA	NA	17.9	39	NA	NA	2.3	2.0	NA	NA	NA
Zale (9)	130.0	20	222.9	15	5.0	26	9.0	30	3.9	3.7	11.6	10	2.13
Zayre (11)	216.6	18	528.6	20	1.2	18	6.3	−8	.6	.6	11.1	6	2.19
Industry composite	22,123.8	15	45,297.3	15	359.8	35	1,155.4	18	1.6	1.4	11.8	11	2.22
SAVINGS & LOAN													
First Charter Financial	**76.5	16	150.6	18	12.1	1	24.2	10	15.9	18.3	14.5	8	2.00
Great Western Financial	84.7	18	164.6	17	11.8	29	21.5	26	13.9	12.8	14.2	7	2.80
Imperial Corp. of America	**51.2	21	99.1	21	6.8	26	12.6	24	13.4	12.9	13.3	5	1.72
Industry composite	212.4	18	414.3	18	30.8	15	58.3	19	14.5	14.8	14.1	7	2.15

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973

[Dollar amounts in millions]—Continued

	Sales				Profits				Margins				
Company	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)	Return on common equity 12 mo. ending June 30	P-E July 31	12 mo. earnings per share
SERVICE INDUSTRIES													
Leasing, vending machines, wholesaling, real estate builders and developers, etc.													
Alpha Portland Industries	**$46.1	13	$78.4	18	$1.5	47	$2.2	36	3.2	2.5	8.9	6	2.13
American District Telegraph	36.7	11	71.3	10	2.5	12	4.9	9	6.9	6.9	11.8	23	1.85
American Medical Intl. (4)	37.8	4	75.8	9	1.9	−19	4.6	2	5.0	6.5	17.5	8	1.46
American Medicorp	53.0	14	107.7	13	2.6	9	6.0	11	4.9	5.1	7.3	5	1.08
Atalanta	*43.0	23	88.5	34	.3	40	.7	62	.8	.7	21.3	5	1.42
Automation Industries	**58.4	16	112.8	17	1.4	8	2.6	16	2.4	2.6	8.6	8	.65
Avis	84.8	15	157.7	15	3.1	11	4.3	11	3.6	3.8	20.4	15	1.91
Baker Industries	26.3	11	51.8	12	1.7	21	3.3	26	6.4	5.9	13.7	23	1.06
Bergen Brunswig [4]	62.4	5	121.9	3	.3	NM	.6	NM	.5	NM	.9	43	.10
Castle (A.M.)	41.0	40	79.2	34	.8	298	1.3	235	1.9	.7	11.8	4	4.71
Combined Communications	**26.8	84	49.6	95	1.8	55	2.5	56	6.6	7.8	15.1	19	1.47
Commercial Metals [4]	93.7	73	156.7	49	1.1	24	1.9	69	1.1	1.6	13.2	6	2.33
Computer Sciences [9]	33.8	29	59.4	4	.2	NM	−5.5	NM	.5	NM	−87.4	NM	−.47
Cramer Electronics [3]	33.4	48	63.3	40	.7	113	1.2	232	2.1	1.5	8.9	12	.67
Deltona	**35.5	18	70.2	19	1.8	10	4.1	5	5.0	5.3	12.2	6	2.23
Dillingham	145.2	10	278.7	13	2.0	14	3.0	−2	1.4	1.4	4.4	13	.55
Donnelley (R.R.) & Sons	88.7	5	171.7	6	7.3	11	12.4	17	8.2	7.8	11.7	16	1.47
Dravo	81.1	9	128.1	2	2.4	28	2.9	36	3.0	2.6	8.7	9	3.25
Dun & Bradstreet	114.1	14	223.3	17	9.6	14	18.2	16	8.4	8.4	26.9	28	1.40
Extendicare [4]	28.5	34	52.6	26	1.5	21	2.8	14	5.1	5.7	10.9	8	1.04
Fischbach & Moore [3]	132.1	11	263.8	13	2.5	12	5.0	12	1.9	1.9	22.6	17	2.95
Fleming	217.6	14	500.4	13	1.7	19	3.9	18	.8	.7	15.7	8	1.30
Foremost-McKesson [9]	498.1	2	995.5	7	6.7	−13	12.8	−12	1.3	1.6	16.2	7	2.03
Genuine Parts	130.4	13	245.6	12	4.3	11	7.3	11	3.3	3.4	17.8	36	1.17
Grainger (W.W.)	68.4	34	120.1	31	4.5	46	7.6	49	6.6	6.1	23.6	33	1.16
Hospital Corp. of America	**54.2	29	107.8	29	2.9	14	6.3	18	5.4	5.7	13.6	13	1.23
Interpublic Group	39.1	8	70.9	7	2.5	16	3.0	15	6.4	5.9	22.2	6	2.62
Itel	44.1	119	77.4	96	1.4	NM	1.9	NM	3.3	NM	11.6	8	.71
Jorgensen (Earle M.)	43.0	28	82.5	27	1.9	51	3.5	47	4.4	3.8	NA	6	4.07
Kaufman & Broad [1]	72.0	16	141.3	20	5.4	33	10.6	37	7.5	7.5	16.7	21	1.38
Leaseway Transportation	113.1	23	213.0	22	6.2	19	9.6	24	5.4	5.6	29.7	13	2.69
Lennar [1]	**27.4	79	42.0	37	1.9	8	3.2	−11	7.0	11.6	24.9	6	1.86
McKee (Arthur G.)	45.4	−18	109.7	−1	.7	43	1.2	55	1.5	.9	9.7	13	1.94
National Service Indus. [4]	108.5	8	206.2	8	5.8	1	10.4	1	5.3	5.7	19.1	8	1.60
Nielsen (A.C.) [4]	38.1	15	74.3	15	2.9	12	5.9	15	7.6	7.9	19.0	30	1.08
Ogden	318.6	21	609.1	16	6.6	26	11.9	26	2.1	2.0	10.4	7	2.06
Parsons (Ralph M.)	41.8	−22	76.5	−36	.8	13	1.4	19	1.8	1.2	14.2	21	1.41
Pittway	26.2	14	51.3	17	2.1	17	4.2	25	8.1	7.9	12.9	15	2.42
Raymond International	35.3	25	69.8	6	.6	50	1.2	51	1.8	1.5	6.4	12	.91
Retail Credit	**53.1	5	102.5	4	2.2	−16	4.0	−16	4.1	5.2	18.6	9	2.63
Ryan Homes	51.6	31	87.5	28	2.6	15	4.1	15	5.0	5.7	29.0	14	1.36
Ryder Systems	126.7	36	238.3	37	5.8	32	9.6	37	4.6	4.7	16.0	26	1.44
Sav-A-Stop [4]	52.4	18	106.3	19	.6	7	1.4	25	1.2	1.3	9.8	9	.80
Scrivner-Boogaart [8]	54.8	23	107.1	26	.5	34	.9	23	.9	.9	15.4	5	1.39
Sperry & Hutchinson	**154.9	2	305.2	2	8.3	−10	16.4	−6	5.4	5.9	16.0	5	3.66
Super Valu Stores [10]	417.2	17	712.4	12	2.6	11	4.8	−10	.6	.6	18.2	6	2.26
Thompson (J. Walter)	34.4	16	61.9	12	2.1	9	2.1	−24	5.9	6.4	11.2	7	2.01
UMC Industries	43.3	10	83.8	16	2.4	1	4.3	4	5.4	5.9	14.5	7	1.99
U.S. Home [10]	79.8	33	144.4	52	3.4	19	8.5	52	4.3	4.8	23.0	6	1.86
Vendo	34.0	4	58.7	0	1.3	14	1.9	17	3.8	3.4	6.3	10	.93
VWR United [10]	87.9	19	163.0	19	1.3	369	2.0	NM	1.5	.4	9.5	8	1.57
Warner Communications	129.9	9	269.5	14	12.6	3	27.2	11	9.7	10.2	15.8	5	2.34
Industry composite	4,543.6	15	8,696.4	15	151.6	17	272.3	40	3.3	3.3	14.5	13	1.52
SPECIAL MACHINERY													
Farm, construction, materials handling													
Allis-Chalmers	308.8	22	587.7	22	5.9	98	10.4	73	1.9	1.2	3.3	9	1.05
American Hoist & Derrick [1]	59.9	28	124.9	26	2.2	56	3.4	72	3.6	3.0	10.8	8	1.68
Bucyrus-Erie	49.6	9	93.5	10	4.3	1	8.7	21	8.6	9.2	12.5	14	2.43
Caterpillar Tractor	800.2	22	1,552.0	22	65.4	20	126.0	29	8.2	8.3	20.8	15	4.12
Clark Equipment	289.1	24	555.6	26	14.8	51	29.3	52	5.1	4.2	16.0	12	3.74
Deere [3]	537.4	28	909.2	31	44.1	32	72.1	42	8.2	8.0	16.4	10	4.56
FMC	444.2	14	842.3	12	25.6	20	45.2	20	5.8	5.5	11.3	8	2.23
Koehring [1]	96.3	28	173.3	30	2.6	60	3.8	168	2.7	2.1	10.6	6	2.30
Rexnord [3]	116.1	17	212.4	21	4.6	12	7.1	23	4.0	4.2	10.1	9	2.25
Industry composite	2,701.6	22	5,050.8	22	169.4	27	306.0	34	6.3	6.0	15.1	10	3.34
STEEL													
Alan Wood Steel	35.8	22	68.4	14	.9	127	1.4	170	2.4	1.3	4.8	6	2.63
Allegheny Ludlum Industries	197.2	31	385.8	30	9.6	47	17.5	57	4.9	4.3	7.2	7	3.80
Ampco-Pittsburgh	27.8	28	54.7	31	1.2	94	2.4	88	4.3	2.9	10.5	7	1.20
Armco Steel	592.5	26	1,124.3	23	30.6	58	54.6	59	5.2	4.1	8.2	7	2.98
Bethlehem Steel	1,062.0	31	2,022.5	34	57.9	57	98.4	59	5.5	4.6	8.1	7	3.86
Copperweld	60.3	19	117.1	25	3.3	33	6.1	36	5.6	5.0	17.3	6	4.64
Cyclops	132.9	29	255.2	32	3.0	119	6.0	299	2.2	1.3	8.7	4	5.41
Florida Steel [3]	28.1	32	53.5	26	1.7	28	3.2	5	6.1	6.2	17.6	5	4.13
Interlake	116.0	16	227.3	18	4.1	1	7.0	2	3.5	4.1	6.3	7	3.34
Jones & Laughlin Steel	389.4	25	755.3	32	13.4	−5	25.4	12	3.4	4.5	6.1	7	2.61
Kaiser Steel	160.4	24	294.5	46	7.9	203	10.5	NM	4.9	2.0	4.8	7	1.90
Lukens Steel	44.6	25	83.3	19	2.3	19	3.4	8	5.1	5.3	7.8	9	2.63
McLouth Steel	96.9	25	184.9	25	5.3	174	9.0	209	5.5	2.5	7.1	7	2.96
National Standard [3]	48.4	28	96.0	28	1.8	105	3.6	108	3.8	2.4	8.6	16	1.32
National Steel	**529.3	23	1,054.9	28	27.7	30	47.3	31	5.2	5.0	8.1	8	4.40
NVF	96.4	11	192.7	16	3.6	34	6.0	40	3.8	3.1	18.2	3	6.13
Republic Steel	526.4	29	1,025.7	31	24.7	43	45.3	70	4.7	4.2	5.9	6	3.81
U.S. Steel	**1,803.9	25	3,323.8	29	84.9	62	134.0	88	4.7	3.6	6.2	7	4.05
Wheeling-Pittsburgh Steel	185.8	19	364.6	25	4.4	−27	7.0	−24	2.4	3.8	3.1	6	2.29
Industry composite	6,133.9	26	11,684.5	29	288.2	49	488.1	65	4.7	4.0	7.0	7	3.56

Footnotes at end of table.

	Sales				Profits				Margins		Return on common equity		
Company	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)	12 mo. ending June 30	P-E July 31	12 mo. earnings per share
TEXTILES AND APPAREL													
Avondale Mills [4]	$42.5	14	$82.3	15	$1.8	51	$3.5	69	4.3	3.3	10.9	9	3.78
Blue Bell [3]	108.2	25	212.5	21	4.1	2	8.8	2	3.8	4.6	13.5	6	2.58
Brown Group [2]	165.6	17	315.8	16	6.3	12	11.9	7	3.8	3.9	13.2	8	3.11
Burlington Industries [3]	555.6	18	1,070.4	17	22.8	81	42.9	75	4.1	2.7	9.4	11	2.70
Cluett, Peabody	125.1	9	250.9	0	.9	−64	3.5	−36	.7	2.0	6.4	8	1.16
Collins & Aikman (10)	90.7	12	177.0	11	4.3	−6	7.8	−11	4.7	5.7	13.1	10	1.32
Cone Mills	95.7	3	183.9	6	2.3	−18	4.3	−8	2.4	3.1	5.7	7	2.57
Dan River	112.5	22	212.4	20	2.7	1.43	4.5	156	2.4	1.2	4.7	8	1.13
Fieldcrest Mills	70.4	23	127.8	18	2.0	5	2.6	−10	2.8	3.3	8.5	8	2.02
Genesco (5)	347.1	4	725.7	2	.4	−47	5.4	−56	.1	.2	.2	94	.06
Graniteville	46.2	9	90.0	8	1.8	49	4.1	103	3.9	2.9	12.3	5	4.29
Hanes	64.3	10	130.5	15	2.1	19	4.2	19	3.3	3.1	9.9	6	2.08
Hart Schaffner & Marx (1)	112.3	14	230.6	12	3.7	23	7.8	20	3.3	3.1	9.8	9	1.76
Jantzen (4)	29.9	18	52.6	12	1.6	32	2.5	33	5.3	4.7	12.9	8	2.26
Levi Strauss (1)	159.3	23	280.9	19	6.6	−11	12.0	−3	4.1	5.7	15.5	12	2.27
Lowenstein (M.) & Sons	142.0	24	280.8	19	2.7	29	5.3	24	1.9	1.8	6.2	7	2.71
Melville Shoe	190.3	27	328.8	16	8.7	53	11.4	29	4.6	3.8	26.4	20	1.28
Puritan Fashions (1)	47.8	36	85.9	36	1.7	8	3.1	16	3.6	4.5	26.1	4	1.84
Riegel Textile (3)	59.6	12	119.2	15	2.3	95	4.5	97	3.8	2.2	11.5	6	2.97
Springs Mills	133.6	38	248.8	34	3.8	37	7.6	51	2.9	2.9	6.6	6	1.94
Stevens (J.P.) (2)	277.0	18	524.9	21	7.0	138	13.1	111	2.5	1.2	6.2	8	3.73
U.S. Shoe (3)	112.7	10	211.5	12	3.6	−12	7.1	−4	3.2	4.0	11.9	7	1.82
Warnaco	75.3	12	147.0	14	1.7	18	3.6	17	2.3	2.2	12.6	6	2.43
West Point-Pepperell Manufacturing (4)	127.2	18	247.8	22	5.4	77	9.2	97	4.2	2.8	8.0	7	3.36
Industry composite	3,290.9	16	6,338.0	15	100.3	31	190.7	25	3.0	2.7	9.2	12	2.00
TIRE AND RUBBER													
Amerace	56.9	20	115.0	21	2.5	12	5.1	13	4.3	4.6	9.8	7	2.90
Armstrong Rubber [3]	73.9	12	128.4	13	2.9	9	4.3	10	3.9	4.0	9.8	6	4.71
Carlisle	31.1	20	61.3	17	1.7	23	3.3	33	5.3	5.2	15.5	8	2.43
Cooper Tire & Rubber	41.7	15	77.1	17	1.4	−5	2.4	12	3.3	3.9	14.0	8	2.24
Firestone Tire & Rubber [2]	785.9	17	1,459.1	17	42.9	24	69.5	24	5.5	5.1	11.9	8	2.60
General Tire & Rubber [1]	344.8	29	648.1	35	23.8	28	37.0	36	6.9	7.0	14.9	6	3.66
Goodrich (B. F.)	443.3	12	849.1	14	17.5	3	30.9	20	3.9	4.3	8.4	6	3.61
Goodyear Tire & Rubber	1,210.8	14	2,280.2	15	55.9	3	101.2	9	4.6	5.1	12.9	8	2.75
Mansfield Tire & Rubber	27.9	6	48.7	1	.7	−35	.9	−48	2.5	4.1	3.3	9	.77
Mohawk Rubber	33.2	9	56.2	10	1.2	4	1.9	12	3.6	3.8	14.1	5	3.29
Richardson	29.0	−2	58.5	0	.9	6	1.7	9	3.0	2.7	9.4	7	1.90
Rubbermaid	29.9	16	59.6	21	2.4	13	4.6	18	8.0	8.2	18.6	36	2.46
Uniroyal	561.3	16	1,056.7	16	18.6	10	32.0	14	3.3	3.5	8.9	7	1.70
Industry composite	3,669.6	16	6,897.8	17	172.2	12	294.7	17	4.7	4.9	11.8	9	2.71
TOBACCO													
Cigars, cigarettes													
American Brands	* 788.1	4	1,509.8	3	34.2	10	64.1	7	4.3	4.1	14.3	8	4.72
General Cigar	*** 75.7	4	144.2	5	.7	−4	1.3	−12	.9	1.0	6.4	8	2.04
Loews [4]	* 197.0	−6	317.7	−9	12.6	−40	36.9	−1	6.4	6.9	17.0	6	4.67
Philip Morris	* 634.3	21	1,205.0	19	38.4	21	70.7	19	6.0	6.1	20.8	25	5.01
Reynolds (R. J.) Industries	* 820.4	9	1,340.0	9	67.7	6	128.2	6	8.3	8.5	18.0	9	5.45
Industry composite	2,515.5	24	4,516.6	15	153.5	4	301.1	8	6.1	7.3	17.2	11	5.01
TRUCKING													
Arkansas Best	28.9	17	57.1	18	−.4	NM	.7	−74	NM	6.1	9.6	9	1.24
Associated Transport	34.6	1	67.7	2	−.4	NM	−1.2	NM	NM	NM	−25.4	NM	−3.06
Consolidated Freightways	171.8	21	337.8	20	5.5	−12	9.5	−16	3.2	4.4	18.5	8	1.82
McLean Trucking [6]	63.2	23	123.3	23	3.3	16	5.7	22	5.2	5.5	23.6	11	3.67
Roadway Express	100.8	19	198.8	20	6.2	10	12.1	10	6.2	6.7	27.7	30	1.26
Smith's Transfer	26.3	19	52.1	17	1.3	15	2.6	24	5.0	5.2	25.6	8	2.31
Spector Industries	34.0	9	67.8	12	.2	14	.4	224	.7	.6	8.1	9	.61
T.I.M.E.–DC	46.5	22	90.1	19	1.3	110	2.5	89	2.9	1.7	13.7	9	1.26
Transcon Lines	33.8	1	64.6	4	1.0	28	1.6	33	3.0	2.4	12.6	8	1.23
Yellow Freight Systems	78.6	22	152.7	23	5.1	12	9.4	22	6.4	7.0	28.6	18	2.52
Industry composite	618.6	17	1,212.2	18	23.2	1	4.33	5	3.7	4.4	19.1	12	1.57
UTILITIES													
Telephone, electric, gas													
Allegheny Power System	93.7	12	191.6	12	16.6	3	34.3	4	17.7	19.2	13.5	8	2.37
American Electric Power	225.8	8	465.2	11	52.3	16	102.6	18	23.2	21.7	15.2	10	2.78
American Natural Gas	185.2	10	433.5	6	17.8	16	54.8	10	9.6	9.1	14.1	8	4.29
American Tel. & Tel. [1]	5,814.7	13	11,326.1	13	750.8	21	1,429.2	20	12.9	12.1	NA	11	4.69
Arizona Public Service	52.1	22	105.4	22	6.7	30	13.0	26	12.9	12.1	12.7	8	2.45
Arkansas Louisiana Gas	72.6	14	151.5	12	7.3	14	18.6	20	10.0	10.0	15.1	8	2.77
Baltimore Gas & Electric	109.3	12	237.1	11	20.8	21	44.6	15	19.1	17.6	12.3	9	2.91
Boston Edison	75.5	14	153.8	12	6.5	−18	12.4	−26	8.6	12.0	9.7	11	2.81
Carolina Power & Light	78.4	9	164.6	15	13.8	2	33.4	19	17.7	18.9	13.3	8	2.83
Central & South West	107.9	8	210.4	10	16.5	10	30.5	9	15.3	15.0	15.0	13	1.63
Central Telephone & Utilities	75.0	14	151.9	13	9.6	14	18.9	12	12.7	12.7	15.0	14	1.79
Cincinnati Gas & Electric	80.0	8	182.6	7	12.0	22	32.0	22	15.0	13.3	14.9	9	2.51
Cleveland Electric Illuminating	78.6	11	160.8	11	11.0	−5	23.9	0	13.9	16.2	14.0	10	3.10
Columbia Gas System	231.4	8	572.9	2	20.8	7	67.8	5	9.0	9.1	12.6	8	3.24
Commonwealth Edison	296.8	9	601.3	9	40.3	7	86.2	6	13.6	13.9	12.3	9	3.14
Consolidated Edison of New York	405.7	17	830.8	16	39.2	29	89.3	18	9.7	8.8	7.2	11	2.15
Consumer Power	194.4	10	446.8	11	22.1	7	53.6	16	11.4	11.7	10.3	9	2.77
Continental Telephone	152.2	29	286.8	26	15.4	20	29.4	24	10.1	10.9	15.2	14	1.74
Dayton Power & Light	52.4	6	122.0	4	5.4	−6	15.6	−1	10.2	11.6	11.5	11	1.98
Detroit Edison	176.7	10	364.4	11	20.0	−15	47.4	2	11.3	14.7	9.7	10	1.94
El Paso Natural Gas	294.4	11	580.5	6	15.1	34	33.6	25	5.1	4.2	11.4	8	1.91
Florida Power & Light	163.5	27	311.4	26	21.9	19	44.3	22	13.4	14.3	13.5	12	2.86
Florida Power	56.1	20	111.6	23	7.8	−12	16.9	6	13.9	18.9	12.4	11	3.51
General Public Utilities	152.9	13	319.4	14	22.5	14	53.4	26	14.7	14.6	11.1	9	2.29
General Tel. & Electronics	1,246.3	17	2,400.0	15	85.2	15	163.4	19	6.8	7.0	13.5	11	2.74
Gulf States Utilities	67.9	20	127.2	20	12.0	24	20.2	25	17.7	17.1	13.5	12	1.69
Houston Lighting & Power	93.9	8	174.7	10	14.5	−4	24.3	−3	15.5	17.3	13.4	13	2.87
Lone Star Gas	78.0	14	186.2	17	7.9	12	29.8	9	10.2	10.4	16.9	10	2.69
Long Island Lighting	95.3	4	207.5	5	10.4	−21	28.2	−7	10.9	14.4	11.9	10	2.01

Footnotes at end of table.

SURVEY OF CORPORATE PERFORMANCE: SECOND QUARTER 1973—Continued

[Dollar amountsi n millions—Continued

Company	Sales				Profits				Margins		Return on common equity		
	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973	Change from 1972 (percent)	6 mo. 1973	Change from 1972 (percent)	2d quarter 1973 (percent)	2d quarter 1972 (percent)	12 mo. ending June 30	P-E July 31	12 mo. earnings per share
UTILITIES—Continued													
Telephone, electric, gas													
Middle South Utilities	$143.4	8	$290.6	13	$18.6	10	$39.8	22	13.0	12.8	14.1	11	2.07
Mountain States Tel. & Tel.[1]	263.1	20	509.4	19	36.2	35	69.8	35	13.8	12.2	NA	9	2.28
New England Tel. & Tel.[1]	286.0	11	565.3	14	24.4	4	50.3	14	8.5	9.1	NA	12	2.72
New England Electric System	109.4	10	233.4	11	10.9	0	26.5	3	10.0	11.0	12.0	9	2.57
New York State Elec. & Gas	60.6	6	133.9	8	8.5	1	18.7	5	14.0	14.7	10.4	9	3.00
Northeast Utilities	127.9	12	270.5	13	19.2	−15	41.2	−8	15.0	19.9	11.9	10	1.41
Northern Illinois Gas	110.2	5	281.3	7	14.0	−3	37.8	3	12.7	13.7	15.0	8	3.00
Northern Indiana Pub. Serv.	93.8	7	210.6	8	11.3	18	25.7	12	12.0	10.9	14.6	9	2.25
Ohio Edison	91.9	11	186.5	11	15.3	19	30.5	15	16.6	15.6	14.1	11	1.97
Pacific Gas & Electric	356.7	9	745.2	8	59.4	12	124.4	10	16.7	16.2	11.9	9	3.10
Pacific Northwest Bell Tel.[1]	143.9	9	280.2	10	16.8	11	30.2	10	11.7	11.6	NA	10	1.41
Pacific Power & Light	59.7	23	121.3	20	14.8	33	30.5	24	24.8	22.8	14.5	10	2.31
Pacific Tel. & Tel.[1]	665.2	15	1,299.2	14	65.6	44	127.7	43	9.9	7.8	NA	11	1.64
Panhandle Eastern Pipe Line	124.2	2	261.8	3	14.8	1	35.2	8	12.0	12.0	17.3	8	3.98
Pennsylvania Power & Light	91.2	8	191.4	10	16.8	21	32.6	17	18.4	16.3	12.0	8	2.53
Peoples Gas	156.6	−4	380.0	−2	19.7	−5	49.9	−2	12.6	12.7	13.6	6	4.14
Philadelphia Electric	177.3	10	371.9	9	28.6	6	62.2	8	16.1	16.7	10.3	10	1.98
Potomac Electric Power	70.7	23	139.0	20	6.9	−10	18.6	1	9.8	13.3	10.1	9	1.44
Public Service of Colorado	76.9	22	167.1	20	10.6	33	24.3	28	13.8	12.6	13.5	8	2.26
Public Service of Indiana	55.4	6	117.8	12	11.1	33	23.3	42	20.0	15.9	15.6	11	3.50
Public Service Electric & Gas	244.6	7	532.1	8	29.7	21	68.3	21	12.1	10.7	10.1	9	2.37
Rochester Gas & Electric	50.7	17	115.5	14	5.6	38	14.3	40	11.1	9.3	12.8	8	2.54
Southern California Edison	247.1	12	494.6	11	31.4	−5	59.9	1	12.7	15.0	9.4	9	2.52
Southern	258.3	15	521.2	18	36.5	26	78.3	28	14.1	12.9	11.4	9	1.97
Texas Eastern Transmission	193.0	6	408.3	5	18.6	15	46.0	16	9.7	8.9	16.6	14	3.39
Texas Gas Transmission	138.8	4	287.2	9	8.5	0	18.7	19	6.1	6.4	13.3	7	3.54
Texas Utilities	139.1	6	270.0	13	25.3	1	47.3	12	18.2	19.0	15.1	15	1.98
Union Electric	98.9	11	192.2	10	15.3	24	27.9	18	15.5	13.9	9.2	12	1.39
United Telecommunications	190.2	19	363.9	19	17.7	11	33.5	11	9.3	10.0	12.3	12	1.55
Virginia Electric & Power	123.4	17	256.2	18	24.9	36	52.3	29	20.2	17.4	12.5	9	2.14
Western Union	**121.9	7	236.8	4	7.8	−33	13.6	−36	6.4	10.1	5.9	8	2.27
Wisconsin Electric Power	96.9	11	206.9	10	11.6	−12	23.7	−17	11.9	15.1	9.9	10	2.31
Industry composite	16,049.3	13	32,362.0	12	1,962.8	15	4,045.4	16	12.2	12.0	12.2	10	2.84

[1] 2d quarter ending May 31.
[2] 2d quarter ending Apr. 30.
[3] 3d quarter and most recent 6 months ending June 30.
[4] 3d quarter and most recent 6 months ending May 31.
[5] 3d quarter and most recent 6 months ending Apr. 30.
[6] 4th quarter and most recent 6 months ending June 30.
[7] 4th quarter and most recent 6 months ending May 31.
[8] 4th quarter and most recent 6 months ending Apr. 30.
[9] 1st quarter and most recent 6 months ending June 30.
[10] 1st quarter and most recent 6 months ending May 31.
[11] 1st quarter and most recent 6 months ending Apr. 30.

* Sales include excise taxes.
** Sales include other income.
*** Sales include excise taxes and other income.

NA—not available.
NM—not meaningful.

Data: Investors Management Sciences.

GLOSSARY

Sales: Includes all sales and other operating revenues. For banks, includes all operating revenues.

Profits: Net income before extraordinary items. For banks, profits are before security gains or losses.

Margins: Net income before extraordinary items as percent of sales.

Return on common equity: Ratio of net available for common stockholders to average common equity, which includes common stock, capital surplus, retained earnings.

Price-earnings ratio: Based on July 31 stock price and earnings for latest 12 months.

Earnings per share: For latest 12 months, includes all common stock equivalents.

The PRESIDING OFFICER (Mr. JOHNSTON). Under the previous order, the Senator from Montana (Mr. MANSFIELD) is recognized. He has 13 minutes remaining.

Mr. MANSFIELD. Mr. President, I yield myself such time as I may desire.

Mr. President, first I commend the distinguished Senator from South Dakota for holding out the hand of compromise and understanding to the President of the United States. I am glad that he has made this detailed and thoughtful speech.

I hope that it will be read at the other end of Pennsylvania Avenue in the spirit of comity and understanding which, I think, is beginning to develop and will be accentuated in the days, weeks, and months ahead.

The times call for cooperation and for the placing of the public interest first. The times do not call for an obsession with outside factors, but they do call for an application to duty and the continuation in a constructive manner of the business of the Government and the people, who are in reality the Government itself.

SENATE RESOLUTION 176—AUTHORIZATION FOR SENATOR TOWER TO APPEAR IN COURT AS A WITNESS

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader and myself, I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 176) authorizing Senator JOHN C. TOWER to appear as witness before district court of United States at a time when Senate is not sitting in session.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the subpena and the subpena duces tecum in this matter be printed in the RECORD.

There being no objection, the subpenas were ordered to be printed in the RECORD, as follows:

U.S. District Court for the Northern District of Texas—No. CR 3-2811

SUBPOENA TO TESTIFY

[U.S. District Court for the Northern District of Texas—No. CR 3-2811]

To Senator John Tower:

You are hereby commanded to appear in the United States District Court for the Northern District of District of Texas at Honorable Wm. Taylor, Jr.'s Court in the city of Dallas on the 2nd day of October 1973 at 10:00 o'clock A.M. to testify in the above-entitled case.

This subpoena is issued on application of the Defendant.

September 20, 1973.

WAGGONER CARR,
Attorney for pro se.
JOSEPH MCELROY, Jr.,
Clerk.

[U.S. District Court for the Northern District of Texas—No. CR 3-2811]

SUBPOENA TO PRODUCE DOCUMENT OR OBJECT

United States of America *v.* John Osorio, Waggoner Carr, Tom Max Thomas, *et al.*

To Senator John Tower:

You are hereby commanded to appear in the United States District Court for the Northern District of Texas at Honorable Wm.

Taylor, Jr.'s Court in the city of Dallas on the 2nd day of October 1973 at 10:00 o'clock A.M. to testify in the case of United States *v.* John Osorio, *et al.* and bring with you any and all copies of originals or correspondence, tapes, recordings, and memoranda of communications to or from any governmental personnel relating in any manner to: (1) the immunity of Frank W. Sharp, granted June 14, 1971, prosecutions or proposed prosecutions relating to Sharp and others arising out of Sharp and Sharptown related activities; (2) any and all originals or copies of writings, tapes, or recording of any meeting between Senator Tower, John Mitchell, and President Nixon in the Whitehouse including (but not excluding others) a meeting between such three persons on July 29, 1971 at the White House, relating in any manner to discussions concerning Frank W. Sharp, Will Wilson, Sharpstown related activities in Texas, Will Wilson's connection with Frank W. Sharp and his activities, and prosecutions or proposed prosecutions arising or to arise therefrom.

This subpoena is issued upon application of the Defendant.

Sept. 19, 1973.

WAGGONER CARR,
Attorney for pro se.
JOSEPH MCELROY, JR.,
Clerk.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that, if it be necessary to notify any party or parties, the proper official of the Senate be so instructed to do.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 176) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follow:

S. RES. 176

Authorizing Senator JOHN G. TOWER to appear as witness before District Court of United States at a time when Senate is not sitting in session

Whereas Hon. JOHN G. TOWER, a Member of this body, has been served with a subpoena and a subpoena duces tecum to appear as a witness before the District Court of the United States for the Northern District of Texas, to testify at 10:00 o'clock A.M. on the second day of October, 1973, in the case of *United States v. John Osorio, Waggoner Carr, Tom Max Thomas, et al;* and

Whereas it is the sense of the Senate that by virtue of the provisions of the Constitution of the United States said court has no authority to compel the attendance of any Member of the Senate as a witness before said court during his attendance at any session of the Senate; and

Whereas, under the Standing Rules of the Senate, no Senator may absent himself from the service of the Senate without leave of the Senate: Therefore be it

Resolved, That Hon. JOHN G. TOWER is granted leave to appear as a witness before the district court of the United States in the case of the *United States v. John Osorio, Waggoner Carr, Tom Max Thomas, et al* at a time when the Senate is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I am glad to yield to the distinguished Senator from Alaska (Mr. STEVENS) as much of my time under the 15-minute order previously entered as he desires.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE EMPLOYMENT SITUATION IN ALASKA

Mr. STEVENS. Mr. President, many people have contacted my office asking about work on the trans-Alaska pipeline. Others have gone to Alaska anticipating employment.

Unfortunately, jobs on the pipeline are not yet available. Construction has not yet begun. The permits have not even been issued. No contracts for the construction of the pipeline have been let.

Many persons who have incurred substantial expense and traveled great distances are likely to be in for disappointment. They will be faced with tremendous hardship because there will not be work in our State for them. Alaska already has the highest unemployment rate in the Nation. These people will add additional burdens to the already overstrained Alaska State government welfare rolls.

I have been informed that the Alaskan welfare rolls have increased in alarming proportions. Alaska has a harsh economic climate. It is not a place to go to without a job.

Last week, I was informed that seven new families a day are entering the welfare rolls. A number of people who have come to Alaska seeking employment were told that there is no employment there.

The Alyeska Pipeline Service Co., which will be in charge of the building of the pipeline, recently sent a letter to all State divisions of employment, the U.S. Department of Labor, and various better business bureaus. This letter urged that people desiring employment in Alaska in the future should be advised that there are no construction opportunities available on the pipeline in Alaska, or anywhere else in Alaska at this time.

When it is built, applications should not be submitted to Alyeska or the owner companies. After the required Federal permits have been obtained, awards for construction contracts will be made by Alyeska. Announcements will appear in the press and in trade journals. At that time, persons desiring employment should apply directly to the contractors selected by Alyeska before coming to Alaska—and not to Alyeska or the oil companies themselves.

I am sure that other Members of Congress have received similar inquiries concerning employment on the Alaskan pipeline construction project. I rise today to inform each Member of Congress of the situation in Alaska and to request that they inform their constituents that no employment opportunities presently exist in Alaska. After the contracts have been let, persons interested should contact the contractors or the oil companies themselves before coming to Alaska.

I think it is a very wise move to inform the public that there are no jobs available in my State now. The welfare rolls in Alaska are overloaded and, Alaska being a small State with a swollen population, cannot support this increase in the welfare rolls. I ask that the public be informed that there are no job opportunities in Alaska now.

Mr. President, I request unanimous consent to insert in the RECORD the letter of Mr. O. T. Carter, manager of personnel relations for Alyeska Pipeline Service Co.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ALYESKA PIPELINE SERVICE CO.

Gentlemen: Recent Congressional actions relative to the Trans Alaska Pipeline System have encouraged many job seekers to contact Alyeska Pipeline Service Company and many other petroleum industry companies concerning construction employment possibilities.

Alyeska Pipeline Service Company is the company formed and owned by seven petroleum industry companies for the purpose of overseeing the design, construction and operation of the Trans Alaska Pipeline System. Although Alyeska has undertaken design and construction planning activities, permits required from governmental agencies which would allow construction to commence have not yet been granted. No construction activities will be undertaken until appropriate permits have been granted.

Actual construction, when commenced, will be performed by construction contractors, with Alyeska functioning in an overall project management role. Although Alyeska may hire some experienced construction management personnel at that time, the majority of construction job opportunities, and certainly all craft and skilled trade opportunities, will be with the various contractors selected to do actual construction. Alyeska and its various owner companies will not be hiring general construction personnel to construct the pipeline.

Persons seeking to secure positions in construction of the Alaska pipeline should be advised that no construction job opportunities presently exist. Applications for these positions *should not* be submitted to Alyeska or its owner companies. When required permits are obtained, construction contracts will be awarded. Announcements of these awards will appear in press and trade journals. At that time individuals seeking construction job opportunities should apply directly to selected contractors.

Your help would be greatly appreciated in making the above information known to all individuals inquiring about Alaska pipeline job opportunities. If I can provide further information, please contact me.

Very truly yours,

O. T. CARTER,
Manager, Personnel Relations.

Mr. PERCY Mr. President, will the distinguished Senator from Alaska yield?

Mr. STEVENS. Mr. President, I would be happy to yield to the Senator from Illinois.

Mr. PERCY. Mr. President, would the distinguished Senator from Alaska also add to his urgent plea on his part—and I think that he has acted wisely and with foresight at this time, an action that I know he takes with deep regret—the percentage of the higher cost of living for any individual or family that comes to Alaska as against the cost of living in other parts of our country. How much more expensive is it to live in Alaska, particularly if one does not have a job, in which circumstances the costs would be impossible for a person to bear.

Mr. STEVENS. Mr. President, the latest information we have on that is a very staggering figure. School lunches in Fairbanks, Alaska, are 53 percent greater than the average in the United States. The cost of living in Anchorage is in excess of 30 percent over that in Seattle.

As the Senator knows, our welfare payments are based upon the national welfare payments. It is practically impossible for anyone to survive in Alaska on the welfare rolls.

I think the Senator has raised a very important point. A person who is on welfare in another State and moves into our State is going to suffer greatly because it is not possible to take a family into our State, particularly in the wintertime and get by financially. There are jobseekers in our State who are in sore, financial trouble. As you know, our State is lagging economically because we had anticipated the income from the pipeline and we have not received any. Those people who are employed now are even having a very difficult time.

The point on the high cost of living mentioned by the Senator from Illinois is something that people should keep in mind. However, basically, it is not wise for anyone to travel from the South 48 and be obliged to travel over 3,000 miles without having been promised a job in Alaska. It is not a wise thing to do at this time.

Mr. PERCY. Furthermore, since the purpose of the Senator's remarks is public information and solid advice based on experience, has it not been the Senator's experience that one of the problems of unemployment in this country is dislocation, that to concentrate in an area of very low employment opportunities removes workers from other areas of high opportunities right now, and that there are many parts of the country where opportunities are more plentiful?

For example, in some parts of Illinois we have a large part of our classified ads in newspapers devoted to trying to seek out and find people who have some degree of skill to come to work in industry. We also have some opportunities in agriculture now. Job opportunities exist in many parts of the United States, but just do not happen to exist in Alaska.

So people looking for job opportunities would do better to go where the opportunities are right now, rather than to Alaska.

I am sure that the Senator from Alaska would never think of selling his State short. I happened to be in Alaska the day the bids on the pipeline were opened, and I know that feeling of optimism for the future, though I did want to see an alternative explored, the trans-Canada pipeline. When opportunities do exist, notice will be given, and I presume the Senator from Alaska will be on the floor again to say, "Now opportunities do exist, and we want more people to come to Alaska with skills to fill the opportunities."

As a Senator from Illinois, I speak on behalf of many midwestern Congressmen when I ask the Senator whether or not, in his judgment, there are sufficient reserves on the North Slope that some day we might look forward to two pipelines, one trans-Alaska and the other trans-Canada, so that those of us who live in the Middle West might some day look forward to a direct line of supply to our part of the country, instead of depending on the higher cost of imported oil, and the uncertainties that exist today.

Mr. STEVENS. There is no question in my mind but that we will be considering the construction of a second pipeline from Alaska very soon after the first one is under construction. We have an estimated 300 billion barrels of oil in Alaska, though there are only an estimated 10 billion barrels in the Prudhoe Bay reserve. The first pipeline will tap that reserve. There are those in Alaska who are of the opinion that once we assure the investor that it is possible to transport the oil discovered in the northern part of Alaska to the south, we will have the investment that is necessary to prove up the remainder of our reserves. We know that reserves exist at Chukchi Sea, Crystal Bay, Unalakleet, Swanson River, Cook's Inlet, and Yukon Flats. All of these well-known potentialities of oil and gas reserves are assured; we just have not discovered the precise locations.

So I predict we will see two oil pipelines and two gas pipelines in the near future, that is to say, within 10 or 15 years, for moving Alaska's hydrocarbon resources to the mainland United States, and we think that will bring substantial sustained employment. Unfortunately, as the circumstances are, it is not a pleasant thing to do to have to tell the American public that your State is in economic trouble, but we have as high as 85 percent unemployment in the Native sector of Alaska, and we feel that those people, who have been out of work so long, should be employed first when opportunities arise.

After we hit the construction phase, there will be jobs available for additional people in Alaska, and I think that will be sustained employment, because we are building an oil pipeline to Valdez, then a gas pipeline, and I think we will be building another pipeline from the central portions of Alaska to the Midwest, and an additional gas pipeline. To take the gas to the markets, we obviously need a diversified transportation system from these various deposits.

Mr. PERCY. I thank the Senator. I think the fact that there is going to be enough oil for a trans-Canada pipeline as well, and that the distinguished Senator from Alaska supports such a concept, will be of great encouragement to the distinguished Senator from Wisconsin (Mr. Proxmire) and the distinguished Senator from Missouri (Mr. Symington), because we want a source of oil coming direct to the Midwest. I think we want, at the same time, to give consideration to the coal reserves of West Virginia and of the State of Illinois, and we ought to be very bullish on the future of that resource as well; but I am bullish on the long term future of Alaska, and this colloquy, I think, should reinforce our feelings that the future is great for Alaska, but that this is a temporary situation, and certainly people would be foolish to move from areas where they are needed and can find employment opportunities to go to an area where they would have to wait for a period of months for jobs that will eventually be available there.

Mr. STEVENS. The Senator makes a good point. I would assume, when we have passed a bill to go ahead with the construction of a pipeline, it would still take 6 to 9 months to put together the logistics that are necessary to proceed with full construction of the pipeline. So we are a long way from additional job opportunities related to Alaska, and I hope we can find some way to stem the mobility of people seeking employment there at this time.

I thank the distinguished Senator from West Virginia and the distinguished Senator from Illinois.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1½ minutes.

Mr. ROBERT C. BYRD. I yield my remaining time to the Senator from Wisconsin.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, how much time does the Senator from Montana have remaining?

The PRESIDING OFFICER. Nine minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that time be yielded to the Senator from Wisconsin, so that he will have ample time to yield to the Senator from Missouri.

The PRESIDING OFFICER (Mr. Johnston). Without objection, it is so ordered.

Under the previous order, the Senator from Wisconsin (Mr. Proxmire) is recognized for not to exceed 15 minutes, in addition to the time yielded to him.

Mr. PROXMIRE. I yield to the Senator from Missouri.

THE IMPORTANCE OF EFFICIENCY IN DEFENSE PROCUREMENT—ADDRESS BY GEN. GEORGE BROWN, CHIEF OF STAFF, U.S. AIR FORCE

Mr. SYMINGTON. Mr. President, as the Senate winds up debate on the military procurement authorization bill today, and as we look toward consideration of the defense appropriation bill, I would call particular attention to a recent address by Gen. George S. Brown, Chief of Staff of the Air Force, before the National Security Industrial Association here in Washington.

In this address, General Brown emphasizes the need for industry and the Defense Department to take a long hard look at overhead costs and cites a number of cases where "indirect costs exceed the bounds of legitimacy and necessity." The general further points out that these overhead and indirect costs constitute one-half to two-thirds of total research and development and procurement costs.

In summing up the situation, the Air Force Chief of Staff states:

> For the first time in modern history, other nations are approaching our technological posture, and are threatening to surpass us in some areas. And some of them are doing it with greater efficiency and productivity than we are currently demonstrating. We have already seen some of the effects in our balance of trade position. That is one part of

our broad national security—the economic base on which we stand or fall. But, even more significantly, our forces for national defense are beginning to suffer from these management deficiencies. In the current budgetary climate, the effectiveness of our defense posture can be improved and maintained only if all of us—in military systems acquisition and the defense industry—conduct our business with maximum efficiency. Therefore, we must devote our best efforts to the elimination of unnecessary and unreasonable overhead costs.

I ask unanimous consent that the full text of the address in question be inserted at this point in the Record and would hope that my colleagues would take the time to read this thoughtful and constructive statement.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Gen. George S. Brown

However little we may like the term—or the way it has been used over the past few years—we *are* part of a military/industrial complex. In the free enterprise economy of our democratic society, and with the technological sophistication of modern weaponry, I know of no other reasonable way to develop and produce the weapon systems that the security of the nation demands.

The system works. It has been notably effective. Major war has been deterred, and smaller conflicts have been kept from going global. In no small part, these achievements have been possible because, up to now, the United States has had superior weapons in sufficient numbers to prevent and to limit war.

Up to now. We are at a point in our history where that kind of effectiveness will no longer be possible, unless it is matched by an equal measure of tough, economy-minded *efficiency*.

All of us must recognize certain basic truths. First, defense costs, like costs everywhere, have been climbing steadily. Second, even if defense spending could be maintained at a fixed level in current dollar terms there is an erosion of real purchasing power. Third, this has necessitated reduction in force size. Fourth, the reduced force structure makes it more than ever imperative to offset numerical inferiority with qualitatively superior weapon systems. But, fifth, the cost of these systems has also been climbing so rapidly that we face such alternatives as reduced quality, lesser numbers, or just not going forward at all with some programs that are needed.

These factors can only degrade the effectiveness of our defense forces, unless we move in the direction of greatly increased efficiency in the way we do business. Cost-consciousness—cost avoidance—cost reduction will have to be our way of life.

Not that we haven't made some good progress these past four years or so. In the Air Force, for example, we're seeing genuine results in such programs as the F-15, AWACS, SRAM, Minuteman III and others. They're doing what they're supposed to do. They're doing it on or ahead of schedule. And—most of all—they're staying inside the cost envelope.

That kind of progress grows out of such things as putting strong program managers in charge, giving them broad authority, and fully supporting their cost reduction initiatives. It comes from competitive prototyping wherever possible—from components to assemblies to sub-systems to full systems. It comes from innovative contracting techniques and better methods of making cost estimates. And it comes from taking a hard-nosed looked, with users and developers working together, at the requirements.

Progress, in short, has evolved from many management improvements, in both industry and government, that have been in the making since at least 1969.

And yet, all these things address perhaps one-half of the problem. They do a good job, for the most part, of controlling direct costs—but they do not have much impact on indirect, or overhead, costs.

An Air Force study on the subject concluded that anywhere from 50% to 66% of USAF procurement dollars consumed in prime contractor plants are indirect or overhead costs. Of the 7 billion dollars expended in Air Force Systems Command in Fiscal Year 1972, roughly 3⅓ billion went for overhead. So this has to be a fruitful area in which to reduce the cost of our weapon systems; an area which has not received proper attention.

In the Air Force—and I'm sure this is true of the other services and throughout DOD—the control and reduction of overhead is going to be the subject of intensive attention, concern—and action. But, as with everything we enter into jointly—you the contractors and we in Defense—a major part of the responsibility resides with you. As the climate of the times indicates, you will have to face that responsibility squarely. And we in government must provide you in industry with greater motivation to curb these costs.

In consumer business and in a firm-fixed-price environment, American Industry has always demonstrated that it can keep costs within tight bounds. The time has come when the same discipline must be exerted in government work other than fixed-price contracting. The military services are joining the consumer movement. Some of the examples of overhead problems I will be getting to in a moment lead to questions of credibility, your credibility with us—and with the public.

Overhead *per se* is a legitimate and necessary part of doing business. After all, my headquarters is in the overhead business; we know from experience what's involved in managing large enterprises.

What I'm really concerned with, are those cases where indirect costs exceed the bounds of legitimacy and necessity. These range from carelessness to outright abuse. Let me cite some instances exemplifying what I mean:

Unused Capacity—We find cases in which contractors carry idle facilities and equipment for excessive periods of time. This failure to divest idle capacity promptly and efficiently increases overhead costs and results in excessive charges to government contracts. The taxpayer—a category that includes all of us—has paid a surcharge, in effect, for which he gets nothing in the way of added defense and security benefits.

This is a notice to industry that such costs will not be recognized on Air Force contracts when a reasonable time for divestment, or more appropriate utilization, has elapsed.

Special Capabilities—Some contractors maintain special capabilities to perform work in-house that could be done at less cost by subcontracting. Too often, these in-house operations have the same problems as the basic effort: unused capacity, poor indirect cost control, and all the rest. There is too often a failure to aggressively complete subcontractor and vendor items.

Business Volume—Many contractors consider it axiomatic that overhead costs must rise during decreases in business volume because fixed and semi-fixed costs are not as readily controllable as variable costs. While that proposition has some merit, we see cases where costs that *should* be variable are treated as if they were fixed. One frequent example is an increase in the indirect-to-direct employee labor ratios. Direct personnel are cut as programs dictate, but staff and support functions remain up to strength—on the grounds that approximately the same level is needed to support the remaining direct effort.

That is luxury thinking in an era that has no room for luxury. The Administration has set the tone and the example in reducing government personnel, particularly in headquarters and other support areas. Believe me, I know about that from personal experience. The fact is that it *can* be done. One major aerospace contractor reduced his ratio of indirect support to direct personnel from 70% to 51% during a period of business decline by diligent management efforts.

Organizational Management Control—A major problem in the control of overhead is a management system that places insufficient emphasis at the lower operating levels. That is to say, managers with profit-and-loss responsibility for indirect costs are often too far removed from the activity incurring these costs to be able to control them effectively. He instituted a new management and related accounting system with the prime objective of *motivating* program managers and resource managers toward better cost control.

Traditionally, project managers assign and maintain a level of personnel to meet fluctuating workload periods. To a greater or lesser extent, they are really manned for peak workloads. Under the new concept, managers must man their programs for the normal forecast workload. Then, during peaks, they requisition additional personnel from resource pools, and return them when they are no longer needed. The resources pool managers, at the same time, are motivated to sell their resources, and to maintain a minimum of manpower in the pool, which is charged to overhead.

Independent Research and Development—Some contractors expect the Department of Defense to participate in and absorb costs for a constant or increasing level of IR&D even though their business base may be decreasing. This is unrealistic. We understand the need for and the value of IR&D programs, and we are willing to pay our fair share. But contractor management must evaluate and reassess the worth of these projects, and make absolutely sure that the company is judicious in the use of IR&D money. What we can afford under current conditions is a far cry from what we'd all like to see done in this area.

Refurbishments—One contractor did a great deal of refurbishing on a building being used solely for government contract work. The expenditure during the year came to two million dollars. By his accounting procedures, the two million was expensed during the current year and assessed to government contracts. The next year the contractor took government work out of the building and turned the facility over to commercial operations. Then he objected violently when it was suggested that the refurbishment costs should be amortized over a period of years so that the commercial business would be charged a fair share of this expense.

Commercial Product Development Cost—At another plant the development work for producing a commercial project was included in the overhead cost of a government-oriented division. The contractor readily admitted that as soon as volume and sales orders permitted, this operation would be segregated into a separate division or cost center. In effect, he was expecting the Government to underwrite the development cost for a commercial product; then he would move production elsewhere so that DoD would derive no benefit from having participated in the development costs. You tend to wonder how some people define "free enterprise"—perhaps with the emphasis on *free*.

Depreciation Techniques—Still another contractor had a technique for depreciating assets so that some of them were depreciated in excess of their acquisition value. It took the Government *two years* to get that contractor to change his overhead claim!

Bidding and Proposal Expense—Admittedly, these are not easy times for the defense industry as a whole, and any contractor worth his salt is going to fight for any contract he feels he can handle. But I *must* urge that you fight realistically and constructively in selecting those procurements on which to bid and in preparing your bid. Contractors who are not rigorously selective about the proposals they respond to, who are not in the forefront of the required technology, who go after everything in sight with little hope of making the grade—such contractors cost us, and themselves, a great deal of money that none of us can afford. Then comes a rash of protests and appeals—which are not only unallowable costs, but which force us to spend a great deal of time justifying contract decisions.

As it turns out, in just about every case the original evaluation holds up, but there we are, expending too much of our scarce resources on the losers. This is economically absurd. The protestor gains nothing; the taxpayer has been had, and the strength of the national defense is again diminished. So it is essential that contractors be realistic in their selection of the business they can hope to be awarded. It's been said and I believe it, that no contractor can afford to bid on a contract he cannot afford to lose!

These are a few specific examples of unnecessary overhead expenses and abuses of indirect costing. All of us can cite numerous others: excess computer capacity, excessive engineering staffs, pension and retirement costs, fringe benefits that grow two to three times faster than salaries—the list is almost endless.

So I say here and now: we never should have indulged in these kinds of overhead practices—and today we cannot afford to do so. For the first time in modern history, other nations are approaching our technological posture, and are threatening to surpass us in some areas. And some of them are doing it with greater *efficiency* and productivity than we are currently demonstrating. We have already seen some of the effects in our balance of trade position. That is one part of our broad national security—the economic base on which we stand or fall. But, even more significantly, our forces for national defense are beginning to suffer from these management deficiencies. In the current budgetary climate, the effectiveness of our defense posture can be improved and maintained *only* if *all* of us—in military systems acquisition and the defense industry—conduct our business with maximum efficiency. Therefore, we must devote our best efforts to the elimination of *unnecessary* and unreasonable overhead costs.

In the Air Force, we are further increasing our capability to evaluate and reduce potential overhead cost. In the future, we will be far more aggressive in issuing notices of intent to disallow costs—before or at the time they are incurred—when we do not agree with your management policies and decisions.

We don't propose to take over your job, but we *do* intend to have a means to participate actively in the management of overhead and its effect on system costs.

While at Systems Command, I established an Overhead Management Division. This organization is developing indices and criteria for identifying unnecessary and unreasonable overhead costs. It will establish the criteria and procedures under which the government team will initiate timely action when it is apparent that unreasonable or unnecessary expenses are being planned or incurred. The thrust, in other words, is to take action before these costs are incurred, rather than arguing endlessly after the money has already been spent. And those who decide what is not allowable according to the Forward Pricing Rate Agreement will be around to insure that the final settlements are consistent with the agreement.

We will definitely be increasingly engaged with our contractors. And that engagement will include increased visibility into overhead costs. They have been hidden or invisible for too long. We've got to bring them out into the light of day, give them a thorough and fair scrutiny, and bring them under control. There should be no mystery surrounding overhead, and there really isn't.

One fact predominates in all this discussion. The responsibility for controlling overhead in the plants of defense contractors rests with the contractors' top management. That is where the policies are established that affect indirect costs. It is from that level that we must have assurance that the policies are sound, judicious, and efficiently implemented.

Today's budget realities present the most sobering and intense challenge the U.S. defense establishment has faced in a quarter of a century. The Department of Defense has laid down a sound foundation for meeting that challenge. The time is ripe to make a concerted attack on that hidden one-half to two-thirds of R&D and procurement costs: OVERHEAD!

The Air Force is determined to reduce the overhead and indirect costs burden. We urge the defense industry to discharge its management responsibility for keeping overhead costs to the most attainable minimum. The job of the military/industrial complex is the defense of the United States. We have to work together to do it at a price the nation can afford.

I have found Air Force units and Air Force men and women ready to accept the challenges ahead, no matter how austere the conditions, no matter how tough the job.

I want to say the same thing of American industry.

It's up to you.

Mr. SYMINGTON. I hope my colleagues will take the time to read this thoughtful and constructive statement.

Mr. President, I thank the Senator from Wisconsin for yielding.

ADMINISTRATION'S HOUSING PROGRAM NOT ONLY A DISAPPOINTMENT BUT A DISASTER—A "NO POLICY" POLICY

Mr. PROXMIRE. Mr. President, the housing message sent to Congress by the adminstration on September 19 is not only a disappointment. It is a disaster.

With certain minor exceptions, it continues the brutal HUD moratorium until 1976, or for another 2½ years.

And even then no specific program is proposed. In the language of the President's message:

> But right now, in my judgment, our principal efforts should be directed toward determining whether a policy of direct cash assistance—with first priority for the elderly poor—can be put into practical operation.

So, there is essentially a moratorium until 1976. And in the meantime, there is nothing more than suggesting that our—

> Efforts should be directed toward determining whether a policy of cash assistance can work.

What a program.

According to HUD's own calculations, if they do institute a housing allowance program after 1976, it will ultimately cost $8 billion to $11 billion a year.

"NO POLICY" POLICY

This lack of policy—the "no policy" policy—condemns millions of American families to a tragic plight. Because of present housing costs—for land, for construction and especially for money—more than half the American families cannot afford to buy a home. Just think of that—more than half of American families earning $11,000 a year cannot afford to buy homes.

The average family income in the United States is about $11,000 a year. At the rule of thumb that one should not pay more than two and one half times one's family income for a home, that means that half the American families cannot buy a home costing more than $27,500.

But where can one get a decent home in a suitable living environment with three bedrooms for an American family for $27,500? The majority of American families are priced out of the housing market.

The administration's housing proposals, instead of doing something about it, essentially continues the present freeze or moratorium for at least another 2½ years.

REVERSES HISTORIC HOUSING POLICY

What the administration is doing is reversing our historic housing policy.

Public housing, and very good public housing, indeed, was begun in the 1930's.

Then, in 1949 with the passage of the Taft-Ellender-Wagner Act the Government of the United States pledged itself to provide—and I use the words of the act—

> A decent home in a suitable living environment for every American family.

That was the pledge.

That policy was constructive but it was one that was not able to achieve its aim although it was coming close to it.

POLICY FOR POOR

It contemplated slum clearance and the provision of 135,000 public housing units each year for 6 years, or 810,000 units. Additional public housing units, including construction, scattered site, and leased housing have been authorized and provided since that time.

This was the policy for the poor and the near poor.

POLICY FOR MODERATE INCOME FAMILIES

We have also provided a series of programs for what is called moderate income families—those below the line where they could provide housing for themselves but yet with too much income to be called poor and to qualify for public housing. This was done under the 221-d-3 program and the interest rate subsidy programs for moderate income families under sections 235 and 236 of the 1968 Housing Act.

POLICY FOR MIDDLE INCOME FAMILIES

Third, we provided FHA guarantees which allowed private mortgage lenders to make longer and longer mortgage commitments with smaller and smaller down payments so that average income Americans could afford to buy their own homes with an FHA or a VA guarantee.

CONVENTIONAL PROGRAMS

And finally, for the very well to do, there was the conventional housing programs in which the Government assisted only in the fact that interest payments and property taxes paid were deductible under the Federal income tax. This has been a very, very great advantage to upper middle and upper income American families. One study showed that the actual dollar savings—not the deduction but the actual tax savings—was three and a half times greater for the upper 20 percent of income groups than for all the housing subsidies for the lower 20 percent of income groups.

But the point is that our historic policy has included a program for all income groups—low, moderate, middle, and upper income groups.

POLICY ABANDONED

With the present extremely high interest rates plus the moratorium on low- and moderate-income programs, that historic policy has been abandoned by the administration. And with minor exceptions, it continues.

The only major policy remaining is the FHA guarantee program which, under existing prices, means a housing policy for the upper 35 or 40 percent or less of the American people.

That is a very sad fact and it is a very sad day indeed.

Generally speaking, the principle we should follow is that the Government should aid or help or subsidize only those who are least able to help themselves. Under the proposed housing proposals, Government will not only shun those least able to help themselves but will help only those who are most able to help themselves.

The abandonment of the housing goals and the moratorium or cut back on most of the programs is a cruel, brutal, and harsh policy.

And the justification given for this "no policy" policy, where it is not wrong headed, is wholly inadequate. It condemns the vast majority of the American people to years more of inadequate housing.

Here is how they justify it. Here are just a few of the specious arguments they use.

COVER-UP FOR CORRUPTION AND MISMANAGEMENT

First of all, they have cut out entirely one of the most promising programs we have had to provide home ownership for low- and middle-income families, the interest rate subsidy or section 235 program.

The argument is that it does not work, that there are vast numbers of foreclosures, and the program is inherently bad.

But the truth is that the President and HUD have stopped this program as a cover-up for HUD's own mismanagement and in far too many cases, actually corruption.

HUD says the program has failed because of foreclosures. But the vast number of foreclosures in Detroit and elsewhere, were not section 235 housing at all.

The problem is not the program. The problem is HUD mismanagement. There is nothing wrong with the program that good management will not cure.

In Milwaukee, for example, where there was good HUD management, there was not a single section 235 foreclosure. Not one.

In Detroit, on the other hand, there were massive foreclosures under all the programs, including section 235.

That means there is nothing inherently bad about the program. But there is something very bad about HUD management.

It has been inept or corrupt. Both bureaucrats and local housing speculators are being indicted, tried, and are on their way to jail.

Cutting out this program is nothing more than a coverup for HUD. It is an attempt to blame a program for the incompetence and corruption of HUD officials themselves. And the proof lies in the fact that where there was mismanagement and corruption, every HUD construction program was involved not just section 235. And where there was good management and honest men in charge, the HUD programs, including section 235 worked.

That argument is a phony, red herring dragged across the political scene.

DO NOT DO IT FOR ANYONE UNLESS IT IS DONE FOR EVERYONE

Let me cite a second specious argument.

There is a premise stated in the President's message and repeated constantly by HUD officials that the present programs are "highly inequitable." As the message says:

> Rather than treating those in equal circumstances equally, it arbitrarily selects only a few low income families to live in federally supported housing, while ignoring others.

It is time someone blew the whistle on the constant use of the ridiculous argument. What HUD is saying is that unless the Government can subsidize everyone it should not subsidize anyone.

But it was never intended that every poor family or middle income family would be subsidized by the Government. That is neither necessary nor possible nor has it ever been proposed by anyone in his senses.

This country has a housing goal established by Congress by law under the 1968 Housing Act. That goal is an average of 600,000 units a year for 10 years for low- and moderate-income families. That goal does not contemplate building a new house for every poor family.

But by building 600,000 low- and moderate-income units a year plus 2 million units under conventional programs, enough housing can be provided to meet our housing goals and to house every American family in a decent home in a suitable living environment.

The marginal construction of housing for low- and moderate-income families relieves the pressure on the housing market, affects waiting lists and vacancy rates, and provides a competitive housing market. Government does not have to provide, and should never provide, all the low-income housing. But by providing the marginal construction it makes the system work.

It is time HUD began to carry out the law and the goals instead of insulting our intelligence by telling us that since we cannot build a new house for every poor family we should not build any or very few.

TALKING OUT OF BOTH SIDES OF THEIR MOUTHS

Other specious arguments and excuses are thrown up as well. We are told that the present approach of building new buildings is wasteful because it, and I quote, "ignores the potential for using good existing housing."

That happens to be one of the most specious strawmen ever devised by HUD and the President's speechwriters.

For years we have had a program of rehabilitation loans to fix up existing homes. We have another program of grants and loans to aid families fix up their homes in order to meet local housing codes. Under urban renewal, especially in recent years, we have provided a program and funds to keep existing houses in an area designated as urban renewal from deteriorating during the time between designation and actual renewal. All of those programs were designed to rehabilitate and use good existing housing.

Instead of following these programs, they were put under the moratorium by this administration.

Mr. President, just think for a minute what that means. The administration has said that we should concentrate on fixing up present homes instead of building new ones and then they end the programs that would permit rehabilitation. They are putting those in the moratorium until 1976 also.

Urban renewal programs were terminated as of June 30, 1973, and there have been no new approvals since last January.

The section 312 rehabilitation loan program was terminated on June 30, 1973, and it has been under moratorium since January 1973.

Public housing programs providing for leased units, that is leasing the very existing housing units the President says we should use, have been under the moratorium for months.

How this administration has the gall to tell Congress, which has provided programs over the years to use, rehabilitate, and lease existing housing, that the present approach ". . . ignores the potential for using good existing housing" is one of the mysteries of the decade.

The administration placed the moratorium on using good existing housing while we in Congress have insisted for months that they end the moratorium and get on with the programs. They have suspended these programs for months. Now they have the gall to tell us that the very programs they suspended are the answer to our housing needs. If that is true, why did they suspend them?

GOVERNMENT AND HUD POLICY HARMED THE POOR

Let me answer just one more of the ridiculous arguments put forward in the housing message. The message charges that low- and moderate-income families are now—

> Offered subsidized housing on a "take it or leave it" basis—losing their basic rights to choose the house they will live in and the place they will live. Too often they are simply warehoused together wherever the Government puts them.

There were units built in the past of that nature. Pruitt-Igoe in St. Louis is the classic example. But that was built in the late 1950's—more than 15 years ago.

We are not building public housing like that now, and no one is suggesting doing so. But HUD is saying that because that kind of housing was built in the past, we should have little or no public housing in the future.

And what real choice does a poor family have under the moratorium and the "no policy" policy?

HUD POLICY AT FAULT

The reason poor families did not have a choice of the house or the neighborhood they wanted to live in was the fault, in large part, of HUD and the Government.

FHA refused to insure poor people's housing in the inner city. They redlined the areas. They drew a redline around there and said that within those areas there will be no FHA insurance. Of course, that condemned those areas to becoming slum and ghetto housing by Government determination.

HUD itself refused to help the poor and the poor blacks especially get homes in the suburbs. They were kept out by official policy.

HUD and the Federal Government destroyed more housing for poor people than was built.

We have documented that again, both in the urban renewal program and in the highway program.

It was HUD and the Government itself who "warehoused" the poor. Now they tell us because their own policies have failed, they should do nothing in the future.

Because the Government warehoused the poor, destroyed their homes, redlined their neighborhoods, and forced the poor and poor blacks to remain within the boundaries of the ghetto are no reasons why nothing should be done in the future. Instead, it places a moral obligation on President Nixon, Secretary Lynn, and the Congress of the United States to provide a decent home in a suitable living environment for every American family.

That promise was made in 1949. Almost 25 years later it has not been kept. And since January 5, 1973, the administration has repealed that promise by fiat.

WHAT SHOULD BE DONE

There are a lot of things that should be done, and done now.

The housing goals must be carried out. HUD must, in good faith, attempt to carry them out. They should provide for at least 600,000 units this year of low- and moderate-income housing.

That means that certain things must be done.

The public housing program, the program which provides the greatest amount of housing for the lowest cost, must be carried on.

And it need not be carried on by building Pruitt-Igoes. It should be carried on by building garden apartment housing, by building scattered site housing, by leasing new construction, and by leasing older housing in good condition. HUD now says it will do some of this, but less than one-third of the housing goals.

Second, the sections 235, 236, and rent supplement programs should continue while HUD gets rid of the corrupt and inefficient officials and their private industry counterparts who committed criminal acts which resulted in the foreclosures for these and virtually all other HUD programs.

Third, HUD should push the rehabilitation programs, the small loans and grants needed to bring existing housing up to local housing code standards, and the programs to make certain that existing housing in urban renewal sites does not deteriorate while waiting for the urban renewal program to be carried out.

Fourth, funds for counseling the poor going into public housing, leased sites, and section 235 housing should be requested by HUD and provided by the Congress. This is the single most important means of making housing for the poor work.

We have not had that kind of counsel; we have not had that kind of action. These people have been ignored and snubbed by HUD over the last 5 years.

Finally, we should provide by law that where the Government—any arm of the Government—destroys housing, it should be required to provide housing. This is especially true of the highway departments which have destroyed tens of thousands of housing units of the poor.

LONGER RANGE PROGRAM

Those are the things to be done now. Over the longer haul we must find a cheaper way of subsidizing housing. In my view, that means substituting the ability of the Government to borrow funds for the ability of the private market to borrow. The General Accounting Office indicates that we could save from $2 to $5 billion in carrying out the housing goals if that were done.

There must be a concerted policy to bring down the interest rates. What the President's housing message did was to provide a series of palliatives to try to offset the present unprecedentedly high interest rates. But what we need are lower interest rates, not the palliatives.

We do not need the devastating, crucifying effect that high interest rates have on housing. Housing is the first industry that feels the effect of tight credit. It is probably the only private industry that, in a big way, is so seriously affected by it. In fact, at times it is so great that it is devastating, resulting in depressions—not recessions, but depressions.

We must find a means of cutting housing costs. Section 108 of the Housing Act of 1968 provided one such possibility. But HUD has doggedly refused to carry out that section.

And we must find means of providing not only housing but the schools, street lights, police and fire protection, city services, and the myriad of services that turn a housing development into a community.

But in this area, too, HUD suspended or ended the programs to upgrade the neighborhoods and provide for an improved environment—water and sewer facilities, public facility loans, open space land programs, the revised urban renewal programs, neighborhood facilities, model cities, and the community development and training programs.

We are told by the President and the Secretary of HUD that we must use existing housing and not just build new houses, and how important it is to provide not merely for the housing itself but for the neighborhoods as well.

But since January 5, 1973, HUD has suspended or ended all the programs to upgrade existing housing and to provide for the neighborhoods and environment.

Whether that should be called a hypocritical policy, I will not say, but it can be said that it has consigned millions of American families to years more of living in dilapidated, substandard, and overcrowded housing in blighted neighborhoods.

That is the real meaning of HUD's "no policy" policy.

Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to may time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time and also the time of the distinguished Senator from Montana (Mr. MANSFIELD), if any remains.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes each.

ORDER FOR RECOGNITION OF SENATOR BELLMON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, immediately following the recognition of the two leaders or their designees, and prior to the order for the recognition of Senators entered on last Friday, the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. ACTION ON GENOCIDE CONVENTION IS LONG OVERDUE

Mr. PROXMIRE. Mr. President, during the 23 years since the U.S. Senate first considered the Treaty on Genocide, 75 nations have ratified it. United States action is long overdue.

As President Harry S Truman said when he submitted the Genocide Convention to the Senate for its advice and consent in June 1949:

> America has long been a symbol of freedom and democratic progress to peoples less favored than we have been and . . . we must maintain their belief in us by our policies and our acts. By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this convention,

which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

Just think of that. That was almost 25 years ago. The only action needed by anybody is action by the Senate. The treaty does not have to be passed by the House.

President Nixon has approved it, as has every President since President Truman. The matter is on the Executive Calendar. It is a controversial issue; but it is time that we acted on the basis of the arguments we have made over so many years in favor of outlawing the most heinous crime that can be imagined—the crime of genocide.

The United States must put itself on record as being unalterably opposed to this heinous crime. Senate ratification of the Genocide Convention will publicly reaffirm our fundamental belief that human life is most precious.

RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, following the recognition of the Senator from Michigan (Mr. Hart), the junior Senator from West Virginia be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators tomorrow there be a brief period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Disposal of Certain Chemical Munitions and Bulk Agents

A letter from the Acting Assistant Secretary of the Army describing proposed plan for the disposal of certain chemical munitions and bulk agents stored at several Army installations. Referred to the Committee on Armed Services.

Proposed Housing Act of 1973

A letter from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation entitled "Housing Act of 1973" (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

Typical Electric Bills, 1972

A letter from the Chairman of the Federal Power Commission transmitting a copy of a publication entitled "Typical Electric Bills, 1972"; (with an accompanying publication). Referred to the Committee on Commerce.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Preliminary Report on the Special Supplemental Food Program" (with an accompanying report). Referred to the Committee on Government Operations.

Orders Suspending Deportation

A letter from the Acting Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders suspending deportation, as well as a list of the persons involved (with accompanying papers). Referred to the Committee on the Judiciary.

Proposed Legislation by the Judicial Conference

A letter from the Director of the Administrative Office of the United States Courts transmitting a draft of proposed legislation relative to en banc proceedings in the courts of appeals of the United States (with an accompanying paper). Referred to the Committee on the Judiciary.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the administrative processes under which the National Heart and Lung Institute will operate in carrying out the National Heart, Blood Vessel, Lung, and Blood Program (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Proposed Increases in Postal Rates

A letter from the Secretary of the United States Postal Rate Commission transmitting, pursuant to law, a notice of proposed increases in postal rates and fees (with accompanying papers). Referred to the Committee on Post Office and Civil Service.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Council of State Governments relating to adequacy of fuel for agriculture. Referred to the Committee on Agriculture and Forestry.

A resolution adopted by the Common Carrier Conference supporting the proposal under which coal-burning institutions would be prohibited from switching to oil. Referred to the Committee on Commerce.

A resolution adopted by the Council of State Governments relating to residency provisions for Federal tax purposes. Referred to the Committee on Finance.

A resolution adopted by the American Legion expressing confidence in the work of the Federal Bureau of Investigation and wishing success to its new Director. Referred to the Committee on the Judiciary.

Two resolutions adopted by the Italian War Veterans of the United States, Inc., Hartford, Conn., in opposition to the granting of amnesty to draft-dodgers and deserters. Referred to the Committee on the Judiciary.

A resolution adopted by the Chicago Bar Association endorsing the orders concerning bankruptcy rules and official forms. Referred to the Committee on the Judiciary.

A resolution adopted by the Italian American War Veterans relating to a commemorative stamp honoring the Veterans of the Spanish American War. Referred to the Committee on Post Office and Civil Service.

A resolution adopted by the Italian American War Veterans relating to the construction of a veterans' hospital in Connecticut. Referred to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, with an amendment:

H.J. Res. 727. A joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes (Rept. No. 93–411).

By Mr. HUMPHREY, from the Committee on Foreign Relations, without amendment:

S. 1868. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community (Rept. No. 93–412).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred or passed as indicated:

By Mr. HATFIELD:

S. 2502. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for contributions to a neighborhood corporation and to provide other financial assistance to such corporations organized under State law to furnish their own neighborhood services. Referred to the Committee on Finance.

By Mr. BENTSEN (for himself and Mr. Tower):

S. 2503. A bill to name a Federal Office building in Dallas, Texas, the "Earle Cabell Federal Building." Referred to the Committee on Public Works.

By Mr. HUGH SCOTT:

S. 2504. A bill for the general reform and modernization of the Patent Laws, title 35 of the United States Code, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. METCALF (for himself, Mr. Mansfield, Mr. Abourezk, Mr. Burdick, Mr. Goldwater, Mr. Inouye, Mr. Mondale, Mr. McGovern, and Mr. Stevens):

S. 2505. A bill to provide for additional Federal financial participation in expenses incurred in providing benefits to Indians, Aleuts, native Hawaiians, and other aboriginal persons, under certain State public assistance programs established pursuant to the Social Security Act. Referred to the Committee on Finance.

By Mr. STEVENSON (for himself, Mr. Abourezk, Mr. Hart, Mr. Humphrey, Mr. Magnuson, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Mondale, Mr. Moss, and Mr. Pastore):

S. 2506. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes. Referred to the Committee on Commerce.

By Mr. TOWER (by request):

S. 2507. A bill to improve and simplify laws relating to housing and housing assistance; and

S. 2508. A bill to provide for the guarantee of private mortgage insurance. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CHILES:

S. 2509. A bill to name structure S–5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Florida, as the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first Secretary-Treasurer and Chief Engineer for the Central and Southern Florida Flood Control District. Referred to the Committee on Public Works.

S. 2510. A bill to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes. Referred to the Committee on Government Operations.

By Mr. DOLE:

S. 2511. A bill entitled the Rural Health Care Delivery Improvement Act of 1973. Referred to the Committee on Labor and Public Welfare.

By Mr. FONG:

S. 2512. A bill for the relief of Saltacion Narito Bisquera. Referred to the Committee on the Judiciary.

By Mr. TOWER (for himself, Mr. SPARKMAN, Mr. CRANSTON, Mr. MCINTYRE, Mr. HUMPHREY, Mr. TALMADGE, Mr. TAFT, and Mr. NUNN):

S.J. Res. 160. A joint resolution to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes. Considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATFIELD:

S. 2502. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for contributions to a neighborhood corporation and to provide other financial assistance to such corporations organized under State law to furnish their own neighborhood services. Referred to the Committee on Finance.

NEIGHBORHOOD GOVERNMENT ACT OF 1973

Mr. HATFIELD. Mr. President, today I am introducing a bill entitled the "Neighborhood Government Act of 1973," which I view as a cornerstone of my domestic political philosophy. Like any philosophy, it is rooted ultimately in value judgments. For me, these judgments have evolved over nearly a quarter century of public life. My approach is based on the following convictions: the central importance of liberating the individual person; the imperative to decentralize power, or conversely, the inherent dangers of political and economic centralization; the instinctual human need for community and family being central to the health of any greater unit of organization—the city, county, State, Nation, or world; the humanity and fallibility of public officials; and the requirement of government, if it is to be democratic, effective and responsive, to be rooted close to the people. These convictions seem to have lost their vital relevance to actual legislation and the programs implemented at the Federal and State levels.

The implications of these observations are multifold if one is to be consistent in applying them to our political, social, and economic institutions. The trend of the past four decades has been to place more and more power in Washington, D.C., in the Central Government, and also at the State level. A great deal of this resulted from technological developments and from times of crisis such as the Great Depression, three wars, and continuing inner turmoil. To oversimplify 40 years' national psychological history, we have thought the Government in Washington to be somehow superhuman, deserving our unquestioned faith and trust. We failed to distinguish between the Government and the Nation, the State and the people, allegiance to individuals and allegiance to political philosophy.

As new technologies developed, instead of applying the values inherent in our Declaration of Independence and Constitution, we altered our value systems to meet these technologies. Rather than adapt new technology to our values, we adapted our values to the new technology of the time. The loss of privacy is but one example of the price we have paid. Consequently, we have lost touch with the meaning of individualism, government checks and balances, representative government, community, and family. We have sacrificed fundamental human values in our race to material accumulation. Look at what has happened to government: impersonalization, dehumanization, unresponsiveness, and distance.

All of our problems would not be solved if we reversed the process but at least we would cease compounding those that already exist. Essentially, we must discover some genuine response to solving our society's basic problems rather than merely passing the buck to a new agency and pouring money into it. Our prevailing philosophy of government, developed during the New Deal, has had its strengths during certain times of crisis. But now it needs to be exorcised if we are to reach any semblance of national maturity and health, and enhance human liberation. We have learned much from our New Deals, our Great Societies and Wars on Poverty, our New Federalisms and New Populisms. The time has come to apply these lessons in light of the historical values which have made the United States a vital experiment in self-government, and the new technologies that have so incredibly met many of our material needs on one hand and made us slaves to them on the other.

This might be viewed as a harsh assessment of our progress in this century, but think of the following few examples. What has happened to individual rights, the coherence of the family, the meaning of community, economic vitality, social justice, environmental health, respect to human life, and any meaningful sense of independence for the vast majority of our citizens? They have all deteriorated to varying degrees. I am not predicting doomsday if we fail to change direction, nor am I harking back to some golden age in human history. But we face the danger of eroding our spirit and morale, and becoming more cynical and apathetic as history moves onward, if we do not alter course.

There is no doubt but that more and more power is being centralized in the hands of Government. A few statistics[1] are ample evidence of this. For instance, between 1930 and 1970 the Gross National Product—GNP—increased roughly 10 times—from $90.4 billion to $976.4 billion. During the same time period Federal expenditures increased 20 times—from $2.8 billion to $204.5 billion—or roughly two times as fast as the increase in GNP. On the other hand, State and local expenditures increased 13 times or one-third faster than increase in GNP—$8.3 billion in 1930 and $107.7 billion in 1970. In the case of taxes, Federal receipts have increased 13 times—from $3.0 billion to $190.3 billion—one-third faster than the increase in GNP between 1930 and 1970; and State and local tax receipts increased 14 times, a rate slightly greater than Federal tax receipts. What this means is that we are looking to Government to solve more of our problems than we used to. More specifically, we now look first and primarily to the Federal Government to solve our problems, rather than to our communities, our local institutions, or even ourselves.

We suppose that all our social and political problems can be solved from the top down, by simply changing the superstructure of Government, and imposing new Federal programs and crusades.

It is undeniable, of course, that there are numerous issues which can only be resolved with the application of Federal power. But my point is that we have been operating under a political psychology that assumes our social and economic ills can only be solved by Government, and only well by the Federal Government. Ironically, this belief has continued to grow while the elementary confidence and trust of the people in their Government has continuously and drastically eroded.

According to Congressional Research Service, the Federal Government employed 2,865,303 civilian personnel in 1972 at a cost—in salaries alone—of $31.7 billion. In May of 1973 the Department of Defense employed 1,059,532 people—and these are not people in the uniformed services, they are only civilian employees. The cost in salaries was $1,094,755,000. In the same month the Department of Health, Education, and Welfare employed 124,982 people at a salary cost of $118,349,000.

I do not dispute the need for the Federal Government to take dramatic and forceful action in response to many of the crisis that we face. But I do maintain that the goals of social and human liberation—the freeing of each citizen from social, political, economic, and technological oppression, and the liberating of his spirit for creative self-fulfillment—will never be wrought exclusively through the means of the Federal Government's centralized power.

Our Government has encouraged and now become victimized by misplaced expectations. Through the past four decades, Americans have been conditioned to believe that our major economic and social dilemmas can be corrected by Federal power.

When such has not always occurred, the Federal Government has become the chief culprit, in the eyes of the people, for the existence of these problems. The responsibility for conditions in society has been placed to the remote, impersonal Government. The gulf between the Government and the people thus widens, the belief of the people that Government can really govern deteriorates, and meaningful democracy is lost.

Footnotes at end of article.

It is useful to bear in mind that the massive role of the Federal Government in the social and economic details of our society's functioning has been a recent historical event, thought necessary by most persons because of the revolution in our technology and the growing perplexity of our problems. Originally, the functions of the Federal Government were thought best confined to those of insuring the physical defense of the Nation, and guaranteeing the rights and liberties of each citizen. Now, however, the common assumption is that there are no limits to the Government's extension of responsibility for the conditions in our Nation. That modern political axiom stands in need of reexamination.

The fundamental crisis facing our Government is the drastic political estrangement of our citizens. There is no way that centralized Federal power can solve that crisis, for that power itself lies at the root of the problem. We cannot talk naively about making the Federal Government more responsive. Rather, the only way the mood of political alienation can be broken is by the diminution of the power held by the central Government. That entails recreating a democracy that is relevant to the lives of American citizens.

Government has become an institution of domination. It must be transformed into an institution of servanthood.

The cornerstone of political and social renewal for America is the revitalization of the relevance of human community. Only with a heightened sense of community can we enhance the freeing of human creativity and also hope for the strengthening of the family's role in our society.

In order to bring about such a renewal, however, massive decentralization at every level of Government is required. Decentralization of our social and economic institutions is also required. If technology is to be mastered rather than the master, we have no choice. If each citizen cannot meaningfully participate in his or her system of government and actually have an effect on that system, the system is the master, not the servant; Government is the master and the citizen the slave, the State becomes supreme, the individual inconsequential. This is the definition of totalitarianism, the antithesis of democracy.

Dr. John B. Calhoun of the National Institute of Mental Health conducted a series of studies which exemplify what is happening within our country, having implications much broader than those to which I am directing my remarks today:

> We introduced four pairs of domesticated house mice into a utopian environment that provided adequate resource of food, water and shelter for over 3,000 mice. The population grew to a maximum of 2,200 individuals, shortly after which reproduction ceased. Now in January 1972, after nearly two years without any reproduction, aging has taken its toll leaving only 500 senescent mice, all beyond the age of normal cessation of reproductive function.
>
> As population growth ensued, small social groups of 10 to 12 mice formed. Each staked out a portion of the physical space as its territory. By the time 14 such groups had formed, all the more desirable space had been occupied. Due to our exclusion of most mortality factors other than aging, many more young survived than would have in a natural ecological setting. The first few hundred such younger mice were systematically and vigorously rejected as they attempted to seek a place in the social fabric. Most withdrew both psychologically and physically, moving about only to obtain food and water. Most of the last 1,000 mice born became very autistic-like due to early rejection by their mothers and excessive contacts in the now over-crowded environment. They never learned any effective aggressive or sexually adequate behavior. Once the formerly behaviorly effective and reproductive mice died of old age, there survived no such competent member to replace them. So it has come about that the population is fast approaching extinction.
>
> Transferring these observations to the human scene calls for interpretation of this implication. We may rephrase the conclusion: Whenever a species increases its number beyond the point that most members can play an effective role in the community, behavioral development will be disrupted to the point that the more complex behaviors, formerly possible by members of the species, will no longer emerge. For mice, these more complex behaviors include reproduction and territorial defense. For man they include acquisition and utilization of ideas. If I am correct in making this interpretation, we are very close in time to where the human species may be faced with extinction because of loss of capacity to deal with complex ideas such as are involved in the current environmental crisis. (This point of evolution is about 2010 A.D., at the current rate of population growth.)[2]

Look at our society, especially our large cities, and one can see these symptoms which Dr. Calhoun discusses: the overcrowding, the size, the highly complex nature of any problem, increasing crime, the virtual lack of any human scale and human community, and the increase of problems in spite of material abundance.

A very different sort of study[3] was conducted for the Institute for Policy Studies analyzing the income flows in the Shaw-Cardozo area of Washington, D.C. Three sets of statistics were developed the most reliable of which, according to the study, indicated that in 1968 $5 million more in taxes were paid out than were received in all visible government services. This was the first study of its kind and while not the most sophisticated economic document, its potential implications were profound. Since then more sophisticated studies of other poverty areas have taken place. Dr. Richard Shafer, consultant to the Bedford-Stuyvesant Restoration Corporation, conducted his first study[4] of the Bedford-Stuyvesant community in 1970. Since then he has updated and further analyzed the area based on 1970 census data in a soon-to-be-published document.[5] In contrast to the Shaw study, Dr. Shafer's shows opposite results: there were more revenues going into the Bedford-Stuyvesant community than tax revenues going out. Rather than go into the details of each of these studies, I would like to briefly discuss some of the conclusions that might be drawn from them.

First, both areas are low income communities and the focal point for most, if not all, of the innumerable anti-poverty programs of the past decade. Second, like most ghetto areas between 1959 and 1969 the earned income of their residents decreased. Third, both communities have enough resources that if they were left in the community it could be possible to finance a great proportion of their own services, and perhaps finance even all of them—in the Shaw area—if that original study is still valid.

The financing of neighborhoods is a very new area in accounting and economics. The studies mentioned are the only ones of which I am aware that incorporate these new accounting concepts showing inflow and outflow data for neighborhoods. Data is organized in a completely different manner at the national, State, county, and city levels making comparative analyses of the needed type very hard to develop. For instance, in order to compile the data for the Bedford-Stuyvesant study, Dr. Shafer had to go from department to department, agency to agency, and collect his own statistics in some instances, in order to determine what amount of money went to specific areas in New York City. The outflow statistics are not that difficult to come by, relatively speaking. But even on that side of the ledger, even the Internal Revenue Service does not have its tax data organized on an adequate geographical matching system. The State of New York is perhaps the most advanced government in this area, but progress toward centralizing this information is questionable. What is needed is a neighborhood income accounting system on a national scale carried out by each Federal, State, county, and city agency. This would demand a great deal of time and effort, not in data collection but in data reorganization and computerization. Yet it seems about time that we had such an accounting system if we are to have any meaningful grasp of the problems facing our towns and cities. Merely having large budgetary outlays listed in traditional form cannot give us any indication of the success or failure of our various policies where it counts—at the local neighborhood level. One can gather outflow data with relative ease based on the 1970 census data. It would be much easier, however, if it were collected on such a geographical basis to begin with. Yet, to collect data on inflow of revenues from any governmental source is a long and painstaking process. A geographical matching system with a neighborhood accounting system for each city is very much needed.

Neighborhood government, as I conceive of it, is groups of individuals living within common geographical areas with fully participatory forms of government. The citizens would have ultimate control over their own services, if they so desired, including police, education, health, drug abuse, welfare day care, help for the aging, sanitation, zoning, taxing and law enforcement. All of this, of course, would have to be in concert with State and Federal laws as well as within the guidelines of the Constitution. But rather than power, money and programs emanating from and controlled by Federal, State, county, and city governments, they would emanate from the neighborhood to the larger jurisdictions as appropriate.

In order to move from our present institutional-political-economic structure to one based in the neighborhood, a series of transitional moves are necessary, combined with a great deal of model development and experimentation. Following the introduction of the overall neighborhood government legislation I am presenting today, I will be proposing legislation dealing with a number of institutions and their decentralization including: welfare, drug abuse, prisons, child care, police, national guard, health, education, finance, justice, and juvenile delinquency. At this time, however, I will only briefly outline what is contemplated in some of these areas.

In virtually each area mentioned above, there is a terrible lack of information relative to economies of scale, cost-benefit analyses, and other efficiency/quality studies. Welfare is not one of the exceptions. We do not have at the present time the type of data to determine to what extent the present welfare system is working, failing, or succeeding. Continuing efforts, such as some underway, which look at the present system to determine exactly what is happening within it, are the first steps that need to be taken. Then a combined Federal, State, and local effort is required to develop models at the neighborhood level for neighborhood welfare corporations. The thrust of such a program would be to make these corporations as self-sustaining as possible by encouraging local participation in not only program development but in its implementation as well.[6]

Drug abuse legislation is badly needed. The problems of drug addiction, not just heroin addiction, is growing rapidly, and effective methods of dealing with its symptoms and its causes must be forthcoming. While it is a family-community problem at its roots, it is national in its scope. One cannot merely wash one's hands of it by leaving it solely up to the neighborhood to solve. What is needed is a multimodel, community-based program to deal with the multifarious problems of addiction and drug related crime while including the community as much as possible. Dealing with the symptoms will only postpone further problems until they boil up once again. It is only through a cooperative effort by Federal, State, and neighborhood governments that this problem can be solved.[7]

Data is not lacking in the area of prisons, and the data indicates that radical change is needed in our penal institutions. We seem to have forgotten the Attica's of the recent past, and if we continue with this sort of memory, we will only be reminded of it during the next bloody riot in some unnamed prison. Before such tragic events overtake us once again, our penal system should be made more responsive to rehabilitating those who have broken the law. To do this will require a great deal of community involvement and a great deal of prison involvement in the community. Only through community based rehabilitation can there be any hope of effectively dealing with the vast majority of those who have broken the law.

Child care is an issue entirely separate from welfare, because it is not only the young children of parents below the poverty line who have need for such facilities. There is an increasing trend to have both parents working—for many middle- and upper-income families as well. With the continuing trend in the divorce rate many more mothers are forced into the marketplace and have a need to find some reliable place to leave their children during the day. It seems logical that such a program must of necessity be community based and has perhaps the greatest potential to be self-sustaining before any of the other neighborhood based programs merely because of the cross section of income brackets that it encompasses.

Our police systems throughout the Nation, particularly in the large cities, very much need to get closer to the neighborhoods for a number of reasons. A fascinating study by Elinor Ostrom and Roger B. Parks of Indiana University was recently published, fully developing the reasons for this conclusion. They found that the assumed efficiencies and quality of large police forces are not evidenced by any data which they have compiled and/or examined, and that the quality of smaller jurisdictions was higher. They found:

> In the smaller size ranges for both suburban cities and center cities, service levels may increase as city size increases. Thus, evaluation by surburban residents living in cities below 20,000 increases as city size increases. The same is true for residents of center cities under 100,000. However, the direction of relationship reverses for suburban residents living in cities above 20,000 in population and center city residents living in cities above 100,000. Economies of scale accrue up to some size range in the neighborhood of 20,000 population for suburban police departments and 100,000 for center city departments but diseconomies of scale may occur in larger sizes. . . . Thus, neither an increase in the population size of a jurisdiction nor an increase in the police/citizen ratio is positively associated with higher service quality.[8]

The National Guard, which is both a State and Federal organization, could serve a greater service to the community than it already does. Having neighborhood based national units with programs developed to foster community improvement and involvement could have a tremendously constructive impact in our cities and towns across the country. While I am advocating such a program for the National Guard, and for the Reserves as well perhaps, I am not advocating the elimination of their primary role of military readiness for domestic crises and for backing up our active duty forces in case of war or national emergency. It seems to me, however, that a great deal of potential exists for a twofold thrust for the National Guard that would attract more enlistments and have many positive spinoffs, not only for the community but for the guardsmen as well.

Health delivery systems have been the focus of a continuing national debate. There remains a great lack of information relative to various aspects of this system. Elements for an effective health delivery system, however, would include the following: first, adequately trained personnel to meet the health needs of all of our citizens; second, adequate facilities to meet these needs in a prompt manner as well as any sustained long-term needs of patients; third, personnel from and facilities based in the local communities to the greatest extent possible; fourth, community based financing for such a system to the greatest extent possible; and fifth, neighborhood focused group and related insurance programs to meet health and other related needs.

Neighborhood education presents a myriad of potential problems ranging from federally controlled national education programs and standards to minority rights and desegregation. What I will propose, however, may get beyond these issues, with the clear mandate that neighborhoods, of course, follow the guidelines of the Constitution. The first major component of such a program is neighborhood control of its own schools. This includes financing, teaching, and administration. It should be the choice of each neighborhood if they want to be part of a larger education system. Second, the Federal and State Governments should provide economic incentives to neighborhood units to experiment in this area, but not further involving the Federal Government or the States in setting numerous artificial standards of educational attainment or programing.

Much greater stress must be placed on neighborhood and local financial structures. Credit unions and banks, particularly, must be developed focusing on community resources and building neighborhood independence. Financial institutions with the community's interests in mind based in the neighborhood or coalitions of neighborhoods forming financial enterprises could play a vital role in constructing a strong financial base within each of our local communities.

Developing such institutions at the neighborhood level will be one of the most critical factors in the success or failure of neighborhood based government in the long run. For if neighborhoods are to develop independent self-sustaining service systems, the financial base must also be independent and community based to the greatest extent possible.

The general approach in each of these neighborhood government bills will entail the geographic definition of a neighborhood area and the requirement for citizens in each community to participate in the program development and implementation. Furthermore, the financing will start with the present system, in most cases a combined Federal and State program, with specific guidelines for transferring costs to the local community, the goal being the complete financial takeover by the neighborhood. There are obvious cases where all neighbor-

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Footnotes at end of article.

hoods do not have the requisite expertise to entirely set up and carry out complex programs—nor do many have the financial resources. Federal, State, and city governments do have access to such personnel and resources. However, these levels of government lack essential knowledge of the unique problems in each locality. Thus innovative partnership wedding these two is essential. Colleges and universities would have an excellent opportunity to play a significant role in this effort as well. Further, religious institutions could play an indispensible role in enhancing the renewal of community. For instance, if each church and synagogue were to take over the responsibility of caring for 10 people over the age of 65 who are presently living below the poverty level, there would not be any need for the present welfare programs focused on the aged. If each church and synagogue took over the responsibility of 18 families—a total of 72 adults and children—who are eligible for welfare today, there would not be any need for the existing Federal or State welfare programs to families. If each church and synagogue cared for less than one child each, the present day care programs supported by Federal and State funds would be totally unnecessary. Our religious institutions would be a natural focus of community activity directed toward meeting the human needs of one's fellow citizens.

Each institutional change, as contemplated in the legislation, would proceed on an experimental basis developing neighborhood models in a cross section of cities and towns throughout the country. Then, and only upon successful model development, would neighborhood government be a viable alternative national policy. By alternative national policy, I mean that no community would be required to organize itself in such a manner unless it so desired. If the citizens of the neighborhood are satisfied with their programs or view neighborhood government as a worse alternative, they need not be obligated to change. The core of the proposal is based upon voluntarism. People must be given the opportunity to choose to adopt means of self-government, reclaiming power that has previously been abdicated to the Federal Government.

A number of programs and bills in the past have dealt with local community control of various aspects of neighborhood life. They have ranged from OEO programs to Revenue Sharing to the Better Communities Act to the Community Self-Determination Act. They have all focused on the lower income communities, with the exception of Revenue Sharing, and have ranged in financing from specified grants to bloc grants. All of them contemplated actually solving a myriad of complex problems in one legislative and/or administrative move by either moving all of these problems out of the sphere of concern of the Federal Government or by completely bypassing local and State governments. All of them contemplated decentralizing power only to a small extent, and some did not explicitly set up any experimentation models, nor did many provide any checks or guidelines for program development or fund utilization. Those few that did allow for decentralizaion below the city level did not have adequate definition considerations of boundaries and unit size nor did they or any of the other proposals focus sufficiently on developing or requiring a high degree of citizen participation. Some have created community corporations, bypassing State and local power structures, and others have dealt with the existing power structures in each city or town. The trend has been toward large bloc grants, without any guidelines to the State and local governments, and without any requirement for local participation to any great extent, if at all. This trend, as embodied in the Revenue Sharing Act and the Better Communities Act, is in the wrong direction, both as to focus and to financing.

As long as Federal funds are being used to finance domestic programs in areas where the funds did not originate, it is incumbent upon the Federal Government—or agency—to responsibly administer those funds. To the extent that the Congress does not set down specific guidelines, it is up to the executive branch to do so. In the past three decades the Congress has virtually given over large areas of legislative authority to various executive agencies without having much recourse if the original intent of the authorizing legislation is not followed. Once a bureaucracy is created it seems virtually self-perpetuating and keeping track of it is almost impossible from within Congress on any consistent basis. This is one of the most disturbing aspects of recent Federal legislation. That is why I believe that authorizing legislation should entail as many specific guidelines as regulations within it as possible. A counter argument is that this robs those running the respective agency of necessary flexibility in administering their mandate. However, this misses the critical point that administrative flexibility is not the purpose of a bill if it is to accomplish very specific goals within the definition set down by Congress. The Neighborhood Government Act, as well as the neighborhood government legislation I will subsequently introduce, encompass this philosophy.

The financing of neighborhood programs, of course, is one of the most critical factors. The Neighborhood Government Act of 1973 sets up a series of tax credits for individual citizens of neighborhoods based on the citizen's income level. It also includes direct grants to the neighborhood corporations based on the amount of non-Federal taxes that were paid out of the neighborhood. But this simple financing method alone would not be adequate for all neighborhoods across the country at the present time. In areas where the citizen awareness is significant enough, the resources substantial enough, the technical expertise well enough developed, and assuming this legislation were to pass, neighborhoods could begin to function on the basis contemplated in the bill. Other neighborhoods, however, would not be able to due to lack of various types of resources, including financial. Consequently, I will be introducing legislation aimed at specifically fostering financial expertise within the community as well as increasing citizen awareness, participation, and organization. Further, the Federal Government has an obvious and continuous role to play in supplementing and building up the resources of disadvantaged neighborhoods. Also, increased utilization of credit unions and neighborhood banks might serve as a major step in fostering such development in specific financial areas. In some of the low-income neighborhoods of our Nation the effort to attain these goals may be arduous, but at least we can make the right beginning.

What might be the effect of this legislation on a low-income area in purely economic terms? Assume the Bedford-Stuyvesant community received $11.5 million in credits to its citizens, which would occur, roughly, under my proposal. This would give the neighborhood approximately twice the credit that it now has. It could increase its equity and magnify it to perhaps $100 million—and this is in an economy of $1 billion. We would then be talking about a 10-percent cash flow increase in the community which would thereby increase the resource base significantly if the consistency of the tax credit could be counted on. The lack of consistency with respect to reliable, predictable income to the area is one of the primary obstacles which presently hampers the community's growth. It should be noted that the Bedford-Stuyvesant community has a median income of $6,300, which contrasts to Harlem of $6,100 and to South Brooklyn of $5,100—in 1970. Nevertheless, while the median incomes vary to some degree in these three communities, the general effect would be the same in each: a substantial increase in cash flow and the economic base, and, consequently, a progressively greater capacity to handle their own programs. This would be the anticipated effect in other low income communities.

A key area which needs development and research is the relative effectiveness of various sized service areas. Health, prisons, welfare, fire, refuse, education, and housing would be included on the list. There has already been some research in this regard in law enforcement, as I mentioned earlier, but the state of the art beyond this one study is not very advanced at all. The Advisory Commission on Intergovernmental Relations—ACIR—in a bulletin has concluded:

> Size does not seem to matter in cities of 25,000 to 250,000—neither economies nor diseconomies of scale were of significant number. But in cities over 250,000 population, size *does* make a difference—the law of diminishing returns sets in and there are significant diseconomies of scale.[9]

In a table adapted from data collected by Werner A. Hirsch, Elinor Ostrom has presented the following compilation[10] focusing on previous empirical studies of the effect of scale of production on average unit cost for a variety of social services:

Footnotes at end of article.

Name of investigator year of study	Type of urban public service	Type of data used [1]	Result [2]
Review (1966)	Secondary Education	S	AUC is U-shaped with a trough at about 1,700 pupils.
Kiesling (1966)	Primary and Secondary Education.	S	AUC is about horizontal.
Hirsch (1959)	Primary and Secondary Education.	S	Do.
Schmandt-Stevens (1960)	Police Protection	S&Q	Do.
Hirsch (1960)	do	S&Q	Do.
Will (1965)	Fire Protection	E	AUC is declining with major economies reached at 300,000 population.
Hirsch (1959)	do	S	AUC is U-shaped with trough at about 110,000 population.
Hirsch (1965)	Refuse Collection	S	AUC is about horizontal.
Hirsch (1959)	School Administration.	S	AUC is U-shaped with trough at about 44,000 pupils.
Nerlove (1961)	Electricity	S	AUC is declining.
Isard-Coughlin (1957)	Sewage Plants	S	Do.
Lomax (1951)	Gas	S	Do.
Johnston (1960)	Electricity	S	Do.

[1] S=statistical data; Q=questionanire data; E=engineering data.

[2] AUC=average unit cost.

However, there are several problems in this compilation. To utilize Elinor Ostrom's work further:

> The development of an explanation will also require the careful and consistent definition of all concepts included in the theoretical structures. Frequently, terms used in one tradition do not quite mean the same as when used in another tradition. For example, the term "efficiency" is used as a dependent variable in both of the theoretical structures posed above. However, as used by the metropolitan reformers, the term "efficiency" is usually conceptualized as a ratio of benefits produced to the cost of producing them. Social costs are rarely included within this definition of efficiency. In analyzing the efficiency of public agencies, political economists are apt to define efficiency so as to include the social costs or the resources required to produce and consume the public good valued in terms of alternative uses foregone. Social costs "may not equal the costs borne by the urban government that provides the service." That portion of the total costs represented in the budget of a government agency may be called "agency costs." But, in addition, other parties, both public and private, may incur costs that are not explicitly charged to the agency in question, nor considered in that agency's efficiency and financial deliberations.
>
> Equally perplexing problems exist with such concepts as "output," "equal distribution of costs," "responsibility of local leaders" and "citizen participation." Not only will scholars define these concepts differently, but the indicators which are utilized for operationalizing variables are frequently open to serious questions of validity. One of the most perplexing problems facing these interest in quantitative, comparative urban research is the development of valid measures of output. However, since the amount expended by a government may not always be transformed on a one-to-one basis into benefits for the citizens of the jurisdiction, we need to be developing other measures of output which indicate the level of output received by citizens.[11]

Howard Hallman in his book "Government by Neighborhoods," [12] has taken another interesting approach to the problem. He has compiled data to show what functions communities of various sizes can adequately manage. His summary is listed in the following table:

Functions	Activities which can be handled by a neighborhood		Activities which cannot be handled by a neighborhood
	10,000 population	25,000 or more	
Police	Patrol, routine investigation, traffic control.	Same	Crime laboratory, special investigation, communications.
Fire	Fire company (minimal).	Fire companies (better).	Training, communications, special investigation.
Streets and highways	Local streets, sidewalks, alleys: Repairs, cleaning, snow removal, lighting, trees.	Same	Expressways, major arteries.
Transportation			Mass transit, airport, port terminals.
Refuse	Collection	Same	Disposal.
Water and sewer	Local mains	do	Treatment plants, trunk lines.
Parks and recreation	Local parks, playgrounds, recreation centers, tot-lots, swimming pool (25 m.).	Same plus community center, skating rink, swimming pool (50 m.).	Large parks, zoo, museum, concert hall, stadium, golf courses.
Libraries	Branch (small)	Branch (larger)	Central reference.
Education	Elementary	Elementary, secondary	Community colleges, vocational schools.
Welfare	Social services	Same	Assistance payments.
Health		Public health services, health center.	Hospital.
Environmental protection.		Environmental sanitation.	Air pollution control.
Land use and development.	Local planning, zoning, urban renewal.	Same plus housing and building code enforcement.	Broad planning, building and housing standards.
Housing	Public housing management.	Public housing, management and construction.	Housing subsidy allocation.

There is ample historical precedent for the proposal I am making today. In addition to the experience that small, community oriented government has had in world history and in other countries, the United States has accumulated a great deal of such experience during the past two centuries. In the East and South from colonial times to the present, local participatory governments have been in existence. One can visit almost any State in the Northeast, for instance, and find governments that are organized around the town meeting. Similarly, our western cities were originally governed in much the same manner. Furthermore, virtually every major city in the United States has grown by the process of annexation, the central city—or what was to become the central city—bringing in suburbs, towns, municipalities, and villages on its borders within its jurisdiction.

The move to decentralization is not new. There is experimentation occurring in various cities, counties, and States today. Included in this list would be Dade County, Fla.; Bergen County, N.J.; New York City; Delaware County, Pa.; Montgomery County, Md.; Washington, D.C.—UPO, MICCO, and AMMO; Columbus, Ohio; Dayton, Ohio; Oakland, Calif.; Los Angeles, Calif.; Boston; Seattle; Kansas City; Pittsburg; and Sto-Rox, Pa.

One of the most interesting experiments with which I am familiar is taking place within the AMMO neighborhood under a separate corporation called Community Technology. The group is newly created—1973—and is examining the various methods by which neighborhoods can develop and utilize resources within the community to meet as much if not all of their technological needs: food, clothing, et cetera. The community experiment is fascinating for a number of reasons. Not only does it combine four very distinct ethnic groups, but it is experiencing with local control of government services and technological adaptation to local needs as well. At the beginning of my address, I referred to the need to reverse the trend of letting technology lead us rather than our controlling technology. This experiment, whether it succeeds or fails in terms of meeting the specific needs of this Washington neighborhood, will be a tremendous first step in the direction of freeing ourselves from our current form of technological slavery.

A critical aspect in developing any sense of genuine neighborhood, and developing programs based in the community, is defining the boundaries of the neighborhood. The best method of determining geographical boundaries that I have encountered was written by Gerson Green. Mr. Green's criteria are as follows:

> 1. Official designations by municipal governments for such city services as police and fire protection, recreation centers, and neighborhood city halls;
>
> 2. Official designations by public or semipublic institutions such as local Community Action Programs, Model Cities Programs, Public Housing Authorities, and Employment Service funded neighborhood outreach programs.
>
> 3. Sub-areas of the cities which originally possessed their own incorporated boundaries prior to annexation by the cities.
>
> 4. Sub-areas designated by indigenous voluntary neighborhood citizens organizations as their service areas;

Footnotes at end of article.

5. De-facto designations by church parish, by neighborhood schools, and by private settlement houses and community centers;

6. Sub-areas of the cities designated by indigenous 'folklore.'

7. Sub-areas of the cities contained within natural boundaries such as hills and rivers.

8. Sub-areas of the cities contained within artificial boundaries that have come to be accepted, such as freeways, railways, or other elements of urban design;

9. Sub-areas containing public and commercial clusters of amenities that have recently been or are currently primary amenities to the surrounding residents;

10. Sub-area designations consistently recognized by mass media.

In the final analysis, sub-area residents have defined their neighborhoods through the impact of some or most of the above criteria, plus the memory or reality of racial or ethnic concentrations, and the residual force of the past and current ward, district, or precinct boundaries.

In most cases, neither the residents, local politicans, or even local historians can empirically demonstrate the existence of neighborhood, but, in querying local residents, the specific designation is expressed with considerable confidence.

The task of defending the general and seemingly apparent arbitrariness of neighborhood designation was much simplified during the 1960's by official designation of municipal Community Action Agencies (CAA's) and the further definitional refinement accomplished by the neighborhood councils established by the CAA's. In general, both the residents of the designated neighborhoods, and city planning departments, and municipal political leadership have all accepted the designations, at least for functional purposes. Census data tends to confirm the designations at least in terms of income, race, and other socio-economic factors. Special studies or urban pathologies, such as those conducted by the Comprehensive Neighborhood Health Centers program, the neighborhood Legal Services Program, and a number of universities and health and welfare associations have confirmed the concentrations of pathology which have long been well known to the residents of the neighborhoods.

One final criterion that assists many cities in definition of neighborhoods is the boundaries staked out by youth gangs to define their turf. This is a relevant criterion generally observed by both the resident adult population and by rival youth gangs, as well as by police.[13]

The legislation I am introducing today encompasses three distinct areas. The first area is financing. There are three methods by which financing can be accomplished. First, there is a tax credit based upon the taxable income of each individual resident of the neighborhood set up on an inverse relationship between the credit and taxable income. The credit in this instance would range from between 80 and 10 percent. The second method of financing comes from moneys contributed by individuals, corporations, or other neighborhoods, also based on an inverse relationship between the taxable income and the credit, the credit in this case, however, would be one-half of that given to individual residents within the neighborhood. The third method of financing is by direct grants to the neighborhoods. The basis on which these grants are computed is by the amount of non-Federal taxes paid out by the residents of the neighborhood. The grant would be the total of these non-Federal taxes. While the methods of financing outlined above have their problems—and perhaps we will find simpler, more efficient methods, such as negative tax credits state reduction of income and other taxes, building up resources within neighborhoods, et cetera—these are the most effective means available with the present state of knowledge relative to neighborhood cash flow. But clearly more research needs to be done.

The second distinct area within the bill is the authority of the Secretary of the Treasury to determine whether or not sufficient numbers of the respective neighborhood's citizens wish to incorporate and participitate in the programs. I use the figure of 70 percent as the minimum desired proportion of voting age citizens who desire to form a neighborhood corporation as a somewhat arbitrary number. However, some guideline must insure against an oligarchical arrangement being created within the neighborhoods, or we will be regressing in history. We have had too much unfortunate experience with nondemocratically run governments—within our borders.

The third major area within the bill is the ultimate authority of the Secretary of the Treasury to approve of boundary determinations of neighborhoods. The guidelines to which I referred earlier of Mr. Gerson Green should be adequate. But if they are not, the criteria should be as nonpolitical as possible. In other words, natural geographical boundaries should be used to the greatest extent possible. The neighborhoods are not intended to be enclaves of ethnicity, specific economic interests, social stratification, and the like. Such will be the case in certain instances, but more than likely there would be a great cross-section of incomes, ethnic groups, religious groups, racial groups, and other interest groups. This may cause definite problems in human relations but, if the desire is there, which it would have to be if the neighborhood incorporated, that mixing of interests and backgrounds has been a primary source of the American genius.

Previously, in testimony for the 1972 Republican National Convention, I focused on not only what the Federal Government needed to do to move toward decentralization, but outlined what steps the various State governments might take as well. These steps could include the following:

A league of neighborhoods or league of community governments.

Proposed State legislation instituting community or neighborhood subunits.

Pilot projects on neighborhood welfare reform corporations.

Initiative to enable community control of education.

Statewide neighborhood atlas development.

The States have perhaps a greater potential role to play than the Federal Government. They have consistently and historically been the source of new programs for national adaptation. And neighborhood government can, and I believe will, be no exception. In any event, a great deal of cooperation will be required if this concept is to reach valid conclusions based on experimentation, let alone become an alternative national policy. While I personally believe that our society and each citizen of our country would be better for our own national interest by adopting neighborhood-based government within our communities, the choice ultimately rests with them, as it always has and, I hope, always will.

In the most humanly important ways, people function as members of neighborhoods rather than of cities or States. But the public life and needs of our neighborhoods carry no self-governing authority and responsibility. Therefore, it is essential that we develop a concerted policy of restoring political power to neighborhoods and their residents.

The plight of the poor and the disadvantaged must certainly be the concern of the Federal Government. But in the final sense, the relief for the dispossessed will come not through solely a bureaucratic program written and implemented in Washington, but through individuals, groups, neighborhoods, and local communities that are given, and choose to take, the responsibility. Enabling and evoking this kind of responsibility at decentralized levels of political life is the most fundamental contribution the Federal Government can make toward the realization of human well-being for all our people.

The purpose is to allow political power, resources, and responsibility to be retained as directly and closely to the people as possible. To do so obviously means that the power and functions of larger units of local government, such as the machines of city mayors, should relinquish responsibilities to neighborhood government. We must create such decentralized structures if the average citizen is to have a direct and meaningful opportunity for determining the institutions that affect his life and shape his future. The strategy and process of such a transition in government responsibility may present challenging problems. But ultimately, I believe there is no other way to overcome the dominate feeling of political lifelessness in America, and to restore genuine political power to our citizens.

Mr. President, I ask unanimous consent that footnotes prepared in connection with my statement together with the bill be printed in the RECORD at this point.

There being no objection, the footnotes and bill were ordered to be printed in the RECORD, as follows:

FOOTNOTES

[1] "Economic Report of the President," January 1973 and "Budget of the United States Government, Fiscal Year 1974".

[2] Calhoun, John B., "Declaration of Environment," from the "Journal of Environmental Health," January/February 1972, p. 357.

[3] Mellor, Earl F., "Public Goods and Services: Costs and Benefits, A Study of the Shaw-Cardozo Area," presented to the Institute for Policy Studies October 31, 1969.

[4] Schaffer, Richard L., "Income Flows in Urban Poverty Areas: A Comparison of the Community Income Accounts of Bedford-Stuyvesant and Borough Park," a doctoral dissertation in the Department of Economics, New York University.

[5] Schaffer, Richard L., "Toward an Economic and Social Accounting System for Bedford-Stuyvesant, a Progress Report, April 1973," soon to be published.

[6] Hatfield, Mark O., "Congressional Record," Vol. 117, No. 176, 92d Congress, First Session, November 17, 1971.

[7] Hatfield, Mark O., "Congressional Record," Vol. 117, No. 135, 92d Congress, First Session, September 17, 1971.

[8] Ostrom, Elinor and Parks, Roger B., "Suburban Police Departments: Too Many and Too Small?", "Urban Affairs Annual Review," Spring 1973.

[9] Advisory Commission on Intergovernmental Relations, "Information Bulletin" No. 70–8) (Washington, D.C., Advisory Commission on Intergovernmental Relations, Sept. 16, 1970), p. 2.

[10] Ostrom, Elinor, "Metropolitan Reform: Propositions Derived from Two Traditions," from "Social Science Quarterly," December 1972.

[11] Ostrom, Elinor, "Metropolitan Reform: Propositions Derived from Two Traditions," from "Social Science Quarterly," December 1972, pp. 487–488.

[12] Hallman, Howard W., "Government by Neighborhood," Center for Governmental Studies, Washington, D.C., June 1973, p. 24.

[13] Green, Gerson, specifically prepared for the Institute for Neighborhood Studies, Washington, D.C., 1971.

S. 2502

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Neighborhood Government Act of 1973."

DECLARATION OF PURPOSE

SEC. 2. It is the purpose of this Act to encourage communities and neighborhoods to incorporate for the purpose of providing their own neighborhood services, to provide additional operating funds for such corporations, to increase the sense of neighborhood participation by individuals in such neighborhoods by providing a tax credit for contributions thereto, and to provide additional Federal revenue to such corporations.

TAX CREDIT FOR CONTRIBUTIONS

SEC. 2. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credit against tax) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"Sec. 40. Contributions to neighborhood corporations

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for any taxable year any amount contributed to a certified neighborhood corporation and paid during that year, subject to the limitations of subsection (b).

"(b) LIMITATIONS.—

"(1) AMOUNT.—Except as provided in paragraph (2), the amount of the credit under subsection (a) shall not exceed—

"(A 80 percent of the amount of the contribution if the contributor's taxable income for the taxable year is $10,000 or less;

"(B) 60 percent of such amount if his taxable income for the taxable year is more than $10,000 but not more than $15,000;

"(C) 40 percent of such amount if his taxable income for the taxable year is more than $15,000 but not more than $20,000;

"(D) 20 percent of such amount if his taxable income for the taxable year is more than $20,000 but not more than $25,000; and

"(E) 10 percent of such amount if his taxable income for the taxable year is more than $25,000.

"(2) NONRESIDENTS.—In the case of an individual who does not reside in the neighborhood served by the neighborhood corporation to or for the use of which he makes a contribution, or a corporation which does not have an office or other establishment in the neighborhood served by the neighborhood corporation to or for the use of which it makes a contribution—

"(A) the amount of the credit under subsection (a) shall not exceed one-half of the amount of the credit under such subsection as determined under paragraph (1) of this subsection; and

"(B) credit shall be allowed during any taxable year for contributions to only one neighborhood corporation.

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(c) CERTIFICATION OF NEIGHBORHOOD CORPORATIONS.—A corporation may be certified by the Secretary or his delegate for purposes of this section upon application by the corporation for certification if it—

"(1) is organized under the laws of the State in which it is located as a corporation not for profit and restricts its operations to the single neighborhood it was designed to serve;

"(2) is organized for the purpose of supplying services to its members, and other persons residing within the neighborhood it is designed to serve, which were supplied by a municipal or other government prior to the establishment of the corporation, or similar services; and

"(3) demonstrates a capacity to supply such services and to perform the activities for which it was established in an adequate and satisfactory manner.

No corporation may be certified for purposes of this section which is formed for the purpose, or with the effect, of preventing the implementation, within the neighborhood it is designed to serve or within the larger neighborhood within which it is located, of any plan or program designed to carry out the laws of the United States, or for any purpose which is contrary to public policy, or which would have a substantial adverse effect upon adjacent neighborhoods. No corporation may be certified for purposes of this subsection unless it is so organized as to permit a high degree of participation by members of the neighborhood it is designed to serve in making major policy decisions.

"(d) NONDEDUCTIBILITY OF CONTRIBUTIONS.—No deduction shall be allowed under section 170 for any contribution to or for the use of a neighborhood corporation to the extent that a credit is allowed (after the application of subsection (b)) for such contribution under subsection (a).

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 40. Contributions to neighborhood corporations.
"Sec. 41. Overpayments of tax."

(c) The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act, but only with respect to contributions payment of which is made after such date.

COMPENSATION FOR STATE AND LOCAL TAXES

SEC. 3. (a) Upon application from a neighborhood corporation certified under section 40 of the Internal Revenue Code of 1954, the Secretary of the Treasury is authorized to pay to such corporation for general corporate use an amount equal to a part (determined under subsection (b)) of the amount of non-Federal taxes paid by members of that corporation to State and local governments. Such payments may be made annually or as otherwise determined by the Secretary.

(b) The amount of the payment which the Secretary may make under subsection (a) to a neighborhood corporation is an amount equal to a percentage of the total amount of non-Federal taxes paid by members of that corporation to State and local governments. That percentage shall be determined in accordance with the following table:

Per capita annual income of individuals residing in the neighborhood served by the corporation:	*Percentage*
$10,000 or less	80
$10,001 to $15,000	60
$15,001 to $20,000	40
$20,001 to $25,000	20
More than $25,000	10

(c) The amount payable under subsection (a) may be reduced by the Secretary whenever he determines that such reduction is necessary in consideration of the total amount of funds available to him for such payments and the total amount of payments for which application has been or may be expected to be made. Before making any payment under subsection (a), the Secretary shall require that any applicant provide for such fiscal control and fund accounting procedures as he deems necessary to assure proper accounting for Federal funds so paid. The Secretary may require such reasonable reports as to the use of funds paid under subsection (a) as he deems necessary, and he shall make an annual report to the Congress with respect to payments made and reports received under this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HUGH SCOTT:

S. 2504. A bill for the general reform and modernization of the patent laws, title 35 of the United States Code, and for other purposes. Referred to the Committee on the Judiciary.

Mr. HUGH SCOTT. Mr. President, I introduce a bill for the general reform and modernization of the patent laws, title 35 of the United States Code, and for other purposes.

This bill, proposed by the administration, has been transmitted to the Congress by the Commerce and Justice Departments.

In the past, the patent laws have stimulated and contributed to the growth of our economic system, but there have been no basic changes in the structure of the patent system since the Patent Act of 1836.

It is now time for the Congress to consider several new approaches necessary for the modernization of patent procedures. I am certain that the Patents, Trademarks, and Copyright Subcommittee of which I am a member will study this bill along with other suggestions previously advanced to determine the best possible future course. I look forward to working toward this end under the able leadership of the chairman, Senator McCLELLAN.

I would like to call to the attention of my colleagues one provision in this bill that causes me some concern and one which I feel the subcommittee should consider carefully.

Section 147 of this bill adds another appellate layer to existing procedures by providing for an appeal to the circuit court of appeals following an appeal to the Patent Court. This appears to me to be totally unnecessary and I would hope the subcommittee would look at this provision carefully.

Since this is an administration proposal I have left the provision in the bill but I did want my colleagues to be aware of my position regarding section 147.

Mr. President, I ask unanimous consent that a fact sheet provided by the White House summarizing the significant provisions of this legislation be inserted at this point in the Record.

There being no objection, the fact sheet was ordered to be printed in the Record, as follows:

THE WHITE HOUSE FACT SHEET—PATENT REFORM

The President's Patent Reform Message calls for enactment of a bill which would substantially strengthen the American patent system. The Patent Modernization and Reform Act of 1973 would improve the strength and reliability of issued patents through procedural reforms in the patent examination and issuance process. It would also simplify procedures for obtaining patents and make more complete and precise the disclosure of technology contained in patents, as well as speed the disclosure of such technology to the public. The bill is designed to enhance the value of the patent grant, primarily by creating greater respect for the validity of issued patents and by adding certain new provisions concerning enforcement of patents.

NEED FOR REFORM

The patent system has played an important role in stimulating the Nation's progress and prosperity. There have been no basic changes in the structure of the patent system since the Patent Act of 1836.

In view of the technological and information explosion in recent years, which has resulted in the filing of approximately 115,000 new patent applications and the issuance of 70,000 new patents each year, the adequacy of our procedures for issuing valid patents has been increasingly called into question.

Too many patents today are declared invalid after protracted litigation discloses new information not considered when the application was originally reviewed.

Proceedings before the Patent Office present no opportunity for public participation before the patent is granted.

There have been increasing allegations of fraud and inequitable conduct in the procurement of patents; and some have suggested that the patent system is not bringing forth the full and rapid disclosure that it should.

The cost of litigating patents is often needlessly great, both for the patentee and the businessman accused of infringing the patent.

There is a need to stem the erosion of confidence in the validity of issued patents raised by these questions and the possible resulting erosion in the value of the patent grant itself.

SIX MAJOR POINTS OF THE ACT

1. Examination procedures would be thoroughly restructured to assure the issuance of valid patents and to obtain as much information concerning the patentability from all sources as is practicable—from the applicant himself, from the Office search files, and from members of the public—before the Patent Office issues a patent.

Broad public participation in the review of patent applications would be provided, so that members of the public may, prior to issuance, inform the Office of facts in their possession which might affect the Office's decisions regarding the issuance of a patent. All patent applications would be published when found to be allowable by the Patent Office, and the public would be given up to six months to bring to the attention of the Office any information relevant to the allowability of the applications. Members of the public would be permitted to present their views to the Patent Office in an adversary proceeding and new procedures for discovery and opportunities for the parties to appeal the decision of the Patent Office would be provided. The Office would be given increased resources for effectively conducting these new opposition proceedings.

Patent applications would be required to assist the Patent Office in the examination process. They would be required to disclose all pertinent information to the Office throughout the examination proceeding, together with a written explanation of why they believe their inventions are patentable notwithstanding this information. In addition, the bill spells out in considerable detail the duties of inventors, patent applicants, and attorneys to bring to the attention of the Office all relevant information of which they are aware during the examination process.

The patent examiner would be given additional tools to perform his job. These would include, in appropriate cases, authorization to require an adversary examination proceeding and assistance from a special officer to assist him in such a proceeding, including access to adequate discovery. This same newly created officer would also be authorized to investigate improper conduct before the Office and would be required to defend the examiner's decisions when they are appealed.

Patent Office proceedings would be more like the regular adjudicatory proceedings of other agencies. Patent Office decisions would more generally follow the Administrative Procedure Act, and the applicant would have the burden of persuading the Office that the claims he seeks are patentable.

There would be a full written record of Office action, and the examiner would be specifically empowered to control the examination proceeding. Judicial review of Office proceedings would be strengthened and placed more in the mainstream of the system of Federal courts of general jurisdiction.

2. Applicants would be required to make a more complete disclosure of the invention on which they seek a patent and a more rapid disclosure of new technology would be encouraged.

Applications would specify all novel or unexpected properties or results relied on in seeking a patent. They would include the best mode of commercially practicing (in "trade and industry") the subject matter—matter to be patented. Patent claims would be drafted in a clearer format, separating, wherever possible, the inventive contribution from background information.

A 20-year term of a patent would be measured from the date on which the application is filed rather than the present 17-year term from the date a patent is granted. If some claims in an application are finally rejected by the Patent Office, applicants would be permitted to obtain patents on the allowed claims in the same application, while simultaneously appealing the rejected claims. Both these reforms would provide an incentive for applicants to help speed the processing of their applications through the Office.

3. Procedures for filing and obtaining patents would be simplified without changing substantive law.

Owners of inventions, rather than only the inventors, would be permitted to file patent applications; other procedures are proposed that would eliminate difficulties in naming inventors which may arise in connection with team research in industry.

A number of procedural changes would correct or eliminate needless technical problems which now arise in cases where applications contain more than one invention.

4. The Patent Office fee system would be simplified and modernized.

Rather than a set schedule of statutory fees, the Commissioner would be given discretion to charge fees to recover 65 to 75 percent of the costs of the Office.

A new fee provision would be designed to encourage the lapsing of unused patents ten and fifteen years after filing unless good faith efforts were being made to commercialize them.

5. The value of a patent grant would be strengthened. In addition to the procedural reforms which strengthen the patent examination and issuance process, giving greater assurance of validity for those patents which issue, specific provisions are included which would enhance the value of a patent grant.

Present law which leaves the owner of United States process patents unprotected against importers would be changed. Exclusive sales agents or affiliates of foreign competitors who handle products made by foreign manufacturers using U.S. process patents would be considered patent infringers.

Additional discovery and discovery remedies would be authorized to speed the resolution of patent suits.

Patent owners would be specifically authorized to settle existing disputes over the infringement and validity of their patents by arbitration, thus avoiding the need to resort to expensive and time-consuming court litigation.

Provisions would be added to the law to avoid problems of possible abuse, raised by challenges to patent validity, by licensees and assignors of patents, and to ensure that the patent law would not preempt state trade secret laws when the latter did not interfere with ideas in the public domain. The decisions of the Supreme Court in these important areas would not be disturbed.

6. The Patent Modernization and Reform Act of 1973 would continue certain aspects of our patent system.

The basic criteria for patentability, including the important standards of unobviousness, novelty, and utility, would be retained in their present form.

The bill does not contain provisions that relate to the traditional case-by-case determination of anti-trust problems regarding the licensing of patented inventions. In response to concern over possible erosion of the reliability and value of the patent grant, a number of proposals addressed to this problem were carefully considered. After this study, the Administration concluded that no need for taking action in the area had been demonstrated at this time, other than the need to act to strengthen the procedures for examination and issuance of patents.

By Mr. STEVENSON (for himself, Mr. Abourezk, Mr. Hart, Mr. Humphrey, Mr. Magnuson, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Mondale, Mr. Moss, and Mr. Pastore):

S. 2506. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes. Referred to the Committee on Commerce.

OIL AND GAS REGULATORY REFORM ACT OF 1973

Mr. STEVENSON. Mr. President, I introduce, for appropriate reference, the Oil and Gas Regulatory Reform Act of 1973.

Competition is the cornerstone of our free enterprise system. Yet, evidence continues to mount that the Nation's energy industries are stifling competition at the expense of consumers.

The major oil companies reaped a 39-percent increase in their profits during the first half of this year.

Consumers were saddled with a 12-percent increase in the price of gasoline.

Independent marketers, who provide the little remaining competition in the petroleum industry, are running out of gas—literally and figuratively. Three thousand independent gas stations have gone out of business since the first of the year. Thousands more have been cut back on supplies of gasoline as much as 50 percent, although the national shortfall is only 3 percent. Meanwhile, the major oil companies continue to expand their own operations—some in excess of 120 percent of last year.

The Nation's four largest producers of natural gas control 70 percent of our uncommitted gas reserves. These same four producers also happen to be four of the largest major oil companies.

Thirty of the Nation's 4,000 gas producers now produce about 85 percent of the Nation's gas supplies.

I am greatly concerned about what happens to the Nation when competition disapppears from its largest and most vital industry. And I am not alone.

On July 17, the Federal Trade Commission issued a complaint against the Nation's eight largest petroleum companies charging them with anticompetitive and monopolistic practices.

Fourteen States have either filed suit or are in the process of bringing antitrust actions against major oil companies.

The Director of the FTC's Bureau of Competition recently told the Senate Antitrust and Monopoly Subcommittee that the major producers of natural gas are withholding data from the Federal Power Commission on proven natural gas reserves.

The Cost of Living Council is conducting an intensive investigation of energy industry pricing.

Against this anticompetitive backdrop, the administration, in concert with the gas and oil industry, has asked the Congress to deregulate the price of natural gas.

The administration and the major oil companies argue that regulation discourages producers from exploring for natural gas. They contend that regulation is responsible for the current natural gas shortage.

I am not enthusiastic about Government regulation, and would not presume to defend the present system for the regulation of natural gas prices.

I believe in a free market. But there simply is no free market in the Nation's gas and oil business.

Efforts to restore effective competition will take years. Meanwhile, we are faced with an anticompetitive industry and an administration bent on removing all price controls from a major part of that industry. The American consumer is justified in asking whether we can afford to turn sole responsibility for price and supply of natural gas over to the very same companies which have already used the gasoline shortage they helped create to drive their competition out of business.

The industry claims that present regulations on natural gas are unworkable. Consumers consider total deregulation unthinkable. I believe the time has come for Congress to consider an alternative that will protect the consumer and, at the same time, meet some of the industry's objections to current regulatory practices.

Therefore, I introduce today a comprehensive regulatory reform bill to be considered as an alternative to the administration's deregulation bill. Both approaches will be considered by the Senate Commerce Committee in hearings which I will chair beginning on October 10.

The bill which I am introducing recognizes the procedural shortcomings of current regulatory law.

It would streamline the FPC regulatory process by establishing a national area rate by rulemaking. Under current law the establishment of rates involves adjudicatory proceedings which require many years. Under the rulemaking procedure proposed in my bill, the rate would be subject to congressional review and based on actual costs of production plus a reasonable rate of return.

It provides that once contracts for the sale of gas have been approved by the Commission, the Commission is powerless to change the contract price—a possibility under present law that poses potential hardship for producers.

It exempts all small producers from regulation, thus concentrating on the 30 largest producers powerful enough to exert an anticompetitive force in the marketplace, while substantially reducing the FPC's workload.

It extends regulation of natural gas prices to large gas producers in the intrastate market as well as in the interstate market. At present, high intrastate prices are diverting gas from the interstate market.

It directs the FPC to conduct its own review of natural gas reserves so for the first time the Nation will not be dependent on the industry's estimates.

It provides the FPC with the power to equitably allocate natural gas supplies during shortages among all customers and regions.

It gives the FPC the power to compel petroleum pipeline operators to provide service and storage facilities to independent producers and refiners who meet reasonable minimum requirements. Noncompliance by a pipeline owner would subject him to treble damage suits.

It also transfers the responsibility for the regulation of petroleum pipelines from the Interstate Commerce Commission—which has failed to meet its responsibility—to the Federal Power Commission, and gives the FPC authority over all new pipeline construction.

In a very real sense, petroleum pipelines are the jugular of the major integrated oil companies. They are, for the most part, owned by a few of the largest majors. And they are, quite literally, the lifetime upon which independent producers, refiners, and marketers depend.

I believe this kind of regulatory reform bill is a responsible, consumer-oriented alternative to the administration's proposal for deregulation. The administration and the industry are quick to blame regulation for the shortage of natural gas. But oil has never been regulated—and it is also in short supply. There is reason to believe that the real problem is the anticompetitive structure of the fuel industry. And if that is so, we need to explore ways of improving and streamlining regulation so that it can help restore competition and assure both adequate production and reasonable prices. We must ask if the oil and gas sectors of the industry should be dealt with differently—or if both should be regulated, or unregulated.

Our choices are clear. Without a free energy market, which is the lesser of two evils—regulated or unregulated energy industries? Improved controls that strive for a reasonable rate of return in markets dominated by the greatest concentration of economic power the Nation has ever seen, or an abandonment of Government responsibility that leaves these giant companies accountable only to their stockholders?

These are the kinds of questions the Senate Commerce Committee will begin considering next week.

A quick answer in favor of either regulation or deregulation is essential. Until the answer is forthcoming producers will hold back reserves, and the Nation will be short of vital energy. I am confident the Senate will move rapidly. The legislation will be introduced in the House of Representatives this week. If enacted I believe it would:

Substantially increase the amount of natural gas available to consumers and, in the event of shortages, assure that supplies are fairly allocated among the regions of the Nation and classes of customers.

Save the public billions of dollars by foreclosing massive windfall profits to the petroleum industry.

Improve the competitive structure of the oil industry by affording independent companies the opportunity to successfully compete in the marketplace.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oil and Gas Regulatory Reform Act of 1973."

TITLE I—NATURAL GAS

SEC. 101. This title may be cited as the "Natural Gas Amendments of 1973".

INTRASTATE REGULATION

SEC. 102. Subsection (a) of section 1 of the Natural Gas Act (16 U.S.C. 717(b)) is amended by striking out "of natural gas and the sale thereof in" and inserting in lieu thereof "or sale of natural gas which affects".

SEC. 103. Subsection (b) of section 1 of the Natural Gas Act (15 U.S.C. 717(a)) is amended to read as follows:

"(b) Except as provided in subsection (c) hereof, the provisions of this Act shall apply to the transportation and sale of natural gas and/or to natural gas companies engaged in such transportation and sale."

Sec. 104. Subsection (c) of section 1 of the Natural Gas Act (15 U.S.C. 717(c)) is amended to read as follows:

"(c) The provisions of this Act shall not apply to (1) production facilities and the construction of such facilities, or to the gathering of natural gas; and (2) the local distribution of natural gas and the facilities used for such distribution."

DEFINITIONS

Sec. 105. Section 2 of the Natural Gas Act (15 U.S.C. 717(a)) is amended to read as follows:

"Sec. 2. When used in this Act, unless the context otherwise requires—

"(1) 'Commission' means the Federal Power Commission.

"(2) 'Commissioner' means a member of the Federal Power Commission.

"(3) 'Corporation' includes any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, receiver or receivers, trustee or trustees of any of the foregoing, but shall not include a municipality.

"(4) 'Definite pricing clause' means a provision in a producer contract which—

"(A) sets forth the price to be paid for natural gas delivered under such contract in terms of specific monetary units, including charges for specific supplemental services to be performed by the producer, without reference to any other contract, price, or circumstances, including, in addition to the initial price, any increases in the initial price, by specific amounts which shall become effectve at definite future dates;

"(B) changes in the price in order to reimburse the seller for all or any part of the changes in production, severance, of gathering taxes or taxes of a similar type or kind levied after a specific date; and

"(C) establishes the price to reflect changes in the heating value of the gas delivered under such contract.

"(5) 'Foreign commerce' means commerce with a foreign country.

"(6) 'Includes' or 'including' should be read as if the phrase 'but is not limited to' were also set forth.

"(7) 'In commerce' should be read as if the phrase 'interstate, foreign, and intrastate' were also set forth as an adjective modifying commerce.

"(8) 'Indefinite price clause' means a provision in a producer contract, other than a definite pricing clause, under which the price for natural gas sold under the contract may be determined or changed.

"(9) 'Interstate commerce' means commerce between a point in one State and a point outside such State, or between points within the same State but through any place outside such State.

"(10) 'Intrastate commerce' means commerce wholly within the same State.

"(11) 'Local' means of or pertaining to any political subdivision within a State.

"(12) 'Municipality' means a city, county, or other political subdivision of a State.

"(13) 'Natural gas' includes natural gas, liquefied natural gas, artificial gas, synthetic gas, or any mixture thereof.

"(14) 'Natural-gas company' means a person engaged in the production, importation, transportation, or sale of natural gas in commerce.

"(15) 'New producer contract' means a producer contract, or an amendment to such contract which adds natural gas reserves or acreage to an existing contract, under which contract or amendment deliveries have not commenced upon the effective date of this Act, and an amendment to a contract previously approved by the Commission under section 26 of this Act which decreases the delivery pressure, lowers the quality specifications, increase the price, or shortens or extends the term.

"(16) 'Person' includes an individual or a corporation.

"(17) 'Producer' means a person who is engaged in the production, gathering, or processing of natural gas and who sells natural gas in commerce for resale.

"(18) 'Producer contract' means a contract by a producer providing for a sale of natural gas subject to the jurisdiction of the Commission.

"(19) 'Rate' includes a local, State, or national area rate.

"(20) 'Sale' includes distributions and intracorporate transfers. In determining sale price, in the case of an intracorporate transfer, such price shall be the amount recorded in the books of such corporation for purposes of Federal income taxation.

"(21) 'Small producer' means a producer (a) whose total sales in commerce do not exceed 10,000,000 M.c.f. or 10,000,000 barrels during the preceding calendar year; (b) who is neither directly nor indirectly controlled by or affiliated with a natural gas company; and (c) who is neither directly nor indirectly controlled by or affiliated with another producer or energy company such the aggregate production of all such related or affiliated entities exceeds 10,000,000 M.c.f. or the equivalent amount of energy in another fuel per calendar year.

"(22) 'State' means any State, the District of Columbia, and any organized territory of the United States.

"(23) 'State commission' means the regulatory body of a State or municipality which has jurisdiction to regulate rates and charges for any sale, not regulated by the Commission, of natural gas to consumers within such State or municipality.

"(24) 'Transportation' includes production, importation, storage, and gathering.

"(25) 'United States' includes all States and all places and waters, continental or insular, subject to the jurisdiction of the United States."

NATIONAL AREA RATE

Sec. 106. Section 5 of the Natural Gas Act (15 U.S.C. 717(d)) is amended by adding at the end thereof the following four new subsections:

"(c) The Commission shall, in a rulemaking proceeding in accordance with section 553 of title 5, United States Code, establish and periodically revise a national area rate for production of natural gas. The Commission shall establish adjustments to the national area rate for each major producing region to reflect differences in production costs, State taxation, and similar costs. Sixty days before the Commission establishes or grants approval to any revision in such national area rate, the Commission shall submit its findings and proposed rate to Congress and shall publish such findings and proposed rate in the Federal Register. Such a national area rate or revised national area rate shall be implemented by order of the Commission at the conclusion of such sixty-day period, unless either House of Congress passes a resolution between the date of transmittal and the end of the sixty-day period stating in substance that it disapproves the proposed national area rate, or unless reversed pursuant to judicial review by the end of such sixty-day period. Judicial review of such proposed national area rate shall be in accordance with sections 701, 702, 703, 704, 705, and 706(2) (A) of title 5, United States Code. The Commission shall not order any increase in existing area rates for flowing natural gas unless such an increase is justified on the basis of an actual increase in costs of operation or maintenance (including a fair rate of return). The Commission shall establish or revise the national area rate for new natural gas only to the extent justified by actual costs of exploration, development, operation or maintenance (including a fair rate of return). The Commission may, because of special hardships or costs incurred by a producer, approve a new producer contract for rates in excess of the national area rate pursuant to section 29(b) of this Act.

"(d) In determining present and future requirements of consumers for natural gas, the Commission shall, insofar as possible, examine and implement conservation policies including rate design revision, end use controls, and termination of promotional practices to encourage wise management and utilization of the Nation's natural gas resources.

"(e) The Commission shall require separate rate filings for synthetic natural gas, liquified natural gas, and other supplemental natural gas supplies, the cost of production of which exceeds the national area rate. Such rate filings shall reflect incremental costing concepts. Each such filing shall include the cost of producing such gas, the cost of transporting such gas to an existing pipeline, and a fair allocation of the cost of transporting such gas in existing pipelines and distribution systems to the ultimate user.

"(f) The Commission is authorized and directed to prepare and submit to the Congress within twelve months after the date of enactment of this Act an analysis of direct sale and retail rate structures for natural gas other than synthetic, liquified, or supplemental natural gas. Such analysis shall include an indication of how marginal cost pricing would affect consumption within the United States and an evaluation on a regional basis of the impact various rate changes might have on natural gas consumption, the environment, and the economy of the United States."

Sec. 107. Section 10(a) of the Natural Gas Act (15 U.S.C. 717i(a)) is amended by inserting before the period at the end of the third sentence thereof the following: ", and current, planned, and contemplated efforts to increase such company's reserves or acreage of natural gas".

RESERVE EVALUATION

Sec. 108. Section 14 of the Natural Gas Act (15 U.S.C. 717m) is amended by adding at the end thereof the following three new subsections:

"(h) The Commission is further authorized and directed to conduct studies of the transportation and sale of natural gas, however produced, throughout the United States whether or not otherwise subject to the jurisdiction of the Commission, including the transportation and sale of natural gas by any agency, authority, or instrumentality of the United States, or of any State or municipality. The Commission shall make an independent evaluation of the proven and probable natural gas reserves of the United States identifying volumes committed to contract and volumes not committed and the reasons for such noncommitment. The Commission shall update such evaluation each year. The evaluation of proven natural gas reserves shall be based on individual company data obtained directly by the Commission and independently evaluated by its staff experts. The Commission shall, so far as practicable, secure and keep current information regarding (1) the ownership, operation, management, and control of all facilities for such transportation and sale; (2) the total estimated natural gas reserves of fields or reservoirs and the current utilization of natural gas and the relationship between the two; (3) the cost of transportation and sale; (4) the rates, charges, and contracts with respect to the sale of natural gas and its service to residential, rural, commercial, industrial consumers, and other purchasers; and (5) the relation of any or all facts to the development of energy conservation, industry, commerce, and the national defense. The Commission shall report to Congress, publish, and make available to interested persons the results of studies made under authority of this subsection.

"(i) The Commission, in making studies, investigations, and reports under this section, is authorized to obtain reserve information on natural gas reserves from natural gas companies, whether or not such companies are otherwise subject to the jurisdiction of the Commission. It shall publish such information annually in the form of an estimate of the Nation's natural gas reserves, both proven and potential, with breakdowns by producing areas, identifying the volumes in each area not being produced. The Commission shall utilize, insofar as practicable, the services, studies, reports, information, and continuing investigational programs, if any, of each department, bureau, office, agency, and other entity of the United States, and of each State. Nothing in this subsection shall be construed as modifying, reassigning, or otherwise affecting the investigating and reporting activities, duties, powers, and functions of any other department, bureau, office, or agency of the Federal Government.

"(j) Any natural-gas company which fails to reveal its natural gas reserves to the Commission shall, in addition to any other penalties which may be assessed, and after a hearing pursuant to section 556 of title 5, United States Code, be declared ineligible to bid on any leases on any Federal lands until such information is supplied to the satisfaction of the Commission.".

EXEMPTIONS AND RATE PROCEDURES

SEC. 109. The Natural Gas Act is amended by adding at the end thereof the following five new sections:

"SEC. 25. A small producer shall be exempt from the provisions of this Act for a period of five years from the date of enactment of this Act: *Provided*, That the Commission may by regulation require any such producers to prepare and furnish such information as it deems necessary for the purpose of establishing or continuing any such exemption. At five-year intervals after the grant of such exemption the Commission shall review, after opportunity for hearing pursuant to section 553 of title 5, United States Code, such exemption and continue, modify, or revoke such exemption as it deems necessary to protect the public interest.

"SEC. 26. (a) Each new producer contract, other than a small producer contract, shall be filed by the producer with the Commission.

"(b) Upon the initial filing of a new producer contract, the Commission shall review the contract to insure that the rate does not exceed the national area rate and shall by order (1) approve such contract unconditionally; (2) approve such contract subject to such reasonable terms and conditions specified by the Commission as to price, expiration, determination, or other provision thereof; or (3) disapprove such contract.

"(c) If the Commission by final order, no longer subject to judicial review, approves a new producer contract unconditionally under subsection (b) of this section, such contract shall not thereafter be subject to modification by the Commission, and the provisions of such contract shall be effective without further Commission action: *Provided*, That (1) the Commission is authorized to act upon any proposed amendments to such contract which may be submitted to it by the parties to such contract; and (2) any increase in the price of natural gas under such contract by application of an indefinite pricing clause in such contract shall be subject to Commission action under section 29 of this Act.

"(d) If the Commission by final order, no longer subject to judicial review, approves a new producer contract subject to reasonable terms and conditions specified by the Commission, and if such terms and conditions are accepted within thirty days by the party or parties to the contract adversely affected thereby, such contract, as conditioned, shall be deemed approved and become effective under subsection (b) of this section. If the Commission's approval is subject to conditions which disallow in full or in part any definite price changing provisions in a new producer contract, such disallowance shall be subject to reconsideration by the Commission, pursuant to notice, hearing, and effective rate procedures, upon application by the producer filed not less than nine months before the time any such price change is scheduled to take effect. This subsection shall not be construed to relieve the Commission of its obligation to act upon such definite price changing provisions at the time of its initial order.

"(e) If the Commission by final order, no longer subject to judicial review, disapproves a new producer contract or if the party or parties to the contract adversely affected do not "accept the terms and conditions specified by the Commission, deliveries have commenced under such contract prior to such order, they shall be terminated as soon as reasonably practicable after such order becomes final and no longer subject to judicial review: *Provided*, That if such contract is an amendment to a contract, such termination of deliveries shall affect only such amendment.

"(f) Upon the filing of a new producer contract with the Commission, deliveries pursuant to the provisions of such contract may be commenced at a rate not to exceed the national area rate after notice to the Commission, pending review of such contract by the Commission under subsection (b) of this section. Any such deliveries so commenced may be terminated, if such contract shall terminate or be terminated for any reason prior to the issuance by the Commission of a final order following review of such contract or upon the issuance of an initial order which contains terms and conditions unacceptable to the party adversely affected.

"SEC. 27. (a) In all proceedings to which section 26(b) of this Act is applicable, the Commission shall, after notice and opportunity for hearing pursuant to section 553 of title 5, United States Code, determine whether the contract is (1) just and reasonable; (2) required by the public convenience and necessity; and (3) not unduly discriminatory or preferential to any person.

"(b) The Commission is authorized to consolidate proceedings for hearing and decision when the Commission finds that such proceedings involve common questions of fact which may be heard more expeditiously on a single record.

"SEC. 28. Natural gas which is produced from its own wells by a natural-gas company engaged in the transportation of natural gas in commerce, which is not sold under a producer contract, and which is taken and delivered into its own transportation facilities or into the transportation facilities of any person transporting such natural gas for its account in interstate commerce shall be delivered only pursuant to a schedule of terms and conditions, including pricing provisions, applicable to the taking of such natural gas. Such schedule shall be filed with the Commission; all terms and provisions of this Act relating to a new producer contract shall be applicable to such schedule. The Commission shall allow as an operating expense of such natural-gas company the price established by the national area rate in accordance with the provisions of this Act.

"SEC. 29. (a) No new producer contract shall be accepted for filing if it includes any of the following types of indefinite pricing clauses:

"(1) the 'two-party favored-nation clause' under the terms of which the price of the natural gas is or many be increased in the event the purchaser shall pay or offer to pay a higher price for natural gas;

"(2) the 'third-party favored-nation clause' under the terms of which the price of the natural gas is or may be increased in the event some person not a party to the contract shall pay or offer to pay a higher price for natural gas;

"(3) the 'better market clause' or 'price redetermination clause' under the terms of which the price of the natural gas is or may be increased in the event the average of two or more prices which are paid by purchasers is greater; and

"(4) the 'spiral escalation clause' under the terms of which the price of the natural gas is or may be increased in the event the resale rates of the purchaser under the contract are increased.

"(b) No seller shall be entitled to receive all or any part of a price increase for natural gas which is intended to result, after the date this section takes effect, from the operation of an indefinite pricing clause in a new producer contract unless (1) the seller files an application with the Commission for permission to charge the increased price; and (2) the Commission, after notice and opportunity for hearing, makes findings in writing and enters its order pursuant to this subsection. Such application shall be filed not less than nine months prior to the time any proposed price increase is intended to take effect. If the Commission fails to make its finding and enter its order prior to the date such proposed price increase is intended to take effect, the increased price so proposed may, upon notice to the Commission, be charged by the seller so long as such price does not exceed the national area rate. Such price shall be paid by the purchaser, pursuant to the terms of such indefinite pricing clause, until the Commission issues its order in the application proceeding. If the Commission finds that the proposed increased price does not exceed the national area rate for present and future deliveries of natural gas at the point of delivery under new producer contracts then being approved by the Commission, the Commission shall issue its order approving the proposed increased price. Such price shall be charged by the seller and paid by the purchaser from and after the effective date of such order. If the Commission finds that the proposed increased price does exceed such national area rate, the Commission shall, in its finding, determine such portion, if any, of the proposed increase in price as is reasonable, because of special hardship or costs incurred by the producer in his overall operations such that the producer's overall costs exceed his overall revenues. If the Commission finds that a portion of the proposed increase is reasonable under the above test, the seller shall be entitled to charge and the buyer shall pay an increased price in accordance with such finding. If, during the course of such proceeding, the seller collected any amounts in excess of the price which the Commission ultimately determines is the amount properly chargeable pursuant to this subsection, the seller shall refund to the purchaser or purchasers, with interest, all or that part of the increase in price, above that so approved by the Commission, which the seller collected, prior to the Commission's order, under the indefinite pricing clause.

"SEC. 30. The Commission is authorized, after notice, hearing, and opportunity for public comment, to allocate natural gas among pipelines to attain the following specific objectives—

"(a) protection of public health, safety, and welfare, and the national defense;

"(b) maintenance of all public services;

"(c) maintenance of all essential agricultural operations directly related to the cultivation, production, and preservation of food, and "(d) equitable distribution of natural gas among all regions and areas of the United States and all classes of consumers."

TITLE II—OIL PIPELINE TRANSPORTATION

SEC. 201. This title may be cited as the "Oil Pipeline Transportation Act of 1973".

SEC. 202. (a) All functions of the Interstate Commerce Commission with respect to the regulation of oil pipelines under, part I of the Interstate Commerce Act (49 U.S.C. 1 et seq.) are transferred to the Federal Power Commission.

(b) All personnel, property, records, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds which are used by the Interstate Commerce Commission primarily with respect to the regulation of pipelines engaged in the transportation of crude oil or refined petroleum products are transferred to the Federal Power Commission. The transfer of personnel pursuant to this section shall be without reduction in classification or compensation for one year after such transfer. This provision shall not be construed to impair the authority of the Federal Power Commission to assign personnel during this period to carry out its functions in the most effective manner possible.

SEC. 203. Section 2 of the Natural Gas Act (15 U.S.C. 717a), as amended by title I of this Act, is further amended by—

(a) redesignating subsections (16) through (25) as subsections (18) through (27); and

(b) inserting the following three new subsections:

"(16) 'Oil' includes crude oil, petroleum, and any substance refined from petroleum.

"(17) 'Oil company' means a person engaged in the production, importation, refining, transportation by pipeline, or sale of oil in commerce.

"(18) 'Oil pipeline company' means an oil company engaged in the transportation by pipeline of oil subject to the jurisdiction of the Commission.".

SEC. 204. Section 7 of the Natural Gas Act (15 U.S.C. 717f) is amended by adding at the end thereof the following new subsections:

"(i) Whenever the Commission, after notice and opportunity for hearing finds such action necessary or desirable in the public interest, it may by order direct an oil pipeline company to extend or improve its transportation or storage facilities, to establish a physical connection of its transportation or storage facilities with the facilities of any person engaged or legally authorized to engage in the refining or distribution of oil, if the Commission finds that such a facility extension would not impair the oil pipeline company's ability to render adequate service to its customers.

"(j) No oil pipeline company shall abandon all or any portion of its facilities subject to the jurisdiction of the Commission, or any service rendered by means of such facilities, without the permission and approval of the Commission. The Commission shall grant such approval if it finds, after notice and opportunity for hearing, that the present or future public convenience or necessity permits such abandonment.

"(k) No oil pipeline company shall undertake the construction or extension of any facilities for the transportation or storage of oil, or acquire or operate any such facilities or extension of facilities, unless there is in force with respect to such oil pipeline company a certificate of public convenience and necessity issued by the Commission authorizing such acts or operations.

"(l) The Commission shall give priority consideration to applications for certificates of public convenience and necessity where the applicant is an oil pipeline company or a shipper which is an independent oil company seeking to extend pipeline or storage facilities for the purpose of carrying out an oil pipeline company's obligation. If the Commission does not act on any such application within sixty days after the date of filing, a certificate of public convenience and necessity shall be deemed to have been issued for such facilities, as described in such application.

"(m) If the applicant is a partnership, corporation, association, or other business entity, the Commission, prior to granting a certificate of public convenience and necessity pursuant to this Act, shall require the applicant to disclose the identity of all participants in the oil pipeline company. Such disclosure shall include, where applicable, (1) the name and address of each partner; (2) the name and address of each shareholder with voting rights to one per centum or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholders is authorized to vote; and (3) the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares in the percentage of any class of voting stock of the affiliate owned, directly or indirectly, by that entity, and, in the case of an affiliate which controls that entity, the number of shares and percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.

"(n) A certificate of public convenience and necessity, issued or renewed pursuant to this Act, shall be given under regulations or stipulations issued by the Commission, in accordance with the provisions of this Act or any other applicable law and subject to such terms and conditions as the Commission may prescribe regarding extent, duration, survey, location, construction, maintenance, and termination. The Commission shall determine the duration of each certificate of public convenience and necessity granted or renewed pursuant to this Act. The Commission's considerations in determining duration shall include the cost of the facility and its useful life.

"(o) The Commission, prior to granting a certificate of public convenience and necessity pursuant to this Act for a new project which may have a significant impact on the environment, shall require the applicant to submit a plan of construction, operation, and rehabilitation of the facility and the right-of-way. Such plan shall comply with stipulations or regulations issued by the Commission. The Commission, in consultation with the Administrator of the Environmental Protection Agency shall issue regulations or impose stipulations which shall include: (1) requirements to insure that activities in connection with the construction and operation of the facility will not violate applicable State or Federal air and water quality standards, pipeline safety regulations, or land use planning requirements established by or pursuant to law; (2) requirements designed to control or prevent damage to the environment (including damage to fish and wildlife habitat), damage to public or private property, and hazards to public health and safety; and (3) requirements to protect the interests of individuals living in the general area traversed by the pipeline or storage facility who rely on the fish, wildlife, and biotic resources of the area for subsistence purposes. Such regulations shall be regularly revised. Such regulations shall be applicable to every certificate of public convenience and necessity granted pursuant to this Act, and may be applicable to existing certificates of public convenience and necessity to be renewed pursuant to this Act.

"(p) Where it deems appropriate, the Commission may require the holder of a certificate of public convenience and necessity to furnish a bond or other security satisfactory to the Commission, to secure any or all of the obligations imposed by the terms and conditions of such certificate or by any rule or regulation of the Commission.

"(q) (1) The Commission shall not grant, issue, or renew a certificate of public convenience and necessity until it has received the advice of the Attorney General of the United States and the Federal Trade Commission on the following question: 'Would such action by the Commission tend to create or maintain a situation inconsistent with the antitrust laws?' Whenever such action is contemplated by the Commission, it shall transmit promptly, to the Attorney General and the Federal Trade Commission, notice of the application for grant, issuance, or renewal of such certificate of public convenience and necessity and the probable terms or conditions of such certificate. Within a reasonable time after receipt of such notification, in no event more than sixty days thereafter, the Attorney General and the Federal Trade Commission shall advise the Commission whether, so far as can be determined, the proposed disposition would tend to create or maintain a situation inconsistent with the antitrust laws.

"(2) Upon request made by the Attorney General or the Federal Trade Commission, the Commission shall furnish or cause to be furnished to the Attorney General and the Federal Trade Commission such information as the Commission may possess which the Attorney General or the Federal Trade Commission determines to be appropriate or necessary in rendering the advice rquired by this subsection.

"(3) The Commission, with the approval of the Attorney General and the Federal Trade Commission, may exempt classes or types of grants or renewals from any of the requirements of this subsection if it determines that such exemption would not have any substantive impact under the antitrust laws.

"(4) Nothing contained in this Act shall impair, amend, or modify any of the antitrust laws or limit or prevent the application of any such law to any person under the provisions of this Act.

"(5) As used in this subsection, the term 'antitrust laws' includes the Act of July 2, 1890 (C.H. 647, Stat. 209), as amended; the Act of October 15, 1914 (Ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended: and sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended."

SEC. 205. Section 20 of the Natural Gas Act (15 U.S.C. 717s) is amended by adding at the end thereof the following new subsections:

"(d) It shall be unlawful for any pipeline company subject to the provisions of this Act and engaged in the transportation of oil to refuse or fail to provide any shipper of such oil or products who meets minimum tender requirements access or exit storage or terminal facilities at any origin point or any destination point (unless any such point is within fifty miles of another such point which provides storage or terminal facilities on the same pipeline), except that nothing in this subsection shall preclude a pipeline company from holding tenders of five thousand barrels of refined petroleum products until twenty-five thousand barrels are accumulated.

"(e) As used in this section, the term—

"(1) 'origin point' means the point at which crude oil or the refined petroleum product enters the pipeline either as provided by such pipeline company or as requested by the shipper;

"(2) 'destination point' means the point at which the crude oil or the refined petroleum product leaves the pipeline either as provided by the pipeline company or as requested by the shipper; and

"(3) 'minimum tender' means, subject to

the provisions of subsection (c) of this section, no more than ten thousand barrels of crude oil or five thousand barrels of refined petroleum products.

"(f) Notwithstanding the provisions of subsection (d) of this section, a pipeline company may file an application with the Commission requesting that the required minimum tender be raised. Pending the disposition by the Commission of such application it shall be unlawful for any pipeline company subject to the provisions of this Act to fail to meet the requirements of subsection (d) of this section. No such application shall be approved unless the Commission has first held, with respect to such application, a full formal hearing and investigation and, on the basis thereof, has determined that the failure to raise the minimum tender in accordance with such application would result in a degree of intermixture during transportation greater than the customary usage of the industry. In every determination by the Commission upon an application for an increased tender, the burden of proof shall be on the applicant. Such hearing and investigation shall include, but not be limited to consideration of the following:

"(1) evidence from factual tests of the degree of intermixture of different kinds of crude oil or of different kinds of refined petroleum products which will result from transportation in a pipeline of similar characteristics over the distances covered from eacn origin point to each destination point;

"(2) other relevant scientific, technological, and engineering calculations;

"(3) the opinion of the National Transportation Safety Board concerning the validity of the evidence presented and the requirements of safety; and

"(4) the opinion of the Department of Justice regarding the effects on competition of the proposed increased minimum tender as requested by such pipeline company.

"(g) The district courts of the United States shall have jurisdiction to prevent and restrain any violations of this Act or the conditions of any certificate of public convenience and necessity issued under this Act. It shall be the duty of the United States attorneys, in their respective districts, under the direction of the Attorney General, to institute proceedings for mandatory or prohibitive injunction relief. Before final decree, the court may at any time grant interim equitable relief. Whenever it shall appear to the court before when any such proceeding may be pending, that the ends of justice require that any other parties be brought before the court, the court may cause any such person or persons to be summoned and subpenas to that end be served in any judicial district of the United States.

"(h) Any oil pipeline company subject to this paragraph, or, whenever such oil pipeline company is a corporation, any director or officer thereof, or any receiver, trustee, lessee, agent, or person acting for or employed by such corporation, who alone or with any other corporation, company, person, or party, shall knowingly violate the provisions of this Act, or aid or abet therein, shall upon conviction thereof in any district court of the United States within the jurisdiction of which such offense was committed, be fined not more than $150,000, or imprisoned not more than five years, or both.

"(i) Notwithstanding any other provision of this Act, any shipper of crude oil or refined petroleum products who suffers damage, as a consequence of the refusal or failure of any oil pipeline company to provide such shipper access or exit storage or terminal facilities in accordance with subsection (d) of this section, may bring a civil action against such oil pipeline company in any appropriate district court of the United States without regard to amount in controversy and may recover threefold the amount of damage so sustained and the cost of any such action, including reasonable attorneys' fees. In any such action, such court is authorized to grant any interim or permanent equitable relief including mandatory or prohibitive injunctive relief.

"(j) The Commission shall monitor the activities of oil pipeline companies subject to the provisions of this Act by periodic investigations and shall require appropriate reports from such pipeline companies to assure compliance with the terms and conditions of certificates of public convenience and necessity and Commission regulations. The Commission shall annually report to Congress its findings resulting from such monitoring activities.

"(k) Noncompliance with any provision of this Act, any term or condition of a certificate of public convenience and necessity, or any applicable rule of the Commission may be grounds for suspension or termination of the certificate of public convenience and necessity if, after due notice to the holder and appropriate administrative proceeding pursuant to section 554 of title 5, United States Code, the Commission finds that such ground exists and suspension or termination is justified.

"(l) No administrative proceedings shall be required where the certificate of public convenience and necessity by its terms provides that it terminates on any fixed or agreed upon event, time, or other condition or conditions. If the Commission determines that an immediate temporary suspension of activities for violation of the terms and conditions of any certificate of public convenience and necessity is necessary to protect the public health or safety or the environment, it may abate such activities prior to an administrative proceeding. Prior to commencing any proceeding to suspend or terminate a certificate of public convenience and necessity, the Commission shall give written notice to the holder of the ground or grounds for such action and shall give the holder a reasonable time to resume operations pursuant to such certificate and to comply with the Act, condition, rule, or regulation, as the case may be. Deliberate failure of the holder of the certificate of public convenience and necessity to use or operate facilities for which such certificate was granted, issued, or renewed, for any continuous two-year period, shall constitute a rebuttable presumption that such certificate should be terminated.

"(m) The amendment made by this title shall take effect upon the expiration of the twelve-month period following the date of enactment of this Act.".

By Mr. TOWER (by request):

S. 2507. A bill to improve and simplify laws relating to housing and housing assistance; and

S. 2508. A bill to provide for the guarantee of private mortgage insurance. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. TOWER. Mr. President, on September 19, 1973, the President sent to the Congress his housing policy recommendations. These proposals were the result of a 7-month study conducted by the Department of Housing and Urban Development. They were designed to ease the tight credit conditions in the current housing market, and improve the prospects for potential home buyers to obtain mortgages over the longer term. Additionally, it contains new approaches for obtaining clean and decent housing for lower income families and elderly persons.

Also proposed was a private mortgage insurance guarantee program. It is hoped that this proposal will provide for an orderly flow of funds into the residential housing market as well as creating new mortgage investments in secondary markets.

Today I should like to introduce two bills which embody the administration's housing recommendations, the "Housing Act of 1973," and the "Private Mortgage Insurance Guarantee Act of 1973." I ask unanimous consent that the section-by-section summary of both bills be printed in the RECORD.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION SUMMARY OF PRIVATE MORTGAGE INSURANCE GUARANTEE ACT OF 1973

To provide for the guarantee of private mortgage insurance.

SECTION 1. SHORT TITLE

Section 1 would provide that this Act may be cited as the "Private Mortgage Insurance Guarantee Act of 1973."

SECTION 2. FINDINGS

This section would contain Congressional findings that a sound national system of mortgage insurance issued by private mortgage insurers and backed by a voluntary Federal program for the guarantee to holders of insured mortgages that in the event a private mortgage insurer suffers financial difficulty its mortgage insurance contracts will be performed, would improve the orderly flow of funds into the finance of residential housing, create new mortgage investments in secondary markets, improve the availability of residential mortgage financing, and complement Federal housing and other programs to attain the National goal of a decent home and a suitable living environment for every American family.

SECTION 3. DEFINITIONS

Subsection (a) would define the term "mortgage insurance contract" as any insurance contract insuring a mortgage against all risks or specified risks of loss under a note or other evidence of indebtedness secured by a mortgage, deed of trust or other instrument constituting a lien on real estate the improvements on which are a residential building or buildings, other than a title insurance contract, fire and extended coverage or similar hazard insurance contract or mortgage payment life or disability insurance contract.

Subsection (b) would define the term "person" to include any individual or group of individuals, corporation, partnership, association, or other organization.

Subsection (c) would define the term "insured mortgagee" as the person insured under a mortgage insurance contract.

Subsection (d) would define "private mortgage insurer" as any person which is authorized under the laws of a State to issue mortgage insurance contracts.

Subsection (e) would define "guarantee" as the Secretary's guarantee of the performance of obligations of a private mortgage insurer under a mortgage insurance contract, and "guarantee agreement" as an agreement to guarantee.

Subsection (f) would define "Secretary" as the Secretary of Housing and Urban Development.

SECTION 4. GUARANTEE OF PRIVATE MORTGAGE INSURANCE

This section would authorize the Secretary to guarantee private mortgage insurance contracts issued after the effective date of the Act. The guarantee agreements by the Secretary would contain such incontestability provisions and be issued on such terms and conditions as determined by the Secretary, but such guarantee agreements would not relieve a private mortgage insurer of its primary obligation to perform the guaranteed mortgage insurance contracts. The Secretary would be authorized to enter into and carry out any contracts necessary to the guarantee programs, and to issue such rules and regulations as he would deem appropriate to establish requirements for private mortgage insurers to be eligible for guarantee and to establish the types and classes of mortgage insurance contracts which would be guaranteed.

SECTION 5. PREMIUMS

This section would provide that the Secretary shall establish such premiums as he determines to be adequate to cover administrative expenses and to provide satisfactory reserves against the risks assumed pursuant to the guarantee programs established under this Act, and to establish application and other fees and charges as appropriate. The Secretary would be authorized to establish different premium rates with respect to particular private mortgage insurers and with respect to different types or classes of mortgage insurance contracts.

SECTION 6. GUARANTEE FUND

Subsection (a) would provide for the creation of a separate fund to be used by the Secretary as a revolving fund for the payment of claims and other program expenses, and would authorize the Secretary to borrow from the Treasury and advance to the fund amounts not to exceed $10,000,000.

Subsection (b) would provide that if at any time the moneys available in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantee agreement under this Act, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury.

Subsection (c) would provide that notes or other obligations issued by the Secretary for amounts borrowed shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding comparable marketable obligations of the United States.

Subsection (d) would provide that moneys in the fund established under this Act which the Secretary determines are not needed for the current operations of the Department of Housing and Urban Development with respect to obligations of the Secretary under guarantee agreements entered into pursuant to this Act shall be deposited by the Secretary with the Treasurer or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

SECTION 7. PAYMENT OF CLAIMS

Subsection (a) would provide that guarantee agreements made by the Secretary under this Act may provide for payment of claims in cash or debentures, or both.

Subsection (b) would provide that debentures issued under Section 7 shall be in such form and denominations, for such terms, and subject to such conditions as prescribed by the Secretary with the approval of the Secretary of the Treasury.

Subsection (c) would provide that debentures shall be dated as provided in the guarantee agreement and shall bear interest at the rate in effect under regulations of the Secretary which shall be the rate established by the Secretary under Section 602(e) of the Revised National Housing Act.

Subsection (d) would provide that principal and interest on debentures shall be subject to State and local taxation to the same extent as obligations issued under the Second Liberty Bond Act.

Subsection (e) would provide that debentures shall be redeemed and paid out of the fund established by the Act, and shall be fully and unconditionally guaranteed as to principal and interest by the United States, and that the full faith and credit of the United States is pledged to the payment of the debentures.

SECTION 8. CLAIMS AND JUDICIAL REVIEW

Subsection (a) would provide that claims against the Secretary under the Act shall be submitted in accordance with the terms and conditions established by the Secretary.

Subsection (b) would provide that upon disallowance of any claim under color of guarantee by the Secretary under this Act, or upon refusal of the claimant to accept the amount allowed upon any such claim, the claimant may institute an action against the Secretary on such claim in an appropriate United States district court, within one year.

Subsection (c) would provide that upon payment of any claim under this Act, the Secretary shall succeed to all of the rights of the claimant with respect thereto.

SECTION 9. RECORDS, ANNUAL STATEMENTS AND AUDITS

Subsection (a) would provide that a participating private mortgage insurer shall furnish the Secretary with such information as required by the Secretary in such form as the Secretary shall prescribe and shall furnish a correct copy of any statement submitted to a State insurance authority at the time filed with such State insurance authority.

Subsection (b) would provide that the Secretary shall have access to any books, documents, papers and records of a private mortgage insurer guaranteed by the Secretary, and that the Secretary shall cooperate with State insurance authorities and use their examining facilities to the extent feasible.

SECTION 10. ADMINISTRATIVE PROVISIONS

Subsection (a) would provide that the Secretary shall have the powers necessary to carry out this Act including the powers set forth in sections 108 (except with respect to technical assistance), 701, 702 and 703 of the Revised National Housing Act.

Subsection (b) would provide that financial transactions in payment of claims under guarantee agreements shall be final and conclusive upon all officers of the Government.

Subsection (c) would provide that any real property acquired and held by the Secretary under this Act shall be subject to taxation by any State or subdivision thereof.

SECTION 11. APPROPRIATIONS

This section would provide that there is authorized to be appropriated such sums as may be necessary to carry out this Act.

SECTION-BY-SECTION SUMMARY, HOUSING ACT OF 1973

TITLE I—DIRECT CASH ASSISTANCE

Section 102. Findings and Purpose

Subsection (a) would set forth Congressional findings that:

(1) Federal subsidized housing programs have not made an adequate contribution toward attaining "a decent home and suitable living environment for every American family" since that goal was adopted 25 years ago;

(2) current Federal housing subsidy programs are wasteful and inequitable because they concentrate on the construction of new housing for an arbitrarily selected, very small percentage of families who need assistance;

(3) current Federal housing subsidy programs often ignore the potential of utilizing available safe and sanitary existing housing;

(4) by making housing subsidies available to families eligible for assistance only while they occupy a particular dwelling unit, or live in a particular housing project, these current Federal programs have tended to produce a concentration of families living in subsidized housing, and to deprive them of the enjoyment of the benefits of Federal housing assistance in safe and sanitary dwelling units of their own choosing and free of the stigma which often attaches to subsidized project occupants;

(5) Federal assistance provided to those who cannot obtain safe and sanitary housing should be provided in a manner that allows those assisted to select safe and sanitary housing of their own choosing;

(6) in most areas of the country there is a substantial stock of existing safe and sanitary housing suitable for use by families of low and moderate income;

(7) a program of cash assistance payments which would provide low and moderate income families with that amount of assistance necessary to enable them to afford safe and sanitary housing of their choice could achieve substantial equity as among low and moderate income families with similar incomes, and substantial equity and the avoidance of work disincentives as among low and moderate income families of differing income levels if properly related to other programs which also assist these families; and

(8) the most promising way to enable all families to obtain decent housing at an acceptable cost appears to be direct cash assistance.

Subsection (b) would set forth the purpose of the title as being the development of a better approach to meeting the housing needs of families who cannot obtain safe and sanitary housing without assistance and the determining of whether a policy of direct cash assistance to such families, with first priority to the elderly poor, can be put into practical operation.

Section 103. Attainment of national housing goal

Paragraph (1) would amend the first sentence of section 1601 of the Housing Act of 1968, which currently states that the goal of a decent home and suitable living environment for every American family can be met over the ten years following the 1968 Act through the construction or rehabilitation of twenty-six million housing units—six million of these for low and moderate income families. As amended this section would reaffirm this goal but would indicate that it is to be achieved in a manner which makes maximum use the existing housing stock and which, to the fullest extent feasible, relies upon the disciplines and economics of a free housing market.

Paragraphs (2) and (3) would delete references to a ten year period from sections 1602 and 1603 of the Housing Act of 1968.

Section 104. Expansion of experimental program

This section would amend Section 504 of the Housing and Urban Development Act of 1970 as follows:

Subsection (a) would authorize and direct the Secretary through an expansion of the Experimental Housing Allowance Program to initiate and operate pilot programs of cash assistance for rental or homeownership expense to determine the practicality of such programs.

Subsection (b)(1) would direct the Secretary to develop data and experience to determine: (A) the attributes and composition of the group to be eligible under a full scale national cash assistance program, (B) appropriate methods for staging the implementation of a full scale program, (C) the definition of safe and sanitary housing, (D) the cost of safe and sanitary housing in various areas, (E) the amount that a family receiving Federal cash assistance should contribute to its housing costs and (F) the impact of a cash assistance program for housing on the welfare of low and moderate income families.

Subsection (b)(2) would direct the Secretary to develop administrative arrangements for a cash assistance program and to determine the effect the cash assistance program would have on the cost of housing and the availability of safe and sanitary housing.

Subsection (c) would require the Secretary to report his findings to Congress not later than 18 months after the enactment of the Housing Act of 1973 and to include in his report any appropriate proposed legislation.

Subsection (d) would authorize the Secretary, subject to appropriation acts, to contract for cash assistance payments and contract with public or private agencies for the performance of administrative functions.

Subsection (e) would authorize the appropriation of such sums as necessary for carrying out this section.

USE OF FUNDS FROM UNITED STATES HOUSING ACT OF 1937

Section 105 would permit the Secretary, out of funds appropriated pursuant to Section 5 of the United States Housing Act of 1937 to make payments of cash assistance for rental or homeownership expense to, or on behalf of, such number of individuals and families as the Secretary determines are necessary to enable him to make the findings and recommendations required by section 504(c) of the Housing and Urban Development Act of 1970 as amended by this Act.

TITLE II—MORTGAGE CREDIT ASSISTANCE

(Revised National Housing Act)

The first section of the bill would provide that upon enactment it would be cited as the "Revised National Housing Act."

Structure of the Act

The Act would replace a large number of existing insurance authorities and consolidate them in three major titles. Title III would cover property improvement, historic structure preservation and mobile home loans. Title IV would cover home mortgages including one to four family residences and a one-family unit in a condominium. Title V would consolidate various project mortgage insurance programs (including multi-family housing, land development and health facilities), together with a supplemental loan program which would in turn consolidate three existing authorities. The Act also would establish a new experimental financing authority. Additionally, various provisions spread throughout the National Housing Act relating to insurance funds, premiums and similar items would be revised, clarified and consolidated. The subsidized home ownership and rental programs now contained in Sections 235 and 236 of the National Housing Act would not be carried over to the new Revised National Housing Act.

REVISED NATIONAL HOUSING ACT

TITLE I—GENERAL AUTHORITY

Section 101—Definitions

This section would define "first mortgage", "mortgage," "mortgagor," "home mortgage," "project mortgage," "maturity date," "condominium," "experimental property," "State," and "Secretary," in substantially the same ways these terms are used in the National Housing Act. The term "loan" would be defined to mean a loan the security for which is acceptable to the Secretary but does not necessarily involve a mortgage. There would also be corresponding definitions of "lender" and "borrower". In addition, the term "advances" would be defined to permit "advances" of insured mortgage proceeds during construction or rehabilitation of projects or otherwise prior to final endorsement of a mortgage for insurance to cover the cost of materials and building components which are in transit, stored off-site, or otherwise located off-site but which will ultimately become part of the mortgaged property. Also, the term "experimental financing" would be defined as covering the use, on an experimental basis, of financing instruments not otherwise authorized or acceptable under the Act, but which the Secretary determines may be useful in expanding housing opportunities or meeting special needs and have a potential for acceptance in the private market.

Section 102—General insurance authority

Subsection (a) would require that an insured mortgage be made by, and held by, a mortgagee approved by the Secretary as responsible and able to service the mortgage properly.

Subsection (b) would provide general authority for the Secretary to insure and make (and modify) commitments to insure mortgages and loans. Except in the case of property improvement loans under Title III, insurance could be provided on a basis which obligates the Secretary to pay loans up to a specified percentage of the mortgage or loan, including the full value. The Secretary could also contract so that he would only pay losses in excess of a certain percentage of a mortgage or in excess of a specified dollar amount; he could contract to share losses; or he could combine two or more of the above approaches. The choice of method is to be made according to what the Secretary believes is appropriate to encourage provisions of housing opportunities, protect his interests as insurer, promote efficient administration and otherwise further the purposes of the Act. Different methods could be chosen for different programs or classes of risks.

Subsection (c) would provide that in order to be eligible for insurance under this Act, the mortgage transaction must be determined by the Secretary to be an insurable risk. However, it would also provide that the Secretary may accept for insurance as special risks mortgage transactions involving experimental property, property in areas where there is a reasonable prospect for revitalization, single-family housing for employees or personnel of research or military installations where the Secretary determines that there is a special need for such housing, or supplemental project loans where the Special Risk Insurance Fund created pursuant to section 238(b) of the National Housing Act is obligated for insurance of the original project mortgage.

Subsection (d) would provide that prior to July 1, 1977, the Secretary would be permitted to insure as a special risk a transaction involving experimental financing, provided that the transaction would, except for the method of financing and related adjustments involved, qualify for insurance under the Act. However the outstanding aggregate principal amounts of instruments insured under this authority could not exceed 2 per centum of the outstanding aggregate principal amount of mortgages and loans insured under Title IV and V of the Act.

Subsection (e) would provide that the Secretary not insure any mortgage or loan, the interest of which is exempt from Federal taxation.

Section 103—Limitations in relation to value or cost

This section would provide that for programs under Titles IV and V authorizing insurance of mortgages or loans involving the construction, rehabilitation, refinancing, repair or improvement of property, the Secretary shall prescribe limitations with respect to the ratio between the principal amount of eligible mortgages or loans and the value, cost, or replacement cost of the properties or work covered by such mortgages or loans.

Section 104—Interest rates

This section would provide for the interest rates on mortgages and loans insured under the Act, except in the case of property improvement and mobile home loans under Title III and experimental financing. The rate provided for would not be fixed but would be that rate as agreed to by the mortgagor and mortgagee or borrower and lender unless the Secretary determined that an agreed upon rate was excessive in relation to current market rates in the area. The section would further prohibit (under regulation of the Secretary) the sharing of mortgages or lenders of discounts or points in addition to interest.

Section 105—Water and sewer facilities

This section would require that there be public or adequate private community water and sewerage facilities serving newly constructed housing except where it was determined by the Secretary that the establishment of a public or adequate private community system was not economically feasible and the Secretary determined that the absence of such a system would not create a significant environmental hazard. The determination of economic feasibility would be made without regard to whether the establishment of the particular type of system was authorized by law or was subject to approval by one or more local governments or public bodies.

Section 106—Approval of technically suitable materials

This section would require the Secretary to adopt a uniform procedure for the acceptance of materials and products to be used in structures approved for mortgages and loans insured under the Act.

Section 107—Insurance contract incontestability

This section would establish the incontestability of an insurance contract in the hands of an approved mortgagee from the date of its execution, except for fraud or misrepresentation on the part of such mortgagee.

Section 108—Administration

This section would authorize the Secretary, in respect to his powers under this Act, to sue and be sued, make expenditures, and issue rules and regulations.

TITLE II—INSURANCE FUNDS, PREMIUMS AND CHARGES

Section 201—Insurance funds

Subsection (a) would provide that the General Insurance Fund established by the National Housing Act will be used by the Secretary to carry out both his obligations incurred pursuant to the National Housing Act and, except as otherwise provided in subsections (b) and (c) of this section, his obligations with respect to mortgages and loans under titles III, IV and V of this Act. This subsection would further require the Secretary to transfer to the General Insurance Fund all assets, liabilities, outstanding commitments and insurance of the Mutual Mortgage Insurance Fund, and to use the General Insurance Fund for carrying out his obligations under Sections 203(a), 203(h) and 203(i) of the National Housing Act.

Subsection (b) would provide that the Special Risk Insurance Fund be used by the Secretary to carry out both his obligations pursuant to the National Housing Act and his obligations with respect to mortgages and loans insured as special risks pursuant to section 102 (c) and (d) of this Act.

Subsection (c) would provide that in addition to those insurance obligations incurred pursuant to the National Housing Act, the Cooperative Management Housing Insurance Fund also be used to carry out the Secretary's obligations with respect to (1) project mortgages insured under section 501 where the mortgagor is a cooperative, and (2) supplemental project loans where the original project mortgage is an obligation of the Cooperative Management Housing Insurance Fund or is an uninsured mortgage covering a cooperative project.

Subsection (d) would provide that income received or expenses incurred in connection with the insurance of mortgages or loans be credited or charged to the fund obligated for such insurance.

Subsection (e) would authorize the Secretary to borrow from the Treasury from time to time such amounts as he determined were necessary to make cash insurance payments, in lieu of payments in debentures.

Subsection (f) would allow moneys in an insurance fund which were not needed for current operations to be invested in obligations of, or guaranteed by, the United States or any agency of the United States, or in debentures which are the obligation of the particular fund.

Subsection (g) would authorize repayable advances from one insurance fund to the other in such amounts as the Secretary determined necessary for the administration of the funds.

Subsection (h) would authorize the appropriation of such sums as needed to cover losses sustained by the Special Risk Insurance Fund.

Section 202—Insurance premiums and charges

Subsection (a) would authorize the Secretary to fix an insurance premium charge or charges. The Secretary could require payment of any insurance premium either on an advanced or deferred payment basis.

Subsection (b) would authorize the Secretary, in his discretion, to collect an adjusted premium charge in the event a home or project mortgage were prepaid.

Subsection (c) would authorize the Secretary to terminate any insurance contract upon request of the mortgagor and the mortgagee, and to require the payment of a termination charge.

Subsection (d) would permit payment of premiums and charges under this section to be either in cash or debentures of the insurance fund to which the premium is to be credited, except that insurance premiums for property improvement and mobile home loans shall be paid only in cash.

Section 203—Processing fees and service charges

Subsection (a) would authorize the Secretary to charge the mortgagee processing, appraisal, inspection and other appropriate charges for the services rendered. Such charges would be payable in cash.

Subsection (b) would authorize the Secretary, in the case of mortgages held by him or made payable to him, to collect a service charge from the mortgagor in the event the mortgage is held by the Secretary.

TITLE III—PROPERTY IMPROVEMENT AND MOBILE HOME LOANS

Section 301—Types of loans

Subsection (a) would authorize the Secretary to insure financial institutions against losses in making, advancing credit in connection with, or purchasing property improvement loans, mobile home loans, and historic residential structure preservation loans.

Subsection (b) would make eligible for insurance home improvement loans for the purpose of repairing or improving existing structures or mobile homes (including the provision of fire safety equpment) or the bulding of new structures by the owner or a lessee under a lease expiring not less than six months after the maturity of the loan.

Subsection (c) would make eligible for insurance loans made for the purpose of financing the purchase of a mobile home to be used by the owner as his principal residence.

Subsection (d) would make eligible for insurance loans made for the purpose of financing the preservation of "historic structures".

Section 302—Loan terms

Subsection (a) would require that a home improvement loan (1) involve an amount not exceeding $10,000, except that where the structure to be repaired includes two or more dwelling units the loan could not exceed $15,000 nor an average amount of $5,000 per unit; and (2) have a maturity not exceeding twelve years and thirty-two days, except where the loan involves the construction of a new structure for use in whole or in part for agricultural purposes.

Subsection (b) would require that a mobile home loan (1) involve an amount not exceeding $10,000 ($15,000 in the case of a mobile home composed of two or more modules); and (2) have a maturity not exceeding fifteen years and thirty-two days.

Subsection (c) would require that a loan financing the preservation of a historic structure (1) involve an amount not exceeding $15,000 per family unit; and (2) have a maturity not exceeding fifteen years and thirty-two days.

Subsection (d) provides that loans under this title shall bear interest at a rate not in excess of such rate as the Secretary may determine is necessary to meet the loan market.

Section 303—Refinancing

This section would authorize the Secretary to refinance and extend the maturity of any loan insured under the title, provided that the amount of term of the loan as refinanced did not exceed the limitations prescribed in section 302.

Section 304—Prohibitions

This section would authorize the Secretary to prevent (1) the use of multiple loans which would result in outstanding loans, with respect to the same property or mobile home, in an amount in excess of the dollar limits prescribed in this title for an individual loan, or (unless waived by the Secretary) (2) the insuring of home improvement loans involving new residential structures (other than mobile homes) which have not been completed and occupied for at least six months.

Section 305—Property standards

Subsection (a) would authorize the Secretary to declare ineligible for financing under this title any products, repairs or improvements which do not improve the basic liveability or utility of properties or which are especially subject to selling abuses.

Subsection (b) would direct the Secretary to (1) prescribe minimum property standards for mobile homes and the sites on which they are to be located, and (2) obtain assurances from the borrowers on mobile home loans that their mobile homes will be placed on sites meeting standards prescribed by the Secretary and any local zoning or other requirements.

Section 306—Contract provisions

Subsection (a) would provide that the insurance obligation of the Secretary with respect to any lender not exceed either (1) 10 percent of the total amounts of loans made by the lender under this title and under section 2 of the National Housing Act after July 1, 1939, or (2) 90 percent of the loss on any individual loan.

Subsection (b) would make any payment for loss incontestable after two years in the absence of fraud or misrepresentation by the lender unless a demand for repurchase of the obligation on behalf of the United States has been made before the end of the two-year period.

Section 307—Waiver of requirements

This section would authorize the Secretary to waive compliance with any regulation issued pursuant to this title if the lender has acted in good faith and enforcement would impose an injustice on him, but the waiver could not involve an increase in the amount of the Secretary's obligation.

Section 308—Transfer of insurance

This section would authorize the Secretary to transfer the insurance of any loan to any approved lender which purchases such loan.

TITLE IV—HOME MORTGAGE INSURANCE

Section 401—Conditions for insurance of home mortgages

Subsection (a) would authorize the Secretary to insure unsubsidized home mortgages (including open-end advances under the mortgage) covering a one- to four-family residence or a one-family unit in a condominium.

Subsection (b) would provide certain eligibility requirements for mortgages insured under this section:

(1) The mortgage must require complete amortization payments which are not in excess of the mortgagor's ability to pay and must have a maximum term within such limits as the Secretary may prescribe.

(2) The mortgagor would have to make a minimum down payment in cash or its equivalent in such amount as the Secretary requires.

(3) The mortgage has a principal obligation not to exceed $45,000 in the case of a single-family resident, $48,750 for a two- and three-family residence or $56,000 in the case of a four-family residence, except the Secretary may increase such amounts by 50 per centum in Alaska, Hawaii or Guam.

Subsection (c) would require the Secretary to establish such requirements as he finds necessary to protect the rights of owners of one-family units in a condominium.

Subsection (d) would require that ratio limits on mortgages (required by section 103(b) of the Act) be based upon the appraised value of the property covered by such mortgages. In determining the limitations to be established under this subsection the Secretary is to consider the desirability of lower limitations where the mortgagor is not the occupant or where an existing property has been recently constructed without the prior approval which is required for mortgage insurance under the Act or for assistance under Chapter 37 of title 28 (VA).

Subsection (e) would require that the mortgagor receive a written statement of the Secretary's appraisal of the value of the property prior to completion of the sale or mortgage transaction.

TITLE V—PROJECT MORTGAGE INSURANCE

Section 501—Multifamily housing

Subsection (a) would provide for four categories of multifamily housing: (1) rental projects (other than those constructed under section 8(g) of the United States Housing Act of 1937); (2) cooperative projects; (3) projects in which the individual units are to be sold on a condominium basis; and (4) mobile home parks.

Subsections (b) and (c) would authorize the Secretary to insure mortgages financing the construction of new multifamily projects and the rehabilitation, purchase, or refinancing of existing multifamily projects. The mortgage would have to be approved by the Secretary and could be made subject to regulation by the Secretary as to rents, or sales, capital structure, rate of return and methods of operation.

Subsection (d) would provide that the mortgages insured under this section:

(1) provide for the complete amortization by periodic payments within and terms as the Secretary prescribes.

(2) involve a principal amount for such part of the property as may be attributable to dwelling use of (A) in the case of a non-elevator structure, not to exceed $13,000 per family unit without bedroom, $18,000 per family unit with one bedroom, $21,500 per family unit with two bedrooms, $26,500 per family unit with three bedrooms, and $30,000 per family unit in the case of a unit with four or more bedrooms; and (B) in the case of an elevator structure, not to exceed $15,000 per family unit without bedroom; $21,000 per family unit with one bed-

room; $25,750 per family unit with two bedrooms; $32,250 per family unit with three bedrooms; and $36,465 per family unit with four or more bedrooms. These maximums could be increased by up to 45 percent in any geographical area if costs so required, and by an additional amount up to 50 percent in Alaska, Hawaii or Guam.

Subsection (e) would require that a project contain at least 5 dwelling units (which, with the Secretary's approval, need not be self-contained living units) or 5 spaces in a mobile home park. Projects could include nondwelling facilities to serve occupants in the neighborhood but these facilities would have to be found to contribute to economic feasibility.

Section 502—Mortgage insurance for health facilities

Subsection (a) would define various terms used throughout the section. The terms "hospital," "nursing home," "intermediate care facility," and "group practice facility" would be defined in substantially the same manner as under the National Housing Act.

Subsection (b) would authorize the Secretary to insure mortgages which cover new or rehabilitated projects for use as hospitals, nursing homes, intermediate care facilities, or any combination of the foregoing. The mortgage would require complete amortization of periodic payments within a maximum term prescribed by the Secretary. Mortgagors could be made subject to restrictions as to charges and methods of financing.

Subsections (c), (d), and (e) of this section would (1) establish the general types of hospitals, nursing homes and intermediate care facilities with respect to which mortgages could be insured, with requirements for certain State health agency approvals for hospitals, nursing homes and intermediate care facilities; (2) authorize the Secretary, after consultation with the Secretary of Health, Education, and Welfare as to medical aspects of these facilities, to prescribe such regulations as are necessary to carry out the insurance program authorized by this section, and (3) provide that hospitals insured pursuant to this section be encouraged to carry out comprehensive health care programs for defined populations.

Section 503—Supplemental project loans

Subsection (a) would authorize the Secretary to insure a supplemental loan (including advances) for a multifamily or health facility project insured under the National Housing Act or under this title, or held by the Secretary. A limited number of housing cooperatives which purchased wartime housing covered by an uninsured mortgage for part of the purchase price from the Federal Government, and which qualify for supplemental loan insurance under existing law, would continue to be eligible.

Supplemental loans could be made: (1) to cover the operating losses of a project which during the first two years of operation has had costs exceeding income; (2) to finance repairs, improvements, and additions to projects; and (3) to finance the purchase and resale of cooperative memberships, provided that the down payment of new members is at least proportionately equal to the original downpayment for such memberships.

Subsection (b) would require that a loan covering operating losses not exceed in duration the unexpired term of the original mortgage and be limited in amount to the actual losses incurred by the project, as determined by the Secretary.

Subsection (c) would establish requirements for a loan financing repairs, improvements, and additions. The amount of the loan when a project is covered by an insured mortgage would be limited so that the sum of the loan plus the outstanding balance of the mortgage does not exceed the maximum mortgage limit prescribed by the Secretary for the type of project involved. The maximum maturity of the loan could not exceed the remaining term of the mortgage except that a supplemental loan with a maturity up to ten years in excess of the outstanding mortgage term could be made in the case of a cooperative project covered by an uninsured mortgage.

Subsection (d) would establish requirements for a loan to a cooperative to finance the purchase and resale of memberships. The amount of the loan plus the outstanding balance remaining on the mortgage could not exceed the maximum mortgage limit authorized by the Secretary for the type of project involved. The maturity of the loan could not exceed the remaining term of the mortgage.

Subsection (e) would provide that, in addition to the other supplemental loans authorized by this section, the Secretary is authorized to insure a loan for the repair or improvements to a multifamily project or health facility not covered by an insured mortgage, if he finds such loans would improve housing opportunities or provide protection against fire or other hazards.

Section 504—Mortgage insurance for land development

Subsection (a) would define the terms "land development" and "improvements" in substantially the same manner as they are used in the National Housing Act.

Subsection (b) would establish certain conditions under which a land development mortgage could be insured. The mortgage could cover land to be developed and the improvements to be made, except that facilities intended for public use and in public ownership would be excluded. Any eligible party approved by the Secretray other than a public body could qualify as a mortgagor. The term of the mortgage would be determined by the Secretary.

Subsection (c) would limit the principal obligation of the mortgage to the sum of 80 percent of the estimated value of the land before the development plus 90 percent of the estimated cost of development.

Subsection (d) would require that the improvements comply with applicable State and local governmental requirements as well as minimum standards set by the Secretary and would establish certain other conditions under which a land development project could be undertaken.

Subsection (e) would authorize the Secretary to adopt requirements for land development including encouragement of broad participation by small builders and a proper balance of housing for low and moderate income families.

Subsection (f) would require that public or private water and sewage systems consistent with existing or planned area systems be provided after development of the land.

Subsection (g) would authorize the Secretary to release or subordinate part or parts of the mortgaged property from the lien of the mortgage.

Subsection (h) would authorize the Secretary to adopt requirements to assure, at reasonable intervals of time during development, that the amount of the outstanding mortgage loan does not exceed 80 percent of the before development value of the remaining land under the lien of the mortgage plus 90 percent of the cost of the development of such land.

Section 505—Cost certification

Subsection (a) would require the Secretary to adopt requirements for the certification of costs incurred in the construction or rehabilitation of multifamily housing or health facilities. The amount of the mortgage or loan at the time of final endorsement could not exceed the approved percentage of the estimated value or cost of the land, property or interest prior to construction or rehabilitation plus the Secretary's approved actual cost of such construction or rehabilitation.

Subsection (b) would require the mortgagor to certify the actual costs of construction or rehabilitation. The Secretary could, in his discretion, require other parties involved in the transaction to certify the actual costs they have incurred with respect to the project or property. The Secretary could exempt from the requirements of this section (1) a mortgage covering a multifamily project designed for occupancy by 12 or fewer families, or (2) a mortgage of less than $500,000.

Subsection (c) would define various terms used in this section: (1) The term "approved percentage" means the percentage of estimated value, cost or replacement cost of a project or property which the Secretary is authorized to insure under the appropriate section of the Act. (2) The term "actual cost" means the costs to the mortgagor of various improvements. Allowable expenditures could include those for labor, materials, construction, contracts, engineers' and architects' fees, off-site public utilities, streets, organizational expenses, legal expenses, taxes and interest during construction, allocations of general overhead, and similar expenses allowed by the Secretary. If the Secretary determines that a cost certification is from a builder, contractor, or similarly interested party, the term "actual cost" could include an allowance for profit and risk determined to be reasonable by the Secretary.

Section 506—Labor standards

Subsection (a) would prohibit the Secretary from insuring any mortgage or loan under Title V involving new or rehabilitated property, except a mortgage covering multifamily housing designed for use by fewer than 12 families, unless all laborers and mechanics involved in the construction of the project or facility have been paid wages not lower than those prevailing for similar work in that locality, as determined by the Secretary of Labor.

Subsection (b) would allow the Secretary to waive compliance with this section in any case where services are voluntarily donated without compensation or at reduced compensation, and the Secretary determines that the amounts saved thereby are fully credited to the mortgagor.

TITLE VI—INSURANCE CLAIMS

Section 601—Insurance claim settlement

Subsection (a) would require the Secretary to issue regulations necessary to provide for the payment of benefits and settlement of claims arising from the issuance of mortgages and loans. Such regulations would prescribe conditions to receipt of insurance benefits and the manner in which such benefits are to be calculated, including the allowances to be made for indemnifying mortgagees for losses or costs incurred in preserving or enforcing those security interests or transferring those interests to the Secretary.

Subsection (b) would provide that payment of claims could be made in cash or in debentures.

Section 602—Settlement of insurance claims with debentures

Subsection (a) would require that the debentures issued in settlement of insurance claims be in registered form and in denominations which are multiples of $50. Such debentures would be subject to conditions prescribed by the Secretary with the approval of the Secretary of the Treasury.

Subsection (b) would provide that the debentures are to be negotiable instruments, signed by the Secretary and issued in the name of the applicable insurance fund carrying the insurance obligations with respect to the loan or mortgage.

Subsection (c) would provide that the debentures would be dated as of the date of default, unless a later date were established by the Secretary.

Subsections (d) and (e) would establish the means of determining the rate at which the debentures would bear interest.

Subsection (f) would provide for the semiannual payment of interest on debentures, and would establish a maturity.

Subsection (g) would exempt the principal and interest from State and local taxation.

Subsection (h) would provide that the debentures would be redeemed and paid out of the insurance fund under which they were issued. If the principal or interest were not so paid, the Secretary of the Treasury is directed to pay the holders the amount thereof.

Section 603—Forbearance of payments on home mortgages

This section would permit the Secretary, in a case where a mortgagor defaulted on a home mortgage due to circumstances beyond his control, to: (1) approve the request of the mortgagee for an extension of time for curing the default; or (2) approve a modification of the mortgage by recasting over the remaining term of the mortgage or a longer period the total unpaid amount then due.

Section 604—Modifications in terms of project mortgages

This section would provide that the Secretary could consent to any extension or modification of a defaulted multi-family mortgage only under and in conformity with regulations prescribed by him. Such regulations must provide that, unless otherwise approved by the Secretary, during the period of any such extension or modification the mortgagor will place in trust any income from the project in excess of operating needs. Criminal penalties would be prescribed for the misuse of project income in violation of the requirements of this section.

TITLE VII—MISCELLANEOUS

Section 701—General authorization for dealing with and disposing of property

This section would provide authority to the Secretary for dealing with and disposing of property acquired in connection with the settlement of insurance claims.

Section 702—Acquisition of title by the Secretary

This section would authorize the Secretary, in connection with a mortgage assigned to him, to acquire possession and title to the property by a voluntary conveyance in extinguishment of the mortgage debt or to institute foreclosure proceedings and prosecute such proceedings to conclusion. It also would authorize the Secretary to bid at a foreclosure sale of a mortgage held by him and to exercise all the rights of a mortgagee under such mortgage.

Section 703—Insurance for mortgages sold or executed in connection with the sale of property by the Secretary

This section would authorize the Secretary to insure mortgages sold by him or executed in connection with the sale of property by him. Such insurance is permitted to be made without being limited to the eligibility, insurance premium and settlement provisions of the Act.

Section 704—Expenditures to correct defects in experimental property

This section would authorize the Secretary to expend available funds to correct defects or failures (when he determines it necessary to protect the occupants) with respect to experimental property covered by an insured mortgage where the defects are caused or related to the advanced technology utilized.

Section 202—Transition between National Housing Act and Revised National Housing Act

This section would provide that the Revised National Housing Act be effective, in whole or in part, at such date or dates as the Secretary of Housing and Urban Development prescribed by regulation and would require the Secretary to establish procedures for the orderly transfer of mortgage insurance operations from the authority of the National Housing Act to the authority of the Revised National Housing Act in order to assure continuity of efficient program activity and to provide adequate opportunity for necessary administrative and legislative revisions.

TITLE III—PUBLIC HOUSING ASSISTANCE PROGRAM

Section 301—Revision of U.S. Housing Act of 1937

This section would revise the United States Housing Act of 1937.

Section 1—Short title

This section would provide that the revised Act may be cited as the "United States Housing Act of 1937."

Section 2—Declaration of policy

This section would state that it is the policy of the United States to assist the States and their political subdivisions to conduct programs to provide housing for families of low-income and, consistent with the provisions of the Act, to vest in local housing agencies the maximum amount of responsibility in the administration of their housing programs. It also would state that it is the sense of Congress that no tenant in a low-income housing project should be barred from serving on the board of a public housing agency because of his tenancy.

Section 3—Definitions

Subsection (1) would definite the term "low-income housing" to mean decent, safe, and sanitary dwellings and their necessary appurtenances, within the financial reach of families of low income. Except as otherwise provided in the Act, income limits for occupancy and rents would be fixed by public housing agencies and approved by the Secretary. The rent fixed by a public housing agency could not exceed one-fourth of a low-income family's income, but in no event could it be less than 40% of that part of the cost of operating and maintaining the project, including the cost of utilities whether tenant or agency supplied, which is reasonably allocable to the unit. This subsection also would provide that, in defining income for purposes of this Act, the Secretary shall consider income from all sources of each member of the family in the household, except that there would be excluded the income of any family member (other than the head of household or spouse) who is under eighteen years of age or is a full-time student; the first $300 of income of a secondary wage earner who is the spouse of the head of household; an amount equal to $300 for each family member residing in the household (other than the head of the household or spouse) who is under eighteen years old or who is eighteen or older and is disabled or handicapped or a full time student; nonrecurring income as determined by the Secretary; and such extraordinary medical expenses as the Secretary approves for exclusion.

Subsection (2) would define the term "low-income families" to mean families who are in the lowest income group and who cannot afford to pay the cost of decent, safe, and sanitary dwellings for their use. It also would provide that a low-income family may consist of a single person who is (i) the remaining member of a tenant family, (ii) at least sixty-two years of age, (iii) under a disability as defined in section 223 of the Social Security Act, (iv) a handicapped person who, pursuant to regulations of the Secretary, meets specified conditions, (v) a person displaced by governmental action, or (vi) a person whose present or former dwelling has been affected by certain disasters.

Subsection (3) would define the term "development" to mean any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with a low-income housing project. It also would define the term "development cost" to be the cost incurred by a public housing agency in such undertakings and their necessary financing, and in otherwise developing such a project. Additionally, it would provide that construction activity in connection with a low-income housing project could be confined to the reconstruction, remodeling, or repair of an existing building.

Subsection (4) would define the term "operation" to mean any or all undertakings appropriate for low-income housing project management, operation, services, or maintenance, and their necessary financing, as well as the financing of "tenant programs and services", which would be defined to include development or maintenance of tenant organizations, training for housing management, counseling and related services. It also would provide that, to the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

Subsection (5) would define the term "acquisition cost" to mean the amount prudently required to be expended by a public housing agency in acquiring a low-income housing project.

Subsection (6) would define the term "public housing agency" to mean any State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of low-income housing.

Subsection (7) would define the term "State" to include the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, the Trust Territory of the Pacific Islands, and Indian tribes, bands, groups, and Nations (including Alaska Indians, Aleuts, and Eskimos) of the United States.

Subsection (8) would define the term "low-income housing project" and "project" to mean any low-income housing developed, acquired, or assisted by a public housing agency under the Act and to mean the improvement of such housing.

Subsection (9) would define the term "Secretary" to mean the Secretary of Housing and Urban Development.

Section 4—Loans for low-income housing projects

Subsection (a) would authorize the Secretary to make loans or commitments to make loans to public housing agencies to help finance or refinance the development, acquisition, or operation of low-income housing projects by such agencies. Any contract for such loan and any amendment to a contract for such loans would have to provide for an interest rate, specified by the Secretary, not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus one-eighth of one percent. This subsection also would provide that such loans shall be secured in such manner and shall be repaid within a period not to exceed forty years or forty years from the date of the bonds evidencing the loan, as the Secretary determines. Also, it would allow the Secretary to require such loans or commitments to make such loans to be pledged as security for obligations issued by a public housing agency in connection with a low-income housing project.

Subsection (b) would authorize the Secretary to issue and have outstanding at any one time notes and other obligations for purchase by the Secretary of the Treasury in an amount which, unless authorized by the President, could not exceed $1.5 billion. It also would direct the Secretary, for the purpose of determining obligations incurred to make loans pursuant to the Act against any limitation otherwise applicable to such loans, to estimate the maximum amount to be loaned at any one time pursuant to loan agreements outstanding with public housing agencies. Additionally, it would authorize the Secretary, with the approval of the Secretary of Treasury, to establish terms and conditions of notes or obligations; would authorize and direct the Secretary of the Treasury to purchase notes or obligations issued under the section; and would establish other related terms and conditions.

Section 5—Annual contributions for low-income housing projects

Subsection (a) would authorize the Secretary to make annual contributions to public housing agencies and would direct that provisions for such contributions be embodied in a contract guaranteeing their payment. It would provide that the annual contributions payable under this section may not exceed the annual amount of principal and interest payable on obligations issued by the public housing agency to finance the development or acquisition cost of the low-income project involved. It also would provide that the amount of annual contributions which would be established for a new project to accommodate a number of families of a given size and kind may be established under this section for a project by such public housing agency which would provide housing for the comparable number, sizes, and kinds of families through the acquisition, acquisition and rehabilitation, or use under lease of structures suitable for low-income housing use and obtained in the local market.

Additionally, this subsection would authorize the Secretary to require the pledging of annual contributions payable under this section as security for obligations of a public housing agency to assist the development or acquisition of the project to which annual contributions relate and would direct that annual contributions shall be paid over a period not to exceed forty years.

Subsection (b) would authorize the Secretary to prescribe regulations fixing the maximum contributions to be provided under different circumstances, giving consideration to cost, location, size, rent-paying ability of prospective tenants, or other factors bearing upon the need to achieve and maintain low rentals, and would authorize regulations providing for rates of contribution based upon development, or acquisition costs, number of dwelling units, number of persons housed, interest charges, or other appropriate factors.

Subsection (c) would authorize the Secretary to enter into contracts for annual contributions aggregating not more than ——— per year, which would be increased by ——— million on July 1, 1974. It would provide that, of the aggregate amount authorized for annual contributions, an amount not to exceed ——— million per year may be used for the modernization of low-income housing projects. It would limit the Secretary's authority to enter into new contracts for preliminary loans to such contracts as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into. It would pledge the faith of the United States to payment of all annual contributions contracted for pursuant to this section, and would authorize appropriation in each fiscal year of amounts necessary to provide for such payments. It also would provide that all payments of annual contributions pursuant to section 5 shall be made out of any funds available for purposes of the Act when such payments are due, except that funds obtained through the issuance of obligations pursuant to section 4(b) (including repayments or other realizations of the principal of loans made out of such funds) shall not be available for the payment of such annual contributions.

Subsection (d) would provide that any contract for loans or annual contributions, or both, could cover one or more low-income housing project owned by a public housing agency and, in the event that a contract covers two or more projects, such projects could, for any purposes of the Act and of such contract (including, but not limited to, determination of the amount of the loan, annual contributions, or payments in lieu of taxes, specified in such contract), be treated collectively as one project.

Subsection (e) would provide that the Secretary may not enter into a contract with a public housing agency for preliminary loans for surveys and planning in respect to a project unless the governing body of the locality has approved the application of the public housing agency for such loan and unless the public housing agency has demonstrated to the satisfaction of the Secretary that there is not, and there is not likely soon to be, in the locality, an adequate supply of existing housing for low-income families. This subsection also would provide that the Secretary could not enter into a contract for loans (other than preliminary loans) or for annual contributions unless the governing body of the locality has entered into an agreement with the public housing agency providing for the local cooperation required by the Secretary pursuant to the Act.

Subsection (f) would authorize the Secretary to consent to the modification, with respect to rate of interest, time of payment of any installment of principal and interest, security, amount of annual contribution or any other term of any contract or agreement to which the Secretary is a party, subject to specific limitations contained in the Act. It also would authorize the Secretary to amend or supersede any contract made for annual contributions, loans, or both, when it would promote economy or be in the financial interest of the Government. It also would proscribe the amending or superseding of contracts in a manner which would impair outstanding obligations, and would deem any contrary rule of law inapplicable.

Subsection (g) would provide that, notwithstanding any other provision of law, a public housing agency may sell a low-income housing project to its low-income tenants, on such terms and conditions as the agency may determine, without affecting the Secretary's commitment to pay annual contributions with respect to that project, but such contributions could not exceed the maximum contributions authorized under subsection 5(a).

Section 6—Contract provisions and requirements

Subsection (a) would authorize the Secretary to include in any contract for loans, annual contributions, sale, lease, mortgage, or any other agreement or instrument made pursuant to the Act, such covenants, condidtions, or provisions as he may deem necessary to insure the low-income character and economic viability of the project involved, including a condition requiring an open space or playground in connection with a housing project. It also would provide that, except in the case of housing predominantly for the elderly, any such contract shall require that high-rise elevator projects shall not be provided for families with children unless the Secretary determines that there is no practical alternative.

Subsection (b) would provide that every contract for loans (other than preliminary loans) and annual contributions shall provide that the development cost of a low-income housing project (excluding the cost of non-dwelling facilities and the cost of relocation payments and assistance) on which the computation of any annual contributions may be based shall not exceed by more than 10 percent the appropriate prototype cost for the area, except where the Secretary determines that this limitation should not be applied to the project because of special considerations with respect to the cost of land or site improvements.

This subsection would direct the Secretary to establish prototype costs at least annually based on his estimate of the construction costs (excluding land and site development costs) of new dwelling units of various sizes and types in the area suitable for occupancy by persons assisted under the Act, and his determination of reasonable allowances for the cost of land and site improvements. In determining prototype costs, the Secretary would be directed to take into account the extra durability required for economical maintenance of assisted housing, the provision of amenities designed to guarantee safe and healthy home life, and good design and architectural standards. The prototype costs would become effective upon publication in the Fedearl Register.

Subsection (c) would require every contract for annual contributions to include provisions (1) authorizing the Secretary to require the public housing agency to review and revise its maximum income limits for admission to the project; (2) requiring a public housing agency to determine and certify to the Secretary that each family in a project was admitted in accordance with approved income limits and to make such reviews of incomes of tenant families as the Secretary may require, but proscribing both establishment of any income limits for continued occupancy and the charging of any rent in excess of the rental described in section 9(b) of the Act; and (3) requiring prompt notification to applicants determined to be ineligible for admission of the basis for the determination and an opportunity for an informal hearing, and prompt notification of the approximate date of occupancy, insofar as it can reasonably be determined, to any applicant determined eligible for occupancy.

Subsection (d) would provide that annual contributions may not be made available for a public housing project unless the project (exclusive of any portion not assisted by annual contributions under the Act) is exempt from all real and personal property taxes imposed by the State or its political subdivisions. This subsection also would require public housing agencies to make certain payments in lieu of taxes, and would provide for certain additional payments by State or local governments if a project is not exempt from all taxes.

Subsection (e) would require every contract for annual contributions to provide that whenever in any year the receipts of a public housing agency in connection with a low-income housing project exceed its expenditures (including debt service, operation, maintenance, establishment of reserves, and other costs and charges), an amount equal to the excess must be applied, or set aside for application, to purposes which, in the determination of the Secretary, will reduce the amount of subsequent annual contributions.

Subsection (f) would authorize every annual contribution contract to provide that, upon substantial default, as defined in the contract, by the public housing agency with respect to the covenants and conditions to which the agency is subject, the Secretary could require the agency to convey title or possession of the project to the Secretary. The Secretary would be required to reconvey or redeliver the project to the public housing agency when the Secetary was satisfied that all defaults with respect to the project had been cured. This subsection also would provide that, with respect to contracts for annual contributions containing the provisions set forth above, the Secretary's obligation to pay annual contributions to cover debt service on the local agency's obligations would continue, if the annual contributions have been pledged as security by the public housing agency, and notwithstanding any other provision of the Act.

Section 7—Congregate housing

This section would direct the Secretary to assist public housing agencies, in providing housing predominantly for displaced, elderly, or handicapped families, to design, develop, or otherwise acquire such housing to meet the special needs of the occupants and, wherever practicable, for use in whole or in part as congregate housing. The section would provide that not more than ten per centum of the total amount of annual contribution contracts entered into in any fiscal year under new authority in section 202 of the Housing and Urban Development Act of 1970 or any subsequent law could be entered into with respect to units in congregate housing. The term "congregate housing" would be defined to mean low-income housing in which some or all dwelling units do not have kitchen facilities, and there is a central dining facility. This section would provide for inclusion, as project operating costs, of expenses (other than the cost of providing food and service) incurred by a public housing agency in the administration of such central dining facility.

Section 8—Low-Income housing in private accommodations

Paragraph (1) of subsection 8(a) would authorize public housing agencies, for the purpose of providing a form of low-income housing which will take full advantage of vacancies in the private housing market, to provide housing for low-income families in the form of low-income housing in private accommodations in accordance with section 8.

Paragraph (2) of subsection (a) would provide that the provisions of this section shall not apply to any locality unless the governing body of the locality has passed a resolution approving application of such provisions to such locality.

Paragraph (3) of subsection (a) would define, for the purposes of this section the term "low-income housing in private accommodations" to mean dwelling units, leased from a private owner (including an owner-occupant), which provide decent, safe, and sanitary dwelling accommodations and related facilities, and would define the term "owner" to mean any person or entity having the legal right to lease or sublease property containing one or more dwelling units as described in this section.

Paragraph (4) of subsection 8(a) would authorize the Secretary, at periodic intervals, to determine the market rental required to obtain modest existing and newly constructed rental housing and, on the basis of such determination, to establish for each housing area in which the program authorized under this section operates, a fair market monthly rental (including utilities and all maintenance and management services) for units by bedroom size for low-income housing in private accommodations.

Subsection (b) would direct each public housing agency, by notification to owners of housing suitable for use as low-income housing in private accommodations, or by publication or advertisement, or otherwise, to make known from time to time to the public in the community or communities under its jurisdiction the availability of financial assistance to low-income families seeking low-income housing in private accommodations and the anticipated need for dwelling units to be used as such low-income housing in such communities, inviting the owners of such dwelling units to make available for purposes of this section one or more such dwelling units, but not exceeding 20 per centum of the units in any single structure except to the extent that the Secretary by regulation may establish exceptions. This subsection also would direct public housing agencies to conduct appropriate inspections of offered units, or of units solicited by low-income families, and if it finds that such units are, or may be made, suitable for use as low-income housing in private accommodations within the meaning of subsection (a)(3) and the rentals to be charged for such units, as agreed to by the agency and the owner consistent with subsection (c) (2), are within the financial range of families of low income, the agency could approve such units in accordance with (and subject to the applicable limitations contained in) this section. Also, each public housing agency would be required to maintain a current list of units approved by it including related information it considers necessary or appropriate.

Subsection (c) would provide that, to the extent of contracts entered into by the Secretary and a public housing agency for annual contributions authorized by section 5 (a) of the Act, such agency may enter into contracts for the use of dwelling units in accordance with section 8. It also would state that each contract entered into under section 8 shall provide (with respect to any unit) that (1) selection of tenants shall be by the owner subject to the contract between the Secretary and the agency; (2) the rental and other charges to be received by the owner (which shall not exceed the fair market rental established by the Secretary) shall be agreed to by the agency and the owner, and the contribution toward the rental and other charges agreed to by the agency and the owner to be made by the tenant shall be determined in accordance with the provisions of section 3(1) of the Act; (3) maintenance and replacement shall be in accordance with standard practices for the building concerned as established by the owner and agreed to by the agency; and (4) the agency and the owner shall carry out such other appropriate terms and conditions as mutually agreed to by them. This subsection also would provide that each contract for an existing structure entered into under this subsection shall be for a term of not less than one month or more than sixty months, except as otherwise provided by the Secretary; and that each contract for a new structure entered into under this subsection shall be for a term of not less than one month nor more than one hundred and twenty months and may be renewable at the expiration of such term, except that no renewal of such a contract shall result in a total term exceeding two hundred and forty months.

Subsection (d) would provide that the period over which payments will be made by a public housing agency for a project of low-income housing in private accommodations under section 8, and the aggregate amount of such payments, under a contract for annual contributions, shall be determined on the basis of the number of units in the community or communities under the jurisdiction of such agency which are in use (or can reasonably be expected to be placed in use) as low-income housing in private accommodations under this section, taking into account the terms of the leases under which the units are (or will be) so used. Also, this subsection would state that contracts between the Secretary and a public housing agency pursuant to this section shall provide for payment or reimbursement of reasonable and necessary expenses incurred by the administering entity in carrying out functions under section 8.

Subsection (e) would authorize a public housing agency to purchase any structure containing one or more dwelling units leased to provide low-income housing in private accommodations under this section for the purpose of reselling the structure to the tenant or tenants occupying units aggregating in value at least 80 percent of the structure's total value. This paragraph also would provide that any such resale may be made on the terms and conditions set forth in section 5(g) of the Act.

Subsection (f) would make the provisions of subsections 5(e) and 6(d) of the Act inapplicable to low-income housing in private accommodations provided under section 8, and to housing purchased (or in the process of purchase) by the public housing agency for resale to tenants as provided under subsection (e).

Paragraph (1)(A) of subsection (g) would direct the Secretary, to the maximum extent feasible, to provide assistance for the construction or substantial rehabilitation of housing for low-income families under the Act in accordance with the provisions of this subsection. Such housing would have to be located in housing areas with respect to which the Secretary has determined that there is not, and not likely to be, an adequate supply of existing housing suitable to the needs of low-income families, except that newly constructed or substantially rehabilitated housing for low-income families could be located in other areas if such areas met standards established by regulations of the Secretary.

Paragraph (1)(B) of subsection (g) would provide that, notwithstanding any other provision of the Act, assistance for the construction or substantial rehabilitation of housing for low-income families pursuant to this subsection shall be provided through contracts with owners who agree to construct or substantially rehabilitate low-income housing in which some or all of the units (as agreed to by the owner and the Secretary) shall be available for occupancy by low-income families.

Paragraph (2) of subsection (g) would authorize the Secretary to make, and to contract to make, assistance payments to owners in such amounts and under such circumstances as are prescribed in this subsection.

Paragraph (3) of subsection (g) would define, for purposes of this subsection the term 'low-income family' to mean any family who, pursuant to criteria and procedures established by the Secretary, has been certified to have a gross annual income which is not more than four times the annual fair market rental as established by the Secretary for existing housing in the housing area for a dwelling unit suitable in size to the housing needs of such family and would define the term 'owner' to mean any private person or entity having the legal right to lease or sublease newly constructed or substantially rehabilitated dwelling units as described in this subsection and may include a public housing agency.

Paragraph (4)(A) of subsection (g) would direct that the contract between the Secretary and the owner shall provide that all ownership, management and maintenance responsibilities and expenses shall be assumed by the owner; shall establish the maximum monthly rent (including utilities and all maintenance and management service charges) which the owner shall receive per dwelling unit with respect to which monthly assistance payments are to be made pursuant to this subsection, the number and size (by bedrooms) of the dwelling units with respect to which such assistance payments are to be made, and the length of time for which such assistance payments are to be made.

Paragraph (4)(B)(1) of subsection (g) would provide that the maximum monthly rent shall not exceed the fair market rental established by the Secretary for modest newly constructed rental housing in the housing area, except that maximum rents not in excess of 10 per centum above the fair market rental may be contracted for when the Secretary determines that such additional amount is required to provide housing for low-income families.

Paragraph (4)(B)(2) of subsection (g) would provide that assistance payments shall not be made with respect to more than 20 per centum of the dwelling units in any single structure except as otherwise provided by the Secretary.

Paragraph (4)(B)(3) of subsection (g) would direct the Secretary not to contract to make assistance payments with respect to a dwelling unit for a term of less than one month or more than one hundred and twenty months and would provide that such term may be renewable except that no renewal shall result in a total term exceeding two hundred and forty months.

Paragraph (4)(C) of subsection (g) would direct that the contract between the Secretary and the owner shall provide that assistance payments may be made only with respect to a dwelling unit occupied by a family who was certified as a low-income family at the time it entered into a dwelling unit with respect to which assistance payments are to be made by the Secretary and whose current gross annual income is not more than four times the annual rental of the dwelling unit occupied by it.

Paragraph 4(D) of subsection (g) would provide that the contract between the Secretary and the owner may provide for adjustment in the maximum rents in amounts not greater than the amount of increases or decreases over the same period of time in the fair market rental established for the housing area for similar sizes and types of dwelling units to the extent such increases or decreases can be justified on the basis of the actual expense of owning and maintaining the dwelling units covered by the contract or, if the Secretary determines, on the basis of a reasonable formula.

Paragraph (4)(E) of subsection (g) would provide that no other assistance under the Act and no loans or insurance under the Revised National Housing Act shall be made available with respect to any structure containing dwelling units for which assistance payments are contracted to be made pursuant to this subsection.

Paragraph (5) of subsection (g) would limit the maximum amount of the monthly assistance payment with respect to any dwelling unit to the lesser of (1) the difference between not less than 25 per centum of one-twelfth of the gross annual income of the family occupying the dwelling unit and the maximum monthly rent which the contract provides that the owner is to receive for the unit; or (2) the difference between the amount of the monthly utility charges attributable to the dwelling unit (whether or not such charges are included in the monthly rent) and the maximum monthly rent which the contract provides that the owner is to receive for the unit.

Paragraph (6) of subsection (g) would provide that subsection 3(1) through 3(5), the third and fourth sentences of section 5(a), and section 6, would not apply to contracts for assistance entered into under this subsection, except that the term "family" or "families" as used in this subsection would include single persons who are included under paragraph (2) of section 3.

Paragraph (7) of subsection (g) would provide that applications for contracts for assistance pursuant to this subsection shall be made to the Secretary and shall be evaluated by him, and that, in the event the Secretary determines that there is an insufficient number of applications to provide adequate competition or suitable sites, the Secretary may advertise for proposals.

Section 9—Annual contributions for operation of low-income housing projects

Subsection (a) would authorize the Secretary to make annual contributions, in addition to the contributions authorized under section 5(a) of the Act, to public housing agencies for the operation of low-income housing projects owned by them. The Secretary would be authorized to embody the provisions for annual contributions for operating subsidy in a contract guaranteeing their payment, which contract could include such terms and conditions as he determines are necessary to carry out the purposes of the Act.

Subsection (b) would provide that the Secretary could not make any annual contributions to a public housing agency for the operation of low-income housing in any year unless the aggregate rentals collected for such year from families residing in the dwelling units owned by that agency are not less than an amount equal to one-fifth of the sum of the incomes of all such families but in no event could the rental charged for an individual dwelling unit exceed the sum of that part of the payment of principal and interest which the public housing agency is obligated to pay on the capital cost of the project and that part of the cost of operating and maintaining the project attributable to the dwelling unit or, in the case of low-income housing in private accommodations provided under section 8 of the Act, the rental which the owner receives for the dwelling unit plus the cost of utilities and necessary services not included in such rental.

Subsection (c) would authorize the Secretary, from the amounts authorized under section 5(c) of the Act, to enter into contracts for annual contributions under this section aggregating not more than   per year.

Section 10—General provisions

Subsection (a) would require the Secretary, in carrying out the Act, to prepare and submit annual budget programs as provided for wholly owned Government Corporations by the Government Corporation Control Act and to maintain an integral set of accounts to be audited annually by the General Accounting Office.

Subsection (b) would provide that all receipts and assets of the Secretary under the Act shall be available until expended.

Subsection (c) would authorize the Federal Reserve banks to act as depositories, custodians, and fiscal agents for the Secretary, and would authorize the Secretary to reimburse any such bank for such services in such manner as may be agreed upon.

Section 11—Financing low-income housing projects

Subsection (a) would provide that, where obligations issued by a public housing agency in connection with low-income housing projects are secured by a pledge of loans, annual contributions, or both with respect to such obligations, and bear or are accompanied by a certificate of the Secretary that they are so secured, the full faith and credit of the United States would back the guarantee, which would be incontestable in the hands of a bearer.

Subsection (b) would provide that public housing agency obligations (including interest thereon) issued by public housing agencies in connection with low-income housing projects and the income from such projects shall be exempt from Federal taxes whether paid by such agencies or by the Secretary.

Section 12—Labor standards

Subsection (a) would require contracts for loans, annual contributions, sale, or lease pursuant to the Act, other than under the authority of section 8 of the Act, to include a provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and to all maintenance laborers employed in the operation, of low-income housing projects.

Subsection (b) would require any contract for loans, annual contributions, sale, or lease pursuant to the Act to include a provision that laborers and mechanics employed in the development of a project designed for residential use for twelve or more families including a project for the use of privately built housing in any case where the Secretary or the public housing agency and the builder or sponsor enter into an agreement for such use before construction or rehabilitation is commenced, shall not be paid less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act. It also would direct the Secretary to require certification as to compliance before making any payment under the contract.

Section 13—Termination of authority to enter into new contracts

This section would provide that, notwithstanding any other provision of law, the Secretary could not enter into any new contracts, agreements, or other arrangements with respect to low-income housing projects the acquisition or development of which is initiated after December 31, 1975, nor after that date could he amend existing contracts, agreements, or other arrangements to permit the construction or lease of additional dwelling units, but the Secretary could enter into new contracts, agreements, or other arrangements with respect to the modernization or rehabilitation of low-income housing acquired or developed prior to that date.

Section 302—Applicability of rental requirement

This section would provide that, if amendments to the United States Housing Act of 1937, as amended by section 301 of the Act, would require the establishment of any increased rental for any family which occupies a low-income housing unit as of the effective date of such amendments, the required adjustment would be made as follows: (1) an increase equal to one half the increased rent would become effective at the time the public housing agency makes the first review of the family's income pursuant to such Act (as so amended) which occurs at least one year after the effective date of such amendments, and (2) the family's rent would be increased to the full amount of the rental charge required under this Act when the public housing agency makes its next review of the family's income. This section also would provide that rent increases would be effective on the first day of the month immediately following the month in which the income review takes place.

Section 303—Exemption of certain projects from rental formula

This section would authorize the Secretary of Housing and Urban Development, in lieu of the rental or income contribution provisions of the United States Housing Act of 1937, as amended by section 301 of the Act, to approve (1) the use of special schedules of required payments for participants in mutual help housing projects who contribute labor, land, or materials to the development of such projects, or (2) the continued use of special schedules of required payments as approved by the Secretary for homebuyers in occupancy in homeownership opportunity projects under lease-purchase type contracts on the effective date of title III.

Section 304—Repeal of specification requirements in construction contracts

This section would repeal section 815 of the Housing Act of 1954.

Section 305—Retroactive repeal of section 10(j)

This section would amend section 206(c) of the Housing Act of 1961 to authorize the Secretary to agree with a public housing agency to amend outstanding contracts for annual contributions which contained the provision prescribed in section 10(j) so as to delete such provision and waive any rights of the United States under such provision.

Section 306—Amendment to National Bank Act

This section would affect several amendments to section 5136 of the Revised Statutes, as amended (12 U.S.C. 24).

Section 307—Amendment to Lanham Act

This section would amend section 606(b) of the Lanham Act by striking out all of the first sentence following the parenthetical phrase and inserting in lieu thereof a period, and by striking out the second sentence.

Section 308—Effective date of title III

This section would provide that Title III of the Act would be effective at such date or dates as prescribed by the Secretary of Housing and Urban Development, but not later than six months after enactment thereof.

FEDERAL MORTGAGE FORECLOSURE ACT

Section 401. Short title

This section would provide that this Act may be cited as the "Federal Mortgage Foreclosure Act."

Section 402. Statement of findings

This section would set forth the following Congressional findings:

(1) that disparate state foreclosure laws have inhibited the free flow of mortgage money to homeowners in many States and have burdened Federal programs involving real estate mortgages;

(2) that delays in foreclosures have caused vandalism, depreciation and related costs;

(3) that delays in foreclosure have resulted in "equity skimming";

(4) that foreclosure costs are excessive in many parts of the Nation;

(5) that a uniform, less expensive and more expeditious foreclosure procedure would facilitate the nationwide secondary mortgage markets and would remove burdens on interstate commerce;

(6) that this Act would provide a less expensive and more expeditious foreclosure procedure which would reduce litigation in the courts and promote general welfare.

Section 403. Definitions

(a) "Mortgage" would mean any formal instrument under which real property is subjected to a lien to secure payment of money, including an installment contract for the purchase of real property.

(b) "Mortgage agreement" would mean the note and mortgage, deed of trust or other instrument, including any instrument incorporated by reference therein.

(c) "Mortgagee" would mean the obligee or obligees named in the mortgage agreement, and their successors and assigns.

(d) "Holder" would mean the current owner of the indebtedness secured by the mortgage.

(e) "Mortgagor" would mean the obligor named in the mortgage agreement and, unless the context otherwise indicated, would include the current owner of record of the mortgaged property.

(f) "Person" would include any individual, association, partnership, corporation or organization.

(g) "Record" and "records" would include "register" and "registered" in order to cover torrens systems.

(h) "Security property" would mean the real property and other property subject to the mortgage.

(i) "State" would include the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions, and the Trust Territory of the Pacific Islands.

(j) "County" would mean county as defined in 1 U.S.C. § 2.

Section 404. Mortgages Subject to this Act

This section would provide that the Act would cover mortgages made, owned, insured or guaranteed, in whole or in part, by the United States. Mortgages executed prior to the enactment of the statute would be covered, provided the default upon which foreclosure is based occurred subsequent to enactment.

Section 405. Designation of Foreclosure Commissioner

This section would provide that a Federal foreclosure remedy is created by authorizing a nonjudicial power of sale. This section would provide that the mortgage agreement may designate a "foreclosure commissioner" to conduct the foreclosure, and that the mortgagee may designate the foreclosure commissioner whether or not one is designated in the mortgage agreement.

The foreclosure commissioner would be required to be a resident of the State in which the security property is located, or if not a natural person, the foreclosure commissioner would be required to be duly authorized to transact business in such State. The person or entity selected by the mortgagees would be required, to the knowledge of the mortgagee, to be responsible, financially sound and competent to conduct the foreclosure. An employee could not be selected. The mortgagee would be responsible for the payment of any judgment obtained against the foreclosure commissioner based upon wrongful performance of the foreclosure commissioner's duties. Where the foreclosure commissioner is to be an official or employee of the United States or a local government, the foreclosure commissioner may be designated by title or position rather than name.

Section 406. Prerequisites to foreclosure

This section would provide that foreclosure may be commenced upon breach of a covenant or condition of the mortgage agreement for which foreclosure is authorized, provided that no foreclosure proceeding has been separately instituted by the mortgagee other than under this Act, and provided that there is pending no action on the debt. This section would permit simultaneous suit to appoint a receiver, obtain mortgagee in possession status, or obtain relief under an assignment of rents.

Section 407. Notice of default and foreclosure sale

This section would require that a notice of default and foreclosure sale be subscribed with the name and address of the foreclosure commissioner, and set forth the following information:

(a) the names of the holder of the mortgage, original mortgagee and the original mortgagor;

(b) the street address or description of the location of the security property, and a description of the security-property, or so much thereof as is to be offered for sale, sufficient to identify the property to be sold;

(c) the date of the mortgage, the office in which the mortgage is recorded, and the liber and folio or other description of the location of recordation of the mortgage;

(d) the failure to make payment, including the due date of the earliest payment remaining wholly unpaid as of the date the notice is subscribed, or the description of other default or defaults upon which foreclosure is based, and the acceleration of the secured indebtedness:

(e) the date, time and place of the foreclosure sale;

(f) a statement that the foreclosure is being conducted pursuant to this Act and that objections and a written request for a meeting may be made in accordance with subsection 411(b);

(g) the types of costs, if any, to be paid by the purchaser upon transfer of title;

(h) the amount and method of deposit to be required at the foreclosure sale, the time and method of payment of the balance of the foreclosure purchase price, and other terms of sale which the foreclosure commissioner deems appropriate.

Section 408. Commencement of foreclosure

This section would provide that the foreclosure commissioner shall commence foreclosure upon request of the mortgagee provided the prerequisites to foreclosure set forth in section 406 are satisfied, by serving a notice of default and foreclosure sale in accordance with section 409.

Section 409. Service of notice of default and foreclosure sale

This section would provide that the foreclosure commissioner shall serve a notice of default and foreclosure sale by publication, mailing and posting as follows:

Subsection (a) would require the notice to be published once a week during three successive calendar weeks with last date of publication not less than four nor more than twelve days prior to sale. The newspaper in which publication is made would be required to have general circulation in the county in which the security property is located, and to have circulation, to the extent practicable, conducive to achieving notice by publication. In the event no newspaper of general circulation is available, the section would require posting in three public places.

Subsection (b) would require mailing notice by certified or registered mail, postage prepaid and return receipt requested, to the following persons:

(1) the owner of record as the record exists forty-five days prior to the date set for foreclosure sale;

(2) the original mortgagor and subsequent mortgagors of record except those released;

(3) with respect to one- to four-family residential properties, any other person known to the holder of the mortgage to be in lawful posession;

(4) all lienors of record as the record exists forty-days prior to the date set for the foreclosure sale.

Notices under (1), (2) and (3) above would be required to be mailed at least twenty-one days prior to date of foreclosure sale, and notices under (4) above would be required to be mailed at least ten days prior to date of foreclosure sale. Notice would be deemed sufficient whether or not received.

Subsection (c) would require that a copy of the notice be posted in a prominent place on the security property at least seven days prior to foreclosure sale, except where:

(1) the foreclosure commissioner has received return receipts for all notices mailed under subsection (b) except those mailed to lienors: or

(2) the foreclosure commissioner determines that posting would cause a breach of the peace; or

(3) all persons to be mailed notice, except lienors, request in writing that notice not be posted; or

(4) the property is vacant.

Section 410. Pre-sale reinstatement

This section would require that the foreclosure be cancelled in the event the mortgagor tenders payment of all installments past due or cures a non-monetary default upon which foreclosure is based, and tenders the expenses of foreclosure, except that the foreclosure commissioner shall have discretion not to cancel a foreclosure when the current mortgagor has on two or more occasions previously so required a foreclosure to be cancelled.

Section 411. Adjournment; objections to foreclosure

Subsection (a) would provide that the foreclosure commissioner shall act as a fiduciary to the mortgagor and the mortgagee and shall conduct the foreclosure in a manner fair to both. The foreclosure commissioner would be required to attend the foreclosure sale and would be authorized to adjourn the sale to a later hour in the same day without further giving of notice, or to adjourn the foreclosure sale for not less than nine nor more than twenty-four days in which case revised notice would be served by publication and mailing.

Subsection (b) would provide that the foreclosure commissioner would review any objections to foreclosure sale, and would meet with the mortgagor upon written request. The foreclosure commissioner could request a representative of the mortgagee to attend such meeting.

Section 412. Conduct of sale

This section would require that the foreclosure sale not be held earlier than sixty days after the due date of the earliest installment wholly unpaid or the earliest occurrence of any uncured non-monetary default, with respect to one- to four-family residential properties except those which are vacant. Foreclosure would be required to be at public auction at a location where real estate auctions are customarily held, or at a courthouse, or at the property. The foreclosure commissioner would be prohibited from bidding but would be permitted to receive written one-price bids and to serve as auctioneer.

Section 413. Foreclosure costs

This section would provide that the following costs be paid from the sale proceeds before any other claim is paid:

(1) advertising expenses, postage and other out-of-pocket expenses of giving notice by publication and mail;

(2) mileage, at the rate provided in 28 U.S.C. § 1921, for posting notices and conducting sale;

(3) reasonable costs actually incurred in any necessary title search;

(4) out-of-pocket expenses to record documents; and

(5) a commission as authorized by joint regulations of the Secretaries of Housing and Urban Development and of Agriculture and the Administrators of the Veterans Administration and the Small Business Administration.

Section 414. Disposition of Sale Proceeds

This section would provide that money realized from a foreclosure sale be applied to costs of foreclosure, then to any liens prior to the mortgage which are required to be paid, then to advancements for taxes and assessments and expenditures for the necessary protection of the security property, then to interest on the mortgage, then to the principal on the mortgage, then to payment of junior lienholders in order of priority, then to the mortgagor. Provision would be made for deposit of disputed funds with any appropriate State official and for the payment of the foreclosure commissioner costs should a lawsuit be necessary to determine rights to disputed funds.

Section 415. Transfer of Title and Possession

Subsection (a) would provide that the foreclosure commissioner shall deliver a deed to the purchaser and obtain the balance of the purchase price in accordance with the terms of sale of the notice of default and foreclosure sale.

Subsection (b) would provide that the deed to the purchaser shall convey all right, title, and interest of the mortgagee, the mortgagor and others claiming through them, without any judicial proceeding ancillary or supplemental to the foreclosure provided in this Act.

Subsection (c) would provide that a purchaser at foreclosure shall be entitled to possession upon passage of title subject only to an interest senior to that of the mortgage.

Subsection (d) would provide that no right of redemption or possession shall exist in the mortgagor subsequent to the foreclosure sale.

Subsection (e) would provide that where conveyance is made to the United States, no tax shall be imposed upon the foreclosure deed or the transfer of title.

Section 416. Record of Foreclosure and Sale

Subsection (a) would provide that the foreclosure commissioner shall include in recitals of the deed to the purchaser, or prepare an affidavit, respecting:

(1) the fact that the mortgage was made, owned, insured or guaranteed by the United States in whole or in part;

(2) the particulars of service of notice;

(3) the conformity of the conduct of the foreclosure sale with the terms of the notice;

(4) a correct statement of foreclosure costs;

(5) the name of the successful bidder and amount of successful bid.

Subsection (b) would require that the foreclosure deed, the foreclosure commissioner affidavit, and any other instruments necessary to be recorded shall be accepted for recordation.

Section 417. Protection of properties

This section would provide that in the event the security property after default becomes vacant, the mortgagee would be entitled to take reasonable steps to secure the property against fire, vandalism and similar risks, and to take possession of the property by peaceable entry until one of the following events occurs: (i) the mortgagor demands and gives reasonable assurance of intention to take immediate possession; (ii) a foreclosure is commenced under State law; (iii) foreclosure under this Act is completed; or (iv) foreclosure is cancelled pursuant to section 410.

Section 418. Computation of time

This section would define the method of computation of time to include the day from which any period is calculated and the day on which any event or action to be taken occurs.

Section 419. Separability

This section would provide that if any part of the Act shall be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not impair the remainder of this Act.

By Mr. CHILES:

S. 2509. A bill to name structure S–5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Fla., as the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District. Referred to the Committee on Public Works.

Mr. CHILES. Mr. President, today I am introducing a bill which would name structure S–5A of the Central and Southern Florida Flood Control District located in Palm Beach County, Fla., as the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District.

Turner Wallis, a native of Clarksburg, W. Va., received his bachelor of science degree in civil engineering from Virginia Military Institute, and came to Florida in 1920 to engage in his chosen profession. After many years of experience in south Florida, especially in the Florida Everglades, he was appointed the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District in July 1949.

With his wealth of first-hand knowledge of the land and related water problems of the region, gained by years of varied activities, Turner Wallis was extremely influential in getting the central and southern Florida flood control project off to an early and progressive start on construction of works so vital and necessary for the protection of life and property and for the health and welfare of the residents and visitors within the area of the district.

I believe it is fitting and proper that W. Turner Wallis be posthumously honored for his outstanding contributions to the advancement of the project, and it is the desire of the governing board of the district that his contributions be properly recognized by dedicating a major project facility in his honor. I am therefore introducing this bill today and hope that it will receive the early favorable attention of the Congress.

By Mr. CHILES:

S. 2510. A bill to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes. Referred to the Committee on Government Operations.

OFFICE OF FEDERAL PROCUREMENT POLICY ACT OF 1973

Mr. CHILES. Mr. President, today, I am introducing a bill that represents the first step in a major legislative campaign about to be started by my Ad Hoc Subcommittee on Federal Procurement to reform the Federal procurement process.

Senator ROTH, ranking minority member on the subcommittee, joins me in sponsoring this act to create an Office of Federal Procurement Policy—OFPP—the No. 1 recommendation made by the Congressional Commission on Government Procurement on which I served. Since the Commission report was delivered to Congress at the start of this year, much has transpired to crystallize the legislation. Bills have been introduced and, in the House, Chairman HOLIFIELD has already completed extensive hearings on OFPP issues.

Now the Senate is prepared to take up its part in reforming a process that consumes nearly 40 percent of the Federal budget through procurement of goods and services and grants.

The legislation introduced today reflects the latest developments elicited by House hearings and executive branch reaction. It provides a new baseline for moving towards a central authority to guide and direct Federal procurement policies and regulations. In place of fragmented and inconsistent procurement authority and practices, it seeks to substitute a central focus for taking a hard look at policies, regulations, procedures and focus on a governmentwide basis.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Office of Federal Procurement Policy Act of 1973."

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress to promote economy, efficiency, and effectiveness in the procurement of goods, services and facilities by and for the executive branch of the Federal Government by—

(1) establishing policies, procedures, and practices which will require the Government to acquire goods, services, and facilities of the requisite quality and within the time needed at the lowest reasonable cost, utilizing competition to the maximum extent practicable;

(2) improving the quality, efficiency, economy, and performance of Government procurement organizations and personnel;

(3) avoiding or eliminating unnecessary overlapping or duplication of procurement and related activities;

(4) avoiding or eliminating unnecessary or redundant requirements placed on contractor and Federal procurement officials;

(5) identifying gaps, omissions, or inconsistencies in procurement laws, regulations, and directives and in other laws, regulations, and directives, relating to or affecting procurement;

(6) achieving greater uniformity and simplicity whenever appropriate, in procurement procedures;

(7) coordination procurement policies and programs of the several departments and agencies;

(8) conforming procurement policies and programs, whenever appropriate, to other established Government policies and programs;

(9) minimizing possible disruptive effects of Government procurement on particular industries, areas, or occupations;

(10) improving understanding of Government procurement laws and policies within the Government and by organizations and individuals doing business with the Government;

(11) promoting fair dealing and equitable relationships among the parties in Government contracting; and

(12) otherwise promoting economy, efficiency, and effectiveness in Government procurement organizations and operations.

FINDINGS AND PURPOSE

SEC. 3. (a) The Congress finds that economy, efficiency, and effectiveness in the procurement of property and services by the executive agencies will be improved by establishing an organization to assume responsibility for and direction over procurement policies and regulations.

(b) The purpose of this Act is to establish within the Executive Office of the President an office to provide overall leadership and direction for the development of procurement policies and regulations for executive agencies in implementation of procurement statutes.

DEFINITIONS

SEC. 4. As used in this Act—

(1) the term "executive agency" means an executive department as defined in section 101 of title 5, United States Code, an independent establishment as defined by section 104 of title 5, United States Code (except that it shall not include the General Accounting Office), a military department as defined by section 102 of title 5, United States Code, a wholly owned Government corporation, and the District of Columbia;

(2) the term "Office" means Office of Federal Procurement Policy; and

(3) the term "Administrator" means the Administrator of the Office of Federal Procurement Policy.

OFFICE OF FEDERAL PROCUREMENT POLICY

SEC. 5. (a) There is established within the Executive Office of the President an agency to be known as the Office of Federal Procurement Policy. Functions exercised by the Office shall be subject to such policies and directives as the President shall deem necessary to effectuate the provisions of this Act.

(b) There shall be at the head of the Office an Administrator of the Office of Federal Procurement Policy, who shall be appointed by the President by and with the advice and consent of the Senate.

(c) There shall be in the Office a Deputy Administrator of the Office of Federal Procurement Policy who shall be appointed by the President by and with the advice and consent of the Senate. The Deputy Administrator shall perform such functions as the designate and shall be Acting Administrator during the absence or disability of the Administrator and, unless the President shall designate another officer of the Government, in the event of a vacancy in the Office.

FUNCTIONS

SEC. 6. (a) The Administrator shall provide overall guidance and direction of procurement policy, and to the extent he considers appropriate and with due regard to the program activities of the executive agencies, shall prescribe policies and regulations which shall be followed by executive agencies (A) in the procurement of—

(1) property other than real property in being;

(2) services, including research and development; and

(3) construction, alteration, repair, or maintenance of real property; and (B) in providing for or in connection with procurement of items specified in (1), (2), and (3) above, to the extent required for performance of Federal assistance programs. However, in the case of programs to provide Federal assistance to States and political subdivisions, this authority shall not be construed to authorize any procurement contrary to State and local laws. Also, the authority of the Administrator under this Act shall apply to procurement by or for a military department only when payable from appropriated funds.

(b) The functions of the Administrator shall include the following:

(1) monitoring and revising as necessary policies and regulations concerning the role of the Federal government and its reliance on the private sector in providing goods and services required to meet public needs;

(2) monitoring and revising as necessary policies and regulations to protect the interests and integrity of the public and private sectors in the procurement of goods and services;

(3) establishing a system of Governmentwide coordinated and, to the extent feasible, uniform procurement regulations;

(4) establishing criteria and procedures for an effective method of soliciting the viewpoints of interested parties in the development of procurement policies, regulations, procedures, and forms, and for overseeing and upgrading the status of procurement personnel through improved programs for recruitment, training, career development, and perfomance evaluation;

(5) sponsoring research in procurement policies, regulations, procedures, and forms; and

(6) guiding and directing the development of a system for collecting and disseminating governmentwide procurement data to meet the informational needs of the Congress, the Executive branch and the private sector.

(c) In the development of policies and regulations to be atuhorized or prescribed by him, the Administrator shall consult with the executive agencies affected and, to the extent feasible, with the consent of the executive agencies concerned, shall designate an executive agency or agencies, establish agency representatives or personnel, to solicit the views and the agreement, so far as possible, of agencies affected on significant changes in policies and regulations.

(d) The authority of the Administrator under this Act shall not be construed to impair or interfere with—

(1) the determination by executive agencies of their need to procure, or their use of, property, services, or construction;

(2) the decisions by executive agencies to procure individual property, services, or construction, including the particular specifications therefor; and

(3) the procedures and forms used by executive agencies except to such extent as may be necessary to insure effective implementation of policies and regulations authorized or prescribed by the Administrator.

ADMINISTRATIVE POWERS

SEC. 7. (a) The Administrator is authorized, in carrying out this Act, to—of the Federal, State, and local governments, and to pay such members (other than those regularly employed by the Federal Government) while attending meetings of such committees or otherwise serving at the request of the Administrator, compensation (including traveltime) at rates not in excess of the maximum rate of pay for GS–18 as provided in the section 5332 of title 5, United States Code, and while such members are so serving away from their homes or regular places of business, to pay such members travel expenses and per diem in lieu of subsistence at rates atuhorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

(2) utilize, with their consent, the services, personnel and facilities of State and private agencies and instrumentalities;

(3) accept voluntary and uncompensated services, notwithstanding section 665(b) of title 31, United States Code;

(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate individuals so employed for each day (including traveltime) at rates not in excess of the maximum rate of pay for grade GS–18 as provided in section 5332 of title 5, United States Code, and while such experts and consultants are so serving away from their homes or regular place of business, to pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently; and

(5) adopt an official seal, which shall be judicially noticed.

(b) Upon request of the Administrator, each executive agency is directed to—

(1) make its services, personnel, and facilities available to the greatest practical extent for the performance of functions under this act: and

(2) except when prohibited by law, furnish and allow access to all information and records in its possession which the Administrator may determine to be necessary for the performance of the functions of his Office.

SUBMISSION OF REPORTS AND INFORMATION TO CONGRESS

SEC. 8. The Administrator shall keep the Congress and its duly authorized committees fully and currently informed of its activities including consideration of proposed changes in procurement policies and regulations, and shall submit a report to Congress annually, and at such other times as may be necessary for this purpose, with recommendations for amendment or repeal of existing laws or adoption of new laws when appropriate. Neither the Administrator, the Deputy Administrator, nor employees of the Office may refuse to testify before or submit information to Congress or any duly authorized committees thereof.

EFFECT ON EXISTING LAWS

SEC. 9. Authority under any other law permitting an executive agency to prescribe policies, regulations, procedures and forms for procurement is subject to the authority conferred in this Act.

EFFECT ON EXISTING REGULATIONS

SEC. 10. Procurement policies, regulations, procedures, or forms in effect as of the date of this Act shall continue in effect, as modified from time to time, until superseded by policies, regulations, procedures, or forms promulgated by the Administrator.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as necessary to carry out the provisions of this Act.

DELEGATION

SEC. 12. The Administrator may delegate and authorize redelegation of any authority under this Act to any official in his Office or, with the consent of the agency or upon direction of the President, to any executive agency.

ANNUAL PAY

SEC. 13. Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"(60) Administrator of the Office of Federal Procurement Policy."

ACCESS TO INFORMATION BY COMPTROLLER GENERAL

SEC. 14. The Administrator and personnel in his Office shall furnish such information as the Comptroller General may require for the discharge of his responsibilities, and for this purpose, the Comptroller General or his representatives shall have access to all books, documents, papers, and records of the Office.

COORDINATION OF FEDERAL ASSISTANCE POLICIES

SEC. 15. The Administrator, in cooperation with the executive agencies and the Office of Management and Budget, shall undertake a study to determine the feasibility and desirability of authorizing his Office, or another Federal office or agency, to provide overall guidance and direction for Federal assistance programs and the relationship of policies and regulations governing the use of contracts, grants and cooperative agreements. In carrying out such study, the Administrator shall consult with representatives of States and local governments and that segment of the public which is actively engaged in the administration and performance of Federal assistance programs. The results of the study, together with recommendations for administrative or statutory changes, shall be reported to the Committees on Government Operations of the Senate and House of Representatives at the earliest practicable date but in no event later than two years after the date of enactment of this Act.

REPEALS AND AMENDMENTS

SEC. 16. (a) Section 201(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(c)) is amended by inserting "subject to regulations prescribed by the Administrator of the Office of Federal Procurement Policy," after the comma following "Administrator.".

(b) Section 602(d) of the Federal Property and Administrative Services Act (40 U.S.C. 474) is amended by striking out clauses (8), (19), and (20); by amending clause (12) to read as follows:

"the Tennessee Valley Authority with respect to the matters referred to in section 201(a)(4), and with respect to the disposal of any property acquired or to be acquired for or in connection with any program of processing, manufacture, production, or force account construction: *Provided*, That the Tennessee Valley Authority shall to the maximum extent that it may deem practicable, consistent with the fulfillment of the purpose of its program and the effective and efficient conduct of its business, coordinate its operations with the requirements of said chapters and the policies and regulations prescribed pursuant thereto;

by amending clauses (13), (15), and (17) to add at the end 'with respect to the disposal of property'; and by amending clause (16) by striking out 'construction, reconstruction, and reconditioning (including outfitting and equipping incident to the foregoing), the acquisition, procurement, operation, maintenance, preservation';"

(c) Section 602(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474) is amended in the first sentence thereof by inserting "except as provided by the Office of Federal Procurement Policy Act, and" immediately after "herewith".

By Mr. DOLE:

S. 2511. A bill entitled the Rural Health Care Delivery Improvement Act of 1973. Referred to the Committee on Labor and Public Welfare.

RURAL HEALTH CARE DELIVERY IMPROVEMENT ACT OF 1973

Mr. DOLE. Mr. President, the task of making health care accessible to all Americans has become an issue of national importance in recent years. The average American citizen is spending an increasingly larger portion of his income on health care and is justifiably demanding better services in return. In many areas across the country, improvements in health technology and the presence of many highly skilled physicians have brought the best in modern medical services. Yet, at the same time some communities—especially rural communities—face the problem of a decreasing level of health care.

The delivery of adequate health care to our rural populations is a task which is complicated by the very nature of rural communities. Health services must be provided to low density populations scattered over a large geographic area. Often the population is not adequate in a given community to financially support a medical staff and the facilities necessary to provide quality medical care. As a result, physicians and other health professionals and technicians are not attracted to these areas and health manpower problems develop. Often the nearest available health care for rural residents is miles away and public transportation is also not available. On top of all this, rural health problems are compounded by the fact that rural populations have a higher than average percentage of elderly residents and normally a higher degree of poverty. Both the elderly and the poverty populations present additional and unique health care problems.

In the past, the unique problems of rural health care delivery have not received the special consideration they deserve on Federal programs. In fact, the rural applicants for many of the Federal programs are at a disadvantage because they lack the technical skill—the grantsmanship ability and experience—necessary to draft competitive applications. In many ways, the impact of Federal health care programs has increased rather than decreased the problems of rural health care delivery.

The bill I introduce today, the Rural Health Care Delivery Improvement Act of 1973, is intended to reverse this trend in Federal health care legislation. This bill is oriented specifically toward the unique needs of rural communities. It would authorize the establishment within the Department of Health, Education, and Welfare of an Office of Rural Health. The Director of the Office of Rural Health would have the authority to award grants, contracts, loans, and loan guarantees to applicants who wish to develop rural health care delivery models. The intent of this program is to develop new models of rural health care and also new components within these models which can be adapted in other rural communities across the country so that they might too improve their own health care delivery system.

The following problems and issues important to rural health care are to be specifically addressed in the model delivery projects:

First. The demographic and geographic characteristics of a rural health service area.

Second. The identification of new and innovative rural health care delivery models and manner in which these models may be utilized to increase the availability of health care services to rural populations.

Third. The identification and utilization of transportation models and communication systems to make health care more accessible to rural residents.

Fourth. The methods of making available and the economic feasibility of using biomonitoring technology in rural health care delivery systems.

Fifth. The development of health and nutrition education programs in rural areas as well as continuing education programs for health professionals serving in these areas.

Sixth. The development of community health planning and administration mechanisms and experimentation with appropriate linkages of these mechanisms with regionalized health programs and facilities.

Seventh. The identification and utilization of appropriate dental services for rural areas.

Emphasis is placed on these special issues for two reasons. First, these are issues which are basic to the rural health care problems and must be answered if the delivery of health services to our rural population is to be improved. Secondly, developments and new initiative on any of these issues can be applied in other areas, and thus a much larger population than just the residents of the model community can be served by accomplishments under this program.

In addition to the administration of the grant and loan program, the Director of the Office of Rural Health has other responsibilities to help make Government programs and resources more available to rural communities. These duties include:

First. Providing liaison among all agencies and instrumentalities of the Federal Government for the purpose of coordinating health care programs in rural areas.

Second. Periodically evaluating HEW programs relating to health care in rural areas and recommending changes which might be needed.

Third. Coordinating model programs and projects with National Health Service Corps projects to encourage the expansion of private medicine to rural areas of extreme need.

The Rural Health Care Delivery Improvement Act of 1973 authorizes the appropriation of $300 million over the next 3 years for assistance to rural health delivery models. Funds are to be provided for a model project only when the Director of Rural Health has determined that such assistance is likely to further the goal of increasing the availability of health care services in a rural area in which such services are not presently available. Operation of the program would be reviewed by an 11-member Rural Health Care Advisory Committee responsible for advising the Director of the Office of Rural Health with respect to the overall planning, policies and objectives of the rural health program. In order to insure that the program is realistic and focuses at providing reasonable answers to rural health problems, the projects are to be developed with a view to becoming self-sustaining within 3 years.

Mr. President, I am sure all of my colleagues agree that rural health delivery problems do exist and need special consideration. In Kansas, for example, 54 percent of the State's practicing physicians are located in the State's four most populous counties leaving the remaining 46 percent to serve the other 101 counties. A 1972 survey of Kansas illustrated that over half of the counties in the State had no dentist or had a dentist/patient ratio which exceeds 3,000 patients per dentist. Although these figures illustrate only one aspect of the problem, they do show its immensity and reveal the need for concentrated effort in this area.

This bill is based upon the promise that community health programs can best be planned and implemented at the community and regional level. It provides assistance so that communities can develop a comprehensive health program suited to their own needs and desires, but yet emphasizes the need for organization and regional cooperation.

I feel the legislation would provide much needed assistance to rural communities and in addition give special emphasis to unique rural situations. I would invite my colleagues who have expressed an interest in improving health care in rural areas to join in sponsoring the legislation and ask prompt consideration of the matter in committee.

Mr. President, I ask unanimous consent that the text of my proposed legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2511

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That this act may be cited as the "Rural Health Care Delivery Improvement Act of 1973."

FINDINGS; DECLARATION OF POLICY AND PURPOSE

SEC. 2. (a) The Congress finds—

(1) that there is an urgent need for the development and improvement of rural health care delivery in many areas throughout the nation;

(2) that availability of health services in many rural areas is below that of the Nation as a whole;

(3) that although current authorized federal programs are applicable to rural health, there has been no centralized focus on the health needs of rural areas;

(4) that community health programs can best be planned and implemented at the community and regional level with coordination at community, regional, state, and national levels;

(5) that there is a need for feasibility studies, development, and demonstration of rural health care delivery models and components;

(6) that recognition by rural communities should be given to the fact that rural health resources are limited and that consequently, alternative rural health care delivery models and components should be tested and developed; and

(7) that experimental and developmental rural health care delivery models and/or components should be developed with a view to becoming financially self-sustaining within three years.

(b) It is the policy of the Congress and the purpose of this Act to provide assistance to programs for the delivery of health services in order to increase the availability of health care services to residents of rural areas. This purpose should be achieved through the establishment of a federal entity within the Department of Health, Education, and Welfare having the authority to coordinate federal activities, review existing programs, and initiate demonstration projects and programs which can improve rural health care delivery.

ESTABLISHMENT OF OFFICE OF RURAL HEALTH

SEC. 3. There is established within the Department of Health, Education, and Welfare, an Office of Rural Health. The Office shall be administered and headed by a Director who shall be a qualified health care professional, appointed by the Secretary.

DIRECTOR OF THE OFFICE; TECHNICAL AND PROFESSIONAL PERSONNEL

SEC. 4. (a) The Director of the Office of Rural Health, under the general direction and supervision of the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") through the Assistant Secretary for Health, shall carry out the functions and responsibilities vested in him or to the Office by or under this Act, and shall perform such related duties as may be prescribed by the Secretary to carry out the purposes of this Act.

(b) The Director shall receive basic pay at the rate prescribed for level V of the Executive Schedule under subchapter II of Chapter 53 of title 5 United States Code.

(c) The Director shall appoint in addition to the regular personnel of the Office under his direction and control, such technical and professional personnel and consultants as are necessary to carry out the functions of the Office, in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service or the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) Such technical and professional personnel and consultants shall include specialists in the health professions as well as specialists in environmental health, community organization, communication, transportation, and such other areas as the Director deems appropriate.

DIRECTOR'S AUTHORITY

SEC. 5. (a) The Director shall have the authority to award grants, contracts, loans, and loan guarantees for projects to examine existing models of rural health care delivery, to determine their applicability and transferability to other rural areas, and to assist in the study, planning, development, experimentation, and demonstration of rural health care delivery models and/or components. Except in the case of assistance for feasibility studies, assistance shall be provided only when the Director has determined that such assistance is likely to further the goal of increasing the availability of health care services in rural areas where the Director has determined that adequate services are presently not available. In determining the eligibility of any entity (which term shall include an individual) for assistance for improving the availability of health care services in a rural area, the Director will consider the extent to which the entity will incorporate in its activities one or more of the following:

(1) identification of the demographic and geographic characteristics which categorize an area as rural, including the definition and delineation of health service areas;

(2) identification of beneficial (including new and innovative) health components of various types of rural health care delivery models, and utilization of such components in increasing availability of health care services;

(3) identification and utilization of transportation modes appropriate in achieving the goal of making health care services available to residents of rural areas;

(4) identification and utilization of appropriate communications in rural areas;

(5) determination and utilization of economically feasible uses of biomonitoring technology;

(6) emergency medical care components and systems available to meet the special problems of the rural areas;

(7) education programs in rural areas, including health and nutrition education, as well as continuing education for health professionals;

(8) experimentation in appropriate linkages with regionalized health programs and facilities in its and other rural areas, and with health programs and facilities in urban areas;

(9) development of community planning mechanisms so that the communities can develop health care delivery models appropriate to their needs; and

(10) provision for community support for appropriate health care delivery models and/or components including necessary staffing, construction, and equipment;

(11) identification and utilization of appropriate dental services for rural areas

(b) No assistance shall be provided to any project under subsection (a) above unless the Director has satisfactory evidence indicating that the type of project being assisted will be transferable or adaptable to other rural areas.

(c) No assistance shall be provided to a project under subsection (a) above unless the project, in accordance with regulations prescribed by the Director, provides for periodic evaluation of the effectiveness of the project in meeting its purposes.

(d) Any assistance provided under subsection (a) above, may also include support for staffing, construction, and furnishing of necessary equipment. Staffing assistance would be limited in the first year to 90% of such costs, to 60% of such cost in the second year, and to 30% of such cost in the third year.

(e) The Director shall—

(1) provide liaison among all agencies and instrumentalities of the Federal Government for the purpose of coordinating health care programs in rural areas,

(2) make a periodic evaluation of other Department of Health, Education, and Welfare programs relating to health care in rural areas, including development of adequate manpower and to make periodic recommendations to the Secretary;

(3) provide technical assistance and advice for the development of rural health care delivery models and/or components including such assistance and advice to health providers, and including such assistance to expand existing or develop new medical groups in rural areas;

(4) provide for evaluation of the projects assisted under this Act in order to insure that the projects are carried out in conformance with the application for the assistance and in conformance with regulations of the Director.

(5) provide for the coordination of programs and projects assisted under this act with programs and projects of the National Health Service Corps to the end that the development and expansion of private medical care will be encouraged.

SEC. 6. Agencies and departments of the Federal Government are hereby authorized by this Act to enter into contracts with the Office or Rural Health to enable the Office of Rural Health to carry out provisions and/or functions authorized by law dealing with rural health care delivery or development.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. (a) For grants and contracts, as authorized by Sections 5 and 9, there is authorized to be appropriated the sum of $75 million for the fiscal year ending June 30, 1974, the sum of $100 million for the fiscal year ending June 30, 1975, and the sum of $125 million for the fiscal year ending June 30, 1976.

(b) Any amounts appropriated pursuant to this section shall remain available until expended and any amounts authorized for any fiscal year under this section but not appropriated, may be appropriated for any succeeding fiscal year commencing prior to July 1, 1976.

LOAN GUARANTEES AND LOANS

SEC. 8. (a) The Director may not approve the application for assistance under this Act unless—

(1) he determines, in the case of a loan for which a guarantee is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such percentum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

(2) the term of a loan for which a guarantee is sought does not exceed 15 years or such shorter period as the Secretary prescribes; and

(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

(b) Guarantees of loans under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (d), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interests of the United States.

(c) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(d) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

(e) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, under this section may not exceed such limitations as may be specified in appropriations Acts.

(f)(1)(A) There is hereby established in the Treasury a rural health care delivery loan guarantee and loan fund (hereinafter in this section referred to as the "fund") which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts, (i) to enable him to discharge his responsibilities under guarantees issued by him under this section, and (ii) for direct loans to public entities. There are authorized to be appropriated to the fund from time to time such amounts as may be required for the fund. There shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this section, including any moneys derived from the sale of assets.

(B) Of the moneys in the fund there shall be available to the Secretary for the purpose of making direct loans to public entities only such sums as are appropriate for such purpose, or sums received by the Secretary as interest payments or repayments of principal on such loans and authorized in appropriations Acts to be used for such purpose.

(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this section to meet obligations under guarantees of loans under subsection (a), he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under The Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

(g)(1)(A) Any loan by the Secretary under this section shall bear interest at a rate comparable to the current rate of interest prevailing with respect to loans which are guaranteed under subsection (a).

(B) No such loan may be made unless—

(i) the Secretary is reasonably satisfied that the applicant therefore will be able to make payments of principal and interest thereon when due, and

(ii) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

(C) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

(D) No such loan shall have a term in excess of 15 years.

(2) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment of principal and interest on a loan under this section.

GRANTS, CONTRACTS, LOANS, AND LOAN GUARANTEES

SEC. 9. (a) The Director may make grants to public and to nonprofit private entities, may enter into contracts with public and private entities and individuals, and the Secretary may provide loans to public entities, and may provide loan guarantees to private entities and individuals, for projects described in Section 5.

(b) No grant, contract, loan, or loan guarantee may be awarded under this Act unless an application therefor has been submitted to and approved by the Director, and the Rural Health Care Advisory Committee, nor shall any such assistance be awarded without the approval of the appropriate state and local medical society. Such an application shall be in such form and submitted to the Director in such manner as the Secretary shall by regulation prescribe. In order to be approved, an application shall include assurances to the satisfaction of the Director that existing facilities and services will be utilized to the maximum extent feasible, and shall contain information such as the Secretary shall by regulation prescribe. This shall include assurances satisfactory to the Director that the applicant is qualified to carry out the provisions outlined in the application and that the program will be conducted in cooperation with the planning entity referred to in Section 10.

SEC. 10. The Director may not approve an application under this Act unless the planning agency referred to in Section 314(b) of the Public Health Service Act, or if there is no such agency or organization, then the state planning agency referred to in Section 314(a) of the Public Health Service Act has been provided an opportunity in accordance with regulations of the Secretary, to review the application and to submit to the Director for his consideration its recommendations respecting approval of the application.

SEC. 11. Payment may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Director finds necessary.

SEC. 12. Contracts may be entered into under this Act without a regard to Sections 364(b) and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5).

RURAL HEALTH CARE ADVISORY COMMITTEE

SEC. 13. There is established a Rural Health Care Advisory Committee which shall advise, consult with, and make recommendations to the Director with respect to overall planning, policies, objectives and priorities for the Office of Rural Health and the general administration of the program created under this Act. The Committee shall consist of eleven members, appointed by the Secretary, who by virtue of their education, training, or experience are qualified to carry out the function as members of the Committee. Of the members so appointed, six shall be Doctors of Medicine or Doctors of Osteopathy knowledgeable in rural health care delivery, one shall be a Dentist and the remainder shall be persons who are recognized authorities in rural health care delivery. The Secretary shall designate one member of the Committee to be Chairman of the Committee and the Committee shall meet at the call of the Chairman but not less than four times a year.

(b)(1) The Committee shall conduct a study and shall within eighteen months after its appointment, and annually thereafter, submit to the Secretary and to the Congress a report on the accomplishments of this Act in meeting the goal of increasing the availability of health care in rural areas and also with respect to the need for continued assistance under the Act. The Committee shall include recommendations for legislative and administrative modifications as it determines appropriate to further the purposes of this Act.

(c) Members of the Committee (other than members who are full time officers or employees of the United States) shall, while serving on business of the Committee, be entitled to receive a per diem allowance for grade GS-18 of the General Schedule. Each member of the Committee, while so serving away from his home or regular place of business, may be allowed actual travel expense and per diem in lieu of subsistence as authorized by section 5703 title 5 of the United States Code for persons in the Government service employed intermittently.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 796

At the request of Mr. PELL, the Senator from Montana (Mr. MANSFIELD) was added as a cosponsor of S. 796, a bill to improve museum services.

S. 1283

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Washington (Mr. JACKSON), I ask unanimous consent that, at the next printing of the bill (S. 1283), the National Energy Research and Development Policy Act of 1973, the name of the Senator from Minnesota (Mr. MONDALE) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1919

At the request of Mr. BARTLETT, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1919, a bill to allow the interstate shipment of State inspected meat.

S. 2384

At the request of Mr. PELL, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 2384, a bill to provide uniform procedures for absentee voting in Federal elections for citizens outside the United States.

S. 2389

At the request of Mr. STEVENS, the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 2389, a bill to authorize certain revenues from leases on the Outer Continental Shelf to be made available to coastal and other States.

S. 2465

At the request of Mr. BIBLE, the Senator from South Dakota (Mr. ABOUREZK), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 2465, a bill to guarantee loans for the financing of commercial ventures in geothermal energy; to coordinate Federal activities in geothermal energy exploration, research, and development; and for other purposes.

SENATE JOINT RESOLUTION 158

At the request of Mr. RANDOLPH, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of Senate Joint Resolution 158, to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended.

THE FOREIGN ASSISTANCE ACT OF 1973—AMENDMENTS

AMENDMENT NO. 567

Mr. FULBRIGHT. Mr. President, I submitted an amendment to the Foreign Assistance Act last Friday but I did not submit a statement explaining the measure. I wish to say a word or two on the amendment.

In submitting the amendment to S. 2335 I sought to reinstate the same general principles that the administration had recommended before the bill now pending was introduced, really, in the nature of a substitute by the Senator from Minnesota, cosponsored by the Senator from Vermont, which was a new phraseology applied to the same basic principles of foreign aid involved in the traditional bill.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Foreign Assistance Act of 1973".

DEVELOPMENT LOAN FUND

SEC. 2. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 202(a), relating to authorization—

(A) immediately after "fiscal year 1972," strike out "and";

(B) immediately after "fiscal year 1973," insert "$125,000,000 for each of the fiscal years 1974 and 1975,";

(C) immediately after "June 30, 1972," strike out "and"; and

(D) immediately after "June 30, 1973," insert "June 30, 1974, and June 30, 1975,".

(2) In section 203, relating to fiscal provisions, strike out "for the fiscal year 1970, for the fiscal year 1971, for the fiscal year 1972, and for the fiscal year 1973" and insert in lieu thereof "for the fiscal years 1974 and 1975".

TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 3. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 211(a), relating to general authority, in the last sentence immediately after the word "assistance", insert the word "directly".

(2) In section 212, relating to authorization, strike out "$175,000,000 for the fiscal year 1972, and $175,000,000 for the fiscal year 1973" and insert in lieu thereof "$100,000,000 for each of the fiscal years 1974 and 1975".

(3) Section 214, relating to American schools and hospitals abroad, is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) To carry out the purposes of this section there are authorized to be appropriated to the President for the fiscal year 1974, $19,000,000, which amount is authorized to remain available until expended.

"(d) There are authorized to be appropriated to the President to carry out the purposes of this section, in addition to funds otherwise available for such purposes, for fiscal year 1974, $6,500,000 in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

"(e) On or before the termination of thirty days after the convening of the second regular session of the Ninety-third Congress, the Secretary of State shall submit to the Congress, for consideration in connection with Department of State authorization legislation, such recommendations as he considers desirable for assistance to schools, libraries, and hospital centers for medical education and research, outside the United States, founded or sponsored by United States citizens and serving on study and demonstration centers for ideas and practices of the United States."

HOUSING GUARANTIES

SEC. 4. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, relating to worldwide housing guarantees, strike out "$205,000,000" and insert in lieu thereof "$349,900,000".

(2) In section 223(i), relating to general provisions, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1975".

ALLIANCE FOR PROGRESS

SEC. 5. Section 252 of the Foreign Assistance Act of 1961, relating to authorization, is amended as follows:

(1) In subsection (a)—

(A) strike out "for the fiscal year 1972, $295,000,000, and for the fiscal year 1973, $295,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, $150,000,000"; and

(B) strike out "$88,500,000 for each such fiscal year" and insert in lieu thereof "$50,000,000 for each such fiscal year".

(2) Strike out subsection (b) and insert in lieu thereof the following:

"(b) There are authorized to be appropriated to the President for each of the fiscal years 1974 and 1975, $900,000 for grants to the National Association of the Partners of the Alliance, Incorporated."

PROGRAMS RELATING TO POPULATION GROWTH

SEC. 6. Section 292 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "1972 and 1973" and inserting in lieu thereof "1974 and 1975".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 7. Section 302 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), relating to authorization, strike out "for the fiscal year 1972, $138,000,000 and for the fiscal year 1973, $138,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, $120,000,000".

(2) In subsection (b) (2), relating to Indus Basin Development grants, strike out "for use in the fiscal year 1972, $15,000,000, and for use in the fiscal year 1973, $15,000,000" and insert in lieu thereof "for use in each of the fiscal years 1974 and 1975, $14,000,000".

CONTINGENCY FUND

Sec. 8. Section 451(a) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1972 not to exceed $30,000,000, and for the fiscal year 1973 not to exceed $30,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, not to exceed $23,500,000".

INTERNATIONAL NARCOTICS CONTROL

Sec. 9. Section 482 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "$42,500,000 for the fiscal year 1973, which amount is" and inserting in lieu thereof "$40,000,000 for the fiscal year 1974, and $30,500,000 for the fiscal year 1975, which amounts are".

PROHIBITIONS AGAINST FURNISHING ASSISTANCE

Sec. 10. The first full paragraph of section 620(e) (1) of the Foreign Assistance Act of 1961 is amended by striking out "no other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection." and inserting in lieu thereof "the provisions of this subsection shall not be waived with respect to any country unless the President determines and certifies that such a waiver is important to the national interests of the United States. Such certification shall be reported immediately to Congress."

EMPLOYMENT OF PERSONNEL

Sec. 11. Section 625 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(k) (1) In accordance with such regulations as the President may prescribe, the following categories of personnel who serve in the agency primarily responsible for administering part I of this Act shall become participants in the Foreign Service Retirement and Disability System:

"(A) a person serving under unlimited appointments in employment subject to subsection (d) (2) of this section as Foreign Service Reserve officers and as Foreign Service staff officers and employees; and

"(B) a person serving in a position to which he was appointed by the President, whether with or without the advice and consent of the Senate, if (i) such person shall have served previously under an unlimited appointment pursuant to such subsection (d) (2) or a comparable provision of predecessor legislation to this Act, and (ii) following service specified in clause (i) of this subparagraph, such person shall have served continuously with such agency or its predecessor agencies only in positions established under the authority of sections 624(a) and 631(b) or comparable provisions of predecessor legislation to this Act.

"(2) Upon becoming a participant in the Foreign Service Retirement and Disability System, any such officer or employee shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852 of the Foreign Service Act of 1946, as amended. Thereafter, compulsory contributions will be made with respect to each such participating officer or employee in accordance with the provisions of section 811 of the Foreign Service Act of 1946, as amended.

"(3) The provisions of section 636 and title VIII of the Foreign Service Act of 1946, as amended, shall apply to participation in the Foreign Service Retirement and Disability System by any such officer or employee.

"(4) If an officer who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection is appointed by the President, by and with the advice and consent of the Senate, or by the President alone, to a position in any agency of the United States Government, any United States delegation or mission to any international organization, in any international commission, or in any international body, such officer shall not, by virtue of the acceptance of such an appointment, lose his status as a participant in the system.

"(5) Any such officer or employee who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection shall be mandatorily retired (A) at the end of the month in which he reaches age seventy, or (B) earlier if, during the third year after the effective date of this subsection, he attains age sixty-four or if he is over age sixty-four; during the fourth year at age sixty-three; during the fifth year at age sixty-two; during the sixth year at age sixty-one; and thereafter at the end of the month in which he reaches age sixty. However, no participant shall be mandatorily retired under this paragraph while serving in a position to which appointed by the President, by and with the advice and consent of the Senate. Any participant who completes a period of authorized service after reaching the mandatory retirement age specified in this paragraph shall be retired at the end of the month in which such service is completed.

"(6) Whenever the President deems it to be in the public interest, he may extend any participant's service for a period not to exceed five years after mandatory retirement date of such officer or employee.

"(7) This subsection shall become effective on the first day of the first which begins more than one year after the date of its enactment, except that any officer or employee who, before such effective date, meets the requirements for participation in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection may elect to become a participant before the effective date of this subsection. Such officer or employee shall become a participant on the first day of the second month following the date of his application for earlier participation. Any officer or employee who becomes a participant in the system under the provisions of paragraph (1) of this subsection, who is age fifty-seven or over on the effective date of this subsection may retire voluntarily at any time before mandatory retirement under paragraph (5) of this subsection and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

"(8) Any officer or employee who is separated for cause while a participant in the Foreign Service Retirement and Disability System pursuant to this subsection, shall be entitled to benefits in accordance with section 637 (b) and (d) of the Foreign Service Act of 1946, as amended. The provisions of subsection (e) of this section shall apply to participants in lieu of the provisions of sections 633 and 634 of the Foreign Service Act of 1946, as amended."

ADMINISTRATION EXPENSES

Sec. 12. Section 637(a) of the Foreign Assistance Act of 1961, relating to authorizations, is amended by striking out "for the fiscal year 1972, $50,000,000 and for the fiscal year 1973, $50,000,000" and inserting in lieu thereof "for each of the fiscal years 1974 and 1975, $49,000,000".

GENERAL AND MISCELLANEOUS PROVISIONS

Sec. 13. Part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new sections:

"Sec. 659. Sharing of Costs.—No assistance shall be furnished by the United States Government to a country under title I, II, or VI of chapter 2 of part I of this Act until the country provides assurances to the President, and the President is satisfied, that such country will provide at lease 25 per centum of the costs in any fiscal year of the entire program, project, or activity with respect to which such assistance is to be furnished, except that such costs borne by such country may be provided on an 'in-kind' basis.

"Sec. 660. Multilateral Approaches to Development.—Greater efforts should be made to promote and support sound multilateral approaches to the development of foreign countries. Therefore, the Secretary of State shall undertake consultations with multilateral organizations (including the United Nations) for the purpose of determining (1) how soon and which such multilateral organizations would be able to administer foreign assistance funds transferred to them by the United States Government for programs, projects, and activities for the development of foreign countries, (2) the kinds of such programs, projects, and activities which those organizations are able and will be able to administer, (3) likely methods for the administration of those programs, projects, and activities, and (4) the expectation of increased contributions by other countries to such organizations for those programs, projects, and activities. Not later than six months after the date of enactment of this section, the Secretary shall make a report to the President and the Congress with respect to his consultations, including such recommendations as the Secretary considers appropriate.

"Sec. 661. Prohibiting Training.—No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country."

POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

Sec. 14. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V—POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LOAS

"Sec. 801. General Authority.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos, including humanitarian assistance to refugees, civilian war casualties, and other persons disadvantaged by hostilities or conditions related to those hostilities in South Vietnam, Cambodia, and Laos.

"Sec. 802. Authorization.—There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $376,000,000, which amount is authorized to remain available until expended.

"Sec. 803. Assistance to South Vietnamese Children.—(a) It is the sense of Congress that inadequate provision has been made (1) for the establishment, expansion, and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs, which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children, who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights.

"(b) The President is therefore authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in subsection (a) of this section. Of the funds appropriated pursuant to section 802 of this Act for the fiscal year 1974, $7,500,000 shall be available until expended solely to carry out the purposes described in such subsection (a). Not more than 10 per centum of the funds made available to carry out such subsection (a) may be expended for the purposes referred to in clause (2) of such subsection. Assistance to carry out the purposes referred to in such subsection (a) shall be furnished, to the maximum extent practicable, under the auspices of and by international agencies or United States or South Vietnamese voluntary agencies.

"SEC. 804. CONSTRUCTION WITH OTHER LAWS.—All references to part I of this Act, whether heretofore or hereafter enacted, shall be deemed to be references also to this part unless otherwise specifically provided. The authorities available to administer part I of this Act shall be available to administer programs authorized in this part. The provisions of section 655(c) of this Act shall not apply with respect to funds made available for fiscal year 1974 under part I, this part, and section 637 of this Act."

TERMINATION OF INDOCHINA WAR

SEC. 15. No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia.

LIMITATION ON USE OF FUNDS

SEC. 16. No funds authorized or appropriated under any provision of law shall be made available for the purpose of financing directly or indirectly any military or paramilitary operations by foreign forces in Laos, Cambodia, North Vietnam, South Vietnam, or Thailand unless (1) such operations are conducted by the forces of the government receiving such funds within the borders of that country, or (2) specifically authorized by law enacted after the date of enactment of this Act.

WEST AFRICAN FAMINES

SEC. 17 In regard to the famine in West Africa, the President shall consult with international relief organizations and other experts to find the best way to forestall future famine conditions in West Africa, and he shall report to Congress as soon as possible on solutions to this problem of famine and further propose how any of these solutions may be carried out by multilateral organizations.

POLITICAL PRISONERS

SEC. 18. It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

TERMINATION OF ASSISTANCE IN INDOCHINA

SEC. 19. (a) It is the sense of the Congress that the Agreements on Ending the War and Restoring Peace in Vietnam, and protocols thereto, signed in Paris, France, on January 27, 1973, will be effective only to the extent that the parties to such agreements and protocols carry out the letter as well as the spirit of those agreements and protocols. It is further the sense of Congress that the United States should not furnish economic or military assistance to any such party, or make any sale, credit sale, or guaranty to or on behalf of any such party, unless that party agrees to comply, and does comply, with those agreements and protocols.

(b) This section shall not apply to the provision of food and other humanitarian assistance which is administered and distributed, under international auspices or by United States voluntary agencies, directly to persons and not through any government.

ACCESS TO INFORMATION

SEC. 20. (a) After the expiration of any thirty-five-day period which begins on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the head of the Department of State, the United States Information Agency, the Agency for International Development, the United States Arms Control and Disarmament Agency, ACTION, or the Overseas Private Investment Corporation, a written request that it be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in its custody or control relating to such department, agency, or corporation, none of the funds made available to such department, agency, or corporation, shall be obligated unless and until there has been furnished to the committee making the request the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested.

(b) The provisions of subsection (a) of this section shall not apply to any communication that is directed by the President to a particular officer or employee of any such department, agency, or corporation or to any communication that is directed by any such officer or employee to the President.

(c) Section 634(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394(c)) is amended—

(1) by striking out "(1)"; and

(2) by striking out all after the phrase "so requested" and inserting in lieu thereof a period and the following: "The provisions of this subsection shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Government or to any communication that is directed by any such officer or employee to the President."

Mr. FULBRIGHT. Mr. President, this is an amendment in the nature of a substitute. It would continue the foreign aid program under the traditional authorities in the Foreign Assistance Act of 1961, as recommended by the administration earlier this year, and make a modest reduction of $217 million in the overall amount recommended by the committee. It also includes all of the provisions now in S. 2335 that were initiated in the Foreign Relations Committee. It is the same bill except for deletion of the new authorization categories and the reduction in amounts.

I urge the adoption of this substitute for two principal reasons: First, the bill reported by the Foreign Relations Committee is merely a cosmtic job designed to give a face-lifting to the foreign aid program, but which leaves the basic policy unchanged. Second, the state of our economy and the Government's fiscal condition are such that we cannot afford the luxury of continuing to spend the massive amounts recommended in this bill for a bilateral foreign aid program which is badly in need of basic change.

The bill is both deceptive and defective. For years bilateral economic aid, other than that for straight budget support, as has been the case in Indochina, has been approved by Congress in two major categories, developing loans and grants for technical assistance. These funds were then loaned or given to recipient countries for the various projects and activities—in the fields of agriculture, health, population, education, industrial development, transportation, and so on—that had been justified to Congress.

This year the Agency for International Development (AID) argued within the executive branch that its program would have a better chance to survive the gauntlet of an increasingly skeptical Congress if it asked for money in categories which had more sales appeal. Instead of the traditional loan and grant categories, it wanted to ask Congress for money under these labels: First, food production, nutrition, and rural development, second, population planning and health, third, education and human resource developing, fourth, selected development problems, and fifth, selected countries and organizations. But the Office of Management and Budget did not accept that plan and the executive branch's foreign aid submission to Congress ended up as a straight-forward extension of the existing loan and grant authority. This bill contains the same authorization categories sought by AID and rejected within the executive branch. Thus, it is, in effect, AID's second attempt to obtain a legislative revamping of its image.

Senators should not be deceived. The foreign aid program will not be changed by this bill; even the authorization labels are the same as those in the AID congressional presentation book. The people who will administer the program will be the same as now. And they will be dispensing $1.2 billion for the same projects and programs AID has supported in the past. This is hardly the "vigorous new initiative" claimed for this measure by its principal sponsor.

By authorizing amounts for five specific aid categories, it appears, on the surface, that congressional control will be strengthened under this bill. This is but a bit of legislative slight of hand. The bill authorizes $592,000,000 this fiscal year for five categories. In addition, $251,000,000 in repayments on outstanding foreign aid loans will be available and up to one-third of that can be used in any one of these categories. Yet that quarter of a billion dollars does not appear anywhere in this bill.

Let us look at how this new system will work. Take, for example, the category of "Selected Countries and Organizations," for which the bill authorizes $28,000,000. Among other things this money is to be used for "support of the general economy of recipient countries," in plain English, a program to finance imports. By adding loan reflows, the money available for "Selected Countries and Organizations" this fiscal year can be increased to $112,000,000—four times the specific amount the Senate is being asked to approve in this bill.

Here is another example of how this bill weakens Congress control over foreign aid spending. Under existing law Congress authorizes and appropriates specific amounts for loans and specific amounts for grants. But not under this bill. It authorizes a lump sum for each of the five categories, money which can be used for either loans or grants. The only requirement is that not more than half of the new funds appropriated for all categories can be used as grants.

Executive branch bureaucrats, not Congress, will be the ones to decide how much in each category is given out as grants and how much in loans.

They could require that population activities be financed entirely on a loan basis while financing the building of dams and steel mills with grants, if they choose to do so. The bill is so loosely drawn that the assistance authorized in the new categories could be used here in the United States, not in the poor countries, as intended. The bill states only that the "President is authorized to furnish assistance on such terms and conditions as he may determine . . ."—without specifying that the assistance is to go to foreign countries. It is another example of why this bill should be put aside for further study and refinement. For years Congress has been trying to plug the many loopholes in the foreign aid programs. This bill reverses that commendable record.

If the Senate adopts S. 2335, it will probably do so under the impression that it is voting to make significant changes in the foreign aid program. This would be an illusion which would result only in giving the existing unsatisfactory aid program a new lease on life. This bill does not represent a change of policy; it is "business as usual." The foreign aid program needs a drastic overhaul, not a face lifting. My substitute would continue the existing programs, at a slightly reduced level, to give an opportunity for Congress to make an indepth study of the entire spectrum of U.S. relations with the poor countries of the world. It would avoid shoving the foreign aid problem under the rug.

As to the amounts, my substitute would authorize a total of $1 billion compared with the $1.2 billion recommended by the committee, a reduction of $217,000,000. The reductions would be made primarily in the development loan category, and, to a lesser extent, the technical assistance program. I ask unanimous consent to have printed in the RECORD following my remarks a comparative table of the amounts involved. However, this table does not reflect the additional $251,000,000 that will be available to AID this year for relending as a result of repayments on outstanding foreign aid loans. So instead of the $225,000,000 for loans provided in my substitute, there will actually be a total of $476,000,000 available, all of it at 2 percent interest for the first 10 years and 3 percent for following 30 years.

This bill cannot be considered in isolation from our general economic situation. Our economy is in a state of disarray, the Government's fiscal condition perilous. In the past 2 years we have seen the end of the convertibility of the dollar into gold and two devaluations of the dollar—by 7.9 percent and 10 percent.

The disorder in our financial house is largely due to the accumulated effects of many years of overcommitment abroad, including the foreign aid program. Our Government's zealous determination to control and shape the destinies of much of the world has brought our Nation to a state of financial exhaustion. Since 1965 the Federal debt has increased by $150 billion, interest on the national debt has doubled, and the cost of living is up by 40 percent. The $50 billion balance-of-payments deficit our Nation has incurred over the last 3 years is directly related to overcommitment abroad and the lessening of world confidence in the U.S. ability to put its house in order. The programs to be funded by this bill add over $400 million annually to our balance-of-payments deficit. Enactment of this bill will contribute further to the deterioration of our general economic position.

Mr. President, 3 years ago AID completed a luxurious hotel and apartment complex in New Delhi for foreign aid personnel at a cost of $3.2 million. Not long ago it was turned over to the Indian Government as a consequence of the shutdown of most of the U.S. aid program following the India-Pakistan war. Now, according to press accounts, India cannot figure out what to do with this costly white elephant. This is an appropriate symbol of the foreign aid program.

On a related issue, the September 20 Washington Post reported that India had proposed, and the United States had tentatively agreed, to settle its $3 billion foreign currency debt to us for $100 million in dollars and $900 million in local currency. Although, on the surface, it appears that only two-thirds of the rupee debt was written off, the American taxpayer has lost much more since, apparently, much of the $900 million in rupees will be used in foreign aid programs in the region.

I do not criticize this settlement as such, but for what it represents— the culmination of a misguided foreign aid policy. An Indian economist wrote in the New York Times recently:

> . . . Better Indo-United States relations can only be built on a "zero aid" position . . . The overwhelming majority of the Indian people . . . are against foreign aid.

Now that the Indian foreign currency debt is being settled on such a favorable basis for India, we can expect Pakistan to demand equal treatment on the $1.1 billion in foreign currency she owes on Public Law 480 purchases. And the list of petitioners is likely to grow. Indeed, if the entire $8.3 billion in outstanding Public Law 480 foreign currency debts were settled on this basis, the American taxpayer would end up getting only about $280 million in dollars and $2.5 billion in foreign currency. And, with the debt burdens of the poor countries growing, it is not unreasonable to expect similar defaults in the future on the $29 billion oustanding in dollar repayable loans. Settlement on the one-third basis followed in India would cost the taxpayers an additional $20 billion.

One final point. The $1 billion proposed in my substitute is but a small part of the overall foreign aid program for this fiscal year. The total foreign aid package proposed by the executive branch comes to $7.9 billion, using the most conservative estimates. Other estimates go as high as $8.6 billion. There is now $2.7 billion in the pipeline for the programs to be authorized by this bill. If no new program money at all were provided by Congress the foreign aid program would still continue for the indefinite future. In view of our Government's fiscal situation I think a further modest reduction in foreign aid is well justified.

I urge the Senate to give priority consideration to restoring the confidence of our people in our ability to act responsibly in fiscal matters and to vote for my substitute.

I ask unanimous consent to have printed in the RECORD certain tables and articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOREIGN ECONOMIC ASSISTANCE AUTHORIZATION

[In millions of dollars]

	Continuing resolution fiscal year 1974	Committee recommendation fiscal year 1974 [1]	Fulbright substitute [1]
Supporting assistance for South Vietnam, Laos, and Cambodia	[2] 450.0	376.0	376.0
International organizations	94.1	120.0	120.0
Indus Basin	9.0	14.0	14.0
Worldwide development loans	175.8		[3] 125.0
Worldwide technical assistance grants	140.8		100.0
Alliance for Progress	204.1		150.0
Loans	(134.4)		[3] (100.0)
Grants	(69.7)		(50.0)
Population	89.8	([4])	([4])
New development assistance categories:[5]			
Food and nutrition		282.0	
Population planning and health		141.0	
Education and human resources		94.0	
Selected development problems		47.0	
Selected countries and organizations		28.0	
Miscellaneous categories:			
American schools and hospitals	9.0	[6] 19.0	19.0
International narcotics control program		40.0	40.0
Contingency	22.4	23.5	23.5
Partners of the Alliance		.9	.9
Administrative expenses (AID)	45.9	49.0	49.0
Totals	1,240.9	1,234.4	1,017.4

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[1] The same amounts are recommended for fiscal year 1975 for all programs with the exception of the international narcotics control program for which $30,500,000 is authorized and American schools and hospitals abroad and assistance to South Vietnam, Cambodia, and Laos for which funds are authorized only for fiscal year 1974.

[2] Estimate.

[3] In addition $251,000,000 in loan reflows will be available for relending.

[4] $125,000,000 earmarked out of all categories for population programs.

[5] Not more than 50 percent of the amounts appropriated for these categories may be used for grants. In addition, $251,000,000 in repayments on outstanding foreign assistance loans will be available for relending in fiscal year 1974.

[6] In addition $6,500,000 in excess foreign currencies are authorized.

Foreign assistance and related programs, estimated unliquidated obligations by appropriation item, fiscal year 1973, as of June 30, 1973

[In millions of dollars]

Title I—Foreign assistance activities:	
DEVELOPMENT ASSISTANCE	
Development loans	(1,841.3)
Worldwide	885.5
Alliance for Progress	955.8
Development grants	(161.4)
Worldwide	110.1
Alliance for Progress	51.3
Population programs	155.0
International organizations:	
United Nations development program and other programs	—
U.N. technical assistance and other programs	—
U.N. Environment Fund	—
Indus Basin Development Fund, loans	—
Indus Basin Development Fund, grants	—
Refugee relief assistance (Bangladesh)	167.6
American schools and hospitals abroad	23.6
International narcotics control	12.2
Contingency fund	30.1
Administrative expenses:	
AID	4.5
State	1.5
Prototype desalting plant	—
Subtotal development assistance	2,397.2
INDOCHINA POSTWAR RECONSTRUCTION	
Indochina postwar reconstruction	—
MILITARY ASSISTANCE	
Military assistance	791.5
Regional naval training	—
International military education and training	—
SECURITY SUPPORTING ASSISTANCE	
Security supporting assistance	469.3
Subtotal, military and security supporting assistance	1,260.8
Overseas Private Investment Corporation, reserves	151.1
INTER-AMERICAN FOUNDATION	
Inter-American Foundation (limitation on obligations)	3.4
Total, title I, Foreign Assistance Act activities	3,776.5
Title II—Foreign Military Credit Sales	747.7
Total, title I and title II	4,524.2

HOW FOREIGN AID HURTS INDIA

To the Editor: In reference to Bernard Weinraub's July 25 news story "India Expresses Desire to Broaden Relations with U.S." I would like to state that better Indo-U.S. relations can only be built on a "zero aid" position.

Foreign aid—that is, government-to-government loans on low interest rates and long maturity periods—neither promotes economic growth nor betters political relations. In fact, it worsens both.

The overwhelming majority of the Indian people (and, I learn, the American people as well) are against foreign aid. At best, only a small fraction of the top bureaucracy in both countries want foreign aid. In India, foreign aid sustains sometimes directly and most often indirectly the high conspicuous consumption of a small élite, and consequently the investment pattern based on aid availability is distorted to bolster such consumption.

The availability of money and grain on easy terms makes this élite postpone hard decisions on essential reforms such as economy in government expenditure, land reform and tax restructure. My study shows that, consequently, a dollar of foreign aid instead of supplementing domestic saving actually depresses it by more than a dollar.

What India badly needs is immediate self-reliance—that is, to tailor its import bill to its export earnings. Long-term credit on the international capital market is also permissible because foreign capital obtained this way is disciplined to optimal uses by the market interest rate that the Indian economy would have then to pay. To qualify for such loans, India will have to improve its "credit-rating," which will create additional pressures at home for serious reforms.

Finally, no one in India feels that foreign aid is motivated in the U.S. or the Soviet Union by the "largeness of the heart" or that it entails a sacrifice for the donor country. An index of this feeling is the fact that Mrs. Gandhi ran the 1972 provincial elections on the main, appealing plank of *purna arthik swaraj*, i.e., self-reliance. To deviate from this election promise is good for nobody—Indians or Americans.

SUBRAMANIAN SWAMY.

CAMBRIDGE, MASS., *July 25, 1973.*

INDIA OFFERS SETTLEMENT OF DEBTS TO UNITED STATES

(By Barry Schweid)

The Indian government has proposed—and the United States tentatively accepted—settling its $3 billion debt for $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries.

Under terms of the proposal carried here from New Delhi by Ambassador Daniel P. Moynihan, the remaining $2 billion debt would be used to underwrite agricultural development, rural electricity, housing and other Indian projects.

All but the $100 million that India would give the United States in cash could remain in native currency—the rupee—under the proposal.

The debt has built up over the years from American grain supplied during the famine years of the 1960s under the Food for Peace program, and completed U.S. aid loans to India. Although the debt is equivalent to $3 billion, it is actually owed to America by India in terms of rupees, not U.S. dollars.

Moynihan is in Washington to consult with Henry A. Kissinger, the Secretary of State designate and other top officials. He still is considering an offer of a top post in the department, but appears inclined to pass it up before returning to New Delhi next weekend.

The 46-year-old Democrat has been ambassador only seven months. He is reluctant to drop the delicate job of repairing relations between the two countries, strained especially during the 1971 Indian war with Pakistan when Indians generally claimed that Washintgon was tilting toward their enemy.

The prospective compromise on the rupee account is essentially a political agreement, one that could help overcome Indian bitterness over the fact that Washington owns a handsome chunk of the Indian economy. The rupees have piled up in the Reserve Bank of India, drawing interest, despite vigorous U.S. efforts to spend them partly by such means as financing visits to India by American officials.

The $100 million would be paid over the next 10 years. Part of the $900 million in rupees would be used to finance U.S. aid programs to Nepal and other small countries on the subcontinent as well as to keep up the U.S. embassy and other American offices.

[From the Washington Post, Sept. 16, 1973]

UNITED STATES TO END AID PROGRAM IN INDIA

(By Lewis M. Simons)

NEW DELHI, July 15.—In the next couple of days, as soon as Prime Minister Indira Gandhi gets over a case of flu, U.S. Ambassador Daniel Patrick Moynihan will call on her and close out an era.

The ambassador will inform the prime minister that the much-maligned U.S. aid program to India is officially ended, at her government's insistence, after 22 years and an expenditure of $10 billion.

Moynihan will also present Mrs. Gandhi with a proposal for disposing of $840 million in Indian rupees held by the United States as a result of Indian payments for American grain supplied during the famine years of the 1960s under the Food for Peace program.

Finally, Moynihan will turn over to the prime minister a $6 million complex of luxury buildings occupied by the U.S. Agency for International Development (AID) in New Delhi. The complex was completed just two years ago.

So far as the Indians are concerned, the most important of the three components of the package will be Moynihan's proposition regarding the U.S. rupee holdings.

These reserve rupees are held in the Reserve Bank of India and they represent a drain on the Indian economy because of the enormous interest the account commands—interest that is piling up faster than the rupees themselves can possibly be spent.

The ambassador, who recently returned from consultations with President Nixon, refuses to reveal details of the plan until he has seen Mrs. Gandhi. He said only that the proposal falls "somewhere between zero and infinity." In other words, it will not insist that the mammoth account remain in the Indian bank, nor will it write off the entire matter, as the Indians would like.

Sources familiar with the proposal say it is a good one, from India's viewpoint, and that Mrs. Gandhi is likely to accept it. Her only reason for rejecting it, the sources speculate, would be political, not economic.

The prime minister and members of her government periodically trot out the "rupee problem" when they want to accuse the United States of worming its way into the Indian economy. But the United States may not spend any of its rupee holdings without India's express consent.

Moynihan hopes his plan will be the first important step toward putting Indian-American relations on a normal nation-to-nation basis.

As much as ideological variants and military alliances, the donor-debtor relationship has helped sour India on the United States and vice versa.

The prime minister's attitude makes clear that there is no point to the old kind of relationship for either side. Knowing this, Moynihan is eager to clear the decks before his stewardship moves into full gear.

He views the transfer of the U.S. AID complex of buildings to the government of India as symbolizing an end to one era and the start of another.

The collection of white brick buildings sticks up from the desert on the south edge of New Delhi like a sore thumb. And like a sore thumb, it has been an irritant ever since it was built.

The south block complex, as it is known to AID staff members, was living proof that the United States owned more of India's rupees than was good for either country.

The decision to build the complex, with food for peace rupees, was made in 1969, when AID had 260 Americans working in India and the United States was spending what it considered "funny money" on anything it could think of, just to get rid of some of it.

As one AID insider put it, "The way we were buying and spending in those days would make your hair curl. Anything anybody wanted was okay."

The south block concept fit in perfectly with that kind of mentality. After all, the reasoning went, India is a hard place for Americans to live in. The weather is miserably hot at least half of the year, and all year-round in some parts; You cannot drink the water without boiling it; you cannot buy a steak; outside the big cities there's no place to swim, etc., etc. In short, wouldn't it be nice to have a place where we could get away from India, even for just a little while.

The south block is just such a place, "An ostentatious American ghetto, but the best damned oasis in the Indian desert," as one AID staffer put it. The complex consists of a clustered six-story building containing 30 roomy two- and three-bedroom apartments; a hotel with 18 double rooms as well as a dining room, cocktail lounge, reception room, library, four-lane bowling alley and swimming pool. The whole thing is swathed in tinted glass, lined with wall-to-wall carpeting, cooled with central air conditioning, sweetened with piped-in stereo music and lubricated with pure drinking water right from the taps.

In addition to these living and playing facilities, the complex has a sprawling, low-slung office block, a giant warehouse and a covered garage. These buildings have already been turned over to India which has installed members of its science and technology ministry in them.

The rest of the buildings will be turned over by the end of September. Such a transfer was envisaged in 1969. The agreement signed by AID and the Indian government then said India would receive the complex "when no longer required for the support of the United States assistance program in India."

Barely a year after the construction ended, Mrs. Gandhi said India had had enough of U.S. AID and the staff was quickly run down to its present 12 Americans.

A major unknown is how the Indian government is going to cope with the huge cost and expertise needed to run the modern complex. Electricity alone costs $67,000 a year. Total annual operating costs are $160,000.

An American engineer who just completed an overall inspection of the plumbing and water purification plant told AID staffers he expected the whole system would cease functioning six months after the Indians take over.

Cyril Peters, an Indian national who has been manager of the complex since its completion, says it will take even less time.

"The government won't be able to run it," said Peters. "I'd hate to see it three months after they move in. Under my management, everyone does whatever is required of him. The government will have to worry about caste. Higher caste people won't help with low-level jobs. It will be a mess."

The end of the south block complex does not mean that the American community in New Delhi will no longer have a refuge from India.

There is still the American Community Support Association, where Americans can taste such joys of home as hamburgers, hot dogs, American beer, cokes and soft ice cream and relax in the swimming pool and on tne baseball diamond.

The handful of AID staffers and their families who will remain in New Delhi to oversee outstanding loans, the large school lunch program and a few other extant projects are being transferred to rented houses or embassy compound apartments.

Ironically, just as the south block is being given up, the U.S. embassy finds itself needing at least 20 new apartments for staff members. A 12-unit building was recently completed and plans for others are on the drawing boards.

[From the Washington Star-News, July 25, 1973]

FOREIGN AID: THE POLITICS OF RESENTMENT

(By Smith Hempstone)

Of all the billions of dollars of the American taxpayers' money which profligate administrations have sown around the world in the past quarter-century, none has reaped such a bitter harvest as the $10 billion pumped into India since 1950.

It always was naive to suppose that those nations which the United States so generously aided would be grateful for that assistance: Dependency is seldom a happy relationship. And yet in an era in which ironies abound, it is somehow doubly ironic that past American generosity should poison present relations between Washington and New Delhi.

Just the other day, American Ambassador to India Daniel Patrick Moynihan met with Prime Minister Indira Gandhi to announce the termination of the U.S. aid program and to find a way to dispose of a mountain of U.S.-owned rupees worth $40 million which Washington cannot possibly spend and the existence of which affronts Indian sensibilities. The rupees are a debt incurred by India for the purchase of surplus food in famine years at cut-rate, long-term prices.

Americans rightly find it hard to turn away from people dying of hunger. Yet, it is arguable that the provision of food to avert famine did India no favor: It simply made it possible for millions of people the land could not support to survive and procreate children who, in their turn, are doomed to lives of hunger and want.

Indeed, the churlish Indian response to United States assistance calls into question the whole concept of foreign aid. And high time, too.

The great success of the Marshall Plan, under which Europe rose phoenix-like from the ashes of World War II, fostered the simplistic notion that, given enough money, technical assistance and goodwill, poverty could be banished from the earth and the most backward nations introduced to the glories of industrialism and consumerism.

The point the aideologists missed—or chose to ignore—was that, in the case of Western Europe, we were dealing with nations which had already undergone the historical experience of industrialization. They had the skills, the institutions and the *desire* to become again what they once had been. The foundations, the preconditions, were there; in Western Europe, the job was one of reconstruction, not construction, and the difference is immense. In the Third World, we were trying to build bricks without straw, and to lay them on sand.

The point is that we know virtually nothing about the determinants of development. Theories abound, but there are no provable absolutes.

If you will look at a map of the world, you will see that, in general, the developed countries lie well north of the Tropic of Cancer (the U.S., Canada, Europe, the Soviet Union and Japan) or south of the Tropic of Capricorn (Chile, Argentina, Brazil, South Africa and Australia). In between these parallels lie the barefoot nations of Africa, Asia and Latin America.

Some theorists postulate that Protestantism and industralization are linked, that the Moslem-Catholic prohibition against usury made impossible the accumulation of capital necessary for development. Others suggest that there is a linkage between climate and development. Still others are of the opinion that diet is the determining factor, that meat-eaters ultimately prevail over grain-eaters, and grain-eaters over rice-eaters.

There is always the danger of confusing cause with effect, and the probability is that there is no single reason why one nation or group of nations is developed and others are not. Religion, climate, diet, national attitudes and social organization probably all play a role.

The point is that only a people, a nation, can determine what it wants to be. Nobody else can effectively make that determination for it. Many underdeveloped nations want the fruits of industrialization: automobiles, sewing machines, transistor radios, Coca-Cola. But, for reasons which we do not fully understand, they are unable or unwilling to create and sustain the preconditions for their own industrialization.

The concern has been more with appearances than with realities. Let a nation attain independence and the first things its rulers want are a steel mill, a national airline and a mammoth sports stadium. Never mind that its real needs are a workable population-control policy, an effective agricultural extension program and a system of simple vocational schools: These are not egomassaging prestige projects.

And when resources in the form or money and technicians are received from abroad, this obviates the need for their generation at home, to the detriment of local pride, initiative and the development of responsive and responsible institutions.

In short, nobody appreciates something for nothing and it's high time we got out of the foreign aid business, except on a highly selective basis.

[From the Wall Street Journal, Oct. 3, 1972]

THE CASE AGAINST FOREIGN AID

(By Peter T. Bauer)

It can be confidently predicted that whatever the outcome of the electrons in November, foreign aid will once again be a controversial item on the agenda of Congress.

And it can also be predicted confidently that once again it will be alleged that official development assistance—that is, government-to-government grants or soft loans—is indispensable for the progress of poor countries.

Aid is given regardless of the conduct of the recipients, or of its results. It is virtually the only form of government expenditure which goes unquestioned, unlike defense, farm price supports or school lunch programs. This is remarkable.

Aid is plainly not necessary for development, as is shown by the progress of many poor countries without aid. Moreover, it is often damaging, because although it is admittedly an inflow of resources, it sets up repercussions which can outweigh the benefits.

Aid advocates often allege that official aid is indispensable for development. This offensively patronizes aid recipients by saying that they desperately want development but cannot achieve it without handouts—doles from us. In fact, very many poor countries have progressed without them. Malaya was transformed by the rise of the rubber industry, which received no external subsidies, from a sparsely populated country of hamlets in the 1890s to a thriving country by the 1930s where a much larger population lived longer at much higher standards.

AFRICA AND HONG KONG

To move from Asia to Africa, the Gold Coast (Ghana since 1957) was transformed between the 1880s and the 1950s without foreign aid. In 1880 there were no cocoa trees there; by 1950 there were huge exports of cocoa, all from African-owned farms. Again, in 1840 Hong Kong was a barren rock. By now four million people live in that major manufacturing center whose competition is most embarrassing to Western industries. Hong Kong also developed without external gifts. And so did the now developed countries, all of which had begun as poor.

Official aid is thus not necessary for development. Nor is it sufficient. The Navajo Indian nation has remained wretchedly poor in spite of decades of huge American official aid. If a society cannot develop without external gifts, it will not develop with them. What holds back many less developed countries is the people who live there.

Development depends on people's capacities, motivations and social and political institutions. Where these basic determinants are favorable, material progress will usually occur. Materially ambitious, resourceful, industrious, far-sighted and thrifty people will create or obtain capital, and also use it productively.

There is an inescapable dilemma in the argument that aid is necessary for development. If the required conditions other than capital are present, capital will be generated locally or supplied commercially from abroad, to government or to business, so that aid is unnecessary for development. If the other conditions are not present, aid will be ineffective and thus useless.

It is often said that the culture and the social and political institutions of the recipients should not be disturbed. But what if these are incompatible with substantial material progress, as are many beliefs, customs and institutions, such as the deeply held belief in the sanctity of animal life in South Asia? Material progress requires modernization of the mind, which is inhibited by many institutions in less developed countries and also by official policies pursued there.

Progress does not depend on handouts, but on capacities, mores and institutions. This still leaves open the question whether aid is more likely to promote or to retard progress, which cannot be shown so conclusively. I believe that in practice it is more likely to retard it. Here are some of the many reasons why.

Aid reinforces the disastrous tendency to make everything a matter of politics in less developed countries. The handouts increase the resources and power of governments compared to the rest of society, a result reinforced by the preferential treatment of governments which try to establish state-controlled economies and of countries with balance of payments problems. Politicization of life diverts energy and ambition from economic activity. Moreover it provokes and exacerbates political tension, because it becomes supremely important, often a matter of life and death, who has the government, as is clear from the recent history of Indonesia, Pakistan, East Africa and Nigeria.

Aid often supports most damaging policies. Many recipient governments restrict the activities of minorities, of Chinese in Indonesia. Asians in East and Central Africa, Indians in Burma, Europeans everywhere. The removal of thousands of Asians from East Africa (the most familiar of many examples) has reduced incomes and widened income differences between these countries and the West. These measures are often followed by the expulsion or even destruction of thousands or tens of thousands of people.

ENCOURAGING THE PARADOXICAL

Aid in many ways encourages the paradoxical policy of recipients to restrict the inflow and deployment of private capital. The Indian government, an aid recipient for many years, sets up expensive state oil refineries when the oil companies in India have unused capacity which they are not allowed to employ.

Foreign aid promotes the adoption of unsuitable external models. The establishment of uneconomic heavy industries and national airlines is familiar. More important is the proliferation of Western-type universities, whose graduates cannot find employment, and of Western-style trade unions which are only vehicles for the self-advancement of politicians.

Aid obscures the fact that progress cannot be had for nothing, that the peoples of advanced countries have themselves had to develop the required conditions. It reinforces a widespread attitude that opportunities and resources for the advance of one's self and one's family must be provided by someone else, which promotes or reinforces torpor, fatalism or even beggary and blackmail, but not self-improvement. Preoccupation with aid also diverts the government's attention from the basic causes of poverty and from the possibilities of acting of them.

These are just five ways in which an inflow of resources can damage development. And the economic productivity of aid resources is generally likely to be low and insufficient to outweigh the adverse repercussions. Aid cannot be so closely adjusted to local conditions as can resources supplied commercially. Moreover, governments are understandably apt to use resources donated from abroad on wasteful show projects.

All this is not to say that aid cannot promote development. Whether it in fact does so or not depends on the specific circumstances of each case. But the examples above make it clear that it is unwarranted to assume that because aid represents an inflow of resources, it must promote development. In fact, aid is at least as likely to retard development as to promote it.

If it is only money that were missing, it could be secured commercially from abroad. Aid means at most that some capital is cheaper. But the capital is likely to be less productive than if it were supplied commercially from abroad to government or to business, and as we have seen, aid is also apt to set up far reaching adverse repercussions. There can, therefore, be no general presumption that in practice aid is more likely to promote development than to retard it. In fact, these various considerations suggest that as it has operated and is likely to operate, any general presumption would be the other way round. Of course, even if aid does promote development, this still leaves open the question why people in the donor countries should be taxed for this purpose.

It is often urged that the more aid is given the better, without examining its results that, somehow effectiveness is measured by cost, which no one in his senses would apply to his own life.

Aid certainly removes resources from the donors. But it does not follow tnat it promotes development. To make the rich poor, does not make the poor rich.

Once the case for aid is taken for granted, then either progress or its absence can be advanced for more aid; progress as evidence of its success, and lack of progress as evidence that more is needed. Whatever happens is an argument for more aid. When a case is taken for granted, evidence becomes irrelevant.

Why is the argument that aid is necessary so widely accepted if it is unfounded? This isn't strictly relevant: why people hold certain beliefs has nothing to do with their validity. However, for what it is worth let me give you my explanation.

Many advocates of aid are well intentioned, but not well informed. But by and large the aid crusade is a gigantic confidence trick. A well meaning public has been conned by a motley coalition which has succeeded in part by playing on feelings of guilt, which however unfounded are nevertheless widespread. I think this coalition includes international agencies and government departments anxious to increase their activities and power; professional humanitarians with similar ambitions; disillusioned, bored, power-and-money-hungry academics; the churches which face spiritual collapse and seek a role as welfare agencies; temperamental do-gooders, frustrated by events at home; politicians in search of publicity; exporters in search of easy markets, and governments embarrassed by commodity surpluses. And there are also many people who welcome any argument or policy which in some way or other weakens the position of Western sociey, which for various political and emotional reasons they have come to dislike.

Where do we go from here? What should we do about foreign aid? I think it would be best to finish this system of handouts which is bad for both the patrons and for the patronized, and which, by the way, is relatively recent and was started only some 20 years ago.

However, this is unlikely to come about, because of the emotional, political, intellectual, financial and administrative interests behind it. Moreover, the immense sums already spent on aid themselves operate against its termination: the greater are the sacrifices, the harder it is to question the principles in the name of which they have been exacted.

Given the fact that aid will continue, I would wish to see the method and criteria of allocation changed drastically. Aid could be allocated in such a manner that it would favor governments which within their human, administrative and financial resources try to perform the essential and difficult tasks of government and at the same time refrain from close control of the economy. These tasks include the successful conduct of external affairs; the maintenance of law and order; the effective management of the monetary and fiscal system; the promotion of a suitable institutional framework for the activities of individuals; the provision of basic health and education services and of basic communications; and also agricultural extension work. These are important and essential functions which must devolve on the government. This is so for two reasons. First, because part of the institutional structure within which the private sector functions does not emerge from the operation of market forces and so must be established by law. Second, because some of these activities yield services which, although there may be a demand for them, cannot be bought or sold in the market.

This list of tasks largely exhausts the potentialities of state action in the promotion of general living standards. These tasks are extensive and complex. Their adequate performance would fully stretch the resources of all governments in poor countries. Yet governments frequently neglect even the most elementary of these functions while attempting close control of the economies of their countries, or even, occasionally, contemplating, coercive transformation of societies. They seem anxious to plan and unable to govern.

Much more thought could also be given to prevent the inflow of aid from biasing the development of recipient countries in directions based on inappropriate external prototypes. Preference could be given to governments interested more in improving the roads and extending external contacts than in opening Western-type universities or in creating heavy engineering works.

GOVERNING VERSUS PLANNING

The substantial revision of the criteria of allocation of aid which I suggest does not in the least imply underestimation of the tasks of government, but rather the reverse. The adoption of such criteria would favor governments which try to govern rather than to plan. By the same token, aid would be withheld from governments which pursue policies which plainly retard the material progress of their countries. And many of these policies, as for instance the maltreatment of economically successful minorities, often exacerbate the problems and difficulties both of other aid recipients and also of the donors.

The adoption of such criteria would promote relatively liberal economic systems in the recipient countries, minimize coercion and favor material progress, especially an improvement of living standards. It would also reduce political tension in the recipient countries.

This proposal assumes, of course, that the purpose of aid is to improve material conditions in recipient countries. But the proposal will be altogether unacceptable if the actual purpose of aid differs from the ostensible objective of improving general living standards in the recipient countries. It will be unacceptable if the primary purpose is the pursuit of unacknowledged political policies, such as the promotion of closely controlled economies and societies, or the increase in the resources and power of the international organizations.

Thus, after a couple of good crop years those countries credited their increased yields to new technology rather than to good rainfall. By 1970 Indonesia, the Philippines, Pakistan, India and others were talking confidently about soon being self-sufficient in food. The chairman of the Nobel Peace Prize committee, in announcing that the 1970 prize was going to Dr. Norman Borlaug, developer of the "wonder" wheat, summed up the euphoria by saying that, because of the "green revolution," "we do not any longer have to be pessimistic about the economic future of the developing countries."

How could the world be so misled? One reason was the flourishing public relations work of AID and the foundations. Another reason can be found in a book written in the early 1950s which noted that "when a white-coated scientist, looking up from his microscope, makes a pronouncement for the public, he may not be understood but he is certain to be believed. No one doubts a scientist." The book's title, "Science is a Sacred Cow," is appropriate when one remembers that the "green revolution" was promoted by the scientific branch of the development community.

For instance, Dr. Borlaug said, "You have to be brutally frank with some governments; you have to push them into using (the new technology) . . . it doesn't do any good to get 10 or 15 per cent yield increases, they won't listen to you. You have to throw the long bomb. You have to make a 100 or 200 per cent gain to change their old worn-out practices." Dr. D. S. Athwahl, Associate Director of the foundation-financed International Rice Research Institute (IRRI), where the "miracle" rice was developed, says, "What we are saying is either you apply the new technology or you starve."

I remember well a photograph of President Johnson visiting IRRI, a science showcase in the Far East, and listening spellbound to the gesticulating director, Dr. Robert F. Chandler, in front of a large billboard which blazoned the message, "Newly Developed Rice Selections . . . Produce Up To 400% More Rice, Make Rice Growing Profitable."

The American Association for the Advancement of Science advertises one of its publications by saying, "New methods and techniques will make it possible to meet the food needs of the world's rapidly increasing population throughout the 21st Century." It is a preposterous promise, for at current rates the world's population will have grown from today's 3.5 billion to 37 billion by the end of the next century.

[From the Washington Post, June 3, 1973]

Foreign Aid Without Aid

(By William C. Paddock)

The American bald eagle is a remarkable bird. For 83 days the parents feed their young. Then, realizing that the eaglets will never fly without drastic action, the parents fly overhead with a fish, land nearby in sight—but out of reach—of the eaglets and eat the fish themselves. The eaglets are finally starved into leaving the safety of the nest to go out and fish for themselves.

It is a practice we would do well to keep in mind in pondering our foreign economic aid program, run by the Agency for International Development, which expires this month unless Congress, as it has in the past, grudgingly renews it.

For more than 25 years, the American people have been carrying out a sometimes charitable and sometimes self-serving crusade against hunger and poverty in the developing world. The crusade employs thousands of Americans overseas and has cost us more than $150 billion. While the majority of those who have studied this crusade are hard put to find concrete proof that the money has been well spent, most internationally minded Americans still advocate a continued flow of such aid. But the time has come to let the developing world fish for itself.

A PREPOSTEROUS PROMISE

For more than 25 years the hungry nations of Asia, Africa and Latin America have heard of the miracles that American technical knowhow, Yankee ingenuity and U.S. dollars can produce in a backward, hungry, tradition-bound nation. It is not surprising that these hungry nations have come to place a degree of faith for solving their problems on U.S. help.

No better example of this can be found than in the "green revolution," a name coined by a former AID head. The "wonder" wheat and "miracle" rice developed by the Rockefeller Foundation were "seeds of change" which gave Congress hope that the war on hunger not only could be won but was truly being won. The developing nations believed these florid statements.

BREATHTAKING HOPE

The truth is that, while the new wheat and rice varieties are excellent high yielders under certain specialized conditions (controlled irrigation, high fertilization), they have done little to overcome the biological limits of the average farm. The hungry nations of Asia, Africa and Latin America are hungry because they have a poor piece of agricultural real estate, and no one should delude them into believing that some sort of technological wizardry can nullify the consequences of too many people on too little arable land.

But if AID officials and their supporters were to admit this to Congress, they would destroy a major argument for more money. For instance, in the 1973 congressional presentation of its program. AID said, "Significant and even exciting technological gains have been made in important food crops . . . Keeping up the pace of this progress will be a difficult though *far from impossible task*" (italics mine).

The hope held out to Congress is breathtaking. For example, research on agricultural problems in Latin America, AID says, "has resulted, where the improved management practices have been adopted, in yields of 200 bushels per acre of corn where 80-bushel crops were the usual production. The long time effect of this research should result in yields increases on the nearly 300 million acres of land cultivated in Latin America . . . research in arid and subhumid lands in Asia has demonstrated that, in India and Pakistan alone, yields on the existing of 100 million acres of irrigated land can be more than doubled by the application of modern irrigation practices . . ."

Where is the congressman who would vote against such a program? And if Congress takes hope, think what visions of sugarplum fairies dance before the eyes of the hungry nations. Why should they not feel that AID's technology will eliminate their problems, or at least materially reduce them?

THE ONLY HOPE

Yet if one looks at some of the characteristics which developing nations hold in common, it is clear the only hope to solve their food problems lies in extreme action of such gargantuan dimensions that they dwarf any help our dollars or technology can offer: 85 per cent of their people depend on agriculture for a living, though 25 per cent of the labor force is either unemployed or underemployed, they grow a narrow range of crops which are excessively susceptible to both pests and market fluctuations; most of their land is broken, mountainous, swampy or desert, with water the most critical factor affecting production. Malnutrition is rampant.

With enough capital some of these problems could be remedied, but this none of the hungry countries have, and few have much credit left. Of the $59 billion they have borrowed from the industrializing world, $33 billion falls due in the five-year period 1970–75.

Yet we hear of much progress in these nations, of how the poorest countries in the world (with a per-capita gross national product of less than $200 and containing 67 per cent of the developing nation's population) have been growing economically at nearly 4 per cent a year for 10 years, a rate faster than their population. This sounds fine, but in general it has meant that their rich have gotten richer while their poor have either remained the same or are, indeed, poorer. More people, not fewer, are worse off today than 10 years ago.

"When you rip aside the confusing figures on growth rates," says Pakistan economist Mahbub ul Haq, "you find that for about two-thirds of humanity the increase in per capita income has been less than one dollar a year for the last 20 years."

THE POPULATION CRUNCH

American Presidents have told us AID is necessary because "the wealthy nations cannot survive as islands of abundance in a world of hunger, sickness and despair." This is utter nonsense, for we are doing so now, like it or not, and we are going to continue to do so, like it or not.

Every day the gap widens and at an accelerating pace. In 1960 the per capita GNP gap between the rich and poor countries was $2,000; today it is $3,000. World Bank President Robert S. McNamara says, "Projected to the end of the century . . . the people of the developed countries will be enjoying per capita incomes, in 1972 prices, of more than $8,000 a year, while the masses of the poor . . . will on average receive less than. $200 per capita, and some 800 million of these will receive less than $100. . . ."

While some countries have doubled and tripled the size of their school systems during the past 10 years, each year there are more illiterates. The trouble, of course, is that even before they are started, development efforts are defeated by the steady, uncontrolled growth in population. Development experts once thought the millennium had arrived when India produced a record 95 million tons of food grains in 1967–68. Today, however, the experts refer to the projected 1972–73 Indian crop of 100 million tons as a "critically low figure." The reason: This year's crop must feed 70 million more Indians than it did in 1967.

Mexico often cited as one of the world's best agricultural success stories. It was there that Dr. Borlaug of the Rockefeller Foundation developed his "wonder" wheat. Congressional committees and others have often heard that since the Rockefeller Foundation scientists began working there, Mexico no longer has to import wheat and corn. This supposed self-sufficiency, unfortunately, has been greatly exaggerated. Mexican price supports or cost of production or both have priced corn and wheat out of reach of a large percentage of Mexicans. Malnutrition is a major problem in Mexico—clear evidence that Mexico's agriculture does not produce the food her people need.

Speaking of this, a former U.S. ambassador to Mexico once told me, "We can't convince the Mexican government that a population problem exists; as long as agricultural production is growing as fast as the population, they don't think there is anything to be concerned about."

Since World War II, Mexico, like most of the developing world, has been able to increase its agricultural production primarily by putting new land into production, not through new technology. But now, like the rest of the hungry world, it is harder and harder to find new land to develop. If its population continues to grow at the present rate, the next 40 years will see Mexico's population mushroom from 50 million to 200 million, a number beyond the capabilities of her limited farm land to feed.

WHAT IS SELF-HELP?

Throughout the history of our aid program, Congress has been told that all the United States wants to do is help those people who will help themselves. Thus President Truman said our aim was to "help the free peoples of the world through their own efforts," and President Johnson said, "The key to victory is self-help." Today's AID administrator, John Hannah, says, "We recognize that the developing countries are responsible for their own development. . . ."

Such statements seem clear when made, but what is "self-help"? The concept offers no guidelines for the expenditure of our AID money because no country intentionally tries self-harm. They are all making an effort to improve their lot. And "self-help" is just as confusing to the recipient nation. A friend in the Dominican Republic once told me that his concept of "self-help" was that of a U.S. supermarket where a developing nation strolls along the AID shelves and helps itself to what it wants: a power plant here, a road there, and next an irrigation canal.

The United States has made a noble effort to help the developing world solve its problems. In doing so, however, we have given a false hope that we really can develop these regions—if the world would only listen to us anl Congress would only be more generous with dollars. The resulting confidence has let the hungry nations concentrate on programs often completely unrelated to their basic problem: the population-food crunch.

Virtually every knowledgeable authority agrees that drastic action must be taken if the crunch is not to become catastrophic. "To delay progress toward full self-regulation of population size is to play 'Russian roulette' with the future of man," says a National Academy of Sciences report. Yet nowhere has the necessary extreme action been undertaken, nor will it be until the developing world realizes that there is nothing the industrialized nations can do, in the form of foreign aid, about the population problem.

Cruel though the statement might sound, India would be a more viable nation today if in 1965 the United States had not shipped a fifth of its wheat crop to that sub-continent, thereby averting a famine and saving perhaps 30 million or more Indian lives (President Johnson put the figure at 60 million). The catastrophic shock of so many deaths in 1965–66 probably would have shaken India's political structure to the core and slowed down or stopped entirely its nationalist aspirations, such as needless expenditures on flag-carrying airlines and military operations against neighbors. Its agriculture would surely be receiving a greater percentage of the national budget, and we could expect the citizens to be more responsive to government efforts to control births (the Indian government might not have to report, as it did this year, that "Thus far, the rate or population growth has shown no declining tendency"). Nor would we have seen India relax into euphoric talk about food self-sufficiency, as it did in 1971 after having a couple of good monsoons—which led to further dallying with its problems.

AID WITHOUT AID

One reason why no drastic action is being taken in the world against the population-food crunch is the false hope that foreign aid provides. So long as there is such false hope, governments will not initiate the action most needed. The time has come then, for aid without AID.

The hungry nations must be helped by not helping them, by letting them know they must solve their own problems and that the only way they can do this is with their own energies and motivation. Most of the developing world knows what needs to be done. We must let them do it.

No new scientific gismo needs to be invented to control runaway population growth. Birth control techniques already exist. What does not exist is the motivation to use them. If the leaders of the hungry nations—Mrs. Gandhi, Gen. Suharto, President Marcos and others—could be convinced that so long as present trends continue famine is inevitable, they may well stop following their politically "safe" but dawdling courses. They would have to stop spending so much money on such things as elaborate road systems, military establishments and petrochemical industries that not only produce needed fertilizer but a hundred other less crucial "national" products.

The hungry nations of Africa, Asia and Latin America spend $26 billion annually on armaments—three times what they receive in official development assistance. If this $26 billion, or a large part of it, were spent on tube wells, irrigation ditches, fertilizer and agricultural research, it might become possible to head toward a true "green revolution." If, simultaneously, the nations' communications industries focused on teaching the perils of a six-child (and even a three-child) family, and if economic rewards went to those who practiced what the nation preached, a significant birth-rate drop might be possible. Then, indeed, famine would not be inevitable.

[From the New York Times, June 3, 1973]

INDIA TO IMPORT MORE GRAIN AS HEDGE AGAINST DROUGHT

NEW DELHI, June 2.—India has decided to import more grain to build stocks and to combat severe drought in parts of the country, the Minister of State for Food and Agriculture said yesterday.

The Minister, Annasaheb Shinde, said at a news conference that he could not yet announce how much grain would be imported, and that this would depend upon the progress of the Government's plan to build up stocks and on the effect of the monsoon rains, due in Western India in less than two weeks.

Mr. Shinde said that Government efforts to build up stocks were running behind schedule. They had been delayed, he said, because some farmers were holding their grain in the hope that the Government would increase the price. Mr. Shinde said that the Government still intended to nationalize the wholesale rice trade later this year, as it had nationalized wheat on April 1.

[From the U.S. News & World Report]

Hunger, mainly resulting from drought, is rising in Africa, India, China. As things look now, the coming year could be one of the century's hungriest.

In India, as the first touches of monsoon rain reach the hills, drought and famine are threatening at least 80 million people with hunger and starvation before October's harvest. So far, deaths are minimal. But worse is to come.

Bangladesh, miserable after civil war, has promises of enough grain from U.S. alone to supply 6 million people for a year. More is needed.

Mainland China, with one bad harvest last year, faces another. Drought or floods mean food shortages, hunger, and increasing unrest ahead.

West Africa is struggling through the worst of five to seven years of drought. Six former French colonies are hardest hit—Chad, Mali, Mauritania, Niger, Upper Volta, Senegal. Millions of cattle, unknown numbers of people among the 10 million threatened have already died.

U.S., once beset by grain surpluses, now has not only grain-short Russia but much of the world lining up to get what grain the Americans can spare.

AMENDMENTS NOS. 569, 570, 571, AND 572

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY submitted four amendments intended to be proposed by him to the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 573

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by them jointly to the bill (S. 2335), supra.

AMENDMENT NO. 574

(Ordered to be printed and to lie on the table.)

Mr. PERCY. Mr. President, it is well known that in many of the lesser developed countries, traditional practice, cultural mores and inadequate resources tend to block women and girls from access to educational and economic opportunities.

In developed countries as well, including the United States, women and girls suffer similar—if less severe—discrimination. I am very conscious of this, and I continue to support every reasonable effort to give women and girls full equality in our society.

The Committee on Foreign Relations has been especially concerned with the problems of women in the aid-recipient countries. In the committee report on this year's Foreign Assistance bill, S. 2335, the following language appears:

> Recognizing that the status of women within each society is one of the indicators of the level of national development, U.S. bilateral aid should assist in the integration of women into the national economy.

This is an important concept and a significant statement which I now wish to bring into law by means of an amendment to the Foreign Assistance bill.

The amendment I submit specifies that the major provisions of the act shall be administered so as to give particular attention to programs, projects and activities which tend to integrate women into the national economies of foreign countries, thus improving their status and assisting the total development effort.

At the same time as we seek to achieve the equal rights of women in our own country, let us adopt this amendment to promote the achievement of equal rights for women in the aid-recipient countries. I urge adoption of the amendment.

AMENDMENT NO. 576

(Ordered to be printed and to lie on the table.)

Mr. HRUSKA (for himself and Mr. McCLELLAN) submitted an amendment intended to be proposed by them jointly to the bill (S. 2335), supra.

AMENDMENT NO. 577

(Ordered to be printed and to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 578

(Ordered to be printed and to lie on the table.)

Mr. CHILES submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 579

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

FURTHER CONTINUING APPROPRIATIONS, 1974—AMENDMENT

AMENDMENT NO. 568

(Ordered to be printed and referred to the Committee on Appropriations.)

Mr. BENTSEN. Mr. President, I am today submitting an amendment to the continuing resolution for fiscal year 1974. I may well introduce the same amendment when the Labor-Health, Education, and Welfare appropriations bill is reported to the floor.

The amendment would assure that no local school district receives less funds under title I–A of the Elementary and Secondary Education Act of 1965 than it received in fiscal 1973. It would also assure that school districts which had been allocated funds at increased levels as a result of the previous continuing resolution would be able to maintain their rate of operation at these levels.

Mr. President, the House last week unwisely adopted an amendment by Congressman QUIE which would require that no school district receive less than 85 percent of the amount made available to it for title I–A in 1973. On the surface, this seems both wise and fair, since many school districts suffered severe cuts in funds as a result of late notification by the Office of Education that 1970 census figures would be used in determining allocations. The Quie amendment, then, was a kind of modified "hold harmless" for local school districts.

In fact, the results of the Quie amendment are precisely the opposite. While it is true that some districts will gain funds, they will do so at the expense of others within the same State. The Quie amendment, whether intentionally or not, struck out the "hold harmless" provisions for each State. To bring some of the school districts, then, up to the level of 85 percent of last year's funds, the money will have to be taken from other districts in the State. The result is that 32 States would lose title I–A money.

In addition, most serious consequences could happen for many school districts well into the school year after they have already hired their personnel and made their plans on the basis of the earlier continuing resolution. In particular, some urban districts would suffer unconscionable cuts in mid-year: in my own State, for example, Houston would go from an expected level of $8 million to a level of $4 million; Dallas, from $5.5 million to $3.5 million; San Antonio would suffer a loss of $700,000; and Lubbock a loss of $300,000.

I want to emphasize that these are not losses resulting from any new formula in the Elementary and Secondary Education Act; they are losses incurred because of an arbitrary formula attached to a continuing resolution. I wonder if that is the way we want to do business around here. The schools are confused enough because we do not give them adequate leadtime to plan; do we now, want to cut school district funds in midyear? I do not believe so.

One of the ironies is that Congressman QUIE's own State of Minnesota would lose $3.5 million if his formula is carried into law.

I believe there is but one equitable solution: First, to protect the many school districts which received cuts after their budgets were formulated, we should have a "hold harmless" provision for all districts; and second, to protect school districts who would have received increases under the earlier continuing resolution, we should provide that they can keep the increases they had counted on in making up their budgets.

Under normal circumstances, I would not be supporting these comprehensive "hold harmless" provisions, but the circumstances here demand it. The Office of Education waited almost a year beyond their deadline in telling local school districts how much they could expect. And the districts which received large increases certainly cannot be expected to surrender those increases at this point in the school year.

Mr. President, this is not a Southern solution; it is not a Northern solution. It is an attempt to make equity out of a very complicated situation. The fact that 32 States would lose under the Quie amendment makes it necessary that we act.

The Labor and Public Welfare Committee will soon be considering changes in the authorizing legislation for the Elementary and Secondary Education Act. Let us give them time to establish an equitable formula for distributing title I–A funds. But in the meantime, let us not punish the schools for our delays and for bureaucratic ineptitude. My amendment assures that all States would receive increases under title I–A. Its projected cost of $117 million can be absorbed without increasing the authorization levels, since approximately $200 million of the amounts already authorized for this program have been withheld from allocation.

At this point, I ask unanimous consent to have printed in the RECORD my amendment as well as a table illustrating the dollar figures involved in the various States.

There being no objection, the amendment and table were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 568

At the appropriate place in the bill, insert the following:

"*Provided further*, That the aggregate amount made available under Title I–A of the Elementary and Secondary Education Act to any local educational agency which has been allocated amounts prior to September 30, 1973, pursuant to this Act in excess of the rate for operations in fiscal year 1973 shall not be less than the amount necessary to maintain the rate for which allocations were made pursuant to this Act, prior to September 30, 1973, and

Provided further, That each local educational agency which has been allocated funds under Title I–A of the Elementary and Secondary Education Act, prior to September 30, 1973, pursuant to this Act at a rate for operations less than the rate for operations in fiscal year 1973, shall be allocated, consistent with the amounts previously provided by the Act, no less than the amount necessary to maintain the rate for operation for which allocations were made to each such agency in fiscal year 1973."

STATE TITLE I–A DISTRIBUTIONS UNDER ELEMENTARY AND SECONDARY EDUCATION ACT

State	Funds State actually received under previous continuing resolution	Funds State would receive under House (Quie) amendment	Funds States would receive under proposed Bentsen amendment
Alabama	$40,257,134	$29,366,791	$43,210,975
Alaska	2,054,974	2,682,258	2,402,337
Arizona	8,648,415	7,979,433	8,813,237
Arkansas	24,214,456	17,819,075	25,508,632
California	122,028,439	132,282,520	123,652,910
Colorado	10,100,532	10,662,905	10,967,183
Connecticut	11,813,005	14,075,019	12,008,729
Delaware	2,242,296	2,369,640	2,390,764
Florida	26,445,029	21,409,583	28,561,420
Georgia	39,947,788	34,487,740	47,141,112
Hawaii	3,250,669	4,056,617	3,695,770
Idaho	2,730,118	2,394,164	3,074,456
Illinois	63,243,090	73,322,080	70,034,743
Indiana	16,999,801	16,346,660	19,818,199
Iowa	15,464,659	12,411,412	18,152,063
Kansas	10,427,273	7,775,316	11,892,855
Kentucky	37,131,906	27,380,870	40,602,855
Louisiana	34,683,512	26,624,116	37,717,744
Maine	5,607,754	5,238,765	5,970,215
Maryland	19,423,141	20,745,445	21,236,393
Massachusetts	23,858,101	28,293,810	25,029,604
Michigan	47,708,517	53,125,904	51,823,683
Minnesota	21,120,043	17,762,582	25,401,570
Mississippi	42,074,152	30,534,235	43,843,727
Missouri	25,579,100	19,862,207	29,640,152
Montana	3,013,338	2,435,711	3,356,151
Nebraska	7,523,056	6,100,400	8,705,644
Nevada	883,771	1,198,736	1,020,583
New Hampshire	1,908,409	2,123,746	2,083,240
New Jersey	44,860,594	51,451,480	45,578,211
New Mexico	9,629,504	7,094,925	9,873,658
New York	193,459,929	229,434,700	203,925,109
North Carolina	56,260,988	43,823,164	61,602,215
North Dakota	4,271,181	3,486,077	4,197,159
Ohio	41,269,978	41,720,277	45,542,799
Oklahoma	18,199,914	14,151,859	19,877,837
Oregon	9,382,231	9,086,136	9,544,254
Pennsylvania	67,113,702	63,512,670	73,129,802
Rhode Island	5,289,238	5,122,679	5,225,132
South Carolina	34,313,120	25,375,246	36,324,635
South Dakota	6,266,048	4,649,968	7,226,011
Tennessee	36,288,395	26,582,212	39,707,208
Texas	69,566,731	57,524,391	79,650,190
Utah	3,593,198	4,233,235	3,937,393
Vermont	2,107,682	2,846,465	2,287,131
Virginia	33,803,541	26,794,288	40,048,875
Washington	12,255,022	15,206,163	13,512,651
West Virginia	20,524,496	14,721,841	21,129,570
Wisconsin	16,546,374	16,008,791	19,345,516
Wyoming	1,235,793	1,019,105	1,367,999
District of Columbia	8,187,278	11,469,287	10,042,675

RESPIRATORY DISEASE BENEFITS ACT—AMENDMENT

AMENDMENT NO. 575

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. MONTOYA. Mr. President, I submit today an amendment to Senator ease Benefits Act.

Members of the Senate will recall the laudable goal of S. 1029:

To provide to those workers suffering from occupationally induced respiratory diseases the same benefits now received by the victims of black lung and their survivors.

My amendment furthers the scope of Senator Taft's bill, while remaining faithful to its intent, by including underground uranium miners will be covered those eligible for benefits. Under section 102(e)(11) of S. 1029, as introduced, underground uranium miners are eligible for benefits already, but only if the Secretary of Labor or the Secretary of Health, Education and Welfare chooses to include them within the act's purview. My amendment assures that underground uranium miners will be covered irrespective of any action by any Cabinet officer. It does this by: a. establishing a new subsection defining underground uranium mines as a "health hazard industry," and b. by adding to the bill a second rebuttable presumption tailored to the special needs of the uranium miners.

The objects of my concern in introducing this amendment are the 15,000 to 20,000 miners who have worked in underground uranium mines. Laboring in the presence of radon daughters' gas, a radioactive agent which is a known carcinogen, some 1,000 to 2,000 of these miners will contact and succumb to lung cancer. These figures confront us with a fatality rate which is 7 to 30 times the normal rate of death from lung cancer. In a population equal in size to that of the uranium miners, there should be only 150 deaths to lung cancer.

The danger to which uranium miners are exposed are well known. A paper presented in June, 1968, at an annual meeting of the Health Physics Society pointed out that:

> Among white underground uranium miners, death from malignant neoplasms of the respiratory system occurred much more commonly 10 or more years after onset of underground uranium mining (48 versus 5.4 expected), with a significant excess also occurring between 5 and 10 years (12 versus 3.2 expected).

Surely to classify the underground mine as a health hazard industry and to include underground uranium miners among those eligible for black lung type benefits is a reasonable step.

It will be noted that my amendment requires a would-be beneficiary to have worked at least 6 months in a mine and to have contacted lung cancer not earlier than 5 years after he began his employment. These requirements were recommended to me by Dr. Victor Archer of the National Institute of Occupational Safety and Health. Dr. Archer is recognized as one of the country's experts in the field of diseases of uranium workers and miners. Dr. Archer explained that almost any exposure to radon daughters' gas, the carcinogenic element found in uranium mine environments, may induce cancer. He points out that it is unreasonable in such a situation to force a man to work 10 years or more before he can be considered to have contacted an occupationally related disease.

The requirement that the miner not contact the disease earlier than 5 years after beginning work is based on the fact that it takes 5 years for a cancer to develop into a detectable state. If a miner develops lung cancer only 3½ years after beginning work in a mine, it may be assumed that he had the disease before he began work. Senator Taft's bill requires a worker to spend 10 years on the job before it may be assumed, without distinct proof, that he contacted an occupationally related disease. As has been stated, that provision is entirely inappropriate to uranium workers.

Mr. President, before closing I would like to point out that steps have been taken in recent years to upgrade the environment of the uranium mine. It is true that at one time miners were exposed to high levels of radon daughters' gas. By now, however, new requirements have been established to insure that miners are not exposed to excessive radiation. This is significant because it means that we are dealing, in considering my amendment, with a class of beneficiaries which is fixed in number. I hope that the new safety requirements will prevent future uranium miners from developing cancer.

I ask unanimous consent that the text of my amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 575

On page 5, line 24, insert "(other than a place of work described in paragraph (11))".

On page 6, line 4, strike out "or".

On page 6, between lines 4 and 5, insert the following:

"(11) lung cancer, a place of work in an underground uranium mine in which such worker is or was employed for a period of not less than 6 months; or".

On page 6, line 5, strike out "(11)" and insert in lieu thereof "(12)".

On page 9, immediately after the period on line 19, insert the following new sentence: "For the purpose of this section, if a worker who is suffering from lung cancer which first developed not earlier than 5 years after the date such worker was first employed in a place of work described in section 102(e)(11), there shall (if such worker worked in such a place of work for not less than 6 months) be a rebuttable presumption that such lung cancer arose out of his employment in such place of work."

NOTICE OF HEARING ON INDIAN BILLS

Mr. JACKSON. Mr. President, I wish to announce to the Senate that the Subcommittee on Indian Affairs will hold a hearing on several miscellaneous Indian bills on October 17, 1973. The bills are:

S. 1411, to authorize the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota;

S. 1412, to declare that certain federally owned lands are held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Indian Reservation in North and South Dakota;

S. 1222, to declare that all right, title, and interest of the United States in 2,640 acres, more or less, are hereby held by the United States in trust for the Piaute-Shoshone Tribe of the Fallon Indian Reservation, Nev.;

S. 481, to declare that certain mineral interests are held by the United States in trust for the Chippewa Creek Tribe of the Rocky Boy's Reservation, Mont.;

S. 2105, to amend Public Law 90–335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation;

S. 634, to declare that certain federally owned lands shall be held by the United States in trust for the Kootenai Tribe of Idaho;

S. 1102, to declare that certain federally owned land is held by the United States in trust for the Keweenaw Bay Indian Community and to make such lands part of the reservation involved;

S. 1854, to authorize funds to compensate the Cherokee Nation, a tribe of Indians of Oklahoma, for the loss of 545,175.14 acres of land; and

S. 1856, to determine the rights and interests of the Choctaw Nation, the Chickasaw Nation, and the Cherokee Nation in and to the bed of the Arkansas River below the Canadian Fork and to the eastern boundary of Oklahoma.

The hearing is open to the public and will commence at 9 a.m. in room 3110, Dirksen Senate Office Building.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

J. Raymond Bell, of New York, to be a Member of the Foreign Claims Settlement Commission of the United States for a term of 3 years from October 22, 1971, vice Theodore Jaffe, term expired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, October 8, 1973, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF OPEN HEARINGS BY SUBCOMMITTEE ON PARKS AND RECREATION

Mr. BIBLE. Mr. President, I wish to announce for the information of the Senate and the public that open hearings have been scheduled by the Subcommittee on Parks and Recreation at 10 a.m. on October 5, 1973, in room 3110, Dirksen Senate Office Building on the following bills:

S. 210, to authorize the establishment of the Boston National Historical Park in the Commonwealth of Massachusetts.

S. 262, to provide for the establishment of the Tuskegee Institute National Historical Park, and for other purposes.

S. 417, to amend the act of June 28,

1948, to provide for the addition of certain property in Philadelphia, Pa., to Independence National Historical Park.

S. 584, to amend the act entitled "An act to provide for the establishment of the Indiana Dunes National Seashore, and for other purposes," approved November 5, 1966.

NOTICE OF HEARINGS ON THE ECONOMIC STABILIZATION PROGRAM

Mr. MATHIAS. Mr. President, as ranking minority member of the Subcommittee on Separation of Powers of the Committee on the Judiciary, I wish to announce, on behalf of myself and the distinguished chairman, Mr. Ervin, that the subcommittee will hold 2 days of hearings to investigate procedural issues connected with the economic stabilization program of the Cost of Living Council.

The hearings will be held on October 9 and 10, at 10 a.m., in room 6226, Dirksen Senate Office Building.

The subcommittee will welcome statements for inclusion in the record of hearings.

ADDITIONAL STATEMENTS

THE 15TH ANNIVERSARY OF NASA

Mr. ALLEN. Mr. President, completion of the Skylab II mission last week coincided with the 15th anniversary of the establishment, during the administration of President Eisenhower, of the National Aeronautics and Space Administration. That agency was created on October 1, 1958, with a policy that "activities in space should be devoted to peaceful purposes for the benefit of all mankind."

As part of the NASA organization, the George C. Marshall Space Flight Center was established at Huntsville, Ala., under the guidance and direction of Dr. Werner von Braun. Dr. Von Braun served as Director during the first 10 years, and he and his coworkers at MSFC played leading roles in gaining supremacy in space for the United States. Dr. Eberhard Rees served as Director of MSFC for 2 years following Dr. Von Braun's retirement, and early this year Dr. Rocco A. Petrone took over the helm of the Alabama-based space center.

The past 15 years have been crammed with history-making events in space exploration. As part of the observance of the founding of NASA, the Marshall Star, the employee publication for Marshall Space Flight Center, published a special section entitled "1958–73: NASA Activities Dedicated, 'For the Benefit of All Mankind.'" This article, written by Ed Medal, appeared in the September 26, 1973, issue of the Star. It gives a brief history of NASA achievements, including the many benefits which Earth-bound man enjoys as an outfall from space research and development programs. I ask unanimous consent that this article be printed in the Record for the enjoyment of all on this special occasion.

There being no objection, the article was ordered to be printed in the Record, as follows:

YEARS: 1958–73: NASA ACTIVITIES DEDICATED "FOR THE BENEFIT OF ALL MANKIND"

(By Ed Medal)

On October 1, 1958 the National Aeronautics and Space Administration was established with the policy "that activities in space should be devoted to peaceful purposes for the benefit of all mankind."

When NASA marks its 15th birthday Monday, the U.S. will have orbiting the Earth every 90 minutes the 100-ton Skylab space station. Its solar astronomy, Earth resources, medical and other scientific and technical investigations are providing new knowledge for the improvement of life on Earth.

Skylab's investigations and experiments, in no small way, are helping in the development of new methods of learning about the Earth's environment and resources and are providing new ways of evaluating programs directed at preserving those resources throughout the world.

Skylab truly is "for the benefit of all mankind."

The success of Skylab is indicative of NASA's first 15 years. The knowledge gained from NASA programs would fill a library and certainly is too great to detail here. A summary of major programs and some of the milestones reached follows.

MANNED SPACE FLIGHT

The first United States' manned space flight program, Project Mercury, was initiated just seven days after NASA was established. Two and one-half years later Alan Shepard became the first American in space. Aboard his spacecraft, Freedom 7, Shepard flew a suborbital flight of 15 minutes, successfully landing in the Atlantic Ocean 302 miles downrange from Cape Canaveral.

On February 20, 1962, John Glenn became the first of four Mercury astronauts to be placed in Earth orbit, accomplishing the major goal of the program. The succeeding missions by M. Scott Carpenter and Walter M. Schirra, Jr. later that year and the final orbital flight by L. Gordon Cooper, Jr. in May 1963 demonstrated that man could not only survive in weightlessness but also could operate efficiently as a pilot-engineer-experimenter for as long as 34 hours.

Following Mercury, the Gemini Program was established to advance the capabilties of man to explore space for up to two weeks duration and to perfect operational techniques of rendezvousing and docking vehicles in space—a requirement of the Apollo lunar landing missions. From March 1965 to November 1966, 10 manned Earth orbital Gemini flights were flown for missions of from 5 hours to 14 days.

In the late sixties and early seventies, the Apollo lunar landing program dominated the space scene. In December 1968, with the flight of Apollo 8. Man first circled the Moon and returned safely to Earth. The stage was then set for the landing of a man on the lunar surface.

It was on July 20, 1969 at 3:18 p.m. when Neil Armstrong reported "The Eagle has landed." Thus, man's greatest conquest of space to date had been accomplished. As Armstrong lowered himself to the surface of the moon the whole world was listening as he said: "One small step for a man, One giant leap for mankind."

Twelve more astronauts were eventually to explore the Moon by December 1972 when the flight of Apollo 17 officially ended the lunar landing program. But the five scientific stations established on the Moon continue to relay information to Earth and it will take years to completely analyze the hundreds of pounds of lunar material returned to Earth.

SPACE SCIENCES

Through the use of unmanned spacecraft, the exploration of space has provided man with a better understanding of his own planet and an opportunity to see other planets, stars and galaxies unhindered by the Earth's obscuring atmosphere.

Earth-orbiting satellites have discovered and mapped in detail the highly complex magnetosphere surrounded Earth and the effect of solar radiation on Earth's ionosphere and atmosphere. Other spacecraft have studied ultraviolet, infrared, X-ray and gamma-ray radiation to learn more about stars and galaxies and little-understood pulsars, quasars and black holes.

In NASA's first 15 years, some 300 satellites have been sent into Earth orbit and interplanetary space.

APPLICATIONS

In the area of direct benefits to mankind as a result of space activity, the groundwork was done in the early sixties with passive and active communications satellites and early meteorological spacecraft.

The Echo balloon satellites, launched in 1960 and 1964, were some of the early stepping stones to the billion dollar global commercial communications satellite industry. They were followed by the Telstar and NASA's Relay satellites in 1962 and 1964.

The first meteorological satellite, TIROS–1, was launched in 1960, followed by a rapid succession of similar spacecraft in following years. These resulted in the establishment in 1966 of the first operational meteorological satellite system. Weather satellites have observed every major storm or hurricane since the launching of the first TIROS.

In 1972, the first Earth Resources Technology Satellite, ERTS–1, was launched and continues to return information of great importance in managing the Earth's resources and observing its environment. More information in this area is forthcoming from the Skylab missions.

AERONAUTICS

NASA continued the long and successful record of its predecessor agency, the National Advisory Committee for Aeronautics, in preserving the role of the U.S. as a leader in civil and military aeronautical technology.

The joint NASA/USAF/USN X–15 rocket powered airplane made its first flight in June 1959. The world's only manned aircraft capable of hypersonic flight, the X–15 flew to a peak altitude of 354,200 feet (67 plus miles) and a top speed of 4,520 miles per hour (Mach 6.7).

NASA's experimental Quiet Engine Program, started in 1969, has demonstrated jet engine noise levels significantly below the Federal Aviation Regulation requirement. Aircraft noise is currently constraining growth of civil aviation. The NASA quiet engine technology development program aims at making aircraft quieter and thus more acceptable to the community environment.

TECHNOLOGY UTILIZATION

The legislation establishing NASA gave the space agency the mission of making certain that any new technology developed by the agency would be made readily available to all potential users in the U.S. and worldwide. NASA's Technology Utilization Office has been assigned this task.

The office currently operates six Regional Dissemination Centers or technological data banks located around the country. The dissemination centers contain more than one million individual publications dealing with technology derived from space programs. These publications cover a wide range of disciplines. The materials represent new developments and inventions resulting from more than $45 billion worth of contracts with more than 400,000 separate companies during NASA's first 15 years.

Perhaps nowhere has NASA technology been put to more use than in the field of medicine. This is due to space age advances in miniaturization and sophisticated electronics circuitry. Some notable examples of these benefits are:

Eye-operated switches, devices operated by breath controls and ultra-sensitive pressure devices incorporated in a specially-equipped Huntsville Hospital room designed to aid quadriplegics. A patient unable to use either his hands or feet may one day be able to control the total environment of his room using the above mentioned devices.

A compact, fully automatic gas analyzer which measures the composition of air breathed in and exhaled from the lungs. In hospital intensive care units, the instrument can be used to monitor the breathing of acutely ill patients. In surgeries, the anesthesiologist can monitor the patient's progress, checking inhaled and exhaled concentrations of anesthetic gas.

Some of the other "spinoffs" presently in daily use outside the aerospace field are:

NASTRAN, a computer program designed by NASA to analyze the behavior of structures under stress. This program is being used by hundreds of industrial firms, universities, laboratories and government agencies to solve their structural engineering problems.

Another device benefitting average citizens is the "heat pipe" concept, developed jointly by NASA and the Atomic Energy Commission. The heat pipe has been applied domestically in recovering and recirculating heat from chimney flues, increasing the efficiency and economy of many types of home heating plants approximately 10 per cent.

INTERNATIONAL PROGRAMS

The first international cooperative satellite was launched in 1962. Called Ariel I and developed jointly with the United Kingdom, it carried scientific ionosphere experiments.

In the following years, NASA has conducted 18 cooperative satellite and probe joint projects with Canada, France, Germany, Italy, the United Kingdom and the ten-nation European Space Research Organization (ESRO).

Since orbiting the first foreign experiment on Explorer 20 in 1964, NASA has flown 25 international experiments on its satellites and spacecraft. Since its early development of communications satellites, NASA has successfully orbited 12 such spacecraft which form the Intelsat system of global communications.

From small beginnings, NASA's international programs have developed to the present stage, where 94 countries and international organizations are cooperating with NASA in some form. NASA, in turn, has entered into more than 500 agreements for international space projects.

Among other developments, more than 350 foreign scientists have been involved in the analysis of lunar surface samples.

These are but a few of NASA's accomplishments during the first 15 years of the agency. A vigorous program continues as the agency reaches the middle point of its second decade.

ADDRESS BY VICE PRESIDENT AGNEW

Mr. TOWER. Mr. President, I read with great interest the speech given by the Vice President at the convention of the National Federation of Republican Women in Los Angeles on Saturday.

I highly recommend both the prepared text and the transcript of our distinguished Vice President's extemporaneous remarks, as reported in the Sunday Washington Post, to the attention of my colleagues, and ask unanimous consent that they be printed in the Record.

There being no objection, the prepared text and transcript were ordered to be printed in the Record, as follows:

Address by the Vice President of the United States

It's a great pleasure to be here with all of you this morning at your 17th Biennial Convention. This is the first time I have been able to speak to your Federation, and your very warm and gracious welcome makes me wish circumstances had permitted me to come earlier. And I can assure you, contrary to all the rumor and speculation gushing out of Washington these days, that this address before your group, my Republican friends, will *not* be my last.

It's enormously encouraging to know that you have been meeting here for the past five days to plan, study and gear up for the year ahead and the all-important elections we face. The Republican Party has a great future and certainly the excitement here today is an indication that we are witnessing the brilliant premiere of a New Republican Majority in American politics.

Your Federation will play a leading role in this developing chapter in our Party's history. You represent 500,000 Republican women—the largest, most vibrant women's political volunteer organization in the world. And in reviewing the tremendous performance you gave last year—a contribution of more than $2 million in campaign funds and, even more important, over 16 million hours of personal devotion—I am certain you will deliver another star performance in 1974.

You know, some male politicians these days are a little nervous about speaking before women's groups. They figure it's somewhat like a chauvinistic Christian being thrown into an arena of liberated lions, or Bobby Riggs being thrown to Billie Jean King. But somehow I'm not quite so fearful I sense that women in the Republican arena have not had to become savage in the search for representation, recognition and respect within our Party. You've earned your position of leadership and you've received it. You didn't have to force your way into the Convention of 1972 by means of a narrow, rigid quota system. The doors had long been open wide, and you were already present in great numbers.

I noticed last week that our Democrat counterparts are still fighting over the undemocratic quota system that nearly destroyed their Party in 1972. They may never learn what we Republicans have always known—that men and women want to be treated as individuals rather than as members of sexual, ethnic and religious groups.

The quota-minded in this country include women just because they are women. Similarly, they urge the hiring of a person for a job or the election of a person as a convention delegate simply because that person belongs to a specific religious or racial group.

These attitudes may find a home in some echelons of the Democratic Party, but Republicans will always reject them as demeaning, discriminatory and inconsistent with our traditions. The fact that so many of you play such important roles in the affairs of our Party is proof that we Republicans don't need quotas. Maybe it's proof also that you are harder working and better politicians than your Democrat counterparts.

Today, greater numbers of women are actively engaged throughout our Party than at any time in our history. From the precinct level up to the national level, you supply the lifeblood of our organization as well as much of the leadership. I need mention only a few—talented and dedicated women such as Connie Armitage, Janet Johnston and the newly-elected officers of your Federation.

Republican women are present today in greater number than before in Government as well. Anne Armstrong and Helen Bentley, who joined you at this Convention, are two outstanding representatives of a Republican Administration that includes four times as many women as any other Administration in history.

President Nixon has always recognized the ability and dedication that women have to offer, especially in the field of politics. He once put it this way:

"Women basically find it much harder to lose than do men . . . Once they or those they admire and love are committed to battle, they enter into the contest with all their hearts and souls. They work harder and fight harder than men. Their commitment is generally more total and their loyalties more lasting."

I don't think there could be any finer proof of the truth of that statement than the fact all of you here at this Convention and the thousands more you represent are standing behind your Party now in its time of greatest need.

We are in a period in which our loyalty to Party and to principle is being sternly tested. And that has a good side as well as a troubled side. For it is only times such as this that test our loyalty and conviction. You have proven that you have both loyalty and conviction. Indeed, you are proving that you are at your best when the challenge is greatest.

The term "party loyalty" is open to varied definition. We have heard some associate loyalty with nothing more than a blind, self-righteous zeal that encourages one to commit any act, no matter how wrong, in order to serve a cause. But that isn't a reasonable assessment of loyalty. Loyalty in its truest sense is a rational commitment to certain principles and service to those principles in ways that seek to dignify and advance them. That is loyalty in its truest, finest sense and that is the loyalty that you and millions of other dedicated Respublicans have always shown toward this Party.

While you fight hard for the Republican cause, you fight fairly and you abide by the rules and ethics of the political process. You have enough faith in the soundness of the Republican philosophy to know that, with enough work and good candidates, the Republican Party can succeed in the healthy, open competition our two-party system provides. It's people like you that make that system work.

Unfortunately, however, there will always be some individuals who do not abide by the rules and ethics of fair play. A lack of faith either in their cause or in the system itself, drives them to the use of improper or illegal methods. This, of course, was the tragedy of Watergate. Certain individuals, exercising poor judgment and acting unethically, tried to circumvent the laws and accepted standards of conduct in order to serve their cause. The irony, of course, is that in doing so, they damaged their cause all out of proportion to the small advantage they sought. By betraying principle, they did far graver damage than the opposition could ever have done.

But it would be a mistake to assume that what they did is typical of political campaigns. They were only a small minority compared to the millions like you who worked within the framework of law and proper conduct.

It would also be a mistake to assume that because some misguided individuals abused the political process, that the process itself is a farce. Certainly, there are weaknesses within it that need to be corrected, especially in the area of campaign funding. But the process itself is still valid because it results in the victory of those candidates and viewpoints that are most representative of the majority of Americans. That, as you know, fellow Republicans, was the result last November when our President won his overwhelming mandate.

The President was given that mandate because he cherishes those values and principles that America has always stood for and that Americans today just as strongly believe in. And no aspect of those values and principles is more central to the well-being of our society than is our system of justice.

The structure of that system is both reflective and symbolic of the total structure of our society. The basic philosophical concept upon which our Nation was built was faith in the individual human being. The fundamental principles of our Constitution work to insure that the individual citizen is as free as possible—so long as he acts responsibly and does not interfere with the rights of others. The civil rights of the individual are of paramount concern, for only if man is allowed to exercise those rights can he remain free. If the rights of one person are violated, the rights of all are lessened. It is the primary function of our system of justice to insure that those rights are protected.

But today that system of justice, the cornerstone of our free society, is under attack. And perhaps no instance better illustrates the seriousness and ferocity of the assault than the current flagrant violation of the traditional and constitutionally guaranteed secrecy of Grand Jury proceedings.

During the past few months we have witnessed a cavalier attitude toward such violations of the essential principle of secrecy in investigations related to Grand Jury proceedings. Leaks have sprung in unprecedented quantities, and the resultant publication of distortions and half-truths has led to a cruel form of kangaroo trial in the media, the accusatory stories maliciously supplied by anonymous sources.

Justice Felix Frankfurter once wrote:

"The history of liberty has largely been the history of observance of procedural safeguards."

And no safeguard is more important to the preservation of liberty than the safeguard of secrecy that has traditionally protected the evidence developed for presentation to the American Grand Jury.

The reason for this secrecy is a simple one, although perhaps not quite sufficiently understood by many Americans.

First, the safeguards of secrecy which should surround the proceedings of the Grand Jury are essential to the rights of the individual. For the Grand Jury is presented only with the prosecutor's view of a given case. The defendant cannot challenge the admissibility of evidence or credibility of witnesses by cross examination; he cannot produce evidence in his own behalf. The purpose of the Grand Jury procedure, in other words, is to produce a formal accusation, if that should be merited.

Second, the findings of a Grand Jury—and it is extremely important that this be understood—those findings, called the indictment, are in no way equivalent to a conviction. If indictment were equivalent to conviction, there would be no need within our legal system for a trial. For it is in the trial proceedings that cross-examination, challenge, and the full facts of the case can be heard and evaluated. As observers of the legal process will tell you, a great number of indictments result in the full clearing of the person indicted.

Therefore, under our system although the formal proceedings of the trial should be open, the proceedings of the Grand Jury must be kept secret.

But a severe distortion of that system arises when evidence to be presented to the Grand Jury is surreptitiously made available to the media, and through the media to the public. This can destroy one of the most fundamental concepts of our system of justice—the presumption of innocence. That presumption has led to the development of the most careful and systematic body of legal procedures which are preserved for the use of the accused, to make certain that he has every protection under our Constitution and common law. And that presumption of innocence applies across the board—to every American, whether businessman, factory worker, or Vice President.

That is the legacy of the Founding Fathers—passed on from the English common law—the cardinal rule of our system of justice—that every American is innocent until it is formally proven otherwise.

It is a great principle, a principle that generations of Americans have fought to preserve.

It should be clear that what is at stake is not merely the rights of a single individual, but the fundamental judicial principles of this country. These principles are designed to prevent a person from being wrongly convicted, as well as to protect a person from more intangible forms of abuse, such as the destruction of a chosen career of public service. The endless "leaks" must inevitably violate not only the rights of an individual but the right of every American.

Given the current climate of wild overreaction, it will not be an easy fight. But those of us who believe fervently in the values and institutions that form the very core of our system must continue to repel every assault against them.

Let us continue to stand firmly for the basic principles and rights embodied in our Constitution. Preserving what is right about America is our challenge, my fellow Republicans. I know that we will prove equal to it.

[From the Washington Post, Sept. 30, 1973]

Agnew Hits Justice Department in His Remarks: "I'm a Big Trophy"

(*Following is a transcript of Vice President Agnew's extemporaneous remarks yesterday before the Los Angeles convention of the National Federation of Republican Women:*)

In the past several months I've been living in purgatory. I have found myself the recipient of undefined, unclear, unattributed accusations that have surfaced in the largest and most widely circulated organs of our communications media.

I want to say at this point clearly and unequivocally: I am innocent of the charges against me.

I have not used my office, nor abused my public trust as county executive, as governor, or as Vice President to enrich myself at the expense of my fellow Americans. In August of this year when I first became aware that I was being investigated for a serious crime, and I might mention to you that although rumors had been drifting out of Baltimore for some months before that, up until the time my attorney was handed that letter on Aug. 5 or 6 in Baltimore, I had no idea that I was the target of an investigation.

I want you to know that when I got that letter I learned an hour or two later that The Wall Street Journal was in possession of that letter before I was. And I want you to know that irrespective of the claims of certain individuals in the Department of Justice, it was not through my fault that this became a nonsecret procedure, but through deliberately contrived actions of individuals in the prosecutorial system of the United States, and I regard that as outrageous and malicious.

RIDICULOUS REPLY

Even today at this point in this widely publicized investigation, no one would know that I am under any kind of investigation if the secrecy of grand jury investigations and the prosecutorial probes that precede them were kept inviolate. Certainly it is not and was not to my advantage to spread this kind of information across the pages of the news media. What a ridiculous counterreply to my statement is the statement that comes out of the prosecutor's office that I have been responsible for this publicity.

I say this to you: conduct of high individuals in the Department of Justice, particularly the conduct of the chief of the criminal investigation division of that department, is unprofessional and malicious and outrageous, if I am to believe what has been printed in the news magazines and said on the television networks of this country and I have had no denial that that is the case.

It is my intention to use the courts of this country in an attempt to gain permission to examine under oath these people who are trying to destroy me politically through the abuse of the criminal justice system of the United States.

If the court gives my attorneys the right to take those depositions and if we find in fact that in Baltimore or in Washington individuals employed by the Department of Justice have abused their sacred trust and forsaken their professional standards, then I will ask the President of the United States to summarily discharge those individuals.

Now people will say to me: "Why should a Republican Department of Justice and Republican prosecutors attempt to get you?" Well I don't know all the answers, but I will say this, that individuals in the upper professional echelons of the Department of Justice have been severely stung by their ineptness in the prosecution of the Watergate case. They have been severely stung that the President and the Attorney General have found it necessary to appoint a special prosecutor and they are trying to recoup their reputation at my expense. I'm a big trophy.

And one of those individuals has made some very severe mistakes, serious mistakes. In the handling of his job he considers himself a career professional, in a class by himself, but a recent examination of his record will show not only that he failed to get any of the information out about the true dimensions of the Watergate matter but that he also through ineptness and blunder prevented the successful prosecution of high crime figures because of wiretapping error.

Those are the reasons why he needs me to reinstate his reputation as a tough and courageous and hardnosed prosecutor. Well, I'm not going to fall down and be his victim, I assure you.

Don't think for one minute when I say there's leaks in the Department of Justice that it's just my opinion. Civil libertarians across the country are enraged at what is happening. Attorney General Richardson himself after first denying those leaks, came back later, several days or a week later, and admitted members of the news media had informed him that the leaks were in fact coming from the Department of Justice in Washington. I say, if they're there let's do something about it.

I'm not going to get into the facts of the accusations against me coming out of Baltimore except in the most general sense to say that through the cocktail circuit and the rumor mills in Washington threats by certain individuals were communicated to me as recently as April of this year in which those people left no doubt that unless I used my high office to cut off the investigations against them that they intended to implicate me in their sordid misdeeds.

A POISONED WELL

I said no to them, that I would have no part of that. Certainly if anyone knows that I knew these individuals, or anyone connected with them, that I was not going to do that. And it was a result of that—a statement on my part that they could not look to me to abuse the constitutional powers that I have—that they began to seek and obtain from the prosecutors in Baltimore immunity and limited immunity.

Now, in case you don't know what immunity it, is means that someone who has already admitted his guilt to a criminal action can escape the full force of his punishment by turning in somebody higher up. And that's exactly what happened in this case.

I want to say just a word about why I went to the House of Representatives. It should be, I guess, obvious, that I don't believe I can have a fair hearing either before a grand jury or petit jury in Baltimore. The well has been most successfully poisoned.

And I find the only chance I would have to have a full hearing on the facts was to appeal to the House of Representatives. Thus far, they have decided not to grant me that hearing. But when I see principal news organs of this country criticize my going to the House of Representatives on the basis that I am attempting to hide behind a constitutional shield and suppress the facts, that amazes me, because what I want is not a suppression of the facts, but the fullest possible hearing of them, widely publicized before the people of the American nation, so that everyone knows exactly what is going on in this nation. I'm not trying to hide anything.

NOT RESIGN

I want to make another thing so clear that it cannot be mistaken in the future. Because of these tactics which have been employed against me, because small and fearful men have been frightened into furnishing evidence against me—they have perjured themselves in many cases, it's my understanding—I will not resign if indicted, I will not resign if indicted.

Our Constitution says that every man is entitled to a fair trial and a presumption of innocence. I intend to rely on the spirit as well as the letter of those guarantees. I would forsake the principles of the founding fathers if I abandoned this fight. And I do not intend to abandon it.

Because as I said in my earlier remarks, although I am very directly and personally involved in these accusations, also involved is the traditional framework of the American judicial system and the fairness of the American people and the inviolability of other Americans to perversions of this type in the future. Ladies and gentlemen, thank you for hearing me out. I intend . . . [Lost in applause.]

THE NATIONAL AIRPORT SYSTEM PLAN

Mr. McGEE. Mr. President, my purpose with these brief remarks is to express concern about the apparent short shrift given to the law and to the U.S. Postal Service in the recent formulation of the National Airport System Plan.

That report, as well as the report of the Aviation Advisory Commission, recently was published pursuant to section 12 of Public Law 91–258, the Airport and Airway Development Act of 1970.

Section 12(a) of that act directed the Secretary of Transportation to formulate a National Airport System Plan and, in so doing, to consider the needs of civil aeronautics, of the national defense and "the special needs of the Postal Service." Further on in the same section of law, the Aviation Advisory Commission was established and charged with the formulation of recommendations concerning the long-range needs of aviation, again with reference to the special needs of the Postal Service.

If any attention was paid at all to that requirement of the law it was apparently in the nature of a quick flyover, Mr. President. With regard to the National Airport System Plan, a voluminous 12-volume compilation, "Aviation Daily," carried the following item in its July 23, 1973 edition:

> Federal law directing DOT to produce National Airport System Plan specified it was for use of civil aeronautics, defense and 'special needs of Postal Service.' Asked by The Daily for an opinion on the new plan, Postal Service executive said: 'What airport plan? Oh, that thing. We had very little input. We attended a meeting about a year ago and never heard any more about it. I wish somebody would give us a copy.

My perusal of the other document in question, Report of the Aviation Advisory Commission, revealed that the United States Postal Service was represented at a meeting on service to smaller communities, held January 5–7, 1972. But nowhere in the Commission's report is there a hint that the "special needs" of the Postal Service might have been given serious consideration—not even in the section that deals with interagency coordination of civil aviation activities, which recommends a reorganized National Aeronautics and Space Council with representation from a number of other agencies, but not the Postal Service.

CURRENT U.S. POPULATION

Mr PACKWOOD. Mr. President, I would like to report that, according to U.S. Census Bureau approximations, the total population of the United States as of October 1, 1973, is 211,264,882. In spite of widely publicized reductions in our fertility levels, this represents an increase of 120,344 since September 1—that is, in just 1 month. It also represents an increase of 1,461,395 since October 1, 1972.

Over the year, therefore, we have added enough additional people to fill more than two cities the size of San Francisco. And in just 1 short month, we have added as many people as now reside in Galveston and Midland, Tex., combined.

TOM VAIL

Mr. CHURCH. Mr. President, it was with a deep sense of sadness that I learned last week of the death of Tom Vail, chief counsel for the Senate Finance Committee.

Tom was an extraordinary individual in every sense of the word. During his 22 years on Capitol Hill, he was respected as a technician of the highest order in some of the most complicated legislation before the Congress: Social security, medicare, taxation, trade laws, welfare reform, and others.

But the admiration for Tom goes far beyond his professional competence. He was also courteous, fair, and considerate. Above all, Tom Vail was generous with his time and talent, whether a Senator was a member of the Finance Committee or other congressional units.

We in the Senate—as well as our entire Nation—shall sorely miss his counsel and wisdom. Public servants of his caliber and dedication are always difficult to replace. But his excellent example can be a moving inspiration for all in the Senate to emulate in meeting the challenges ahead.

Mr. President, Mrs. Church joins me in extending our condolences and prayers to his wife, Nancy, and their four lovely children.

PROPOSED COLORADO RIVER BASIN SALINITY CONTROL ACT

Mr. DOMENICI. Mr. President, on September 17, 1973, the Upper Colorado River Commission met for its annual meeting in Denver, Colo. At this meeting a resolution was unanimously adopted by the Commission urging the Office of Management and Budget, the Environmental Protection Agency, and the Departments of Agriculture, Interior, and State to expedite their reports on S. 1807. As my colleagues know, S. 1807 is a bill to authorize the Secretary of the Interior to execute a program of salinity control for the Colorado River.

As a cosponsor of this legislative proposal, I would like to join with the Upper Colorado River Commission in urging early consideration of this measure. This program is vitally needed to preserve interstate and international relations as well as to maintain and enhance the quality of water in the lower reaches of the river.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION BY UPPER COLORADO RIVER COMMISSION RE THE PROPOSED COLORADO RIVER BASIN SALINITY CONTROL ACT

Whereas, on April 27, 1972, at the Federal-State *Conference in the Matter of Pollution of the Interstate Waters of the Colorado River and Its Tributaries* the conferees unanimously recommended that: (a) a salinity policy be adopted for the Colorado River system that would have as its objective the maintenance of salinity concentrations at or below levels presently found in the lower main stem, and (b) in implementing that policy objective the salinity problem must be treated as a basinwide problem that needs to be solved to maintain Lower Basin water salinity at or below present levels while the Upper Basin continues to develop its compact-apportioned waters; and

Whereas, the conferees also recommended that the salinity control program as described by the Department of the Interior in its report entitled "Colorado River Water Quality Improvement Priogram," dated February 1972 offers the best prospect for implementing the salinity control objective; and

Whereas, by letter of June 9, 1972 to the Secretary of the Interior, the Administrator of the Environmental Protection Agency concurred with the conferees, endorsed the proposed salinity control program, and offered the assistance of his agency to the extent of available resources; and

Whereas, Bills (H.R. 7774, H.R. 7775, S. 1807) based upon the recommendations of the conferees and the report of the Department of the Interior were introduced by 35 Members of the U.S. House of Representatives and 14 Members of the U.S. Senate from the Colorado River Basin States on May 14, 1973, and are pending hearings by the Committee on Interior and Insular Affairs; and

Whereas, the Office of Management and Budget, Environmental Protection Agency, and Departments of Agriculture, Interior, and State, to whom the Bills have been referred for reports, have not submitted reports to the Congressional committees:

Now, therefore, be it resolved, by the Upper Colorado River Commission, convened in annual session at Denver, Colorado on September 17, 1973 that the Office of Management and Budget, the Environmental Protection Agency, and the Departments of

Agriculture, Interior, and State are urged to expedite reports on, and to support, legislation pending in the Congress to authorize the Secretary of the Interior to execute a program of salinity control for the Colorado River in order that said program can proceed expeditiously to implement the salinity control objective unanimously adopted by the Federal-State Conferees in the Matter of Pollution of the Interstate Waters of the Colorado River and Its Tributaries, thus contributing to regional, national, and international interests in Colorado River waters;

Be it further resolved that copies of this resolution be transmitted to the President of the United States, Director of the Office of Management and Budget, Administrator of the Environmental Protection Agency, Secretary of Agriculture, Secretary of the Interior, Secretary of State, each of the Governors and Members of the U.S. House of Representatives and U.S. Senate of the Colorado River Basin States, and to other interested entities.

CERTIFICATE

I, Ival V. Goslin, Executive Director of the Upper Colorado River Commission, do hereby certify that the above Resolution was adopted by the Upper Colorado River Commission at an Annual Meeting held in Denver, Colorado on September 17, 1973.

Witness my hand this 19th day of September, 1973.

Ival V. Goslin, *Executive Director*.

THE CORRECTION AND REHABILITATION OF OFFENDERS

Mr. BURDICK. Mr. President, I would like to call my colleagues' attention to a speech made by Norman A. Carlson, Director, Federal Bureau of Prisons, Department of Justice, before the Alabama Council on Crime and Delinquency at Huntsville, Ala. The speech deals with the problems associated with corrections and rehabilitation of offenders. I consider the remarks an excellent review of some of our programs, and should be of interest to every Senator. I ask unanimous consent that the speech be printed with my remarks in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks of Norman A. Carlson, Director, Federal Bureau of Prisons, Department of Justice

It is a pleasure to be in Huntsville today to speak on an issue that is vital to the future of corrections—namely how much emphasis we need to place on community alternatives to traditional treatment in correctional institutions.

I think the answer is an obvious one. What we need to do is upgrade all areas of corrections. We need to move ahead with a balanced approach—one which will see institutional and community treatment both developed to the highest degree of effectiveness.

Unfortunately, the whole question of community and institutional corrections emphasis has been clouded by a handful of individuals who are trying to convince the American public that institutions are inherently evil and that the only effective correctional technique is the community approach. Some advocates even maintain that 90 to 95 percent of the confined population can be released without posing a threat to the American public.

In fact, the only thing we can say of corrections with any degree of certainty is that we still know very little about how to deal effectively with offenders. It is ludicrous to pretend otherwise.

What we can honestly say about community treatment is that it is far more humane and a lot less expensive than even the most modern institutions can ever hope to be. But I suggest that we shelve the notion that there exists today some sort of crystal ball with which we can predict with certainty the likelihood of renewed criminal behavior on the part of an offender.

I cannot stand here today and give you either percentages or round figures on the number of offenders who could safely be treated in a community treatment environment. But I know that in the Federal system it wouldn't approach anything like 90 or 95 per cent which some advocates of community treatment maintain. When you get down to the decision-making stage, it can only be handled carefully on a case-by-case basis and even then one is apt occasionally to make dangerous misjudgments about an offender's ability to adjust. A recent case comes to mind in which three of our young offenders were placed on a college study-release program. All of them appeared to be very fine prospects for this kind of community treatment. But, unfortunately, we had to take them off of study release rather suddenly when the FBI told us they were prime suspects in a sophisticated bank robbery. Yet, these young men, on the basis of their personal and criminal histories, institutional adjustment, and participation in programs offered to them, would, no doubt, appear to fall within the 90 to 95 per cent that some individuals say should be released. However, in spite of the careful staff evaluation which preceded their release into a community program, these offenders didn't make it, and I can assure you that there will be others. We need desperately to move ahead with community alternatives to incarceration. But we need to do it with our eyes open, in the responsible manner which the American public demands and, indeed, has every right to expect.

In improving community treatment we must be careful not to put the proverbial cart before the horse. We cannot hope to release large numbers of offenders until there is first a substantial improvement in probation services at all levels.

Probation officers—Federal, State, and local—must, first of all, be appointed on the basis of their qualifications for the work and not because of political patronage or other considerations. Appointment standards should be based on academic achievement and experience and salaries must be at a level which will attract good people. They need also to be given meaningful training and case loads small enough to permit much more individualized attention to offender needs. Short of this, I'm afraid that we will see little improvement in the spiralling crime rate of the 60's. Institutions can do much to help an offender and so can existing programs of community treatment. But without propr supervision of an offender they become virtually meaningless.

Another area which needs a great deal of attention is the diversion of some offenders from our criminal justice system. I believe there are many juveniles and persons with alcohol or drug problems whose needs should be handled outside of the system. Handling them in such a fashion would relieve not only the enormous population pressures on our correctional institutions, but also some of the unnecessary paperwork which now is handled by probation and parole officers.

I think, too, that instead of looking at institutions in a totally negative manner, because of admitted past failures, we should start thinking positively. We need to list the known deficiencies of institutional treatment methods and then do our utmost to overcome them. There are some who will say this is an impossible task. The fact is rapid improvements are being made daily at correctional institutions throughout the country.

For example, in the Federal system, we are designing and building radically new types of institutions in which the stress is on attractive tension-reducing environments, human dignity, and the need for privacy. The steel cells and austere surroundings of the traditional correctional institution are on the way out.

We have taken our correctional officers out of the police type uniforms which were the fashion for many years and have put them into colorful blazers, shirts, and slacks.

We have placed strong emphasis on minority recruitment and retention in an attempt to overcome the proportional imbalance between minority staff and inmates. Since late 1971, 30 per cent of our new appointments have been from minority groups.

All of these improvements would be entirely superficial, however, if there were not also some real changes in the philosophy of many men and women who entered correctional service at a time when there was a great deal less emphasis on positive staff-inmate relationships.

With an eye toward improving these relationships, we have undertaken a large-scale training program which is administered at two staff training centers—one in Atlanta, the other in Dallas—as well as at each individual institution. This training program is designed to reach every employee of the Bureau of Prisons with the message that rehabilitation is an empty gesture unless conducted with a sincere attempt on the part of all staff to treat offenders as fellow human beings in an atmosphere which is supportive instead of repressive.

The Bureau of Prisons calls for balanced development of community and institutional treatment because we recognize that a certain proportion of offenders cannot or will not conduct themselves in a manner which is conducive to remaining in a community environment. Even so, we see a very real need to provide offenders in institutions occasional respite by permitting them to visit with family or friends or to make contact with prospective employers. To this end, I have recently testified before Congress on legislation which would give the Bureau much greater discretion in the granting of furloughs so that inmates may leave the institutions unaccompanied for periods of several days. Our average furlough now is three days, exclusive of travel time, but we feel the law governing these furloughs should be broadened so that they will better serve correctional efforts.

Needless to say, I have touched on only a few of the improvements which we feel are essential if institutional corrections are to achieve a more humane and effective role in changing criminal behavior.

Another development, which we believe has tremendous potential for good is to disperse institution staff so that their offices are actually located in close proximity to inmates. We call this the "functional unit management" system. Quite simply, representatives from diverse institutional departments are given office space in or close to a dormitory or other living area. A typical functional unit might house offices of a unit manager, a caseworker, an educational specialist, a psychologist, correctional officer, a representative of the vocational training department, and so on. Because these men and women no longer work in some remote, isolated area of the institution, they come to know the offenders on a much more personalized basis, and, naturally, it works the other way around, too. We feel that these functional units represent a major step forward in humanizing corrections. They are not dissimilar to the important new efforts by some probation departments to get their probation officers out of the courthouses and into the communities at neighborhood locations.

An additional step forward is the encouragement of community involvement in the correctional progress. We firmly believe that the old philosophy of isolating offenders—shutting them up out of signt and out of mind—is a significant obstacle to helping the offender come to terms with community life. After all, it was the offender's inability to function in the community that was in great part responsible for his being removed from society. Surely it would make much more sense in the correctional proces for him gradually to come to terms with the community than to remain isolated in some remote spot for months or years. We don't accept the notion that the offender should be cut off from society like some sort of diseased limb and be expected to make a normal readjustment some years down the road once he has paid his debt for his wrongdoing.

There are many other improvements underway in addition to those I have described. Not the least of these are significant strengthening of educational and vocational training, food service, recreational activities and remodeling of some of the larger institutions which, due to economics, will probably be the last ones replaced.

Another area in which we are placing much greater emphasis is that of offenders committed under the Narcotic Addict Rehabilitation Act as well as of other offenders who we feel have significant problems related to narcotics use.

To sum up, we all know that corrections in the past decades has been largely a failure as evidenced by the number of repeat offenders and "revolving door" institutions which have operated throughout the Nation. There are, no doubt, many different explanations for these failures, not the least of which have been public apathy and the resulting lack of financial support.

Today, however, we are fortunate to have much greater insight into the areas that need improvement. The entire correction philosophy is beginning to change slowly to a much more humane, yet practical and realistic, position.

Finances have improved at most levels and I think a good deal of credit must go to the Congress and to the law enforcement assistance administration which annually dispenses millions of dollars to improve State and local corrections.

With the changing philosophy, new public concern, and financial support, I think we have every justification to look forward to a bright future in corrections at all levels.

SOLZHENITSYN'S WARNING

Mr. BUCKLEY. Mr. President, the Nobel Prize-winning Russian novelist Alexander Solzhenitsyn recently wrote a letter in which he eloquently spoke of the West's inability to comprehend the realities of international life today. It is yet another in a series of profoundly illuminating messages from this great writer.

Mr. President, I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A SOVIET MARTYR'S ANGUISHED PLEA

(By Alexander Solzhenitsyn)

MOSCOW.—Shaken by two gigantic world conflicts in quick succession, recent generations have committed an emotional error or misconception. They saw the threat against mankind's peaceful, just and good existence as almost exclusively deriving from war. And thus they strengthened the conception of the contrast of "war or peace."

Many exceedingly vocal and exceedingly one-sided congresses were called together and a world peace council came into being. And those persons who devoted their efforts (some honestly, others playing the role of demagogues) to averting new wars (occasionally favoring one type of war over another) acquired the title of "Fighters for Peace."

But a title of that nature covers considerably more ground than the scope of the task these people assigned themselves. The movement "against war" falls far short of filling the demands of a movement "for peace."

The contrast "peace-war" involves an error of logic. War is a mass phenomenon—compact, noisy, distinct. But it is by no means the only expression of the world-wide wave of violence that never ends. A logically balanced and morally truthful contrast would thus be: peace-violence.

Man's existence is torn and shattered not alone by the violent arms or war but also by the unending, inhuman processes of violence. And if one may say that peace is indivisible—that a small infringement of peace (not merely military) is a violation of peace in its entirety—then violence must be equally indivisible.

A hostage who is seized and an aircraft that is hijacked are just as great examples of threats to peace as is a rifle shot across a border and a bomb thrown on the territory of another state.

But here we immediately run into a selfish effort to contradict the truth. Well-known groups of violent men insist that just those precise forms of violence that they themselves use cannot be considered a threat against peace, but as instruments in the cause of peace.

One example—the terrorism of the past few years. While man is tense and on his guard against wars, he has a tendency to fail to detect other forms of violence. The confusion is complete, and people are not prepared to reject terrorism committed by a single, little, individual. And most astonishing, a world-wide humanitarian organization is incapable of securing a moral condemnation of terrorism!

One could jokingly suggest the following: "When we are attacked, that is terrorism. But when we are the attackers, then it's a partisan freedom movement."

THE MOST THREATENING DANGER

Permanent state violence—which throughout the decades it has reigned has succeeded in taking over all "judicial" forms, codifying thick collections of its violent "laws," draping capes across the shoulders of its "judges"—is the most threatening danger in our world of today, even if it is only barely recognized or understood.

This violence no longer needs to place explosives under something or to toss bombs. Its procedures are carried out in strict silence, seldom disturbed by the final shrieks of he who is being strangled. This type of violence permits itself to take on a respectable appearance.

There is an emotional error involved in the comprehension of what is included in the conception of "peace."

We do not err because it may be difficult to see the truth floating on the surface. But we err because it is pleasant and easy to seek an understanding in exact conformity with our feelings—especially our egoistical feelings. The truth has been around a long time. It has been exhibited, proven and explained. But it draws no attention or sympathy, just as in the case of Orwell's "1984," with its "conspiracy of flattery."

The bestial mass killings of Hue, that have been proven with certainty, drew only momentary attention and were almost immediately forgiven—because the sympathy of society leaned *in that direction* and one did not wish to make a protest. It was, instead, a shame that these accounts leaked out to the free press and for a time (very short) gave rise to embarrassment (very little) among the energetic defenders of this social system.

It is possible to believe that the fluttering little butterfly, Ramsey Clark, even though a former Attorney General, quite simply just could not understand, quite simply could not imagine that the prisoner of war who handed him a piece of paper that is necessary for the carrying out of some clearly defined political aim had previously been put through torture?

(Perhaps all that he failed to realize was the form of the torture: What is a hand crushed by a block and tackle that has been raised and lowered through a roof?) Yet, there was no one in the United States to criticize this Clark; this is not "Watergate." But with the help of the same moralizing facial expressions, it was possible for the English labor leader to sum up his courage and pay a visit to another country (naturally enough, not an African country; that would not have been permitted) and there to issue his own "forgiveness" of the government without having asked the local population.

And when the Norwegians in 1968 proposed—alone—that not all had a right to participate in the Olympic Games, and faces of the majority of the Olympic participants stiffened in an embarrassed moral grimace as they closed their eyes and mumbled something about the lofty interests of athletics and commercialism.

But what kind of wall would they not erect if it was a case of protesting in the other direction? Would, for example, the South African republic be able to hold a black leader imprisoned for four years and subject him to torture, as was the case with General Grigorenko? No, the world's storm of indignation would long since have blown the roof off his prison?

In 1966, an English publication exercising its own unlimited rights of freedom decided tactfully that M. Mikhailov's idea of creating a similar and equally free publication in Yugoslavia was "conceited." And a German publication, looking on from its own idyllic position, decided that Mikhailov's idea had "ripened too soon and was a disservice to liberalization." (After Mikhailov was broken, we can see how far liberalization has spread in Yugoslavia without any use of disservices.)

And recently New Zealand and Australia protested in vain against the French-atomic tests—but why not against the Chinese tests, which are a much more serious matter? Simply because the expenses of maintaining a supervisory vessel are too great and the times for the tests have not been made public in advance? I maintain with no conviction: Not just because of a normal grimace, but very simply because of cowardice. Nobody would come back from an expedition into the Chinese desert or to the Chinese coasts, and they knew this.

It is precisely this that constitutes the hypocrisy of many Western protests: They protest where their lives are not in danger, where they can expect the other side to give way, and where they are not risking being condemned by "leftwingers." (The best thing is of course always to make your protest along with them.)

Until the beginnings of the highly motivated 20th century, one used the term *hypocrisy* when a person used two varying yardsticks of moral judgment. But what do we call it today?

Is it possible that the hypocritical facial expressions of the West can only be seen from a great distance but never detected at close range?

This type of hypocrisy is typical of the American political life of today, for the Senate leaders with their distorted vision, for the sensational "Watergate" scandal.

Without in any way defending either Nixon or the Republican Party, one cannot avoid being astonished by this loud, artificial anger among the Democrats. What had they really expected from a democracy without the slightest binding ethical basis, a democracy with its clash of interests, where nothing ranks above interests, where the battle is determined by the rules of the Constitution without any ethical roof above it? Has it not been full of mutual swindles and misuse of power from the days of the earliest election fights, with perhaps the sole distinction that then there were no electronics and fortunately nothing could be discovered?

I have throughout my years devoted myself to examining Russian life before it was ruined, and I have been personally impressed by the apparently impossible resemblance between the Russian czarist regime in its final years and, for example, the Republic of the United States of recent years—years, I venture to predict, that also are the final ones before the great chaos. This is not a comparison of material and economic qualities and not a comparison of social structures, but of something more important: a comparison of the politicians' lack of emotional ability to reflect. The entire storm of wrath of the Democrats on the subject of Watergate resembles a parody of the angry, thoughtless storm of the Cadets against Goremykin-Sturmer in 1915–1916.

This is one of the puzzles of irrational history. How could Russia in the final years of the 19th Century, a Russia that was not yet industrially armed and which led a sleepy existence, acquire an impulse and make such a dynamic leap forward that today's Russian research looks on the Western society as something "backward," something from out of the past? It is depressingly amusing to observe how fugitives from society, politicians and youth in the West, 50 or 70 years behind the times, repeat "our" ideas, our performance and our mistakes.

On the other hand, one must agree—as so many, many maintain—that what is happening in the Soviet Union is not just something in "just about every country" but is the *tomorrow of mankind* and is thus, in the matter of its inner processes, worth full attention by Western observers.

No, it's not the troubles involved with gaining an insight that pose difficulties for the West. *Rather, it's the lack of a desire to know*, the emotional preference of the comfortable solution instead of the difficult one. Such a searching for insight is fed by the Munich Spirit, by concession and the spirit of compromise, led by an anxious self-deception on the part of societies of good intentions and persons who have lost their determination to make sacrifices and stand firm.

And even though this path of theirs has never meant preservation of peace and justice, but only their being trod upon and violated, human feelings are shown to be stronger than the most obvious lessons. Again and again the weakened world paints sentimental pictures that show how violence has generously become softened and is now willing to part with some crumbs of its superior strength—and all the while one can continue one's unbothered existence.

"Aircraft hijacking" and other forms of terror have multiplied tenfold precisely because we are all too quick to capitulate to them. But when one displays toughness, then one can always triumph over terror. Heed this well.

PROPAGANDA AND PEACE

I don't know how it is in Europe, but in our country you will find placed alongside all railway lines small stones with these inscriptions: *"Peace for the world!"* and *"For peace throughout the world!"* This kind of propaganda is quite useful, if it means that there must not only be no wars throughout the world but that in addition every *inner* form of violence must end.

In order to achieve not merely a short-term postponement of the threat of war but a real peace, it is necessary to wage battle against the "quiet," hidden types of violence with no less determination than one would wage battle against the "noisier" types. The task must be more than merely stopping the rockets and cannons. We must draw the line against the violence of the state wherever it is necessary to defend members of society. The task must be to banish from mankind's thoughts the idea that anybody has the right to use force against righteousness, against justice, against mutual agreements.

This means that peace is not served by those who trust in the agreeable nature of the men of violence, but by those who—unbribable, uncompromisingly and untiringly—insist on justice for the persecuted, for the subjected, for the dead.

The widespread, mistaken definition of peace as "antiwar" and not as "antiviolence" has quite naturally also led to an incorrect evaluation of individual person's accomplishments in the fight for peace.

One looks first for the best fighters for peace among those who collect laurel wreaths at airports and in parliaments, who at any price divert the threatening breath of war, "farm" or "cold." This is the type who uses whatever admission is at hand to achieve an end to criticism in the press, to create a breathing space for trade and self-deceptive happiness. On the other hand, those who uncompromisingly point out the global danger to peace from *all* types of violations run the risk now and then of being labeled "warmongers."

This distorted conception of exactly what it is that stands in the path of peace and find expression in the activities of the Nobel Committee for the Peace Prize. Its evaluations and decisions are, on the one hand, formed by the attitudes of world opinion. But on the other hand—and this is just as natural—its work is reciprocal and *forms* the attitudes and lays down the criteria.

Therefore the Nobel Committee has an exceptionally large responsibility in choosing its winners. Even when *no prize* is awarded, its importance grows; the value of deserving earlier winners' work is so great that no one else can compare with them.

PROPOSING A CANDIDATE

As I hereby make use of my right as a Nobel Prize winner to propose candidates for the Nobel Prize, and as I have no possibilities of doing so directly to the Nobel Committee for the Peace Prize otherwise than through this article in the newspaper Aftenposten, I beg that my words here may be regarded as a formal nomination of Andrei Dimitrevitch Sakharov for the 1973 Nobel Peace Prize.

I have already given my reasons for this in my interview with the newspaper Le Monde: Sakharov's untiring and sacrificing (and personally dangerous) resistance to unceasing state violence against individuals and national population groups.

Such activity must also be judged as a great contribution to the general peace, a contribution which has no overtones of publicity, which is without illusion, but which is entirely fundamental; through his modest, individual powers he works heroically to dam up a mighty wave of violence—that is what it means to strengthen the general peace.

And may the Nobel Committee be in no doubt because of Sakharov's former, quite considerable achievements in the area of weapons, nor see here something paradoxical; the human spirit's admission of its earlier mistakes, its cleansing and its breaking free from these mistakes. Precisely here is to be found greater justification of man's existence on this earth.

EMERGENCY POWERS STATUTES

Mr. CHURCH. Mr. President, I bring to the attention of my colleagues in both bodies the publication of the Special Senate Committee on the Termination of the National Emergency entitled "Emergency Powers Statutes: Provisions of Federal Law Now in Effect Delegating to the Executive Extraordinary Authority in Time of National Emergency." The 600-page catalog was released over the weekend.

I ask unanimous consent that the joint statement accompanying the compilation by Senator CHARLES McC. MATHIAS, Jr., and me be printed in the RECORD.

There being no objection, the joint statement was ordered to be printed in the RECORD, as follows:

SPECIAL SENATE COMMITTEE ON THE TERMINATION OF THE NATIONAL EMERGENCY

The Special Senate Committee on the Termination of the National Emergency issued today a report on "Emergency Powers Statutes: Provisions of Federal Law Now in Effect Delegating to the Executive Extraordinary Authority in Time of National Emergency." The report consists of a compilation of significant emergency statutes now in force, and includes an introduction which describes how these laws came into being.

Analytic study of the circumstances under which these laws have been enacted over the past four decades shows a pattern of lawmaking by which the Legislative branch, in all but name, has transferred the essence of its constitutional responsibility to the Executive branch. The 470 statutes contained in the compilation were, for the most part, drafted by the Executive branch; these provisions give the President a vast store of discretionary powers for use in time of declared national emergency.

Most citizens are unaware that they have been living under a declared state of national emergency for over 40 years. Further, most citizens are unaware that under the authority conferred by these laws, triggered by a proclamation of a state of national emergency, the President has the power in hand to seize property, organize and control the means of production, seize commodities, assign military forces abroad, call reserve forces amounting to 2½ million men to duty, institute martial law, seize and control all means of transportation, regulate all private enterprise, restrict travel, and in a plethora of particular ways, control the lives of all Americans. Because we remain in a legal state of national emergency dating from 1933, one man in the White House can exercise these powers whenever he decides to do so without reference to Congress. Some of these laws have been used by recent Presidents; a few such as section 5(b) of the Trading With the Enemy Act of 1917 are used as though they were permanent law. Most remain as a potential source of virtually unlimited power for a President should he choose to activate them. It is possible that some future President could exercise this vast authority in an attempt to place the United States under authoritarian rule. While the danger of a dictatorship arising through legal means may seen remote to us today, recent history records Hitler seizing control through the use of the emergency powers provisions contained in the laws of the Weimar Republic. In this period of easing tensions abroad and relative calm at home, we have an opportunity to assess, with rational detachment, the current condition of U.S. law and law-making.

The Special Committee's analysis of emergency powers statutes unfortunately discloses that Congress passed hundreds of separate laws delegating to the President extraordinary powers, during four decades of intermittent warfare, without apparent recognition of the awesome accumulation of power it had transferred to the Executive. The record of Congressional performance is a poor one. These laws—in the main, drafted in the Executive branch—were passed hastily without much consideration. Almost all of the laws make no provision for Congressional oversight nor do they provide a means for terminating the "temporary" delegated powers.

The Special Committee is of the view that conditions in the world and in the United States no longer warrant the continuance of a formal state of national emergency. It is the view of the Special Committee that the four existing states of national emergency should be formally ended. From the outset of the Special Committee's existence in January, it has aimed at recommending legislation to enable Congress to terminate the states of national emergency now in force, but to do so in such a way that the normal processes of government are not disrupted and, perhaps most important, to provide regular and consistent procedures for the delegation of power in the event of future emergencies.

To this end, the Special Committee is working with all of the Departments and Agencies of the Executive branch in an assessment of emergency powers statutes now in force. On the basis of the evaluation made by the Executive Departments and Agencies, and the assessment made by all standing Congressional Committees with regard to emergency powers statutes that would fall within their respective jurisdictions, the Special Committee intends to recommend to Congress which laws should be repealed, which laws should be retained for use in possible future emergencies, and which laws should be cast in permanent form. The Special Committee will also suggest legislation providing a method by which Congress would participate both in the declaration of future emergencies and in the determination of their duration.

Fortunately, thus far, only a small portion of these delegated powers have been regularly used. But this large body of potential power remains an underlying threat to democratic government. The combination of activist Presidents, permissive Congresses, and a series of great crises and turmoils have all contributed to the erosion of the structure of divided powers, the bedrock of our constitutional system of government.

We cannot stress enough the warning contained in this catalog of emergency powers statutes. The evident pattern in this accretion of power over a 40-year period is, in our view, symptomatic of what has occurred in law-making in all areas of our government. Unless Congress takes steps to strengthen its capacity to write the laws through the representative political process as the Constitution intended, then the unmistakable drift toward one-man government will continue. Steps required include access on a regular and consistent basis to the information developed by the government, a restructuring of Congressional procedures to better handle the requirements for law-making, and instituting effective budgetary controls. Foremost, however, Congress must have the will to accept the responsibility to make the law that the Constitution prescribes.

The Special Committee will publish in the coming months a report on Executive Orders issued pursuant to emergency powers statutes. The results of its study of Executive Orders thus far has raised a number of disturbing questions about the adequacy of present procedures for accountability of Executive actions. It is clearly an aspect of public administration that requires thorough investigation and perhaps remedial legislation.

In our final report, the Special Committee will publish recommended legislation based upon the results of several studies made in conjunction with the Executive branch. Thus far, the Executive branch has cooperated fully. The Justice Department in this matter is a model of a good working relationship between the separate branches. It is in this spirit of cooperation that the Special Committee has conducted its work and it is in the same spirit that we wish to recommend a reasonable solution to this great problem for democracy—of how to provide the President powers that might be necessary for emergency action, within the framework of the Constitution and the Bill of Rights.

THE MEDIA AND THE RECORD INDUSTRY

Mr. BUCKLEY. Mr. President, there are, at the present, a number of investigations into charges of alleged corrupt business practices—including "drugola"—in the record industry. Mr. Herbert Stern, the U.S. attorney in Newark, N.J., has been vigorously engaged in such an investigation for a number of months and, since my call on June 25, 1973, for a thorough investigation of charges of corruption, the district attorney's office in Los Angeles and Senator JOHN McCLELLAN's Subcommittee on Patents, Trademarks, and Copyrights have initiated investigations. In response to my call for self-examination by the industry, the Recording Industry Association of America issued, on July 23, 1973, an action program, which, if implemented, will go far to rid the industry of corrupt practices. Finally, as you may know, my own staff has been investigating these charges of alleged corruption.

I think it should be publicly acknowledged, however, that without the excellent work done by such journalists as Grace Lichtenstein of the New York Times, Maureen Orth of Newsweek and by Betty Rollin of the National Broadcasting Co. among others, the public would have been unaware of the scope and the nature of the alleged abuses. I think we owe these reporters and others a vote of thanks for doing responsible reporting in such a difficult field.

As you know, Mr. President, the first intimations of such illegal practices came to light with the disclosures that the Columbia Broadcasting System fired the head of Columbia Records, Clive Davis. On June 26, 1973, I placed in the RECORD some newspaper accounts that discussed the Davis affair and the events that surrounded it.

Since that time only the National Broadcasting Co., among the network news divisions, has demonstrated the kind of investigatory skill and determination that we have come to associate with the best in American journalism. Why this should be so puzzles me since charges of alleged corruption in a $2 billion industry seem to me to be important enough to be covered by each network. However, Mr. Walter Cronkite, long-time anchorman of the CBS Evening News, recently stated, in an interview in the Washington Post, August 28, 1973:

> For the last six months we've had a crew out on the (record industry) payola scandal. They've produced a couple of small stories so far but I don't know if they can deliver in a subject so complex and maybe unfilmable. I'd be inclined to think not.

Mr. President, I hope that Mr. Cronkite is wrong in his estimate of the investigatory ability of the members of CBS News. Surely the men and women who do such a persistent and in-depth account of alleged abuses in Government can overcome the difficulties in this case. As I speak, however, it would seem that Mr. Cronkite's guess as to the investigatory capability of his own organization is correct. Viewers of the CBS Evening News have not been favored with hard-hitting, day-after-day coverage by CBS News of the charges of illegal practices involving executives of Columbia Records. I can, of course, readily understand why CBS News might shy away from an investigation of its own sister organization. But certainly we should expect dynamic, no-holds-barred documentaries and news accounts in the CBS News tradition, of the recording industry as a whole. But CBS has presumably decided to let NBC carry the banner of investigatory skill so far as electronic journalism is concerned.

I trust that we will soon see, on CBS News, the kind of excellent coverage of this important issue that we have been getting on NBC. In order to give an idea of how NBC is covering this story, I ask unanimous consent to print in the RECORD, at the end of my remarks, the shooting scripts of some of the NBC coverage, It is difficult, of course, to fully grasp from a script the excellence of the job NBC is doing with what Mr. Cronkite calls this "complex and maybe unfilmable" story without seeing the film, I think it is in the public interest to have printed in the RECORD even a partial description of what a good news organization can do when it really wants to. Mr. William Paley, head of the Columbia Broadcasting System will, I hope, spur on his news division to cover this story. A network that is ingenious enough to find the subject of abortion a fit topic for a situation comedy should certainly be able to use that inegenuity to find out what is going on in an industry of which its own recording subsidiary plays so important a role.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Payola in the music industry used to mean . . . money . . . or women.

Now . . . in the enormous rock business . . . it often means drugs.

Last winter . . . the man on the right . . . Patsy Falcone . . . was arrested on a drug charge.

A quantity of heroin was also seized.

On Falcone's address book . . . investigators found the name of a high level executive at columbia records . . . a major record company in rock music.

A while later . . . that executive, and Clive Davis . . . president of columbia records . . . were fired on short notice.

The reason given was "misuse of company funds".

But there have been persistent reports that a lot more was involved.

And federal investigators are now looking into the whole drug-recording business connection.

They are especially interested in the link between some recording companies and their rock stars who are on drugs.

We plan to have a number of reports on this subject . . . and here in the first from Betty Rollin.

This was Janis Joplin in 1970. She was a rock star who made it big. Very big. She was also a heroin addict. And 14 months after this film was made, she was dead from an overdose. She was 27 years old, and her death was a shock. But the cause of it was not.

Heroin use among rock performers is not

uncommon. Nor is it much of a secret. There are rock performers who would no more walk out on a stage or into a recording studio without being high, than they would play their electric guitar without plugging it in. Nor is drug use much of a secret. Indeed, much rock music of the past decade has been a kind of celebration of drugs—LSD, speed, cocaine, heroin.

Federal investigators are now trying to find out how rock performers have been getting their drugs. One of the questions is who at the record companies knew or did what.

Albert Goldman, rock critic. People in these companies are well aware of what's going on, I mean, how can you miss it? Everybody who goes through promotion parties, or recording sessions or junkets, or this or that, sees drugs being passed around.

Betty Rollin. What happens in a recording session, with respect to drugs? What kind of drug is likely to be used there?

Albert Goldman. Well, if a musician, or an artist, of any sort, I think, wants to work for a long time at a certain optimum level, he's getting his heroin. Heroin is the drug of preference for many reasons, not only because it gives you a tremendous flash when you inject it, but because it holds so well. You can go 5-6-7-8 hours, and feel very cool, and concentrated . . . unperturbable, you know.

Betty Rollin. You took drugs before a recording session?

Carol Washington. Yes.

Betty Rollins. There are people who take drugs. Why do people take drugs before a recording session?

Carol Washington. To me, I sang better.

These four musicians are ex-addicts. Carol Washington sang with a group called the Embers:

Betty Rollin. It's very important for us to know . . . do you know, for a fact, that drugs sometimes came, either from or through, people who came from a recording company?

Carol Washington. Yeah, yeah.

Betty Rollin. And were these people, like, publicity people, promotion people . . . that kind of people?

Carol Washington. Road managers . . . uh . . . uh . . . public relations men . . . you know . . . managers . . . then, like, say, uh, right . . . when you have a big recording session, and the recording session goes well, one of the A & R men, or one of the road managers, or anything, say, come on . . . like . . . say . . . come on, I have a party going on over my house . . . come on over.

Betty Rollin. What's the party?

Carol Washington. Oh, you have heroin, cocaine, you have pot, you have . . . uh . . . hashish. The man upstairs doesn't know exactly where the money's going. All you know is that they have an expense account, and they would use this . . . like . . . to throw parties, you know . . . and uh.

Betty Rollin. And for drugs?

Carol Washington. Yeah, and even to people that sing, or musicians that never used drugs before, it's a brand new thing to them because they will go to the party just because they were in the recording and they would come in. It would be new to them to the extent that they never became exposed or involved . . . you know . . . they're green . . . you know when, like, they came in, and they see the things that's happening, and that's going on . . . you know, like uh, they do want to be a part of . . .

Betty Rollin. Is this an unusual thing that you're describing?

Carol Washington. No, it's nothing, happens all the time.

NBC News has learned that Senator James Buckley of New York will have some startling things to say tomorrow about drug-dealing and corrupt practices in the recording industry. Buckley will hold a news conference . . . and at it will charge that a prominent recording industry executive arranged to supply cocaine to a leading rock performer.

Last Friday night we reported on drug-dealing in the rock music business . . . and tonight we have another report from Betty Rollin . . . this report is on counterfeit stereo tapes and the influence of organized crime.

Flea markets, like this one in New Jersey, serve three groups nicely: bargain hunters, legitimate dealers, and hustlers of shady merchandise.

The blond girl who seems interested in the bargain-priced stereo tapes *is* interested all right. But that's because she's working undercover for the record industry. And the record industry is very interested in this particular kind of shady mechandise. Namely, pirate tapes. Pirate tapes are re-recordings of hit recordings, packaged in plain brown wrappers, so to speak, and sold for less than a third of the original price.

The girl's is to buy the tapes and in so doing, gather evidence for future prosecutions. On this day, she got all she wanted.

Pirate tape manufacturers and dealers operate throughout the country. Occasionally, there are raids, like this one in Arizona.

There are a lot of small time operators in the pirate tape racket, but lately, organized crime has moved in.

Jules Yarnell, formerly with the Justice Department, now heads anti-piracy operations for the recording industry.

This man, who agreed to be interviewed anonymously, got out of the pirate business, when his partners started handling narcotics, ". . . these boys play rough.")

The government is starting to play rough too. But mostly * * * the little guys who are selling tapes that are, at least, only tapes.

Meanwhile they have yet to crack down on the big guys—the mob. Perhaps that wasn't so serious while the selling of pirate tapes was, as they say, only a rip-off of a rich industry. But with heroin in the package instead of music, and with 14 years-olds buying, what began as a rip-off is now, both legally and morally, a major crime. BR, NBC News.

Betty Rollin—Pirate Tapes

Buyer. Is this good, I mean, it won't fall apart or anything?

Seller. It better not, if it does, you bring it back . . . how's that?

Buyer. You sure?

But, I thought, they should cost 6 or 7 dollars, at least.

Seller. This one here . . . if you get it on the regular brand.

Buyer. Yeah.

Seller. It would run that much.

Reporter. How long have you been in the bootleg business?

Seller. Oh . . . I don't know. For 5 years, I guess.

Reporter. Were you aware that you were violating the Federal and State laws?

Seller. Uh . . . no.

Reporter. You were not . . . What do you do next? What's your next move?

Seller. Look for a job.

Jules Arnal. Very often, the very same organized crime figures, who were involved in pirating, or counterfeiting, the tapes and records, or involved in narcotics, pornography, untaxed cigarettes, faked perfume, gun-running, and the like. This is a very big criminal industry. One out of every three tapes purchased throughout the U.S. may very well be a pirate tape.

F.T.M. It was very easy to deal and to transfer drugs through tapes. I would just simply un-wrap the cartridge, and take the plastic off of it, take the plastic lid, or if it had a sleeve on it just slide the sleeves off of it. We would snap the cartridge apart, place the narcotics inside, put the cartridge back together, put the sleeve, or the snap on the top, run it back through a shrink machine, and re-seal the cartridge and it would just look like an ordinary 8-track tape.

Betty. How do the kids know how to get the tapes with heroin?

F.T.M. Uh . . . a word would be passed, there is a certain album that can be bought for a price of, say . . . uh . . . 30 dollars, and . . . uh . . . this album would not be on display in the case. The retailer would take it possibly from behind the bar, or from a back room . . . and . . . uh . . . it would just be an exchange of money, and the 8-track cartridge.

Betty. Are you in contact with the FBI, or Federal authorities about this?

F.T.M. No, I haven't.

Betty. Why not?

F.T.M. These boys play rough.

The Los Angeles Times reported today that a federal grand jury in California would soon investigate the multimillion dollar record business.

The story was promptly denied by the US attorney's office in Los Angeles. But many people in the business have been called before a federal grand jury in Newark.

They were asked about drug-dealing, payola, mob connections and high living at company expense.

Here is a report from Betty Rollin on rich stars and the industry that shares their wealth.

The Shah of Iran? No. J. Paul Getty? No. Liz and Dick? Wrong again. The occupants of these limousines don't rule countries, don't make oil deals. They don't even make million dollar movies. But they live as if they did all of those things. In their twenties, they are rich, powerful, tempermental, and pampered. They are the Led Zeppelin, a rock group on tour, and, in the vernacular of the record biz, where to be merely big is nothing, the Zeppelin is Very Big . . . monsters . . . super monsters. To get around, the Zeppelin uses a chartered 707, the kind of plane President Nixon uses. But the President's plane doesn't have an organ, nor a 15-foot mirrored bar, nor, in the private quarters, does it have 2 bedrooms and a fireplace. Nor does the president travel with an entourage that looks like this:

The boys in the Zeppelin have been flying high for a few years now, and they feel their life style is only befitting their station.

No one—not the heavyweight boxing champion of the world, not the president of General Motors, not the country's most glamorous movie star makes more money faster than a rock star in his or her prime.

The latest estimate is that at least 50 rock superstars earn more than 2 million dollars a year. But it isn't only the performers who are making all of that money. The people around them are cashing in, too—people like agents and managers, and sometimes people like mobsters and pushers. At the heart of the current scandal are reputed Mafia hoods, who have been after a piece of the rock action through drug dealing, protection rackets and payola. Of course, no one has profited more from the rock phenomenon than the 2-billion-dollar-a-year recording industry.

Scandal or not, the rock recording industry rolls on. And the stakes are high. Of 7500 new releases a year, only 150 will be hits. So when company heads thinks they might have a hit, they sort of go crazy.

Freak rock is big this year, so when David Bowie came along—a flaming red-haired self-proclaimed bi-sexual, RCA put up $100,000 for promotion and publicity to make the chance of a Bowie hit less chancy.

All the promotion, all the effort, all the money, all the shadiness, all the payola, is to attract the attention of kids like this. A whole industry turns on the fancy—and on predicting the fancy—of American kids with cash. And in going after that cash, some of America's most successful corporations have lunged, tripped and fallen and now face the prospect of criminal prosecution. Betty Rollins, NBC News.

APPOINTMENT OF THE AMBASSADOR TO THE NETHERLANDS

Mr. FULBRIGHT. Mr. President, at the Committee on Foreign Relations hearing on ambassadorial appointments on September 25, Mr. Kingman Gould, Jr. was nominated to be our Ambassador to The Netherlands. In the course of the hearing, Mr. Gould was asked about his contributions to the Presidential campaign of 1972. The following exchange took place in the course of the hearing:

The Chairman. You referred to your contribution. Could you be specific in what was the nature of your contribution?

Mr. Gould. Yes, Mr. Chairman, I gave exactly $51,000.

The Chairman. In the Presidential election?

Mr. Gould. Yes, for the Presidential campaign effort.

The Chairman. Was that all of your personal and your family, or yours personally?

Mr. Gould. That was from me personally, Mr. Chairman.

The Chairman. The date of which has been supplied to the Committee, of course, you can explain that. It states that the total is considerably larger than that. Just a moment. I know Newsweek states that you gave $80,000. Is that incorrect?

Mr. Gould. I gave exactly $51,000, Mr. Chairman. I would also like to state that the Newsweek stated to the effect that I was a member of Mr. Stans, one of Mr. Stans financial committees. So far as I know, that is totally without foundation. I never attended a meeting, never was notified I was on a committee, and was overseas at the time. I don't know whether I may have been on a letterhead somebody might have used, but so far as I know that is totally without foundation and I would appreciate it if somebody would have contacted me before they made the statement.

The Chairman. Well, in short——

Senator Scott. If I can interrupt, that is not always the custom, unfortunately.

The Chairman. You mean by the Committee or by the Newsweek?

Senator Scott. I mean by the people who publish the stories. They don't always ask the person involved. I wish they asked me.

The Chairman. The GAO accounting office also, the General Accounting Office, there is a discrepancy there in their figures. We have the following data. The GAO on July 18 stated $19,000, the Baltimore Sun a thousand, Newsweek $80,000, and GAO again on September 24 an additional $900, according to their records. It is very difficult to reconcile those figures. Your statement is, and you ought to know, you gave $51,000.

Mr. Gould. Mr. Chairman, all, everything I gave was by check, I have all of the cancelled checks, my books are open to audit. This is what I gave.

The Chairman. That was given to several committees that were operating out of the finance committee headquarters, I believe, on Pennsylvania Avenue.

Subsequent to the meeting, it was revealed in the press that Mr. Gould and his wife gave $101,000. When a newspaper reporter called me and asked about the revelation that Mr. Gould and his wife had given such an amount and asked for my comments, I stated that Mr. Gould had been less than candid.

In an account in the Washington Post of September 30 revealing the contributions of large donors to the 1972 Presidential campaign, the following paragraph appears:

George and Ruth Farkas of the Alexander's Department Store chain, $300,000.00. She is ambassador to Luxembourg. In this case as in all others, gifts of a husband and wife are treated as one.

Having asked Mr. Gould if the $51,000 "was all of your personal and your family, or yours personally" and calling attention to the Newsweek article which said he had given $80,000, it still seems to me that Mr. Gould was less than candid in not explaining that he and his wife gave $101,000.

The custom in the committee in the past has been not to pursue the hearings as if they were a criminal prosecution, nor to pursue every possible avenue for eliciting information in the absence of serious charges being made; the hearings are simply designed to give the nominees an opportunity to impress the committee favorably with regard to their qualifications for the appointment. Very rarely has a nominee to an ambassadorship been rejected, and it has not generally been an adversary atmosphere that prevailed in these hearings, and the committee expects the nominee to tell it anything he may think relevant to his qualifications, to fill the post to which he has been appointed. In view of the public discussion of the Farkas case, especially since Mrs. Farkas has become his successor to the post in Luxembourg, it can hardly have escaped Mr. Gould's attention that the amount of money contributed to Presidential campaigns is a matter of interest to the committee.

Mr. Gould has been confirmed. I make this statement simply to clarify the record.

INNOVATIVE AID REFORM

Mr. HUGH SCOTT. Mr. President, there is a very thought-provoking article in today's New York Times regarding the Humphrey-Aiken Foreign Assistance Act of 1973 now being debated in the Senate. I commend this editorial to my colleagues and ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Innovative Aid Reform

The Senate will have opportunity this week to give a decisive push to the most promising innovation in foreign aid since President Truman enunciated "Point Four" for the world's needy in his 1948 inaugural. A new departure, already adopted by the House, would redirect American aid from large-scale industrial projects to direct assistance to the "poorest majority" in the underdeveloped countries via rural development, food production, population control, health and education.

This approach offers the best possibility for involving the very poor in economic development and nation-building; for narrowing the gap between rich and poor; for curbing birth rates that nullify economic gains, and for helping resolve the menacing problem of world food supply. To this end, Robert S. McNamara has disclosed that the World Bank will concentrate a new $22-billion five-year program on helping 800 million rural poor to escape from what he calls "absolute poverty."

Mr. McNamara was moved by the same solid evidence that inspired a bipartisan group of Congressmen and Senators to launch their drive to rechannel American aid. Developing countries achieved an average growth rate of 5.5 per cent during the 1960's; but these advances primarily benefited those in the upper 40 per cent income category. The poor were largely left out; unemployment continued to rise; the gulf between rich and poor steadily widened.

There are broader, more positive reasons for switching the emphasis of aid. In considering future food needs, the greatest opportunities lie in the developing countries, "the world's greatest reservoir of untapped food-production potential," as one expert puts it. Contrary to widely held belief, small farms, if they have equal access to technology and credit, can usually produce higher yields per acre than large farms.

Direct aid for the "poorest majority" is also the surest way to curb population explosion. Birth rates usually decline markedly once families have begun to receive adequate food, education and the health services that cut infant mortality.

Here, in short, is an aid program that concentrates on the kinds of overseas assistance in which Americans have enjoyed much success—agricultural techniques and productivity, public health, education—but that can also expand the world's food supply, promote real development as against "growth" measured only by advances in the G.N.P., and help lift out of intolerable poverty the most unfortunate human beings on earth.

The reshaping of aid is an admirable example of congressional imagination and leadership in foreign policy at a time when both Congress and country are painfully aware of the dangers of leaving all initiatives in this field to the White House. Yet, because of widespread disillusionment with foreign aid, the reform passed the House by only five votes.

The reform has broad bipartisan backing, and the floor fight will be led by the able bipartisan tandem of Senator Humphrey and the Republican co-sponsor, Senator Aiken. If a twofold appeal to common sense and compassion for the world's neediest can still move Senators in this cynical time, Messrs. Humphrey and Aiken will surely prevail.

THE ENERGY SITUATION

Mr. HANSEN. Mr. President, I would like to call to the attention of my colleagues, an excellent analysis of the energy situation given by Edmund W. Littlefield before the American Mining Congress on September 12. I think that you will find it well-reasoned, thorough, and very informative. I ask unanimous consent that the speech be printed in the Record.

There being no objection the speech was ordered to be printed in the Record, as follows:

Address by Edmund W. Littlefield, Chairman of the Board and Chief Executive Officer

Gentlemen, certainly energy occupies center stage in Washington today. This is a new and unaccustomed role. Throughout its history the United States has been blessed with an abundance of cheap energy. A hundred years ago it was wood, feed and fodder, and animals. Then came the era when coal was king. Petroleum and natural gas toppled coal from the throne. New entries such as nuclear power and geo-thermal combined with the traditional sources to provide us with the energy to build the most productive society with the highest standard of living on earth. Now we are faced with an energy crisis that demands intelligent action. Failure to take timely and intelligent action—and it is already late in the day—will severely imperil our economic structure and put beyond our reach, temporarily at least, the social goals to which we aspire.

The dimensions of the energy crisis have been well delineated in a number of studies. Whether the forecasts are absolutely accurate is not so important here. The demand curve may be tilted up or down in minor degree depending upon energy availability, its cost, steps taken to conserve its use or to ration demand. The supply side will be affected by the policies and the programs adopted to stimulate discovery, development, and production. But the forecasts are sufficiently accurate for policy guidance, and any unbiased observer is forced to these conclusions.

First, the United States will become increasingly dependent for some years to come upon imported petroleum for its energy needs.

Second, given our balance of payments position, the United States can ill afford to pay the bill for these increasing imports.

Third, the source of these future imports is heavily concentrated in a few Middle Eastern countries, and this concentration introduces a special element of risk that is unacceptable from the standpoint of either our economic and social structure or our national security.

Fourth, the cost of energy will increase, no matter what we do. On imports our bargaining position is weak and domestically we require higher prices to stimulate the discovery and development of additional reserves.

Fifth, clearly the national interest is best served by development of domestic energy supplies in order to reduce our dependence upon imported oil. Coal is certainly one mineral in which the United States is abundantly endowed with reserves already identified sufficient for many, many years to come. There is good reason to believe that we can develop in the U.S. the uranium reserves necessary to meet the very sharp increases in demand for nuclear power. Perhaps it is questionable whether we can develop all the petroleum and natural gas reserves we require but we can increase production of these fuels in large measure and alleviate further our need for foreign supplies.

Finally, today's energy crisis is the result in large measure of massive failures in economic planning and in the United States' political process. This is a serious charge but we ignore the lesson to be learned here at our peril. We cannot afford in the future the mistakes we have made in the past.

The world is not short of energy. There exist in the world ample undeveloped energy reserves to care for the world's needs for centuries to come. If we were One World, there would be no critical energy problem. But, alas, we are not one world but a world divided into sovereign states. The requirements for energy are concentrated in the highly industrialized areas—Japan, Europe, and the United States. In 1972, Japan, virtually without reserves or production of its own, consumed 9% of the world's oil.

Western Europe, with 2% of the world's "published proved ore reserves", produced only less than 1% of world production but consumed 27% of the total.

The United States had 6% of the petroleum reserves, accounted for 20% of world production, and 30% of world oil consumption.

In contrast, the Middle East consumed only 2% of the total but had 34% of world production, and 30% of the world oil consumption.

In contrast, the Middle East consumed only 2% of the total but had 34% of world oil production, and 53% of the reserves.

Africa consumed under 2% of total but accounted for 11% of the production and 16% of the reserves.

This distortion will be more serious in the future, for the potential for increased production in these lesser developed countries is greater than in the highly industrialized countries.

One can argue from the figures that the situation in the United States is less critical than that in either Japan or Western Europe. Japan is completely dependent upon imports. Western Europe already imported 55% of its energy needs in 1970 and this is forecast to reach 75% by 1990. Against this the National Petroleum Council's most pessimistic assumption foresees U.S. imports of energy reaching 26% in 1975 and 38% by 1980. But what is a matter for serious concern in Japan and Western Europe is a crisis in the United States for two important reasons. First, Japan and Western Europe have favorable trade balances and strong currencies to accommodate their needs for imported energy. The United States, on the other hand, has so conducted its affairs that its trade balance has become unfavorable and its currency has depreciated. Second and tragically, the United States had a choice. We have vast reserves of coal unutilized and potential reserves of other energy minerals that could be brought into the picture. By foolishness and by folly, we put ourselves in the position in which we find ourselves.

There will be many who will charge that the fault lies with private enterprise but the truth is that the guilt is largely chargeable to the political process. Ill-conceived legislation and fiscal and monetary policies created the economic environment that caused today's crisis. If we are to effect the cures, we have to assess accurately the causes.

First, control of interstate natural gas pricing and establishment of prices at levels below its competitive value as a fuel concurrently stimulated demand while it discouraged discovery and supply. This unrealistic price level diverted natural gas to uses that otherwise would have been supplied by other fuels.

Second, our policies and programs controlling foreign oil imports kept the competitive price too low to stimulate domestic production of either oil or coal and the future of supply too uncertain to bring about expansion of domestic petroleum refineries.

Third, despite warnings from industry spokesmen of the consequences, we revised the tax laws in 1969. It was politically expedient to label "depletion allowances" as a "loophole" rather than recognizing them as a true tax allowance for those with wasting assets. Under the lower depletion allowances, the search for domestic resources declined just as industry predicted it would.

Fourth, in a burst of emotion the Congress passed with great public approval environmental legislation. It did so without analyzing clearly the consequences, without cost/benefit studies, and without the solid basis of factual information to support the action taken or the regulations that are derived from it. Overnight we insisted on 'clean energy" with too little regard to whether such a worthy objective was within our power in the time frame set out for its achievement.

We set health standards that rest on flimsy evidence. We armed the environmentalists with legal rights to intervene and to delay new energy developments. We set in being machinery that has delayed bringing in the North Slope supplies, greatly delayed the development of nuclear power, curtailed offshore drilling, stopped construction of new refineries, deep water ports, and pipelines. We outlawed the greater part of the nation's coal production, delayed power plant siting, inhibited the development of synthetic fuels. In summary, we have taken a series of actions that have combined to discourage the development of energy supplies at a time when our need for increased domestic energy has become critical.

The evidence strongly suggests that we are long on politicians and short on statesmen. But this is unfair to the many able and sincere members of the Congress who are dedicated to the national interest but who must at any given time act with an awareness of the political realities. I, for one, have a deep and abiding faith in the American political process and in its ability in time to reach correct decisions. On the Washington scene Senator Fannin stands tall and, time and again, has demonstrated his grasp of the problem and his willingness to fight for its sensible resolution. Others will join his ranks.

If one has faith in the American political process, then it follows that the Congress and the Administration will in time take steps that are necessary to solve the problem. As I see it, the attack would be mounted along the following lines.

To cope with the problem that various segments of the energy picture are now scattered administratively in many different government agencies, new administrative machinery will be created to centralize management of energy matters and to achieve coordinated planning and administration. The appointment of Governor Love as a director of the White House Energy Policy Office is a first step in this direction. The proposed creation of a Department of Energy and Natural Resources is a further important step favored by the American Mining Congress. With the creation of such a department with cabinet level status empowered to deal with all forms of energy on a broad basis the administrative process should be much improved and the type of conflicting and self-defeating policies that we have had in the past should be minimized.

Hopefully such a Department would also speed up the approval process and eliminate the costly, needless, and frustrating delays that new programs now encounter. To accomplish this may require new legislative authority for "one-stop" approvals for utility plant sitings, new refineries and pipeline projects, new coal or synthetic fuel projects.

The energy crisis cannot be solved without modifications in the Clean Air Act. I foresee changes being made because they must be made and because they should be made. Changes should be made because the amendments to the Clean Air Act in 1970 were passed in the mistaken belief that technology to treat sulfur oxide emissions would be available, and such is not the case. The original data base on which the health standards were adopted may well prove erroneous in the light of later knowledge and more careful scrutiny. The law is proving to be very hard to administer and legal, technical, and practical difficulties are becoming more apparent. The drastic traffic control plans proposed by EPA for 31 metropolitan areas have caught the attention of the public, and public support for strict adherence to an impossible timetable is beginning to wane.

Of course, the public wants clean air and clean water but it also wants ample energy supplies and all that this means as a life style. Faced with an ugly choice, the public will not abandon its environmental objectives but it will be willing to postpone the time for their achievement.

Modifications to environmental legislation will not come easily and the battle will be bitter. Everyone at heart is an environmentalist but the fury of the resistance will come from those environmental extremists who are more motivated by hatred of business than true concern for the environment. They will remain unrelenting. To a midget in a crowded elevator the whole world smells differently. Beside the pressure groups there are practical political problems. Senator Muskie who authored the Act needs a graceful way to retreat, and the exit is not readily apparent. He will stall for time by calling for a National Academy of Science study. But others on the Senate Committees are more realistically concerned with the consequences of doing nothing. Hopefully the Chairman will moderate his position and do the right thing. Being right is one way to be President, although recent events would indicate it is certainly not the only way.

Without such changes there is no way that coal, our most abundant resource, can play the meaningful role it is expected to play in meeting our future energy needs. Nor is there enough low sulfur fuel available anywhere to meet the demand under present standards without massive imports. Nor can we afford to delay further exploration or development of promising areas off-shore or the North Slope.

Concurrent with a necessary companion for compromises in the environmental field is a quantum jump in research and development and massive federal funding for this purpose. Such an effort is needed to accelerate the development of technology that will in fact permit us to achieve the desirable goals of clean air and clean water. Such an effort is required to improve our techniques for discovery and winning the mineral resources that we need and to utilize them more efficiently. Research and development will be directed toward the removal of pollutants, more efficient underground mining methods, more efficient combustion of fuels, the development of synthetics, the use of energy sources not now in common use such as oil shale, solar, and geothermal, and in the nuclear field the breeder and ultimately the fusion process.

To accomplish these research and development goals, a further change in the government setup has been proposed. An Energy Research and Development Administration has been proposed to assume the present research activities now conducted by the Atomic Energy Commission and the research functions of the Department of Interior. A new and separate Nuclear Energy Commission would deal with the non-R&D functions of atomic energy. The concentration of research into a single agency makes very good sense organizationally but, like all proposed government reorganizations it will meet resistance. Both the creation of ERDA as well as the Department of Energy & National Resources (DNER) which subsumes most energy functions of the Interior Department and requires more than 35,000 employees and $3 billion of budget from other departments such as Commerce, Transportation, and the Army are bound to meet opposition from those departments and from the Congressional committees which oversee these activities. Power in Washington is prized and never easily surrendered.

In solving our energy crisis I would expect that the great thrust will be made in increasing and utilizing domestic supplies but there will also be legislation that will affect demand. This will take three broad forms. First will be legislation designed to force the conservation of energy by eliminating wasteful uses. Second will be standby legislation to ration supplies in emergency situations. Third will be legislation or regulation to channel certain fuels to their best use and to prohibit the use of certain fuels for certain purposes. Where a reasonable alternative exists, natural or synthetic gas will be barred as boiler fuels and channeled into direct use for space heating and residential needs. A higher percentage of our energy needs will be supplied by electricity and coal and uranium will be used primarily for this purpose. Liquid fuels will be channeled to transportation uses where solid fuels cannot be utilized.

The energy situation can only be solved if the production of coal and uranium is increased very sharply. Coal has a critical and obvious role to play. The coal is there. It is a versatile raw material which with advancing technologies can be utilized directly as a fuel and also to supply synthetic gas and synthetic crude as a substitute for imported oil. Nuclear energy must supply a greater share of our electrical output and the production of uranium must rise and rise very rapidly to meet the accelerating demand. Unlike coal much of the uranium that will be required is yet to be discovered but the geological prospects are good. The breeder reactor and ultimately the fusion process are promising long-range solutions to much of our energy needs and will be pursued as research projects of high priority. The mining industry will be challenged to produce the coal and uranium required, and this will necessitate heavy investment in new facilities as well as a substantial recruitment and training of the necessary manpower.

There will also be significant changes on the economic side because such changes are essential to stimulate domestic discovery and development. The price of new supplies of natural gas will be allowed to reach its true value in the market place. The prices for other domestic fuels will rise to induce supply, to cover the increased cost of discovery and development of new mineral resources, and to put the natural resources industries in a financial position that will permit them to raise the massive amounts of capital that will be required. Other incentives—direct and indirect—will stimulate the development of improved transportation facilities private research and development expenditures, more rapid investment in supply-producing ventures. On the negative side, there will be less adverse legislation that would thwart or blunt the objective of increasing our domestic energy base. Changes in the tax laws will more likely be helpful than harmful. Surface mining legislation will hopefully be realistic enough so that the mining industry can live with it.

If we take these steps promptly, the energy crisis can be reduced to manageable proportions by 1985. By then we could be saving the equivalent of 7 million barrels of oil daily through conservation methods. Additional supplies equivalent to 9 million barrels daily could be forthcoming through new oil and gas wells, through vigorous pursuit of conversion of coal to synthetics and expanded coal production, production from oil shale. By this time new technologies for cleaning stack gases will be available and in place.

On this basis we could reduce our need for imported oil to 2 million to 4 million barrels daily by 1985. In constant dollars but even after allowing the cost of imported crude to rise from $3.75 to $6 a barrel, the drain on our balance of payments would be from $4 billion to $8 billion, compared to $3 billion in 1970.

This assumes, of course, that we attack the problem promptly and vigorously as I have suggested. Failure to do so could cause us either to incur a $32 billion deficit for imported oil in 1985 or to face the consequences of underemployment, a reduced standard of living, and all the sacrifices in life values that are the handmaidens of an energy-starved society.

The stakes are large. The time is short. The matter is of the highest urgency. We have had a period of temporary insanity but the time has come to get on with the job. Private enterprise and Government, working together, can get the job done. So let's go do it.

SENATOR MONDALE'S STUDY OF THE STATE OF THE AMERICAN FAMILY

Mr. McINTYRE. Mr. President, I am sure my colleagues have had the same disquieting thought that has plagued me for many months now. In all the furor over the pressing issues of the moment—from Watergate to inflation to food and fuel shortages and back again—are we in the Congress, and the opinion molders outside the Congress, being distracted from those chronic social maladies that in the long run may be far more portentous?

For my part, I have long felt that a good many of our problems stem directly from rampant urbanization, a phenomenon that has taken an even greater psychic toll than its cost in crime, pollution, impossible traffic congestion, and street violence.

While we direct attention and funding to the specific symptoms, we stubbornly refuse to face up to the fact that these are, after all, just the surface evidence of an illness that can only be cured by a revolution in thinking about where and how people should live and make a living and how to restore that all important sense of community to the American milieu.

Now Mr. President, I grant that it is most difficult to keep the long view in perspective when we are bombarded day by day with crises, but a few of our colleagues, very few, have managed to do just that.

So today I want to salute the distinguished senior Senator from Minnesota, the Honorable WALTER F. MONDALE, for his rejection of the crisis mentality and his determination to look beneath symptoms to underlying causes.

For Senator MONDALE is piercing through the need for a restoration of an American sense of community to reach and examine an even more elemental need—a restoration of the American sense of family.

Mr. President, the September 29 issue of the Christian Science Monitor editorialized on our colleague's study of the "State of the Family," declaring that "no subject is of greater long-term importance for the Nation."

As the Monitor so rightly points out:

> All the national issues impinge on the family. The state of the family tempers or aggravates all the national issues. It affects all Americans, including those who couldn't care less about the national scene.

So I salute the senior Senator from Minnesota, and I ask unanimous consent to have the full text of the Christian Science Monitor editorial printed in the RECORD to focus attention upon and to encourage support for his efforts.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STATE OF THE FAMILY

Sen. Walter Mondale said no, he didn't think the state of the American family was the stuff presidential issues are made of—not compared to living costs, taxes, etc. But he was interested in the family anyway and looking forward to hearings on the subject by a subcommittee he heads.

That was last June. Since then Mr. Mondale has been spoken of more and more as a potential Democratic candidate for president. The developing issues are economy, energy, environment, governmental integrity, almost anything but the family.

Yet Senator Mondale's subcommittee has now held those hearings on "American Families: Trends and Pressures." And, in a fundamental sense—presidential issue or not—no subject is of greater long-term importance for the nation.

All the national issues impinge on the family. The state of the family tempers or aggravates all the national issues. It affects all Americans, including those who couldn't care less about the national scene.

The Mondale subcommittee made a thoughtful start with Robert Coles, a Pulitzer Prize winner this year for his books on the minority and backwoods families whom the nation tends to forget. Dr. Coles and others reportedly told the committee that unemployment was the most critical problem for many families. He made a penetrating observation about the possible psychological echoes within such a family:

"A jobless man's situation becomes a wife's mood, a child's feeling about what is in store for him or her, too."

This mental and emotional realm is what Americans must consider in addition to legislative measures to combat unemployment and poverty.

Reducing economic pressures is only one step toward family stability. Numberless families are unstable without such pressures. And Dr. Coles's books show the pride and family feeling that can survive even in circumstances which, to the middle American outsider, would seem reduced indeed.

With the best will in the world, subcommittees cannot supply the affection, responsibility, selflessness, and other human qualities needed to make the family relationship work. These depend on the individual, no matter what the shape of the family—small and "nuclear," large and "extended," or any of the 57 varieties seen as possibilities for the future.

If society cannot create these qualities by fiat, it can provide an atmosphere of expectation for the qualities that cement family life rather than shatter it.

In the go-ahead land of America, keeping up with the Joneses has always meant keeping up with what the Joneses can afford to own. The time is overdue to redefine the Joneses—not as people whose possessions are worth matching but as people whose lives are worth matching. Such a change could come only as members of families, and society in general, display the actions and attitudes to reinforce sound values.

The Mondale hearings made no big splash. But their very existence was encouraging in that they virtually cried out with—and for—something that has been muted lately: a government's concern for its people. And concern is itself a family quality for the Joneses to keep up with.

CAPITULATION IN VIENNA

Mr. CHURCH. Mr. President, the Vienna government's capitulation to Arab terrorists, closing the borders of Austria to Jewish emigrants from the Soviet Union en route to Israel, is terribly distressing.

Austria has yielded to pressure and so invites greater pressure, if not upon herself, then upon other nations. No fire can be extinguished by pouring more fuel upon it.

The Austrian decision beckons further violence in Europe, and discourages moderation on both sides of the Arab-Israel dispute. It was an act of weakness in a crisis which called for strength.

As long as Austria offered itself as a way station to freedom for Jews leaving Russia, it earned the respect and gratitude of free men everywhere. One hopes that the Austrian Government will reconsider its lamentable decision, and reopen its gates to people who seek only a temporary refuge, a gathering place from which they may reach their promised land.

IN DEFENSE OF HUMAN RIGHTS

Mr. PELL. Mr. President, I would like to bring to my colleagues' attention section 21 of S. 2335 emphasizing the fact that the agreements reached for termination of hostilities in Vietnam and in all of Indochina will be effective only if they are faithfully observed by all the signatories. The section also declares that it is the sense of Congress that the United States should not furnish economic or military assistance to any parties violating the agreements.

I originally introduced a separate bill, S. 848, calling for a mandatory prohibition on rendering such assistance to violators of the peace settlement. The Senate Foreign Relations Committee subsequently incorporated the bill in its present modified form as a provision of S. 2335.

I believe the mandatory nature of my original proposal would have been more compelling in influencing all parties to abide by their treaty obligations in order to assure a lasting and just settlement in Vietnam. To this end, therefore, I call upon the administration to give full weight to the sense of Congress as expressed in section 22.

In calling upon the application of the section equally to any violator, I would particularly remind the administration of the continuation of the agonizing uncertainty of the families of those brave and dedicated Americans missing in action and of the failure of Hanoi to honor its agreement to facilitate the search for determining their fate. Certainly we have an obligation to employ every means at our command to assure that the North Vietnamese honor this obligation vital to the peace of mind of many American citizens.

We must also be insistent that the Saigon Government stand by its obligations, especially in the light of section 20 of the bill which declares that it is the sense of Congress to deny economic or military assistance to governments which practice the internment or imprisonment of citizens for political purposes. We must be impartial in coming to the defense of human rights wherever violations occur in Vietnam, in the Soviet Union, in Chile—wherever.

NO VICTORY FOR TERRORISM

Mr. WILLIAMS. Mr. President, the prospect that a free and humane government may capitulate to the demands of terrorist thugs in Austria is appalling to all people who honor peace, freedom, and human dignity. It is my earnest hope that this will not come to pass, and that the gangsters who perpetrated last week's terrorism in Austria will be denied any semblance of a victory.

Last week's attack on a train in Austria by Arab gunmen and the kidnaping of three Jewish emigrants from Russia, was a brutal, criminal act. It was of the same genre as the airplane hijackings and the tragic, cold-blooded murder of Israeli athletes at Munich, which have condemned Arab terrorists to the scorn history reserves for pirates. The only way to combat this armed blackmail is for the nations of the world to stand firm in refusing to accede to its demands.

Reports that the Austrian Government agreed to halt the use of that nation as a processing center for Jews emigrating from Russia to Israel were most discouraging. They gave the appearance, at least, of capitulation to the terrorist demands. Among certain Arab groups the kidnapings were hailed as a victory for terrorism, and one newspaper in Beirut declared they represented:

> The first . . . act of piracy (to achieve) a precise and concrete result.

Mr. President, if the appearance of capitulation to the terrorists was employed only to secure the safe release of the hostages, then it was certainly a step which can be understood. But if the Austrian Government actually intends to accede to the arrogant demands of these criminals, then it would be a sad act indeed.

The Austrian people, and the Austrian Government, have a proud history of justice and compassion. I very much hope they will not now blemish that record by handing the terrorists a victory which would encourage them to new, criminal acts. To do so, as Israeli Premier Golda Meir has stated, would be for Austria to "betray her own greatness."

HEARINGS ON "AMERICAN FAMILIES: TRENDS AND PRESSURES"

Mr. MONDALE. Mr. President, this week the Subcommittee on Children and Youth, which I chair, has been holding overview hearings on "American Families: Trends and Pressures."

During these hearings we have received extremely valuable testimony from a variety of individuals and groups concerning the needs of families and children in America, the extent to which governmental policies are helping or hurting families, and what kinds of support systems should be available.

In order that these recommendations be available to the Congress and to the public, I ask unanimous consent that the prepared statements of the witnesses who appeared at the third day of our hearings be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

AMERICAN FAMILIES: TRENDS AND PRESSURES

(Statement by Sophie B. Engel, on behalf of Council of Jewish Federations and Welfare Funds, September 26, 1973)

My name is Sophie B. Engel and I am presenting testimony on behalf of Philip Bernstein, Executive Vice President of the Council of Jewish Federations and Welfare Funds. My position with the Council is that of Consultant on Social Planning.

The Council of Jewish Federations and Welfare Funds is the national association of central community organizations—Jewish federations and community councils—serving close to 800 Jewish communities in the United States and Canada. A major function of the Council is to assist these community organizations in planning, developing, and financing of health, welfare, cultural and educational services.

Our member Federations represent a network of health and welfare agencies which include close to 100 Jewish family and children agencies, about 200 Jewish community recreational and informal educational centers, 85 homes for the aged and chronically ill and general hospitals under Jewish auspices in 22 cities.

We are pleased to have this opportunity to present our views on governmental policies affecting family stability and the well being of children. At our annual national assemblies we have continually pressed for the enactment of legislation to improve the quality and quantity of health and welfare programs. We believe the central issues affecting these developments are the following:

NATIONAL POLICY ON INCOME MAINTENANCE

Of overriding importance is the need for a national income policy with national standards of eligibility to assure that all people, including children, may have at least a minimum standard of living sufficient to maintain health, human decency and dignity. A first step in this direction was the enactment by Congress last year of the Supplementary Security Income Program which replaces the federal-state programs of Old Age Assistance, Aid to the Blind, and Aid to the Permanently and Totally Disabled. We strongly urge that this policy be extended to all eligible individuals and families in need, including those with both parents in the home and the "working poor".

Such legislation should include safeguards against any state lowering its present standards of assistance. It should also authorize Federal sharing in supplementation by states with higher standards. We believe this would go far in correcting many of the present inequities. At the present time families with the same income level but residing in different states are not eligible for the same services due to wide variation in State policy on income eligibility requirements. To overcome this manifest inequity eligibility for services which are subsidized in part or in whole by the Federal government should be related to the Bureau of Labor Statistics adjusted minimum income stadnard.

NATIONAL COMMITMENT TO STRENGTHEN FAMILY LIFE

A national commitment to strengthen the unity of the family and to enhance the development of children is urgently required. It should be the concern of government to raise the quality of all of family life in the United States. A comprehensive range of family and child care services should be available to all families and children who need them, with cost for services ranging from free to full payment depending upon the family's financial resources.

Unfortunately, the principal government program for families and children—the AFDC program—encourages separation and the disruption of family life. The requirements in many States that the father leave home in order that the mother and children qualify for AFDC should be eliminated and replaced by legislation that would encourage family stability and provide incentives to preserve the unity of the family. Mothers should be enabled to serve the best interests of their children, and thereby of society, by having the option of remaining in their homes or taking outside employment.

The sharp increase in the divorce rate and the growing number of single parent families headed by a female—the increasing number of women in the labor force—the large numbers of troubled and alienated youth—all these underscore the need for a strong government initiative to preserve and strengthen the family. In addition to supportive services, such as counseling, homemaker services, day care and foster care when needed, emphasis should be placed on preventive programs, such as family life education, nutrition and health care, cultural enrichment programs for children and youth as well as vocational and career guidance.

If we are committed to a goal of strengthening family life, the range of family services and the eligibility requirements need to be broadened considerably beyond the restrictive limitations in the current draft of HEW's Social Service Regulations. The definition of family services should encompass services to support and reinforce parental care and services to supplement parental care as needed. The prevention of financial dependency might be more possible of attainment if such services were made available to low and moderate income families at fees within their capacity to pay.

The experience of our agencies in providing services to children and their parents in their own homes has shown that the viability of the family unit can be preserved and strengthened—that placement in a foster home or in an institution can be avoided in many instances. Institutionalization, unless absolutely necessary is not only disruptive of family relationships and ties but is costly to the community.

DELIVERY SYSTEM

A network of community based services should be made available to all in need, with easy access to the system through multiservice centers. These centers should provide information and referral services, temporary emergency services and other services either directly or through arrangements with other public or private agencies in the community. Efforts should be directed toward coordination and integration of the many fragmented services to assure the provision of appropriate services as effectively and promptly as possible.

PUBLIC UNDERSTANDING

We trust that this hearing marks the beginning of a far-reaching and sustained effort on the part of the Federal government to examine its policies in the context of strengthening family life and enhancing child development. Legislation to effect needed changes will require the expenditure of public funds—and the gap between needs and resources is a perennial problem. It is essential that we also direct our efforts to creating public understanding of the need to conserve our human resources.

I should like to conclude by quoting an excerpt from the resolution on Urban Concerns and Public Welfare adopted at the 1972 assembly of the Council of Jewish Federations and Welfare Funds:

"Underlying the inadequate measures to deal with America's human needs are the pervasive misconceptions regarding the nature of these problems and their causes. We deplore the growing tendency to demean and exploit the poor—the aged, disabled, and handicapped—whose disabilities genuinely entitle them to assistance. An imperative for productive action is to build far greater understanding among people generally, and particularly in the national, state, and local legislatures. The popular misinformation and distortions are reflected in the regressive legislation which will increase rather than resolve the problems.

"Leaders of voluntary agencies have a special competence and responsibility, from their knowledge and experience, to help overcome the widespread myths about poverty, social needs, and welfare. We urge that such efforts be undertaken and extended by the leaders of our Federations and Welfare Funds, and by their associated and cooperating agencies."

STATEMENT OF MRS. MORTON A. LANGSFELD, JR.

(Chairman, Planning Committee on Family and Individual Services Federation of Jewish Agencies of Greater Philadelphia)

I am greatly privileged to share today in your very important and essential examination of our American families. The trends, the pressures, and the vitality, are of extreme urgency, for careful assessment.

Both governmental and voluntary agencies have set up many policies and expenditure of dollars that have provided necessary services to children and families. However, it is a well known fact that we, together, are simply not doing enough. Family breakdown, physically ill parents and children, low income, emotional instability, and mental illness are but a few of the diagnoses made by professionals in these fields, and characterize cases today. To ensure family stability and the well-being of its members, we must find every possible means to provide services that are both preventive and supportive.

The Federation of Jewish Agencies of Greater Philadelphia serves children and youth through several different agencies. The very concept of Jewish family life—has been, always—the cornerstone of our community. We are concerned with Jewish survival, a need to strengthen Jewish identity, and have developed a network of services to meet Jewish needs. The family unit has great significance by long tradition, and we continually develop the best possible ways in which to protect and strengthen it. Our objective is to keep families together, and it is to this end, that we direct our energies.

Government dollars have come to our agencies in several different ways—bringing about a partnership of mandated governmental responsibility and the private or voluntary dollar. This combination of funds has been used to extend or develop new approaches to improve the quality of a child's life.

A variety of settings must be offered by agencies today—so that an individual child receives help in the best possible way to suit his individual needs. Large institutions may have a place in some parts of the country, but in Philadelphia, we have found that this type of care is not in the best interests of children. We have developed creative types of foster homes, small group homes, and services to children in their own homes. These are to us, the best resources to help children who can no longer continue in their family patterns because of their own problems, or when parents are unable to care for their children. The role of the voluntary agency is of tremendous importance. It provides training, standards setting, rich and creative supportive services, using volunteers as well as professional staff.

The Association for Jewish Children, a member agency of the Federation of Jewish Agencies, is a striking example of a successful preventive program—i.e., Services to Children in their Own Homes. This is a valid trend in the field of child care, and has been able to show that family breakdown is preventable. Here in this agency, it is quite evident that sound casework services for a single family in its own home, brings greater strength to the parent-child relationship. Also, the child has a better chance to function on his own, thus avoiding separation, or a long term placement.

It is my opinion that increased services to children in their own homes will bring substantial changes in the present bleak outlook for troubled children in our communities. We must find every possible way to provide funds for this much needed service. Somehow, government seems to fail to recognize the importance of such preventive services, as well as the funding. (No government funds are available for purchase of service from the voluntary agencies for services to children in their own homes). The only possibility to receive this service, is through the voluntary agency, where funds are very limited. Thus, only a small number of children can receive such care. Here, the problem becomes even more complicated because the voluntary dollars that must come from the private sector, i.e., United Funds—just are not available in all the agencies. What is the answer? Surely government funds must provide these services, and they are a serious and pressing investment consideration. If there can be an emphasis upon prevention, then, from a purely monetary outlook, dollars spent here will be translated into dollars saved in hospitals and institutions of long term placement. Damaged children become lost children if help is not offered in their early years. Family breakdown is a priority concern and must bring priority dollars and highly skilled professional workers. Increased family hardships and breakdowns of children are inevitable, if we do not include services to children in their own homes in government policy.

In child care services, foster homes and group residences are used for children whose parents are unable to care for them properly, and separation is indicated. The choice for care is dependent upon the individual needs of the individual child. The goals and dreams of our agencies are to provide a variety of settings—a chance for every child. Government must take a hard look at these manifold needs. Institutions and group homes can be long, frustrating and often sad placements, with little hope for a child. We must invest in new ways to achieve our goals.

Dollars are a necessary consideration in all child care. If we look at comparative costs of different types of care, the picture is very striking. The costs spiral upwards, dependent upon the extent of damage to a child. In Philadelphia we spend for one child in a single year:

$1,000 for services to children in their own homes.

$5,000–$8,000 for placement in foster homes or group homes.

$10,500 in residential type group homes.

In a Pennsylvania mental hospital that serves children the State spends $23,000 a year, per child. In a private agency in suburban Philadelphia the cost is $17,000 per child.

If our goal is to help families to remain intact, it is glaringly seen that as the cost goes upwards, so must the funds become available to us. The sad truth is that we do not have enough dollars, and thus, children are waiting

If prevention is the answer to child problems in the United States, we must provide more of the supplementary services that can make the difference between family health and breakdown. Also, it is necessary, if we are to discharge our collective responsibilities, that a full range of services be made available in our agencies. We have developed many of them that are essential for family rebuilding, such as, Day Care, Counseling, Homemaker Services, and Family Life Education. Governmental and voluntary dollars are matched in some of these in order to reach the greatest number of children. In other of these services, voluntary and demonstration dollars provide the help to families. I sincerely hope that increased funds will be made available since the need is so demanding.

In this field of child care, every professional and lay person must continue to seek ways and funds to give every child a fair chance to live and grow. Possible family breakdown is reduced when we have the most effective and productive skills and tools to keep families intact. Not only is the economically deprived segment of our communities in need of preventive services, but a great segment of the border line working class and middle class are, also. They simply cannot afford these services and they are left unserved.

In conclusion, I am extremely anxious and hopeful that our government will take cognizance of the tremendous gap that exists between needs and available funding, particularly in the care for children in their own homes. It is an extremely important alternative to separation of children from their parents. In our country we have the greatest obligation to support and strengthen family life. I believe that preventive services are a priority concern that hold hope and promise of future healthy and happy human beings.

I do thank the Chairman and this Committee for the opportunity to present these views on the very crucial matter of American families, and our deep concern for future generations.

TESTIMONY OF REV. MSGR. JAMES T. MCHUGH, DIRECTOR, FAMILY LIFE DIVISION, UNITED STATES CATHOLIC CONFERENCE

I am Msgr. James T. McHugh, Director of the Family Life Division of the United States Catholic Conference. At the very outset I wish to commend Senator Mondale and the Senate Subcommittee on Children and Youth for holding hearings on family life in the United States. I welcome the opportunity to appear before this Committee and present testimony on how the nation—particularly in its law and public policy—may provide positive support for the contemporary American family.

The formulation of a clear, coherent and consistent family policy is a major item on the national agenda as we begin the last quarter of the twentieth century. At every moment of the nation's history the family has been a most important social unit. However, in recent decades we have become aware that many of our major social problems are the result of family instability and weakened family ties. And family instability is at least partially due to our failure to adopt a comprehensive and a realistic family centered policy. The object of wise social policy is not only the physical well-being of individual persons, but also their emotional stability, moral growth and ability to live in society and relate to others. Moreover, social policy should be directed not only to the individual, but to the greatest degree possible, to the family unit as well.

The realization that the family is an important social unit was never totally ignored or denied. If anything, the family suffered more from the ambivalence of policy-makers than from outright neglect. It also suffered from the lack of an advocate that would constantly present its interests and concerns in the halls of government. Moreover, there are specific values in our society that seemed to be at odds with the values of family life. For instance, the American commitment to individualism focused on the autonomous person rather than the person as member of a family. The commitment to private enterprise has placed the family in a secondary position to national economic goals. Government has been reluctant to restrict or constrain business or industry for the good of the family unit. Thus, child labor laws, equal employment opportunity regardless of sex, color or creed, concern for the family life of agricultural and immigratory workers have been recent achievements or remain goals still to be attained. Again, the ethnic, cultural, and religious pluralism of our nation has made it difficult to identify one form of family life as specifically American and thus to provide social support for such an ideal.

Within government, concern for the family was tucked away in the Women's Bureau in the Department of Labor and the Children's Bureau in the Department of Health, Education and Welfare. Neither agency was noted for an integralist approach to family life.

During the sixties, concentration on racial inequality, on poverty, on minorities led to a rash of well-intentioned but less than satisfactory government programs. It was not a lack of will or of imagination that robbed us of success in our attempts at social improvement. Rather, it was the absence of clearly defined policies that would govern the myriad programs that were initiated at both the federal and state level. For the most part, these programs were experimental or therapeutic, but they lacked careful evaluation and follow-up. Thus, the limited successes were lost in a sea of frustration, distrust and intensified resentment.

It is time to break fresh ground and attempt the formulation of a national policy directed toward supporting the quality and stability of family life. There are a number of things that such a policy might accomplish.

First of all, a national family policy might well become the cornerstone for a corpus of social legislation that would benefit all Americans. Such policy need not be complex or terribly detailed. Its major impact will be in shaping legislation and directing the energies of government for the years ahead. As Daniel P. Moynihan describes it,

"A national family policy need only declare that it is the policy of the American government to promote the stability and well-being of the American family; that the social programs of the Federal government will be formulated and administered with this object in mind; and finally that the President, or some person designated by him, perhaps the Secretary of Health, Education and Welfare, will report to the Congress on the condition of the American family in all its many facets—not of *the* Amercan family, for there is as yet no such thing, but rather of the great range of American families in terms of regions, national origins and economic status."[1]

Secondly, a family policy should be directed toward assisting the family play its proper role as the nation itself undergoes a radical transformation and renewal. The questions that face us as a nation are questions of values, and they are increasingly raised by today's youth. How do we eliminate poverty and discrimination while committed to an economic system built on capitalism, free enterprise and heavily tinged with materialism? How do we maintain the value of human life while allocating many of our resources to readiness for war, while we delay in a total revision of our criminal law and penal system, and while we allow the highest court of the land to ignore the evidence of science and of history in deciding that certain classes of human beings shall not be entitled to protection of the basic rights to life, liberty and the pursuit of happiness promised by the Founding Fathers? How do we instill confidence in the democratic system, and maintain the values of honesty and integrity, when so many people look upon public service with cynicism and distrust?

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[1] "A Family Policy for the Nation," Daniel P. Moynihan, from *America*, Sept. 18, 1965, pp. 280 ff.

The family is that basic social unit that is prepared to grapple with the value questions and to weigh the speculative theory in terms of the experience of human living. As Cohen and Connery point out in a highly perceptive article on "Government Policy and the Family",

We suspect that a revitalization of the family represents a neglected opportunity in the resolution of this crisis. As an institution, it has demonstrated a remarkable resilience and a capacity to adapt to a wide range of circumstances. It has provided a transitional experience for the individual that has linked past, present, and future. It has been a major source of cultural innovation and has proved its worth in the most simple and complex societies. Studies of values and attitudes have persistently demonstrated that the family is the primary source of both our individual and collective orientations and that this institution must be engaged if we are to achieve a lasting modification of values. The problems that confront the United States in the present day are problems that basically demand a radical shift in our values. As we move toward the solution of our problems, it is almost inevitable that we will make many false starts or that the transition to new patterns of society will create new stresses. The family, among all of our institutions, is uniquely equipped to cushion these shocks and to ease the strains that are an inevitable consequence of change. Yet if the family is to fulfill this need, it must be restored to a central place in our perception of the nature of our society and provided with the resources which will make possible the fulfillment of this role. This can only be accomplished by a major shift in government policy and action with respect to the family."[2]

Thirdly, a family policy should help the family maximize its strengths. The family is where deepest interpersonal relationships are formed and lived out. The relationship of husband and wife is characterized by intimacy, fidelity, mutual respect, multi-faceted communication, understanding and trust. Children are born and grow up in this environment where they come to know themselves as individuals and in relation to other persons. In the family the child crystallizes his or her own sexual identity, and achieves satisfaction, confidence and security in developing basic aptitudes and talents. Finally, as children grow to adulthood and parents see succeeding generations come into existence, a loose-knit kinship structure perdures. It is the responsibility of government to assist the family in playing its role, fulfilling its functions and achieving its destiny.

Specifically, government policy should be directed toward helping young couples achieve close interpersonal union in marriage. At the least, this entails avoiding anything that endangers the relationship. On the positive side, educational priorities should be reexamined. Family life education is still virtually nonexistent in our schools, and contemporary attempts in this area are often fragmented, ambivalent, or limited. We need a system of family life education that helps young people understand the responsibilities of marriage, sexuality, and parenthood that prepares married couples to deepen their personal intimacy without isolating themselves from society, that restores a sense of community with generations that have preceded them and with those that follow.

Moreover, in our highly technologized society, individuals and married couples frequently reach an impasse where personal identity or the marriage itself is threatened. Readily available counseling facilities and supportive health care opportunities are often needed but sadly lacking. There is a definite need for more realistic federal legislation and funding in the mental health field that will assist married couples and families to deal with the stresses and strains of modern society. Although there is a trend in family counseling toward treating the individual as a member of a family, the multi-million dollar investment of the federal government in programs dealing with alcoholism, drug addiction, delinquency, mental illness, gerontology and mental retardation often attempt to build substitutes for the family rather than assisting the family to help the person in need when that is possible.

Fourthly, though I am reluctant to suggest increasing the bureaucracy in Washington or in the many state capitals throughout the nation, we must develop some capacity to represent, and indeed advocate, the concerns of the family in the formulation of social policy that directly or indirectly affects family life. For practical purposes, this means an ombudsman that monitors all health, education and welfare legislation, which at present is still directed toward the needs of the individual or the good of society, with no recognition of the family as this basic social unit.

Fifthly, government policy affecting the family should recognize and support the corrollary efforts of churches, private foundations and agencies, and other family assistance groups. The United States can learn much from Great Britain and other European nations about the role of the para-professional. For instance, there is a fairly well established network of marriage counseling centers throughout the British Isles in which the counselors are married persons who have special training, but are not certified psychologists or psychiatrists. The marriage counseling center includes a staff of professionals who are available for referral and for supervision of the para-professionals, and this system is fairly effective in helping troubled families.

Sixthly, government policy should respect the pluralism of family heritages and family styles. Otto Pollack maintains that the function that has truly been taken away from families is the autonomy of setting its own standards. The family has been subjected to the tinkering of the social experimenters, the ineptitude of the bureaucrats and domination by self-proclaimed specialists. It is time for the family to assert its own power against the expert, and protect itself against becoming simply one more factor in the utopian schemes of today's social planners.

At this point I wish to make some tentative suggestions on how government policy and other social forces can support family life.

1. Work—Two of the most important things in people's lives are what they do, i.e., their work, and who cares about them and their accomplishments. There is abundant evidence that when a person's job is stultifying, frustrating or unrewarding, work performance suffers. Worse than that, the person tends to lose self-esteem, and in time may give up working and become delinquent in terms of other responsibilities. It is important that government and industry try to eliminate dead-end jobs and generally improve working conditions, particularly in blue-collar jobs. But it is also important that American business treat the white collar worker with respect and regard for his family life. Continual relocation, constant travel, treating the employee as a possession of the company are things that disrupt family life and destroy personal stability. Everyone needs some leisure and solitude to think, relax and share the experiences of family growth.

The wage scale normally reflects the amount of work, the skill of the worker, the longevity of employment, and the position held by the worker. In too many cases a man must moonlight or a woman may be forced to work so that family income may keep pace with the cost of living. Married and single persons receive the same wage, with the results that families bear a disproportionate share of the financial burden of supporting the next generation. One of the ways of equalizing the financial burden, and of providing special assistance to poor families is by way of a family allowance system. This may also be the first step toward a complete revision of the welfare system.

2. Health care—Scientific progress has enabled us to overcome many fatal diseases, and to restore health and physical function in many circumstances where previously a person became an invalid. But the availability of health care is limited by cost, by circumstance, and by limitations of delivering health care services. There is an increasing role for government to play in establishing a national health care program that would assure quality service to all persons, economically, equitably and with dignity. Again, the needs of families should be an incentive to legislators to find the proper plan.

3. Education—America is distinguished among the nations of the world for its commitment to general education. At present, that practically includes college for every child, placing the young person in a prolonged period of dependency and increasing the financial and emotional costs of parenting. As a result, young men and women spend years in an academic sub-culture where deep interpersonal relationships develop but where marriage is not possible and where the final reward of the entire venture is increasingly uncertain. Consequently, the cost and practicality of higher education is increasingly called into question. Of greater concern is the narrowness of approach of the present system. There is still great need for specialized educational programs including technical and vocational training, education for handicapped persons, adult education programs for personal enrichment, and government assisted alternatives to the public school. Moreover, though the major waves of immigrants have generally been assimilated, special approaches should be developed to transmit the cultural heritages of the black and brown population to the coming generations.

I would like to end on a positive note. It is frequently thought that the family is a fragile, confused, conservative institution buffeted about by the winds of change, and seeking some isolated niche apart from the world. On the contrary, the family is a flexible and resilient institution, one in which personal-ism can thrive, and one that can exert a directive, indeed a revolutionary force in the larger society. It is the role of government to support the family unit, and the family in turn must bring about a re-ordering of national priorities so as to maintain and support the basic human values of respect for the person, community, and transcendence. I believe it is well summed up in this statement by Leon Kass:

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[2] *Journal of Marriage and the Family*, Vol. 29, No. 1, Feb. 1967.

"The family is rapidly becoming the only institution in an increasingly impersonal world where each person is loved not for what he does or makes, but simply because he is. The family is also the institution where most of us, both as children and as parents, acquire a sense of continuity with the past and a sense of commitment to the future. Without the family, most of us would have little incentive to take an interest in anything after our own deaths. These observations suggest to me that the elimination of the family would weaken ties to past and present, and would throw us even more on the mercy of an impersonal, lonely present." [3]

Federal Policy and American Families

(Testimony presented by Rev. Msgr. Lawrence J. Corcoran, executive director, National Conference of Catholic Charities)

Senators: I am Monsignor Lawrence J. Corcoran, Executive Director of the National Conference of Catholic Charities, which serves some 1,500 member agencies and institutions throughout the United States.

With a combined local community budget of near ¾ billion dollars a year, the Catholic Charities network serves millions of families in the United States. Catholic Charities represents the largest non-governmental program in the field of social welfare. Since the Conference was founded in 1910, it has been committed to providing services and supporting public policy which would strengthen the fabric of family life in our country. It is our view that the general welfare of the nation depends in large measure on the welfare and strength of its families.

While we are concerned for the welfare of all families, we have a special concern for low-income families. The proceedings of our first national meeting in 1910 indicate that the National Conference of Catholic Charities "aims to become . . . the attorney for the poor in modern society, to present their point of view and defend them unto the days when social justice may secure to them their rights."

So we are especially pleased that this distinguished Senate Subcommittee has called these hearings to explore the impact of governmental policy and program on families and children.

We understand that these hearings are preliminary and searching in nature. The influence of governmental policy on family life is so broad and deep, and the governmental responsibility so important that the interrelationship between governmental policy and family life needs constant and searching examination if our nation's families are to be strengthened and to remain strong and vital.

Our comments below reflect what our agencies around the nation report to us, and the experience we have gained in the struggle to form and maintain sound national policy to protect and nurture family life. Recently, for example, we have been discouraged by the constant efforts on the part of the present Administration to cut social service and public assistance costs, both efforts which will weaken family life in this country. We believe most strongly that the first focus or objective of national social welfare policy should be on strengthening family life. The focus which has developed recently on the part of the Department of Health, Education, and Welfare seems, on the other hand, to be first to return people to work, any kind of work, at any kind of wage, and to cut social welfare costs. That policy is destructive policy.

With this general introduction, may I now comment on some of the specific problem areas the Committee has enumerated.

WORK

Income and financial security for the future are essential for the maintenance of strong family life. This almost seems a platitude, it is so self-evident, but often government policy does not square with the obvious nature of the statement. Just recently, for example, the President vetoed, and the House of Representatives could not override, what we consider to be a very modest increase in the minimum wage, and a badly needed extension of its coverage. If our national policy really put strong families first on its agenda, one could hardly call a minimum wage of $2.20 per hour inflationary. The annual wage that minimum would produce barely reaches the poverty level.

Unemployment, under-employment and inadequate and unsatisfying work or work conditions develop tensions in families which frequently result in the disintegration of families, force mothers of small children to work, separate children from their fathers or their parents. We see the results of unemployment, inadequate wages and unsatisfying work daily in our agencies around the country. So a strong and expanding economy, designed for maximum employment opportunity, with reasonable family-supporting levels of minimum wage for all employees must become a consistent governmental policy. The kind of economic policy we have seen in the past several years, with rampant inflation, rapidly rising prices, high unemployment and almost unprecedented corporate profits, has been placing very real strains on millions of poor and modest income families.

Secondly, since a sense of security is needed to sustain family life, we would urge, as we have urged before Congress in the past, that the government make a firm and enduring commitment to being the employer of last resort, so that despite occasional economic dislocations or fluctuations in our economy, those who are able to work will find meaningful jobs available to them.

In this connection we are not impressed by the relatively unconstructive "make-work" programs which have been devised to reduce the public assistance rolls in states such as California. Work must be meaningful, must be adequately compensated to provide family support, and must provide the opportunity for human satisfaction and advancement.

In addition to the provision of work opportunities by government, if necessary, we see it as entirely appropriate for the government to help those in need secure the education which would enable them to improve their skills and advance in the labor market. Recently, for example, a situation in California came to our attention, where in order to continue receiving public assistance for herself and her children, a woman was ordered to go to work, rather than complete her college education which would have enabled her to become a certified teacher.

In a related matter we would urge more adequate income carry-over programs such as unemployment compensation and the liberalization of unemployment compensation benefits to strikers engaged in legitimate labor disputes centering around economic and non-economic benefits for the workers and their families.

Several other points related to the matter of work:

We urgently need better urban mass transportation systems. Middle class people in suburbs have benefitted from one of the largest governmental welfare programs—the development of highway systems to let them come downtown to work at white collar jobs. At the same time, countless companies have moved from the central cities into suburban areas. With grossly inadequate public mass transportation systems, poorer people, frequently members of minority groups, living in central city areas, find it difficult to get to where the new jobs are. At the same time, what public transportation there is frequently is under-utilized, transportation systems lose money, and fares become much too high. Clearly, mass transportation is necessary for the public welfare. Daily experience in city after city points more and more to the necessity of a system of integrated public transportation in our urban areas as a normal function of government supported entirely by tax money. Transportation affects the ability to work, and consequently affects family life.

But even more important than better public transportation is the need to develop a neighborhood economic development strategy. We need neighborhood economic development programs to place job opportunities near people, as well as to encourage the maintenance of strong neighborhoods. Large areas of many of our cities contain no job opportunities at all, especially for younger people. Secondly, the almost total dislocation of jobs from neighborhoods in urban areas results in young people having to go without work models, since they have no opportunity to observe those close to them in work situations.

We were happy to see the Senate begin to deal forthrightly with the matter of earned retirement income—the pension. Vesting rights, insurance and portability are important to the security of American families, and we hope the legislation clears Congress and is signed by the President and is improved in subsequent years.

Increased attention must be paid to the important role government must play in providing training for second careers. We have in mind not only workers whose jobs become obsolete in our economy, but also the growing number of women whose families are grown, who have many productive years before them, but who have no career or work skills when they could once again enter the labor market.

Finally we need on-going planning, government programs and forceful governmental action to deal with severe economic dislocation. We do not feel, for example, that governmental responsibility was adequately exercised several years ago when the NASA budget was trimmed (something we favor) and countless engineers glutted the market. We saw the effect of that dislocation on family life. And it is certainly clear to all who believe that our country can care for its defense with a more modest Defense Department budget that we need the kind of programs which will efficiently transfer military or military-related employment and production to the private sector. We need, especially, the kind of attention in Congress which will see to it that the government develops the economic programs which will reduce the dependence of many of our congressional districts on military or military-related employment. How else can we develop and maintain a vital and enduring peacetime economy?

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[3] "Making Babies—the New Biology and the 'Old' Morality," Leon R. Kass, *The Public Interest*, No. 26, Winter, 1972, p. 51.

The agencies affiliated with the National Conference of Catholic Charities are constantly forced to deal with the wreckage in families of inadequate government economic policy and inadequate programs guaranteeing productive and satisfying work for our citizens.

INSTITUTIONALIZATION AND FOSTER CARE

The experience of our agencies leaves little doubt that the lack of certain supports for families in stress, and unnecessary institutionalization of children *and* parents, place severe strains on family life and often result in the breakup of families. We would make the following observations on needed social service and other governmental programs to relieve the stress and strengthen families.

High mobility in our society, and the vanishing of the extended family, leaves countless married couples with little immediate personal support in times of need or stress. Thus the adequate provision of homemaker services is essential if children are to be maintained in the home during illness or other emergencies.

Likewise we need to extend day care as a supplement to strengthen family life by providing for children while parents are working, and also as an important assist to single parent families. Even single parent families with the parent at home need the relief and leisure which can sometimes only be provided by day care. At the same time, day care programs should not be a method by which we subsidize under-employment or low wages paid by the private sector of the economy.

These helps—day care, homemakers—are essential public programs in our country, since our modern economy no longer encourages the extended family system which had these built-in supports. To avoid unnecessary institutional care, we need more adequate financial resources for day care and homemaker services. We also need high national standards in the day care and homemaker services.

Let me observe that the move of profit-making companies into the day care field gives us concern; the government must insure that this does not deflate standards which was the case in the nursing home field. This movement also makes us uneasy in terms of the possibility of profit-making concerns forcing non-profit services out of the field, or absorbing them, ultimately leading to increased costs for day care.

Frankly, we have some serious question as to whether the profit sector of our economy should be permitted at all in the fields of providing direct human care services, such as health care, nursing care, day care. These services are not subject to much consumer choice; they are necessary services in providing for the general walfare. It seems contrary to the humanitarian spirit that should motivate our solicitude for our fellow citizens that profit or excessive income should be derived from the provision of those personal services which are basic to a decent human existence.

One of the greatest strains on families in our country is that imposed by illness or the breakdown in the health of family members. The inadequacy of our medical delivery system and the private health insurance emphasis on crisis care rather than preventive medicine results in needless institutionalization of parents and of children.

This nation urgently needs a universal health insurance system, under the Social Security system, *and* a greater re-orientation of delivery to see that the health needs of the poor are adequately met, and to insure that the emphasis is on preventive care, rather than on the high costs resulting from major illness when preventive care is not available. The legislation on health maintenance organizations, which has been moving through Congress, is badly needed, on a much larger scale than presently proposed. It is disturbing to us that the present Administration has backed off considerably from its previous strong stance for change in the delivery system through HMO's.

Let me cite but one instance of a serious local problem resulting from an inadequate delivery system, inadequate funding for HMO's, and the lack of an overall health strategy and health insurance system for all American citizens. Bexar County, Texas (largely San Antonio), has approximately 240,000 medically indigent citizens. State law in Texas prohibits doctors from working on a contract basis with any but public hospitals or health services, and as a result, the clinics in San Antonio operate on a limited, part-time, basis, and on the time of doctors who volunteer. Many citizens, particularly many Mexican-Americans, have no access to regular health care, especially preventive care.

Several years ago that community suffered a disastrous and prolonged diphtheria epidemic. The epidemic raged some seven months before local public health officials called the Communicable Disease Center in Atlanta for some assistance. There were inadequate public health services for immunization, and, in the meantime, immunization shots which might have been available at a public cost of some 17¢ per citizen were being given by private physicians at from $10 to $15 each.

Since that time two groups in San Antonio have attempted to form Health Maintenance Organizations. Citizens associated with the Commission for Mexican American Affairs applied for a non-profit charter and were denied it by the State Board of Medical Examiners and by the Secretary of State, apparently because the Board of Directors for their HMO was not completely made up of physicians. They have since sued on constitutional grounds and their case is before the Federal District Court. On the other hand the Bexar County Medical Foundation (completely controlled by the leadership of the local medical society) applied for and secured a grant to begin organizing an HMO, and is presenty in its second year of federal funding. However, the Medical Foundation has stated its HMO would not treat indigent patients.

Something surely is wrong with federal policy if such a situation obtains in San Antonio, as well as in other communities in our country. The National Conference of Catholic Charities feels that present health care policy in the United States is skewed toward the affluent and toward high costs. We favor federal policy which will reorient the delivery system so as to meet the preventive health care needs of the poor, and a universal federal health insurance system. Both elements of policy are needed; health insurance alone without preventive care delivery will only keep costs moving upward. We do believe that sound federal policy and programs in the health care field will reduce institutionalization of parents and children.

One final observation on institutionalization: Sometimes placement of children is needed; but we find that there is a lack of resources to apply in situations especially involving retarded or other difficult to place children. We need more help here from the federal government.

MOBILITY

Mobility quite obviously poses great strains for individual and family life, whether that mobility is a result of governmental employment programs (military transfers), economic dislocation, or the private search for more satisfying and better jobs. I believe the Defense and State Departments do recognize their responsibility as employers, but I do not have the experience to speak to the adequacy of their programs. Rather I would speak to mobility in the private sector, and present some ideas as to how we might deal with the problems arising there.

First of all, much mobility is involuntary, and results from the lack of strong local economies, or the impact in local communities of the decisions reached by remote corporate managers. I would again reiterate the need for a strong neighborhood economic development strategy, to build and maintain enduring job markets locally.

Secondly, it seems to me that we must begin to insist that responsibility for economic dislocation be shared by corporate employers and the government; the burden cannot fairly continue to be placed on the individual family with modest assistance from unemployment insurance. It is not sufficient for necessary moving costs involved in taking a job to be tax deductible.

The business community has found it advantageous to meet the economic costs of moving when it transfers executives—paying moving costs, often insuring against loss in the sale or purchase of adequate housing. The same benefits should be provided by perhaps a combination of the private and public sector for the average worker who finds himself without a job because a plant shuts down, or a company relocates, or almost a whole industry relocates, as was the case with the textile industry. Something similar should be done also for the wage earner who cannot find employment locally, when there are open job markets in other parts of the country. I do not, however, mean we should support involuntary mobility. Eligibility for public assistance should not have moving to an area of job surplus as a requirement. But the costs of moving should be met for a worker who voluntarily relocates.

WELFARE

In August, 1970, I testified before the Senate Finance Committee on the proposed Family Assistance Act. I said then, as I say now, that "it is not necessary to dwell on the need for welfare reform, which is acknowledged by almost everyone—the general public, the welfare recipient, welfare administrators and workers, and indeed by the Congress of the United States."

While there have been improvements—notably the transference to the federal government of assistance to the elderly, blind and disabled (even though the payment levels are inadequate)—the situation of families and children in the welfare has deteriorated since that time. I noted at the opening of this testimony that despite its proclamations about geting public assistance to the people who need it most, the present Administration seems to have spending cuts, return to work, and a weakening of federal standards as its prime goals in the field of welfare.

Let me state firmly the belief of the National Conference of Catholic Charities that the prime goal of our welfare system must be to protect, nurture and strengthen family life by the guarantee of adequate income, and the provision of supportive services. And the prime purpose of providing social services must not be to get people off of public income maintenance into meaningful employment, desirable as this is, but, again, to strengthen family life.

We are discouraged at what we observe to be a steady effort on the part of the Department of Health, Education and Welfare to dismantle the federal protections which had been built into the financial assistance program, by offering the State great leeway in determining and handling the eligibility process. We fear a massive effort to sharply cut the number of people receiving public assistance—to cut off from assistance millions of families who are or have been eligible, and who desperately need income security. We continue to be concerned by what we called in 1970 "the pernicious condition which presents some parents with the terrible choice of remaining with their family and not receiving public assistance or deserting their spouse and children so that the family can receive the financial assistance it needs to exist."

We are also very disturbed by efforts in Congress and in HEW to substantially weaken the programs of social service available to our citizens, and to tie social services directly to a "return to work" objective. The most recent regulations on social services proposed by the Social and Rehabilitation Service of HEW are grossly inadequate, as are the regulations recently finalized on eligibility for financial assistance. Both will be destructive of family life in our country and hit especially sharply at the family life of poor people whose marriages are already under great strain.

Just as the federal government has assumed responsibility for minimum guaranteed assistance to the elderly, the blind and the disabled, we believe that the Congress must devise a program for the federal government to assume responsibility for income maintenance for families in need. We need a public assistance program which will not weaken family life by making the parent dedependent on income focused on children, and will not require the father to be absent. We need federal administration of the program, federal eligibility standards, federal minimum payment levels, and federal administration of the program.

I would like to make one final observation on the need for the federal government to assume responsibility for an adequate income maintenance program. We note with interest the tentative proposal of the Administration to provide a cash allowance to those whose incomes are inadequate to purchase or rent housing in the private housing market. We do not believe it would be wise governmental policy to chop necessary income maintenance programs into bits and pieces and distribute them in various areas of need in this manner. Rather, except for health insurance, they should be consolidated into one overall income maintenance strategy. We would also like to place on record our fear that separate administration of a cash allowance program in the field of housing would result in inflated rents in those cities with low vacancy rates. We believe that income subsidies, as essential as they are, cannot be a substitute for other federal programs designed to stimulate and enlarge the housing supply in our country.

In addition to an adequate federal income maintenance program for families, we need a system of social services which are not part of or dependent on financial assistance, and which are organizationally and administratively separated from the financial assistance function of government.

And in the social service field we need the maintenance of a public-private partnership. The collaboration of the governmental and voluntary, non-profit sectors in the provision of social services has been beneficial to those served and also in the efforts to establish a strong and helpful social service system in this country. Such collaboration manifests in practice the democratic principles which we all espouse.

We also need the maintenance of strong and vital multi-purpose legal service programs. The advances made in recent years to extend needed legal services to the poor must be strengthened. Legal service lawyers should not be restricted in their activities any more than lawyers are who serve the more affluent; legal service back-up centers must be maintained and strengthened; and the whole legal service program needs more adequate funding. The provision of such a program is an important complement to the services necessary to strengthen family life in the United States.

TAX SYSTEM

In our view the present tax system, federal, state and local combined, contains some serious inequities, and disincentives for family life.

On the federal level, present deductibles for family members are insufficiently large to encourage family stability and development. The need for more adequate deductibles realistically reflecting some of the basic costs involved in rearing and educating a family, are especially important now that there is evidence that the population growth rate in the United States has stabilized.

Some other deductibles—notably the deductibility of interest payments in the purchase of housing—discriminate in favor of the more affluent and those who own property, while quite clearly discriminating against renters and the bulk of the poor families of the country.

Thirdly, the health needs of our nation's families, particularly the marginally poor and modest income families whose health needs so often go unmet because of lack of financial resources, suggest the need for the complete deductibility of medical and dental expenses until such time as we develop a universal health insurance system.

Also on the federal level, in order to relate deductibility more closely to the concept of an income maintenance program, consideration might be given to relating deductible amounts to income levels: the lower a family's income, the higher the deductible per family member.

Finally on the federal level, it is quite clear that the present social security tax system places an inequitable burden on poorer wage earners and families.

There are some tax disincentives on the local level which might properly be the subject of federal attention also. We have in mind particularly the present nature of our property tax system, as it is especially burdensome on some groups in our population, as it subsidizes the profits of slumlords in our cities, and especially as its administration results in the inequitable distribution of tax resources in the field of education. I understand that education is properly a function of the states. There are a number of cases in the Federal Courts challenging the present administration of the property taxes on the state level. The evidence is so overwhelming that the educational needs of poorer families, and often of minorities, have for generations been sacrificed in favor of the affluent, that all federal assistance in the field of education ought to be designed to make up for this inequity until state tax systems result in an even distribution of state resources to meet educational needs.

Secondly, on the state level, the continuance of high rates of sales tax, particularly on food and other essentials for family life, discriminate by placing a far heavier relative burden on poor and moderate income families than on the affluent. Federal tax policy ought be devised to correct this skew, and to discourage the continuance of the sales tax. While revenue sharing has in some instances enabled states to consider correcting the system, revenue sharing, along with reductions in the categorical programs, as conceived by the present Administration, is not the answer.

All in all, we do believe that attention to the above problems and closing some of the glaring loopholes in our present tax law is properly part of a federal effort to protect and nurture strong family life in our country.

HOUSING, ZONING AND URBAN DEVELOPMENT

No one believes that housing legislation in the United States has been adequate. But the evident housing programs of the current Administration have disastrous implications for the family life of the poor as well as for the middle income family. The Administration declares moratoriums and impounds with impunity and our shortage of housing grows shorter still. At the same time, the Administration's overall economic policy encourages the rise of interest rates to levels unprecedented in the nation's history, forcing countless families into a new form of bondage, sharply increasing the cost of housing, and making homeownership a goal beyond the reach of additional millions of our citizens. Obviously Congress must assert its will over the Administration's reckless program, and then, while current programs continue, do its own evaluation of the impact of federal housing programs of the past 25 years in order to devise a better program which will increase our housing supply and substantially improve rural and urban living for our nation's families.

The Administration has one proposal which interests us, and that is to seek a formula which would space a family's housing costs out more evenly over its lifetime income expectancy. At the present time the average family's income peaks far after its need for housing space peaks, and this is certainly a disincentive to strong family life.

Federal attention should be increasingly given to the obvious ways in which zoning is being used on the local level to maintain and even increase economic segregation in our urban areas. As jobs expand to suburban areas, restrictive zoning policies result in the inability of poorer families to become more affluent since they are unable to locate their homes near job growth. And as I mentioned earlier in my testimony, more adequate urban mass transportation systems are needed. Also needed is a vigorous neighborhood economic development strategy to help rebuild inner city areas and to help maintain strong neighborhood life in our cities.

One other aspect of urban development bothers us very much. Not long ago Art Buchwald wrote a column which with grim humor portrayed a coming pattern of resegregation in our cities. Because of income disparity, booming inner city land costs, and the inadequacy of government aids to housing rehabilitation, inner cities had become white, surrounded by black suburban rings. The results of the present non-policy are evident even not far from this Capitol building.

It strikes us that there are at least two problems which must be given attention in the development of federal policy which would strengthen the fabric of our cities and thereby strengthen family life. First of all, ways must be found to give the poorer and moderate income family the money to rehabilitate urban housing. Secondly, something must be done to halt the grossly inflated value of urban land to insure that in our rapidly urbanizing nation all of the nation's families will be able to have access to housing in our cities in the future. Leaving land costs to the present patterns of speculation, to the supply and demand force created by those who have money to invest simply squeezes the poorer families of our nation out of present and future opportunity. We could cite from the experience of our agencies around the country family after family who has had to move repeatedly because of urban renewal or private rehabilitation, and the absence of any way for the poorer family to get a stake in the rehabilitation of our neighborhoods.

Any reappraisal of the government's role in housing and urban rehabilitation must rest on the expression in the Housing Acts of 1949 and 1968 that our goal must be a decent home in a decent neighborhood for every family in our nation. We need to spell out again and provide the resources to meet concrete numerical targets such as were detailed in the 1968 Act.

Let me close my testimony with thanks to you, Senator Mondale, and to your distinguished conferees on the Senate Subcommittee on Children and Youth. The attention you are calling to the effect of governmental policies and programs on family life is sorely needed. Our nation depends on strong and vital families and we look forward to the day when this fact is more clearly recognized as a matter of federal policy and when all federal policy initiatives are evaluated with their impact on family life in mind.

Thank you.

STATEMENT ON BEHALF OF THE NATIONAL COUNCIL OF THE CHURCHES OF CHRIST

(By Rev. William H. Genne')

Mr. Chairman and members of the Senate Subcommittee on Children and Youth, my name is William Genne'. I am a staff member of the National Council of the Churches of Christ in the U.S.A., serving the Council's Division of Education and Ministry as Coordinator of Ministries with Families.

The National Council of Churches is the agency through which thirty-two Christian Churches of the Protestant and Orthodox traditions seek to cooperate in their various ministries. Since its organization in 1950, the Council has tried to carry forward the concerns of its predecessor organizations for the strengthening and enrichment of family life, not only in this country but around the world as well through our overseas units. The former Federal Council of Churches created its Commission on Marriage and the Home in 1932; and ever since there has been an identifiable structure at this level to represent this concern.

THE IMPORTANCE OF THE FAMILY

During these more than forty years of helping families help themselves we have learned much from the families we have sought to serve. Strong, healthy family life does not happen automatically any more than we "fall into love". Just as love must be nurtured and helped to grow, family life must be nurtured by arduous effort. A growing love and a growing family life are both full of growing pains.

In 1966 the National Council of Churches joined with the Synagogue Council of America and the United States Catholic Conference in adopting "A Joint Statement on Marriage and Family Life in the United States" (attached). This statement reads in part:

"To help families develop foundations for personally meaningful and socially responsible behavior, we offer the following affirmations on which our historic faiths unite.

"We believe, and unite in affirming, that God . . . did create us male and female and did establish families as part of his Divine Plan. . . .

"We believe and unite in affirming that our sexuality is a wondrous gift from God to be accepted with thanksgiving and used within marriage with reverence and joy.

"We believe and unite in affirming that our understanding of God's plan for marriage ideally calls for lifelong commitment in fidelity to a continuing, supportive relationship in which each partner helps the other develop to fullest capacity. . . .

"We believe and unite in affirming that children are a trust from God and that parenthood is a joyous, though strenuous, adventure in partnership with God for the procreation and nurturing of each child. . . .

"We believe and unite in affirming that family life is the cradle of personality and character for each child and created an environment for the societal values of each succeeding generation as well as the principal source of meaningful personal relations for each adult member of our society. . . .

"We believe that the family is the cornerstone of our society. It shapes the attitudes, the hopes, the ambitions, the values of every citizen. . . .

"Therefore, we the major religious groups in the U.S., join in exploring all ways and means available to preserve and strengthen family life in America to the end that each person may enjoy fulfillment in dignity, justice, and peace."

THE FAMILY AND THE TOTAL ENVIRONMENT

It is within this context, then, Mr. Chairman, that I say that the families of America and the World need a total environment, both internal and external, if these families are to realize their fullest potential and render their greatest service to humanity.

Because we believe that every aspect of life has moral significance, the Council has had to be concerned with every aspect of life as it either enhances or destroys the quality of human life.

Therefore, the National Council of Churches has developed many policy statements and programs to strengthen and enrich family life. It has frequently supported the objectives of proposed legislation and government programs which would help improve the total social and cultural environment in which families must live.

These policy statements, developed and adopted by the representatives of our member churches, do not profess to speak for every member of those communions. They do represent the majority judgment of those leaders who, working together through the National Council, have sought to relate the moral insights of their Christian faith to the corporate life of our communities.

We cannot, in the time available to us, enumerate all the concerns of our common life that would have an impact on family life. Every effort to build international, economic or racial justice, which is the foundation of peace, would, of course, have a beneficial impact on all of the families of this world. The elimination of racial and sexual discrimination, the achievement of a more just distribution of income, the conversion of our multi-billion dollar swords into plowshares—these and others are examples of areas over which Congress can, if it wills, exert some control, to the tangible benefit of all families.

Let me speak, however, to a few concerns which relate more specifically and directly to families—and to the institution of marriage which confers legal status on families in our culture—to which this committee might direct its attention:

The conditions of marriage

Since the states reserve to themselves the right to determine the laws governing marriage and the dissolution thereof, there is a hodge-podge of fifty-one jurisdictions (including D.C.) with differing legislation on this matter. Not all states report their statistics to the federal bureaus concerned with such matters. This lack of complete statistics is a real handicap to researchers and family-helping specialists.

In 1963 the National Council urged the Senate to ratify the convention proposed by the United Nations favoring free consent to marriage, a minimum age for marriage and the registration of all marriages. To date the Senate has not taken action on this matter, because, we understand, it has not been officially submitted by the State Department.

Such confusion and inaction tend to indicate to young people that marriage is not a serious concern of legislators. Any young person knows that it is easier to get a marriage license than it is to get a driver's license for an automobile. If our governments at all levels persist in such a casual attitude toward marriage, we should not be surprised at ever increasing marital discord and failure.

Education for Family Life

In 1968 the same three organizations mentioned before addressed themselves specifically to sex education as part of the training for adult life and responsibilities (cf. The Interfaith Statement on Sex Education, attached). While recognizing the primary responsibility of the home and the distinctive responsibility of the churches in education for an understanding of human sexuality, this statement recognized the responsibility of the schools and other community agencies in this important task.

Since the three major faith groups are united in this concern, we would urge the agencies of government that have to do with education at all levels to develop more adequate programs for adulthood and family life. The time for a conspiracy of silence and neglect is long past.

Education for family living calls for community offerings for every age in the life cycle from pre-natal education for retirement and eventual death. Legislation to guide and resources to actualize programs of education for all ages is a necessity in our modern society.

Education is, of course, an aspect of child development and we strongly urge the attention of the committee be directed toward adequate care and education in early childhood, especially in those instances where both parents are working outside the home.

Health Care and Services

There is a basic need for adequate health care in our country. In addition to the hospitals and health care services provided by our member churches in this country and overseas, the National Council of Churches has repeatedly (1960, '67, '71) spoken out for a better delivery system and a more adequate provision of health care services in this country. As recently as 1971 it said:

"The General Board of the National Council of the Churches of Christ in the U.S.A. endorses the development of a national health system which will assure quality health care as a right to all persons in an accessible, effective and efficient manner, with a method of funding which makes this possible. It calls upon units of the Council to support the achievement of his goal in appropriate ways."

Adequate health services would include not only medical and dental services but also mental health facilities, including marital and sexual therapies which are so basic to healthy family life. Counseling and services to help families voluntarily determine the number and spacing of their children is a vital component of any family health care system (1961).

Economic Supports

There seems to be a moral dilemma in the most affluent nation in the world having persistent pockets of poverty gnawing at the vitality of the body politic. When we have the resources and are under the moral imperative to share with the less fortunate members of our human family, it seems as though we ought to be able to figure out some ways to insure a basic decency of life for all persons. In 1968 the National Council stated:

. . . the National Council of Churches endorses the concept and desirability of a guaranteed income. Such a program should meet the following criteria:

(1) It should be available as a matter of right, with need as the sole criterion of eligibility.

(2) It should be adequate to maintain health and human decency.

(3) It should be administered so as to adjust benefits to changes in cost of living.

(4) It should be developed in a manner which will respect the freedom of persons to manage their own lives, increase their power to choose their own careers, and enable them to participate in meeting personal and community needs.

(5) It should be designed to afford incentive to productive activity.

(6) It should be designed in such a way that existing socially desirable programs and values are conserved and enhanced.

We recognize that the guaranteed income is not a substitute for programs of full employment and human resource development. It is not a panacea for all the socio-economic problems encountered by the family and the individual in the course of a life cycle. At the same time, we are compelled to acknowledge that our socio-economic system works imperfectly. It is, therefore, the responsibility of society to devise new institutions which more adequately fulfill basic human rights.

The most dangerous person to any society is the one who has no stake in it. When we urge the government to insure the basics of health and decency, as well as order and tranquility, we are reminded that these benefits should be available to all, including our native American Indians (1955), migratory and seasonal farm workers (1951, 1966) and all Americans regardless of race, creed or national origin (1966). Only as each person is given visible and tangible interest in our social structures can they be expected to work for those social structures.

HOUSING

As far back as 1953, the Council expressed its concern about adequate housing as a necessity for healthy families. We realize this is a complicated question involving land, taxation, construction costs and financing as well as the overall design to enhance family living. Blighted cities, "ticky-tacky" suburban developments, and the deterioration of many smaller communities all testify to the need for strenuous efforts by legislative bodies to create better ways of providing adequate shelter for the families of America.

The recent practice of encouraging "urban homesteader" to rehabilitate unused houses in some of our cities seems to offer some hope within the American tradition of individual initiative and self reliance. This and many other proposals regarding land use, property taxation and housing and urban development ought to be a high priority for this committee.

Cultural and media environment

In the sub-committe's study of the impact of legislation and governmental policies on families, you would do well to study the reports of the Presidential Commissions on Population Growth and the American Future and on Obscenity and Pornography. This is not to be construed as a blanket endorsement of all the specific recommendations in those two reports but simply as an observation that they do address two important areas that have an impact on every person in our land. Some of us fear that these reports have been rather quickly passed by because of an emotional rejection of one or two of the sensitive items on which they comment. Our only plea is that there should be continuing dialogue on the total reports, until agreement is reached on many areas discussed in those reports as they affect our national life.

These two reports direct attention to two important areas of the total environment that affects every family and person in America. Because of many changes in society, technologically and philosophically, parents are frequently confused about their own values and consequently are unable to share with their children clear bases for moral decision making. Parents and their children have been battered by repeated wars and other upheavals so all of us need the help of all governmental agencies as well as all community organizations, including the churches, in the painstaking job of rediscovering the basic moral values to which we need to recommit ourselves.

CONCLUSION

Many religionists have the feeling that God is at work exposing cynicism and arrogance and reminding us that love, honor, honesty and a wilingness to stick by one's vows, especially the marriage vows, are fundamental to a healthy society.

We therefore applaud your committee's concern to stabilize, strengthen and enrich the families of children and youth, and pledge our continued interest and cooperation as specific legislative proposals are developed.

AMERICAN FAMILIES: TRENDS AND PRESSURES

(By Leon Smith, director, Marriage and Family Life Education for the United Methodist Church)

Thank you, Mr. Chairman, for the opportunity to appear before your Senate Subcommittee on Children and Youth to take part in the hearings on "American Families: Trends and Pressures."

At the outset, it is only fair to point out that even though I am presently Director of Marriage and Family Life Education for The United Methodist Church, I have not been elected by our more than 10,000,000 members to represent them here today. I come to you as an individual professional concerned about the well being of the families of this nation. Nevertheless, I draw upon my experience in helping to draft official statements of our church concerning families and base my remarks on these documents, two of which are attached and quoted as indicated: I. "Social Principles of The United Methodist Church" adopted by the 1972 General Conference and II. the "Resolution on the Family" accepted by that General Conference and referred to the churches for study.

First, I would like to commend you and your Committee for your concern for all the families of this nation. Then, I would like to make a few specific suggestions and offer a framework of support for your efforts.

1. We agree with your statement "that nothing is more important to a child than a healthy family" and "that often too little consideration is paid to the role of family in the prevention and solution of children's problems."

Officially our church has stated: "We believe the family to be the basic human community through which persons are nurtured and sustained in mutual love, responsibility, respect and fidelity. We urge social, economic, and religious efforts to maintain and strengthen families in order that every member may be assisted toward complete personhood." (I, p. 7.)

2. Because of the high value we place on families, especially with regard to their influence on the well being of children and youth, I believe it is time that we took the 1970 White House Conference on Children seriously and reordered our national priorities so as to give first place to meeting the needs of persons, for we recognize "that human values must outweigh military claims as governments determine their priorities." (I, p. 21.)

As a church we have called on our people to "actively work to change our national . . . priorities so that the government addresses itself more directly to the human needs within our society." (II, p. 7.) "A high priority must be given to the rights and needs of children." (II, p. 6.) We believe that "children have the rights to food, shelter, clothing, and health care as do adults, and these rights we affirm as theirs regardless of actions or inactions of their parents or guardians." (I, p. 10.)

3. One effective way to implement our basic concern for children, youth and families is to establish a National Institute for Families whose chief officer would have Cabinet status. Purpose of such an Institute would be to foster family well being through research, education, and action programs. As I see it, the Institute also would have the power to review all governmental policies affecting families and to make recommendations to the proper authorities in all branches of government. I believe we need a National Institute for Families to do just what this Committee is doing in these hearings, but to do it on a continuous comprehensive basis and more in depth than can be done in a few days. Again, our church has declared that social structures, including government, which affect families "must be under constant scrutiny and judgment to measure their influence on the family." (II, p. 3.)

4. As a prime concern of the Institute—or of this Committee—I would urge major programs to strengthen family life and sex education, including preparation for marriage and parenthood—from headstart through high school and into college and professional education. For example, every high school student should have an opportunity to learn what it means to be married and to be a parent. Massive educational programs are needed to prepare teachers for these tasks.

Again, "the church supports public schools and other agencies in programs of family life and sex education." (II, p. 6) As a Church, "we support the development of school systems and innovative methods of education designed to assist each child toward full humanity. . . All children have the right to a full sexual education, appropriate to their stage of development, that utilizes the best educational techniques and insights." (I, p. 10.)

These above positions are based on the fact that "we recognize that sexuality is a good gift of God, and we believe that persons may be fully human only when that gift is acknowledged and affirmed by themselves, the church, and society." Since "homosexuals no less than heterosexuals are persons of sacred worth . . . we insist that all persons are entitled to have their human and civil rights insured." (I, p. 7–8.) Further, we call "for the enactment of civil rights legislation prohibiting discrimination because of sexual orientation in employment, housing or public accommodations." (II, p. 8.)

5. Because of the close relationship between marital interaction and child development, ways must be found to support the continuing enrichment of marriage across the years. (II, p. 9.) Further, in terms of marital and family crises, counseling services must be made available to all our people.

Specifically, our national health insurance program must be written so as to include marriage and family counseling as well as pastoral counseling. When individuals with personal and family problems seek counseling almost twice as many turn to a minister as to a medical doctor. And more than half of them bring marriage and family problems. When fees are required for professional marriage and family counseling, they should be covered by our national health insurance. (I, pp. 10, 11, 16; II, p. 7.)

6. Children and families are affected by the environment in which they live. This includes housing and community development. "Massive programs of renewal and social planning are needed to bring a greater degree of humanization into urban-suburban life styles." We "must judge all programs, including economic and community development, new towns, and urban renewal by the extent to which they protect and enhance human values, permit personal and political involvement, and make possible neighborhoods open to persons of all races, ages and income levels." (I, p. 13.)

7. We have a special concern for families living in poverty. "In order to provide basic needs such as food, clothing shelter, education, health care and other necessities, ways must be found to more equitably share the wealth of the world. . . . To begin to alleviate poverty, we support such policies as: adequate income maintenance, quality education, decent housing, job training, meaningful employment opportunities, medical and hospital care, and humanization and radical revisions of welfare programs." (I, p. 16.)

Regarding migrant workers, "we call upon governments and all employers to insure for migratory workers the same economic, educational and social benefits enjoyed by other citizens." (I, p. 16.)

8. Families are acutely affected by military service and the disruption of family life it requires. As a church "we support those individuals who conscientiously oppose all war, or any particular war, and who therefore refuse to serve in the armed forces. We also support those persons who conscientiously choose to serve in the armed forces or to accept alternate service." (I, p. 19.)

At the present time our government's attitude against amnesty is dividing families who could be brought back together by change in governmental policy.

9. Employment and income are basic to family well being. Thus in the economic realm, "we recognize the responsibility of governments to develop and implement sound fiscal and monetary policies that provide for the economic life of individuals and corporate entites, and that insure full employment and adequate incomes with a minimum of inflation." . . . We believe private and public economic enterprises are responsible for the social costs of doing business, such as unemployment and environmental pollution, and that they should be held accountable for these costs. We support measures that would reduce concentration of wealth in the hands of a few. We further support efforts to revise tax structures and eliminate governmental support programs that now benefit the wealthy at the expense of other persons . . . We believe governments have the responsibility, in the pursuit of justice and order under law, to provide procedures that protect the rights of the whole society, as well as those of private ownership." (I, p. 14–15.)

10. Finally, for the office of a framework of support for your efforts that goes beyond these statements and beyond the church itself, I would like to share with you a dream.

I have a dream of establishing in this nation a Family Action Network that will be a membership organization of a million persons who are concerned about families and who want to join in action programs to strengthen family life in this nation. In local communities all across this land members will form task forces to work on particular problems or issues affecting families where they live. At the national level we will study the structures of society and help them become aware of their effect on families—including the mass media, business, education, medicine, religion, and government. Specifically, one part of the Family Action Network would be a citizen lobby for families. In such an organization, Mr. Chairman, I believe you would find support for your efforts to strengthen the families of the children and youth you are so concerned about. (II, p. 7–8.) Thank you.

TESTIMONY OF MR. CHRIS HOBGOOD

(Representing the Departments of Christian Education and Church in Society of the Division of Homeland Ministries of the Christian Church—Disciples of Christ)

Mr. Chairman and members of the Senate Subcommittee on Children and Youth, my name is Chris Hobgood. I am pastor of the First Christian Church in Alexandria, Virginia. At this time I am representing not only myself, but also the Departments of Christian Education and Church in Society of the Division of Homeland Ministries of the Christian Church (Disciples of Christ). The Christian Church (Disciples of Christ) is a Protestant denomination with approximately 4,500 congregations and 1.3 million members throughout the country. While this statement is a personal response of myself and members of these two national program units of our church, it does reflect the thinking of a number of persons who are concerned with development of both family and social or community ministries to individuals and families through channels of the Christian Church (Disciples of Christ) at its various levels: local congregations, regional and national. Therefore, this statement suggests the direction of some of the concerns and future programs of the Christian Church (Disciples of Christ).

The Christian Church (Disciples of Christ) strongly affirms the central importance of the family in the molding and supporting of persons. We believe that it is the family which can and should provide the basic sense of personhood and self-worth for children, as well as security and affirmation for youth and adults. To say that the family can and should serve these functions, however, is not to suggest that it is currently doing so in every instance. We are deeply concerned, in fact, about the failure of a great many families to serve these functions of developing and supporting persons.

While we believe that these families—and more particularly the persons in these families—must themselves bear the responsibility for such failures we maintain that the culture in which we live brings many pressures to bear on these persons and families in such a way as to contribute to said failures. Some of the pressures of divisiveness are primarily cultural. Many others are directly or indirectly the result of governmental policies.

We do not suggest that the government can pass laws and establish policies which eliminate family failures. We do believe, however, that the various governments under which we live—local, state, federal—can be cognizant of the effect of laws and policies upon families. More than simply being aware, however, we believe that government can seek to avoid creating laws and policies which negatively effect the ability of families to serve the functions of development and support of persons. In addition we believe that government can at times and in some areas take positive actions to support the healthy functioning of families.

We believe that there are several specific areas where governmental policy and/or legislation have in the past, are at present, or can in the future directly impinge upon the welfare and stability of families as they seek to serve these essential functions of development and support of wholesome personhood. Among the most important of these areas are the following:

CHILD CARE DEVELOPMENT

As more families face the situation of both parents working outside the home, or as necessitated in growing numbers of one-parent families, we are greatly concerned that satisfactory child care and development facilities be available and accessible. Such facilities must be humane and complementary to the families' individual life styles. Since life styles and needs vary, facilities must vary in their functions and goals. Rather than neutralize the significance of the family, as some have said is the danger of such facilities, effective child development programs should reinforce the values inherent in the family while enabling the child to develop progressively through effective instruction and activities. Governmental support must be available to private agencies which attempt to provide such services. It may also be that the government itself may at times and in certain places be obligated to provide such services. We believe that the Child Development Act (S. 2007) was a step in the right direction and very much regret its veto by President Nixon. We hope that similar legislation will, after careful study, be enacted in the very near future.

We see such legislation as not divisive of the family but as supportive of individual persons in their own growth. Satisfactory child care facilities can be supportive of the family as they provide extended family relationships while encouraging individual family members to work for their development and effectiveness as parents and family members. The availability of standard child care/development centers can serve to relieve tensions and frustrations which may exist in their absence. With these goals in mind, therefore, we affirm the need for facilities which are flexible, open to and supportive of parental involvement, and soundly based in principles of developmental psychology.

HUMAN SEXUALITY

We believe that the government has a responsibility to be a resource and an advocate in the area of human sexuality. It must be a resource in providing information and services to persons and families for the task of sound education in sexuality. While we affirm that the schools and the churches have a responsibility in sex education we maintain that it is ultimately the task of the family, and particularly the parents, to provide such education. We find, however, the parents are frequently ill-equipped for this task, and it is in providing information and resources for them that the government may be well equipped.

In addition, we believe that information and counseling in birth control must be available to parents and potential parents. Such a service—which may well include dissemination of birth control devices and abortion counseling and referral—could prevent many unhappy family situations and neglected children. Both of these goals could be implemented by the Congress by adding provisions for these services to future legislation that provides federal financial assistance for clinics, hospitals, etc.

As an advocate the government must support the right of women to equal opportunity. The passage of the Equal Rights

Amendment to the United States Constitution is a logical first step in this direction, followed by vigorous enforcement of its provisions. In this way all persons may have opportunity to find fulfillment for themselves as persons. Even without the Equal Rights Amendment, however, the government can provide support for women in their struggle for equality of opportunity.

MASS MEDIA

We are particularly concerned about the effect of mass media, and especially television, on families. We regret the general lack of substantive material found in most commercial programing. We are concerned about stereo-typical pictures of families which give little support to viewing families in their struggle for a meaningful life together. We deplore the very low quality of so-called children's programing on commercial television, with its major faults of banality and glorification of violence. Even more do we deplore the nature and constancy of advertising which seeks to use children as tools in consumer warfare. The licensing procedures of the Federal Communications Commission should be reviewed, so that quality programing, and not political harassment, becomes the criterion for licensing.

THE ECONOMY

The affect of the present state of the economy on families is of concern to us. As inflation continues we see more evidence of parents seeking to work more hours apart from their families in order to keep up with prices. Furthermore, with the vast discrepancies in income level between various families, we are particularly concerned about what these discrepancies say to our children and youth about equality of opportunity. Children in lower income families, especially if they are also minorities, know very well that equality of opportunity is a hollow phrase when their parents are unable to find work, or can find only low-paying jobs, or must work at two or three jobs in order to provide bare essentials. We question an economic system that, increasingly, favors the very affluent and where even the middle class, like the poor, are unable to function with much equality.

WELFARE LEGISLATION

Persons and families receiving welfare assistance must have the same opportunities to enjoy a meaningful family life as those who are more fortunate. Particularly does this refer to families receiving Aid to Dependent Children support. Such legislation must provide for adequate time for the family to be together as well as taking into consideration the need for satisfactory child care facilities at times. Furthermore, present Aid to Dependent Children grant levels tend to keep families in poverty and therefore are a disservice both to the families and to the nation.

MARRIAGE AND DIVORCE

We are distressed at the growing divorce rate, but do not feel that the answer is to be found in strengthening divorce laws. In fact, we support the growing trend toward the adoption of some form of "no-fault" divorce laws which we believe frequently lessen the tension and hostility involved in many divorce actions. We are more inclined to believe that the strengthening should come at the other end, that is, in marriage laws. We would urge consideration being given to a re-examination of laws governing marriage which might require more thought being given to the nature of the commitment being made than is presently the case. The time may well have come when the federal levels needs to take an active role in effective marriage laws. With the mobility of our society the differences between states' laws become increasingly counter-productive. We doubt the wisdom of the federal government's enacting marriage laws, but we do feel it could take the initiative in encouraging the coordination of states' laws.

MENTAL HEALTH

The other major point at which response to the growing divorce rate might be made is in the support and strengthening of mental health services. We regret the recent cutback in federal support to mental health and counseling services. Such support must be increased, both as a preventive measure and as a reconciling force in marriage and family breakdown. Marriage and family counseling services are greatly needed for families of all economic levels, and the provision of such services must be made a priority.

FAMILY STABILITY

At several points we find governmental policy and legislation working against opportunities for family togetherness and stability. Particularly is this true in regard to the government as employer or as government policy affects private employers. Employment conditions which require frequent and/or long-term separation of the employee from his or her family should be avoided whenever possible. When travel is necessitated, compensation should be provided either for the family to accompany the employee or compensatory time off should be available to the employee. Opportunities for families to be with employees on the job site should be made available whenever possible. Frequent moves from community to community should be avoided whenever possible to enable the establishment and maintenance of roots in a community. Persons in prison should be much more accessible to familial visits both in frequency and duration. Many other changes which provide opportunity for family togetherness could also be implemented.

In conclusion we re-affirm our belief in the essential importance of the family in developing and supporting persons. We trust that the government shares a similar belief and will work to enable the family's functioning effectively. Perhaps a "family impact statement" accompanying new legislation, as suggested by Senator Mondale, would be helpful in alerting persons to implications for families. Whatever the recommendations from this sub-committee may be, we fervently hope that they will be supportive of the family in both specific and general ways.

Thank you.

Toward a National Family Policy

(By Andrew Billingsley, Ph. D., vice president for academic affairs, professor of sociology, Howard University)

The author of this paper, Andrew Billingsley, has been Vice President for Academic Affairs and Professor of Sociology at Howard University in Washington, D.C. since 1970. He was previously Assistant Chancellor for Academic Affairs and Associate Professor of Social Welfare at the University of California at Berkeley.

He is the author of "Black Families in White America" (Prentice Hall, 1968) and "Children of the Storm" (Harcourt Brace Jovanovich, 1972).

A native of Birmingham, Alabama and a veteran of World War II, Dr. Billingsley did his early college work under the G.I. Bill of Rights at Hampton Institute in Virginia. Later he completed a degree in political science at Grinnell College in Iowa, and subsequently obtained advanced degrees in the social sciences at the University of Michigan and at Boston University. He earned the Ph. D. degree at the Florence Heller School for Advanced Studies in Social Welfare at Brandeis University in 1964 where he wrote an award-winning dissertation on the professional and organizational context for child welfare services.

Dr. Billingsley is married to the former Amy Loretta Tate who is active in the Parent Teacher Association for the District of Columbia Public Schools where their two daughters, Angela and Bonita are students.

TOWARD A NATIONAL FAMILY POLICY

Introduction

Mr. Chairman, please permit me, first, to commend this Committee and other members of the Senate and the House who have decided to give concerted attention to the needs for federal guidance and action designed to enhance the well-being of children within the context of their families. It is an area of our national life which has been long neglected with very grave consequences to the development of childhood and family life among all segments of the national population and most especially among the low and middle income sectors and among those ethnic groups who have faced historic patterns of racial discrimination.

As I understand it, your Subcommittee is conducting a series of investigations designed to help clarify the role of governmental policies in the development of strong families "on the premise that nothing is more important to a child than a healthy family, and on the belief that often too little consideration is paid to the role of the family in the prevention and solution of children's problems." This is a concern which I have held for some time and by professional training, systematic research, observations as a citizen and family member, I have come to the belief that among the greatest needs of the nation at this time is a concerted national policy, augmented by new legislation which will give priority and coherence to national, regional and local efforts in the public and private sectors to reverse the present trends toward the disintegration of family life and to enhance both the structure and the functioning of families in the nation both for the sake of their members, especially their children, and for the contribution a strong and viable family life can make to strengthening the social and moral fabric of other major institutions and, indeed, the nation itself.

As a social scientist and as an educator concerned about the development of values and social structures which bring out the best, most creative and humanistic characteristics of people, I am often appalled at the manner in which the nation assigns priorities to the various aspects of our national life. While we often give lip service to the importance of families, asserting from time to time that the family is the most important institution among us and is the bulwark of our culture and society, the allocation of the nation's resources and attention bespeak otherwise. This problem of misplaced priorities was addressed by Dr. Kenneth B. Clark in an appearance he made before a Senate Committee as early as 1967. "I think the budget is about as good an index of the priority society gives various problems as one can find. Our space program and the Vietnam war have budgetary supports which indicate tremendous seriousness. Our anti-poverty programs have budgetary indications of secondary, tertiary, peripheral priorities, and I don't think that we will solve the problems of our inner cities by relegating them to peripheral priorities." All of us must be grateful that our participation in the Vietnam War has finally been brought to an end. Yet the cessation of hostilities seems to have made no impact whatever on the budgetary priorities of the nation.

Indeed, when Daniel P. Moynihan was Counselor to the President, he warned us publicly that the end of the war would bring no appreciable increase in budgetary support for social programs of a domestic nature. The government, supported by the overwhelming majority of its citizens, seems incapable of redirecting the vast economic resources devoted to war and war-related activities in order to enhance the quality of life for children and their families who are certainly the nation's greatest resource for the future.

When we speak of enhancing family life as a major goal of federal policies, it is not simply a matter of budgetary allocations, federal spending or welfare payments. The matter is much more complicated, complex and intricate. A family is viable, in our view, to the extent that it is able to maintain its physical, social and psychological integrity, meet the instrumental and expressive* needs of its members young and old, and meet the requirements which society places on all family groups. This is the definition of a healthy, well-functioning family. Family viability, then, is a much more important concept than family stability which refers simply to staying together. The ability of a family to meet this test of viability depends quite heavily on its base of economic security, housing and health care, the quality of its education and the support from other major segments of the larger society. It depends, also, on a host of other factors all of which are amenable to social policies at the national level.

In a paper prepared for the Joint Economic Committee's Subcommittee on Fiscal Policy, very ably chaired by Congresswoman Martha Griffiths, we have set forth our conception of the requirements of viable family life as follows: What the average man desires and needs are (1) a good job, (2) a good home, (3) good health, (4) a good education for his children and (5) friendly relations with his neighbors. To the extent that men have these resources available to them, their family life will be strong, stable and secure and they will function very well indeed in meeting the needs of their members and the requirements of the larger society.

The manner in which family functioning is influenced by social policies and social forces outside the family itself is illustrated by the following diagram taken from *Black Families in White America*. In this book, my wife and I have described a social systems approach to the study of family life. It suggests that the family is a dependent unit of the larger society, highly influenced by the policies and operations of these major segments or systems of that society. These systems have both a direct influence on family functioning and an indirect influence through their interrelatedness with each other. Thus while family viability can be enhanced by strong economic support—a good job at an adequate income, by adequate, safe and sanitary housing and by effective education, it is also necessary to recognize that these systems are themselves highly interrelated and interdependent. All are necessary and neither is sufficient in itself to produce and sustain viable families. The communications media, for example, have both direct and indirect influence on family life in the values they portray, the resources they provide as well as their teaching potential. This industry has not yet lived up to its potential for the enhancement of family life. Indeed, if we single out television as an example, both public and private, the performance is as disappointing as the potential is great.

In order, then, to utilize the resources of all these major segments of our national life, to enhance family functioning we need a national family policy.

Elements of a national family policy

A national family policy initiated by the Federal Government would designate the family unit, in all its variety of structure and forms, growing out of the cultural pluralism of the society and the varied and changing value systems, as the most important unit in society. We sometimes say that the family is the most important unit in society today, but there is no national policy or commitment to that view.

Thus, a host of other units turn out to be more important in the sense that they get more attention, protection, admiration and support from the national society than do families.

The designation of the family unit as the most important unit in society would require a national commitment to use all the resources of the Federal Government at all levels and the private sectors of society as well, to enhance the functioning of families. It may well be advisable that each of the major governmental functions, agencies, departments and programs should be evaluated according to their impact on family life. They should then be reconceived, redesigned, budgeted and administered in ways specifically calculated to enhance the functioning of families. Many of these agencies and programs now have the opposite effect. Such policy would require a conception of adequate, optimum and satisfactory family functioning.

If the family in all its variety is viewed as a subsystem of the larger society, then the enhancement of the functioning of family life is a responsibility of the larger society more than of the individual members of the family. This is a hard concept for Americans to grasp. We are so individualistic in our value system, so prone to blame the victim, so laissez-faire in our conception of collective responsibility, and so hostile toward people who seem to be poor, weak, and relatively helpless.

Yet these approaches and programs growing out of these approaches have not solved the problems confronting family life in the nation today, and they do not seem likely to do so. Viewed in the context of a creature of society and a dependent unit of the larger society, it becomes fairly clear what the priorities are for the enhancement of the functioning of families in this society. Measures designed to enable the families to maintain their viability, that is to say effectively meet the needs of their members, especially their youngest members, must emanate from the most important systems of the larger society with a bearing on family life. Chief among these are the economic system, the systems of housing, health care and education. Others are important too, but these are critical. And while all these systems are interrelated, a priority must be given to changes in the way the economic system functions for low- and moderate-income families.

One measure of the level of economic security of American families is suggested by the following data. The Labor Department has estimated that an urban family of four members in order to afford a modest standard of living needs an annual income in 1970 of at least $12,132. We also know that half of all American families earned less than that. These families are especially vulnerable. Furthermore, the Labor Department estimated that in order to manage well that same family would require an annual income of $18,545 per year. And we know that three fourths of all American families had incomes less than $15,000 in 1970.

And if we consider the Labor Department's lower budget of $7,183 barely enough to keep the family together, we must observe that nearly a third of all American families cannot sustain themselves at an acceptable level of economic well-being, health and decency. In my view it would be a mistake to base a national family policy on a level of economic security less than the Labor Department's intermediate budget based as it is on a very sophisticated estimate of the actual cost of living. A policy based on present conceptions of poverty levels would be self-defeating. A disproportionate share of the national resources must be devoted to the most disadvantaged populations in the nation. Otherwise, it will be difficult to ever solve the nation's social problems.

Presently the major national programs designed to reflect a basic commitment to the family are the welfare programs growing out of the Social Security Act of 1933 as revised by successive Congresses. The most notable of these programs is the program of financial aid to families with dependent children. This and related programs have had enormous benefits to recipients. In the ten years between 1960 and 1970, the number of recipients in this program rose from 2.4 million to more than 10 million. In a very careful analysis of studies of welfare, Henry Cohen has observed that since the inauguration of President Kennedy in 1961, the number of persons receiving public assistance doubled and that two-thirds of this increase occurred since President Nixon took office in January of 1969.

Despite its popularity with both the Congress and the people, this public assistance approach has a number of glaring problems for effective family functioning. First, the level of assistance is not sufficient to enable families to move out of poverty. Second, it is not provided to family units, but to individuals and thus has some inherent anti-family consequences. In more than half the states, even to this day, it is necessary that men, husbands and fathers leave their families by death, desertion, divorce or separation in order for the children and their mother to receive assistance. Third, in its manner of eligibility, administration and supervision it provides anti-work incentives which further erode the stability of family life. In most states any earned income results in a net loss or support. Fourth, the value context within which aid is administered and viewed in the country perpetuates negative attitudes toward and negative definitions of poor and needy people thus striking at the foundations of pride and dignity which are necessary ingredients of strong family life. When Professor Kenneth Clark testified before a Senate Committee in 1967, he argued against a simplistic economic solution that ignored the complexities of human existence. He said, "I think if you were to give every poor family $5000 now, the way welfare is administered, it is my personal opinion that this would not affect one iota the observable pathologies of the slums. I think the way welfare is administered, it seems to be calculated to dehumanize people, to make them see themselves as unworthy." Finally, its unevenness of levels in locally administered programs and the gross inequities which result make for hardships and feelings of relative deprivation and discrimination on the part of recipients and potential recipients and political pressure on the part of the more favored jurisdictions.

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* Instrumental needs are those basic needs for food, clothing and shelter. Expressive needs are needs for satisfactory relationships including tender love and care.

Professor Charles Hamilton has recently conducted studies which show that the major beneficiaries of welfare payments are not the poor recipients but other sectors of society. In his study Professor Hamilton observed that the large sums of money paid out in the present forms of welfare move very rapidly from the hands of the poor to the hands of the not-so-poor, and in fact they move very rapidly from the core of the urban city to the suburbs. He concludes:

"The money comes into the Black communities, to the tune of millions of dollars per year, but it goes right out. It is paid out to absentee landlords, to exploitative merchants, to credit gougers and loan sharks. The people we traditionally call 'welfare recipients' are, in fact, really conduits. They conduct money from one segment of the economy [the public sector] to another [the private sector]. The real welfare recipients are those people who prey on the conduits every welfare-check day."

Little wonder then, that the American people, the dominant majority would rather keep the present system, corrupt as it is, than to make any major reforms in it.

It is in part because of these critical limitations of public assistance and partly because of its mounting size and costs that the most far-reaching reforms so far advanced were put forward under the sponsorship of President Nixon for the development of a Family Assistance Plan to replace the Aid to Families with Dependent Children plan. The Family Assistance Plan (FAP) was debated in the Congress, but not passed. It had several features which made it an outstanding advance over AFDC. First, it provided uniform rules of eligibility throughout the nation. Second, it provided a floor of guaranteed income for each family. Third, assistance would be available on the basis of need providing only that there was at least one child present. Thus families headed by men who are unemployed, men who work but who earn less than the level provided by the assistance plan, as well as families headed by women would all be eligible. There would be no requirement for the father's absence in order to become eligible. Each of these family types would be treated equally. Additionally, it provided that day care facilities should be provided for working mothers based on their ability to pay.

These features are absent from present programs and while representing a significant social advance with enormous consequences for the strengthening of family life among very poor populations, they were also among the more controversial features of FAP, particularly its proposed support for families of the working poor. From the point of view of family strengthening features, there were three major limitations of the FAP. First, the level of assistance was still not high enough to bring families out of poverty. The average assistance of $2400 per year for a family of four with no additional income seemed hardly adequate to the conditions of modern urban life. Furthermore, most of the northern urban states already provide levels of assistance higher than that.

A second limitation of FAP was its uneven treatment of the local jurisdictions, and its uneven provision of relief for heavily taxed states in the urban north and west. Still a third limitation of FAP was its inclusion of a provision for mandatory work on the part of mothers of young children, with no specification that a minimum wage be paid or that suitable employment be available or that the mothers be able to freely choose occupations. So, the strongest features of FAP which had the effect of strengthening family life were severely compromised by its mandatory work feature for mothers of young children.

Despite its promise of a movement from welfare to workfare, the FAP suffered the major dysfunctions of the AFDC program; namely, it was based on a limited conception of the needs for economic security in a highly complex industrial nation at this time. Its focus on particular families was an advantage over the earlier focus on particular individuals, but it did not represent the necessary focus on the larger institutional fabric of society as a source of meeting the economic security needs of the poor as these institutions now serve the nonpoor.

In order for the economic system to function as well for the enhancement of family life among low- and moderate-income people as it does for others, three efforts are necessary which will benefit all American families. These are the elimination of poverty, the elimination of structural unemployment and underemployment and the elimination of economic and job discrimination based on race, region and religion. A prime requisite for the fulfillment of these goals is an expanding and diversified civilian economy with full employment. A second requisite is a program of family economic supports for those not able to earn enough to move out of poverty. Families function better and they can take better care of their children when there is a variety of economic opportunity, including meaningful jobs for the adults in the family. Illness, crime and other forms of maladaptive behavior go up in direct proportion to the rise in economic insecurity and unemployment. Economists suggest that full employment would reduce unemployment at any particular time to around three to four percent. It now hovers around six percent according to government figures which underestimate "hidden unemployment" by at least fifty percent. And for most of the years since the Korean War, the unemployment rates in the Black community have exceeded the depression level unemployment rates experienced by the larger society.

A strong corollary to unemployment is underemployment where men and women work only part of the year and where they work for wages which are clearly substandard and where they work in situations and jobs which do not utilize their abilities and aspirations to the maximum. This particular problem is more pervasive in the Black community than is unemployment. It is the lot of a large segment of the working poor who constitute in turn the largest segment of the poor in the Black community. In the low-income Black community, most families are headed by men who work every day and still are not able to move their families above the poverty line. Clearly what is needed is not a work incentive plan, but a work opportunity plan with options and rewards commensurate with the aspirations of all men.

Contrary to popular belief, even in the Congress, poverty cannot be abolished by work incentives and even work opportunities alone. A family policy designed to enhance the functioning of families would not insist that mothers of young children abandon them against their will and go to work at meaningless jobs in order to insure that their children are properly fed. Family solidarity would be more highly valued than work, per se. Nearly fifteen percent of poor families in the country and nearly a third of poor families in the Black community are headed by women with young children who should not be forced to go to work. The need, therefore, is for a program of family assistance which guarantees all American families a minimum income which will support a safe and sanitary standard of living. In 1973 dollars, that requires an income for a family of four in the neighborhood of $6500 per year.

A policy and program of guaranteed family income adequate to the family's need must be tailored to the variety of conditions which exist in various parts of the country. By the government's own standards, $2400 a year is not enough to move a family of four out of poverty. Indeed, it is less than half enough. Another approach has been taken by the National Welfare Rights Organization. They have called for a minimum income of $6500 a year, a position which has also been unanimously supported by the Congressional Black Caucus.

Still another approach has been taken by a group of ten Black economists who developed a program for People United to Save Humanity (PUSH) which incorporates many features of the basic requirements for family economic security. It recommends a program of tax credits for a family of four amounting to $5000 per year in 1972 dollars. In addition, it provides for work incentives by permitting families and individuals to keep half of all earnings until they reach the level of $10,000 in combined earnings and tax credits. There would be no mandatory work requirement. A breakdown in the level of assistance provided in this plan is shown in the following Table.

TABLE I.—AFTER TAX INCOMES UNDER THE PUSH PROPOSAL FAMILY OF FOUR, INCOMES UP TO $10,000

Earnings	Credit	Tax	Net income	Refund
0	$5,000	0	$5,000	$5,000
$2,000	5,000	$1,000	6,000	4,000
$4,000	5,000	2,000	7,000	3,000
$6,000	5,000	3,000	8,000	2,000
$8,000	5,000	4,000	9,000	1,000
$10,000	5,000	5,000	10,000	0

According to a Gallup Poll conducted in 1970, a national sample of Americans estimated that the minimum income necessary to support a family of four was $126 a week. The federal government's own Bureau of Labor Statistics estimated in 1970 that a minimum of $136 a week was necessary for a family of four in metropolitan areas to maintain a minimum level of health and safety.

It must be clear from the above discussion that none of the current proposals before the Congress for family assistance policies are adequate to meet the real needs of the people who live outside the American dream. The question, then, becomes not so much which specific programs should be recommended, as how to develop a general national policy which requires every major government program to be conceived, designed, budgeted and operated so as to enhance the viability of families.

Thus, full employment, a minimum wage which assures that one wage earner can support a family of four at the minimum necessary for safety, health and decency, plus a guaranteed floor under the income of all American families would reflect a national commitment to the enhancement of family life which would go a long way toward solving the basic problems low- and moderate-income families face in this society at the present time. These programs need to be supplemented by a national system of health care along the lines recommended by the Kennedy-Griffiths Bill and the Congressional Black Caucus, a system of child care centers along the lines of those vetoed by the President in 1971, a national commitment to a decent, safe and sanitary home for every American family, and as much education and technical training as individuals wish to absorb and can be useful to the maintenance and further building of the society. And to undergird this commitment, a national program of family assistance which adopts the best features of the current proposals including FAP.

However, in all these matters, the economic base is paramount. Economic justice and equity according to the needs and values of the people is a requisite for a sound national family policy. In their massive "Counterbudget," the National Urban Coalition expressed a set of national priorities for the years between 1971 and 1976 much as the Freedom Budget Panel did for the years 1967–75. The Urban Coalition placed at the top of its priority list full employment and economic growth along with reasonable price stability. It further urged a national "Guarantee that no American will go without the basic necessities: food, shelter, health care, a healthy environment, personal safety and an adequate income."

Finally, if family life is to be enhanced by national policy, local initiative must be meaningfully established. Parents, neighbors, relatives and friends must have a major share in the decision making about the functioning of all those institutions in the community and the larger society which have such as important and fateful bearing on the manner in which families function. In this way, families may regain a measure of their rightful influence on the institutions which supplement and often supplant them. Urie Bronfenbrenner in his book, *The Two Worlds of Childhood*, has reminded us that the segregation and separation of children from the totality of the human experience represented by the variety of ages, sex, family structures and community members is surely one of the more crippling aspects of the society in which we live.

There is, of course, a great deal of concern, a great deal of human kindness, and a certain degree of altruism among the American people. The problem is, these values are not sufficiently rewarded, focused or developed by the leadership, by the professions, by the mass media, by the government, and so the baser motives of man are allowed to take precedence. And those more privileged sectors of the society, those with access to certain kinds of power and influence are encouraged to use it in their own interests, in the interests of their own group or social class or race, and so the social well-being of the total society is neglected, and the well-being of those who are the least powerful, those who are very young or very old, those who are Black, or poor, or dependent must take a back seat.

Dr. James Comer, in his book *Beyond Black and White*, states the problem clearly. He says, "We live in a society that makes trust and respect difficult. Our social system produces too much uncertainty, fear and anxiety. . . . This is due largely," he continues, "to the fact that America has a defect in its executive or leadership structure . . . In fact, the behavior of too much of our leadership group resembles neurotic patterns in individuals—fleeing from responsibility, failing to face up to reality, self-destructiveness." These words by Professor Comer were written more than two years ago and they are almost prophetic when we look at today's headlines and today's television. "The task confronting America," he continues, "is the creation of a mature, representative leadership group and the development of specific social programs that take excessive insecurity out of American life." Take excessive insecurity out of American life. It is very clear to us as we have observed the present dismantling of social programs and the reluctance to create new, better, comprehensive policies and programs that the nation is not now embarked upon that course.

President James E. Cheek of Howard University has observed that the nation needs to make a commitment to equity and parity among all major segments of its population as a matter of simple social justice. This requires a certain reordering of the national priorities. I am convinced that we have the resources and the capacity to do so. The development of a comprehensive and coordinated family policy would be a giant step in that direction.

DEINSTITUTIONALIZATION—AN UNMET CHALLENGE

(Testimony of Gunnar Dybwad)

Mr. Chairman, my name is Gunnar Dybwad; I live in Wellesley, Massachusetts and am professor of human development at the Florence Heller Graduate School of Brandeis University. I am also serving as Chairman of the Advisory Committee on Special Education to the Massachusetts State Board of Education and as Vice-Chairman of the Massachusetts Advisory Council for the Planning, Construction, Operation or Utilization of Facilities for the Mentally Retarded. Before the problems of mentally retarded citizens and their families became my main professional focus and concern, I had been Executive Director of the Child Study Association of America, head of the Children's Division in the Michigan State Department of Social Welfare, and had worked many years in correctional institutions for juveniles as well as in prisons and reformatories.

I want to thank the Committee for asking me to participate in these important hearings dealing with American Families: Trends and Pressures.

The particular concern I would like to share with you today deals with the children who for various reasons live apart from their families, in large public institutions. Specifically, I want to deal with a new program emphasis known as de-institutionalization, which has been endorsed by many authorities on the national scene and in many of our states. Institutions for children have, on the whole, not been an area of gerat achievement in our country, as Albert Deutsch and other writers have dramatically documented. In the field of juvenile delinquency, de-institutionalization is being pursued with vigor in at least some of our states, and I would mention here in particular New York State and Massachusetts. While in the field of childhood mental illness we face many serious problems, institutionalization plays a lesser role, indeed many states have been very remiss in developing specialized residential treatment facilities for this group.

Without doubt the most serious problem of institutionalization in our country is found in the state residential facilities for the mentally retarded, in terms of the number of children involved, in terms of the length of time individuals spend in these institutions (often enough, indeed, almost their entire lifetime), in terms of the emotional impact on families, in terms of the cost factor (approaching $10,000 a year per child), and last but not least, in terms of its impact on the institutionalized children themselves. At this point, Mr. Chairman, I need to emphasize that although designated for the mentally retarded, these institutions have harbored to this day many other children for whom appropriate facilities were presumed to be lacking, such as the child with spinal bifida, a congenital malformation affecting the spinal cord, who may not have any impairment of intelligence, the child with autism, or the child with specific perceptual disabilities. Many of the children in these institutions are multiple handicapped, afflicted with cerebral palsy, seizure problems, blindness, deafness and a host of other disabling conditions.

I am, of course, keenly aware that within the broad scope of your Committee's present hearing the problem which I am addressing may appear to be of minor significance. But it is not minor to the families involved, and I was encouraged by the fact that the Committee desired these hearings "to identify the pressures on various kinds of families and discover ways to alleviate them."

And pressures are indeed mounting in this area. There is pressure from parents who worry where, after their death, their retarded or otherwise developmentally disabled child now living with them will be cared for in the community. Years ago the chances were slim that a severely disabled child would outlive his parents, indeed, grow into adolescence. The advent of antibiotics and other progress in medicine and public health has strikingly changed the picture. There is, on the other hand, pressure from parents who long ago were advised to place their child in an institution and now bitterly oppose official plans to move their child back home or to some community placement. And there is pressure on parents from institutions who want to close down buildings and from state administrative agencies which have enunciated a program of phasing out institutions altogether.

The extent of the conflict engendered can be seen from the fact that at this very time legislation has been submitted to California's Governor for signature, which prevents the State Administration from closing any mental health or mental retardation institution unless the Legislature specifically approves such a plan. Just day before yesterday, in Minnesota, I was handed a flyer urging parents to protest plans to abolish the state institutions for the mentally retarded, and urging them to join a new "Organization of Concerned Families" to fight de-institutionalization plans. In other states protest meetings have been held and in Michigan legal action has been initiated to prevent closing of such an institution. Significantly, the opinions of workers in the field differ just as sharply, some feeling strongly that the closing of state institutions for the mentally retarded should be programmed out like the hospitals for the mentally ill, only at a somewhat later date. Other workers consider it totally unrealistic to carry through a program without the backstopping role of the state institution. In the organizational field, national associations have issued policy statements recommending at least a phasing down of institutions, while local groups are apt to take the opposing view.

Reference needs to be made here to a pervasive confusion regarding the term de-institutionalization. It should not be understood merely as a process of removing individuals from existing state institutions but as a process of making large state institutions unnecessary by providing in the community, other modalities for care and treatment, more humane, more effective and more responsive to the needs and rights of the individuals involved. Too many of the present State efforts towards de-institutionalization have focused only on providing a substitute abode for the person to be moved out of the institution, with often grossly insufficient attention to the many other life-needs of disabled persons. Thus parents and professional workers alike have complained that in many instances the person is merely moved from one large institution to a smaller one, is left without adequate activity, guidance or supervision, still in relative isolation from the rest of the community. There is more than ample evidence that many individuals go to institutions in the first place because of the lack of community programs and services. Waiting lists for institutions are to a considerable extent waiting lists for a reasonable array of services the community or state has failed to provide.

Therefore, if de-institutionalization is to embrace both prevention of institutionalization and return to the community of individuals now in the institution, it is contingent on the establishment of a network of community services. Here lies the crux of the problem. Two interrelated problems are intervening. The one is fiscal in nature, the other is organizational.

The fiscal point relates to the well-known sociological concept of system maintenance. An example will suffice. Even though the Governor of Massachusetts and his Secretary of Human Services have made de-institutionalization in the areas of mental health and mental retardation a top priority, essentially in pursuit of Departmental goals established as long ago as 1966, a recent report from the Massachusetts Advocacy Center highlights that the vast majority of the Department's resources continue to be allocated to the institutions, with only a small fraction going to community services. Massachusetts, along with all other states, undertook a statewide comprehensive mental retardation planning effort ten years ago under the provisions of PL 88–154. While the report itself was excellent, practically nothing happened as a consequence towards facilitation of community services, with the result that Massachusetts like many other states lacks the kind of basic services parents need for their handicapped children and for themselves.

Here is a matter to which your Committee might want to give some attention. Reorganization is in the air and has been, for quite some years, not just in the federal establishment but in state government as well. However, as one watches the succession of reorganization moves, usually engineered by experts in management and administration, one sees forever a reshuffling and reordering of the upper and middle echelons, a game of musical chairs moving agencies and positions hither and yon, and at times removing them. Yet little if anything ever happens on the front line, in the area of direct consumer services, and this means, in our context, services to parents of handicapped children. This brings us back to the focal point of your hearing.

There are, of course, exceptions to what I consider a generally gloomy picture across the country, and I shall give a few examples. In New York State, the Eleanor Roosevelt Developmental Services provides the six-county Capital District with imaginative approaches. Although a new institution was built for this area, the director, Dr. Hugh Lafeve, preferred not to use it as a massive residential resource. Instead he utilized a considerable number of the staff positions for service, teams organized in each of the six counties, leasing many of the residential care buildings to local organizations, public and private, for a variety of purposes including day care, respite care, etc. all on behalf of the developmentally disabled. The nature of these services is strikingly different from those in most of our state institutions. I personally know of no other instance where state owned buildings have been put to such innovative use and really made a part of community efforts. It is worthy of note that Dr. Lafeve was mainly responsible for the closing of a large institution of the Provincial government of Saskatchewan, through initiating and nurturing a system of dispersed community services.

Ohio has most recently enacted a Law (HR–761) to make possible the setting up of group homes and other related community services. The program was implemented by substantial appropriations for construction of residential facilities at the community level and for purchase of care. Eligible for these services are not just those presently in institutions (a restriction which has been set up elsewhere) but anyone who at some time might become an institutional resident. A key point of the Ohio situation is the District Case Management Service encompassing no less than 8 levels of differential care in the community, from room and board with minimum supervision all the way to room and board with skilled nursing care.

This 8-level community residence model unduobtedly was influenced by the earlier work done by the ENCOR organization in Omaha, Nebraska, serving a 5-county area, one of the first structured de-institutionalization demonstrations in the country.

In Michigan David Rosen, Past-President of the National Association of Superintendents of Public Residential Facilities for the Mentally Retarded, is developing in the Macomb/Oakland area a network of community services somewhat similar to the Eleanor Roosevelt Developmental Services. But of particular interest is a project he is just undertaking with support from HEW's Social and Rehabilitation Service. This project is a frontal attack on a problem which has led to much negativistic thinking regarding the possibility of de-institutionalization. To quote from the project description:

"It is becoming increasingly clear, that while many mentally retarded persons have been returned to the larger community, a substantial segment has been routinely passed over for such consideration. This group is variously referred to as the 'hard to manage', 'really tough ones', 'hard to place', etc. The persons comprising this category are the youngsters and adults exhibiting a wide range of behavior problems such as hyperactivity, tantrum behaviors, and those with complicating physical handicaps that compound learning difficulties such as the blind, the deaf, and the infirm.

"In a recent survey, it was estimated that of the approximately 1,000 mentally retarded persons living in State institutions from Macomb or Oakland County, at least half are considered 'hard to place'.

"If the movement of deinstitutionalizing the retarded is going to go beyond the point of mild satisfaction, a vigorous effort must be directed at seeking model placements and programs for these individuals who, while not readily appealing as traditional candidates for community living, neither require nor deserve institutional residence.

"It is the intent of the Macomb-Oakland Residential Center to assure swift return to the community and quality support services for all the retarded citizens of Macomb and Oakland Counties. The specific intent of this proposal is to seek aid for the development of a six member team which would concentrate exclusively on satisfying identical priorities for the 'hard to place' population as are sought for the minimally handicapped.'

What is most significant about this project is that it is not a small demonstration but rather is designed to return to the community of this 2-county area, in each of the 3 project years, 100 hard-to-place individuals. The success of this project will go far in pointing to a community solution for children for whom today the institution is thought to be the only answer; in other words, it will decrease community demands for institutional placement.

I. From the foregoing comments it can be concluded that de-institutionalization as a nationwide program constitutes a problem of considerable magnitude, involving hundreds of thousands of children and adults, and very considerable funds. Yet, present institutional costs exceed one billion dollars annually, constituting an expenditure with very poor returns, a vast investment in brick and mortar and a heavy burden on the families and on the retarded children and adults themselves. Contrary to the opinion of some of my colleagues, I believe that in the long run the results of de-institutionalization, namely care in the community, will lead to substantial savings because the time and degree of dependency on services will be substantially curtailed, and general rather than specialized agencies will be increasingly utilized. However, as in any major enterprise, the new management system, i.e., a network of community services, cannot be instituted on a broad scale without investment of some major funds. The question, of course, suggests itself whether this would be an appropriate area for federal funding. I hope your Committee can give this due consideration.

II. A multitude of federal programs have been available on behalf of developmentally disabled children and their families, both in the institution and in the community. Among them are a variety of statutory insurance and social service benefits, with an elaborate array of rules and regulations. The most recent are the rules proposed by the Social and Rehabilitation Service September 5 concerning families, children, aged, blind or disabled individuals. It is not feasible to go into the technical details here; what can be stated simply as the essence of the problem is that there is no clear federal posture toward the problem here under discussion. Programmatically, as has been indicated before, we have statements from the highest echelons of the federal government not only strongly endorsing de-institutionalization by actually setting target dates and numbers. Yet the appropriations and, equally so, the rules delineating the manner in which money may be spent, obviously give any form of support for community programs a very low priority. This is a matter which definitely calls for Congressional review and appropriate Congressional intervention in the expectation that a coherent federal posture can be developed, sympathetic to the cause of de-institutionalization.

III. Community programming for developmentally disabled children and children with any other type of severe handicap depends to a very considerable extent on the availability of special education services. This does no longer necessarily mean special classes or special schools because in many cases the utilization of special resource teachers and methods will enable a child with special needs to remain in his regular class or homeroom. For some children, however, special classes are still an unquestioned necessity. The main point is that de-institutionalization, i.e., prevention of institutionalization or return to community care of institutionalized children is largely dependent on special education services. In this area federal leadership and federal support on a project basis is urgently needed. Here again appropriations are at odds with federal programmatic pronouncements.

IV. New rehabilitation legislation recently passed by Congress is awaiting the President's signature. It is of considerable significance to the problem of de-institutionalization because it has repeated references to services to severely handicapped persons. Rehabilitation as a field has responded to the needs of the severely handicapped with hesitation, in spite of convincing demonstrations of their potential for production and partial self-support. Therefore, in this area we not only have again a discrepancy between federal program goals and the unduly limited funding, but we have on the national scene the challenge that if the federal government is interested in implementing a policy of de-institutionalization, it must be prepared to support action programs designed to gain acceptance for severely retarded persons within rehabilitation services specifically, and the American economy in general.

V. For future consideration I would like to put before this Committee a rather specific and highly technical matter which is of crucial import in the development of a system of residential facilities in the community, appropriate to the spectrum of dependency and needed care. I refer to the matter of the varying building codes in force in this country, to the life safety code and to the local zoning ordinances. Many of these codes and ordinances are based on attitudes toward severely handicapped persons which no longer represent the current state of knowledge and practice. They are predicated, one might say, on institutionalization rather than on de-institutionalization, on segregation rather than integration. At the same time they are so intimately related to preservation of life that their sponsors are not inclined to favor changes toward greater flexibility. And yet, coming back to the focal point of this Hearing, the American family, parents should be able to arrange to have their severely handicapped son, who has lived with them into adulthood, move into a small group residence that has more the characteristics of their own home than of an emergency hospital ward. The time is ripe for a broad scale approach to this problem.

VI. There is another technical area that is of significance to the process of de-institutionalization but also relates in a very tangible way to the Committee's overall interest in the changing role of the family in the prevention and solution of children's problems. In general our attention is focused on the relative roles of the family and of government in deciding courses of action for children with special needs. In the area of institutionalization parents have had and still are granted, or at least will claim, considerable discretion in deciding on their children's care. Still today they can bring their child to a state institution which in effect is closed and arrange for the child to be admitted as a "voluntary" resident. A good number of parents have been vociferous in claiming their right to decide whether or not their child was to be released from the institution or not. But times have changed. The President's Committee on Mental Retardation has published and distributed the Declaration on the Rights of Mentally Retarded Persons, adopted by the U.N. General Assembly. Eighteen year olds can vote, including, as a matter of recorded fact, 18 year old developmentally disabled individuals in state institutions. States have adopted statutes giving children down to the age of 12 (in Michigan) the right to admit themselves without parental consent to a residential drug treatment facility. Is it not time for us to consider under what circumstances a young man or young woman, 16 years of age, should be able to renege the "voluntaryness" of his admission, through his parents to a state institution for the mentally retarded

On the basis of my own years of experience in the correctional field I can state that imprisonment in our institutions for the mentally retarded is often vastly more uncomfortable, vastly more restrictive, vastly more interfering with personal integrity than in institutions for juvenile delinquents. The rights of the institutionalized child would appear to call ever more urgently for reappraisal.

VII. As I read over the general introductory statement to these Hearings with the long catalogue of family problems, I could not help but wonder how parents could be enabled to keep up with all the flow of information essential for their pursuit of the happiness of their child and their own. Obviously one of the great problems of the federal government is to be on speaking terms with the concerned citizen, and that is why I decided I should bring to your Committee's attention a rather unique communication device, initiated by two concerned mothers in Seattle, Washington, who have organized themselves as "Trouble Shooters, Inc.", affiliated themselves with a community center, and started to publish INSIDE SCOOP. Time does not permit me to read from this remarkable publication, so I have appended two sample pages because what concerns me very deeply in this whole process of de-institutionalization is to provide for parents clear information in helpful form on the options available to them and their children.

[From Inside Scoop 1X, a regular monthly publication of Troubleshooters Inc., a project of Northwest Center]

What's New With the Troubleshooters?

Every day new problems arise that seem to have no solutions. We try to develop a system for these unique or complex problems of mental retardation. Why systems? Because we have found if one person has an insoluble problem, you can be sure other people have the same problem. Therefore, we develop systems that can be used all over the state of Washington.

Dear Katie: I am a caseworker and I have a client who is 83 and has a severely retarded daughter who is 36 years old. Mother is not able to care for herself or her daughter now and I was wondering how to get the daughter in Fircrest. Both mother and daughter really require nursing home services.

Caring Caseworker.

Dear Caring: We love your concern. Why worry about Fircrest? Why not use our latest system (developed while I was talking to you), the Mother-Daughter-Serve-Alike System? Both ladies are on public assistance. Both are in need of nursing homes. How nice that they could be together and receiving the care that they both need. New friends will no doubt make life a lot more pleasant for both mother and daughter and how much easier for the daughter when she is left alone. Please let us know if this system works for you. READERS: Call AT 4–1037 if you know of any family situations of this type in nursing homes, ICF's etc. Husbands and wives, too:

Hopeful Katie.

Dear Janet and Katie: Another mother suggested that I call you. I am a mother of a 22 year old retarded son. I'm on public assistance (disability) since I broke my leg, then a knee, then had two heart attacks. I have 2 daughters 14 and 16. Their father deserted them all my son needs help. He was kicked out of one school because they said he was a grump. He didn't like the sheltered workshop because the kids teased him. He was at Rainier for one year, coming home in April. Since then I have called 35 places for help but no one can help me. I only want him to be happy and busy. My friend said you could help us.

Helpless Mother.

Dear Mother: First, don't make another telephone call. Katie once got herself into that trap when Patrick was about 4 and ended up with nothing. Second, sit down with your son and write down what you really want for yourselves. In the meantime we will relate your problem to a Rainier Field Worker and see if he can pull it all together. Next Chapter: Mr. Henry Frank, arranged for your son to apply at a Sheltered Workshop. The sheltered workshop would love to serve your son, but needs more support than the usual $5.00 per day. Your local County Mental Retardation Board is very interested in funding a program that would offer intensive, individualized skill training to someone like your son. Finally, no one wants to be a 'grump'. How long has it been since he had a complete physical examination? Maybe he needs a vitamin B shot, iron or some calcium or a tranquilizer. Next Chapter: A doctor in your local area is interested and you have an appointment.

What is the moral of this story? What is the system that Troubleshooters developed? Try to stick with one person or agency and keep demanding the service you need. We parents let them off the hook if we say "Thank you, anyway'. Another time, another parent, another son, try asking the agency, the volunteer organization, the workshop, etc., to put their refusals in writing or take a tape recorder and ask the intake person to speak right into the microphone! No mother needs to go to 35 places to get help from one, or two.

Troubleshooters Janet and Katie.

This edition of the Inside Scoop is featuring the educational needs of all handicapped children in the Seattle School District and those in contracting districts.

Dear Janet: My daughter is 19. She has worked in a sheltered workshop this summer, but now she can't get to it. She doesn't really have any work skills. Could she get some vocational training? I think she could be a good worker.

Working Mother.

Dear Working: We, too, have great respect for work. Your school is obligated to offer an educational program to your daughter until she is 21 or until she has work skills. Why not talk to your principal and ask what their plans are for your daughter. Then do one more thing. Talk to Renee Nowak, president of the Pacific School P.T.A. and get together with other concerned parents to develop a truly meaningful vocational education post graduate program (18–21) for your daughters and sons.

Working Janet.

Dear Katie and Janet: My daughter is 13. She is severely handicapped with cerebral palsy. No one knows if she is mentally retarded or not. Also, doctors and teachers have argued about how best to teach her. The doctors say her behavior is neurologically originated. The agency teachers feel she is emotionally upset and that I aggravate her condition. I'm confused and hope she will get a new chance in Seattle Public Schools.

Confused Mother.

Dear Mother: Oh, how we *do* understand! But good news is here for you. In our Seattle Public School District there will be a complete evaluation center Children such as your daughter with unique learning problems will be able to go to this center for complete study and personalized evaluations where finally a program of education will be developed just for your daughter. Call Mr. Bill Attebury 587–5025 for placement of your daughter into this special testing program.

Katie and Janet.

Dear Katie: My son was kept in terrible programs for the deaf and then kicked out of public school in 1969. He proved not to be deaf at all! He has been taught perfectly at a private school since 1970. Now the public schools want me to bring him back. I hate and fear the public school. I should sue them not give them back my child. What do you say:

Frightened Mother.

Dear Mother: Again, I understand. Remember, there has been a complete change in the special educational division of Seattle

Public Schools. Also, in the last years, Seattle Public Schools has paid for your child in his private non-profit school. Now, special educators want to make up to you and your son, but most importantly, they want to serve other children who have mysterious learning problems. I can't advise you more than to say my son also suffered as your son, only my son never received any education from the Seattle Public Schools. Now new people and new techniques can and will offer programs to all. Your son, as mine, has been one of the martyrs to bring about this great social change. But they have helped thousands of children everywhere. Now your son can help develop programs in the public schools where all can benefit.

Understanding Katie.

Dear Janet: My child has learning and language disorders. He has always been in school but not always in his own district. He is now in junior high. Under HB 90 can I force my school district to provide him with a program at his local school instead of bussing him to Seattle?

LLD Mother.

Dear Mother: Your child is being contracted for in Seattle Public Schools. Your school district has met its obligations by contracting with a neighborhood school district (Seattle). Why not join with other parents of similar need and help develop an LLD Program at the secondary level in your district? Be grateful that your child has been in school now start working for a better program.

Janet.

FIFTEENTH ANNIVERSARY OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. MOSS. Mr. President, 15 years ago today, pursuant to the terms of the National Aeronautics and Space Act of 1958, a new Federal agency opened its doors for business. Certainly the National Aeronautics and Space Administration is second to none in its record of accomplishments during its first decade and a half.

These past 15 years have seen us go from the depths of postsputnik depression to undreamed of heights in both the exploration and exploitation of the benefits of space.

Twelve men have walked on the Moon and brought back a veritable treasure house of lunar samples and scientific data about our nearest neighbor in space.

The crew of Skylab III has just completed 59 highly successful days in space, in a mission already being hailed as perhaps the most productive in our history.

Eighty-three nations have joined in a global communications satellite system now carrying three-quarters of the world's intercontinental telecommunications traffic.

Operational weather satellites have been a reality for a decade and Earth resources satellites are rapidly approaching operational status.

Two spacecraft are presently on their way to Jupiter, and from that largest of our neighbors, into the universe surrounding our solar system.

Continuing research in aeronautics is producing a steady flow of improvements in the efficiency and safety of civilian and military aircraft.

Mr. President, this list could go on and on. NASA personnel have prepared a brief chronology of 15 years at the cutting edge of science and technology. I ask unanimous consent that the chronology be printed in the Record.

There being no objection, the chronology was ordered to be printed in the Record, as follows:

Major Milestones of NASA Program

(Background: On Nov. 21, 1957, NASA's predecessor, the National Advisory Committee for Aeronautics (NACA), appointed a special committee on space technology. During the following January, President Eisenhower proposed that the Soviet Union and the U.S. "agree that outer space should be used only for peaceful purposes," a timely suggestion in view of the fact that Russia, with the Sputnik satellite, had taken the lead in the space effort. As that month ended, Explorer 1, America's first satellite, weighing 30 pounds, was launched and led to discovery of the Van Allen radiation belts around the Earth.

(Quickly, the Senate and House of Representatives established committees on space and aeronautics. The President proposed establishment of a National Aeronautics and Space Agency, into which NACA would be absorbed, and Congress acted promptly. On July 29, the President signed into law the National Aeronautics and Space Act of 1958.)

1958

Oct. 1—First official day of NASA, with Dr. T. Keith Glennan as Administrator and Dr. Hugh L. Dryden as Deputy Administrator.

Oct. 7—NASA formally approved Project Mercury to send man into orbit around the Earth, investigate his capabilities and reactions to space, and return him safely to Earth.

Oct. 11—The 84-pound Pioneer 1, launched from Cape Canaveral as NASA's first deep space probe, reached an altitude of 70,714 miles.

1959

Feb. 17—Vanguard 2, NASA's first Earth satellite, launched to demonstrate feasibility of global weather data acquisition.

Mar. 3—World's first six-stage, solid-fuel rocket launched from Wallops Station.

Mar. 10—First captive flight of X–15 rocket airplane.

Apr. 2—Seven astronauts selected for Project Mercury—Captains L. Gordon Cooper, Jr., Virgil I. Grissom and Donald K. Slayton, USAF; Lt. Scott Carpenter, Lt. Cmdr. Alan B. Shepard, Jr., and Walter M. Schirra, Jr., USN, and Lt. Col. John H. Glenn, USMC.

May 28—Jupiter experiment spacecraft is sent to altitude of 300 miles with monkeys "Able" and "Baker" on board. Primate passengers recovered unharmed.

Aug. 7—Explorer 6, placed in an elliptical Earth orbit, returned first crude TV photo of the Earth.

Aug. 17—First of Nike-ASP sounding rockets to provide geophysical information on wind activity at altitudes of 50 to 150 miles launched from Wallops Station.

Sept. 18—Vanguard 3, last of series to gather data on the magnetic field, radiation belts, and micrometeoroids, launched to end program.

Dec. 14—Little Joe 3, part of the Project Mercury test program, is sent 55 miles into space with a monkey on board and recovered safely.

1960

Jan. 20—NASA presented to Congress a 10-year program of space activities, including plans for 25 major vehicle launchings per year.

Mar. 11—Pioneer 5 launched to measure radiation and magnetic fields between Earth and Venus.

Apr. 1—Tiros 1, first known weather observation satellite, launched and took pictures of Earth's cloud cover from altitude of 450 miles.

July 29—Project Apollo, advanced manned spacecraft program, announced.

Aug. 4—Test Pilot Joseph Walker, in X–15, makes first manned flight at speed of 2,196 mph.

Aug. 12—Echo 1, first passive communication satellite, reflected a radio message from President Eisenhower across the nation.

Nov. 3—Explorer 8, containing instrumentation for detailed measurements of the ionosphere, orbited.

Dec. 9—X–15, with Neil Armstrong as pilot, made first flight with ball-shaped "hot nose," reaching an altitude of 50,000 feet and speed of 1,254 mph.

1961

Jan. 1—President Eisenhower issued statement that "the early establishment of a communications satellite system which can be used on a commercial basis is a national objective."

Jan. 30—President Kennedy, newly inaugurated, invited the Soviet Union and other nations to cooperate in invoking "the wonders of science instead of its terrors," especially in developing a weather prediction program.

Jan. 30—James E. Webb nominated as NASA Administrator by President Kennedy to succeed Dr. T. Keith Glennan, retired.

Feb. 10—Voice message sent from Washington to Australia by way of the Moon.

Mar. 10—NASA announced first success in immediate detection real time of radar signals off planet Venus.

Apr. 14—NASA informed House Science and Astronautics Committee it will take $20 to $40 billion to achieve a lunar landing.

May 5—Freedom 7, manned Mercury spacecraft carrying Astronaut Alan B. Shepard, Jr., as pilot, launched at Cape Canaveral as first American manned space flight. Flight lasted 14.8 minutes and reached an altitude of 115 miles.

May 19—Cape Canaveral opened to general public for first time in its history.

May 25—President Kennedy called for speedup in American space effort and declared a national space goal of "landing an American on the Moon in this decade."

July 21—Mercury Astronaut Virgil I. Grissom made a 15-minute, 118-mile-high and 303-mile long flight in Liberty Bell 7, second successful manned suborbital flight.

Dec. 7—Plans for the development of a two-man Mercury capsule were announced.

1962

Feb. 20—Mercury spacecraft Friendship 7, with Lt. Col. John H. Glenn, Jr., as astronaut, launched on first U.S. manned orbital space flight, covering 81,000 miles in 4 hours and 56 minutes.

Mar. 7—OSO–1 (Orbiting Solar Observatory), NASA's first scientific observatory spacecraft, successfully launched to study the Sun.

Apr. 19—X–15 made its 50th successful flight from Edwards Air Force Base.

Apr. 26—Ariel–1, first international satellite, carrying 6 British experiments, launched from Cape Canaveral.

May 24—Aurora 7, with Astronaut M. Scott Carpenter as pilot, launched on orbital mission from Cape Canaveral on the second U.S. manned orbital and fourth U.S. manned space fight, was recovered after three orbits, Mission lasted nearly 5 hours.

June 8—NASA and Soviet Academy of Science agreed on coordinated projects in satellite meteorology, communications and magnetic survey.

June 19—Tiros 5, designed to chart the origin and movement of tropical storms, launched.

July 10—Telstar 1, first privately-financed satellite, put into orbit.

July 23—Telstar relayed two 20-minute live TV shows, first formal exchange of programs across the Atlantic.

Aug. 27—Mariner 2 launched from Cape Canaveral on 180-million-mile, four-month flight to Venus, later transmitting first data from that planet's vicinity.

Aug. 21—President Kennedy signed into law the communications satellite bill to establish a private corporation to be in charge of the U.S. portion of future global communications satellite network.

Sept. 17—Nine more astronauts named at Houston—Neil A. Armstrong and Eliot M. See, Jr., civilian test pilots; Maj. Frank Borman, Capt. James A. McDivitt, Capt. Thomas P. Stafford and Capt. Edward H. White II, all of the USAF, and Lt. Charles Conrad, Jr., Lt. Comdr. James A. Lovell, Jr., and Lt. Comdr. John W. Young, all of the USN.

Oct. 3—Sigma 7 spacecraft, with Astronaut Walter M. Schirra, Jr., as pilot, launched from Cape Canaveral to travel 160,000 miles and make nearly six orbits in 9 hours and 14 minutes.

Oct. 18—Ranger 5 lunar probe launched.

Oct. 25—First live two-way radio broadcast conducted via Telstar.

1963

Mar. 19—Goddard Space Flight Center, in cooperation with NBC and RCA, accomplished first known transmission of television in color via Relay communications satellite.

Apr. 2—Explorer 17 atmospheric structure satellite launched.

Apr. 11—X-15 flew at speed of 2,500 mph and altitude of 70,000 feet in its first test as an aerial mapping plane.

May 7—Telstar 2 communications satellite placed in elliptical orbit.

May 15—Mercury spacecraft Faith 7, with Astronaut Gordon Cooper as pilot, made successful orbital flight, the longest U.S. manned mission to date, making 22 orbits in 34 hours and 20 minutes.

May 19—With publication of first applications note, NASA inaugurated new phase of its technology utilization program.

June 12—Project Mercury officially ended, having achieved its goals.

June 18—Tiros 7 meteorological satellite launched.

July 26—Syncom 2 communications satellite put in orbit, providing telephone, teletype and photo facsimile communications between U.S. and Africa.

Sept. 2—Two flight tests of M-2 wingless lifting body conducted by Flight Research Center.

Nov. 23—First live transmission of television signals across the Pacific Ocean accomplished by Relay 1.

Nov. 26—Explorer 18, the Interplanetary Monitoring Probe, successfully launched.

1964

Jan. 25—Echo 2 passive communications satellite, used in the first joint US/USSR space experiment, placed in near-polar orbit.

Jan. 30—Ranger 6 lunar probe launched.

Mar. 25—First TV transmission from Japan to the U.S. made via Relay 2 communications satellite.

Apr. 8—Unmanned Gemini spacecraft launched into orbit in first Project Gemini flight.

July 14—Mariner 4 launched on 228-day, 325-million-mile flight to Mars, sending back first close photos of that planet.

July 20—Space flight of Sert 1 spacecraft marked first successful operation in space of an electric rocket engine.

July 28—Ranger 7 spacecraft launched from Cape Kennedy on its way to the Moon, sending back 4,316 clear photos before it impacted on lunar surface.

Sept. 4—OGO 1 satellite, designed to perform 20 space experiments at once, placed in orbit.

1965

Feb. 3—OSO 2, second of eight spacecraft planned for direct observation of the Sun, launched from Cape Kennedy.

Feb. 17—Ranger 8 spacecraft, equipped with six television cameras to photograph part of the Moon's surface, launched.

Mar. 23—Gemini 3 spacecraft, with Astronauts Virgil I. Grissom and John W. Young on board, launched and made three orbits in 4 hours and 53 minutes, during which a manned spacecraft was maneuvered in orbit for first time.

Mar. 24—After transmitting 5,814 close-up lunar pictures to Earth, Ranger 9 was impacted on Moon.

Apr. 6—Intelsat 1, first commercial communications satellite, placed in synchronous equatorial orbit above Atlantic Ocean.

May 30—A modified Convair 990A jet transport, NASA's new high-altitude research laboratory, carried 30 scientists from five countries and a million dollars' worth of delicate instruments in a race with a total eclipse over the South Pacific.

June 3—Gemini 4 spacecraft, with Astronauts James A. McDivitt and Edward H. White as pilots, launched to make 62 revolutions around the Earth in 97 hours and 56 minutes, during which White became the first American to walk in space.

July 14—Mariner 4, launched the preceding Nov. 28, approached within 5,500 miles of Mars and took the first close-up pictures of that planet.

Aug. 21—Gemini 5, piloted by Astronauts L. Gordon Cooper and Charles Conrad, Jr., launched on eight-day mission, lasting 190 hours and 56 minutes, during which 120 revolutions of the Earth were made.

Sept. 28—In its 150th flight, the X-15, piloted by John B. McKay, flew to an altitude of 295,600 feet and a speed of 3,682 mph.

Oct. 8—Test model of the Lunar Landing Research Vehicle designed to simulate lunar landing was flown by former X-15 pilot Joseph Walker to 300-foot altitude.

Nov. 6—Explorer 29 geodetic satellite launched from Eastern Test Range by an Improved Thrust-Augmented Delta in first use of a gravity-gradient system for stabilization.

Dec. 4—Gemini 7, piloted by Astronauts Frank Borman and James A. Lovell, Jr., launched on 14-day mission, longest U.S. flight to date, lasting 330 hours and 35 minutes. Eleven days after launch, the spacecraft achieved its historic rendezvous in orbit with Gemini 6, launched Dec. 15 and piloted by Astronauts Walter Schirra, Jr., and Thomas P. Stafford.

1966

Mar. 16—Astronauts Neil Armstrong and David R. Scott, in Gemini 8, performed world's second rendezvous and first docking experiment with an unmanned Gemini Agena Target Vehicle (GATV). Mission lasted 10 hours and 42 minutes.

Apr. 29—One of world's largest and most sensitive automatic space tracking and telemetry antennas was officially dedicated at Goldstone, CA.

May 19—XB-70A operational aircraft successfully made sustained 2,000-mph flight at 70,000-foot altitude for 32 minutes.

May 30—Surveyor 1 launched to become first U.S. spacecraft to softland in Moon when it touched down in the Ocean of Storms and began sending back pictures.

June 3—Gemini 9, with Astronauts Thomas P. Stafford and Eugene A. Cernan as pilots, launched on three-day flight to overtake Augmented Target Docking Adapter, during which Cernan performed a spacewalk of more than two hours, longest to date.

July 18—Gemini 10, eighth manned flight in Gemini series, launched on successful rendezvous and docking mission to overtake GATV. Astronauts John W. Young and Michael Collins were pilots and performed first docked-spacecraft maneuver, also rendezvousing with Gemini 8's GATV target.

Aug. 10—Lunar Orbiter 1, unmanned, launched to become first U.S. spacecraft to enter lunar orbit, taking first pictures of Earth from vicinity of Moon. Orbiter intentionally crashed into far side of Moon.

Sept. 12—Three-day Gemini 11 mission, ninth in the series began with Astronauts Charles Conrad, Jr., and Richard F. Gordon, Jr., as pilots and became first spacecraft to achieve first-revolution rendezvous and docking with GATV, using tether to link two spacecraft.

Nov. 11—Gemini 12, last of the series, launched with Astronauts James A. Lovell, Jr., and Edwin A. Aldrin, Jr., on board. Aldrin performed two standup EVAs. Mission lasted nearly four days.

1967

Jan. 27—Three-man crew training for first Apollo flight—Virgil I. Grissom, Edward H. White II, and Roger B. Chaffee—died when flash fire swept through Command Module at KSC.

Jan. 27—Representatives of 62 nations signed the United Nations treaty on the exploration and use of outer space.

Apr. 17—Surveyor 3 launched on mission to Moon to land in Ocean of Storms and excavate with surface sampler trenches up to six inches deep.

June 14—Mariner 5 spacecraft launched on four-month 212-million-mile flyby mission to Venus.

Sept. 8—Surveyor 5 softlands in Moon to take photographs of possible landing sites for Apollo spacecraft and begins first on-site chemical analysis of an extraterrestrial body.

Nov. 9—Apollo 4 spacecraft was successfully sent aloft in first Saturn V flight and first launch from Complex 39 at Kennedy Space Center, making first all-up test of three-stage launch vehicle and reentering at lunar-return velocity.

1968

Jan. 7—Surveyor 7 launched to softland in Moon's highlands, return TV pictures, perform lunar-digging experiments, and detect laser beams directed from Earth.

Jan. 22—Apollo 5 launched from KSC on unmanned Earth orbital mission to verify operation of Lunar Module ascent and descent propulsion system. Adjudged successful.

Apr. 4—Apollo 6 was successfully launched on mission to qualify Saturn V launch vehicle, demonstrating rocket and spacecraft subsystem and heat shield performance.

Oct. 6—Administrator James E. Webb retired and was succeeded by Dr. Thomas O. Paine, formerly Deputy Administrator.

Oct. 11—Apollo 7, first manned CSM operation in Apollo lunar landing program, successfully launched from KSC with Astronauts Walter M. Schirra, Jr., Donn F. Eisele and R. Walter Cunningham. Crew appeared on TV in initial telecast from space. Mission lasted 10 days, 20 hours, accomplishing rendezvous with S-IVB stage. Earth circled 168 times.

Dec. 21—Apollo 8, second manned mission in program and first to orbit Moon, launched. Astronauts: Frank Borman, James A. Lovell and William Anders. Mission duration 6 days, 3 hours. Twenty hours in lunar orbit. Circled Moon 10 times. Support facilities tested. Photographs taken of Earth and Moon. Live TV broadcasts.

1969

Feb. 9—NASA announced supercritical wing, a new airfoil shape developed in four years of wind-tunnel studies at Flight research Center, will be flight tested.

Mar. 3—Apollo 9, first manned flight of all lunar hardware in Earth orbit, launched, Astronauts: James A. McDivitt, David R. Scott and Russell L. Schweickart. Mission duration 10 days, 1 hour. Schweickart performed 37-minute EVA. Human reactions to space and weightlessness tested in 152 orbits. First manned flight of Lunar Module (LM).

May 18—Apollo 10 launched for dress rehearsal of Moon landing. Astronauts: Eugene A. Cernan, John W. Young and Thomas P. Stafford. Mission duration 8 days, 3 minutes. First manned CSM/LM operations in cislunar and lunar environment; simulation of first lunar landing profile. In lunar orbit 61.6 hours, with 31 orbits. LM taken to within 47,000 feet of lunar surface. First live color TV from space. LM ascent stage jettisoned in orbit

July 16—Apollo 11 launched on first lunar landing mission and lunar surface EVA. Astronauts: Neil A. Armstrong, Michael Collins and Edwin E. Aldrin, Jr. Landed on Sea of Tranquility. One EVA—2 hours, 31 minutes. Mission duration 8 days, 3 hours, 18 minutes. Armstrong and Aldrin landed on Moon July 20. Flag and instruments deployed. Lunar surface stay time 21.6 hours; 59.5 hours in lunar orbit, with 30 orbits. LM ascent stage left in lunar orbit. Forty-four pounds of material gathered. President Nixon made first long-distance phone call to Moon to congratulate astronauts.

Mission achieved the goal set on May 25, 1961, by President Kennedy of landing an American on the Moon within the decade.

July 29—First pictures of Mars, taken by Mariner 6, received at JPL.

Sept. 12—NASA began distributing 18 pounds of lunar material from the Apollo 11 mission to scientific investigators in U.S. and 8 other countries.

Nov. 14—Apollo 12, second manned lunar landing mission launched. Astronauts: Charles Conrad, Jr., Richard F. Gordon, Jr., and Alan L. Bean, Landed on Ocean of Storms. Two EVAs 15½ hours. Mission duration 10 days, 4 hours, 36 minutes. First demonstration of pinpoint landing capability. Candidate landing sites photographed. Parts taken from Surveyor 2, unmanned spacecraft sent to Moon in April 1967, Lunar stay time 32.5 hours. In lunar orbit 89 hours, with 45 orbits. LM accent stage impacted on Moon. Seventy-five pounds of material gathered.

1970

May 31—Explorer 1, first U.S. satellite, launched Jan. 31, 1958, reentered Earth atmosphere after completing 58,408 revolutions and traveling 2.67 billion miles.

Apr. 11—Apollo 13, third lunar landing mission attempt, launched. Astronauts: James A. Lovell, John L. Swigert, Jr., and Fred W. Haise, Jr. Mission duration 5 days, 22.9 hours. Mission aborted after rupture of Service Module oxygen tank. Classed as "successful failure" because of experience in rescuing crew. Spent S–IVB stage successfully impacted on Moon.

Sept. 15—Dr. Thomas O. Paine resigned as NASA Administrator. Dr. George M. Low, Deputy Administrator, assumed responsibility to carry on as Acting Administrator.

Dec. 12—Explorer 42 launched into equatorial orbit from the San Marco platform off the coast of Kenya by an Italian crew, the first American spacecraft to be sent aloft by men of another country.

1971

Jan. 31—Apollo 14, third lunar landing mission, launched. Astronauts: Alan B. Shepard, Jr., Stuart A. Roosa and Edgar D. Mitchell. Landed on Frau Mauro, rocky upland area. Two EVAs, 8 hours, 29 minutes. Mission duration 9 days. Docking and other difficulties experienced demonstrated value of manned flight over unmanned flight. ALSEP and other instruments deployed. Lunar surface stay time 33.5 hours; 67 hours in lunar orbit, with 34 orbits. Third stage impacted on Moon. Ninety-four pounds of material gathered, using hand cart for first time to transport rocks.

Apr. 27—Dr. James C. Fletcher is sworn in as NASA Administrator to succeed Dr. Paine.

July 26—Apollo 15, fourth lunar landing mission and first of "J" series using Lunar Roving Vehicle (LRV), launched. Astronauts: David R. Scott, James B. Irwin and Alfred M. Worden. Landed in Hadley-Apennine region near Apennine Mountains. Three EVAs, 10 hours, 36 minutes. Worden performed 38-minute EVA on way back to Earth. Mission duration 12 days, 7 hours, 12 minutes. First to carry orbital sensors in Service Module. ALSEP deployed Scientific studies begun on Apollo 11, 12 and 14 missions continued. Improved spacesuits gave increased mobility and staytime. Scientific payload landed on Moon doubled. Lunar surface stay time 66.9 hours. LRV traversed total of 27.9 km. In lunar orbit 145 hours, with 74 orbits. Small sub-satellite left in lunar orbit for first time.

One hundred and sixty pounds of materials gathered.

Sept. 29—OSO—7 launched to make first X-ray observations of a beginning solar flare and of solar "streamers".

Nov. 13—Mariner 9, launched May 30, went into orbit of Mars, first to circle another planet, and took first close photos of Mars' moons Deimos and Phobos and of a Mars dust storm.

1972

Jan. 5—President Nixon announced decision that U.S. should develop Space Shuttle system.

Mar. 2—Pioneer 10 Jupiter probe launched to become first man-made object to escape solar system, first spacecraft to use orbital velocity and gravity of Jupiter for escape, and first NASA spacecraft powered entirely by nuclear energy.

Apr. 16—Apollo 16, fifth lunar landing mission, launched. Astronauts: John W. Young, Thomas K. Mattingly II, and Charles M. Duke, Jr. Landed in Descartes, highlands area. Three EVAs, 20 hours, 14 minutes. Mattingly performed in-flight EVA lasting one hour. Mission duration 11 days, 1 hour, 51 minutes. First study of highlands area. Selected surface experiments deployed. Tests started by Apollo 15 crew continued. Ultraviolet camera/spectograph used second time. Lunar surface stay time 71 hours. LRV traversed total of 27 km. In lunar orbit 126 hours, with 64 orbits. Two hundred and thirteen pounds of material gathered.

May 24—President Nixon and USSR Premier Kosygin in Moscow signed an agreement providing for cooperation in the exploration of outer space for peaceful purposes and the docking in space in 1975 of a U.S. and a Soviet spacecraft.

May 26—NASA announced retirement of Dr. Wernher von Braun, Deputy Associate Administrator for Planning and a pioneer in the space effort, effective July 1.

July 23—ERTS 1 launched to acquire information for investigations in agriculture, forestry, minerals, etc.

Dec. 7—Apollo 17, sixth lunar landing and final mission in Apollo series, launched. Astronauts: Eugene A. Cernan, Ronald B. Evans and Harrison H. Schmitt, the last named the first geologist on the Moon. Landed in Taurus-Littrow area, valley floor pockmarked with craters and littered with boulders. Three EVAs, 22 hours, 5 minutes, 6 seconds. Mission duration 12 days, 13 hours, 51 minutes. Lunar surface stay time 74 hours, 59 minutes, 38 seconds. LRV traversed 35 km. In lunar orbit 147 hours, 48 minutes. Two hundred and twenty-five pounds of material gathered.

1973

May 14—Skylab 1, the nation's first orbiting laboratory, was launched from Cape Kennedy, with a three-man crew, Charles Conrad, Jr., Joseph P. Kerwin and Paul J. Weitz, scheduled to rendezvous with it the next day. Twelve minutes after launch, signals revealed the meteoroid shield had been torn away and one of two solar panels only partially deployed. The spacecraft was maneuvered to keep its interior from becoming too hot and Centers were alerted to start searching for a solution to the emergency.

May 25—After 11 days during which technicians worked around the clock to develop a parasol as a substitute for the heat shield and tools with which astronauts would cut the metal strap found to be keeping the solar wing from deploying the crew was launched and rendezvoused with Skylab. Next day, the parasol was deployed and, on June 7, an EVA to free the solar array was performed. A 28-day mission was completed on June 22.

July 28—The second Skylab crew, Alan L. Bean, Jack R. Lousma and Owen K. Garriott, was launched. En route, a rocket thruster on the spaceship conveying them aloft began leaking. On August 2, a second thruster developed leaks, leaving only two in operable condition. A rescue ship was readied at Cape Kennedy, but officials decided to allow the astronauts to complete a 59-day mission and return to Earth via their disabled craft on September 25.

CHILDREN OF VIETNAM WEEK

Mr. HASKELL. Mr. President, the week of October 22 has been declared Friends of Children of Vietnam Week by the Governor of Colorado.

The Friends of Children of Vietnam is a Denver-based, national organization. It has recently been granted a contract by the Government of South Vietnam to arrange, among other things, adoptions for Vietnamese children.

FCVN is an outstanding example of what a group of citizens, without fanfare or Government funding, can do. The results of FCVN's work over the past year are striking.

The group has quietly completed almost 300 adoptions. Working without official recognition, this agency carefully researched each case to assure the best possible chance of a successful match between parents and child. Now that FCVN has been officially recognized, I believe we can expect even more impressive help for Vietnamese children.

We are all well aware of the precarious existence these youngsters lead. They are the most visible victims of a tragic war. While our involvement in that conflict is finally over, our humane and moral responsibility continues. One to assist such groups as FCVN which have been the prime benefactors of these war victims.

A clause in the legislation we are considering today, proposed amendments to the Foreign Assistance Act of 1961, gives us the mechanism for that support. Section 803 will allow Government aid for FCVN and similar groups which are fighting to secure a decent life for South Vitnamese children. I cosponsored this provision as a separate bill and I support it in its present form.

I congratulate the Friends of Children of Vietnam and I commend to my colleagues the provision in this bill which will help them continue their work.

FOREIGN AID ASSISTANCE ACT PROVISIONS FOR VIETNAMESE ORPHANS

Mr. MOSS. Mr. President, I rise to commend the Committee on Foreign Relations for including in S. 2335, the Foreign Aid Assistance Act of 1973, the special provisions relating to the care of South Vietnamese children whose lives and future have been blighted by the war. The plight of these children is deeply etched on the conscience of the American people.

I refer to the provisions included in the bill at the insistence of Senator WILLIAMS to earmark $7.5 million of funds to provide: First, for the establishment and expansion of day care centers, orphanages, and hostels, and for educational instruction, school feeding, health and other welfare programs for the children; and second, to facilitate the adoption by American citizens of orphaned or abandoned children in Vietnam.

This latter provision—to make it easier for American citizens to adopt South Vietnamese children—has long been an objective of mine. I am especially concerned about the orphaned or abandoned children who have been fathered by Americans and who are therefore both South Vietnamese and American by heritage.

Last session I introduced a bill (S. 2071, 92d Cong.) to authorize the establishment of a special program to provide for the care, housing education and training of these American-fathered children, with emphasis upon the establishment of agreements and machinery to make it easier for people of the United States to adopt such children as are abandoned or deserted, or for whom the sole surviving parent is willing to relinquish irrevocably all parental rights.

I was advised by the Defense Department at the time I introduced my bill that there were an estimated 5,400 American-fathered children scattered throughout the country, some of them living with their mothers or other relatives, and others living in orphanages or hostels.

Since that time I have received various other estimates of the number of children involved, and of the smaller number who have actually been abandoned. But whatever their number or circumstances, I think we all agree that these children who are particularly and tragically the result of our involvement in Vietnam are our special responsibility, and that we owe them special consideration. They are half-American, and if they have no established place or future in Vietnam, then we should give them the opportunity to come here.

Because I could get no assurance from the State Department that the Government of South Vietnam was willing to work with representatives of the Government of the United States to make these children more easily available for adoption, and because legislation increasing U.S. efforts did not, therefore, seem to offer any solution to the problem unless we could get more cooperation from the Vietnamese Government—I decided with some reluctance—not to introduce my bill again in this Congress.

However, with the passage of S. 2335, now imminent, containing the provisions of section 903 which earmarks funds for the children's programs—we are offered a fresh opportunity to try to do something for American-fathered children—as well as for all other South Vietnamese children—who have less security and future than they otherwise would have, had they not been born into a war-ravaged country, and orphaned or abandoned because of the circumstances of that war.

I would hope that officials of the Agency for International Development in administering section 903, and in allocating the $7.5 million which this section provides, will make every attempt to get assurance from the South Vietnamese Government that they will cooperate in facilitating the adoption of abandoned or orphaned children—and especially those who are American-fathered by citizens in the United States.

I well recognize that the United States has no legal claim on these children. In the eyes of the Vietnamese Government all children born of Vietnamese mothers in Vietnam are Vietnamese citizens regardless of the nationality of their fathers. I am sure that the Government will make every effort, as would any other nation, to see that these children receive the greatest amount of care and attention as possible with the resources available to them.

But I would hope that in the cases where the children are sought for individual adoption in the United States, and where it is clear that such adoption would be in the best interests of the child, that the South Vietnamese Government will strive to make procedures less complex so that more children can be made available for those thousands of families in the United States who seek such children.

Since I first proposed S. 2071 some 2 years ago, I have received letters from literally hundreds of families in the United States who seek to adopt Vietnamese children. In many instances, they have been unable to make any headway whatsoever, and they beg for assistance. There has been little I could do to help, of course, and that is why I welcome so warmly the action of the committee earmarking special funds for assistance to South Viatnamese children, and in specifying that at least 10 percent of those funds can be spent for adoption procedures. Passage of this bill, and funding and implementation of section 903, will give some measure of hope to many households seeking to adopt a South Vietnamese child.

A recent letter I received from the Agency for International Development, signed by Matthew J. Harvey, Assistant Administrator for Legislative Affairs, clarifies greatly the situation regarding South Vietnamese orphans, and the attitude of South Vietnamese officials toward them. I ask that several pertinent paragraphs from this letter be included in the RECORD at this point.

> I would like to take this opportunity to provide you with some general information on the situation of orphans, and particularly American-Vietnamese children in Vietnam.
>
> Through dealing with this question over a period of time, we have come to realize that many Americans misunderstand the legal status of these youngsters. In the eyes of the Vietnamese Government, and indeed of the international community, all children born of Vietnamese mothers in Vietnam are Vietnamese citizens regardless of the nationality of their fathers. The United States has no claim to these children. The Vietnamese Government regards all of its citizens as equal before the law and possessed of equal claim on government support in times of need. The Government of Vietnam (GVN) is concerned over the plight of children who have been disadvantaged by the war, and accepts full responsibility for them, as evidenced by their social and child wefare programs discussed below.
>
> The GVN does not favor removal of orphans from their Vietnamese environment in cases other than individual adoption because mass emigration does not provide a sufficient assurance that the best interests and welfare of each child are being fully met. We accept the Government's position that large-scale immigration of Vietnamese-American orphans from institutions in Vietnam to orphan homes in the United States is not in the best interest of these children. We believe that, short of formal adoption, the best way to help American-fathered children in Vietnam is to help strengthen welfare services for all needy Viatnamese children.
>
> The Government of Vietnam, through its Ministry of Social Welfare (MSW) is providing support to some 133 orphanages and 201 day care centers. Approximately 42,000 children receive assistance through these institutions. Additionally, approximately 590,000 orphans of deceased military personnel receive allowances from the Ministry of War Veterans, which also provides them the same medical, educational and employment benefits as those received by disabled veterans.
>
> Of the estimated ten to fifteen thousand racially mixed children in Vietnam, almost all of them are being taken care of by their Vietnamese mothers and their extended families. A recent estimate by the GVN indicated that among approximately 19,000 children presently in officially recognized orphanages, there are only about 1,200 (approximately six percent) racially mixed children.
>
> For U.S. adoptions, the GVN has granted an exception to the general requirement that all adoption formalities be completed before a child is permitted to emigrate. Children are now permitted to depart for the United States, providing the American adopting couple have assigned power of attorney to a Vietnamese lawyer to complete the proxy adoption. During 1972, there were about 500 intercountry adoptions, of which approximately 400 were by U.S. citizens. This recent liberalization of Vietnamese procedures has facilitated adoptions to the United States.

As this letter indicates, there has already been some liberalization in procedures for adoption, and this new program should provide a further easing in the situation.

I would hope that with this liberalization that we would not again hear, as we have heard in the past, that AID officials were not perhaps doing everything they could to clear eligible children for adoption—that they were turning the wheels very slowly, or not turning them at all. I would hope that with the new emphasis placed on accelerating adoptiong procedures, and the special funds allocated for this purpose, the whole procedure would become easier and more certain of success. Surely it should not ever be said that an American couple seeking to adopt a Vietnamese child, who has no home or future in his own country, should be thwarted because other Americans do not give every iota of assistance they are in a position to give. I would say the same to the international agencies working in the field. Leave no stone unturned. If there are children—racially mixed or otherwise—who have no home or special ties in Vietnam, be sure they are made available for individual adoption by the thousands of American families earnestly seeking them.

Again, I commend the committee—and Senator WILLIAMS—for the farsighted effort this bill offers to help solve a tragic situation—the plight of the children of Vietnam because of war in whose midst they just happened to be born.

PHASE IV PETROLEUM PRICE CONTROLS—A CONTINUING DILEMMA

Mr. McINTYRE. Mr. President, after experiencing several weeks of the ill-conceived phase IV petroleum retail price guidelines, the Cost of Living Council last Friday apparently realized the inherent inequity that phase IV petroleum regulations were having on the retail segment of the industry and modified the program. The problem is that the modification only addresses itself to part of the unfairness inherent in phase IV petroleum price regulations. While the action taken by Dr. Dunlop does bring partial relief, it will only be temporary in nature. The same basic program remains intact and the Cost of Living Council refuses to recognize the simple fact that in the petroleum industry you cannot allow production, refining and wholesale costs to increase and freeze the retail price at the same time. This basic flaw will again force the retail segment of the industry to operate at a loss when their price increases.

While Friday's action was certainly welcome news to the petroleum retailers, it in no way addresses the basic problem. If the goal of the Cost of Living Council is to control price increases in the petroleum industry, it must be realized that freezing retail price in no way removes upward price pressure. Its only effect is to discriminate against the small business marketing segment of the industry. If the Cost of Living Council, for whatever reason, decides that it cannot put strict price controls on the production, refining and wholesaling of oil products, then it must also come to its senses and face the reality of the unjust discrimination inherent in forcing the small business retailer to carry the whole burden.

Mr. President, in last Sunday's Washington Post a well-written editorial appeared pointing out the basic injustice of the present Cost of Living Council regulations. I urge my colleagues and particularly the Cost of Living Council to read this article and request unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PRICE OF GASOLINE

Price controls create excruciating dilemmas, as the current troubles of the gasoline retailers very clearly illustrate. The country is going to need controls for some time to come, but there is no dodging the unhappy truth that they weigh very unfairly on the service station operators. The controls establish fixed ceilings for retail prices, while the wholesale prices of gasoline float upward under entirely different rules. President Nixon has temporarily alleviated the squeeze on the service stations by ordering his price controllers to move the ceiling up a bit, as they did on Friday. But it is no real remedy. It still leaves the service stations caught in a system that limits their retail prices much more rigidly than the wholesale prices at which they must buy their gasoline.

But the dilemma is a real one. To see how these rules came to be written, it is necessary to turn the question around and look at it from the perspective of the Cost of Living Council. Fuel prices have been a major contributor to inflation this year, second only to food in forcing the cost of living up. The impact of gasoline price fluctuations is staggering. An increase of one cent a gallon costs motorists $1 billion a year. But the government is forced to let wholesale petroleum prices move upward to encourage imports and expanded production. Otherwise the present shortages would only get worse.

The Cost of Living Council is doing here what it has done elsewhere: It knows that rising prices are going to have to be passed along, but is fighting a delaying action to hold off the impact on the consumer as long as possible. In this case it has been a matter of upholding a questionable rule until the political pressure became unbearable.

The price controllers have now raised the ceiling as little as they dared, and the cycle of protest and pressure will doubtless be repeated. It is just everybody's bad luck—the controllers', the administration's and especially the service station operators'—that this strategy works more harshly and unjustly in the gasoline business than in most others.

The relationship between the major oil companies and the service stations is abrasive and painful in the best of times. The present times are far from the best. The typical service station operator leases his station from an oil company—Texaco, Exxon, Mobil or whatever. He must pay his rent, pay his own bills and taxes, hire his own help and meet his own payroll. He is independent in the sense that it is up to him to make his own profit. But his lease usually runs only a year at a time, which makes it easy for the company to get rid of him if it chooses. In that sense, he is anything but independent.

Retailers will now be permitted to charge whatever prices they charged last May 15, plus the increases in wholesale costs up to last Friday. This formula is a considerable improvement over the previous one, but it again imposes a fixed limit with no consideration for the wholesale price increases that are obviously coming in the future. The service station operators suspect the Cost of Living Council of trying to use the retailers as an indirect pressure on the big oil companies to hold down their wholesale prices. In many industries, dealer resistance could be a formidable force on the manufacturers. But, unlike retailers in other goods, the service station operator cannot switch suppliers to buy at the lowest price. His supplier is also his landlord, and a very jealous one.

All of these complaints are aggravated by the further point that, in this monstrously complicated industry, some filling stations are operated directly by the major oil companies. These stations, being integral parts of the companies, are permitted to pass on to the customer their wholesale price increases as well as a wide range of other costs, like wage increases, that the leased station operators must absorb.

The reader must not suppose that the preceding paragraphs contain the full litany of the service station operators' grievances. Nor do they offer the complete catalog of the price controllers' justifications, or the oil companies' positions, or the commentaries of the various eminent politicians who have taken a hand in the matter. But the reader who has got this far will doubtless perceive that oil retailing is a highly intricate business to which large simple rules do not adequately apply.

In economc regulation, fairness is always at war with simplicity. The simpler and broader the rules, the more anomalies and injustices they produce. The harder the legislators struggle to make the rules fair, the more fantastically complicated they become. The income tax laws are the great monument to this principle, but the price control system is rapidly developing in the same direction.

The country is going to require controls on some parts of the economy for quite a long time. That is all the more reason to begin making the rules more durable by making them more flexible. If the service stations are going to be controlled, like the big companies, then they will have to be permitted to pass through their costs on the same terms. It will be more complicated to administer. But if the control system is going to survive as long as we need it, it will have to ensure that big companies do not prosper at the expense of small ones.

WORLD FOOD RESOURCES

Mr. McGOVERN. Mr. President, skyrocketing food prices in the United States, and rationing and famine in many poor countries, have raised public awareness of the world's food problem. Many experts believe that the global food scarcity we are now experiencing is not merely a temporary aberration, but that it reflects important long-term trends, and may augur an era of chronic global food scarcity.

A careful analysis of the global supply and demand trends which may produce an era of scarcity has just been completed by Lester R. Brown, senior fellow at the Overseas Development Council and an internationally recognized authority on the world food situation. Mr. Brown's study is particularly timely because it underlines the important link between the precarious state of the world food economy and the new foreign assistance legislation now under consideration by the Senate.

The world's greatest untapped reservoir of food production potential now lies in the poor countries, and the reorganization of the American aid program to substantially increase support for rural and agricultural development could help unleash this great potential. As Mr. Brown makes clear, the "new look" in foreign assistance now being considered is more than cosmetics—it "seeks to capitalize on the unique capacity of the United States to lead an enlarged effort to expand the world's food supply."

Reducing global food scarcity in the decades to come will serve our national self-interest in the form of lower food prices and hence lower inflation at home. It will also help reduce the ominous threat of famine in the poorest nations. The modest funding called for in this bill can be used with greater effect today than at any time in the past.

Mr. President, as my colleagues consider the new aid legislation, I urge them to carefully read Mr. Brown's important study. I ask that it be printed into the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

POPULATION AND AFFLUENCE: GROWING PRESSURES OF WORLD FOOD RESOURCES

(By Lester R. Brown with foreword by James P. Grant)

FOREWORD

Lester Brown breaks important new ground in this analysis of a problem—food supply—which profoundly affects more citizens in all countries than any other. The current international scarcity of major agricultural commodities reflects important long-term trends as well as the more temporary phenomenon of lack of rainfall in the Soviet Union and large areas of Asia and Africa. In fact, we probably are witnessing in the world food economy a fundamental change from two decades of relative global abundance to an era of more or less chronically tight supplies of essential foodstuffs—despite the return to production of U.S. cropland idled in recent years. A major reason behind this shift is the fact that growing affluence in rich countries is joining population growth in the poor countries as a major cause of increased demand for foodgrains. At the same time, overfishing has interrupted the long period of sustained growth in the world fish catch—thus limiting the supply of another important protein source.

This changing situation suggests that several important policy needs must be emphasized. First, an internationally agreed system of food reserves—on the general pattern proposed in 1973 by Dr. A. H. Boerma, the Director-General of the Food and Agriculture Organization of the United Nations—is now in the self-interest of all nations. In a situation characterized by chronic scarcity and periodic surpluses, the international prices of food commodities could acquire a dangerous volatility, with adverse consequences for consumers and farmers the world over.

Second, there is a similarly urgent need to evolve a cooperative approach to the management of ocean fisheries, which provide so much of the world's protein for both human and animal consumption. Failure to develop more effective cooperative mechanisms will result in the continued depletion of stocks, a reduction in catch, and rapidly rising fish prices.

Third, this analysis of the changing world food situation particularly highlights the urgent need to curb population growth throughout the world. Ever greater pressures are being put on the world's agricultural capacity as a result of continuing rapid population growth—making food more scarce for everyone and rendering difficult the dietary improvements necessary for the basic welfare of the poorest half of humanity.

Finally, an even stronger case now exists for substantially increasing international efforts to aid agricultural development within the developing nations. Many poor countries have a vast unexploited agricultural potential. Those countries which have been able and willing to exploit the Green Revolution potential in wheat and rice have demonstrated that significant increases in food production are possible in many developing nations at far less cost than comparable increases in many of the more agriculturally advanced nations. There is increasing evidence, moreover, that assistance earmarked for agricultural development should give special attention to the role of small farmers in the production effort. In many developing countries, small farmers—when given effective access to needed agricultural inputs as well as health and educational services—have engaged in more intensive cultivation and generally achieved higher per-acre yields than those with large farms. By improving the access of the poor majority to both income and services, this approach to rural development also contributes greatly to the motivation for smaller families that is the prerequisite of a major reduction in birth rates.

Lester Brown's analysis of the new dimensions of the world food problem underlines the direct stake Americans have in the success of the U.N.-sponsored conferences on the Law of the Sea and on World Population that are to take place in 1974. This perception of the global food situation also gives additional importance to the 1973 Congressional initiative to restructure the bilateral economic aid program to focus more directly on such key factors as food production, rural development, population, and the problems of the poorest majority in the developing countries.

JAMES P. GRANT,
President, Overseas Development Council.

INTRODUCTION

The early months of 1973 witnessed a dramatic upsurge in interest in the world food situation, largely in response to global scarcity and rising food prices. Prices for some of man's principal food commodities—wheat, rice, feedgrains, and soybeans—soared to historic highs in international markets. Rationing was in effect for at least some foodstuffs in three of the world's four most populous countries: the People's Republic of China, India, and the Soviet Union.

Food was being airlifted into several countries in sub-Sahara Africa during June 1973 to stave off famine. India and Bangladesh faced critical food shortages. The United States was restricting soybean exports in order to bring internal food prices down. Food scarcity was affecting the entire world, rich countries and poor.

The communications media have drawn attention to several factors contributing to the food scarcities of 1973. Among these are the poor rice harvest in Asia, the shortfall in the Soviet wheat crop, and the temporary disappearance of the anchoveta off the coast of Peru for several months in late 1972 and early 1973. But these are short-term factors, and they should not be permited to obscure other more fundamental long-term trends and forces that are altering the nature and dimensions of the world food problem.

During the 1960s the world food problem was perceived as a food/population problem, a race between food and people. At the end of each year observers anxiously compared rates of increase in food production with those of population growth to see if any progress was being made. Throughout most of the decade it was nip and tuck. During the 1970s rapid global population growth continues to generate demand for more food, but, in addition, rising affluence is emerging as a major new claimant on world food resources. Historically, there was only one important source of growth in world demand for food; there are now two.

At the global level, population growth is still the dominant cause of an increasing demand for food. Expanding at about 2 percent per year world population will double in little more than a generation. Merely maintaining current per capita consumption levels will therefore require a doubling of food production over the next generation. In demographic terms the world currently divides essentially into two groups of countries: the rich countries that have low or declining rates of population growth, and the poor countries, most of which have rapid rates of population growth. Fully four-fifths of the annual increment in world population of an estimated 70 million occurs in the poor countries.

Some of the relatively small poor countries add more to the world's annual population gain than the larger rich ones. Mexico, for example, now contributes more to world population growth than does the United States. The Philippines adds more people each year than does Japan. Brazil adds 2.6 million people in a year, while the Soviet Union adds only 2.4 million.

The effect of rising affluence on the world demand for food is perhaps best understood by examining its effect on grain requirements. Grain consumed directly provides 52 percent of man's food energy intake. Consumed indirectly in the form of livestock products, it provides a sizable share of the remainder. In resource terms, grains occupy more than 70 percent of the world's crop area.

In the poor countries the annual availability of grain per person averages only about 400 pounds per year. Nearly all of this small amount must be consumed directly to meet minimum energy needs. Little can be spared for conversion into animal protein.

In the United States and Canada, per capita grain utilization is currently approaching 1 ton per year. Of this total only about 150 pounds are consumed directly in the form of bread, pastries, and breakfast cereals. The remainder is consumed indirectly in the form of meat, milk, and eggs. The agricultural resources—land, water, fertilizer—required to support, an average North American are nearly five times those of the average Indian, Nigerian, or Colombian.

Throughout the world, per capita grain requirements rise with income. The amount of grain consumed directly rises until per capita income approaches $500 per year, whereupon it begins to decline, eventually leveling off at about 150 pounds. The total amount of grain consumed directly and indirectly, however, continues to rise rapidly as per capita income climbs. As yet no ration appears to have reached a level of affluence where its per capita grain requirements have stopped rising.

The impact of rising affluence on the consumption of livestock products is evident in trends in the United States over the past generation. For example, per capita consumption of beef climbed from 55 pounds in 1940 to 117 pounds in 1972, more than doubling. Poultry consumption rose from 18 pounds to 51 pounds during the same period.

There is now a northern tier of industrial countries—beginning with the United Kingdom in the West and including Scandinavia, Western Europe, Eastern Europe, the Soviet Union, and Japan—whose economic advancement and dietary habits more or less approximate those of the United States in 1940. As incomes continue to rise in this group of countries containing some two-thirds of a billion people, a sizable share of the additional income is being converted into demand for livestock products, particularly beef. Many of these countries, such as Japan and those in Western Europe, are densely populated. Others—the Soviet Union, for example—suffer from a scarcity of fresh water. Thus they lack the capacity to satisfy the growth in demand for livestock products entirely from indigenous resources. As a result they are importing increasing amounts of livestock products or of feedgrains and soybeans with which to expand their livestock production.

Throughout the poor countries population growth accounts for most of the year-to-year growth in the demand for food. At best only very limited progress is being made in raising per capita consumption. In the more affluent countries, on the other hand, rising incomes account for most of the growth in the demand for food. In Japan and France, for example, where population is growing at about 1 percent annually and per capita incomes at several percent, year-to-year growth in the demand for food derives principally from rising affluence.

Wherever population has stopped growing, as in West Germany, rising affluence accounts for all the growth in food consumption. In a country such as India, however, where income rises are scarcely perceptible and population continues to grow rapidly, nearly all the growth in demand derives from population growth. In Brazil, which has both rapid population growth and, in recent years at least, rapid growth in per capita income, both factors loom large in the growth in demand for food.

THE TECHNOLOGICAL BACKDROP

At the time agriculture evolved 10,000 or more years ago, the earth supported roughly 10 million people, no more than now live in London or Afghanistan. Since then a series of technological innovations have brought about an enormous expansion in the earth's food-producing capacity. Following the discovery of agriculture, food production expanded under the influence of six major technological advances: the use of irrigation, the harnessing of draft animals, the exchange of crops between the Old World and the New, the development of chemical fertilizers and pesticides, advances in genetics, and the invention of the internal combustion engine.

The earliest of these innovations was irrigation. By obstructing the flow of streams and rivers, man was able to divert water onto land under cultivation. This intervention in the hydrological cycle, closely associated with the emergence of early civilizations in the Middle East, has greatly boosted the productivity of land. Today close to one-seventh of the world's cropland is irrigated.

A thousand years after learning to irrigate, man began to harness draft animals for tilling the soil. This breakthrough enabled him to convert grass and hay into a form of energy he could use to increase his food supply. By harnessing draft animals man supplemented his limited muscle power and raised the efficiency of his labor to the point where a small segment of the population could be spared from food-producing activities.

The third factor expanding global food production was the exchange of crops set in motion by the linkage of the Old World and the New. Few people would identify Columbus as a major figure in the effort to increase food supplies, yet his contribution in establishing such a linkage was considerable. One of the most interesting results of this exchange of crops was the discovery that some plants could be grown more successfully in their new environment than in their country of origin. For example, several times more potatoes are produced in Europe including the Soviet Union, than in the New World where the potato originated.

The use of agricultural chemicals, both to improve soil fertility and to control pests, has been yet another crucial factor in the effort to meet the global demand for food. The early research on chemical fertilizers was undertaken in Germany by Justus von Liebig, who found that the nutrients removed from the soil by farming could be replaced artificially. Although this discovery was made in the 1840s, it did not become commercially important until well into the twentieth century, largely because the presence of frontiers made it possible to continuously bring new land under the plow. Once the frontiers began to disappear, however, farmers turned to fertilizer as the principal means of expanding production.

Then, as man's ability to alter the genetic composition of domesticated species of plants and animals progressed after the discovery of the principles of genetics, the productivity of these species increased dramatically. Advances in cereal productivity over the past generation have been particularly impressive. Many farmers in the U.S. Midwest now consistently obtain corn yields of 3 tons per acre, making corn the most productive of all the world's grains.

Advances in cereal productivity have at least been matched by those in the livestock and poultry sector. The first domesticated cow probably did not yield more than 600 pounds of milk, barely enough to support a calf until it could forage for itself. In India, milk production remains at about that level today By contrast, the average cow in the United States last year yielded 10,000 pounds of milk. The holder of the world record is a Maryland cow, "Rheinhart's Ballad," which produced 42,000 pounds of milk in a single year. This productive animal could deliver 49 quarts of milk to one's doorstep daily, thus outperforming her early ancestors by a factor of 70 to 1.

In the case of poultry, the first domesticated hens did not lay more than about 15 eggs or one clutch per year. The average American hen produced 227 eggs in 1972. For some time U.S. hens held the world egg-laying title, but a few years ago an industrious Japanese hen set a new record by laying 365 eggs in 365 days. U.S. agricultural analysts project continuing gains in productivity per cow and hen.

And finally, with the development of the internal combustion engine, man has been able to greatly augment the available energy resources for expanding his food supply. Today more than half the world's cropland is tilled with mechanical power; the bulk of the remainder is still tilled by animals. Three distinct forms of agriculture exist today, depending on the form of energy used—human muscle power, draft animals, or internal combustion engines. In some areas of the world all three types can be found within a single country. In Colombia, Andean Indians living in mountainous regions practice hand cultivation, family farmers in the lowlands employ draft animals, and the large commercial farmers use tractors.

Man's achievements in agriculture are impressive. These principal technological advances, coupled with others not discussed here, have increased the earth's food-producing capacity several hundredfold since agriculture began. Despite these advances, hunger remains the daily lot of much of mankind.

Technological advances in agriculture and consequent increases in the food supply have permitted population to increase. Population increases in turn generate pressures for agricultural innovation. Thus trends of expanding food production and growing population have reinforced each other. Population growth continues to absorb all the increases in food production in the great majority of the poor countries, leaving little if any food for upgrading diets.

Expansion of area vs. increased yield

There are essentially two ways of expanding the world food supply from conventional agriculture. One is to expand the area under cultivation. The other, largely made possible by the advancements in the use of agricultural chemicals and in plant genetics, is to raise output on the existing cultivated area. From the beginning of agriculture until about 1950, expanding the cultivated area was the major means of increasing the world's food supply. Since mid-century, however, raising the yield on existing cultivated area has accounted for most of the increase. Intensification of cultivation has increased steadily for an estimated four-fifths of the annual growth in world food output, far overshadowing expansion of the cultivated area.

The timing of the transition from the area-expanding method of increasing food production to the yield-raising method has been very uneven throughout the world. As population pressures built up in Japan in the late nineteenth and early twentieth centuries, the Japanese were forced to intensify cultivation and were very likely the first people to succeed in making the transition. Ironically, some of the technologies used by the Japanese in attaining a yield-per-acre takeoff, notably the use of chemical fertilizer, were introduced from Europe. Several north European countries in which available farmland was limited were close behind and also successfully completed the transition in the early twentieth century.

In the United States the frontier had vanished just before World War I, but a yield-per-acre takeoff was not achieved until World War II when economic conditions made the use of the accumulated technologies profitable. During the intervening period, farm output lagged, but land used to produce feed for horses was released for production when tractors began to displace horses after World War I. A second group of industrial countries, including the United Kingdom, Canada, and Australia, also made the area-to-yield transition during the early 1940s, largely as a result of the strong wartime economic incentives to utilize already available technologies to expand production. Interestingly, U.S. corn yields had remained static for nearly a century from the time of the Civil War until the outbreak of World War II.

Some estimates indicate that the world's cultivated area can be doubled. But much of the potentially cultivable land is in the tropics, and recent experience shows that once the protective forest cover is removed from much of this land, it deteriorates rapidly, losing whatever inherent fertility it has. With a few notable exceptions, such as selected areas in the Amazon Basin in Brazil, the world's most productive farmlands are under cultivation. At the global level, the record of the past two decades suggests it is far cheaper and easier to expand the food supply by intensifying cultivation on the existing cropland area than by bringng new land under the plow.

During the first half of the 1960s, food production in the developing countries as a group began to fall behind population growth, bringing rising food prices, growing food scarcity, and increasing dependence on food aid from the United States. The food crisis in these countries that occurred during the early and mid-1960s was brought into sharp focus by the two consecutive monsoon failures in the Indian subcontinent in 1965 and 1966. It was, however, a direct result of the fact that many of these countries had virtually exhausted the supply of new land that could be readily brought under cultivation but had not yet achieved a takeoff in yield per acre. It was in this context that the Green Revolution—the combination of new cereal technologies and production-oriented economic incentives—came into being.

THE GREEN REVOLUTION

Efforts to modernize agriculture in the poor countries in the 1950s and early 1960s were consistently frustrated. When farmers in these countries attempted to use varieties of corn developed in Iowa, they often failed to produce any corn at all. Japanese rice varieties were not suited either to local cultural practices or to consumer tastes in India. When fertilizer was applied intensively to local cereal varieties, the yield response was limited and occasionally even negative.

It was against this backdrop of frustration that the high-yielding dwarf wheats were developed by the Rockefeller Foundation team in Mexico. Three unique characteristics of these wheats endeared them to farmers in many countries—their fertilizer responsiveness, lack of photoperiod sensitivity (sensitivity to day length), and early maturity.

When farmers applied more than 40 pounds of nitrogen fertilizer per acre to traditional varieties having tall, thin straw, the wheat often lodged or fell over, causing severe crop losses. By contrast, yields of the short, stiff-strawed dwarf varieties of Mexican wheat would continue to rise with nitrogen applications up to 120 pounds per acre. Given the necessary fertilizer and water and the appropriate management, farmers could easily double the yields of indigenous varieties.

Advantages of new cereal varieties

Beyond this, the reduced sensitivity of dwarf varieties to day length permitted them to be moved around the world over a wide range of latitudes, stretching from Mexico, which lies partly in the tropics, to Turkey in the temperate zone. Because the biological clocks of the new wheats were much less sensitive than those of the traditional ones, planting dates were much more flexible.

Another advantageous characteristic of the new wheats was their early maturity. They were ready for harvest within 120 days after planting; the traditional varieties took 150 days or more. This trait, combined with reduced sensitivity to day length, created broad, new opportunities for multiple cropping wherever water supplies were sufficient.

Within a few years after the spectacular break-through with Wheat in Mexico, the Ford Foundation joined the Rockefeller Foundation to establish the International Rice Research Institute (IRRI) in the Philippines. Its purpose was to attempt to breed a fertilizer-responsive, early-maturing rice capable of wide adaptation—in effect, a counterpart of the high-yielding wheats. With the wheat experience to draw upon, agricultural scientists at IRRI struck pay dirt quickly. Within a few years they released the first of the high-yielding dwarf rices, a variety known as IR–8.

The great advantage of the new seeds was that they permitted developing countries to quickly utilize agricultural research that had taken decades to complete in the United States, Japan, and elsewhere. In those areas of the developing countries where there were requisite supplies of water and fertilizer and where price incentives were offered, the spread of the high-yielding varieties of wheat and rice was rapid. Farmers assumed to be bound by tradition were quick to adopt the new seeds when it was obviously profitable for them to do so.

Effects of the revolution

Early in 1968, the term "Green Revolution" was coined by William Gaud, Administrator of the Agency for International Development, to describe the introduction and rapid spread of the high-yielding wheats and rices. In 1965 land planted with these new varieties in Asia totaled about 200 acres, largely trial and demonstration plots. Thereafter the acreage spread swiftly as follows:

Year	*Acres*
1965	200
1966	41, 000
1967	4, 047, 000
1968	16, 660, 000
1969	31, 319, 000
1970	43, 914, 000
1971	50, 549, 000

Acreage figures for Mexico are not included in the series above since the new seeds had largely displaced traditional varieties before the Green Revolution became an international phenomenon in the mid-1960s. Among the principal Asian countries to benefit from using the new seeds are India, Pakistan, Turkey, the Philippines, Indonesia, Malaysia, and Ceylon.

During the late 1960's, the Philippines was able to achieve self-sufficiency in rice, ending a half-century of dependence on imported rice. Unfortunately, this situation was not sustained because of a number of factors, including civil unrest, the susceptibility of the new rices to disease, and the failure of the government to continue the essential support of the rice program.

Pakistan greatly increased its wheat production, emerging as a net exporter of grain in recent years. In India, where advances in the new varieties have been concentrated largely in wheat, progress has been encouraging. During a seven-year span from 1965 to 1972. India expanded its wheat production from 11 million tons to 27 million tons, an increase in a major crop unmatched by any other country in history.

One result of this dramatic advance in wheat production in India was the accumulation of unprecedented cereal reserves and the attainment of cereal self-sufficiency in 1972. This eliminated, at least temporarily, the need for imports into a country that only a few years before had been the principal recipient of U.S. food aid. Economic self-sufficiency in cereals—when farmers produce as much as consumers can afford at prevailing prices—is not to be confused with nutritional self-sufficiency, however, which requires much higher levels of productivity and purchasing power.

During late 1971 and in 1972, India was able to use nearly 2 million tons from its own food reserves, initially to feed nearly 10 million Bengali refugees during the civil war in East Pakistan, and later as food aid for Bangladesh. A poor monsoon in 1972 has temporarily forced India back into the world market as an importer of grain, but on a much smaller scale—4 million tons—than the massive import of nearly 10 million tons that followed the 1965 monsoon failure.

This is not to suggest that the Green Revolution has solved the world's food problems, either on a short- or long-term basis. Last year's drought clearly demonstrated that Indian agriculture is still at the mercy of the vagaries of weather. A second monsoon failure would seriously disrupt the pattern of progress that has characterized Indian agriculture over the past five years. Worldwide, wheat stocks are down below 30 million tons, the lowest level since 1952, according to the Food and Agriculture Organization. In the coming year, a handful of countries—especially the United States—will be called on to make up the shortfalls in world grain production. Yet the United States is already exporting the equivalent of three-fourths of its wheat crop and more than half its soybean production.

Assessing the results

The Green Revolution can be properly assessed only when we ask what things would have been like in its absence. The grim scenario that this question calls forth lends some of the needed perspective. Increases in cereal production made possible by the new needs did arrest the deteriorating trend in per capita food production in the developing countries. But although there have been some spectacular localized successes in rising cereal output, relatively little progress has been made in raising the per capita production of cereals among the poor countries as a whole over the past several years.

Many of those involved working closely with the Green Revolution, including Dr. Norman Borlaug and myself, have stressed from the beginning that the new technologies embodied in the Green Revolution did not represent a solution to the food problem. Rather we noted that it was a means of buying time, perhaps an additional 15 or 20 years during which the brakes could be applied to population growth. Ultimately the only solution to the food problem will be the curbing of world population growth.

Although several years have passed since the Green Revolution began, the success stories in national family planning programs in the poor nations are all too few. Among the population giants of Asia, the People's Republic of China appears to be substantially reducing its birth rates; but reductions in India, Indonesia, Pakistan, and Bangladesh are scarcely perceptible. Without a sharply accelerated effort to curb birth rates, the battle to feed Asia's massive and rapidly growing population may yet be lost.

Another question persistently raised concerning the Green Revolution is: Who benefits from the adoption of these new technologies? The new seeds can be used with equal success by both large- and small-farm owners if the farmers have equal access to the requisite inputs and supporting services. In many countries and locales, however, the owners of large farms have easier access to credit and to technical advisory services than the owners of smaller ones. Where these circumstances prevail, there is a disturbing tendency for the rich farmers to get richer and the poor ones poorer.

But many other factors determine which farmers will benefit from the new seeds. One is the crop they grow. Widely adapted, high-yielding varieties exist only for wheat and rice. Thus, in Mexico, wheat farmers have benefited grandly, but corn farmers, most of them small subsistence farmers, have gained little from technological progress. Likewise, in India the principal beneficiaries of the Green Revolution are the wheat farmers, since successful adoption of the high-yielding rices has been exceedingly modest by comparison.

Perhaps the most important single factor determining whether a given farmer can use the new seeds is whether or not he has an adequate supply of water. Wheat farmers on the high-rainfall coastal plain of Turkey have benefited enormously from the new seeds, while those on the arid Anatolian Plateau have scarcely been touched.

The impact of Green Revolution technology on unemployment also is often questioned. If properly managed, this technology can be highly beneficial. The new high-yielding varieties of wheat and rice require much more labor than the traditional varieties they replace. Realizing the full yield potential of the new seeds requires frequent fertilization and irrigation. This in turn requires careful and frequent weeding lest the fertilizer and water be converted into weeds rather than food. Higher yields require more labor at harvest time.

The risk is that farmers profiting from the use of the new seeds will want to invest their profits in Western-style mechanization. This tendency may be aggravated by low, subsidized interest rates on agricultural loans for farm mechanization. Rates that are too low, which is often the case, encourage farmers to substitute machinery for labor rather than to use the maximum amount of labor.

AGRICULTURAL STRESSES ON THE ECOSYSTEM

New signs of agricultural stress on the earth's ecosystem appear almost daily as the growing demand for food presses against our ecosystem's finite capacities. Interventions by early agricultural man were local in effect, but the technological intrusions of modern agriculture often have global consequences. Efforts to expand the food supply, either by expanding the area under cultivation or by intensifying cultivation through the use of agricultural chemicals and irrigation, bring with them troublesome and disturbing ecological consequences.

Accelerating soil loss

As livestock herds are increased to meet the growing demands for food and draft power, they graze over ever-larger areas, stripping the land of its natural cover in many parts of the world. This problem is most serious in North Africa, the Middle East, and the Indian subcontinent. And as expanding population increases the need for new agricultural land and for forest products for fuel—particularly in the poor nations—the countryside is being steadily denuded of trees.

Nature requires centuries to create the earth's thin mantle of life-sustaining topsoil; man can destroy it in a few years. Stripped of its original cover of grass and trees, much of the earth's land surface is vulnerable to erosion by wind and rain. In poor countries, millions of acres of these unproductive lands are abandoned each year by rural people who are forced to go to the already overcrowded cities. Furthermore, deforestation in such countries as India and Pakistan is forcing people to use cow dung as fuel, depriving the land of a natural source of fertility.

As the demand for food expands, more and more land that is too steep or too dry to sus- the level land is already cultivated, farmers tain cultivation is being brought under the plow. In the poor countries, where most of are moving up the hillsides. Accelerated erosion is the result.

Irrigation problems

In West Pakistan the recently completed $600 million Mangla irrigation reservoir, which originally had a life expectancy of 100 years, is now expected to be nearly filled with silt in half that time. The clearing of steep slopes for farming, progressive deforestation, and overgrazing in the reservoir's watershed are responsible for its declining life expectancy.

Efforts to expand the area of farmland in one locale is reducing the water for irrigation in another. Farmers moving up the hillsides in Java are causing irrigation canals to silt at an alarming rate.

Damming the Nile at Aswan expanded the irrigated area for producing cereals but largely eliminated the annual deposits of rich alluvial silt on fields in the Nile Valley, forcing farmers to rely more on chemical fertilizers. In addition, interrupting the flow of nutrients into the Nile estuary caused a precipitous decline in the fish catch there. Intensive farming in the Philippines with chemical fertilizers is expanding the rice supply but causing freshwater lakes and streams to eutrophy, destroying fish and depriving local villagers of their principal source of animal protein.

One of the most costly and tragic side effects of the spread of modern irrigation in Egypt and other river valleys in Africa, Asia, and northeastern South America is the great increase in the incidence of schistosomiasis. This debilitating intestinal and urinary disease, produced by the parasitic larvae of a blood fluke that burrows into the flesh of those working in water-covered fields, affects a sizable number of the Egyptian people.

The Chinese call this disease "snail fever" and are waging an all-out campaign against it. Unfortunately, schistosomiasis is environmentally induced by conditions created by man. The incidence of the disease is rising rapidly as the world's large rivers are harnessed for irrigation. Schistosomiasis is estimated to afflict 250 million people, or 1 out of 14 people living today. It surpasses malaria which is declining, as the world's most prevalent infectious disease.

The virgin-lands project in the Soviet Union, which was launched in the late 1950s, involved plowing up an estimated 100 million acres of drylands. Only after the land was plowed was it realized that much of it lacked sufficient precipitation to sustain continuous cultivation. Eventually some of the land was returned to grass but not before it became known as the drylands fiasco.

An historic example of the effect's of man's abuse of the soil is all too visible in North Africa, once the fertile granary of the Roman Empire and now largely a desert or near-desert whose people are fed with the aid of food imports from the United States. Once-productive land was eroded by continuous cropping and overgrazing until much of it would no longer sustain agriculture. Irrigation systems silted, depriving land of the water needed for cultivation. Similar situations are being created in semiarid parts of Asia, such as western India, that are experiencing a rapid buildup of population during this century.

EUTROPHICATION

Efforts to intensify agricultural yields also have adverse environmental consequences. If the effect of chemical fertilizer could be confined to agriculture, it would be fine; but unfortunately it cannot. The water runoff from agricultural land carries chemical fertilizer with it, raising the nutrient content of streams and lakes throughout the world, causing them to eutrophy.

Thousands of fresh-water lakes are threatened throughout North America and Europe and increasingly in many poor countries where fertilizer use is beginning to climb. Filipino villagers are finding that rising fertilizer use in rice paddies is resulting in the eutrophication of local lakes and ponds, depriving them of fish, a traditional source of animal protein. No one has calculated the cost to mankind of losing these freshwater lakes, but it is staggering.

COUNTING THE COSTS

The preceding analysis shows that the market price of food represents only one of the costs associated with its production. Unfortunately, there is no complete inventory of what it would cost to expand the world food supply continuously to meet the ever-increasing needs. There is no calculation of the tradeoff between increases in population and improvements in diet, a choice that is being forced on man as he presses against the finite limits of the ecosystem.

An unwillingness to tolerate some of the environmental costs of indefinitely expanding the food supply is beginning to translate into constraints on food production. Many countries have banned or seriously limited the use of DDT, dieldrin, and other chlorinated hydrocarbons, a group of cheap, highly effective pesticides. In some parts of the world, conservationists are objecting to the construction of new irrigation reservoirs.

In the United States, a growing number of local and state governments are banning the use of phosphates in detergents because of eutrophication. It may be only a matter of time until the use of phosphate fertilizer is regulated in some communities. The conflicts between economic efficiency and ecological soundness are myriad. DDT is a potent, low-cost pesticide, but it threatens some species of wildlife with extinction. Chemical fertilizer is far cheaper than organic fertilizer, but runoff is a more serious problem; and beef finished in large commercial feedlots is cheaper than that finished in family-farm feedlots, but waste disposal is much more difficult.

We do not know how many species of birds, fish, and mammals must be sacrified in order to achieve a 5 percent increase in the world's food supply. We do know that as the number of people in the world goes up, the number of extant species goes down. Over time, willingness to pay all the costs for expanding the world food supply surely will diminish.

WORLD FISHERY PROSPECTS

Until recently, the oceans were viewed as an almost limitless source of protein, either in the form of fish or algae. The outlook today, however, contrasts sharply with that of five years ago because world fisheries are in serious trouble, largely because of overfishing.

From 1950 to 1968, the world fish catch reached a new record each year, tripling from 21 million to 63 million tons. The average annual increase in the catch of nearly 5 percent (far exceeding the annual rate of world population growth) greatly increased the average supply of marine protein per person. Then suddenly, in 1969, the long period of sustained growth was interrupted by a decline in the catch, which has been fluctuating rather unpredictably, while the amount of time and money expended to bring in the catch continue to rise every year. Many marine biologists now feel that the global catch of table-grade fish is at or near the maximum sustainable level. A large number of the 30 or so leading species of commercial-grade fish may currently be overfished; that is, stocks will not sustain even the current level of catch.

International conflicts

These new and disturbing trends, at a time when the world demand for protein is soaring, have intensified competition in world fisheries. In the North Atlantic, Great Britain and Iceland are in continuous conflict over the fishery resources off the coast of Iceland. The Icelandic economy is closely tied to its fisheries, as evidenced by two devaluations of the krona following two poor fishing years in 1967 and 1968. Aware of this dependence on fishing, Iceland has extended its offshore limits to 50 miles in order to prevent British ships from depleting its offshore fishery resources.

Soviet fishing trawlers operating just beyond the 12-mile offshore limits along the East Coast of the United States are exploiting fisheries that American fishermen formerly considered their exclusive domain. The state of Massachusetts is threatening to extend its offshore limits to 200 miles in order to prevent the demise of its once vigorous fishing industry. In the North Pacific, the Soviet and Japanese fishing fleets find themselves in direct competition with each other. U.S. fishermen off the west coast face stiff competition from Soviet, Japanese, and Korean trawlers. Off the west coast of Latin America, the United States is in continual conflict with Peru and Ecuador. During a recent 12-month period Ecuador seized 56 U.S. fishing trawlers found within its unilaterally imposed 200-mile offshore limit, fining them a total of $2.3 million dollars.

Importance of fish as protein

World fishery resources represent an important source of protein. The 1971 catch of 69 million tons amounted to nearly 40 pounds (live weight) per person throughout the world. Of this catch roughly 60 percent was table-grade fish, the remainder consisting of inferior species used for manufacturing fish meal, which in turn is used in poultry and hog feed in the industrial countries. For Americans, fish are important in the diet, but direct consumption averages only about 14 pounds per year, compared with 50 pounds of poultry, 73 pounds of pork, and 117 pounds of beef. These data on direct consumption understate the importance of fish in the diet since a significant share of the poultry and pork consumed are produced with fish meal.

In two of the world's more populous countries, Japan and the Soviet Union, fish are significant as a direct source of protein in the national diet. As population pressure built up in Japan during the late nineteenth and early twentieth centuries, the Japanese were forced to turn to the oceans for their animal protein, using their very limited land resources to produce rice to meet minimal food energy needs. As a result, the Japanese evolved a "fish and rice" diet. Fish consumption per person in Japan totals 70 pounds per year, the highest of any major country.

The Soviet Union, experiencing difficulties in expanding its livestock industry at a satisfactory rate, has also turned to the oceans during the past 15 years for much of its animal protein. It has invested heavily not only in fishing fleets, but also in floating fish-processing factories and sophisticated fishing technologies that enable those fleets to fish extensively throughout the world. The direct consumption of fish by the average Soviet consumer is probably at least double that of his American counterpart. Accordingly, as growth in the world catch of table-grade fish slows, and as some important species begin to decline from overfishing, the Soviet and Japanese populations are particularly vulnerable. If they find themselves increasingly unable to meet protein needs from oceanic resources, they may be forced to offset this decline by substantially stepping up imports of feed-grains and soybeans to expand their indigenous livestock production.

Aquaculture

In examining world fishery prospects, the possibility of aquaculture, or fish farming, must always be considered. There have been local successes in various forms of aquaculture in both fresh water and salt water in a number of countries throughout the world, including Norway, Germany, Israel, the Soviet Union, China, Japan, Australia, and the United States. U.S. aquaculture has become important for two species of fish, catfish and trout. The combined production of these two, which is expanding steadily, now amounts to several ounces per person per year in the United States. But because of many unresolved technical problems there is no immediate prospect that fish farming will be able to provide more than a small percentage of the world's fish supplies, at most. This is not to rule out the possibility a decade or so hence of sufficient expansion in this activity to enable it to became an important global source of protein. Active research programs continue in a large number of countries.

U.S. AGRICULTURE AND WORLD FOOD NEEDS

Over the past generation the United States has achieved a unique position as a supplier of food to the rest of the world. Before World War II, both Latin America, particularly Argentina, and North America (including Canada) were major exporters of grain. During the late 1930s, net grain exports from each of these continents averaged about 5 million tons per year. Since then, however, the failure of most Latin American countries to reform and modernize agriculture and the unprecedented population growth in the region have largely eliminated the net export surplus. With a few exceptions Latin American countries are now food importers. Over the past three decades, North America has emerged as the world's bread-basket. Australia, the only other net exporter of importance, exports about one-sixth as much grain as North America.

The period since World War II has been characterized by excess capacity in world agriculture, much of it concentrated in the United States. Immediately following the war the United States made a unilateral decision to use its impressive food-producing capcity, which was expanded vastly in response to war-time demands, to intervene anywhere in the world whenever famine threatened. During the quarter century since then, the United States has been remarkably successful in staving off famine, even when one-fifth of the exportable U.S. wheat crop was required during 1966 and 1967 to feed some 60 million Indians over a two-year period.

Downward trend for grain reserves

In many ways the world was fortunate to have, in effect, two major food reserves during this period. One was in the form of grain reserves in the principal exporting countries and the other in the form of cropland idled under farm programs, virtually all of it in the United States.

Grain reserves, including substantial quantities of both foodgrains and feedgrains, are most commonly measured in terms of carryover stocks—the amount in storage at the time the new crop begins to come in. World carryover stocks are concentrated in a few of the principal exporting countries—namely the United States, Canada, Australia, and Argentina.

Since 1960, world grain reserves have fluctuated from a high of 155 million metric tons to a low of about 100 million metric tons. When reserves drop to 100 million tons, severe shortages and strong upward price pressures develop. Although 100 million tons appears to be an enormous quantity of grain, it represents a mere 8 percent of annual world grain consumption, an uncomfortably small working reserve and a perilously thin buffer against the vagaries of weather or plant diseases. As world consumption expands so should the size of working reserves; but the trend over the past decade has been for reserves to dwindle while consumption has climbed.

In addition, one-seventh of U.S. cropland, or roughly 50 million acres out of 350 million acres, has been idled for the past dozen years or so. Though not as quickly available as the grain reserves, most of this acreage can be brought back into production within 12 to 18 months once the decision is made to do so.

In recent years the need to draw down grain reserves and to dip into the reserve of idled cropland has occurred with increasing frequency. This first happened during the food crisis years of 1966 and 1967 when world grain reserves were reduced to a dangerously low level and the United States brought back into production a small portion of the 50 million idle acres. Again, in 1971, as a result of the corn blight, the United States both drew down its grain reserves and brought another portion of the idled acreage back into production. In 1973, in response to growing food scarcities, world grain reserves once more declined, and the United States dipped into its idled cropland, but to a much greater degree than on either of the two previous occasions. Government decisions in early 1973 permitted all but a small fraction of the idled cropland to come back into production.

Since the end of World War II until recently world prices for the principal temperate zone farm commodities such as wheat, feedgrains, and soybeans, have been remarkably stable. In part, this is because throughout much of this period world prices have rested on the commodity support level in the United States. Since world food reserves may become chronically low and the idled crop acreage in the United States may decline sharply or even disappear entirely in the years ahead, there is the prospect of very volatile world prices for the important food commodities. Indeed, in recent months prices of most principal food stuffs have soared to historic highs. This situation could be made far more serious by a prolonged drought of several years like those that have occurred roughly every 20 years in the United States, most recently during the 1950s.

CONSTRAINTS ON EXPANDING THE WORLD FOOD SUPPLY

The prospects for expanding the food supply depend on a wide range of economic, ecological, and technological factors. The traditional approach to increasing production—expanding the area under cultivation—has only limited scope for the future. Indeed some ports of the world face a net reduction in agricultural land because of the growth in competing uses, such as industrial development, recreation, transportation, and residential development. Few countries have well-defined land use policies that protect agricultural land from other uses. In the United States, farmland has been used indiscriminately for other purposes with little thought to the possible long-term consequences.

Some more densely populated countries, such as Japan and several in Western Europe, have been experiencing a reduction in the land used for crop production for the past few decades. This trend is continuing and may well accelerate. Other parts of the world, including particularly the Indian subcontinent, the Middle East, North Africa, the Caribbean, Central America, and the Andean countries, are losing disturbingly large acreages of cropland each year because of severe erosion.

The area of land available for food production is important, but perhaps even more important in the future will be the availability of water for agricultural purposes. In many regions of the world, fertile agricultural land is available if water can be found to make it produce. Yet most of the rivers that lend themselves to damming and to irrigation have already been developed. Future efforts to expand freshwater supplies for agricultural purposes will increasingly focus on such techniques as the diversion of rivers (as in the Soviet Union), desalting sea water, and the manipulation of rainfall patterns to increase the share of rain falling over moisture-deficient agricultural areas.

The need for capital inputs, particularly in the form of chemical fertilizer and pesticides, is projected to grow at an unprecedented rate over the remainder of this century. If the U.N. medium population projection materializes by the end of the century (giving the world a population of 6.5 billion), far more than a doubling in the use of chemical fertilizer would be required, and the eutrophication of freshwater lakes and streams would become a far more serious problem than it is today.

One of the disturbing questions associated with future gains in agricultural production is the extent to which the trend of rising per acre yields of cereals in the more advanced countries can be sustained. In some countries increases in per acre yields are beginning to slow down, and the capital investments required for each additional increase may now start to climb sharply. In agriculturally advanced countries, such as Japan, the Netherlands, and the United States, the cost per increment of yield per acre for some crops is rising. For example, raising rice yields in Japan from the current 5,000 pounds per acre to 6,000 pounds could be very costly. Raising yields of corn in the United States from 90 to 100 bushels per acre requires a much larger quantity of nitrogen than was needed to raise yields from 50 to 60 bushels.

What impact the energy crisis will have on food production costs and trends remains to be seen. With a substantial rise in the cost of energy, farmers engaged in high-energy agriculture, as in the United States, will tend to use less, thus perhaps reducing future production increases below current expectations. For other inputs used in modern agriculture—nitrogen fertilizer, for example—the rising cost of energy can be important. In part, this is because one of the principal raw materials for the synthesis of nitrogen fertilizer is natural gas, and in part, because one of the dominant costs in manufacturing nitrogen fertilizer is energy.

Constraints on protein production

In looking ahead one must be particularly concerned about the difficulties in expanding the supply of world protein to meet the projected rapid growth in demand, which is now being fueled both by population growth and rising affluence. At present mankind is faced with technological and other constraints in increasing the supply of three principal sources of protein.

The first—fish—is constrained, in the short run at least, by natural or ecological limitations. In an unmanaged state, the world's oceans produce only a certain amount of fish each year. The recent fall-off in the growth in the world fish catch indicates the existing catch is pressing against the limits for some species. It does not augur well for the future.

A second important source of protein is beef. Here two constraints are operative. Agricultural scientists have not been able to devise any commercially viable means of getting more than one calf per cow per year. For every animal that goes into the beef production process, one adult must be fed and otherwise maintained for a full year. There does not appear to be any prospect of an imminent breakthrough on this front.

The other constraint on beef production is that the grazing capacity of much of the world's pastureland is now almost fully utilized. This is true, for example, in most of the U.S. Great Plains area, in East Africa, and in parts of Australia. Most of the industrial countries in which beef consumption is expanding rapidly, from Ireland through the Soviet Union and Japan, are unable to meet all the growth in demand from indigenous resources. Either some of the beef, or the feedgrains and soybeans to produce it, must be imported.

A third, potentially serious constraint on efforts to expand supplies of high-quality protein is the inability of scientists to achieve a breakthrough in per acre yields of soybeans. Soybeans are a major source of high-quality protein for livestock and poultry throughout much of the world and are consumed directly as food by perhaps a billion people throughout densely populated East Asia. The economic importance of soybeans is indicated by the fact that they have become the leading export product of the United States, surpassing export sales of wheat, corn, and high-technology items such as electronic computers and jet aircraft.

In the United States, which now produces three-fourths of the world's soybean crop and supplies more than 90 percent of all soybeans entering the world market, soybean yields per acre have increased by about 1 percent per year since 1950; corn yields, on the other hand, have increased by nearly 4 percent per year. One reason why soybean yields have not climbed very rapidly is that the soybean, being a legume with a built-in nitrogen supply, is not very responsive to nitrogen fertilizer. The way the United States produces more soybeans is by planting more soybean acreage. Close to 85 percent of the dramatic fourfold increase in the U.S. soybean crop since 1950 has come from expanding the area devoted to it. As long as there was ample idled cropland available, this did not pose a problem, but, if this cropland reserve continues to diminish or disappears entirely it could create serious global supply problems.

Although there are substantial opportunities for expanding the world's protein supply, it now seems likely that the supply of animal protein will lag behind growth in demand for some time to come, resulting in significantly higher prices for livestock products during the remainder of the 1970s than prevailed during the 1960s. The world protein market may be transformed from a buyer's market to a seller's market, much as the world energy market has been transformed over the past few years.

ALLEVIATING PRESSURES OF POPULATION GROWTH AND RISING AFFLUENCE

In this decade the overriding objectives of a global food strategy in an increasingly interdependent world should be the elimination of hunger and malnutrition among that large segment of humanity whose food supply simply is inadequate. To be successful, such a strategy must be designed to alter existing trends in food production and population growth while seeking a more equitable distribution of food supplies both among and within societies.

REDUCING POPULATION GROWTH

The prospect of an emerging chronic global scarcity of food as a result of growing pressures on available food resources underlines the need to reduce and eventually halt population growth in as short a period of time as possible. One can conceive of this occurring in the industrial countries as a result of current demographic trends. In the United States, attitudes toward childbearing have changed dramatically in recent years, and U.S. fertility has fallen below the replacement level of 2.1 children. If the recent precipitous decline in the U.S. birth rate continues, and this is a big if, it will bring U.S. population growth to a halt by 1980.

Despite this voluntary movement toward zero population growth, however, there has been no official U.S. statement of population policy—even while the United States is urging other nations to drastically reduce their birth rates. An official policy statement at this time would strengthen the U.S. position at the World Population Conference in 1974, greatly improving U.S. credibility and the climate and prospects for a successful conference.

Three European countries—East Germany, Luxembourg, and West Germany—have stabilized their population within the past few years. Indeed the growth of the German-speaking population of Europe—90 million people who live in East Germany, Berlin, West Germany, Austria, and part of Switzerland—has very nearly ceased. Although this is a beginning toward reaching the goal of reducing or halting world population growth, it unfortunately is only a beginning in a world containing 3.8 billion people.

Many other European countries have relatively low birth rates and appear to be moving toward zero population growth. These countries—including Hungary, Scandinavia, and the United Kingdom—plus the Soviet Union and Japan, could easily achieve a zero rate of population growth within the next decade or so, particularly if both policy makers and the people put their minds to it.

In the poor countries, however, it is much more difficult to reduce growth rates within an acceptable time frame, at least as things are going now. For one thing, the historical record indicates that birth rates do not usually decline in the absence of a certain improvement in well-being—an assured food supply, a reduced infant mortality rate, literacy, and at least rudimentary health services—which provides the basic motivation for smaller families.[1]

Attacking global poverty

In short, it may well be in the self-interest of affluent societies, such as the United States, to launch an attack on global poverty, not only to narrow the economic gap between rich and poor nations, but also to meet the basic social needs of people throughout the world in an effort to provide incentives for lowering birth rates. Population-induced pressures on the global food supply will continue to increase if substantial economic and social progress is not made. Populations that double every 24 years—as many are doing in poor nations—multiply 16-fold in scarcely three generations!

Athough the costs of promoting economic and social progress cannot be accurately predicted, there is reason to believe they might be less than imagined. UNESCO estimates show, for example, that in a developing country the cost of making a person literate is about $8—slightly less for an adult, slightly more for a school-age youngster. Given a billion illiterates in the world, universal literacy would require an outlay of $8 billion. If the funds could be mobilized and were spread over five years, the cost would come to $1.6 billion a year. If the costs were allocated among the principal industrial countries, each would have to put out only a few hundred million dollars a year.

Similarly, the cost of providing a minimum nutritional diet for most of mankind may be less than commonly thought. In some ways the Chinese experience is instructive. Development efforts in that country have had a strong social focus, with overall economic growth rates being secondary in importance. Despite an unimpressive economic growth rate averaging below 4 percent yearly, the Chinese approach has apparently been successful in providing adequate nutrition and near-universal literacy, even though incomes per person average only about $140 a year. And birth rates are declining steadily.

Following World War II, the U.S. government decided it would share its food resources whenever famine threatened anywhere in the world. As a result the world has been spared famine caused by natural disasters. Given the level of affluence that exists in many nations today, the time is ripe to take another positive step forward, recognizing that it is both necessary and humane to provide people with a diet that at least meets minimum nutritional needs. In effect, better nutrition could mean lower birth rates by decreasing infant and child mortality and thus reducing the number of pregnancies required to assure the desired number of surviving children in families in poor nations. (In *Population Bulletin* No. 1, 1973, Alan Berg has discussed in detail the relationship between poor nutrition and high fertility.)

Altering consumption patterns

As the world shrinks under the impact of advancing communications and transportation technologies and the continuing integration of national economies into a single global economy, the contrast in food consumption levels between rich and poor countries sharpens. As indicated earlier, those living in the poor countries are sustained on 400 pounds or less of grain a year, while those in the wealthier ones require nearly a ton of grain. It is difficult to envisage a situation in which all of mankind could progressively increase per capita claims on the earth's food-producing resources until everyone reached the level now enjoyed by the average North American. Thus thought should be given to how diets could be simplified in the wealthy nations in order to reduce per capita claims on the earth's scarce resources of land and water. What are the possibilities of substituting less costly, more efficient forms of protein for, say, beef?

Consumption patterns in the United States suggest that there are two broad approaches to reducing per capita resource requirements for food. One is to substitute vegetable oils for animal fat; the other is to substitute vegetable protein for animal protein.

Over the past three decades, vegetable oils have been extensively replacing animal fats in the American diet. In 1940, for example, the average American consumed 17 pounds of butter and 2 pounds of margarine. By 1971 the average American was consuming 11 pounds of margarine and 5 pounds of butter. Lard has been almost pushed off supermarket shelves by the hydrogenated vegetable shortenings. At least 65 percent of the whipped toppings and more than 35 percent of the coffee whiteners in the United States today are of nondairy origin. This pervasive trend has economic, ecological, and nutritional advantages. It reduces both per capita food costs and per capita claims on agricultural resources, and it reduces the intake of saturated animal fats now widely believed to be a factor contributing to heart disease.

The widespread substitution of vegetable oils for animal fats in the U.S. diet over the past generation has reduced per capita claims on agricultural resources, but this has been more than offset by the simultaneous increase in beef consumption from 55 to 117 pounds. Stimulated by sharp rises in meat prices in late 1972 and early 1973, attention is now focusing on the substitution of high-quality vegetable protein for animal protein. Technology for the substitution of vegetable for animal proteins has made considerable progress, mainly in the area of a soya-based meat substitutes. The development of a technique for spinning soya protein into fibers, duplicating the spinning of synthetic textile fibers, permits the close emulation of the fibrous qualities of meat. Food technologists can now compress soya fibers into meat form and, with the appropriate flavoring and coloring come up with reasonable substitutes for beef, pork, and poultry. With livestock protein, particularly beef, becoming more costly, this technique is likely to gain a string commercial foothold in the near future.

The first major meat product for which substitution is succeeding commercially is bacon. The soya-based substitute looks and tastes like bacon, and, while the extent of substitution for bacon is still small, it is growing. The substitute product has the advantage of being high in protein, low in fat, and storable without refrigeration.

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[1] See William Rich, *Smaller Families through Social and Economic Progress*, Overseas Development Council, Monograph No. 7 (Washington, D.C.: January 1973).

The greatest single area of protein substitution promises to be the use of vegetable protein to augment meat proteins in ground meats. Soya protein "extenders," as they are known, are being added to a variety of processed and ground meat products, frequently improving flavor, cooking qualities, and nu*trition as well as reducing prices. Soya pro*tein extenders are already widely used in institutions throughout the United States, and limited supermarket sales to the public have also begun.

Although the average American already consumes nearly 1 ton of grain per year, either directly or indirectly, indications are that this could climb even higher in the years ahead. Projections of the U.S. Department of Agriculture show per capita beef consumption reaching 140 pounds by 1985, but a continuing rise in the cost of beef could alter this trend downward as consumers seek more economic substitutes. If the substitution of high-quality vegetable protein becomes as widespread as that of vegetable oils for animal fats, it is not inconceivable that, in the United States, per capita claims on agricultural resources could eventually begin to decline. A combination of convergent economic and ecological forces and health considerations could lead in this direction.

SOME IMMEDIATE STEPS

In addition to the actions designed to ameliorate long-term pressures on food resources caused by population growth and rising affluence, the circumstances of the mid-1970s also argue for some specific actions to offset immediate pressures. If, as this analysis suggests, the world is moving from a situation of chronic excess agricultural production capacity to one of chronic scarcity, particularly of protein, a reassessment of the world food production potential may be in order. International competition for available food supplies could become much more intense than any previously experienced.

World food reserve system

These new circumstances call for serious consideration of the creation of an internationally agreed system of food reserves as a means of maintaining some order and stability in the world food economy. Just as the U.S. dollar can no longer serve as the foundation of the international monetary system, U.S. agriculture may no longer have sufficient excess capacity to ensure reasonable stability in the world market for food. A world reserve could be built up in times of relative abundance and drawn down in times of acute scarcity. In effect, the cushion that surplus American agricultral capacity has provided for a generation would be provided at least partially by a world food bank.

An important first step would be international adoption of the concept of "minimum world food security" proposed in early 1973 by A. H. Boerma, Director General of the U.N. Food and Agriculture Organization (FAO). Under the FAO plan all governments—exporters and importers—would be asked to hold certain minimum levels of food stocks to meet international emergencies. The governments of participating countries would consult regularly to review the food situation, judge the adequacy of existing stocks, and recommend necessary actions. International agencies such as the World Bank, the International Monetary Fund, and the FAO would help poor countries to establish and maintain the reserve stocks necessary for self-protection against crop failures.

Any system of global food reserves, whether a single, centrally managed food bank or the proposed FAO plan of coordinated national reserve policies, would provide a measure of stability in the world food economy that would be in the self-interest of all nations. The world community also, of course, has a basic humanitarian interest in ensuring that famine does not occur in the densely populated low-income countries following a poor crop year—an assurance the affluent nations may be less able to provide in the future if the current system of autonomous nationally oriented planning is allowed to continue without modification.

Cooperative approach to fisheries

A close examination of the extent of overfishing and stock depletion in many of the world's fisheries underlines the urgency of evolving a cooperative global approach to the management of oceanic fisheries. Failure to do this will result in a continuing depletion of stocks, a reduction in catch, and soaring seafood prices that will make those of the early 1970s seem modest by comparison. Prices of some table fish could double within the next few years. In the absence of cooperation, world fishery resources could dwindle in the same way the world catch of whales has over the past two decades. It is in this context that all nations have a direct interest in the success of the Law of the Sea Conference, which is being organized by the United Nations for late 1973 and early 1974. Among other things, delegates to the conference will deal with the need to devise an institutional mechanism for cooperatively managing global fishery resources.

The potential of the poor countries

One of the most immediate means of expanding the food supply is to return all of the idled U.S. cropland to production. Over the longer run, however, the greatest opportunities lie in the developing countries, where the world's greatest reservoir of unexploited food potential is located.

In those countries having the appropriate economic incentives, fertilizer, water, and other required agricultural inputs, the introduction of new wheat and rice varieties has increased production. The jump in per acre yields in developing countries appears dramatic largely because their yields traditionally have been so low relative to the potential. But today rice yields per acre in India and Nigeria still are only one-third those of Japan; corn yields in Thailand and Brazil are less than one-third those of the United States. Large increases in food supply are possible in these countries at far less cost than in agriculturally advanced nations if farmers are given the necessary economic incentives and the requisite inputs.

When global food scarcity exists and the capacity of the international community to respond to food emergencies has deminished, a convincing case can be made for strengthened support of agricultural development in such populous food-short countries as Bangladesh, India, Indonesia, and Nigeria, India and the United States, for example, have about the same crop area with many similar characteristics. If India's yield levels equalled those of the United States, its current annual cereal production would be 230 million metric tons rather than the present total of aproximately 100 million tons. If rice farmers in Bangladesh attained Japanese yield levels, rice production would jump fourfold from 10 million to 40 million tons. Brazil, by doubling its present cultivated area, could produce an additional 22 million tons of grain even if its currently low yield levels were not improved.

A bipartisan legislative proposal has been introduced in the U.S. Congress in 1973 that would restructure the U.S. Agency for International Development to focus more sharply on solving the problems of the poor majority, and increase by 50 percent the Agency's support for agricultural and rural development in the years immediately ahead. This proposal seeks to capitalize on the unique capacity of the United States to lead an enlarged effort to expand the world's food supply and to spur rural development. If implemented, this strategem would enable the United States to respond to the most devastating consequences of population growth—widespread malnutrition and the threat of famine—by strengthening support for modernizing the processes and structure of agriculture in the developing world, and to provide more effective support for health and education services that reach the poorest majority and thereby increase the motivation for limiting family size.

Concentrating efforts on expanding food production in the poor countries could reduce upward pressure on world food prices, create additional employment in countries where continuously rising unemployment poses a serious threat to political stability, raise income and improve nutrition for the poorest portion of humanity (the people living in rural areas of the developing countries), and increase motivation for smaller families. If these efforts were to succeed, the countries most affected by population growth would simultaneously gain both additional time in which to cope more effectively with the demographic components of hunger, and additional help with their efforts to stabilize population growth.

The urgency of the food problem is underscored by increasingly frequent reports of starvation in sub-Sahara Africa and of food riots in Asia. Solving the problem is a complex task—one that requires thoughtful analysis and determined action by both rich and poor nations. Assuring adequate food supplies at reasonable prices within individual countries may now be possible only through international cooperation. The disappearance of surplus food stocks and the return of idled cropland to production has removed the cushions that once existed as partial insurance against catastrophe.

IS BUSING THE ANSWER?

Mr. GRIFFIN. Mr. President, an article in the May 1973 issue of the Indiana Law Journal, by Jeffrey J. Leech, deserves the attention of all who wonder whether court-ordered busing actually works. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSING AS A JUDICIAL REMEDY: A SOCIO-LEGAL REAPPRAISAL

I. INTRODUCTION

The origins of the current national controversy over desegregation of the public schools through court-ordered busing of school children are rooted in the landmark case of *Brown v. Board of Education.*[1] In *Brown I* a unanimous Supreme Court relied primarily on the "scientific" findings of sociologists and psychologists in concluding that racial segregation in the public schools deprived black children of equal educational opportunities.[2] The key socialogical underpinnings of that decision emphasized that segregation solely because of race generated among black students a "feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone."[3] The Court concluded that this sense of inferiority seriously impaired the educational and mental development of black children.[4] The Court's heavy reliance on sociological and psychological evidence not only supplanted the "separate-but-equal" doctrine of *Plessy v. Ferguson,*[5] but also imparted added prestige to social science research.[6]

In spite of the fact that the sociological evidence cited in *Brown I* is vulnerable to academic criticism,[7] the vast majority of both

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plaintiffs and defendants in the hundreds of desegregation cases litigated since *Brown I* have failed to question the fundamental "evidence" underlying that decision. Later sociological studies have further buttressed *Brown I's* findings by hypothesizing that school integration would raise black achievement levels, would have positive psychological effects on black children, and would generally improve relations between the races.[8]

Federal judges also have widely accepted the assumption that integration would educationally and socially benefit black children and have increasingly ordered massive busing of school children to achieve racial balance even in the face of significant social, political, and financial costs. This Note submits that the federal judiciary should reexamine its recent push toward massive busing in light of more current sociological evidence which indicates that busing to achieve integration may in fact produce no educational gains, may hinder the psychological development of black children, and may intensify racial misunderstanding.

II. DEVELOPMENTS SINCE BROWN I

A brief examination of judicial and sociological developments since Brown I is necessary to place the current controversy over school busing into proper perspective. In Brown II the Supreme Court mandated that desegregation proceed with "all deliberate speed."[9] However, through prolonged court battles, various evasion schemes, and other forms of resistance, the pace of desegregation moved slowly.[10] Finally, the passage of the Civil Rights Act of 1964,[11] along with the distribution of large-scale federal aid to education, enabled the Departments of Justice and Health, Education, and Welfare to effectively force compliance with desegregation requirements by using the club of withdrawal of federal funds.[12]

In 1965 through 1966, the United States Office of Education commissioned a massive investigation to survey educational opportunity in the United States. The resulting "Coleman Report," named after its chief sociologist, James Coleman, found that extensive racial segregation existed in all parts of the nation, that black students were performing from two to six years behind white students in reading and mathematics, and that black students had lower educational aspirations and a lower sense of control over their own destinies.[13] Its most controversial finding was that while school facilities had little impact on educational achievement, the predominant social class of the child's school had a significant impact on achievement.[14] This finding suggested the conclusion that a lower-class black child's education could best be improved by attendance at a predominantly white middle-class school.[15]

In 1967, the United States Commission on Civil Rights reevaluated the Coleman data and concluded that black children suffered serious harm when they were educated in whether or not they were compelled to do so by law.[16] The Commission argued that all-black schools lowered academic achievement and reinforced negative self-concepts. Conversely, integrated education raised black achievement levels, reduced racial prejudice, and produced lasting improvements in interacial attitudes. To remedy the problem, the Commission recommended that the federal government establish a uniform standard for racial balance, with no more than fifty percent black in any single school.[17]

These studies bolstered the educational premises of Brown I and led to the general acceptance by federal courts that justice required that black children attend integrated schools.[18] In Green v. County School Board[19] the Supreme Court struck down ineffective "freedom-of-choice" plans and imposed upon school officials an affirmative duty to take all necessary steps to eliminate state-imposed segregation "root and branch." In Alexander v. Holmes County Board of Education[20] the Court ruled that the "al deliberated speed" standard of Brown II was outdated and that positive and immediate desegregation was required to convert all remaining dual school systems into unitary systems.

The combined efforts of the federal courts and Departments of Justice and Health, Education, and Welfare applied the necessary pressure to force compliance in most areas of the rural and small-town South. However, it soon became evident that desegregation in the large cities of the South and North was possible only through massive transportation of large numbers of school children.[21]

Finally, in 1971, the Supreme Court held in *Swann v. Charlotte-Mecklenburg Board of Education*[22] that busing was a legitimate tool for desegregating schools unless "the time or distance of travel is so great as to either risk the health of the children or significantly impinge on the educational process."[23] Subsequently, federal courts rushed to order large-scale busing plans for scores of cities.[24] Moreover, in 1972, federal courts considered cross-district, metropolitan busing plans as a possible solution to increasing racial separation in large cities. The Court of Appeals for the Fourth Circuit overruled a district court order requiring massive cross-town busing between city and suburban schools in Richmond, Virginia.[25] The Court of Appeals for the Fifth Circuit ordered Atlanta to devise and implement a broad new desegregation plan requiring extensive busing.[26] The Court of Appeals for the Sixth Circuit is currently reviewing a district court order involving the massive busing of pupils between Detroit and its fifty-two suburban districts.[27] A district court in Indianapolis continues to consider extensive busing between that city and nineteen adjoining suburban school districts,[28] while other courts review urban-suburban busing programs in Boston, Massachusetts, Grand Rapids, Michigan, Hartford, Connecticut, and Wilmington, Delaware.[29]

Public controversy over court-ordered busing has also stirred significant political-social action and reaction. Vociferous groups have picketed, conducted mock funeral processions, blocked buses, and staged boycotts and demonstrations.[30] Mrs. Irene McCabe, head of the Natitonal Action Group (NAG), achieved national prominence during her 620-mile anti-busing march from Pontiac, Michigan, to Washington, D.C.[31] Some black leaders, including Roy Innis of the Congress of Racial Equality, have condemned busing as detrimental to the learning of black children.[32]

Busing became the dominant political issue in many of the 1972 primary elections. Strong voter repudiation of "forced busing" played an important role in Governor George Wallace's favorable showings in the Florida, Alabama, Tennessee, North Carolina, Maryland, and Michigan primaries.[33] Pushed by public discontent, Congress hurried to draft anti-busing legislation while some Congressmen pushed for a constitutional amendment to prohibit school assignments based upon race.[34] Presidnt Nixon summoned a group of anti-busing Senators to the White House and promised executive support for a strong anti-busing statute[35] and later proposed a moratorium on busing which directed the Justice Department to intervene in those cases in which lower federal courts had ordered excessive busing.[36] Congressional debate on the anti-busing legislation raged for several months, until a lengthy filibuster by Senate liberals fatally stalled the anti-busing forces.[37] In the fall of 1972, many communities voted out of office candidates who had supported busing. Meanwhile, the busing controversy distracted America's attention from other important issues such as the Vietnam war, the welfare system, crime, and drug abuse.

Busing has led to other consequences. School officials have closed many black schools across the nation.[38] Particularly in the South, this has resulted in the demotion, forced resignation, and dismissal of hundreds of black principals, supervisory personnel, athletic coaches, and classroom teachers.[39] Racial disorders and disciplinary problems have plagued many schools affected by busing.[40]

Costly busing programs have also intensified the financial difficulties faced by many school districts. For example, Pontiac, Michigan, must spend $665,000 this year on busing and at least $350,000 more each year until 1977.[41] The resulting financial pinch has forced the school board to cut the overall budget by ten percent, reduce instructional facilities and equipment thirty-three percent, and lay off 122 teachers.[42] Nashville, Tennessee, forced to spend about $2,000,000 a year on busing, had to reduce its school day by an hour, abolish field trips, and significantly cut back on extracurricular activities.[43] The annual cost of busing exceeds $1,000,000 in Charlotte[44] and $330,000 in Jacksonville,[45] while the proposed Los Angeles program would transport 240,000 students at an estimated cost of $40,000,000 in the first year.[46]

Thus, court-ordered busing has resulted in significant social and political upheaval, intensified public criticism of our judicial system, adversely affected black educators, and increased funding problems for already hard-pressed school districts. If in fact busing will lead to significant social and educational benefits for black and white children, it can be reasonably argued that the cost of busing is worth the price. Unfortunately, social science research does not lead to this conclusion.

III. SOCIOLOGICAL STUDIES ON BUSING

In recent years, sociologists have conducted a substantial amount of research studying the effects of busing to achieve integration on school children. Most of the studies focus upon busing experiments in northern schools where black children were voluntarily transported to predominantly white classrooms. The objectives, research designs, control over variables, and consequently the quality of the reports, vary considerably.[47]

St. John,[48] Armor,[49] and Pettigrew[50] have conducted three of the most comprehensive evaluations of these busing experiments. Armor's study has aroused considerable comment in the academic and legal communities,[51] has been repeatedly cited in the Senate debates over anti-busing legislation,[52] and has formed one basis of a recent court of appeals decision overturning a court-ordered busing program in Chattanooga, Tennessee.[53]

In spite of the methodological shortcomings of social science research, these studies may be judiciously used to test three premises underlying the rationale for school busing as a judicial remedy: busing will significantly raise the academic performance of black children; busing will have positive psychological effects on black students; busing will improve relations between the races.[54]

A. Achievement Levels

In 1965, the Ann Arbor, Michigan, public schools closed a predominantly black school, bused its students to predominantly white schools in other parts of the city, and retained a school with equal proportions of whites and blacks as a control group.[55] After one year, the achievement against gains for bused blacks in reading, arithmetic, and scholastic aptitude were not significantly higher than those for the black control group, and the achievement gap between blacks and whites widened.[56] A follow-up study done three years

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later showed that the bused pupils had fallen even further behind white students in achievement than before the busing program was initiated.[57]

In 1968, Berkeley, California, became the first city of its size to voluntarily desegregate its public schools through the use of two-way, cross-town busing.[58] While Berkeley school superintendent Richard Foster reported slight gains in black achievement levels to the Mondale Committee in 1971, he noted that whit gains far outdistanced black gains.[59] Thus by the eighth grade, white children were reading at the eleventh grade level while blacks were still at the fifth grade level.[60] A 1972 study by Dambacher indicates that black student achievement is as far behind white achievement as before busing.[61] The most recent journalistic report confirms this lack of progress.[62]

Since 1966, Boston's Metropolitan Council for Educational Opportunity (METCO) has coordinated the voluntary busing of approximately 1,500 black students from Boston to twenty-eight participating suburban communities.[63] Some bias in the choice of children to be bused is possible since students were bused only at their parent's request.[64] Recent students have utilized siblings of the bused students as a control group. A 1969 study by Walberg found no significant differences in achievement between the two groups in grades 2–12 except for mathematics at grades 5 and 6, where the bused children gained significantly less.[65] The latest study by Armor and Genova in 1970 concluded that bused students showed no significant gains in either reading or mathematics as compared with the control group.[66]

In 1965, the Buffalo, New York, school board bused 1,200 black fifth, sixth, and seventh graders from six segregated innercity schools to twenty-two integrated schools.[67] A 1967–68 study by Banks and DiPasquale found that the bused pupils made greater gains in paragraph meaning than their counterparts who remained in segregated schools.[68] However, the achievement gap between the integrated white and black students at all three grade levels grew even wider.[69] Moreover, fifty percent of the schools principals and thirty-one percent of the teachers surveyed rated pupil achievement lower or significantly lower. Only six percent of each group rated achievement higher or significantly higher.[70] Unfortunately, the lack of controls on socio-economic status and other variables may contaminate the Buffalo research.[71]

Beginning in 1967, the affluent Chicago suburb of Evanston, Illinois, voluntarily initiated a limited busing program to desegregate its elementary public schools. A three-year study by the educational Testing Service revealed that bused black pupils from formerly segregated schools showed slightly greater group mean gains than their nonbused former classmates. However, the absence of a constant control group, the lack of correlation between pre- and post-test scores for bused black pupils, and the differences in socio-economic status among black students make meaningful conclusions difficult.[72]

Starting in 1966, Project Concern in Connecticut each year bused more than 300 black and Puerto Rican elementary students from Hartford and New Haven to neighboring suburban schools.[74] The program provided extra remedial and guidance services for most of the bused pupils, while a control group of minority children continued to attend inner-city schools. In Hartford, bused pupils in the lower grades showed significantly greater growth in mental ability and school achievement than the nonbused pupils for the 1967–68 school year.[75] However, differences were consistently in favor of the nonbused pupils in the upper grades.[76] In New Haven, second and third graders were tested in arithmetic, language, and reading for the 1967–68 school year. In only two of the six comparisons possible did the bused pupils make significantly greater gains than nonbused students.[77]

In 1965, Riverside, California, closed three predominantly minority schools and bused the black and Mexican-American students to predominantly white schools in the district.[78] A five-year study of the program by Purl and Dawson in 1969 compared the bused pupils with the city-wide mean and concluded that desegregated schooling had little, if any, effect on the academic achievement of the bused pupils.[79] A follow-up study in 1971 confirmed these finds.[80] St. John criticized the studies' lack of controls on social class and other variables,[81] but reevaluation of the data, taking account of social class factors, showed only minor differences.[82]

In 1967, the Rochester, New York, Board of Education adopted an extensive plan to reduce racial segregation in its public schools.[83] By 1970, nine inner-city schools were sending more than 1,200 black pupils to predominantly white outer-city schools through voluntary transfers.[84] After three years of busing, academic achievement comparisons favored the black segregated pupils in grade 2 and the black integrated pupils in grades 8 and 5. No significant differences were found in grades 4 and 6.[85] Teacher perceptions of pupils' social growth and work habits favored the black segregated pupils in grade 5.[86] The use of different pre- and post-tests and the generally lower pre-test scores for the control groups may impair the study's results.[87]

Between 1966 and 1969, the Sacramento City Unified School District voluntarily initiated Project Aspiration to eliminate de facto segregation in that city's schools.[88] The school board closed three black elementary schools and reassigned black pupils from a total of six predominantly black schools to nineteen predominantly white receiving schools. All transferred students received additional supportive assistance including after-school study centers and special in-service teacher training.[89] Nontransferred pupils from predominantly black sending schools were used as a control group. During the 1970–72 school years, the bused group significantly outscored the nonbused group in four of five grades in reading and in all five grades in arithmetic.[90] However, after two years of busing, the bused black pupils still were not achieving at normal grade levels and were as far behind their fellow white classmates as when the busing began.[91]

In 1964, the White Plains, New York, school district closed one inner-city black school and bused about 900 black pupils from that school and two other racially imbalanced schools to six predominantly white inner-city schools. The achievement scores of thirty-three bused black pupils were compared with those of thirty-six blacks attending inner-city segregated schools in 1960. The bused students gained slightly more in arithmetic and paragraph meaning than the earlier segregated students, but the segregated black pupils gained more in word meaning.[92] These differences were not statistically significant, and the achievement gap between white and black students did not diminish during the period studied.[93] However, methodological problems, including the lack of a contemporaneous control group and the small number of students tested, may render these findings inconclusive.[94]

In summary, of the ten cities which have systematically studied the effects of busing on the achievement levels of school children, one shows moderate gains (Sacramento), two show mixed results (Hartford/New Haven, Rochester), three are inconclusive (Buffalo, Evanston, White Plains), and four show either losses or no significant gains (Ann Arbor, Berkeley, Boston, Riverside). In every city studied, busing failed to reduce the gap between black and white achievement. In fact, most cities reported that the achievement gap had grown even larger after busing. Scholars who have reviewed the evidence, including Armor,[95] Bell,[96] Edmonds,[97] Glazier,[98] and St. John,[99] have concluded that busing has little if any effect on the academic achievement of either black or white children.[100] Thus, the most recent sociological evidence fails to confirm a basic premise underlying the rationale for court-ordered busing, *i.e.*, that it will positively affect the academic performance of minority children.

B. Psychological effects

Brown I emphasized the "feeling of inferiority" that black children suffered when they were legally prohibited from attending white schools.[101] The elimination of segregation would presumably remove these inferiority feelings, raise educational aspirations, and enhance the self-esteem of minority students.[102]

In his existence study of the psychological impact of desegregation upon black children, Katz noted that a black child's exposure to higher academic standards in an integrated school was likely to lower his expectancy of academic success and consequently lower his achievement motivation.[103] Katz further argued that a black child's exposure to a higher degree of social threat in an integrated classroom would tend to lower his self-esteem and harm his academic performance.[104] This analysis seems particularly appropriate to the busing situation in which black children are frequently bused out of their neighborhood schools into suburban schools containing a majority of higher-achieving white children. While most of the busing studies have focused on academic achievement, reports from a few cities provide some evidence of the psychological impact of busing upon black children.

In Ann Arbor, Carrigan concluded that the significantly lower levels of self-esteem of black pupils were generally unaffected by the busing experience.[105] Veroff and Peele found that bused black males attending predominantly white schools demonstrated significantly lower levels of educational aspiration, but significantly higher achievement motivation than nonbused black males attending racially balanced schools.[106] On the other hand, black females showed no significant differences in either aspiration levels or achievement motivation as compared with the nonbused black females.[107]

In the Boston METCO study, bused students' educational aspiration significantly declined after integration. The percentage of bused pupils who wanted a college degree decreased from seventy-four percent in 1968 to sixty percent in 1970. During the same period, the control group indicated no significant change in their college aspirations.[108] More importantly, the bused students reflected a substantially lower academic self-concept than the control group. Specifically, a significantly higher percentage of bused students than control group students consistently related their classmates as more intelligent.[109]

In Evanston, researchers reported significant decreases in the academic self-concepts of transferred black pupils. Black males in particular showed a lower sense of control over their environment than white males after busing.[110] Moreover, teachers reported more psychological referrals of black males and less favorable written comments on black females after busing.[111]

In Hartford, bused Project Concern students demonstrated significantly higher anxiety levels than the suburban receiving students. However, no significant differences were found between the bused pupils and the inner-city control group.[112] In New Haven, Samuels found that the bused children evidenced stronger self-image mean

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scores than the nonbused inner-city control group, but these differences were not statistically significant.[113]

Although the Riverside study reported that black and Mexican-American children tended to choose white students as the ones with better grades, the data indicated no significant changes in either achievement motivation or self-esteem of the minority students.[114] However, Dr. Jane Mercer, sociologist at the University of California at Riverside, noted a tendency for the bused students in Riverside to face a more hostile environment and more negative teacher attitudes in the desegregated school which produced a drop in the grades of bused pupils.[115]

In summary, researchers have found that busing for racial integration significantly lowered black students' educational aspirations in Ann Arbor and Boston, the only two cities which studied this problem. At the same time, the academic self-concepts of black students were significantly lowered in Boston and Evanston, raised in Ann Arbor (males), and not significantly altered in Ann Arbor (females), New Haven, and Riverside. Viewing this evidence in its most favorable light, busing for racial integration would appear to lower black students' educational aspirations and have no consistent effect on their academic self-concepts.[116]

It may be reasonably argued, however, that more negative consequences might result in cities where courts or school boards have forced busing on unreceptive white communities. In Brooklyn, New York, for example, white parents have conducted continuing school boycotts and demonstrations. Police have had to quell shouting matches between black and white students. Reports indicate that black students suffered substantial psychological damage from this busing experience.[117] Incidents such as this raise the possibility that black children may suffer psychological harm from being prohibited from attending neighborhood schools in the black community.

Certainly, the white and black communities have not equally shared the burdens of desegregation through busing. In Ann Arbor, Buffalo, Riverside, Sacramento, and White Plains, school officials closed down black schools and bused black children to white schools. Similarly, in Boston and Hartford/New Haven, only token numbers of blacks were bused to white suburban schools. Only the Berkeley and Evanston school boards preserved both black and white schools and used extensive cross-town busing to desegregate the schools.

When communities have blatanly discriminated against the blacks in desegregation plans, federal courts have taken prompt action against it.[118] However, one still finds the basic pattern of closing black schools and busing blacks far from their homes to white schools in such cities as Little Rock, Orlando, Tulsa, Mobile, and Jacksonville.[119] The resulting consequences to the black community have been devastating. The closing of black schools has accelerated the process of neighborhood decay, resulted in the "retirement" or demotion of black principals and teachers, decreased the opportunity for bused black children to participate in after-school programs, and made involvement in school affairs by black parents more difficult.[120]

The busing experience thus seems to impart a very clear psychological message to black children: black institutions and personnel must be inferior to white ones. William Raspberry, a prominent black political columnist, has noted the traumatic effect this message must have upon the developing personality of black children. While agreeing that legal segregation of the races is psychologically destructive for black children, Raspberry has opposed the massive busing of blacks to white schools on grounds that it reinforces racial superiority feelings in white children and "says to black children that they are somehow improved by the presence of white schoolmates." [121] This "humiliating" experience, says Raspberry, only suggests to black children that there is something inherently wrong with them that only whites can cure.[122] In short, the evidence reveals that the busing experience imparts few psychological benefits to black children and may inflict harmful psychological consequences upon them.

C. Improved race relations

The third premise underlying the rationale for school busing is that integration of the public schools will improve relations between the races. Such influential writers as Allport and Deutsch have hypothesized that interracial contact would reduce prejudice, decrease discrimination, and eliminate racial stereotyping.[123] Proponents of busing impliedly rely upon this "contact" hypothesis as a fundamental rationale for massive transportation to achieve school desegregation.[124]

However, a number of recent studies indicate that interracial contact may lead to greater cleavage between white and blacks. Anderson reported that desegregated black pupils showed greater antisocial attitudes than segregated black pupils at the same grade level.[125] Bronfenbrenner observed the tendency of black male students to feel inadequate in an integrated classroom and concluded that this resulted in increased aggressive and disruptive behavior between both white and black students.[126] Dentler and Elkins found children in naturally unsegregated schools expressed more antiblack prejudice than children in white segregated schools.[127] Drake and Cayton wrote that interracial contact may lead to some degree of understanding, but may also produce tension and reinforce folk-prejudices.[128] Gottlieb and TenHouten found little cross-racial interaction in extracurricular activities in three desegregated northern high schools. Moreover, as the number of blacks equaled the number of whites, separatism increased.[129] Proshansky pointed out that even cooperative and equal-status interracial contacts in a desegregated school did not necessarily reduce ethnic prejudice.[130] Singer reported that desegregated whites viewed blacks as more aggressive and nonachieving. This implies that desegregation may reinforce racial stereotypes.[131] Webster found that white students were significantly less willing to accept blacks after than before integration.[132] Carither's extensive review of the literature on school desegregation and racial cleavage concluded that interracial contact per se will not bring about increased tolerance or acceptance.[133]

Unfortunately, since most busing programs have been in operation only a short period of time, and since interracial attitudes frequently do not become crystalized until at least junior high school, social scientists have had little opportunity to test the "contact hypothesis" in busing situations. Nevertheless, studies in at least seven cities provide some evidence as to the effect of busing upon interracial attitudes. Since the studies used different testing methods, meaningful comparisons among the studies are difficult.

In Ann Arbor, teachers' ratings of pupil behavior in school indicated the highest incidence of problem behavior among bused students. Aggression was rated consistently higher among bused students and a significant increase in aggression was reported for bused fourth and fifth grade males.[134] Moreover, sociometric tests revealed that black second and third grade females as well as fourth and fifth grade males suffered statistically significant losses of peer status after they were bused from a segregated to an integrated school.[135] This means that their new white classmates liked them less than their previous black classmates. A follow-up study three years later revealed that bused students had suffered further declines in peer acceptance.[136]

In Berkeley, students who testified before the Mondale Committee reported only minimal contact among members of different racial and ethnic groups.[137] The student body president testified that white students boycotted the class elections and did not attend school dances or eat lunch with blacks, and that white teachers consistently discouraged black students from taking college preparatory courses. He concluded that integration at Berkeley was a "failure" and that true integration existed only when students passed through the hallways between classes.[138]

In his study of the Boston METCO program, Armor found that busing heightened black students' feelings of racial consciousness and solidarity and promoted ideologies that encouraged racial separation. Utilizing a Separatist Ideology Index, Armor discovered that bused students were significantly more likely to support the idea of black power than the control group of black students who remained in the inner-city schools.[139] Although overt racial incidents were infrequent, bused pupils reported spending a greater portion of their free time with other blacks, greater feelings of white prejudice, less frequent interracial dating, and less support for integrated schooling.[140] Interracial contact also negatively affected white students. Although the vast majority of white students in suburban schools consistently favored the busing program and supported its continuance, those white students with the greatest classroom contact with blacks showed the least support for the program.[141]

In Buffalo, seventy-four percent of the school principals and forty-seven percent of the classroom teachers reported a higher or significantly higher incidence of disciplinary problems after busing.[142] Moreover, a significant minority of the principals (thirty-three percent) and teachers (twenty-five percent) noted a negative or rebellious attitude on the part of black students toward their new school environment.[143]

Teachers in Evanston reported greater concern over disciplinary problems in desegregated classrooms and greater patterns of aggression among black pupils after busing.[144] Moreover, disagreements among the school board, superintendent, and the community resulted in a series of confrontations with strong racial overtones which threatened to polarize the community.[145]

In the Riverside study, researchers asked students to rate pictures of children's faces reflecting varying racial and ethnic characteristics. The children made fewer cross-racial choices after busing than before.[146] Moreover, after interracial contacts through busing, both black and white children more frequently chose a member of their own race as their likely friend than they had before the busing program had begun. The older the children, the more pronounced was this trend.[147]

Soon after implementation of Rochester's busing program, the major black organization, FIGHT, changed the "I" in its acronym from "Integration" to "Integrity" and in 1971 ran separatist candidates in the school board elections and sought black control over segregated schools.[148] Meanwhile, a coalition of fearful middle-class whites ran a slate favoring better discipline and "neighborhood schools." Fights between black and white students at several high schools aided the anti-busing forces and resulted in the decisive defeat of the pro-busing school board and consequently the early termination of the city's busing program.[149]

In summary, the busing studies available demonstrate rather conclusively that busing for racial integration has produced little or no improvement in race relations. In fact,

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the results appear to be to the contrary. In Ann Arbor and Riverside, interracial peer acceptance declined. In Boston, busing heightened racial consciousness and encouraged separatist ideologies. In Buffalo, Evanston, and Rochester, disciplinary problems, frequently with racial overtones, threatened termination of the busing programs. In no city did busing appear to increase interracial contact or better interracial understanding.

In communities where courts have mandated that school boards utilize busing to integrate the schools, frictions between blacks and whites have led to an even greater polarization of the races.[150] After reviewing the experiences of those communities which have used busing, social scientist Glazer concluded that black children who were bused tended to become more anti-white than those who were not bused. He emphasized that if judges are ordering forced integration of the public schools because they believe that this will improve race relations, "they are acting neither on evidence nor on experience but on faith." [151]

The long-range impact of busing on interracial attitudes is obviously impossible to assess at this time. Sociologists are in disagreement as to whether "natural" integration of the races has resulted in more positive interracial attitudes.[152] Certainly, if busing to achieve integration constitutes an integral part of a more comprehensive program to achieve integration of housing, employment, private clubs, etc., then the chances of better racial attitudes may be improved. However, the evidence does not indicate that busing alone will produce such attitudinal changes. In fact, busing for racial integration appears to have intensified racial differences among students and polarized communities into hostile camps.

D. Conclusions from the studies

The ten busing studies as well as other recent evidence from social scientists fail to support the fundamental assumptions upon which proponents of massive court-ordered busing have relied. Busing has failed to consistently raise black achievement levels or close the gap between white and black pupils. Busing has failed to impart psychological benefits upon black students and may impose seriously harmful psychological consequences. Most clearly, busing has failed to improve race relations. Instead, it has tended to intensify racial stereotyping and polarize affected communities.

These conclusions raise an important question: why has social science research failed to adequately question the underlying premises upon which educators, lawyers, and especially federal judges have relied in support of massive busing as a judicial remedy? At least four reasons may be offered. First, many of the early studies suffered from serious methodological shortcomings.[153] Second, many of the early studies have been misunderstood. James Coleman recently emphasized, for example, that courts have "inappropriately" applied the results of his influential study to support the premise that racial balance in the schools is required to provide equal educational opportunity for blacks.[154] Third, most of the studies on the effects of desegregated schooling have not focused on busing. Since busing to achieve integration is a relatively recent phenomenon, most researchers have studied communities where "natural" integration prevailed or where desegregation involved minimal transportation of children. But logic tells us that studies which focus on the effects upon black children of legally enforced segregation will have one result; those which focus on desegregation with all children attending neighborhood schools may have a different result; and those studies which focus on busing children out of their neighborhood schools as a judicial remedy may have still another result. ,

Finally, a significant shortcoming of most desegregation studies is their failure to account for the rising racial consciousness in the black community. The integrationalist ideology presupposed that the white school was superior and that blacks could improve themselves only by attending classes with whites.[155] By the mid-1960's, however, many blacks began to question whether integration should any longer be their primary objective.[156]

Today, many blacks oppose both busing and integration and instead seek community control over black institutions, including ghetto public schools. Roy Innis of the Congress of Racial Equality argues that integration of the public schools would place blacks in a "perpetual minority." [157] Blacks can hope to share in the benefits of American society, says Innis, only by controlling as many of the political, economic, and social institutions as possible.[158] Similarly, the recent National Black Convention in Gary, Indiana, adopted a strong plank against the busing of black children to achieve racial balance. A majority of the delegates condemned "forced racial integration of the schools as a bankrupt, suicidal methd of desegregating schools." [159]

Certainly, no single leader can speak for all blacks on this or any other issue. Most blacks and whites still support the goal of an integrated society.[160] However, a substantial minority of blacks oppose busing school children to achieve racial balance.[161] Because many blacks view anti-busing as a "code word" for white racism, even these polls may underestimate the anti-busing sentiment in the black community. Moreover, the most black parents who support busing view it as the only vehicle for quality education for their children and often neglect to consider the possibility of upgrading black schools in their own neighborhoods.[162] Certainly, both social scientists and policy-makers should carefully consider these changing sentiments in the black community before rushing to conclude that busing to achieve racial integration will automatically benefit black pupils.

The shortcomings of the busing studies relied upon in this Note should also be indicated. Since most busing programs have been in effect less than four years, the studies cover relatively short periods of time. Many of the programs involve the busing of small numbers of children. Most importantly, all of the studies deal with communities which voluntarily adopted busing programs. Future studies are needed to determine the academic, psychological, and social effects on school children from large-scale, court-ordered busing programs. In the meantime, however, the legal community should not ignore the available sociological findings derived from voluntary busing programs.

IV. Mapp: A precedent for socio-legal reappraisal

Even though current sociological studies on busing to achieve racial integration contain shortcomings, the legal community should utilize this evidence to make the court-ordered busing of school children a more rational process. The court of appeals' heavy reliance on the recent findings of sociologists and psychologists in *Mapp v. Board of Education* [163] will hopefully rekindle interest in *Brown I's* socio-legal approach. The procedural background of *Mapp* provides a representative chronolog of the difficulties faced by the federal courts in desegregation suits since *Brown I* and *II*.[164]

In *Mapp*, plaintiffs contended that the Chattanooga School Board's desegregation plan did not go far enough in eliminating racially identifiable schools and placed a disproportionate burden on the black community.[165] Defendants argued that the plan went too far by requiring pairing and clustering of schools and the expenditure of large amounts of public funds ($500,000) for busing to achieve racial balance in every school. In a two-to-one decision, the Court of Appeals for the Sixth Circuit rejected both the plaintiffs' alternative plan and the district court's modified plan as requiring fixed racial balances or quotas. Writing for the majority, Judge Weick noted that neither *Swann* nor *Winston-Salem/Forsyth County Board of Education v. Scott*[166] required such quotas.[167]

The court distinguished *Mapp* from *Swann* in terms of the degree of cooperation which the school boards afforded the district courts. While the Charlotte Board had failed to cooperate and was "clearly in default," the Chattanooga Board had made a consistent "good faith" effort to comply with the district court's directives.[168] Such good faith efforts, the court concluded, shifted to plaintiffs the burden of proving that the remaining racial imbalances resulted from discriminatory state action.[169]

By far the most revolutionary aspect of *Mapp* was its repudiation of indiscriminate court-ordered busing as a judicial remedy. The court emphasized the critical importance of the neighborhood school in enabling parents and children to more fully participate in the educational process.[170] The majority distinguished voluntary busing to a neighborhood school from "induced or forced busing" to a distant school in terms of the effects upon school children and their parents.[171] The "feeling-of-inferiority" effect on children noted in *Brown I*, Judge Weick wrote, "would seem to persist still if children of both races are prohibited from attending schools nearest to their residences, merely because of the color of their skin.[172]

In the court's judgment, a quota system, with its companion use of busing, discriminated in favor of one race, lowered the quality of education, and polarized the races.[173] More significantly, the majority suggested that the district court on remand should consider recent sociological findings in evaluating the impact of induced busing upon educational achievement and race relations.[174] The court also recommended that the district court further examine the practicalities of busing in light of its substantial cost and its impact upon the constitutional rights, safety, and educational achievement of bused children.[175]

V. CONCLUSION

Mapp thus constitutes the most recent federal court decision to utilize social science research in analyzing the effects of school busing on the academic, psychological, and social development of black children. This approach should be well-noted, regardless of the final disposition of the case itself. Unfortunately, most lawyers, judges, and legal scholars who have grappled with the ambiguities and complexities of *Swann* over the past two years have ignored this socio-legal approach originated by *Brown I*.[176] But the Court in *Swann* left the door open to such sociological and psychological evaluations when it emphasized that courts may limit busing where "the time or distance of travel is so great as to either risk the health of the children or *significantly impinge on the educational process*." [177] Unfortunately, some federal courts have interpreted *Swann* as a full-fledged constitutional authorization for the massive busing of school children to achieve fixed racial balances in the public schools.[178] Chief Justice Burger cautioned against such an interpretation last year in *Winston-Salem*,[179] and certainly the Denver [180] and Richmond [181] busing cases will provide opportunities for the Court to further define constitutional requirements in this hazy area. At the same time, a full nine-judge panel of the Court of Appeals for the Sixth

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Footnotes at end of article.

Circuit is reevaluating its recent decision in the controversial Detroit busing case.[182]

In this period of analysis and reinterpretation, social science research points the way toward a more realistic interpretation of *Swann*. Under certain circumstances, busing may improve the quality of education which a child receives.[183] As the busing studies from Hartford [184] and Sacramento [185] demonstrated, when bused children are integrated from the first grade on, when they receive special supportive assistance at the receiving schools, and when there exists strong support for busing in both the black and white communities, the chances for quality education through busing are increased.[186] This Note asserts, however, that the legal community must encourage additional socio-legal investigations to determine the likelihood of such improvements in special communities before judges indiscriminately order massive busing as a judicial remedy. Certainly, we should not return to the separate-but-equal doctrine under which communities could deny black children the right to attend schools in their own neighborhoods so long as equal physical facilities were provided.[187] But, similarly, we should not bus children from their neighborhood schools unless educational and social gains appear likely.

Mapp's renewed reliance on modern sociology will, thus, hopefully generate an extensive reappraisal of the specific circumstances under which federal courts should or should not order massive busing to desegregate the public schools. In light of the tremendous social, political, and economic costs being paid for busing, the absence of any consistent educational gains, the deleterious psychological impact of busing upon black children, and the increasing polarization of the races, such a reexamination is long overdue.

JEFFREY J. LEECH.

FOOTNOTES

[1] 347 U.S. 483 (1954).

[2] The Court listed the authorities upon which it relied, *id*. at 494–95 n.11: K. Clark, Effect of Prejudice and Discrimination on Personality Development (Midcentury White House Conference on Children and Youth, 1950); E. Frazier, The Negro in the United States 674–81 (1949); G. Myrdal, An American Dilemma (1944); H. Witmer & R. Kotinsky, Personality in the Making ch. 6 (1952); Brameld, *Educational Costs,* in Discrimination and National Welfare 44–48 (R. MacIver ed. 1949); Chein, *What Are the Psychological Effects of Segregation Under Conditions of Equal Facilities?*, Deutscher & Chein, *The Psychological Effects of Enforced Segregation: A Survey of Social Science Opinion*, 26 J. Psych, 259 (1948).

See Borinski, *A Legal and Sociological Analysis of the Segregation Decision of May 17, 1954,* 15 U. Pitt. L. Rev. 622 (1954); *The Effect of Segregation and the Consequences of Desegregation: A Social Science Statement,* 37 Minn. L. Rev. 427 (1953) (statement signed by 31 sociologists, anthropologists, psychologists, and psychiatrists which was filed as an Appendix to Appellants' Briefs in *Brown I.*). *See also* Hodgson, *Do Schools Make a Difference?*, Atlantic, Mar. 1973, at 36–37; Reston, *A Sociological Decision, N.Y. Times*, May 18, 1954, at 14, cols. 4–5.

[3] 347 U.S. at 494.

[4] *Id*. The Court supported this finding by quoting an unidentified Kansas case:

> Segregation of white and colored children in public schools has a detrimental effect upon the colored children. The impact is greater when it has the sanction of the law: for the policy of separating the races is usually interpreted as denoting the inferiority of the Negro group. A sense of inferiority affects the motivation of a child to learn. Segregation with the sanction of law, therefore, has a tendency to [retard] the educational and mental development of Negro children and to deprive them of some of the benefits they would receive in a racial[ly] integrated school system.

Id. In a footnote, the Court further buttressed its argument by citing a Delaware case, Belton v. Gebhart, 32 Del. Ch. 343, 87 A.2d 862 (Ch. 1952):

> I conclude from the testimony that in our Delaware society, State-imposed segregation in education itself results in the Negro children, as a class, receiving educational opportunities which are substantially inferior to those available to white children otherwise similarly situated. 347 U.S. at 494 n.10.

[5] 163 U.S. 537 (1896).

[6] Carithers, *School Desegregation and Racial Cleavage, 1954–1970: A Review of the Literature,* 26 J. Social Issues, Autumn 1970, at 28.

[7] *See generally* P. Carmichael, The South and Segregation (1965); van den Haag, *Social Science Testimony in the Desegregation Cases,* 6 Vill. L. Rev. 69 (1960); *see also* van den Haag, *The Tortured Search for the Cause of Inequality,* Nat'l Rev., Feb. 16, 1973, at 200.

[8] *See* Armor, *The Evidence on Busing,* Pub. Interest, Summer 1972, at 96 [hereinafter cited as Armor, *Evidence*]. Mack H. Jones, in *Black School Board Members in the Deep South,* emphasized the pervasive acceptance of the premises of the integrationist ideology in April 1970:

> Over the last decade or so the educational problems of Black children in the South have been discussed almost exclusively within the constraints of the integrationism-segregation argument. In the process, the real problems of Black scholastics have been obfuscated by the heat generated by this controversy while we waited in vain for that heat to be converted into illumination.

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Quoted in Integrated Educ., Nov.–Dec. 1972, at 63.

[9] Brown v. Board of Educ., 349 U.S. 294, 301 (1955).

[10] *See* B. Muse, Ten Years of Prelude: The Story of Integration Since the Supreme Court's 1954 Decision (1964).

[11] 28 U.S.C. §§ 2000c–d (1970).

[12] Glazer, *Is Busing Necessary?*, Commentary, Mar. 1972, at 39.

[13] J. Coleman, Equality of Educational Opportunity 3–7, 21–24 (1966) [hereinafter cited as Coleman Report].

[14] *Id*. at 21–22, 325.

[15] Pettigrew, *Race and Equal Educational Opportunity,* 38 Harv. Educ. Rev. 66 (1968); Pettigrew, *Racially Separate or Together,* 25 J. Social Issues, Jan. 1969, at 43.

[16] U.S. Comm'n on Civil Rights, Racial Isolation in the Public Schools, Summary of Report 3–5, 11–12 (1967).

[17] *Id*. at 16–17, *See also* Pettigrew, *Race and Equal Educational Opportunity,* 38 Harv. Educ. Rev. 66, 70–75 (1968).

[18] Edmonds, *You Can Get Hurt Waiting for the Bus,* 2 J. Intergroup Rel., Oct. 1972, at 13. *See also* Comm'n on School Integration, National Ass'n of Intergroup Relations Officials, Public School Segregation and Integration in the North (1963).

[19] 391 U.S. 430, 437–38 (1968).

[20] 396 U.S. 19 (1969).

[21] Bickel, Busing: What's To Be Done?, New Republic, Sept. 30, 2, at 21.

[22] 402 U.S. 1 (1971).

[23] *Id*. at 30–31.

[24] School boards have implemented extensive court-ordered busing programs in Alabama (Bessemer, Birmingham), Arkansas (Little Rock), California (Oxnard, San Francisco), Florida (Jacksonville), Georgia (Augusta, Savannah), Maryland (Prince George's County), Michigan (Kalamazoo, Pontiac), Mississippi (Jackson), North Carolina (Charlotte, Wilmington,), Oklahoma (Oklahoma City), South Carolina (Columbia), Tennessee (Nashville, Memphis), Texas (Austin, Corpus Christi, Dallas, Fort Worth, Houston), and Virginia (Norfolk, Richmond). Other cities facing desegregation suits to court orders involving busing have included Buffalo, Denver, Las Vegas, Los Angeles, Indianapolis, and Minneapolis. *See* U.S. News & World Rep., Sept 11, 1972, at 58–59.

[25] Bradley v. School Bd., 338 F. Supp. 67 (E.D. Va.), rev'd, 462 F. 2d 58 (4th Cir. 1972), *cert. granted,* 93 S. Ct. 936 (1973), *noted in* 6 Ind. L. v. (1972).

[26] See U.S. News & World Rep., Oct. 29, 1972, at 38.

[27] Indianapolis Star, Feb. 9, 1973, at 13, cols. 7–8; Indianapolis Star, June 17, 1973, at 34, cols. 6–8. For previous case history, see Bradley v. Milliken, Cause Nos. 72–1809 & 72–1814 (6th Cir., Dec. 8, 1972), *aff'g* 338 F. App. p. 582 (Ed. Mich. 1971). On May 24, 1972, Armor gave a deposition for defendants based upon an early draft of his housing article. *See* note 8 *supra,* On June 12, 1972, United States District Court Judge Stephen H. Roth ruled the deposition inadmissible.

[28] United States v. Board of School Comm'rs, 332 F. Supp. 655 (S.D. Ind. 1971). After the circuit court affirmed, 474 F.2d 81 (7th Cir. 1973), the Indianapolis school board initiated an appeal to the United States Supreme Court. *See* Indianapolis Star, Feb. 14, 1973, at 4, cols. 6–8.

[29] U.S. News & World Rep., June 19, 1972, at 19. For an article supporting metropolitan busing, see Strickman, *Desegregation: The Metropolitan Concept,* 6 Urban Rev., Sept.–Oct. 1972, at 18.

[30] *See* Zwerling, *White Militance in Michigan: Block Those Buses*. New Republic, Oct. 23, 1971, at 14; Indianapolis Star, Jan. 15, 1973, at 9, cols. 4–7; Newsweek, Feb. 12, 1973, at 71; Newsweek, Mar. 13, 1972, at 20–21; N.Y. Times, Jan. 25, 1973, at 40, cols. 1–8.

[31] N.Y. Times, Apr. 28, 1972, at 9, cols. 1–2.

[32] See Newsweek, Mar. 13, 1972, at 21.

[33] Wooten, *Again a Gun Alters the Politics of the Republic,* N.Y. Times, May 21, 1972, § 4, at 81; cols. 1–5; N.Y. Times, May 14, 1972, § 1, at 1, col. 5. By the time of Governor Wallace's attempted assassination, he had collected more than 320 Democratic convention delegates and had won more popular votes than any other presidential candidate.

[34] *See* Bickel, *What's Wrong with Nixon's Busing Bills,* New Republic, Apr. 22, 1972, at 19; U.S. News & World Rep., June 19, 1972, at 19. In May 1972, Congress passed a measure prohibiting the use of federal funds for busing not "constitutionally required" and providing that any new busing orders could not become effective until December 31, 1973, or until all appeals had been exhausted. However, some federal courts ignored the moratorium and continued to order busing. *See* Herbers, *A Bus Blocks the Way,* N.Y. Times, May 21, 1972, § 4, at 9, col. 4; U.S. News & World Rep., Oct. 23, 1972, at 37.

[35] U.S. News & World Rep., Oct. 23, 1972, at 37. For a discussion of President Nixon's position on busing, see Bickel, *Untangling the Busing Snarl,* New Republic, Sept. 23, 1972 at 21.

[36] *See also* Harvey & Holmes, *Busing and School Desegregation*. 54 Phi Delta Kappa 540 (1972).

[37] U.S. News & World Rep., Oct. 23, 1972, at 37.

[38] *See* Entin, *The Black Burden in Jacksonville Desegregation,* Integrated Educ., July-Aug. 1972, at 3.

[39] Saturday Rev., Jan. 16, 1971, at 52. *See generally Hearings on the Status of School Desegregation Law Before the Senate Select Comm. on Equal Educational Opportunity,* 92d Cong., 1st Sess., pt. 10 (1971) [hereinafter cited as *School Desegregation Hearings*].

[40] *See* Chesler, *Desegregation and School Crisis,* Integrated Educ., Nov.-Dec. 1972, at 54.

[41] Zwerling, *White Militance in Michigan: Block Those Buses,* New Republic, Oct. 23, 1971, at 14.

[42] *Id.*

[43] *School Desegregation Hearings, supra* note 39, pt. 18, at 9023 (testimony of Dr. Elbert D. Brooks).

[44] Figures *cited in* Brewer v. School Bd., 456 F.2d 943, 947 (4th Cir. 1972).

[45] U.S. News & World Rep., Sept. 11, 1972, at 58.

[46] *Id.* at 50. *See generally School Desegregation Hearings, supra* note 39, pt. 18 (Pupil Transportation Costs).

[47] This Note does not review every busing experiment studied. However, it is contended that the ten cities reviewed represent a fair and adequate sampling of the major studies available. Other studies, by city, not herein discussed include: (1) Goldsboro, N.C.: J. McCullough, Academic Achievement Under School Desegregation in Southern City, Jan. 1972 (Department of City and Regional Planning, University of North Carolina at Chapel Hill); (2) Newark-Verona, N.J.: S. Zdep & D. Joyce, The Newark-Verona Plan for Sharing Educational Opportunity, 1969 (Educational Testing Service, Princeton, N.J.); (3) New Rochelle, N.Y.: J. Kaplan, New Rochelle: Civil Rights U.S.A. Public Schools, Cities in the North and West, A Report to the United States Commission on Civil Rights, 1962; (4) New York, N.Y.: I. Slone, The Effects of One School Pairing on Pupil Achievement, Anxieties, and Attitudes, 1968 (unpublished doctoral dissertation in New York University Library); (5) Philadelphia, Pa.: M. Laird & G. Weeks, The Effects of Busing on Achievement in Reading and Arithmetic in Three Philadelphia Schools, Dec. 1966 (Board of Education, Philadelphia, Pa.); (6) Syracuse, N.Y.: J. Beker, Final Report: A Study of Integration in Racially Imbalanced Urban Public Schools, May 1967 (Youth Development Center, Syracuse University).

[48] St. John, *Desegregation and Minority* Group Performance, 40 Rev. Educ. Res. 111 (1970) [hereinafter cited as St. John].

[49] Armor, *Evidence, supra* note 8; Armor, *The Double Double Standard: A Reply*, Pub. Interest, Winter 1973, at 119 [hereinafter cited as Armor, *Reply*].

[50] Pettigrew, Useem, Normand, & Smith, *Busing: A Review of "The Evidence,"* Pub. Interest, Winter 1973, at 88 [hereinafter cited as Pettigrew, *Busing*].

[51] Editorial, *Dangerous Orthodoxy*, N.Y. Times, July 5, 1972, at 38, cols. 1–2; Farber, *Lawyers' Group Fears an Overreliance on Educational Studies*, N.Y. Times, June 11, 1972, at 37, cols. 1–5; Hodgson, *Do Schools Make a Difference*, Atlantic, Mar. 1973, at 40–41; Pettigrew, *Busing, supra* note 50; Pettigrew, Useem, Normand, & Smith, *Pierced Armor*, Integrated Educ., Nov.–Dec. 1972, at 3; Reinhold, *Study Critical of Busing Scored*, N.Y. Times, June 8, 1972, at 40, cols. 1–3; Strickman, *The Trouble with Armor*, 6 Urban Rev., Sept.–Oct. 1972, at 20.

[52] 118 Cong. Rec. S8189–90, S8214 (daily ed. May 23, 1972) (remarks of Senators Byrd, Griffin, & Brock); 118 Cong. Rec. S9155 (daily ed. June 12, 1972) (remarks of Senator Talmadge); 118 Cong. Rec. S11,095 (daily ed. July 18, 1972) (remarks of Senator Allott); 118 Cong. Rec. S17,698–99, S17.740 (daily ed. Oct. 12, 1972) (remarks of Senators Dominick & Javits).

[53] Mapp v. Board of Educ., Cause No. 71–2006 (6th Cir., Oct. 11, 1972).

[54] *See generally* Brown v. Board of Educ., 347 U.S. 483, 494 (1954); Coleman Report, *supra* note 13; U.S. Comm'n on Civil Rights, *supra* note 16; Armor, *Evidence, supra* note 8; authorities cited note 15 *supra*.

[55] P. Carrigan, School Desegregation via Compulsory Pupil Transfer: Early Effects on Elementary School Children 371–73, Sept. 1969 (Office of Education, Washington, D.C.).

[56] *Id.* at 135–37.

[57] *Id.* at 367–68.

[58] *School Desegregation Hearings, supra* note 39, pt. 9A, at 3978 (testimony of Harriet G. Wood).

[59] *Id.* at 3981 (testimony of Richard L. Foster). Since the entire school population participated in the desegregation plan, no control group was available for comparison.

[60] A. Dambacher, Report of Group Test Results of Intelligence and Academic Achievement, 1970 (Office of Research and Evaluation, Berkeley Unified School District), *reprinted in School Desegregation Hearings, supra*, note 39, pt. 9B, at 4539.

[61] A. Dambacher, Comparison of Selected Group Achievement Test Results for Period 1967 through 1972, 1972 (Office of Research and Evaluation, Berkeley Unified School District). *See also* Armor, *Reply, supra* note 49, at 121–122.

[62] Streshinsky, *Making Integration Work*, Parents' Magazine, Jan. 1973, at 53.

[63] Armor, *Evidence*, supra note 8, at 97.

[64] *See* St. John, *supra* note at 48, at 124. For additional methodological criticisms, *compare* Pettigrew, *Busing, supra* note 50, at 99–103 *with* Armor, *Reply, supra* note 49, at 125–29. During the first year of the program, bused children in grades 3–8 showed improvement in reading, word, and spelling tests, but not arithmetic. Unfortunately, because of the unwillingness of the Boston schools to supply records to researchers, no comparisons with a control group were possible. *See* D. Archibald, Report on Change in Academic Achievement for a Sample of Elementary School Children: Progress Report on METCO, 1967 (METCO Education Program, Roxbury, Mass.), *cited in* St. John, *supra* note 48, at 124.

[65] Paper presented by Herbert J. Walberg, American Educational Research Association Annual Meeting, Feb. 1971. *See also* H. Walberg, An evaluation of an Urban-Suburban School Bussing Program: Student Achievement and Perception of Class Learning Environments, 1969 (METCO Education Program, Roxbury, Mass.).

[66] D. Armor & W. Genova, METCO Student Attitudes and Aspirations: A Three-Year Evaluation, 1970 (unpublished manuscript), *cited in* Armor, *Evidence, supra* note 8, at 99.

[67] R. Banks & M. DiPasquale, A Study of the Educational Effectiveness of Integration 1, Jan. 1969 (Buffalo Public Schools, Buffalo, N.Y.) [hereinafter cited as R. Banks & M. DiPasquale]. For an earlier study, see F. Dressler, Study of Achievement in Reading of Pupils Transferred from Schools 15 and 37 to Peripheral Schools to Eliminate Overcrowding, to Abandon an Obsolete School, and to Achieve a More Desirable Racial Balance in City Schools, Mar. 1967 (Buffalo Public Schools, Buffalo, N.Y.).

[68] R. Banks & M. DiPasquale, *supra* note 67, at 4–5.

[69] *Id.* at 4. For example, before busing, segregated seventh grade blacks were 1.3 years behind whites in paragraph meaning. After one year of integrated schooling, blacks were 1.7 years behind.

[70] *Id.* at 7, 10.

[71] St. John, *supra* note 48, at 123.

[72] J. Hsia, Integration in Evanston, 1967–71: A Longitudinal Evaluation, A Summary of the Major Findings 4, Aug. 1971 (Educational Testing Service, Evanston, Ill.).

[73] *Id.*

[74] The students were randomly selected, but parental approval was required. *See generally* U.S. Dep't of Health, Educ. & Welfare, It Works: Project Concern, Hartford, Connecticut (1969); A. Satz & M. Hoffman, Project Concern: Hartford, Connecticut, Oct. 1971 (Center for Urban Education, New York, N.Y.); Mahan, *The Impact of Schools on Learning: Inner-City Children in Suburban Schools*, 9 J. School Psych. 3 (1971); Samuels, *Is Busing a Viable Alternative?*, Actions, Mar. 1972 (Connecticut State Department of Education newsletter).

[75] U.S. Dep't of Health, Educ. & Welfare, It Works: Project Concern, Hartford, Connecticut 2, 4–10 (1969).

[76] *Id.* A 1970 report by Crane concluded that bused pupils achieved more in reading than nonbused pupils. However, by the fifth grade, bused pupils were still a full year below grade level. The absence of a comparable control group and the high dropout rate for the program may prejudice these reresults. *See* T. Crane, A Three Year Summary of Hartford Project Concern, Oct. 1970 (Connecticut State Department of Education, Hartford, Conn.).

[77] R. Clinton, A Study of the Improvement in Achievement of Basic Skills of Children Bused from Urban to Suburban School Environment, 1969 (unpublished masters thesis in Southern Connecticut State College Library), *cited in* Armor, *Evidence, supra* note 8, at 100.

[78] M. Purl & J. Dawson, The Effect of Integration on the Achievement of Elementary Pupils, May 1969 (Riverside Unified School District, Riverside, Cal.), *reprinted in School Desegregation Hearings, supra* note 39, pt. 9B, at 4834. Because desegregation was accomplished by eliminating minority schools, no control group was available for comparison.

[79] *Id.* at 4869.

[80] M. Purl & J. Dawson, The Achievement of Pupils in Desegregated Schools, 1971 (Riverside Unified School District, Riverside, Cal.), *cited in* Armor, *Evidence, supra* note 8, at 100. The achievement gap between white and black fourth graders, who had been integrated since kindergarten, was as great as when the busing program began.

[81] St. John, *supra* note 48, at 115.

[82] H. Gerard & N. Miller, Factors Contributing to Adjustment and Achievement in Racially Desegregated Schools 48–65, 1971 (unpublished manuscript, Department of Psychology, UCLA). *See also* Paper presented by Harry Singer, Annual Convention of American Educational Research Association, Minneapolis, Minn., Mar. 3–6, 1970.

[83] In a pilot program starting in 1965, Rochester each year bused twenty-five above-average children from an inner-city school to a high quality suburban school in West Irondequoit. Over a three-year period, bused students made significant gains over a control group of inner-city students in thirteen of twenty-seven achievement comparisons possible. However, pupil transfers resulting from parental objections, high testing mortality, and the high quality of the receiving school render overall conclusions difficult. *See* W. Rock, An Interim Report on a Cooperative Program Between a City School District and a Suburban School Dist., July 1966, July 1967, July 1968 (Board of Education, Rochester, N.Y.), *cited in* St. John, *supra* note 48, at 122.

[84] O. Bowman & R. Green, Final Report: A Three Year Longitudinal Study to Assess a Fifteen Point Plan to Reduce Racial Isolation and Provide Quality Integrated Education for Elementary Pupils 2, 9, Sept. 1970 (City School District, Rochester, N.Y.).

[85] *Id.* at 32–33. Of thirty-five academic achievement comparisons possible, one favored the segregated black pupils, nine favored the integrated black pupils (eight at grade 3), and twenty-five were not significantly different.

[86] *Id.* Of sixteen comparisons possible for teacher perception of pupils' social growth and work habits, none favored the integrated black pupils, two favored the segregated black pupils, and fourteen were insignificant.

[87] Armor, *Evidence, supra* note 8, at 123.

[88] E. Morrison & J. Stivers, A Summary of the Assessments of the District's Integration Programs, 1964–1971, at 1, Sept. 1971 (Sacramento City Unified School District, Sacramento, Cal.).

[89] *Id.* at 2–3.

[90] *Id.* at 11–14.

[91] *Id.* at 7. *See also* Armor, *Reply, supra*

note 49, at 122, in which he points out that the slight achievement gains may be due to differences in instructional services rather than integration through busing. Segregated students who received special compensatory services gained 1.1 years per year in reading, while integrated students gained 1.0 years.

[92] Bd. of Educ., White Plains, New York, A Three-Year Evaluation of the White Plains Racial Balance Plan, Oct. 1967, *cited* in St. John, *supra* note 48 at 122. *See also* A. Bondarin, The Racial Balance Plan: White Plains, New York, 1969 (Center for Urban Education, New York, N.Y.)

[93] Armor, *Evidence, supra* note 8, at 99.

[94] St. John, *supra* note 48, at 122.

[95] Armor, *Evidence, supra* note 8, at 109.

[96] Bell, *Integration: A No Win Policy for Blacks,* Integrated Educ., Sept.–Oct. 1972, at 35.

[97] Edmonds, *supra* note 18, at 14.

[98] Glazer, *supra* note 12, at 50.

[99] St. John, *supra* note 48, at 125–29. *See also* Podhoretz, *School Integration and Liberal Opinion,* Commentary, Mar. 1972, at 7; Wasserman, *Busing As a "Cover Issue"—A Radical View,* 6 Urban Rev., Sept.-Oct. 1972, at 7. *Bus see* Foster, *School Desegregation: Problem or Opportunity for Urban Education?,* Urban Rev., Sept.-Oct. 1972, at 12; Mondale, *Busing in Perspective,* New Republic, Mar. 4, 1972, at 16.

[100] Social scientists generally agree that busing has no effect on the academic achievement of white children. *See, e.g.,* Scudder & Jurs, *Do Bused Negro Children Affect Achievement of Non-Negro Children?,* Integrated Educ., Mar.-Apr. 1972, at 30–34.

[101] 347 U.S. at 494.

[102] *See* Armor, *Evidence, supra* note 8, at 96; Clark, *Eighteen Years After Brown,* Integrated Educ., Nov.-Dec. 1972, at 7 (hereinafter cited as Clark, *Eighteen Years*).

[103] Katz, *Review of Evidence Relating to Effects of Desegregation on the Intellectual Performance of Negroes,* 19 Am. Psych. 396 (1964); *cf.* Katz, *Academic Motivation and Equal Education Opportunity,* 38 Harv. Educ. Rev. 57 (1968); Katz, *A Critique of Personality Approaches to Negro Performance With Research Suggestions,* 25 J. Social Issues, Summer 1969, at 13.

[104] *See* authorities cited note 103 *supra.*

[105] P. Carrigan, *supra* note 55, at 162, 368.

[106] Vernoff & Peele, *Initial Effects of Desegregation on the Achievement Motivation of Negro Elementary School Children,* 25 J. Social Issues, Summer 1969, at 71. The authors attributed this seemingly contradictory result to the tendency of bused black males to lower unusually high aspirations to more realistic levels.

[107] *Id.* at 84–85. The authors speculate that the difference between the sexes may result from the black male's competency in athletics which leads to increased social acceptance among his peers. Conversely, they contend that black females are much less likely to gain such peer support. *Id.* at 88. Readers are cautioned, however, that follow-up studies on these children over longer periods of time are necessary before the effects of busing on motivation can be conclusively measured. *Id.* at 90.

[108] Armor, *Evidence, supra* note 8, at 101.

[109] *Id.* at 102.

[110] J. Hsia, *supra* note 72, at 5.

[111] *Id.*

[112] A. Satz & M. Hoffman, Project Concern: Hartford, Connecticut 34, Oct. 1971 (Center for Urban Education, New York, N.Y.).

[113] Samuels, *Busing, Reading, and Self in New Haven,* Integrated Educ., Nov.–Dec.. 1972, at 26–27.

[114] H. Gerard & N. Miller, *supra* note 82, at 35–36.

[115] *School Desegregation Hearings, supra* note 39, pt. 9A, at 4502 (testimony of Dr. Jane Mercer).

[116] *Cf.* Jencks, *Busing—The Supreme Court Goes North,* N. Y. Times (Magazine), Nov. 19, 1972, at 120, in which the author wrote that blacks tend to get lower grades in integrated schools and consequently have lower academic self-concepts than blacks in segregated schools. Moreover, he concluded that blacks in segregated schools have basically the same high educational aspirations as those in integrated schools and are just as likely to go to college.

[117] Black Journal (television program, Jan. 9, 1973, Public Broadcasting System, WFYI, Indianapolis, Ind.).

[118] *See, eg.,* Smith v. St. Tammany Parish School Bd., 302 F. Supp. 106 (E.D. La. 1969); Brice v. Landis, 314 F. Supp. 974 (N.D. Cal. 1969). *See also* Entin, *supra* note 28, at 11–15.

[119] *See, e.g.,* Clark v. Board of Educ., 449 F.2d 493 (8th Cir. 1971); Carr v. Montgomery County Bd. of Educ., 429 F.2d 382 (5th Cir. 1970); Choctaw County Bd. of Educ. v. United States, 417 F.2d 945 (5th Cir. 1969); Mims v. Duval County School Bd., 329 F. Supp. 123 (M.D. Fla. 1971). *See also* B. Fancher, Voices in the South, Aug. 1970 (Southern Regional Council, Atlanta, Ga.), *reprinted in School Desegregation Hearings, supra* note 39, pt. 20, at 10276; Entin, *supra* note 38, at 11–15; Gendron, *Busing in Florida: Before and After,* Integrated Educ., Mar.–Apr. 1972, at 3–7; Integrated Educ., July–Aug. 1972, at 21; 83 Harv. L. Rev. 1434 (1970).

[120] Entin, *supra* note 38, at 9–11. *See also* Hamilton, *Race and Education: A search for Legitimacy,* 38 Harv. Educ. Rev. 677 (1968). For arguments in favor of the neighborhood school concept, see Gunning, *Busing Versus the Neighborhood School,* 6 Urban Rev., Sept.–Oct. 1972, at 2–5; Note, *School Desegregation After* Swann, 39 U. Chi. L. Rev. 444 (1972).

[121] Raspberry, *Massive Busing: A Waste,* Washington Post, Feb. 16, 1972, at A15, cols. 6–8.

[122] Raspberry, *School Changes Are Late,* Washington Post, Jan. 26, 1972, at A23, cols. 6–8. *See also* Raspberry, *No Point in Running,* Washington Post, Jan. 21, 1972, at A23. cols. 6–8; Raspberry, *School Integration Bids Rooted in Many Motives,* Indianapolis Star, Feb. 4, 1973, § 2, at 3, cols. 1–6.

[123] *See* G. Allport, the Nature of Prejudice 261–82 (1954); M. Deutsch & M. Collins, Interracial Housing: A Psychological Evaluation of a Social Experiment (1951); Armor, *Evidence, supra* note 8, at 92–93.

[124] Clark, *Eighteen Years, supra* note 102, at 8–9; Pettigrew, *School Research and the Busing Issue,* 6 Urban Rev., Sept.–Oct. 1972, at 24 [hereinafter cited as Pettigrew, *School Research*].

[125] L. Anderson, The Effects of Desegregation on the Achievement and Personality Patterns of Negro Children, 1967 (doctoral dissertation, George Peabody College for Teachers), *cited in* Carithers, *supra* note 6, at 37.

[126] Bronfenbrenner, *The Psychological Costs of Quality and Equality in Education,* 38 Child Development 919 (1967).

[127] Dentler & Elkins, Intergroup Attitudes, Academic Performance, and Racial Composition, in The Urban R's 75 (R. Dentler, B. Mackler, & M. Warshauer eds. 1967).

[128] S. Drake & H. Cayton, Black Metropolis 281–82 (1962).

[129] Gottlieb & TenHouten, *Racial Composition and the Social Systems of Three High Schools,* 27 J. Marriage & Family 204 (1965).

[130] Proshansky, *The Development of Intergroup Attitudes,* in 2 Rev. of Child Development Res. 356 (L. Hoffman & M. Hoffman eds. 1966).

[131] D. Singer, Interracial Attitudes of Negro and White Fifth Grade Children in Segregated and Unsegregated Schools, 1967 (doctoral dissertation, Columbia University Library), *cited in* Carithers, *supra* note 6, at 33.

[132] Webster, *The Influence of Interracial Contact on Social Acceptance in a Newly Integrated School,* 52 J. Educ. Psych. 296 (1961); *cf.* Haggstrom, *Segregation, Desegregation, and Negro Personality,* in Learning Together 40 (M. Weinberg ed. 1964).

[133] Carithers, *supra* note 6, at 41. *See also Eisenman, Comment on Racially Separate or Together,* 25 J. Social Issues, Autumn 1969 at 199; Podhoretz, *supra* note 99, at 7. *See* Carithers, *supra* note 6, at 36–37 for contrary studies.

[134] P. Carrigan, *supra* note 55, at 309–12.

[135] *Id.* at 167–202. Moreover, the level of acceptance of black children was significantly lower than the level of acceptance of whites by blacks. Although black children indicated more positive attitudes toward their white classmates after integration than before, the differences were not statistically significant.

[136] *Id.* at 367.

[137] *School Desegregation Hearings, supra* note 39, pt. 9A, at 4058–84 (testimony of Berkeley Students Panel).

[138] *Id.* at 4058–65 (testimony of Eric Wiley).

[139] Armor, *Evidence, supra* note 8, at 102–03.

[140] *Id.* At the start of the busing program, forty-seven percent of the bused and fifty-one percent of the control group students expressed preferences for nonwhite schools. After two years of busing, eighty-one percent of the bused students said they would prefer attending nonwhite schools, as compared with sixty-six percent of the control groups.

[141] B. Useem, White Suburban Secondary Students in Schools with Token Desegregation, 1971 (unpublished doctoral thesis in Harvard University Library), *cited in* Armor, *Evidence, supra* note 8, at 103–04. While the lower-class white students reflected the highest levels of prejudice toward blacks, the middle-class, high-achieving white students showed the greatest decrease in support for the busing program. *See also* Useem, *White Students and Token Desegregation,* Integrated Educ., Sept.-Oct. 1972, at 46. *But see* Pettigrew, *Busing, supra* note 50, at 108–10. In response, Armor bolsters his thesis that busing increases racial hostility by citing recent data from A Better Chance, a program that places black students in white prep schools. *See* Armor, *Reply, supra* note 49, at 127–29.

[142] R. Banks & M. DiPasquale, *supra* note 67, at 7, 10.

[143] *Id.* at 7, 11.

[144] J. Hsia, *Supra* note 72, at 6–7.

[145] *Id.* at 7–8.

[146] H. Gerard & N. Miller, *supra* note 82, at 66–77.

[147] *Id.*

[148] Zukosky, *Giving Up On Integration,* New Republic, Oct. 14, 1972, at 21.

[149] *Id.* at 20.

[150] *See* B. Fancher, Voices From the South, Aug. 1970 (Southern Regional Council, Atlanta, Ga.), *reprinted in School Desegregation Hearings, supra* note 39, pt. 20, at 10, 276–325; Barrows, *School Busing: Charlotte, N.C.,* Atlantic, Nov. 1972, at 17–20; Bell, *supra* note 96, at 34–35; Dorr, *Ordeal by Desegregation,* Integrated Educ., July-Aug. 1972, at 34. *See also* authorities cited note 30 *supra.*

[151] Glazer, *supra* note 12, at 51.

[152] Jencks, *supra* note 116, at 120; Pettigrew, *School Research, supra* note 124, at 25.

[153] *See generally* Armor, *Evidence, supra* note 8, at 101–12; St. John, *supra* note 48, at 111–20. For evaluations of the Coleman Report, see F. Mosteller & D. Moynihan, On Equality of Educational Opportunity (1972); R. Newman & D. Newman, Evidence 215–17 (1969); Bowles & Levin, *The Determinants of Scholastic Achievement—An Appraisal of Some Recent Evidence,* 3 J. Human Resources 3 (1968); 38 Harv. Educ. Rev. 1, 1–212 (1968) (issue devoted to equality of educational opportunity).

[154] Coleman, *Coleman on "The Coleman Report,"* Pub. Interest, Summer 1972, at 126–27.

[155] Smith, *The Coming of the Black Ghetto-State,* 61 Yale Rev. 173 (1971).

[156] *See* S. Carmichael & C. Hamilton, Black Power (1967); A. Smith, Rhetoric of Black Revolution (1969); Hamilton, *The Nationalist vs. the Integrationist,* N.Y. Times (Magazine), Oct. 1, 1972, at 36; Killian, *School Desegregation: Past, Present, Future,* Integrated Educ., Sept.-Oct. 1972, at 3; Metzger, *American Sociology and Black Assimilation: Conflicting Perspectives,* 76 Am. Soc. Rev. 627 (1971).

[157] Innis, *quoted in* Hamilton, *The Nationalist vs. the Integrationist,* N.Y. Times (Magazine), Oct. 1, 1972, at 36.

[158] *Id.*

[159] Bork, *Quotation Marks: Busing and Forced Integration,* 6 Urban Rev., Sept.-Oct. 1972, at 41; Jaffe, *Coming Together in Gary,* Nation, Apr. 3, 1972, at 422.

[160] Greeley & Sheatsley, *Attitudes Toward Racial Integration,* Sci. Am., Dec. 1971, at 13–18. A number of prominent black leaders continue to support busing. *See* Clark, *In the Matter of Busing,* 6 Urban Rev., Sept.-Oct. 1972, at 11; Jordan, *Busing: A Creative Partnership,* 38 Vital Speeches, May 1, 1972, at 435; N.Y. Times, May 17, 1972, at 9, col. 1, in which Roy Wilkins of the NAACP stated that his organization withdrew from the Black Political Convention because of ideological differences over busing. *But see* Raspberry, *NAACP Shifting Stance on School Integration?* Indianapolis Star, Mar. 6, 1973, at 21, cols. 4–6.

[161] The Harris Poll in April 1972 reported that thirty-four percent of blacks opposed and fifty-two percent favored busing school children to achieve racial balancing. *See* Integrated Educ., July-Aug. 1972, at 20. The Gallup Poll in March 1972 reported that a "sizable proportion" of blacks opposed compulsory busing to achieve school desegregation. *See* Newsweek, Mar. 13, 1972, at 24. For an excellent case study (Beaufort, S.C.) on black opposition to busing for racial balance, see B. Fancher, Voices From the South, Aug. 1970 (Southern Regional Council, Atlanta, Ga.), *reprinted in School Desegregation Hearings, supra* note 39, pt. 20, at 10,287–93.

[162] *See* Teele & Mayo, *School Racial Integration: Tumult and Shame,* 25 J. Social Issues, Jan. 1960, at 137. Bryant Rollins, Executive Editor of the New Amsterdam News, recently emphasized that the busing issue distracted blacks' attention from the importance of community-controlled public schools and added:

> Dr. Armor's study is important to black parents in that it arms those of us who feel that the present solution to urban educational problems is not through busing and other methods of integration, but through a massive two-pronged attack to bring quality education to the inner city. . . . One of the major blocks in the development of alternative all-black schools and the struggle for quality education in inner-city public schools has been the way in which blacks in leadership positions and ordinary middle-class blacks as well, have assumed that they had to move out in order for their children to learn well. This has had the effect of fracturing and dividing our energies.

Quoted in N.Y. Times (Magazine), Oct. 1, 1972, at 37. It is possible for all black schools to provide a quality education and also place greater emphasis upon black culture and history. For example, most children attending Black Muslim schools in Washington, D.C. unlike their counterparts attending public schools, are achieving at or above grade level in mathematics and reading. *See* Newsweek, Sept. 25, 1972, at 106–107.

[163] Cause No. 71–2006 (6th Cir., Oct. 11, 1972). (On December 14, 1972, this opinion was withdrawn and the case heard en banc. On April 30, 1973, the Sixth Circuit affirmed the findings of the district court and ordered implementation of the busing plan. *See* Indianapolis Star, May 1, 1973, at 15, col. 1.)

[164] The district court has assumed continuing jurisdiction over this case since plaintiffs filed their original complaint in April 1960 charging unconstitutional segregation in the Chattanooga public schools. In 1961, the court of appeals affirmed a district court order directing the school board to file a desegregation plan. 295 F.2d 617 (6th Cir. 1961). In 1962, the district court ordered the board to implement a gradual desegregation plan for all public schools within eight years. 203 F. Supp. 843 (E. D. Tenn. 1962). In 1963, the court of appeals affirmed except as to technical and vocational courses and remanded for further proceedings. 319 F.2d 571 (6th Cir. 1963). The district court later ordered desegregation of Chattanooga Technical Institute as well as all vocational and technical courses. In 1965, the district court granted plaintiffs' motion for acceleration of the desegregation plan requiring all grades, faculty, and supervisory personnel to be desegregated by September 1966. In 1967, the court of appeals affirmed the district court order except with regard to faculty assignments, with regard to which further proceedings were ordered. 373 F.2d 75 (6th Cir. 1967). In 1968, plaintiffs filed a motion for immediate relief. In 1970, the district court discussed recent Supreme Court and appellate court decisions and ordered an evidentiary hearing. In 1971, the district court conducted hearings on plaintiffs' motions, found the school system to be unconstitutionally segregated, and ordered the board to file new desegregation plans consistent with recent decisions. The district court later approved a modified board plan which basically provided a 70% while/30% black distribution in the elementary and junior high schools. 329 F. Supp. 1374 (E.D. Tenn. 1971). Both parties appealed.

[165] Mapp 1. Board of Educ., Cause No. 71–2006 (6th Cir., Oct. 11, 1972), at 1–2, 11.

[166] 404 U.S. 1221 (1971).

[167] Cause No. 71–2006, at 7.

[168] *Id.* at 8.

[169] *Id.* at 9.

[170] *Id.*

[171] *Id.* at 10.

[172] *Id.* at 10–11.

[173] *Id.* at 12. The court specifically recommended Armor's article, *Evidence, supra* note 8.

[174] Cause No. 71–2006, at 11–12. In his dissent, Judge Edwards argued that the majority position represented a repudiation of *Brown I* and *II, Swann,* and Davis 1. Board of Comm'rs, 402 U.S. 33 (1971). Mapp v. Board of Educ., *supra* at 14. He contended that any re-evaluation of the sociological underpinnings of *Brown I* and *II* was improper and misleading. Describing the majority's reference to Armor's article as "completely irrelevant to our legal problems," he pointed to Pettigrew's reply to Armor which he had printed in the appendix. Mapp v. Board of Educ., *supra* at 34, 38.

[175] Cause No. 71–2006, at 13.

[176] *See* Cook, *School Desegregation: To Brown and Back Again—the Great Circle,* 23 Baylor L. Rev. 398 (1971); Fiss, *The Charlotte-Mecklenburg Case—Its Significance for Northern School Desegregation,* 38 U. Chi. L. Rev. 697 (1971); May, *Busing* Swann v. Charlotte-Mechlenburg, and *the Future of Desegregation in the Fifth Circuit,* 49 Texas L. Rev. 884 (1971); *The Supreme Court, 1970 Term,* 85 Harv. L. Rev. 3, 74 (1971); Note, *From* Brown *to* Swann—*The New Role of Equity in Integration,* 23 Baylor L. Rev. 555 (1971); Note, *Civil Rights v. Individual Liberty:* Swann, and *Other Monsters of Impetuous Justice,* 5 Ind. Legal F. 368 (1972); Note *Schools, Busing and Desegregation: The Post-*Swann *Era,* 46 N.Y.U.L. Rev. 1079 (1971); Note, Swann v. Charlotte-Mecklenburg Board of Education: *Roadblocks to the Implementation of Brown,* 12 Wm. & Mary L. Rev. 838 (1971); 21 DePaul L. Rev. 562 (1971); 49 J. Urban L. 399 (1971); 3 Texas Tech. L. Rev. 99 (1971); 24 Vand. L. Rev. 1243 (1971).

[177] 402 U.S. at 30–31(emphasis added).

[178] *See* Northcross v. Memphis Bd. of Educ., 446 F.2d 890 (6th Cir. 1972); Kelley v. Metropolitan County Bd. of Educ., 463 F.2d 732 (6th Cir. 1972); Dowell v. Board of Educ., 338 F. Supp. 1256 (W.D. Okla. 1972); Bradley v. Milliken, 338 F. Supp. 582 (E.D. Mich. 1971); Mims v. Duval County School Bd., 329 F. Supp. 123 (M.D. Fla. 1971).

[179] 404 U.S. 1221 (1971). The specific language used by Chief Justice Burger is noteworthy:

> The Board's resolution that it was adopting the revised plan under protest on an undertsanding that it was *required* to achieve a fixed "racial balance" that reflected the total composition of the school district is disturbing. It suggests the possibility that there may be some misreading of the opinion of the Court in the *Swann* case. If the Court of Appeals or the District Court read this Court's opinion as requiring a fixed racial balance or quota, they would appear to have overlooked specific language of the opinion in the *Swann* case to the contrary. *Id.* at 1227.

[180] Keyes v. Denver School Dist., 445 F. 2d 990 (10th Cir. 1971), *cert. granted,* 404 U.S. 1036 (1972). For excerpts from a memorandum submitted to the Court by Justice Department attorneys, see U.S. News & World Rep., Oct. 23, 1972, at 39. *See also* Alsop, *The Constitutional Precipice,* Newsweek, Apr. 3, 1972, at 88; Kirk, *Salvation By Bus,* Nat'l Rev. Sept. 29, 1972, at 1065.

[181] Bradley v. School Bd., 338 F. Supp. 67 (E.D. Va.), *rev'd* 462 F. 2d 1058 (4th Cir. 1972), *cert. granted,* 93 S. Ct. 936 (1973).

[182] *See* authorities cited note 27 *supra.*

[183] The vast majority of American children outside our central cities ride buses to school daily for nonracial reasons. In 1971, 20 million children rode 256,000 buses more than 2 billion miles. *See* Mondale, *Busing in Perspective,* New Republic, Mar. 4, 1972, at 18.

[184] *See* authorities cited note 74 *supra.*

[185] See E. Morrison & J. Silvers, *supra* note 88.

[186] *See generally* A. Myers, Factors Relating to the Acceptance of Negro Children in a Busing Integration Program, 1968 (unpublished manuscript, University of Delaware); Deutsch, *The School's Role in the Problems of Integration,* in The Disadvantaged Child 293–94 (M. Deutsch ed. 1967); Katz, *Review of Evidence Relating to Effects of Desegregation on the Intellectual Performance of Negroes,* 19 Am. Psych. 395–97 (1964); St. John, *Desegregation: Voluntary or Mandatory,* Integrated Educ., Jan.-Feb. 1972, at 7.

[187] Plessy v. Ferguson, 163 U.S. 537 (1896). *See* Berea College v. Kentucky, 211 U.S. 45 (1908).

QUORUM CALL

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. Hathaway). Is there further morning business? If not, morning business is concluded.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES PREFERRED

As in executive session, the Presiding Officer (Mr. Hathaway) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed without amendment the bill (S. 2419) to correct typographical and clerical errors in Public Law 93–86.

The message also announced that the House had disagreed to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 7645) to authorize appropriations for the Department of State, and for other purposes; had agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Hays, Mr. Morgan, Mr. Zablocki, Mr. Mailliard, and Mr. Thomson of Wisconsin were appointed managers of the conference on the part of the House.

FOREIGN ASSISTANCE ACT OF 1973

The PRESIDING OFFICER. Under the previous order the Senate will now proceed to the consideration of S. 2335, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Finance with amendments on page 9, line 20, after the word "part", strike out "and for the purposes specified under part V of this Act"; on page 17, at the beginning of line 11, strike out 1961 is amended—

"(1) by striking out "Peace Corps Assistance" and inserting in lieu thereof "Exclusions"; and

"(2) by inserting immediately after the last semicolon thereof the following: 'part V of this Act;"." and insert "1961" is amended by striking out "Peace Corps Assistance" and inserting in lieu thereof "Exclusions"."; on page 19, after line 11, strike out:

UNITED STATES EXPORT DEVELOPMENT CREDIT FUND

Sec. 16. (a) The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V

"Sec. 801. General Authority. (a) In the interest of increased United States exports to the lowest income countries, thereby contributing to high levels of employment and income in the United States and to the establishment and maintenance of long range, growing export markets, while promoting development of such countries, the President shall establish a fund, to be known as the 'United States Export Development Credit Fund', to be used by the President to carry out the authority contained in this part.

"(b) The President is authorized to provide extensions of credit and to refinance United States export credits, for the purpose of facilitating the sale of United States goods and services to the lowest income countries which advance their development. The authority contained in this part shall be used to extend credit in connection with the sale of goods and services which are of developmental character, with due regard for the objectives stated in section 102(b) of this Act.

"(c) Any extension of credit made under this part shall—

"(1) not be for a period exceeding thirty years from the date such credit is extended;

"(2) require that annual repayments of principal on extensions of credit commence not later than the first day of the sixth year after the credit is extended; and

"(3) provide for a rate of interest of not less than 3 per centum per annum payable annually during the entire period such credit is extended.

"(d) The receipts and disbursements of the Fund in the discharge of its functions shall be treated for purposes of the budget of the United States Government in the same fashion as the receipts and disbursements of the Export-Import Bank of the United States under section 2(a)(2) of the Export-Import Bank Act of 1945, as amended.

"Sec. 802. Financing. (a) As may hereafter be provided in annual appropriation Acts, the President is authorized to borrow from whatever source he deems appropriate, during the period from the effective date of this part through December 31, 1977, and to issue and sell such obligations as he determines necessary to carry out the purposes of this part. However, the aggregate amount of such obligations outstanding at any one time shall not exceed 15 per centum of the amount specified in section 7 of the Export-Import Bank Act of 1945, as amended, in effect on July 1, 1973. The dates of issuance, the maximum rates of interest, and other terms and conditions of the obligations issued under this subsection will be determined by the Secretary of the Treasury with the approval of the President. Obligations issued under the authority of this section shall be obligations of the Government of the United States of America, and the full faith and credit of the United States of America is hereby pledged to the full payment of principal and interest thereon. For the purpose of any purchase of the obligations issued under this part, the Secretary of the Treasury is authorized to use as public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the obligations issued under this part. The Secretary of the Treasury may, at any time, sell any of the obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of such obligations shall be treated as public debt transactions of the United States.

"(b) Except as otherwise provided in section 806, the amounts borrowed under subsection (a) of this section shall be paid into the Fund and used to carry out the purposes of this part. Any difference between the interest to be repaid on export credits made under this part and the interest paid by the Fund on obligations incurred under subsection (a) of this section shall be paid into the Fund out of receipts specified in section 203 of this Act.

"(c) Receipts from loans made pursuant to this part are authorized to be made available for the purposes of this part. Such receipts and other funds made available for the purposes of this part shall remain available until expended.

"Sec. 803.—Lending Ceiling and Termination.—(a) The United States Export Development Credit Fund shall not have outstanding at any one time loans in an aggregate amount in excess of 15 per centum of the amount specified in section 7 of the Export-Import Bank Act of 1945, as amended, in effect on July 1, 1973.

"(b) The Fund shall continue to exercise its functions in connection with and in furtherance of its objectives and purposes until the close of business on December 31, 1977, but the provisions of this section shall not be construed as preventing the Fund from acquiring obligations prior to such date which mature subsequent to such date or from assuming prior to such date liability as acceptor of obligations which mature subsequent to such date or from issuing either prior or subsequent to such date, for purchase by the Secretary of the Treasury or any other purchasers, its obligations which mature subsequent to such date or from continuing as an agency of the United States and exercising any of its functions subsequent to such date for purposes of orderly liquidation, including the administration of its assets and the collection of any obligations held by the Fund.

"Sec. 804. Reports to the Congress. The President shall transmit to the Congress semiannually a complete and detailed report of the operations of the United States Export Develoypment Credit Fund. The report shall be as of the close of business on June 30 and December 31 of each year.

"Sec. 805. Administration of Fund.—The President shall establish a committee to advise him on the exercise of the functions conferred upon him by this part. The Committee shall include the Secretary of Commerce, the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of State, the President of the Export Import Bank, and the head of the agency primarily responsible for administering part I of this Act.

"Sec. 806. Provision for Losses.—Ten per centum of the amount authorized to be borrowed under subsection 802(a) shall be reserved and may be used to cover any losses incurred on loans extended under this part. Receipts specified in section 203 of this Act may also be paid into the Fund for in section 203 of this Act may also be paid into the United States Export Development Credit Fund for the purpose of compensating the Fund for any such losses.

"Sec. 807. Export-Import Bank Powers. Nothing in this part shall be construed as a limitation on the powers of the Export-Import Bank of the United States.

"Sec. 808. Prohibition on Loans for Defense Articles or Services. The authority contained in this part shall not be used to extend credit in connection with the sale of defense articles or defense services. This provision may not be waived pursuant to section 614 of this Act or pursuant to any other provision of this or any other Act.

"Sec. 809. Definition, Effective Date, and Plan of Implementation.—As used in this part, 'lowest income countries' are those countries with per capita national product of less than $375 a year which need concessional foreign exchange financing from the United States or other international donors to finance goods and services on terms they can reasonably afford, with particular emphasis on countries in which per capita national product is less than $200 a year."

(b) The amendment made by subsection (a) of this section is effective July 4, 1974.

(c) The President shall, not later than April 15, 1974, submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a detailed plan describing the proposed organizational and operational methods for implementation of the United States Export Development Credit Fund established by the amendment made by subsection (a) of this section;

On page 25, at the beginning of line 21, change the section number from "17" to "16"; in line 22, after the word "adding", strike out "after V thereof, as added by section 16(a)" and insert "at the end thereof"; on page 26, at the beginning of line 1, strike out "PART VI" and insert "PART V"; at the beginning of line 4, strike out "Sec. 901." and insert "Sec. 801."; at the beginning of line 12, strike out "Sec. 902." and insert "Sec. 802."; at the beginning of line 18, strike out "Sec. 903." and insert "Sec. 803."; on page 27, line 9, after the word "section", strike out "902" and insert "802"; at the beginning of line 20, strike out "Sec. 904." and insert "Sec. 804."; on page 28, at the beginning of line 3, strike out "parts I and VI" and insert "part I, this part,"; at the beginning of line 5, change the section number from "18" to "17"; at the beginning of line 10, change the section number from "19" to "18"; at the beginning of line 20, change the section number from "20" to "19"; on page 29, at the beginning of line 4, change the section number from "21" to "20"; at the beginning of line 10, change the section number from "22" to "21"; and, on page 30, at the beginning of line 4, change the section number from "23" to "22"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That this Act may be cited as the "Foreign Assistance Act of 1973".

POLICY; DEVELOPMENT ASSISTANCE AUTHORIZATIONS

Sec. 2. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In the chapter heading, immediately after "Chapter 1—Policy" insert "; Development Assistance Authorizations".

(2) In section 102, relating to statement of policy—

(A) insert "(a)" immediately after "Statement of Policy.—"; and

(B) add at the end thereof the following:

"(b) The Congress further finds and declares that, with the help of United States economic assistance, progress has been made in creating a base for the economic progress of the less developed countries. At the same time, the conditions which shaped the United States foreign assistance program in the past have changed. While the United States must continue to seek increased cooperation and mutually beneficial relations with other nations, our relations with the less developed countries must be revised to reflect the new realities. In restructuring our relationships with these countries, the President should place appropriate emphasis on the following criteria:

"(1) Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.

"(2) United States assistance should concentrate in particular on the development of employment-intensive technologies suitable to the less developed countries.

"(3) Future United States bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: food production; rural development and nutrition; population planning and health; and education, public administration, and human resource development.

"(4) United States cooperation in development should be carried out to the maximum extent possible through the private sector, including those public service institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.

"(5) Development planning must be the responsibility of each sovereign country. United States assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.

"(6) United States bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest of their people and their capacity to participate in the development of their countries.

"(7) Under the policy guidance of the Secretary of State, the agency primarily responsible for administering this part shall have the responsibility for coordinating all United States development-related activities. The head of that agency should advise the President on all United States action affecting the development of the less-developed countries, and should keep the Congress informed on the major aspects of United States interests in the progress of those countries."

(3) At the end thereof, add the following new sections:

"Sec. 103. Food and Nutrition.—In order to alleviate starvation, hunger, and malnutrition, and to provide basic services to poor people, enhancing their capacity for self-help, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development, and nutrition. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $282,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 104. Population Planning and Health.—In order to increase the opportunities and motivation for family planning, to reduce the rate of population growth, to prevent and combat disease, and to help provide health services for the great majority, the President is authorized to furnish assistance on such terms and conditions as he may determine, for population planning and health. There are authorized to be appropriated to the President for the purposes of this section, in addition to the funds otherwise available for such purposes, $141,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 105. Education and Human Resources Development.—In order to reduce illiteracy, to extend basic education and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration, and human resource development. There are authorized to be appropriated to the President for the purpose of this section, in addition to funds otherwise available for such purposes, $94,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 106. Selected Development Problems.—The President is authorized to furnish assistance on such terms and conditions as he may determine, to help solve economic and social development problems in fields such as transportation, power, industry, urban development, and export development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise avaliable for such purposes, $47,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 107. Selected Countries and Organizations.—The President is authorized to furnish assistance on such terms and conditions as he may determine, in support of the general economy of recipient countries or for development programs conducted by private or international organizations. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $28,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 108. Application of Existing Provisions.—Assistance under this chapter shall be furnished in accordance with the provisions of titles I, II, VI, or X of chapter 2 of this part, and nothing in this chapter shall be construed to make inapplicable the restrictions, criteria, authorities, or other provisions of this or any other Act in accordance with which assistance furnished under this chapter would otherwise have been provided.

"Sec. 109. Transfer of Funds.—Notwithstanding section 108 of this Act, whenever the President determines it to be necessary for the purposes of this chapter, not to exceed 15 per centum of the funds made available for any provision of this chapter may be transferred to, and consolidated with, the funds made available for any other provision of this chapter, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 25 per centum of the amount of funds made available for such provision. The provisions of sections 610(a) and 614(a) of this Act shall not apply to this chapter.

"Sec. 110. Sharing of Costs.—No assistance shall be furnished by the United States Government to a country under sections 103–107 of this Act until the country provides assurances to the President, and the President is satisfied, that such country will provide at least 25 per centum of the costs in any fiscal year of the entire program, project, or activity with respect to which such assistance is to be furnished, except that such costs borne by such country may be provided on an 'in-kind' basis.

"Sec. 111. Use of Receipts.—Not more than one-third of the receipts made available under section 203 of this Act may be used for purposes of any one of sections 103–107 of this Act in any fiscal year.

"Sec. 112. Limitation on Grants.—Not more than 50 per centum of the aggregate of the funds appropriated each year under sections 103–107 of this Act shall be used for making grants.

"Sec. 113. Development and Use of Cooperatives.—In order to strengthen the participation of the urban and rural poor in their country's development, not less than $20,000,000 of the funds made available for the purposes of this chapter shall be available during the fiscal years 1974 and 1975 only for assistance in the development of cooperatives in the less developed countries which will enable and encourage greater numbers of the poor to help themselves toward a better life.

"SEC. 114. MULTILATERAL APPROACHES TO DEVELOPMENT.—Greater efforts should be made to promote and support sound multilateral approaches to the development of foreign countries. Therefore, the Secretary of State shall undertake consultations with multilateral organizations (including the United Nations) for the purpose of determining (1) how soon and which such multilateral organizations would be able to administer foreign assistance funds transferred to them by the United States Government for programs, projects, and activities for the development of foreign countries, (2) the kinds of such programs, projects, and activities which those organizations are able and will be able to administer, (3) likely methods for the administration of those programs, projects and activities, and (4) the expectation of increased contributions by other countries to such organizations for those programs, projects, and activities. Not later than six months after the date of enactment of this section, the Secretary shall make a report to the President and the Congress with respect to his consultations, including such recommendations as the Secretary considers appropriate.

"SEC. 115. PROHIBITING POLICE TRAINING.—No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country."

DEVELOPMENT LOAN FUND

SEC. 3. Section 203 of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1970, for the fiscal year 1971, for the fiscal year 1972, and for the fiscal year 1973 for use for the purposes of this title, for loans under title VI and for the purposes of section 232" and inserting in lieu thereof "for the fiscal years 1974 and 1975 for use for the purposes of making loans under chapter 1 of this part".

AMERICAN SCHOOLS AND HOSPITALS ABROAD

SEC. 4. Section 214 of the Foreign Assistance Act of 1961 is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) To carry out the purposes of this section there are authorized to be appropriated to the President for the fiscal year 1974, $19,000,000, which amount is authorized to remain available until expended.

"(d) There are authorized to be appropriated to the President to carry out the purposes of this section, in addition to funds otherwise available for such purposes, for fiscal year 1974, $6,500,000 in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

"(e) On or before the termination of thirty days after the convening of the second regular session of the Ninety-third Congress, the Secretary of State shall submit to the Congress, for consideration in connection with Department of State authorization legislation, such recommendations as he considers desirable for assistance to schools, libraries, and hospital centers for medical education and research, outside the United States, founded or sponsored by United States citizens and serving as study and demonstration centers for ideas and practices of the United States."

HOUSING GUARANTIES

SEC. 5. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, relating to worldwide housing guarantees, strike out "$205,000,000" and insert in lieu thereof "$349,900,000".

(2) In section 223(i), relating to general provisions, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1975".

ALLIANCE FOR PROGRESS

SEC. 6. Section 252(b) of the Foreign Assistance Act of 1961, relating to authorization, is amended to read as follows:

"(b) There are authorized to be appropriated to the President for each of the fiscal years 1974 and 1975, $900,000 for grants to the National Association of the Partners of the Alliance, Inc."

PROGRAMS RELATING TO POPULATION GROWTH

SEC. 7. Section 292 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "1972 and 1973" and inserting in lieu thereof "1974 and 1975".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 8. Section 302 of the Foreign Assistance Act of 1961, relating to authorization, is amended as follows:

(1) In subsection (a), relating to authorization, strike out "for the fiscal year 1972, $138,000,000 and for the fiscal year 1973, $138,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, $120,000,000".

(2) In subsection (b) (2), relating to Indus Basin development grants, strike out "for use in the fiscal year 1972, $15,000,000, and for use in the fiscal year 1973, $15,000,000" and insert in lieu thereof "for use in each of the fiscal years 1974 and 1975, $14,000,000".

CONTINGENCY FUND

SEC. 9. Section 451(a) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1972 not to exceed $30,000,000, and for the fiscal year 1973 not to exceed $30,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, not to exceed $23,500,000".

INTERNATIONAL NARCOTICS CONTROL

SEC. 10. Section 482 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "$42,500,000 for the fiscal year 1973, which amout is" and inserting in lieu thereof "$40,000,000 for the fiscal year 1974, and $30,500,000 for the fiscal year 1975, which amounts are".

PROHIBITIONS AGAINST FURNISHING ASSISTANCE

SEC. 11. The first full paragraph of section 620(e) (1) of the Foreign Assistance Act of 1961 is amended by striking out "no other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection." and inserting in lieu thereof "the provisions of this subsection shall not be waived with respect to any country unless the President determines and certifies that such a waiver is important to the national interests of the United States. Such certification shall be reported immediately to Congress."

EMPLOYMENT OF PERSONNEL

SEC. 12. Section 625 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(k) (1) In accordance with such regulations as the President may prescribe, the following categories of personnel who serve in the agency primarily responsible for administering part I of this Act shall become participants in the Foreign Service Retirement and Disability System:

"(A) persons serving under unlimited appointments in employment subject to subsection (d) (2) of this section as Foreign Service Reserve officers and as Foreign Service staff officers and employees; and

"(B) a person serving in a position to which he was appointed by the President, whether with or without the advice and consent of the Senate, if (i) such person shall have served previously under an unlimited appointment pursuant to such subsection (d) (2) or a comparable provision of predecessor legislation to this Act, and (ii) following service specified in clause (i) of this subparagraph, such person shall have served continuously with such agency or its predecessor agencies only in positions established under the authority of sections 624(a) and 631(b) or comparable provisions of predecessor legislation to this Act.

"(2) Upon becoming a participant in the Foreign Service Retirement and Disability System, any such officer or employee shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852 of the Foreign Service Act of 1946, as amended. Thereafter, compulsory contributions will be made with respect to each such participating officer or employee in accordance with the provisions of section 811 of the Foreign Service Act of 1946, as amended.

"(3) The provisions of section 636 and title VIII of the Foreign Service Act of 1946, as amended, shall apply to participation in the Foreign Service Retirement and Disability System by any such officer or employee.

"(4) If an officer who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection is appointed by the President, by and with the advice and consent of the Senate, or by the President alone, to a position in any agency of the United States Government, any United States delegation or mission to any international organization, in any international commission, or in any international body, such officer shall not, by virtue of the acceptance of such an appointment, lose his status as a participant in the system.

"(5) Any such officer or employee who becomes a participant in the Foreign Service Retirement and disability System under paragraph (1) of this subsection shall be mandatorily retired (A) at the end of the month in which he reaches age seventy, or (B) earlier if, during the third year after the effective date of this subsection, he attains age sixty-four or if he is over age sixty-four; during the fourth year at age sixty-three; during the fifth year at age sixty-two; during the sixth year at age sixty-one; and thereafter at the end of the month in which he reaches age sixty. However, no participant shall be mandatorily retired under this paragraph while serving in a position to which appointed by the President, by and with the advice and consent of the Senate. Any participant who completes a period of authorized service after reaching the mandatory retirement age specified in this paragraph shall be retired at the end of the month in which such service is completed.

"(6) Whenever the President deems it to be in the public interest, he may extend any participant's service for a period not to exceed five years after the mandatory retirement date of such officer or employee.

"(7) This subsection shall become effective on the first day of the first month which begins more than one year after the date of its enactment, except that any officer or employee who, before such effective date, meets the requirements for participation in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection may elect to become a participant before the effective date of this subsection. Such officer or employee shall become a participant on the first day of the second month following the date of his application for earlier participation. Any officer or employee who becomes a participant in the system under the provisions of paragraph (1) of this subsection, who is age fifty-seven or over on the effective date of this subsection may retire voluntarily at any time before mandatory retirement under paragraph (5) of this subsection and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

"(8) Any officer or employee who is separated for cause while a participant in the Foreign Service Retirement and Disability System pursuant to this subsection, shall be entitled to benefits in accordance with section 637 (b) and (d) of the Foreign Service Act of 1946, as amended. The provisions of subsection (e) of this section shall apply to participants in lieu of the provisions of sections 633 and 634 of the Foreign Service Act of 1946, as amended."

ADMINISTRATIVE EXPENSES

SEC. 13. Section 637(a) of the Foreign Assistance Act of 1961, relating to authorizations, is amended by striking out "for the fiscal year 1972, $50,000,000 and for the fiscal year 1973, $50,000,000" and inserting in lieu thereof "for each of the fiscal years 1974 and 1975, $49,000,000".

PEACE CORPS ASSISTANCE

SEC. 14. Section 638 of the Foreign Assistance Act of 1961 is amended by striking out "Peace Corps Assistance" and inserting in lieu thereof "Exclusions".

COORDINATION

SEC. 15. Chapter 2 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 640B. COORDINATION.—(a) The President shall establish a system for coordination of United States policies and programs which affect United States interests in the development of low-income countries. To that end, the President shall establish a Development Coordination Committee which shall advise him and the Congress with respect to coordination of United States policies and programs affecting the development of the developing countries, including programs of bilateral and multilateral development assistance. The Committee shall include the head of the agency primarily responsible for administering part I of this Act, who shall be the Chairman; the Under Secretary for Economic Affairs, Department of State; the Assistant Secretary for International Organization Affairs, Department of State; the Assistant Secretary for International Affairs, Department of the Treasury; the Assistant Secretary for International Affairs and Commodity Programs, Department of Agriculture; the Assistant Secretary for Domestic and International Business, Department of Commerce; the President, Export-Import Bank of the United States; the President, Overseas Private Investment Corporation; the Special Representative for Trade Negotiations, Executive Office of the President; and the Executive Director, Council on International Economic Policy.

"(b) The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the direction of the Chief of the United States Diplomatic Mission, and the President shall keep the Congress advised of his actions under this subsection.

"(c) Programs authorized by this Act shall be undertaken with the foreign policy guidance of the Secretary of State.

"(d) The Chairman of the Development Coordination Committee shall report annually to the President and the Congress, and at such other times as requested by the Congress or any appropriate committee thereof, on United States actions affecting the development of the low-income countries."

POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

SEC. 16. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V—POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM CAMBODIA, AND LAOS

"SEC. 801. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos, including humanitarian assistance to refugees, civilian war casualties, and other persons disadvantaged by hostilities or conditions related to those hostilities in South Vietnam, Cambodia, and Laos.

"SEC. 802. AUTHORIZATION.—There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $376,000,000, which amount is authorized to remain available until expended.

"SEC. 803. ASSISTANCE TO SOUTH VIETNAMESE CHILDREN.—(a) It is the sense of Congress that inadequate provision has been made (1) for the establishment, expansion, and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs, which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children, who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights.

"(b) The President is therefore authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in subsection (a) of this section. Of the funds appropriated pursuant to section 802 of this Act for the fiscal year 1974, $7,500,000 shall be available until expended solely to carry out the purposes described in such subsection (a). Not more than 10 per centum of the funds made available to carry out such subsection (a) may be expended for the purposes referred to in clause (2) of such subsection. Assistance to carry out the purposes referred to in such subsection (a) shall be furnished, to the maximum extent practicable, under the auspices of and by international agencies or United States or South Vietnamese voluntary agencies.

"SEC. 804. CONSTRUCTION WITH OTHER LAWS.—All references to part I of this Act, whether heretobefore or hereafter enacted, shall be deemed to be references also to this part unless otherwise specifically provided. The authorities available to administer part I of this Act shall be available to administer programs authorized in this part. The provisions of section 655(c) of this Act shall not apply with respect to funds made available for fiscal year 1974 under part I, this part and section 637 of this Act."

TERMINATION OF INDOCHINA WAR

SEC. 17. No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia.

LIMITATION ON USE OF FUNDS

SEC. 18. No funds authorized or appropriated under any provision of law shall be made available for the purpose of financing directly or indirectly any military or paramilitary operations by foreign forces in Laos, Cambodia, North Vietnam, South Vietnam, or Thailand unless (1) such operations are conducted by the forces of the government receiving such funds within the borders of that country, or (2) specifically authorized by law enacted after the date of enactment of this Act.

WEST AFRICAN FAMINES

SEC. 19. In regard to the famine in West Africa, the President shall consult with international relief organizations and other experts to find the best way to forestall future famine conditions in West Africa, and he shall report to Congress as soon as possible on solutions to this problem of famine and further propose how any of these solutions may be carried out by multilateral organizations.

POLITICAL PRISONERS

SEC. 20. It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

TERMINATION OF ASSISTANCE IN INDOCHINA

SEC. 21. (a) It is the sense of the Congress that Agreements on Ending the War and Restoring Peace in Vietnam, and protocols thereto, signed in Paris, France, on January 27, 1973, will be effective only to the extent that the parties to such agreements and protocols carry out the letter as well as the spirit of those agreements and protocols. It is further the sense of Congress that the United States should not furnish economic or military assistance to any such party, or make any sale, credit sale, or guaranty to or on behalf of any such party, unless that party agrees to comply, and does comply, with those agreements and protocols.

(b) This section shall not apply to the provision of food and other humanitarian assistance which is administered and distributed, under international auspices or by United States voluntary agencies, directly to persons and not through any government.

ACCESS TO INFORMATION

SEC. 22. (a) After the expiration of any thirty-five-day period which begins on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the head of the Department of State, the United States Information Agency, the Agency for International Development, the United States Arms Control and Disarmament Agency, ACTION, or the Overseas Private Investment Corporation, a written request that it be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in its custody or control relating to such department, agency, or corporation, none of the funds made available to such department, agency, or corporation, shall be obligated unless and until there has been furnished to the committee making the request the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested.

(b) The provisions of subsection (a) of this section shall not apply to any communication that is directed by the President to a particular officer or employee of any such department, agency, or corporation or to any communication that is directed by any such officer or employee to the President.

(c) Subection 634(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394(c)) is amended—

(1) by striking out "(1)"; and

(2) by striking out all after the phrase "so requested" and inserting in lieu thereof a period and the following: "The provisions of this subsection shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Government or to any communication that is directed by any such officer or employee to the President."

The PRESIDING OFFICER. The time for debate on this bill is limited to 3 hours to be divided and controlled by the majority leader and the minority leader or their designees, with time on any amendment limited to 1 hour, and 30 minutes on any amendment, debatable motion, or appeal.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Minnesota.

Mr. ABOUREZK. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that a member of my staff, Tom Daschle be allowed the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair understands the Senator from Vermont will control the minority time.

Who yields time?

Mr. HUMPHREY. Mr. President, am I in charge of the time on this side?

The PRESIDING OFFICER. The Chair understands the distinguished majority leader yielded his time.

Mr. HUMPHREY. I wish to make an opening statement on the bill.

Mr. TAFT. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. TAFT. Mr. President, I ask unanimous consent that Miss Eleanor Parker of my staff be granted privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that Mr. Dan Spiegel, of my staff, and Norvill Jones, Robert Dockery, and John Ritch, of the Foreign Relations Committee staff, be allowed the privilege of the floor during the consideration of S. 2335.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I would hope that in the consideration of this bill under the time limitation, I might be allowed to make my statement in reference to the bill, and then we will proceed, as best we can, with the amendments, in the hope of trying to facilitate action on the bill.

Mr. President, the Senate begins its consideration of the Foreign Assistance Act at a critical moment in America's relations with the nations of the world.

We have just terminated our involvement in a decade of tragic war which has diverted our resources from urgent domestic needs, embittered many of our people and brought untold sorrow and suffering to thousands upon thousands of American families.

We are at last embarking on policies of genuine détente and arms limitations which may reduce the horrible threat of nuclear destruction which has cast a pall over great power relationships for nearly a quarter of a century.

Our great enemies of the Second World War and the nations of Western Europe devastated by Nazism are now economic superpowers competing with us at every occasion and at every spot on the globe including our own territory.

The gap between the few rich nations and the more than 100 poor nations is widening every year. Despite more than two decades of development and foreign aid, illiteracy is increasing rapidly, half the world still goes to bed hungry, more than 10 percent of the babies die before age 1 and the population explosion of the 1950's has become the unemployment explosion of the 1970's.

At home we are experiencing severe economic difficulties: Excessive inflation, persistent unemployment, sky-high interest rates, soaring food prices, and a growing energy crisis. These ills were once thought to be the economic misfortunes only visited upon small foreign countries. We were supposedly immune from these problems.

The postwar world as many of us knew it in the 1950's and 1960's exists no longer. It is no wonder that there is a mood of confusion and uncertainty as we consider what America's world role should be.

However, it was with the firm belief that the Congress should play a significant role in foreign affairs and specifically in fashioning America's relations with the developing world that 16 members of the House Foreign Affairs wrote the President in April 1973 urging that—

> The time has come to put an end to foreign aid as it has been conceived and administered in the past.

When the administration failed to respond to the request from the House and submitted foreign assistance legislation substantially unchanged from years past, the Foreign Affairs members worked together and introduced new legislation.

The measure we begin considering today—the Foreign Assistance Act of 1973 (S. 2335)—is the Senate version of the new foreign aid initiative first introduced by the bipartisan coalition of House members led by Congressmen FRASER and ZABLOCKI. I introduced the House version of the legislation in the Senate with my good friend and distinguished colleague from Vermont, Senator GEORGE AIKEN. Senator AIKEN and I have collaborated many times in the past on foreign assistance legislation. Our renewed collaboration was a reflection of the bipartisan nature of this new initiative.

Despite numerous successes in the various economic assistance programs over the years, despite the enthusiasm of commitment which began under President Truman with Point Four, the enormity of the task combined with the relatively limited resources has not always produced the results we desired. At first it seemed so simple. The mission was clear. The technologically advanced nations should help the less developed countries rise out of the poverty and apathy of centuries with a massive commitment of capital and human talent.

To be sure, we have seen economic growth rates surge after two decades of development. In the poor countries GNP has been rising at double the rate of the 19th century West.

However, behind impressive growth rates remain nearly a billion people whose lives remain virtually untouched by economic gains. Past aid efforts have stimulated growth without affecting the lives of people who live in desperate poverty.

Economic growth has too often meant greater economic security for those who already possessed it. The poor of the developing world who lives in the urban slums or the isolated villages have been left behind by the development process or have been the beneficiaries of meager gains trickling down from above. The poor of the developing world who live on the margin of city and farm are totally shut out from the four elements of a modern economic system: The means of production, the financial system, the market, and technical knowledge based on education. As far as society and politics are concerned, the poor are unheeded and unheard. And each year this situation grows worse. Today these poor excluded from development gains may number close to a billion. By 1990, if nothing is done, they will number 2 billion. As World Bank President Robert McNamara stated:

> Can we imagine any human order surviving with so gross a mass of misery piling up at its base?

The poor nations, the foreign aid agencies and academicians around the world are increasingly trying to come to grips with the massive problems of employment, poverty, and income distribution; illiteracy and the tragically and unnecessarily high infant mortality rates; social and political instability. What we are now learning is that if the poorest majority can participate in development by having productive work and access to basic education, health care and adequate diets, then increased growth and social justice can go hand in hand, and the prospect for a stable international order is enhanced.

The Foreign Assistance Act of 1973 recognizes that we are very possibly witnessing the end of the period in which poor nations simply import machine-oriented production techniques from the West—big assembly line factories and large farm, mechanized agriculture. These methods can increase production. Unfortunately, Western techniques do not create enough jobs.

Jobs are the overwhelming need of the developing world. In many low-income countries the combination of unemployment and underemployment is already as serious as unemployment in the West during the 1930's. Each year the situation worsens a little because jobs are not being created near fast enough to employ the burgeoning labor force.

The overreaching emphasis of a new American strategy of development which will begin to deal with these unsolved problems is the development of policies and practices which will foster hope among the poor in the poorest nations. As James P. Grant, president of the Overseas Development Council has written:

> Fortunately, there is growing evidence that policies designed to raise the income of the poorest half of the population by increasing their ability to participate in the development process can actually accelerate, not hinder economic growth.

The Foreign Relations Committee has reported a bill to the Senate by a vote of 12 to 3 which authorizes $1,234,000,000 for each of the fiscal years 1974 and 1975 for bilateral, economic assistance, focused directly upon the development needs of the poor. I wish to remind my colleagues that this amount is the smallest sum authorized for foreign economic assistance in the 27-year history of the program. It represents a decrease of 11.5 percent from fiscal year 1973, it is 24 percent below the administration's request and 23 percent below the House-passed bill.

Might I add that this does not include the erosion that comes from inflation. So we can add to that another 6-percent reduction because of inflation. So we have before us this year a bill which is the smallest or the most modest bill in 27 years of foreign assistance.

In order to apply the new ideas on development effectively, S. 2335 has been organized into sectors—sections 103 to 107. Funds are thus authorized for development loans and development grants along the functional sectors which directly affect the lives of the majority of the people in the developing countries:

The sum of $282 million in section 103 for agriculture, rural development, and nutrition.

The sum of $141 million in section 104 for population planning and health.

The sum of $94 million in section 105 for education, public administration, and human resource development.

The sum of $47 million in section 106 to help solve economic and social development problems in fields such as transportation and power, industry, and urban development.

The sum of $28 million in section 107 to support the general economy of selected countries primarily through program lending.

As a result of this new approach, AID will be forced to redesign many individual projects in the field as well as concentrate efforts in new areas. The Foreign Relations Committee was careful to emphasize the importance of these new approaches to the Agency for International Development by specifically establishing guidelines for the administration of this new effort. I believe it important to restate the basic criteria in the legislation:

First. Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.

Second. U.S. assistance should concentrate on the development of labor-intensive technologies suitable to the less-developed countries.

Third. Future U.S. bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: Food production, rural development and nutrition; population planning and health; education, public administration, and human resource development.

Fourth. U.S. cooperation in development should be carried out to the maximum extent possible through the private sector, including those public service institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.

Fifth. Development planning must be the responsibility of each sovereign country. U.S. assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.

Sixth. U.S. bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest of their people and their capacity to participate in the development of their countries.

Seventh. Under the policy guidance of the Secretary of State, the Agency for International Development is assigned the responsibility for coordinating all U.S. development-related activities. The administrator of the Agency is to advise the President on all U.S. actions affecting the development of the less-developed countries, and shall keep the Congress informed on the major aspects of U.S. interests in the progress of those countries.

I would like to emphasize that this legislation will not be a panacea for the poor nations—it cannot possibly solve all of the world's development problems. But it makes an important start in what I believe to be the right direction.

It is important to go into detail concerning some of the new development loan and grant sectors to illustrate the nature of the problems and how the authorized funds will be used.

The largest authorization in these new sectors comes under the category of "Food, Rural Development and Nutrition."

Of all the problems facing poor nations of the world, the production of adequate supplies of food, the distribution of expensive protein to the poor to meet basic nutritional needs and the improvement of life in rural areas remain the greatest unsolved problems.

I might add, Mr. President, that in these developing countries 90 percent or more of the population lives in villages in the rural areas, and the whole thrust of the AID program before us now is to help these people. It is not a program for more steel plants, cement factories, or superhighways. Those are matters that can very well be taken care of by the national banking institutions.

The United States effort is directed in S. 2335 primarily toward helping the poorest of the poor meet with their problems in the rural areas of the developing countries and helping those poor in those areas at least to have a minimum of subsistence for their own needs.

Indeed, our own prosperity and way of life is directly related to our ability to assist poor nations in meeting these challenges.

We must not forget that virtually all the poor countries are predominantly rural. The agricultural sector determines the economic and social life of 75 percent of the people, provides employment for two-thirds of the population, generates a third of the national income and accounts for a substantial portion of all foreign exchange income.

Over the past decade, total food production in the developing countries has increased about 35 percent. But this substantial accomplishment is almost wiped out by population increases. Many populations in poor nations double every 24 years. Per capita food production is now only very slightly higher than a decade ago.

The precarious food balance among hundreds of millions of persons can create severe hardship when there is even a slight shortfall in production caused by drought, flood, crop disease, or other disasters. We are now witnessing the tragic effects of a drought in the African Sahel where millions who lived marginally during the best of years now face starvation as a result of a 4-year drought.

American response to the Sahelian drought follows a pattern of assistance established after World War II and is illustrative of the current worldwide food crisis. We have shipped large quantities of grain sorghums to West Africa to avert immediate mass starvation as we have shared our food resources with other nations in need many times in the past.

However, growing demand at home combined with foreign demand rising out of greater affluence in the industrialized world has created severe shortages of protein available to meet the food needs of the poor nations. Purchases of Public Law 480 commodities have now been suspended. It is highly questionable whether the United States can continue to meet the food demands of the West African Sahel or any other marginal area suffering a natural disaster.

I do not believe this phenomenon is merely temporary. In the past our Nation has been fortunate enough to possess two important food reserves: one in the form of grain reserves, the other in the form of idle cropland. Grain reserves have now dwindled to their lowest point in 20 years. And all of the idle crop acreage has been placed back into production this year. In light of growing demand, the prospect for a severe food crisis will loom large on the horizon.

Mr. President, I doubt that the Congress still senses what this means.

I have put most of my time in the past year on the matter of protecting those areas where I feel as a result of my many years of study and legislative activity I know what the situation is.

Mr. President, as I have said before on the floor and have placed articles on this subject in the RECORD, the world faces the possibility of disaster because of the shortage of food and fuel. We must never judge the food situation in the rest of the world on the basis of the supplies available to our people here in the United States.

I can simply say that the world food production has not kept pace with world population. There seems to be an ever-tightening supply situation despite what may be a temporary source of relief from other nations. For example, this year it is now understood, or at least the reports thus far would so indicate, that the Soviet Union will have a record crop. However, having said that, the rice shortage in Asia is critical. The drought in West Africa is almost totally devastating. Countries like Pakistan and India have problems that are unbelievably demanding and large. There is a food shortage.

When that food shortage becomes too evident, when the pressures become too heavy, it will affect the entire economic base, not only of the developing countries but of the developed or industrialized nations. Food is a commodity that you cannot get along without. In other words, it is a must item. You must have it. You can get along without some other things, but not in the instance of food.

This bill before us has its emphasis upon the basics of human survival—the production of food, the development of the rural areas, nutrition, family planning, public health, and education. That is what this money goes for.

I say that the United States of America has a great stake in it, because out of the misery of starvation are born world trouble and world tension. Out of the shortage of food supply will come total disintegration of economies. We cannot permit that to happen, if we can prevent it.

Rapidly rising food prices here at home have forced all of us to recognize the link between our food supplies and worldwide agricultural production. It is imperative that we begin to reduce the dependency of the rural underdeveloped world on food imports from the United States and other industrialized nations. If we do not take advantage of the food producing potential of the developing world, we can expect higher food prices at home and famine abroad.

We know that if fertilizer, water and other inputs combined with new varieties of wheat and rice are provided poor countries agricultural production can be increased. Increasing yield per acre is a tremendous challenge. Experts tell us that rice yields per acre in India and Nigeria are still only one-third of those of Japan; corn yields in Thailand and Brazil are less than one-third those of the United States. The production of food and protein in the nations of the underdeveloped world represents an untapped potential of the greatest magnitude. And let me say once again, we have a self-interest in this. We cannot feed the world. We do not have it. We must help them to feed themselves, or at least to increase their production.

The Foreign Assistance Act of 1973 through its section 103 hopes to provide the poor nations with the means to acquire the capacity to feed themselves—to end their role as hungry client states dependent on an American agricultural abundance which may no longer exist. In doing this we will have to recognize that small-farm, labor intensive agriculture which provides jobs for a rapidly expanding labor force can achieve increased production.

It is interesting to note that the number of farmers per 1,000 acres of Taiwan and South Korea is nothing less than 35 times higher than in Mexico, where a few farmers in the large-farm, tractor-mechanized commercial sector are prospering but the mass of small farmers are left out. This enormous difference exists even though average farm size in Taiwan and South Korea is only 2½ acres. The capital cost of the Mexican model is higher than the capital cost of the small farm model. Unfortunately, the Mexican dual agricultural economy pattern is the common pattern in the developing world.

What will the funds authorized in section 103 actually provide? The following are a few of the contemplated activities:

Technical assistance and training programs for local and, to some extent, regional organizations through which people can participate in development, such as local government, cooperatives, trade unions, business, industrial, professional and other groups.

Capital costs of local projects such as: farm-to-market roads, small-scale land improvement, electric power, storage, water supply and sanitation.

Training programs for staff of and credit for financial institutions, mostly at the local level, such as private banks, cooperatives, credit unions, small business banks, and such.

Training programs and credit for small-scale agriculturally related industries.

Capital cost of facilities for market towns and small cities not otherwise covered such as schools, clinics, and other community buildings.

Training and supplies for child-feeding, nursing mothers and other nutritional programs.

The level of funding for section 103 must be maintained if activities designed to promote food production in poor nations are to go forward. As Mr. Lester Brown, an expert on world food production, stated in a recent article:

> Concentrating efforts on expanding food production in the poor countries could reduce upward pressure on world food prices, create additional employment in countries where continuously rising unemployment poses a serious threat to political stability, and raise income and improve nutrition for the poorest portion of humanity—the people living in the rural areas of the developing countries.

A concerted program of increasing food production and improving the quality of rural life in the developing world cannot begin to succeed without a means to slowdown population increases. The Foreign Assistance Act of 1973 provides $141 million in development loans and grants under section 104 for the purpose of population planning and health care.

I understand that our distinguished colleague from Ohio (Mr. TAFT) will be offering an amendment to slightly expand that fund. I commend him for it. I thought it was necessary in committee, and I believe it is absolutely necessary in the light of the population facts of today.

The economic gains made by developing countries are quickly consumed by burgeoning populations. At present, there are no schools for 300 million children even though school enrollment has increased by 80 percent in the past decade. Similar problems are faced in the fields of housing, employment, health care and the provision of other social services.

Developing countries account for 85 percent of the annual world population growth. At current growth rates world population will increase from today's 3.8 billion to about 6.6 billion by 2000, and will reach more than 10 billion in the next 50 years.

Mr. President, I was talking with our Ambassador to India just the other day, Mr. Moynihan. In my discussion with him, we were discussing food problems there, and I said:

> Well, India, a country of over 450 million, is having a serious, difficult time, but they have done very well in expanding their food production.

He said:

> Senator Humphrey, 450 million is no longer the figure. Put it at 550 to 600 million.

And he said:

> In 10 years, it will be a billion.

That is the problem that the world faces. We can pretend that this is no affair of ours. We can say, "It is not in our country, why care?" For the simple reason that we live in what we call a global village. The world is one. We cannot isolate ourselves, much as we would like to. What happens in the Middle East has more effect on the lives of people in my part of the country than anything that happens in the Middle West.

What goes on in this world is a vital part of our total life, and we cannot ignore it.

All I am saying about this bill, with its very modest provisions, is that it represents at least an attempt to try to be helpful, not just for others, but for ourselves.

Mr. President, there is nothing wrong with self-interest as well as the public interest. In this way, helping others to help themselves is a better way to help ourselves than any other way I can think of.

It is clear that family size, poor health, low nutrition and poverty are interrelated. Making progress in any one of these areas without an equal effort in the other will fail to break the poverty cycle which grips so many hundreds of millions of poor people.

Less developed countries have made progress in providing the means for and information about controlling fertility and improving health; but family planning services still are available to only 10 to 15 percent of couples of reproductive age.

The Congress has often stressed the need for active American participation in global efforts to deal with the population problems. Our aid program has supported family planning programs in 39 countries, we have funded the distribution of contraceptives and other commodities in more than 70 countries, and we have supported population activities by a number of international institutions. By this year, 34 countries had established national family planning practices and programs—only four countries had such programs a decade ago.

The $125 million earmarked for population programs will support the following activities:

Dissemination of birth control information and commodities, including the establishment of networks of health and family planning delivery systems.

Efforts to understand legal, social,

cultural, and religious factors which influence decisions to limit family size.

A $20 million contribution to the UN Fund for Population Activities—which is often more effective in this delicate field than the United States can be on a bilateral basis.

Research to develop new or improved birth control methods better suited to conditions in developing countries.

Efforts to encourage governments to undertake and strengthen national population programs.

Development of institutions for research, training, program administration, and information dissemination to promote population control.

I believe it important that we recognize that slowing population growth will require much more than access to birth control devices. Motivation to reduce family size can only be increased if social and economic conditions improve sufficiently so that families can be assured that their progeny will survive.

This is one reason why efforts to provide health care to the poor must be upgraded. In so doing, our aid programs should be focused on the delivery of low-cost health care to rural areas and encouraging the widesperad use of paramedics. The Foreign Relations Committee also recommended that efforts be made to combine delivery of medical care and family planning devices.

Another sector of S. 2335's development loan and grant program is in the field of education, public administration, and human resource development; $94 million has been allocated to support activities designed to reduce illiteracy, extend basic education, and increase manpower trainnig in skills related to development.

The committee has stressed the importance of using the funds in this section for programs which provide minimal, basic education rather than on the traditional emphasis in the field of higher education. Funds from this section should go to support vocational education as well as the development of educational techniques which can be used outside of the traditional classrooms so that greater numbers of people can be reached. Educational programs will continue to be directed toward development related activities in the fields of agriculture, health and sanitation, labor and public administration rather than on underwriting the costs of classrooms and educational facilities. Because a large portion of American aid funds for education went to improvement of higher education, we have played a significant role in training the technical, professional and administrative manpower of the developing world.

Our efforts now must be turned to the problems of mass education, of combatting illiteracy, providing basic vocational skills and supporting innovative educational activities.

In light of this new emphasis, funds in section 104 will support the following activities:

Technical assistance and materials for literacy and low and medium level skills training primarily for farmers, small producers and wage-paid workers.

Technical assistance and capital costs to improve the formal school system through better teaching materials, teacher training, curriculum changes, educational technology, and such.

Technical assistance and capital costs to build institutions of higher education in which these countries can train their own leaders and teachers.

Technical assistance and training to improve the administrative capacity of government and semi-public organizations—such as irrigation associations—at all levels.

As we have learned in our own country, investment in people is one of the most important investments to be made in economic development.

In a recent landmark study of development strategies, Mr. Edgar Owen commented on the need for new approaches to education in the developing world:

> What is needed in the (developing) countries is a nationwide knowledge system. A part of such a system is the formal school structure, which has been the principal object of "educational development" thus far. But people learn from experience as well as from textbooks. It is not sufficient for a farmer to be told by a teacher that fertilizer will increase his output. He must learn how to use particular kinds of fertilizer on his own land.

Our development aid must be structured so that it assists people to manage their own situations and use modern technology. Millions of persons have been excluded from development because they were not allowed or able to participate in the educational systems left intact by former colonial powers. To the degree that education can reach beyond urban areas and be relevant to the immediate problems facing people and innovative in its techniques, the poor can begin to share in the benefits of development.

The last two sections of the development grant and loan portion of the bill deserve brief comment.

Section 106 authorizes $47 million to help solve critical economic and social development problems in fields such as transportation and power, industry and urban development and export development.

These funds will provide only limited assistance to large projects requiring great amounts of capital. The Foreign Relations Committee reduced this funding category substantially because it believed that too large a portion of our past assistance efforts were devoted to financing large showplace projects such as dams, highways and factories. The mass of people in developing countries seldom derived very many direct benefits from these projects. It is the desire of the Foreign Relations Committee that funds authorized for section 106 will now be used for local projects of smaller scale which will relate directly to the lives of the poorest people.

The last new funding category—section 107—provides $28 million for lending in support of the general economy of selected countries through program loans as well as providing grants for programs conducted by private or international organizations.

Program loans are a means to provide developing countries with foreign exchange so that they can buy materials, equipment and other commodities for use in their development programs. Before these loans are made, the recipient country must demonstrate that it has undertaken a sound development program for which it needs imports. These program loans are generally made in consultation with other donor countries and the World Bank.

The Agency for International Development plans to consider five countries for fiscal year 1974 program loans: Ghana, India, Indonesia, Pakistan, and Sudan.

The Foreign Relations Committee reduced the new funds for this section by more than half—from $60 million to $28 million.

Mr. President, I want to recite once again that we have cut deeply into the requests that were made. I know what the attitude of this body is and I think I have some appreciation of the attitude of the American public. We must make some cuts, as I have said, on defense spending and we must make some cuts in foreign aid. As the main sponsor of this bill, and as a mover in the committee, we have cut the bill by another 25 percent. No other piece of legislation coming before Congress had had that severe a reduction. So, we have not been remiss in our responsibility to take a hard look at where the money goes.

This piece of legislation, as I said in the beginning, is the most modest request for funds for foreign assistance in the 27 years of this Government's history in that area of economic assistance to foreign countries.

INDOCHINA RECONSTRUCTION

Aside from the provisions of S. 2335 relating to development loans and grants, the other major funding item in the legislation concerns postwar relief and reconstruction in South Vietnam, Cambodia and Laos. Section 902 authorizes $376 million for carrying out this program of reconstruction, humanitarian assistance to refugees, civilian war casualties, and other persons affected by years of war.

I want to point out to my colleagues that the Foreign Relations Committee reduced this section by $256 million from the executive branch request of $632 million.

In other words, the President requested $632 million. This committee authorized $376 million.

It was the belief of the majority of the committee that this figure not be reduced further at a time when this area is making efforts to recover economically and groping with the problems of political readjustment.

I do not favor further cuts in the funding level provided in the committee bill.

I will say quite candidly that the levels are already what I believe to be below many of the demonstrated needs.

Whatever the sentiment in the Congress or the Nation concerning the governments of Mr. Thieu or Lon Nol in Cambodia or the coalition government in Laos, we cannot escape the fact that these countries and their millions of people deserve humanitarian assistance. Our military involvement in these countries has dramatically affected the people, the land, and their way of life.

Mr. President, I would hope that the American people would be as considerate of these poor souls as we were in the postwar period after World War II when we went into Germany and Japan with relief and into Eastern Europe with relief.

The finest hour of this Republic, Mr. President, was when we generously extended the hand of cooperation and assistance to a former enemy. We were truly a moral people.

Now we have been involved for over 10 years in war in South Vietnam, and millions of people there have been seriously and adversely affected. We have some moral responsibility at least to help them in the most essential things of their lives. I realize that the governments and countries such as those in Indochina are not always what we would like them to be but, might I say, this Government is contemplating loans via the Export-Import Bank to the Soviet Union running into billions of dollars.

When did we start to like that Government? We have loaned money to other governments. More important, we hope that this money will go to the people. We think that the moneys we have provided in this bill will have a better chance to get directly to the people who need help than it will in any other piece of legislation calling for assistance that we have passed.

We have a moral obligation to assist these people so that they can recover from the ravages of war. The humanitarian assistance so badly needed by refugees, the elderly and the very young, the sick and the lame cannot take place in a vacuum of economic decline. The program must be considered as an integral whole. Aside from direct humanitarian assistance, the bill provides for programs which will prevent the economies of these countries from deteriorating and reduce their dependence on outside sources of aid. This is our final objective—to end the dependence of the countries of Indochina on the United States which has been created by years of war. We can only achieve this goal if their economies begin to recover and there is normal economic development which begins to affect the disrupted lives of so many people.

I appeal to Senators to let us go forward with this program on humanitarian relief and rehabilitation.

It is a modest program.

It is important.

It is essential after we have been so involved in a war which damaged the lives and property of the people of Indochina.

CONCLUSION

Mr. President, I realize that there are Members of the Senate who will not vote for the measure before us today. But let me remind my colleagues that we live in a world where the most urgent of our domestic problems cannot be solved by domestic actions alone.

More and more we must turn to other nations or to international systems or institutions for cooperation in solving what used to be purely internal problems.

Not a single one of these items is subject to domestic solution. It will require international action, international cooperation. No country on the face of the Earth is so dependent on others as we are. We have to import vast amounts of natural resources. Either we must do that, or we must cut back on our style of life and our consumption to levels that none at this moment can contemplate. In short, the need for orderly function in the world depends as much on cooperation.

Obviously, those factors apply to only a limited number of countries, richly developed in natural resources, such as oil. So our future may very well be dependent on the cooperation of countries in Africa and Latin America. We need their help. We must look beyond today; we must look to the next generation.

This is true of narcotics and of its corollary, crime in the street. It is true of the security of our airways against skyjackings. It is true of our efforts to protect the Earth's environment.

It is true of our need for an adequate supply of energy which is the most serious problem threatening our economy. It is true of the protection of American jobs, our investment abroad and of the value of the dollar.

In short, the stability we need for the orderly functioning of the world depends as much on the cooperation between rich and poor nations as it does on the mutual restraint of the nuclear powers. In fact, the détente we seek will be useless without an underpinning of growing stability in the developing world. That stability is dependent on the 100-poor nations believing that there are sufficient benefits from cooperating with us that they want vital international arrangements to work.

The notion that we can somehow refuse to help the people of these nations to solve their most urgent problems and then expect their economic and political cooperation in our own enrichment is sheer folly. This notion might have had some validity in the early 1950's—but not in the world we live in today.

There is reason to believe that the nations of the developing world, frustrated and bitter over American indifference to their needs, could use their growing economic power as a lever to force a change of American policy.

They possess considerable strategic market power.

Their dollar holdings allow them to exert growing influence over world money markets.

Their ability to damage our investments through confiscation is a real possibility.

And a repudiation of debts is not out of the question.

In short, the developing countries have enough economic clout to inflict serious damage on the United States.

The developing countries are very much aware of the individual economic vulnerability of each one of the world's three major economic powers—the United States, Europe, and Japan. They are prepared to exploit economic disputes for their own advantage if relations with the United States are not based on constructive cooperation.

Our economic competitors have recognized this fact of life. The Europeans and the Japanese are making their relations with the developing world a high priority of their foreign policies. The Common Market is making a major effort in Africa among former French and British colonies. They have even begun to line up economic allies in Latin America. The Japanese are developing economic relations with a similar aggressiveness in Asia and elsewhere.

It is with these facts in mind that the new approach to our relations with the developing countries which is at the heart of S. 2335 was devised.

Finally, Mr. President, I want to state that I totally reject the premise that by helping others we postpone providing for the urgent needs of our own people.

This is a phony argument.

The cost of this bill before us is about $1.2 billion.

It is less than the funds devoted to the research and development phase of a single weapons system such as the B–1 bomber of the Trident submarine.

Neither I, nor any Member of Congress, would propose or support a program which places the needs of others before our commitment to the American people.

We have the resources to embark on a modest and sensible program of economic assistance to the world's poor and still help those Americans in need. It is not a question of money. It is a question of will.

We would all do well to remember what Adlai Stevenson said concerning America's role in the world:

> You can't turn out almost two-thirds of the entire world's production and not be concerned with customers. You can't be the richest man in town and not be concerned with insurance. And you can't be happy and free surrounded by misery and slavery.

These words spoken 26 years ago take on special meaning today.

As we begin our debate on the Foreign Assistance Act I would like to remind my colleagues that the American people have never said "no" to the aspirations of those in need. It is my hope that the Congress will reflect this same humanitarian concern as we consider what role our Nation will play in improving the lives of the world's poorest majority.

Mr. President, I have placed on the desk of every Senator today an analysis of the bill—a fact sheet. I ask unanimous consent that the substance of the fact sheet be printed at this point in the RECORD.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

FOREIGN AID BILL FACT SHEET

S. 2335, this year's foreign aid bill, is based on the Congressionally initiated bill sponsored by Senators Humphrey, Aiken and McGee and has basic Administration and bipartisan support.

AUTHORIZATION

The two-year authorization bill establishes a funding level of $1,234,400,000 for FY 1974 and slightly less for FY 1975. The sum available in FY 1974 represents a decrease of 11.5 percent compared to the amount available in FY 1973 under the Continuing Resolution. S. 2335 is 24 percent below the Administration's request and 23 percent below the House-passed bill. The sum authorized in the bill reported by the Foreign Relations Committee by 12–3 represents the lowest authorization for foreign economic assistance in the program's history.

POLICY

The Humphrey-Aiken bill adds new statements of policy to the Foreign Assistance Act. Due to changing international conditions, foreign assistance should be restructured:

1. Improve the lot of the poorest people.
2. In bilateral programs concentrate on sharing technical expertise and commodities.
3. Develop employment-intensive technologies.
4. Use a functional sector approach.
5. Work through the private sector (including cooperatives and credit unions).
6. Let the client country take the lead in planning.
7. Give AID overall coordinating authority over development activities, with guidance from State.

SPECIFIC FUNDING LEVELS

The bill authorizes new appropriations in the following functional categories, established by the Humphrey-Aiken bill to emphasize new aid directions to the poorest majority:

1. Food and Nutrition—authorizes $282 million for FY 1974 and 1975. (Administration request—$300 million.)
2. Population Planning and Health—authorizes $141 million for FY 1974 and 1975. Earmarks $125 million for population programs. (Administration request—$150 million.)
3. Education and Human Resources Development—authorizes $94 million for FY 1974 and 1975. (Administration request—$115 million.)
4. Selected Development Problems—allows aid to be given for special programs in fields such as transportation, urban development and industry—authorizes $47 million for FY 1974 and 1975. (Administration request—$93 million.)
5. Selected Countries and Organizations—allows aid for program lending and through voluntary agencies and international organizations—authorizes $28 million for FY 1974 and 1975. (Administration request—$60 million.)

OTHER POLICY PROVISIONS

In addition to the basic policy provisions of the Humphrey-Aiken bill, the Senate Foreign Relations Committee added other economic policy provisions:

1. Limitations on Grants—provides that not more than 50% of the aggregate of all new obligational authority may be used for grants in the functional sectors.
2. Development and Use of Cooperatives—earmarks a total of $20 million of all funds made available for functional categories for use during FY 1974 and 1975 to develop cooperatives in less developed countries.
3. Multilateral Approaches to Development—urges a shift in policy to programs administered by multilateral agencies and requires the Secretary of State to consult with various multilateral agencies to expedite this and report to Congress and the President within six months on his negotiations and the plans for switching to multilateral aid.
4. Prohibiting Police Training—provides that no part of any appropriation available to carry out this or any other provision of law may be used for police training or related programs for a foreign country.
5. Repayments of Loans—The bill channels repayments of loans in 1974 and 1975 into the functional categories (for further loans), but limits allocation of reflows to one-third in any single category.
6. Development Coordination Committee—The bill sets up a Development Coordination Committee chaired by the AID Administration with representatives from State, Treasury, Commerce, Agriculture, Ex-Im Bank, OPIC and the White House and requires the Committee to report to Congress as well as the President.

AMERICAN SCHOOLS AND HOSPITALS

The bill authorizes $19 million in appropriations and the $6.5 million in excess foreign currencies for American Schools and Hospitals Abroad for FY 1974. FY 1975 and future funding requests for this program are to be part of the State Department authorization legislation.

HOUSING GUARANTEES

The bill increases the worldwide housing guaranty ceiling to $349.9 million and extends the authority for one fiscal year, to June 30, 1975. (Administration request—increase to $480 million and extension to June 30, 1976.)

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

The bill provides $120 million for FY 1974 and 1975 for these organizations generally, and another $14 million each year for Indus Basin grants. (Administration request—FY 1974—$134.8 million generally and $15 million for Indus Basin grants; FY 1975—open-ended request generally and $15 million for Indus Basin grants.)

CONTINGENCY FUND

The bill authorizes $23.5 million for each of 1974 and 1975 for the Contingency Fund. (Administration request—$30 million plus special open-ended extraordinary disaster relief authority.)

NARCOTICS CONTROL

The bill authorizes $40 million for FY 1974 and $30.5 million for FY 1975 for narcotics control. (Administration request—$42.5 million for FY 1974 and open-ended authorization for FY 1975.)

EXPROPRIATION POLICY

The bill amends the Hickenlooper Amendment by allowing the President to waive it by determining and certifying to Congress that such waiver is "important to the national interests of the United States." This would bring the legislation into conformity with the President's Policy Statement of January, 1972.

RETIREMENT SYSTEM

The bill includes in the Foreign Service Retirement and Disability System all FSRs and FSSs serving unlimited AID appointments and Presidential appointees who have previously served unlimited FS appointments and subsequently served continuously under other FAA statutes.

EXPORT DEVELOPMENT CREDIT FUND

The bill proposed a $3 billion Export Development Credit Fund to extend and refinance U.S. export credits for sales of U.S. goods and services of a developmental character to lowest income countries, on terms up to 30 years with a 5-year grace period (which is included in the 30-year period) at not less than 3% per annum. (The Senate Finance Committee recommended deletion of the Fund from the bill and reconsideration of the measure in future trade legislation. I shall move to recommit this section to Committee.)

INDOCHINA POSTWAR RECONSTRUCTION

The bill gives general authorization for relief and reconstruction in South Vietnam, Cambodia, and Laos, including humanitarian assistance. The Committee rejected more restrictive authorizing language. The Administration supports this authorizing language and opposes any amendment.

The bill earmarks $7.5 million of the Indochina funds for aid to South Vietnamese children.

The bill authorizes $376 million for FY 1974 for Indochina. The House-passed bill contains $632 million which was the Administration's request

TERMINATION OF INDOCHINA WAR

The bill prohibits use of funds authorized or appropriated under the Foreign Assistance Act or any other law to finance American military or paramilitary operations in or over Vietnam, Laos, or Cambodia.

FINANCING THIRD COUNTRY NATIONAL TROOPS

The bill prohibits use of funds under any provision of law for direct or indirect financing of any military or paramilitary operations by foreign forces in Laos, Cambodia, North Vietnam, South Vietnam or Thailand unless conducted by the recipient government within its own borders, or approved by a subsequent act of Congress.

POLITICAL PRISONERS

The bill expresses the sense of Congress that the President deny any aid to a foreign government which interns or imprisons that country's citizens for "political purposes."

INDOCHINA PEACE AGREEMENTS

The bill expresses the sense of Congress that no economic or military assistance should be furnished to, nor any sale, credit sale, or guaranty be made to or on behalf of any party to the Indochina peace agreements which does not comply with the agreements and protocols. This does not apply to food and other humanitarian assistance given under international auspices or by U.S. voluntary agencies to persons directly, and not through governments. Again, the Administration opposes any trigger-type cutoff provisions tied to the Indochina peace agreements.

ACCESS TO INFORMATION

The bill requires the Secretary of State, the heads of USIA, AID, ACDA, ACTION or OPIC, within 35 days of a written request, to turn over to the Senate Committee on Foreign Relations or the House Foreign Affairs Committee virtually any document it requests or requires that obligations be stopped on the 35th day and remain stopped until the document is furnished. This provision does not apply to any communication that is directed to the President by, or by the President to, a particular officer or employee of the organization. The Foreign Assistance Act of 1961 now contains a similar requirement, but permits denial of a document if the President invokes Executive privilege and states his reason.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that an editorial entitled "Innovative Aid Reform," published in the New York Times today, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INNOVATIVE AID REFORM

The Senate will have opportunity this week to give a decisive push to the most promising innovation in foreign aid since President Truman enunciated "Point Four" for the world's needy in his 1948 inaugural. A new departure, already adopted by the House, would redirect American aid from large-scale industrial projects to direct assistance to the "poorest majority" in the underdeveloped countries via rural development, food production, population control, health and education.

This approach offers the best possibility for involving the very poor in economic development and nation-building; for narrowing the gap between rich and poor; for curbing birth rates that nullify economic gains, and for helping resolve the menacing problem of world food supply. To this end, Robert S. McNamara has disclosed that the World Bank will concentrate a new $22-billion, five-year program on helping 800 million rural poor to escape from what he calls "absolute poverty."

Mr. McNamara was moved by the same solid evidence that inspired a bipartisan group of Congressmen and Senators to launch their drive to rechannel American aid. Developing countries achieved an average growth rate of 5.5 per cent during the 1960's; but these advances primarily benefited those in the upper 40 per cent income category. The poor were largely left out; unemployment continued to rise; the gulf between rich and poor steadily widened.

* * * * *

There are broader, more positive reasons for switching the emphasis of aid. In considering future food needs, the greatest opportunities lie in the developing countries, "the world's greatest reservoir of untapped food-production potential," as one expert puts it. Contrary to widely held belief, small farms, if they have equal access to technology and credit, can usually produce higher yields per acre than large farms.

Direct aid for the "poorest majority" is also the surest way to curb the population explosion. Birth rates usually decline markedly once families have begun to receive adequate food, education and the health services that cut infant mortality.

Here, in short, is an aid program that concentrates on the kinds of overseas assistance in which Americans have enjoyed much success—agricultural techniques and productivity, public health, education—but that can also expand the world's food supply, promote real development as against "growth" measured only by advances in the G.N.P., and help lift out of intolerable poverty the most unfortunate human beings on earth.

* * * * *

The reshaping of aid is an admirable example of Congressional imagination and leadership in foreign policy at a time when both Congress and country are painfully aware of the dangers of leaving all initiatives in this field to the White House. Yet, because of widespread disillusionment with foreign aid, the reform passed the House by only five votes.

The reform has broad bipartisan backing, and the floor fight will be led by the able bipartisan tandem of Senator Humphrey and the Republican co-sponsor, Senator Aiken. If a twofold appeal to common sense and compassion for the world's neediest can still move Senators in this cynical time, Messrs. Humphrey and Aiken will surely prevail.

Mr. HUMPHREY. Mr. President, I should also like to remind Senators to look in the Record and read the remarkable speech delivered by Robert McNamara, President of the World Bank. It should be noted that the World Bank is contemplating some $24 billion worth of assistance in the next 5 years to developing countries. The World Bank is not made up of a lot of world do-gooders, for that is supposed to be a title of derision. It is made up of practical people. It is interesting to note that in the conference in Nairobi, Kenya, a great deal of attention was given to the necessity of better, more effective assistance in the various countries of the world.

I appeal to my fellow Americans, represented in Congress by Senators and Members of the other body, to keep in mind that we are dependent not only upon their products, but upon their good will.

Mr. President, we have two choices in our situation where we need energy, where we need minerals, and where we need markets, and those choices are either to occupy by brute force, which I know we reject, or to earn the cooperation of the people of the world by a sensible humanitarian approach to their needs and problems.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. I will yield my own time. I ask that I be recognized for 8 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, the major business of the Congress is to legislate.

I cosponsored this bill because it is our duty to pass some legislation in this tangled and controversial area of foreign aid.

Several of our colleagues on the House Foreign Affairs Committee took the initiative this year and produced a foreign aid bill.

They worked long and hard at it.

Subsequently, the House, as a whole, approved their efforts.

Whether our colleagues in the other body have produced anything new, really depends, in the final analysis, on how the administration interprets their ideas, particularly their hope—which is mine—that much more aid moneys be channeled through private, nonprofit organizations which show that they have good working relationsips with people in the countries of Asia, Africa, and Latin America.

Following up the House lead, the Foreign Relations Committee has recommended similar aid legislation, which now is pending before the Senate.

I hope we act positively this time.

To rely again on continuing resolutions would be an abdication of our responsibilities.

There are, in fact, high matters of public business involved.

At the end of October, in Paris, a group of countries will meet at the invitation of the World Bank to consider the establishment of a consortium to aid the reconstruction and recovery of Indochina—particularly of South Vietnam, Laos, and Cambodia, because North Vietnam still looks upon international assistance with a jaundiced eye.

The Paris meeting is of great importance.

If agreement can be reached, the problem of reconstruction in Indochina will become a common problem of many nations, not just a burden on the conscience of the United States.

The problems of Indochina for the first time may become the legitimate concern of many nations, not just the special concern of the United States or any other single country.

It has been rather difficult to convene this Paris meeting.

Other governments, understandably I am afraid, fear that they will be accused of seeming to take over a responsibility that many believe is the United States.

These fears are shortsighted, if not simply wrong.

We may have made many grave mistakes in Vietnam; I was among those first to say so.

But we would be compounding those mistakes now if we accepted the position of sole responsibility.

On the contrary, we owe it to the people of South Vietnam, Laos, and Cambodia to do everything we can to make their problems the legitimate concern of the international community of nations.

There should be many donors in this proposed consortium, particularly Japan, Germany, and the World Bank itself.

However, we have already received clear diplomatic signals that if the Congress votes not to participate, others will also refuse.

I am not speaking here of numbers.

They still have to be worked out and I am not in favor of signing any blank checks.

I am speaking of the need to pass a bill that will signal our willingness to participate.

The bill now before us will help do that.

It should do more.

I hope the next administrator of our foreign aid program will bring a whole new set of attitudes and policies to bear on his work.

I hope he will have done away with large government-to-government engagements in the name of development assistance in which U.S. officials and foreign officials make decisions which rather less exalted people ought to be making.

I would favor keeping the total price tag on the aid program sufficiently limited to discourage this sort of exercise and feel that we should encourage serious support for private American organizations with the necessary skills and connections to better express the real contributions Americans can make to some of the dire problems of Asia, Africa, and Latin America.

The distinguished chairman of the Foreign Relations Committee has proposed legislation along these lines.

It deserves a full and complete hearing before the committee.

I would hope this could be done early next year.

For now, however, our duty is to pass a bill, not to abdicate in the face of a problem that has drained both our patience and our interest.

Failure to act will be a clear signal to others to withhold their actions also.

That is why I have given my full support to the legislation now before us.

I hope this Senate will give its wholehearted support to the proposed legislation without damaging amendments.

Mr. TAFT. Mr. President, will the Senator yield to me for 3 minutes?

Mr. AIKEN. I yield 5 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, I thank the distinguished Senator from Vermont for yielding.

I commend the committee, the ranking member of the subcommittee, the distinguished Senator from Minnesota (Mr. Humphrey), and the distinguished ranking minority member, the Senator from Vermont (Mr. Aiken). I think the bill which has been presented by the committee is a very fine piece of work that attempts to compromise various interests and to adjust the foreign aid program in a realistic way to the circumstances that exist.

As the distinguished Senator from Minnesota has stated, I expect at a later time to have further remarks with regard particularly to the population control aspect of the bill and to offer an amendment to somewhat increase the earmarking for that purpose. I should not belabor the point at this time.

Mr. President, Saturday night I returned from a week in Niarobi at the annual meeting of the World Bank, the International Development Agency and the International Monetary Fund. One could not attend that meeting, listen to the remarks made there, and have the opportunity to talk with representatives of other nations concerning the problems of developing nations without recognizing that there is a tremendous need, as yet unmet; and it has to be met by programs such as those in this legislation today, not only in the spirit of generosity which traditionally has been the American motivation, but also in self-interest.

We helped to stabilize the world and to meet in a realistic way the changing and developing conditions which have occurred, in connection with which we have had a duty in our own interest to participate.

It is true that the World Bank and the international agencies have increased their efforts in this field and I concur with that development. I believe the multilateral approach taken by those agencies is a sound one. I do not think we can get into backdoor spending in this connection. I believe that probably the Secretary of the Treasury deserves a good deal of credit for the intelligent and firm stand he has taken with regard to the refusal to make commitments on the direction in which the international fund problems will be solved, but I think those problems will be solved and we are going toward the solution of those problems.

However, that does not detract one whit from the proposition that there is a need for a sound bilateral program, not just self-serving but in a positive way. I believe this bill proposes to help meet the problem.

Mr. HUMPHREY. Mr. President, did the Senator call up his amendment? Did the Senator want to ask to do so?

The PRESIDING OFFICER. The amendment is not in order, except by unanimous consent, until we dispose of the committee amendments.

Mr. HUMPHREY. Mr. President, I was waiting for the distinguished Senator from Louisiana (Mr. LONG), chairman of the Finance Committee, to come on the floor. He is now present.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, there is an amendment proposed by the Finance Committee which would have the effect of striking from the bill the proposal to establish the U.S. Export Development Credit Fund. I would like to ask that that amendment be considered at this point.

The PRESIDING OFFICER. Could the Senator from Louisiana explain which amendment it is, or does he want the committee amendments to be considered en bloc?

Mr. LONG. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, reserving the right to object, this is the committee amendment that relates to section 16.

Mr. LONG. Yes.

Mr. HUMPHREY. Is that correct? The committee amendments relating to section 16 run from line 12 on page 19 through line 16 and page 24.

Mr. LONG. Actually, there are other technical amendments, but this is the only substantive amendment involved.

Mr. HUMPHREY. This amendment eliminates the U.S. Export Development Credit Fund section from the bill.

The PRESIDING OFFICER. Does the Senator wish this bill considered as original text after the amendments are agreed to?

Mr. LONG. For the purpose of amendment.

The PRESIDING OFFICER. Without objection——

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, I just want to understand what this does. Does it take out of the bill the so-called export credit?

Mr. LONG. Yes. The Finance Committee asked that this matter be referred to it, and it was the view of the Finance Committee that this matter should be stricken from the bill and considered in connection with trade legislation which will reach us from the House briefly.

Mr. HARRY F. BYRD, JR. What the Senator from Louisiana is doing is effectuating that proposal?

Mr. LONG. That is correct. There are other technical amendments in the bill which should be agreed to, but this proposal is a substitute for what was in the bill.

Mr. HARRY F. BYRD, JR. The proposal is to strike that out.

The PRESIDING OFFICER. Without objection——

Mr. HUMPHREY. Without objection what, Mr. President?

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc and the bill as thus amended will be treated as original text for the purpose of amendment.

SUMMARY OF COMMITTEE ACTION

Mr. LONG. Mr. President, to the Committee on Finance was referred S. 2335, the Foreign Assistance Act of 1973, in order that it could consider section 16 of that bill, which would provide for the establishment of a new U.S. Export Development Credit Fund. Following a hearing at which the major proponents of this section had an opportunity to testify, the committee met in executive session, and by a vote of 14–2, agreed to strike section 16, and consider the proposal later when we take up trade legislation. Thus, the vote was part procedural in that this was a trade measure which should be considered in the context of trade legislation, and also part substantive in that the committee had grave misgivings about various aspects of the proposal.

THE PROPOSAL

As indicated in the committee report, section 16 would have established a U.S. Export Development Credit Fund, financed by public borrowings of the U.S. Treasury. The fund would have offered financing for U.S. exports to the lowest income countries—that is, those with per capita gross national products of $375 a year or less on concessional terms—interest rates of not less than 3 percent per year, repayment within 30 years and a grace period of not more than 5 years on repayment of principal.

The fund would have been authorized to make loans of between $3 and $5 billion during the 3½ year period between July 1, 1973 and December 31, 1977. The interest subsidy on the loans—the difference between the effective cost of borrowing and the concessional interest rate charged—would have been financed by repayments received by the U.S. Government on past foreign assistance loans.

TIGHT MONEY AT HOME

This proposed fund comes at a time when money is extremely scarce and when domestic interest rates are higher than they have ever been in the past.

The prime rate is now 9¾ percent—the highest in this Nation's history—and relief is nowhere in sight. Many large banks have recently increased the prime rate to 10 percent. The U.S. citizens who have to borrow to pay for medical bills, education, or home mortgages are being squeezed unmercifully by inflation and ridiculously high interest rates. Thus, the effect of this bill would be to make cheaper money available to foreign governments of the poorer less developed countries at a time when Americans at home are often unable to borrow any money whatsoever, even at the prevailing exorbitant interest rates.

NEED FOR BUDGET RESTRAINT

During this period of raging inflation and increasing public debt, the President has been cajoling the Congress to keep a tight control over the budget and to stop adopting programs which would cost the taxpayers more money. Yet the administration's representatives have appeared before the committee in order to support the U.S. Export Development Credit Fund. Furthermore, the administration witnesses never adequately explained why this new proposal—which was not even in the administration's budget—is of such a big priority that the Congress is supposed to forget all the recent talk of budget restraint and let this program slip by.

The committee members were also concerned about other aspects of section 16 of the proposed Foreign Assistance Act of 1973. As referred to the Finance Committee, the fund would not have been subject to annual authorization and appropriations processes, nor would its operations have been included within the budget. The proponents of the proposal did favor amending section 16 so as to provide congressional oversight and to bring the Fund's operations within the budget. Even so, the implementation of the Fund could have had economic ramifications not subject to congressional or even administration control. For instance, there seemed to be little consideration given by the drafters of the section as to what effect the initial financing of the Fund would have had on our financial markets, which are already under severe credit restraints.

UNCERTAIN OBJECTIVES AND RESULTS

Those witnesses testifying in favor of this Fund argued that it would have increased U.S. exports to markets within the poorer less developed countries. Yet, they also argued that this was a new foreign aid program. Several members sought answers as to how these twin objectives could be reconciled and they received very unsatisfactory answers.

At a time when the dollar has been devalued twice officially and many more times unofficially, and when we have had to impose export controls on certain commodities, the committee was not convinced of the absolute need for this program. However, even if the need were there, there were serious doubts as to whether this program would have satisfied them. The close commercial ties between the major recipients of these soft loans—the African countries and their former colonial masters—make U.S. exports to these markets often impossible even with the softest of credit terms. After all, our Development Loan Fund has been pouring billions of taxpayers' dollars to these countries for years and we have still lost markets.

MANY EXISTING FOREIGN AID SPIGOTS

The committee's reluctance to approve this program at this time was increased by its awareness of the current availability of a multitude of foreign aid and related programs by which U.S. exports are already being financed at concessionary terms. The committee received astounding figures from the distinguished chairman of the House Appropriations Subcommittee on Foreign Operations showing that the administration had already requested over $18 billion worth of funds for foreign aid and assistance for fiscal year 1974 alone. I wish every Member of this body understood that foreign aid is an $18 billion program, and I would refer each Member to the table on page 3 of the committee report.

To your dismay, you will discover that this Nation, which has poured over $250 billion in various foreign aid spigots since World War II, now owes money on money that we gave away. Yes, Mr. President, incredible as it may sound, we have to appropriate over $2 billion this fiscal year to make up for our dollar devaluations which have been caused, in large measure, by our unsound foreign aid and trade policies.

Given the interrelationship between assistance on the one hand, and trade, investment, and balance-of-payments issues on the other, the committee felt that the proposal could not be dealt with in an isolated context. Since many of these matters will be examined by the committee and by the Senate when the foreign trade legislation is taken up, the committee was of the view that this proposal could be better examined within the context of the upcoming deliberations on the trade bill.

Accordingly, I urge you to support the overwhelming sentiment in the Finance Committee, which incidentally was the position of the House of Representatives by a vote of 240 to 137, to strike section 16 from the bill.

Mr. HUMPHREY. Mr. President, the action which has been taken here, as I understand it, is the elimination from the bill as it came from the Foreign Relations Committee of the section relating to section 16, the U.S. Export Development Credit Fund and all language pertaining to the establishment of that fund.

The PRESIDING OFFICER. All committee amendments have been agreed to, and the bill is to be treated as original text as thus amended.

Mr. HUMPHREY. The bill is devoid of section 16 and all committee amendments relating to that section. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I want to include in the RECORD at this point, following the statement of the distinguished Senator from Louisiana, the argument I made in behalf of the U.S. Export Development Credit Fund as it was originally reported from the Senate Foreign Relations Committee.

May I say, I hope, in light of the action which has taken place here; namely, that we have now eliminated that section from S. 2335, the Senate Finance Committee, in its consideration of trade legislation, will give very serious consideration, and hopefully favorable consideration, to at least a portion of that U.S. Export Development Credit Fund.

We recognize the jurisdictional problems that arise because of the role of the Finance Committee and its prerogatives in the field of trade legislation. It is my judgment that the U.S. Export Development Credit Fund may be of great help to us in the whole purpose of putting ourselves on a competitive basis with the Japanese, the French, the Dutch, the Germans, the Belgians, the Italians, and others. These countries extend very generous credit terms for developing countries. I was hoping we would do the same. I was thinking in terms of having a market for American goods made by Americans in American shops, and shipping those American goods to foreign countries. It is my judgment that we will need that market in the future. This issue has been resolved. I have respect for the Finance Committee's jurisdiction on trade relations. We all had an opportunity for hearing.

Without further ado, I ask unanimous consent that my statement relating to the Export Development Credit Fund before the Finance Committee, along with a summary of that statement, be printed at this point in the RECORD.

The statement and summary were ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR HUBERT H. HUMPHREY

Mr. Chairman, I am pleased to have the privilege of appearing before this distinguished Committee in favor of the Export Development Credit Fund. (The Fund is section 16 of S. 2335, the Foreign Assistance Act of 1973.)

I wish to point out that S. 2335 is a Congressional initiative first developed by members of the House Foreign Affairs Committee. I introduced the Zablocki-Fraser bill with Senator Aiken because we believed that it merited the support of the Senate as an important, new approach to our relations with the developing countries. The bill was reported by the Foreign Relations Committee by a vote of 12–3.

My objectives before the Finance Committee are twofold.

First, I want to explain the purpose of the Export Development Credit Fund within the context of this new approach.

Secondly, I would like to outline the probable way the Fund would operate and in so doing answer some of the questions raised in the Finance Committee's press release of August 9, 1973.

Mr. Chairman, the Congress considers foreign economic assistance this year in an atmosphere still poisoned by the bitterness and despair following more than a decade of involvement in Indochina. Our deteriorating economic situation at home which affects every American family has intensified this mood. The result is a growing skepticism of the need for America to play a significant role in the worldwide struggle against poverty, disease, starvation and illiteracy.

I can well understand this sentiment.

But I want to say today that we are deceiving ourselves if we think we can simply turn our backs on the world's poor and then set to work solving our own economic ills.

The rising food costs, sky high interest rates, energy shortages and joblessness which daily plague our lives will not disappear even if Congress refuses to spend a single penny on foreign assistance.

In fact, our domestic economic problems will grow worse if we abandon the poor nations, if we are blind to their importance to our own well-being.

Few Americans realize how dependent we have become on the resources of the developing areas of the world.

Our dependence on these countries for scarce natural resources increases every year.

It is estimated that our imports of oil alone will be increasing by $20 billion by 1980. The supply of other important raw materials critical to our industrial needs is in the hands of a small number of developing nations: Four countries export 80 percent of the world's copper supply; two countries export 70 percent of the tin we need; the combined export of four countries accounts for more than 50 percent of the supply of natural rubber; and four countries export over half of the bauxite needed for the production of aluminum. Even the supply of commodities such as timber, coffee and tea are controlled by very few developing countries. Beyond the area of natural resources supply our interdependence with the developing world is evident.

American direct investment in the developing world was given a book value of $23 billion in 1971—the real market value is estimated to be twice this figure. About five percent of U.S. corporate profits are derived from these investments. Our investments in these poor countries contribute about $1 billion to our balance of payments.

The notion that we can somehow refuse to help the people of these nations to solve their most urgent problems and then expect their economic and political cooperation in our own enrichment is sheer folly. This notion might have had some validity in the early 1950's—with Europe and Japan still struggling to repair their war-shattered economies and most of the developing countries of Asia and Africa still colonies—but not in the world we live in today.

There is reason to believe that the nations of the developing world, frustrated and bitter over American indifference to their needs, could use their growing economic power as a lever to force a change of American policy.

They possess considerable strategic market power.

Their dollar holdings allow them to exert growing influence over world money markets.

Their ability to damage our investments through confiscation is a real possibility.

And a repudiation of debts is not out of the question.

In short, the developing countries have enough economic clout to inflict serious damage on the United States.

The developing countries are very much aware of the individual economic vulnerability of each one of the world's three major economic powers—the United States, Europe and Japan. They are prepared to exploit economic disputes for their own advantage if relations with the United States are not based on constructive cooperation.

I believe it would be well to pay heed to the words of an economist familiar with the relations between the United States and the developing world, Mr. Fred Bergsten of the Brookings Institution. In a recent article he said:

"The United States cannot buy economic concessions any more than, in the past, it could buy political allegiance. Indeed, hard bargaining on numerous specific issues is likely in light of the sharp increase in Third World independence and power. But U.S. policy must seek to contain such bargaining within a framework of generally cooperative relations, rather than a framework of confrontation and hostility."

And beyond the necessity of building such a framework of cooperative relations with the developing countries, it is also clear that we have a very direct stake in helping them with certain specific aspects of their development efforts, such as increasing agricultural production. For, unless we assist more developing nations in the production of food, we will perpetuate a permanent group of hungry client states dependent on our agricultural abundance. I don't have to tell members of this Committee the implications of this situation for the survival of large numbers of persons whose agriculture is barely at the subsistence level in the best of years. Nor need I mention the effect on our own domestic food supply and price structure as a result of continued demand by hungry people abroad.

We must take the steps today to aid the more than one billion people in this world who are desperately poor, or we will imperil our own prosperity tomorrow.

But far more is involved than an aid relationship. Increasingly we live in a world where the most urgent of our domestic problems cannot be solved by domestic actions alone. Increasingly we must turn to other nations—or to international systems and institutions—for cooperation in solving what used to be purely internal problems.

This is true of narcotics, and of its corollary, crime in our streets.

It is true of the security of our airways against skyjackings.

It is true of our efforts to protect the earth's environment from deterioration and to assure that there will be meat in our markets.

It is true of our important need to bring order to the use of the oceans and to protect threatened species of fish.

It is true of the protection of American jobs, of American investment abroad, of the value of the American dollar. The list could go on.

We live in a world where our actions affect other people and their actions affect us—in a world where we depend on healthy, orderly functioning of international systems and institutions, which in turn depends on mutual cooperation. And the simple fact is that if we want international arrangements to work well, we must be sure that the over 100 poor countries containing almost three-quarters of the world's people are getting a good enough deal out of cooperating with us to want these arrangements to work.

One of the ways in which we can demonstrate our disposition to cooperate with the poor countries is by making our exports available to them on terms they can afford. Doing that may be of direct help to them, but it is also an investment in making the world work better, to everyone's benefit. And it is a way of fostering mutually advantageous economic relations with countries whose importance to us is growing daily.

Our economic competitors have recognized this fact of life. The Europeans and the Japanese are making their relations with the developing world a high priority of their foreign policies. The Common Market is making a major effort in Africa among former French and British colonies. They have even begun to line up economic allies in Latin America. The Japanese are developing economic relations with a similar aggressiveness in Asia and elsewhere.

It is with these facts in mind that the new approach to our relations with the developing countries which is at the heart of S. 2335 was devised. The bill deals with these new realities in three ways.

1. The bill seeks to focus our bilateral development aid program—for which this authorization is the smallest in twenty-five years—on solving the most pervasive problems confronting the poor countries, primarily in the areas of food production, nutrition, and rural development; population planning and health; and education and human resource development—and to do it in ways that will not just enrich a small elite, but will enrich the lives of the majority who are poor.

2. The bill seeks to improve the coordination of all U.S. policies and programs affecting the development of the poor countries—whether in the areas of bilateral or multilateral assistance or in fields such as trade and monetary relations, U.S. investment abroad, the availability of sources of energy, the exploitation of the oceans, or the protection of the environment.

3. The bill seeks—through creation of the Export Development Credit Fund—to expand U.S. exports to the approximately 70 poorest countries in the world—a potential market, excluding China, of well over a billion people—by providing credit on terms that will enable these countries to buy American goods and services which contribute to their development.

All three of these elements proceed from a new appreciation of our broadening relationship with the developing world and are important parts of our attempt to deal realistically with this evolving relationship.

Let me turn now to the specifics of the Export Development Credit Fund—what it would do, how it would operate, how it would be financed, and the like.

The Export Development Credit Fund would authorize the President to borrow either from the Treasury or the public up to $3 billion and lend up to $2.7 billion between June 30, 1974 and December 31, 1977 to the lowest income countries to finance U.S. exports. Ten percent of the Fund would be reserved for losses. "Lowest income countries" are defined as those with per capita GNP below $375 a year with particular emphasis on those with per capita GNP under $200 a year.

The Fund's loans would be concessional, with the minimum terms set at 3% interest, 5 years grace period and 30 years to repay. All repayments would be in dollars. These terms are harder than the minimum terms for AID development loans and could be harder still for some countries using Fund credits.

The difference between the Fund's financing costs and loan receipts would be met from receipts from past aid loans which are already available for relending at a rate of about $300 million a year.

I want to emphasize that the Fund's net cost would be funded from the loan receipts that would otherwise go to AID for relending, and not from new appropriations.

No additional tax revenues would be required.

The Fund would involve an increase in the public debt equivalent to its borrowing.

Under the bill as reported, the Fund would be treated exactly the same as the Export-Import Bank in terms of exclusion from the budget. However, the Administration and some Members of Congress have questioned this provision, and I see no reason why the bill could not be amended to provide for inclusion of the Fund's receipts and disbursements in the budget if that is deemed desirable.

The Fund would be closely coordinated through an advisory committee which would include State, Treasury, Agriculture, Commerce, the Export-Import Bank and AID. I believe that the Secretary of Commerce would be an appropriate chairman of this committee because of the Fund's export expansion function.

A quick examination of American export statistics to the lowest income countries points to the very real need for the Fund.

In the 70 or so countries with a per capita income below $375 a year, U.S. exports increased 30 percent from 1965 to 1971, from $3.7 billion to $4.8 billion. However, exports of the other 15 members of the OECD jumped 143 percent, from $9 billion to $21.9 billion.

In eleven of the poorest nations with nearly 90 percent of the population of the noncommunist countries with annual per capita incomes below $200, U.S. exports dropped from $1.7 billion in 1966 to only $1.2 billion in 1972. But the exports of the other OECD countries increased during that same period from $2.9 billion to $4.3 billion.

These figures of a declining American commercial and economic role in a very large and potentially lucrative market have resulted from one simple fact: very poor countries simply can't afford to buy American machinery, steel, fertilizer and other goods under present credit arrangements.

Ex-Im Bank credits go to the richer developing countries. In 1972, the Ex-Im Bank financed 57 percent of our exports to countries with per capita incomes from $200 to $500. The Ex-Im Bank financed only 9 percent of U.S. exports to the poorest developing countries. In sum, Export-Import terms are too hard, in the first place, and they are in any case not available in large amounts to the poorest countries—which Ex-Im, as a bank, generally considers too risky for large exposure. Private commercial loans are scarce, and cash sales are few. The result has been a serious loss of markets for American goods and services.

The Europeans, Japanese and Canadians have seized upon this lack of American initiative and our failure to plan for the future. They have developed markets in many poor countries by combining aggressive export promotion programs with attractive financing on terms poor countries can afford.

The French and Japanese in particular have mixed normal export credit funds and aid funds in the financing of projects of particular long run export interest in order to make their exports more competitive. Both the Japanese Export-Import Bank and the French development and export credit agencies have great flexibility and are able to coordinate the use of aid funds and export loans.

No American institution has been able to match this flexibility in overseas financing. The Export Development Credit Fund would provide the U.S. with this capability for the first time.

I believe the time has come for us to recognize that we are needlessly losing markets in the developing countries to the Europeans, Japanese and Canadians because we are unwilling to adopt practices which make our products credit competitive. Not only is foreign competition a growing source of difficulty at home, but these overseas markets are in the process of being developed by many of the same foreign concerns which loom large on the American economic scene. There is also much evidence to substantiate the fact that once overseas markets are lost and European or Japanese firms are in place, it is an uphill struggle to establish American sales outlets, service facilities and other financial and commercial components needed to develop viable markets for U.S. goods.

By greatly expanding American exports to the poorest developing countries, the Export Development Credit Fund will create jobs in the U.S.

The Export-Import Bank calculates that each $12,500 of exports creates one U.S. job. Maximum use of funds authorized for the EDCF could mean an additional 50,000 American jobs.

The Congress, and the Finance Committee in particular, have been greatly concerned with the export of American jobs and capital by the multinational corporations.

Unlike investment abroad by a multinational corporation, the Fund would aid the export only of American products made by American workers in the fifty states. The Fund would concentrate on commodities such as transport equipment, electrical equipment, agricultural equipment, and tools and supplies for industry aimed at domestic or non-competing export markets—not on financing the purchase of advanced technology in either goods or services which would put these very poor countries in a position to compete with American industry. The Fund is not meant to export factories or the components of highly developed induties.

I believe that the Fund will be good for the American worker. If I didn't, I wouldn't support it.

I want to clarify an important point. The Fund would provide no direct subsidy at all to U.S. business or to any business in a developing country. The Fund's concessional terms would not be available to foreign companies importing U.S. goods and services, but only to the governments of the importing countries.

Mr. Chairman, the Foreign Relations Committee intentionally delayed the operation of the Fund until July 1, 1974.

A postponement of the actual start-up of the Fund will provide the Executive Branch with enough time to prepare a detailed operating plan for the Fund. S. 2335 requires the President to provide the Congress by April 15, 1974 with a detailed plan for the Fund's implementation.

Many of the questions which have been raised about the Fund's operation will be discussed in the report.

The Finance Committee, as well as the Foreign Relations Committee, will have an opportunity to review the Executive Branch's plan.

I also understand that the Administration witnesses scheduled to appear before the Finance Committee are now prepared to deal with some of the operational questions that have been raised, as well as propose a revision of the implementation dates.

In addition to the opportunity which the Congress will have to review the Administration's detailed proposal before the Fund begins to operate and the built-in limitations provided in the bill (such as the ceilings on fixed termination date for the Fund's operations without further Congressional action), the bill contains a number of other means of keeping the Fund's activities under continuing Congressional control.

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In addition to the opportunity which the Congress will have to review the Administration's detailed proposal before the Fund begins to operate and the built-in limitations provided in the bill (such as the ceilings on both borrowing and lending levels and a fixed termination date for the Fund's operations without further Congressional action), the bill contains a number of other means of keeping the Fund's activities under continuing Congressional control.

The bill requires that the Fund's authority to borrow must be specified in annual appropriation acts. The Fund cannot borrow a dollar without Congressional approval through the appropriation process.

The receipts on old aid loans which the Fund is authorized to use are subject to reauthorization by the Congress when the foreign economic assistance program is renewed every year or two and are also subject to the annual appropriation process.

Information about the Fund's activities would be available to the Congress in the usual ways—through specific requests, through presentation of information in support of Executive Branch budget requests for authority to borrow and proposed lending levels, and through the bill's requirement for a complete and detailed semiannual report on the Fund's operations.

Finally, I urge you in your consideration of this proposal to not lose sight of one of the important purposes and effects of the Fund in addition to its potential for export expansion and development of mutually advantageous trading relationships—helping people so that they will be able to help themselves.

The Export Development Credit Fund will bring plows to Mali so that farmers will not longer be dependent on sticks to till the surface.

The Fund will provide machine tools for back-alley shops in the cities of Pakistan.

It will provide medical supplies so that a young child in Sudan will avoid the scourge of filariasis.

It will permit an unemployed worker in Bolivia to work in a small factory.

It will provide trucks to haul produce to market in Nigeria.

It will provide the villagers of Bangladesh with pumps that make possible a second, dry-season crop.

In other words, the Fund combined with a revamped bilateral assistance program is targeted at the human needs of the poor.

For all these reasons, I strongly urge this Committee to comment favorably on Section 16.

Summary of Statement by Senator Hubert H. Humphrey, Before the Senate Finance Committee

The Export Development Credit Fund—Section 16 of S. 2335—is a Congressional initiative first developed by members of the House Foreign Affairs Committee and reported by the Foreign Relations Committee by a vote of 12 to 3.

Our domestic economic problems cannot be solved in a vacuum. We need to rely on other nations, on international systems and institutions for cooperation in solving what used to be purely internal problems.

America has become dependent on the resources of the developing world—oil, copper, tin, natural rubber, bauxite, timber, coffee, etc. American direct investment in the developing world is valued at $23 billion. This investment yields 5% of our corporate profits.

We cannot expect the nations of the developing world to cooperate in our own enrichment if we remain indifferent to their needs. In fact, these poor countries could use their growing economic power as a lever to force a change in American policy. They possess strategic market power, They can exert influence on world money markets, and they could confiscate investments. They are prepared to exploit economic disputes between the U.S., Europe and Japan if our relations with them are not based on constructive cooperation.

Domestic food prices are related to the demand by hungry poor nations unable to feed their people. We must aid them in the production of food in our own interest as well as theirs.

We can aid the very poor nations by making our exports available to them on terms they can afford. This type of mutually advantageous economic relationship has become a part of European and Japanese foreign economic policy.

The Export Development Credit Fund of S. 2335 will expand American exports to the 70 poorest nations containing a market of over one billion people—excluding China.

The Fund will borrow from the Treasury or the public $3 billion and lend $2.7 billion from June 30, 1974 until December 31, 1977 to the lowest income countries. The minimum lending terms at 3% interest, 5 years grace period and 30 years to repay. All repayments in dollars. The difference between the Fund's financing costs and loan receipts would be met from past aid loans available at a vote of about $300 million a year.

Poorest countries defined as those with per capita GNP under $375 a year and special emphasis on countries with GNPs of $200 per capita.

The bill will be amended to include the Fund's receipts and disbursements in the budget.

S. 2335 provides for Fund coordination through an advisory committee drawn from State, Treasury, Agriculture, Commerce, Ex-Im Bank & AID. The Secretary of Commerce would chair the Committee.

The U.S. is losing an important share of vast markets in the developing world to the Europeans and Japanese who have developed export credit systems at concessional rates. From 1965 to 1971 the U.S. share in these markets increased 30%—from $3.7 to $4.8 billion. The exports of the other 15 OECD members increased 143% from $9 billion to $21.9 billion.

Very poor countries simply can't afford American products under present credit arrangements and Export-Import Bank credits go to the richer developing countries.

The Fund would provide the U.S. with an institution to compete with the Europeans and the Japanese for the first time.

The Fund will create jobs in the U.S.—as many as 50,000.

Unlike investment abroad by multinationals, the Export Development Credit Fund would aid in the export only of American products, made by American workers in American factories.

The Fund could export commodities such as transport equipment, electrical equipment, agricultural equipment, tools and supplies for industry aimed at domestic or non-importing export markets.

The Fund will not export factories or components of highly developed industry which will build up foreign competition to U.S. industries.

The Fund will not subsidize U.S. business or a foreign business. Only another government will benefit by the Fund's soft loans.

Many of the unanswered questions concerning the Fund's operation will be dealt with by the Executive branch when it submits to Congress on April 15, 1974 an operational plan. The Fund will begin operating on July 1, 1974.

Congress will be able to exert control over the Fund's operation. Its borrowing authority must be appropriated. Receipts from old aid loans used in the Fund are subject to reauthorization and to annual appropriation.

Mr. McGEE. Mr. President, in opening my remarks in support of S. 2335, I ask unanimous consent that my statement, which appeared in the June 29, 1973, Record on pages 22237 and 22238, be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Support of Mutual Development and Cooperation Act of 1973

Mr. McGee. Mr. President, our Nation is at a critical pivotal point in its history. There is a growing weariness in the Congress and across the land with our active, but brief, involvement in international affairs. Few will argue that the experience of Indochina has been the major contributing factor to our present sense of frustration and mood of retreat from the affairs of the world.

Our experience as a nation, which was called upon to play a major role in the world some 27 years ago, has cut across a wide spectrum of our national consciousness. The aftermath of World War II presented us with a challenge we accepted with considerable reluctance. Yet, the entire international community realized that mankind could never again be swept into the holocaust of a massive, worldwide conflagration and ever hope to survive. Thus, the termination of World War II and the establishment of the United Nations brought a euphoria of high hopes that, somehow, we had found that magical formula for peace; that those perplexing pieces to the puzzle of man's relationships with his fellow man would now fit.

We soon discovered, to our dismay, that the world was not tied up in one neat package. Nevertheless, we were determined to find those pieces to the puzzle we suddenly discovered were missing. Now, we stand at the precipice of almost total disillusionment. The traumatic realization that even the United States was capable of making mistakes has called into question our own adequacies as a Nation in dealing with the complexities of the international community. Yet, even as the frustration grew, more pieces to the puzzle were fitting into place. We have seen detente with Soviet Russia and the People's Republic of China—events which we believed to be completely outside the realm of possibility 27 years ago. We have seen a devastated Western Europe and Japan evolve into economic giants, bringing prosperity to millions of people. We have seen the United Nations grow from 50 to 132 nations—nearly to the point of universality. We have seen nearly a billion of the world's population move from colonial to independent status with very little violence. We have made the age-old problems of poverty, disease, hunger, and illiteracy the concerns of the international community. We have seen the respect for the sovereignty of nations strengthened despite our disappointment that this principle has not been applied universally.

We have seen man evolve to a level where, in spite of his mutual differences, there is an overriding consideration for his common interests. This, perhaps, holds the key to those missing pieces of the puzzle which we have slowly and almost subtlely laid into place. We have traversed the maze of war, hostility, distrust, fear, and other plagues of mankind to the realization we all have much in common; that we must live together because we can never survive in isolation from one another.

Yet, in spite of the distance we have traveled in this brief period of history, we are threatening to retreat. Yes, we have made mistakes along the way. But we have also learned so much. Just as the individual from infancy to death is a product of his experience, so are nations. The United States, as a major element in the international community, was born just 27 years ago. Just as the individual is subject to erring through his infancy, so are we. Just as the individual learns from his mistakes, so must we. Just as the individual should never retreat from responsibility or challenge, neither should we. No matter how tired or frustrated we have become, and no matter how disillusioned we may be, we must rise to the challenges with which all mankind is now confronted. Just as the individual can never return to the protection of the womb, neither can we. We are inextricably tied to the entire world. We will never again find solace in isolation.

Soon, the Senate will be considering the economic development portion of foreign assistance. Hopefully, the focus of our deliberations will be the Mutual Development and Cooperation Act of 1973 introduced by the distinguished Senator from Minnesota (Mr. Humphrey) and the distinguished senior Senator from Vermont (Mr. Aiken)—a measure which I have joined in sponsoring. This measure promises to be an innovative change in the direction of our economic assistance programs. It is a recognition that we have made mistakes in the past, but are willing to rise to the challenge of overcoming our mistakes. There will be attempts to drastically reduce the funding authorizations for economic assistance. The old myth that this is nothing more than a giveaway program will be revived again. We will be confronted with the argument that we cannot afford to contribute to the development of nations less fortunate than our own. The measure will be the object of worn-out rhetoric and simplistic shortsightedness.

Foreign aid has come to be a distortion in our national psyche. Our perceptions in too many instances, are not relevant to realities. We are not indiscriminately doling out aid. We, as a nation, are making an investment in the present and the future. Our decisions concerning this bill will determine what the world will be like for our children and our children's children. Thus, we must shape with utmost care our contribution to what kind of world we want and what our role in that world will be.

Nearly three-quarters of the world's total population lives in the less developed nations of this planet. These people occupy two-thirds of our land surface, covering vast, untapped natural resources. We cannot achieve our national aspirations for peace and economic prosperity in isolation from these people. The welfare of the United States and all industrialized nations is tied to the welfare of the less developed nations. The future stability and prosperity of the world rests with the ability of the international community to make this planet a better place in which to live for all its inhabitants. Social, economic, and political problems are no longer endemic to nation-states, no matter how rich or how poor.

The economic welfare of this Nation depends upon a increasing flow of goods and services. The less developed nations provide a market of enormous potential for U.S. goods. Last year, these nations accounted for 30 percent of our exports and were the only areas of the world where we enjoyed favorable trade balances. More than $30 billion of United States private capital is invested in these countries. Thus, the development, economic expansion, and welfare of these nations is vital to our own national interests.

The problems of environmental degradation, an unstable international monetary system, trade deficits, natural resource depletion, the population explosion, disease, poverty, hunger, and illiteracy are increasingly dominant factors as to the type of world we live in and will leave to our children. These factors are the root causes of instability. Unless there is broad international cooperation on all these fronts, we will continue to be plagued by war, famine, poverty—all those aspects of our existence which breed waste and carnage and which threaten the very viability of both our species and our planet.

These are the stakes with which we are confronted as we consider whether this Nation will continue a responsible engagement in the world. If we believe we can live in isolation from the problems of the less developed countries, we are making a serious and potentially fatal mistake.

We hold one of the key pieces to the puzzle. Let us not let the opportunity slip from our grasp. We must exercise wisdom and courage in making our decisions as they affect the international community. This is not the time to fall victim to the ploys of ignorance, empty rhetoric, or short-term selfishness. We have the capacity to assault the problems which plague all mankind—problems we ourselves cannot escape by withdrawal from the world community. Let us not fall to our worst and basest instincts.

Mr. McGEE. Mr. President, this earlier statement concerning S. 2335 sets the tone for my remarks here today.

At a time when we are witnessing increasing signs that the Congress is tiring of this Nation's foreign aid programs, I cannot overemphasize the value of the current bipartisan development assistance initiative embodied in S. 2335. This initiative takes a completely fresh look at our past development policies and represents an important effort at correcting deficiencies growing out of these policies.

In what is probably the most fundamental change in development strategy since the conception of the Marshall plan, this new bilateral development aid program shifts the emphasis away from major capital projects and program loans toward projects more directly affecting the lives of the poorer majority of the people in the developing world.

Support for foreign economic assistance has waned drastically in the past decade. I do not believe this is because Americans have lost the desire to help others. Quite the contrary, we in the United States have responded with generosity and alacrity in recent years to foreign populations racked by the catastrophic effects of earthquakes, floods, and famine. The problem associated with our present foreign aid program is that people have lost faith in its effectiveness. This decline in faith has led to a commensurate decline in funding for the program.

Yet, at the same time, the problems of the developing world have not diminished. In fact, they are increasing. Thus, what we, in effect, have been doing is denying the existence of the developing world's problems simply because foreign aid has not achieved the lofty goals set for it. Instead of looking at the developing world and asking how we can best help them with the resources we have available to us, the question has become whether we should help them at all.

S. 2335 is an innovative initiative, since it shifts the debate back once more to how we can assist the developing world in the most effective manner possible. The bill reaffirms the stake the United States has in the developing world and it represents a positive response on our part to our interests in the less-developed countries. S. 2335 contains the first thorough revision of development philosophy and policy since we entered the development business in the late 1940's.

This bill reflects a fundamentally different outlook on growth in the developing countries and how growth relates to the poorer majority in those nations. Previously, it had been assumed that the best way to help the entire population of a developing nation was by promoting growth as rapidly as possible. It had also been assumed that rapid growth could be supported only by the better-off sectors of a society; and thus, a "trickle-down effect" would ensue. Therefore, we directed our primary foreign aid efforts at a relatively small portion of a developing nation's society in the hopes that it would bring assistance to the masses. Though the growth of GNP has proceeded at phenonemal rates, only a minority of the populations in developing nations have benefited and the masses, for the most part, remain unaffected.

Therefore, S. 2335 attacks development experience of such nations as the Republic of China, Egypt, the Philippines, and Singapore, we have learned that savings rates and the productivity of the poor on any increased income can be very high if they control their economic equipment and if governments encourage their participation in development with a network of institutions and economic incentives. The focus of S. 2335, then, is to increase the productive capacity of the poor through education and access to resources. This is connected with a simultaneous promotion of the structures and incentives which encourage a total growth pattern—from the lowest sectors of a society to the highest echelons.

In order to accomplish this, S. 2335 departs from the traditional regional approach to development and adopts the functional problem-solving approach which proved so successful in malaria control and the breakthroughs of the Green Revolution. This legislation would authorize funding aimed primarily at three functional sectors which affect the lives of the majority of people in developing nations: First, food production, nutrition, and rural development; second, health and population planning; and third, education, public administration, and human resource development. S. 2335 would concentrate development aid more upon sharing American expertise, farm commodities, and industrial goods, rather than upon large-scale capital transfers which can be made more effective by multilateral institutions.

S. 2335 also puts an important new emphasis on the participation of the host countries in development projects. It recognizes that United States bilateral development assistance should be coordinated with the host nation's development goals and gives highest priority to undertakings submitted by host governments. To insure the host country commitment to development projects which would be beneficial to the poor majority, at least 25 percent of a project's funds would have to come from the individual host governments themselves.

As my distinguished colleague, the Senator from Minnesota (Mr. HUMPHREY), has already so ably noted, the developing world poses serious problems for the industrialized nations, but also offers tremendous benefits for the developed world if the problems are dealt with effectively. We are all aware of the importance of the natural resource potential in the developing nations, in light of the accelerating depletion of our own natural resources. In addition, the billion people who comprise the populations of those nations where per capita GNP is less than $200 per year, provide the largest potential market for American goods in the entire world. Our Nation needs these markets to retain our economic strength and viability. Yet, we have been losing these markets to Japan and Western Europe, both of which have not allowed themselves to fall victim to short-sighted policies. In relative and absolute terms, our exports to the 60-percent-of-the-world population in those countries with per capita GNP's under $200 have dropped, while those of our Japanese and European competitors have increased significantly.

It has been claimed that we have enough problems of our own to engage in the extravagance of a foreign economic assistance program. However, I would point out this is a rather simplistic and short-sighted approach, particularly if one weighs all the variables involved in such an effort.

The developing nations of the world find themselves in a very unique position. As I have pointed out in several statements addressed to the issue of continued U.S. violation of United Nations sanctions against southern Rhodesia, if our policies are not sensitive to the needs, aspirations, and concerns of the developing world, we could find ourselves in a particularly detrimental position internationally. First, the developing nations have the capacity to deny us access to natural resources which are vital to our economic viability. Second, these same nations have the capacity to deny us access to their markets—an access which will become increasingly vital to our economic health.

What the opponents of S. 2335 are in effect telling the American people is that they are prepared to deny them the highest standard of living in the world. Deny this Nation access to raw materials, and our industrial capacity would be severely curtailed. Deny our Nation access to foreign markets, and we face serious economic problems compounded with high unemployment. In effect, the quality of life in the United States is inextricably tied to our relationships to the developing world. If we are prepared to accept a serious erosion of the quality of life in this Nation, then my colleagues can refuse to pass S. 2335, because these are the stakes we are playing for in this legislation.

I would also like to comment briefly on what I view as a regrettable action on the part of the Senate Finance Committee. I am referring to the committee's deletion of section 16 from the bill which would have established a U.S. Export Development Credit Fund. This section addrdessed itself to the problem of increased competition the United States faces from Japan and Western Europe in those nations which comprise 60 percent of the world's population.

Section 16 recognized this trend and proposed a truly innovative method of reversing it. The Export Development Credit Fund showed promise of mutual benefits for both the United States and the developing nations. The primary reason for our losing markets in the poorest developing countries stems from their inability to borrow American dollars at rates they can afford. Whereas, the Japanese and European governments subsidize loans to those countries at rates of 2 and 3 percent, the United States cannot make loans at rates of less than 7 or 8 percent interest. Section 16 proposed to subsidize this difference in interest rates by a mechanism which placed no extra burden on the U.S. taxpayer. The Export Development Credit Fund would have taken the money coming in from old loans to developing countries and used that money to pay the interest differential between the rates it could borrow at and the rates at which it would lend. These moneys would have been loaned contingent upon a provision whereby these funds could only have been spent in this country. A few million dollars could have financed loans, boosting American exports by $1 billion.

I regret that this section has been stricken from the bill. However, I do hope that the Congress will approve the Export Development Credit Fund when we consider trade legislation.

In conclusion, I would like to underscore a concern of mine. The United States bilateral assistance effort has declined significantly in recent years. The United States, alone among the major industrial nations, resists a major expansion of multilateral aid and now imposes substantially more barriers to the manufactured products of the poor countries than to those of the more advanced nations. Once a world leader is assisting the poor countries, today we rank no better than 12th in the share of national wealth devoted to this purpose.

Despite the growing awareness of interdependence with the developing world, we find ourselves today in a posture of increasing aloofness vis-a-vis the development problems of the poor countries. Yet, it is in our national interest to behoove this warning—our Nation is neither so rich nor so powerful that we can ignore any country in the world. Other nations may pay the price for our aloofness and lack of concern today. However, it will be the United States who pays the price tomorrow, unless we can demonstrate a little wisdom and foresight rather than succumbing to simple and shortsighted nations of what our role in the world should be.

Mr. President as we begin deliberation of S. 2335, it is important that we cast aside simplistic notions of what our foreign aid efforts around the world should entail and deal with the real problems with which we are trying to find solutions now and in ensuing years.

In this connection, there appeared a timely article in yesterday's Washington Star-News. The article was written by Mr. Richard Critchfield, a former Asian correspondent for the Star-News who is now studying the food and population problems of the third world by living in peasant communities in Asia and Africa.

The importance by Mr. Critchfield's article is that it is based upon his first hand knowldege and experiences. We in the United States, who are not in day-to-day contact with the problems of the developing world, engage in the luxury of maintaining an aloofness when it comes to consideration of these problems. Reality becomes clouded by meaningless and empty rhetoric which is detrimental for a responsible and effective formulation of our policy.

Mr. Critchfield has performed a very invaluable service by explaining the realities of the world situation today, and particularly how our foreign aid effort is directly related to such problems as food production, population control, and self-sufficiency in the developing nations.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Foreign Aid or Famine

(By Richard Critchfield)

What can the individual American do to help the increasingly hungry poor two-thirds of the world in the worsening global food crisis?

Support increased foreign aid. It cannot come too soon. This summer, world grain reserves fell to around 100 million tons, the lowest level in 20 years. Some 200 million Indians, 25 million Africans and possibly 40 million Chinese face hunger, if not famine, before the winter harvest. And Bangladesh, Indonesia and the Philippines will be critically short of rice until December.

Russian grain purchases abroad of 28 millions tons, half of it from the United States and altogether almost three times bigger than any food import in history, has created a problem even in the United States. About half of some 50 million acres of United States reserve cropland—much of the rest is marginal—is being put back into production.

Agricultural expert Lester R. Brown of the Overseas Development Council has described it is a "dangerous" situation: "For the first time since the end of World War II, the world is without either of the two important safety valves in the world food economy—surplus stocks of grain and a large reserve of United States cropland that could readily be brought back into production."

The implication of this for the poor countries, many of them already falling behind in the food-population race, is grave. Their main hope lies in expanding food production through the spread of the new high-yielding dwarf varieties of rice and wheat which, with enough fresh water and nitrogen fertilizer, can double harvests. But country after country lacks the foreign exchange to buy vital inputs.

The forecast then is not for inevitable global famine. It is for famine which can be avoided if the United States and other rich countries give enough foreign aid for fertilizer, insecticides, irrigation works, feeder roads, landlord compensation and family planning. Old "trickle down" development economics are no longer good enough; a way has to be found—and very quickly—to directly fill the cisterns at the bottom.

This will require a wholesale shift in American public opinion. Foreign aid is presently tottering along on well over a year of miserly funding under Congressional continuing resolutions. Congress apparently is in no mood to be generous now. And the former foreign aid lobby, East Coast liberals who used to combine a steady interest in the whole world with an instinct for reform, now seems to have turned its back on all foreign involvements. Aid is bad, they say, because it encourages Vietnam-style intervention and helps the rich not the poor. And besides, economic growth is impossible because it will exhaust the planet's resources, they say.

Such arguments may be silenced quickly once mass starvation becomes a regular evening feature on the American living room TV screen. Americans may be alarmed about this summer's shortage of beef and high food prices But their average daily intake is still around 3,000 calories of which 40 percent is derived from animal products and 35 percent from cereals, starchy foods and sugar. The average Asian in recent months is getting less than the 2,000 calories he could count on 10 years ago—and 80 percent of what he does get is starch and sugar.

Food increases in the poor countries, remarkable as they have been since the introduction of the new wheat and rice in 1967, simply cannot keep up with the 180,000 babies born each day or the 66 million more mouths to feed each year.

As Theodore Geiger of the National Planning Association and others have predicted, it may not be long before American guilt over Vietnam and disappointment over the results of 21 years of foreign aid may shift dramatically—suddenly we may be blaming past failures on the *inadequacy* of previous efforts. And past failures are beginning to look not all that serious. United States food aid shipments have dropped sharply the past few years, largely because of the success in transferring modern American farm technology to the poor countries.

But this is not time to lag. The key to continuing increases in food production, in Brown's words, is the "development of water resources and continuation of United States support of the kind which launched the green revolution." In short, more foreign aid.

During the past year in Southeast Asia I have seen concrete example after example of governments frustrated in their attempts to grow more food because of insufficient foreign aid. The Philippines, for instance, is critically short of fertilizer but lacks the foreign exchange to buy it. Nor can it proceed with land reform—on which modernization of its agriculture depends—without $250 to $300 million in aid needed over a three-year period for landlord compensation. Split between the United States, Japan and the World Bank, at $30 million a year apiece this would be a cheap and effective form of aid.

Population control often suffers the same way. The World Bank recently came up with a $33 million, five-year loan package for family planning in Indonesia geared to handle 1.2 million acceptors. By the time the program was cranked up, successes in East Java and Bali had brought the number of acceptors up close to 2 million but there were no funds for vital follow-up field workers. Thailand's family planners are also getting more acceptors than they have money to handle.

Short of the Maoist model, no one has yet come up with a formula to combine economic advance with full employment and equitable income distribution. This means the gap between rich and poor inevitably widens. The drama of most poor countries today is a race between the onset of revolutionary politics and the arrival of genuine economic progress, through traditional schemes of development, to make such revolutionary politics unnecessary. To buy time for the race to be fairly run, the poor countries must grow enough food.

The present transfer of resources from rich countries to poor has been stuck at $6 billion a year, what it was five years ago; official aid from the world's 16 richest countries is still only 0.35 percent of gross national product, half of what it was 10 years ago. Yet in those 10 years real incomes in the richest countries have risen 45 percent.

The present world food crisis has revealed the poor countries, physical incapacity to produce enough food at present foreign aid levels. It has shown the United States can no longer be counted upon as the emergency breadbasket of the world. If no increases in United States foreign aid are quickly forthcoming and the poor countries find themselves powerless to escape the vicious circle in which they are enclosed, international politics will be profoundly changed. It is time for individual Americans to strongly support foreign aid. Their children's well-being depends on it.

Mr. ABOUREZK obtained the floor.

Mr. HUMPHREY. Mr. President, a point of information. Did I understand the Senator from South Dakota was willing to yield to the Senator from Ohio (Mr. Taft), so we could proceed with his amendment?

Mr. ABOUREZK. Yes, I intend to do that as soon as I get recognition.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I call up my amendment No. 462.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk proceeded to read amendment No. 462.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 462 is as follows:

On page 30, line 23, insert the following:

"Sec. 24. Part III of the Foreign Assistance Act is amended by adding at the end thereof the following new section:

"Sec. 659. Limitations on Authorized Funds.—None of the funds made available to carry out this or any other Act, and none of the local currencies accruing under this or any Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other internal security forces of any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government.'."

On page 9, at the end of line 7, add quotation marks and delete line 8 through line 11.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the Senator from Ohio (Mr. TAFT) be allowed to call up his amendment before the consideration of my amendment No. 462.

The PRESIDING OFFICER. Is there objection? Without objection its is so ordered.

The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, I call up my amendment, which is unprinted, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read the amendment, as follows:

On page 11, delete lines 17 and 18 under the heading "Programs Relating to Population Growth" and substitute the following: "for each of the fiscal years 1972 and 1973, $125,000,000" and insert in lieu thereof "for the fiscal year 1974, $125,000,000 and for the fiscal year 1975, $150,000,000."

Mr. TAFT. Mr. President, I have already just briefly discussed the provisions of this amendment.

I yield myself such time as I may consume.

This amendment does not change the authorization for fiscal year 1974 nor does it add any additional funding for fiscal year 1975. What the amendment does is to provide for a modest increase of $25 million in earmarked funding for 1975 programs relating to population growth so as to maintain the continuing momentum of this crucially important endeavor.

There is no need to reiterate the importance of family planning and population programs in this body, for the Senate, under the leadership of the distinguished chairman of the Foreign Relations Committee, the manager of this bill today, and a number of other Senators has shown great vision and foresight in providing funds for family planning and insuring that the U.S. Agency for International Development will provide vigorous support in this field.

It is especially important that U.S. support for population programs continues to expand somewhat to meet the rising crescendo of national program requests for assistance in this field.

Because of the support which has been provided to these programs by U.S. AID, the United Nations Fund for Population Activities has now become a source of major international support and encouragement for new family planning programs throughout the developing world. Year 1974 is World Population Year and already the fund is faced with more requests for help than it can support. I would hope that much of this additional $25 million will be provided directly by AID to the United Nations Fund for Population Activities to continue its work. The U.S. Government provides less than one-half of the fund's resource and to date contributions for the fund have come from some 60 countries.

Gen. William H. Draper, Jr., whom many of you may know, is the U.S. Representative on the U.N. Population Commission, and has been extremely active in soliciting contributions from other governments for the U.N. Fund for Population Activities. He is very much concerned that unless the U.S. Government increases its contribution somewhat in 1975, it will be difficult to persuade other governments to substantially increase their contributions.

With world population growth still averaging 2 percent each year, or approximately 75 million new mouths to be fed every year, there is surely no program more critical and more deserving of support than this. I would emphasize that this amendment does not add to the total sum authorized but rather requires that out of whatever sum may be eventually appropriated for foreign assistance activities for fiscal year 1975, $150 million will be available for family planning and population programs.

There is already substantial evidence, as indicated in some of the graphs and statistics of recent reports, that family planning programs do have a considerable impact in reducing fertility rates. Although many factors are involved in the shift from larger to smaller families, there can be no doubt that the availability of family planning information, services, and supplies is a major factor in accelerating these declines. Without continuing assistance many of the national family planning programs in developing countries may be literally forced by the pressures of famine to cut back temporarily on family planning programs even though they recognize that over the long run fertility must be reduced or economic and social development cannot continue. Continued support from U.S. AID is essential in many countries, even where the Government is fully committed to family planning to insure that programs continue at an effective level.

We were all told of this necessity in the foreign aid field back in 1967. When I was on the Foreign Affairs Committee of the House, I was author of the first amendment in the committee for the earmarking of those funds for that purpose. I can report to the Senate at this time that these earmarkings increased from $30 million to $50 million to $75 million to $100 million and to $125 million today.

We know that expenditures under the AID program have continued to follow the same pattern. During the past year, there have been $125 million of authorizations. As reported on page 10 of the committee report, the amount is $25 million.

I think the fact that we are bumping against the ceiling at the present time would indicate that it is desirable to specifically earmark funds for this type of program for fiscal year 1975 so that there can be planning for the earmarking that has occurred and that will occur in the future as it has in the past.

Mr. President, it is on this basis and for this reason that I have offered the amendment. I note from the very generous remarks of the Senator from Minnesota that he would be delighted to have his name added as a cosponsor of the amendment.

Mr. HUMPHREY. Mr. President, I would be honored to have my name added as a cosponsor.

Mr. TAFT. Mr. President, I ask unanimous consent that the name of the Senator from Minnesota (Mr. HUMPHREY) be listed as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the amendment, as the distinguished Senator from Ohio has mentioned, is a very necessary and desirable addition. It is a modest addition to the bill. However, it goes to meet the problems we face on this issue; namely, population.

If the distinguished Senator from Vermont has no objection, I would suggest that the amendment be agreed to.

Mr. AIKEN. Mr. President, I have no objection to the amendment of the Senator from Ohio.

The PRESIDING OFFICER (Mr. HUGHES). Do the Senators yield back their time?

Mr. HUMPHREY. Mr. President, I yield back my time.

Mr. TAFT. Mr. President, I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABOUREZK. Mr. President, there is a printing error in my amendment, No. 560. Two numbers were assigned to the amendment. The amendment was printed identically as amendment No. 560 and 562. At the time I call up that amendment, I will be referring only to amendment No. 560.

Mr. President, I call up my amendment, No. 462.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, line 23, insert the following:

"SEC. 24. Part III of the Foreign Assistance Act is amended by adding at the end thereof the following new section:

" 'SEC. 659. LIMITATIONS ON AUTHORIZED FUNDS.—None of the funds made available to carry out this or any other Act, and none of the local currencies accruing under this or any Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other internal security forces of any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government.'."

On page 9, at the end of line 7, add quotation marks and delete line 8 through line 11.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on my amendment.

Mr. HUMPHREY. Mr. President, I ask that the Senator defer on that until more Senators are present.

Mr. ABOUREZK. Mr. President, I withdraw my request for the yeas and nays.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABOUREZK. Mr. President, this amendment is intended to provide a prohibition of U.S. financial aid or equipment, either directly or indirectly, to any foreign government for use in that government's internal security forces, prisons, or programs of domestic surveillance.

In addition to the $7.5 million which is scheduled for the Office of Public Safety in 1974, well over an additional $22 million will be spent on police and prison programs in Vietnam, Laos, and Cambodia. In Vietnam alone, where we have spent over $130,000,000 on their police since 1955, the United States is scheduled to spend another $19.5 million.

The present bill, under section 115, would only prohibit U.S. financial support of programs conducted for police training. Unfortunately, this is only a small part of our involvement in support of police and prisons in other countries. This amendment prohibits American equipment from being sent to foreign national police forces; it stops the mockery of food for peace whereby 80 percent of Public Law 480 funds are used for national security; and finally, it removes the redundancy which already exists between our OPS and the prestigious international police organizations which have existed long before OPS was ever conceived.

Few programs have distorted the spirit of our foreign assistance more than foreign police and prison support. For example, from 1965 to 1972, AID supplied $2.9 million worth of fragmentation grenades to the national police forces of three countries; in 1971 the U.S. Navy paid an American firm $400,000 to construct and deliver new isolation cells—called tiger cages—to Con Son Island in South Vietnam. One would be hard pressed to find the American humanitarian spirit in furnishing grenades and isolation cells. This amendment removes the distortion of U.S. foreign assistance.

The history of our involvement in the internal police affairs of other countries goes back as far as World War II and the Korean war. In Vietnam, for example, the United States has been providing aid in the form of weapons, supplies, training, and advisory support to the national police since 1954. Under the public safety program of the U.S. Agency for International Development, the Vietnamese police force was converted from a modest civil agency of 19,000 men in 1963 to a mammoth paramilitary organization of 120,000 men in 1973. Acknowledged U.S. spending on this effort amounted to $169 million between 1967 and 1973. These figures do not include CIA payments, or local currencies made available through the commodity import program and other U.S. accounts. These funds were used to provide small arms, vehicles, and helicopters and other equipment to the Vietnamese police and to finance the team of over 200 U.S. public safety advisors which assisted the National Police Command in Saigon. Under the terms of the January 1973, peace settlement, the United States has been obliged to remove its public safety mission from South Vietnam; yet, despite our obligation to refrain from involvement in Vietnam's internal political affairs, the United States will continue providing aid and advisory support to the GVN apparatus to the tune of $20 million in 1974.

South Vietnam's national police force is only one of over 70 countries, however, that has been the direct beneficiary of our advice and assistance through our present foreign assistance programs, particularly the OPS.

In 1970, for example, the Guatemalan national police force received, among other material, 250 riot shields, 10 gas guns, 3,000 tear gas grenades, 245 tear gas projectiles, 250 gas masks, 55 shotguns, and 40,000 shotgun shields.

From 1965 to 1972, the United States supplied the national police forces of Vietnam, Korea, and Thailand with nearly $3 million worth of fragmentation grenades, machineguns, rocket mortars, and antipersonnel mines.

Since 1959, we have supplied the Brazilian police force alone with over 500 riot batons, 120 gas masks, 20,000 grenades of all sorts, and over 800,000 rounds of ammunition.

Under the food-for-peace program for 1974 which my friend and colleague from Minnesota originated and worked so hard for in earlier years, over $300,000 was originally directed to the Vietnamese political warfare college, over $900,000 was originally scheduled for police training centers in 1974, and over $525,000 was to go to rebuilding police materials including batteries and their containers.

Similar aid has gone to almost every one of over 75 countries which asked for and received aid to their national police forces.

Evidence is mounting that representatives of U.S. agencies are even involved in torture with some of the national police forces in many underdeveloped countries. A letter which I recently received from a constituent in my own State of South Dakota reaffirmed much of this evidence. He writes:

> My wife and I spent the summer in eastern Bolivia. Stories of torture and execution under the Banzer dictatorship circulate freely. Their stories of torture are almost unbelievable in what was only a few short years ago the land of absolute freedom of expression, the Switzerland of South America. At least one of the torturers told one of our friends that he learned his techniques in a special American school in the Canal Zone. An American missionary friend who was tortured for four days before his release, insists that at least one American was involved in the torture squad.

AID officials, of course, deny that they teach methods of torture, but the significance of our attitude toward methods and effects of torture was best summed up by Byron Engle, a former Director of the Office of Public Safety. Citing the successful application of their techniques in the Dominican Republic in 1965, he said:

> Police action. . . . was so effective that the insurgents did not even end up with the body of a dead comrade to drag through the city in false martydrom.

Justification for U.S. assistance to national police and prisons has always been presented in the most benign terms. AID officials tell us that the objective of U.S. public safety porgrams have been to "maintain public order; counter Communist inspired subversion; and encourage the effectiveness of the civil police and paramilitary forces in every participating country."

However, the evidence indicates that many of AID's justifications have been nothing more than hollow rhetoric designed for Congress. I cannot see how the continuation of our police training and police related assistance programs can possibly have much humanitarian benefit for the people in these oppressed countries. Within the context of internal politics, I can see no other purpose in such programs than to help consolidate the power of dictators and squash their opposition.

David Bell, a former AID Administrator summed this up better than I could. He said:

> Public safety assistance and recipient police forces cannot prevent coups or guarantee that Communism will not seriously disrupt orderly development. However, the public safety assisted police forces have done and can do much to prevent conspiracy and the development of disruptive situations, and to insure an environment of law and order which supports the orderly social, economic and political development of emerging nations.

It should not be surprising, therefore, that the small privileged classes in most of the developing nations rely more and more on their national police forces to preserve the old order; nor is it surprising that such governments are incapable of developing viable democratic institutions. When we provide economic support and police training and assistance for these regimes, we are contributing to the maintenance of these archaic structures at the price of tremendous repression.

A second point which I would like to make may best be illustrated by a comment recently made by the wife of a cabinet minister in one of the more conservative governments in Latin America. She was quoted as saying:

> I don't know to what extent the United States was really involved in the overthrow of the Allende government in Chile; what I do know is that all of us are going to believe that your country did have a part in it.

In the minds of many countries around the world, the foreign policy of the United States has increasingly come to mean police power, military aid, military alliances, and support for repressive and authoritarian governments as a means of creating our own definition of world stability.

There is no question that social peace and true international peace can only be built upon the basis of justice and good will. All of the grenades, all of the tiger cages, all of the sophisticated police equipment that we continue to export to countries which are supposedly plagued with so-called chronic instability—all of this will never produce true peace.

Peace is the result of full participation of all peoples in the society in which they live. Peace is the result of justice and dignity. Peace is the result of rule by rational law. We cannot maintain peace in any country, or help build it, by continuing our incessant fetish for training, equipping, and financially supporting the national police forces of countries in South America, in countries of Africa, and in the countries of Asia. We will never help build sound constitutional government abroad by supporting those who break the law, and those who confuse the supposed efficiency of totalitarianism with progress. The time has come for us to take stock of our foreign policy, and to recognize how far and how dangerously we have allowed our foreign aid program to stray from the ideals for which the country stands. The policies of AID and OPS in regard to our goals, doctrines, and practices in countries abroad have struck an eerie resemblance to practices advocated by some here at home as an answer to present or future domestic difficulties. AID spokesmen have in fact made a determined effort to advise other Government officials of the domestic application of techniques developed by OPS for use abroad.

Mr. President, earlier this year a Brazilian citizen came to my office. In the short time that he was there, he left an indelible impression on my mind of the torture, oppression, and death that lingers in many countries today. In Brazil, he told me, there is no means with which to speak out. There is no way in which these oppressed peoples can express their concern and anxiety for their own safety and the future of their country. Their only hope, he said, is to see that someone outside must show that they care—for their greatest fear is of being forgotten. He pleaded with me as one Senator, to speak out, to act in any way that I can to show these people that most of us here in the United States do care enough to want to help. That is what this amendment is all about. I urge my colleagues to join me in support of this amendment in demonstrating that it is not our intention to make repressive regimes even more repressive. Rather, it is to assist those who are in dire need of some true humanitarian assistance.

Mr. President, I reserve the remainder of my time.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. ABOUREZK. I yield.

Mr. AIKEN. I am just wondering what the Senator's amendment would do that is not already provided for in section 115, page 9 of the Senate bill.

Mr. ABOUREZK. The section in the bill only cuts out the police training program in this country. I would advise my colleague from Vermont that there is a considerable amount of financial aid that goes to providing material support and even advisory support in the countries where the money is going. There is an additional $18.5 million that this amendment would cut out that is being used for those purposes.

Mr. AIKEN. The Senator's amendment would not prevent training of people from other countries if trained in this country?

Mr. ABOUREZK. Yes, it would include that.

Mr. AIKEN. It would include all of them?

Mr. ABOUREZK. It would prevent, let me say it this way——

Mr. AIKEN. The Senator mentioned Brazil as one country where we have been doing a lot of training. It would apply to all others, too?

Mr. ABOUREZK [continuing]. It would apply to any countries to which our foreign aid money is sent.

Mr. AIKEN. I am thinking particularly of countries like Lebanon and Jordan. Would it apply to them?

Mr. ABOUREZK. It would apply to them, yes.

Mr. AIKEN. To all countries?

Mr. ABOUREZK. If they are receiving money. If they are receiving money for training of police, it would cut off money for them as well.

Mr. AIKEN. What is the difference? Could it still be done under the guise of military training? Police training? Where does one begin and the other leave off?

Mr. ABOUREZK. If it is done under the guise of military training, if this amendment succeeds and is enacted into law, I would suggest that we try to do something about that as well.

What I am saying to my colleague from Vermont is that I do not believe we have any business in providing money for police forces or training police forces in other countries where most of that money is used to suppress their own people.

Mr. AIKEN. Is there any objection to countries using the funds for preservation of law and order in their own countries?

Mr. ABOUREZK. If you can call it preservation of law and order. I would say it is for suppressing their own people, rather than law and order. It is for violating the law, in most cases.

Mr. AIKEN. I was thinking of one country in particular; it happens to be an Asian country——

Mr. ABOUREZK. I am sorry; I did not hear the Senator.

Mr. AIKEN. I was thinking of an Asian country, which I shall not name here, where the police were being trained to do other work besides law enforcement. Would it affect that, too?

Mr. ABOUREZK. As the amendment states, it would affect the money provided by this AID program for the office of public safety, for police and advisory support and for the furnishing of materiel to any foreign police department.

Mr. AIKEN. But in this particular country I think police were being trained in community work, such as the work done by our extension service here. Our people are training the police of that country to do something besides enforce the law and put people in jail, and so forth. I was just wondering, would it affect that, too?

Mr. ABOUREZK. Will the Senator tell me——

Mr. AIKEN. If the members of the police force in that other country happened to be concerned with extension service-type activity for instance?

Mr. ABOUREZK. If the police were doing that, I would suggest they ask for their money under a different designation, rather than under this particular amendment.

Mr. AIKEN. Not having all answers myself, that is, was why I am asking the Senator from South Dakota for some enlightenment. That is all I have to say now.

Mr. ABOUREZK. Mr. President, there is a technical error in the amendment that I should like to correct at this point.

The PRESIDING OFFICER (Mr. William L. Scott). The Senator has that right.

Mr. ABOUREZK. On the first page of the amendment, on line 1, it says, "On page 30, line 23, insert the following." That should read, "On page 31, line 14." Then there should be a newly numbered section. This is just a correction of the page numbering and the line numbering.

I would offer that as a modification of the amendment.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. HUMPHREY. Mr. President, I yield myself 5 minutes on the amendment.

I am not sure that I shall oppose it. On the contrary, I think we can perhaps work out the matter here in order to support it; but I wanted to take this moment to caution my good friend from South Dakota that all of the moneys that have gone into police training have not been injurious to the citizenry of many of these countries. Every country must have a government, and governments always have opposition. Some governments——

The PRESIDING OFFICER (Mr. William L. Scott). If the Senator would respond to an inquiry from the Chair. Is the Senator opposed to this amendment? The Chair is thinking of the allocation of time.

Mr. HUMPHREY. I am in charge of the time. The amendment is offered——

The PRESIDING OFFICER. Let the Chair state that the Senator is in charge of the time, but if he is opposed to the amendment—it is the understanding of the Chair that the Senator from Minnesota is not opposed——

Mr. HUMPHREY. I am in charge of the bill. This is an amendment to the bill.

Mr. ABOUREZK. Mr. President, will the Senator from Minnesota yield. I would be happy to yield him 5 minutes—

Mr. HUMPHREY. I want to clarify this point.

The PRESIDING OFFICER. The Chair desires to clarify also with the Senator from Minnesota whether the Chair's understanding is correct that if the Senator from Minnesota is opposed to the amendment, then he is entitled to share the time with the proponents of the amendment. On the other hand, if the Senator from Minnesota is in favor, then the time is allocated to the minority member or his designee. So I would ask the Senator if he is in favor of the amendment or whether he is opposed to it.

Mr. HUMPHREY. I do not feel obligated to tell the Presiding Officer that at all. With all due respect to the Presiding Officer, I have the responsibility for this bill, being its floor manager, and I will take my time on that amendment.

The PRESIDING OFFICER. The Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I will come around to deciding whether I am for or against the amendment after we have had some discussion on it.

The first thing I want to say to the Senator from South Dakota is that while much of what he says today surely has genuine meaning in light of what has developed over the years, it is important for the RECORD that we not put down what I call the public safety programs as having been antipeople, antidemocratic, as having been an expression of American force and villainy. On the contrary, many of the programs have served very well over the years and have served the public. We train our own police in this country. I was the mayor of a large city once and I spent a good deal of time getting the police trained, not with foreign assistance money, of course. But I happen to be one of those people who believe that we need a police department. Just because someone comes up and says, "The police have messed me up" does not mean that he is right.

When I ran the police department of a large city, many people thought they should not have been arrested when I thought our biggest mistake might have been that we did not arrest enough people. So I believe in training the police to be responsible individuals.

In this instance that we are talking about, foreign assistance to countries and whether American funds should be provided by this Government for those countries for police training there, it is a fact that over the years we have done a good deal of good work, because of the situation which developed in some of those countries.

The Committee on Foreign Relations has taken a view in opposition to police training being supported by American dollars. Under section 115, therefore, of the present bill, it says,

> SEC. 115. PROHIBITING POLICE TRAINING.—No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country."

I understand that this same language is in the military assistance bill. So we have tried to cover it in two places.

What the Senator from South Dakota is seeking to do is to expand on that language and be more precise, as I see it.

I would also note to the Senator that we should know what the amendment will do. Every country that has police training funds does not have a government that is antidemocratic. For example, I would note that a country such as Venezuela, has a Christian-Democratic President at the present time, free and open elections, a free press, and has received funds under the public safety program.

Another country, Jamaica, has open and free elections, an elected parliamentary system of government, a free press, freedom of religion, freedom of speech, and they have received police training funds.

El Salvador is surely a very democratic country. Of all the little South American countries there is none more democratic than El Salvador.

Costa Rica takes great pride in its democracy.

These are some of the countries—there are many others—which have received these funds. Some countries have used them to good purpose. What I am sure my colleague from South Dakota is most concerned about is the publicity and the reports that we have received from Indochina about the abuse of police power there.

I would remind the Senator from South Dakota that they have been at war over there for a long, long time. No matter which government is in power, there is always a police department. The police training which has taken place is a considerable part of the total national security and national defense.

But when I look at this amendment, as I read it, it says, in part—

> None of the funds made available to carry out this or any other Act, and none of the local currencies accruing under this or any Act shall be used to provide training or advice, . . .

That is already covered in the present bill.

Then it says—

> . . . or provide any financial support, for police, prisons, or other internal security forces of any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government.

That is a very broad sweep of limitation. I do not think that Congress particularly wants to see this Government engaged in police activity in other countries. In my judgment, just as we have a training program here in Washington, D.C., for our allies in the military—for example, most of our allies are brought over to Fort Bragg or Fort Leavenworth and other places for advanced training in military tactics and we have never tried to do away with that. As a matter of fact, it is looked on as somewhat of an asset.

In this instance, as I understand it, this amendment would prohibit the training of police in the United States. It would prohibit the use of funds to train police in any other part of the world. It would also prohibit the use of funds for the financial support of police or for any type of equipment for the police. I think it is a broad-ranging amendment. But I find myself in sympathy with its objectives. I really do not know what its total impact would be.

For example, when——

Mr. ABOUREZK. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. Yes—but I remember being in Korea some years ago, when over 2,000 North Koreans moved down into the capital of Seoul and got within a few hundred yards of what they call the Blue House, which is similar to our White House. It was the Korean police who intercepted them.

We put a lot of blood, sweat, and tears into South Korea over the years. Those police were trained by the help of the American public safety program. There is no doubt that the Korean police have been used on some native South Koreans. There is no doubt about that.

Just exactly as some American police are used on some native Americans. It is rather difficult to know which ones are being set upon or which ones are violators of the law.

I yield to the Senator from South Dakota.

Mr. ABOUREZK. I realize there are some countries that will be aimed at in the amendment which do not deserve it. I am sorry about that, and I am willing to concede the point. But if the Agency for International Development were to perform its moral duty and call on countries to provide police and train them there would be no need for this amendment. But they will not do that.

As a matter of fact, they are lobbying in the Senate. There was lobbying last week against two amendments that I am offering. There is vigorous lobbying by the AID people going on. As a matter of fact, one contacted a representative of my staff. But there are others interested in making it discretionary. I do not know whether we are capable of making the decision.

Mr. HUMPHREY. I ask unanimous consent to have printed in the RECORD a list of the countries listed on page 18 of the committee report. I think that will give us the detailed information we need as to the countries involved.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PUBLIC SAFETY PROGRAM FUNDING

[In thousands of dollars]

	Fiscal year—		
	1972 actual	1973 estimated	1974 request
Supporting assistance funding	14,077	10,884	4,215
Vietnam	8,948	6,762	
Thailand	4,773	3,660	3,755
Laos	356	462	460
Nigeria	[1] (3,400)		
Technical assistance funding:			
Asia	1,003	530	100
Korea	[2] (17)		
Pakistan	75		
Philippines	958	530	[4] 100
Saudi Arabia	(3)	(3)	(3)
Latin America	3,023	2,566	2,162
Bolivia	201	211	112
Brazil	137		
Colombia	347	355	375
Costa Rica	150	123	100
Dominican Republic	282	50	
Ecuador	192	216	190
El Salvador	65	57	53
Guatemala	456	490	289
Guyana	71		
Honduras	182	125	146
Jamaica	94	85	90
Nicaragua	107	210	200
Panama	218	189	180
Uruguay	252	210	200
Venezuela	269	245	227
Africa	1,298	1,257	985
Africa regional training	206	210	200
Ghana	131	195	100
Liberia	178	187	
Tunisia	131		
Zaire	652	665	685
AID/W projects	85		
Grand total	19,516 (3,417)	15,237	7,462

[1] Supporting assistance loan.
[2] Charges to mission's administrative cost.
[3] Self-funded.
[4] Project under review for possible increase in funding.

Source: AID.

Mr. HUMPHREY. I think this is perhaps a development that is overdue. We are trimming the program back substantially. I prefer to say that this is what we use for developmental purposes. In my judgment, these countries are better able to provide their own training and hire their own technicians. They need to improve their training facilities. I should like to see our country out of the training business, particularly in countries where there are police officers who treat persons promiscuously with brutality and cruelty and whose civil liberties and rights are being violated.

I understand the Senator from South Dakota would like a rollcall vote on this amendment. I shall vote for his amendment.

Mr. AIKEN. Mr. President, I am just a little uncertain as to the overall picture. The House has a different provision entirely. I may be willing to have the amendment taken to conference. If we had a rollcall vote, there might be a flaw in the amendment which would require me to vote against it. I understand what the Senator from South Dakota is trying to do. He is working for a good purpose. It is possible the matter could be worked out in conference to accomplish his purpose with the least damage.

Mr. ABOUREZK. That is precisely the reason why I should like a rollcall vote. I am afraid of what may happen in conference.

Mr. AIKEN. It will be in conference just the same.

Mr. ABOUREZK. At least, the conferees will know how the Senate stands, one way or the other.

Mr. HUMPHREY. If I were named as a conferee—and I would expect to be—whether it is a rollcall vote or a voice vote, my responsibility in the conference would be to follow through on the Senate's position. We will do it one way or the other.

Mr. AIKEN. A number of times it has been necessary to call upon American trained police to go to our Embassies and to other areas. I am sure that the Senator means all right, but I think his proposal would not work unless it were amended somewhat.

Mr. ABOUREZK. I am not asking that police departments be shut down. I am saying there are so many abuses that are perpetrated with American foreign aid that we ought to shut down our aid.

Mr. AIKEN. There is no question about that.

Mr. ABOUREZK. I suggst the absence of a quorum.

The PRESIDING OFFICER. The Senator does not have sufficient time for a quorum call under the unanimous-consent agreement. The Senator from Vermont controls the time for the minority. The Senator from Minnesota has indicated his support of the amendment.

Mr. AIKEN. Mr. President, I will be glad to yield 5 minutes for a quorum call, if I have that much time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I yield myself 1 minute.

Mr. ABOUREZK. Mr. President, first, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, I should like to explain a little further why I am against the amendment. We are now undertaking to cut down our own military forces for our own people in our Embassies all over the world. That means that we have to depend more upon the police of the countries where the Embassies are located. If the Ambassador talks it over with the local police and cooperates with them, and they cooperate with him, I am afraid that might constitute police instruction and be prohibited by this amendment. I do not know. I am going to be on the safe side and vote against the amendment at this time, although I give the Senator from South Dakota full credit for good intentions.

Mr. ABOUREZK. I ask unanimous consent that at this time it be in order to ask for the yeas and nays on amendment No. 560, which will come up after this amendment is voted on.

The PRESIDING OFFICER. Is there objection to the request that it be in order to ask for the yeas and nays? The Chair hears none, and it is so ordered.

Mr. ABOUREZK. Mr. President, I now ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. ABOUREZK. We have lost our quorum. There are not 11 Senators present.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. HUMPHREY. The Senator has not yielded back his time yet; has he?

Mr. ABOUREZK. No.

Mr. HUMPHREY. Mr. President, we have a vote at 2:30. That is what is causing us difficulty. I wonder if we might agree on holding this vote over until after the vote on the treaties because then we will have more Senators present.

Mr. ABOUREZK. I shall defer the request for the yeas and nays until we have more Senators in the Chamber. I am prepared to yield back my time on amendment No. 462.

The PRESIDING OFFICER. If the Chair may clarify the situation, the yeas and nays have been ordered on the pending amendment.

Mr. HUMPHREY. That is correct. That is the understanding of the Senator from Minnesota. The only question I pose to the Senator from South Dakota is whether or not, in light of the scheduled vote on the treaties at 2:30 p.m., he might agree to having the vote on his amendment after the vote on the treaties.

Mr. ABOUREZK. If we proceeded to vote now it would not make much difference. We have 10 minutes in which to do something.

Mr. HUMPHREY. I might suggest that we make the unanimous-consent request that immediately following the vote on the treaties we vote on the Abourezk amendment.

Mr. ABOUREZK. That is fine. If the Senator wishes we could make it a 10-minute vote.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that immediately following the vote which already has been authorized on the treaties that we follow immediately thereafter with a vote on the Abourezk amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, we have a little hiatus here. I am going to suggest the absence of a quorum unless someone wishes to speak, in preparation for the vote on the treaties with the time not charged to either side.

Mr. President, I ask unanimous consent that the time not be charged to either side.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair will state the time remaining on both sides of the amendment will be vitiated by having the vote immediately after the vote on the treaties.

Mr. HUMPHREY. That was the understanding.

The PRESIDING OFFICER. So the only time available to speak for or against the amendment is between now and 2:30.

Mr. HUMPHREY. I understood that the Senator from South Dakota had completed his argument and I understood that the Senator from Vermont had completed his argument.

The PRESIDING OFFICER. Time has not been yielded back.

Mr. ABOUREZK. Mr. President, if I may be recognized, I suggest to the Senator from Minnesota that we yield back our time now to take care of the situation. I am prepared to yield back my time.

Mr. AIKEN. Mr. President, I am prepared to yield back all of my time except to reiterate what I said before, that I cannot agree to any proposal which would prevent an American ambassador in a foreign country from furnishing equipment or even advice to the local police of that country whose forces are trying to protect our U.S. Embassy.

Now, I yield back my time.

The PRESIDING OFFICER. The Chair understands all time has now been yielded back.

Mr. HUMPHREY. Mr. President, I again ask unanimous consent that following the votes on the treaties we proceed to vote immediately on the Abourezk amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the hour of 2:30 having arrived——

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

EXECUTIVE SESSION

INTERNATIONAL COFFEE AGREEMENT 1968, AS EXTENDED—AGREEMENT WITH CANADA FOR PROMOTION OF SAFETY ON THE GREAT LAKES BY MEANS OF RADIO, 1973; CONVENTION FOR THE PROTECTION OF PRODUCERS OF PHONOGRAMS; EXTRADITION TREATY WITH ITALY; TREATY ON EXTRADITION WITH PARAGUAY; TREATY ON EXTRADITION AND COOPERATION IN PENAL MATTERS WITH URUGUAY

The PRESIDING OFFICER. Under the previous order, the hour of 2:30 p.m. having arrived, the Senate will now go into executive session and proceed to vote on the following six treaties: Executive O, 93d Congress, first session; Executive J, 93d Congress, first session; Executive G, 93d Congress, first session; Executive M, 93d Congress, first session; Executive S, 93d Congress, first session; Executive K, 93d Congress, first session.

INTERNATIONAL COFFEE AGREEMENT, 1968, AS EXTENDED (EX. O, 93D CONG., 1ST SESS.)

The question is, Will the Senate advise and consent to the resolution of ratification? The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent. I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The yeas and nays resulted—yeas 95, nays 0, as follows:

[No. 439 Ex.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Fulbright
Hart
Javits
Pearson
Stennis

The PRESIDING OFFICER. On this vote the yeas are 95 and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

AGREEMENT WITH CANADA FOR PROMOTION OF SAFETY ON THE GREAT LAKES BY MEANS OF RADIO, 1973 (EXEC. J, 93D CONGRESS, 1ST SESSION)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright) and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The yeas and nays resulted—yeas 95, nays 0, as follows:

[No. 440 Ex.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Fulbright
Hart
Javits
Pearson
Stennis

The PRESIDING OFFICER. On this vote the yeas are 95 and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

CONVENTION FOR THE PROTECTION OF PRODUCERS OF PHONOGRAMS (EXEC. G, 93D CONGRESS, 1ST SESSION)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright) and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The yeas and nays resulted—yeas 95, nays 0, as follows:

[No. 441 Ex.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska

Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Fulbright
Hart
Javits
Pearson
Stennis

The PRESIDING OFFICER. On this vote the yeas are 95 and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

EXTRADITION TREATY WITH ITALY (EXEC. M, 93D CONG., 1ST SESS.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright) and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The yeas and nays resulted—yeas 95, nays 0, as follows:

[No. 442 Ex.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Fulbright
Hart
Javits
Pearson
Stennis

The PRESIDING OFFICER. On this vote the yeas are 95 and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

TREATY OF EXTRADITION WITH PARAGUAY (EXEC. S, 93D CONG., 1ST SESS.)

The PRESIDING OFFICER. The question is, will the Senate advise and consent to the resolution of ratification? The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright) and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The yeas and nays resulted—yeas 95, nays 0, as follows:

[No. 443 Ex.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Fulbright
Hart
Javits
Pearson
Stennis

The PRESIDING OFFICER. On this vote the yeas are 95 and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

TREATY WITH URUGUAY ON EXTRADITION AND COOPERATION IN PENAL MATTERS (EXEC. K, 93D CONG., 1ST SESS.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright) and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announced that the Senator from Michigan (Mr. Hart) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The yeas and nays resulted—yeas 95, nays 0, as follows:

[No. 444 Ex.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Fulbright
Hart
Javits
Pearson
Stennis

The PRESIDING OFFICER. On this vote the yeas are 95 and the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

LEGISLATIVE SESSION—FOREIGN ASSISTANCE ACT OF 1973

The PRESIDING OFFICER (Mr. William L. Scott). Under the previous order, the Senate will now return to legislative session and resume consideration of S. 2335, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the amendment of the Senator from South Dakota (Mr. ABOUREZK). On this question, the yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on this rollcall and on each rollcall during the remainder of the day be limited to 10 minutes, with the warning bell to be sounded after the first 2½ minutes. The cloak rooms have already sent out the message.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). The question is on agreeing to the amendment (No. 462) of the Senator from South Dakota (Mr. ABOUREZK). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on amendment 560.

The PRESIDING OFFICER. The Senator is not in order. A rollcall has been ordered.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ABOUREZK. Has it not been ordered that it is in order under the unanimous-consent agreement at this time to ask for the yeas and nays? If not, I ask that it be in order to order the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will now call the roll on the amendment (No. 462) of the Senator from South Dakota.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. ERVIN) and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I also announce that the Senator from Michigan (Mr. HART) is absent because of an illness in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. JAVITS) is necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The result was announced—yeas 44, nays 51, as follows:

[No. 445 Leg.]

YEAS—44

Abourezk
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Church
Clark
Cook
Cranston
Eagleton
Gravel
Hartke
Haskell
Hatfield
Huddleston
Hughes
Humphrey
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stevenson
Symington
Tunney
Williams

NAYS—51

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hathaway
Helms
Hollings
Hruska
Inouye
Jackson
Johnston
Long
McClellan
McClure
McGee
Montoya
Nunn
Packwood
Saxbe
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—5

Ervin
Fulbright
Hart
Javits
Pearson

So Mr. ABOUREZK's amendment (No. 462) was rejected.

Mr. AIKEN. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. DOMINICK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MONDALE. Mr. President, I send an amendment to the desk and ask unanimous consent that its reading be dispensed with.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

S. 2335

At the end of the bill, add the following new section:

ENTRY OF SOVIET JEWS INTO AUSTRIA

SEC. 23. (a) The Senate finds that—

(1) The Austrian Government's decision to succumb to the demands of extreme Arab terrorists and close the main, if not the only, transit facility for Soviet Jews jeopardizes the fate of hundreds of thousands of Soviet refugees; and

(2) This decision to yield to terrorist blackmail sets a most dangerous precedent that threatens all governments and all peoples.

(b) It is, therefore, the sense of the Senate that the President should take immediate and determined steps to—

(1) impress upon the Austrian Government the grave concern of the American people that capitulation to terrorists encourages further attempts at blackmail; and

(2) call upon the Austrian Government to reverse its decision and again permit group travel by Soviet Union emigrants through Austria on their way to freedom and new lives.

(3) urge all governments to take whatever actions are necessary to permit and facilitate the travel of refugees.

Mr. MONDALE. Mr. President, this amendment consists of a resolution urging the President: first, to impress upon the Austrian Government the great concern of the American people that capitulation to terrorists encourages further attempts at blackmail; second to call upon the Austrian Government to reverse its decision and again permit group travel by Soviet Union emigrants through Austria on their way to freedom and new lives; and third, to urge all governments to take whatever actions are necessary to permit and facilitate the travel of refugees.

An almost identical resolution was to be introduced by my colleague from Minnesota (Mr. HUMPHREY). Instead of introducing similar ones, we decided to join on this one resolution which has been cosponsored by Senators RIBICOFF, CRANSTON, AND STEVENSON—I have not solicited cosponsors, these are the Senators I have talked to within the past few moments.

Mr. President, I was deeply disturbed to learn of the Austrian Government's decision to succumb to the demands of extreme Arab terrorists and close the main, if not the only, transit facility for Soviet Jews emigrating to Israel.

I find it inconceivable that violent threats of two armed terrorists could force the Austrian Government to reverse its humane policy and thereby jeopardize the fate of hundreds of thousands of Soviet refugees.

This decision is reminiscent of the 1930's when refugees from Nazism were unable to flee Germany because few nations would serve as an intermediary to facilitate their escape.

I am therefore offering an amendment to the foreign aid authorization bill, S. 2335, which states that it is the sense of the Senate that the President take the immediate and determined steps to which I have earlier referred.

Mr. President, Austria has become the Ellis Island for Soviet Jewry.

For 3 years Austria has demonstrated a policy of humanity and decency in allowing over 100,000 Jews to travel through its country on their way to Israel. For the same reasons that originally prompted the Austrian Government to agree to serve in this capacity, I hope that it will reconsider this decision.

Mr. President, I would also like to bring to the attention of my colleagues an editorial on this surrender to terror in today's New York Times. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 1, 1973]

SURRENDER TO TERROR

The decision of the Austrian Government to capitulate to Arab terrorists and to promise to end the existing system of organized transit facilities for Soviet Jews was a grievous error. This policy is obviously based on the fatal misconception that if only the Soviet Jews would stop entering Austria, Chancellor Kreisky implies, then the murderous Arab terrorists would disappear and Austria could go on enjoying its post-World War II prosperity and peace.

By this argument, Dr. Kreisky apparently averts his eyes from the fact that this surrender to terrorist blackmail will encourage further attempts to replicate this success, and not only by Arab gunmen. Far from winning peace and quiet by surrendering to Arab blackmail, Dr. Kreisky is inviting every possible fanatic who can get a gun to try to duplicate this Austria success in that country and elsewhere. The failure of nerve in Vienna can only encourage the forces of world chaos, and weaken still further the none-too-strong underpinnings of international order and law.

Mr. HUMPHREY. Mr. President, I had indicated earlier this morning that I was going to introduce a Senate joint resolution on this subject. I join with my senior colleague in the sponsorship of the amendment, in the nature of a resolution, to the foreign assistance bill. I think it is highly desirable, and, of course, I wish to express what I am sure is the overwhelming sentiment of the body of Americans through their elected representatives in Congress.

I offer this as a further consideration to my colleague and to other Senators. We may very well want to offer a special joint resolution, because this bill will have to go to conference, and it will take some time in conference, because there are several contentious features between the House and the Senate in the bill.

But I think it is fair to say that the amendment stresses the fullest sense of the Senate and expresses the desire of the Senate to have prompt action on the part of the Austrian Government to reverse its decision.

I would hope that we might indicate in a most friendly, yet in a most firm way, to the Austrian Government, that we want that government to reverse its decision in this instance, taken as a result of terrorist blackmail and threats, and in other activities that have recently transpired in Austria, concerning Soviet Jewry.

I hope that we may have unanimous support for the amendment that my senior colleague has offered. Whenever he is prepared to yield back his time, I am sure that the amendment will be overwhelmingly supported. Then we can get on with the bill.

Mr. MONDALE. Mr. President, I first yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I think the resolution submitted by the distinguished Senator from Minnesota as a sense-of-Congress resolution is very fine. It is something which indicates the sentiment and feeling of the Senate.

Is it not true, though, that we have already, through executive action, protested to the Austrian Government about their action in this event?

Mr. MONDALE. Perhaps the Senator from Colorado could fill me in on that. I was not aware, as of this morning, that we had done so.

Mr. DOMINICK. It is my understanding that through the State Department we have already protested the action, but I think this gives the Senate backing to that action. I am glad to support the administration.

Mr. MONDALE. I am glad to hear of that development from the Senator from Colorado. Nevertheless, I feel, as I gather from the opinion on this subject, that this further step and expression ought to be made.

I now yield to the Senator from South Dakota.

Mr. ABOUREZK. I did not really hear an explanation of exactly what the amendment does.

Mr. MONDALE. It is the sense of the Senate that the President should take immediate steps to impress upon the Austrian Government the grave concern of the American people that capitulation to terrorists encourages further attempts at blackmail; and it calls upon the Austrian Government to reverse its decision and again permit group travel by Soviet Union emigrants through Austria on their way to freedom and new lives.

Mr. ABOUREZK. Is there anything in the amendment that provides for the return of the emigrants?

Mr. MONDALE. The resolution does not deal with that dispute but simply deals with the right of oppressed Soviet Jews who are permitted to leave the Soviet Union to have access to a country that will permit them to enter.

Mr. ABOUREZK. But the answer is "no"?

Mr. MONDALE. It does not deal with that issue at all. It deals with the right of freedom.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. FULBRIGHT. I did not know that the Senator was submitting a resolution. When did the Senator submit it?

Mr. MONDALE. I submitted it today.

Mr. FULBRIGHT. The matter has never been submitted to the Committee on Foreign Relations?

Mr. MONDALE. No, it has not.

Mr. FULBRIGHT. We have had similar resolutions in the Senate. Last year I opposed several of them, particularly one on the Son Tay raid, and others.

The junior Senator from Minnesota suggested that this resolution would be unanimously agreed to. I am afraid that I cannot support the resolution without consideration of it at greater length. I had no notice of it. I am reluctant to have us begin to tell not only Russia, but now Austria, and I suppose any other country that chooses to take its own actions in these matters, what to do.

This is not an American problem, primarily. We have our policy. I do not think we should have anything to do with it. I do not think it is appropriate.

To start now to condemn Austria for taking measures which she believes are in her interest—because I take it she is not at all anxious to become involved in the middle of this controversy between the Russian emigrants and Israel—is an emotional and explosive subject.

I am afraid I cannot support an amendment of this kind without its being submitted to the committee for an opportunity to consider it at greater length. I have no doubt that the Senate will vote for it, but I want the RECORD to show that I cannot support it on the ground that it has not been thoroughly considered, and on the ground that it is interfering in the internal affairs of a small, friendly country.

I am not at all sure that if we go down the road and vote for it, it will not be counterproductive. It will not even be in the interest of the emigrees to Israel. I believe that we are already courting great difficulty with the trade bill, after the action of the House conferees, and are even taking measures which will make détente with Russia and the Middle Eastern countries impossible.

I do not want to add anything further to that fire at this time without thorough consideration. I hope the Senator will understand. I regret there is difficulty about immigration, but that does not relate to our telling Austria what to do in such positive language.

Mr. MONDALE. I thank the Senator for his observation. Normally I would agree with the distinguished chairman of the Committee on Foreign Relations that matters of this sort should go to the committee and be subjected to hearings, testimony, examination, and so on. My reason for urgency here is that I believe the Austrian Government is now reexamining its policy, and within the next few days it may be too late.

I think what happened has been a clear reaction to the activities of two terrorists who intimidated the Austrian Government into changing what has been a very humane and neutral policy, permitting the exit to Austria. And the Soviet Government apparently agreed with this humane ruling. It was not causing any disturbance until the act of terrorism occurred a few days ago.

The resolution is cast in what I think is uninflammatory language. It simply urges upon the President our strongest wish that he impress upon the Government of Austria our desire that that country not capitulate to terrorism.

Finally, if I may respectfully disagree with the Senator on whether this is a purely internal matter, in the 1930's the German Jews faced exactly the same problem that they could face shortly if this sort of terrorism is successful. Seeking to escape extinction under Nazi Germany, German Jews found there was no way to escape, and all countries bordering on Germany, except Norway and perhaps others, refused to permit these pathetic human beings who were targets of what is the worst holocaust in the history of humanity, to escape with their lives. That was not a happy chapter in our history. The free world, by and large, was silent in the face of that tragedy. I think we should learn from that lesson and speak up clearly, lest we invite the tactics of extreme terrorism.

Mr. FULBRIGHT. I have no objection to the Senator or anyone else expressing himself to the fullest on this matter. But the Senator suggested Austria may be considering a change. Would it not be easier to do if they were not responding to a country like the United States? Suppose they are intending to do it, it would only embarrass them and make it more difficult because of this resolution, and make it appear in the eyes of the world that they were responding to the United States. We have overdone it in the last 20 years. They are far more sophisticated than the United States. They have been a great nation for 500 or a thousand years. The Senator would make it more difficult for them. If we were to do this and perhaps make a big thing of it, it would be said, "Look, they have done it because the Americans pressured them into doing it." I do not know what it would accomplish.

I think it is a form of meddling in other people's business. The Senator can say anything he likes to about it on humane grounds, but to have the Senate and the Government of the United States do it is a form of meddling into the affairs of other people, and many times other people do not appreciate it. I guess it is a matter of psychology if one thinks that we alone know the truth and that perhaps we should spread it, but I do not believe our record over the last 20 years sets forth any such belief.

Mr. MONDALE. I thank the Senator. It is clear we do not have the answer to all of the world's problems, but one of the real problems of foreign policy of late is that we fail to speak out on matters of humanity. Whether we are right or wrong, history will tell. But in the face of the Sakharov and Solzhenitsyn suppression the only statement I have heard has been the statement of the Secretary of Health, Education, and Welfare, condemning the National Academy of Sciences for remaining silent on that repression.

We have failed to speak up on the Chile situation. I understand the telegram to Mrs. Allende came about 3 days after her husband's tragic death. We have seen example after example. For instance, last week in the United Nations, country after country spoke with reference to the outrages against humanity, in this case repression of dissidents, while the U.S. Government stands by idly and has nothing to say.

I do not think it is meddling for the Senate to stand up and say we regret the action of the Austrian Government in closing the door and reducing the opportunity for Soviet refugees, who have lived in a state-controlled society, to leave that country and go somewhere else of their choice. I do not think that is meddling. I think it is the minimum that is necessary in the cause of humanity.

Mr. FULBRIGHT. I notice the morning newspapers suggest that Rumania may be a way station for them to do this. I only say I am not at all sure without any hearings or even advice of the State Department or anyone else that we should take action on a few minutes' notice. I do not think it is the way the business of the Senate should be conducted.

Mr. HUMPHREY. Mr. President, it should be clear that we are not condemning the Austrian Government. It is a friendly, neutral government. It is a respected government, and a government representing a country with a rich and great heritage.

I believe what we are trying to do here is merely to speak the basic feeling of many people in this country, namely, that there should be some way, some facility made available for Soviet Jewry as it seeks to leave the Soviet Union to find its way to Israel.

My colleague has rightly pointed out that the Soviet Union itself cooperated with Austria. What happened here has been very succinctly put. Terrorism has become an instrument of national and international policy to the point where governments are subjected to it in a form of blackmail.

I believe it is imperative for this country, a nation that prides itself on domestic principle and human rights, to speak up and not speak up with a belligerent attitude or arrogance, but in a thoughtful and meaningful plea to other countries when there is an abridgement of human rights.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. The Senator reminds me that last year or the year before the Committee on Foreign Relations attempted to restrict military assistance or assistance to Greeks who were doing just as outrageous things. We brought a measure to the floor of the Senate and instead of condemning the Greek military government for persecuting human beings, and torturing, this body voted to override the committee and continue it.

We are left to look so utterly hypocritical by what we do or do not do in other countries, in Greece, and someone mentioned Chile, or even, if the Senator likes, the Russians. I think, as individuals, we have a perfect right to do this if we are going to go into this field.

Mr. RIBICOFF. Mr. President, I am pleased to cosponsor this amendment offered by the distinguished Senator from Minnesota.

Along with so many of my colleagues I was shocked and dismayed by the Austrian Government's willingness to give in so easily to terrorist blackmail.

I can only hope its decision to close transit facilities for refugees in transit from the Soviet Union is not final. Upon reflection, Austria must realize the great disservice it would be doing to the cause of human freedom and international order by this step.

It is inconceivable to me that an entire government can allow two armed thugs to make them abandon their previous policies and obligations.

If any government permits itself to be so easily coerced by terrorists and madmen, the entire international community of nations will be the loser. This unfortunate precedent could come back to haunt not only Austria, but other nations as well.

It is not too late for the Austrian Government to reconsider this hasty and ill-advised decision.

Passage of this resolution today will put this body on record in opposing terrorism and in favor of human freedom and the unhindered movement of peoples.

DEPARTMENT OF DEFENSE APPROPRIATIONS AUTHORIZATION ACT, 1974

The PRESIDING OFFICER (Mr. HELMS). If the Chair may intervene, under the previous unanimous-consent agreement, the hour of 3:30 having arrived, the Senate will now resume consideration of the unfinished business (H.R. 9286), which the clerk will report.

The legislative clerk read the bill (H.R. 9286), by title, as follows:

A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BIDEN. Mr. President, shortly we are going to make an important decision here in the Senate. We are going to vote on making an across-the-board cut in the authorization for the Department of Defense.

We are now nearing the end of our deliberations on this authorization bill. In my opinion, the proposed authorization is too high and contains provision for troop levels and hardware that should be deleted. In the course of the last week I have supported with my vote a number of efforts to make specific reductions that I felt were justified. I supported specific troop reductions and I voted for deletion or delay of some specific weapon systems including the SAM-D missile; the construction of a new aircraft carrier; the Trident II submarine; and others. None of the specific cuts that I supported prevailed except for one to reduce our forces stationed abroad.

During this same period two across-the-board cuts were offered. I did not support either of them. It has been my position that Congress must exercise its constitutional responsibility by deciding where the cuts shall be made. I feel that to do otherwise is to abdicate congressional authority to the President and the Secretary of Defense. I felt strongly enough about this matter of principle to vote against two previously proposed lump sum cuts in an authorization bill I strongly feel needs cutting.

I greatly respect the efforts that the distinguished Senators from West Virginia and Minnesota are making this afternoon. I commend them for this final major effort to change this bill. As much as I would like to support their efforts, I feel that the principle of congressional responsibility and authority is too important to permit me to support any lump sum cut. I agree wholeheartedly with their desire to reduce the authorization but I cannot support the means. However, this is not really the last chance. At some point the appropriations bill will be before us. I hope that we will be more successful in reducing that bill than we have been in reducing the authorization bill.

The PRESIDING OFFICER. The pending question is on the amendment by the Senator from West Virginia (Mr. ROBERT C. BYRD) to the amendment by the Senator from Minnesota (Mr. HUMPHREY) No. 556, with the time on both amendments to run concurrently for a period of not to exceed 30 minutes.

Who yields time?

Mr. HUMPHREY. Mr. President, I believe we have 30 minutes on each amendment. Do we?

The PRESIDING OFFICER. On the amendments combined.

Mr. HUMPHREY. I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HUMPHREY. First, may I say to my distinguished colleague that we will have to put off decision on the amendment until we have completed action on the military procurement bill. I believe we are scheduled to have a final vote on the bill following the vote on the Humphrey-Byrd amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MONDALE. Mr. President, I hope we could talk to the leadership about making this the first order of business when we get back to the foreign aid bill, so that we could get on with this issue and decide it.

Mr. HUMPHREY. The Senator from Minnesota was debating his amendment, and it would be my understanding that immediately following the votes on the military procurement bill, we would go back to the argument presented by the Senator from Minnesota.

Mr. STENNIS. Mr. President, will the Senator yield for a point of order?

Mr. HUMPHREY. I yield.

Mr. STENNIS. Mr. President, I make the point of order that time is running. There is very, very little time allotted to these two amendments—15 minutes to a side for both amendments.

Mr. HUMPHREY. Yes. I understood we were going to divide the time evenly.

The PRESIDING OFFICER. The assumption of the Senator from Minnesota is correct.

Mr. SYMINGTON. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Does the Senator support the Byrd amendment?

Mr. HUMPHREY. Yes.

Mr. SYMINGTON. And I support the point of order made by the distinguished Senator from Mississippi. I would like a little time to speak on the Byrd amendment.

Mr. HUMPHREY. May I say it is the understanding of the Senator from Minnesota that there are 30 minutes on the combined amendments of the Senator from West Virginia and the Senator from Minnesota.

The PRESIDING OFFICER. The Senator is correct. The Senate will vote at 4 o'clock.

Mr. HUMPHREY. And the amendment of the Senator from West Virginia is a perfecting amendment to the amendment of the Senator from Minnesota.

The PRESIDING OFFICER. The Senator is correct. Time is running.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes, of course.

Mr. SYMINGTON. May I have 6 minutes on the Byrd amendment?

Mr. HUMPHREY. We have a total of 15 minutes on a side.

Mr. SYMINGTON. May I have 5 minutes on the Byrd amendment?

Mr. HUMPHREY. How about 3?

Mr. SYMINGTON. I will settle for 5.

Mr. HUMPHREY. Three, because we have other Senators.

Mr. SYMINGTON. It is one more illustration of the great disadvantage of having these very limited time agreements on measures that involve billions of dollars.

Mr. ROBERT C. BYRD. Mr. President, may I point out that there was ample time after the introduction of the amendment to discuss the amendment; and, may I say, very little time was yielded.

Mr. SYMINGTON. Not because there were one or two Senators on the floor at that time, but because I wanted to prepare my statement in support of the amendment by the assistant majority leader. I would like the privilege of making it. It might be 3 minutes, and it might be 4 minutes or 5. Again, I say, if we are going to get any time agreements in support of the leadership's position, I think we should have an opportunity to briefly state our position.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me on my time on the amendment, which will be 3 minutes?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Mr. President, can you imagine anything more gracious than that?

Mr. HUMPHREY. Mr. President, the Senator from Minnesota offered an amendment reducing the overall authorization by $750 million. That amendment has been amended by a perfecting amendment by the Senator from West Virginia to reduce it to $500 million. I am going to support the perfecting amendment because I believe it is about what we could have a chance of obtaining here in this body and also because it has other features to it that are meritorious.

For example, the Senate committee reported a bill to the floor containing $20.4 billion. The Senate has since added $495.5 million for the F-14 and $4.2 million for the M-16.

The amendments that we have offered here represent sensible, moderate reductions in defense spending. In fact, the amendment that the Senator from Minnesota offered to reduce defense spending by $750 million represents but a 3.6-percent reduction in the overall bill.

I believe these amenaments do not endanger the security of the Nation at all. As a matter of fact, it is my judgment that the security of the Nation is more endangered by profligate waste and spending than it is by any modest reduction such as we are talking about here.

Mr. FULBRIGHT. Mr. President, will the Senator allow me to associate myself with the Senator's statement?

Mr. HUMPHREY. I thank the Senator from Arkansas. I always feel better when he is on my side.

Mr. FULBRIGHT. I agree 100 percent with what the Senator has just said.

Mr. HUMPHREY. Mr. President, the amendment I have offered is imperative if we are going to stay within our own $268.7 billion budget ceiling. We are on a collision course with our own spending ceiling, and we must take action.

As a matter of fact, the work of the Senate itself, when the committee reported the bill had reduced the spending request from $21,959,100,000 to $20,447,900,000. If we adopt the amendment offered by the Senator from West Virginia for a reduction of $500 million, we will actually bring the bill down to about the same size as that of the House of Representatives.

It will represent, may I say to my colleagues, a saving from the President's budget of over $1.5 billion. That is a substantial sum in terms of military procurement authorizations.

First, we are indebted to the committee itself for these reductions. Second, we have an opportunity here, now that these amendments are before us, to make a further reduction.

I hope everybody knows what has been happening to the Federal budget. First of all, the interest rates since Mr. Nixon presented his budget—and I am referring to the increase in interest rates on the public debt—have trimmed that budget, in terms of services to the people, by $4 billion. So it has gone from $268.7 billion to about $264 billion, insofar as what it buys for the American people is concerned, whether it is in the security field, the domestic field, or the foreign aid field.

Second, in the past year, inflation has run at the rate of about 6 percent. That has been eating into the fiscal 1974 budget. So when we get right down to the moneys that will be available from the budget for domestic programs, they are equivalent to what they bought in 1965, when we had many millions fewer and when we had a much better economic situation than we have today.

So I want to make a special appeal to my colleagues. The military procurement bill offers us a logical place to begin a sensible, modest reduction in Government authorizations to eliminate waste. We simply must come to terms with the realities of our economic predicament. Since enacting an overall spending ceiling, inflation has increased by such great amounts that tax dollars buy far fewer goods and services. Gentlemen, let me again emphasize that this means the fiscal 1974 budget—the biggest ever—will only buy in goods and services what the Federal Government purchased in 1965.

The Defense budget can no longer be immune to reasonable budget reductions and the economic facts of life.

Time and time again the Nixon administration has ordered an unprecedented retreat on the great domestic problems facing our Nation.

He has vetoed legislation for vocational rehabilitation, rural and sewer grants, emergency medical services, and so forth.

Not only are we faced with these vetoes, but we have had impoundment of the funds.

So if we are going to have the money that is necessary to take care of the needs of our people, even in a greatly reduced manner, Mr. President, we are simply going to have to reduce the money appropriations.

I am not one who wants to make a wild, slashing cut. I offered a $750 million reduction because I thought it was a reasonable cut.

I was willing to go along with my friend, the distinguished majority whip, the Senator from West Virginia, with a reduction of $500 million because I believe that it does represent a most frugal and prudent reduction. It is one that every Senator ought to be able to support in the name of fiscal responsibility.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, we hear about fiscal responsibility again and again. Let us have some of it.

Mr. SYMINGTON. The Senator from West Virginia (Mr. ROBERT C. BYRD) yielded to me his time on his amendment.

The PRESIDING OFFICER. It is the understanding of the Chair that an agreement has been reached with the minority that the minority have 15 minutes time under the control of the minority. Therefore, the Senator from Minnesota, having consumed 10 minutes, now has 5 additional minutes under his control.

Mr. HUMPHREY. Mr. President, as of June 30, 1973, the President is impounding $7.7 billion in congressionally appropriated funds.

The respected Brookings Institution made the following comment in its report on the President's budget:

> Almost all the budget cuts were made in civilian programs, especially those whose expenditure levels are easiest for the executive branch to control. Indeed, after account is taken of the inevitable rise in prices in the next year, the real value of expenditures for those civilian programs in which outlays are relatively controllable will fall by some $3.6 billion from 1973 to 1974.
>
> In contrast, cuts in defense programs were small. In fact, after allowance is made for pay and price increases and for the declining cost of Vietnam, military expenditures on peacetime forces will rise by about $2 billion between 1973 and 1974.

Savings are possible in many military procurement and R. & D. programs without terminating these programs.

Savings can be made through stretchouts, deferrals or reduced buys. The Senate has already given considerable attention to major programs called for in this bill.

I am confident that the Secretary of Defense in consultation and cooperation with the Armed Services Committee can make reductions in many other programs to reduce spending by $750 million.

I am not an expert in weapons procurement. And this is why I prefer to have the Department of Defense make the final evaluation as to where these reductions should be made.

I would find it difficult to believe that if the DOD really went to work on this bill that it could not find and eliminate waste equal to less than 4 percent of the total now in the Senate bill.

Mr. SYMINGTON. Mr. President, as my able colleague from West Virginia has pointed out, the total amount of the military procurement bill authorized by the Senate to date is some $500 million above that reported out by the Armed Services Committee.

In that originally the Senate and House versions of this bill were less than $3 million apart—the House recommended $20,445,255,000, the Senate Committee, $20,447,968,000—without this proposed amendment the Senate will be taking to conference a bill some $500 million over the House recommendation—not an ideal bargaining position from the standpoint of the Senate conferees.

The amendment now proposed by the Senator from West Virginia would reduce the current total—$20,947,700,000—by $500 million; in other words, to the level recommended originally by the Senate Armed Services Committee.

Compared to additional reductions considered by the Armed Services Committee—$885.4 million for the Trident, $194.2 million for SAM-D—this Byrd amendment is a mild recommendation indeed.

If these two proposals had been accepted in committee—and the first lost by one vote under the heaviest lobbying that I have ever seen since I have been a Member of the Senate—the committee would have reduced the authorization request another billion dollars.

A recent study of this year's Defense budget by the Project on Budget Priorities, signed by a number of former high ranking members of the Defense establishment, recommended that the total Defense budget could be reduced by $14 billion "while fully preserving our national security"; and gave specific categories.

Some $7 billion of that reduction would apply to the procurement items and the Southeast Asia funding contained in the bill which is now before us.

By comparison the Senator from West Virginia, in effect, is proposing only a $1.5 billion reduction in the original request of the Department of Defense; in other words, he is upholding the amount reported out of our committee.

If those able Americans who once were intimately involved in Defense policy believe that a $7 billion reduction in procurement would not impair national security, surely a $1.5 billion reduction in that same category can now be made at no sacrifice to the defense posture of the United States.

Mr. President, I read from a report to the Congress by the Military Policy and Budget Priorities Commission:

> AN ISSUE OF PRIORITIES
>
> We emphasize that savings from the Nixon military spending proposals must be made not merely because of the general desirability of eliminating wasteful spending. Making reductions on the military side has now become indispensable for adequate funding of many essential domestic programs. Programs now threatened by the Fiscal 1974 budget include: urban and rural housing assistance, water and sewer programs, various community development projects, health care and training programs, educational assistance for the disadvantaged. The cities, where many of these programs have been concentrated, are beginning to feel the effects of the Nixon reductions. The funds for manpower training and employment programs will be decreased nationwide by 13.5 per cent. Community development projects—those dealing with urban renewal, park construction, and sewer services—will be phased out abruptly. There is a promise in the budget of block grants to be available in 1975, but no new money is offered for 1974. Funds proposed for education special revenue sharing will decline by $515 million from comparable program appropriations in 1972.
>
> For all practical purposes, a maximum has been set on the total federal budget. President Nixon has defied Congress to exceed his proposed $268.7 billion "fiscally responsible" federal outlay budget for 1974 and has threatened to impound domestic appropriations which would cause that limit to be exceeded. Congress has generally indicated its approval of such a spending ceiling, recognizing that the present inflation requires a limit on federal spending.
>
> President Nixon, by increasing the military budget while announcing that we cannot afford to increase or even to maintain many of our vital domestic programs, has put before the Congress a fundamental issue of national priorities: It has become indispensable to the maintenance of our true national security that we find savings in the inflated defense budget to meet real human needs at home. We have concluded that at least $14 billion can easily be eliminated from President Nixon's proposed $87 billion military appropriations request. Those billions saved can and should be applied to the needs of our people.

Mr. HUMPHREY. Mr. President, I ask unanimous consent, as the author of the amendment, and I have talked with the Senator from Texas about the matter, that I may modify my amendment, on line 4 to strike out the words "the provisions" and insert the words "titles 1 and 2" in lieu thereof.

Mr. TOWER. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The amendment, as modified, is as follows:

> At the appropriate place in the Act, add a new section as follows:
>
> SPENDING CEILING
>
> SEC. —. Notwithstanding any other provision of this Act, the total amount of money authorized to be appropriated under titles I and II of this Act shall not exceed $20,197,700,000.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield me 30 seconds, I ask unanimous consent to modify my amendment as follows: On line 1 of page 1, strike the numeral "3", and insert therefor the numeral "5".

It was a typographical error.

Mr. THURMOND. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. THURMOND. Mr. President, I yield 5 minutes or as much thereof as the distinguished Senator from Arkansas (Mr. McCLELLAN) wishes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. McCLELLAN. Mr. President, I do not think I will take the 5 minutes.

I just want to speak very briefly on these proposals. In the first place, let us remember that the Senate has already placed an overall ceiling on appropriations—the Senate goal that it hopes to achieve.

However, Mr. President, the Senate Appropriations Committee has gone beyond this.

Mr. STENNIS. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arkansas may continue.

Mr. McCLELLAN. Mr. President, the committee undertook to set a goal and limitation of its own that would be less than the Senate limit. I believe it was about $1 billion or less than $1 billion under the budget.

Mr. HUMPHREY. The Senator is correct. It was about $1 billion.

Mr. McCLELLAN. I do not have the exact figures. I just came from the Appropriations Committee where we are trying to mark up a bill. However, the Senate Appropriations Defense Subcommittee has submitted a statement stating that it will undertake to cut $3 billion from the defense budget.

We have an amendment before us to reduce this bill by $750 million and another for $500 million.

I simply point this out to show that we on the committee, in the discharge of our appropriations responsibilities, are going to undertake to cut this in every place that we feel can be done without doing violence to our defense posture. We are acting in good faith and I believe we will achieve our goal. I do not have much doubt about it.

We hear a lot about our present economic situation. Certainly its condition is one of the compelling reasons for examining these requests as thoroughly as possible in the time we have to do so, and make cuts where they will do the least harm. That is what the committee has undertaken to do.

The Senate should demonstrate its confidence in us and believe that we will come out with a good, rational and reduced bill. If we fail to cut the $750 million or the $500 million, then we have failed, and the Senate can give us the whip. However, do not give it to us in advance. I think that the Senate should treat us like other committees and look at what we have done on our own. I think that is a far better way to proceed.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HUMPHREY. Mr. President, may I say with great respect to the Senator from Arkansas that this is an authorization bill. I know that the distinguished Senator from Arkansas is going to do everything humanly possible as a frugal and prudent man to see to it that the appropriations are kept within every reasonable limit.

I have not the slightest doubt about that.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. Can the Senator from South Carolina yield some time?

Mr. THURMOND. Mr. President, our time is very close. If the Senator from Minnesota will take it on his own time; we do not have any more.

Mr. HUMPHREY. I just wanted to ask the Senator a question. I say most respectfully that we have granted the opposition some time here. There was not even a minority report.

Mr. THURMOND. Mr. President, the time has run out. I promised to yield the Senator from Mississippi 10 minutes.

The PRESIDING OFFICER. The Senator has 10 minutes remaining. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I do not think that I have ever asked anyone to come to this Chamber to hear me speak, and I have never asked anyone to stay here in the Chamber to hear me speak, but this is one time, on a matter that is so vital to the entire committee system of this body, that I hope those who are here will stay, and I wish that many others could come in to hear the facts—just the plain facts of life.

Mr. President, these amendments involve a great deal more than the sums of money stated in each case. They involve the committee system. I speak from a time in this body when there did not have to be an authorization for any kind of a military weapon. Planes, missiles, ships, submarines, any kind of weapon—going into the billions of dollars per system—could be had merely by going to the Appropriations Committee; and if a majority of the Appropriations Committee decided in favor of the weapons system, then it was on its way. The Armed Services Committee had not one iota of say then, or even consultation, about the subject matter. That was true as late as fiscal year 1960, just 13 short years ago.

Mr. President, this amendment is not intended as an attack on the committee system, but the effect of the amendment is an attack on the committee system, as the Senator from Arkansas has made so plain. In the year 1959, the late Senator Russell and I sponsored an amendment that required an authorization for all these major weapons, and thereby gave the Senate its first chance to entertain the recommendation of its own Armed Services Committee, which had responsibility to take testimony pro and con and make recommendations in writing to this body. And certainly it is not bragging to say that the recommendations have made a contribution in this field. In the first place, these weapons systems now have to be justified before a body of men who are familiar with all the weapons systems to some degree, and can better judge whether or not the spending of this money is justified.

Now, after having deliberately changed its course by a unanimous vote in 1959—there was not a dissenting vote against the bill requiring the authorization—after operating each year successfully, I think, we are faced here with a floor amendment which, on its face, is simply designed to save some money.

Now, without doing harm to the committee system, that money can be saved by the Appropriations Committee, or by the Senate, in the regular process of business, within the framework of the Senate rules. Not some rules from somewhere else, but our own rules. I urge every committee chairman, every minority member, and every member on every legislative committee to give this matter a second thought.

I will certainly abide by any vote that has been taken here regarding money. There have been seven major weapons systems, each of them brought into question here by floor amendments which have recommended something different from what the committee did.

Two years ago we spent 7 weeks arguing this authorization bill. Seven weeks. And no one knows better than our esteemed majority floor leader here (Mr. MANSFIELD) what a long debate it was, and what an opportunity it was for everyone to have any policy as well as any weapons system tested through the actions on that bill.

So I plead now for nothing for myself. But I want to mention the Senator from New Hampshire (Mr. McINTYRE). I have not talked with him about this. I believe I know how he will vote.

For the first time in the history of the Senate, a Senate Member is regularly putting in 12 months' work out of 12 months, year after year after year, unsung, unpraised, with no special recognition, on the highly important matter of research and development. That amounts to $8 billion, in round figures, every year. That McIntyre subcommittee and its august members deserve the greatest kind of credit.

Some people think they ought not to even look at those figures, they ought to just take them as they are. But brushing aside all of that, putting a ceiling on this bill, putting a lid on it, is a repudiation of the votes that have already been taken on this floor. It is an overruling. Do not ask me to yield unless I have misstated a fact.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. STENNIS. Well, I hope I can state the rest of this. Going back, I repeat that there have been seven of those major votes. I will joyfully abide by them.

As to the question of economy, there is $1.6 billion—listen to these figures—$1.6 billion that is saved in this bill that has not been mentioned, or barely mentioned, in the provision for manpower costs, because the money for the manpower does not have to be authorized in this bill. The bill looks to an annual saving of $1.6 billion in those accounts.

Now, I do not question anyone's motive on any vote. I sometimes question their judgment, however. I question their judgment when they helped add, by vote, $340 million per full year liability to the Government in the way of the recomputation amendment. That is $340 million per year, and the Hartke amendment carries with it a liability to the Federal Government, over the years—that it will operate, of over $17 billion—not million—but $17 billion.

So, let us think a second time if we voted for those add-ons—and I say that was done in good faith—but I appeal for the sustaining of the committee system.

I am not talking about myself. I have not even had the privilege of being chairman of the committee while this bill was being handled so well by the acting chairman (Mr. SYMINGTON) and the other members of the committee. I expressly thank them and trust that in a weak, misled moment, we will not go astray.

Mr. CLARK. Mr. President, I am disappointed that we even have to consider an amendment like this in the closing hour of debate on the annual Military Procurement Authorization bill.

As I understand it, the amendment would reduce the fiscal 1974 military spending authorization by $750 million. Senator ROBERT C. BYRD's amendment would make that amount $500 million, and its net effect would be to leave the bill as it was when we got it from the

Senate Armed Services Committee at $20.4 billion.

Now, the Senate has spent 9 days debating this bill—some 60 hours on this one piece of legislation alone. In that time, the Senate had a number of opportunities to make specific reductions in a number of specific programs. One by one, the amendments came to the floor, and one by one, they were defeated. Senator McINTYRE's amendment to slow down the Trident program was the only one that came even close to passage.

Senator McINTYRE offered an amendment to save $92.4 million on the A-10 program. It was defeated 20 to 64.

Senator McINTYE offered an amendment to save $885 million on the Trident program. It was defeated 47 to 49.

Senator McGOVERN offered an amendment to cut $3.5 billion from the bill. It was defeated 12 to 81.

Senators BAYH and SAXBE offered an amendment to save $194.2 million on the SAM-D program. It was defeated 34 to 56.

I offered an amendment to save $657 million on the CVN-70 project. It was defeated 30 to 55.

While all of this was happening, the Senate approved an amendment to increase the authorization bill by $495.5 million.

I will support this amendment, because I think the military has not made a case for some of its weapons proposals, because I think we need to cut Federal spending to stop inflation and prevent a tax increase. This amendment does represent a reduction in military spending. It does represent the Senate's last opportunity to control this authorization bill. And, at the very least, it will enable the Senate to pass legislation that does not represent an increase in military spending over the amount recommended by the Armed Services Committee.

But it seems to me that the Senate's responsibility must go deeper than this. We ought to be able to determine not only how much money should be spent but how it should be spent. The Constitution certainly makes no distinction between the two. And at a time when inflation and government responsibility are two of the most important issues facing the Nation, I do not think we can afford to make a distinction between the two.

Mr. THURMOND. Mr. President, the final amendments before the Senate are the Robert Byrd amendment cutting $500 million and second, the Hubert Humphrey amendment cutting $750 million from the bill. I oppose both for the following reasons:

First. The distinguished authors of these amendments, along with other leaders in the Senate, have correctly spoken out in favor of the Senate and the Congress reasserting its legislative authority. Are we then to abrogate our responsibility to address this bill on a line item basis by accepting an undefined reduction?

Second. These amendments ignore the hours, days, weeks, months of work done by the 15 committee members. We have trimmed every dollar possible from this bill. The full committee and the Cannon and McIntyre subcommittees have worked hard to justify every item. These amendments ignore that work and the floor debate.

Third. Would any Senator, who believes in the committee system, like to see his bill slashed without specific instruction from the Senate. Senators STENNIS, McCLELLAN and other committee chairmen have argued against just this type of approach.

Fourth. These amendments attempt to undo indirectly what the Senate has decided directly in the votes on the F-14, the SAM-D, the Trident, CVN-70, the A-10, recomputation, the McGovern economic adjustment plan, and the XM-1. Are we to undo this work?

Fifth. What is magic about $500 million or $750 million. Nothing. The numbers could just as well have been $1 billion or $250 billion. There is no rationale, no support, no justification for whatever weapon system cuts these amendments would require.

Mr. President, I hope the Senators will consider these points before voting and reject both amendments.

Mr. ROBERT C. BYRD. Mr. President, my amendment No. 558, to the Humphrey amendment, if adopted, would provide for a $500 million reduction in the defense authorization bill for fiscal year 1974. The Humphrey amendment would accomplish a $750 million reduction.

Before proceeding further, I want to state that I have always supported the maintenance of a strong and adequate Defense Establishment, and I shall continue to support a strong and adequate Defense Establishment. However, I think we have to realize that, in this period of budgetary restraints and fiscal stringency, when inflation threatens to further dangerously erode the purchasing power of the dollar, no agency and no program of this Government should be considered such a sacred cow that it cannot be examined a little closer to see whether it cannot pull in its belt a few notches, in an effort to hold down ever-growing Government expenditures.

The taxpayers of this country want the Congress to exercise the utmost diligence in reducing Federal expenditures to the fullest extent possible. I believe that this bill can be reduced 2.5 percent without any harmful effect upon our defense posture.

H.R. 9286, the Military Authorization Act of Fiscal Year 1974, in the form reported by the Senate Armed Services Committee, contained total authorizations of $20.4 billion, which represented a reduction of $1.5 billion under the fiscal year 1974 budget request. The House-passed version of this act contained authorizations of $20.445 billion.

To date, we have taken the following actions on the Senate floor which have increased the committee-reported bill by the following amounts:

$4.2 million was added to the bill for procurement of the M-16 rifle; and

$495.5 million was added to the bill for procurement of the F-14 aircraft.

Both of these amendments together have added a total of $499.7 million to the bill. I might note that we have adopted the Hartke recomputation amendment which is estimated to cost $296 million, and the McGovern economic adjustment amendment estimated to cost $50 million. These amendments do create new obligational authority, and they will affect defense outlays; however, they do not affect the authorizations contained in H.R. 9286, inasmuch as this bill only authorizes major weapons systems and programs.

If the Senate adopts my amendment, we would be accomplishing, in effect, here today a reduction in the authorization to something like $300,000 less than the amount in the bill when it was reported to the Senate floor by the Senate Armed Services Committee.

Some Senators have stated during debate on this bill that an amendment of this type is an irresponsible method of legislating since it imposes reductions, without applying them to specified programs or projects. I disagree with that view. This is a responsible approach to a reduction for the following reasons:

By virtue of the dual authorization and appropriations process, the amendment which I am proposing simply amounts to a direction to the Appropriations Committees to redistribute the programs contained in this authorization in such a way as to stay within a certain maximum figure.

While I am a strong supporter of authorizing and appropriating under the line item concept, I believe that we in the Congress—and this represents a little bit of self criticism—have not, in the past, given enough attention to appropriating within total amounts. Instead, we have tended to take the budget as submitted by the President and we have then proceeded to add or subtract various projects and programs to arrive at a total amount, instead of setting a ceiling and saying that this is what we have to spend in the various areas—be they defense, agriculture, or health—and then sitting down and deciding just how the specified amount of resources within such ceiling can be most effectively distributed to do the job.

My amendment, in effect, says to the Appropriations Committees, look at all of the programs contained within the bill and determine where $500 million out of a $20.4 billion bill can be saved. There is nothing new or wrong with this process. Certainly no particular line item program or project is so sacrosanct or inviolate that it cannot be examined a little closer, so as to see if a savings can be effectuated, and as a matter of fact, that is precisely the course of action which the Appropriations Committees have been following in the past. For the past 10 years, starting in fiscal year 1964, the Appropriations Committees have been appropriating less than the amounts contained in the authorization bills. For example:

In fiscal year 1972, the authorization was $21.3 billion and the amount appropriated was $20.4 billion;

In fiscal year 1973, the authorization was $21.5 billion and the amount appropriated was $19.5 billion.

I could cite other examples going back

to fiscal year 1964, but these figures will appear in the RECORD.

So, as Senators can see, my amendment is no strange thunderbolt out of the blue, and it will not wreak havoc on our defense programs. It is more of a reaffirmation, or approval, of the actions which have been taken by our own appropriations committees for the previous 10 years.

Also, the line item concept has not even been held that sacrosanct by the appropriations committees. Members of the appropriations committees know that these programs fluctuate—certain programs will not move as fast as anticipated and others might require additional funding. Therefore, included within the appropriations bill is a transfer authority to cover contingencies. In the fiscal year 1973 bill, transfer authority of $750 million was included, which could be used by the Secretary, with the prior approval of the congressional committees.

My amendment would average out to approximately 2.5 percent if it is applied evenly across the board to all agencies and programs within the Department of Defense. It is possible, however, that there may be slippage either by contractor, or inhouse within the Defense Department, which might make it feasible to impose a 5-, 10-, 15-, or 20-percent cut against a particular program. However, when the appropriations committees consider this legislation they may determine that there are other programs which could not—and should not—be reduced at all. My amendment leaves the committees with the flexibility and the authority to act in the way the committees feel would be most responsible, would inflict no harmful effect upon our defense programs in effecting an overall $500 million reduction.

In summation, Mr. President, the adoption of my amendment, and after that, the adoption of the Humphrey amendment, would not be a surrender of legislative authority to the executive branch. What the Senate would be doing, actually, would be reducing the authorization ceiling for this bill. The Appropriations Committees—not the Executive branch—would then have the responsibility of determining where to make the adjustments when the military procurement appropriation bill comes along. It is a mistaken impression to think that we would be surrendering our legislative authority to the executive branch. It would be up to the Senate and House Appropriations Committees to determine where to apply the $500 million reduction when the military procurement appropriation bill is marked up.

Moreover, the Appropriations Committees, as I have already pointed out, over the past several years, have actually reduced the appropriations below the amounts set forth in the authorization bills. I have a feeling that this is what will happen again this year.

This amendment does no injury whatsoever to the committee system. The Senate as a whole would simply be reducing the authorization and, in reality, virtually restoring the original authorization, dollarwise, that was reported by the Senate Armed Services Committee to the Senate. There is nothing untoward in this procedure. To maintain that the Senate should not impose an across-the-board reduction in the authorization figure is, in effect, to state that there is something holy about such authorization, but, as has been indicated, the Appropriations Committees almost always reduce the appropriations below the authorized amount for military procurement.

I hope the Senate will adopt the amendment.

I ask unanimous consent to insert a table reflecting the authorizations and the amounts appropriated for military procurement, fiscal years 1964–74.

There being no objection, the table was ordered to be inserted as follows:

CONGRESSIONAL ACTION ON PROCUREMENT AND R.D.T. & E. AUTHORIZATION REQUESTS

Fiscal year	Budget request	Senate authorization	House authorization	Conference	Appropriated
1964	$15,358,691,000	$14,951,491,000	$15,856,391,000	$15,314,291,000	$14,364,690,000
1965	17,185,300,000	17,040,140,000	16,914,800,000	16,967,620,000	16,722,391,000
1966	19,363,050,000	15,283,800,000	15,303,400,000	[1] 19,468,250,000	[1] 19,320,550,000
1967	20,769,659,000	17,170,059,000	17,858,059,000	[1] 21,404,459,000	[1] 21,057,559,000
1968	21,066,432,000	20,765,332,000	21,481,032,000	21,168,032,000	20,149,432,000
1969	22,385,052,000	21,341,738,000	21,636,964,000	21,625,750,000	18,491,041,000
1970	21,963,660,000	19,988,886,000	21,347,860,000	20,710,502,000	[2] 19,311,520,000
1971	20,317,430,000	[3] 19,242,889,000	20,237,489,000	[3] 19,929,089,000	[3] 18,997,376,000
1972	[4,5,7] 22,359,129,000	[6] 21,016,417,000	[5] 21,252,682,000	[6] 21,316,870,000	20,461,802,000
1973	[8] 23,272,971,000	20,521,671,000	21,318,788,250	[10] 21,588,747,000	19,567,838,000
1974	[9] 21,959,100,000	20,447,968,000	20,445,255,000		

[1] Includes supplemental.

[2] Of this amount, $350,000,000 to be derived by transfer from stock funds.

[3] Includes $334,000,000 for Safeguard construction and family housing.

[4] Reflects budget amendment submitted subsequent to House action (+$111,000,000).

[5] Includes $183,600,000 for Safeguard construction and family housing.

[6] Includes $109,570,000 for Safeguard construction and family housing.

[7] Includes $59,762,000 additional requested for civilian pay increases pursuant to Public Law 91-656.

[8] Includes $3,000,000 for special foreign currency program for Navy under R.D.T. & T. appropriation; includes fiscal year 1973 budget amendments of $54,000,000 for civilian personnel pay raise, $254.8 million for various programs, and June 27, 1972, amendment of $770,000,000 for Southeast Asia and SALT related items.

[9] Includes $2,600,000 for special foreign currency program for Navy under R.D.T. & E. appropriation.

[10] Includes $644,900,000 additional authorization in sec. 801 of Public Law 92-570.

Notes: During fiscal years 1964 and 1965 tracked combat vehicles were not subject to authorization action. During fiscal years 1964, 1965, and 1966 the emergency fund under R. & D. was not subject to authorization action. Authorization for other weapons was not required prior to fiscal year 1971. Authorization for torpedoes and related support equipment not required prior to fiscal year 1972.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). All time having expired, under the previous order, the hour of 4 p.m. having arrived, the Senate will now proceed to vote on the amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD) to the amendment of the Senator from Minnesota (Mr. HUMPHREY).

Mr. HUMPHREY. Mr. President, a point of inquiry. I was told just a few moments ago, before the distinguished Senator from Mississippi spoke, that there was approximately 2 minutes left for the Senator from Minnesota.

The PRESIDING OFFICER. It is the understanding and the recollection of the Chair that the Senator from Minnesota spoke for 10 minutes and yielded 5 of those minutes to the Senator from Missouri.

Mr. HUMPHREY. No, I yielded 3 minutes. And 3 minutes are so listed.

The PRESIDING OFFICER. The Chair will recognize the Senator from Minnesota (Mr. HUMPHREY) for 2 additional minutes, if there is no objection.

Mr. HUMPHREY. One minute is all I want.

The PRESIDING OFFICER. The Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I want to say to my good friend from Mississippi that I have great respect for his argument, but I want to say also that the committee came out here with a modest proposal on the F-14 and the distinguished Senator from Nevada (Mr. CANNON) amended the authorization. There is nothing sacrosanct about a committee recommendation. We have the right to recommend and argue for and debate recommendations and authorizations. That is what we did here. We do this on behalf of the committee.

The point I make is that we have simply got to have some overall reduction in the authorizations, if we are going to have any overall reductions in the appropriations. That is what we have done on every bill. We will do it in the foreign aid bill. We have done it on the USIA bill and we have done it on bill after bill. That is where we start to make the initial cuts, on the authorizations. This is a sensible and modest and, may I say, the most prudent of $500 million which will bring the figure down to about the House bill. The House, of course, is very jealous of its committee prerogatives, and did exactly what we are trying to do here today.

Mr. CANNON. I feel somewhat responsible because I brought to the floor an F-14 amendment for $500 million as I personally felt that the amount reported from the committee was approximately correct and therefore I voted to reduce it in other areas and to make it for the

$500 million. We were not successful. So, at this time, I am ready to support the amendment of the Senator from West Virginia (Mr. Robert C. Byrd) in his amendment to the Humphrey amendment.

Mr. TOWER. Mr. President, regular order.

The PRESIDING OFFICER. The Chair will state that, the hour of 4 o'clock having arrived, the Senate will now proceed to vote on the amendment of the Senator from West Virginia (Mr. Robert C. Byrd) to the amendment of the Senator from Minnesota (Mr. Humphrey).

Mr. DOMINICK. Mr. President——

Mr. ROBERT C. BYRD. Mr. President——

Mr. DOMINICK. Mr. President, a parliamentary inquiry. Do I understand that we have orders now for yea and nay votes on the Byrd amendment to the Humphrey amendment and then if that should be agreed to, then we vote again?

The PRESIDING OFFICER. It is the understanding of the Chair that the yeas and nays have not been ordered.

Mr. ROBERT C. BYRD. Mr. President, I was seeking recognition——

The PRESIDING OFFICER. Answering the Senator's parliamentary inquiry——

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The Senate will then proceed to vote on the original amendment by the Senator from Minnesota (Mr. Humphrey) whether or not it is amended by the Senator from West Virginia.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from West Virginia (Mr. Robert C. Byrd) to the amendment of the Senator from Minnesota (Mr. Humphrey).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits) would vote "nay."

The result was announced—yeas 51, nays 47, as follows:

[No. 446 Leg.]

YEAS—51

Abourezk
Allen
Bayh
Bennett
Bible
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Cranston
Eagleton
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stevenson
Symington
Tunney
Williams
Young

NAYS—47

Aiken
Baker
Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Chiles
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Hughes
Johnston
McClellan
McClure
Nunn
Packwood
Percy
Saxbe
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker

NOT VOTING—2

Javits
Pearson

So Mr. Robert C. Byrd's amendment to Mr. Humphrey's amendment was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on the amendment offered by the Senator from Minnesota (Mr. Humphrey), No. 557, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits), is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson), is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits), would vote "yea."

The result was announced—yeas 47, nays 51, as follows:

[No. 447 Leg.]

YEAS—47

Abourezk
Bayh
Bible
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Eagleton
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Kennedy
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stevenson
Symington
Tunney
Williams

NAYS—51

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Biden
Brock
Brooke
Buckley
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McGee
Nunn
Packwood
Percy
Saxbe
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—2

Javits
Pearson

So Mr. Humphrey's amendment (No. 557) as amended, was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TOWER. Mr. President, third reading.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the committee amendment in the nature of a substitute, as amended, and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. TUNNEY. Mr. President, every year, the votes on the military budget are some of the most important we consider. It is, of course, of the utmost importance that we continue to have a strong national defense. Even in this era of détente, there are indications that the Soviet Union is continuing to make large expenditures on conventional and strategic arms; so we must not become complacent. However, there are significant savings which we can make in this vast budget, without harming our national defense. These savings are desperately needed by the average citizens of our land, who are being buffeted by inflation. We need all the resources we can muster to pay for such vital programs as health care, education, housing, and other domestic programs.

I have taken a course during the consideration of this bill which recognizes both needs: National security and cost-consciousness. Again, I voted in favor of the B–1 bomber program as I have in the past, because it is essential to a well-rounded national defense program. The B–1, with its capability of flying high at supersonic speeds and "on the deck" at high subsonic speeds; its payload-range characteristics; its utilization of already tested, high-technology components, is the best product the military can buy to replace the aging B–52's.

A favorable production decision is of vital importance to California's economy. The program will produce over 40,000 aerospace jobs and over 60,000 supporting jobs. It will increase the State's revenues by almost $2 billion, which can be used to finance important domestic programs such as schools and hospitals.

I also believe that our country needs a new missile-carrying submarine system, since our present Polaris/Poseidon fleet will start reaching obsolescence in the 1980's. I, therefore, support the development of the Trident submarine, with its new, long-range missile. However, I do not believe the Navy is justified in seeking a speeded-up schedule for producing these submarines. By delaying production for 2 years, and allowing more time for development of the prototype vessel, I am convinced we will eventually have a better, stronger weapon. We will also be able to develop the Trident I missile at the earliest possible date, and equip our newer Poseidon submarines with it, giving them vastly increased range and maneuvering room in the oceans.

I, therefore, voted to delete about $900 million from this year's authorization to slow the production of the Trident. This vote would have given us $3 billion for other programs—domestic and military—over the next 3 years. And it would have given us a stronger, more invulnerable deterrent. I am disappointed that the cutback did not pass the Senate, and I continue to hope that the Appropriations Committee will reduce the Navy's request for this enormously expensive project.

I also voted to reduce funding for certain other, selected weapons programs which, in my opinion, represented "gold plating"; very sophisticated, expensive projects which simply were not justified in a period of fiscal stringency in which we now find ourselves. These included the Army SAM–D antiaircraft missile—which has already had a 350 percent cost overrun and still has technical problems—and the Navy's multibillion dollar nuclear carrier.

We simply have to pare away the excessive requests of the military, and plan to maintain a leaner, tougher posture in the future. The money we would save from some of these gold-plated programs could be used to far better effect in domestic programs, and even in more important military programs, such as modernizing the Navy, and improving the Volunteer—Army—a program with which I disagree, but to which we are committed for the time being. I was greatly moved by such letters as the following, which I received from a constituent in San Jose:

> DEAR SENATOR TUNNEY: War is waste. My employment for more than 18 years has been building and testing U.S. war weapon systems.
>
> Our President tells us he wants peace but he wants to tax each family $1,700 next year to prepare for war.
>
> Korea and Vietnam proved that we must not believe our Commander-in-Chief and our military leaders.
>
> We must believe the peace-makers whose jobs, high rank or high office do not depend upon the continuing manufacturing of war weapons.
>
> Congress must reduce the military budget and convert the war weapon industries to make jobs to improve the quality of life in our cities.
>
> Very truly yours,
>
> HENRY WAGNER.

Coming, as it does, from an ordinary citizen, and one whose livelihood depends on the military-industrial complex, this is a powerful message to me and to the Congress. I have sought to heed it in considering this military procurement authorization. Not enough was cut from the bill to meet the balance which I thought was proper between a strong defense and a fiscally responsible bill.

In the end, the military authorization bill which passed the Senate represented a commitment to a strong national defense. This bill provided some $12 billion for procurement of more than 100 different weapons systems, and it provided over $7 billion for research and development.

No nation can doubt our resolve to have a military posture second to none. This goal, however, can and should be met with greater attention to our domestic economy and social problems, for no matter how strong a military force we have, it will be of no avail if our Nation's economy is disrupted by inflation, and if our people must live without the benefits which this great land can provide.

Mr. CLARK. Mr. President, I will vote against the military procurement authorization bill for the 1974 fiscal year. We cannot afford it.

The bill began as a $22 billion request by the administration for research, development, and construction of new aircraft, ships, and missiles. The Senate Armed Services Committee reduced that request by $1.5 billion, as did the House of Representatives. The committee slowed down the B–1 manned bomber program, reduced military manpower levels by 7 percent, and took steps to save money on other weapons programs. But many of us felt that additional reductions could be made sensibly and responsibly without in any way affecting the Nation's security.

In each case, our differences with the military's proposals have been based on sincere and honest differences of opinion. In each case, a particular program has been challenged because many of us felt that it is inefficient or wasteful or unnecessary, especially in light of the domestic and international situation.

For the last few months, the President has made such a point of the desperate need to cut Federal spending to control inflation and stabilize the economy. The Congress has made such a point of the need to exercise fiscal responsibility and restraint. And people throughout Iowa made such a point to me of expecting a dividend from the arms limitation talks, the end of the American war in Southeast Asia, and this country's new relationships with the Soviet Union and the People's Republic of China.

People all over this country were expecting a military budget that reflected these developments and accomplishments. But the military procurement bill before us this afternoon does not meet those expectations.

Over the last 11 days, many amendments were offered to reduce military spending. One by one, they were defeated, and one by one, the Senate lost the opportunity to keep the budget under control. In fact, the Senate voted to add almost one-half billion to the Armed Services Committee request.

I supported many of those amendments—Senator HUGHES' proposal to save money on the A–10 aircraft program, Senator MCINTYRE's amendment to regulate the Trident submarine development, and my own amendment to save $657 million by eliminating the authorization for a fourth nuclear aircraft carrier. That one ship is going to cost the American taxpayer $10 billion over the next 30 years. Its initial cost alone will be twice the budget for the State of Iowa last year. And in my judgment, it is the kind of expenditure that has not been justified and that we cannot afford.

Perhaps there was a time when this country could be extravagant, but not this year—not when Federal spending has to be reduced, not when the only alternative is a tax increase, not when the country has taken such strides forward toward international stability, and not when there are so many domestic problems that need solutions.

Yet, months of incredible progress in the search for peace have been followed by a $4 billion increase in the military budget. Months of intense pressure from the administration to reduce spending on domestic programs have been followed by relatively little effort to reduce military spending even though the military budget is the largest single controllable item in the entire Federal budget.

The United States is the most awesome military power in the history of the world. That position cannot be allowed to change—this country should be second to none—but we can maintain military superiority without inefficiency, without wasting money, without indulging in senseless overkill, simply by getting the best return on every dollar spent for defense.

That just means spending wisely.

The military procurement bill does not represent wise spending. By passing it, we will be doing far more than allocating money for next year. We will be spending money that is not in the Treasury yet, money that taxpayers have not earned yet. A decision to build these new weapons will affect Federal spending and inflation years and years into the future. Because of the commitments made in this bill, the chances have increased that the military spending request will exceed $100 billion a year within the next 5 years.

If the Senate approves this legislation, we will not be exercising fiscal responsibility and restraint. We will not be meeting our own challenge to reduce Federal spending below the President's request.

The security of this country cannot be measured only by the number of dollars spent for military weapons. It also is measured in terms of a stable economy and the public's confidence in Government. Congress must consider all of these factors before it authorizes this kind of military spending.

And it is for these reasons that I cannot support this bill.

Mr. HATFIELD. Mr. President, we are asked to vote for this bill, and have been urged by many not to cut any money from that requested, in order to protect our "security."

I would like to ask just what the true sources of our security are.

There is no doubt that people feel threatened today, and feel insecure.

But the threats they feel are not those that are supposedly met by our military power.

People feel that their liberty is threatened, but not from any invading foreign army. Rather, that liberty is seen threatened by our own domestic institutions, and even by our Government.

I can think of no more fundamental threat to our security today than the cumulative loss of confidence in our Government felt by the people. The truth is that our citizens are no longer believing that our Government and its representatives actually function as their servants. Government has become an institution of domination, losing the trust of those who are to be governed. There is nothing more fundamental to our "security" than that. Yet we continue to believe that the most fundamental threats to that security come somehow from the outside.

We are misled, we are deluded to believe so.

To spend billions for external defense while the internal fabric of the Nation, and confidence and spirit of our people erode, is folly. The insecurity of our people is only perpetrated.

In a more practical vein, we know from the administration's budget presentation, 68 percent of all controllable Government expenditures are projected to go for military purposes—page 333—U.S. budget.

A nation's security can only be defined as the full well-being of its citizens and its resources. And when we see funds for one program after another designed to service human needs—programs for enhancing small business, for health care training, for the wages of the workingman, for the utilization of our Nation's natural resources—when these are vetoed or impounded on the grounds they are inflationary, but billions for the military are aggressively urged upon us by the same administration, on the grounds of protecting our "security," then I conclude we have lost all rational understanding of what our security really is.

When people's confidence in their government is lost, when people's human needs are going unmet, and when the nation's life-supporting environment is in deterioration, then our Nation is utterly insecure and will remain so regardless of how many billions we may spend elsewhere. The place to start in building a true security is with these internal needs, not with a continued obsession about the readiness to fight any foe any place around the globe.

Yet the concern over the relative amount we spend for military purposes does not go to the root of the problem.

We must recognize how victimized we are by our whole national psychology about our power.

We believe, first of all, that our power is always good, and only used for righteous purposes. The belief is that if the good guys have the power, then that power is justifiable. And of course, we inevitably look at ourselves as the good guys in virtually any situation.

We should wonder whether our experience in Indochina has taught us anything about the supposed, inherent righteousness of our power. Surely we should recognize that our power does not automatically bring peace. Frequently it may bring nothing more than war, violence, and destruction, rather than the peace which is promised to justify its use.

Power tends to make individuals, or a nation, self-righteous. That is an axiom that holds true as much for us as for any other people.

We should all realize that by voting for this measure, we are approving of a psychology that holds a majority of mankind as hostages in a mad balance of terror.

We stand ready to destroy a major portion of the world's population in a few moments once we believe that our opponents are commencing to destroy us. And that is to make no mention of the technological or emotional accidents which can propel mankind to destruction.

There is something misguided about this whole psychology. We are told that the reason we build up our arsenals of power, and our deterrent force, is in order to do what is necessary until some process of disarmament can begin. We are told that these measures are only temporary compromises necessary to live in a world where mistrust and enmity still reign. But who honestly supposed that our military arsenals are "temporary" in any meaningful sense? Where is the serious progress to move all this power in the opposite direction? For every one step that moves toward that direction, we take two rapid steps toward building up more of our power.

While doing so, we deny the oneness of man. We declare that human life is expendable, and rationalize this axiom on the sole basis that this is what our enemy believes, so this is then what we must believe.

The following words express this attitude best:

> Already the apologists of "realism" are busy exhorting us to accept the realities of life in the atomic age, and learn to live with the Bomb. According to these theorists—and they are to be found high in the councils of Church and State—we have never been so secure as we are today under the umbrella of the Bomb. The terror inspired by the equilibrium of fear is such that we can rely on the Bomb as an effective deterrent, a super-policeman guaranteeing the peace of mankind. In other words, the peace which man has been unable to gain through two millennia of the advocacy of brotherly love will now be secured through fear. What we failed to win under the symbol of the star of Bethlehem, we shall gain under the symbol of the mushroom cloud. Men will not act rationally from love, but they will learn to do so from fear. In fact, the atomic age has at last "proved" what so many men have always wanted to believe in their hearts: that the doctrine of the carpenter of Nazareth is a monumental irrelevance; that his sacrifice on Calvary was pathetic, noble perhaps, but futile and pointless. For this is the logic of the maintenance of peace through the deterrent. (R. V. Sampson, *Psychology of Power*.)

Finally, there is a moral and spiritual dimension to the issue of this Nation's security. Our Nation has sought to place the hopes for its ultimate security in the wrong gods, in the idols of its own making.

We think that our security comes through our military power. So we build that power to the brink of militarism, and then become ensnarled by the ever-increasing demands for more and more of our money.

We believe our security comes through our materialism, our wealth, our gross national product. So we despoil our environment and neglect the quality of man's spirit in order to expand our materialistic self-indulgence.

We suppose that our security comes through an inherent belief in our Nation's self-righteousness. So we create a civil religion that baptizes our established powers of government and creates an idolatry of the Presidency, and forget the truth that power corrupts.

In a very real way, restoring the strength of our people can only begin with a spirit of repentance. It is only by recognizing our errors, our wrongs, and our false gods that we can come to a proper understanding of ourselves. That is the beginning of any true security.

In the end, it will not be the power of our military might that will usher in greater reconciliation between the people of the world. Rather, that will only come from the power of spiritual love.

Such spiritual love must take root first in each one of us—and then extend out to our neighbor, to our communities, through our Nation, and to the world—even to our enemies.

That is our only true hope for security.

As the words of the prophet say:

> Not by might, nor by power, but by my spirit, says the Lord of Hosts.

For all these reasons, I shall vote against final passage of the military procurement authorization bill.

THE WRONG BILL AT THE WRONG TIME

Mr. HUGHES. Mr. President, I want to make a brief statement before we vote on final passage of this bill, but I ask unanimous consent that the balance of my remarks be printed as if delivered in the RECORD.

Mr. President, I cannot in good conscience, or in considering the abundant evidence, vote for this bill.

I want a strong defense for our country—strong enough to make us secure against any attack and strong enough that, if we ever do get involved in a war through proper constitutional processes, our Armed Forces will have the best possible means to fight and win.

In my judgment, we have that capability now. And we can preserve our military strength in the future without spending such vast amounts as are in this bill.

This has been a sad week for the D.S. Senate. Despite the widespread consensus of our people that we are spending too much on defense, majorities in this body have rejected virtually every effort to make cuts in this bill. We have even added hundreds of millions of dollars to it, far above what even our colleagues in the House of Representatives thought necessary or prudent.

I recognize how hard it is for Members, especially those not on the Armed Services Committee, to reach judgments about these many requests for new programs, often justified on the basis of highly classified information. The tendency is to err on the side of caution, to defer to the judgment of the supposed experts, because no one wants to make a mistake in vital matters of national security.

But, Mr. President, I believe this bill is riddled with mistakes. And I predict today that the many extravagant or unnecessary programs in this bill will saddle us with a high interest mortgage for our future tax dollars.

If we ever pay all these bills, it will likely bankrupt our efforts to meet our Nation's human needs.

Instead of protecting us, huge defense expenditures rob us of resources for health, education, care of the elderly and poor, and so forth.

When will we finally say—to the so-called experts, the lobbyists, the contractors, the vested interests in the Pentagon—Enough! No more!

The shameless arm-twisting, the undisguised scare tactics, the misleading arguments, and the unprecedented lobbying of recent days has undermined rational debate on this crucial bill. The Pentagon has fired a propaganda barrage with devastating consequencies.

If we vote out of fear, we surrender hope and rationality.

We do need some military procurement bill, Mr. President, probably amounting to billions of dollars. But we must protect our Nation with many other programs as well, programs for life as well as the tools of death and destruction.

This bill is the wrong bill, at the wrong time, with the wrong national priorities, for meeting our true national security needs.

Mr. McINTYRE. Mr. President, with the passage today of the defense authorization bill of 1973 I want to say that I believe we have fashioned legislation that will provide our Nation adequate defense now and in the future.

If it was mine alone to say what would be in this bill I might have made some changes. But, this program was hammered out in the give and take of Senate deliberation and reflects the collective wisdom of this body.

This process was properly accomplished without partisanship, without acrimony, and with full expression of all viewpoints.

No little credit for the success of our deliberations was due to the judicious and understanding leadership of my friend and most able Senator from Missouri (Mr. SYMINGTON). When the chairman was so brutally attacked last spring, Senator SYMINGTON was placed in the position of acting chairman of the Armed Services Committee, and his dedication during this trying time is worthy of the highest commendation.

Of course, each of us rejoiced that our chairman, the able and highly respected Senator from Mississippi (Mr. STENNIS) had recovered sufficiently to be on the Senate floor from time to time during our debate. Even though he could not spend every minute with us, as he has always done in the past, we benefited from his wisdom and guidance when he was here for our deliberations.

I want also to thank the members of my Subcommittee on Research and Development, the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Iowa (Mr. HUGHES), the Senator from Colorado (Mr. DOMINICK), and the Senator from Arizona (Mr. GOLDWATER). They were diligent, understanding, and dedicated in helping to reach difficult decisions in the subcommittee, in the full committee, and on the floor of the Senate.

I cannot conclude these brief remarks without praising the excellent work done by the committee staff under the more than competent leadership of staff director Ed Braswell. Every Senator depends on good staff work and Ed and every member of the staff performed his tasks with great ability.

But, there are two staff members with whom I had the closest association and for whom I want to say a special word.

Bob Old brought knowledge and understanding to serving the minority members of the Research and Development Subcommittee. He was of immeasurable assistance in assuring the successful conclusion of the R. & D. input into the defense measure.

And, finally, may I pay a special tribute to Hy Fine who served the Research and Development Subcommittee with such distinction. Hy brought a lengthy and impressive record of experience in defense matters to the R. & D. Subcommittee when he arrived in the Senate 2 years ago. His knowledge and dedication have increased during his tenure here, and he has truly become a strong right arm to me. I want these facts about Hy's many contributions to the work of both myself and the subcommittee to be clearly on the record.

A REPORT TO THE SENATE ON $380 MILLION OF SAVINGS

Mr. PERCY. Mr. President, while we are considering the military procurement bill, I think it is appropriate for me to update the Senate on a savings which has resulted from an amendment which I offered in August of 1970 to the military procurement bill of that year, cosponsored by Senator STENNIS and Senator GOLDWATER.

At that time, I offered an amendment to cut back on permanent change of station rotations by 25 percent. Though that amendment was accepted by the Senate, it was modified somewhat in conference, and no percentage was set. I must admit that at the time, I was not too enthusiastic about the prospects of the military taking the necessary steps to save money in this area of PCS rotations. But I can report today that the military has indeed acted upon both the spirit and the language adopted in 1970, and significant savings have been realized, a total of $380 million up to the present fiscal year.

I want to point out that economy was not the only factor upon which I based my amendment. From every indication that I had, and that included my own military experiences, the Fitzhugh report and many, many letters from servicemen around the world, the morale of the military man would be improved if he and his family were not constantly and unnecessarily moved around too frequently. And, in addition to the economics and morale involved, there would also be an increase in the efficiency of the military services. These were the three results I hoped to accomplish by the adoption of that amendment.

I have already reported to the Senate in the past concerning the savings that have been reported by the military by reducing PCS rotations. On June 30 of 1971, I reported that the estimated savings in PCS costs between fiscal year 1970 and fiscal year 1972 was in the neighborhood of $318 million.

I have just received from the Department of Defense the latest figures on PCS savings. I ask unanimous consent that this letter dated September 28, 1973, be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, from fiscal year 1972 to fiscal year 1973, the Army has realized savings of $51.4 million. Admittedly, some of these savings resulted from the overall cutbacks in the size of the Army. However, as the letter from General Benade points out, while Army strength dropped 12 percent in that one year period, PCS moves were reduced by 35 percent. So I think we can see that the Army has responded to the congressional initiative in this area.

Since fiscal year 1970, the Navy has saved $26.8 million by cutting back on the number of PCS moves. Their biggest savings came in fiscal year 1972. This year, they shaved another $2.4 million off of their PCS expenses. Of course, the Navy is in a different situation than the Army, and it is not advisable to keep extending ship duty at the expense of morale. So we may have reached a saturation point in the Navy.

In this year's report, the Air Force did not provide any specific figures of savings, but they indicate that there have been reductions in their PCS rotations. Some of the savings we might have realized have been eaten up by inflation. However, without these reductions, our costs would have been much higher indeed.

The Marines saved $7 million in the last fiscal year, and they specifically refer to the beneficial effect on morale of these reductions.

Therefore, Mr. President, in the last fiscal year alone, at least $60.8 million has been saved by cutting back on the number and frequency of PCS rotations. Thus, since the time that my amendment was passed by the Senate, and the modified version accepted in conference, nearly $380 million has been saved by the military.

I congratulate the military not only for saving this money, but also for taking the spirit of the amendment which I, Senator STENNIS and Senator GOLDWATER offered and the Senate accepted and acting in a manner consistent with good morale, good economy, and increased efficiency. Despite the fact that the military originally opposed this idea, they have fully supported the mandate of Congress and have worked diligently to see that it would be successful.

Mr. President, I think it is important to audit and report back to the Senate from time to time on actions we have taken in the past, and determine whether, what we have done, has had practical effects. In this case, there have been very important results and important savings.

EXHIBIT 1

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., September 28, 1973.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: As you have requested, each of the Military Services has furnished information to update the progress report made to you on October 18, 1972, which outlines the actions taken to decrease the number of PCS moves within the Department of Defense.

ARMY

1. Personnel stability and the means of attaining it were primary considerations in taking personnel actions and in making personnel policy decisions in FY 73. Progress

has been made in this area. From FY 72 to FY 73, the total number of PCS moves were reduced by 35% while the Army strength dropped by 12%. Specific actions taken to increase stability were:

a. Providing for voluntary extension of overseas tours in long tour areas up to a maximum of 72 months.

b. Permitting voluntary extension of tour in long tour overseas areas for any amount of time less than six months on a one-time basis.

c. Requiring members of units deploying overseas to have a minimum of 12 months service remaining in lieu of the 90 days previously required.

d. Requiring members of units moving in CONUS to have a minimum of 12 months service remaining to serve at the new station; also, requiring members to have completed a minimum of one year at the old station since returning from overseas.

e. Guaranteeing non-prior service combat arms enlistees a minimum of 16 months in unit of choice, CONUS or overseas long tour area. Wherever possible, personnel on their initial period of enlistment serve the remainder of their tour at one location in CONUS or overseas following completion of advanced individual training. (Personnel sent to a short tour location complete only the established overseas tour.)

f. Not reassigning non-CONUS residents returned to area of residence for a minimum of three years.

2. Monetary savings resulting from reduced PCS moves in FY 73 are as follows:

a. Monetary savings as a result of stabilization have been realized in the rotational and operational PCS travel category.

b. An increase in overseas average tour lengths in long tour areas between FY 72 and FY 73 resulted in the following estimated cost savings in PCS rotational travel for FY 73:

Reduction in moves and cost savings

Officer	4, 424	$10, 767
Enlisted	56, 386	32, 647
Total	60, 810	43, 414

c. Between FY 72 and FY 73, the percentage of operational moves per Army Manyear, declined from 9.4% to 7.3%. This reduction resulted in the following estimated cost savings in FY 73:

Reduction in moves and cost savings

Officer	1, 210	$2, 558
Enlisted	16, 014	5, 509
Total	17, 224	8, 067

d. Total PCS cost savings in FY 73 are $51.4 million.

NAVY

1. As the result of force drawdowns, the Navy has experienced numerous realignment and force adjustment problems. Despite these demands, the Navy has been able to reduce the number of moves in the other than mandatory move category.

Moves and costs—in millions

Fiscal year 1970	176. 6	163. 6
Fiscal year 1971	146. 6	163. 0
Fiscal year 1972	125. 9	139. 2
Fiscal year 1973	88. 5	136. 8

2. While the numbers of moves are decreasing, the cost per move reflect the rising economic factors involved.

3. The following is an updated list of policies and actions to constrain the number of moves to the minimum that will allow the Navy to maintain its forces in readiness:

a. Extending overseas assignments to the maximum tour length allowed.

b. Limiting the numbers of dependents for enlisted personnel when considering eligibility for overseas duty.

c. No longer shortening officer tours solely because of promotion or non-selection for promotion.

d. Making concerted efforts to reassign personnel within the same geographic area.

e. Extending tour lengths for commanding officers.

f. Assigning first term enlisted personnel a tour length that corresponds to the length of their enlistment, but not to exceed four years.

g. Establishing a minimum tour of 24 months for enlisted personnel.

h. Permitting the early release of selected personnel who are near the expiration of their enlistment if a member of an activity being deactivated or moved.

i. Increasing all tours after an initial tour for unrestricted line officers in CONUS Sea or Shore Tours an average of six months.

j. Extending all USNR officers serving three-year obligations and not career-motivated until the active duty release date unless the tour length is otherwise directed by departmental or Department of Defense Directives.

k. Defining CONUS Short Tours as five years in the same geographic area for officers in the grades of lieutenant commander/commander, who have failed of selection for promotion.

l. Modifying rotational policies for medical officers serving two-year obligations.

m. Extending the initial tour for surface warfare junior officers to 36 months in FY 73.

n. Reassigning newly appointed warrant officers only where no valid billet vacancy exists at the present duty station.

o. Deferring transfer on a selective basis of school-eligible personnel to a projected rotation date.

4. The management system to monitor and control the PCS Program continues to promote efforts to reduce costs of each move. In spite of those efforts, inflationary factors have reduced the number of moves available for a given dollar. Some dollar saving actions have had a deleterious effect on Navy retention and in the long run, policy must be tempered by that factor.

5. During FY 73, the following short-term cost avoidance actions were employed to live within the underfunded PCS Budget:

a. Extending Accompanied Overseas Shore Tours to six months beyond DoD maximum for officers for FY 73, but not to exceed 48 months (Proviso of DoD waiver—authority to impose extensions expired 30 June 1973.)

b. Delaying the filling of selected overseas billets.

c. Extending projected rotation dates of most enlisted personnel for six months.

d. Eliminating all except no-cost split sea tours for certain enlisted ratings. (Split sea tours for FY 74 will be limited for retention reasons.)

6. The Navy believes it has reached the point that more stringent policy/actions to reduce PCS moves and further limit sea/shore rotation would be detrimental to morale, well being of personnel and fleet readiness.

AIR FORCE

1. Total operational and rotational moves were reduced by 116,868 moves from FY 71 to FY 73. This is a direct result of increased average time on station in the CONUS and the marked reduction in the number of rotational moves in relation to the number of Air Force personnel stationed overseas. These reductions have done much to stabilize the lives of personnel.

2. Unfortunately, specific cost savings cannot be isolated for some actions. However, the following actions which have resulted in reducing PCS moves:

a. Extending the average time on station for airmen being reassigned within CONUS from 19 months in FY 71 to 22 months in FY 73.

b. Extending the average time on station for officers being reassigned within CONUS from 30.5 months in FY 71 to 33 months in FY 73.

3. The number of operational moves has been reduced from 76,189 in FY 71 to 52,730 in FY 73; however, even with the reduction of 23,459 in this two-year period, the total cost of operational moves has increased as a direct result of rising transportation costs.

4. Rotational moves to and from overseas decreased from 320,158 in FY 71 to 226,749 in FY 73. The reduction of 93,409 moves was achieved while overseas strengths dropped less than 35,000. Again, the total cost of rotational moves did not show a similar decline due to increased rates and inflationary impacts on cost factors.

5. Commanders are being reminded annually that it is Air Force policy to solicit and encourage extensions of CONUS stabilized tours and overseas tours. The commanders are advised that if the individual's duty performance and conduct was up to Air Force standards, approval of extensions should be the rule, and disapproval the exception. This policy has resulted in over 13,000 extensions from FY 73 into later years. This action alone has produced a significant portion of the decline in PCS moves and will result in long-term savings.

MARINE CORPS

1. The major thrust of the Marine Corps' efforts to effect further PCS cost reductions was taken in conjunction with planned operational moves (CONUS to CONUS). These were reduced by about 50% during FY 73. Of the 23,306 moves which were originally projected, only 13,276 were actually executed.

This action resulted in:

a. Avoiding PCS costs of approximately $7.0 million.

b. Decreasing the turbulence caused by PCS moves for 12,030 Marines by extending their time on station.

You may rest assured that each of the Military Services will continue with positive efforts to maximize the stabilization of military personnel without impairing mission requirements.

Your interest in matters pertaining to military personnel is appreciated.

Sincerely,

LEO E. BENADE,
Lieutenant General, U.S. Army,
Deputy Assistant Secretary of Defense.

INFLATION AND THE DEFENSE BUDGET

Mr. MOSS. Mr. President, I will vote today in favor of final passage of the military procurement authorization bill. This bill will provide funding for certain weapons systems that are essential to the continued capability of the United States to defend itself.

But it should be apparent from my votes on the series of amendments that have been offered in the past week that I believe the level of spending contained in the bill is much too high. While a good portion of the money authorized is absolutely essential if we are to continue to maintain a strong and credible defense, the bill also funnels large amounts of Federal money into projects that are not essential to our defense, and indeed, will not even contribute significantly to our continued military superiority.

It would be bad enough if this unnecessary spending were simply a matter of waste—a case of tax dollars being thrown down the drain. But in a time of soaring prices, this overspending on military hardware has the further effect of feeding the fires of inflation, weakening the dollar, and jeopardizing the economic health of the Nation.

In the long run, overspending in the defense budget has a result that is just the opposite of what the advocates of such pending intend: Our economy is weakened, and as a result, our ability to maintain a strong defense is diminished.

Before last week, I believed that the President and the Democrats in Congress were in agreement on at least one issue. There appeared to be a fundamental consensus that something must be done about skyrocketing prices. For some time now, the Nation has been in the midst of a severe inflationary crisis, which, in my view, has become our No. 1 domestic issue.

But last week, when the administration came to Capitol Hill to lobby for a high level of defense expenditures, they seemed to have forgotten all about inflation. They argued for rapid development of one expensive project after another, without heed to what the effect would be on the price of washing machines in Des Moines or Salt Lake City.

While the administration has been lobbying intensely for a record level of military spending, consumer prices have been rising at the fastest rate in 27 years. In the past 3 months retail prices have been rising at an annual rate of more than 10 percent, and in August alone they rocketed upward at the astounding rate of 22.8 percent annually. Although we are told by Secretary Schultz that the price increases should slow down in the months ahead, Mr. Nixon and his economic advisors appear to have resigned themselves to a rate of inflation of at least 6 percent next year. It should be emphasized that even this figure will look good only by comparison with the present astronomical rate of inflation. A rate of 6 percent will still create considerable hardship for consumers.

What worries me after last week's performance on the defense budget is that the administration has forgotten that there is a relation between the level of Government spending and inflation. President Nixon at least paid lip service to the notion of fiscal responsibility over the past several years when he impounded funds appropriated for highways, education, and pollution control. But when you look at the way he has wanted to increase spending in other areas, there must be serious doubt that he really wants to cut the overall Federal budget. It became clear last week, for example, that he wants to spend more money on a single aircraft carrier than he has supposedly saved by impounding vital Federal funds for education. Last week the administration lobbied vigorously against an amendment that would have saved more than half a billion dollars in the next fiscal year alone simply by postponing development of a carrier that would simply increase by one our already overwhelming lead over the Soviets in this particular weapons system.

The administration also lobbied against an amendment that would have saved $885.4 million in fiscal 1973–74 by putting the development of the Trident submarine on a nonaccelerated schedule. This amendment would have reduced the Federal budget, lessened inflationary pressures, and at the same time, would not have reduced the future effectiveness of our sea-based deterrent, which depends on the already superior Polaris-Poseidon fleet.

There were a number of other amendments offered that would have brought the military procurement budget down to a reasonable size, and it should be noted that most of these amendments had the support of a majority of Democrats. But unfortunately, they were defeated by narrow margins after the White House applied strong pressures.

As the bill now stands, the Senate will have succeeded in trimming nearly $1 billion from the President's $22 billion request. But I believe that a majority of Senate Democrats would have preferred to come in at just under $20 billion.

Nonetheless, the close votes have demonstrated that the Democratic majority is commited to controlling inflation by reducing the size of the Federal budget. It is the White House and a majority of Republicans who, when it comes to the military budget, do not understand that the more you spend, the greater the inflationary pressure.

Hopefully the administration and its supporters eventually will learn that this fiscal lesson applies to military spending as well as to other parts of the budget. And I think they had better come around to this way of thinking pretty soon. The Nation has grown weary of astronomical interest rates, tax surcharge trial balloons, and the seemingly endless series of phases.

The PRESIDING OFFICER. Under the previous order, the hour of 4:30 having arrived, the Senate will now proceed to vote on final passage of H.R. 9286, as amended.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. JAVITS) is necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The result was announced—yeas 91, nays 7, as follows:

[No. 448 Leg.]

YEAS—91

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—7

Abourezk
Clark
Fulbright
Hatfield
Hughes
McGovern
Nelson

NOT VOTING—2

Javits
Pearson

So the bill (H.R. 9286) was passed.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SYMINGTON. Mr. President, I move that the Senate insist on its amendment and request a conference with the House of Representatives and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. CANNON, Mr. MCINTYRE, Mr. THURMOND, Mr. TOWER, Mr. DOMINICK, and Mr. GOLDWATER conferees on the part of the Senate.

Mr. STENNIS. Mr. President, I ask unanimous consent, if it is in order, that the Senator from Missouri be the first named Senator as a conferee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I appreciate the courtesy of the distinguished Senator.

Mr. President, I ask unanimous consent that the Secretary of the Senate may be permitted to make technical corrections in the bill that may be required as a result of the Senate floor amendments, such as the renumbering of sections, and so forth.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the bill (H.R. 9286) be printed with all Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR SYMINGTON AND OTHER SENATORS ON DISPOSITION OF MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. MANSFIELD. Mr. President, I rise to pay tribute to the distinguished senior Senator from Missouri (Mr. SYMINGTON), the able and distinguished manager of the military authorization bill. It was Senator SYMINGTON, may I say, who last winter, in the wake of the tragedy that left Senator STENNIS incapacitated, stepped in to fill an enormous void and undertake a responsibility of gigantic proportions in preparing the military authorization bill. He did so with outstanding competence and ability.

Indeed, STUART SYMINGTON need yield to no other individual in his immense knowledge and understanding of military requirements and security interests of this Nation. I look to him, as does the Senate, as one of the truly great military experts of this century. In steering this measure through to its final disposition, his dedication and devotion were joined by an expertise that is unsurpassed in this body. The Senate is deeply in his debt.

The Senate is similarly indebted to Senator STENNIS, the able chairman of the committee. It was with the deepest gratitude for his recovery that the Senate welcomed JOHN STENNIS back to his responsibilities on the eve of the consideration of this most important bill. Upon his return, he wasted little time in devoting his unexcelled advocacy to the support of this measure and, as always, his views were most persuasive and effective.

The same may be said of the participation of the Senator from South Carolina (Mr. THURMOND), who serves so ably as the ranking minority member of the committee. He, along with the Senator from Washington (Mr. JACKSON), the Senator from New Hampshire (Mr. McINTYRE), and the Senator from Arizona (Mr. GOLDWATER), urged strong and effective views on all of the many features of this highly complex proposal.

I would commend also the many other Senators who joined with their support, their assistance and their viewpoints. Senator HARTKE, Senator CLARK, Senator EAGLETON, Senator BYRD, and Senator HUMPHREY and many other Senators deserve our praise.

But to Senator SYMINGTON goes the Senate's high commendation. He asserted the most effective leadership qualities over issues that are of the most complicated and important as any faced by the Senate. He presented the measure to the Senate with enormous skill and clarity and we are deeply grateful.

Mr. THURMOND. Mr. President, I would like to say just a word before we move on.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to do so?

Mr. THURMOND. Mr. President, I ask unanimous consent that I may be permitted to speak for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I want to take this opportunity to express that the acting chairman of the committee, the Senator from Missouri (Mr. SYMINGTON), my appreciation for his unfailing courtesy throughout the hearings and throughout the consideration of the bill on the floor.

The Senator from Missouri has been very helpful in many ways. Although we do not agree on some matters, we have had fine cooperation and have worked together. And I think that we have brought through the Senate a splendid bill.

Mr. SYMINGTON. Mr. President, in reply to the distinguished Senator from South Carolina, I state that I deeply appreciate his constructive support on the things we agreed on and the Senator's fair position taken on those things we did not agree on.

It we had not worked together, we would not have passed the bill today.

Mr. THURMOND. Mr. President, I also express my appreciation to the Senator from Mississippi (Mr. STENNIS) who, although he has been through a terrible ordeal lately, came to the floor and was a tower of strength on many of the crucial amendments.

We deeply appreciate what he has done to help us.

Mr. SYMINGTON. Mr. President, I join in that commendation expressed by the Senator from South Carolina.

The PRESIDING OFFICER. The time has expired.

Mr. THURMOND. Mr. President, I ask unanimous consent that I may be recognized for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, as the Senate has voted final passage on this bill, I would like to express my appreciation for the cooperation and assistance which has been extended to me by all concerned on this legislation. I especially want to thank the ranking minority member, Senator THURMOND. As we all know, both Senator CANNON, chairman of the Tactical Air Power Subcommittee and Senator McINTYRE, chairman of the Research and Development Subcommittee have also carried heavy responsibilities on this entire procurement bill.

Lastly, I would like to extend my personal appreciation for the consistent hard work performed by our able staff. As we know, the floor action is only a small portion of the time consumed in the preparation of this bill. The staff worked on hearings totaling over 6,000 pages and a report totaling over 200 pages. The entire staff was involved in this to some degree. I would like to specifically mention Mr. T. Edward Braswell, our chief counsel and staff director, Mr. R. James Woolsey, Mr. Edward Kenney, Mr. Don Lynch, Mr. George Foster, Mr. Hyman Fine, Mr. Charles J. Conneely, Mr. Charles Cromwell, Mr. Robert Q. Old, Mr. Ben Gilleas, Mr. Francis J. Sullivan, Mr. John Goldsmith, Miss Nancy Bearg, Miss Christine Cowart, Mrs. Marie Dickinson, and Mr. James Coleman, who has handled the printing of our voluminous hearings.

Mr. THURMOND. Mr. President, I join in the expression of appreciation by the acting chairman of the committee, the distinguished Senator from Missouri, to all those who have participated actively in this measure and also to the efficient staff to whom the Senator has referred.

I would like to take this opportunity to pay special tribute to the distinguished Senator from Texas (Mr. TOWER), who has been on the floor the entire time. He has rendered invaluable service. We are very proud of the work he did on the bill.

I would like to also thank Senators DOMINICK, GOLDWATER, SAXBE, and SCOTT for their valuable service on the bill.

FOREIGN ASSISTANCE ACT OF 1973

The PRESIDING OFFICER. Under the previous order, the Senate will now continue with the consideration of S. 2335, which the clerk will report.

The assistant legislative clerk read as follows:

S. 2335, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDING OFFICER. The pending question is the amendment of the Senator from Minnesota (Mr. MONDALE). The Senator from Minnesota has 19 minutes.

ORDER OF BUSINESS

Mr. TOWER. Mr. President, would the Senator from Minnesota yield to me?

Mr. MONDALE. Mr. President, I yield.

Mr. TOWER. Mr. President, I ask unanimous consent that the time not be charged against the Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. TOWER. Mr. President, I inquire of the distinguished majority leader what he has in mind for the remainder of the day.

Mr. MANSFIELD. Mr. President, we will proceed with the consideration of the pending business. Whether there will be rollcall votes, I am not able to state at this time. It appears that we will be unable to finish the pending bill tonight. On tomorrow that will be the unfinished business.

Hopefully, that will be followed by one of a number of legislative proposals on the calendar, among which are S. 2365, a bill to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition. There will also be the continuing resolution on appropriations which I understand expired last night. There will also be the Labor-HEW appropriations bill which should be reported out today and taken up this week.

It is anticipated that, if necessary, we may have to call up S. 1379, the Federal Aviation Act, as amended, the bill reported to the Senate by the distinguished Senator from Nevada.

Then there is also a most important bill, along with the others, S. 425, the so-called strip mining bill.

So we have a very heavy schedule ahead of us.

I think that it should be added with all candor that the Senate by and large has made a remarkable record so far. We have worked and cooperated very well. It speaks well for the constructive work this body has done.

Mr. TOWER. Mr. President, I thank the Senator.

Is there a possibility this afternoon that we could lay aside the pending business for a short period of time and that the Senator from Alabama (Mr. SPARKMAN) and I may call up House Joint Resolution 719 which expires tonight and another resolution which has to do with the Federal Reserve requirements that is a companion to the other measure.

I think that these could be disposed of within a relatively short period of time.

Mr. MANSFIELD. Yes, indeed. After we are through with the pending business, that will be in order. I hope in the meantime that contact will be made with the Senator from Wisconsin (Mr. PROXMIRE), the Senator from New Hampshire (Mr. McINTYRE), and others concerned.

Mr. TOWER. Mr. President, I believe that all bases have been touched. So, I think we are ready to go at any time.

Mr. MANSFIELD. Mr. President, I am glad the Senators have made the necessary contacts.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. TOWER. Mr. President, I yield.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. Mr. President, is the amendment by the Senator from Minnesota (Mr. MONDALE) the pending amendment to the Foreign Assistance Act of 1973?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, has the amendment of the Senator from South Dakota (Mr. ABOUREZK) been set aside temporarily for that purpose?

The PRESIDING OFFICER. The Chair understands that there was no agreement respecting the time within which the amendment of the Senator from South Dakota would be taken up. There was an agreement as to a rollcall vote.

ORDER TO CONSIDER THE ABOUREZK AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if it is agreeable with the distinguished author of the amendment, that upon the disposition of the Mondale amendment, the Senate proceed to the consideration of the Abourezk amendment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. McCLURE. Mr. President, reserving the right to object, and I shall not, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. Mr. President, I understand that on the pending amendment the Senator from Minnesota has 19 minutes remaining.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. Mr. President, who controls time in opposition and how much time remains on that side?

The PRESIDING OFFICER. The Senator from Minnesota being a cosponsor, the Chair understands that the minority leader designates the control of the time with the sponsor of the amendment.

Mr. McCLURE. Mr. President, how much time remains to that side?

The PRESIDING OFFICER. Twenty-four minutes remain.

Mr. McCLURE. Mr. President, I thank the Chair. I withdraw my reservation of objection.

Mr. TOWER. Mr. President, reserving the right to objection, I wonder if the Senator from South Dakota would forbear and let us get these two resolutions disposed of. I believe that these are relatively noncontroversial. Now, that everything has been resolved, we could dispose of them by a voice vote following disposition of the Mondale amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object to my own request, I include in that request a unanimous-consent provision that, following the disposition of the amendment by Mr. MONDALE and prior to the taking up of the amendment by Mr. ABOUREZK, there be a time limitation of not to exceed 20 minutes to be equally divided between the Senator from Alabama (Mr. SPARKMAN) and the Senator from Texas (Mr. TOWER) for the disposition of both the items to which the distinguished Senator from Texas has alluded.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. Mr. President, reserving the right to object, I want 15 minutes to speak against that resolution. I am not going to ask for a rollcall, but I do want to make my position crystal clear.

Mr. ROBERT C. BYRD. Mr. President, I wonder if the Senator from Texas will allow us to proceed then with the Abourezk amendment first, and then get to this other matter. There will be a yea and nay vote on the Abourezk amendment; the yeas and nays have already been ordered. That would allow Senators to make their votes and leave.

Mr. TOWER. Mr. President, I am sorry. I did not understand that. I was under the impression that the yeas and nays had not been ordered. I concur with the request of the Senator from West Virginia. We will certainly withhold, if we might come on behind the Senator from South Dakota.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. PROXMIRE. Would the Senator clarify that request? Is the Senator limiting debate on the FHA renewal bill?

Mr. ROBERT C. BYRD. Mr. President, in response to the inquiry of the distinguished Senator, may I rephrase my request?

I ask unanimous consent that immediately following the disposition of the amendment by Mr. MONDALE, the amendment by Mr. ABOUREZK be taken up—I think that has already been agreed to—and that upon the disposition of the amendment by Mr. ABOUREZK, the Senate proceed to the consideration of the two items to which the Senator from Texas (Mr. TOWER) has alluded; that there be a time limitation on each of——

Mr. TOWER. Mr. President, let me suggest this: that there be a time limitation of 10 minutes on the resolution of the Senator from Texas and the Senator from Alabama relating to Public Law 89–597, that there be 5 minutes to a side on that, to be controlled by the Senator from Texas and the Senator from Alabama; and that on House Joint Resolution 719, there be 30 minutes, 10 minutes to be controlled by the Senator from Alabama and 20 minutes by the Senator from Wisconsin.

Mr. PROXMIRE. House Joint Resolution 719 is the FHA renewal?

Mr. TOWER. Yes.

Mr. PROXMIRE. No objection.

Mr. STEVENSON. Mr. President, reserving the right to object, may I have 5 minutes?

The PRESIDING OFFICER. The Senator from Illinois reserves the right to object.

Mr. STEVENSON. I withdraw the reservation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, for the information of Senators, this will mean that there will yet be one rollcall vote today. That will be on the amendment by Mr. ABOUREZK.

Mr. MONDALE. Mr. President, will the Senator yield on that point?

Mr. ROBERT C. BYRD. I yield.

Mr. MONDALE. I do not intend to ask for a rollcall vote on my amendment, but I have no way of knowing whether others might.

Mr. ROBERT C. BYRD. That is right; there may be other rollcall votes.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield 1 minute to the Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on my amendment No. 506.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays on the Helms amendment.

The yeas and nays were ordered.

FOREIGN ASSISTANCE ACT OF 1973

The Senate continued with the consideration of the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. MONDALE. Mr. President, we have had about a half hour discussion on this resolution before returning to the measure on which we have just voted. I had not planned to discuss the matter further, and I am prepared to yield back the remainder of my time and vote by voice vote. I had not planned to ask for a rollcall vote.

Mr. AIKEN. Mr. President, I do not believe we have used our time on this side. I yield 5 minutes to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator for yielding this time.

I do not rise in opposition to the adoption of the resolution offered by the Senator from Minnesota, but I think we should not take this action without at least taking a look at the context in which it may be read by other people.

The Senator from Minnesota refers to the Government of Austria responding at the point of a gun and responding under the pressure of terrorism as a justification for our action in asking the Government of Austria to review their action in closing the refugee camp.

I fully concur with that statement, although I think there may be people in this world who wonder if the U.S. Government is in a position to point the finger of shame after the last 10 years of action in our own country, when we have yielded to civil terrorism within our own country, and as recently as the Wounded Knee incident in South Dakota, or the BIA terrorism in the District of Columbia of last December. For us now to point the finger of shame at the Government of Austria may be taken by some as pious posturing.

I think beyond that question, however, lies the question of the solution of problems within the Middle East. We now have a new Secretary of State, whose appointment was just confirmed by the Senate with a great many Senators pointing to his outstanding credentials and expressing the hope that his appointment might lead to a reevaluation of the posture of the United States with respect to the problems of the Middle East between the Israeli Government and that of the Arab States.

Now we follow on the heels of that with a resolution which will be taken by some as a further statement of blind support for the Israeli cause and for the policies which have so polarized opinion in this country and elsewhere around the world.

The Senator from Minnesota rightly says that we should in the name of humanity call upon the Austrian Government to consider the plight of the Russian Jews who seek to emigrate to Israel. I think he is entirely correct when he makes that statement, but in the name of humanity we should also take another look at the problem of the Palestinian refugees, whose plight has gone so long nearly ignored by the world.

There is an even-handedness called for in connection with this problem that so afflicts our domestic policies as well as our international politics. I think this is not the time for us to further polarize that discussion, but to call for a reevaluation and a renewal of dialog. It is time for us, rather than to raise our voices, to still our voices and allow the new Secretary of State the opportunity for new initiatives in seeking a permanent solution to the problems that afflict all of us in this area of the world.

So, while I do not rise at this time in opposition to the resolution offered by the Senator from Minnesota, I think we ought not to pass this point in time without reevaluating the extent to which that will be read by others as a polarized position on the part of the United States, when our position should instead be viewed as a renewal of humanitarian interest, which should be expressed toward the refugees on both sides of this unfortunate conflict, as well as those who seek to emigrate from the Soviet Union to Israel.

I think in passing we also ought to note that the very relocation assistance camp that is being closed by the Government of Austria also processes Jews who have sought to return to the Soviet Union after having gone to Israel, who finding life there not to their liking, have sought to return to the Soviet Union, and have found themselves turned down by the Soviet Government. There are Jews in that camp in Austria who seek to move in both directions, and I think our humanitarianism ought to be broad enough to consider the plights of those who seek to move in either direction, as well as those Palestinian refugees whose plight has not been solved after all these many years, and is the source of a festering wound that poisons the relationships between nations and affects domestic politics.

I thank the Senator for yielding.

Mr. FULBRIGHT. Mr. President, I wish to associate myself with the remarks of the Senator from Idaho. He is entirely correct about this, especially in view of the fact that the amendment was not considered by the administration. It was not submitted to them or to the Committee on Foreign Relations. I certainly think that what the Senator said is most pertinent and that this is an unwise procedure to follow, regardless of the contents of the amendment.

Mr. McCLURE. I thank the Senator from Arkansas for his comments. I heard the distinguished Senator's questions earlier when this resolution was under consideration and I agree with the comments made at that time. This is an emotional issue and a very difficult one. It is one to be approached with heads which are as cool as it is possible to muster.

Mr. AIKEN. Mr. President, it seems to me that the Senate, or the United States, should not go out of its way to slap down countries which have been longtime friends of ours. But, I have no doubt as to how a vote on this amendment would come out. I believe that if we let it alone, it will straighten itself out within the next day or two.

I submitted to the staff of the Secretary of State a copy of the Mondale amendment and asked to have it read to him. I do not believe they got to him in person, but members of his staff apparently believe that as long as this is a sense-of-the-Senate amendment, the Senate itself might as well make the decision as to what it wants to do.

Mr. HUMPHREY. Mr. President, I understand the concern we have here on procedure, but I think that we should look at the resolution, which is a sense of the Senate resolution, as not one condemning Austria, as I said earlier, but, rather, one of an affirmation of our concern over what is happening over the closing down of these facilities that would permit the Jews from the Soviet Union to have a transition point on their way to Israel or, as was stated, a transition point for Jews returning from Israel to the Soviet Union.

I had thought that the best way for us to operate would be a special Senate joint resolution which we would consider on its own merits in both bodies, but it is my feeling that what we are doing here in the resolution that my senior colleague has offered, and which I am very proud to cosponsor, is merely to express our sense of concern and, without criticizing it—I am not sure of the language as I do not have a copy of the amendment before me at the moment, but I do not believe there is a word of condemnation of Austria. If there is, we should repair it or change it.

Surely we have the right, as other countries have, to express concern. Many a country has expressed concern about our actions, and rightly so. All we are doing here is simply saying in substance that we look with concern, with worry, and with regret upon actions that have taken place that could inhibit the flow of emigrants from the Soviet Union into the State of Israel under these terms. We hope that the friendly Government of Austria, which is a very decent Government, would see fit to reconsider its action and reverse it. That is the whole purpose.

Mr. AIKEN. Mr. President, I will say that we are in a rather difficult position here, when we are expected to step in between two friends of ours and take sides with one or the other of them. I believe that we should not go any further than to encourage them to get together and straighten out the situation.

We say, "The Austrian Government's decision to succumb to the demands of extreme Arab terrorists—" That is the way it starts out. That is not good language. I wish it could be changed. We are already between two nations now, Russia and China, and surely that is enough for us to take on, rather than to take on two of our friends, the best friends we have, and have to take sides.

Mr. HUMPHREY. Mr. President, what I would hope would be the language is:

> Whereas the fundamental principles of human rights and human freedom will always exceed national boundaries;
>
> Whereas thousands of Soviet Jewish emigrants have been permitted to use Austrian soil as a temporary haven on their way to Israel;
>
> Whereas Austrian transit facilities represent a humane and decent form of assistance to an oppressed people; Now, therefore, be it
>
> Resolved by the Senate and House of Representatives of the United States of America assembled,
>
> (1) that the closing of the Austrian transit facilities represents a severe blow to human rights;
>
> (2) that the Congress urges the Austrian government to reverse its actions taken as a result of terrorist blackmail and threats;
>
> (3) that the Congress requests the President to approach the Austrian government and urge that its decision be reversed in the name of human freedom.

I think that is temperate language which would not in any way be offensive to the Russians or anyone else.

Mr. AIKEN. It would be no trouble at all to get the correct language. However, I do not feel we should start out with words which would condemn one of our friends and say that they have given in completely to the extremists, because I do not think that would last, anyway. The Secretary of State did not know about this, of course, and neither did I nor a majority of my colleagues know what the language was until about an hour ago.

Mr. FULBRIGHT. Mr. President, will the Senator from Vermont yield me 5 minutes?

Mr. AIKEN. I yield.

Mr. FULBRIGHT. Mr. President, I submit that the language suggested by the junior Senator from Minnesota (Mr. HUMPHREY) is quite different from the language of the amendment itself.

I raise again the question of procedure. This illustrates what I had in mind. It was not submitted to the Committee on

Foreign Relations. This amendment is not germane to the bill. In an ordinary case, it would not go out on a point of order, but recognizing the fact of life in a matter of this kind, if we put it to a vote, this body usually forgets all about its rules if it concerns anything to do with Israel. But it clearly is not germane to the bill and should be removed on a point of order. But I assume it will not be.

I would appeal to the sponsors of this amendment that they withdraw it as submitted, and resubmit it at least along the lines of the more moderate language of the junior Senator from Minnesota (Mr. HUMPHREY), because his language is certainly very different from the kind of language in this amendment. For example, in (b) of the Mondale amendment it says, "It is, therefore, the sense of the Senate that the President should—" It does not say "might" or "urge" but "—should take immediate and determined steps to—"

What does "determined steps" means? To bring some kind of pressure to bear? If the President is going to be determined, I do not know what he can do other than to threaten with some kind of dire punishment.

Then it comes on down and says, under (2) "—call upon the Austrian Government to reverse its decision—" That is positive language, inasmuch as it has not been considered by any committee, nor submitted by the Secretary of State, and is not germane to the bill under consideration.

So it seems to me that the sponsors of the amendment should allow it to be laid aside temporarily and submit new language along the lines of the junior Senator from Minnesota (Mr. HUMPHREY) and perhaps, if it is purely a question of "urging" or "drawing to the atention of"—that is, the humanitarian side, it would be much less offensive.

I think it would be very difficult, with a new Secretary of State, to confront him with further action by the Senate which would leave him with no discretion in his negotiations of trying to bring peace to the Middle East, which is related to this sticky and difficult problem of trying to settle the war in the Middle East on an even-handed basis. Also, the Senator from Idaho (Mr. MCCLURE) properly calls attention to the fact that there are other refugees in other countries who are suffering just as much, even more than the refugees from Russia.

But I really think it does such violence to the rules of the Senate that it ought to be brought more into accord with at least a moderate attitude towards this very difficult problem. I would hope that the sponsors would consider at least withdrawing it or rewriting it, if they can. I think that this kind of resolution makes it more difficult for the Austrians to reverse the situation, because it puts them in the position of giving in to the United States, when there is no real occasion for them to do so, because they have not done anything except what is in their own interest. Countries much stronger than theirs have given in to terrorist attacks. We have done so, I think, on several occasions in hijacking cases. One can make out a good case that we allowed hijackers to take off with a huge plane carrying more than a hundred people. We ought not to have given in. We did not stand firm. But that has nothing to do with this particular question. I think we ought to be understanding with this little country.

Mr. ABOUREZK. Mr. President, I would like to add to what the Senator from Idaho said. We are attempting to solve a political problem with the resolution, but it seems to me that the political problem in the Middle East does not arise out of emigres from Russia, but what happens to the Palestinian people. That is where the political problem is.

I have heard a number of times, by people in the administration, and by the President himself, in a news conference, that we could make peace with Jordan and Israel, and the problem would be over. But I submit that is not the real problem.

The problem is really the eviction of Palestinians from Israel. To solve that problem we somehow have to take care of this situation. I would be much more disposed to support the resolution myself if a section were added to it that would give one the right to emigrate back to his own country whether it be Jews from Russia or Palestinians to Israel, for example. I think we could then turn our attention to the way the Soviet Union treats people who want to emigrate from the Soviet Union.

Mr. MONDALE. Mr. President, I ask that the following Senators be included as cosponsors: The Senator from Washington (Mr. JACKSON), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS).

In an effort to modify the amendment, so that it clearly recognizes that the Austrian Government has, up until this year, followed a very enlightened and humane policy by which they permitted Soviet emigrees to go in groups through the territory of Austria, I modify my amendment so that it reads as follows:

At the end of the bill, add the following new section:

SEC. 23. (a) The Senate finds that—

(1) The Austrian Government's decision to close the main, if not the only, transit facility for Soviet Jews jeopardizes the fate of hundreds of Jews and of Soviet refugees, and

(b) It is, therefore, the sense of the Senate that the President should take immediate and determined steps to—

(1) impress upon the Austrian Government the grave concern of the American people that capitulation to terrorists encourages further attempts at blackmail; and

(2) call upon the Austrian Government to reverse its decision and again permit group travel by Soviet Union emigrants through Austria on their way to freedom and new lives.

(3) urge all governments to take whatever actions are necessary to permit and facilitate the travel of refugees.

This is an attempt to make clear what we are interested in; namely, an expression of deep concern by the U.S. Senate as to the closing of transit facilities that are essential to the emigration of Jewish emigrees who have been subjected to oppression.

The PRESIDING OFFICER. Will the Senator please send the modification of the amendment to the desk?

Mr. MONDALE. Yes. With that modification, I am prepared to yield back the rest of my time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. FULBRIGHT. What does the Senator mean when he says that the President could take immediate and determined steps? What determined steps does he visualize that the President should take?

Mr. MONDALE. I think the Secretary of State could well advise the Government of Austria that we are deeply concerned about closing the Schonau Palace and the announcement by the Government of Austria that it does not intend to permit group travel from the Soviet Union; and in the strongest possible terms make that position known.

This is not an inflammatory resolution. It does not seek to tie the President's hands, but it does call upon him to state what I would hope to be our viewpoint—first, that the decision to close this facility, which may be the only real opportunity for the Soviet Jews to leave the Soviet Union, is a very serious matter for those who may be denied immigration—and God knows what they have been living through; and second, that obviously this was a policy that was arrived at through the intimidation of the terrorists, who apparently are trying to prove that terrorism can succeed against humane concern.

There can be all kinds of rationalization about why we should not act now, about other complexities in the Middle East, and all sorts of things. I cannot help being impressed by similarities between what this action poses in modern times and the problems which the German Jews found in the 1930's, when they sought a chance to leave the terror of Nazi Germany, but could not do so because all the borders around Germany were sealed.

During those times, when this country and other countries were committed to freedom, and should have spoken up in the name of humanity, they were silent. That is one of the saddest pages in American history. Partly because of our silence and the silence of other free people around the world, the German Jews, the Polish Jews, and Jews from some other countries were sealed into these quarters; and, of course, the details of the holocaust are known to all of us.

This resolution is a modest one. It does not speak in inflammatory language. But if we can look at what has happened and can remain silent, I believe that our silence will be taken as an endorsement. That is why I believe the resolution will be agreed to.

Mr. FULBRIGHT. Mr. President, the Senator says that this action was taken in haste, and the Senator is asking the Senate to take action. The first I heard about this was a few moments ago. Nobody had heard of it at all until it was presented on the floor of the Senate.

There have been many instances of inhumane treatment around the world as to which we have not taken action. I do not think it was necessary, or even responsible, that every time there is an attack of inhumanity created or perpetrated on a helpless people, whether in Greece or Brazil, or anywhere else, it was incumbent upon us to submit a resolution. We have already expressed ourselves. There is nothing it demands. It does not demand any action on a minority.

I think the Senator from a procedural point of view, has proceeded in more haste than the Austrian Government did in making this regulation. I do not know why the resolution should not be considered by the Committee on Foreign Relations and the Secretary of State. After all, the Secretary of State bears a responsibility for trying to find some solution to the war in the Middle East. I think he would find it a wise thing to do.

The Senator agrees that the resolution is not germane to the bill, does he not?

Mr. MONDALE. No, I do not think it is not germane to the bill.

Mr. FULBRIGHT. There is nothing in the bill having to do with this question whatever.

Mr. MONDALE. I believe it is very germane to the purposes of the bill and, more than that, I think it is important that we act immediately.

The Austrian Government, right now, I assume, is in discussion as to whether they will continue the policy announced yesterday resulting in permanent closing of what may be the only important exit for Soviet Jews.

To remain silent and have long-term hearings and delay this effort, in my judgment, would be taken as an action of silence on what is, in my opinion, something that has an outrageous impact upon these people who wish to gain their freedom.

For that reason I do not agree with the distinguished Senator from Arkansas. I think basic human instincts would cause us to support this resolution.

Mr. President, I am glad to yield to the Senator from Alabama who, I understand, has a request to make.

Mr. ALLEN. As I understand it, the Senator's modification in section 23(a)(1), he knocks out the words "succumb to the demands of extreme Arab terrorists and," and then knocks out the entire section (2), which speaks of the decision to yield to terrorist blackmail.

I notice that in section (b)(1) the same thought carries forward in the words "impress upon the Austrian Government the grave concern of the American people"—and here is the continuation of the objectionable language which, in effect, constitutes a lecture on our part to the Austrian Government, "that capitulation to terrorists encourages further attempts at blackmail."

If that were left out it would call upon the President to determine steps to impress upon the Austrian Government the grave concern of the American people which, it seems to me, would cover the situation—if that is what the Senator wishes to convey to the Austrian Government; the concern of the American people—and would not carry over the same objectionable language.

Mr. MONDALE. If the Senator will return the amendment, because it is the only copy I have, I would be glad to respond to his suggestion by modifying my amendment to delete the following phrase appearing in subsection (b)(1) following the word "people": "that capitulation to terrorists encourages further attempts at blackmail."

I do so not because I think the language speaks inaccurately, and I do so not because I think this reaction to terrorists is something that should be unrecognized; I do it at the suggestion of the Senator from Alabama to make it clear that we seek to recognize that the traditional policy of the Government of Austria permitting the immigration of Soviet Jews through Austria is a valid and proper one; we hope they will return to it.

That is what the resolution will say with this modification.

Mr. President, I so modify my amendment. However, may I say, I do believe that based upon the evidence thus far, the phrase that is now being deleted refers accurately and precisely to what happened. This is well established policy of the Government of Austria and the only reason they changed was that two armed gunmen came aboard a train, captured some innocent Soviet emigrees, and at gunpoint threatened their lives and held them hostage until the Government of Austria changed its policy. That is what happened.

But in the interest of trying to make the main point; namely, that our Government make clear our strong concern that it reverse the decision and again permit group travel by Soviet Union emigrants, I accept that modification and I make it now.

Mr. ALLEN. I thank the Senator.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. FULBRIGHT. I congratulate the Senator from Alabama. I certainly think he made a very great contribution.

I wonder if the Senator from Minnesota would consider providing that subsection (2) of section (b) might read something like this:

> Urges the Austrian Government to continue its policy to continue travel by emigrants.

It would put the language in the affirmative.

Mr. MONDALE. I have no objection to that as long as it is clear we want the policy continued of group emigration.

Mr. FULBRIGHT. "Urges the Austrian Government to continue its policy of group travel by Soviet emigrants." That would make it more in accord.

Mr. MONDALE. How about "resume and continue," would the Senator object?

Mr. FULBRIGHT. No, but I prefer the affirmative approach.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. MONDALE. Subsection (2): "Call upon the Austrian Government to resume and continue"——

Mr. FULBRIGHT. No. "Urges the Austrian Government to resume and continue its decision and again permit group travel by Soviet Union emigrants." It urges them instead of calling upon them.

This demand on our part and the implication bring on all sorts of possibilities, such as cutting off credit, removing the most favored nation clause—such as we used on the Chilean Government. They could use economic and other pressures.

Mr. MONDALE. I see no difference between "call upon" and "urges." I have no objection to changing that. It will read:

> Urges the Austrian Government to revive and continue its decision and again permit group travel by Soviet Union emigrants through Austria on their way to freedom and new lives.

Mr. President, I so modify the resolution.

The PRESIDING OFFICER. Does the Senator have the modification written?

Mr. MONDALE. Yes, what is left of it.

The PRESIDING OFFICER. All time of the Senator from Minnesota has expired.

The amendment is so modified.

Mr. FULBRIGHT. Mr. President, will the Senator from Vermont yield to me for 2 minutes? I do not wish to delay the matter any more.

Mr. AIKEN. If I have 2 minutes, I yield to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Vermont has 12 minutes remaining.

Mr. FULBRIGHT. Mr. President, I, of course, think this is greatly improved, and it has removed the most offensive language. I do not think it will do any great harm.

I wish only to state my position. I am opposed to this kind of off-the-cuff action by the Senate. People abroad do not understand the Senate and they take this action more seriously than the Senate. We cannot control the way the matter is reported in the press. They say "took action condemning the Austrian Government," and I think to do this without taking committee action and without the Secretary of State is not the wisest course.

When these matters are submitted to the committee we always ask the opinion of the executive branch and the Secretary of State, and it is reported to the Senate. In addition, it is clearly not germane to the bill. There is nothing in the bill that has to do with refugees or Austria. Austria is one of the few countries no longer on our handout list. So it has nothing to do with the main subject of the bill. It would not be germane except it involves a matter in which Israel is interested and, therefore, there is no point of putting it to a vote in the Senate. It would be ruled germane if it went to a vote. I do not favor the resolution but I will not make a point of order.

Mr. MONDALE. Mr. President, will the Senator yield to me for 2 minutes?

Mr. AIKEN. I yield.

Mr. MONDALE. Mr. President, in my opinion what happened over the weekend was an outrage to humanity. Decent human beings, under a settled policy, were traveling through the only access route they had from a state which has notoriously oppressed them, a state which has had a sad history of antisemitism, a state which has reduced the elementary human right of emigration, and they did so under the gun—not of reason, but under the gun—of two extreme terrorists who held innocent people hostages and, under the threat of death, insisted that the Government of Austria change its humane policies which permitted these Soviet emigrees to leave the Soviet Union.

This resolution simply says that it is the sense of the Senate that we would hope the Government of Austria would not bend to such terroristic attacks and would revive and resume the humane policy of permitting Soviet emigrees to pass through Austria, to use the facilities of Schonau Castle, and to permit group travel.

That, it seems to me, is the very minimum humane statement for the Senate to make.

One of the chief objections I have had to current foreign policy is that we remain silent too much——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONDALE. May I have 1 minute?

Mr. AIKEN. I yield 1 minute.

Mr. MONDALE. And too often in the face of offenses against humanity

As I understand it, our Government has yet to say a word about the treatment of Chilean dissidents. I was told by one of my colleagues that it took 3 days even to send a condolence note to President Allende's widow.

This Government has remained silent in the face of statements by Solzhenitzyn and Sakharov on Soviet Union policies, except for Mr. Weinberger, who condemned our own National Academy of Sciences and spoke in behalf of the oppressors of humanity.

Here again we have a chance to stand up for human beings and say we resent a decision by a government which is against humane treatment.

Mr. AIKEN. Mr. President, I yield myself 1 minute.

I want to say that, as introduced, I could not have possibly supported the amendment of the Senator from Minnesota, but the modification which he has made to the amendment puts the United States more in the position of a peacemaker.

Incidentally, I noticed in the news media today that Austria has suggested that if we feel so keenly, the United States can send planes to Russia to take the Jewish refugees out. It seems to me they are undertaking to tell us what to do and, you know, Mr. President, it does not go over so well when one country tells another what to do.

Under the circumstances, I see no harm in the amendment offered by the Senator from Minnesota.

Mr. ALLEN. Mr. President, will the Senator yield me 2 minutes?

Mr. AIKEN. If I have it.

Mr. ALLEN. Mr. President, I support the amendment, in the form of a sense of the Senate finding, by the distinguished Senator from Minnesota, and other Senators, expressing the concern of the U.S. Senate and, through the Senate, the concern of the people of America at the plight of hundreds of thousands of Soviet Jews who, under the policy just announced by the Austrian Government, would not be permitted to travel in groups to Austria as they emigrate from Russia and go to Israel or any other nation.

I support the concept of urging that the Austrian Government continue to permit group travel by Soviet Union emigres through Austria on their way to freedom. I believe that the resolution as now worded deserves the support of the Senate.

Mr. MONDALE. Mr. President, I yield back my time.

Mr. AIKEN. Mr. President, I yield back whatever time I have remaining on this side.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from South Dakota (Mr. ABOUREZK) is recognized.

Mr. ABOUREZK. Mr. President, this is on my amendment No. 560. It is being offered as a perfecting amendment to an earlier amendment, No. 462.

Amendment No. 560 is as follows:

On page 29, strike out lines 4 through 8 and insert in lieu thereof the following:

SEC. 20. (a) No funds made available under this or any other law shall be used to provide economic or military assistance, or to make sales, credit sales, or guaranties, to or for any foreign country during any period in which the President determines that such country practices the internment or imprisonment of that country's citizens for political purposes. Upon making that determination, such assistance, sales, credit sales, and guaranties with respect to that country shall be terminated immediately and a copy of such determination transmitted to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate.

(b) Between July 1 and July 30 of each year, the President shall submit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate certifying each foreign country which he determines is not engaged in practices of internment or imprisonment of that country's citizens for political purposes. No such assistance, sale, credit sale, or guaranty shall be made—

(A) to or for any foreign country during that thirty-day period immediately following the day on which such report is submitted; and

(B) after the expiration of such thirty-day period, to or for any foreign country with respect to which such a certification is not made.

(c) If the President intends to provide during a fiscal year such assistance, or make such sale, credit sale, or guaranty, to or for a foreign country for which he has made no certification under subsection (b) of this section with respect to that fiscal year, or for which a certification was made but such assistance, sales, credit sales, and guaranties were terminated under subsection (a) of this section, he may submit a supplemental report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate certifying such country as satisfying the provisions of clauses (1) and (2) of subsection (b) of this section. No such assistance, sale, credit sale, or guaranty shall be made to or for any foreign country with respect to which the President has made such a certification during that thirty-day period immediately following the day on which such supplemental report is submitted.

(d) The provisions of this section shall not apply with respect to funds made available under section 451 of the Foreign Assistance Act of 1961.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. MANSFIELD. The hour is getting a little late. We do have some business to come before the Senate after this amendment is disposed of. I believe the yeas and nays are required. Would the Senator consider a limitation of time less than an hour?

Mr. ABOUREZK. I have a statement of about 15 minutes, but if the majority leader would agree, and my colleagues would agree also, we could put this amendment over until tomorrow morning. I can do it either way.

Mr. MANSFIELD. I think we ought to go ahead, then.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. HUMPHREY. I wonder if we could have 30 minutes on a side?

Mr. ABOUREZK. Yes.

Mr. HUMPHREY. Would the Senator be willing to take 20 minutes and we will take 10 minutes in opposition?

Mr. ABOUREZK. I will agree to that.

Mr. HUMPHREY. Mr. President, I make that unanimous consent request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, this amendment provides that no funds made available under this act shall be used to provide economic or military assistance to any foreign country which the President determines is practicing the internment or imprisonment of that country's citizens for political purposes. Upon making that determination such assistance would be terminated and a copy of the determination would be transmitted to the Speaker of the House and the Senate Committee on Foreign Relations. The amendment also sets up an annual mechanism whereby the Congress would receive from the President a certification between July 1 and July 30, that a recipient country is not engaged in practices of internment or imprisonment of its citizens for political purposes. The amendment provides that the President submit supplemental reports to Congress should the administration intend to provide assistance to a country which was not on the certified list at the beginning of the fiscal year. The funds which are ordinarily available for disaster relief and similar purposes where the President can determine such use to be important to national interest, would not be included in the provisions of the amendment.

One respected international organization—Amnesty International—has defined political prisoners as:

> Those who are imprisoned, detained, restricted or otherwise subjected to physical coercion or restriction by reason of their conscientiously held beliefs, or by reasons of their ethnic origin, color or language, provided they have not used or advocated violence.

The definition has been the determining measure in which international organizations of every religious, ethnic, and cultural background have agreed upon. One country where each of these organizations have applied the definition of political prisoners most vigorously is South Vietnam.

The Paris peace agreement guarantees democratic liberties to the South Vietnamese people, including freedom of political activity. Still, Saigon refuses to release its prisoners of conscience, and even goes to the absurd length of publicly pretending they do not exist.

The Canadian Anglican News Service estimates the total of South Vietnamese political prisoners at 240,000. Other estimates range from 100,000 by the the Red Cross to 200,000 by Amnesty International, the French newspaper Le Monde quotes a South Vietnamese deputy as saying that the current Saigon prison budget calls for food allotments for 400,000 persons.

The State Department, and other U.S. agencies continue to ignore evidence of Saigon's brutality to prisoners. They continue to act as apologists for Thieu, even repeating his mistruths to members of Congress. Marshall Wright, acting secretary for congressional relations recently wrote to one of our distinguished colleagues in the Senate that the State Department sees no convincing evidence that the Thieu government is "bent upon a systematic, widespread campaign to incarcerate persons or groups with legitimate grievances." The Thieu government has expressly denied allegations of torture and executions in South Vietnamese prisons, says this State Department spokesman.

And yet, the deformed bodies of 124 political prisoners released last February gave further evidence of ill-treatment in Saigon's jails. Of these people a Time magazine correspondent wrote:

> It is not really proper to call them men anymore. "Shapes" is a better word—grotesque sculptures of scarred flesh and gnarled limbs.

In testimony before a House Government Operations Subcommittee in July 1971, a former chief of the Public Safety Division in Vietnam said that public safety advisers had never made reports on inhumane treatment of prisoners to his office. And yet as far back as October, 1963, another public safety chief knew enough of prison conditions to call Con Son the "Devil's Island of the Pacific" and even described the shackling of "hard core" Reds to the floor of their cells.

The assertion that America has a responsibility for Saigon's imprisonment and treatment of political prisoners is based on the fact that the Theiu government fundamentally is a creation of U.S. policy, with the United States providing, directly and indirectly, as much as 90 percent of the Saigon budget. The United States has continued to support the South Vietnamese police through "public safety" programs since 1955 and has provided "advice and assistance" to the prison system since 1963. As of 1971, the United States was providing 200 police specialists to "train and organize the national police on all levels." Under U.S. sponsorship, the Saigon police has grown from 16,000 in 1960 to 122,000 in 1973.

Further U.S. responsibility comes from the fact that many of the civilian political prisoners now in jail were arrested during operations by the U.S. military and were later turned over to South Vietnamese police.

Not only has the United States funded, advised, and trained Saigon police and prison personnel, but it has funded the construction of South Vietnamese prison facilities. The Provincial Interrogation Centers were built with U.S. funds and according to volunteers, construction work on at least one center was actually carried out by American Navy personnel.

In 1971, the U.S. Navy paid an American firm $400,000 to build new "isolation cells" on Con Son Island to replace the old "tiger cages" uncovered in 1970. These new 6 feet by 8 feet cells which are smaller than the tiger cages were, now hold from three to five people.

Moreover, the Nixon administration shows no signs of abandoning Thieu in these policies and allowing the democratic liberties guaranteed the Vietnamese people by the Paris agreement. It is the 120,000-man force of U.S. funded police that is the mainstay of Thieu's support, not the overwhelming popular support as he would have us believe.

Lest anyone think that South Vietnam has some kind of monopoly on political repression and internment of its citizens I would remind my distinguished colleagues that at least 6 other so-called friends of ours also hold over 57,000 political prisoners and practice the most barbaric forms of political repression utilizing both extreme forms of torture and assassination.

In Brazil, political dissent has become the instant object of police brutality under the Medici military dictatorship. Even more than police brutality, the Brazilian Government now officially sanctions systematic torture to the extent that it has now become a regular practice.

According to the estimates of one Brazilian expert, since 1964 between 40 and 120 people have died from torture or beatings, the great majority since 1968. This number does not include the estimated 200 to 300 people killed by the so-called "death squads" who are off-duty Brazilian policemen. There have been over 20,000 citizens interned for political reasons since 1964 and there are probably 1,000 political prisoners in Brazilian jails at this time, the majority of which have been subjected to extreme torture.

Mr. President, the military dictatorship responsible for this will get $74 million in fiscal 1974 if this amendment fails.

When the United States is providing this kind of assistance to a government which carries out political repression there is a serious question in my mind whether we can turn our heads and extend our arms with fistfuls of dollars which are theirs for the taking.

Greece has taken our aid for years while practicing some of the severest forms of repression. The corrupt Papadappolus government is the very epitome of CIA involvement in foreign government creation. It is no longer a secret that without U.S. aid and internal security assistance, the military dictatorship could never exist.

At the same time reports of Greek repression and torture of its own citizens have come from all parts of the world, the United States is scheduled to give $66 million in aid to Greece in 1974.

In Indonesia, a country to which the Nixon administration has scheduled $250 million in 1974, over 55,000 political prisoners are being held. 55,000 men, women and children—a population the size of many of our most productive cities in this country—are being held, beaten, tortured and even assassinated with the full knowledge of U.S. officials for one reason—to stabilize the political fortunes of Indonesia's dictator, for political stability, the United States continues to allow our aid to legitimize all kinds of actions including the violation of the basic human rights which are supposedly guaranteed in the Indonesian legal system and in their constitution.

The prisoners are completely at the mercy of the soldiers in charge, who are taught to believe that their fellow citizens are "Communists," atheists, and traitors and are not worthy of humane treatment. Furthermore, the Indonesia Government has tiger cages of their own. Three and four prisoners are jammed into a cell no larger than a closet, with no medical facilities whatsoever.

And we fund this activity, Mr. President.

The United States of America, now over $400 billion in debt, is giving a quarter of a billion dollars this year alone to a country whose jails hold a political prisoner population greater than the population of 99 percent of the towns in my home State of South Dakota. Yet, once again, we hold out our money and close our eyes.

Mr. President, this situation clings like a filthy stench on the American people. How can any American rationally explain our support of this Government without taking some responsibility for their repressive actions?

It would be easy to cite these countries as unfair exceptions and claim that, outside of these, we should be proud of our foreign economic assistance.

If only that were the case.

Our support of corrupt regimes who jail their own citizens does not stop with those examples.

In Bolivia, a country which is due to receive additional millions of dollars in U.S. aid, the 5 million Bolivian citizens are suffering from the cruel and despotic tyranny of a small group of military men who are sustained in large part by the CIA and our economic handouts. More than 2,000 intellectuals, students, union leaders, mothers, their children, and entire families are found languishing in concentration camps created by the Bolivian Government. Assassination has become an everyday occurrence. In the daily raiding of houses by the Bolivian death squadrons, one or more citizens are killed under the pretext of "being subversives."

In Guatemala, articles in U.S. newspapers estimated that a total of 2,000 political assassinations have occurred from November 1970 to May of 1971, alone.

U.S. complicity in the official terror of the Guatemala Government has taken several forms. According to conservative figures, the United States has spent over $34 million in supporting assistance to Guatemala. Millions have been spent on police vehicles, equipment and training. U.S. advisers train Guatemalan soldiers and police and provide them with much of the necessary equipment to carry out their constant acts of repression.

Violence and repression have become a way of life in Guatemala. Three of the last 8 years have been spent under a state of siege. On innumerable occasions, many of our largest and most respected international religious organizations have pleaded with the Government of Guatemala to put an end to the reign of terror which has existed in that country since 1968. But nothing has changed—on the contrary—things have gone from bad to worse. And to allow them to become worse, we are scheduled to give this government $20.9 million in 1974.

Mr. President, our aid to these countries has not enhanced the living conditions of the people subjected to this repressive rule, it has not increased the understanding between our citizens and those of other countries, and it certainly has not enhanced the basic human rights of the people in these countries where torture, internment and constant surveillance are a matter of daily course.

The billions of dollars we give these countries has led to nothing but more bloodshed, more torture, and even graver degrees of repression of individual freedom and rights than ever before.

It is the teargas and ammunition we give to Brazil, the detention trucks we give Guatemala and the lime and tiger cages we give South Vietnam that has caused the American people to share in the guilt and horror which is inflicted on the poor people who live in these countries.

How can we give a quarter of a billion dollars to Indonesia, over $2 billion to South Vietnam and billions of dollars to scores of other countries on one hand while at the same time cutting $1.5 billion in elementary and secondary education, $200 million in child nutrition, $86 million in health training and education and hundreds of millions more in critical domestic needs in fiscal 1974 alone? Mr. President, I fear for the future of this country, if our priorities continue to be so malalined. If ever we needed to take a close, painful look at our foreign economic assistance, the time is now. No longer can we allow our aid to be used for the cruelest and most inhumane treatment of the millions of people who live in the countries of so-called friendly governments. Our conscience and national economic conditions will not allow it.

For us to prop up the foreign national military police forces, the "death squadrons" and the domestic intelligence organization which are used as instruments of political suppression and are responsible for the torture and assassination of thousands of people is a grave moral error. It simply cannot be allowed to continue.

The right of every sovereign nation to deal firmly with those citizens who have committed serious criminal acts is an inherent right and cannot be challenged. But for any country to expect assistance from the United States for initiating policies of terror and constant surveillance is ridiculous.

Only by ending our economic support for those governments holding political prisoners and by cutting all aid for foreign police and prisons can we ever, in good conscience, be proud of our foreign economic assistance program.

Only by directing our scarce funds to those programs which construct, rather than destroy the societies and living conditions of our friends throughout the world can we ever hope to regain the respect of the millions of people who compose the real mainstay in every soverign country.

Our economic assistance will not be wasted, and the time we have spent here in debate will have been well spent, if we will only halt the irrational and immoral funding of these irreparable acts of repression and torture.

I urge my colleagues in the Senate to join me in a vote to clear our consciences and the conscience of the American people and once again restore our economic aid to the constructive assistance which it is intended to be.

I ask you to join me in supporting this amendment.

Mr. PERCY. Mr. President. I share the strong feelings of the junior Senator from South Dakota about regimes which intern and imprison citizens for political purposes, and I commend his effort to legislate a control on U.S. assistance to such nations. Therefore, I would be inclined to support this amendment were it not so all inclusive. For example, under this amendment we could not provide aid to such a nation for child care, refugee relief, education, population planning, or the expansion of its agricultural production, even though these are areas of vital need.

My point is that denying some forms of foreign aid would actually make conditions of life even more difficult for the poor people of a country who should not be penalized because their government holds political prisoners. I see no reason why the people should be penalized for the sins of their masters.

Moreover, another area of foreign assistance which is of great personal interest and importance to our own people is aid in controlling the growth and distribution of narcotics which are carried to our country in the illicit international narcotics trade. Such assistance is in our national interest and should not be ruled out because a government willing to cooperate may also hold political prisoners.

I would be eager to support, and I do support, other efforts to dissuade certain governments from the practice of oppressing their citizens for political purposes, but I do not believe that this proposal is prudent.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, there is a Senator who wants to speak on this proposal. I think that he will be here momentarily.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the name of the Senator from Illinois (Mr. STEVENSON) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the amendment does pose some serious difficulties. I understand the concern that the Senator has about political prisoners and our cooperation with countries who have incarcerated some of their fellow citizens.

The pending bill has a provision which reads as follows:

> SEC. 20. It is the sense of Congress that the the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

That language in my mind is still unsatisfactory. However, it was the best that the committee could come up with after giving long consideration to the whole subject matter proposed by the Senator from South Dakota. Who is a political prisoner and what is he? They incarcerate someone who may try to overthrow a government, even if the government is a legitimate democratic government.

Mr. ABOUREZK. Mr. President, if the Senator will yield, I am sorry that the Senator from Minnesota was not here when I gave a definition. I would be happy to do it again.

Mr. HUMPHREY. Mr. President, I would be delighted to have it repeated. May I say that there is no definition in the measure.

Mr. ABOUREZK. Then I would like to offer an amendment to provide that definition.

Mr. HUMPHREY. The Senator will do that on his own time.

Mr. ABOUREZK. I will do it on my own time. I understand that I have more time than the Senator from Minnesota does.

Mr. President, I offer this amendment as a definition:

> A political prisoner shall be defined as someone who is interned or imprisoned for political purposes, which shall include those who are imprisoned, detained, restricted or otherwise subjected to physical coercion or restriction by reason of their ethnic origin, color, or language, provided they have not used or advocated violence.

Mr. HUMPHREY. Mr. President, may I say that we are trying to define some international law here tonight. I think that it would be rather difficult to make it sufficiently precise to have real meaning.

The PRESIDING OFFICER. Does the Senator from South Dakota desire to so modify his amendment?

Mr. ABOUREZK. Mr. President, I ask unanimous consent to so modify my amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota? The Chair hears none, and it is so ordered. The amendment is so modified.

Would the Senator from South Dakota send the modification of his amendment to the desk?

Mr. PASTORE. Mr. President, would the Senator yield to me for a moment?

Mr. ABOUREZK. I yield.

Mr. PASTORE. Mr. President, I think that this amendment should be taken to conference. I say frankly that the Senator from Rhode Island is very much disturbed not only with this matter, but we are also talking about how much aid we are going to give Thieu and his government.

We pick up the paper and find out about the tiger cages in which people are incarcerated.

The United States believes in freedom of thought and freedom of speech and in the ability of a man to be free and to say what he thinks.

I think this is a good amendment. It may need refinement. However, I would hope that it would go to conference. I would hope that we would vote.

I realize that it gets pretty difficult to define exactly what a particular situation is in this whole panorama of the world's injustices. However, I think we know what a political prisoner is. And I think all that the Senator from South Dakota is saying is that what we want here is to see that this Government not give money to people who practice those very principles that are anathema to our system. That is what we are saying. Let them use their own money.

Mr. ABOUREZK. Mr. President, I thank the Senator from Rhode Island.

Mr. HUMPHREY. Mr. President, may I say to the Senator from Rhode Island, that is exactly what we have in the bill. The bill already says:

> It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

It is in the bill.

Mr. PASTORE. That is right.

Mr. HUMPHREY. And it seems to me that what we have in the bill is thoroughly adequate.

I might point out that the Amnesty International report, to which the Senator alluded, includes the United States. The United States is at the top of the list. Other countries that are involved, some of them rather friendly to us, in Latin America, include countries like El Salvador, Mexico—we do not do much for Mexico except, may I say, in terms of technical assistance, but that could be quite substantial—Uruguay, Colombia—these are friendly countries to us.

Israel would be excluded; she has political prisoners, and has incarcerated people who were incarcerated not because they used violence, but because they would be considered a threat to the state. There is Jordan, Iran—a country with whom we have most friendly relations.

I think we are better off to leave the language we have in the bill, which surely states our deep concern and directs the President to examine meticulously into these matters. There is nothing more that the amendment of the Senator from South Dakota does than that, except that it broadens the whole concept. I happen to believe that we ought to leave well enough as it is.

I repeat again that the committee unanimously approved the language in section 20 of the bill. It is not as if this subject matter was not given serious consideration. Every member of that committee really went into it, and we came out with what we thought was the best we could get out in terms of defining what we mean by political prisoners, and directing the President to deny economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citzens for political purposes.

I must say in conclusion that I doubt that we are going to change the face of the world by this, but we do have a right, as I said about the Senator's other amendment, to see that our aid, whatever it is, and in whatever amount it is is used for constructive development purposes. We hope that is what it will be used for, but I think we are deluding ourselves if we think that, for example, the countries of Africa, which desperately need American aid, the six countries of Western Africa do not do this. We know they do have political prisoners, but their people are starving to death, and have been through 4 years of drought.

All I am saying is that some of those people would be more victimized if we have such a restriction.

Mr. ABOUREZK. Mr. President, if the Senator will yield, there is a provision in my amendment which exempts disaster relief from the restriction.

Mr. HUMPHREY. So my argument about West Africa would not prevail. But there are other areas of the African Continent. Take a country, for example, like Tunisia. There is no one more friendly to the United States than Bourguiba, the President of Tunisia. Tunisia is listed as one of those countries that would have to come under the purview of this amendment.

I think it is wise to have a sensible leader like Bourguiba speak up as he does for reason. All I am saying is that I believe the language in the bill has taken care of what the Senator from South Dakota really has in mind, and I do not believe we can give it any more positive construction than we have there.

I have no further comment.

Mr. ABOUREZK. Mr. President, I have just one comment. There is no attempt, by virtue of this amendment, to shut off money for people who are starving and who are poor. There is an attempt to stop dictatorships around the world from punishing and torturing their own people simply for speaking out against their government.

I think that is exactly what this amendment would do; it would frighten those governments into stopping torture and imprisonment. I am sure they are not going to give up this sizable fortune from the U.S. taxpayers in order to keep torturing their people. I think it would send them a message, as George Wallace used to say. Any of these countries that imprison their own people are certainly going to make the choice of continuing the money from America, rather than continuing that.

Mr. HUMPHREY. Mr. President, so that the record may be clear, the amendment of the Senator from South Dakota does not exempt Public Law 480 transactions, which are frequently used for assistance to countries that are impoverished.

Second, I would like to have printed in the RECORD a list of all the countries that would be affected by the terms of this amendment, as reported by the 1973 report of the amnesty international.

Mr. ABOUREZK. Mr. President, I object to that. Did the Senator ask unanimous consent?

Mr. HUMPHREY. I can read them into the RECORD.

Mr. ABOUREZK. I object that this amendment does not use the list provided by amnesty international. It requires the President to certify to Congress each year that the countries that are going to receive aid are not perpetrating what I talk about in this amendment. It has nothing to do with the amnesty international list.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to include the list, with the understanding that it is not definitive insofar as the Senator's amendment is concerned.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

THE AMERICAS

United States
Colombia
Dominican Republic
Haiti
Uruguay
Argentina
Brazil
El Salvador
Mexico
Peru
Bolivia
Cuba
Guatemala
Paraguay

THE MIDDLE EAST

Israel
Iraq
Yemen
Saudi Arabia
Bahrain
Egypt
Iran
Jordan
Libya
Syria
Oman

ASIA

Indonesia
Taiwan
Malaysia
Singapore
Philippines
Nepal
Pakistan
India
Sri Lanka
Cambodia
Thailand
South Korea
North Korea
Bangladesh
South Vietnam
North Vietnam

AFRICA

Maili
Mauritania
Senegal
Algeria
Chad
Congo-Brazzaville
Gabon
Guinea

Mauritius
Sudan
Angola
Uganda
Botswana
Burundi
Ivory Coast
Ghana
Kenya
Lesotho
Madagascar
Malawi
Morocco
Mozambique
Namibia
Nigeria
Rhodesia
Sierra Leone
South Africa
Somalia
Tanzania
Tunisia
Togo
Zambia
Guinea Bissau

EUROPE

West Germany
Netherlands
Yugoslavia
Spain
German Democratic Republic
Rumania
Greece
Italy
Northern Ireland
Portugal
Hungary
U.S.S.R.
Switzerland
England
Turkey
Czechoslovakia
Poland

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. ABOUREZK. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Clark). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 560) of the Senator from South Dakota (Mr. Abourezk). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Wyoming (Mr. McGee), the Senator from Rhode Island (Mr. Pell), the Senator from West Virginia (Mr. Randolph), the Senator from Mississippi (Mr. Stennis), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. Randolph) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) and the Senator from Tennessee (Mr. Baker) are necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 23, nays 67, as follows:

[No. 449 Leg.]

YEAS—23

Abourezk
Bayh
Biden
Burdick
Church
Clark
Cranston
Gravel
Hart
Hartke
Haskell
Huddleston
Mansfield
McGovern
Metcalf
Moss
Nelson
Pastore
Proxmire
Ribicoff
Stevenson
Tunney
Williams

NAYS—67

Aiken
Allen
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Hathaway
Helms
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McClure
McIntyre
Mondale
Montoya
Muskie
Nunn
Packwood
Percy
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—10

Baker
Ervin
Fulbright
Javits
McGee
Pearson
Pell
Randolph
Stennis
Symington

So Mr. Abourezk's amendment was rejected.

Mr. TOWER. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The third assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute, without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 535

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from California (Mr. Tunney), and at his request, I call up Amendment No. 535 and ask that it be stated, only for the purpose of laying it before the Senate and making it the pending question before the Senate, for resumption on Tuesday, when the Senate returns to the consideration of the foreign assistance bill.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 19, line 12, insert the following:

"Sec. 16. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

" 'Sec. 659. Limitation on Assistance to Portugal.—(A) The Congress declares that it is the policy of the United States that no military or economic assistance furnished by the United States, nor any items of equipment sold by or exported from the United States, shall be used to maintain the present status of the African territories of Portugal.

" '(B) (1) The President of the United States shall, as soon as practicable following the date of the enactment of this section, make a determination and report to Congress with respect to the use by Portugal in support of its military activities in its African territories of—

" '(a) assistance furnished under the Foreign Assistance Act of 1961, as amended, after the date of the enactment of this section;

" '(b) defense articles or services furnished after such date under the Foreign Military Sales Act, as amended;

" '(c) agricultural commodities or local currencies furnished after such date under the Agricultural Trade Development and Assistance Act of 1954, as amended, or any other Act; or

" '(d) items for which validated export licenses are granted after such date for export to Portugal or its territories.

" '(2) The President shall include a report similar to that specified in the previous subsection in each year at the time of submitting the budget request for foreign assistance. Such report shall also specify the steps being taken to implement the policy contained in this section.

" '(C) All assistance, sales, and licenses referred to in the preceding paragraph shall be suspended upon the submission to Congress of a report by the President containing his determination that any such assistance, or item so furnished or exported, after such date, has been used in support of Portugal's military activities in its African territories. Such suspension shall continue until such time as the President submits a report to Congress containing his determination that appropriate corrective action has been taken by the Government of Portugal. The authority contained in section 614 of this Act shall not apply to programs terminated by reason of this section.' ".

On page 25, line 21, change "Sec. 16." to "Sec. 17.".

On page 28, line 5, change "Sec. 17." to "Sec. 18.".

On page 28, line 10, change "Sec. 18." to "Sec. 19.".

On page 28, line 20, change "Sec. 19." to "Sec. 20.".

On page 29, line 4, change "Sec. 20." to "Sec. 21.".

On page 29, line 10, change "Sec. 21." to "Sec. 22.".

On page 30, line 4, change "Sec. 22." to "Sec. 23.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no time be charged on the Tunney amendment today.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF CERTAIN LAWS RELATING TO PAYMENT OF INTEREST ON TIME AND SAVINGS DEPOSITS

The PRESIDING OFFICER. Pursuant to previous order, the Senate will now proceed to the consideration of Senate Joint Resolution 160.

The senate proceeded to the consideration of Senate Joint Resolution 160. to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes, which was read first by title and the second time at length.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

Mr. President, I ask unanimous consent that the following staff members of the Committee on Banking, Housing, and Urban Affairs be permitted the privilege of the floor during the consideration of Senate Joint Resolution 160 and House Joint Resolution 719: Carl A. S. Coan, Tom Brooks, Mike Simpson, Jerry Buckley, and Kenneth McLean.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, this resolution would provide a congressional instruction to the Federal Reserve Board, the FDIC, and the Federal Home Loan Bank Board to set some ceiling on the interest rates paid on the so-called "wildcard" CD's—4-year certificates of deposit of less than $100,000 in amount. Since July, these CD's have been exempt from interest rate ceilings by regulation, so that savings institutions and banks can use these vehicles to compete with other money market instruments for funds during tight money periods. The thrift institutions have a difficult time, however, paying top interest rates on deposits like this, because their asset portfolio is heavily in long-term mortgages. Hence they have still lost funds to the open market, and, possibly, to commercial banks. To protect against this latter possibility, it has been proposed that we require a ceiling to be placed on all 4-year CD's, and thus overcome the portfolio advantage that commercial banks have as against savings institutions.

Until we legislate a full package of Hunt Commission legislation, hopefully next year, this is the type of bandaid approach we will have to take to protect the housing sector during tight money periods.

I urge that the Senate pass the joint resolution.

Mr. SPARKMAN. Mr. President, I am in hearty accord with the statement by the Senator from Texas. Savings and loan associations have been going through a difficult time, and we must have something of this order so as to relieve them of the difficulties they have been incurring. I join in urging the passage of the joint resolution.

Mr. HUMPHREY. Mr. President, I am very pleased to see that the Senate is taking prompt action to institute an interest rate ceiling on certificates of deposits. I strongly endorse this resolution, Senate Joint Resolution 160, which is, in effect, an amendment version of the Emergency Home Finance Act (S. 2454) which I introduced with seven cosponsors on Septmeber 20. Undoubtedly, this legislation is needed to assure the continuation of an adequate flow of consumer savings into the home finance market.

The difference between the resolution before us and my bill is that while my proposal would set a firm 6¾-percent ceiling on certificate of deposit interest rates, the resolution before us, Senate Joint Resolution 160, would leave the actual ceiling at the discretion of Federal bank regulating agencies. While I believe this to be a less desirable approach, I am willing to accept this compromise with the administration if we can be sure that the administration will move vigorously to institute their new ceilings.

This resolution would bring a halt to the disastrous "interest rate war" that has been going on since the ill-conceived action by the Federal banking agencies to permit a "wild card" certificate of deposit. Hopefully, our home financing system will then be able to quickly recover from this financial nightmare and a serious hardship will be lifted from many Americans who have found themselves locked out of the housing market.

The Federal Government must act to restore order in the consumer savings market. Savings and loans will have approximately $10 billion in savings certificates maturing in the fourth quarter of this year—with a large portion of this massive figure falling due in the traditional quarterly reinvestment period beginning today. As these certificates mature, commercial banks' advertising of consumer savings certificates at 8 and 9 percent will pose a serious threat to the continued vitality of the savings and loan business—the principal source of mortgage credit in this Nation. We know this because of the experience in cities such as New Orleans where banks promoting 8½ percent consumer CD's gained $30 million in these certificates in approximately 2 weeks in late July while savings and loans lost an identical amount in savings.

Figures recently released by the Federal Reserve Board and the Federal Home Loan Bank Board show that the Nation's savings and loan associations lost $313 million in July, their first net outflow since January 1970. At the same time, the country's 328 largest commercial banks gained $510 million in consumer sized savings deposits in the 8-week period ending August 22.

If Congress does not act on this immediate threat to housing and home finance, there are still more severe problems on the horizon. With the quarter beginning January 1, savings and loan associations will have an additional $20 million in certificates maturing. Savings and loans, with gross earnings from mortgage holdings at about 7.2 percent of assets and operating expenses of about 1.1 percent, obviously cannot match the 8 percent and 9 percent interest being advertised by commercial banks. And, if you want to pay the savings customer 9 percent for his certificates, then you should face up to the fact that the home borrower then must pay 10 percent for his mortgage.

It may be argued that without these high rate CD's, many savers will abanernment obligations. That may well be—but two things should be pointed out. First of all, commercial banks are the main competitors with savings and loans for consumer savings. Second, those sophisticated investors wanting to "play" the Government securities markets will do so anyway—since the Treasury and Federal agency rates are much more attractive and available for not only short-term but long-term securities as well. To the extent that consumer savings go into Government securities, it may help to reduce those rates. In the meantime, the Congress should—and must—cool off the cut-throat rate competition now going on between financial institutions.

The barrage of super-rate advertising and promotion for the consumer saver by commercial banks endangers our home financing system and creates financial chaos—to the detriment of American consumers. It must be stopped before literally billions of dollars are withdrawn from savings and loans and other thrift institutions and from investment in long-term home mortgages.

The average home owner cannot afford to pay 9 or 10 percent interest on his mortgage. Interest rate costs are passed on to the Federal Government or the consumer in one way or another. The elimination of any ceiling on consumer certificates of deposit has proved to be disastrous and I can tell you, without qualification, that if we do not do something very soon we may experience a major financial crisis in this country. Home financing will be virtually halted and interest rates will skyrocket even higher than they are today.

The facts are here for everyone to see. We are on notice of an impending crisis and we must act promptly. I urge all of my colleagues to support the resolution before us.

The PRESIDING OFFICER. Do Senators yield back all time?

Mr. TOWER. I am agreeable to yielding back my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on passage of the joint resolution.

The joint resolution (S.J. Res. 160) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 160

Joint resolution to provide for an extension of certain laws relating to the payment of interest

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. In carrying out their respective authorities under the Act of September 21, 1966 (Public Law 89–597) and under other provisions of law, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall take action to limit the rates of interest or dividends which may be paid on time deposits of less than $100,000 by institutions regulated by them.

Mr. TOWER. Mr. President, I move that the Senate reconsider the vote which the joint resolution was passed.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF AUTHORITY OF SECRETARY OF HOUSING AND URBAN DEVELOPMENT WITH RESPECT TO LOANS AND MORTGAGES

Mr. SPARKMAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 719.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 719, which was read twice by its title.

Mr. TOWER. Mr. President, I feel that action on this joint resolution is highly essential. As we all know, this piece of legislation has been the subject of congressional consideration since last May when the House first passed the simple extension of FHA and VA authorities. The difficulty in getting a years' extension for these programs has stemmed from two amendments that the Senate approved to the original House passed House Joint Resolution 512.

We have held many conferences on this proposal and the House finally agreed to take the two amendments added by the Senate, back to their body for consideration. On September 5, 1973, the House considered the conference report to House Joint Resolution 512, and by a vote of 202 to 172, they agreed to recommit the conference report. If you will examine the record of the debate on this vote, you will find that the resulting vote was due to the strong opposition in the House to the two controversial amendments to which I have previously referred.

Since the House vote occurred, the conference committee met again to try to iron out the differences between the two bodies. Unfortunately, no agreement could be reached by the conferees. Shortly after our last and unsuccessful conference on House Joint Resolution 512, I submitted a joint resolution, Senate Joint Resolution 152, which contained all the provisions that the conferees to House Joint Resolution 512 had agreed to. It does not contain the two amendments that the House refused to accept. At the same time, Representatives PATMAN and WIDNALL introduced an identical piece of proposed legislation, House Joint Resolution 719, the proposal we are presently considering.

Mr. President, this Nation cannot afford any further delay in the passage of this legislation. Home mortgage interest rates are in the range of 9 to 10 percent in all parts of this country. In 18 of the States, there is a usury law which for all practical purposes, prevents any mortgage lending in today's market.

In 9 of those 18 States, however, FHA insured loans are exempted. In those States, FHA or VA is the only way a home can be financed. In the other 32 States, homebuyers, lenders, and homebuilders are increasingly turning to FHA as the only means of financing housing. There is no question that other measures must be taken to make available more mortgage money at reasonable interest rates. The Banking, Housing, and Urban Affairs Committee will shortly be considering proposals which would attempt to provide some solutions to this problem. But whatever we decide in this area will have very little impact if we do not extend the FHA authorities for another year.

I urge that the Senate act upon this measure and pass it in the same form as it came to us from the House.

Mr. PROXMIRE. Mr. President, I understand that under the unanimous-consent agreement entered into by the distinguished majority whip I have 20 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. Mr. President, I expect to yield 5 minutes of that time later to the Senator from Illinois.

The PRESIDING OFFICER. The Senator may proceed.

THE ABANDONMENT OF OUR HISTORIC HOUSING PROGRAM

Mr. PROXMIRE. Mr. President, This is a very sad day in the Senate and in the history of housing policy in the United States.

For the last 24 years this country has had a national housing policy whose purpose was to help all income groups. We have had public housing for the poor, the home ownership interest rate subsidy programs for moderate income Americans, and the regular FHA program for those whose incomes were sufficient to buy their own home provided it was guaranteed by the Federal Government through an insurance program.

MOST FAMILIES PRICED OUT OF HOUSING MARKET

Today, because of the high interest rates—the astronomic interest rates—the overwhelming majority of American families are priced out of the housing market. They cannot afford to buy a new home. With mortgage interest rates at the 9 percent level the cost of money, as well as the cost of construction, places a new home beyond the reach of more than 60 percent of American families.

MORATORIUM

During such a period one would think that the Federal Government would move decisively to help those of low and moderate incomes who cannot now afford to buy housing. But instead of that the administration has placed a moratorium on virtually every program to help low and moderate and even middle income families. Here is the long sad list of programs which have either been suspended or terminated or for which no new starts have been allowed.

LIST OF PROGRAMS

Housing programs

Rent supplements, suspended on January 5, 1973.

Homeownership assistance (Sec. 235), suspended on January 5, 1973.

Rental housing assistance (Sec. 236), suspended on January 5, 1973.

Public housing, suspended on January 5, 1973.

Nonprofit sponsor assistance, suspended on January 5, 1973.

College housing, terminated on January 5, 1973.

Community development programs

Water and sewer facilities, terminated on January 5, 1973.

Public facilities loans, terminated on January 5, 1973.

Open space land, terminated on January 5, 1973.

Urban renewal programs, termination on June 30, 1973.

Neighborhood facilities, termination on June 30, 1973.

Model cities programs, termination on June 30, 1973.

Rehabilitation loans (Sec. 312), termination on June 30, 1973.

Community planning and management programs

Community development training and urban fellowships, termination on June 30, 1973.

Supplementary grants for new communities, termination on June 30, 1973.

This was brutal, tragic action by the administration.

But it was accompanied by a proposal to make a comprehensive evaluation of all housing programs and to report to Congress by September 7. The hope was held out that by this time we would have a program which could go into effect at least by July 1, 1974.

NO NEW HOUSING PROGRAMS PROPOSED

We have just had that message. But there is no comprehensive new program.

First, there are a series of palliatives, aimed at the short run, to aid the conventional housing market. This helps upper income groups who are buying homes at $40,000, $50,000, or higher. They do not help in any way whatsoever the average American family with an average income of $11,000 a year who cannot possibly afford a home at present interest rates costing more than $25,000. And with the monthly payments where they are because of the high interest rates, I doubt if the average family can actually afford a home costing much more than $20,000. And there are no decent homes at that price.

LOW- AND MODERATE-INCOME FAMILIES ABANDONED

In addition, however, the administration's housing program does almost nothing for low- and moderate-income families through all the programs Congress has placed on the books since 1949.

The home ownership program—section 235—is terminated.

Apparently there will be no new starts for conventional public housing.

And instead of 600,000 units a year as called for by the 1968 Housing Act to meet the legally established housing goals, the administration is calling for, at best, 150,000 units of new construction under programs and conditions not yet made clear.

HOUSING ALLOWANCES NOT OFFICIALLY PROPOSED

And the bold new approach they are holding forth—so-called housing allowances or cash assistance—is not even offered on any basis until after 1975.

In the housing message the President stated:

> But right now . . . our principal efforts should be directed toward determining whether a policy of direct cash assistance—with first priority for the elderly poor—can be put into practical operation.

That is no program. Instead of a program they are going to determine whether there should be a program.

And they tell us that if they do go ahead with cash allowances beginning in 1976, the program will ultimately cost $8 to $11 billion a year. Now, who is going to buy that?

MORATORIUM CONTINUES IN EFFECT

The reality of the housing message is simply this. With the exception of a few short-run palliatives aimed at the present high-interest rate situation for high-income housing, and with the exception of a few crumbs thrown to the poor through a very unclear and imprecise leased housing program, the housing moratorium continues in effect.

The new program is like Lincoln's description of homeopathic soup: made from the shadow of a pigeon which had been starved to death, cast at midnight on a black moonless night.

Instead of being called the Department of Housing and Urban Development, it should be called the Department of No-Housing and Urban Undevelopment.

The historic policy put into effect by the Taft-Ellender-Wagner Housing Act is abandoned. Now we will house the very well-to-do, but there is essentially nothing for the poor, for moderate-income families, and for middle income and average Americans.

The extension of the FHA program in this bill, without the antimoratorium amendment which was attached to the original bill, provides housing for the well-to-do but abandons the remaining

60 to 70 to 80 percent of the American families.

BILL SHOULD CONTAIN AN ANTIMORATORIUM PROVISO

It was my view that Congress should hold this bill hostage to the carrying out in good faith by this administration of our historic housing policy.

This is all the administration really wants.

I am for an FHA program for those with $20,000 a year or more in income. I am not opposed to that.

But like the animals going into Noah's Ark, a program to provide for low income and moderate income and middle income families should accompany it.

If the administration wants housing for well-to-do, and that is what they want and what the major portion of the housing message is designed to do, let them also provide for housing on a modest scale—600,000 units a year as the housing goals provide—for low and moderate and middle income Americans.

SHOULD USE THIS BILL AS WEAPON

This bill, in my view, is the only weapon we have to achieve that result. And I am willing to use it to achieve that result. But apparently few want to put the tough price on that policy and there is a limit in what one Senator in a Congress of 535 people can do.

The passage of this bill without an effective anti-moratorium provision, essentially abandons the overwhelming majority of American families so far as housing is concerned. They cannot afford it and they will not get it.

And in 1976, I predict that the housing allowance program will not go into effect for two fundamental reasons.

First, housing allowances cannot be used as the major housing program. They can be effective only in limited circumstances. Elsewhere their effect is merely to bid up existing housing prices.

In fact, that is what the housing message was all about. There will be no new construction to speak of for at least another 2½ years for low and moderate income families. That will tighten the housing market, and raise the price of rents and housing in general. Of course that is immensely important. That benefits landlords but not renters.

Second, there will be no program after 1975 because a comprehensive housing allowance program will cost too much. No Congress will support it and I am willing to predict that the Nixon administration will not even officially propose an $8 to $11 billion a year program.

HISTORIC HOUSING POLICY ABANDONED

So, for all practical purposes this country is without a housing program for the first time since the beginning of public housing in the 1930's and especially since the landmark 1949 act.

The passage of this bill without an effective antimoratium provision, abandons the promise made in 1949 of "A decent home in a suitable living environment for every American family."

This is a brutal, tragic, evil policy. It condemns millions of American families and American children to living in substandard, dilapidated, and overcrowded housing for years to come.

Mr. President, I yield the remainder of my time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, this legislation is imperfect in another respect.

People buy FHA-insured homes with the reasonable understanding that they have been inspected by FHA and meet HUD standards.

Too often they discover later that their trust was misplaced. Their homes contain structural defects: The plumbing does not work or the roof leaks—or the electrical wiring does not comply with local requirements.

In such cases the owners are put to the expense of repairing the defects. Frequently they cannot afford this expense. The mortgage then goes into default, and the FHA must make good on its guarantee. The expense to the Government of redeeming such defaulted mortgages is enormous

The FHA extension legislation originally passed by the Senate included an amendment I authored which granted FHA reimbursement to homeowners for the cost of repairing such defects undetected by the FHA.

Such protection is currently available to the innocent purchaser of housing under section 235. This amendment provided the same protection to the innocent purchasers of housing under sections 203 and 221 of the Housing Act. Justice requires such reimbursement for homeowners injured by the neglect of FHA inspectors. Consistency requires such an amendment. And the repair of structural defects would cost the FHA less than the redemption of defaulted mortgages. This amendment would have saved FHA money.

Today we are, however, faced with the situation we faced last June and August. The FHA housing programs are again about to expire.

Congressmen ASHLEY, ROSTENKOWSKI, BARRETT and others have made strenuous efforts in the House of Representatives, and still the House of Representatives and the administration are adamantly opposed to reimbursement. Twice we went to conference with the House and twice the House and the administration refused to compromise. Efforts to revise the amendment to meet objections failed. The administration and the House are prepared at this time to see all FHA programs suspended rather than accept reimbursement for the innocent and injured owners of FHA-insured housing.

This resolution does not, therefore, contain a reimbursement provision, and it would, at best, be an act of futility for me to object or to offer such an amendment again. But before acquiescing in support of this resolution, I would very much hope that the distinguished chairman of the Committee on Banking, Housing and Urban Affairs could assure the Senate that a generous reimbursement provision for past and future homeowners would receive serious consideration and his continued support in the forthcoming markup session of the Banking, Housing and Urban Affairs Committee on housing legislation.

Could the chairman give me assurance that, before supporting this measure, such provisions would continue to receive his support in the forthcoming markup sessions?

Mr. SPARKMAN. Yes, I am glad to give that assurance. Of course, my friend knows that all along I have assured him of it. It will be remembered that I supported him in committee and here in the Senate on his amendment, and I have suggested that, since the housing hearings are starting tomorrow, our best chance of getting this matter really taken care of was to write it into the comprehensive housing bill which I hope we will be able to pass through the Senate before the end of October.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. TOWER. We are starting the markup next Monday. Are we not?

Mr. SPARKMAN. We are starting hearings tomorrow and the markup on the eighth.

Mr. STEVENSON. The chairman has energetically and consistently supported such reimbursement provisions.

With that assurance, I am confident another housing bill will be reported to the Senate which will include such a provision, and with that understanding, I urge the Senate's support of the joint resolution.

Mr. SPARKMAN. I thank the Senator from Illinois. The Senator knows that I have expressed myself many times on this matter. I feel that the FHA, when it sells a house to somebody, ought to be required to stand behind that house; and that is, in effect, what the amendment of the Senator from Illinois provides for.

Mr. STEVENSON. I thank the Senator.

Mr. SPARKMAN. By the way, I saw a newspaper article about a week or 10 days ago which stated that a Federal district judge had held to that effect. As I recall, I gave that article to the Senator from Illinois.

I hope it may be written into the law, as this district judge did, so far as I can understand it. I have not seen the opinion itself, but I did see the newspaper article, and I am very strongly in favor of the FHA's being required to stand up for the housing that it sells.

Mr. STEVENSON. I thank the Senator.

Mr. SPARKMAN. And HUD would have to stand up to see that the inspections and appraisals are properly done.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. I do not expect to ask for a rollcall on this measure, but I want to make sure I am recorded as being against the joint resolution, because I think it unconscionable for the Senate and the Congress to enact a measure which provides for 30 or 40 percent of the upper income level people and neglects the overwhelming majority of the people who cannot afford to buy homes without assistance from the Government.

Mr. SPARKMAN. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. SPARKMAN. I want to say to the Senator from Wisconsin that he knows I supported him on his moratorium provision in the bill.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. TOWER. By the way, the chairman stood firm in the conference on both the amendment of the Senator from Illinois and of the Senator from Wisconsin.

Mr. SPARKMAN. I did that, and I think we can do some things in the Housing Act that we are going to write. The Senator mentioned its being a shame. I think it is a shame to be cut down the way it has been cut down and the way the recommendations we are going to have under consideration tomorrow stand in the new proposal. But one does not get anything by standing back and saying that because he cannot agree on one thing, he is not going to get anything. I think we have got to stand up and begin with the program that has been authorized, and starting tomorrow, we ought to stand fast for a good housing act, regardless of what may be proposed by the President or by the Secretary of Housing and Urban Development. We have the job of saying what the housing program ought to be. I am in favor of standing for a good program and writing one, passing it through the Senate, and I hope through the House, and delivering it to the President for his approval or disapproval—approval, I hope.

Mr. President, I am ready to yield back my time.

Mr. CRANSTON. Mr. President, I am gravely concerned for the future of the home building and saving and loan industry in the current money climate. The outflow of funds from saving and loan associations by savers seeking higher interest rates elsewhere has been the chief contributor to the sudden drying up of money in the mortgage market.

The recent action of July 5, by the Federal Reserve System introducing the "wild card" certificate of deposit has had a disastrous effect on the savings and loan industry and the housing market in this country. The Nation's federally insured savings and loan associations incurred during August the third largest savings outflow in their history according to the Federal Home Loan Bank Board. The August savings outflow was $1.21 billion followed by a $291 million drop in July when the outflow was the first since January 1970. This outflow was exceeded only by a $1.5 billion drain in July 1966, a previous period of a crunch in the mortgage market.

The Federal Home Loan Bank of San Francisco has indicated a net outflow of savings from California savings and loan associations for the month of July of $192 million and based on a sample of associations in California a net outflow of savings of some $260 million for the first 20 days of August.

Three times in the past 7 years, 1966, 1970, 1973, there have been periods of tight money, high interest rates and dislocations in the credit markets. The primary burden in times of tight money falls upon the American home buyer and home builder. These tight money periods cannot be ascribed to the inadequacies of our financial system or the financial structure of this country. Rather, it is the administration's attempt to manage the Nation's fiscal and monetary affairs so as to minimize inflation. This use of monetary policy as the sole mechanism to control inflation is causing the drain of billions of dollars from thrift institutions and is resulting in a severe liquidity crisis. Saving and loan associations are unable to continue normal lending activities and this is bringing home building and home buying to a virtual halt. Historically in 1966 and 1970, interest rate ceilings on saving deposits were not the cause of dislocations in financial money markets. The administration should deal with the "cause" of inflation rather than the "effect" of inflation.

Congress intended there be interest rate ceilings to avoid rate wars between financial institutions with the differential in favor of thrift institutions over the rate paid by banks because of the special role they perform as long-term housing lenders. This arbitrary action by the Federal Reserve Board introducing the ceiling free, 4 years certificate of deposit has tipped the balance against the savings and loan industry in favor of commercial banking institutions. Clearly, the greater profitability of banking institutions enables them to respond more successfully to heavier costs inherent in the bidding for funds contest implicit in the no limit certificate. The July 5 experience has proved that experiments with rate decontrol should not be attempted during periods of inflation and rising interest rates nor should it be done on a piecemeal basis.

The Nation has been particularly well served by the savings and loan business since the mid-1930's, when Congress created the Federal Home Loan Bank System. Congress must keep the flow of mortgage credit available to the American home buyer and the savings and loan industry functioning. For these reasons Senators SPARKMAN, TOWER, MCINTYRE and I are introducing a bill that requires Federal banking regulatory agencies to set maximum interest rates levels on all certificates of deposits under $100,000.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield back his time?

Mr. PROXMIRE. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on third reading of the joint resolution.

The joint resolution (H.J. Res. 719) was ordered to a third reading, read the third time, and passed.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT OF 1973

The Senate continued with the consideration of the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. TUNNEY be temporarily laid aside; that the Senator from North Carolina (Mr. HELMS) be recognized to call up an amendment; that he speak on his amendment, at the conclusion of which speech the Senate return to the consideration of the Tunney amendment.

The PRESIDING OFFICER. Without objection——

Mr. TAFT. Mr. President, reserving the right to object, in view of the fact that the Senator from North Carolina is going to bring up his amendment, I ask unanimous consent that, in the unanimous-consent agreement, there be permission for me to introduce into the RECORD, following the offering of the amendment, a letter written to Congressman ZABLOCKI by William H. Draper, Jr., dated June 14, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, I thank the distinguished Senator. I shall be brief.

I call up my amendment.

The assistant legislative clerk read as follows:

> On page 9, line 11, strike out the quotation marks.
>
> On page 9, between lines 11 and 12, insert the following new section:
>
> "SEC. 116. PROHIBITING USE OF FUNDS FOR ABORTIONS—None of the funds made available to carry out this part shall be used in any manner, directly or indirectly, to pay for abortions, abortifacient drugs, or devices, the promotion of the practice of abortion, or the support of research designed to develop methods of abortion. The provisions of this section shall not apply to any funds obligated prior to the date of its enactment."

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished junior Senator from Oklahoma (Mr. BARTLETT) be listed as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, the amendment which I propose is very simple and straightforward. It is intended to prevent the use of AID funds—that is to say, funds collected from the taxpayers of the United States—in the practice and promotion of abortion.

At the present time, AID supports abortion in at least three major ways. First, AID supports, in many individual countries, population programs in which abortion is one of the approved methods of population control. Second, AID is a major supporter of international organizations and funding mechanisms which provide training programs, hospital facilities and equipment for performing abortions, and propaganda programs to make abortions culturally acceptable in foreign countries. Third, AID funds research both in the United States and abroad aimed at developing cheap methods of abortion, principally through so-called abortifacient drugs, that is, chemicals which induce abortion. The research in this third category is envisioned by AID as developing a pill or simple self-administered drug which will become the primary method of population control throughout the world. Unlike the pill which is merely contraceptive, this will be the pill that kills.

My amendment would therefore stop the use of U.S. Government funds to promote and develop ways of killing unborn children. It would not affect other AID population programs. It would not reduce the amount of funds available for AID population programs, or any other programs of the Foreign Assistance Act. There are many of us in this Chamber, myself included, who favor reducing foreign aid. But that is another issue, one to be discussed in a broader context. In this amendment I am simply trying to restrict the use of whatever amount of funds is authorized and appropriated from being used for the purposes of the abortionists.

This amendment will not interfere with our relationship with other countries receiving assistance or with the international population organizations. It requires only that U.S. Government funds made available for legitimate purposes not be commingled with funds from other sources that might be used for abortion. I am under no illusion that governments and agencies that have been promoting abortion for years will suddenly stop when they are not allowed to use U.S. Government funds for that purpose.

Foreign countries already understand that assistance is received only if they adhere to reasonable conditions. Title X of the act, the very title of the act which relates to population growth, specifically authorizes the President to set up "such terms and conditions as he shall determine." Section 291(c) requires the President to "establish reasonable procedures to insure, whenever family planning assistance from the United States is involved, that no individual will be coerced to practice methods of family planning inconsistent with his or her moral, philosophical, or religious beliefs."

Moreover, the very bill before us, as approved by the committee, contains a section 115 prohibiting funds from being used to conduct police training.

Finally, it is in the very nature of AID assistance that conditions for fiscal responsibility, social reform, and financial participation of the host country be attached. Every loan and grant has them. We could, in fact, go far beyond the present amendment and require all abortion activities, from whatever funds, to be stopped before our assistance could be received. But the present amendment does not do that. It only requires that the United States does not participate in the spread of abortive practices. If it is permissible, as I think everyone agrees, to put the condition of voluntarism upon any participation, it is certainly permissible to require each recipient to agree not to use our money for killing the unborn.

No new public policy is being introduced through this amendment. I doubt that any Senator who first voted for the Foreign Assistance Act in 1961 ever dreamed that AID's population programs in foreign countries would allow abortion, much less become potentially structured around abortion in 1973. I believe that is the reason that the 1961 act failed to contain a specific prohibition or even to mention abortion.

Our domestic policy is quite clear. The Family Planning Services and Population Research Act of 1970 contains the following two clauses:

> Sec. 1004(a). In order to promote research in the biomedical, contraceptive development, behavioral, and program implementation fields related to family planning and population, the Secretary is authorized to make grants to public or nonprofit private entities and to enter into contracts with public or private entities and individuals for projects for research and research training in such fields.
>
> Sec. 1008. None of the funds appropriated under this title shall be used in programs where abortion is a method of family planning.

Unfortunately, the proponents of abortion have found other ways of getting Federal funding, particularly for research in the field. One of these ways is through AID funds, apparently on the grounds that abortion is contrary to public policy for domestic purposes, but that it is all right to promote abortion among foreign nations with U.S. money. Dr. Carl Djerassi, an ardent proponent of abortion, writing in the Bulletin of Atomic Scientists—January 1972—put it this way:

> I believe that research on chemical abortifacients should be at, or near, the top of the priority scale for future fertility control agents. Fortunately, at least two important federal funding agencies (Agency for International Development and the Center for Population Research of the National Institutes of Health) seem to have found ways of circumventing Sec. 1008 of the 1970 Family Planning Act and have continued to inject significant, though insufficient, financial support into this highly important area of research.

The result, as Dr. Djerassi avidly points out, is that abortion research is being carried out with AID funds under the guise that it is done for the alleged benefit of foreign nations. Of course, once the technology is available, it is available for domestic use as well. I find it reprehensible that public funds would be used for such purposes, no matter what the intended use.

After reviewing current AID materials, I find it clear that abortion is an approved method of family planning in AID programs at the present time, and that AID regards abortion as potentially the largest sphere of its activity in the near future. Although AID currently supplies funds, training, technology, and equipment to programs which include surgical and suction abortions, AID makes it plain that its future lies in promoting chemical abortions on a massive scale, using U.S. Government funds. To this end, AID has been funding research into chemical methods—research, I might add, that is associated with clinical tests upon U.S. citizens. According to the latest available statistics, some $30 million was spent between fiscal year 1965 and fiscal year 1972 for such research alone. This is entirely the policy of bureaucrats, not the policy of Congress.

One has to look carefully in AID literature to discover these facts, because the official publications prefer to use euphemisms to hide the truth.

The true medical definition of abortion is not difficult for the layman to understand. In 1963, HEW's Public Health Service Publication No. 1066 used the following technical definition:

> All the measures which impair the viability of the zygote at any time between the instant of fertilization and the completion of labor constitute, in the strict sense, procedures for inducing abortion.

The layman needs only to learn that the zygote is the fertilized egg cell—the cell with the complete pattern of determinants that make up an individual human being—to understand that abortion is the process of bringing death to that individual. Abortion ends the life of a human being who has done no wrong and has made no choice.

AID prefers to avoid such terms in its public literature. The current issue of "Population Program Assistance," the official summary of AID's population programs, speaks deceptively of "post-conceptive fertility control" and "relief of unwanted pregnancy" as the most effective area of future activity. AID says:

> Such pregnancy-centered programs can be much more efficient than ordinary family planning programs because women who believe they may have an unwanted pregnancy will actively seek out any facility offering relief, and hence educational and promotional costs of the family planning program can be greatly reduced, and the time from inception of the program to reduction of fertility can be minimized.

What this bureaucratic gobbledegook means is that by killing the child in the womb, you are already one up on reducing the population.

This is both a crime against humanity and a crime against language. Fertility relates to the ability to conceive, not to the capacity of giving birth. This so-called "post-conceptive fertility control" is nothing less than the induction of abortion and the death of a child already conceived.

The head of AID's Office of Population, Dr. R. T. Ravenholt, was quoted as saying in the July 1973 issue of HEW's Family Planning Digest that "AID will also support provision of such clinical methods as pregnancy termination." Dr. Ravenholt made a similar statement at the meeting of the International Planned Parenthood Association in August 1972, as quoted in the IPPF Medical Bulletin:

> Dr. Ravenholt summed up his findings by saying that there was a considerable basis for optimism, but that it was becoming increasingly important to reach young women to curb early reproduction. Access to oral

> contraceptives should be as free as possible. No coercion should be made available in family planning programmes, including abortion.

Thus we can see that there is no doubt whatsoever that the policy of AID and the policy of AID's Director of the Office of Population, Dr. Ravenholt, is to extend U.S. support to programs that make abortion available.

I want to make it clear that my amendment touches only abortion; it does not affect AID programs of family planning which prevent conception. For example, AID is the world's largest purchaser and distributor of present oral contraceptives. This program would not be affected by my amendment. Nor would AID programs in demographic research, or manpower training in contraceptive programs.

The main thrust of my amendment is toward the future—toward the research being done now to realize the abortion potential of the future. It would stop U.S. Government funds from being used to do abortions now, but it is more important that AID's abortion policy be reversed. Unless Congress does so now, we will soon see the day when abortifacient drugs and techniques dominate AID's program, and the United States becomes the world's largest exporter of death.

This is clear from the 1971 edition of Population Program Assistance. The main emphasis is placed upon the development of the drugs known as prostaglandins, which it is hoped will become as cheap and as available as aspirin. The prostaglandins are drugs which induce muscle contractions and expel the developing child. They are not contraceptives or true fertility control. AID reports as follows:

> With unusual speed, and at least partly due to AID support, the prostaglandins have emerged as a new method of fertility control with high future potential . . . AID has moved rapidly to explore the potential of prostaglandins. It now has contracts totalling $4.4 million with outstanding investigators and institutions.
>
> Problems of synthesis and production appear to have been largely solved; intensive studies of administration and safety are in progress; and collaborative clinical trials of prostaglandins already in progress in North Carolina, Michigan, Massachusetts, Connecticut, Missouri, and Hawaii in the United States.
>
> Rarely, if ever has the testing and introduction of such a new technology proceeded so rapidly on a worldwide basis.
>
> Research interest is focusing increasingly on the use of prostaglandins that can be self-administered. It is already known that prostaglandins by the intra-amniotic and extra-amniotic injection offer substantial improvement over previous methods for termination of mid-term pregnancies.

Dr. Ravenholt is also ecstatic over the possibilities of chemical abortions. In testimony before the Senate Appropriations Committee in July, 1971, he said that prostaglandins show promise of—

> . . . a breakthrough in contraceptive technology, particularly suited to less developed countries . . . the potential of prostaglandins to contribute to the solution of demographic crisis is so great that the most rapid exploration of their worth is warranted.

It was with a deep sense of regret that I discovered that my own State of North Carolina is a leader in developing the new death technology with AID funds. I have two articles which give authoritative accounts of the North Carolina research, one from the January 1972 issue of HEW's HSMHA Health Reports, and the other from the September 1971 issue of AID's journal, "War on Hunger." I call upon the Senate to end such activity wherever it is sustained by Federal money.

Mr. President, I ask unanimous consent that the two articles I have just mentioned be inserted in the Record at the conclusion of my remarks.

Mr. President, I also ask unanimous consent that the following documents also be inserted in the Record at the conclusion of my remarks:

First, "A 5-year Plan for Family Planning Services and Population Research—Second Progress Report to the Congress of the United States," May 1973—excerpts reference AID.

Second, "Report of the Secretary of HEW Submitting 5-Year Plan for Family Planning Services and Population Research Programs," October 1971—excerpts reference AID.

Third, excerpts from "Inventory of Federal Population Research, Fiscal Year 1972," DHEW publication No. (NIH) 73–133, "Development of New Fertility Regulation Techniques."

Fourth, "Summary of AID Dollar Obligations for Populations and Family Planning Projects, Fiscal Years 1965–72" from Population Program Assistance, AID Bureau for Population and Humanitarian Assistance, December 1972.

Fifth, "AID Population Funds Obligated for Research in Fiscal 1966–72," from Population Program Assistance.

Sixth, "A Fact Sheet on Prostaglandins, Today—Tomorrow?"

There being no objection, the material was ordered to be printed in the Record, as follows:

UGANDAN PRESSES PROSTAGLANDIN RESEARCH

(By Jan Palmer, Assistant Editor of Front Lines)

Sultanali Magan Karim is a third generation Ugandan who may hold one of the keys to the well-being of future generations, not only in his own developing country but throughout the world.

He is presently professor and head of the Department of Pharmacology and Therapeutics at Makerere University in Kampala, Uganda. Dr. Karim is also a foremost researcher in the use of prostaglandins as an important new method of family planning. (Prostaglandins are fatty acid compounds which occur naturally in the body. Scientists have recently found that these compounds are effective for inducing the menstrual period and can be used as a once-a-month means of fertility control.)

The significance of prostaglandins was noted recently in testimony submitted to the Foreign Operations Subcommittee of the Senate Appropriations Committee in July by Dr. R. T. Ravenholt, Director of the Office of Population, Agency for International Development. He said prostaglandins show promise of "a breakthrough in contraceptive technology, particularly suited to . . . less developed countries.

". . . the potential of prostaglandins to contribute to the solution of the demographic crisis is so great that the most rapid exploration of their worth is warranted."

AID has implemented this belief, according to Dr. Joseph Speidel, Chief of the Population Office Research Division. The agency has obligated $4.4 million for prostaglandin research over the past four fiscal years. In June AID provided an $800,000 grant to assist Dr. Karim in his research for the next three years.

Clinical trials of prostaglandins in a number of countries is one of the projects being initiated under another $3 million grant to the International Fertility Program organized at the University of North Carolina under the direction of Dr. Elton Kessell. Dr. Karim is a key member of the program and the clinical trials are one of the purposes of his wide travels in Europe, the United States and Asia.

Dr. Karim is of Indian origin with the distinguishing black wavy hair and fine features of his heritage. He looks younger than his 36 years and has the quiet, reserved manner of a lecturer or professor deep in thought.

He is an example of the fitness brought about by hard work. He is trim, appears relaxed and speaks enthusiastically of his studies. When he is not traveling or in his lab, he is at home in Kampala with his wife, Pitu, and his three children, Nina, Natasha, and Sharaz.

"The potential for the use of prostaglandins in the control of fertility is now obvious," he said recently in an interview while visiting the United States. The advantages of a once-a-month contraceptive are many: the possibility of self-administration, presence of fewer side effects, and the contraceptive may only be necessary at the time of a delayed menstrual period (possibly three to four times a year)."

Dr. Karim first became actively interested in prostaglandins in 1965 when he was working as a physiologist in obstetrics in London. He had already spent 12 years in London, and was to spend two more studying the mechanisms of natural childbirth and natural abortion. Actual clinical studies with prostaglandins began in 1967.

He was the first scientist to use prostaglandins in humans for the induction of labor in 1968 and a pioneer in the later use of the compounds for abortion. Dr. Karim also reported the first oral use of prostagladins to induce labor at or near full term.

Most of Dr. Karim's work has been carried out at Makerere University in Kampala. The major part of his study is devoted to the use of prostaglandins in inducing the menses when delayed up to seven days and in terminating a pregnancy when the gestation period has been 13 weeks or more.

"We have tried various methods of administering prostagladins," Dr. Karim explained, "intravenously, through muscular injections—but thus far the intravaginal method has proved the best." This method was first suggested by Doctors Speidel and Ravenholt in a letter to the British Medical Journal, *Lancet*, in March 1970.

Dosages of prostaglandins are based in part on a woman's weight and size. Dr. Karim said. Higher dosages are required for oral contraception.

Witnessed side effects include nausea, vomiting and diarrhea in some cases. "But," Dr. Karim said, "we are trying to eliminate these conditions."

Asked about the implications of prostaglandins in family planning in the developing countries, Dr. Karim expressed two approaches in his answer.

Prostaglandins are now readily synthesized and as such will become available at a low cost—a few pennies per use."

"The motivation factor is less important with prostaglandins. Instead of having to remember to take a pill every day, it is an after-the fact-approach."

But Dr. Karim added, "The availability to any woman is dependent on the length of the gestation period. While prostaglandins are presently used routinely in inducing childbirth and the tests are positive for its use in inducing menstruation in cases where the delay is up to seven days, the use of prostaglandins for terminating pregnancy after 13 weeks is under continued study."

"Even 50 years from now," Dr. Karim said, "the use of prostaglandins in terminating a pregnancy where the gestation period has been 13 weeks or more will most probably be an in-hospital procedure."

"Therefore, while prostaglandins will cost only pennies in themselves, the most important cost will arise from the supply system."

Dr. Karim also mentioned other considerations affecting the use of prostaglandins.

"Abortion as a means of population control in underdeveloped countries such as Uganda is a thing of the future because of present religious and medical restrictions."

"But restrictions and laws are gradually changing," he added.

Presently, the use of prostaglandins for terminating pregnancies of 6 to 12 weeks "offers no real advantages over other methods, such as the vacuum," Dr. Karim explained. "Thus we have restricted our primary tests to 13 or more weeks.

"In some countries," Dr. Karim said, "Prostaglandins for this procedure may be available as soon as two years from now. In the United States my guess is about three years."

"But this is limited availability," he added.

Dr. Karim was enthusiastic about the free exchange of information among various prostaglandin researchers and felt that progress was being made more quickly because of the pooling results.

He was also encouraged by the support he had received from AID and other organizations. But he cautioned against undue optimism.

"It will be five years until prostaglandins are readily available and commonly used," Dr. Karim said. "I have been told that is an optimistic guess—perhaps. But we have made rapid and encouraging progress which allows us to be optimistic."

An "after-the-fact" new method of birth control is being tested at Chapel Hill, N.C. If it is successful, a sigh of relief will go up from millions who find the estrogen pill too dangerous and contraceptive devices such as the intrauterine device (IUD), the diaphragm, and the condom too inconvenient, uncomfortable, or ineffective.

The first clinical research in the United States using chemicals called "prostaglandis" as menstrual regulators is beginning at the University of North Carolina at Chapel Hill. Physicians there hope that their research will lead to a safe birth control pill which is used only once a month.

Ten women have volunteered to use prostaglandins for birth control in the first clinical trials. Surgical abortion will be available to any in whom the drugs are ineffective.

Clinical trials will then be expanded to about 100 and then to 1,000 women. The health of these women will be watched closely and their bodies monitored for physiological changes during administration of the drugs and for a prolonged period afterward.

Prostaglandins act by causing the uterus to contract. This brings on menstruation which expels the ovum, whether it has been fertilized or not.

Prostaglandins occur naturally in semen and in certain female tissues. Their role, if any, in human reproduction is unknown. The process through which prostaglandins initiate menstruation is also unknown. These mechanisms will be studied in the research.

Research into prostaglandins has a long but uneven history. In 1930 it was discovered that semen causes the uterus to contract. The active ingredients in semen which cause this contraction were isolated and identified as prostaglandins. No use was known for the new-found chemicals for 40 years. Then in 1969, an event was reported which led to the present University of North Carolina research. Dr. S. Bergstrom and his co-workers at the Karolinska Hospital in Stockholm, Sweden, had used prostaglandins to induce abortion. In August 1970, a research team at the university, headed by Dr. Charles Hendricks, chairman, department of obstetrics and gynecology at the university's Memorial Hospital began using prostaglandins as abortifacients.

Administered into the vagina, the uterus, or directly into the bloodstream, prostaglandins have brought on abortion in 46 women who were 6 to 20 weeks pregnant during 1971.

According to Dr. William Brenner, a member of the research team, none of these women sustained injury: "Serious complications observed in surgical abortions have not been observed with prostaglandins."

Besides being effective abortifacients, prostaglandins were found to bring on menstruation prior to implantation of the egg. Implantation of the fertilized egg in the uterine wall normally occurs about 6 weeks after intercourse.

Research into the use of prostaglandins as menstrual regulators was begun while they were being used for abortions. Researchers reasoned that if menstruation could be brought on regularly at the end of each monthly cycle, unwanted pregnancies would be averted.

Prostaglandins have been used successfully as menstrual regulators in research on three species of animals, including monkeys. In the clinical research with women, two varieties of naturally occuring prostaglandins will be administered into the vagina.

Synthetic varieties of prostaglandin, however, may prove more valuable than natural ones. It is hoped that synthetic prostaglandins will be developed which can be given orally, in pill form, and which will have fewer side effects than those being used now.

When prostaglandins have been used to induce abortion, patients have had nausea and pelvic pain. Physicians at the university hope to lessen these side effects by experimenting with different "routes and rates of administration" and to demonstrate that prostaglandins are superior to the daily estrogen pill and other birth control methods.

Dr. Frederick Kroncke, another researcher in the project, pointed out that there are areas of the world where people are interested in birth control but do not have the money nor the medical counsel necessary for the presently used contraceptives. In these areas prostaglandins may prove to be the cheapest and most effective means of birth control.

Until recently, most of the funds for the prostaglandins research have come directly from the University of North Carolina Department of Obstetrics and Gynecology with some assistance from the Upjohn Company, which supplies prostaglandins to the investigators. Since mid-July 1971, money has also been received from a grant from the Agency for International Development to the North Carolina Population Center.

[COMMITTEE PRINT]

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE SUBMITTING 5-YEAR PLAN FOR FAMILY PLANNING SERVICES AND POPULATION RESEARCH PROGRAMS

OCTOBER 12, 1971.

BACKGROUND AND OBJECTIVES

In recent years the Agency for International Development and the less developed countries to which it extends assistance have become increasingly aware of the importance of population problems. There is growing recognition that rapid population growth and concentration of population are often detrimental to attempts to accelerate social and economic development in these countries.[1, 2, 3, 4]

The Agency for International Development has therefore increasingly supported programs in the developing countries that aim to reduce population growth rates and to improve the conditions of human reproduction. AID population assistance is designed to achieve these specific objectives by strengthening the action programs of national governments, international agencies and private voluntary organizations. Such programs usually aim first and foremost at making family planning information and services freely available to those who want and would benefit from better means of fertility control.

Within the AID population program, research activity has developed gradually, not as an independent effort, but as an integral part of the backstopping, evaluating and strengthening of voluntary family planning programs. AID's research, therefore, is an applied or "goal directed" effort, seeking specific new knowledge that can be translated directly into action programs in the less developed countries.

SCOPE OF THE PROGRAM

The research component of AID population assistance is, from a legal standpoint, the oldest part of the program. In the first population legislation ever enacted by Congress, the Foreign Assistance Act was amended in 1963 to provide that AID funds "may be used to conduct research into the problems of population growth."[5] Subsequently, these research activities were endorsed by Congress in Title X of the Foreign Assistance Act (1967)[6] and by President Nixon in the Presidential Message on Population (July 18, 1969) [7]. * * *

The first objective of AID population research in the mid-1960's was to define and describe the still little-understood relationship between population growth and economic development. Studies by the National Planning Association, the University of Pittsburgh, General Electric TEMPO Center for Advanced Studies and others helped to document the fact that in many developing countries high birth rates were reducing the hoped-for gains in per capita income and in funds for capital investment, while at the same time creating a higher ratio of dependents for the working population to support and a higher demand for food, shelter, schooling and other immediate consumer needs. Reducing birth rates, these studies indicated, would hasten the achievement of other economic and social goals.

As these relationships were recognized and as the AID worldwide population program increased from $2.1 million in fiscal year 1965 to approximately $100 million in fiscal year 1971,[8] population research programs also increased in a comparable manner. The goal of the research program has consistently been to develop and relate new family planning methods, new social science insights, and new distribution systems to incipient and ongoing family planning programs of developing nations. Allocations for population research increased from about $1 million annually in fiscal years 1965–68 to $11.6 million in fiscal year 1970–71. In the five years, fiscal 1965 to 1970, a total of $26 million has been obligated for population research projects and pilot or demonstration projects which are principally research-oriented. In addition, throughout this period, technical assistance projects totalling approximately $10 million have been funded which are partially research or have research implications. Also in these years, about $10 million has been provided to institutions to strengthen their capabilities and support the conduct of population programs including research.

Footnotes at end of article.

In fiscal 1971, obligations for population projects which are solely or primarily research are expected to total $12 million. Funding levels for the population research program are shown in Figure 1.[9, 10]

STRATEGY

AID's population program assistance is being directed selectively at high priority action needs in the two categories of population policy and population programs. This overall assistance strategy is outlined in Table 1.[11]

The research program is considered an adjunct to this strategy and therefore encompasses a broad range of activities, including biomedical research to improve means of fertility control, research on demography, population dynamics, and operational research to improve family planning delivery systems.

Two decades of experience within AID and the assistance agencies preceding AID have led to the realization that adaptive research is needed for transference of knowledge and technology between nations. There are now 148 professional AID personnel working in population worldwide. The input on needed research from this network of AID personnel and action programs helps provide AID with perspective and the ability to focus on gaps in knowledge which are hindering the success of these programs.

AID's experience with other developmental programs has shown that it is important to provide coherent leadership and direction to research efforts. AID encourages the development of cooperative arrangements for carrying out research between institutions in the United States and the less developed countries. But whenever outside experts are involved, the research design and execution should involve host country nationals as collaborating professionals. In addition to making it more likely that highly relevant topics of research will be chosen, this practice is designed to enhance assurance that research results will find their way into practical application within the less developed countries. With the partial exception of biomedical research, it is essential that as much of the research as possible be carried out within the developing countries.

Most research should include training functions. By involving host country nationals in a training function, AID-sponsored research can hope to build up a valuable resource for the host country, namely, indigenous qualified research investigators. Ultimately, a core of skilled investigators in the developing countries should grow to a point where outside technical assistance in performing research is rendered unnecessary.

Research should demonstrably result in the development and strengthening of institutions within the host country, such as universities, hospitals, clinics, etc. This institutional development is often best fostered by organization affiliations between a U.S. research team and a specific institution within the host country.

Where adequate personnel and facilities exist, AID will enter into research contracts directly with host country institutions and nationals.

Although solution of important problems in a single country context has high priority, AID prefers, because resources are limited, to fund research projects of sufficient importance and generality that they can be applied in more than one less developed country. Typically, AID will support research in an initial country with the understanding that, should the project demonstrate success, efforts will be made to repeat the project in other countries.

RESEARCH NEEDS AND PROGRAM

AID has selected four functional areas in the field of population research for particular emphasis. The following sections present a brief description of research topics important to AID's assistance program, the program developed to date to meet these needs, and future plans.

DESCRIPTIVE DEMOGRAPHY

In the less developed countries of the world there is a paucity of accurate and complete information concerning the demographic status of the country. As one example, a consultative group of the Economic Commission for Africa, meeting in Addis Ababa in January 1971, concluded that current demographic information on the self-governing territories of Africa is, at best, spotty. Twenty-three of these territories have taken at least one census since 1950 yet 16 of the countries have not. Where censuses have been taken, the range of topics is quite narrow: only eight countries have collected data permitting analysis of national fertility levels; only 15 have data on internal migration. The situation is no better with regard to registration of vital events. While 33 of the African self-governing territories make provision for such registration, in only 10 of these countries does vital registration ostensibly apply to the entire population; elsewhere coverage extends only to urban areas or—in the case of four countries—to the non-African population.[12]

The obstacles facing achievement of accurate and complete demographic information for less developed countries are in large part the problems of development itself. The information cannot be obtained because of the relatively high cost and administrative difficulty of taking decennial censuses; the rapid outdating of census statistics due to delays in tabulation and analysis; the lack or nonexistence of efficient administrative machinery for vital registration and vital statistics collection; and the relatively high recording or response error.

In these situations, traditional approaches to census and vital registration systems will not yield the critically needed information. New methods for data collection relative to fertility, mortality and migration are required, as well as innovative techniques for collecting and analyzing information concerning family planning practices, pregnancy out of wedlock, incidence of induced abortion, early infant deaths, family formation and dissolution, and the age of onset and patterns of childbearing and marriage.

To improve the reliability and predictive value of data for population and family planning assistance programs, the University of North Carolina, with AID support, is helping to establish POPLABS, or Population Laboratories, at universities and research institutions in various countries. These POPLABs, initially established in Columbia, Morocco and the Philippines, concentrate on development of new methodologies (such as dual recording systems) for meeting census and vital registration requirements, and apply newer analytic techniques to the interpretation of existing demographic data.[13]

AID missions in many countries have also supported research to collect demographic data, develop new methods of analysis and improve the accuracy of descriptive and predictive demographic information. Considerable support has been provided to the building of demographic institutions, particularly in Latin America.[14]

To meet the need for improved demographic data and methods, AID has provided $7.5 million for technical assistance and research projects between FY-65 and FY-70. In the coming years, AID expects to continue support of a strong research effort in this area.

Determinants and consequences of population characteristics and change

In many countries success of family planning programs is hindered by lack of official policy or low priority support of such programs on the part of government and other leaders. The result is unavailability of adequate resources for population programs, failure to use all available contraceptive technology, and poor quality administrative systems. Studies of the dynamics of policy formation and decision-making as they relate to population and family planning programs are important in order to suggest strategies for bringing about change. To assist policy formulation and decision-making in less developed countries, investigation is needed of the impact and interrelationships of a broad range of government policies and activities on population such as tax laws, subsidies for childbearing, policies concerning housing, agriculture, education and welfare, laws concerning legal age of marriage, abortion laws, provision of governmental maternity care, and pro- or anti-notalist family planning policy.[15]

Beyond the policy sphere, social science research on population dynamics is needed to elucidate factors operating at both the individual and societal level.[16] At the individual level, studies are needed of factors directly affecting fertility, such as exposure to and frequency of intercourse, use of contraception and abortion to prevent or interrupt pregnancy, factors relating to pregnancy such as infertility, fetal wastage and length of lactation and the social psychological factors relating to acceptance of methods of fertility limitation including sterilization and abortion.

At the group level, more knowledge is needed concerning the dynamics of development of societal norms relating to fertility and how these norms interact with other factors such as education, socioeconomic status or religion to affect fertility behavior. Still awaiting more thorough exploration are the relationships between fertility and such factors as migration, urbanization, sex education, employment status and educational opportunities for women, and the commonly perceived relations between children (especially sons) and economic and social security. Work on population trends in society as studied by historians[17] and of the dynamics of smaller elements of society as studied by anthropologists has not received adequate emphasis within the population community.

In AID's program, behavioral and social science technical assistance and research projects have received $6.5 million between FY-65 and FY-70. Support is being provided, for example, to the Rand Corporation for an inquiry into the determinants of fertility.[18] The primary purpose of this project is to develop both a general theoretical statement of the determinants of fertility, and to explore elements of this theory from various conceptual, empirical and policy points of view. The goal is to help provide a basis for better defining alternative population/family planning program strategies, indicate their potential comparative advantage and test cost-effectiveness of actual operations.

Information on abortions is being developed through an AID supported project at Johns Hopkins University, which is conducting epidemiological studies in Taiwan. The project aims at determining the incidence of induced abortions and how this relates to health, fertility levels and other socioeconomic factors.

For the future, more attention is needed concerning social psychological factors in family decision-making as related to fertility.[19] A desirable product, from AID's point of view, would seem to be research which articulates an understanding of family decision-making with the organization of family planning services. Articulation would consist of structuring family planning services so as to take explicit account of empirically tested social psychological findings.

Efforts are going forward at several universities in the U.S. and elsewhere for the development of population education, a newly created discipline which seeks, in part, to broaden the traditional definition of

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Footnotes at end of article.

sex education by incorporating an awareness of population problems. Research is needed for the development, first, of instructional theory in this field; next, for curricular materials and programs of teacher training.[20]

The present "economic case" for reducing rapid population growth rates because of their adverse effect on development is based on highly discounted streams of future costs and benefits. While the ratios are impressive, they have little meaning to administrators hard pressed with present problems and whose planning horizons are counted in weeks and months rather than decades. Much more work is required to learn how population growth is immediately affecting present efforts to improve living conditions, reduce unemployment, and speed development in specific developing countries. Conversely, the contribution of modernization and economic development to secular declines in levels of fertility are generally recognized, but specific information on important variables which might be open to a policy of planned intervention in developing countries is quite limited.

Operational research

The most successful national family planning programs have benefited from an integration of research and evaluation activities with ongoing programs.[21] These programs have provided important information about user characteristics, what birth control methods they employed, and their rate of acceptance and continuance as measures of program impact and success. These operational research programs serve to identify and study problems and provide essential information to program administration, allowing changes and modifications in programs to insure their success.

Research is needed to determine the best methods of educating, communicating with and motivating people to use available family planning services. Study of factors ensuring continuance as well as initial acceptance of family planning services are important, as are studies of fertility of acceptors, nonacceptors and terminators. Personal relationships with clinic personnel or field workers and side effects of contraceptives seem particularly important to acceptance and continuing use of contraception. More studies of these relationships are needed. Innovative studies with respect to determinants of fertility control behavior involving house-to-house visits by field workers, popular mass media, peer group leaders and other approaches require trial and evaluation.

Less developed countries typically have relatively little trained manpower and weak administrative, transportation and communications systems. These conditions call for action research on optimal organization and administration of family planning programs, focusing particularly on target population locations, proper location and make-up of services, linkage of family planning and other services such as commercial systems or health services, how to provide family planning for rural populations, and other organizational problems relating to provision of services. Staffing needs of service programs dictate research into manpower problems and the development of new training methods for family planning workers.

Investigation of program impact, including relative cost effectiveness of various delivery patterns, developing simplified and accurate means of keeping service statistics, new approaches to measuring impact of service programs on fertility, better measures of the demographic effectiveness of specific contraceptives and reasons for departure from theoretical effectiveness are some of the areas where research is needed.

In the years FY-65 to FY-70, AID has provided $6.9 million for technical assistance and operational research projects to meet these needs. The Population Council has received AID assistance to conduct research on the impact of a demonstration postpartum family planning program in selected maternity hospitals in more than 15 countries. Areas of investigation have included the extent of participation, age-parity patterns, characteristics of acceptors, and measurements of costs and of cost-effectiveness.

Pilot studies on the use of various fertility control methods, development of improved service statistics systems and testing of mobile clinics and other delivery systems have been carried out in India, Pakistan, Turkey, the Philippines and in other Asian, Carribbean and Latin American Countries.[22]

Wake Forest University is conducting research, in collaboration with the University of Costa Rica, to determine what attitudes and values husbands and wives hold that affect utilization of available family planning services in Costa Rica. The investigators are evaluating the impact on utilization of a variety of experimental action inputs, including, for example, the use of home meetings as a group dynamic for increasing utilization of family planning services.[23]

In Africa, investigators from UCLA are working with the University of Accra and the Ghanian government to study various patterns of delivery of family planning services. Working in the Danfa rural district, researchers are testing pilot systems to deliver services independent of, and linked to, other services such as health care.

Between FY-65 and FY-70, over 40 operational research activities have been initiated under AID sponsorship in 12 countries in Asia, Africa, and Latin America. This area of research is one of growing importance, for the delivery system frequently is a crucial element in the success of family planning programs. Efficiency of the delivery system is often more important than methods provided or motivation of recipients as a limiting factor in the success of these programs. Therefore, operational research will continue to be an essential and important part of AID's total population research program. Its importance can be expected to increase until nations are fully mobilized to provide family planning service to their citizens.

One project currently under development is a broad-ranging program of research and evaluation at the American University in Cairo. Sponsored jointly by the Ford Foundation and AID, the program involves intensive and repeated studies of sample communities within the U.A.R. on topics ranging from basic demographic data to changes in the roles of women, from communication and educational investigations to improvement of client record-keeping systems.

Much interest has been generated in recent years concerning the use of monetary and nonmonetary incentives for increasing the rate of family planning acceptance in less developed countries. Six countries—India, Pakistan, South Korea, U.A.R., Taiwan and Ghana—now have incorporated some form of incentives scheme—whether to the client, doctor, family planning worker or canvasser—within their family planning programs. In the FY-70 family planning budget for India, approximately 22 percent of funding went for incentives.[24] Despite such large-scale investment in incentives, little research has yet been carried out to systematically evaluate the sociological or psychological impact of such programs: their cost-effectiveness, political ramifications or demographic effectiveness, not to mention their effects on continuation rates and the ethical problems which arise from faulty administrative systems. As pressure for incentives programs increases, there is corresponding need for rigorously designed research to untangle the pros and cons of incentives.

IMPROVED MEANS OF FERTILITY CONTROL

Evolutionary changes in fertility control technology during the last century, and implications for the nature and cost of fertility control programs are presented in Table 2.[25] The highly determinative influence of fertility control technology on the effectiveness and efficiency of family planning programs is readily apparent from studies of family planning practices and programs in many cultures.

Levels of education, availability of supply, transport and health care systems and other factors all mean that development of contraceptive techniques suitable for specific local conditions is essential. Increasing experience in family planning programs suggests that use of a variety of methods of fertility regulation is important to ensure success. Oral contraceptives may be preferred by young women than those who wish to use IUDs. A different age group prefers sterilization.

Cultural differences may seriously limit acceptability of certain methods, e.g., those requiring intra-vaginal examinations or those causing the side effect of vaginal bleeding. Other problems may arise with methods successful in the U.S. because of health and nutritional considerations: increased bleeding is a serious problem for IUD users already anemic from parasitic infestations[26] and decreased lactation among users of oral contraception may possibly compromise infant nutrition in certain settings.[27] Therefore, new methods which have greater acceptability in less developed countries are needed.

NEW MEANS

Priority has been given to research aimed at development of new and improved means of fertility control. The major focus of AID's research program is applied research and product development on methods now in view which appear to be most suitable and acceptable in the less developed countries.

When launching this program in 1968, AID defined the most essential missing element in fertility control technology to be a "non-toxic and completely effective substance which when self-administered on a single occasion would ensure the non-pregnant state at completion of a monthly cycle."[28] Since then, AID has obligated more than $11 million for support of research aimed at development of such "once-a-month" methods. The logic underlying this choice of principal research goal is indicated in Table 3.[29]

Studies of world fertility patterns and family planning programs had made it apparent that two foremost determinants of the efficacy of a means of fertility control for implementation of family planning programs in developing countries were the time of use (relative to sexual activity) and the requirements for administration (relative to clinical or self-application).

Effective use of precoital or preconceptive (contraceptive) means of fertility control requires the exercise of foresight. For many individuals, particularly in developed countries, these methods have been quite successful. But for many others in all societies and particularly in the developing countries, use of foresight means of fertility control is difficult and reliance solely on these means is less efficient and more expensive. For these groups, access to postcoital or postconceptive (hindsight) means of fertility control is imperative for adequate control of fertility.[30, 31, 32]

Ideally, the development of a substance or method which could be self-administered to control fertility after exposure to or recognition of pregnancy would fill the void in quadrant D (Table 3), establish Fifth Tier Technology (Table 2), and produce a marked increase in the speed and effectiveness with which family planning could be extended around the globe.

Footnotes at end of article.

The initial project funded with the goal of developing a once-a-month means of fertility control was for $107,000, provided in fiscal 1968, to the Worcester Foundation to study uterine luteolytic factors. This study used the auto-transplanted sheep ovary wherein the blood supply of these organs is made accessible by their transplantation into the neck. Using this technique, the still elusive uterine luteolytic factors have been tentatively identified as prostaglandins.

In fiscal 1969, $3 million was provided to the Population Council for a four-year program of research toward a once-a-month method especially for anti-progestational agents. This approach relies on the fact that progesterone is essential to establish and maintain pregnancy. Techniques being explored for interference with progesterone activity include interference with progesterone synthesis, and, competitive and noncompetitive inhibition of progesterone action at the endometrial level. The use of certain classes of infertility compounds which do not primarily interfere with progestins action are also being tested.

Also in fiscal 1969, $1.5 million was provided to the NICHD-Center for Population Research to support 28 studies focused on the corpus luteum. These studies have focused on obtaining the necessary knowledge concerning the role and function of the corpus luteum in reproduction needed to seek ways of altering corpus luteum function so as to regulate fertility. One of these studies has established the essentiality of the corpus luteum in the establishment and maintenance of pregnancy. Another study carried out by the Upjohn Company has further elucidated the role of prostaglandins in reproductive physiology.

In fiscal 1970, $2.3 million was provided to the Salk Institute to study the development of gonadotrophin releasing factor inhibitors as contraceptive agents. These releasing factors, such as the luteinizing hormone releasing factor (LRF) which is the focal point of the Salk project, are chemical "messengers" that link an area of the brain, the hypothalamus, with the anterior pituitary, which, as one of its functions, produces hormones involved in conception. By determining the chemical structure of the releasing factors, it may be possible to synthesize antigonists which can stop release of hormones and prevent conception.

Initial experimentation suggests that these chemicals will be active when taken orally. It is hoped that they will be effective either once-a-month or with a relatively short duration of use. There are also indications that they will have few of the systematic side effects of present steroidal contraceptives.[33]

Evidence is growing that prostaglandins can be developed as a pharmacologic "once-a-month" means of fertility control which is effective postcoitally and has the potential for self-administration. Reports of recent clinical experience confirm the efficacy of intravenous, intrauterine and intravaginal prostaglandins to induce the menses. These trials have also raised concern about bothersome side effects, including nausea, vomiting, and diarrhea, and a number of women have experienced incomplete uterine evacuation or therapeutic failures.

Although evidence is still inconclusive, factors relating to successful use of prostaglandins appear to be enhanced by early use on a once-a-month basis or immediately after the missed menses. When used early, completeness and proportion of women successfully using postaglandins appears maximal and side effects appear to be minimized.

Although no serious side effects have come to light in over 500 trials of these compounds as means of fertility control, their extreme potency and their ubiquitous occurrence and effects require thorough testing for side effects.

Several pharmaceutical companies are actively developing analogs which may have more favorable characteristics in terms of side effects, potency and duration of action. New delivery systems, e.g., intrauterine and and the "second generation" of analogs can be expected to increase efficacy, simplify use and minimize side effects by ensuring a dosage form of greater duration, gradual onset and controlled intensity.

Although considerable careful work remains to be completed, prostaglandins show promise of a breakthrough in contraceptive technology, particularly suited to the needs of AID assisted programs in less developed countries. For these reasons, over the past four fiscal years, (including FY-71), AID has obligated $4.4 million for prostaglandin research.[34, 35]

The largest of these grants, $3 million, was made in fiscal 1970 to the Worcester Foundation for Experimental Biology. Of the total, $2.7 million is for a broad research program in Worcester, including study of the effects of prostaglandin on reproductive processes, work to develop new assay techniques, and information gathering and dissemination. Through this program, collaborative studies are underway with Yale University and the Royal Veterinary College in Sweden to develop new assay techniques. Through subcontracts work on new means of synthesis is being carried out at Harvard and clinical trials are being conducted at Yale.

Additional grants will be made in the current fiscal year (1971) to Dr. S. Karim at Makerere University in Uganda to carry out clinical trials, to the University of Wisconsin to seek improved synthesis using micro-organisms to carry out key interconversions and to Washington University in St. Louis to study mechanism at action of prostaglandins.

Although success is not yet certain, and as yet unrecognized risks of prostaglandins may come to light, their potential to contribute to the solution of the demographic crisis is so great that the most rapid exploration of their worth is warranted.

OTHER BIOMEDICAL RESEARCH PROGRAM OBJECTIVES

A continuing focus of AID's research program is to further perfect and evaluate the role of currently available means of fertility control which are being used in the less developed countries. (See Table 4.)

Many countries (e.g., India, Korea, Pakistan) have emphasized sterilization as a means of fertility control because of the very high effectiveness of the method, the relatively low initial programmatic and clinical inputs needed and the lack of need for continuing motivation, supplies or other program inputs.[36] A sterilization by either partner may also be the safest means for a couple to achieve fertility control.[37] New methods are needed which would allow female sterilization without the risks and requirements for skilled personnel now needed for general anesthesia, intra-abdominal operation and hospitalization.

Simplification and greater reversibility of male sterilization could serve to retain the programmatic and demographic advantages of this method and decrease the importance of its single most important drawback which is low acceptance because of irreversibility. A continuing effort will seek methods which are simpler, safer, more reversible and less dependent upon skilled medical care practitioners.

Current projects include a study at the University of North Carolina seeking improved male and female sterilization techniques. This work is exploring the use of tantalum clips and other means of tubal occlusion. Simplified operative techniques for the use of current and new sterilization methods are also being investigated. A study to be initiated in the current fiscal year will be carried out by the Battelle Memorial Institute to seek improved and more reversible male sterilization procedures.

Other methods currently in use which will receive a continuing research effort to increase safety, contraceptive effectiveness and to decrease untoward side effects are presented in Table 4 and include steroidal contraceptives, IUDs, condoms, rhythm, vaginal foams, etc.

Work now in progress on currently available fertility control methods includes a three-year $913,000 program at the Southwest Foundation for Research and Education to study metabolic and vascular effects of the steroids used in current hormonal contraceptives and a three-year $581,000 program at the University of Pittsburgh School of Public Health to develop a combined intravaginal disease prophylaxis and contraceptive.

Rapid worldwide increase in venereal diseases have been documented by the World Health Organization, and both WHO and the Pan-American Health Organization have received a steady increase in requests to combat the problem.

Availability of an agent effective against venereal and other genital tract disease as well as against unwanted pregnancy would advance both health programs and family planning programs and could be distributed at both facilities. Such an agent would be especially useful for women in primitive conditions where clinical methods of contraception and treatment facilities are not available.

Another project, being carried out at the Pacific Northwest Laboratory of the Battelle Memorial Institute, is a three-year $645,000 research program to improve IUDs. IUDs, along with oral contraceptives, are among the most important contraceptive means now used in family planning programs in most countries. High rates of removal caused by side effects, spontaneous expulsions and accidental pregnancies limit the effectiveness of IUDs in current use. The Korean IUD program provides a good example. Since it began in 1964, up to 1969, a total of 1.5 million IUDs were inserted, reaching 36 percent of all married women aged 20–44. However, fewer than 600,000 of these remained in place. The majority were removed because of undesirable side effects.[38] The program at Battelle is correlating IUD performance patterns with physical and chemical characteristics of the IUDs to allow establishment of design criteria and development of improved devices. Such characteristics as size, shape compliance, and chemical composition are being studied. The improved performance characteristics of copper containing IUDs, have been shown to be possibly related to direct toxicity of copper to spermatazoa.

To evaluate fertility control methods which may have differing efficacy and risks associated with them when used in the less developed countries, a strong component of the AID research program is collaborative and comparative clinical trials of new methods in the field. The focus of this effort is the epidemiologic evaluation of the effects of these methods under use conditions in the field. By this technique, it has been possible to carry out double blind trials of new methods in the same clinic setting and to accurately evaluate the characteristics of the new technique.

Beginning in fiscal 1967, AID supported the development of the International IUD Program of the Pathfinder Fund. This $1.5 million field study of IUD performance characteristics is in its fifth year of operation and has provided high quality comparative data from 40 countries. Uniform records and centralized data processing has allowed the determination of which performance patterns are related to IUD's user and clinic characteristics. For example, the highly important category of removals because of bleeding or pain has been shown to be highly related to individual clinics providing contraceptive services.

To extend the availability of a clinical net-

Footnotes at end of article.

work for field trials, an International Fertility Research Program will be funded in fiscal 1971. This $3 million program will be under the direction of Dr. Elton Kessel and based at the University of North Carolina. The program will conduct collaborative field trials of new IUDs, sterilization techniques, steroidal contraception and other promising new means of fertility control in many countries.

In conjunction with these field trials, AID will sponsor "anticipatory" social research concerning the effects on the population of introducing new contraceptive technologies. It is hoped that these studies can speed the acceptance and diffusion of new innovations in fertility control technology. Under a new project to be funded in fiscal 1971, the American Institutes of Research will carry out some of these studies.

In the fiscal years 1967–1970, AID has obligated $14.6 million for research to improve birth control technology. In the future, AID's biomedical research program will focus on applied and developmental work needed to further perfect and evaluate the safety and role of methods demonstrated to be effective in family planning programs in the developing countries. And, it will concentrate on applied research and product development concerning methods now in view which appear to be more suitable and acceptable in the less developed countries. For example, the development of methods which do not rely on clinical delivery systems, which require infrequent use or administration, which minimize supply problems. and are effective on a once-a-month basis. AID will particularly emphasize the support and development of collaborative networks in the LDCs to facilitate early and appropriate utilization of these technologies. Support for more fundamental research will be limited to that needed to buttress applied research and family planning program activities. Strengthening institutional capabilities within LDCs will continue to be an important goal of AID support of all LDC research activities including those in reproductive biology and contraceptive development.

SUMMARY

Since fiscal 1965, AID has rapidly expanded its research program in population. AID seeks to use research to augment and strengthen the action program providing technical assistance to countries seeking to solve their population problem. For this reason, the bulk of AID funds will go to the action program, but perhaps 10 percent of these monies will continue to be devoted to population research.

Depending on other priorities and availability of funds, AID foresees annual expenditures of over $10 million for population research activities with annual increases commensurate with total budget growth. It seems likely that any successor agency to AID will continue to place high priority on population research.

FOOTNOTES

[1] *Population Program Assistance*, 1970. The Agency for International Development, Washington, D.C.

[2] Declaration of Population: The World Leaders Statement *Studies in Family Planning*, No. 26, p. 1–3, January 1968.

[3] Lyons, T. C., Population Policies: A World Overview presented at the Population Policy Conference, University of Ife Nigeria, March 1971.

[4] Piotrow, Phyllis T., *Congressional—Executive Relations in the Formation of Explicit Population Policy*, Unpublished Ph. D. dissertation, Johns Hopkins University, Baltimore, 1971.

[5] Section 241(b) of the Foreign Assistance Act, as amended.

[6] The Foreign Assistance Act authorizes AID to provide assistance for programs relating to population growth and "the term programs relating to population growth, includes, but is not limited to, demographic studies, medical, psychological and sociological research and voluntary family planning programs, including personnel training, the construction and staffing of clinics and health centers important to effective population programs, specialized training of doctors and paramedical personnel, the manufacture of medical supplies, the dissemination of family planning information and provision of medical assistance and supplies."

[7] Nixon, R. M., July 18, 1969. Message to the Congress of the U.S. on the establishment of a "U.S. Commission on Population Growth and the American Future." President Nixon "asked the Secretary of State and the Administrator of the Agency for International Development to give population and family planning high priority for attention, personnel, research and funding among our several aid programs."

[8] *Population Program Assistance*, 1970. The Agency for International Development, Washington, D.C.

[9] *Population Program Assistance*, 1970. The Agency for International Development, Washington, D.C.

[10] *The Federal Program in Population Research*, U.S. Department of Health, Education and Welfare, National Institutes of Health, December 31, 1970. 68 pp.

[11] Report on AID's Population Program Assistance in Relation to Envisioned Worldwide Needs, AID, Washington, D.C., November 27, 1970.

[12] Towne, Marvin W., Report on African Census and Demographic Studies, Bureau of Census, March 15, 1971.

[13] Linder, Forrest E., The Concept and Program of the Laboratories for Population Statistics, Laboratory for Population Statistics, Scientific Series, No. 1, University of North Carolina, March 1971.

[14] *Population Program Assistance*, 1970. The Agency for International Development, Washington, D.C.

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[16] Freedman, Ronald, "Social Research and Programs for Reducing Birth Rates." Working paper prepared for Rockefeller Foundation conference on population, Villa Serbelloni, Bellagio, Italy, April 1970.

[17] An exception to this generalization is: E. A. Wrigley, *Population and History*, New York: McGraw-Hill, 1969.

[18] For an early publication concerning this work cf. T. Paul Schultz, "An Economic Model of Family Planning and Fertility," Journal of *Political Economy* 77(2): 163–180, April 1969.

[19] For a recent critical review of literature in this area, cf. James T. Fawcett, *Psychology and Population*, The Population Council, New York, 1970.

[20] For a recent summary of development in this field, cf. "Population Education: A Challenge of the Seventies," *Population Bulletin*, XXVI, No. 3, the entire issue. Cf. also, Noel-David Burleson, "The Time Is Now: Population Education," Society for International Development, 11th World Conference, New Delhi, India, November 1969. It should also be noted that Mr. Stephen Viederman of the Population Council is conducting a worldwide survey of the state of population education, results of which should be available in the summer of 1971.

[21] Freedman, Ronald, *op. cit.*

[22] *The Federal Program in Population Research*, U.S. Department of Health, Education, and Welfare, National Institutes of Health, December 31, 1970, 68 pp.

[23] For reports on previous work by the same investigators using the same techniques with lower-class black populations in the U.S., cf. Clark E. Vincent, *et al.*, "Familial and Generational Patterns of Illegitimacy," *Journal of Marriage and Family*, Nov. 1969, 659–667; Fleetus L. Gobble, et al., "A Non-medical Approach to Fertility Reduction," *Obstetrics and Gynecology*, Vol. 34, Dec. 1969, 888–891; Clark E. Vincent, et al., "Abortion Attitudes of Poverty-Level Blacks," Seminars in *Psychiatry*, Vol. 2, August 1970, 309–317.

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[27] Kleinman, R. L., ed., *Comments on Steroidal Contraception*, International Planned Parenthood Federation, London, 1970, 55 pp.

[28] *Population Program Assistance*, 1968, Agency for International Development, Washington, D.C.

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[30] Ravenholt, R. T. and Speidel, J. J., *ibid.*

[31] Ravenholt, R. T., "A.I.D.'s Family Planning Strategy," *Science*, 163–124.

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[34] *The Federal Program in Population Research*, U.S. Department of Health, Education and Welfare, National Institutes of Health, December 31, 1970, 68 pp.

[35] Speidel, J. J., and Ravenholt, R. T. "Current Status of Prostaglandins as a Means of Fertility Control," *International Planned Parenthood Federation Medical Bulletin*. (in press)

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BIRTH CONTROL TECHNOLOGY AND IMPLICATIONS FOR FAMILY PLANNING PROGRAMS[1]

Technology tiers	Advent of method	Methods generally available	Family planning program needs
5	1970's	Methods listed below plus: "a nontoxic and completely effective substance or method which when self-administered on a single occasion would insure the nonpregnant state at completion of a monthly cycle."	Minimal regulation of sexual activity reduced need for education, main emphasis on insuring availability of contraceptives and post conceptives through medical and nonmedical facilities.

Footnotes at end of table.

BIRTH CONTROL TECHNOLOGY AND IMPLICATIONS FOR FAMILY PLANNING PROGRAMS[1]—Continued

Technology tiers	Advent of method	Methods generally available	Family planning program needs
4	1970's	Methods listed below plus legal surgical abortion.	Slight regulation of sexual activity, less emphasis on education, main emphasis on provision of contraceptive services through medical and nonmedical facilities and abortion services through medical facilities.
3	1960's	Methods listed below plus oral contraceptives and intrauterine devices.	Some regulation of sexual activity; continued emphasis on education and provision of contraceptives and family planning services through medical and nonmedical facilities.
2	[2] 1960	Methods listed below plus condoms, diaphragms, vaginal chemicals, rhythm, and surgical sterilization.	Considerable regulation of sexual activity; emphasis on education and provision of materials and services through medical and nonmedical facilities.
1	[2] 1870	Abstinence, coitus interruptus, delayed marriage and nonmarriage, crude vaginal barriers (E.G., sponges) douching, and illegal abortion.	Strict regulation of sexual activity, emphasis on education.

[1] Ravenholt, R. T., Piotrow, P. T., Speidel, J. J. Use of Oral Contraceptives A Decade of Controversy. Int'l J. Gyn. Obst. 8.941, November 1970.

[2] Before.

Source: From HEW 5-year plan, October 1971.

PRINCIPAL MEANS OF FERTILITY CONTROL[1] (BY TIME AND ROUTE OF ADMINISTRATION)

	Preconceptive	Postconceptive
1968		
Clinical administration required.	A. IUDS: surgical sterilization, vaginal diaphragm, oral contraceptives (in some countries).	B. Surgical abortion intra amniotic injection.
Self-administration feasible.	C. Abstinence, noncoitus, rhythm, coitus interruptus, condoms, vaginal sponge, foam, douche, etc., oral contraceptives (in some countries)	D.
1970		
Clinical administration required.	A. IUDS, surgical sterilization, vaginal diaphragm, oral contraceptives, (in some countries).	B. Surgical abortion, intra amniotic injection, prostaglandins (intravenous and intrauterine since January, 1970).
Self-administration feasible.	C. Abstinence, noncoitus, rhythm, coitus interruptus, condoms, vaginal sponge, foam, douche, etc., oral contraceptives (in some countries).	D. Prostaglandins (vaginal since September, 1970).

[1] Ravenholt, R. T., Speidel, J. J., "Prostaglandins in Family Planning Strategy" Prostaglandins Annals New York Academy of Sciences 180 537, Apr. 30, 1971.

A 5-Year Plan for Family Planning Services and Population Research

(Second Progress Report to the Congress of the United States, Pursuant to Section 5, Public Law 91-572, May 1973)

AGENCY FOR INTERNATIONAL DEVELOPMENT

Population research programs of the Agency for International Development (AID) within the Department of State are conducted under the 1968 Title X Amendment of the Foreign Assistance Act of 1961. AID funds are being used for support of family planning programs in 35 developing countries, for contraceptive and other supplies distributed to more than 70 countries, for development of new means of fertility control, and for support of population activities by the United Nations, the International Planned Parenthood Federation, and many other international organizations.

The goal of the AID research program is to develop and relate new family planning methods, new social science insights, and new distribution systems to incipient and on-going family planning programs of developing nations. AID funding for population research was $10.2 million in fiscal 1970, $13.1 million in fiscal 1971, $13.5 million in fiscal 1972, and an estimated $13.5 million in fiscal 1973.

AID emphasizes the following four functional areas in the field of population research:

1. *Descriptive Demography.* In the less developed countries of the world, census and vital registration data are frequently lacking or inadequate, and traditional methods of information gathering and analysis are not appropriate. AID is supporting the development of new methods for data collection relative to fertility, mortality, and migration, as well as innovative techniques for collecting and analyzing information concerning family planning practices, out-of-wedlock pregnancy, incidence of induced abortion, early infant deaths, family formation and dissolution, and patterns of childbearing and marriage. In fiscal 1972, AID awarded a $1 million grant in partial support of the first two-year costs of a World Fertility Survey (WFS). The WFS is a five-year program to assist some 30 to 50 countries to carry out fertility surveys. To meet the need for improved demographic data and methods, AID has provided $15.5 million for technical assistance and research projects between fiscal 1965 and fiscal 1972.

2. *Determinants and Consequences of Population Characteristics and Change.* To assist policy formulation and decision-making in less developed countries, AID supports investigations of the impact of government policies on population, e.g., tax laws, subsidies for child-rearing, policies concerning housing, agriculture, education and welfare, laws concerning legal age of marriage, and abortion laws. AID also supports social science research on population dynamics to elucidate factors operating at both the individual and societal level. AID funds for behavioral and social science technical assistance and research projects totaled $13 million between fiscal 1965 and fiscal 1972.

3. *Operational Research.* AID supports research to assess the impact of family planning programs in less developed countries, including cost effectiveness of various delivery patterns, developing simplified and accurate means of keeping service statistics, new approaches to measuring the impact of service programs on fertility, better measures of the demographic effectiveness of specific contraceptives, and reasons for departure from theoretical effectiveness. From fiscal 1965 to fiscal 1972, AID provided $15 million for over 60 technical assistance and operational research projects in 18 countries.

4. *Improved Means of Fertility Control.* In the less developed countries where health care systems are weak and the acceptor population is frequently poorly educated, it is important to develop fertility control techniques especially suited to the local conditions of these countries and less dependent upon sophisticated delivery systems. During fiscal 1965 to fiscal 1972, $30 million has been obligated for fertility research in three areas: (a) Research to develop a once-a-month, self-administered method; (b) Research to improve currently available means of fertility control; and (c) Comparative clinical field trials of means of fertility control under use conditions in less developed countries.

Excerpts From "Inventory of Federal Population Research, Fiscal Year 1972"

(DHEW Publication No. (NIH) 73-133, "Development of New Fertility Regulation Techniques")

373 Effect of PGE-1 and PGF-2 on Uterine Contractility and Endometrial Morphology: Behrman, Samuel J., Michigan, University of, Ann Arbor, Mich.; AID-PHA Grant 93111570923F; Project Period, July 1971–June 1973: Total Project, $67,290.

379 Research on Side Effects and Mechanism of Action of Prostaglandins (Humans, Rabbits: Csapo, Arpad Istvan, Washington University, St. Louis, Mo.; AID–PHA Contract 93117570541.

389 Development of Inhibitors of LH Releasing Factors as Contraceptive Agents (Sheep and Pigs): Guilleman, Roger, Salk Institute for Biological Studies, San Diego, Calif.; AID–PHA Contract 93117570518.

394 An Investigation of the Clinical Efficacy of Prostaglandin F2 as a Luteolytic Agent: Jones, Georgeanna Seegar, Johns Hopkins University, Baltimore, Md.; AID–PHA Grant 9311570916D; Project Period, June 1971–June 1973; Total Project, $49,995.

395 Luteolytic Action of Prostaglandin F2 in Human Pseudopregnancy; Jones, Georgeanna Seegar: Johns Hopkins University, Baltimore, Md.; AID–PHA Grant 9311570916E; Fiscal Year 1972 Funds, $50,000; Project Period, July 1972–June 1973; Total Project, $50,000.

396 Research on Prostaglandins in Relation to Human Reproduction (Uterus): Karim, Sultan M. M., Makerere University Medical School, Kampala, Uganda; AID–PHA Contract 93117570540.

397 Simplified Techniques of Fertility Control (Multiple Anatomical Sites in Humans): King, Theodore M., Johns Hopkins University, Baltimore, Md.; AID–PHA Contract 93117580548; Fiscal Year 1972 Funds, $2,673,650.

399 Prostaglandins and Other Research for Development on Contraceptives (Multiple Anatomical Sites): Klaiber, Edward, Worcester Foundation for Experimental Biology, Shrewsbury, Mass., AID–PHA Contract 93117580520.

411 Contraceptive Development (Anti-Progestational Activity in Multiple Anatomical Sites): Segal, Sheldon J., Population Council, New York, N.Y., AID–PHA Contract 93117580512.

412 Research for the Development of a Once-A-Month Contraceptive Pill (Corpus Luteum): Shaikh, A. A., Worcester Foundation for Experimental Biology, Shrewsbury, Mass., AID–PHA Contract 93117580493.

413 Studies on the Synthesis of Prostaglandins (Microorganisms): Sih, Charles, Wisconsin, University of, Madison, Wis., AID–PHA Contract 93111570532.

418 Investigation of the Clinical Effects of Prostaglandin F2 in the Second Trimester: Wentz, Anne C., Johns Hopkins University, Baltimore, Md., AID – PHA Grant 93111570916B; Project Period, June 1971–March 1973; Total Project, $49,996.

419 Investigation of the Clinical Effects of Prostaglandin F2 in the First Trimester: Wentz, Anne C., Johns Hopkins University, Baltimore, Md., AID – PHA Grant 93111570916C; Project Period June 1971–March 1973; Total Project, $49,998.

SUMMARY OF AID DOLLAR OBLIGATIONS FOR POPULATION AND FAMILY PLANNING PROJECTS, FISCAL YEARS 1965-72

[In thousands of dollars]

Project	1965-67	1968	1969	1970	1971	1972
Nonregional:						
Office of Population	2,079	10,623	17,398	22,055	35,270	49,355
Office of Health					978	1,355
Office of International Training	132	38	40	304	546	503
AID/W other	524	435	1,431	1,932	2,536	3,265
U.N. Fund for Population Activities		500	2,500	4,000	14,000	29,040
Nonregional total	2,735	11,596	21,369	28,291	53,330	83,518
Africa:						
Country projects	23	404	983	2,484	2,084	6,508
Regional projects	30	259	457	179	5,699	4,759
Africa total	53	663	1,440	2,663	7,783	11,267
East Asia:						
Country projects	446	3,475	6,388	8,673	10,739	11,512
Regional projects	350	1,325	1,608	623	1,942	1,826
East Asia total	796	4,800	7,996	9,296	12,681	13,338
Near East-South Asia:						
Country projects	2,437	[1] 9,061	3,349	[2] 22,908	5,181	1,379
Regional projects		655	963	277	1,409	1,521
Near East-South Asia total	2,437	[1] 9,716	4,312	[2] 23,185	6,590	2,900
Latin America:						
Country projects	1,539	5,457	3,071	5,437	7,085	7,223
Regional projects	2,861	2,468	7,256	5,520	8,161	3,911
Latin America total	4,400	7,925	10,327	10,957	15,246	11,134
South Vietnam	50	50		180	238	1,108
Country and regional total	7,736	23,154	24,075	46,281	42,538	39,747
Grand total	10,471	34,750	45,444	74,572	95,868	123,265

[1] Includes $2,700,000 loan to India for program vehicle parts.

[2] Includes special $20,000,000 grant to India.

AID POPULATION FUNDS OBLIGATED FOR RESEARCH IN FISCAL YEARS 1966-72 (EXCLUDES TECHNICAL ASSISTANCE PROJECTS WITH A RESEARCH COMPONENT)

Subject	1966	1967	1968	1969	1970	1971	1972
Population dynamics and descriptive demography:							
Family size and growth (CELAP)		$160,000	$200,000	$230,000	$350,000	$100,000	
Pregnancy outcome				194,000			
Study of family structure		239,000	96,000				
Population growth in Latin America (Population Council)		200,000	300,000	300,000	300,000	500,000	$450,000
Determinants of fertility (Rand)			143,000		326,000		
Cross cultural fertility behavior research						842,000	
Study of Latin America migrants						223,000	
Fertility survey in Afghanistan				35,000	45,000	1,431,000	
Demographic study in Pakistan						118,000	
World fertility survey (ISI)							1,043,000
Other studies	204,000	126,000	717,000	808,400	1,035,000	808,000	1,636,000
Subtotal	204,000	725,000	1,456,000	1,567,400	2,056,000	4,022,000	3,129,500
Operational research:							
Integrated FP and health services				575,000		630,000	908,000
Postpartum family planning studies		300,000		300,000			
Evaluation studies in Philippines			41,000	55,000	336,000	200,000	
Utilization of family planning services				262,000		101,000	
Population decisions study					276,000	480,000	
Family planning in East Asia			84,400	108,700	117,600	328,000	19,700
Family planning in the Middle East						270,000	
Other studies	2,000	260,000	185,000	353,000	178,000	342,000	217,000
Subtotal	2,000	560,000	310,400	1,653,700	907,600	2,351,000	1,144.700
Improved methods of fertility regulation:							
Corpus luteum studies:							
Worcester Foundation			109,000			99,000	
NICHD-CPR				1,510,000	53,000		
Antiprogestins, Population Council				3,000,000			
Prostaglandins:							
Worcester Foundation					2,980,000		
University of Wisconsin						227,000	
Washington University						293,000	
Makerere University						821,000	
Other						217,000	150,000
Gonadotropin releasing factor inhibitors ,Salk Institute					2,255,000		
Intrauterine devices:							
Battelle Memorial Institute					150,000	495,000	
Other						12,000	
Contraceptive safety, southwest foundation					913,000		
Contraceptive and disease prophylaxis agent, University of Pittsburg					581,000		
Devices, sterilization, and training:							
Battelle Memorial Institute						830,000	199,000
University of North Carolina				79,000		135,000	
Johns Hopkins University							2,797,000
Field trials:							
International IUD Program—Pathfinder Fund		194,000		1,289,000			
International fertility research program—University of North Carolina						3,106,000	1,800,000
Conventional contraceptives			346,000	440,000	340,000		
Small grants program: Applied research on fertility regulation—University of Minnesota							3,350,000
Other studies		97,000	107,700	103,000	99,000	182,000	66,000
Subtotal		291,000	562,700	6,421,000	7,371,000	6,417,000	8,362,000
Total	206,000	1,576,000	2,329,100	9,642,100	10,334,600	12,790,000	12,636,200

A FACT SHEET ON PROSTAGLANDINS

TODAY—TOMORROW?

What are they?

They are a newly discovered group of human hormonal chemical substances. They have many functions known and unknown and are still being investigated. One function is to cause the onset of labor and of emptying the uterus. This will occur at any stage of pregnancy that they are used.

Who manufactures them?

The Upjohn Company of Kalamazoo, Michigan holds most of the rights and has been involved in most of the research to date. It is possible that other companies will ultimately also market prostaglandins resulting from their own research or will obtain licensure from Upjohn and also manufacture and sell these products.

How are they used?

Many methods of administration are being investigated. These include oral, intravenous, intra-amniotic, extra-amniotic, and vaginal suppositories.

Do they cause abortion?

Exact details vary in different studies, with different methods, and with different forms of the drug. They do, however, apparently produce abortion and an emptying of the uterus, at any stage of pregnancy in a high percentage of the cases.

Are there complications?

Yes! Some modes of administration, such as intravenous, have severe side effects and may not be approved for use. Some, such as the vaginal and the amniotic routes may well be approved in spite of some problems. One problem is that this method doesn't always "work" and another method must then be used to complete the abortion.

An abortion?

The one constant about using this drug is that it results in abortion. It produces contractions of the uterus (labor) and the baby, of whatever age, if not killed by the drug effects and the contractions, is born alive.

Who gives approval for a new drug?

Any new drug must ordinarily go through years of exhaustive investigation. Many, many scientific studies must be done. Its safety and function must be thoroughly established. When ready, the drug company will submit a formal application to the U.S. Food and Drug Administration. Ordinarily, there is a further delay of up to several years before official approval is given.

Where do the prostaglandins stand?

If this were any other drug, it would probably still be years away from application for, much less approval of, its use. This one is obviously different. Huge sums of money are involved. It also promises the pro-abortionists a relatively easy and "clean" method of abortion without all the mess of direct surgery, cutting up babies, maternal injury, etc. There are tremendous pressures to get it on the market. The July 1972 issue of Fortune Magazine first broke the news to the financial community and since that time Upjohn stock has sharply increased in value. Time Magazine recently included the Upjohn family among those who had made financial bonanzas in 1972.

Will it be approved for use?

Many reports and some rumors all seem to tell the same story. Apparently tremendous pressures are being exerted from many directions to: a) get the application in, and b) get it approved quickly. Political observers are guessing that this could be as early as the fall of 1973. Quick approval, if, it comes, would be a political and social decision, not for medical need.

Are there other actions of the drug?

This is the sad part of this story to date. This new family of drugs will apparently have far-reaching effects on other disease states. Most of the research and development has been concentrated on the abortive action and it is for this use that it will be probably fast approved and marketed.

What of the Upjohn Company?

They are making few public statements. Except for published scientific papers, little information as to production, projected policies, advertising, etc., is being released. This is top secret information. Some hints do come through as to their philosophy. The following is from an in-house newspaper, for employees only, circulated in December 1972. These are "taken from executive comments" and summarize their "position." We note some of them with our comments. (See actual paper, last page)

UPJOHN STATEMENT

The role of the pharmaceutical industry, including the Upjohn Co. in society is to provide medical research guided by a single overriding objective: to improving the quality of human life.

COMMENT

We always thought that medical science had as a single overriding objective the saving of, and preservation of human life, not improving the quality of some lives by killing others.

UPJOHN STATMENT

Population control is one of the gravest problems confronting the human species in our time. If we are to reduce the social and political pressures which threaten human beings with extinction—and if we are to offer the mass of mankind a reasonable expectation of self-fulfillment in life—this problem must be solved.

COMMENT

Read the chapter on population in the new 1973 edition of Handbook on Abortion. Read Handbook on Population. The Upjohn statement is flatly false, and is a continuation of scare tactics.

Population density does not relate to "self-fulfillment." We are not threatened with extinction. The U.S. birthrate is now well below replacement level, and the world birthrate is steadily dropping.

UPJOHN STATEMENT

The purpose of population control is to improve the quality of human life. When we succeed in holding population levels to the point that each new human being on earth is wanted by parents and society alike, the importance of each individual's fulfillment of lifetime potential will become far greater than it is now.

COMMENT

This is totally visionary and bears no relation to reality.

It is well known that the most mature people, most capable of giving love, often come from large families, and that the selfish, egocentric often comes from a one or two child family.

Granting some basic economic security, the person's maturity, and the ability to love, the true contributor to society comes from an intact family and stable parents, not at all necessarily from a small family.

If we hold up as a desired goal only the achievement of more education and getting more things (quality life) rather than the ideal of unselfish service to those less fortunate, we'll soon have such an exploitative society that our civilization will not survive.

UPJOHN STATEMENT

With these things in mind, the Upjohn Co. believes that new techniques for contraception, for interception of the fertilized ova, and even for induced therapeutic abortion, should be made freely available.

COMMENT

This is a classic example of dishonest twisting of the meaning of words to mak[illegible] thing more palatable.

"Interception of the fertilized ov[illegible]ing a new human being. It is direct abortion.

"Therapeutic" abortion is an abortion to save the life of the mother. That's not what prostaglandins will be marketed for.

UPJOHN STATEMENT

Of all forms of birth control, abortion is the least desirable. To the extent possible, the Upjohn Co. hopes that timely use of prostaglandins—before a technically-defined pregnancy has occurred—will virtually eliminate any need to consider an abortion.

COMMENT

This dishonest attempt to reeducate us that a pregnant woman is not pregnant is incredible. "Technically defined pregnancy" is semantic gymnastics at its ugliest.

Pregnancy begins at conception, no matter what the Upjohn public relations people say. Abortion is abortion no matter what the Upjohn public relations people say.

UPJOHN STATEMENT

Nevertheless, where contraception or interception of the fertilized ova have failed—where legal, moral, and religious commitments permit—the person who chooses abortion deserves access to the most safe and effective methods.

COMMENT

Let's restate in scientifically accurate words:

"Where contraception or the direct killing of this human being in its first week of life has failed—where legal, moral, and religious commitments permit—the mother who wants to kill the developing baby in her womb deserves access to the most safe and effective method of such killing.

Mr. HELMS. Mr. President, I reserve the remainder of my time.

(By unanimous consent granted to Senator TAFT ordered to be printed at this point:)

EXHIBIT 1

POPULATION CRISIS COMMITTEE,
Washington, D.C., June 14, 1973.

Hon. CLEMENT J. ZABLOCKI,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ZABLOCKI: Just before the hearings of the House Foreign Affairs Committee on the foreign aid bill came to a close yesterday, you asked how I would view a possible amendment which would prohibit any of the funds earmarked for population activities being spent for abortion. I answered that while I do not advocate abortion and believe contraception is a far preferable alternative for any couple wishing to limit the size of its family, I believe it would be a mistake to legislate any such prohibition. There was not time to amplify my reply. I am therefore writing you and sending a copy of my reply to the Committee Chairman, Dr. Thomas E. Morgan, to amplify my statement and to explain my position in greater detail.

A large number of the governments of developing countries are now carrying on official governmental family planning programs, and each government exercises its own sovereign right to determine first, whether or not it wishes to have any population or family planning policy at all, and second, if it decides to have a family planning program it then must make its own decision as to what the program should include. Earlier in the hearings yesterday I was asked by another Congressman whether I knew of any conditions that the Agency for International Development had ever put on its willingness to assist the family planning programs of other governments. I replied that I knew of no such conditions and that I believed there should be no conditions for such assistance since the attitude of the Congress and of the American government as a whole has been to regard all such programs as voluntary on the part of each country and voluntary on the part of each couple. In other words, family planning help is made available to those who request it, and even when a family planning program is in operation in a particular country, it is the decision of each couple whether or not to accept such help.

In accordance with this recognized principle it would appear improper to me for our government to decide unilaterally what type or method of fertility control any other government should use or not use. Attitudes, customs, and ethics vary from country to country, and as a consequence the laws in one country permit what is prohibited in another. I believe it is for each country to decide for itself what it considers appropriate in its own population and family planning program, and that our government should neither encourage nor prohibit one or another method of fertility control but should offer our assistance, leaving it to the recipient government to fashion and carry out its own program.

It would seem particularly inappropriate for our government to attempt to influence the actions of another government in offering or refusing abortion to its own citizens in the face of the decision by our own Supreme Court making it unconstitutional for any of our own states to interfere with the right of any woman, in consultation with her own physician, to terminate an unwanted pregnancy during its first three months.

Certainly my own efforts and the efforts of the Population Crisis Committee have been devoted to stimulating the interest of governments and of multilateral international organizations such as the International Planned Parenthood Federation and the United Nations Fund for Population Activities to expand their family planning assistance and activities through increasing the use of contraceptives which, if effectively employed, would eliminate any need to resort to abortion. This I believe is without doubt the correct and best procedure. However, as I have explained above, I believe that it would be wrong to try to prevent other governments from including abortion as a fertility control measure by amendment to the foreign aid legislation.

Sincerely yours,

WILLIAM H. DRAPER, JR.

ORDER RESCINDING PREVIOUS ORDER RECOGNIZING CERTAIN SENATORS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the previous order for the recognition of Senators on tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS LONG, RIBICOFF, AND MANSFIELD, FOR THE TRANSACTION OF MORNING BUSINESS AND FOR RESUMPTION OF UNFINISHED BUSINESS, FOREIGN ASSISTANCE ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, the distinguished Senator from Louisiana (Mr. LONG) be recognized for not to exceed 15 minutes, after which the distinguished Senator from Connecticut (Mr. RIBICOFF) be recognized for not to exceed 15 minutes; after which the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), be recognized for not to exceed 15 minutes; after which there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes; at the conclusion of which the Senate resume the consideration of the then unfinished business, the Foreign Assistance Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BELLMON ON WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 10:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT—ORDER FOR CONSIDERATION OF CERTAIN AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of amendment No. 535 by the Senator from California (Mr. TUNNEY) on tomorrow, the Senate resume the consideration of the amendment of the Senator from North Carolina (Mr. HELMS), amendment No. 566.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10:45 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Louisiana (Mr. LONG) will be recognized for not to exceed 15 minutes; after which the distinguished senior Senator from Connecticut (Mr. RIBICOFF) will be recognized for not to exceed 15 minutes; at the conclusion of which the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), will be recognized for not to exceed 15 minutes; after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited therein to 3 minutes; at the conclusion of which the Senate will resume the consideration of the unfinished business, S. 2335, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

The pending question before the Senate at that time will be on the adoption of the amendment by the Senator from California (Mr. TUNNEY), amendment No. 535.

On the disposition of that amendment, the Senate will resume the consideration of the amendment by the Senator from North Carolina (Mr. HELMS), amendment No. 566, on which the yeas and nays have been ordered.

There will be yea-and-nay votes throughout the day on amendments tomorrow. It is hoped—and there is good reason, I think, to expect—that the Senate will complete action on the Foreign Assistance Act on tomorrow.

ADJOURNMENT TO 10:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10:45 a.m. tomorrow.

The motion was agreed to; and, at 6:49 p.m. the Senate adjourned until tomorrow, Tuesday, October 2, 1973, at 10:45 a.m.

NOMINATIONS

Executive nominations received by the Senate October 1, 1973:

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Donavon F. Smith, [redacted]FR (major general, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officers for promotion in the Army of the United States, under the provisions of Public Law 92–129.

ARMY PROMOTION LIST

To be lieutenant colonel

Henry, Malcolm P., [redacted].
McMahan, Emmet K., III, [redacted].

MEDICAL CORPS

To be lieutenant colonel

Alden, Errol R., [redacted].
Buckingham, Frank M., [redacted].
Favila, Marcial Q., [redacted].
Warren, Daniel C., [redacted].
Whitecar, John P., Jr., [redacted].

DENTAL CORPS

To be lieutenant colonel

McDonnell, Doren D., [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Phelps, Harvey C., [redacted].

ARMY NURSE CORPS

To be lieutenant colonel

Huber, James O., [redacted].
Moore, Alice K., [redacted].

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299.

ARMY PROMOTION LIST

To be colonel

Watson, Henry, Jr., [redacted].

ARMY PROMOTION LIST

To be major

Daniel, Clyde J., [redacted].
Esworthy, Bert, [redacted].
Fisher, Hugh M., [redacted].
Fitzmorris, William H., [redacted].
Galle, Joseph E., [redacted].
Gartman, Etric P., [redacted].
Griffiths, Allyn C., Jr., [redacted].
Janas, Edward A., [redacted].
Jeffrey, Henry E. Jr., [redacted].

Kane, John R., [redacted].
McMahan, Emmet K., III, [redacted].
Morgan, Harold D., [redacted].
Platt, Edgar C., [redacted].

CHAPLAIN CORPS

To be major

Myers, Glenn L., [redacted].

MEDICAL CORPS

To be major

Buckingham, Frank M., [redacted].

DENTAL CORPS

To be major

Blubaugh, Edward C., [redacted].

MEDICAL SERVICE CORPS

To be major

Logan, Robert F., [redacted].
Schrantz, Marshall K., [redacted].

ARMY NURSE CORPS

To be major

Nixon, George A., [redacted].
Reumann, Albert D., [redacted].

ARMY PROMOTION LIST

To be captain

Bischoff, Robert C., [redacted].
Cleveland, Floyd T., [redacted].
Collins, John P. [redacted].
Conant, Robert A., [redacted].
Craig, Aubrey D., [redacted].
Cross, Ned G., [redacted].
Davidson, Allen E., [redacted].
Davis, Louis R., [redacted].
Dopler, Jack E., [redacted].
Esposito, Anthony L., [redacted].
Everett, James W., [redacted].
Falcon, John D., [redacted].
Golden, John C., III, [redacted].
Griffiths, Richard, [redacted].
Hall, David P., [redacted].
Hardwick, Danny G., [redacted].
Harms, Robert R., [redacted].
Hayden, Thomas A., [redacted].
Heinrich, Charles H., [redacted].
Hopkins, John S., [redacted].
Humbert, Philip G., [redacted].
Johnson, David C., [redacted].
Johnson, Gerald K., [redacted].
Johnson, Leland C., [redacted].
Keefe, Kenneth L., [redacted].
Kirby, Bobby G., [redacted].
Larsen, Frank E., [redacted].
Mackeil, Edward J., [redacted].
Mahek, Barry W., [redacted].
Marszalek, Mitchell M., [redacted].
Meade, Dillard W., [redacted].
Michael, Larry J., [redacted].
Miller, Timothy A., [redacted].
Moore, Larry R., [redacted].
Mullins, Stephen A., [redacted].
Oeschger, Oren E., [redacted].
Oliva, Stephen A., [redacted].
Parker, Richard L., [redacted].
Peduzzi, Lawrence P., [redacted].
Peterson, Felix, Jr., [redacted].
Petrosky, Daniel J., [redacted].
Posta, Charles D., [redacted].
Robinson, Robert L., [redacted].
Ruff, Edwin R., [redacted].
Salter, Ned W., [redacted].
Sauer, Richard L., [redacted].
Scates, Joseph F., [redacted].
Schjeldahl, Roger A., [redacted].
Schulze, Richard F., [redacted].
Scivener, Thomas S., [redacted].
Silkman, Billy D., [redacted].
Simpkins, Jimmie C., [redacted].
Smaagaard, Arthur G., [redacted].
Smith, Bryon W., [redacted].
Stinson, Joe A., [redacted].
Stolarcek, William G., [redacted].
Strickler, Gordon M., [redacted].
Torres, Juan H., [redacted].
Weathers, Stanley J., [redacted].
Weis, Joseph R., [redacted].
Williams, Floyd, [redacted].
Willoughby, Lonny R., [redacted].
Winter, Donald C., [redacted].
Zerull, Dietmar W., [redacted].
Zygan, Robert F., [redacted].

CHAPLAIN CORPS

To be captain

Stenbokken, Richard O., [redacted].

DENTAL CORPS

To be captain

Edge, Marion J., [redacted].
Gilles, James A., [redacted].
Hooks, Thomas W., [redacted].
Hughbanks, James C., [redacted].
Lemoine, David L., [redacted].
Nagy, William W., [redacted].
Osborne, William H., [redacted].
Wright, David K., [redacted].

MEDICAL SERVICE CORPS

To be captain

Barrett, John A., [redacted].
Diem, Michael H., [redacted].
Moore, Clayton H., III, [redacted].

ARMY NURSE CORPS

To be captain

Deisering, Leon F., [redacted].
Gahan, Sharon M., [redacted].
Gearhart, Sharon K., [redacted].
Keyser, Collette P., [redacted].
Seipert, Lloyd R., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be captain

James, Kenneth D., [redacted].

VETERINARY CORPS

To be captain

Rice, Bennie, Jr., [redacted].

The following-named officers for promotion in the Regular Army of the United States under the provisions of title 10, United States Code, sections 3284 and 3298:

ARMY PROMOTION LIST

To be first lieutenant

Aaron, Alvin D., [redacted].
Aaronson, David B., [redacted].
Abbott, John C., [redacted].
Abernathy, Julian R., [redacted].
Abrahamson, Dale M., [redacted].
Ackerly, William G., [redacted].
Ackerman, Bartley C., [redacted].
Ackerman, John M., [redacted].
Ackroyd, Harry E., [redacted].
Adamczyk, Carl A., [redacted].
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Chubinski, Adam G., [redacted].
Church, Michael V., [redacted].
Churchill, Ralph B., [redacted].
Ciccolella, Robert, [redacted].
Cieslak, Jon C., [redacted].
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Claypool, Stephen A., [redacted].
Clements, Larry E., [redacted].
Clevenger, Douglas, [redacted].
Clifford, Francis W., [redacted].

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Cline, Dennis C., [redacted]
Cloney, Leroy V., [redacted]
Cloninger, James M., [redacted]
Clow, Kenneth H., [redacted]
Clubb, Frank W., [redacted]
Clymer, Robert L., [redacted]
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Dietrich, Gordon S., [redacted].
Digby, Charles, [redacted].
Dikeman Lawrence B., [redacted].
Dille, Henry W. Jr., [redacted].
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Dimmery, Hugh M., [redacted].
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Disbrow, James C., [redacted].
Ditoro, Peter Jr., [redacted].
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Dominy, Matthew, [redacted].
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Dowdy, Carlton, L., [redacted].
Downing, Benjamin H., [redacted].
Downs, Michael D., [redacted].
Doyle, John P., [redacted].
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Doyne, William G., [redacted].
Drab, Guy W., [redacted].
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Dragstedt, Carl A., [redacted].
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Drummond, Raymond R., [redacted].
Dube, Timothy J., [redacted].
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Dueker, Thomas G., [redacted].
Duesbury, William C., [redacted].
Duet, Louis J., Jr., [redacted].
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Duke, David A., [redacted].
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Duncan, James W., Jr., [redacted].
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Durgala, John T., Jr., [redacted].
Durkin, Denis L., [redacted].
Durrum, Frank D., Jr., [redacted].
Durso, Anthony, [redacted].
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Edelen, Jerry B., [redacted].
Eder, Norman G., II, [redacted].
Edgin, Howard N., [redacted].
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Elton, Dale L., [redacted].
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Emig, Glenn E., [redacted].
Emory, Derald E., [redacted].
Endres, Kenneth, [redacted].
Engel, Richard A., [redacted].
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Engram, Bartlett J., [redacted].
Enners, Richard W., [redacted].
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Enwright, Charles E., [redacted].
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Erale, Ronald D., [redacted].
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Erickson, Karl J., [redacted].
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Monahan, Alfred, [redacted].
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Post, Nelson J., Jr., [redacted].
Postell, Edward D., [redacted].
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Priddy, Michael R., [redacted].
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Prior, Earle H., [redacted].
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Ready, William J., Jr., [redacted].
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Varsolona, Frank L., [redacted]
Vass, Charles R., [redacted]
Vaughan, John W., [redacted]
Vaughan, Russell P., [redacted]
Vaughn, Stephen D., [redacted]
Vaxmonsky, Albert L., [redacted]
Veenstra, John A., [redacted]
Vega, Benjamin, Jr., [redacted]
Vejrostek, William, [redacted]
Vela, Joe D., Jr., [redacted]
Velasquez, Jose G., [redacted]
Velez, Carlos R., Jr., [redacted]
Velten, Lee H., [redacted]
Vera, Alan D., [redacted]
Verbanick, John J., [redacted]
Verity, James E., [redacted]
Vermillion, John M., [redacted]
Vernon, James C., [redacted]
Veronee, Bernard F., [redacted]
Viehl, Philip C., [redacted]
Viemeister, Kenneth, [redacted]
Villars, Michael A., [redacted]
Villecco, John A., [redacted]
Vines, John R., [redacted]
Visinski, Joseph R., [redacted]
Vitrikas, Robert P., [redacted]
Vivatson, Robert D., [redacted]
Vivladelli, James A., [redacted]
Vlk, Ronald G., [redacted]
Vogelpohl, Edward L., [redacted]
Vonseggern, Keith V., [redacted]
Voreis, Robert D., [redacted]
Vossler, William T., [redacted]
Vrazel, Gary J., [redacted]
Vuksich, Gregory D., [redacted]
Waak, Roger W., [redacted]
Waddington, Paul A., [redacted]
Wade, Raymond F., [redacted]

Wade, Robert R., xxx-xx-xxxx.
Wagener, Charles K., xxx-xx-xxxx.
Wager, Stephen J., xxx-xx-xxxx.
Wagner, David W., xxx-xx-xxxx.
Wagner, Douglas C., xxx-xx-xxxx.
Wagner, John C., xxx-xx-xxxx.
Wagner, Robert W., xxx-xx-xxxx.
Wagner, Warren C., xxx-xx-xxxx.
Wagoner, Donald H., xxx-xx-xxxx.
Wagstaff, Larry J., xxx-xx-xxxx.
Wake, Carl K., xxx-xx-xxxx.
Waldhaus, Joseph J., xxx-xx-xxxx.
Walker, David J., xxx-xx-xxxx.
Walker, Doak H., xxx-xx-xxxx.
Walker, Douglas L., xxx-xx-xxxx.
Walker, Peyton M., xxx-xx-xxxx.
Walker, Richard L., xxx-xx-xxxx.
Walker, Robert M., xxx-xx-xxxx.
Walker, Robert M., xxx-xx-xxxx.
Walker, Robert O., xxx-xx-xxxx.
Walker, Thomas G., xxx-xx-xxxx.
Walker, Walton H., II, xxx-xx-xxxx.
Wall, Hubert B., xxx-xx-xxxx.
Wallace, William F., xxx-xx-xxxx.
Wallen, David A., xxx-xx-xxxx.
Wallen, Louis, xxx-xx-xxxx.
Wallenbrock, Gleyn, xxx-xx-xxxx.
Wallis, Robert A., xxx-xx-xxxx.
Wallis, William L., xxx-xx-xxxx.
Walrod, Larry D., xxx-xx-xxxx.
Walsh, Matthew W., Jr., xxx-xx-xxxx.
Walsh, Michael E., xxx-xx-xxxx.
Walsh, Thomas L., xxx-xx-xxxx.
Walter, James A., xxx-xx-xxxx.
Walters, James R., II, xxx-xx-xxxx.
Walton, Robert A., xxx-xx-xxxx.
Wamsted, Michael L., xxx-xx-xxxx.
Ward, Edward P., xxx-xx-xxxx.
Ward, James R., xxx-xx-xxxx.
Ward, Robert L., II, xxx-xx-xxxx.
Ward, William E., xxx-xx-xxxx.
Warda, James W., xxx-xx-xxxx.
Warren, Harold M., xxx-xx-xxxx.
Warrington, Thomas, xxx-xx-xxxx.
Washington, Alvin, xxx-xx-xxxx.
Washington, James M., xxx-xx-xxxx.
Waters, Elliot M., xxx-xx-xxxx.
Waters, William S., xxx-xx-xxxx.
Wathen, James A., xxx-xx-xxxx.
Watkins, Carroll G., xxx-xx-xxxx.
Watkins, Howard E., xxx-xx-xxxx.
Watkins, James J., xxx-xx-xxxx.
Watkins, Paul B., xxx-xx-xxxx.
Watson, John F., xxx-xx-xxxx.
Watson, Ramon K., xxx-xx-xxxx.
Watson, Tadashi M., xxx-xx-xxxx.
Watson, Thomas R., Jr., xxx-xx-xxxx.
Wattendorf, William, xxx-xx-xxxx.
Wax, Richard R., xxx-xx-xxxx.
Weatherford, William, xxx-xx-xxxx.
Weaver, David M., xxx-xx-xxxx.
Weaver, Dennis R., xxx-xx-xxxx.
Weaver, James R., Jr., xxx-xx-xxxx.
Weaver, Ronald W., xxx-xx-xxxx.
Weaver, Sterling H., xxx-xx-xxxx.
Weaver, Steven L., xxx-xx-xxxx.
Weaver, Thomas W., xxx-xx-xxxx.
Weaver, William C., xxx-xx-xxxx.
Webber, George A., xxx-xx-xxxx.
Weber, Philip A., xxx-xx-xxxx.
Webster, Anthony W., xxx-xx-xxxx.
Webster, James M., Jr., xxx-xx-xxxx.
Weddle, Peter D., xxx-xx-xxxx.
Weeks, Bruce D., xxx-xx-xxxx.
Weeks, Edward S., Jr., xxx-xx-xxxx.
Wehrle, Dennis F., xxx-xx-xxxx.
Weide, George J., xxx-xx-xxxx.
Weidemann, Hartmut, xxx-xx-xxxx.
Weidner, Glenn R., xxx-xx-xxxx.
Weinnig, Albert F., xxx-xx-xxxx.
Weinstock, Jeffrey, xxx-xx-xxxx.
Weir, Larry E., xxx-xx-xxxx.
Weisenfluh, Don, xxx-xx-xxxx.
Weiss, Robert D., xxx-xx-xxxx.
Welch, John O., xxx-xx-xxxx.
Welch, Thomas A., Jr., xxx-xx-xxxx.
Weldon, Claude M., xxx-xx-xxxx.
Welker, Richard D., xxx-xx-xxxx.
Weller, Michael P., xxx-xx-xxxx.
Welles, John S., Jr., xxx-xx-xxxx.
Wellhausen, Fred C., xxx-xx-xxxx.
Wells, Burnie D., xxx-xx-xxxx.
Wells, John C., xxx-xx-xxxx.
Wendell, Roger P., xxx-xx-xxxx.
Wenick, Louis M., xxx-xx-xxxx.
Wenker, Dennis A., xxx-xx-xxxx.
Wennerberg, Richard, xxx-xx-xxxx.
Wenstrup, Steven A., xxx-xx-xxxx.
Wenzloff, Gregory R., xxx-xx-xxxx.
Werle, Christopher, xxx-xx-xxxx.
Werner, Robert J., xxx-xx-xxxx.
Werner, Robert, Jr., xxx-xx-xxxx.
Wesbrook, Stephen D., xxx-xx-xxxx.
Wessel, Jerry W., xxx-xx-xxxx.
Wessner, James A., xxx-xx-xxxx.
West, Charles E., xxx-xx-xxxx.
West, James L., xxx-xx-xxxx.
West, Robert R., xxx-xx-xxxx.
West, Thomas I., xxx-xx-xxxx.
West, William F., xxx-xx-xxxx.
Wetherill, Robert S., xxx-xx-xxxx.
Whall, Douglas E., xxx-xx-xxxx.
Wharton, Phillip L., xxx-xx-xxxx.
Wheat, Ronald G., xxx-xx-xxxx.
Wheat, Ronald T., xxx-xx-xxxx.
Wheeler, Christopher, xxx-xx-xxxx.
Wheeler, James A., Jr., xxx-xx-xxxx.
Wheeler, Stephen H., xxx-xx-xxxx.
Wherry, Kenneth D., xxx-xx-xxxx.
Whitaker, Clarence, xxx-xx-xxxx.
Whitaker, Cornelius, xxx-xx-xxxx.
White, David D., Jr., xxx-xx-xxxx.
White, David M., xxx-xx-xxxx.
White, Frederick E., xxx-xx-xxxx.
White, George B., xxx-xx-xxxx.
White, Johnny L., xxx-xx-xxxx.
White, Joseph L., xxx-xx-xxxx.
White, Joseph T., xxx-xx-xxxx.
White, Lawrence K., xxx-xx-xxxx.
White, Patrick G., xxx-xx-xxxx.
White, Robert C., Jr., xxx-xx-xxxx.
White, Stephen J., xxx-xx-xxxx.
Whited, Thomas R., xxx-xx-xxxx.
Whitfield, Donald D., xxx-xx-xxxx.
Whitlock, Franklin, xxx-xx-xxxx.
Whitlock, James M., xxx-xx-xxxx.
Whitten, Arthur R., xxx-xx-xxxx.
Whitten, Earstin E., xxx-xx-xxxx.
Whittenberg, Michel, xxx-xx-xxxx.
Wick, Patrick K., xxx-xx-xxxx.
Widboom, Jon G., xxx-xx-xxxx.
Wielkoszewski, Arthur, xxx-xx-xxxx.
Wienckowski, Charles, xxx-xx-xxxx.
Wier, William H., xxx-xx-xxxx.
Wiesler, Richard P., xxx-xx-xxxx.
Wigfall, Benjamin J., xxx-xx-xxxx.
Wiggins, Romeo O., Jr., xxx-xx-xxxx.
Wight, Michael G., xxx-xx-xxxx.
Wiklund, George C., xxx-xx-xxxx.
Wilcox, Stephen F., xxx-xx-xxxx.
Wilcox, Thomas M., xxx-xx-xxxx.
Wilczek, Adam P., xxx-xx-xxxx.
Wilhelm, Frederick, xxx-xx-xxxx.
Wilkerson, Glenn D., xxx-xx-xxxx.
Wilkins, Gary G., xxx-xx-xxxx.
Wilkins, Lawrence B., xxx-xx-xxxx.
Willard, Robert T., xxx-xx-xxxx.
Willenbacher, John, xxx-xx-xxxx.
Williams, Arthur C., xxx-xx-xxxx.
Williams, Bristol W., xxx-xx-xxxx.
Williams, Charles H., xxx-xx-xxxx.
Williams, Charles M., xxx-xx-xxxx.
Williams, Charles R., xxx-xx-xxxx.
Williams, Donald L., xxx-xx-xxxx.
Williams, Ernest R., xxx-xx-xxxx.
Williams, Fred R., xxx-xx-xxxx.
Williams, Harry C., xxx-xx-xxxx.
Williams, James A., xxx-xx-xxxx.
Williams, James H., xxx-xx-xxxx.
Williams, Karl B., xxx-xx-xxxx.
Williams, Ken M., xxx-xx-xxxx.
Williams, Michael L., xxx-xx-xxxx.
Williams, Michael M., xxx-xx-xxxx.
Williams, Michael S., xxx-xx-xxxx.
Williams, Reginald F., xxx-xx-xxxx.
Williams, Richard A., xxx-xx-xxxx.
Williams, Richard K., xxx-xx-xxxx.
Williams, Robert C., xxx-xx-xxxx.
Williams, Robert D., xxx-xx-xxxx.
Williams, Ross C., xxx-xx-xxxx.
Williamson, Gary N., xxx-xx-xxxx.
Williamson, Ray T., xxx-xx-xxxx.
Willie, James F., xxx-xx-xxxx.
Willis, James H., xxx-xx-xxxx.
Willows, Richard L., xxx-xx-xxxx.
Willson, Donn C., xxx-xx-xxxx.
Wilson, Charles B., xxx-xx-xxxx.
Wilson, Crofton B., xxx-xx-xxxx.
Wilson, Delmer, Jr., xxx-xx-xxxx.
Wilson, Edward R., xxx-xx-xxxx.
Wilson, Elmer I., xxx-xx-xxxx.
Wilson, George P., xxx-xx-xxxx.
Wilson, Jerrie W., xxx-xx-xxxx.
Wilson, Joseph K., Jr., xxx-xx-xxxx.
Wilson, Robert A., xxx-xx-xxxx.
Wilson, Ronald W., xxx-xx-xxxx.
Wilson, Ronald W., xxx-xx-xxxx.
Wilson, Roy L., Jr., xxx-xx-xxxx.
Wilson, Samuel V., Jr., xxx-xx-xxxx.
Wilson, Steven D., xxx-xx-xxxx.
Wilson, Vernon C., xxx-xx-xxxx.
Wimberly, Marion D., xxx-xx-xxxx.
Wimbish, Calvin B., xxx-xx-xxxx.
Wing, John K., xxx-xx-xxxx.
Wingfield, Maurice, xxx-xx-xxxx.
Winkel, John A., xxx-xx-xxxx.
Winkelman, Colin, K., xxx-xx-xxxx.
Winn, Dennis H., xxx-xx-xxxx.
Winn, Thomas S., xxx-xx-xxxx.
Winslow, Richard L., xxx-xx-xxxx.
Winterboer, Terry L., xxx-xx-xxxx.
Winters, Earl R., Jr., xxx-xx-xxxx.
Winters, Stephen C., xxx-xx-xxxx.
Wise, Richard W., xxx-xx-xxxx.
Witschonke, Ross P., xxx-xx-xxxx.
Witt, Christopher B., xxx-xx-xxxx.
Wittlif, Lance, xxx-xx-xxxx.
Wittman, James R., xxx-xx-xxxx.
Wittmayer, Chris G., xxx-xx-xxxx.
Wofford, William D., xxx-xx-xxxx.
Wohner, John H., Jr., xxx-xx-xxxx.
Wolcott, Lawrence D., xxx-xx-xxxx.
Wold, Odd A., Jr., xxx-xx-xxxx.
Woloski, John C., xxx-xx-xxxx.
Wolthuis, William D., xxx-xx-xxxx.
Wong, Alexander B., xxx-xx-xxxx.
Woo, Thomas N., xxx-xx-xxxx.
Wood, Bruce F., xxx-xx-xxxx.
Wood, Charles U., Jr., xxx-xx-xxxx.
Wood, Gerald L., xxx-xx-xxxx.
Wood, Lawrence E., xxx-xx-xxxx.
Wood, Steven F., xxx-xx-xxxx.
Woodruff, Martin B., xxx-xx-xxxx.
Woodruff, William A., xxx-xx-xxxx.
Woods, John E., xxx-xx-xxxx.
Woodward, Robert L., xxx-xx-xxxx.
Woolfolk, Clyde R., xxx-xx-xxxx.
Woolfolk, Rogers J., xxx-xx-xxxx.
Wooten, Richard E., xxx-xx-xxxx.
Wootten, Bradley Q., xxx-xx-xxxx.
Workman, Kenneth F., xxx-xx-xxxx.
Worley, Edward R., xxx-xx-xxxx.
Worthington, Glen D., xxx-xx-xxxx.
Woyansky, John G., xxx-xx-xxxx.
Wothal, Jeffrey P., xxx-xx-xxxx.
Wray, Timothy A., xxx-xx-xxxx.
Wren, James G., xxx-xx-xxxx.
Wren, Kenneth A., xxx-xx-xxxx.
Wright, Christopher, xxx-xx-xxxx.
Wright, Gary A., xxx-xx-xxxx.
Wright, James E., xxx-xx-xxxx.
Wright, Jerry C., xxx-xx-xxxx.
Wright, Steven J., xxx-xx-xxxx.
Wright, Walter J., xxx-xx-xxxx.
Wright, William T., xxx-xx-xxxx.
Wubbenhorst, Peter, xxx-xx-xxxx.
Wueste, Ernest D., xxx-xx-xxxx.
Wyand, Michael W., xxx-xx-xxxx.
Wyman, Francis L., xxx-xx-xxxx.
Wynn, Donald T., xxx-xx-xxxx.
Wynn, Phail, Jr., xxx-xx-xxxx.
Wyrick, Kenneth L., xxx-xx-xxxx.
Wyse, Edward J., xxx-xx-xxxx.
Yakovac, Joseph L., xxx-xx-xxxx.
Yancey, Carlton W., xxx-xx-xxxx.
Yatsko, Larry W., xxx-xx-xxxx.
Yesensky, Richard J., xxx-xx-xxxx.
Ylinen, Frank A., xxx-xx-xxxx.
Yost, Dennis E., xxx-xx-xxxx.
Young, Alan R., xxx-xx-xxxx.
Young, Daniel E., xxx-xx-xxxx.
Young, David J., xxx-xx-xxxx.
Young, Frederick W., xxx-xx-xxxx.

Young, Lester R., [redacted].
Young, Mason J., III, [redacted].
Young, Odos G., [redacted].
Young, Richard C., [redacted].
Young, Robert M., [redacted].
Young, Robert S., [redacted].
Young, Terry J., [redacted].
Youngblood, Richard, [redacted].
Yrazabal, Mark A., [redacted].
Yurchak, Andrew M., [redacted].
Zastrow, Richard G., [redacted].
Zelazny, Robert C., [redacted].
Zeper, Bernard A., [redacted].
Zetti, James H., [redacted].
Ziegler, Fritz B., [redacted].
Ziemkiewicz, Frank, [redacted].
Zilan, Frederick J., [redacted].
Zimon, Henry A., [redacted].
Ziomek, Daniel D., [redacted].
Zoeller, Jack C., [redacted].
Zolidis, Michael J., [redacted].
Zollo, Robert A., [redacted].
Zupan, Terry M., [redacted].
Zupko, John E., [redacted].
Zychowicz, Ralph C., [redacted].
Zychowski, Ronald M., [redacted].

WOMEN'S ARMY CORPS

To be first lieutenant

Baker, Linda B., [redacted].
Cook, Dolores M., [redacted].
Frey, Karen L., [redacted].
Johnson, Anne T., [redacted].
Jones, Glennie M., [redacted].
Kupsick, Sharron D., [redacted].
Lathouwers, Janice, [redacted].
McMullen, Patricia, [redacted].
Miller, Kathleen M., [redacted].
Morgan, Mary E., [redacted].
Murray, Margaret A., [redacted].
Oakley, Virginia E., [redacted].
Palmer, Ragena, [redacted].
Phillips, Ruth A., [redacted].
Stephens, Dorothy M., [redacted].
Stone, Sandra L., [redacted].
Young, Anna M., [redacted].

MEDICAL SERVICE CORPS

To be first lieutenant

Abbott, Claude L., [redacted].
Abshier, John D., [redacted].
Arellano, Benito M., [redacted].
Arthur, Bradley K., [redacted].
Augsburger, Russell, [redacted].
Bain, Michael W., [redacted].
Baker, Stuart W., [redacted].
Barber, Frank A., [redacted].
Barth, Francis A., Jr., [redacted].
Bay, Lenny S., [redacted].
Bennett, Gary L., [redacted].
Bentham, Jack E., [redacted].
Berg, Allan W., [redacted].
Bicad, Jesse A., Jr., [redacted].
Booth, Van R., [redacted].
Boslego, John W., [redacted].
Bouck, Grant S., [redacted].
Boujai, Carlton J., [redacted].
Branham, Manley R., [redacted].
Brannon, Leslie R., [redacted].
Briggs, Ronald S., [redacted].
Brown, David P., [redacted].
Brown, Frederick W., [redacted].
Brown, Malcolm H., [redacted].
Bruss, Donald J., [redacted].
Burden, Raymond T., [redacted].
Butcher, David G., [redacted].
Cadiz, Jesse C., [redacted].
Cadwallader, Ralph, [redacted].
Chaffee, Dennis L., [redacted].
Chandler, Randall S., [redacted].
Cherry, Edmond B., II, [redacted].
Clausen, Kenneth F., [redacted].
Coffey, Daniel P., [redacted].
Cofoni, Sylvester J., [redacted].
Coleman, Fred H., III, [redacted].
Coley, Herbert A., [redacted].
Coonley, Lewis S., Jr., [redacted].
Cordo, Paul J., [redacted].
Costner, Gerald R., [redacted].
Cramblet, Peter B., [redacted].
Crissey, James E., [redacted].
Crissey, William F., [redacted].
Currin, John G., Jr., [redacted].
Cuttie, Donald T., [redacted].
Dagostino, Michael, [redacted].
Davis, Jerry D., [redacted].
Davis, Keith L., [redacted].
Day, Charles E., III, [redacted].
Deboer, Michael D., [redacted].
Demski, Stephen J., [redacted].
Dolan, Kerry B., [redacted].
Dorothy, Wade A., [redacted].
Driggers, William D., [redacted].
Duggan, Dennis, [redacted].
Eckberg, David J., [redacted].
Evans, Barrett C., [redacted].
Evans, Okey R., [redacted].
Fairchild, William, [redacted].
Farace, Patrick J., [redacted].
Faulkner, David C., [redacted].
Fenlason, Robert W., [redacted].
Fogarty, John M., [redacted].
Fogle, Allen R., [redacted].
Fournier, Rayond, M., [redacted].
Frame, Robert V., [redacted].
Frank, Charles G., [redacted].
Freeman, Stephen R., [redacted].
Gall, Roger L., [redacted].
Gardner, Joseph E., [redacted].
Goeringer, Fred, [redacted].
Gonzales, Joseph P., [redacted].
Goodman, Thaddious, [redacted].
Gore, Bernard L., Jr., [redacted].
Goyne, Richard M., [redacted].
Grishkin, Brent A., [redacted].
Guillen, Atanacio C., [redacted].
Gulgowski, Paul W., [redacted].
Gutierrez, Anthony, [redacted].
Hackett, Stephen E., [redacted].
Hadley, Phillip, [redacted].
Hall, Johnnie B., [redacted].
Hamel, Bruce B., [redacted].
Harrison, David R., [redacted].
Harvey, Thomas E., [redacted].
Hazelrigs, James A., [redacted].
Heilman, Robert O., [redacted].
Hernandez, Samuel I., [redacted].
Hester, Ellsworth G., [redacted].
Hiller, Frank W., Jr., [redacted].
Hilliard, John C., [redacted].
Hitt, Michael D., [redacted].
Hohn, Dennis E., [redacted].
Horne, Rodney D., [redacted].
Hudson, Meredith C., [redacted].
Hurt, Duane F., [redacted].
Huskey, Charles D., [redacted].
Hutchison, John N., [redacted].
Indrisano, Gerard S., [redacted].
Isom, Lamont W., [redacted].
Jackson, Duane L., [redacted].
Jackson, Randall H., [redacted].
Jackson, Steve G., [redacted].
James, John V., [redacted].
Jarchow, Robert C., [redacted].
Jarrett, Richard B., [redacted].
Jeansonne, James P., [redacted].
Jewell, John S., [redacted].
Johnson, Darryl F., [redacted].
Keller, Raymond L., [redacted].
Kenevan, Robert J., [redacted].
Kerrigan, John R., [redacted].
Kiesling Victor J., [redacted].
Knoll, Rolf W., [redacted].
Koob, Jeffrey C., [redacted].
Kulbick, Robert R., [redacted].
Lake, Douglas A., II, [redacted].
Langer, Joe J., [redacted].
Larson, Steven A., [redacted].
Leininger, John J., [redacted].
Leisher, Kenneth W., [redacted].
Levine, Jay E., [redacted].
Lewis, Craig R., [redacted].
Liebmann, Robert E., [redacted].
Lindsay, William W., [redacted].
Livingston, Allen S., [redacted].
Loader, Michael B., [redacted].
Lough, Frederick C., [redacted].
Love, James E., Jr., [redacted].
Mackinnon, Charles, [redacted].
Madden, Gary E., [redacted].
Madeo, Peter D., [redacted].
Maertens, Kenneth R., [redacted].
Marino, John J., [redacted].
Marsh, Lawrence R., [redacted].
Marsh, William D., [redacted].
Martinez, Manuel E., [redacted].
Mathews, Thomas G., [redacted].
Maxwell, Clarence E., [redacted].
McCormick, Roscoe, [redacted].
McLean, William E., [redacted].
Miller, Thomas A., [redacted].
Morgan, Robert C., [redacted].
Morris, John G., III, [redacted].
Naehr, Lawrence S., [redacted].
Nelson, Theodore J., [redacted].
New, Hector, [redacted].
Nickles, Dean J., [redacted].
Novier, Frank H., [redacted].
Oaks, Stanley C., Jr., [redacted].
Oblander, Gary W., [redacted].
O'Brien, John C., Jr., [redacted].
O'Donnell, Vincent M., [redacted].
Olson, Calvin J., [redacted].
Ortiz, Rafael A., [redacted].
Paavola, Fred G., [redacted].
Park, William D., [redacted].
Phillips, Charles C., [redacted].
Pietsch, James H., [redacted].
Pinkson, Reuben G., [redacted].
Poirier, Richard R., [redacted].
Price, Michael F., [redacted].
Pugel, Larry J., [redacted].
Rathofer, Steven A., [redacted].
Ray, James E., [redacted].
Ray, Reginald D., [redacted].
Redmond, Wayne, [redacted].
Reinsch, Gary L., [redacted].
Roberts, Lyman W., [redacted].
Robinson, Samuel H., [redacted].
Romines, Robert B., [redacted].
Rose, Charles A., [redacted].
Salter, Cecil S., [redacted].
Scavone, John A., [redacted].
Shafer, Keith O., [redacted].
Sheppard, Samuel J., [redacted].
Shumski, Edward J., [redacted].
Sikes, Randall A., [redacted].
Simmons, Charles W., [redacted].
Simon, Fred A., [redacted].
Sittingdown, Quincy, [redacted].
Smith, Lee T., [redacted].
Smith, Robert F., [redacted].
Sprowls, John F., Jr., [redacted].
Stearns, Thomas H., [redacted].
Tate, David B., Jr., [redacted].
Taylor, James W., Jr., [redacted].
Tenholder, Michael, [redacted].
Terranova, Frank A., [redacted].
Thornton, Dale E., [redacted].
Threet, Allan R., [redacted].
Tribble, Curtis, [redacted].
Trounson, James W., [redacted].
Turner, Gilbert F., [redacted].
Tyler, Geoffrey H., [redacted].
Vinci, James D., Jr., [redacted].
Vogt, William J. II, [redacted].
Vordermark, Jonathan, [redacted].
Walker, Johnny M., [redacted].
Wall, Robert B., Jr., [redacted].
Weisman, Leonard E., [redacted].
Wilde, Burt W., [redacted].
Wilkins, Robert M., [redacted].
Wilkinson, Gene C., [redacted].
Witte, Carlton R., [redacted].
Worth, David D., [redacted].
Wozniak, Arthur, [redacted].
Wyatt, Bruce H., [redacted].
Young, Robert N., [redacted].
Zahler, James W., Jr., [redacted].
Zielmanski, Kenneth, [redacted].
Zimmerman, Bruce E., [redacted].
Zolezzi, Michael A., [redacted].

ARMY NURSE CORPS

To be first lieutenant

Allen, William P., [redacted].
Anders, Robert L., [redacted].
Bassett, Sally A., [redacted].
Fagan, Alice K., [redacted].
Lander, Walter E., Jr., [redacted].
Lawing, Margaret A., [redacted].
Ledonne, Joseph A., [redacted].
Level, Dennis F., [redacted].

Miller, Kathleen B., [redacted].
Peacock, Robert C., [redacted].
Ramsey, Barbara J., [redacted].
Remig, Wayne D., [redacted].
Smith, Cynthia D., [redacted].
Smith, Michael C., [redacted].
Stalbaum, Harriet, [redacted].
Wagner, Jeannine M., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be first lieutenant

Anderson, John E., [redacted].
Bresnahan, Richard E., [redacted].
Brown, James A., [redacted].
Kirchner, Gerard C., [redacted].
Levee, Kathryn E., [redacted].
Majowski, Jesse W., [redacted].
O'Donnell, Dennis M., [redacted].
Palmer, Allen C., [redacted].
Parker, Sarah H., [redacted].
Schreck, Richard C., [redacted].
Selle, Grace A., [redacted].
Vaira, Karen P., [redacted].

IN THE ARMY

The following-named persons for reappointment in the active list of Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel, Regular Army and colonel, Army of the United States

Williams, Trevor E., [redacted].

To be lieutenant colonel, Regular Army and lieutenant colonel, Army of the United States

Massoni, Mary A., [redacted].

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be major

Ward, Rayburn L., Jr., [redacted].

To be captain

Arkangel, Carmelito, Jr., [redacted].
Armstrong, Chalmers H., [redacted].
Ballard, Clark T., Jr., [redacted].
Bernier, Barre S., [redacted].
Connolly, James C., II, [redacted].
Gordon, Ronald J., [redacted].
Grandison, Wilfred G., [redacted].
Meade, William C., III, [redacted].
Robblee, Paul A., [redacted].
Spielman, Daniel E., Jr., [redacted].
Wilson, William L., [redacted].

To be first lieutenant

Arner, Mark C., [redacted].
Ball, Robert M., [redacted].
Barber, Frank A., [redacted].
Billingsley, Michael L., [redacted].
Bratner, Jim N., [redacted].
Brigham, Robert A., [redacted].
Brown, David L., [redacted].
Burgos, Victor L., [redacted].
Carleton, Ardenne S., [redacted].
Casey, Elmer M., Jr., [redacted].
Cobey, Elwood A., [redacted].
Cook, Phillip A., [redacted].
Dixey, Robert J., [redacted].
Doleac, Philbert C., Jr., [redacted].
Fairchild, William V., [redacted].
Fall, Stephen M., [redacted].
Fay, Michael J., [redacted].
Grishkin, Brent A., [redacted].
Hales, Robert E., [redacted].
Herman, Stephen M., [redacted].
Illingworth, William A., [redacted].
Kulikowski, Bogdan M., [redacted].
Norton, Michael, [redacted].
Ozimek, Carl D., [redacted].
Yonushonis, William P., [redacted].

To be second lieutenant

Bantz, Eric W., [redacted].
Berrey, Bedford H., Jr., [redacted].
Donovan, John C., [redacted].
James, William D., [redacted].
McGinnes, John P., [redacted].
Nickel, Gary W., [redacted].
Reyna, Troy M., [redacted].
Thomassen, Thom S., [redacted].

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, section 3283 through 3294 and 3311:

To be major

Craig, Arthur P., [redacted].
Whiteside, Billy M., [redacted].

To be captain

Anderson, Joanne, [redacted].
Bader, Joyce E., [redacted].
Brazier, Robert E., [redacted].
Breeden, Linda J., [redacted].
Brody, Sidney B., [redacted].
Brown, Marie G., [redacted].
Devine, Kevin A., [redacted].
Diskin, Patricia A., [redacted].
Frohman, Ellis M., [redacted].
Gabriel, Donald E., [redacted].
Hammer, Joyce K., [redacted].
Hazle, Elaine H., [redacted].
Hollowell, Marvin E., Jr., [redacted].
Johnson, James D., [redacted].
Johnson, Jay S., [redacted].
Kuehne, Wayne E., [redacted].
Lemieux, Elizabeth B. D., [redacted].
May, James L., [redacted].
McAllister, William S., III, [redacted].
McDonnell, Robert C., [redacted].
Phillips, Edelbert F., [redacted].
Robinson, Pauline, [redacted].
Sanner, James E., [redacted].
Schaffer, Harvey L., [redacted].
Schneider, Harold P., [redacted].
Smith, Joyce A., [redacted].
Sobol, Samuel M., [redacted].
Svec, Timothy A., [redacted].
Swanson, Bruce E., [redacted].
Vaughan, Curry N., [redacted].
Webb, William P., [redacted].
Worden, Mary H., [redacted].
Yeksavich, Michael E., [redacted].
Zebbs, Barbara F., [redacted].

To be first lieutenant

Aitcheson, Annette R., [redacted].
Anderson, Thomas L., [redacted].
Archer, Robert E., [redacted].
Armstrong, Carol L., [redacted].
Baker, Mary M., [redacted].
Ball, Bettye H., [redacted].
Basham, Owen D., [redacted].
Bean, Patricia A., [redacted].
Beaty, James M., [redacted].
Booker, Daniel C., Jr., [redacted].
Bradeen, Sharon, [redacted].
Brandes, Bruce D., [redacted].
Branson, Steven G., [redacted].
Brennan, Thomas P., [redacted].
Bryan, James L., [redacted].
Campbell, Dolores J., [redacted].
Coletti, Anthony E., [redacted].
Cooper, Richard L., [redacted].
Cornett, Barbara B., [redacted].
Couch, Gwenda J., [redacted].
Davidson, Selmer A., [redacted].
Dell, Edward E., Jr., [redacted].
Deloach, James H., [redacted].
Dillinger, Paul L., [redacted].
Dixon, Lloyd I., [redacted].
Elliott, Mary L., [redacted].
English, Jeryl D., [redacted].
Farley, Peggy J., [redacted].
Finch, Thelma I., [redacted].
Finklea, Alfred M., Jr., [redacted].
Frazier, Charlene A., [redacted].
Friel, Ann P., [redacted].
Gambal, Deena, [redacted].
Gardner, Jane T., [redacted].
Garrett, Stacy F., III, [redacted].
Gibbs, Stephen D., [redacted].
Gisel, Susan J., [redacted].
Goerig, Albert C., [redacted].
Gordon, Jonathan C., [redacted].
Gordon, Kenneth A., [redacted].
Gray, Bertha M., [redacted].
Gumbert, Grorgianna L., [redacted].
Graves, Carl W., [redacted].
Gysler, Rochelle I., [redacted].
Hartoon, John C., [redacted].
Heil, Elizabeth, [redacted].
Hilliard, James R., [redacted].
Horn, Hilary J., [redacted].
Huzinec, Karen F., [redacted].
Jameson, Jill C., [redacted].
Kadeg, Nancy C., [redacted].
Kanzler, Antoinette T., [redacted].
Karabasz, Clara M., [redacted].
Kostenbauer, John H., [redacted].
Kramer, Cheryl L., [redacted].
Laube, Garey L., [redacted].
Laurita, Daniel J., [redacted].
Leduc, Maryellen C., [redacted].
Lynch, Charles L., [redacted].
Maxcey Bob R., [redacted].
McCormack, Patricia A., [redacted].
Mooy, Bruce W., [redacted].
Moran, Kathleen A., [redacted].
Motta, Susan C., [redacted].
Mow, Mary J., [redacted].
Mueller, Patrick A., [redacted].
Nattkemper, Linda J., [redacted].
Ortman, Frederick W., [redacted].
Ott, Ellen R., [redacted].
Parry, Barbara A., [redacted].
Podmolik, Mary M., [redacted].
Powell, Jerry, [redacted].
Raflo, Norman L., [redacted].
Reeves, Carla M., [redacted].
Reich, Sandra G., [redacted].
Rigney, Marvin G., [redacted].
Rivest, Joseph R., [redacted].
Roundtree, Karen L., [redacted].
Sandecki, Rose M., [redacted].
Schlecker, Barbara A., [redacted].
Schodt, Dana P., [redacted].
Schultz, Carolyn W., [redacted].
Scott, Quincy, Jr., [redacted].
Shaffer, Joseph G., [redacted].
Shirley, Lois G., [redacted].
Simmons, Catherine K., [redacted].
Sowash, Gertrude A., [redacted].
Steele, Joseph D., [redacted].
Stonge, Susan G., [redacted].
Suarez, Margarita M., [redacted].
Sullivan, Mary L., [redacted].
Troop, Michael P., [redacted].
Vanhook, Thomas J., [redacted].
Weinholt, Mary B., [redacted].
Whitman, Vivian Z., [redacted].

To be second lieutenant

Barber, Patricia F., [redacted].
Boggess, George H., [redacted].
Cocke, Dorothy A., [redacted].
Edwards, Thomas E., [redacted].
Faust, Elizabeth W., [redacted].
Lucas, John R., [redacted].
Pape, Linda L., [redacted].
Simmons, Barbara J., [redacted].
Walz, Darla F., [redacted].
Waterman, Judith E., [redacted].
White, Terry E., [redacted].
Wohrle, Steven M., [redacted].

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Abnett, William B., [redacted].
Acton, Dennis A., [redacted].
Adam, Marvin E., [redacted].
Adams, Andrew E., [redacted].
Anderson, Craig A., [redacted].
Anderson, Douglas C., [redacted].
Anderson, Knut E., [redacted].
Arndt, Joseph M., III, [redacted].
Balentine, Terry K., [redacted].
Batzer, Craig C., [redacted].
Bazak, Henry V., Jr., [redacted].
Benfer, Dennis E., [redacted].
Berry, James W., [redacted].
Beyer, Kirk D., [redacted].
Black, Richard A., [redacted].
Blackman, William M., [redacted].
Bondi, James J., [redacted].
Boyd, David M., [redacted].

Boyd, Neal R., Jr., [redacted].
Boyd, Stephen E., [redacted].
Brakensiek, Danny A., [redacted].
Buchanan, Arren C., III, [redacted].
Buckmaster, Kevin D., [redacted].
Bush, Brian J., [redacted].
Cacciatore, Matthew P., Jr., [redacted].
Campbell, Rogers E., [redacted].
Carlin, Thomas M., [redacted].
Carpenter, Sammy K., [redacted].
Caspers, Robert W., [redacted].
Cerruti, Lawrence J., [redacted].
Challender, Thomas D., [redacted].
Chang, Sherman S. M., [redacted].
Chasteen, Dorman L., Jr., [redacted].
Clanton, James H., [redacted].
Clark, Billy E., [redacted].
Clifford, James C., [redacted].
Collins, Calvin L., [redacted].
Collins, James W., [redacted].
Collinsworth, Edgar N., [redacted].
Cook, Roger L., [redacted].
Coughlin, William E., [redacted].
Craig, Alton H., Jr., [redacted].
Curtis, Philip C., [redacted].
Davis, Allen W., III, [redacted].
Dees, Roy J., [redacted].
Dillingham, Jon M., [redacted].
Dykes, John M., [redacted].
Easter, Albert V., [redacted].
Easter, Cornelius, [redacted].
Edwards, Kenneth W., [redacted].
Ellis, Victor R., [redacted].
Evans, Printes W., [redacted].
Eyle, Terrance G., [redacted].
Fallon, Dennis G., [redacted].
French, Lawrence R., Jr., [redacted].
Fields, Watson H., Jr., [redacted].
Fitzgerald, Robert M., [redacted].
Fletcher, Stephen C., [redacted].
Franz, Murray L., [redacted].
Garcia, Cesar, [redacted].
Garrett, Jimmy F., [redacted].
Glazier, Calvin J., [redacted].
Graber, Jon G., [redacted].
Green, Douglas L., [redacted].
Gucker, Douglas B., [redacted].
Haan, Vincent A., [redacted].
Hamilton, Larry R., [redacted].
Harbour, Michael E., [redacted].
Hasty, William K., [redacted].
Hayen, Paul C., [redacted].
Hazam, James M., [redacted].
Hebert, Stephen J., [redacted].
Heffernan, Edward T., [redacted].
Helmers, Scott A., [redacted].
Helseth, David C., [redacted].
Hepworth, Richard S., [redacted].
Herron, John T., [redacted].
Hill, Raymond C., [redacted].
Hinsey, Raymond F., [redacted].
Hoberock, Christopher, [redacted].
Holter, David W., [redacted].
Howard, James M., [redacted].
Hunstad, Bernie R., [redacted].
Ingram, Charles M., [redacted].
Jones, Robert J., [redacted].
Jones, Roland W., [redacted].
Kaye, Richard A., [redacted].
Kerns, Bruce R., [redacted].
Klass, Robert C., [redacted].
Kudej, Lawrence D., [redacted].
Kunstle, Charles J., [redacted].
Kurtz, Robert J., [redacted].
Kuzma, Richard, [redacted].
Lansing, Ernest J., Jr., [redacted].
Larson, Jared K., [redacted].
Lind, Stephen M., [redacted].
Long, William H., [redacted].
Ma, John Y. H., [redacted].
Martin, John M., [redacted].
McDonald, Aaron L., [redacted].
McFarland, Maxie L., [redacted].
McKenney, Fred L., [redacted].
Mc Knight, John J., [redacted].
Miller, Eric O. A., [redacted].
Mische, William E., [redacted].
Morris, John H. IV, [redacted].
Muhlenbruch, Howard A., [redacted].
Muskus, Thomas J., [redacted].
Nance, James C., Jr., [redacted].
Naylor, Donald G., [redacted].
Nelson, William G., [redacted].
Newsome, Thomas D., [redacted].
Nissen, Wayne A., [redacted].
Noel, Alan F., [redacted].
Noteboom, Dale A., [redacted].
Oberholtzer, David M., [redacted].
O'Hara, James P., [redacted].
O'Hare, Dennis M., [redacted].
Olyniec, Peter M., [redacted].
Orchowski, Charles, [redacted].
Orndorff, James A., Jr., [redacted].
Orval, Francis B., Jr., [redacted].
Parker, Thomas L., [redacted].
Patton, Leon J., [redacted].
Paulson, Robert E., [redacted].
Pezino, Lawrence D., [redacted].
Portner, Steven E., [redacted].
Preskitt, Eugene W., Jr., [redacted].
Renner, Robert C., [redacted].
Richardson, Philip M., [redacted].
Roseen, John H. E., [redacted].
Rowell, Scott W., [redacted].
Sams, Gayle D., [redacted].
Sapp, Larry H., [redacted].
Schiller, Dean J., [redacted].
Scott, James S., Jr., [redacted].
Shaddix, Robert E., [redacted].
Shaw, Terry R., [redacted].
Shepherd, Kim E., [redacted].
Shonts, Steven W., [redacted].
Siebert, Stephen L., [redacted].
Silence, Roy J., [redacted].
Simmons, James C., [redacted].
Smith, Gregory R., [redacted].
Smoot, William S. IV, [redacted].
Snitch, Wilbert L., [redacted].
Soesbe, Jack L., [redacted].
Squire, Mark W., [redacted].
Sray, John E., [redacted].
Stanze, David C., [redacted].
Stevens, Roger L., [redacted].
Strickland, James I., Jr., [redacted].
Strippoli, Steve B., [redacted].
Talbert, Marion H., [redacted].
Tilghman, Jerome L., [redacted].
Tisserand, John B., III, [redacted].
Thomas, Daniel L., [redacted].
Thomas, Gary F., [redacted].
Thompson, Frank J., [redacted].
Thompson, Robert K., [redacted].
Thoreson, Brian D., [redacted].
Tommey, Paul E., [redacted].
Vail, Steven W., [redacted].
Van Deusen, William O., [redacted].
Walch, Wayne E., [redacted].
Walker, Franklin G., [redacted].
Watkins, Fred L., Jr., [redacted].
Watson, Jimmy L., [redacted].
Webb, David J., [redacted].
West, James E., [redacted].
White, Jonathan R., [redacted].
Wright, Daniel J., [redacted].
Wyand, Patrick J., [redacted].
Yarbrough, Clifford, [redacted].
Zenn, Billy R., [redacted].
Zietlow, Charles W., [redacted].
Zink, Ronald F., [redacted].

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under provisions of Title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

Anderson, David A., [redacted].
Apigian, Lester J., [redacted].
Bergeron, Scott M., [redacted].
Bortnem, Mark A., [redacted].
Brantley, Charles K., [redacted].
Burke, Michael A., [redacted].
Clark, Jack W., [redacted].
Crosby, Arvie A., [redacted].
Darrell, Daniel M., [redacted].
French, Ian G., [redacted].
Fujio, Hirome, [redacted].
Graham, Keith D., [redacted].
Graves, Ben R., [redacted].
Grubbs, David H., [redacted].
Hagerman, Michael C., [redacted].
Hendry, Tommy C., [redacted].
Herman, Thomas E., [redacted].
Hill, Tommy K., [redacted].
Howard, Stephen B., [redacted].
Huber, Charles R., Jr., [redacted].
Johnson, Howard N., [redacted].
Kiehl, Paul V., [redacted].
Kuykendall, Ellis C., III, [redacted].
Lewis, John P., [redacted].
Lobdell, Mark R., [redacted].
McCollum, Billy J., [redacted].
McKettrick, Paul D., [redacted].
Meis, Emil F., III, [redacted].
Monroe, David O., Jr., [redacted].
Murphy, Walter N., [redacted].
Ondrus, James A., [redacted].
Pickenpaugh, Gary G., [redacted].
Real, Ralph J., Jr., [redacted].
Roemer, Robert J., Jr. [redacted].
Rombouts, Stephen B., [redacted].
Ruff, Douglas A., [redacted].
Schowengerdt, Daniel E., [redacted].
Schackelford, Elbert L., [redacted].
Simpson, Michael, [redacted].
Slider, William Z., [redacted].
Smiley, George H., [redacted].
Standen, Edward J., [redacted].
Steinhebel, Terrence L., [redacted].
Walker, James S., [redacted].
Wedemeyer, Robert G., [redacted].
Wheat, Dewey D., Jr., [redacted].
Zapata, Fernando, Jr., [redacted].

IN THE NAVY

The following named officers of the U.S. Navy for temporary promotion to the grade of captain in the line, subject to qualification therefor as provided by law:

Abe, Henry Hisashi
Adamson, Edwin Charles, Jr.
Aitcheson, George Alfred, Jr.
Albright, Richard Kingdon
Alderson, James Morris
Allingham, James Robert
Anderson, Curtis Odean
Andrassy, Michael Francis
Bailey, George Thomas
Baldwin, Charles Carroll
Baldwin, John Ashby, Jr.
Baron, Charles Raoul
Barry, Thomas Merritt
Barth, Joseph John, Jr.
Bayer, David Arthur
Beaver, John Thomas
Beck, John Louden
Beers, Robert Cleve
Beeton, Harvey Jackson
Bell, Bill Jack
Bentley, William Cooke
Bird, Ralph Gordon
Bivens, Arthur Clark
Blanchard, Robert Cecil
Block, Stanley Howard
Blundell, Peveril
Boaz, George Lee
Bordone, Richard Peter
Bottenberg, Foster Leroy
Botts, Ronald House
Bowling, Roy Howard
Boyer, Walton Tully, Jr.
Boyle, Henry Francis, Jr.
Bridge, James Andrew, Jr.
Britton, William Lawson
Brooks, Edwin Hawley, Jr.
Brown, Donald Nathan
Brown, Walter Hollows, Jr.
Browning, Siras Dean
Brummage, Richard Lowrie
Buck, Donald Dean
Burns, John Anthony
Burris, Raymond Merle
Bushong, Brent
Butrym, Stanley Bruce, Jr.
Campbell, Donald Stilles, Jr.
Campbell, Jack
Campbell, William Nelson
Cannell, Donald Tipton
Canter, Howard Raphael
Carlson, Olof Magnus, Jr.
Carothers, Philip F., Jr.
Carr, John Howard

Carr, Nevin Palmer
Carr, Roland James
Carraway, Terry Farnel
Cash, Eugene James
Catola, Stanley Guy
Cavitt, William Miles
Charest, Philip George
Christensen, Raymond J.
Clarkin, James Joseph
Clemens, Eugene Matthew
Clements, Billy Ray
Compton, Charles Raymond
Connolly, Timothy William
Coogan, Richard Daniel
Cooper, Daniel Leander
Crater, Ray Farrell
Crawford, Nace Barnett, Jr.
Cricchi, John Victor
Cross, Charles Himrod
Davis, John Bonthron
Davis, Robert Collis, Jr.
Deal, Walter Clarence, Jr.
Dempsey, Gerald Maddock
Dickman, Jerry Anson
Dickson, John Arthur
Dierdorff, Loren Moyle
Dietz, Richard John
Digiacomo, Joseph Gregory
Dillingham, Paul Whittier, Jr.
Donnelly, Robert George
Donohue, David Patrick
Doolittle, James Edward
Douglass, James Gordon, Jr.
Drain, John Frederick
Duckett, Philip Vanhorn L.
Duhrkopf, Don Junior
Dunaway, John Allen, Jr.
Durbin, Peter
Edwards, Jerry James
Elliott, Orville Gene
Ellison, John Cooley
Emery, Thomas Rogers Merrill
Engelbrecht, Richard Herbert
Evans, Richard Bruce
Evans, Robert Conant
Felt, Joseph Albert
Fergusson, Ernest Wesley
Filkins, William Charles
Finneran, William John
Fischer, David Henry
Fitzgerald, Thomas Wooten, Jr.
Flom, Hewitt Orland
Fossum, Paul Gene
Frankenfield, Robert Tylee
Freeman, Linus Walter, Jr.
Friesen, Floyd Andrew
Gallagher, Hugh Lawrence
Gallup, Shelley Paul
Garcia, William Victor
Gardenier, Robert Richard
Gilchrist, Richard Bruce
Gildea, Joseph Alroy
Gilmore, Arthur Harold
Glazier, Alvin Steuer
Gleason, Joseph Philip
Gowing, Richard Maxwell
Gradel, Robert
Graf, Frederic August, Jr.
Graveson, George Lewis, Jr.
Greeley, Michael Thomas
Greer, Marvin Sigsbee, Jr.
Gregory, Donald Gilbert
Griggs, Norman Earl
Gunn, William Joseph
Haas, Kenneth Raymond
Hagberg, Roy Vincent
Hager, Charles Franklin
Haggquist, Grant Franklin, Jr.
Halverson, Richard Keneth
Hamilton, Glenn Dale
Hamm, Clement Davis, Jr.
Hansen, Rodney Val
Harlow, David Louis
Harney, Russell Francis
Harris, James Wesley
Hartzell, Robert Hoke
Hassett, Joseph Kenneth
Hatch, Harold Glen
Hayes, Albert Marion, Jr.
Hebbard, Leroy Blanchard, Jr.
Hennessey, Aloysius G., Jr.
Henson, John Morton
Herberger, Albert Joseph
Higginbotham, Allen Bane
Higgins, Thomas Gerald
High, James Thomas, Jr.
Hill, Frank William
Himman, Albert Harold
Hoch, John Emerson, Jr.
Hogg, James Robert
Holcomb, Gordon Byron
Hollenbach, William Thomas
Holly, Daniel Theodore, Jr.
Hostettler, Stephen John
Howard, Donald Lee
Howe, Jonathan Trumbull
Hoye, James Mitchell II
Hubal, Augustine Edward, Jr.
Hughes, Kenneth Paul
Hullryde, Donald
Hurd, John Barton
Jackson, Nelson Pointer
Jacob, Robert Earl
Jaycox, Randall Euguene, Jr.
Jefferson, Robert Ray
Jellison, Robert Kaye
Johnson, Alfred Carl, Jr.
Josnon, Emil Luther
Johnston, James Irvin
Jonasz, Frederic
Jones, Henry Robert
Jones, Robert Henry
Josephson, Henning Carl
Joy, Bernard Irving
Karpaitis, Anthony Joseph
Kelley, Alfred George, Jr.
Kennedy, William Everett
Killian, Donald Joseph
Kinnaird, Martin John
Klar, Norman
Klee, Robert Erhart
Klein, Verle Wesley
Knowles, George Irvin
Kurth, Ronald James
Landersman, Stuart David
Larkins, Burton Justin
Lauber, Ronald Matthias
Lawler, Freerick Warren
Lawler, William Allen
Leavitt, Horace Madison, Jr.
Lent, Willis Ashford, Jr.
Levenson, Lee Edward
Levey, Sanford Norman
Lewis, Harold Michael J., Jr.
Limbaugh, Harold Dean
Logan, Joseph Bailey
Lowry, George Clark
Lynch, William Allen
MacCalry, David Brower
Madigan, James Alonzo
Mallinson, William Keith
Marks, Stanley John
Marriott, Jack Lewis
Marshall, Jack Luger
Martin, Edward Holmes
Martin, Robert Courtney
Massey, Roger Arguelles, Jr.
Mathews, Donald William
Mathis, Thomas Ronald
May, Robert Edward
McAlevy, John Hoyle
McCauley, William Frederick
McDaniel, Eugene Barker
McDonnell, John Richard
McLaren, Alfred Scott
McLaughlin, Bernard Robert
McVay, Donald Herbert, Jr.
Melton, Edward Cabiness, Jr.
Merget, Andrew George
Merwin, Paul LaSalle
Mesler, Robert Allen
Milano, Vito Rocco
Miles, Robert Warren
Miller, Curtis William, Jr.
Mills, James Richard
Mitchell, Jerry Lee
Moore, Clarence Edward
Moore, Thomas George
Morin, Ronald Drake
Muench, Gerald Winston
Mulcahy, William James, Jr.
Nelson, Charles Wellman, Jr.
Nelson, Herbert Franklin
Nelson, Keith
Newell, Byron Bruce, Jr.
Nichol, Monte Bruce
Nordhill, Claude Hugh
O'Connell, John Daniel
Olds, Robert Barnard
Olson, Conrad Bruce
O'Reilly, Charles Wilfred
Palmieri, John Joseph
Paolucci, Donald Clare
Papio, Emil Michael
Pearlman, Samuel Saul
Perkin, Joseph A., Jr.
Perrault, Mark Edward
Peterson, John William
Peterson, Richard Alan
Phillips, George Sylvester
Phillips, Lawrence, Jr.
Piotti, Walter Theodore, Jr.
Pitts, David Benjamin
Porter, Robert Dutton
Potter, Arthur Murdock, Jr.
Profilet, Clarence Julienne
Purdum, William Hayes
Quin, John Matthew, Jr.
Quirk, William Joseph
Raffaele, Robert Joseph
Ralph, Steve, Jr.
Rand, Donald Hadley
Rapkin, Jerome
Reasonover, Roger Louis, Jr.
Rice, Daniel William
Richards, Lloyd Wayland
Richards, Robert James
Richardson, Harold Monroe
Richardson, Phillip David
Ricketson, Francis Barry
Ridge, James Joseph
Ring, Stewart Andrew
Ritz, Merlin Carroll
Roach, Francis Leroy
Robinson, Percy Elliott, Jr.
Robinson, William Arthur
Rockefeller, Harry Caleb, Jr.
Rodgers, James Biddle
Roe, Charles William
Rogers, Gerald Francis
Romano, Matthew Edward
Rose, Hardy Nicholas
Rudolph, Francis Albert, Jr.
Ryan, Thomas Joseph
Ryan, William Aloysius
Sanden, Oscar Emanuel
Saubers, Walter Frank
Saylor, Thomas Paul
Schuman, Martin Steven
Schweitzer, Robert James
Sebring, Leland Hart
Seely, James Michael Gleason
Seigenthaler, Thomas Uhlian
Shaw, John Geis
Shaw, William Miller
Sheets, Jean Paul
Shemanski, Francis Benjamin
Shilling, John Donald
Shropshire, Edwin Demar, Jr.
Sigmond, Arie Christiaan A.
Simon, Douglas Michel
Skerrett, Robert Joseph
Skolnick, Alfred
Skubinna, Myron Alan
Smiley, Charles Boone
Smith, Alfred Anderson
Smith, Joseph Collins
Smith, Paul Joseph, Jr.
Smith, Thomas John
Solan, Thomas Vincent
Spar, Edwin Franklin
Speelman, Thomas William
Spencer, Harry Arthur, Jr.
Spiegler, Felix Robert
Stafford, Kenneth Brandt
Suzan, Frank Mitchell
Sykes, Lewis Blair
Talbot, Frank Russell, Jr.
Talbot, James Robert, Jr.

Tally, Billy Fair
Tappan, Jeremy Richard
Taylor, Reeves Ramsey
Teague, Foster Schuler
Terry, Daniel Gilley Warren
Thomas, Donald Patrick
Throop, James Ray
Tortora, Anthony Michael
Traweek, Billy Banks
Trueblood, William Eugene
Tuttle, Jerry Owen
Tuttle, John Robert
Vanwestendorp, Steven
Varner, Duane Lyle
Velazquezsuarez, Francisco A.
Vojtek, Thomas Michael
Wallace, Thomas McCarthy
Walsh, William Albert
Warner, Laurance Bliss
Weedon, Robert Ernest
Wehrman, Philip William
Weissman, Marvin Malcolm
Wellings, John Franklin
Wells, Don Vinton
Wheeler, James Bernard
Wheeler, John Raymond
White, James Richard
Will, Otto William, III
Willenbrink, James Frederick
Williams, Randall Lee
Williams, Richard Ellis
Wilson, Robert William, Jr.
Wilson, Vaughn Edgar, Jr.
Winans, Gilbert Loren
Wise, James Edward, Jr.
Wise, Peyton Randolph, II
Withrow, John Eastin, Jr.
Wood, Charles Sherman
Woodbury, Kyle Harry
Woods, Robert Clair
Yeager, Donald Robert
Young, Alfred Avery, III
Young, David Bryan, Jr.
Zick, Richard Allen

The following named Reserve officers of the U.S. Navy, for temporary promotion to the grade of captain in the line, subject to qualification therefor as provided by law:

Balogh, Albert Theodore
Harris, Frank Brayton
Oakley, Nicholas Wickham, Jr.

The following named women officers of the U.S. Navy, for permanent promotion to the grade of captain in the line, subject to qualification therefor as provided by law:

Koestline, Sarah Evelyn
Labonte, Nadene Barbara
Marshall, Alice Claudine
Mogge, Marjorie Helen
Neely, Jean Chapman
Quigley, Robin Lindsay C.
Young, Sue Ella

EXTENSIONS OF REMARKS

RHODESIAN CHROME

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, October 1, 1973

Mr. HARRY F. BYRD, JR. Mr. President, 1971 and 1972, the Senate three times voted to permit the importation into the United States of chrome, a strategic material, from Rhodesia.

Prior to the approval by the Congress of my legislation to allow this importation, shipments of chrome—and all other commodities—from Rhodesia to this country were banned by an Executive order issued by former President Johnson. The Executive order, never submitted to the Congress, was issued pursuant to a resolution of the United Nations Security Council.

Today legislation is pending to bring this question of Rhodesian chrome imports once again before the Senate. Of course, I shall oppose the latest effort to repeal the legislation admitting Rhodesian chrome, but in a sense I welcome the approach of another debate in this area, because it affords a vehicle for extended discussion of many issues in the relationship between the United States and the United Nations.

Two recent articles have discussed some of the considerations involved in the Rhodesian chrome issue. One is a column of September 10, 1973, by Anthony Harrigan, published in the Huntington, Ind., Herald-Press and other newspapers; the other is an editorial in the September 17 edition of the Petersburg, Va., Progress-Index. Both are excellent discussions of the issues involved. The editor of the Progress-Index is Edward A. Wyatt IV, and its publisher is Rufus Josey.

I ask unanimous consent that the text of these articles be included in the Extensions of Remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Huntington (Ind.) Herald-Press, Sept. 10, 1973]

AN UNJUST TRADE BAN

(By Anthony Harrigan)

With the publication of the final report of the National Commission on Materials Policy, the Congress should show a greater awareness of America's need for strategic and critical minerals in the years ahead.

The report rightly warns that the United States "is not self-sufficient in all basic materials, and other growing industrial areas of the world are increasing demands for essential raw materials." If the American standard of living is to be maintained and advanced, the U.S. will have to take steps to obtain secure access to overseas energy sources and minerals. Certainly, Japan, the Soviet Union and the European Common Market countries are very mindful of the importance of gaining access to sources of essential materials for the final years of the 20th century.

In view of this situation, it is fantastic and shocking that Sen. Hubert Humphrey (D-Minn.) and a group of co-sponsors in the Senate should endeavor to deny the United States access to the world's greatest supply of chrome ore—an absolutely essential mineral. Yet this is what Sen. Humphrey has done in introducing Senate Bill 1868 to "halt the importation of Rhodesian chrome." Among the co-sponsors of this profoundly hurtful legislation are Sens. Bayh, Eagleton, Inouye, Jackson, Kennedy, McGovern, Muskie, Stevenson and Tunney. It is hard to figure just who these senators think this bill would punish. Rhodesia's chrome, after all, is sought after in many parts of the world. The effort by the African bloc in the United Nations to prevent sale of this chrome in international market was a failure. Many industrial nations know that they must have access to Rhodesian chrome.

The report of the National Commission on Materials Policy indicates that the U.S. has to import 100 per cent of its chrome ore requirements. If American companies are denied an opportunity to buy it from Rhodesia, a free world country, they will be compelled to buy it from the Soviet Union at twice the cost.

Sen. Humphrey & Co. are trying to reimpose the Johnson administration ban on chrome imports from Rhodesia. An amendment introduced by Sen. Harry F. Byrd Jr. has happily freed the United States from that absurd ban. Now the liberal coalition in the Senate is seeking to knock out the Byrd amendment. This effort by Sen. Humphrey and his liberal colleagues flies in the face of all wisdom concerning America's mineral needs. Without chrome, the manufacture of essential alloys is impossible.

It is outrageous that U.S. trade policy should be shaped by the demands of the African bloc in the United Nations which is engaged in a vendetta against Rhodesia. Moreover, the Humphrey bill (S. 1868) represents a double standard. Rhodesia has not injured the United States. On the contrary, it offered to send troops to fight in Vietnam. Rhodesia has enjoyed almost 10 years of responsible, fiscally sound government benefitting all population groups. Its critics in Africa include bloody dictatorships, savage regimes such as exist in Uganda where the head of state praises Hitlerite notions, and client states of communist superpowers. To compound the irony, the sponsors of the ban on trade with Rhodesia are ardent advocates of increased trade with Communist China—the most completely totalitarian society in the world today.

The lengths to which the liberal coalition carries this vendetta is both absurd and extraordinary. For example, the Carnegie Endowment For International Peace recently made it appear that two U.S. airlines and two American auto rental services were violating the law because they allegedly participated in inter-line billing for Air Rhodesia and making hotel and car rental reservations in Rhodesia. No one has heard the Carnegie Endowment complain because U.S. airlines fly passengers into communist countries or because American companies do business in such nations. The Carnegie Endowment, by the way, is the organization that a few years ago published a blueprint for military invasion of Southern Africa—a remarkable document for an organization purportedly devoted to "peace."

Sen. Humphrey and his associates can't point to any threat Rhodesia has made against the U.S. interests. The liberal coalition in the Senate isn't advocating a trade ban with Libya, which has confiscated American oil properties, harassed American citizens, and harbored terrorists. Only Rhodesia is singled out for economic pressure.

The Humphrey bill should be rejected by the Senate, for reasons of both practicality and justice. Instead of banning Rhodesian chrome ore, the United States should encourage the rapid development of Rhodesia's mineral industry. Indeed the final report of the National Commission on Minerals Policy states that U.S. government agencies "should intensify their efforts to encourage worldwide development of resources by all means." Rhodesia's chrome ore is both strategic and critical insofar as the United States is concerned.

[From the Petersburg (Va.) Progress-Index, Sept. 17, 1973]

Time To Stop Getting "Burned"

(By Edward A. Wyatt, IV)

A dated topic comes back into the news with the Nixon administration's move to cut off all trade with Rhodesia and to repeal the 1971 amendment which allowed the United States to import chrome from that country in spite of the embargo on trade with Rhodesia advocated by the United Nations.

The case for the amendment, which was sponsored by Senator Harry F. Byrd, Jr., was based on claims that Rhodesian chrome is a strategic material, that it is of higher quality than chrome from other countries, and that compliance with United Nations would put the United States in a position of dangerous reliance upon the Soviet Union.

The embargo was an effort to apply economic pressure to the government of Prime Minister Ian Smith with a view to forcing reforms in the field of racial policy. The amendment setting forth a contrary attitude was promoted as safe and sensible in terms of the interests of the United States, and it won enough support to become law.

The Nixon administration argument, expressed chiefly by Ambassador Scali, head of the United States delegation to the United Nations, and by Assistant Secretary of State Newsom, in charge of African affairs, is that United States foreign policy is suffering because of the effect of the amendment and that its repeal would encourage other nations to live up to their international obligations. However, expectation that a subservient or compliant attitude on the part of the United States to recommendations by the United Nations would serve the interests of either the United Nations or the United States has been badly battered by 25 years of history.

There seems to be no proof or very convincing argument that setbacks and disappointments in foreign affairs, which are global and nothing if not abundant, are attributable to the amendment allowing this country to buy chrome from Rhodesia. Neither is there evidence that the application of economic pressure has improved the political morals of Rhodesia, although there are reports that on its own that government has been moderating its racial policies.

We must wonder whether chrome has the great intangible importance which is assigned to it by a move which puts the White House in somewhat unlikely company with Senator Kennedy and Senator Humphrey. Searching for an explanation why the President after two years has become disturbed by the amendment, one is reminded of the thesis that one of the Nixon responses to deep trouble is to make sudden gestures to the liberal left. The concern over chrome and the amendment which permits the United States to buy it from a nation in the United Nations doghouse seems to qualify for the description. How many governments in Latin America, Africa, Asia or anywhere else would actually care or behave differently if the amendment were repealed?

If the issue can be viewed in terms of the interests of this country, the amendment seems as sensible as it did in 1971. If reliance upon the Soviet Union for chrome was dangerous then, it is dangerous now. Present fear that Arab governments may use oil in attempts to influence decisions by the United States is a reminder how these things can work.

Chrome, wheat, and oil are very different commodities. We have just been told by Treasury Secretary Schultz that the United States was "burned" in last year's wheat deal. This is a discovery which housewives, consumers, and the general populace made some time ago. If the chrome issue involves any "burning," and granted that being burned in worthy causes is all in a day's experience for our rulers, some members of the commonalty have had enough of being burned unnecessarily and would like to be excused from more of the same.

THE ALEXANDRIA WATERFRONT

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. PARRIS. Mr. Speaker, one of the primary goals of my tenure in Congress is to be of some assistance to the city of Alexandria in its efforts to achieve orderly planning and development of the Alexandria waterfront.

Recently a very positive step was taken in that direction when a compromise of a lengthy dispute over land use was reached. At this time, I would like to place in the Record an editorial from the Washington Star-News which comments on that compromise.

Alexandria's Land Swap

Every once in a great while, local government and private enterprise, locked in one of those interminable disputes over land use, manage to reach an accommodation that serves everyone's interest. Precisely that appears to have occurred in the admirable land swap disclosed the other day that will shift the proposed Watergate II apartment complex away from the Alexandria waterfront.

The dispute, which had been growing more complex with the passing of time, had all the familiar markings of an insuperable impasse. Apart from the issue of high-rise development on the waterfront, the feud had depressed the chances of congressional legislation to remove the decades-old cloud over federal-city ownership of the Alexandria shoreline. And without such legislation, the city has been handcuffed in its desire to achieve orderly, long-needed planning and development of the waterfront.

Under the proposed agreement, the city would acquire ownership of a six-acre waterfront site at the foot of Princess Street, on which the Watergate high-rise condominium apartments had been planned, in exchange for the site of the abandoned Ficklin School, several blocks away.

While the original apartment development proposal—surrounded by adequate safeguards to protect the waterfront itself—had not seemed to us a disaster, the transplant clearly is more in the public interest. At its new location the high-rise complex will be compatible with similar existing development. The city's hands will be much freer in renovating the waterfront. And in easing a myriad of tensions and pressures, the swap promises political dividends that could hardly have been achieved any other way.

More importantly, the proposal gained status the other day when the private developers agreed to the concept of the swap. That word was no sooner in than the city council voted unanimously to throw its support behind the venture. We join City Manager Wayne Anderson in hoping that the agreement holds, and commend those on both sides who responsibly put together the compromise.

A CONTINUING ROLE FOR NATO

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. KEMP. Mr. Speaker, there is much discussion today on the viability in the North Atlantic Treaty Organization—NATO—in light of detente and in light of the conferences now being held between the Soviet Union and her allies and the United States and other free world nations.

An article, written by Arthur Veysey and appearing in the Chicago Tribune, of Sunday, September 30, 1973, brings to our attention some strategic factors which must not be forgotten in weighing the future of NATO. I call it to the attention of my colleagues, particularly those on the Committees on Foreign Affairs, Armed Forces, and Appropriations:

The Importance of and Need for NATO

(By Arthur Veysey)

Casteau, Belgium.—Is the North Atlantic Alliance still important? Is there still any need for its military command set up by General Eisenhower 23 years ago when the Soviet Union was blockading Berlin?

Yes, declares the present commander in chief. He is Gen. Andrew Goodpaster, an American. NATO and its military arm, SHAPE, will be vital, he says, until Western Europe unites or until the Soviet Union and its allies cease to be a threat. Neither, he says, is in sight.

Why keep NATO? Why keep American forces in Europe?

For three hours, I sat in on a private briefing at which Goodpaster, his chief of staff, and his directors of intelligence, planning, and supplies made their pitch. Here is the gist of what they said.

The Soviet leaders preach detente but continue to improve their military forces.

The Soviet military budget has gone up each year for five years. The research budget is up 60 percent. The Soviet Union today spends as much on its forces or perhaps a little more than the United States even tho its total income, its gross national product, is only half that of the United States.

The army keeps its 24-month draft. In Central Europe, the Soviet Union and its allies have more tanks, planes, and guns than NATO and enough short-range nuclear missiles to smash Western Europe.

The Soviet Union has developed multiple warheads for its big, long-range missiles, adding to the number of American cities it can wipe out in an instant. It is putting missiles into stronger underground silos. Its newest submarines carry missiles capable of reaching 4,000 miles, letting the subs attack every part of America without leaving the Arctic Ocean. Eight such subs were built last year. Yards now turn out one a month.

The Soviet air force has a new faster-than-sound bomber and a new fighter.

The Soviet navy has grown fastest of all. Its nuclear submarines can attack shipping in any ocean. Its newest destroyers and cruisers carry missiles to attack other ships, sonar to seek submarines, and a double defense against planes. The first Soviet aircraft carrier is afloat. Old cruisers have been converted to communication and command ships. Supply ships let a fleet operate indefinitely in any ocean. Research ships probe the seas.

Why does the Soviet Union devote so many men, so much money, supplies, and effort to its military forces?

The Soviet Union, unlike the United States or, more so, Western Europe, has within its borders almost everything it needs in wartime. Thus it has little need for a defensive navy.

But the Kremlin leaders apparently learned from the Cuban missile crisis the power of a navy in peacetime. Today the Soviet navy, backed by land, air, and space forces, can support Soviet economic, political, or military strategy thruout the world.

The improved land, sea, air, and space forces have turned the world military balance to favor the Soviet Union. An even bigger shift may come from the Soviet's policy of detente.

By preaching peace, the Soviet Union stimulates Western euphoria and wishful thinking that the Cold War is over.

Negotiations for mutual balanced force reductions in central Europe will be a false road to peace if they further disturb the military balance. How can withdrawal of American troops across the Atlantic be matched against the movement of any number of Soviet forces a few hundred miles to the east, where they could be placed against the NATO flank or, in emergency, quickly sent back into central Europe?

NATO and SHAPE have served the West well. Europe has gone more than a quarter of a century without war. The Soviet Union has been unable to pick off more European nations one by one. NATO has encouraged the West to work together and make the best use of men, money, and supplies.

All NATO governments are under strong public pressure to cut military spending. Heavy cuts will come, unless people who still believe in NATO speak up loud and clear.

TOM VAIL

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, when death strikes down a young member of our own congressional family as it did Tom Vail recently, we are all doubly saddened by the closeness of tragedy.

Tom's passing is especially grievous to me. His lovely wife Nancy served for 4 years as my personel secretary. Knowing her as I do, I am confident that her faith in God, her courage, and her abiding love for Tom and their four youngsters will sustain her and the children in the years ahead.

Tom Vail was a proud and competent member of our congressional family. He served with distinction as a staff member of the Joint Committee on Internal Revenue Taxation before joining the Senate Finance Committee and becoming its chief counsel.

Tom served us well, Mr. Speaker. He served his profession and his community with pride and excellence. He offered us each day the fullness of his wisdom, and now, in death, we all share a sharpened memory of his devotion to the Congress and his loved ones whose grief we now share.

Let us all share it, Mr. Speaker, with a pledge of continued concern for Nancy and Tom's children, just as we shall share in the days ahead the memory of a good man and a good servant of this Nation. Tom Vail was one of us in life; in the stillness of death he will remain one of us.

COST OVERRUNS AT NEWPORT NEWS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ASPIN. Mr. Speaker, the Navy's plans to build two new huge aircraft carriers are running into both lengthy schedule delays and cost overrun problems.

It is my understanding that the new aircraft carrier *Nimitz* will be delivered at least 6 months behind schedule.

Spokesmen for the Navy have admitted that the *Nimitz* will be delayed anywhere from 5 to 11 months behind original schedule. The ship was scheduled for delivery in September.

The reason that the *Nimitz* has been delayed is the result of the late delivery of parts for the ship's nuclear propulsion plant. In addition, labor troubles and delays on the *Nimitz* will also affect both the cost and the schedule on the *Eisenhower*, the second aircraft carrier under construction at Newport News Shipbuilding Yard. Originally, the *Eisenhower* was scheduled to be delivered 21 months after the *Nimitz*. But, the *Eisenhower*'s construction schedule has been delayed due to shipbuilder manpower problems.

Also, cost overruns on the two new aircraft carriers now total $274.6 million.

The total cost of the *Eisenhower*, *Nimitz*, and CVAN-70 will be at least $2.3 billion.

Delays combined with cost overruns call into question the competence of the Navy's management and the adequacy of Newport News operations.

The cost overruns are being caused by engineering changes, inflation, and the specific overrun of $56 million on the Newport News contract.

At least $28 million of the contractor overrun was the result of increased overhead.

I have requested today that the General Accounting Office thoroughly investigate these cost overruns.

It is entirely possible that the Government is being taken as a sucker by another big contractor through excessive overhead charges.

I have also had serious doubts about the wisdom of building any new carrier within the next few years.

A new aircraft carrier such as the one contemplated for approval this year is nothing less than a billion dollar target that would be lost at the outset of any major war.

The United States should retain a smaller carrier fleet of no more than nine ships.

OBJECTIONS TO SONNENFELDT CONFIRMATION MUST BE ANSWERED—PART VIII

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ASHBROOK. Mr. Speaker, on May 23 of this year I made the first of seven insertions in the RECORD concerning the pending confirmation of Mr. Helmut Sonnenfeldt as Under Secretary of Treasury. At the first hearing before the Senate Finance Committee on May 15, Mr. John Hemenway raised numerous objections to Mr. Sonnenfeldt's confirmation and named other individuals who could testify on alleged leaks of classified information by Mr. Sonnenfeldt while he served at the State Department. Subsequently, Mr. Stephen A. Koczak testified before the committee and charged that he had overheard Mr. Sonnenfeldt orally transmitting highly sensitive information to members of the Israeli Embassy in 1958.

The second prepared statement by Mr. Hemenway concerning the Sonnenfeldt nomination, follows:

FURTHER TESTIMONY ON THE CONFIRMATION OF MR. HELMUT SONNENFELDT

(Second statement by John D. Hemenway, 4816 Rodman St., NW., Washington, D.C., before the Senate Committee on Finance, to supplement and augment the statement made of record on May 15, 1973.)

Mr. Chairman and members of the Senate Finance Committee, I wish to introduce into the record my publicly expressed further objections to the confirmation of Mr. Helmut Sonnenfeldt designated to be Under Secretary of the Treasury. You will agree that it is fitting for this written testimony to be given you at the second public session of the confirmation hearing begun on May 15 of this year.

On May 15, Mr. Chairman, you asked that I make myself available for questions pertaining to my testimony of that date. Naturally, when the time for such questions arrives, I shall be ready to respond to questions on this testimony as well.

FORCES PRESSING FOR SONNENFELDT'S CONFIRMATION ARE THE SAME FORCES ATTEMPTING TO SEIZE EFFECTIVE OPERATIONAL CONTROL OF THE U.S. GOVERNMENT

Mr. Nelson Rockefeller has been widely cited in the press concerning his ambitions to be named Vice President, in the event the current cabal against Mr. Agnew is successful.

Mr. Rockefeller has the active cooperation of the Attorney General as well as Dr. Henry A. Kissinger (Rockefeller's protege) and a few senators and representatives.

Concerning the matter before you, the Sonnenfeldt nomination, a similar drama is cast with the identical players. Consider the following items:

THE ROCKEFELLER/KISSINGER/SONNENFELDT/RICHARDSON ALLIANCE

Last Saturday, 22 September, 1973, at 11:00 am, following the swearing of Dr. Kissinger as Secretary of State, Mr. Rockefeller (Nelson Rockefeller, Gov. of N.Y.) was present to congratulate his protege. Also present was Mr. Helmut Sonnenfeldt. Mr. Sonnenfeldt put his arm around Mr. Rockefeller and was heard to say:

Can't you do something to help me [get

confirmed]? The Senate Finance Committee is holding it up. Can you get the matter transferred to the Senate Foreign Relations Committee?

When asked, Sonnenfeldt told Gov. Rockefeller that his confirmation was held up because of "cheap smears" against him for which the Ichord Committee of the House of Representatives was responsible.

In another conversation, Gov. Rockefeller told a newsman that he had not come to Washington to see the President; he had come only to see Dr. Kissinger.

The facts in the above item can be verified by the Finance Committee under oath, should Mr. Sonnenfeldt fail to remember the details. I can supply the Committee with the name of the witness.

In fact, it is not "cheap smears" (serious security charges) alone that argue against Mr. Sonnenfeldt's confirmation. On May 15 I was the only witness to oppose the confirmation of Mr. Sonnenfeldt. To my knowledge there have been no subsequent witnesses called, the *New York Times* to the contrary notwithstanding. However, a great deal of evidence has been developed to support fully every charge I made on May 15. There were four, in order:

(1) Mr. Sonnenfeldt's professional judgment is faulty; (See the Soviet grain deal, below).

(2) Mr. Sonnenfeldt's personal standards of integrity are unacceptably low;

(3) Mr. Sonnenfeldt repeatedly has performed acts that violated his oath of office; and,

(4) Mr. Sonnenfeldt's confirmation will place the Finance Committee of the Senate in the position of seeming to condone illegal acts and violations of standards of conduct for Federal Service set by the Congress itself.

Sonnenfeldt's basic competence to serve was questioned in my testimony and it was the main point. I stated that Helmut Sonnenfeldt simply is not qualified for the position for which he seeks confirmation. He has neither the academic nor the technical qualifications for such a post.

Sonnenfeldt is responsible, with his boss Dr. Kissinger, for the basic staff decisions that misled the President into the disastrous wheat deal with the Soviet Union that is behind so much of the financial chaos we are witnessing today internally in America and externally, too, as the dollar declines to the point where foreigners are reluctant to accept it in payment for obligations without discount.

Other bad Sonnenfeldt judgments are on record in my testimony of May 15 and in an example of undercutting the US offset position on October 5, 1970 (see below).

The Hon. Elliot L. Richardson, now Attorney General, knew of all of the events Mr. Sonnenfeldt now refers to as "cheap smears" soon after January 20, 1969 when he became Under Secretary of State (the official who runs the place from a management/administrative point of view). Not only did Mr. Richardson do nothing in the Sonnenfeldt matter, it was under his administration that the fraudulent lateral entrance of Sonnenfeldt was facilitated at the highest level, FSO–1 (equivalent to major general).

However negligent of the Sonnenfeldt case, Elliot Richardson as Attorney General has vigorously pushed for the prosecution of Vice-President Agnew; indeed he seems determined to break all Constitutional precedents in this vigorous pursuit of "justice".

SONNENFELDT IS AN OFFICIAL WHO LIES; IT IS AS SIMPLE AS THAT

Human Events on August 25, 1973 (page 3—full page) laid out in detail expected testimony of Mr. Stephen A. Koczak concerning events that could only be described thus: Sonnenfeldt willingly was a party to an espionage collection activity of a foreign power. The author of the article was Alan Ryskind, a very careful journalist who interviewed Mr. Koczak.

That Sonnenfeldt lied about these intelligence matters is evident from the telegram sent to the Finance Committee by Mr. Otto F. Otepka, former Chief of Security Evaluation at the Department of State. According to Otepka, "Any denial by Sonnenfeldt that he provided data to unauthorized persons is a gross falsehood." Full text of the Otepka telegram is at *TAB A*.

Moreover, Otepka and two other witnesses (Hemenway and Koczak) have indicated that they are willing to be placed under oath in public session. They are prepared to describe three or more widely-separated matters concerning which Mr. Sonnenfeldt has not told the truth and concerning which Mr. Sonnenfeldt has made misrepresentations to this, the Finance Committee that is considering his suitability for high office.

On October 5, 1970, Sonnenfeldt undercut the official financial policies of the United States in Europe. On that date, he briefed German Chancellor Brandt and his aides in Bonn concerning offset arrangements (ways to counter the outflow of gold because of the stationing of large numbers of US troops in Europe—largely Germany—under NATO). The Chancellor's aides included Mr. Egon Bahr and Berndt von Staden, now German ambassador in the United States.

Sonnenfeldt's briefing misrepresented US policy, *but US policy was changed* promptly thereafter to correspond to what Sonnenfeldt, top aide to Kissinger at the NSC had told the Germans.

This occurred only a few months after Presidential Counselor Clark Mollenhoff had requested Dr. Kissinger (on two occasions) and Gen. Haig to look into serious matters concerning Mr. Sonnenfeldt. Partly because Dr. Kissinger blocked impartial investigations, Mr. Mollenhoff resigned effective 1 July, 1970. (See "The Mollenhoff/Kissinger Standoff" from the Senate Official Hearing Report on Henry A. Kissinger, Part 1, pages 206–208 or: CONGRESSIONAL RECORD of September 19, 1973, pages H8147–H8151).

Helmut Sonnenfeldt thereby undercut a specific policy agreement decided between President Nixon and Secretary of Defense Melvin Laird. It provided for ways in which our close European allies (especially the Germans) would help us financially to ease the US balance of payments problem.

High officials at the Department of State and the Department of Defense knew of the blunder but they covered up for Sonnenfeldt. In one instance a senior official was ordered to falsify a memorandum of conversation which set out the facts, so that the unfortunate undercutting of US policy by Sonnenfeldt would not be revealed in that record of the conversation. Once again, if the Committee wishes to go into this detail, I can provide the names of all of the witnesses who could testify under oath as to the facts.

Having meddled in constructive ways to assist the US balance of payments, Sonnenfeldt also has engineered unwise financial arrangements to further upset our BOP, such as the grain deal with low credits and other subsidies to the communists who can now make both political capital and financial profit from US purchased grain practically given them for $1.50—now worth over $5.00 per bushel. Little wonder that grain now is appearing in India and other areas in which the USSR has political interests. (See Kissinger Confirmation Hearing Record part 1, page 202, "The grain deal with the Soviet Union.")

THE ROCKEFELLER CONNECTIONS

Mr. Nelson Rockefeller gave a toast to Dr. Kissinger on the occasion of Kissinger's 50th birthday. It was at a party held at the Colony Club.

In his toast to Dr. Kissinger, the Governor noted that he had been associated with Kissinger in three Presidential campaigns. 'We succeeded in the third," said Rockefeller, "Henry went to the White House."

The above remark was made concerning the first Nixon administration. Yet at that time, Kissinger said that the man who made him Secretary of State was not fit to be President. In 1968, just after Mr. Nixon had defeated Mr. Rockefeller for the nomination, Rockefeller-supporter Kissinger is reported by Bernard Collier in the Boston Globe to have said, "That man Nixon is not fit to be President."

Also in 1968, candidate Nixon promised a "clean out" at the Department of State. Mr. William Rogers and Mr. Elliot Richardson were in charge of that "clean out" which consisted largely of building up Henry Kissinger's NSC apparatus. There was no effort to stop the violation of regulations and the law in the personnel field of which Helmut Sonnenfeldt's commissioning as an FSO–1 in the career diplomatic service is but one of hundreds of dreadful examples.

It is widely known that the State Department has become "Rockefeller's domain" within the administration. Dr. Kissinger was Rockefeller's foreign affairs advisor during the period of Rockefeller's candidacy for the Republican nomination.

One fact capable of substantiation concerning Sonnenfeldt's improper conduct is that he leaked official secrets to his good friend Kissinger (read: Rockefeller).

On August 20, 1973, there was leaked the following statement:

"There is every indication that the President himself might telephone Long [that is, Chairman Long of the Finance Committee] urging him to go ahead with the nomination but White House officials hope such action will not be necessary." (Source: Aldo Beckman in the Chicago Tribune, 20 August, 1973, *TAB B*)

Sonnenfeldt and Kissinger, both refugees from Hitler's Germany, are old friends, having first met in an army unit as enlisted men after the war, serving under a German emigree, Fritz Kraemer, who serves in a high staff position with the military establishment. Kraemer was also present at Kissinger's swearing in on September 22.

Dr. Kissinger himself is reported to be the source of the leaks he is said to have investigated as Chief of the NSC. (The investigation is said to have "cleared" Sonnenfeldt.) It is an old trick to have someone's phone tapped by an "independent" agency, and then to warn those whose phones are so tapped so that their conversations are "clean" and so reported by the "independent" agency. It is a fact that Sonnenfeldt and Mr. Marvin Kalb (both of whose phones were tapped by order of Dr. Kissinger) are close friends. They see one another often enough on social and semi-social occasions to accomplish any transfer of information without having to use the telephone.

The President's first choice to handle the Watergate situation was Secretary of State Rogers; when Mr. Rogers declined, the President's second choice was Mr. Richardson. It was Messrs. Rogers and Richardson who sabotaged Mr. Nixon's commitment to "clean out" the Department of State.

Mr. Chairman, with the position of the Vice President under fire; with Mr. Rockefeller being considered openly as his replacement; with Mr. Richardson pressing the attack against him, but not against Mr. Sonnefeldt; it is not straining credulity to discern a certain pattern in these events.

Whether there is such a pattern or not, it should by now be painfully clear that Mr. Sonnenfeldt is not fit for the high office to which he has been nominated nor worthy of the trust.

When called again as a witness, as you indicated on May 15, I shall be pleased to note a number of inaccuracies in Mr. Sonnenfeldt's direct testimony of May 15 (in which he comments on my charges against him.)

OTEPKA TELEGRAM TO FINANCE COMMITTEE CLAIMS THAT SONNENFELDT GUILTY OF "GROSS FALSEHOODS"

In a telegram sent to Senate Finance Committee Chairman Long, timed for delivery prior to the hearing session this morning, Mr. Otto F. Otepka accused Mr. Helmut Sonnenfeldt of "leaks of information by Sonnenfeldt to unauthorized persons."

Further hearings on Helmut Sonnenfeldt's confirmation to be Under Secretary of the Treasury were scheduled for Monday, 10:30 am, October 1. Mr. Sonnenfeldt was the only scheduled witness.

Otepka also said in his telegram to the Finance Committee that "other evidence known to me proves transmittal of classified intelligence (by Sonnenfeldt) to an agent of a foreign nation." Otepka, former chief of Security Evaluation at the Department of State, said that such offenses violated government security regulations.

"Any denial by Sonnenfeldt that he provided data to unauthorized persons is a gross falsehood," according to Otepka's telegram to Senator Long, Chairman of the Senate Finance Committee.

On May 15, in his testimony before Senator Long, Mr. Helmut Sonnenfeldt had denied the specific allegations referred to in Mr. Otepka's telegram to the Finance Committee. Prior to his testimony on May 15, Mr. Sonnenfeldt had not been sworn in and was not under oath. However, as a high official in the National Security Council under Dr. Henry Kissinger, he is expected to be truthful when questioned by a Senate committee. The Senate Finance Committee is currently examining Sonnenfeldt's suitability and qualifications for this high Treasury Department post.

The text of the Otepka telegram to the Finance Committee follows:

"As requested, have provided vital details regarding Helmut Sonnenfeldt to FBI agent Charles McDougal, Elizabeth City, N.C.

"My statements describing wire tap evidence obtained by State Department security officers established leaks of information by Sonnenfeldt to unauthorized persons. Other evidence known to me proves transmittal of classified intelligence to an agent of a foreign nation. Such offenses violated Government security regulations.

"Any denial by Sonnenfeldt that he provided data to unauthorized persons is a gross falsehood and raises a serious question for his suitability for confirmation to a subcabinet post.

"Strongly urge my recent testimony before Ichord committee be carefully reviewed and that Stephen Koczak, former foreign service officer, appear before your committee as witness prior to any committee action on nomination.

"/s/ OTTO F. OTEPKA.

"Wheaton, Md."

ADDITIONAL $10 MILLION FOR THE F-15 ENGINE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ASPIN. Mr. Speaker, I am very disappointed to learn that Deputy Defense Secretary William Clements has decided to release an additional $10 million to Pratt & Whitney for the F-15 engine even though the engine has not completed required tests.

The Pentagon is obviously coddling another contractor whose performance has been totally inadequate.

Originally, the F-15 engine was to complete a full 150-hour endurance test by September 30. In the last month, the Air Force did pass a totally trumped-up test planned and executed in agreement with the defense contractor. It is patently ridiculous to release another dime of funds to Pratt & Whitney until all necesary tests on the F-15 engine have been completed. It is simply wrong to release millions of dollars to contractors who are not able to pass the tests required for the new plane.

In addition to $10 million to Pratt & Whitney, the Pentagon has released a total of $19 million to McDonnell-Douglas and $2 million to the Air Force to buy support and electronic gear for the new plane.

It is quite apparent, Mr. Speaker, that the concept of fly before you buy is being thrown out the window. Until the F-15 engine has passed all of the required tests, no additional funds should be released on the program.

THE DEDICATION OF THE BAR HARBOR TOWN PIER

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. COHEN. Mr. Speaker, the town pier in Bar Harbor, Maine, was recently dedicated in memory of Dr. John Ells, a devoted citizen of that scenic town. I include a summary of the dedication, which was published in the Bar Harbor Times in the RECORD:

BAR HARBOR TOWN PIER

The municipal pier at Bar Harbor, Maine was officially dedicated Wednesday afternoon, August 15, 1973 in memory of Dr. John Ells. The resolution to name the pier after Dr. Ells was approved by the residents of Bar Harbor at the town meeting of March 20, 1973.

At the dedication ceremony, State Representative James MacLeod told of how Dr. Ells started out in life with nothing. In his youth Dr. Ells sold newspapers on the pier and aboard the ships visiting in the harbor. In those days the American and British navies visited Bar Harbor along with many palatial yachts. Years later Dr. Ells attended dental school and became a practicing dentist in the town. He was a school board member, selectman, and had a brief term as State Senator.

But Dr. Ells will be remembered most as the greeter of Naval ships visiting Bar Harbor. Albert Cunningham, Chairman of the dedication, spoke of Dr. Ells' lifelong love for the U.S. Navy. Dr. Ells was presented with the Navy Award for Meritorious Service in 1952.

Town Council Chairman Roland Salsbury expressed the sentiment of the townspeople at the dedication ceremony when he said, "We all had a great love for Dr. Ells."

The plaque now installed at the end of the Dr. John B. Ells Pier stands as a monument to this remarkable man. This recognition will also bring back many pleasant memories to those who had the good fortune to be in Bar Harbor during Dr. Ells' lifetime.

THE 360TH ANNIVERSARY OF POLONIA IN AMERICA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. EILBERG. Mr. Speaker, Monday, October 1, marks the 360th anniversary of the arrival at Jamestown in colonial Virginia of the original Polish settlers on this continent. This event is being commemorated throughout the Nation by Americans of Polish descent. It is fitting that we here in the Congress render appropriate acknowledgement of an event of such significance to so great a portion of our people.

At this point, Mr. Speaker, I would like to insert into the RECORD correspondence recently received by our distinguished colleague from Illinois, the Honorable EDWARD J. DERWINSKI, from the president of the Polish American Congress, Mr. Aloysius A. Mazewski, commemorating the arrival of Poles in Virginia in 1608:

POLISH AMERICAN CONGRESS,
September 27, 1973.

Hon. EDWARD J. DERWINSKI,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DERWINSKI: The Polish American Community in the United States is preparing to participate in the national observance of our country's Bicentennial.

The Americans of Polish descent are most anxious to emphasize the concept of "Unity in Diversity"—to use the pluralistic approach as a base for further growth and the highlighting of the multi-colored American Mosaic.

We view the Bicentennial celebration as a vehicle through which all ethnic, professional and community groups can rededicate themselves and through which they can strengthen their positions as true Americans.

In these days of fast moving events, periods of uncertainly and doubt, it is necessary to pause and reflect on one's proud heritage and to draw strength and inspiration from past accomplishments.

The year 1973 will always be remembered as that of Mikolaj Kopernik's, universally known as Nicholas Copernicus, born in Poland, devoted to the studies of the universe—a man for all ages.

Now, however, we wish to turn our attention to future commemorative events, especially the celebration of our Nation's birth and the significant contributions of its many ethnic groups to America's growth and development. We wish to plan for its future.

In order to properly set the stage, we wish to reflect on the arrival of the first Poles on this continent on October 1, 1608 at Jamestown, now part of the Commonwealth of Virginia.

We, of the Polonia, would be most honored if you, dear Congressman, and your distinguished colleagues would set aside a moment on that day and help us reflect upon the significance of that event.

Further, and not detracting from Jamestown, we wish to bring to your attention the fact that millions of American of Polish extraction will be commemorating on October 11, the 194th Anniversary of the heroic death of General Casimir Pulaski at Savannah in the defense of our young Republic.

With the above in mind, I submit for your consideration, as an attachment to my letter, some thoughts as expressed by a number of distinguished scholars and statesmen during past anniversaries of Jamestown.

With deep appreciation, I remain sincerely yours,

ALOYSIUS A. MAZEWSKI,
President.

VARIOUS REMARKS DEALING WITH THE CONTRIBUTION OF POLES TO JAMESTOWN

President Dwight D. Eisenhower: Since the earliest days, American of Polish origin have contributed much of their rich cultural, historical, and spiritual heritage to this land. In the development and continuing promise of our country, Polish-American citizens play a vital role.

Mieclslaus Haiman, historian; in his book, *Poles in America:* The beginnings of Virginia also mark the beginnings of the history of Polish immigration in this country. To some degree, Poland influenced the founding of that oldest English colony in America.

Early in the 17th century England suffered a heavy economic crisis. The destruction of her forests for commercial purposes threatened the very existence of her industry, especially three of its most important branches: ship building, wool manufacture and foundries. All three required great quantities of lumber, wood and wood products. To supply these needs England was forced to import large quantities of those materials from foreign countries, particularly from Poland. The main purpose of the Plymouth Company and of the Virginia Company of London, chartered by James I, for the colonization of North America, was to make England independent of Polish and other imports.

Pioneers of American History—Jamestown was founded in 1607, by the first immigrants sent by the Virginia Company. A year later, in October 1608, the Poles appeared with the Second Supply engaged by the Company as experts and instructors in the manufacture of glass and pitch, tar and other products which Poland exported to England. The exact number of this group is not known, but they were not more than a handful.

Immediately after their arrival the Poles started their work. They built a glass furnace about a mile from Jamestown and cut down the first trees for wood manufactures; in a short time they were able to send to England the first products of American industry. However, their labors soon met with great obstacles, Indians, pestilence and famine attacked the colony.

The winter of 1609–1610 was especially severe and became known in the history of Virginia as "starving time"; of four hundred colonists only sixty survived. Worst of all, however, was the disorder which reigned in the colony. Most of the first settlers were the famous "vagabond gentlemen" who were accustomed to easy life and came to Virginia in quest of fabulous gold mines. In contrast to them, the Poles conducted themselves very creditably. Captain John Smith who did not mince words when speaking of his lazy countrymen, spoke of the Poles in terms of the highest praise. "They," said he, meaning the colonists generally, "never did know what a day's work was except the Dutchmen and Poles." Later documents speak of the Poles with praises, too, and the Virginia Company tried, not without success, to induce more of them to come over from Europe.

Honorable Clement J. Zablocki of Wisconsin; in the House of Representatives: It is proper and fruitful for us to engage in such commemorations. They give us a better understanding of our heritage, and they help us to appreciate the principles which should guide us in our endeavors through the years to come.

The entire history of our Nation, and the record of the early colonization of the New World, contain ample evidence that men and women of Polish blood contributed their toil and talents to the settlement of North America, and to the birth and development of our great Republic.

We should remember this fact and, to this end, our thoughts turn today to the small British sailing vessel, named Mary and Margaret, which crossed the Atlantic Ocean and docked in Jamestown, Va.

Aboard this ship, which was bringing provisions and settlers to Jamestown, were five Poles, specialists in industry, who came to the New World to lend their talents, and their energies, to the task of developing the American Continent.

From old records we have learned that these five Polish experts built the first glass furnace on the American continent, organized the production of soap, pitch, clapboards, and other building materials, and contributed greatly to the success of the early English colony at Jamestown.

These facts should be remembered by all of us, and we should take pride in them. We should be equally proud of the countless other men and women who came to this land from Poland in the decades and centuries that followed the settlement at Jamestown, helped to conquer the wilderness, and to build the American Nation upon this continent.

A. D. Chandler, President of the College of William and Mary: If I were to fail to say at the outset that I am honored to have the privilege to participate in this ceremony, I would be less than truthful. I want to thank you and your president for inviting me.

I want to greet you—the descendents of our early settlers in the New World.

We in Virginia feel that Jamestown is hallowed ground because this area is the monument to the spreading of the European influence in America.

Not far from where we meet today, there was established the first industry in what is now the United States of America.

We are all here to commemorate that event, and to honor the memories of the five men from Poland who planted the first seeds from which has grown the greatest industrial nation under God.

Only thirty-two of the original band of one hundred and five settlers survived the first two winters in Virginia. When the second group arrived with seventy recruits for the new colony, Captain John Smith warmly welcomed the five Polish artisans among them, not only because they were what Jamestown most needed—skilled workmen—but because he knew them as representatives of a sturdy, industrious, liberty loving nation.

John Smith had reason to respect and admire the Poles. Only a few years before, in Christian Europe's wars with the infidels, he had been captured by the Turks and led into slavery. All of Southeastern Europe was then held by the Mohammedans and the first Christian sanctuary the fugitive found was in Poland. In the book he later wrote, called The True Travels, John Smith describes how he crossed Poland, aided every foot of the way by the people unmatched in his experience for, as he said it, "Respect, Mirth, Content and Entertainment," who insisted on loading him with gifts before sending him on to the next town.

At any rate, as history reveals, the Jamestown colony was then divided into boroughs in which every man who had worked up his indebtedness to the London company was given the right to vote. Every man, that is, except the half-a-hundred Poles, who incidentally, monopolized the industries of Jamestown. The British colonists, dependent as they were on their Polish fellowsettlers, arbitrarily decided that citizenship should be a privilege reserved for their own special group.

The same undemocratic spirit, unfortunately still survives in much of the world today. Too many persons, who falsely think themselves the best kind of American, sometimes look down on their fellow citizens, forgetting that all the people in America, who are not Indians, are descendants of immigrants, whether they came here 300 or 30 years ago.

Well, the Polish colonists in Virginia protested. They said they were as good Americans as any of the rest who came to America with them or even later. When their protests were ignored they said, "Okay" (for however you say it in Polish) no citizenship, no work.

So they closed down the glass factory, the tar distillery, the soap works and spent their days fishing and dancing the polka.

Perhaps you could call it the first strike in America, except that the Polonians were not quitting work on an employer. They shut down their own industries. Except for the few pounds of tobacco the colonists were beginning to export, practically all of the profits realized by the London Company came from the re-sale of the products of the Polish industries. The Jamestown government quickly realized that if it sent empty ships back to England, the consequences could be very unpleasant.

And so, members of the Jamestown General Assembly quickly declared their Polish fellow-colonists to have full citizenship with every right of the vote and equal representation.

Albert O. Maisel in *The Reader's Digest* article, "The Poles Among Us": Barely a year after it was founded, England's first settlement in America stood on the verge of collapse. Jamestown had a magnificent leader in the tall young soldier, Capt. John Smith; but most of the colonists sent out with him were "gentlemen adventurers"—no match for the tough job they faced in the wilderness. Soon Smith was beseeching his London backers to "send but 30 carpenters, blacksmiths and masons rather than a thousand such as we have here."

On September 25, 1608, a small ship sailed up the James River bearing six broad-backed artisans. Axes in hand, they followed Smith into the woods and set about making a clearing. Within three weeks they had a roaring fire going under a glass furnace, the first factory in the English Colonies in America. They tapped the pine trees and distilled tar and pitch. They set up a soap works and erected a saw mill. Presently, goaded by their example, the entire settlement was hard at work.

Surprisingly, this handful to whom Smith later gave credit for saving the colony—thus insuring that America would develop as an English-speaking nation—were not Englishmen at all. Their names were—Michal Lowicki, Zbigniew Stefanski, Jur Mata, Jan Bogdan, Karol Zrenica, and Stanislaw Sadowski—and they landed in America 12 years before the *Mayflower*.

THE TORRANCE-KASHIWA SISTER CITY PROGRAM

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. CHARLES H. WILSON of California. Mr. Speaker, this month Mayor Ken Miller of Torrance, Calif. will journey to Kashiwa, Japan, the sister city of Torrance under the people-to-people program initiated in 1956. The object of this commendable program is to stimulate friendship and understanding between the United States and other nations by direct personal contact.

After extensive study by a special sister city committee—using the criteria of similarities in size, population, and industry—the Torrance City Council extended a formal invitation to Kashiwa to become its sister city in 1971. Certainly, Torrance and Kashiwa share many similarities. Both cities are major industrial centers with a wide variety of business and industry. Their populations, 140,000 for Torrance and 160,000 for Kashiwa are comparable, and they both are governed by a mayor and councilmen.

It was a long-awaited event when, in February of this year, Kashiwa and Torrance formalized their ties as sister cities and pledged themselves to further the cause of friendship and good will. The mayor and several councilmen of Kashiwa marked this occasion by a personal visit to Torrance.

Now Mayor Miller will return the courtesy by visiting Kashiwa. I know I speak for the U.S. Congress in extending our congratulations and best wishes to these two fine cities for their efforts to develop international understanding and peace through friendship.

DISHING IT OUT IS EASIER THAN TAKING IT

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. LEGGETT. Mr. Speaker, a recent column by Clayton Fritchey has brought out an interesting point: Although President Nixon evidently feels that he is the subject of "leers and sneers" by news commentators, in fact the media have been overwhelmingly favorable to him.

During the last Presidential campaign, the newspapers favored Nixon over McGovern by more than 12 to 1, both in terms of numbers of papers and in terms of readership. The New York Times was the only major organ of the "Eastern Establishment Press" to come out for McGovern. Twelve States had no pro-McGovern newspaper at all.

Throughout the campaign, both the print and electronic media placed Senator McGovern and his campaign under a microscope—this was their job. But President Nixon was subject to no such examination. He ran a noncampaign, totally removed from the people and from all the major issues, and except for a few scattered grumblings the news media let him get away with it. There were no editorial demands for a "Meet the Press" appearance, for a debate, or for direct answers to the sharp questions that should have been asked about Watergate, about the war, about the economy, and about how he planned to deal with the unemployment that would result from the closing of domestic military installations.

Throughout the campaign, the media treated him as the President, rather than as one of two candidates for political office.

Since the election, news has continued to be slanted so as to be overwhelmingly favorable to the President, except when the facts of the scandalous conduct of his administration made it absolutely impossible to do so. Mr. Fritchey refers to interviews CBS conducted with four freshmen Congressmen just back from recess, who reported that the folks at home were bored with Watergate—but the four happened to be conservative Republicans: fine gentlemen but hardly a typical sample of Congress. And as Mr. Fritchey did not report, at about the same time the Washington Post did the same thing, only it used two instead of four conservative Republicans as its sample of Congress.

None of this is peculiar to the Nixon administration. Presidents Johnson and Kennedy received the same kind of kid-gloves treatment.

But what is unusual is that, despite this overwhelming favoritism, Mr. Nixon appears to feel himself the subject of persecution by the media. It seems the only "responsible" press coverage in his eyes is one of unadulterated adulation. We can only wonder how he would react if the media were to show similar favoritism toward those who disagree with him.

Mr. Fritchey concludes:

> Apparently having more than 93 percent of the nation's newspapers in his corner was not enough for Mr. Nixon. It is, of course, possible to get 100 percent but only under certain kinds of governments.

I insert Clayton Fritchey's column entitled "They Can't Seem to Please Him," from the Washington Post of September 15, 1973, in the RECORD at this point:

THEY CAN'T SEEM TO PLEASE HIM

(By Clayton Fritchey)

Pity the poor television networks. They can't seem to please Mr. Nixon no matter how hard they try—and, heaven knows, they've been trying. In fact, they've been leaning over backward to give the President a fair shake, especially on the main, big-audience, half-hour evening news shows.

Yet, for all their pains, the President, at his latest press conference, blamed the networks newsmen for his loss of public confidence. For the last four months, he complained, he has been attacked in "every way" by "innuendo, by leak, by, frankly, the leers and sneers of commentators. . ."

The ordinary television viewers must wonder who, specifically, Mr. Nixon was referring to, for if anybody has reason to complain over recent political imbalance on the air it should be the Democratic National Committee, not the White House.

Recently, when Congress returned to Washington from a month's recess, CBS, on the Walter Cronkite's "Evening News," interviewed four freshmen representatives to get a cross section of opinion on what the voters back home are thinking, particularly about Watergate and the President. The congressmen were William Hudnut of Indiana, Ronald Sarasin of Connecticut, David Towell of Nevada and David Treen of Louisiana. Rep. Treen reported that only one voter out of 500 cares about Watergate. As for the Senate investigation, they want "that nonsense" stopped. The other three congressmen also said Watergate was more or less a bore to their constituents. Apparently, nobody was mad at Mr. Nixon.

These four legislators have one thing in common; they are all conservative Republicans. No members of the opposition were on the program at all. One shudders to think what the White House would have said if all those interviewed on CBS had been liberal Democrats, especially if they had reported that the electorate was deeply disillusioned with the President over Watergate. There surely would have been outraged protest by presidential spokesmen.

The CBS performance, however, was matched by NBC the night after Mr. Nixon's August 15 prime-time television speech on Watergate. In testing public reaction to the President's effort to explain away the scandal, NBC filmed interviews with a hard-hat construction worker and his family, a Midwest farmer and his family and the wealthy guests at a party in an exclusive Los Angeles suburb. Again, those interviewed had one thing in common: all had voted for Mr. Nixon last fall. It turned out that several of the group were not much impressed by the President's television defense, but even so how would the White House have reacted if NBC had instead sought out, say, an antiwar demonstrator, a liberal college professor and a party put on by a crowd of Democrats?

By this time, the White House would no doubt have filed a formal complaint with the Federal Communications Commission, charging NBC with tilting its program by filming only pro-McGovern, anti-Nixon voters. Doubtless it would have demanded equal time in thunderous words.

The NBC program in question was the John Chancellor evening news broadcast, with Gerrick Utley pinch-hitting on this occasion. After talking with Mr. Utley, who, like Chancellor, is widely respected for his objectivity, I am satisfied that the show was arranged in good faith, with no conscious intention of loading it against the Democrats.

The producers apparently felt there wouldn't be much news in a pro-McGovern Democrat reacting critically to the President's speech. No doubt they were right in thinking that a Republican-bites-Nixon interview would arouse more interest. Be that as it may, it is unlikely that the White House would accept such an explanation if the situation had been the opposite.

The White House doesn't like newspapers any more than television, although it is hard to see why. Shortly before the President's landslide reelection last fall, Editor and Publisher reported 548 daily newspapers for Nixon and 38 for McGovern. By circulation, it was 17,532,436 for Nixon as against 1,468,223 for McGovern.

George Sedles, the author, observes that "no one pointed to or 'viewed with alarm' the more alarming fact that there were 12 states without one Democratic newspaper." Apparently having more than 93 per cent of the nation's newspapers in his corner was not enough for Mr. Nixon. It is, of course, possible to get 100 per cent but only under certain kinds of governments.

SHUNZO SAKAMAKI: OUTSTANDING HAWAIIAN EDUCATOR

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. MATSUNAGA. Mr. Speaker, I was deeply saddened recently by the passing of Dr. Shunzo Sakamaki, former dean of the summer session at the University of Hawaii. In his 16 years of service before he retired in 1971, he built a summer program recognized as one of the finest and best known in the Nation, with an increased enrollment of almost 13,000 students in an expanded program of course offerings.

Born in Olaa, on the island of Hawaii, Dr. Sakamaki received bachelors and masters degrees in history at the University of Hawaii, and then joined the faculty at Doshisha University in Kyoto, Japan. He taught at Mid-Pacific Institute in Hawaii from 1931 to 1933. He joined the university faculty in 1936 as an instructor in history and later became a full professor and department chairman, receiving his doctorate in history from Columbia University in 1939.

He was extremely active in community affairs, and his scholarly writing accomplishments were numerous and outstanding.

Shunzo Sakamaki was many things during his long career—teacher, administrator, community leader—and he performed well in all of these roles. Hawaii is diminished by his loss.

In tribute to a great American who realized his American dream in academic pursuits, I include an article from the Honolulu Star-Bulletin about the life and accomplishments of Shunzo Sakamaki be at this point:

[From the Honolulu Star-Bulletin, July 19, 1973]

SAKAMAKI, 67, RETIRED UH SCHOLAR, DIES

Shunzo Sakamaki, 67, retired dean of the Summer Session at the University of Hawaii, died today in Kuakini Hospital.

Under his guidance, the University built one of the largest and best known summer programs in the nation.

In 1955, when he became dean, the summer program had 4,214 students and 161 classes. In 1970, the year before he retired, 16,986 students were enrolled in 1,000 classes.

Sakamaki was born in Olaa, a Big Island sugar community. He came to the Manoa campus as a student and received his bachelor's degree with honors in 1927 and his master's degree in history the following year.

From 1928 to 1931 he was a member of the faculty at Doshisha University in Kyoto, Japan.

From 1931 to 1933 he taught at Mid-Pacific Institute.

He joined the University faculty in 1936 as an instructor in history and later became a full professor and department chairman. He received his doctorate in history from Columbia University in 1939.

For many years he was the only professor who taught Asian and Japanese history. It was while he was dean of the summer program in 1959 that the annual Summer Institute on Asian Studies was begun.

Wytze Gorter, chancellor of the University, said "Dr. Sakamaki, as a student, alumnus, faculty member and dean was a distinguished member of the University's family for almost half a century. All of us mourn his passing.

"He was first of all a friend to so many of us. He was also a man with a deep sense of public responsibility, an infectious sense of humor and an inventive way of getting the right things done."

Active in community affairs, he was a past president of the Kalihi-Palama Community Council and many other organizations, including Phi Beta Kappa and the Hawaii Government Employees Association.

An accomplished writer, he was the author of "Japan and the U.S., 1790–1853," "Ryukyu: A Bibliographical Guide to Okinawan Studies," "Ryukyuan Research Resources at the University of Hawaii," co-author of "Asia", and author of many monographs in scholarly journals and books.

Funeral services will be private.

He is survived by his widow, Yoshiko I., and a son, Sidney R.

The family asks that instead of flowers contributions be made to the Shunzo Sakamaki Lectureship Fund in the University of Hawaii Foundation.

THE MILITARY MAN—PART VI

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mrs. SCHROEDER. Mr. Speaker, in testimony before the Defense Appropriations Subcommittee, Vice Adm. Hyman G. Rickover points out decisionmaking and management problems within the Defense Department. Because of an overload of bureaucrats and because the military services are topheavy with admirals and generals who hear only what their staffs think they want to hear, he charges that dissent is stifled and viable alternatives are lost in redtape. In challenging the decisionmaking process in the Defense Department, the admiral also challenges the role of Congress in effective leadership and oversight in defense matters.

Following is an article which appeared on September 24, 1973, in the Rocky Mountain News that summarizes Admiral Rickover's straightforward and insightful testimony.

RICKOVER CHARGES DEFENSE DECISIONS ARE STRANGLED

(By Ralph Kennan)

WASHINGTON.—National defense decision makers are strangled in red tape because Congress permits the Defense Department to be top-heavy with "professional problem solvers" busy perpetuating their own jobs, according to Vice Adm. Hyman G. Rickover.

The nation's most vulnerable point, he told a House appropriations subcommittee, is its growing inability to find "talent and determination to guide our fortunes" and congressional refusal to cut the bureaucracy down to efficient size.

The tart-tongued Rickover, father of the nuclear submarine, is director of the Atomic Energy Commission's division of naval reactors as well as deputy commander of the Navy's nuclear power directorate. He complained during testimony recently made public that:

"The dilemma facing me and others who are responsible for programs is that we must force ourselves through hordes of these problem solvers before we can reach those at the top who make ultimate decisions governing our technical programs."

These layers of "problem solvers" have created "a sea of ink," not effective management of the nation's defense resources. One result is cost overruns and program delays that "waste our sinews of war."

Calling on Congress to cut Defense Department bureaucracy by half, Rickover complained the military services are top-heavy with admirals and generals who tend to become isolated from reality by staffs anxious to tell the boss only what they believe he wants to hear.

Dissent is stifled, he said, in this process so the decision maker is not given a series of factually presented alternatives.

"Possibly the time will come when our leaders will assume the role they were intended to: men who really lead and who talk with us, rather than at us," he continued. "Until that time comes, and for the reasons I have given you, it is essential for the good of our country and for our military strength that Congress continue to probe deeply into all aspects of military life."

But Rickover complained that with regard to the constitutionally created three separate but equal branches of government, "Congress today has become separate and unequal."

"In essence," he said, "not only is Congress not the government, it often appears unwilling to be even one-third of the government. It is rare for Congress to initiate any new piece of legislation on its own, even rarer for it to formulate any new policy. That is not a criticism, merely a recognition of the existing situation."

Rickover, 73, whose career embraces half a century, complained that many members of Congress "allow the executive branch to ignore with impunity the intent of Congress; the impoundment of funds is one example. Another is shown in the answers that some executive branch officials have given in response to congressional inquiries.

"These statements are often models of careful evasiveness, full of the phrases loved by public relations people, but singularly devoid of substantive information."

LEAA BLAMES CRIME IN THE STREETS ON HOMEOWNERS LACK OF SECURITY MEASURES

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. RARICK. Mr. Speaker, the latest pronouncement from LEAA, which is expending massive amounts of taxpayers dollars for "safe streets and crime control," would blame homeowners for not maintaining their homes more securely against criminals.

This Federal agency, operating with homeowners tax dollars, has filed a recent report through one of its grant consultants in Washington suggesting "compulsory security measures in homes." Apparently this is a new trend like manditory seatbelts. If this program were adopted, the homeowner would become the lawbreaker if he chooses not to provide for a security device or if he decides not to use them. Nothing is said about deterrent to crime or the criminals, but as usual we are told society must realize that it is responsible for creating the criminal environment.

I feel that our homeowners in America are entitled to know how their tax dollars are being spent "to improve criminal justice and make the streets safe."

A related newsclipping follows:

[From the Washington Post, Sept. 29, 1973]

MORE INFORMATION SEEN NEEDED TO AID SECURITY IN U.S. HOMES

(By Claudia Levy)

Consultants to the Law Enforcement Assistance Association have concluded that the federal government's most important role for helping homeowners and apartment renters to make their homes more secure against burglars is to provide "accurate and useful information" about security measures.

The consultants, Security Planning Corp. of Washington, also recommended that local law enforcement agencies initiate residential security inspection programs and that security considerations be included in site-planning and subdivision regulations.

The firm's 18-month study was undertaken to help provide government officials "with a feasible framework for identifying the policy implications of various security approaches and measures," SPC president Arnold Sagalyn said.

Among the consultants other recommendations to the federal government:

Establish an LEAA clearinghouse to collect, summarize and disseminate information about residential security.

Assume leadership role in efforts to train housing and planning professionals about design and security.

Set up a central information source, "in light of the special federal obligation to residents of public housing," so that local housing authorities can more easily obtain information about security hardware, design modifications, tenant patrols and public housing guard forces.

If and when the government decides to subsidize a "low-cost, reliable intrusion detection device," estimate what such a system would actually cost consumers over a prolonged period, including installation, monitoring and response costs.

Police in some cities have begun to conduct home security inspections because they are aware that burglars seek out visible defects in residences and that residents have sparse information about how to protect their homes, the consultants said. The report focused on California, where five jurisdictions, using LEAA funds, conducted such inspections.

"Common elements of their programs were an extensive publicity campaign, mail or phone or door-to-door solicitations, followed by the inspections. Each inspector went into the field with a checklist of vulnerable points and a set of recommended hardware and procedural standards to discuss.

"Some hard lessons were learned from the experience. The inspections proved quite costly on an individual basis, response on other than door-to-door solicitations was disappointing and the compliance rate was minimal."

The researchers concluded that it would "seem far preferable to limit security inspections to homes that have just been victimized and those whose owners voluntarily request an inspection from the police not as a consequence of door-to-door canvassing."

The most often suggested incentive for homeowners is the reduction of crime insurance rates for homes where protective devices are installed, the consultants said, adding that they didn't consider it a realistic proposal. The incentive effects would be minimal, they said, and the insurance industry "itself has little reason to promote the incentive."

The firm said that in the area of compulsory security measures, it favors the inclusion of security among the design standards in subdivision or site plan reviews.

"Our major conclusion is that serious issues about the effectiveness and impact of codes have not been addressed."

In addition, the report states, "there is a need for sophisticated market research, especially into the low- and moderate-income market, to determine the marketability of residential intrusion detection systems."

"A variety of government initiatives—ranging from drug abuse programs to improvements in the criminal justice system—may reduce crime pressure," the firm said. "They are beyond the scope of this report, but they necessarily and appropriately command most of government's attention and resources in this field.

"Residential security measures affect vulnerability far more than crime pressure . . . Reductions in vulnerability benefit only some people and impose a greater crime burden on others. This displacement effect has ramifications in terms of equity and fairness that an individual homeowner may ignore but that government cannot."

High intensity street lighting and related public light programs, for instance, can serve to displace crime, thus "increasing the security of one neighborhood at the expense of contiguous areas," the consultants said. "Further research is needed on these displacement effects and other aspects of the relationship of street lighting to crime."

Simply putting better locks on the doors of one home will have a negligible effect on the over-all incidence of crime in the neighborhood, the report said, because "their primary protective function consists in reallocating crime away from the residence to which they are applied to other homes in the neighborhood . . . It means that the impact of applying a security measure to every home will be extremely difficult to assess."

Discussing locking devices, the consultants said that while cylindrical (key-in-knob) locks are the most widely used in residential construction, they are the least desirable from a security standpoint. Properly installed, they said, "a vertical deadbolt rim lock is an excellent security addition at a cheaper price than a replacement primary lock . . . Cylindrical lock sets combining a deadlatch function with a deadbolt combine the best features of a good security lock."

Although sensors and alarms are being used increasingly, the consultants found, "only a negligible number of homes are now equipped with intrusion detection systems . . . (which) place certain strictures on family living patterns that are difficult to observe constantly . . . Inappropriate family behavior, together with equipment and installation deficiencies, have resulted in excessively high false alarm rates (estimated as high as 95 per cent.)"

To insure effectiveness, they said, "detection and monitoring devices must be more reliable and communicate directly or indirectly to the police. Direct police communication is increasingly rare, as soaring false alarm rates have made police leery of direct communication. While the private central station alarm system offers its client a positive attitude and response, the principal disadvantage to the consumer is cost."

Such systems start at roughly $15 a month, the consultants said.

They stressed the possibilities of using architecture to create "zones of territorial influence" where residents can act as their own policing agents, noting that design often increases tendencies toward "crime violence and social isolation."

SMALL BUSINESS NEEDS HELP FROM CONGRESS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. KEMP. Mr. Speaker, in both my capacities as a Member of Congress from a district having thousands of small businesses and as a member of the Permanent Select Committee on Small Business, I have had an opportunity to analyze carefully the myriad of problems confronting the small businessman and woman. According to the latest available census statistics, there were over 18,000 small businesses, employing 50 or fewer employees in Erie and Niagara Counties, N.Y., and over 8 million nationally.

The plight of small businesses in our Nation is deplorable. Small business is being hit from every side. It is being caught in a credit crunch, by overwhelming paperwork requirements, by growing regulation, by devaluation and inflation, by supply shortages, by transportation difficulties.

On Thursday, September 20, I addressed the Small Business Council of the Chamber of Commerce in Buffalo. Because the issues which I brought to the attention of these outstanding businessmen and women are of direct importance to the deliberations of this body and its committees, I insert into the RECORD at this point the formal text of my address:

REMARKS OF THE HONORABLE JACK KEMP

My fellow businessmen and women, people will not stay in business just to break even or to suffer a loss.

Yet, the plight of the small business today is one of continual struggle to keep your black pen on the desk and your red pen in the drawer. Small business is being hit from every side, and no small amount of the shots are coming from misdirected government policies and regulations. You are being caught in a credit crunch, the likes of which our Nation has never seen. Government paperwork requirements, arising from greater and greater regulation, have become excessive to even well-staffed accounting offices. Government procurement policies restrict your capacity to compete for contracts. Your dollar has been devalued. Your purchasing officers cannot buy goods which are in short supply; and if you can buy them, there may not be sufficient fuel to have them shipped promptly to you. And you can look forward to a cold winter in your offices and warehouses—again as a result of the misallocation of scarce resources arising from misdirected government regulation.

No matter how well intentioned, or how well conceived, government policies and regulations may be, there is one simple truth which emerges from your plight and the plight of businessmen since the days of the Roman Empire. Diocletian, who thought he too could successfully regulate wages and prices. That truth is this: No economic system yet devised has produced the degree of prosperity, the buttressing of political and economic freedom, and the sense of unity, as has the market economy, allowing the forces of supply and demand to seek their natural, respective levels, unfettered by excessive government regulation. Government leaders have learned little from history.

Why then do I talk to you this evening in less than cheery tones? Because I am bound, as a Christian man, to tell the truth, no matter what its consequences at the voting booth. In my readings last evening, I ran across a quotation which I wish to share with you. It reads, in part:

> The truth must be repeated again and again, because error is constantly being preached round about us. And not only by isolated individuals, but by the majority. In the newspapers and encyclopedias, in the schools and universities, everywhere error is dominant, securely and comfortably ensconced in public opinion which is on its side.

The Vice President's Des Moines speech? No, it's Johann Goethe, the German poet and dramatist, writing in 1832, the last year of his life, a reflective period in his works.

There is, then, a truth which you must realize in your own economic self-interests, which collectively form the strength of the private enterprise economy of our nation. No matter what the merits of your arguments, no matter what your real economic plight might be, no matter with what logic and reason you postulate your contentions for the survival of your own business or of American business in general, no matter how much truth is on your side, the struggle between business and government—and I must sadly conclude that the once great American cooperative spirit between business and government is turning into a miserable assortment of growing animosities—will be resolved in the real world of the political arena. It is a sad commentary on the way in which government action looms over the entirety of our lives and businesses today that your very survival depends on political action. But it does.

What am I doing to help?

First, I have undertaken legislative initiatives. And I have not just introduced these for local consumption and then sat back to allow other forces to control the issue, Through my committee assignments, through my reporté with colleagues sharing similar concerns, through my party work, and through efforts to increase public recognition of the problem areas and possible solutions to them, I think we are going to get some action from this Congress. We must.

Secondly, I have today asked the powerful Chairman of the House Committee on Ways and Means, Congressman Wilbur Mills of Arkansas, to start paying more attention to the problems of small businesses. I can appreciate the Chairman's problems—big business, not small business, is the focal point for public opinion; the administration's initiatives are typically in the area of problems affecting big business; the concerns of the regulatory agencies and the Internal Revenue Service are directed towards tax policies affecting the big bucks—and that means the big corporations. But, this is truly a matter of overriding importance to the well-being of the economy.

My letter to Chairman Mills is as follows:

SEPTEMBER 20, 1973.

Hon. WILBUR MILLS, M.C.,
Chairman, Ways and Means Committee, U.S. House of Representatives, Washington, D.C.

MY DEAR MR. CHAIRMAN: The strengthening of the small business community of our Nation is not primarily for the benefit of the small entrepreneur. The greater beneficiaries are the public and the economy, for small businesses have always been a cornerstone of that economy and its well-being.

In this age of large corporations and conglomerates, it is easy to forget, even within the halls of Congress, the need to enhance the role of small businesses and to remove inequitable or outdated tax burdens.

The statistics bear out the need for your distinguished Committee to consider this Session tax reforms which affect small businesses. Ninety-five percent of all the business units in the United States are small businesses. They produce over thirty-five percent of the Gross National Product, and they employ forty-four percent of the work-force. During the 35 years since the enactment in 1938 of the law which exempts corporations from the twenty-six percent surtax on earnings, the loss in purchasing power of the dollar would require raising the present $25,000 exemption limit to $75,000. Nearly all of the 5+ million full-time commercial small businesses in the country would be detrimentally affected by the proposed changes in estate taxation which would result in the taxation of capital gains at death—in addition to taxation of the decedent's estate.

Mr. Chairman, I respectfully ask, not only on behalf of the thousands of small businesses of Western New York but also on behalf of all our Nation's small businessmen and businesswomen, the favorable consideration by your Committee of at least these important measures:

The proposal to increase the present surtax exemption for corporations from $25,000 to $100,000. This measure, first introduced by Senator John Tower, would retain the present twenty-two percent normal rate on the pre-tax income up to $100,000, thus helping to solve the internal financing needs of many small businesses.

The rejection of proposed changes in estate taxation which would result in the taxation of capital gains at death. Such proposals would strike in an inequitable fashion at the small businessman, most of whose net worth is usually represented by a business built up over a lifetime, often as an integral part of a family endeavor.

The bill, which I introduced on March 6 of this year—the Small Business Tax Simplification Act of 1973, which would provide for an adjustment of corporate normal tax. This is a modest, progressive reform which provides reductions in normal corporate tax rates for corporations earning less than $500,000 per year. From earnings of $500,000 to $1 million, the base rate of twenty-two percent would remain the same, but the effective rate of taxation would drop due to the reduced percentage in the lower brackets. As corporate earnings rose above $1 million per year, the normal tax would incline slightly upward to a maximum of twenty-four percent for corporations earning over $1 million annually.

This bill would also provide for special provisions to encourage establishment of new small business enterprises, through an exemption of $25,000 operating income for a three-year period; for an increase from $25,000 to $50,000 in the amount of allowable losses resulting from the purchase of small business stock; for an additional first-year depreciation allowance from $10,000 to $20,000; and for other purposes.

The Bible-Evins legislation, among the provisions of which are the creation of permanent government and small business advisory machinery for simplifying tax laws and tax forms; the making of Subchapter S corporations more flexible and less dangerous to use; the creation of additional incentives for new small businesses.

Mr. Chairman, I am not requesting a special system of taxation that would benefit small businesses but be unfair to others. I am, rather, asking that the tax treatment of small business take into account the particular problems of small business in accumulating capital, when the normal avenues of access to capital and to credit that are available to large businesses are partially restricted or even closed to small business. Tax reform is needed on behalf of small business. I sincerely hope that the Committee can address itself fully to this matter during this Session.

Sincerely,

JACK KEMP.

I am asking my colleagues to join with me in this effort.

What can you do? There is much. Without it, my job is an impossible one.

You can urge your trade associations to pursue tax reforms for small businesses more vigorously.

Those of you who are articulate should take the initiative to take the story of small business—and the problems it faces from government over-regulation—to civic associations, to radio and television programs, to the print media, to the schools. What has happened to the spirit which prevailed when I was a young lad, the spirit of telling the absolute wonders of capitalism?

Write to Members of Congress from New York, asking them to support vigorously our joint and mutual efforts.

You can write to Chairman Mills, asking for action on tax reforms for the little businessman.

You can write the President, asking that this be made a major initiative of the Administration's State of the Union proposals to be given in January.

Ladies and gentlemen, my pledge to the small business community is that I will do *all* I can to see that these measures are not ignored in the quest for tax reform in this Congress, that they are not ignored when it comes to the necessary change of laws and regulations in those areas outside of tax policy.

Mr. Speaker, I urge my colleagues, particularly those on the relevant committees, to consider favorably the merits of various statutory reforms which will assist small business.

REALISM IN DÉTENTE

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Ms. HOLTZMAN. Mr. Speaker, I want to bring to the attention of my colleagues an excellent article that was recently written by Mr. Anthony Lewis of the New York Times relating to the problems of the Soviet Union and its handling of Jewish citizens and dissidents who wish to emigrate from that country.

Recently, we have been told by the administration that any effort on the part of this Congress to use its leverage through the trade reform bill to liberalize Russia's restrictions placed on its minority groups will jeopardize "détente" with that country. Mr. Lewis perceptively outlines the weaknesses of this argument and argues persuasively for Congress to continue its efforts to support civil liberties and human dignity.

I am certain my colleagues will find this article illuminating and that it will reinforce the strong sentiment in both Houses for the Jackson-Mills-Vanik amendment to the Trade Reform Act.

The article follows:

REALISM IN DÉTENTE

(By Anthony Lewis)

BOSTON, September 23.—In granting trade advantages to the Soviet Union, should the United States require concessions to human rights? As Congress grapples with that profound question, it is important to remember the human realities involved. Hence a story.

Valery Panov is one of the great ballet dancers of the world. He and his exquisite young wife Galina were with the Kirov company in Leningrad when they applied for exit visas for Israel. Panov was immediately dismissed from the Kirov, harassed, forbidden to dance anywhere—a sentence of psychological destruction for that proud physical being.

Before Leonid Brezhnev came to the United States last June, the Panovs were told that they would get their visas if they stilled all publicity about their case during the summer, as they did. On Aug. 9 that commitment was officially confirmed to an American visitor in Moscow, Robert Abrams, borough president of the Bronx, N.Y. A Soviet deputy interior minister named Viktorov, with other high officials present, told Abrams that Panov "will positively be able to leave."

Last month the authorities again rejected the Panov's visa applications. Two weeks ago Panov was told that he might still be allowed to go—alone, if he abandoned Galina. He said no.

Henry Kissinger is fighting in Congress against any conditions on American trade concessions to the Soviet Union. In answer to questions at his confirmation hearings he suggested that the United States, rather than trying to "transform the domestic structure of societies with which we deal," should aim to affect "the foreign policy of those societies."

The Panov story indicates one major fallacy in that Kissinger proposition: It is not possible to divide a system like the Soviet Union's into neat "domestic" and "foreign" aspects. A powerful Government that breaks its word at home, that practices vindicative cruelty toward its own citizens without any moral or political constraints, can hardly be trusted abroad.

It is of course not only the arbitrary barriers to Jewish emigration that arouse concern about the U.S.S.R. The violent suppression of dissent, the fearful inhibitions on contacts with foreigners—these things are disturbing in foreign policy terms precisely because a society so isolated is not likely to be a rational and reliable partner in international life.

For those very reasons, opening the Soviet system to a freer flow of ideas and persons has been a major aim of Western policy for years. It is, for example, at the current European Security Conference. Those who feel strongly about pursuing that goal are not against détente; they only fear what Andrei Sakharov, the Soviet scientist, has rightly called "the danger of seeming détente, not accompanied by increased trust or democratization."

But would it be effective to put conditions on American trade concessions?

One idea that should be got out of the way is the notion that strong public action may hurt the victims of oppression, that appeals for them should be left to "quiet diplomacy." We know by now that Soviet officials are moved not by deferential politeness but by firmness—and fear of embarrassment.

And the victims themselves want to take the risk. Twelve distinguished Soviet Jews have just rejected "quiet diplomacy" as useless and called for "open public struggle." One man who signed the statement was Benjamin Levich, a high-ranking scientist who has suffered the cruelist of retributions for wanting to emigrate. His 24-year-old son Evgeny, who was awaiting an operation for a severe intestinal disorder, was seized on the street, conscripted into the Army and taken to a camp in the Arctic. He is still there, doing hard labor, though he now has a tumor suspected of malignancy.

There are limits, severe ones, on what the United States can do. We cannot "transform the domestic structure" of the U.S.S.R., but we can try to obtain respect for certain minimum decencies. Whether we succeed will depend not on abstractions but on bargaining realities.

In terms of those realities we are in a strong position. The Soviet Union is obviously eager for American trade and investment. Despite a good deal of bluster, for instance it suspended the exit tax on emigrants. As Sakharov said, "the Soviet Union is the interested party, and it is bluffing hard. It is very important that the Western countries should make full use of their trump cards."

Nor need we feel any compunctions about hard bargaining. In a negotiation about arms control, there is mutual advantage to be gained. But when the Soviets come to us for an economic transfusion, we are quite entitled to see a quid pro quo.

Finally, this has to be said. It would be one thing if issues of human rights had never been raised in connection with the trade bill, but it is another one they have. For Congress to turn a blind eye now would be taken by Soviet leaders as legitimizing their view of law and humanity.

CONGRESSMAN WOLFF'S NEWSLETTER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. WOLFF. Mr. Speaker, I distribute a newsletter and questionnaire to my constituents in a continuing effort to keep them up to date on my activities in Washington as their representative and to get the benefit of their thinking on major issues. At this point in the RECORD, I would like to share my most recent newsletter with my colleagues for their information:

CONGRESSMAN WOLFF'S NEWSLETTER

Dear Friend and Constituent, if we are ever going to stop "crime in the streets" we must first contain the wave of drug addiction that is responsible for more than 70 percent of the lawlessness and violence running rampant in our communities today. If we are to stop the person who steals to support his habit we must first wipe out the supply of hard drugs at the source, and that is why, as Chairman of the House Subcommittee on International Narcotics Control, I went to the Far East to press for a real crackdown on the illegal trafficking of opium.

From the poppy fields of Asia's Golden Triangle (Burma, Thailand, Laos) to New York's streets and suburbs winds a long and ruinous road of corruption, profiteering and political and official acquiescence that must be blocked now. We cannot permit the aspirations and goals of our society and its future generations to become further corroded by a lethal drug culture that already has gained too deep a foothole. The opium being cultivated in Southeast Asia today, and none is grown in the United States, is being steered on a direct course to your backyards, either via addiction or crime.

Unfortunately, our State Department people overseas seem to close their eyes to the dangers drugs pose at home, placing political considerations and motivations above the most treacherous enemy this nation has ever faced heroin addiction.

Do you know that in the international port of Hong Kong, the "clearing house" for trawlers laden with opium from Bangkok and the northern provinces of the Golden Triangle, only two U.S. narcotics agents are permitted by local authorities to work on cracking down on this multi-million dollar illegal traffic?

Do you know that the United States is the world's major producer of acetic anhydride, the sole catalyst used to refine opium into heroin? Yet there are no controls over its sale or distribution here or overseas

Do you know about the dirty practice of slipping heroin into marijuana in an attempt to hook our kids on hard drugs—a practice that is crossing the Pacific as smuggled cargo aboard U.S. military planes? Yet, our agents in the Far East are not provided with a sufficient number of dogs trained to ferret out this cargo.

I believe we must let foreign nations, which do not cooperate in efforts to stop the illegal opium traffic, know that we mean business. If they will not, or do not, control the traffic aimed for our shores, then we must suspend all U.S. aid, a commodity they cannot risk losing.

I am particularly gratified to report that your Congress is moving definitively along these lines. My amendment to grant the President the power to impose trade sanctions against countries that do not implement strict narcotics traffic controls has been passed by the Ways and Means Committee and is included in the new U.S. trade bill.

I intend to pursue this vigorous course. We can no longer afford to pay the awesome price of allowing America's citizens and institutions to be contaminated by drugs. I am striving to eliminate a major cause of crime for if we are to assure our freedoms, we must cure our nation's ills.

Sincerely,

LESTER WOLFF.

WOLFF LEGISLATION ENACTED INTO LAW

The Library of Congress has issued the following compilation of legislation introduced by Rep. Lester Wolff which has been enacted into law during the first eight months of the 93rd Congress.

H.R. 1484—Broadens and improves the Older Americans Services Act of 1965 to upgrade programs of assistance and opportunity for the elderly.

H.R. 2250—Steps up vocational rehabilitation grants and assistance to severely handicapped and disabled persons under the Vocational Rehabilitation Act.

H.R. 2828—Transfers the jurisdiction for the National Cemetery System from the Army to the Veterans Administration in order to increase number of available burial plots for veterans and certain members of their families.

H.R. 9048—Provides improved medical care and disability benefits for veterans; provides hospital and medical care for certain dependents and survivors of veterans; and improves recruitment and retention of career personnel in the Department of Medicine and Surgery, under the Veterans Health Care Expansion Act of 1973.

H.R. 344—Improves federal assistance programs for urban mass transit under the Federal Highway Act of 1973.

H.R. 6056—Repeals Section 411 of the Social Security Amendments of 1972 and restores to the aged, blind and disabled who receive Social Security assistance, the right to participate in food stamp and surplus food programs.

H. Joint Res. 258—Designates August 26 of each year as Women's Equality Day.

H. Joint Res. 303—Authorizes the President to proclaim April 29, 1973, as day of observance to mark 30th anniversary of Warsaw Ghetto Uprising.

HIGH MARKS

Congressman Wolff's attendance and voting record for the first session, to date, of the 93rd Congress, as officially tabulated by the Clerk of the House, is one of the highest in the N.Y. delegation—90.2 percent.

TIME CHANGE

"Ask Congress", the non-partisan, public service television show moderated each week by Congressman Wolff, may now be seen every Thursday morning at 9:30 a.m. on WPIX, Channel 11. The half-hour program features various Congressional leaders in action discussing issues of current national concern.

WHAT'S YOUR OPINION?

In this issue, I ask your opinions on matters of genuine concern to all of us. I would appreciate your taking a moment to complete the questionnaire below and mail it to my District Office. (Two or more members in a household may answer by placing their responses side by side on the lines provided). You will receive the results of the tabulations in a subsequent Newsletter.

What do you consider to be the 3 most serious problems affecting your community today? (Insert numbers 1, 2, and 3 in order of your concern.)

Drugs.
Crime.
Unemployment.
Food Costs.
Education.
Transportation.
Property Taxes.
Jet Noise.
Medical Costs.
Inflation.

Do you favor strict federal controls over the sale of weapons? (Yes, no, or no opinion.)

Handguns.
Shotguns and Rifles.
Dangerous Knives.

What new federal legislation would you like Congress to enact? (List 1, 2, and 3 in order of importance to you.)

FAREWELL TO THE FIRKIN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. PICKLE. Mr. Speaker, recognizing that conversion to the metric system is fact coming upon us, many industries have already begun to educate and prepare their employees for the change.

The Exxon Co. is no exception—but their lively article on the subject included in their fall copy of the Lamp is exceptional.

I commend it to my colleagues as an informative and imaginative review of the situation before us today.

The article reads as follows:

FAREWELL TO THE FIRKIN

(By Ben Harte)

The United States has been "inching" toward the metric system of weights and measures for a long time. John Quincy Adams recommended it for its logic and simplicity in 1821. The U.S. Congress legalized it in 1866 for scientists and others who wanted to use it. An official meter and kilogram are on deposit at the National Bureau of Standards in Washington, D.C., and these measurements are used as a basis to define our feet and inches and ounces and pounds.

The use of metric measurements in science and industry has increased over the years, but the system never caught on in everyday life. We still buy groceries, weigh a baby or survey a home site in the quaint fashion we inherited from our forefathers—with the familiar pounds, tons, miles and acres and the less familiar firkins, pecks and drams. The U.S. stuck to the old English system because our early trade was mostly with England, and because the attitude of American lawmakers toward the metric system was permissive rather than mandatory. Given the choice, the public kept the mile instead of adopting the kilometer, thus thwarting Congressional hopes that the switch would be accomplished in a voluntary and painless manner.

Now, after nearly 200 years, change seems to be on the horizon. It is being brought about by—among other things—a U.S. trade deficit with the metric world. The nations we do business with—except for Sierre Leone, Gambia, Nauru and a few others—deal today in metric terms or are in the process of converting to them. Even Britain, from whom we inherited the system, and those other Anglo-Saxons in Canada and Australia, are gradually giving up their yards and furlongs for the sweet reason of decimally defined weights and measures.

This means that the U.S. is still trying to export goods defined in feet and inches and pounds and ounces to a world that thinks in terms of meters and kilos. And it not only thinks in those terms but builds, produces and buys and sells in them as well. Trying to fit a four-inch peg into a 10-centimeter hole is becoming increasingly arduous.

In fact, more and more U.S. industries that have to compete in the international marketplace are producing materials to metric dimensions. The pharmaceutical industry gave up its grains and drams years ago. IBM now produces its new machines according to the metric scale, and General Motors announced last April that all its new developments, including those in progress, would conform to metric standards—though it may take 10 years before we are talking about five-liter engines instead of 305 cubic inches here in the United States.

No one knows how soon America will be totally metric. Most of us would rather think in terms that are familiar—the 100-yard dash, a fifth of rye and 90 degrees in the shade. But according to Esso Research and Engineering's Bill Bray, who has lived in several metric countries, the same instinct for metric quantities is quickly developed. As he puts it, "You soon learn that when you buy two kilos of meat instead of two pounds you'll have a lot of leftovers." And most of us will gradually comprehend that a meter is a little longer than a yard, and that instead of building snowmen at 25 degrees Fahrenheit, we build sandcastles at 25 degrees Celsius. By going metric we will, alas, lose a colorful panoply of didioms, proverbs and legends. In two or three generations, the celebrated pound of flesh, the miss that is as good as a mile and loving you a bushel and a peck will be references known only to students and scholars. We will probably forget their meaning just as we have forgotten that Jack and Jill is really a sideswipe at Queen Anne for imposing taxes on jackpots, gills and pails of merchandise. No one will care that a pound was the weight of 7,000 grains of wheat, a mile was a thousand double steps of Caesar's legions, or that the yard was the circumference of King Henry I's waist.

But along with the color we will lose the bewildering arithmetic needed to convert small units into large units and vice-versa. There will be no more 16 ounces to a pound or 12 inches to a foot. The metric system (known as the Systeme International in Europe) is simpler because it deals in tens and hundreds like dollars and cents. It is easy to understand. Hence another advantage of going metric, and one which every grade school student will applaud: it may reduce the time spent teaching arithmetic by 30 percent, according to educators.

The metric system grew up as part of the 18th century "enlightenment." It was born just over 300 years ago in Lyons, France, when a priest called Gabriel Mouton conceived of a comprehensive decimal system based on the length of one minute of arc of a great circle of the earth. Perhaps it was more complicated for the average citizen to grasp than the proportions of King Henry's girth, but it had an advantage: it was a unit that was valid worldwide.

Although the Abbé Mouton's calculation of the unit was rejected, his idea was approved. In 1790, in the throes of the Revolution, the French National Assembly requested the French Academy to "deduce an invariable standard for all the measures and all the weights." It produced a system at once simple and scientific. The unit of length was to be a portion of the earth's circumference called the meter, from the Greek *metron* for measure. From this all other units used in determining volume and weight are derived. They all relate to one another and to the impartial and immutable dictates of nature itself.

As our instruments have become more sophisticated, it has become possible to find a standard that is even more stringent and universally available than an arc of the earth's circumference. In 1960 the meter was redefined, by international agreement, in terms of the wave length of a specific color of light.

The metric system was spread through continental Europe by Napoleon. After his downfall, many of the countries he had conquered decided to retain the weights and measures system he left behind. The British, however, retained Queen Anne's pail and King Henry's waist line as their standards of measurement until the Common Market effected what the little corporal couldn't and brought Britain into Europe. Britain will be metric by 1975, leaving the United States as the only industrialized country in the world not on the metric standard or well on its way to it.

How long will the U.S. hold out? Once again there is a bill before Congress, not to make the system mandatory, but to set up a council to guide the U.S. along the metric way and report on the advantages and problems.

And problems of course there are. Not just the man-in-the-street's psychological problems of getting used to hearing that Hank Aaron smashed the ball an amazing 125 meters, but problems that involve education and cost.

Already 90 percent of America's school children have some exposure to the metric system in the early grades and it is with the young generation, according to the National Bureau of Standards' Louis Barbrow, that the process of educating America metrically must start.

Barbrow is one of a team of Department of Commerce officials at the National Bureau of Standards that has been thinking and working in metrics for decades. More recently, he was a member of a team that spent three years preparing a report for Congress on metrication. The findings of this report, overwhelmingly favorable to the metric idea, gave momentum to Senator Claiborne Pell's bill and dozens of others that are now before Congress.

"We have to concentrate our efforts in the schools," says Barbrow. "That's where the most flexible minds are and that's where the generation that's going to spend most of its life in a metric world is located. We at NBS are already stressing the urgency for metric teaching at the Office of Education."

Enthusiastic as he is about adopting the system, Barbrow is convinced that the best possible federal legislation would allow an entirely voluntary effort. He sees an important role for industry in educating the public at large by way of advertising and booklets and points out that state governments also have a part to play in the control of weights and measures. The change will come, he firmly believes, simply when and because people realize that in the long run it will make for a stronger dollar. He certainly has no illusions about turning America metric overnight. It could take 10 or 20 years. "But for industry and commerce it's the only practical way," he asserts, "especially as desertion by Britain and the Commonwealth have left us alone against the rest of the world."

He also sees the major difficulty not as educating the consumer, but in the replacement of billions of dollars' worth of tools, precision instruments and pieces of machinery we use as a leading industrial power. The costs of this "hard conversion" may be large, but the consensus of industry is that they will be worthwhile. In other words, whoever has to convert or replace his equipment must personally pay the cost of doing so. The private sector of the economy has already established the American National Metric Council to assist industry in coordinating its plans for conversion.

Barbrow's own conversion is total.

"For me," he explains, "It's like believing in motherhood."

For Exxon, a changeover would be more like brotherhood. Already, nine out of Exxon's 10 major European affiliates use the metric system and by 1975 all of them will. As Bill Bray, who has been studying the problems of a changeover with his colleagues at Esso Research and Engineering in New Jersey, points out, "The amount of time, energy and money we spend translating figures and quantities from the English system to the metric system for our affiliates outside the U.S. has never been fully evaluated but it is large. It is also inefficient because you can't convert inches into centimeters with the precision needed in engineering, and the difference between a calculation made here and a calculation made in Europe can result in a lot of wasted effort. Now that our British affiliate is going metric, our situation here is becoming anomalous. But we're not standing still. Esso Research and Engineering is now starting a four-year program to metricate all its design manuals and methods."

Bray, like Barbrow, appreciates that there are substantial problems. Conversion, he points out, means that for 10 or more years it would be necessary to make dual parts to service existing equipment and new, mean that for a long time to come packaging and storage would also have to confirm to two systems. Yet even amid these complications he discerns a fringe benefit. "Replacing machinery, tools and text books by their metric counterparts," he explains, "would give us a chance to examine how well our existing systems and manuals work and how they might be refined, improved and updated. For engineers especially it would provide a golden opportunity to review how things are working—not just mechanically but mathematically too. It could, in short, help us to keep this country's industry technologically efficient—kilometers ahead of our competitors."

BRANDT'S OSTPOLITIK

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ASHBROOK. Mr. Speaker, the Brandt government in West Germany concluded a treaty in regard to its relations with East Germany. The interpretation by Bavaria of this treaty by the West German Supreme Court has great meaning for relations between West Germany and the Communist countries. Little attention has been paid to these questions in the United States. I include two translations in the RECORD which illuminates this important question:

TELEVISED INTERVIEW WITH FRANZ-JOSEF STRAUSS BY GERHARD LÖWENTHAL ON AUGUST 1, 1973

LÖWENTHAL. Mr. Strauss, the Federal Constitutional Court has rejected the Bavarian claim against the fundamental treaty. Do you feel a loser?

STRAUSS. We are not the losers. But the Federal Government may consider itself a Pyrrhic victor. There is no other way but to take the treaty to court, in order to receive a verdict from the constitutional court on the constitutionality and thus also on the grounds for the limitation of the constitutionality of the treaty. We had no choice but to proceed as we did. And in advocating the claim I was fully aware—as I explained publicly in the bodies and also to the press—that the objective of our claim was not to have the treaty declared unconstitutional, but to obtain an interpretation of the treaty which will impose on this government and all those following it very close restrictions. I already said this at the press conference. This is not a newly gained wisdom put forward today, but this has been my viewpoint from the very beginning.

LÖWENTHAL. Am I correct to say that for you it is essential that this verdict will bind all federal governments as to the interpretation of the treaty?

STRAUSS. The constitutional court based its decision on the interpretation of the Federal Government. It was not able to ignore the fact that the other party to the treaty, i.e. the GDR and thus Moscow, interpret the treaty quite differently. But the court has now bound the government to its interpretation from which it will not be able to depart from now on. Now Mr. Bahr will not be able to propound new truths. Now he cannot come forward anymore with phrases such as: Our interpretation of yesterday has changed due to new circumstances, we now have a new interpretation. This verdict has a fundamental meaning, in constitutional as well as political respect. The literature on the court's ruling represents a true treasure. This is a break in German post-war history, in the German reunification policy, the extent of which we had not even expected.

LÖWENTHAL. Mr. Strauss, would you cite a few quotations from the verdict which you consider especially important?

STRAUSS. If I take a quick glance at the literature, I find of special importance some of the court's statements, such as: "The German Reich continues to exist".

LÖWENTHAL. That is in agreement with the twenty year old practice . . .

STRAUSS. But in sharp contrast to the interpretations of the Federal Government. Our basic law also defines our conception of the terms "all-German state people", "all-German state authority", and "all-German state territory". That means that the constitutional court binds this and all subsequent governments to the conception of the "all-German state people" and of the "all-German state authority". That is a striking contradiction to that which the GDR presented to the world public as a consequence of the fundamental treaty and the preceding eastern treaties. The court ruled that the establishment of the Federal Republic did not mean the foundation of a new west German state, but "just the reorganization of a part of Germany". The Federal Republic does thus not comprise all Germany as far as its people and its state territory is concerned. This is irrespective of the fact that it recognizes a unified state people of Germany as a subject of international law, of which its own population is an inseparable part, as well as a unified state territory which is also an inseparable part of the German Reich". These are statements which are in clear contrast to the Chancellor's statements made as early as 1969 in his first state of the nation message. But then the text says: "The German Democratic Republic is part of Germany and cannot be considered a foreign state by the Federal Republic of Germany". That precludes an extension of the interpretation to the effect that some day either this Federal Government or another one will recognize the GDR as a sovereign of international law. That would be an open violation of the constitution. Another excerpt: "The constitutional situation demands that the claim for reunification be kept alive persistently within and without". That is considered by this government only to a very minor degree, to put it mildly. The text goes on: "The constitution prohibits the Federal Government to renounce a legal claim or a legal position derived from the basic law". The text also pronounces that it does not suffice to speak of the German nation, but that the "German nation" is to be identified with "German state people". The term "German nation", it says, cannot simply be defined as a vague circumscription of an ethnic and cultural unity, as the Federal Government has already done. But the weightiest statement made by the court is the one about the border. On the question whether recognition of the border between the two states of Germany as a state border is compatible with the basic law, the court rules that "this is determined by the qualification of a border as a state border between two states whose special characteristic is their existence on the basis of the still existing unity of Germany as a whole." Thus this is a border comparable to those that exist between the Länder of the Federal Republic, for example between Bavaria and Baden Württemberg.

LÖWENTHAL. Is that not a decisive statement also with regard to the other treaties of the Federal Government?

STRAUSS. And then the text goes on: "It is only on this basis, that is on the basis of this qualification as a border between different Länder of the federal territory, and that the treaty is compatible with the basic law". That takes the Soviet western policy off its hinges, for their western policy was based on achieving recognition of the existing borders via this treaty, i.e. recognition also of the inner-German border, as a recognition of international law, as a recognition of the division, of the sealing of the division of Germany, as the final establishment of two unities separated by international law, i.e., the FRG and the GDR, in the course of a long fight. The Federal Government helped the Soviet Union to achieve this goal. The constitutional court has now destroyed that with one blow. Therein lies for us to value of this fundamental, I may even say, epoch-making and secular verdict.

LÖWENTHAL. Mr. Strauss, now the Federal Government will say that it had always intended for this to happen. The government always said that it would respect the provision of the basic law binding it to the reunification of Germany. Has not the government been legally confirmed in this claim?

STRAUSS. The Federal Government can no longer interpret the fundamental treaty as it pleases. It is bound to a definite interpretation which the court accords to this treaty, and the consequences drawn by the court from this interpretation go far beyond the concessions ever made by the government and are even in contradiction to the government's concessions.

LÖWENTHAL. Mr. Strauss, one last question: Why did the opposition as a whole or at least those states governed by the CDU not join in this claim? Don't you think that if they had done so the claim would have carried more weight with the court?

STRAUSS. As you know, I pleaded for our party which had the legal qualification to do so to take the treaty to court by itself. I was voted down by a slight majority. I believe that the opposition as a whole and those states governed by the CDU have missed a historic moment, if I may say that with all due loyalty for my political friends. And thus it became our task to proceed from Bavaria in order to obtain this verdict. This ruling will be a verdict of principle when many other verdicts have been forgotten on how to conclude treaties on Germany and with the other part of Germany.

[Article from the "Frankfurter Allgemeine Zeitung, August 1, 1973]

BARS FOR THE GOVERNMENT

(By Johann Georg Reibmüller)

It is customary following a constitutional proceeding for the victor to present a smiling face to the people while the loser licks his wounds in a dark corner. But after the verdict of the Federal Constitutional Court on the fundamental treaty the victor, i.e. the Federal Government, has little cause for triumph, and the loser, i.e. the government of Bavaria, need not be desperate.

From the beginning the outcome of the proceeding was foreseeable. The constitutional court during the more than twenty years since its inception has developed the maxim on the relationship between basic law and foreign policy that political authority is naturally bound to the constitution also in matters of foreign affairs, but that in cases where constitutional goals are difficult to achieve and which depend on the will of other powers are to be realized, there is a margin which allows this political authority to decide on the appropriate approach by itself. If one takes this into consideration, one could not expect the court to declare the basic treaty unconstitutional. The Bavarian government could not hope for a ruling that would have ceded to its formal claim. That was obviously also not its objective. It wanted to obtain a verdict which declared the treaty constitutional, but only on the basis of a certain interpretation. Thus the claim and the real goal of the proceeding fell apart. If one views the verdict on that background, the Bavarian government could be satisfied.

But satisfaction or dissatisfaction on the part of the Bavarian government are not the criteria on which to base the decision of the constitutional court. The question is whether the verdict is helpful for a German policy that is based on the basic law—for there cannot be an otherwise orientated policy. This question must be answered positively, if one considers the language of—as well as the reasons for—the verdict.

Firstly: the Federal Constitutional Court did not reject the fundamental treaty. This saves the Federal Republic from having the treaty which is to settle its relationship with communist Germany considered valid abroad but invalid within the framework of the law governing relations between states. Such a legal dispute could have resulted, because the Federal Government rendered the fundamental treaty effective in June—in a haste that has now been clearly disapproved by the court—although it knew that the court was to announce its verdict only six weeks later.

It is no less useful that the constitutional court has built some bars into the treaty in declaring it constitutional which give some support to the government—but which bid it halt at the same time. These reminders do not touch upon the text of the treaty. But they give certain directions to its meaning while blocking others. The constitutional court stated that the German state continues as *one* German state with *one* people and *one territory*. It confirmed the claim for reunification as provided by the constitution and has committed the organs of the Federal Republic to that claim. In this sense the court categorically denied the basic treaty any qualification as a treaty on division as which it is often considered at home and abroad. The court confirms that the GDR is not a foreign state in regard to the Federal Republic and that the border between both is not a border between two foreign states.

From these principles the court deducts consequences which lay down in detail the Federal Republic's duties toward East Germany and its population. It prohibits our state organs to reduce the rights of the inhabitants of the GDR to the freedom of speech and to the postal secret in any treaties with the GDR. It confirms the claim of the Germans of the GDR to consular protection abroad. It rules that trade between Western and Eastern Germany is something else but foreign trade.

These concrete precepts and inhibitions imposed by the court are the real and practicable result of the verdict because they provide the Federal Government and the Bundestag with clear directions in negotiating "successor treaties" with the GDR. The fundamental treaty with its compromises of language may appear flexible in regard to its interpretation by the constitutional court in the atmosphere of dissent that marks it. In any case, it is already in effect, and it is therefore difficult to provide it with little interpretative bars with an effect on the other party to the treaty. In the treaties to be still concluded between Bonn and East Berlin on individual issues, however, work will relentlessly go into detail, and here the government is not yet tied down. It can now refer to the constitutional court if the other side exceeds its Germany-political demands. Herein lies the merit of the constitutional proceeding on the treaty. Thus Bavaria's claim in Karlsruhe was not all that foolish after all from a state-political point of view.

NO TEARS FOR NO SHOWS

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. PARRIS. Mr. Speaker, I am sure that all of my colleagues have heard in recent weeks, since the House's enactment of legislation prohibiting the television blackout of sold-out home football games, the loud and laborious complaints of the National Football League over the problems the league is now having with "no-shows."

According to the NFL's public statements professional football is now on the brink of financial disaster because Congress passed the antiblackout legislation. The NFL claims that the number of people who hold tickets and yet stay at home is reaching incredible record proportions and cites the fact that there were 65,387 "no-shows" the week after the legislation was enacted.

What the NFL has failed to mention in its press releases is that in 1972, when no antiblackout legislation was in effect, more than 624,000 people were classified as no-shows and that includes some 16,995 who stayed away from one game in Kansas City.

To put it simply, Mr. Speaker, I am not yet convinced that Congress has destroyed the National Football League's financial base. Someone who shares my opinion in this matter is Mike Roberts, a columnist for the Washington Star-News. Under leave to extend my remarks, I would at this time like to place in the RECORD an article which Mr. Roberts has written on this subject entitled "Shed No Tears for NFL Over No-Shows."

The article follows:

SHED NO TEARS FOR NFL OVER NO-SHOWS

(By Mike Roberts)

Pro football's Year of the Closely Watched Turnstile has gotten off to an inconclusive start. Everyone is free to put his own interpretation on the fact that some seats that were paid for were not sat in this past weekend.

If you happen to be owner of a National Football League franchise or commissioner of all of them, it is a grand opportunity to exercise the option by crowing, "I told you so."

It is simple enough to draw the conclusion that every board foot that went unoccupied would have been warmed by a feverish rooter if the television blackout of home games had been in force for the season openers.

From there, the next step is to catalog the various kinds of harm wrought upon the members of the league by those who stayed away. To appreciate some of these damages you need a subtle frame of mind, especially in light of the fact that the no-shows had already kicked in their $8, $10 or $15.

First of all, by their absence they degrade football into a "studio sport." As nearly as anyone can tell from the sayings of Pete Rozelle, a studio sport is one which is not attended by a capacity crowd. Most major league baseball games are examples of studio sport. Some basketball and hockey games, too.

One direct result of becoming a studio sport is the diminution of emotion. Football is a game of emotion.

One no-show leads to another. Since football fans are presumably sheep, the do-shows will be tempted to follow the bad example of the no-shows.

Someone who does not come to the stadium cannot spend money to park his car, drink a beer or fondle a plastic memento adorned in the colors of his favorite team.

Hence the obsessive worries over no-shows in the councils of the NFL, and the league is always eager to feed the media no-show facts. Last year at the Super Bowl, NFL people made a special point of counting and publicizing the number of empty seats. The same service was provided in several press boxes Sunday.

But, for all the doomsaying, there still are some doubts that the blackout ban has begun to destroy football as we know it.

For one thing, nobody seems to know how many sold seats are ordinarily unused even when the game is not televised in the home city. Officials of several clubs contacted yesterday said they couldn't compare last year's no-shows to this year's because figures were never kept before.

Considering the structure of season-ticket sales, it shouldn't be surprising to find a number of no-shows under any circumstances.

Typically, a small knot of businesses and individuals control a team's season tickets. Roughly 14,000 people hold the rights to the Redskins' approximately 54,000 seats, for instance. Many clubs have a similar ratio of ticket-holders to seats.

Among these anointed few are plenty of wealthy folks, who have other options for entertaining themselves, as well as commercial outfits that distribute their tickets for goodwill purposes. George Arneson, ticket manager for the Vikings, estimates that 50 percent of their tickets are used "for business purposes."

It is also fair to say that not every seat in every stadium is a perfect vantage point. The NFL ought to consider the fact that the guy who buys a seat at nosebleed altitude isn't getting any bargain. Of course this line of reasoning is rejected by Philadelphia Eagles' owner Leonard Tose, who thinks people ought to buy tickets to sit behind a pillar.

Two games on Sunday had dramatic no-show figures, in Miami, where 11,755 persons stayed home and Kansas City, where 16,031 failed to show up. There were explanations in both cases: It rained until just before game time in Kansas City and it was so hot and humid in Miami that one player suffered heat prostration.

According to Frank Rose, vice president of the Harry M. Stevens concessionaire company, bad weather frequently cuts an anticipated crowd by 30 percent or more, so Miami and Kansas City didn't suffer quite as much as they might have.

Certainly no-shows at some stadiums will increase as the season progresses and certain teams drop out of the running. That happens every year anyway, and this season it will happen to teams which are not even affected by the blackout law. Tickets to see the teams in contention will be in greater demand with each game.

As for the argument that last week's turnouts were substantially altered, the concessions figures at RFK Stadium don't support it. Parking fees brought in $18,551, compared to $17,742 for the 1972 opener. Food sales were a little higher (price on some items were raised) too, $47,621 to $46,581

For a while, at least, the NFL ought to hold back its tears.

THE RIGHT OF CITIZENS TO OWN GOLD

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. CRANE. Mr. Speaker, last April the Senate and House both approved legislation giving Americans the right to own gold, although the House version, which later prevailed in conference, permits the President to decide when this right is to be implemented.

The time to implement this right is now. In fact, the right of citizens to own gold should never have been taken from them. Our own country is one of the few nations, outside of the Communist world, which denies its citizens this right.

Discussing the question of the citizens' right to own gold, Prof. Milton Friedman has declared that—

> There never was and there is not now any valid reason to prohibit individuals from owning, buying, or selling gold. Individuals should have the same right to trade in gold as they have to trade in silver, copper, aluminum, or other commodities.

In an article in the September 15, 1973, issue of Human Events, columnist Allan C. Brownfeld discusses the reasons for permitting private gold ownership.

Mr. Brownfeld notes that, when the Bretton Woods International Monetary Fund was established, foreign central banks were allowed to convert their paper dollars into gold at $35 an ounce, but the prohibition against American citizens' doing so was continued. He quotes economist Henry Hazlitt who states that—

> The excuse continued to be that if American citizens were allowed this right, they might drain the Treasury of so much gold that it could not fulfill its solemn obligation to convert into gold for foreign central banks. But now the U.S. government has repudiated and defaulted on this pledge, the last excuse for depriving private citizens of the right to own gold.

Mr. Brownfeld concludes that—

> In a free society the presumption of law should always be on the side of freedom, not of limitation. Those who want to prevent Americans from owning gold have failed to meet the necessary burden of proof.

I wish to share this article with my colleagues, and insert it into the RECORD at this time:

THE RIGHT OF CITIZENS TO OWN GOLD—AND WHY

(By Allan C. Brownfeld)

The Senate, in April, approved an amendment allowing Americans the right to own gold. The amendment, sponsored by Sen. James A. McClure (R.-Idaho), would simply have removed the nearly 40-year-old restriction and allow American citizens to purchase and hold gold after Dec. 31, 1973. In May, the House rejected by a rare tie vote (162 to 162) a similar proposal by Rep. Philip Crane (R.-Ill.). It adopted, instead, a bill which endorses private ownership of gold but lets the President decide when it can be brought about. The two bills went to conference and the weaker House version prevailed.

The question of whether the individual should have the right to own gold has brought forth many arguments by those who seek to limit his rights in this area—particularly Treasury Department officials. It seems, however, that those who wish to limit this freedom are now clearly on the defensive.

Prof. Milton Friedman has declared that, "There never was and there is not now any valid reason to prohibit individuals from owning, buying or selling gold. Individuals should have the same right to trade in gold as they have to trade in silver, copper, aluminum or other commodities."

The initial nationalization of gold by President Franklin Roosevelt has been characterized by Dr. Friedman as "An act of expropriation of private property in no way different in principle from Castro's nationalization of U.S.-owned factories and other properties without compensation. . . . As a nation we do not have a leg to stand on when we object to these acts of expropriation. We did precisely the same thing to residents of the U.S."

At the same time that our own government prohibits Americans from owning gold, it is interesting indeed that the other countries in the world which have adopted a similar policy of prohibition are primarily totalitarian dictatorships, such as Albania, Bulgaria, Cuba, East Germany, Hungary, Rumania, Communist China and the USSR. The only non-Communist states with such a prohibition are Ceylon, India, Libya, Mali and Rhodesia. Even Great Britain, which followed our own policy for years, restored the right to ownership of gold coins two years ago.

When the Bretton Woods International Monetary Fund was established, foreign central banks were allowed to convert their paper dollars into gold at $35 an ounce, but the prohibition against American citizens' doing so, or even holding gold, was continued.

Economist Henry Hazlitt notes that "The excuse continued to be that if American citizens were allowed this right, they might drain the Treasury of so much gold that it could not fulfill its solemn obligation to convert into gold for foreign central banks. But now the U.S. government has repudiated and defaulted on this pledge, the last excuse for depriving private citizens of the right to own or hold gold has been wiped out."

Yet, while the last excuse for such a policy has been eliminated, the policy continues, and continues to be supported. In addition, faced with a government policy of inflation, deficit spending, and currency devaluation, citizens have no safeguard. With the right to own gold, states Mr. Hazlitt, "American citizens would have a major way, prohibited to them now, of protecting their savings against the further erosion in value of an irredeemable dollar."

Among those who object to the citizens' right to own gold is the Department of the Treasury. They state, for example, that gold will be hoarded. Yet, they do not tell us what difference this would make. The Treasury Department is repeatedly saying that gold does not affect the nation's economy at all. If this is the case, then the economy would change more if people began to hoard potatoes or cabbage, which constitutes a real percentage of the GNP. The only effect that gold ownership would have would be a psychological one, giving the owner confidence that he owned something of value.

The Treasury Department recently declared that ". . . the premature lifting of restraints on the individual ownership of gold would inject a further speculative element into the present international monetary situation." It is difficult to imagine gold in any livelier speculation than at the present time—when the price has skyrocketed to more than $100 an ounce—from $40 in August 1971.

Out of the current debate has come an admission by Treasury Under Secretary Paul Volcker that he does recognize "the logic of allowing U.S. citizens to own and hold gold." He states, however, that the time is not yet right. Rep. Crane, however declares that, "It seems to me that now is precisely the time, and that whatever arguments there might once have been for prohibiting the private ownership of gold, there are none today."

In a free society the presumption of the law should always be on the side of freedom, not of limitation. Those who want to prevent Americans from owning gold have failed to meet the necessary burden of proof. Sentiment in Congress is clearly in support of this right. It cannot be long before that sentiment prevails.

LOW-COST AIR TRAVEL NEEDS HOUSE HEARING

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. LEGGETT. Mr. Speaker, as you will recall, H.R. 8570, a bill to amend the Federal Aviation Act to grant authority for air carriers to perform one-stop inclusive tour charters within the United States, was sponsored by Mr. Moss with 10 cosponsors, including myself. This bill was referred to the Interstate and Foreign Commerce Committee, where up to this time, no hearings have been scheduled.

A companion bill, S. 1793, has been introduced in the other body, and the Senate Commerce Committee has reported out an amended version and recommended favorable action. I believe that a brief review of the findings of this committee would be beneficial at this time, helping to clarify some of the central issues and, hopefully, hasten the scheduling of House hearings on this important legislation.

As reported by Senator CANNON on September 11, the Senate committee received expert testimony and detailed economic studies which demonstrated that the introduction of one-stop inclusive tour charter service in the United States would have great advantages for consumers and for all classes of air carriers.

The opposition to S. 1739 came almost solely from scheduled air carriers, specifically the Air Transport Association of America. With regard to the testimony of this organization, Senator CANNON says:

> (it) was conclusionary and unsupported by any factual studies or analyses to demonstrate why such legislation would not be in the public interest.

The ATA gave the committee only "generalized statements of 'doom and gloom' "—the same "scare tactics," Senator CANNON points out, that are used in the massive public relations program designed to defeat this proposed legislation. This campaign consists mainly of pamphlets and statements, filled with inaccuracies and misrepresentations, distributed to businessmen, chambers of commerce, mayors, Members of Congress, and the general public.

The objections to ITC's offered by the ATA are based on two claims: First, that they are unnecessary because American domestic fares are low in comparison to European air fares and have steadily decreased during the past 10 years, and second, that they would be harmful because they will result in decreases or complete termination of scheduled air service to many communities.

The committee found these claims to be totally unsupported by any facts or figures.

The committee discovered that, while European international air fares were higher, domestic air fares over a comparable distance were much lower in Europe. European domestic air fares are from 14 to 194 percent less than comparable U.S. fares. Furthermore, the committee found that rather than decreasing, fares in economy class, which 85 percent of today's travelers use, have actually increased at an overall average of 51.1 percent.

Senator CANNON calls the ATA's claim that scheduled service to many communities would suffer as a result of ITC's "a big lie." He points out that S. 1739 contains specific provisions against impairment of essential levels of scheduled service. Emphatically, he states:

> This legislation will not cause any community the loss of air service. If the community loses air service or there is a reduction, it will be the result of carrier agreements *presently pending* before the CAB which have nothing to do with this legislation at all.

Mr. Speaker, the findings and recommendations of the Senate Commerce Committee with respect to S. 1739 make it perfectly clear that the House should no longer hesitate to give its serious consideration to the companion bill, H.R. 8570. It appears to me imperative that we follow the lead of the Senate and take immediate steps to resolve the controversy surrounding authorization of one stop inclusive tour charters.

The sponsors of H.R. 8570 have respectfully requested, in a separate letter, that the chairman of the Interstate and Foreign Commerce Committee set an early date for these much needed hearings. I urge that all Members of Congress concerned with the well-being of the American consumer join with us in this request.

NATIONAL CITIZENS

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. PARRIS. Mr. Speaker, a recent editorial in U.S. News & World Report commented on the results of a questionnaire which I mailed out to my constituents earlier this year.

The editorial described the people of the eighth District of Virginia as "national citizens" and labeled their views as being of utmost interest to "Members of Congress, others in public office, and Government policymakers."

I am frankly quite pleased that the editors of this distinguished publication agree with me that the residents of my district are diverse, informed, and intelligent and I would like to insert a copy of their article in the RECORD at this time:

WHO'S OUT OF STEP?

(By Howard Flieger)

Representative Stan Parris is a Virginia Republican whose district is just across the Potomac River from Washington, D.C.

Its residents range from farmers and small-towners to suburbanites and people who live under typical urban conditions. Thousands of them are Government workers from every section of the country. One could describe most of these people as "national citizens" rather than traditional Virginians.

The area, over all, has a per capita income well above the national average. In education, living habits, personal interests and earning power, its residents undoubtedly are typical of millions of affluent Americans.

What's the point of all this?

Well, the Congressman sent a questionnaire to his constituents earlier this year asking how they felt about some of the issues of the times. He received more than 20,000 reponses, a high return for this sort of thing.

The results have been tabulated—and if the attitudes of voters in Mr. Parris' district are a reflection of those in similar neighborhoods across the country, they should be extremely informative to members of Congress, others in public office, and Government policymakers.

For example—

More than 97 per cent of those who answered think Congress should overhaul public welfare. They want incentives built into the program to encourage, or require those able to work to get off relief.

Two out of three are in favor of a national health insurance program.

The same percentage thinks there should be stricter controls on firearms and that these should be enforced by the Federal Government, not left to local officials.

More than 81 per cent oppose amnesty for those young men who left the United States to evade military service during the Vietnam war.

One of the questions the Congressman asked was this: "Do you favor a constitutional amendment which would prohibit the busing of children from one neighborhood to another for the purpose of establishing a racial balance?"

Seventy per cent said "yes." In other words, they would write a ban into the Constitution if that's what it takes to put an end to compulsory school busing.

Government spending is a major concern of these people, thousands of whom are directly dependent on federal payrolls.

Seventy-eight per cent want Congress to put into law a ceiling on annual spending and make it illegal to go beyond it.

On other questions, nearly 70 per cent felt there should be a more thorough and faster-paced campaign to cleanse the environment; 90 per cent would use mass transportation to travel to and from their jobs if it could be made convenient and inexpensive; 73 percent want Washington to turn more power and financial resources over to local control.

No question was asked about Watergate. Indirectly, the subject may have been reflected in answers to this:

"Do you feel that network television and radio fairly present both sides of most issues?"

The responses were almost evenly divided—48 per cent "yes," 52 per cent "no."

Aside from being interesting, is there anything significant about the poll? This: It shows the legislative peace of the current Congress is much slower than this group of voters feels it should be. They want action they are not getting.

Also: They are in no mood for experimentation; these are not the times for such rallying cries as "New Deal" or "Great Society."

In fact, on such things as spending, busing and welfare, they feel it is high time to turn around and go back.

MOBILITY: AN AMERICAN HERITAGE

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. CHARLES H. WILSON of California. Mr. Speaker, on September 24, Mr. Willard F. Rockwell, Jr., chairman of the board of the North American Rockwell Corp., gave a very thought-provoking speech to the National Defense Transportation Association on the challenges America faces in meeting our present and future transportation needs. Since I was most impressed with Mr. Rockwell's optimistic projections in this vital area, I wish to share his remarks with my colleagues:

PRESENTATION BY W. F. ROCKWELL, JR.—MOBILITY: AN AMERICAN HERITAGE

This Nation is rich with men and women, dedicated to the service of their country, quiet people whose energetic and innovative lives are far removed from the headlines. When we have their services, we benefit; when we lose their services, we become that much poorer.

One of these is Dr. John S. Foster, Jr., for eight years the Director, Research and Engineering, in the Department of Defense. He resigned early this year.

I once heard him summarize the objectives of America in a manner I found very satisfying. He said, and I quote:

"Our fundamental national objectives can be stated quite simply.

"We wish to keep America free and secure.

"We wish to make it a better place to live.

"But in order to achieve these goals," Dr. Foster continued, "we need the commitment of our people, the Congress, and our vast technological resources."

John Foster's summation fits exactly the question posed by this National Defense Transportation Forum: What are the transportation objectives of America?

First and foremost, the various segments of the transportation industry want to keep America free and secure. The finest super-highway or the most efficient train, truck, bus, or subway system becomes useless if it's bombed to rubble. The word "command" in the title, "Military Sealift Command," becomes meaningless if some enemy controls the sea.

We want to make America a better place in which to live, and that's exactly why we're here today, because we are concerned about livability.

I want to emphasize that point. Transportation is synonymous with livability, the freedom to move about anywhere we wish and as quickly as we wish in common safety with our neighbors.

To achieve that freedom we need new and improved ways of getting people and freight into, out of, and around our cities.

Mobility has been a prominent characteristic of the American people for more than two hundred years.

In the very heart of my home city of Pittsburgh we have the marks of the pioneers who first came across the Allegheny Mountains, paused a while, and then literally raced down the Ohio River.

In the period just following World War II, the move to California was the greatest short-time migration in the 600,000-year history of man.

C. L. Dennis, head of the Railway Clerks Union, summed up that two-hundred year sweep of mobility in one sentence: "The American West," he said, "was won and the continent conquered far less by force of arms than by transportation." End quote.

The river of mobility flows today just as strongly as it did two hundred or one hundred or twenty-five years ago.

The people will not accept an immobile America. They will not accept as a vision of the future the current waist-high weeds on train tracks in some major passenger terminals throughout the country. Economic history has shown us, time and time again, that the demands for mobility are always met.

President Lincoln anticipated the demands of the people more than a hundred years ago when he standardized the railroad track gauges of America.

Back in 1928 the East and West Coast aircraft manufacturers foresaw a similar demand at a time when there were only 2,000 tons of air freight, 53,000 passengers, and 3,500,000 pounds of mail each year to sustain them.

The national interstate highway builders were answering that demand in 1939 when Americans at the New York World's Fair saw for the first time the concept of superhighways sweeping from city to city.

The demand is still here, but sometimes in the clamor of protest, dissent, and obstruction I wonder if we can hear the voices of the people.

For example, our big trucks too often have been made a villain in the mobility drama. But logically, trucks cannot be legislated off the highways, just as the passenger car cannot be legislated out of existence. Both are a major, integral part of the American way of life and of our transportation future.

We have the finest domestic air service in the world, but it must not be shackled forever to a 600 mph speed. And yet the supersonic jet transport becomes meaningless if it does not mesh into a system of roads or rails that carries people.

I have the greatest respect for the AMTRAC concept, and it should be offered every encouragement to succeed. A railroad right-of-way is a heritage of the American people, an essential part of American mobility; and it must be woven into the pattern of a national transportation system.

There are big obstacles on the road ahead. *Business Week, Newsweek, Time, U.S. News and World Report, Harpers,* and our daily papers have all taken turns, and sometimes have acted simultaneously, in enumerating the chamber of transportation horrors.

According to the articles, and most of them are factual, we are drowning in a sea of negatives: traffic congestion, air pollution, environmental degradation, soaring traffic deaths, and inadequate transportation.

You don't need a repetition of the stories that a third of every American city is dominated by businesses which cater exclusively to the motor car. You know about the fissures that are appearing in Roman monuments because of traffic vibrations. The story of the airport terminal traffic jams, such as Los Angeles, would be wasted on you.

Nearly everyone in this room has a personal problem with transportation.

I solved my commuter problem in Pittsburgh by moving so close to work that I could throw a baseball from my living room and hit our headquarters building.

Quite correctly, urban mass transit gets a prominent place in planning for livability.

But Fortune Magazine just recently pointed out that the land-people ratio in the United States is eleven acres per person. If the whole present world population, 3.7 billion people, were put inside the United States' borders, the resulting density would not be much greater than that of England today.

That abundance of land mass emphasizes the need not for urban transit alone but for all kinds of transportation, a system that embraces autos, subways, trains, trucks, aircraft, buses, barges, and even bicycles. Each is related to the others.

I know each of these areas has occupied the time and energy of countless talented and dedicated citizens. What I am emphasizing is the need to consider all the areas and all at the same time.

We cannot continue devoting our concern on Monday to the railroads, on Tuesday to the trucking industry, on Wednesday to the bus lines, on Thursday to urban mass transit, and on Friday to the airlines. It's all one problem and it demands one concentrated effort for solution.

There's no denying the intramural fights in the industry. The trucks have a chip on their shoulders when it comes to the rails; the bus lines are ready to take on both rails and the airlines at the drop of a hat; and the steamship lines feel that they're orphans of the storm.

Business Week magazine has referred to the necessity to bring harmony to the warring highway and mass transit lobbies, to cool the emotional energies not only of the suppliers of transportation but of the political bodies embroiled in the fight.

I believe the major concerned industries should approach the overall problem with far more enthusiasm and cooperation and less consideration for single industry views than in prior years.

We must devise the finest balanced transportation system in the world that will carry 210 million Americans into the twenty-first century. It's embarrassing to go to a foreign country today and find far better surface transportation than is offered at home.

To achieve the balance I just mentioned, we'll need a national commitment in money, in community cooperation, and in technical talent.

Of the three, some people consider the problem of financing the most difficult. The sheer size of the necessary investment in transport systems in the cities alone is awesome, especially if we are to approach this overall problem in the broad, sweeping manner in which it must be treated.

Our highway construction costs of the past are an indication of what awaits in the future.

In the past 17 years alone we've spent $40 billion on our 34,000-mile network of interstate highways.

But for the overall period, from the very day we started to make the switch from dirt to macadam, we've spent, according to former Undersecretary of Transportation James Beggs, $500 billion.

For that money we have the finest highway system of any nation in the world.

Now, turning our attention from highways alone to all transportation on a national scale, the problem of financing becomes monumental.

Funding for urban mass transit in four years has quintupled from $200 million to $1 billion. Next year, and I say this hopefully, the $1 billion funding will become $2 billion, as more and more cities prepare their plans for participation in the federal program.

Increased incentive in the form of research and development funding, along with definitive prospects for long-term hardware programs, must be made available for priming revolutionary new concepts in all areas of transportation.

Congress is the keeper of the national purse, and the pressure of priorities is endless.

But to encourage serious planning in any national area, whether it be in defense or people mobility, we must have funding that will make commitments effective. We must not, for example, treat our engineering and scientific teams as so many yo-yo's on a string—a situation that has become a way of life in our defense industries.

Perhaps one of the solutions in this most difficult area will come, as the Harvard Business Review has pointed out, from a totally new concept of financing. Just a few years ago a major milestone in financing created the Comsat satellite, and as a result of that innovative financial thinking the communications industries of the world leaped ahead.

Perhaps business, government, and the general public, through the sale of stock, will participate in the funding of a balanced national transportation system. I don't think our innovative financial planning stopped with Comsat.

Earlier I said that some people think adequate funding is the major problem facing the development of a nation-wide transportation system. Actually, there are many people who think that funding ranks, not first, but second, in our problems.

And they have a point.

In the past decade we've seen many cases where funding was available, but that availability was completely ignored in the local jurisdictional disputes that flared and kept on flaring for years on end.

So, to some people, cooperation—government, business, labor, local jurisdictions—is the most critical problem facing us today.

President Nixon, in his recent letter to the Association, recognized the problem when he urged that we find new ways in which labor, industry, and the government can achieve solutions of transportation problems.

How do we get total cooperation between Government and industry, between industry and labor, between state and state, city and city, and community and community?

The patience of the country in the interest of fairness has been monumental.

We've witnessed an all-out struggle between local governments and Washington, between bus systems and subway systems, between advancing hardware and existing equipment.

We've become hardened to delay, but delays that last for a good portion of a man's adult life are intolerable. It takes about 20 years to go from the concept state to completion for a mass transportation system.

It's almost twenty-five years since the first discussions began on the BART system in the San Francisco Bay Area, and the first train has yet to roll beneath the bay.

And 25 years isn't the record—it takes even longer to plan highways. Construction on the Interstate Highway System was started in 1956, but the actual planning was started in the '30's, and we still have portions of that system incomplete.

We put a man on the moon in slightly more than eight years from the day we received the "go" signal. Why was it possible to do something that was so apparently impossible, and do it with such flawless precision and within such a relatively short time span? Which leads us to that inevitable question: If we can put a man on the moon, why can't we get the commuter trains running on time? The answer is: We can—but it won't be easy.

I think another part of that answer is that the Apollo spacecraft was pointed in the right direction—toward the moon and away from the interminable conflicts on earth.

A handful of major contractors moved with remarkable precision in planned increments, answering to one central authority, NASA.

We did not have delegations from the dark side of the moon protesting our choice of landing sites.

No one chained himself to our spacecraft.

None of the astronauts threatened to go on strike in mid-voyage.

We had a goal.

We had adequate funding.

We had the unstinting support of over 50,000 subcontractors.

We had the complete cooperation of the American people—they wanted to achieve that goal.

We had the greatest technical talent ever assembled.

The result, after eight years and two months, was Neil Armstrong and "one small step for man."

We were fortunate. Once the launch vehicle was ten feet off the pad at Kennedy Space Center, we had the entire universe spread out for us. From then on we had virtually an unhindered journey with the cheers of the world to spur us on.

We can't apply those Apollo precision tactics to an earthbound national transportation system.

The planners will have neither the authority nor the temerity of a Georges Haussmann who literally bulldozed through the streets of Paris the present wide boulevards that are a monument to his genius.

Our planners, and this is correctly so, must constantly be aware that current transportation routes within our major urban areas cannot be altered immediately in any drastic way without disastrous long-term results.

We can't destroy buildings, homes, utilities, or the centers of employment.

That's why I stress the need for a 27-year long-term program, because we must have time to evaluate the total impact. Transportation selection must not only meet current needs, but must have growth potential to meet broad changes in requirements for transportation in the future.

In short, to fulfill present needs and still prepare for the future will require a kind of genius from every one of the hundreds of local jurisdictions who must be involved in the planning, building and operation of effective public transportation.

Finally, we come to the technical aspects of future transportation systems.

I know that advanced technology is an important part, but only a part, of the overall transportation picture. But I hope you'll excuse my preoccupation with that subject for it's one of my greatest concerns.

Metroliners, hovercraft, hydrofoils, high-speed bus systems, innovative trolley energy systems, electric cars, vertical and short-takeoff aircraft, skybus, BART—all of these and others will play a part in the ultimate national transportation system.

Literally hundreds of companies, large and small, are actively engaged in efforts whose end products ultimately will be meshed into the entire picture.

At Rockwell International, new approaches to moving people in an increasingly complex and congested world figure prominently in the long-range planning of our Automotive Group. These include light rail vehicles for mass transit, airport transit systems, and unirail systems for vast amusement centers such as Disney World.

In another of our groups, Utility and Consumer Products, we are supplying undercarriages for both the BART System and the Washington Metropolitan Subway System.

Our Rocketdyne Division is actively engaged in developing propulsion systems for high-speed hydrofoil craft.

We've developed high-performance batteries which can potentially reduce the weight and size of existing batteries to where they may be used in electric automobiles.

Multiply Rockwell International's activities in these areas scores of times over, and you have just an inkling of the immense research and development activity, nationwide, in all these areas.

And I think this is all to the good. I believe it emphasizes the fact that the future of transportation vitally affects many industries—not just the automobile manufacturers, the subway builders, the railroads, the buses, the trucking industry and the airlines, but others who are not normally associated with transportation.

It's to our advantage to get every segment of American society and industry involved in solving the transportation needs of this country. It should be obvious that it's the only way it can be accomplished.

"Our technology," Dr. John S. Foster said, "underwrites the finest way of life of any highly populated area in the earth's history."

Gertrude Stein once said America has lived in the twentieth century longer than any other nation. In the past forty years alone we've reaped forty harvests of world leadership in advanced technology.

That leadership has given us an unshakeable confidence in our ability to cope with any technical problem on any scale—local, national, or global.

With a balanced system serving the needs of all Americans, we can move back from the rivers that built Pittsburgh and St. Louis and back from the sea that gave us New York and San Francisco. We can look to the mountains or out to small islands, or wherever the human spirit moves a group of people to live and work together.

Mobility is a necessity, almost a right, and certainly a pleasure, particularly when it's good.

And for that reason we will have, within this century, a balanced national transportation system for both people and cargo in the air, on the land, and on the sea. It will rank with the landing on the moon as one of the greatest scientific achievements of all time.

We can't get started too soon.

Tomorrow's solutions are today's challenges.

Thank you.

THE SCIENTIFIC METHOD

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BROOMFIELD. Mr. Speaker, it is now painfully obvious that the 1970 Clean Air Act standards for 1975 auto emissions are as scientifically unsound as they are economically unrealistic.

Last month, the National Academy of Science's Committee on Motor Vehicle Emissions testified before the House that 1975 standards for carbon monoxide, hydrocarbons, and oxides of nitrogen are three times more stringent than necessary. Congress has no one to blame but itself for this. Emissions requirements were legislated in haste with a minimum of scientific information or experimentation.

The following editorial from the Wall Street Journal speaks for itself. It details the enormous cost the American consumer and economy will bear because of this ill-conceived law. The point is that these standards will eventually be met thanks to the natural forces of competition among domestic and foreign car manufacturers. Meanwhile, in an attempt to meet arbitrary deadlines with stop-gap technology, the real work to develop a clean and efficient engine is delayed. I hope Congress will face up to the best scientific evidence and advice we now have and adjust the 1970 Clean Air Act to conform with reality for the sake of our environment as well as economy.

The article follows:

[From the Wall Street Journal, Sept. 28, 1973]

THE SCIENTIFIC METHOD

It's now almost a total certainty that Congress erred in setting the stringent auto emission standards of the 1970 Clean Air Act. And unless it amends the law this session, consumers will have to pay for the mistake for more than a decade.

There's no need for this, as testimony before the House subcommittee on public health and environment revealed last week. Perhaps the only completely independent and objective source that has studied the issue told the panel that the federal emission standards are tougher than necessary. Representing the National Academy of Sciences' Committee on Motor Vehicle Emissions, Prof. Arthur Stern of the University of North Carolina's School of Public Health testified:

"An emission limit for CO [carbon monoxide] approximately three times as high as that promulgated by EPA for 1975 vehicles would give assurance of not exceeding the 8-hour air-quality standard of 9 parts per million CO more than once a year."

And: "Present federal emission requirements of 0.41 grams per mile HC [hydrocarbons] and 0.4 g/mi NOX [oxides of nitrogen] seem more restrictive than need be by a factor of about three. . . . These conclusions suggest that the 90% reduction of CO and NOX specified in Sec. 202 of the Clean Air Act may be more than is required to meet the present national air quality standards for CO, NOX and oxidant."

These conclusions are hardly surprising. Congress picked those numbers without benefit of hearings and voted the act in the hectic closing days of 1970; the only remote scientific justification for the numbers rested on assumptions that have since been proven erroneous. From the first, California scientists and pollution experts who had set that state's emission standards argued that the federal standards represent an overkill.

Only a fractional easing of these standards would permit Detroit to avoid the costly and unproven catalyst approach, which involves fitting cannisters that either oxidize or reduce the three pollutants within the exhaust system instead of cleaning the emissions within the engine by more efficient burning of the fuel. By now, competition with Japan and each other is forcing the U.S. manufacturers into alternate systems that are cleaner and more efficient, systems that may quickly make catalysts obsolete. But unless the standards are eased now, before Detroit is locked into contracts and designs for next year's auto, catalysts will be installed on the 1975 models that go on sale in California late next summer as well as on selected models that are sold nationally.

Even if Congress next year recognized that the National Academy is correct about the numbers, it will by then be extraordinarily expensive to pull back from catalysts. The auto manufacturers and catalyst makers will already have invested hundreds of millions of dollars in the catalyst approach. The petroleum refiners will have spent large sums converting a portion of their capacity to unleaded fuel, because catalysts are destroyed by leaded gasoline. And 70% of the nation's service stations will have had to add pumps to supply unleaded gas if they don't already. At the very least, a midstream switch by Congress would leave the nation with hundreds of thousands of "orphan" autos, for which catalyst maintenance and unleaded gas will have to be supplied as long as they are on the road.

What is really at issue now is whether Congress having been supplied with reliable analysis from the prestigious National Academy, can act on that information. The chief barrier is that Congress adopted the federal standards as an emotional commitment to the environment. Although they now have no scientific justification at all, they have achieved a symbolic life of their own; to adjust them to reality would be taken as a defeat by the environmentalists.

Senator Muskie is unhappy with catalysts, especially if car owners have to replace them every 25,000 miles at up to $150 a unit. But as author of the Clean Air Act he refuses to believe his numbers are unsupportable. He does his own scientific research by looking out the window. "As I returned from Maine to the Senate," he said recently, "I saw this dirty air mass covering the land, urban and rural areas alike, and darkening the sun."

Congress, though, can't make multi-billion dollar decisions by looking out the window. How will it explain the haze after every auto has a catalyst? Washington now has enough scientific assurance to feel safe in freezing the 1974 standards for a few years, at least until the National Academy can conduct a rigorous analysis of exactly what the air quality standards should be. Otherwise, it's likely the political scientists on Capitol Hill will have fathered an orphan technology and the American consumers will be stuck with the bill.

THE BIG FLAP OVER THE HOUSE AT SAN CLEMENTE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. LANDGREBE. Mr. Speaker, I wish to bring to the attention of my colleagues the following articles that appeared September 26 in the Wall Street Journal, which go a long way toward clearing up the issue of improvements on the President's homes at San Clemente and Key Biscayne. These articles represent a series of correspondence that grew out of a recent press conference held by Arthur Sampson, administrator of the GSA, and the resulting Wall Street Journal editorial.

I cannot help but wonder why the press has not given as much front-page publicity to the inflationary effect of all the fiscally irresponsible programs passed by Congress this session rather than attacking legitimate expenditures made in connection with Presidential security.

The text of the articles follows:

THE BIG FLAP OVER THE HOUSE AT SAN CLEMENTE

(Following is a press conference statement by Arthur F. Sampson, administrator of the General Services Administration, on the confusion that surrounded government spending on President Nixon's homes at San Clemente and Key Biscayne; to which is added an exchange of correspondence between the editor of this page and Mr. Sampson concerning landscaping expenditures questioned by Rep. Edward R. Roybal (D., Calif.):

Current public confusion over San Clemente and Key Biscayne expenses is due in part to the way that GSA expenditures have been reported. Over the past two months, a series of dollar figures have been announced in the press, each one higher than the last, each quoting government sources, and each compounding public misunderstanding. A review of the sequence of these events leads us to the conclusion that the government and the media are jointly responsible for this unfortunate development.

In late May, a reporter asked about the specific costs of four items at San Clemente, We supplied the White House with the costs and they released them. One major newspaper erroneously stated that the cost of the four items—some $39,000—was the total spent by GSA at San Clemente, and the error was picked up hundreds of times across the country. (The Associated Press, which made the original request, carried the story correctly.)

After this the press made many demands on the adminstration for further information.

In attempting to respond quickly, we compiled our major, one-time costs which totaled about $460,000 for the San Clemente property. That figure did not include certain recurring costs, but because of misunderstandings within the government, the $460,000 figure was released as a total for all GSA spending.

A thorough check of our records was then made and we released a report for the San Clement residence and total Key Biscayne costs, showing the same totals as those we are reporting here. Today we are going one step beyond to release total figures for all the complexes.

The total GSA spending was $3.7 million, including $703,367 on the President's home and grounds at San Clemente and $452,708 on the President's home and grounds at Key Biscayne. The balance was $2,468,894 in capital and operating expenses for the associated government office complexes, and $65,930 for the protection of the President and his family at four other locations.

In addition to GSA spending, the military spent large sums on communications equipment and associated items at the same locations. The total spending by GSA, the military and other agencies was nearly $10 million.

In addition, we have started a complete audit for all expenditures on presidential protection and support during the Nixon administration. The audit is estimated to take up to seven months and will go behind our reports and examine records in detail to verify the accuracy and completeness of the accounting records we have used to date. We expect that this audit will result in less than a 5% difference—plus or minus—from the enclosed report.

Throughout the past few weeks, the press has reported differing figures for various items. Many items reported by the press were wrong and we have issued many statements about the erroneous reporting.

GSA was accused by the press, for example, of installing a "swimming pool heater" at San Clemente. That charge was repeated by the media across the country and is still printed today, even though it has been firmly denied by the administration. In fact, the heater was paid for personally by the President. Likewise, GSA was erroneously credited with installation of a septic tank for the President at San Clemente. In a similar way, without adequately checking the facts, the press has printed numerous stories with widely differing totals on the amounts spent at the various residences.

This has been confusing to the public and grossly unfair to the President and his family. By publishing this comprehensive report today, we hope that we can bring this confusion to an end.

THE WALL STREET JOURNAL,
August 24, 1973.

Mr. ARTHUR F. SAMPSON,
Administrator,
General Services Administration,
Washington, D.C.

DEAR MR. SAMPSON: I have been studying your statement and the summary of expenditures for protection of the President at San Clemente and elsewhere. We are considering writing some more on the subject, including reprinting your remarks on how the confusion came about as the figures were released.

However, I would like to have a bit more detail on a few of the contracts being questioned by Congressman Roybal and others, and wonder if you could provide answers to a few questions on the following items:

On page 13 of your summary, contracts C–2470 and C–2471, $76,000 to repair and replace landscaping & sprinkler and $7,515 to repair roadways, both damaged by construction work. What was the nature of the damage and how was it caused, and in connection with what other construction?

On page 19 of your summary, contract GS–09B–0–708, $25,524 for maintenance of landscaping to insure growth. Why was such a large expenditure necessary, and to which landscaping was it applied?

Without tracing down each of the individual contracts, there are a number of expenditures on pages 17, 18 and 19 for replacement of landscaping? Could we have any sort of general description of why this was necessary? Similarly, on pages 20, 22 and 23 there are contracts to landscaping to remove fire and safety hazards. Could these be explained in a bit more detail?

Any assistance you could provide on these few contracts would be greatly appreciated, and I believe would further your purpose of bringing the confusion to an end.

Sincerely,
ROBERT L. BARTLEY,
Editor of the Editorial Page.

GENERAL SERVICES ADMINISTRATION,
September 7, 1973.

Mr. ROBERT L. BARTLEY,
Editor of the Editorial Page,
The Wall Street Journal,
New York, N.Y.

DEAR MR. BARTLEY: This is in further reference to your letter of August 24 regarding expenditures made by the General Services Administration for the protection of the President at his San Clemente, California residence.

Your first series of questions concerns the repair and replacement of landscaping and sprinklers and the repair of roadways. The need for this work resulted in part from the initial installation of conduits for telephone cables, security cables, power lines, TV systems and miscellaneous alarm systems which required extensive excavation of the grounds. Also, other construction work including the blockwall, concrete manhole, and concrete footings required the movement of heavy equipment and vehicles across the grounds.

The excavation for the installation of underground lines and cables required the destruction of existing landscaping and severely damaged existing roadways, curbing, and drainage ditches originally designed for normal automobile use and pedestrian traffic. Therefore, extensive repairs were required throughout the grounds, including replacement of the sprinkler system where damaged. All other work considered the responsibility of the President was accomplished by his personal representatives.

The maintenance of the landscaping was continued for the period from September 1969 through April 1970. The government had removed and replaced extensive shrubs, flowers and lawn area and the continued maintenance was necessary to insure growth of the government-installed material. During this period it was also necessary to adjust trees, plants and shrubs to accommodate the surveillance requirements of the Secret Service. The contracts for maintenance were originally established for a one year period from October 1969 to October 1970 and were terminated in April as soon as it was felt that the owner should take over the maintenance. The expenditures you referred to on pages 17, 18 and 19 were those incurred during the above maintenance period.

The expenditures listed on pages 20, 22 and 23 were requested by the Secret Service and resulted in the elimination of a large area of dry weeds along the northern perimeter of the property constituting a serious fire hazard. Dead and broken limbs from the large trees on the property were considered a hazard to the President, the Secret Service employes who patrol the property, and official visitors the President might have, and were removed. Trees were relocated in order to interrupt line-of-sight vision from the exterior of the property for security purposes.

I appreciate your interest in an accurate and complete understanding of these expenditures.

Sincerely,

ARTHUR F. SAMPSON,
Administrator.

A NON-STORY

Today we are printing certain documents concerning the spending on President Nixon's homes. We note that the subject has more or less died out of the news, which is too bad. Once hints of scandal have been raised in the news, we of the press ought to stick with them until the full story is told, even if nothing juicy seems likely to result from further investigation.

Government spending at San Clemente and Key Biscayne did make headlines, especially since the total seemed to be going up and up as the press put on pressure for further details. But elsewhere on this page GSA Administrator Arthur Sampson makes a good case that part of the confusion was created by the press itself. We do not remember this part of his statement being reported in the stories on his remarks. Indeed, in reporting his press conference, The Washington Post said, "It was GSA's third attempt to provide an accounting of improvements, security expenditures and the installation of office facilities at Mr. Nixon's homes. The estimate has risen in steps from $39,000 to $1.3 million to $3.7 million."

When the GSA's $3.7 million is added to $5.8 million in military spending and $300,000 by the Secret Service, the total outlays are nearly $10 million. But as this figure has been taken apart in efforts to find unjustified expenditures, the total that could reasonably be challenged has stopped going up and has been going down and down. Some of this has been reported, but somehow it has not attracted the same attention.

Rep. Edward R. Roybal and Rep. Jack Edwards toured San Clemente on behalf of the House Appropriations Committee, and concluded that most of the spending there had been justified for security purposes. News stories did report this, but they did not receive widespread notice, though to its credit The Washington Post did play the story prominently on page one. The stories said Rep. Roybal was particularly impressed by the landscaping for security purposes, as for example relocation of a palm tree to obstruct a window where the President might have been exposed to the aim of a distant marksman.

Rep. Roybal had been especially critical of the San Clemente spending at a previous committee hearing and could be counted on to single out its most questionable aspects. Actually, he thought the news reports of his comments went too far in exonerating the spending, and he later issued a press release saying that the expenditure of $13,500 for a heating system and $165,990 on landscaping and residential improvements were "clearly for personal comfort and esthetics." He said they "definitely enhanced the value of the President's property."

The great bulk of the $165,990 consisted of landscaping not done directly for security purposes. Mr. Sampson explains these contracts in the correspondence following his statement, and quite convincingly too. Surely it's difficult to doubt that the government should pay for restoring the grounds to their original condition after it has torn them up to install underground communications and security systems.

If you deduct these expenses from the Congressman's total, you are left with a sum quite different from the original $10 million. There is the heating system, replaced because the Secret Service decided gas heat is inherently unsafe. Rep. Roybal also questions an overhead fire sprinkler system in the President's home, and believes a concrete fence should have been extended only partially around the President's property rather than entirely around it.

Now, there is no intention here to demean Rep. Roybal, who was conscientious enough to investigate and honest enough to alter some of his initial views. He may be right that Congress should limit presidential homes outside Washington to one per President, though others may feel a President ought to be able to go where he likes. More realistically, Rep. Roybal asks that Congress ought to approve presidential-security expenditures in advance rather than giving blanket approval.

But if Congress had been asked to spend $13,500 to protect the President from the remote possibility of gas leaks, or to fence in the whole estate rather than part of it, can anyone imagine there would have been a murmur of opposition anywhere in either house? Possibly H. R. Gross, who once questioned the cost of the eternal flame on John F. Kennedy's grave might have risen to the occasion. But we doubt even that.

In short, despite all those headlines the spending at San Clemente seems to have been a non-story. We recognize that not every question has been settled. The military spending has not been detailed, the President has not explained where he got the money to buy the homes or released the details of his tax returns and so on. We know, too, that lately it has been popular to take every explanation not as a settlement of the charges it addresses but a backhanded confirmation of the charges it does not address. But we don't subscribe to that philosophy; indeed, we suspect it is one of the best ways for non-stories to catch on.

So we think it wise to pause for a moment to chalk up the flurry over the GSA spending at San Clemente as something akin to the flurry over the false stories about 28 Black Panthers being killed by police. It might be wise, too, to think about how the press might undo non-stories when they arise.

MUSIC TEACHER NOELANI KANOHO MAHOE: DEDICATED TO BRINGING HAWAIIAN MUSIC TO YOUNG PEOPLE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. MATSUNAGA. Mr. Speaker, as many of my colleagues know, Hawaiian music is among the most beautiful in the world. Noelani Kanoho Mahoe, a Hawaiian elementary school teacher is a leader in preserving Hawaiian culture through music. Working with the Governor's Committee on Hawaiian Text Materials, she has compiled a book of Hawaiian songs and recorded them on cassettes which are available to all schools. Her booklet contains nearly 50 songs, in both Hawaiian and English, with chord and music changes for teaching the ukulele.

Mrs. Mahoe has had en extensive musical background, including professional performances and recordings and other published books about Hawaiian music.

Mrs. Mahoe's aim is to make these new musical resources readily available to all teachers, so that Hawaii may preserve an important part of its unique cultural heritage, its lovely music, through its young people. In tribute to a great artist and culturist I include at this point a recent article about Noelani Kanoho Mahoe from the Honolulu Star-Bulletin:

ALL THE STUDENTS MAY "SING ALONG"

By this time next year, Noelani Kanoho Mahoe should have one of the most easily-recognized singing voices in the State.

In fact, if school teachers take advantage of a new program being offered them this fall, every one of the more than 180,000 youngsters expected to register in Hawaii schools next week could learn to sing Hawaiian songs from Mrs. Mahoe.

Mrs. Mahoe, who teaches Hawaiiana at Pope Elementary School in Waimanalo has compiled—for use in schools—a booklet called 'E Himeni Hawain Kakou (Let's Sing Hawaiian Songs)." With the booklet are three tape cassettes on which she has recorded all of the songs—singing alone, pronouncing the Hawaiian language clearly and correctly, and accompanying herself with a ukulele.

There is no other accompaniment to distract from the the educational value of the taped music and voice.

The booklets and tapes already have been distributed to all public and private schools. And they are geared for use by teachers of all grades, kindergarten through ninth grade.

The program is one of four put together by the Governor's Committee on Hawaiian Text Materials. Others include booklets and film strips on the Aquatic Sounds of the Hawaiian Islands, the Hawaiian Artistic Tradition and a complete curriculum resource guide titled "Our Cultural Heritage/Hawaii."

All are avâilable in the schools, but only the Hawaiian music program is geared for use by all grades.

The curriculum resource guide is intended for use by grades seven through 12. The study of aquatic booklets is intended for use at fourth grade level, where it blends in with the regular studies of the student. The history of Hawaiian art is geared for seventh grade students.

"We felt there were a lot of good things going on in Hawaiiana . . . things being done by the teachers . . . things that needed to be tapped," said Ka'upena Wong, production manager for the Hawaiian Text Materials programs.

"Some were things such as Noe's."

Wong, himself an authority on Hawaiiana, said the committee conducted a survey to find what aids the teachers themselves had prepared to help teach things Hawaiian.

"We found many of the teachers doing great things," he said. "And some of them were willing to share."

So the committee set about gathering the material and preparing the text and related materials.

"These are all products made by front line people, the teachers themselves," Wong said.

Wong said the overall aim of the Governor's Committee is to "make educational materials and curriculum meaningful, alive and relevant to the life styles of the children of Hawaii."

"We needed to find things that were already working," he said.

A major thrust then has been to find useful teacher-created instructional materials and to make these materials available throughout the State.

One such "Discovery" was a book of collected Hawaiian songs with accompanying tapes—already used at Pope School by Mrs. Mahoe.

"The majority are songs I had already done for our school," Mrs. Mahoe said.

The booklet of songs—in a mimeographed form—has been used by Mrs. Mahoe since the 1970–71 school year. In her full-time job, Mrs. Mahoe teaches ukulele, hula, music (including singing Hawaiian), language and Hawaiian history.

She has been playing ukulele since she was 4 years old.

In 1971, Kuulei Ihara of the Bishop Museum and a member of the Governor's committee, suggested that Mrs. Mahoe submit her collection of songs to the committee.

She did. And it was immediately accepted.

Although her original booklet "Kekahi Mau Himeni No Ke Kamali'i A Pope Elementary (Some Songs For The Children Of Pope Elementary)" was intended for only kindergarten through sixth grade. Mrs. Mahoe and Wong decided the program should be made suitable for high school students as well.

"We eliminated some of the real kiddie songs and put in some others," she said.

Then she turned her tapes over to Wong and last April she re-taped all of the songs in a professional studio to provide masters from which the cassettes could be made.

Byron Yasui and Vernon Read of the University of Hawaii performed the tedious job of transcribing the recorded tapes and producing pencil-copy melody lines for all of the songs.

The result is a booklet of nearly 50 songs, complete with the correct Hawaiian words, music and chord changes and an accurate English translation of each song.

Songs range from such old standards as "Ekolu Mea Nui," "Hawai'i Aloha," and "Pupu O 'Ewa" to cute little ditties such as "C A T, Popoki Make A Cat."

There also are songs by such well-known composers as Alice K. Namakelua and Mary Kawena Puku'i.

An entire section is devoted to hulas, with songs such as "Laupahoehoe", by Irmgard Farden Aluli and "Kahuli Aku" by Helen Desha Beamer.

In the booklet, Mrs. Mahoe suggests uses for the songs. There are chord charts to aid in teaching ukulele. Teachers are asked to use the book by projecting it onto a screen with an overhead opaque projector—standard equipment in the schools.

Mrs. Mahoe has recorded, professionally, 12 of the songs included in the booklet.

In 10 years as leader of the Leo Nahenahe, a recording group, she has put out four albums and several singles. Best known perhaps is the Leo Nahenahe album, "Folk Songs of Hawai'i."

Mrs. Mahoe also has sung and played for albums with other entertainers.

"Hawaiian music has always been a part of me, something I enjoyed," she said.

When she entered the University of Hawaii, she realized that singing and playing Hawaiian music was something not everyone could do. "It was at that time that I started collecting Hawaiian music," she said.

She has co-authored with Samuel H. Elbert a book called "Na Mele O Hawai'i Nei, 101 Hawaiian Songs." It is used by nearly all Hawaiian entertainers and is looked to as the authority on the correctness of many of the favorites.

Mrs. Mahoe is a vice president of the Hawaiian Music Foundation in charge of many of the Foundation's projects—including the recent slack key, falsetto and steel guitar concerts—and is vice president of Hawaiian Music Productions Inc., a new commercial venture formed recently to promote Hawaiian music.

She also is associate producer of a Hawaii Public Television (KHET) Hawaiian music series being filmed now for broadcast later this year.

—And she is not through with this school project

"We need to see that the teachers know they are available," she said of the tapes and booklets. "Then we need to review the program two or three years from now to see how much they've been used."

REPRESENTATIVE ABZUG URGES AUSTRIA TO KEEP SCHOENAU OPEN

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Ms. ABZUG. Mr. Speaker, in response to a reprehensible Arab terrorist attack on a train carrying Soviet Jews to Vienna on their way to Israel, the Austrian Government has decided to close Schoenau Castle transit camp. Schoenau Castle has for years been used as a processing and orientation center for tens of thousands of oppressed Jewish people seeking to begin life anew in their national homeland.

The decision to close the transit camp is not justifiable. Austria has in the past done much to assist Jewish emigres. Why that country has chosen this moment, when so many Jews are leaving the Soviet Union, to make so momentous a decision will perhaps never be known. Suffice it to say that the dream of freedom may be dashed for many thousands of Soviet Jews who would find it difficult to travel to Israel without the assistance of the Schoenau facility.

Because I cannot sit idly by when a blow against freedom is struck, I have sent a letter to Ambassador Arno Halusa urging that the Government of Austria rescind its decision to close Schoenau. I strongly urge all of my colleagues, in the interest of freedom of thought, religion and national identity, to send similar correspondence.

The text of the letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 1, 1973.

MR. ARNO HALUSA,
Ambassador Extraordinary and Plenipotentiary, Office of Embassy, Republic of Austria, Washington, D.C.

DEAR MR. AMBASSADOR: I am disheartened at the decision of your Government to close the Schoenau Castle Transit Camp in response to Arab terrorist activity.

While I appreciate Austria's difficult position in attempting to save the lives of innocent hostages, I find no justification for the order terminating the processing of Jewish emigrants at Schoenau Castle. For years Schoenau Castle has symbolized a refuge for Jewish people emigrating to Israel to fulfill their national and religious identities. Cessation of activities at Schoenau would place extreme hardships upon those people emigrating from lands of religious oppression to religious freedom in Israel.

Let me assure your government that as a Member of Congress I will take all possible steps to encourage future United States participation and cooperation in assisting Jewish refugees.

I urge Chancellor Kreisky to rescind his order closing Schoenau, and honor Austria's commitment to neutrality and free passage for the world's citizens.

Very truly yours,
BELLA S. ABZUG,
Member of Congress.

GENERAL SERVICES ADMINISTRATION ENGAGES IN FAVORITISM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ASHBROOK. Mr. Speaker, during the past several weeks there have been allegations that the General Services Administration—GSA—has engaged in political favoritism in its awarding of bids. Although the veracity of these charges has not yet been established, it is clear that GSA is engaging in favoritism of minority contractors in its solicitation of bids.

This favored treatment consists of the inclusion by GSA of the names, addresses, and telephone numbers of minority subcontractors in the official bid package. The purported reason for such a policy is in order to compensate minority subcontractors for "past discriminatory practices within the business community."

In its "Specification and Bid Forms for Landscaping for Bicentennial Improvements"—contract No. GS–OOB–01473—the GSA states that "you—the contractor—are encouraged to solicit subcontract bids from minority contractors that have the ability to perform as your subcontractor." A list of minority contractors from the Washington, D.C., area is then included in the bid forms "to assist you in soliciting subcontract proposals for this project."

Inclusion of similar letters and accompanying lists of minority contractors in bid packages is part of general GSA policy set forth in a memorandum by Administrator Robert Kunzig. Kunzig's April 23, 1971, memorandum to all regional administrators states:

> In the future, information on the availability and capabilities of minority contractors shall be furnished to the prospective prime contractors by means of a letter included in each bid package persuading them to solicit subcontract bids from these minority firms.

The listing of minority contractors in the bid package along with addresses and telepone numbers clearly gives these contractors an unfair competitive advantage over nonminority contractors. Minority contractors are enjoying free advertising at the expense of the Government while other contractors must expend their own finances for such recognition. And, at no price whatsoever could they secure similar advertising in the bid package itself.

When asked to explain this policy, Gerald Patterson in GSA's Design Branch of the Design and Construction Division stated that a white subcontractor probably would be better known by a general contractor than would a minority subcontractor. He conceded, however, that a small white subcontractor probably would not be any better known than a small minority subcontractor. Therefore, in Patterson's opinion "a small white subcontractor would be at a competitive disadvantage in that he does not qualify as a minority."

Allan Kaupinen, Assistant Administrator at GSA, however, contends that—

> (t)he listing does not give the minority subcontractor an unfair competitive advantage, but rather it is providing the minority subcontractors with the opportunity to be fairly considered for subcontracts. The opportunity to be competitive with other subcontractors has been previously denied to minority subcontractors because of past discriminatory practices within the business community.

Almost everyone would agree that minority subcontractors should have equal opportunity to bid on Government contracts. Any Federal program designed to achieve such opportunity, however, should guarantee equal opportunity for all contractors, both minority and nonminority. Extending an unfair competitive advantage to minority contractors results in further inequalities rather than solving the problem.

GOING METRIC

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BELL. Mr. Speaker, I insert in the RECORD today, the keynote address by Dr. Betsy Ancker-Johnson, Assistant Secretary of Commerce for Science and Technology, to the conference, "Going Metric: Meeting the Conversion Challenge," that was recently held at the University of California at Los Angeles. In a short time, Congress will be considering metric legislation and I believe that the following speech answers many of the questions raised when discussing the subject of metric conversion in the United States. The address follows:

U.S. METRICATION: BACKGROUND AND PROGNOSIS

(By Dr. Betsy Ancker-Johnson)

Scientific American once said, in an editorial: "There exists no good reason at all why the meter-liter-gram system has not been adopted by the people of the United States. . . , except that deep-seated quality of human nature which causes us all to put our backs up and resist changes until they are forced on us . . . Many American manufacturers, however, already are using the metric system of measurements today for the production of export articles. What remains to be done is . . . to convince the average man of the desirability of the change . . . to demonstrate to him that he should contribute his share to making the change."

Sound familiar? The editorial appeared in the July, 1923, issue—50 years ago!

As the metric controversy goes, that was only yesterday. In his first message to Congress, in 1790, President Washington suggested that there be established standards of weights and measures. The matter was referred to Secretary of State Thomas Jefferson. Now there was an inventive genius, Jefferson, as well as a statesman. He developed two plans, neither of which the Congress was willing to adopt. Meanwhile, the Paris Academy of Sciences had constructed a system based on the best scientific principles of that day. It was wholly rational, quite simple, and internally consistent. Its keystone was the "meter," a unit of length defined as a specific fraction of the earth's circumference. Hence, the name, the metric system. Then, 150-years ago, John Quincy Adams conducted a thorough investigation of all known measurement systems and sent the Congress a report on them. Although Adams believed the metric system approached "the idea perfection of uniformity applied to weights and measures," he rejected it because he felt that the time was not right for it. Most of our trade was with inch-pound England, and the metric system was not even firmly established at its home country, France, let alone in the rest of the world. Better to wait, Adams concluded, until a uniform international measurement system could be worked out.

Only in the last quarter-century has the metric system become the dominant language of measurement throughout the world. The U.S. is the only major industrial nation which has not yet adopted it. In fact, we find ourselves among anly 10 countries which are not metric or going metric. All the other nine are small, less-developed nations.

RECENT METRIC STUDY

After a decade of questioning and discussing, the Congress acted in August, 1968. It passed the Metric Study Act directing the Secretary of Commerce to arrange for a broad inquiry and evaluation. He assigned the task to the National Bureau of Standards, one of six units of the Department of Commerce reporting to the Assistant Secretary for Science and Technology. The law required the Secretary, on the basis of the findings and conclusions of the study, to make "such recommendations as he considers to be appropriate and in the best interests of the United States."

In July, 1971, the Secretary of Commerce released a 170-page report to the Congress whose title sums up its conclusions: "A Metric America: A Decision Whose Time Has Come."

The Secretary accepted all the conclusions of the report. He primarily recommended "that the United States change to the International Metric System deliberately and carefully; that this be done through a coordinated national program; and that early priority be given to educating every American schoolchild and the public at large to think in metric terms." I shall cover the remainder of the Secretary's recommendations shortly, for he endorsed all of the findings and recommendations of the study itself—nine in all.

Twelve supplemental investigations resulted in interim reports covering many aspects of the metric question, including manufacturing and non-manufacturing firms, impacts on education and foreign trade, international standards, engineering standards, and effects on the consumer.

Already we see many fields either already metric or going metric.

Ford is manufacturing a 2.3 liter Mustang II motor, at its new Lima, Ohio plant, to be used in the Mustang and the Pinto. Some of the bearings on most U.S. made cars are metric. And every automobile has at least one metric part, the sparkplug, the thread portion of which is metric.

Everybody is familiar too, with 16mm and 8mm movies. So, you see, the metric language is like prose: we've been speaking it all our lives without realizing it.

The pharmaceutical industry is altogether metric. The physician prescribes, and the pharmacist fills the prescription, in grams or liters. The *Journal of the American Medical Association,* and the 10 specialty publications of the AMA, use only metric terms.

Everybody who's ever participated in track, or watched the Olympics is familiar with the 100-meter dash. My first introduction to metric was in junior high when I was an AAU swimmer—my favorite was the 100-meter backstroke.

Most children who have been in grade or elementary school in the past five or six years have been exposed to the metric system in their mathematics courses. Teachers and parents, alike, are concerned that children waste an inordinate amount of time learning one system of measurement which is having less and less use to them. If they are serious about science, then they have to learn another system, the metric. Learning is fun, real learning, but dull problems in conversion are no fun—they're just a dastardly trick on the children. What a way to make children think science is boring or too hard! When, in fact, science is fun, and, as you who are teachers know, the physical laws of nature are a cinch to understand, like Newton's equation in metric.

MAJOR FINDINGS OF THE METRIC SYSTEM

There were five major findings of the metric study:

First, the United States already makes some, even considerable, use of the metric system of measurement. In addition to the fields mentioned, space exploration, auto emissions standards, and bearings are all metric.

Second, metric use in the U.S. is increasing. One hundred major U.S. industrial concerns are committed to going metric. IBM has adopted its own 10-year conversion plan. Deere and Company is manufacturing, for export, farm equipment to metric measurements. International Harvester, at its plant in Illinois, is producing bulldozers and other construction equipment to metric—only to name a few.

Third, the metric study found that 70 percent of the manufacturers surveyed said that they favored increased use of the metric system, as in the best interest of the nation and its economy.

Fourth, more than 90 percent of the manufacturers surveyed did not want to drift into this change. They preferred a coordinated national program.

And fifth, whether we go metric by design, or whether we go metric by accident, the changeover will involve costs. The best estimates that can be made are that it would cost less in actual dollars if we plan for a metric changeover than if we just allow it to happen. As it is, we are drifting into becoming a metric country. Because we are all concerned about costs, let me repeat: The costs of continuing to drift are bound to be higher, over the long run, than a planned and orderly change. It goes without saying that if the *Scientific American* editor had had his way 50 years ago, or better still, if John Quincy Adams had carried through on his convictions, we wouldn't be worrying about metric costs today!

A planned metrication should and would involve four basic principles. These are:

1. The rule of reason
2. Costs lie where they fall
3. Voluntary changeover
4. Private sector initiative

I shall return to these four basic principles when I conclude with a discussion of pending metric legislation.

Last November, Australia embarked on a 10-year changeover with a plan similar to the Nixon Administration bill now in the U.S. Congress, which I shall explain in a few moments. Can you imagine what problems Australia has encountered? The Australian Government estimates the changeover will require only 6 or 7 years, not 10.

Great Britain, which got us started using English units in the first place, is now leaving us behind and going metric.

A POTENTIAL METRIC CONTRIBUTION TO THE ENERGY CRISIS

Consumers already have many challenges in selecting and using products in the home, confronted as they are by matters such as reliability, safety, and effectiveness. Now we all have a new concern: How much energy does this appliance or that appliance consume? One cannot tell readily because we measure energy in Btu's, calories, kilogram calories, therms, foot-pounds, and kilowatt-hours. In response to a directive of President Nixon—contained in his Energy Policy Message of April 18—we, in the Department of Commerce, are developing a Voluntary Labeling Program for Energy Conservation. After I announced the procedures in the *Federal Register*, we received over 30 comments, from manufacturers, retailers, associations, consumer organizations and individuals. These were overwhelmingly favorable to the concept of energy labeling. I am now having the National Bureau of Standards analyze these comments, and during the next month I expect to be able to publish in the *Federal Register* a proposed Voluntary Energy Conservation Specification. I regret that it may not include any metric terms because each industry has gone down its own path. But, eventually, I believe we will come to a standardization of energy language. In fact, I would like to propose one here today—the joule. For the consumer, the use of a single metric unit, the joule, for measuring energy consumption in various uses might be advantageous. In heating, for example, the relative costs of various available fuels (gas, oil, coal, or electricity) per joule would be a guide—to be used judiciously, for sure—as to which fuel is most economical.

In the case of air conditioning, the use of a single unit, the joule, could be used for measuring both energy intake and cooling output. Knowing what goes in and what comes out would readily yield an "efficiency" rating. When that rating is divided into the cost per joule for each fuel considered, one would have the cost per unit of cooling. Once we are assured that such labeling would not unduly complicate the Voluntary Energy Conservation Labeling Program, it will be adopted. But that will not come for perhaps a year or more.

U.S. METRICATION: PROGNOSIS

The Administration's metric bill has six features, which I would like to list. They reflect the basic principles mentioned earlier. The first is voluntary change to predominant use of the metric system. All sectors of the society would be encouraged to use the metric system of weights and measures. Not required—encouraged. This follows the rule of reason. There should be almost no replacement of capital goods. Clearly tools and dies and machines cost a lot of money. The manufacturer should not replace them insofar as possible until the normal time of replacement, since in almost all cases they can be modified by replacing a scale or a dial—if a change is needed at all.

The second principle is "costs lie where they fall." As a corollary, the proposed changeover plan would provide no government subsidies. Let me interject here, however, that if—not when, but if—a burden develops for any business, we hope to hear about it promptly. We want any citizen who is adversely affected to make his case. And we are your servants to try to ease inequities, should any arise, and if we can.

Third, the Administration's bill would establish a National Metric Conversion Board composed of up to 21 distinguished private citizens appointed by the President, 2 members of the House of Representatives selected by the Speaker of the House, and 2 members of the Senate.

Fourth, the primary assignment of this Board would be to develop and submit to the Secretary of Commerce, within 12 months after funds are appropriated for it, a comprehensive plan to accomplish the changeover to the metric system in the United States. In developing the plan, the Board would be required to consult with U.S. commerce and industry, including small business, science, engineering, labor, education, consumers, nationally recognized standards developing and coordinating organizations, government agencies, Federal, state, and local, and, where appropriate, with foreign governments and public international organizations. The Secretary would approve and transmit this final plan to the President. The bill would give no compulsory powers to the Board, and the changeover proposed by it would be entirely voluntary.

Fifth, upon approval of the plan by the President, it would be submitted to the Congress. The Board would begin implementing the plan 60 calendar days following the date it is delivered to the Congress.

Sixth, while voluntary for the private sector, the plan would be, in effect, compulsory for the Government. Let me reiterate, it is the goal of the bill that metric units would become the predominant, though not exclusive, language of measurement within 10 years from the date the Board commences implementing the changeover plan. Those U.S. engineering designs, practices, and conventions that are internationally accepted or embody superior technology would be retained in the new metric language. The program unquestionably would include extensive public information and educational programs to acquaint the public with the meaning, applicability, and advantages of the metric system in their daily life. The bill would authorize the Secretary of Health, Education, and Welfare and the Director of the National Science Foundation to counsel and consult with educational groups to assure that the metric system is made a part of the curricula of the nation's educational system, and that teachers are properly trained to teach in metric terms. Finally, the Secretary of Commerce is authorized to consult with the National Conference of Weights and Measures so as to assure that state and local weights and measures officials are appropriately informed of the changeover. After all, they will have to accomplish timely amendments to weights and measures laws.

Personally, I see no barriers to the United States going metric in an orderly fashion. The American people are pioneers—in every way except metric. We are open-minded to change. In many instances, the changeover will require less than 10 years. For example, multi-national corporations cannot wait that long. Some industries and businesses may require much longer than 10 years. I predict that students will be delighted to junk the irrational, old system.

Where does the legislation stand today? Congressman John W. Davis's Subcommittee on Science, Research, and Development of the House Committee on Science and Astronautics, has held hearings on H.R. 5749, the Administration metric bill, which I have described, plus 12 additional metric bills. Soon after Congress reconvenes, I expect the Subcommittee to report a bill to the full Committee. The Senate Committee on Commerce, chaired by Senator Warren G. Magnuson, has before it another bill, S. 100. The Senate, also in the fall, will probably take action on S. 100 or on the metric bill reported out by the House Subcommittee. Thus, we have a prospective bill heading to the floor of both houses of the Congress, probably before the end of the year. That is as far as a prudent person should go in prognosticating anything that the Congress might do. All the evidence, however, is that the key individuals in Congress want a strong metric bill as soon as feasible. So does this Administration, and I think so do all of us.

California is leading the nation in "progressive metrication." Last month the Division of Oil and Gas switched to metric, and I believe this is the first state agency in any of the 50 states to take that step. Your Superintendent of Public Instruction has announced that California schools will convert, starting immediately. By the fall of 1976, our bicentennial year, all mathematics and science textbooks used in all the schools of the state will use only metric measurements. I hope the other 49 states will follow, because California—again—has the right idea.

THE IMMIGRATION AND NATURALIZATION ACT OF 1965

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. WALDIE. Mr. Speaker, Congress has long made it clear that its intent regarding its immigration and nationality laws was to keep family units together and to preserve family ties. To do so, it has been willing to acknowledge the less than rigorous enforcement of the immigration laws.

The Immigration and Naturalization Act of 1965, improving upon earlier immigration legislation, demonstrated our humanitarian interest and concern for the peoples of the world by equalizing treatment under our laws all people wishing to emigrate to our country from both the Western and Eastern Hemispheres. This new preference system initiated in 1965 has functioned well, but there are a few points which I feel need correction.

The bills which I am introducing today will enable sons and daughters and parents to be more easily united with their families; facilitate naturalization despite language difficulties; and update adjustment provisions for law-abiding persons who are ineligible for permanent residence despite having resided in this country continuously over a long period of time.

Two of the bills essentially clarify the language of two sections of the Immigration and Nationality Act by substituting the words "son, or daughter" for "or child." It is necessary to do this because the law defines a "child" as being an individual under 21 years of age; therefore, sons, and daughters of citizens who are over 21 are ineligible for the privileges accorded a "child" in these sections of the act. This substitution would make the Act consistent with the intent of the Congress in seeking to reunite families by excluding spouses, parents, "sons or daughters" of U.S. citizens or permanent residents from deportation or excludability because of fraudulent information on visas or other documents necessary to gain entrance to this country.

Other provisions of the Immigration and Nationality Act stipulate that understanding, reading, writing, and speaking English is a prerequisite to naturalization. Only people over 50 years of age and having resided in the United States for at least 20 years at the time the law was enacted in 1952, or those physically unable to comply, are exempt.

This measure should be extended a bit further in light of the Supreme Court rulings on literacy as a qualification for voting rights. Essentially, the Court has ruled that citizens are considered intelligent enough to exercise their franchise without literacy tests, or with a knowledge of Spanish or Hawaiian. In view of this ruling, my bill proposes that people over the age when they can successfully master a new language, who are literate in their native tongue and meet all other qualification standards, should be permitted naturalization.

Further, this bill would allow those over 60 years of age and having resided in this United States for at least 20 years, to waive the literacy requirement if they otherwise are qualified for naturalization.

The last bill which I am submitting today is a further continuation on the same theme, and attempts to cope with the estimated 1 or 2 million illegal aliens presently in our country. Although not a solution to this problem, my bill would permit persons who have resided continuously in the United States since 1965 who have conducted themselves in a lawful manner, and are of good moral character to be allowed to take their place in our society without fear of deportation.

In conclusion, Mr. Speaker, these bills do not present a departure from previous immigration policy, but merely reaffirm the Congress' humanitarian inclination to relax the enforcement of immigration laws when it comes to family units. This country has traditionally welcomed those from abroad seeking a new life in this country, and although we have been forced to limit the number of people admitted to the United States, it has never been the intent of the Congress to break up family units or to threaten deportation of those who have lived a substantial portion of their lives as normal, law-abiding citizens in the interests of rigorously enforced immigration laws.

Favorable action on this legislation is then a further testament to the Congress purview on this matter.

OEO COMMUNITY WORKERS AND THE COMMUNIST PARTY OF THE U.S.A.

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. HUBER. Mr. Speaker, it is, indeed, strange the company that some of the employees of the Office of Ecomonic Opportunity keep. A case in point is the story in the People's World of June 2, 1973, the west coast's official organ of the Communist Party of the U.S.A. It mentions OEO community workers as helping to provide a massive security guard for a meeting with Beulah Sanders of the National Welfare Rights Organization. Among the groups also listed as providing security were the Young Socialist Alliance, the Black Panther Party, and the Communist Party. The question arises as to why this association exists, and I think this sort of activity merits closer scrutiny by the Congress. The article follows:

[From the People's World, June 2, 1973]

WRO ALIVE AND GROWING

SEATTLE.—A dramatic demonstration of community support and a determination to build issue-oriented coalitions based on that support highlighted a Washington State Welfare Rights conference here May 23 to 26.

Repeated threats from the National Caucus of Labor Committees led the WRO leaders to call on the community to guarantee the security of the conference. Seattle clergymen, the People's Coalition for Peace and Justice, the Rank and File Trade Union Committee, Blank Panther party, the Young Workers' Liberation League, the Communist party, the Young Socialist Alliance, Tacoma's Half-way House and OEO community workers provided a massive security guard for the kick-off banquet honoring Beulah Sanders, National WRO president. Ample security was also provided throughout the conference, and there was no disruption.

Speaking briefly at the banquet, Ms. Sanders heaped contempt upon the NCLC and said, "No one needs a new WRO. No one is rebuilding WRO. It never fell apart. It is alive and growing."

Two days were spent in intensive analysis of budget cuts and new repressive regulations in federal and state welfare programs. Cost over-runs in military procurement programs. Elaine McLean said, are higher than the total cost of all federal social service programs.

Saturday was devoted to planning for increased membership and a continuing research, education and advocacy program. Elaine McLean was elected state president and Kathryn Smith first vice president.

The conference wound up with an unexpected appearance by Will Parry, president of the Northern Washington District Council of the Assn. of Western Pulp and Paper Workers. He told how labor support had helped force the 1973 legislative session to provide supplemental public assistance grants to unemployed fathers.

"All working people have common interests," he declared, "whether they are on the job, on unemployment, or on welfare."

He urged the WRO to support such labor legislation as higher minimum wage laws and extension of protective legislation to all workers.

STILL MORE ABOUT URANIUM ENRICHMENT

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. HOSMER. Mr. Speaker, I have attempted to keep the Congress posted on the important subject of the future structure of the uranium enrichment industry in the United States. This entry today is a continuation of that effort and is preliminary to phase II hearings on the subject before the Joint Committee on Atomic Energy which commence tomorrow.

On September 5 at page 28429 of this RECORD will be found my basic statement on the subject. On September 10 at page 28973–74 are questions and answers relating to a plan I proposed for the transition of the industry from a government monopoly to private enterprise. Later, at page 30946, is found my letter to Roy Ash, the Director of the Office of Management and Budget, further discussing my plan.

Below there is reproduced Mr. Ash's communication to me dated September 28 reiterating the administration's previous positions on the subject and my October 1 reply thereto, which enclosed the tables referred to in its text:

THE WHITE HOUSE,
Washington, D.C., September 28, 1973.

Hon. CRAIG HOSMER,
House of Representatives,
Washington, D.C.

DEAR CRAIG: I am responding for the Administration to the plan you have outlined to establish a Government corporation to provide uranium enrichment services for the growing nuclear power industry.

I was very glad to have an opportunity to discuss this important matter with you on September 12 and again on September 26, to get the benefit of your knowledge of the intricacies of this important subject.

The details of your proposals to create a new U.S. Enrichment Corporation (USEC) and the comments conveyed in your letter of September 21 have been carefully reviewed by my staff, working closely with the AEC, Governor Love's Energy Policy Office, the Domestic Council, and the Council on International Economic Policy.

As I understand your position, you believe that private industry must ultimately be expected to meet future needs; that there is a danger of a shortage of uranium enrichment availability for the nuclear power industry, both domestic and foreign, in the early 1980's; that there is a need to make effective contractual commitments for enriched uranium; that construction of additional capacity by AEC itself would be beyond the legitimate scope of the Government's responsibilities; and that a new Government corporation patterned after TVA should be established to provide at least the initial increments of additional capacity.

We recognize that this is a very significant matter. The issues are not new, but they have indeed been underscored by the understandable desire of the electric utilities and our foreign customers to have assurances that an adequate supply of enriched uranium will be available to meet growing demands. The hearings conducted by the Joint Committee on Atomic Energy this past summer and your efforts in particular have been very helpful in focusing attention on the matter.

The President feels very strongly about the importance of nuclear power in helping to solve our energy problem, and the enrichment of uranium is, of course, a vital part of the process of producing nuclear power. As you know, the Atomic Energy Commission is currently expanding its uranium enrichment plants at a cost of nearly a billion dollars. Moreover, AEC has been conducting important research to develop an improved uranium enrichment process, and it is making the technology available to American industry under appropriate safeguards. We consider this "access program" to be of great importance, and we understand from the industrial participants that it is working well.

The President continues to believe, as he has stated publicly on several occasions, that now is the appropriate time for private industry to begin to shoulder responsibility in this area. In his April 18, 1973, message on energy, he stated explicitly that the Government is looking to private industry to provide the additional uranium enrichment capacity that will be required beginning in the early 1980's.

We have reviewed this entire matter carefully and have concluded that there is a high probability that private industry will be both willing and able to provide the next increments of capacity for producing enriched uranium in the early 1980's that will be needed to fulfill requirements in this country and to maintain our leadership in world markets. As you and I have discussed, we must make certain that the transition to the private sector does not result in a "nuclear fuel gap." We agree fully with you and the utilities who will be dependent upon the fuel that this must not occur. We are confident that the Administration's plan does not run this risk. If at a later time we find that private industry fails to meet our expectations, the Administration would, of course, have to consider other approaches, including a Government Corporation. At the present time we believe the best course is to continue to encourage private companies to enter the business rather than to come forth with a new proposal.

In this connection, AEC has advised us that it can make adjustments within reasonable limits in the future operating mode of its enrichment plants (i.e., raising the "tails assay") in such a way as to increase the supply of enriched uranium to be compatible with a range of completion dates for new private plants. The precise dates can be established by the joint efforts of private suppliers and their customers.

One of the primary objectives cited for the Government Corporation which you propose would be to continue the uninterrupted offering of contracts for separative work, thus avoiding the possibility of a "contracting gap." Actions necessary to deal with any potential "contracting gap" can be taken by the AEC under existing legislative authority without creating a new Government entity. Contracts signed by the AEC in advance of those offered by private companies would later be terminated when private contracts are available, thus giving customers an opportunity to negotiate the most favorable arrangements with private suppliers.

As indicated, we are much encouraged by the expressed determination of several companies to enter the enriched uranium field. We are concerned that establishing USEC could prove to be a disincentive for companies interested in entering the field and thus perpetuate the Federal Government in an industrial activity which can and should be conducted by the private sector. There are many functions which only the Government can sensibly undertake, but I question whether this is one of them.

In summary, we believe that our plan to have private industry provide the necessary increments of capacity is the correct approach and will provide the additional capacity when it is needed. The Government will continue to provide assistance in key areas through the conduct of necessary research and development and access to AEC's technology. In addition, AEC will operate its enrichment plants in a manner conducive to the entry of private firms on a realistic and achievable time schedule. We believe it is in the best interest of this country and our valued foreign customers to assure the establishment of a private enrichment industry. We will continue to follow the whole matter closely.

We welcome the support of future enrichment suppliers and customers for the Administration's plan. We also welcome your basic support for the objective of private enrichment activities, and we look forward to further discussions of this vitally important matter.

With best personal regards,

Sincerely,

ROY L. ASH,
Director.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 1, 1973.

Re: Uranium enrichment.

Hon. ROY L. ASH,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR ROY: This responds to your September 28 letter reaffirming the Administration's view that private industry will be able to make a timely phase-in to the uranium enrichment industry which would avoid (a) an actual nuclear fuel gap in the 1980's and (b) a contracting gap in the 1970's for separative work which would result in a competitive disadvantage to the United States in the world market for this service.

Despite your impressive recital that the views expressed in your letter have been backstopped by the Domestic Council, Governor Love's Energy Policy Office, the Council on International Economic Policy, et al., I nevertheless find them indicative of a somewhat superficial understanding of the intricacies of the enrichment game in relation to the facts as I understand them. This could be the case, since uranium enrichment questions have had a very low priority at the White House up to now.

Please refer to my enclosed document dated 9/27/73 which lists (a) the assumed intentions of the AEC's industrial participants and associated consortia, and, (b) the year-by-year addition of enrichment capacity which AEC says must occur in the 1980's. Since giving the latter data to the Joint Committee on Atomic Energy last month, I understand AEC now feels there may be up to a year's slippage in dates the requirements will fall due. That will affect timing, but not the fact that within a period slightly over 36 months 25.5 million s.w.u. of new enrichment capacity will be needed. This almost equals the 27.5 million s.w.u. enlarged capacity of AEC's three big diffusion plants. Moreover, within the next following year the installation of another 6 million units must occur.

With that very large amount of industrial activity within a very limited time period in mind I now refer you to the portion of the document which lists assumed intentions of the above-mentioned participants. In contrast to it, your letter states that you are "much encouraged by the expressed determination of several companies to enter the enriched uranium field." I would be very pleased to know who expresses such determination. I only know that certain industrial participants listed in my document are looking things over and that the consortia indicates 1974 as the year they will make decisions about getting into the business or not. If you can furnish me the names and plans of any people now committed to installing capacity it will ease my mind considerably.

Let us assume that those names will be the two consortia and that both are committed to build a 10,000,000 s.w.u. capacity enrichment plant costing $1-$1½ billion in each case. If done in a mature fashion, that will give us 20,000,000 units against the 25,500,000 I mentioned earlier, leaving 5.5 million begging for that year and another 6 million the next year. Who will pick up that total of 11,500,000 s.w.u.'s?

Within this scenario, not only must that 11.5 million be on the line in time to avoid a nuclear fuel gap, but the decision to put it on the line must have been made and contracts offered to utilities to supply it *nine* years earlier in order to avoid the contracting gap discussed in your letter.

Your people have indicated to you that this gap may be avoided simply by having the AEC issue contracts pursuant to what you describe as "existing legislative authority" to supply separative work which it does not have capacity in being or dedicated to construction, which contracts can be terminated if private suppliers make their timely entrances into the picture. My understanding of the anti-deficiency statute indicates to me that such a practice would constitute a clear violation of law. Thus my second request is that you obtain an authoritative legal opinion on this point which will indicate whether or not legislation will be needed to carry forward your scheme. From past experience we know that tampering with the anti-deficiency statute has never been looked upon kindly by the Congress.

Along this line, and although it may or may not bring up another legal question, I believe you and those who are advising you may want to achieve a more perfect understanding of what may be involved in the expedient of raising tails assays to stretch out the date by which new capacity may be needed to avoid any actual fuel gap.

The option even to consider this gimmick arises from the historical accident of AEC's considerable stockpile of uranium built up from policies in the 1950's encouraging uranium exploration. Many millions of dollars went into this stockpile. Later, when the apparent need for uranium subsided, the presence of the massive stockpile turned into a real threat to the viability of the uranium mining and milling industry. Some very clever persons suggested that the threat could be alleviated by raising the tails assay which produces the same amount of enrichment service for a lesser amount of power. There is a trade-off of uranium feed for electric power. But, if you assume the AEC enrichment complex continues to operate at the standard rather than the adjusted tails assay, there is no difference in actual cost to be reflected in the AEC's price of its product to customers.

However, Roy, under the circumstances you relate, jimmying the tails assay will not be done to keep the mining and milling industry alive, but for the purpose of delaying the required date for new private enrichment capacity. In the first case apparently nobody is being hurt so no one has raised the question of the legality of disposing of the uranium stockpile in this way or the legality of AEC's failure to recalculate its costs and, therefore, its charge to customers while operating under a changed mode. In the second case that inquiry will become increasingly pertinent in relation to the actual shortages of uranium (and therefore increased value of the stockpile) projected by George Quinn in his Phase I testimony. Further, the first case is one of juggling public assets for public purposes. The second case is one of expending a public asset, uranium feed, for the benefit of some private corporation's schedule for entering the enrichment business. Additionally, there are philosophical and economic ramifications to the problem of how much higher cost uranium should one plan to trade off during an energy shortage era for how much electric power to achieve what ultimate ends. Maybe you could furnish me some thoughts on these tails questions, along with any ideas on the legal question raised as to pricing the AEC's product.

It is not my purpose to be querulous in requesting the data I have asked for in this letter. Rather, it is my purpose to put the kinds of questions to you and your advisors which will dispel the hint of superficiality signalled by your letter.

After that, I really think that some detailed discussion with the President on this subject ought to be arranged. Your people all speak in his name and of such things as the President's policies, but we know that the contents of your letter to me are the views of you and your associates in your capacities as aids and subordinates of the President. I think that somewhere along the line the issue is quite important enough to justify so much of the President's personal time as may be necessary for him to fairly hear my views as well as yours and render the decision that is Constitutionally his.

With best personal regards,

Cordially,

CRAIG HOSMER,
Member of Congress.

ASSUMED INTENTIONS OF INDUSTRIAL PARTICIPANTS AND CONSORTIA

Will decide about building an enrichment plant sometime in 1974: GE/Exxon; Westinghouse/Union Carbide/Bechtel (UEA).

Want to sell centrifuges and components to someone else: Garrett; Goodyear; United Aircraft; Electro-Nucleonics/Hercules Powder/Burns & Roe.

Want to sell coal by building diffusion plant over coal mine: Reynold Metals.

Intention not yet subject to assumption: IT&T.

NEW U.S. ENRICHMENT CAPACITY REQUIREMENTS BEYOND AEC's EXISTING PLANTS

[In millions of separative work units per year]

	1983	1984	1985	1986	1987	1988	1989	1990	1990–95	1995–20	2000–05	2005–10	2010–15	2015–20
Annual	1.3	13.8	3.8	6.6	6.0	4.6	5.6	7.1	26.0	26.4	16.0	−3.2	−22	−35
Cumulative	1.3	15.1	18.9	25.5	31.5	36.1	41.7	48.8	74.8	101.2	117.2	114.0	92	57

From this exchange of correspondence, I conclude that there is loose and ambiguous kind of agreement between the administration's position and my beliefs in three general areas, as follows:

First, although a nuclear fuel gap could be avoided by heroic measures, if necessary, it is more intelligent to plan in advance for an orderly supply of enrichment capacity as needed to meet demand in order to avoid future nuclear fuel supply crises.

Second, in the interest of continuous U.S. competition in the world enrichment market, a nuclear fuel contracting gap should be avoided. The date by which a U.S. unity with capability to offer contracts to provide enrichment separative work for this purpose is now approximately mid-1975 instead of the latter part of 1974 as previously estimated by AEC. This is due to a general delay in installing nuclear reactors and the less than previously estimated capacity at which they are being operated.

Third, private enterprise should be encouraged and reasonably assisted to assume the burden of adding new capacity to meet new demands for separative work as soon as possible.

However, there exist divergencies between the administration's outlook on the future structure of the uranium enrichment industry and my own views on the subject which include the following:

First, whether private enterprise can move fast enough to supply new increments of enriching capacity totaling initially some 31.5 million units of separative work capacity which, according to AEC's calculations, must be installed in a period of just a little over 48 months. Assuming the two identified consortia—GE/Exxon and Westinghouse/Union Carbide/Bechtel—proceed to install 10 million units each during this period, another 11.5 m.s.w.u.'s still will have to be provided by them or someone else. Presently, no one is identified as seeking to pick up this business, and my conclusion is that it will go begging unless someone pleasantly surprises us.

Second, whether the meaning of private enterprise in the context used above means competitive private enterprise or just a duopoly consisting of the two named consortia. It is my feeling that a truly competitive economy is required to protect electric utility purchasers of separative work from the oppressions of monopolists, and to get enough companies in the centrifuge and enrichment component supply businesses to build a sufficient manufacturing base soon enough to get the relatively large amount of capacity installed during the mentioned 48-month period in the mid-1980's which will be needed to supply rapidly growing nuclear fuel needs.

GASOLINE SHORTAGE

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. HOGAN. Mr. Speaker, on July 10, the Mobil Oil Co., published an open letter in the Washington Post to Congressman GILBERT GUDE and myself. An identical copy of this letter was inserted in the CONGRESSIONAL RECORD of July 11, 1973, by Congressman MICHAEL HARRINGTON.

According to Mobil, political decisions produced the current shortage of gasoline.

Since this open letter contained Mobil's "facts" about the gasoline shortage, I wrote a letter to the Acting Administrator of the Environmental Protection Agency asking him to reply to the statements set forth in Mobil's letter.

Mr. Speaker, I would like to insert into the RECORD, my letter to the Environmental Protection Agency and the reply I received from the Acting Administrator, Mr. John Quarles:

JULY 26, 1973.

Hon. ROBERT W. FRI,
Acting Administrator, Environmental Protection Agency, Waterside Hall, Washington, D.C.

DEAR MR. ADMINISTRATOR: In *The Washington Post* of July 10, 1973 there appeared an open letter (advertisement) from Mobil Oil Company to Congressman Gilbert Gude and myself. This open letter appeared to be part of a nationwide press campaign. In the *Congressional Record* of July 11, 1973 there is the "open response" of Congressman Michael Harrington to Mobil Oil. Since the *Congressional Record* includes the wording of the advertisement and the response, I am enclosing a copy.

I have noted two trends which have arisen since the so-called "gasoline shortage". The first involved contracts for major users such as Prince George's County. The County found it necessary to drastically curtail consumption even for essential services such as trash collection and police vehicles. The County at the time was busing for racial balance the greatest number of students ever ordered by the U. S. Courts. Alternate supply sources have now been explored and, of course, the schools are currently in their summer vacation period. We cannot foresee what may happen in the fall when schools are reopened.

The other trend is the greatly increased price for gasoline on major contracts. Of lesser note was the effect of decreased supplies to the independents.

I will certainly appreciate your comments on the "open letter".

Sincerely,

LAWRENCE J. HOGAN,
Member of Congress.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., September 14, 1973.
Hon. LAWRENCE J. HOGAN,
House of Representatives,
Washington, D.C.

DEAR MR. HOGAN: Thank you for the opportunity to comment on Mobil Oil Corporation's Open Letter" to Members of Congress regarding the gasoline shortage. Without a doubt environmental considerations have become an important factor in energy decisions and will become increasingly more important in the days ahead. Through the balance of this century the public, directly and through their elected representatives, will be making many energy-environmental decisions. We will need all the facts we can get.

Mobil claims to set out facts. They do, but not all of them. And sometimes the omitted facts are the most important ones. Also, in many cases, a direct cause and effect relationship between the stated facts is subject to question. My first response to Mobil's assertions is "yes, but . . .".

Gasoline production is at an all-time high this year—as it has been almost every year since World War II. This year's increase in demand has not been as great as last year's, which was abnormally high, and refineries have been able to increase production to match the demand. In fact, for the first time in years, industrial stockpiles of gasoline are larger in August than they were in May.

There have been some shortages in gasoline in certain areas. These have not been caused because gasoline was in overall short supply, but because some companies did not have as much access to new crude supplies as others and were unable to meet the growth in demand. Many companies rely on domestic crude oil but need to buy imports because production is depleting in most domestic fields.

Secondly, since domestic refineries are running at full capacity, there is no incentive for refiners to cut prices, or sell at wholesale, in order to increase sales. With refineries in full production, the refiners are attempting to sell as much at retail as possible, so that maximum revenues and profits can be gained. The result is that independent marketers lose their sources of supply and shortages develop where consumers depend on independents.

Mobil contends that environmental considerations have barred offshore exploration activities and, in some cases, that is true. The public, and in turn the government which is accountable to the public, is apprehensive about offshore oil spills and well blow-outs because these events have occurred. The principal reason for this apprehension is that offshore production can be very harmful to the environment under certain circumstances, and can be benign under others. What is important is that every lease sale be evaluated in detail, as they now are, so that sales can continue if they are adjudged to be more beneficial than harmful.

The United States is going to need the oil and natural gas reserves in the outer continental shelf areas. In determining whether offshore drilling in any particular area is worth the risk, three factors should be considered: (1) the value of the area exposed to the risk in relation to the value of the potential reserves; (2) the stability of the geologic structure to be drilled into; and (3) the operating practices and performance of the companies seeking drilling rights. The greater the risk, the more stringent the U.S. Geological Survey operating rules and EPA permit requirements should be for offshore production.

Mobil blames environmentalists for delaying the development of Alaska's North Slope oil and gas reserves and exonerates the oil companies. The companies' original plan for moving the oil out of Alaska had many environmental deficiencies and was bound to engender opposition. The companies have modified their proposal to eliminate many of the deficiencies so that the transport system that is now planned is much stronger than the original one. Had the stronger plan been proposed in the first instance, much of the delay probably would have been avoided.

Mobil says environmental constraints have blocked the construction of refineries and ports for supertankers. Most of this opposition has been at the local level because, historically, refineries and tanker facilities have not always been good neighbors. Had the companies built and operated refineries and tanker facilities with proper environmental safeguards, there would have been less reason for the degree of local opposition which most large industry has encountered.

Mobil contends that pollution control equipment and convenience devices on automobiles are responsible for a large part of this year's increase in gasoline demand. Undeniably, emissions control devices reduce gasoline mileage for some cars. This loss has been about 10% for the average of all 1973 vehicles as compared with the average of all models for the last ten years without emission controls. Small cars have shown no loss at all, but large cars show losses up to 18%. But other factors have had an even greater impact. Air conditioning, in addition to adding to vehicle weight, can cut fuel mileage up to 20 percent depending upon weather and traffic conditions. Weight is another factor to be considered—a 5,000-pound car consumes twice as much gasoline as a 2,500-pound one and the trend has been towards heavier automobiles. Between 1962 and 1972, even with a rise in the number of American-made compacts, average domestic car weight increased from about 3,500 pounds to 3,850 pounds. The inclusion of an automatic transmission may also cause a fuel penalty. On the other hand, at least one American manufacturer expects to improve the gasoline mileage of new cars with the introduction of the 1975 catalytic emissions control systems.

By limiting the amounts of pollutants released into the community's atmosphere, control devices continuously provide a valuable social function. They are clearly necessities, not luxuries. Gasoline is being wasted by air conditioning, superfluous weight and automatic transmissions and other powered accessories, not by emissions controls.

The number of automobiles in the United States increases substantially every year. Cars are bigger and more powerful. There is a boom today in campers, off-road recreational vehicles and pleasure boating, all of which drain gasoline supplies. Americans do use too much gasoline but by no stretch of the imagination can pollution control devices be held accountable for a large part of the gasoline demand.

Mobil blames ill-advised government regulatory policies for the shortage of natural gas last winter which forced industrial plants to burn large quantities of heating oil, causing a shortage of that fuel for homeowners. The oil companies, in fact, were tripped up by their computers and the weather. According to their computers, the level of fuel oil inventory for the 1972–73 heating season did not need to be maintained at the same high level as the previous year. Unfortunately, the weather did not cooperate.

Mobil defends the oil industry against conspiracy accusations by saying that conspiracy requires secrecy and the oil industry operates in a fish bowl where secrecy is impossible. To conspire is to work together for a common objective; it need not be done secretly. The Federal Trade Commission has initiated legal proceedings to determine whether such a conspiracy has in fact occurred, as the FTC believes it has,

Mobil contends that: "Oil is one of the least-concentrated major industries in the world. No oil company supplies as much as nine percent of the U.S. gasoline market." True, there are thousands of oil producers but eight major companies easily dominate the industry. And as Secretary Shultz pointed out on his 1971 analysis of import quotas, the industry has the ability to manipulate data to reflect whatever situation it desires.

Mobil maintains that the major companies are not cutting off gasoline supplies to independent retailers. Yet in 1968 independents had 19 percent of all retail gasoline sales and by the end of 1972 this share had grown to 26 percent. Since January the sales by independents have dropped back to 19 percent.

The issues that Mobil raises are typical examples of how our fragmented way of developing new energy sources results in a bewildering exchange of energy thrusts and environmental parries. At a time which demands dispassionate analysis and sound judgment we seem instead to be getting escalated psychological warfare. We simply cannot afford the luxury of reflexive opposition, whether it be industry opposition to environmental regulation or environmental opposition to industrial development. Such behavoir only leads to conflicts which delay decisions, often for so long a time that the ultimate decision must be made between poorer alternatives than were available in the first instance.

If I can be of any assistance with specific inquiries, please let me know.

Sincerely,

John R. Quarles,
Acting Administrator.

CROCODILE TEARS BY SOME "FRIENDS" OF ANIMALS

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. GOODLING. Mr. Speaker, an article written by Roger Latham and appearing in the September 9, 1973, issue of the Pittsburgh Press is both factual and thought provoking.

The writer is not an "instant expert" in the field of ecology and conservation. This is indeed refreshing, because statements made by witnesses at hearings I attend are proof positive that we have far too many of this "instant" type of expert. They are far more emotional than factual.

I have known and been associated with Roger Latham in the field of conservation for a quarter of a century. He is an authority in the field of conservation and is recognized as such by organizations and individuals everywhere who are knowledgeable in this field.

I submit this very fine article to the Congressional Record and commend it to the attention of my colleagues:

Crocodile Tears by Some "Friends" of Animals

(By Roger Latham)

All my life I have "rescued" baby rabbits and other helpless mammals from dogs, cats and other predators, fed them milk from a bottle and carefully nurtured them until they were old enough to release.

I have done the same for birds. I have set many a broken wing on hawks and owls which had been shot by a farmer who just didn't know the error of his ways. I have gathered up nestlings and dropped worms, insects or meat down their throats for days on end.

I have raised more "orphan" fawns than most people have ever seen—as high as 75 in a single spring. And I have carried starving deer out of deep February and March snows.

My profession for more than 20 years was wildlife biology—a career dedicated to the protection, preservation and management of birds and mammals.

Yet in spite of this obvious concern for animal life, I find myself being "turned off" almost totally by certain individuals and organizations professing to be "friends of animals." I am convinced that most of the tears they shed for the poor, defenseless animals are crocodile tears.

For people who can't bear to see a baby seal killed for its valuable fur, they are mighty callous about the lives of other animals. I'm convinced that this is because skunks, opossums, weasels, minks, foxes and other furbearers, killed by the millions for their fur, are not sufficiently photogenic to arouse the check-writing instincts of wealthy dowagers.

I also wonder why their concern seems to be limited to animals, and only certain animals at that, when millions of humans are underfed and starving, miserable beyond all comprehension, and dying by the tens of thousands.

I am not even a little bit amused by their suggestion that hunters should hunt and kill each other instead of shooting poor defenseless animals. This sounds a little bloodthirsty for the kind of sympathetic souls they profess to be.

Neither am I amused by their obvious ignorance. Their propaganda, sent indiscriminately to the public, is loaded with un-truths, half-truths and downright lies. Some of their statements make professional wildlife biologists groan. Not one of these organizations I have in mind employ qualified biologists or ecologists.

But most of all, I condemn them for "dirty pool"—for being absolutely ruthless in their misguided and misdirected propaganda projects to dupe the public and raise more funds. They are often totally unethical and dishonest in their approach.

For example, the outrageous, slanderous film "Say Goodbye" is being distributed to libraries and school systems as an educational film. It is listed under the title "Man's Impact on the Environment—Wildlife."

Among the "lies" portrayed in this film is a horrible sequence showing a mother polar bear being shot by hunters from a helicopter. A great point is made that the poor twin cubs will now be left to starve.

Actually, the sequence was taken when game biologists were immobilizing the polar bear by using a tranquilizing gun. She was examined and ear-tagged while asleep and then restored to consciousness with a counteractive drug. Minutes later she walked off with her cubs, none the worse for her experience.

Even Walt Disney, that Hollywood personality who gave human emotions to animals, has been guilty over and over again of gross misrepresentation and prejudice. He has always pictured the hunter as the "bad guy," trying to kill Bambi's father, or Bambi himself for that matter.

He never cast the hunter as a sportsman or a conservationist in his films. Yet, it was the hunter and the hunter alone who was responsible for increasing the nation's deer from a few thousand at the turn of the century to a few million 20 or 30 years later. If it weren't for hunters, Bambi might never have been born!

Disney's favorite scene was the father deer with his lordly set of antlers, the mother deer, sweet and graceful with long eyelashes, and Bambi, beautiful innocent Bambi, with big sad eyes and spotted coat, all being pursued by mad, law-breaking, soulless hunters.

But anyone who knows anything about deer knows that there is no such thing as a deer family. The buck mates with as many as 8, 10 or more does in the fall and forgets them. He makes no effort to see any of his "wives" again, once the mating job is done. Certainly, he never knows whether he is a father or not.

Those who know deer also know that a buck has no antlers in the spring and summer when the fawns have spots. And they know that deer are not hunted anywhere at that time of year.

Yes, Walt Disney was guilty, too, even though I dislike condemning someone who was obviously talented. But he could have been honest and told it like it is.

This past winter, an article entitled "Hunting for Fun—Should We End It?" appeared in Science World—a weekly periodical circulated among the nation's secondary schools.

In one lead paragraph it read: "During the opening hours of the hunting season, thousands of shots may be fired. A few hundred of those shots may even hit deer. And, game wardens say, out of every five deer that are hit, one may be killed on the spot. What happens to the others?

"Wounded deer flee through the woods. Most of these hurt, terrified deer will die later—out of sight of the hunters."

This is the kind of garbage your children are reading—material written by someone who obviously never got closer to the deer woods, or a conservation officer, than a Park Avenue apartment.

Ecology Kit I from the Follett Publishing Company in Chicago is used by many schools. It flatly states: "Hunting is the biggest single threat to endangered species."

That is just as untrue as "Say Goodbye" and "Bambi." Sport hunting has never been the cause of the extinction of a single species.

Even the staid Wall Street Journal had an item by John E. Cooney with subheads as follows: "What's Beagling? It's Cheering As Beagles Rip Up Rabbits. And It's Great Family Fun."

Beaglers will gag on this one!

Don't misunderstand—there are highly respected organizations like World Wildlife Fund, Wildlife Management Institute, National Wildlife Federation and others which are legitimate and are doing wonderful work. But their activities and programs are directed by scientist-conservationists, not by emotional sentimentalists.

Against these latter unethical and uninformed people, I would like to see the sportsmen of this country rise up and shout "Foul!"

A BILL TO INCREASE THE MAXIMUM PER DIEM ALLOWANCE FOR EMPLOYEES OF THE GOVERNMENT TRAVELING IN OFFICIAL BUSINESS, AND FOR OTHER PURPOSES

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, I introduced a bill, H.R. 10539 on September 26, 1973, to increase the per diem allowance for employees of the Government traveling on official business, to include experts and consultants and individuals serving without pay.

This bill would provide a per diem allowance of $35 per day for travel inside the continental United States. This allowance is currently established at $25 per day, which simply is inadequate to cover the costs for quarters, meals, and incidentals for today's traveler. When the maximum per diem allowance would be much less than expenses due to unusual circumstances of the travel assignment, this maximum named in the travel authorization may not exceed—$55 for each day in a travel status inside the continental United States—current authorization is $40 per day—the maximum per diem allowance plus $33 for each day—increased from $18 each day— in a travel status outside the continental United States.

Mr. Speaker, the last increase in per diem allowance was authorized in November 1969. I need not remind my colleagues of the rising cost of living, particularly severe during the period of time since the last per diem increase was authorized. When we consider this factor, along with the realization that many employees of the Government traveling on official business must now obviously defray expenses from out of pocket, it would seem to me that it is our responsibility to correct this inequity at the earliest possible date.

Mr. Speaker, I believe this a good bill and overdue. I urge its enactment.

WILDLIFE CONFLICT IN THE WICHITAS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the CONGRESSIONAL RECORD an excellent editorial entitled "Wildlife Conflict in the Wichitas" by Mr. Bill Foster appearing in the Tulsa, Okla., Tribune of Wednesday, August 15, 1973.

WILDLIFE CONFLICT IN THE WICHITAS

(By Bill Foster)

MEERS.—"I'll tell you one thing for sure," Roger Johnson said as we sat watching a covey of young quail dusting themselves in the warm sunshine. "We're not going to make another Yellowstone Park out of this place. If that happens, you can bet the Bureau of Sport Fisheries and Wildlife won't be here."

As manager of the Wichita Mountains Wildlife Refuge adjacent to this small farming and ranching community 25 miles northwest of Lawton, Johnson has been at the center of the most heated policy controversy over the use of this 59,020-acre wildlife sanctuary since the mid-1950s when more than 10,000 acres of prime habitat were lopped off the refuge to create a safety zone to protect visitors from the big guns at nearby Fort Sill.

That drive was led by citizens of Lawton who felt their city faced economic disaster unless the firing range at the Field Artillery Center was expanded. "Who gives a damn about a few deer," was the often heard argument up and down the town's main streets.

Today, nearly two decades later, the issue is different. This time it is public use of approximately 20,000 acres, some of which has been abused almost to the point of being damaged beyond repair.

"This is a unique area," Johnson points out. "There is not another place like it in Oklahoma or northern Texas."

"The deer, the elk, the buffaloes, the longhorns and the wild lands we have here need to be preserved in as near a natural state as possible. We also need to leave some decisions for future generations. If we allow the land to be destroyed in the name of public recreation or for any other reason, there won't be any decisions left to be made."

And it is the partial elimination of non-wildlife oriented recreation—particularly swimming and camping—that has brought a storm of protests from local folk whom Johnson feels sometimes lose sight of the primary function of the refuge.

To date, he has closed four small recreation sites, primarily because there were no sanitary facilities at any of them. Two beaches which were closed accounted for only 34 percent of the swimimng use during 1972.

"I think our (the bureau's) biggest failure has been to recognize there is a capacity for people on the refuge and we've attempted to accept all forms of use that are even remotely permissible on such an area.

"We find now that because of spacial, resource and monetary considerations we have to initiate some controls to bring the people use of the refuge into balance with the capacity to handle visitors."

The first time more than a million persons visited the refuge in a single year was 1962. That figure climbed steadily until it reached a high of 1.5 million in 1968. In recent years, the number of visitors declined to 1.3 million annually with the exception of last year when it was back at the one million mark.

Johnson says days of peak use create major difficulties and adds he feels this is partially the reason for the decline in visitors, 69 per cent of which come from out of state.

"People come here to enjoy the wildlife and to escape the pressures of modern living. Instead, they find pressures in the form of mechanized camping, traffic jams and overcrowding."

There are 10 campgrounds on the refuge, none of which have electrical hookups and even the best would have to be classified as primitive.

The biggest problems, however, come under a classification Johnson calls "Other Use," which includes nighttime activities not associated with any of the refuge's major uses. This includes beer parties, drug use and other anti-social and criminal behavior.

Johnson says there are four categories of use best suited for the refuge's role in serving the public. They are basic and applied research in terms of wildlife management and public use; environmental education in which the refuge serves as an outdoor classroom, interpretation of wildlife and wild lands and fishing, hunting of surplus game populations and wildlife observation.

Already, programs are being initiated to bring the public use into line with wildlife oriented themes. The first will begin in September with a series of 13 guided tours to view bugling elk. Additional programs are being arranged for each month of the year.

The refuge was set aside in 1901 as a forest preserve but became a game sanctuary in 1905 when it became apparent that unless remedial measures were taken promptly the bison would become extinct. Over the years, additional species native to the area were added.

Between 1945 and 1965 some 4,222 deer were trapped and transported to other areas of the state. These animals served as foundation stock for many of the state's present deer herds.

The future role of the refuge rests in the hands of the Oklahoma congressional delegation and Sec. of Interior Rogers C. B. Morton. Petitions with names of more than 7,000 persons have already been sent to the congressional delegation asking that camping and swimming activities not only be maintained at the present level but increased.

And who cares about the damage or loss of a few more thousand acres of unique prairie and mountain country, especially if you don't give a damn about wildlife?

THE LIFE OF TOM VAIL

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. SCHNEEBELI. Mr. Speaker, measured chronologically, the life of Tom Vail was a short one. But in terms of accomplishments, personal, and professional, it was full and rich. Few men who have lived twice as long have achieved half as much.

During more than two decades of congressional service as a member of the staff of the Joint Committee on Internal Revenue Taxation and as counsel to the Senate Finance Committee, Mr. Vail contributed importantly to the development of legislation which has improved the lives of many millions of Americans. Our Nation's tax, trade, social security, medicare, and medicaid laws are better statutes because of him.

At critical points in the course of such measures through the congressional process, he was often a calm force in a legislative storm. He had a justifiable reputation for keeping a cool head in the midst of controversy and a firm grip on key issues. He set a high standard in staff performance.

I know that I speak for all Members of the House who had dealings with him when I say that his passing will be felt throughout the Congress.

My entire family joins me in extending our deepest sympathy to Mr. Vail's family.

THE MURDER OF A LITTLE GIRL

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. GUNTER. Mr. Speaker, my constituent and friend, Samuel Roen, has recently written a book entitled, "Murder of a Little Girl." It is a meticulous and artful compilation of the facts surrounding a heinous crime, which I vividly recall, committed in central Florida. This book is well worth reading by every American who wants to be aware of the problems that exist in our communities—problems, which as responsible citizens, we must face up to and eliminate.

I commend the following article from the New Orleans Time-Picayune to my colleagues so that they may have a better understanding of this important work:

[From The Times-Picayune, Aug. 19, 1973]

MOLESTERS ARE SAID CAPABLE OF MURDER

(By Don Gross)

The same "criminal mind" inclined to sexually molest young children is behind the recently disclosed "homosexual torture ring" in Houston, Tex., according to a contemporary author.

Samuel Roen, author of the soon-to-be released "Murder of a Little Girl," said in a recent interview that American society is riddled with sexual deviates, fondlers, exposers, and peepers who prey on young children.

"When backed into a mental corner, these kinds of deviates will try to alleviate their tensions through a sexually related murder," he said. "There is an emotional disturbance in this type of person that receives sexual gratification from heinous activities," he added.

Roen paralleled the Houston murders with the story line of his new book, a true record of the celebrated 1969 murder of eight-year-old Camellia Jo Hand in Ocoee, Fla.

Roen spent three years studying the murder of the young girl as well as the police manhunt, arrest, and trial that led to the conviction of the murderer.

He has written a book that reveals the motives and background of this man while relating the incidents surrounding the case.

Kenneth Ray Wright, now serving a life sentence in a Florida penitentiary, had a criminal record from the time he was 14 years before the Ocoee murder at age 29.

"His life story is one incident of lesser crimes after another," Roen said. "He exposed himself publicly, forced himself into homes where he then exposed himself, and kept a Volkswagen van in a vacant lot into which he tried to lure passing girls."

"Every police station in this United States has reams of complaints about this type of person who is running around loose," Roen said. These small incidents are indications of the type of person who is driven to commit sexual murders, he added.

"Society is guilty of hiding this type of criminal. Rather than putting him into jail, he is ordered to leave town—just ordered out of one community and into another," he said.

A young girl or boy is an attraction for this kind of mind because the child offers no resistance or is incapable of resisting, Roen noted.

But what makes it so frustrating to deal with is that society presently has no way of detecting this kind of criminal before he commits his crime. Neither can increased police protection serve to prevent it.

In Roen's view, only "total awareness" can protect society against that type of criminal. Parents should know the whereabouts of their children at all times and the children should never be allowed to go out of their immediate neighborhoods by themselves.

He said parents should advise their children of dangers from strangers "not in brutally frank language, but in a way they can understand."

"Children can be taught to be observant and notify their parents of persons who are hanging around a schoolyard or are unknown in the neighborhood. They can be told to jot down the license plate numbers of suspicious vehicles," he said.

The presence of these strangers is often the prelude to a crime or an abduction, because sexual criminals will often case an area before taking any action.

Roen said he thinks his book will have a great impact because it is being released at a time when there is great interest in crime and sexual murders.

He hopes it will shock the public into greater awareness of these "most horrible crimes."

"My book is not really the story of the murder of one little girl, but the story of the murders of all little girls and little boys throughout our nation," the author said.

RE CLINTON COW CHIP THROWING CONTEST

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. SHOUP. Mr. Speaker, with the summer's harvest in, Montanan's find it a time of gaiety and relaxation. Sometimes they engage in ligthhearted diversions which may seem like tales from the Old Wild West. One such celebration took place in the tiny town of Clinton, Mont., in the heart of Montana's cattle country. The event was the first annual Clinton Cow Chip Throwing Contest; where mighty men came from miles around to hurl droppings, baked to a golden crisp in the summer's sun. Throwing form was of no concern, and the rule was simple: The best throw wins the bull-throwing title. Needless to say the talented group got a feel for the sport right off and soon learned that yesterday's grass belonged where it landed.

With the permission of the town fathers of Clinton, I propose to enlarge next year's field and divided it into professional and amateur ranks. I would invite Members of Congress, old hands at tossing the bull, to compete in the ranks of the professionals and invite other contestants to join in the festivity as amateurs. I would not guarantee that Congressmen and Senators would log the best throws, but they would be at the top of the heap when it came to shooting the bull. I would propose also to the Clinton town fathers to rename the event First Annual Pro-Am Clinton Cow Chip and Bull Shootin' match.

I would urge Members of Congress to reserve a date on their calendars and come to Clinton next fall and give it a fling. Please, no practice is needed.

PORT OF BOSTON

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BURKE of Massachusetts. Mr. Speaker, I rise today because I am deeply upset that the Port of Boston was denied the status of a "most-favored port," under an October 1972 agreement between the United States and the U.S.S.R. Today I am announcing a renewed and expanded effort to urge the Nixon administration to reconsider its arbitrary and discriminatory position regarding the current "underprivileged" status of the Boston Port.

According to the Agreement Regarding Certain Maritime Matters which was negotiated between the United States and the U.S.S.R. in October 1972, President Nixon, by virtue of his authority to make "Executive agreements," designated 40 ports in the United States as "most-favored ports." The status of "most-favored port" allows these special ports to forego much of the regular redtape and other governmental regulations, thus offering special incentives for attracting and expanding their commercial activities with Soviet shipping vessels.

Unfortunately, the Port of Boston was denied the status of "most-favored port" by the President, resulting in an increase in business for those ports given the special status, while economically hurting and limiting the commercial vitality of the Boston Port. The total spill-over effect on the already dismal economic situation of the New England economy will only help to make the economic picture of the entire metropolitan Boston area and all of New England more dim and bleak.

Thus, while many Soviet ships sail up the St. Lawrence Seaway on their way to "favored ports" in the Midwest, the Port of Boston is totally removed and untouched by the new economic activity generated by increased commercial trade with the Soviet Union.

Because I am already concerned about the depressed economic situation of the Boston and larger New England area, I feel that the situation will not improve in the foreseeable future until the President and the administration reconsider the present "underprivileged" status of the Port of Boston and give the Boston port its place alongside the many other great ports in this Nation. This will only happen when "most favored" status is conferred upon the Boston port, which can only be done by the President.

The President must allow the Port of Boston the opportunity to expand its commercial activities without suffering from the arbitrary regulations and prohibitions which the Port of Boston is now forced to cope with.

With regard to this distressing fact, I have transmitted my deep concern to the Secretary of the Treasury, George P. Shultz and the Secretary of Commerce, Frederick B. Dent, both of whom are presently in the Soviet Union to negotiate further trade accords with Soviet officials. I hope that the American officials participating in the negotiations will make every effort to see that the Port of Boston is included in any and all negotiations concerning new and increased trade with the Soviet Union.

In addition to communicating with the Secretary of Commerce and the Secretary of the Treasury, I have also expressed my deep concern to the President of the United States, Richard M. Nixon, the Secretary of State, Dr. Henry A. Kissinger, and the Secretary of Defense, James R. Schlesinger. I stand ready to meet with the President and the various members of his Cabinet at any time in an effort to obtain "favored status" for the Port of Boston and thus enable the Port of Boston to attract new economic activity vital to Boston and New England.

Following is the text of the letter I have written to the President and to the Secretaries of State, Commerce, Defense, and Treasury, requesting that the administration extend favored port treatment to the Port of Boston. Also included for the RECORD is the October 1, 1973, Boston Globe article detailing the "underprivileged" status accorded the Port of Boston by the present administration's policies:

DEAR MR. PRESIDENT: I write to you concerning a matter of extreme importance and grave concern to the people who work and live in Boston and the surrounding area. I refer to the Agreement Regarding Certain Maritime Matters which was signed in October of 1972 by representatives of the United States and the Union of Soviet Socialist Republics.

Under the terms of this agreement, which, by virtue of it being an Executive Agreement, was negotiated solely by the President of the United States, with neither formal debate nor the concurrence of either House of Congress, a set of "most favored ports" in both the United States and the Soviet Union were declared open to regular merchant traffic from the other side. Unfortunately, the Port of Boston was not included as one of the forty "most favored ports" in the United States. This distressing fact will, I believe, have serious ramifications upon the economy and the economic development of the Boston area, and will further contribute to the economic decline of the overall New England area. This is a matter of grave concern to me and to my constituents, and to the many people who work and live in the Boston area. The refusal to designate the Port of Boston as a "favored port" will only contribute to a more dreary and bleak economic picture for New England in the future.

It is a well-known fact that the unemployment rate for the Boston area is significantly higher than the overall unemployment rate for the rest of the United States. The current rate of unemployment in Massachusetts is approximately 6.9 percent, compared to 4.8 percent unemployment in the rest of the country. When broken down for specific localities, the figures become even more depressing. For example: The rate of unemployment for the City of Quincy is 10.2 percent; for Brockton, 10.7 percent; for Fall River, 9.5 percent; for New Bedford, 9.8 percent; and for Lowell, 11.7 percent. As you can see, such figures are significantly higher than the national average and can not help but harm the economy and livelihood of thousands of workers in the Boston Metropolitan area.

With the impending closure of the Boston Naval Shipyard, the layoffs currently increasing with each passing day along the Route 128 industrial complex (due in large part to cutbacks in defense-related research and production), plus the recent reduction in new contracts for the General Dynamics Shipyard in Quincy, there is now the possibility that there will be more than 20,000 jobs lost in Massachusetts at a time when 190,000 Commonwealth residents are already receiving unemployment compensation. This poses an extremely difficult situation for those in government and the private sector who have been trying to stabilize employment while encouraging economic development in the Commonwealth.

To highlight these facts, I refer to a section of the report of the "Impact of Defense Cutbacks on American Communities" as prepared by the President's Economic Adjustment Committee and submitted to the Congress in July of this year:

"The Boston unemployment rate at the time of the April closure announcement was 5.7 percent, which was above the National average of 5.0 percent for the month. The latest (May, 1973) Boston SMSA unemployment rate is 6.0 percent, or one percent above the nationwide average. . . . The unemployment rate for the City of Boston itself registered 8.1 percent for April, and increased to 8.5 percent for May. Unemployment within the City is compounded by the difficulty of attracting low skill jobs back into the city. Even though only one in four shipyard employees reside in the City, the job loss impact of the shipyard closure to the City will be more significant, due to its incremental effect on the already high City unemployment rate."

The Boston area is in serious economic difficulty. The overall economic picture of the entire New England area cannot help but be affected.

The most tragic fact in all this is that the Boston area has the facilities and the manpower to renew and increase economic activity in the area. Unfortunately, most of these resources are ignored, to the detriment of the citizens who live and work in the area.

I now address myself to the Maritime Agreement mentioned in the introduction of this letter. As was previously stated, the Port of Boston was not included as one of the forty "most favored ports" open to Soviet trade and commerce. To me, this makes absolutely no sense at all.

First of all, it is evident that Boston is closer to the Soviet Union than all the inner seaway ports granted "most favored" status. Many of the ports included in the agreement (for example; ports in Wisconsin, Ohio, and Michigan) are at least an extra 4–5 sailing days from the Soviet Union. In addition, the closest "favored port" to New England is the Port of New York/New Jersey. Thus, New Englanders are forced to pay additional transportation costs just to get their goods transported to Boston, when these very same goods could be transported directly to the Port of Boston at a much lower shipping rate. The value of this would be to reduce the purchase price of the goods shipped. It would also provide an economic activity which would help to reduce the rate of unemployment, reduce the purchase price of many goods for the New England consumer, and help to increase the overall economic activity throughout the New England area.

Secondly, the Port of Boston offers some of the most modern facilities for the loading and unloading of cargo vessels available on the eastern seaboard. In recent years the innovative concept of the containerized handling of cargo goods has been developed and implemented with outstanding results achieved. Today, three highspeed container cranes with a combined ability to handle 90 containers an hour stand as tangible evidence of the commercial vitality of the Port of Boston. Just three years ago, the Port shipped or received 2,315 containers, while a total of 65,000 containers were handled during the 1972 calendar year. The Port of Boston has also made a substantial effort to maximize the potential of its other maritime facilities. Commonwealth Pier, Boston's major passenger ship facility, is appearing with increasing frequency on the logs of foreign passenger ships. In 1972, nearly 33,000 ship passengers used the pier—up dramatically from just over 4,000 passengers only five years ago. Also, facilities for the importing and storage of automobiles from foreign manufacturers have been expanded, with the net result of lower transportation costs for New England consumers.

A third major factor which strengthens the argument for adding Boston to the list of "most favored ports" is the fact that immediately adjacent to Boston Harbor, there are some of the most advanced shipbuilding and repair facilities to be found anywhere in the world. With proper arrangement, it would be possible to unload cargo and also schedule repairs, which, when done within the local area, would provide jobs and further opportunities for increased economic activity, as well as providing for cheaper repair costs, due to the proximity of the repair yard.

In conclusion, it is a well known fact that the Boston area is suffering from a reduction in economic activity. But it is also clear that many facilities vital to increased economic activity already exist—they only have to be properly utilized. The Port of Boston is a striking example of a facility which could be more fully utilized if given the opportunity to expand its levels of economic activity which would, I believe, further aid the acceleration of economic development within the entire Metropolitan Boston area, and no doubt have a positive spill-over effect on the economy of the entire New England area.

The Port of Boston deserves, and should be granted, its right to enter into new commercial activity now being undertaken with the Soviet Union. The Port of Boston should, at the very least, be allowed to compete for its fair share of commercial trade rather than be forced to suffer from the prohibitions and restrictions which it is now forced to cope with.

Now it may be said that Soviet pressures prohibited the Administration from granting a more favorable status to the Port of Boston. In fact, it is my understanding that U.S. Government officials have proclaimed rather vigorously that the United States stands ready to expand the list of most favored ports—but only when the Soviets are willing to reciprocate. Why not open the Port of Boston to Soviet vessels on a favored port basis regardless of any concessions on the part of the Soviet Union? If they do not wish to use the Port of Boston, so be it. But, at least give the Port of Boston a chance to attract new business—that is all I ask.

By discriminating against the Port of Boston by prohibiting the handling of Soviet cargo while allowing forty other U.S. ports to do so, the people of Boston and New England have been hurt. I urge that this matter be reconsidered as soon as possible and it is my hope that the Port of Boston can be given its place next to the many other great ports of our nation.

I would be most happy to meet with you any time you may deem convenient to further discuss this matter, which is of serious concern to me and, indeed, the entire New England region.

Sincerely,

James A. Burke,
Member of Congress.

Representative Burke Wants Hub on "Most Favored" List for Soviet Ships

(By Martin F. Nolan)

Washington.—U.S. Rep. James A. Burke (D-Milton) asked President Nixon yesterday to end "the underprivileged status" of the Port of Boston and add Boston to the list of 40 "most favored ports" for trade with the Soviet Union.

Burke, in a letter to the President and to several cabinet mmebers, asked that Boston "at least be given a chance to attract new business" from the increased trade between the Soviet Union and the United States.

Burke said that in the agreement between the two powers signed in October 1972, "the Port of Boston was not included as one of the 40 'most favored ports' opened to Soviet trade and commerce. To me, this makes absolutely no sense at all.

"First of all, it is evident that Boston is closer to the Soviet Union than all the inner seaway ports granted 'most favored' status. Many of the ports included in the agreement—for example, ports in Wisconsin, Ohio and Michigan—are at least an extra four to five sailings days from the Soviet Union."

The St. Lawrence Seaway Development Corp. announced two weeks ago that it expected 120 Soviet vessels to use the inland waterway next year. The Port of Boston expects 12 visits from Soviet ships.

"It is my understanding that U.S. Government officials have proclaimed rather vigorously that the United States stands ready to expand the list of 'most favored' ports," Burke said. "But only when the Soviets are willing to reciprocate.

"Why not open the Port of Boston to Soviet vessels on a favored port basis regardless of any concessions on the part of the Soviet Union? If they do not wish to use the Port of Boston, so be it," said Burke.

Burke said Boston port facilities include "some of the most modern facilities for the loading and unloading of cargo vessels available on the Eastern seaboard, including the innovative concept of the containerized handling of cargo."

He added that "immediately adjacent to Boston Harbor, there are some of the most advanced ship building and repair facilities to be found anywhere in the world. With proper arrangement, it would be possible to unload cargo and also schedule repairs, which, when done within the local area, would provide jobs and further opportunities for increased economic activity."

Citing some Defense Dept. statistics on the cost of defense cutbacks to local economies, Burke said "the current rate of unemployment in Massachusetts is approximately 6.9 percent, compared to 4.8 percent unemployment in the rest of the country . . . With the impending closure of the Boston Naval Shipyard, the layoffs currently increasing" with each passing day along the Rte. 128 industrial complex, plus the recent reduction in new contracts for the General Dynamics shipyard in Quincy, there is now the possibility that there will be more than 20,000 jobs lost in Massachusetts at a time when 190,000 Commonwealth residents are already receiving unemployment compensation."

"This is a matter of grave concern to me and my constituents and to the many people who work and live in the Boston area," Burke said. He is seeking a meeting with Administration officials on the subject.

"The refusal to designate the Port of Boston as a 'favored port' will only contribute to a more dreary and bleak economic picture for New England in the future."

SURVEY OF RETAIL FOOD PRICES

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ZWACH. Mr. Speaker, parity for the month of August was at 102 percent. That is the highest it has been for more than 20 years, but when our producers were starting to get a fair return for their labor and investment, there was an instant outcry that the price of food was too high.

Parity for September dropped to 95 percent, a 7-percent decline, but the over-the-counter cost of food to the consumer did not reflect a similar decrease.

Mr. Speaker, I have said this before, food is a bargain here in America.

With your permission, and as a reminder to my colleagues, I would like to insert into the Congressional Record an article from Farm Profit magazine which tabulates the costs of food items in selected cities throughout the world.

As Baxter Freese, president of the Iowa Cattlemen's Association said:

> There's something wrong when the world's best paid people can't afford the world's lowest and best priced food.

Survey of Retail Food Prices

For years, farmers have been telling consumers food is a bargain. And it has been.

While we Americans have been spending 16.7% of our disposable income for food, the Japanese were spending 27.4%, the Italians 29.3% and the British a whopping 31.3%. Subtract what we pay extra to have our food pre-packaged, pre-cooked and prettied up and the gap is even wider.

Problem is consumers happen to like bargains and they complain loudly whenever there is a penny-a-pound increase in price. So, maybe it's time to try a new psychology—and tell the consumers they need to start paying more for food.

When food shortages do crop up, maybe it's time we also point out to consumers that they had a hand in it. It was the pressure from them that forced Washington to impose a ceiling on food prices last June . . . the thing some economists blame for the livestock profit squeeze.

Food prices were at all-time highs. Packers were unable to bid up livestock prices much above what the processed meat ceiling dictated. That left livestock men with two alternatives—feed at a loss or cut back. Supply projections for meat, milk and eggs show they decided to cut back.

EATING HIGHER OFF THE HOG

Iowa State swine specialist E. J. Stevermer estimates it would have taken live hog prices of $41 per cwt. or better this summer to encourage herd expansion . . . $1 to $3 above what they actually were.

He figures it this way: back when hogs were selling for $20 and production costs were running $16 per cwt., producers were getting out of the business rather than expanding.

This summer, pork cost $36 per cwt. to produce. But now it would take at least a $5 profit mark-up to encourage more production, since cash grain farming is more feasible and attractive than it was then.

WHO'S BEEN EATING MY EFFICIENCY?

Only reason consumers have been able to get by with such small food bills is because farmers' increased efficiency. Output per man-hour on the farm is 3.1 times higher than what it was 20 years ago . . . nearly twice the increase of manufacturing industries.

In almost any other segment of the economy, such gains would have led to more comfortable profit margins. But on the farm, it was necessary to survive. Production costs more than doubled during those 20 years, while produce prices rose only 12 percent.

Problem is there's a limit to efficiency. And this summer, there was a limit to the prices farmers could get.

SURVEY OF RETAIL FOOD PRICES IN SELECTED CITIES EARLY MAY 1973

[In U.S. dollars per pound, converted at June exchange rates]

	Sirloin steak	Chuck roast	Pork chops	Ham, cured, whole	Bacon, sliced, packaged	Eggs, large, dozen	Butter
Bonn	3.84	2.08	1.46	2.85	2.75	0.97	1.27
Brussels	2.78	1.69	1.57	2.87	1.08	.99	1.31
London	2.59	1.42	1.27	1.42	.75	.37	.57
Paris	2.29	1.12	1.54	3.48	3.09	.93	1.40
Rome	2.88	2.22	1.81	3.16	1.42	.76	1.09
Stockholm	4.03	1.90	2.10	2.59	1.91	1.13	2.10
Tokyo	12.86	6.26	2.49	3.09	2.74	.78	1.40
Washington, D.C.	1.79	1.29	1.55	1.05	.99	.69	.77

THINGS COULD BE WORSE

There's one consolation in this whole mess—you can be glad you're not the President. He's got 200 million consumers clammering about high food costs plus an international trade deficit to make up. And the two just don't mix (unless we subsidize consumers—more than we already are).

Reason: the world market is telling us our food is worth more than we are paying. Weather and crop shortages around the world have no doubt boosted prices for feed grains and soybeans. But so has increased world demand.

As other people's incomes have risen, they've chosen to spend it on tastier protein sources—namely meat—and they have proved their willingness to pay.

Only way to block out the influence of world prices is to keep our products off the world market. This could be disastrous to our trade balance . . . we still need to import oil while feed grains and soybeans are among the few competitive products we have to sell.

Our trade balance itself might be an indication our food expenditures are out of line with the rest of the world. Cheap food means we have more money to spend on second cars and third televisions—one of the reasons for our trade deficit in the first place. That's led to devaluations of the dollar, further snowballing would demand for our food.

On top of that, the Administration can't knock the high prices our beans and grain are fetching. Forty percent of the $3.3 billion agricultural exports contributed to our trade balance last year was the result of higher prices.

In short, we can't have cheap food and still have adequate supplies. And we can't pay less than the rest of the world wants to pay and still export enough to balance our international trade ledger.

That may be a little tough for consumers to chew at first. But consider this: In Uruguay, the government imposed a 4-month ban on beef consumption last year, just so there'd be some beef to export. Compared to that, steak at almost any price is cheap.

THOMAS L. C. VAIL

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mrs. GRIFFITHS. Mr. Speaker, Members of the House share in the loss of Tom Vail, chief counsel of the Senate Finance Committee. His untimely passing is a loss not only to Congress but the people of this Nation. Those of us who had opportunity to know and work with him in connection with his post on the Finance Committee as well as his previous service on the Joint Committee on Internal Revenue Taxation had the greatest respect for his integrity and intelligence. His brilliance was unsurpassed, particularly in the complicated field of taxation.

Tom was a dedicated man. He brought clarity of understanding when technicalities seemed to cloud all possibility. He brought solution when it seemed there was none.

Many Americans never will have heard the name, Tom Vail. Yet, he was as much a part of the process that molded the great legislative programs of the last two decades as some of our most famous political names.

To all of us who knew him, Tom was a loyal and faithful public servant. There is no higher tribute in government. My deepest sympathies are extended to his loved ones.

THE RIGHT TO LIFE

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. RONCALLO of New York. Mr. Speaker, at their national convention, recently held here in Washington, the Young Americans for Freedom passed a succinct resolution calling for a reversal of the Supreme Court's decision to permit most elective abortions without restriction. The YAF now numbers some 60,000 members nationally and 8,000 in my home State of New York. The youth of our land have spoken out to protect the rights of future youths who would otherwise never have the chance to enjoy the benefits of our great country.

The only way to protect these unborn lives is by constitutional amendment, and certainly there is sufficient support in the House to merit a full consideration of the issue. The Judiciary Committee, however, has so far refused to hold hearings on the several resolutions introduced. I urge all of my colleagues, regardless of their current views on abortion to sign Congressman HOGAN's discharge petition so that after full debate the will of the House may be determined.

The YAF resolution follows:

THE RIGHT TO LIFE

In recent years, American attitudes toward human life seem to have undergone a subtle and frightening change. Abortion, euthanasia, and involuntary sterilization have a new respectability.

Any remedy short of equal protection for life from the moment of conception is philosophically, morally, and medically untenable. An innocent human being cannot be declared a non-person at will and killed if his existence is inconvenient or uncomfortable to others, or if others consider the individual unfit to live. Based on this criteria, the right to life can be and must be defined by legislative processes and exceptions limited only to the greatest cases of peril to the lives of others.

Young Americans for Freedom demands a reversal of the Supreme Court's invasion into the legislative process. There is no Constitutional "right to abort." The Court has brushed aside the crux of the issue, the question of and controversy over whether or not a fetus is from conception a human life. When millions of Americans believe that it is, a Court that mandates nationwide legalized abortion is seen as a betrayer, not a protector, of fundamental Constitutional rights.

NEW EASTERN DIVISION OF THE WEST JERSEY HOSPITAL, VOORHEES TOWNSHIP, N.J.

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. HUNT. Mr. Speaker, on September 8, 1973, it was my privilege to deliver the dedication address at the new Eastern Division of the West Jersey Hospital, located in Voorhees Township, N.J. Unlike so many of today's planned buildings, the hospital is situated in a lovely, rural setting with spacious grounds. This hospital is more than just beds and bandages—it is a school, restaurant, drug store, laboratory, laundry, hotel, and library. It is an unusual assemblage of people from all over the world—people with varied interests, education, languages, and heritage. It is the third largest employer in Camden County, providing a wide variety of careers to over 1,700 area residents. It houses some of the most sophisticated equipment devised by man and when totally completed, will accommodate 296 beds.

To touch a little on background—the West Jersey Hospital opened in Camden, N.J., about 87 years ago. Its contribution to medical science and assistance to the ill has always been one of Camden's shining lights. In 1966 the Southern Division of the hospital was opened at Berlin, N.J., and now we have the new Eastern Division with all its fine facilities added to a nonprofit institution in Voorhees Township, N.J. Not one penny of Federal funds has been used to erect the building nor buy the equipment that makes up this most outstanding hospital. In this day and age when everyone thinks Uncle Sam is a money tree, credit must be given to those people who have worked long and diligently in the field of private enterprise for the good for all mankind without asking for a handout. Much credit must be given to W. Robert Davis, chairman of the Board of Trustees; Barry D. Brown, president of the West Jersey Hospital, Jack O. Owen, president of the New Jersey Hospital Association, and Dr. William V. McDonnell, vice president of Medical Affairs of the West Jersey Hospital, to name but a few. Space permitting, I could go on and on listing names of persons who have done so much to make this great institution possible—the nursing staff, the ladies auxiliary of the West Jersey Hospital, and volunteer canvassers who helped raise the funds to build the institution. Vast numbers of people have performed in excellent fashion to bring this project to fruition.

I, JOHN E. HUNT, today in the House of Representatives, doff my hat to each and every individual who has made this great facility possible for a job well done and an effort which will long be remembered.

WATERGATE'S TV DEMISE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. HUNT. Mr. Speaker, on Wednesday, September 26, Mr. Patrick Buchanan, Special Consultant to the President, gave the Watergate Committee a "refresher" lesson in campaign activities. From all indications, the committee was not only refreshed, but stunned by his wealth of knowledge regarding these activities.

Mincing no words, Mr. Buchanan laid it all on the table. Stunned and off balance, the committee recognized that what they were hearing they had known all along. The Republicans do not have a corner on campaign tricks, but were merely doing what had been long ago recognized by the Democrats as being accepted practice.

Apparently fearing that their credibility would be further harmed, the lights of the cameras were dimmed, and the Watergate Committee's hearings became daytime TV history. Buchanan may have provided the "coup de grace."

A REALISTIC ASSESSMENT

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. ROBISON of New York. Mr. Speaker, the Wall Street Journal on Wednesday, September 26 published an editorial and an exchange of letters which placed the seeming controversy over expenditures at Presidential homes in Key Biscayne and San Clemente in proper perspective. They are worthy of consideration by the House, and I offer them in the hope that they will help create a better understanding of the circumstances surrounding this entire situation:

A NON-STORY

Today we are printing certain documents concerning the spending on President Nixon's homes. We note that the subject has more or less died out of the news, which is too bad. Once hints of scandal have been raised in the news, we of the press ought to stick with them until the full story is told, even if nothing juicy seems likely to result from further investigation.

Government spending at San Clemente and Key Biscayne did make headlines, especially since the total seemed to be going up and up as the press put on pressure for further details. But elsewhere on this page GSA Administrator Arthur Sampson makes a good case that part of the confusion was created by the press itself. We do not remember this part of his statement being reported in the stories on his remarks. Indeed, in reporting his press conference, The Washington Post said, "It was GSA's third attempt to provide an accounting of improvements, security expenditures and the installation of office facilities at Mr. Nixon's homes. The estimate has risen in steps from $39,000 to $1.3 million to $3.7 million."

When the GSA's $3.7 million is added to $5.8 million in military spending and $300,000 by the Secret Service, the total outlays are nearly $10 million. But as this figure has been taken apart in efforts to find unjustified expenditures, the total that could reasonably be challenged has stopped going up and has been going down and down. Some of this has been reported, but somehow it has not attracted the same attention.

Rep. Edward R. Roybal and Rep. Jack Edwards toured San Clemente on behalf of the House Appropriations Committee, and concluded that most of the spending there had been justified for security purposes. News stories did report this, but they did not receive widespread notice, though to its credit The Washington Post did play the story prominently on page one. The stories said Rep. Roybal was particularly impressed by the landscaping for security purposes, as for example relocation of a palm tree to obstruct a window where the President might have been exposed to the aim of a distant marksman.

Rep. Roybal had been especially critical of the San Clemente spending at a previous committee hearing and could be counted on to single out its most questionable aspects. Actually, he thought the news reports of his comments went too far in exonerating the spending, and he later issued a press release saying that the expenditure of $13,500 for a heating system and $165,990 on landscaping and residential improvements were "clearly for personal comfort and esthetics." He said they "definitely enhanced the value of the President's property."

The great bulk of the $165,990 consisted of landscaping not done directly for security purposes. Mr. Sampson explains these contracts in the correspondence following his statement, and quite convincingly too. Surely it's difficult to doubt that the government should pay for restoring the grounds to their original condition after it has torn them up to install underground communications and security systems.

If you deduct these expenses from the Congressman's total, you are left with a sum quite different from the original $10 million. There is the heating system, replaced because the Secret Service decided gas heat is inherently unsafe. Rep. Roybal also questions an overhead fire sprinkler system in the President's home, and believes a concrete fence should have been extended only partially around the President's property rather than entirely around it.

Now, there is no intention here to demean Rep. Roybal, who was conscientious enough to investigate and honest enough to alter some of his initial views. He may be right that Congress should limit presidential homes outside Washington to one per President, though others may feel a President ought to be able to go where he likes. More realistically, Rep. Roybal asks that Congress ought to approve presidential-security expenditures in advance rather than giving blanket approval.

But if Congress had been asked to spend $13,500 to protect the President from the remote possibility of gas leaks, or to fence in the whole estate rather than part of it, can anyone imagine there would have been a murmur of opposition anywhere in either House? Possibly H. R. Gross, who once questioned the cost of the eternal flame on John F. Kennedy's grave, might have risen to the occasion. But we doubt even that.

In short, despite all those headlines the spending at San Clemente seems to have been a non-story. We recognize that not every question has been settled. The military spending has not been detailed, the President has not explained where he got the money to buy the homes or released the details of his tax returns and so on. We know, too, that lately it has been popular to take every explanation not as a settlement of the charges it addresses but a backhanded confirmation of the charges it does not address. But we don't subscribe to that philosophy; indeed, we suspect it is one of the best ways for non-stories to catch on.

So we think it wise to pause for a moment to chalk up the flurry over the GSA spending at San Clemente as something akin to the flurry over the false stories about 28 Black Panthers being killed by police. It might be wise, too, to think about how the press might undo non-stories when they arise.

THE BIG FLAP OVER THE HOUSE AT SAN CLEMENTE

(NOTE.—Following is a press conference statement by Arthur F. Sampson, administrator of the General Services Administration, on the confusion that surrounded government spending on President Nixon's homes at San Clemente and Key Biscayne; to which is added an exchange of correspondence between the editor of this page and Mr. Sampson concerning landscaping expenditures questioned by Rep. Edward R. Roybal (D., Calif.). An editorial on this subject appears today.)

Current public confusion over San Clemente and Key Biscayne expenses is due in part to the way that GSA expenditures have been reported. Over the past two months, a series of dollar figures have been announced in the press, each one higher than the last, each quoting government sources, and each compounding public misunderstanding. A review of the sequence of these events leads us to the conclusion that the government and the media are jointly responsible for this unfortunate development.

In late May, a reporter asked about the

specific costs of four items at San Clemente. We supplied the White House with the costs and they released them. One major newspaper erroneously stated that the cost of the four items—some $39,000—was the total spent by GSA at San Clemente, and the error was picked up hundreds of times across the country. (The Associated Press, which made the original request, carried the story correctly.)

After this the press made many demands on the administration for further information.

In attempting to respond quickly, we compiled our major, one-time costs which totaled about $460,000 for the San Clemente property. That figure did not include certain recurring costs, but because of misunderstandings within the government, the $460,000 figure was released as a total for all GSA spending.

A thorough check of our records was then made and we released a report for the San Clemente residence and total Key Biscayne costs, showing the same totals as those we are reporting here. Today we are going one step beyond to release total figures for all the complexes.

The total GSA spending was $3.7 million, including $703,367 on the President's home and grounds at San Clemente and $452,708 on the President's home and grounds at Key Biscayne. The balance was $2,468,894 in capital and operating expenses for the associated government office complexes, and $65,930 for the protection of the President and his family at four other locations.

In addition to GSA spending, the military spent large sums on communications equipment and associated items at the same locations. The total spending by GSA, the military and other agencies was nearly $10 million.

In addition, we have started a complete audit for all expenditures on presidential protection and support during the Nixon administration. The audit is estimated to take up to seven months and will go behind our reports and examine records in detail to verify the accuracy and completeness of the accounting records we have used to date. We expect that this audit will result in less than a 5% difference—plus or minus—from the enclosed report.

Throughout the past few weeks, the press has reported differing figures for various items. Many items reported by the press were wrong and we have issued many statements about the erroneous reporting.

GSA was accused by the press, for example, of installing a "swimming pool heater" at San Clemente. That charge was repeated by the media across the country and is still printed today, even though it has been firmly denied by the administration. In fact, the heater was paid for personally by the President. Likewise, GSA was erroneously credited with installation of a septic tank for the President at San Clemente. In a similar way, without adequately checking the facts, the press has printed numerous stories with widely differing totals on the amounts spent at the various residences.

This has been confusing to the public and grossly unfair to the President and his family. By publishing this comprehensive report today, we hope that we can bring this confusion to an end.

THE WALL STREET JOURNAL,
August 24, 1973.

Mr. ARTHUR F. SAMPSON
Administrator, General Services Administration, Washington, D.C.

DEAR MR. SAMPSON: I have been studying your statement and the summary of expenditures for protection of the President at San Clemente and elsewhere. We are considering writing some more on the subject, including reprinting your remarks on how the confusion came about as the figures were released. However, I would like to have a bit more detail on a few of the contracts being questioned by Congressman Roybal and others, and wonder if you could provide answers to a few questions on the following items:

On page 13 of your summary, contracts C-2470 and C-2471, $76,000 to repair and replace landscaping & sprinkler and $7,515 to repair roadways, both damaged by construction work. What was the nature of the damage and how was it caused, and in connection with what other construction?

On page 19 of your summary, contract GS-09B-0-708, $25,524 for maintenance of landscaping to insure growth. Why was such a large expenditure necessary, and to which landscaping was it applied?

Without tracing down each of the individual contracts, there are a number of expenditures on pages 17, 18 and 19 for replacement of landscaping. Could we have any sort of general description of why this was necessary? Similarly, on pages 20, 22 and 23 there are contracts to landscaping to remove fire and safety hazards. Could these be explained in a bit more detail?

Any assistance you could provide on these few contracts would be greatly appreciated, and I believe would further your purpose of bringing the confusion to an end.

Sincerely,

ROBERT L. BARTLEY,
Editor of the Editorial Page.

GENERAL SERVICES ADMINISTRATION,
September 7, 1973.

Mr. ROBERT L. BARTLEY,
Editor of the Editorial Page,
The Wall Street Journal,
New York, N.Y.

DEAR MR. BARTLEY: This is in further reference to your letter of August 24 regarding expenditures made by the General Services Administration for the protection of the President of his San Clemente, California, residence.

Your first series of question concerns the repair and replacement of landscaping and sprinklers and the repair of roadways. The need for this work resulted in part from the initial installation of conduits for telephone cables, security cables, power lines, TV systems and miscellaneous alarm systems which required extensive excavation of the grounds. Also, other construction work including the blockwall, concrete manhole, and concrete footings required the movement of heavy equipment and vehicles across the grounds.

The excavation for the installation of underground lines and cables required the destruction of existing landscaping and severely damaged existing roadways, curbing, and drainage ditches originally designed for normal automobile use and pedestrian traffic. Therefore, extensive repairs were required throughout the grounds, including replacement of the sprinkler system where damaged. All other work considered the responsibility of the President was accomplished by his personal representatives.

The maintenance of the landscaping was continued for the period from September 1969 through April 1970. The government had removed and replaced extensive shrubs, flowers and lawn area and the continued maintenance was necessary to insure growth of the government-installed material. During this period it was also necessary to adjust trees, plants and shrubs to accommodate the surveillance requirements of the Secret Service. The contracts for maintenance were originally established for a one year period from October 1969 to October 1970 and were terminated in April as soon as it was felt that the owner should take over the maintenance. The expenditures you referred to on pages 17, 18 and 19 were those incurred during the above maintenance period.

The expenditures listed on pages 20, 22 and 23 were requested by the Secret Service and resulted in the elimination of a large area of dry weeds along the northern perimeter of the property constituting a serious fire hazard. Dead and broken limbs from the large trees on the property were considered a hazard to the President, the Secret Service employes who patrol the property, and official visitors the President might have, and were removed. Trees were relocated in order to interrupt line-of-sight vision from the exterior of the property for security purposes.

I appreciate your interest in an accurate and complete understanding of these expenditures.

Sincerely,

ARTHUR F. SAMPSON,
Administrator.

HEALTH CARE FOR MAINE CHILDREN

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. KYROS. Mr. Speaker, I want to bring to the attention of my colleagues a new and experimental program developed by the Maine Chapter of the American Academy of Pediatrics which is designed to provide comprehensive health care to children throughout the State of Maine, particularly to those who are not now receiving adequate medical attention. This is the first statewide pediatric program in the Nation involving private pediatricians.

I am, of course, delighted that Maine was chosen for this important health project. Ours is primarily a rural State with a shortage of physicians and dentists, and with an acute and serious shortage of pediatricians. Our children need better health care, and I am very hopeful that this ambitious project, funded by the American Academy of Pediatrics through the Office of Economic Opportunity, will provide just that.

The following article, Mr. Speaker, describes this project in detail, and I commend it to my colleagues' attention:

MAINE CHAPTER MAPS PROJECT

The first proposed statewide pediatric health project in the nation involving private pediatricians has received approval from the Academy and Washington to start delivery of comprehensive health care to thousands of Maine children.

The project, developed by the Maine Chapter, hopes to serve more than 13,000 children in a five county area (shaded areas on map) within its first year of operation.

As soon as the original clinics in the five county target area become self-supporting through contractual or other third party arrangements, new satellite clinics will be opened in other counties.

The Maine program will soon receive $20,000 in start-up money—part of a total of $150,000 it will receive from the Academy during the first year of operation.

Money for the project comes from a $845,000 grant awarded to the Academy in 1972 by the Office of Economic Opportunity. The purpose of the grant, initiated and developed by the Academy's Department of Community Services, is to stimulate the delivery of pediatric health services through local AAP chapters to areas lacking sufficient access to sources of primary pediatric health care.

The Maine project is the fourth initiated in the year since the grant was received. Three other such projects—in rural Texas and Missouri, and a ghetto area of Philadelphia—are already in operation.

This project differs from the others in that it will contract with at least five pediatricians in clinics throughout the state to provide health care instead of operating from one grant supported clinic.

The initial funding of $150,000 for the first year will be reduced by one-third the second and third years and will be discontinued after the third year.

It is anticipated that a contract for Early and Periodic Screening, Diagnosis and Treatment will be part of the program and will provide funds for all children under 21 years of age who are receiving Medicaid. A sliding fee scale will also provide income.

The Maine project has been endorsed by the Governor of Maine, the regional Department of Health, Education, and Welfare, Maine Family Planning Association, Maine Division of Child Health, Maine Bureau of Rehabilitation, Pediatric Society of Maine, four Community Action Programs and three Compresensive Health Planning agencies.

WHY MAINE?

Maine is primarily a rural state with a shortage of physicians and dentists and an acute shortage of pediatricians.

There are no pediatricians in two of the target counties and none in four of the clinic sites.

Lack of adequate transportation and local health resources have forced many Maine residents to resort to "crisis only" medical care.

The project hopes to change all that. It intends to extend compresensive health care without duplicating or interfering with existing programs to those who can now only obtain crisis care.

THE PROJECT

More than 133,000 Maine children in the five county target area will be potentially eligible to receive services under the program. Services will be available to all children, regardless of their family income, although the target population will be those children who for many reasons are not presently receiving proper medical care.

The project is designed in the form of a "spider web" with an administrative and specialty consultant center in Portland and five satellite clinics located in diverse rural areas within the state.

The central administrative office has been provided, free of charge, in the capitol building complex by the Governor of Maine. It will be staffed with a core pediatrician who will serve as a medical director, an administrator, a health liaison person, accountant, secretary and auditor. The central office staff will travel periodically to the various sites to implement the program.

The five satellite clinics will be staffed one or two days a week by participating pediatricians and by one pediatric nurse associate and one outreach aide three days a week. Twenty-four hours emergency care will be available by telephone and referral.

The program will be administered by a nonprofit corporation—Expanded Child Health Care, Inc.

Five pediatricians who have submitted letters of commitment to participate in the program are: Maurice Ross, M.D., FAAP, chairman, Maine Chapter, who will be headquartered in Sanford and serve the children of York County; Randall Silver, M.D., FAAP, Machias, Washington County; Russell Morissette, M.D., FAAP, Norway-Paris, Oxford County; Edmund Ervine, M.D., FAAP, Unity, Waldo County; and Benjamin Shapero, M.D., Bangor, Penobscot County.

Outreach workers will recruit children from within the target areas. A referral system has already been established between schools, public health nurses and existing social service agencies to identify medically underserved children.

Services provided at the clinics will include: complete medical history, physical exam, screening for visual or hearing defects and lead poisoning, testing for tuberculosis and other diseases, immunizations, the Denver Developmental Screening test, health education, transportation and home follow-up.

In addition to the services provided directly by the clinics, two-way referral linkages will be established with other service organizations in order to insure a comprehensive treatment plan. Major services provided by referral will be family planning, mental health, dental clinics, University of Maine Cooperative Extension Services, vocational rehabilitation, and services for exceptional children.

The clinics will also establish a strong affiliation with a local hospital capable of providing specialty referral services and inpatient care.

EVALUATION

The project will have a built-in evaluation component to determine the effectiveness of the program in delivering health care to children. This computerized program will allow the AAP Department of Community Services to monitor the program's progress once a month. Ross Laboratories, division of Abbott Laboratories, has contributed a grant of $30,000 to assist in the development of a problem-oriented pediatric record keeping system.

FUTURE PROJECTS

The Academy hopes to initiate at least one chapter program each year in the next five years provided level grant funding remains available. At the end of five years nine programs could be operational, five self-supporting, and four in a state of developing financial independence.

If there is an area in your state you think could benefit from such a project, contact your chapter chairman to stimulate interest at the state level. The Department of Community Services will be happy to provide technical or professional assistance to any interested chapter to help it develop a proposal for such a project.

For further information please contact: Department of Community Services, AAP, 1801 Hinman, Evanston, Ill. 60204.

VICE PRESIDENT AGNEW DENIED HELP

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. DERWINSKI. Mr. Speaker, the history of the United States is the history of a people yearning for fairness: Fairness in individual opportunity, fairness in mutual defense, fairness in social responsibility and, above all, fairness in justice.

From its earliest days, our country has been settled by people who were driven to search for fairness in a new forum. The Pilgrims could not find fairness in England. The Huguenots could not find fairness in France. Jews could not find fairness in czarist Russia—much less in Soviet Russia; Mennonites could not find fairness in Germany; people from all over the world have fled their homelands in search of fairness and justice. They came to the New World to find a new forum.

New frontiers were not the only changes in forum for these immigrants; they created an entire, new system of government that has been dedicated to protecting the freedom we call opportunity by providing varied forums in which to debate policy differences and enact laws, and in which to settle disputes. The forums vary in accordance with the matters they are designed to hear; the degree of fairness one may obtain is largely a matter of finding a compatible forum.

Last week, the Vice President appealed to this forum. He asked—not for help, but for a hearing. He asked—not for exoneration, but for investigation. He asked—not for acquittal, but for action.

He turned to the House of Representatives as the forum of all the people. And we, who are severally elected by each of 435 districts of the whole Nation, turned down this request from one of only two men who are elected by the entire Nation.

What have we done. We have denied the Vice President access to a forum that is competent to investigate. We have left him naked to be pilloried by pious piranhas in a Justice Department movement to exculpate itself from its sullying role in Watergate.

We have a responsibility to give the Vice President access to the forum to which he is entitled by law. If we fail, we fail not just ourselves; we fail the very people by whom we were elected.

We fail them because fairness and justice are not occasional virtues. Rights are not occasional privileges. Either we have a right at all times, or we have it not at all. Everybody shares a right, or nobody enjoys it—but nobody.

The publicity that has been generated in this matter, and courtesy alone restrains me from saying "deliberately" generated, cannot help but to encourage indictment. That same publicity cannot help but to deprive the Vice President of a fair and impartial trial in any forum but in this House and in the U.S. Senate.

There are those, of course, who are driven to partisan salvation over this unhappy state of affairs, but gentlemen, colleagues, this is not the sad state of affairs of just the Republican Party. It is the sad state of affairs of our entire Nation.

And in the midst of this torment, we hear the shrill whining of those who condemn the system; but any "system" is people. This is not the time to degrade ourselves, but—if we fail to hear Mr. AGNEW, if we fail to consider his indictment, if we fail in this we will have indicted ourselves.

I do not know whether he is innocent or guilty. I do know that my constituents, the people whose interests and expectations I represent, demand that I, nay, that all of us rise to the challenge of our responsibility.

4-H GETS IT ALL TOGETHER

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. NATCHER. Mr. Speaker, there are approximately 5.5 million young people in the world today from all races, incomes, and backgrounds, from urban centers to countryside who are affiliated with this Nation's largest coeducational program and once again I am eager to commend all of those participants who look forward to National 4-H Week which begins on October 7 and extends through October 14.

"4-H Gets It All Together" is this year's theme and in countless ways 4-H has taken the initiative and by stretching from coast to coast where 4-H clubs exist in nearly every U.S. county and, additionally, in about 80 other nations of the world, 4-H has indeed gotten it all together.

The 4-H'ers, by seeking to improve themselves and the world around them, develop a broad understanding of the overall needs of our society and those things that are required to provide a good and productive life for all human beings. For example, 4-H'ers are involved in informal out-of-school programs and activities which range from repairing lawnmowers to managing money through yard maintenance, from karate to drill teams, from theatrics to consumer education and dog care to crafts and photography.

Members of 4-H are offered not only practical skills in a wide range of agriculture and home economics projects but also a broad and diversified program of activity that will enable them by extending their scope from the rural farm areas to the ghettos of the inner city to tackle the more pertinent problems of today such as conservation of soil, water and wildlife, pollution control, community beautification and clean-up and improvement of health generally. Mr. Speaker, I am of the opinion that by emphasizing the learning-by-doing technique which, of course, 4-H implements fully and combining a multitude of subjects 4-H affords these youth the opportunity to grow both physically and emotionally. Fortunate, indeed, are these boys and girls who have the wonderful opportunity to participate in 4-H because through this program they learn beyond a doubt the importance of being involved in one way or another in America's future and in programs designed to make their communities a better place to live in today as well as tomorrow, and I feel confident Mr. Speaker that we can safely assume they will continue to justify the faith and the pride that we have in them.

In the Commonwealth of Kentucky alone, we have over 116,000 young people who are involved in 4-H programs and I am happy to report that all 120 counties in the State have participated this year in the 4-H Community Pride Contest which placed an emphasis on local clean-up and beautification projects. Understandably, I am justifiably proud to announce to this body that last month the 4-H Clubs of Spencer County which is in the Second Congressional District placed first in this statewide Community Pride competition.

It is a distinct privilege and pleasure for me to have this occasion to salute the 4-H Clubs of American as they continue to move forward in the months ahead to fulfilling their worthy ideals and goals and I want to offer them my support and good wishes.

WHO IS ANXIOUS TO KILL BUDGET REFORM OR—WILL THE REAL ADA PLEASE STAND UP?

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. KEMP. Mr. Speaker, the well-known line from the television program, "To Tell the Truth," "Will the real ——— please stand up," is by far the most appropriate line to use with respect to a new, double-directed standard coming from the Americans for Democratic Action—ADA.

For years, the ADA has urged, advised, browbeaten, cajoled, and all but incited the Congress to reassert its constitutional prerogatives vis-a-vis the President in both domestic and foreign policy arenas. Conferences and seminars have been held, books and phamphlets written and published, countless speeches given by their spokesmen on this floor and behind thousands of other rostrums. All have urged the Congress to assert fully its role in budgetmaking and control and to stand up to the President. It seemed the more powerfully and Executive asserted himself in this subject area, the more the ADA stressed the need for congressional action—if that Executive was either a Republican or a moderate to conservative. The ADA called the Congress a rubberstamp, lethargic, incapable of meeting the demands of a modern society and economy; this has been particularly true during the past 4½ years.

There is a well-recognized need for budget reform, particularly in the processes of formulation of the Federal budget and of its consideration by the Congress. Under the present system, the Congress receives in mid-January of each year the President's budget message.

While members of the Committees on Appropriations may often have a fairly exact idea of what that message will contain, no one in the legislative branch knows for sure until that message is formally received. Then, the Congress has the choice of either acting upon every item therein in only 5½ months before the end of the then extant fiscal year or of passing continuing resolutions, which unfortunately often carry forward Federal expenditures which the Congress knows it intends to reform. Because the budget message originates within the executive, the Congress must bear the full burden of proof—of going forward—as to the merits of any substantive changes in funding levels or program thrusts. And when all the staffs of the congressional appropriations committees are combined, they do not have nearly the staff capability of the executive to analyze budget proposals and to propound changes therein.

The Constitution of the United States, article 1, section 8, specifically gives to the Congress the power of the purse:

> The Congress shall have the power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States.

If we are to fulfill that constitutional responsibility and mandate, then budget reform must be given highest priority within the Congress.

Now, however, the ADA is taking a different tact. While still clamoring for a reassertion of congressional power, the ADA has taken off against proposals to give the Congress the tools with which to realize such a reassertion. In its legislative newsletter, "The Anatomy of a Committee Mark-Up: Budget Control Legislation," vol. 2, No. 15, September 1-15 1973, the ADA states:

> The purpose of the original Joint Committee on Budget Control was to cut spending.

And then ADA has the audacity to conclude:

> While this proposed procedure might not make much practical difference with a conservative administration in office, it would hobble a liberal administration's program development. It would substitute Congress for the Executive in the budget process. Under a workable budget system the Executive would supply fundamental national priority proposals to the Congress, which then could react to them. Judging by past performance, a congressional budget could be a disaster.
>
> The proposed congressional Office of the Budget could easily become for Congress what the Office of Management and Budget has become for the Executive; its focus would be fiscal, with an emphasis on efficiency and dollar cost-consciousness. COB, constantly highlighting dollar costs, could inhibit the committees of Congress in moving necessary programs which require funding of a larger order. COB, in fact, could become a powerful . . . body.

Mr. Speaker, I wish to highlight the fact that the principal focus of the ADA's fears seems to be that, "its focus would be fiscal, with an emphasis on efficiency and dollar cost-consciousness." On that the ADA is correct. And, it is for those reasons that the budget reform proposals are gaining increasing acceptance. It is the way to hold down spending, and thereby to hold down both inflation and taxes. It is a way to improve the efficiency of the Federal dollar's use; to "get more value for the dollar." It is a way to illustrate to all members the dollar-impact of existing and proposed legislation.

It is for these reasons that I sponsored legislation to provide for such a congressional mechanism. It is unfortunate that ADA does not agree with these aims.

Mr. Speaker, this reflects an arrogance, an elitist view of Government, an ADA-knows-better-for-the-people-than-their-elected-representatives do philosophy which transcends any that I have ever seen put into print. ADA is saying that the social planners and big spenders, the tax-exept foundations, the bureaucracy knows what is better for the people—and the monetary priorities to be attached to programs for them—better than their elected representatives in the Congress. Such a philosophy is antithetical to the very foundation stones of democratic government—democracy which one would have hoped the so-called Americans for Democratic Action would have believed in also.

It is clear what is happening in the debate over the legislation to provide the Congress with a budget making and control mechanism: Those special interests and social planners who have benefitted most from big spending are in danger of having their oxen gored. They are reacing by opposing the very reassertion of congressional prerogatives which they champion when an administration is in power with whom they philosophically and politically disagree.

Mr. Speaker, this article gives this body a much clearer picture as to who may be behind the slowdown of budget reform in 1973. •

Will the real ADA please stand up?

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—NO. 26

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. HARRINGTON. Mr. Speaker, Detroit, the leading American automobile manufacturing city, is also a leader in murders. According to Time magazine, this proliferation of homicides is due to the increasing number of handguns circulating among a third of Detroit's population.

Homicide Inspector John Domm is quoted as saying:

> People who look for the police to solve this problem are looking in the wrong direction.

Perhaps, Mr. Speaker, the people of Detroit, and the whole United States, should look to their legislators to solve the problem.

Immediate legislation is necessary to control accidental murders, and murders committed in anger against relatives, friends, and innocent bystanders. Only immediate legislation can stop the United States from leading the world in the number of murders committed each year.

At this time, I would like to include the article from the April 16, 1973, edition of Time magazine:

MURDER CITY

One day last week in Detroit, a lawyer in a Hall of Justice courtroom inexplicably drew a gun and pointed it at the judge and a witness. The judge was not carrying the .38 caliber pistol that he usually packs, but three policemen in the courtroom drew their guns and killed the lawyer. A few minutes later, in a luggage shop in downtown Detroit, the owner and his clerk were discovered neatly trussed and executed, apparently in a robbery. A little after that, a prominent black psychiatrist was found dead in the trunk of his car. And still later that evening, police in the suburb of Roseville came across the bodies of a pair of young lovers in a car, victims of a murder-suicide.

Since Jan. 1, there have been 187 homicides in Detroit, 27% ahead of the rate last year in the city that normally revels in records. Last year Detroit (pop. 1.5 million) had 601 homicides, or one for every 2,500 people. By contrast, Chicago, with twice as many people, had 711 murders; while London (pop. 7.4 million) had only 113.

Why is Detroit such a center for bloodletting? Police Commissioner John Nichols believes that the widespread possession of handguns is a basic cause. He estimates that there are some 500,000 handguns around, or one for every three citizens of Detroit. Nichols is backed by the studies of Dr. Emanuel Tanay, a professor of psychiatry and law at Wayne State University, who says that "Detroit is almost like an experiment in testing the correlation between the presence of guns and homicide." Tanay notes that over a period of six years, the number of gun permits tripled and the rate of homicides by firearms increased eightfold; in the same period, homicide by any other means rose by only 50%.

Police say that the surge in ownership of guns—most of them unregistered—started after blacks burned and sacked large parts of the city's ghetto areas in the 1967 riots. "It seemed like everybody went out and bought a gun," one officer recalls. Now that so many guns are handy, the argument over the kitchen table at 2 a.m., which might once have ended in a punch in the nose, has a good chance of ending with a bullet in the gut. The police log offers these samples: an argument in the Red Dog Bar, a disagreement in Cherry's Poolroom, a quarrel over the whereabouts of the money from the welfare check, an argument over rent. Narcotics were involved in 10% to 12% of the homicides; most of the victims and the murders were black; one-third of the crimes remain unsolved. The majority of the murders continue to be the work of friends or relatives of the victims. Of 111 homicides in February, 72 occurred inside the home. And guns are used about 60% of the time.

The high homicide rate is a cultural problem as well as a gun problem. Detroit's need for unskilled labor has brought in vast numbers of rural Southern blacks and increasing numbers of rural whites. Says Homicide Inspector John Domm: "The kids grow up in a culture of aggression, the poor and the black learn to get ahead by being aggressive. People who look for the police to solve this problem are looking in the wrong direction." Meanwhile, Dr. Tanay warns that the chances of getting murdered in a gun-laden society are so great that it is unwise ever to argue with a stranger during, say, a traffic mishap.

AGNEW TELLS IT LIKE IT IS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BAUMAN. Mr. Speaker, although there may be many politicans in Washington who disagree with the Vice President on specific matters, I think we all have to agree that he cannot be accused of weak utterances.

His statement before the National Federation of Republican Women in Los Angeles on September 29 is a forceful and specific answer to the charges that have been made against him.

I insert the full transcript of his remarks on this occasion and suggest that those who read these words recall the basic American premise that all persons are innocent until proven guilty.

The transcript follows:

TRANSCRIPT OF VICE PRESIDENT AGNEW

Following is a transcript of Vice President Agnew's extemporaneous remarks yesterday before the Los Angeles convention of the National Federation of Republican Women:

In the past several months I've been living in purgatory. I have found myself the recipient of undefined, unclear, unattributed accusations that have surfaced in the largest and most widely circulated organs of our communications media.

I want to say at this point clearly and unequivocally: I am innocent of the charges against me.

I have not used my office, nor abused my public trust as county executive, as governor, or as Vice President to enrich myself at the expense of my fellow Americans. In August of this year when I first became aware that I was being investigated for a serious crime, and I might mention to you that although rumors had been drifting out of Baltimore for some months before that, up until the time my attorney was handed that letter on Aug. 5 or 6 in Baltimore, I had no idea that I was the target of an investigation.

I want you to know that when I got that letter I learned an hour or two later that The Wall Street Journal was in possession of that letter before I was. And I want you to know that irrespective of the claims of certain individuals in the Department of Justice, it was not through my fault that this became a nonsecret procedure, but through deliberately contrived actions of individuals in the prosecutorial system of the United States, and I regard that as outrageous and malicious.

RIDICULOUS REPLY

Even today at this point in this widely publicized investigation, no one would know that I am under any kind of investigation if the secrecy of grand jury investigations and the prosecutorial probes that precede them were kept inviolate. Certainly it is not and was not to my advantage to spread this kind of information across the pages of the news media. What a ridiculous counterreply to my statement is the statement that comes out of the prosecutor's office that I have been responsible for this publicity.

I say this to you: that conduct of high individuals in the Department of Justice, particularly the conduct of the chief of the criminal investigation division of that department, is unprofessional and malicious and outrageous, if I am to believe what has been printed in the news magazines and said on the television networks of this country and I have had no denial that this is the case.

It is my intention to use the courts of this country in an attempt to gain permission to examine under oath these people who are trying to destroy me politically through the abuse of the criminal justice system of the United States.

If the court gives my attorneys the right to take those depositions and if we find in fact that in Baltimore or in Washington individuals employed by the Department of Justice have abused their sacred trust and forsaken their professional standards, then I will ask the President of the United States to summarily discharge those individuals.

Now people will say to me: "Why? You don't make sense. Why should a Republican Department of Justice and Republican prosecutors attempt to get you?" Well I don't know all the answers, but I will say this, that individuals in the upper professional echelons of the Department of Justice have been severely stung by their ineptness in the prosecution of the Watergate case. They have been severely stung that the President and the Attorney General have found it necessary to appoint a special prosecutor and they are trying to recoup their reputation at my expense. I'm a big trophy.

And one of those individuals has made some very severe mistakes, serious mistakes. In the handling of his job he considers himself a career professional, in a class by himself, but a recent examination of his record will show not only that he failed to get any of the information out about the true dimensions of the Watergate matter but that he also through ineptness and blunder prevented the successful prosecution of high crime figures because of wiretapping error.

Those are the reasons why he needs me to reinstate his reputation as a tough and courageous and hardnosed prosecutor. Well, I'm not going to fall down and be his victim, I assure you.

Don't think for one minute when I say there's leaks in the Department of Justice that it's just my opinion. Civil libertarians across the country are enraged at what is happening. Attorney General Richardson himself after first denying those leaks, came back later, several days or a week later, and admitted members of the news media had informed him that the leaks were in fact coming from the Department of Justice in Washington. I say, if they're there let's do something about it.

I'm not going to get into the facts of the accusations against me coming out of Baltimore except in the most general sense to say that through the cocktail circuit and the rumor mills in Washington threats by certain individuals were communicated to me as recently as April of this year in which those people left no doubt that unless I used my high office to cut off the investigations against them that they intended to implicate me in their sordid misdeeds.

A POISONED WELL

I said no to them, that I would have no part of that. Certainly if anyone knows that I knew these individuals, or anyone connected with them, that I was not going to do that. And it was a result of that—a statement on my part that they could not look to me to abuse the constitutional powers that I have—that they began to seek and obtain from the prosecutors in Baltimore immunity and limited immunity.

Now, in case you don't know what immunity is, it means that someone who has already admitted his guilt to a criminal action can escape the full force of his punishment by turning in somebody higher up. And that's exactly what happened in this case.

I want to say just a word about why I went to the House of Representatives. It should be, I guess, obvious, that I don't believe I can have a fair hearing either before a grand jury or petit jury in Baltimore. The well has been most successfully poisoned.

And I find the only chance I would have to have a full hearing on the facts was to appeal to the House of Representatives. Thus far, they have decided not to grant me that hearing. But when I see principal news organs of this country criticize my going to the House of Representatives on the basis that I am attempting to hide behind a constitutional shield and suppress the facts, that amazes me, because what I want is not a suppression of the facts, but the fullest possible hearing of them, widely publicized, before the people of the American nation, so that everyone knows exactly what is going on in this nation. I'm not trying to hide anything.

NOT RESIGN

I want to make another thing so clear that it cannot be mistaken in the future. Because of these tactics which have been employed against me, because small and fearful men have been frightened into furnishing evidence against me—they have perjured themselves in many cases, it's my understanding—I will not resign if indicted.

Our Constitution says that every man is entitled to a fair trial and a presumption of innocence. I intend to rely on the spirit as well as the letter of those guarantees. I would foresake the principals of the founding fathers if I abandoned this fight. And I do not intend to abandon it.

Because as I said in my earlier remarks, although I am very directly and personally involved in these accusations, also involved is the traditional framework of the American judicial system and the fairness of the American people and the inviolability of other Americans to perversions of this type in the future. Ladies and gentlemen, thank you for hearing me out.

LUKE THE PHYSICIAN SPEAKS ON WHEN LIFE BEGINS

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. GERALD R. FORD. Mr. Speaker, there has appeared in the September 7 issue of the magazine the Banner a most interesting article on the issue of abortion. The author, Dr. Stuart Bergsma, approaches the subject from both a scientific and religious point of view. The article follows:

LUKE THE PHYSICIAN SPEAKS ON WHEN LIFE BEGINS

(By Stuart Bergsma, M.D.)

The inhabitants of Rama-Bethlehem, where Rachel is entombed and where Jesus was born, did not know in advance of the heinous decision King Herod had made. He had ordered the massacre of their children up to two years of age. Had they known, the scene recorded by St. Matthew would perhaps have been no less tragic and poignant than the words of his gospel, but they might have fought back, or fled, or done something about it:

"A voice was heard: someone was loudly lamenting, weeping, mourning deeply: It was Rachel, in her tomb there, crying, heard through its walls, weeping for her children, and she would not be comforted, because they were not."

"Each one was not," these are the exact words of Matthew. Each one, one by one, was slaughtered.

Never, since Herod's fateful decision, has any legal decision been published which so devastatingly bristles with stark tragedy for any nation that might be referred to as "a Christian nation," America, of which we sing "God shed his grace on thee." There faces us the prospect of a million innocent persons being slain in-utero by non-therapeutic, elective abortion by request of only the expectant mother and one physician.

The disaster to the United States of America has become a grim reality since that fateful date January 22, 1973, when the Supreme Court published its judicial majority decision on abortion. It is a decision that rules as constitutional, elective non-therapeutic abortion, by which, one by one, each one is not.

Numerous articles of protest have appeared since that Black Monday, January 22, which is likely to become an annual day of mourning and atonement as the years go by, even though it is a day of rejoicing by many pro-abortionists.

Bethlehem's total casualty list was small in comparison with certain modern statistics of war atrocities. The infants slain in the Bethlehem area perhaps numbered a few hundred. Auschwitz, Buchenwald, Dachau and other World War II concentration camp exterminations will be surpassed in America, The Beautiful, as abortions performed can total 25 million by the end of the 1900's.

Among the articles disagreeing with the Supreme Court's decision are two on which I will comment briefly, before stating my own case referred to in my title.

Louis Cassels, the well-known religious columnist of United Press International, in his column of Saturday, March 3, 1973, states: "in spite of disavowing any intent of stepping into a moral-medical-theological controversy, the court did precisely that." (A moral decision has been made, as well as a medical and theological decision. I. S. B., thus have the courage to enter the same arenas).

Cassels mentions that the majority opinion "explicitly denied any intention of the court to resolve 'the difficult question of when life begin'." However, a decision is made by their taking "the position that an unborn baby does not become a human person with a right to life until it is 'viable'," or "from six to seven months after conception." Yet the majority opinion acknowledged that "there are millions of Americans—including not a few scientists—who believe that life begins at conception—and that the State therefore has a compelling interest in protecting that life." Two of the Supreme Court justices disagreed with the majority report which expressed the opinion of seven justices.

My second reference is *Death Before Birth* by Edwin H. Palmer, in The Banner of March 23, 1973. His is a masterful, succinct, one part article on the Supreme Court's decision, not mincing any words as to that tragic decision. He outlines the meaning and beradth of coverage and scope and intent of the first, second and the third trimesters, or three month periods in pregnancy, as pertaining to absortion. He stresses:

"The only recourse to action is now an amendment to the U.S. Constitution." I agree wholeheartedly with Dr. Palmer.

It is extremely important that every American—certainly those who believe there is a God—should realize that there is a moral issue at stake. An almost neopagan, atheistic assumption is prevalent that God and morality have nothing to do with this heinous trespass into a sanctuary where even "angels should fear to tread;" and that the ancient, authoritative Scriptures, including the Judeo-Christian, have nothing to say about the unborn child. Some refuse in any way to relate non-therapeutic abortion to the most ancient and universal code for man, the Ten Commandments, especially to the sixth commandment: "Thou shalt not kill." (Also note Psalm 139: 12–18).

Luke, the physician, writes about two pregnant women (Luke 1:5 to 2:52). There are some who maintain that the Bible is silent as to when the developing embryo is precious in the eyes of God. I see a very definite reference, answering this question, for me at least, in Luke 1:26–56. Here is the scene: The angel Gabriel has revealed to Mary, a virgin of Nazareth, the amazing fact that she has found favor with God, and that through the intervention of the Holy Spirit she shall conceive and bring forth a son, Jesus, Son of the Highest. She is also told that her cousin, Elizabeth, aged and barren wife of the priest Zacharias, has conceived in her old age. Elizabeth is now six months pregnant. (Her son would later be known as John the Baptist).

We read that Mary arose in those days and went "with haste" from Nazareth to south of Jerusalem, a considerable journey for a young, pregnant girl, to her cousin Elizabeth. She greeted Elizabeth, and Elizabeth spoke to her with a loud voice, "Blessed art thou among women and blessed is the fruit of thy womb! What have I done to have 'the mother of my Lord' come to me?" And Mary stayed with her about three months.

Note: Mary's miraculous conception occured when her cousin Elizabeth was six months pregnant. Mary set forth "in haste." When Elizabeth greeted her, Mary's pregnancy could not have been other than in the earliest weeks. Yet Elizabeth refers to this living, developing fetus in earliest stage of pregnancy as "my Lord." She refers to it as a person. Except for the miraculous manner of conception, Jesus' development in the womb was no different from all other men. He became man; in His humanity. He was "like unto His brothers." Because of what some might construe as "an unwanted pregnancy," Mary composes the Magnificat, the most wonderful pregnancy song of all ages: "My soul doth magnify the Lord." That Lord, in His human nature, was developing in her womb at that time. He was there, as a person (not just a blob of cells), at that very moment. Through Mary's words the Bible again refers to the contents of her womb as being a person, for she says: "My spirit hath rejoiced in God my Savior." "Savior" is a name ascribed to Jesus throughout His life, and here ascribed to Him in the womb.

Other biblical references to human life, life's sanctity, and its personhood before birth. In Psalm 139, verses 13 to 16, David addresses God his Maker and speaks about his own personhood while he was yet unborn:

> "Thou it was didst fashion my inward parts;
> Thou didst knit me together in my mother's womb;
> Thou knowest me through and through;
> My body is no mystery to Thee,
> How I was secretly kneaded into shape,
> And patterned in the depths of the earth.
> Thou didst see my limbs unformed in the womb,
> And in Thy book they are all recorded;
> Day by day they were fashioned,
> Not one of them was late in growing."
> (New English Bible)

David speaks of that state when he was in his mother's womb, in the first person singular as noted above: "I," "my," "me." No "blob of cells" was he; no indifferentiated "mass of tissues" of little account and easily expendable. From the moment of conception the Bible recognizes that man is a living organism, a person in the eyes of God.

God's blueprint which is followed in the life of every man coming into the world. Human life is present from the moment the fertilized egg-cell is formed. There is an exact 50/50 sharing of two original cells, each casting off half of its contents to pass out of existence as individual cells in order that they may become one marvelous single cell having 48 chromosomes. This new primal cell, or "zygote," embodies in its chromosome sections "genes" which determine the *hundreds* of contributions of both the male and the female. These include the physical and mental attributes and features (even color of eyes, color of hair, big or small ears, etc.). This one cell is the living embodiment of "the person" in formation.

In this cell is also the marvelous computer mechanism which has the molecular blue prints and building specifications for the whole "person's" construction job for nine months. It is something far more marvelous than would be necessary for a complex structure like the Empire State Building.

Then, by cell division, this living organism enters into a two-cell stage in a matter of hours; and the two become four, and the four become eight, and this continues month after month exactly according to the code laid down by the "Computer."

Some cells are early differentiated as the sexual cells of this new person for future generations. These reproductive cells, true to the coded information, are soon tucked away safely into a new organ in formation, the ovaries or the testes. There for some twelve years they remain quiescent, until puberty and adolescence bring into action the teenage phase of maturing, and the human cycle is getting ready to be repeated. Never does the living, throbbing life process stop, from the beginning one cell until the person is born into the world.

The heart begins to beat at the end of the third week in utero. The body muscles contract and expand and make spontaneous movements by the tenth week of pregnancy. The mother detects these movements by that first "kick" about the twentieth week. In approximately 280 days, or 40 weeks, a baby is ready to be born. From embryos expelled accidentally, even at five weeks, head and feet and eyes and ears are recognizable with ordinary magnifying glass. At six weeks many body parts are clearly seen by naked eye.

Some personal opinions relating to 1973 and a somber future. David said in Psalm 139:14: "I will praise thee, O Lord, for I am fearfully and wonderfully made: marvelous are thy works; and that my soul knoweth right well." That is why the life of any person in-utero must not be meddled with, must be left inviolate. Abortions which occur "of themselves" (miscarriages), may well be left "in God's hands," as "an act of God." Abortion should only be an act of man for a very good and proper reason, among which would be to save the life of the mother. The father of the person in the uterus has a vested interest. That child is 50 percent his production. He should not be denied his constitutional right nor be discriminated against on solely the sexual basis of not being a female. For one physician alone to bear the awesome responsibility of deciding whether an abortion should be done, without calling in a second physician, is almost "playing God." Most states had adequate abortion laws, with restraining clauses, operating efficiently before the Supreme Court decision of January 22, 1973.

Finally, I must caution against the unworthy, almost flippant comparisons made between the marvelous person developing in the womb, and his destruction, on the one hand, and the destruction of a chicken's egg or an acorn. These are simply the dragging of a dead herring along the trail to detract and mislead and sidetracking "to absurdity."

"A chicken's egg may be capable of producing a chicken, yet we eat it," some say. A more just comparison is rather that of a broody hen sitting on a nest of hatching eggs. Midway in the hatching cycle she is lifted off the half-formed chicks in the shell, and the eggs ruthlessly smashed. With fury she attacks you. If anyone does such a deed repeatedly, I, as a psychiatrist would be raising questions as to the perpetrator's mental status. Such a comparison has nothing to do with justifying abortion.

The acorn has been used as comparison. Acorns have the potential of becoming a large forest of oak trees. Burning the acorns is not the same as burning the forest they could become. Granted. The comparison is deliberately faulty and misleading. The true comparisons would be: You have planted a thousand acorns. They have sprouted, are now living beings, have grown to the size of small trees just breaking into leaf for the first time. You now ruthlessly bulldoze them all out of existence.

There is a natural abhorrence and painful anxiety at the thought of life being "nipped in the bud state." It is akin to breaking off the flower buds from an azalea bush, or the early blossoms from a fruit tree. I would be indignant if someone did such an "abortion" on my pear tree.

We began with Bethlehem and Year 2, the Year of our Lord when a mass "murder of the innocents" occurred. We have leaped across the centuries to 1973 A.D. and have maintained an inference that the two dates have similarities. Was this justified? I would answer: "Yes." The same arch-enemy has not rested from his work throughout the years mentioned. He is at work today. Let us support all efforts to bring about an amendment to the Constitution of the United States of America when such amendment is formulated. Help to restore respect and concern for "the temple of God, which temple ye are" and have always been. You were never a "blob of cells."' Help to build up solid Christian, God-fearing family life. Help to build up the Christian moral fiber in the sexual realm of the youth of America.

SUCCESS OF JIM FARLEY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. DELANEY. Mr. Speaker, last month a new tribute was paid to Hon. James A. Farley, chairman of the board of the Coca-Cola Export Corp. Rockland County in New York State held the first annual James A. Farley Golf Classic in honor of their favorite son. The announcement of this, together with a short review of the events which highlighted Jim Farley's career, appeared in the Rockland County News-Leader-Independent. Under leave to extend my remarks I wish to insert this article into the RECORD, and know my colleagues will find it most interesting:

THE SUCCESS OF JIM FARLEY

(By Art Hopper)

No other native-born Rockland Countyite in all history ever attained success on the national level as did Grassy Point born James A. Farley one-time known as Three-Job Jim when he simultaneously was Postmaster General, National Democratic Chairman, and Democratic Chairman of New York State.

Today Genial Jim is the dean of American politicians, revered and respected by Americans of all political beliefs.

Probably no American success legend since Abe Lincoln's childhood in a log cabin is so embedded in American folklore as the rise of Stony Point's town clerk, Big Jim, to the pinnacle of American political power, according to the nationwide news media.

On Sept. 17, Rockland's favorite son will be honored when Haverstraw Lodge, Elks BPO, of which he is a member, will stage the first annual James A. Farley Golf Classic at Dellwood Country Club, New City. The $40 entry fee will include breakfast, green fees, buffet, cocktail hour and banquet. It is planned to have Big Jim in attendance.

James A. Farley hasn't lived in Rockland County since Dec. 31, 1928, but he still considers North Rockland "home", and subscribes to the local newspapers so as to keep up with hometown news.

He was born in Grassy Point on May 30, 1888, the son of James and Ellen (Goldrick) Farley. His father was a brick manufacturer and was killed accidentally when a horse kicked him and he died overnight.

His father was born in Verplanck, Westchester County, and his mother was born in Haverstraw. Both sets of grandparents came from Ireland—on his mother's side from County Cavan and on his father's side from County Meath, in the 1840s.

Big Jim attended Grassy Point Grade School, the eighth grade at Stony Point School, and graduated in 1905 from Stony Point High School. He then attended Packard Commercial School in New York City. Although he never went to college he holds 25 honorary degrees from colleges throughout the U.S. and is the author of two books—"Behind the Ballots" and "Jim Farley's Story."

After his father died his mother ran a small grocery store and saloon in his home town, and at 14 he tended bar before and after school. His mother asked him not to smoke or drink, and he never has done either one.

As a youth he played first base for Sunday semi-pro baseball teams in Grassy Point and Haverstraw. Our father, who played against him at third base for Pearl River always used to say, "Big Jim was a darn good ball player."

Before going practically full-time into politics, Big Jim worked as a bookkeeper for Merlin Keiholtz Paper Company in New York City, was with the U.S. Gypsum Company of New York for 20 years, and then founded James A. Farley & Co., dealers in mason building materials.

In 1940 he was elected chairman of The Coca-Cola Export Corp., and made Coca-Cola a household word around the world. He now is honorary chairman of the board but still puts in a day's work at the office at 85 years of age. He has held many directorates nationwide, too numerous to list.

His political career started when he was elected town clerk of Stony Point, 1911–19, and then supervisor of Rockland County, 1920–23. He was appointed Port Warden in New York City by Governor Alfred E. Smith, 1918–19. Next Big Jim was elected member of the New York State Assembly from Rockland for 1923 sessions. He was appointed member of the New York State Athletic Commission by Governor Smith, 1924. He served as chairman 1925–Feb. 1933.

Mr. Farley was appointed Postmaster General of the U.S. in President Franklin D. Roosevelt's Cabinet, 1933, reappointed in 1937, resigned in August 31, 1940. Named member of Commission on Organization of the Executive Branch of the Government by President Eisenhower, 1953. Became member of New York State, Ranking Board through Governor Harriman, 1955–60. Appointed member of State Harness Racing Commission by Governor Rockefeller, 1959, and is still serving. Named honorary Postmaster of the New York World's Fair by President Johnson, 1964. Was a member of Electoral College, 1932, 1936, 1964 and 1968.

Other political activities include being chairman of the Rockland County Democratic Committee 1919–29. He was a delegate to every National Democratic Convention from 1924 through 1968. Became secretary of the N.Y.S. Democratic Committee in 1928. Served as chairman of the State Democratic committee, 1930–44. Was the chairman of the National Democratic Committee, 1932–40. He helped to elect President Roosevelt twice, then parted when he disagreed on a third term. Was himself a Presidential possibility. Has been vice president of the National Democratic Club of New York since 1930.

He is a member or honorary member of 19 social, political and fraternal organizations. Among them are Haverstraw Council, Knights of Columbus; Cheyenne Tribe, Order of Red Men, Stony Point, which recently honored him with a 50-year pin; Haverstraw Lodge, Elks BPO, and once president of N.Y.S. Elks Association; New York Athletic Club; Member of New York State Historical Association in Cooperstown; American Academy of Political and Social Science; Ancient Order of Hibernians, and others.

In addition to being awarded 25 varied honorary college degrees, Big Jim has been the recipient of 15 citations.

On April 28, 1920, he married Elizabeth A. Finnegan of Haverstraw. They became the parents of two daughters, now Mrs. Elizabeth M. Montgomery and Mrs. Ann E. Hickey, and a son, James A. Jr. Smiling Jim is exceptionally proud of his grandchildren. Mrs. Farley died Jan. 14, 1955.

He suffered a heart attack on April 21, 1972, was hospitalized for five weeks, and spent another five weeks recuperating at his apartment in the Waldorf-Astoria. His weight dropped from 205 to 180 pounds. Today he is as active as ever. His theory is that hard work and devotion to one's job never hurt anybody.

One of his biggest assets as a politician has been his ability to remember faces and names, of being able always to personalize a greeting.

Jim Farley is truly one of the great human beings of our times. He possesses a magnetic personality and a flair for personal contact which captivates those who come under its influence.

He is one of those rare souls who by their very presence in a room seem to fill it with optimism, pride of country and deep abiding conviction that Americanism is not only the best philosophy of government and society, but the strongest.

Big Jim Farley is a legend in his own time—and Rockland County is proud of its favorite son.

WILL WE NOT CHANGE OUR WAY "UNTIL IT BECOMES UNDENIABLE EVEN TO THE MOST OBTUSE?"

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. FRASER. Mr. Speaker, Kenneth J. Smith is leader of the Philadelphia Ethical Society and founder and former officer of the Drug Abuse Council of Philadelphia. He writes in the May/June 1973 issue of the Humanist about the two approaches to heroin addiction—the punitive approach prevalent in the United States and the approach used in Great Britain:

> Only Canada, West Germany and America treat heroin addiction as a serious crime and all have accelerating problems. On the other hand, in Britain, Scandinavia, and other countries that treat addiction as a disease to be dealt with by professional experts, there is no burgeoning problem. . . . Meanwhile, the punitive approach has allowed our problem to get completely out of hand, so that, even now, practically all federal money is spent on chasing international suppliers and local pushers—all to no avail. Relatively little money is available to help bring about the rehabilitation of our addicts, and only about 10 per cent get any attention at all. For example, in Philadelphia, what meager resources exist have waiting lines of from three to six months.

A substantial number of addicts in the United States move to Great Britain to work out their problem within the law. Let us ask ourselves as Kenneth Smith asks, "Does the British alternative offer the promise of being a substantial improvement, a more humane method of dealing with one of the saddest and most intransigent problems faced by our country?"

The article in its entirety follows:

AN ALTERNATIVE APPROACH TO HEROIN

(By Kenneth J. Smith)

It wasn't so long ago that heroin addicts were viewed as depraved creatures living in the ghetto (where they belonged) or bohemian musicians who needed the stuff to hit that beautiful note. Vietnam and the emergence of the drug-youth culture quickly changed all that. As addicts returned from the war, and as "hip" pockets of the large cities developed, the more conservative elements of our society became aware of a link between heroin addiction and muggings, burglaries, and robberies. At first, the liberal segments seemed to ignore this connection, but today we have such paragons of liberalism as the *Village Voice* searching for some viable alternative to the heroin problem. So one over-riding fact has emerged—we all have to address ourselves to this problem because we are all affected by it.

Most experts see heroin as the single most important cause of theft and crimes of violence. And because of this obvious connection between narcotics and crime, there is a popular belief that heroin makes criminals of people and turns them to violence. On the contrary, heroin actually creates a temporary euphoria followed by lethargy and a desire to sleep. It is not the taking of narcotics, then, that leads to crime; it is the absence of the narcotic and the insatiable craving for it that impels and compels addicts to do literally anything to get a fix. The price of illegal heroin being so very high, few can maintain the habit without eventual involvement in crime.

Our present American system of dealing with heroin addiction is irrational and absurd because it makes a disease into a crime and punishes the victim. Virtually every sociologist and criminologist in the country views addiction as a disease and, hence, to be treated by medical and psychological means. In spite of this expert opinion, for over 50 years now, addiction has been a police matter—one result being that the number of addicts has multiplied in astronomical fashion.

Only Canada, West Germany, and America treat heroin addiction as a serious crime and all have accelerating problems. On the other hand, in Britain, Scandinavia, and other countries that treat addiction as a disease to be dealt with by professional experts, there is no burgeoning problem, no underworld of drugs and crime, little drug-connected violence or crime, and, of course, virtually no narcotics traffic.

When Scotland Yard announces no connection between narcotics and crime in Great Britain, it is a significant breakthrough. This is in direct contrast to the United States and an important justification for the British system; for we have all heard the much-publicized stories about the British system being a profound failure—the implication being that our punitive criminal approach is therefore justified. Naturally our entrenched bureaucrats in the addiction field have been eager to report that addicts have somewhat increased in England since the original program began and, on this basis, have sought to discredit the medical approach.

But what are the facts behind the numerical increase? In the first place, a significant number of addicts have moved to Britain where they can deal with their problem without breaking the law. In the second place, the old British system of trusting doctors to prescribe maintenance doses for their addict patients broke down; not necessarily because the *system* was wrong, but because a few doctors apparently were greedy and irresponsible and prescribed unlimited amounts. In turn, their patients sometimes sold the excess supply or gave it away, thus furthering addiction. Simply stated, no system can be better than the people administering it.

At any rate, when Britain found that a portion of doctors could no longer be trusted, it simply took the right to prescribe heroin away from the general practitioner. Addiction is now treated only by drug clinics scattered around Great Britain. Today about 2500 registered addicts receive maintenance doses—and Britain has *fewer* addicts than it did back in 1968. Half of all addicts are productive and now work at jobs, and virtually none are engaged in crime. If we compare these British figures with our own estimated 600 thousand addicts and the accompanying crime and misery, calling their system a "failure" seems ludicrous.

The British combine their medical approach with an unrelenting educational program about the evils of addiction, and also have made the illegal selling of narcotics the highest fixed penalty in British law—14 years imprisonment.

When an addict shows up at a British clinic he must prove he is an addict before he is registered. Proof involves urine tests, intensive physical examination of injection scars, and exhaustive interviews and cross-checking of the story. After a week or so, he is registered and given a renewable prescription good for 13 weeks. The prescription is also forwarded to a drugstore where the addict can pick up his drug just once a day. In the meantime, if and when the addict wants to try to shake his habit, every medical and psychological service is made available to him. (Methadone, when acceptable to the addict, is increasingly being used.)

It is pathetic that former Attorney-General John Mitchell called the British system "the surrender approach" and a complete failure. Meanwhile, the punitive approach has allowed our problem to get completely out of hand, so that, even now, practically all federal money is spent on chasing international suppliers and local pushers—all to no avail. Relatively little money is available to help bring about the rehabilitation of our addicts, and only about 10 per cent get any attention at all. For example, in Philadelphia, what meager resources exist have waiting lists of from three to six months. Such community therapy centers as Gaudenzia House care for about 75 addicts and perhaps rehabilitate 20 a year—and this in Philadelphia with a reputed 25 thousand addicts!

Indeed, the current situation is desperate, and our remedies don't seem to do the job. Gaudenzia House, Synanon, Daytop Village—all these therapeutic centers reject over 50 per cent of all applicants for lack of motivation, and at each center the dropouts number some 50 per cent. Methadone, another addictive drug, works for some, but many addicts will not use it and the present program is being criticized for sloppy administration and inadequate supervision. Religious programs sometimes work, but how many addicts are going to respond to such a fundamentalist approach as Teen Challenge offers?

One aspect of the problem seems to be motivation, and almost any program based upon motivation can have some success. Unfortunately, many addicts are apathetic, lethargic, without hope, and we might question how realistic it is to expect these people to remould their personalities, substituting enthusiasm, hope, and commitment. Surely these are ideals to aim for, but, in the meantime, what are we to do with the hundreds of thousands of addicts driven by misery into a life of crime to support their drug habits?

Desperate problems sometimes require desperate remedies. There should be no illusion that medically controlled legalization of the use of heroin would be an adequate or satisfactory solution. Perhaps there can be none until we face up to the gigantic problem of restructuring our society so that the causes of addiction are dealt with. However, we cannot wait for Utopia, and surely it is foolish to condemn an alternative method because it is not perfect and foolproof. The only honest question is this: Does the British alternative offer the promise of being a substantial improvement, a more humane method of dealing with one of the saddest and most intransigent problems faced by our country? At the minimum, we should support an experimental pilot program as a test of the new approach to heroin addiction.

Enlightenment comes slowly; first the experts, then the media, then the public building support. The late American sociologist, Harry Elmer Barnes, had long been an advocate of this position. So too has a leading sociologist-writer in this field, Dr. Alfred Lindesmith of Indiana University. Recently the Ford Foundation came out for a controlled experiment in heroin maintenance, as has the Crime Committee of the American Bar Association. In 1972, Yale Medical School drew up a plan for a pilot program in New York City under the auspices of the Vera Crime Institute. In November of 1972, the Consumer's Union issued an exhaustive study of the drug problem and recommended the medical approach. Still, enough support has not developed for anyone to be optimistic about any experiments in the near future. The idea *is* out in the open, however, and away from the ivory tower. Hopefully, public education and enlightenment will follow.

It may be that America has not suffered enough yet. Maybe we will change our losing plan only as the unrelieved failure of the present approach becomes undeniable even to the most obtuse. Perhaps some of us can shorten this dreadful period of waiting—at the very least, we must try.

SUPPORT GROWS FOR VICE PRESIDENT'S REQUEST FOR INVESTIGATION BY HOUSE

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. BAUMAN. Mr. Speaker, it is readily becoming evident that the American people are in support of the Vice President's request for a full investigation of the charges made against him. It is also obvious that the only proper forum for such an investigation is the House itself.

As evidence of the growing feeling that the Vice President's request is both correct and should be followed, I insert at this point in the RECORD an editorial from the Wall Street Journal of October 1, 1973, entitled, "Tacky Arguments" and a column by the distinguished columnist, William S. White, which appeared in the Washington Post on September 29, 1973.

[From the Wall Street Journal, Oct. 1, 1973]

TACKY ARGUMENTS

We have seldom seen a tackier set of arguments than those being offered by apologists for the House leadership's decision not to investigate Spiro Agnew. We are told that an investigation would slow disposition of the case by somehow helping Mr. Agnew in court, that since Mr. Agnew has requested the investigation he must be up to something bad, and that anyway the House is incompetent to discharge its constitutional duties.

The fact is that with or without a House investigation Mr. Agnew is quite capable of going to the Supreme Court on the plausible grounds that he must be impeached before he can be indicted. On Friday he went right ahead and filed suit to stop the grand jury investigation; did the House leaders seriously believe he would not do so if they turned down his request? Do they now believe he will hesitate in any appeal he would have made if they had started their investigation?

Only two questions bear on how the House could affect the length of time until this issued is settled: Whether the House will be prepared to move if the Supreme Court says the House is the body with jurisdiction, and whether after seeing the evidence the House would want to short-circuit the appeals by moving on its own for impeachment. Obviously, both argue not for refusing the investigation but for getting it started.

As for Mr. Agnew's motives in asking for the investigation, if he is going to argue in court that only the House has jurisdiction he must ask the House to take jurisdiction. Whether or not the House acts on the request is nearly irrelevant. Those who put the worst interpretation on Mr. Agnew's request argue, in effect, it's a dirty trick because he knows full well the House is too cowardly to take him up.

The House is not only cowardly, the apologists for the House argue, it is also incompetent. From truck drivers and hash-house waitresses you can assemble a grand jury fit to hear the charges, but in the membership of the House of Representatives it is impossible to find 12 good men and true who could be trusted to act with propriety.

And if the House works hard at proving itself cowardly and incompetent, the apologist line concludes, the Supreme Court will be less likely to rule that the Constitution gives it any responsibility. What this says about the House may be reasonably accurate, but we very much doubt what it says about the Supreme Court. The Justices are not entirely immune from political considerations, but we find it entirely preposterous to believe that their decision will turn on whether or not the House has appointed a select committee to start taking a look at the evidence.

The House is, of course, free to shirk its responsibilities if it wants, but the act should be seen for what it is. The decision was not made on constitutional or legal grounds, but on political grounds. The Democratic leadership in the House does not want to end the uncertainty that threatens to cripple the Republican administration. And if we find that the same uncertainty cripples the Republic, Mr. Albert and the rest will pass the buck once more, blaming everyone but themselves for letting the damage come to pass.

[From the Washington Post, Sept. 29, 1973]

(By William S. White)

CARL ALBERT'S DECISION AND THE NATIONAL INTEREST

All sorts of legalistic alibis can be made for the refusal of the Democratic leaders to have the House of Representatives take charge here and now of the case of Vice President Agnew.

Nevertheless, no number of soothing rationalizations can alter the profound truth that here the highly decent Speaker Carl Albert has made a decision that runs against the deepest of national interest.

What the House has decided to do is to let not simply Spiro Agnew himself but also the people of the United States "hang there twisting slowly in the wind." This was the marvelous recommendation made by a discredited Nixon White House aide for dealing with acting FBI director L. Patrick Gray.

For the central and undeniable facts are these:

Item. Agnew's right to an investigation by the House itself, in place of a federal grand jury already guilty of persistent smear-leaks against Agnew, already partially admitted by the Department of Justice itself, is incontestable under the Constitution.

Item. The duty, not merely the privilege, of the House so to act is additionally plain since there is the gravest of doubt, again a fully admitted doubt, that any vice president can be indicted by any grand jury for anything so long as he remains in office.

For the House therefore to say that it really cannot intervene "because the matter is in the courts" is a staggering cop-out of double-talk. After all, the fact that the matter is indeed "in the courts" is Agnew's whole point. He is appealing to the House to acquit him or to impeach—that is, to indict—him because in his view the courts could not lawfully do the one and, given its whole attitude, the Department of Justice is hell-bent to do the other.

Thus the whole effect of the cop-out of the House is to leave this wretched, this divisive, this traumatic business hanging over this nation for many, many months if not for years. Court appeal will follow appeal will follow appeal . . . The House on the other hand could clear the whole thing up in a maximum of six weeks if it had the mind to do so.

Moreover, indictment or no indictment Agnew is simply not going to resign. He is in a high-noon, a shoot-out-at-OK-corral mood. So what good can "leaving it to the grand jury" do anyhow, even assuming that the grand jury isn't sooner or later stopped cold by the higher courts? Why, the case will come right back to the House—where it ought to be right now.

Carl Albert is an able and fair man whom I have known and respected (and still do) for many years. One can only suppose that here he let himself be over-persuaded by overly-partisan Democratic associates. Old Speaker Sam Rayburn, on those very rare occasions when he believed elementary justice and the indispensable national welfare were involved, asked neither Democratic colleagues nor the House itself what to do. He told them. And they did it.

One hopes that Albert will return to the Rayburn tradition before this sad crisis has run its course. The question is not whether Spiro Agnew is a bad man or a good man. One question, however, is whether the Department of Justice is showing how "tough" and "independent" it can be, perhaps in order to sanitize the extremely poor job it did in the Watergate scandal.

Be he guilty or not, there is a strong "get-Agnew" aroma around Washington.

HOUSE OF REPRESENTATIVES—*Tuesday, October 2, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Give us this day our daily bread.—Matthew 6: 11.

In the revival of a centuries-old tradition in which man has paused each autumn to give thanks for his harvest, we lift our hearts unto Thee, our Father God, in gratitude for the fruit of the soil, for the reaping of grain, and for the daily bread which nourishes our bodies and our spirits. Help us to realize anew our dependence upon the soil, the sun, and the rain, upon the skill of the farmer and, above all, upon Thy bountiful grace. "Back of the loaf is the snowy flour, back of the flour the mill, and back of the mill is the field, the wheat, the sun, the shower, and the Father's will."

May we turn our voices of thanksgiving into the virtues of thanksliving. With understanding and compassion, help us to share the results of our labor with those who are in need. Through our giving and our sharing on this international day of bread, may new hope come to the distressed, new faith to those who doubt, new light to those who sit in darkness, and new life to those who are depressed. By Thy spirit, may we make our contribution of human sympathy to human need, transcending the boundaries of color, creed, and country.

In the spirit of Him who said, "Give and it shall be given unto you," we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 719. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 160. Joint resolution to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection of the request of the gentleman from Michigan?

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY, RETIRED

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, SFC, U.S. Army, retired.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ROBERT J. BEAS

The Clerk called the bill (H.R. 3544) for the relief of Robert J. Beas.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ALVIN V. BURT, JR., EILEEN WALLACE KENNEDY POPE, AND DAVID DOUGLAS KENNEDY, A MINOR

The Clerk called the bill (H.R. 6624) for the relief of Alvin V. Burt, Jr., and the estate of Douglas E. Kennedy, deceased.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RESOLUTION TO REFER BILL FOR THE RELIEF OF ESTELLE M. FASS TO THE CHIEF COMMISSIONER OF THE COURT OF CLAIMS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) entitled "A bill for the relief of Estelle M. Fass," to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

J. B. RIDDLE

The Clerk called the bill (H.R. 1376) for the relief of J. B. Riddle.

There being no objection, the Clerk read the bill as follows:

H.R. 1376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to J. B. Riddle of Fort Worth, Texas, the sum of $4,800 in full settlement of all his claims against the United States arising out of the displacement and relocation of his business in 1967 in connection with a federally assisted construction project. The said J. B. Riddle is ineligible for relocation payments under the Advance Acquisition of Land Program of the Department of Housing and Urban Development as a result of his reliance on certain misinformation he received from the city of Fort Worth, Texas.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6: Strike "$4,800" and insert "$5,500".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAROLD C. AND VERA L. ADLER, DOING BUSINESS AS THE ADLER CONSTRUCTION CO.

The Clerk called the Senate bill (S. 396) for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.

There being no objection, the Clerk read the Senate bill as follows:

S. 396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in accordance with the opinion, findings of fact, and conclusions of the trial commissioner in United States Court of Claims Congressional Reference Case Numbered 5-70, entitled "Adler Construction Company against The United States," filed October 24, 1972, the Secretary of the Treasury, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Adler Construction Company of Littleton, Colorado, the sum of $300,000, in full satisfaction of all claims by such company against the United States for compensation for losses sustained by such company in connection with a contract between such company and the Department of the Interior, Bureau of Reclamation, providing for certain work on the Pactola Dam project near Rapid City, South Dakota.

(b) No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "For the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co."

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to withdraw the committee amendment to the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A motion to reconsider was laid on the table.

MRS. NAOYO CAMPBELL

The Clerk called the Senate bill (S. 84) for the relief of Mrs. Naoyo Campbell.

There being no objection, the Clerk read the Senate bill as follows:

S. 84

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Naoyo Campbell, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KUAY TEN CHANG (KUAY HONG CHANG)

The Clerk called the Senate bill (S. 89) for the relief of Kuay Ten Chang (Kuay Hong Chang).

There being no objection, the Clerk read the Senate bill as follows:

S. 89

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Kuay Ten Chang (Kuay Hong Chang) shall be held and considered to be within the purview of section 203(a)(2) of that Act and the provisions of section 204 of that Act shall not be applicable in this case.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANUELA C. BONITO

The Clerk called the Senate bill (S. 278) for the relief of Manuela C. Bonito.

There being no objection, the Clerk read the Senate bill as follows:

S. 278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Manuela C. Bonito shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Manuela Bonito Martin shall be held and considered to be the natural-born alien daughter of Richard Allen Martin, a citizen of the United States: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "For the relief of Manuela Bonito Martin."

A motion to reconsider was laid on the table.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EMILIA MAJOWICZ

The Clerk called the bill (H.R. 1463) for the relief of Emilia Majowicz.

There being no objection, the Clerk read the bill as follows:

H.R. 1463

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Emilia Majowicz shall be held and considered to be the natural-born alien daughter of Mr. and Mrs. Henry J. Burek, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendments:

On page 1, line 7, after the words "natural parents" insert the following *"or brothers or sisters"*.

On page 1, line 8, strike out the word "parentage" and insert in lieu thereof the word *"relationship"*.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSA INES TOAPANTA

The Clerk called the bill (H.R. 1955) for the relief of Rosa Ines Toapanta.

There being no objection, the Clerk read the bill as follows:

H.R. 1955

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Rosa Ines Toapanta may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Lois R. D'Elia and Stephen J. D'Elia, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

With the following committee amendments:

On page 1, line 4, strike out the name "Rosa Ines Toapanta" and insert in lieu thereof the name "Rosa Ines D'Elia".

On page 2, beginning on line 1, after the word "Act." strike out the remainder of the bill and insert in lieu thereof the following:

"Sections 204(c) and 245(c) of the Immigration and Nationality Act shall be inapplicable in this case."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "For the relief of Rosa Ines D'Elia".

A motion to reconsider was laid on the table.

TOY LOUIE LIN HEONG

The Clerk called the bill (H.R. 1353) for the relief of Toy Louie Lin Heong.

There being no objection, the Clerk read the bill as follows:

H.R. 1353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (31) of the Immigration and Nationality Act, Toy Louis Lin Heong may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendment:

On page 1, lines 4 and 5, strike out the name "Toy Louis Lin Heong" and insert in lieu thereof the following name: "Toy Louie Lin Heong".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUIGI SANTANIELLO

The Clerk called the bill (H.R. 1466) for the relief of Luigi Santaniello.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. GAVINA A. PALACAY

The Clerk called the bill (H.R. 2514) for the relief of Mrs. Gavina A. Palacay.

There being no objection, the Clerk read the bill as follows:

H.R. 2514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Gavina A. Palacay shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Mrs. Gavina A. Palacay, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANKA KOSANOVIC

The Clerk called the bill (H.R. 2628) for the relief of Anka Kosanovic.

There being no objection, the Clerk read the bill as follows:

H.R. 2628

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(3) of the Immigration and Nationality Act, Anka Kosanovic may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act: *Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MRS. NGUONG THI TRAN (FORMERLY NGUYEN THI NGUONG, A13707-473D/3).

There being no objection, the Clerk read the bill as follows:

H.R. 3043

Be it enacted by the Senate and House of Repreesntatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Nguong Thi Tran (formerly Nguyen Thi Nguong, A13707–473D/3) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the county of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Beginning on page 1, line 8, after the words "visa fee." strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ENID R. POPE

The Clerk called the bill (H.R. 3207) for the relief of Mrs. Enid R. Pope.

There being no objection, the Clerk read the bill as follows:

H.R. 3207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Enid R. Pope shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant admissions authorized pursuant to the provisions of section 21(e) of the Act of October 3, 1965.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOULOS STEPHAN

The Clerk called the bill (H.R. 4438) for the relief of Boulos Stephan.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JOSE ANTONIO TRIAS

The Clerk called the bill (H.R. 6829) for the relief of Mr. Jose Antonio Trias.

There being no objection, the Clerk read the bill, as follows:

H.R. 6829

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mr. Jose Antonio Trias shall be held and considered to have complied with the provisions of section 316 of that Act as they relate to residence and physical presence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANN E. SHEPHERD

The Clerk called the bill (H.R. 1356) for the relief of Ann E. Shepherd.

There being no objection, the Clerk read the bill, as follows:

H.R. 1356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ann E. Shepherd shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of section 101(a)(27)(B) of the Immigration and Nationality Act, Ann E. Shepherd shall be held and considered to have been a returning resident alien at the time of her admission to the United States on June 10, 1972."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERTHA ALICIA SIERRA

The Clerk called the bill (H.R. 1367) for the relief of Bertha Alicia Sierra.

There being no objection, the Clerk read the bill, as follows:

H.R. 1367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Bertha Alicia Sierra shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee: *Provided,* That any fee received by any agent or attorney on account of services rendered in connection with this Act shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum exceeding $1,000.

With the following committee amendment:

Beginning on page 1, line 7, after the words "of the required visa" strike out the remainder of the bill and insert in lieu thereof the following: "fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant admissions authorized pursuant to the provisions of section 21(e) of the Act of October 3, 1965."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUN HWA KOO KIM

The Clerk called the bill (H.R. 1696) for the relief of Sun Hwa Koo Kim.

There being no objection, the Clerk read the bill, as follows:

H.R. 1696

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sun Hwa Koo Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon the payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided,* That any fee received by any agent or attorney on account of services rendered relating to the introduction of this bill shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Beginning on page 1, line 10, after the word "proper" strike out the remainder of the bill and insert in lieu thereof the following: "officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSE CARLOS RECALDE MARTORELLA

The Clerk called the bill (H.R. 2513) for the relief of Jose Carlos Recalde Martorella.

There being no objection, the Clerk read the bill, as follows:

H.R. 2513

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jose Carlos Recalde Martorella shall be held and considered to have been lawfully admitted to the United States for permanent residence as the date of the enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, for the purposes of section 101(a)(27)(B) of the Immigration and Nationality Act, Jose Carlos Recalde Martorella shall be held and considered to have been a returning resident alien at the time of his admission to the United States on December 23, 1970."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MRS. BRUNA TURNI AND MISS GRAZIELLA TURNI

The Clerk called the bill (H.R. 3754) for the relief of Mrs. Bruna Turni and Miss Graziella Turni.

There being no objection, the Clerk read the bill, as follows:

H.R. 3754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Bruna Turni and Miss Graziella Turni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct two numbers from the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Mrs. Bruna Turni, Graziella Turni and Antonello Turni shall be deemed to have a priority date of August 15, 1969, on the fifth preference foreign state limitation for Italy."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: For the relief of Mrs. Bruna Turni, Graziella Turni, and Antonello Turni."

A motion to reconsider was laid on the table.

MARIA LOURDES RIOS

The Clerk called the bill (H.R. 3334) for the relief of Maria Lourdes Rios.

There being no objection, the Clerk read the bill, as follows:

H.R. 3334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Maria Lourdes Rios shall be held and considered to have been unlawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee: *Provided,* That any fee received by any agent or attorney on account of services rendered relating to the introduction of this bill shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Beginning on page 1, line 7, after the words "of the required visa" strike out the remainder of the bill and insert in lieu thereof the following: "fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant admissions authorized pursuant to the provisions of section 21(e) of the Act of October 3, 1965."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that further reading of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENDING CERTAIN PRIVILEGES AND IMMUNITIES TO THE ORGANIZATION OF AFRICAN UNITY

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8219) to amend the International Organization Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, I take this time to ask the committee chairman to explain the details of this legislation.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the distinguished gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, I thank the gentleman for yielding, and I will be happy to explain the bill.

Mr. Speaker, the purpose of the pending bill, as reported to the House by the Committee on Ways and Means, is to provide the President with authority to extend to the Organization of African Unity and its office, officials, and employees in the United States those privileges and immunities specified in the International Organizations Immunities Act.

Under the bill, at the discretion of the President the Organization of African Unity—OAU—may be designated by the President as an international organization for purposes of the International Organizations Immunities Act. Upon such a designation the organization, to the extent so provided by the President, will be exempt from customs duties on property imported for the activities in which it engages, from income taxes, from withholding taxes on wages, and from excise taxes on services and facilities. In addition, the employees of the international organization, to the extent not nationals of the United States, may not be subject to U.S. income tax on the income they receive from OAU. OAU is an organization composed of 41-member states, representing all the independent African nations—except the Republic of South Africa—and acts to further the goals of political and economic development of Africa. It presently has a mission in New York.

For purposes of the International Organization Immunities Act, under which international organizations may enjoy the extraterritorial privileges generally granted to foreign governments, an inganization Immunities Act, under which the United States participates and which has been designated by the President, through an appropriate Executive order, as being entitled to the privileges and immunities in question. The United States is not a member of the OAU and, therefore, the organization presently cannot qualify under the act. H.R. 8219 would provide the President with authority to extend to the OAU privileges and immunities under the act.

In transmitting this legislation to the Congress, the State Department stated that its enactment "would be consistent with important foreign policy interests of the U.S. Government." The bill was reported unanimously by the Committee on Ways and Means, and I urge its favorable consideration by the House.

Mr. SCHNEEBELI. Mr. Speaker, I rise in support of H.R. 8219 which amends the International Organization Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity.

This measure, which was requested by the administration, would allow the President to grant to the Organization of African Unity Mission in New York, its officers, and employees, the same privileges, exemptions, and immunities extended to most other international organizations and their officers and employees located in the United States.

Among the privileges and immunities included are the capacity to contract, acquire, and dispose of real and personal property; the immunity from suit and other judicial process for themselves, their property and assets equivalent to that enjoyed by foreign governments and the duty free importation of baggage and effects for alien officers and employees upon their arrival. In addition, the International Organization Immunities Act extends an exemption from Federal income tax of income of international organizations such as the Organization of African Unity as well as the salaries of their alien employees and the employees of foreign governments represented in the Organization. It should be noted that all of the employees of the Organization of African Unity are nationals of African countries.

The Committee on Ways and Means was informed by the Department of State that this legislation is a result of the administration's desire to develop a closer working relationship with the Organization of African Unity and to be responsive to the Organization of African Unity's requests for some form of official acknowledgement of the status of its New York mission. This mission serves as the secretariat to the African group at the United Nations and acts as a liaison with the U.N. on issues relating to Africa.

Although the United States is not a member of the Organization of African Unity, the administration feels that the enactment of the proposed bill is consistent with important foreign policy interests of the United States.

The committee is convinced that this legislation will be helpful to the President in the exercise of his foreign policy responsibilities and unanimously voted to report it to the House. I urge its approval.

Mr. Speaker, I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, further reserving the right to object, does the gentleman from Oregon think that this will in anyway result in any further cost to this country?

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Oregon.

Mr. ULLMAN. I will say to my good friend, the gentleman from Iowa, that the cost would be almost totally negligible. As I understand it, there are only six such persons in the United States representing this organization, and these exclusions are so nominal that there would be a negligible cost.

Mr. GROSS. The gentleman does not think, then, that in the future—and he has reason to assure the House—that we are not going to get stuck for a bill to maintain this organization since we give them certain immunities and privileges. I say that because we have a bill before us to be considered today or tomorrow that will cost this Government more than $2 billion as a minimum, to take care of the devaluation of the dollar. The gentleman does not think we are getting involved in another one of these enterprises does he, to do good in this country or somewhere else?

Mr. ULLMAN. If the gentleman will yield further, I will give the gentleman full assurance that anything authorized under this bill will not lead to that result. This is a negligible cost.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. RARICK. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Oregon if it is not true that there are 41 nations that are members of the OAU?

Mr. ULLMAN. That is true, as I indicated.

Mr. RARICK. And is it not correct that each of these African nations does at the present time have a delegation representing them diplomatically at the United Nations?

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield, that is my understanding.

Mr. RARICK. I would further ask the gentleman if it is not correct that probably all or the overwhelming majority of these nations also have diplomatic relations with the U.S. Government?

Mr. ULLMAN. That is probably correct.

Mr. RARICK. And is it true that the United States is not a member of the OAU at this time?

Mr. ULLMAN. That is correct, as I so indicated.

Mr. RARICK. Then is it reasonable to assume that the only purpose for this OAU mission in the United States at New York City would be for the purpose of lobbying, probably against us here in our Congress or others in our Government?

Mr. ULLMAN. I could not agree with the gentleman. This is an organization that is well respected in international circles and one that to the best of my knowledge represents very honorable and legitimate purposes here in the United States. These purposes are set forth in the report on the bill.

Mr. RARICK. Mr. Speaker, inasmuch as each of these nations does have diplomatic delegations with diplomatic immunity at the U.N. and the majority of the nations maintain diplomatic relations with our country, I respectfully object.

The SPEAKER. Objection is heard.

DUTY EXEMPTIONS FOR CERTAIN FOREIGN REPAIRS MADE TO VESSELS OWNED BY OR OPERATED FOR THE UNITED STATES

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, and I shall not object, I take this time to ask the gentleman if he will explain this legislation.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, the purpose of the pending bill as reported to the House by the Committee on Ways and Means is to exempt from duty certain foreign equipment and repairs for vessels operated by or for any agency of the United States where entry was made in connection with vessels arriving before January 5, 1971—the effective date of Public Law 91-654.

Prior to enactment of Public Law 91-654, section 3114 of the Revised Statutes of the United States imposed a 50-percent duty on foreign equipments purchased for and foreign repairs made to vessels documented under the laws of the United States. Remission of the tariff under certain circumstances was provided for in section 3115 of the Revised Statutes. Public Law 91-654 amended section 466 of the Tariff Act of 1930 and exempted vessels designed and used primarily for purposes other than transporting passengers or property from payment of the duty on foreign repairs and purchases made after the first 6 months of a voyage of 2 years or more. In providing this exemption, the act reenacted the substances of sections 3114 and 3115 of the Revised Statutes in section 466 of the Tariff Act of 1930 and repealed those sections of the Revised Statutes with respect to entries made in connection with the arrival of vessels on or after the date of enactment of the act.

The duty on certain repairs made in foreign ports to American-flag vessels owned by or operated for the United States was suspended by Public Law 78-200 for the period December 17, 1943, to December 17, 1945. During World War II, the War Shipping Administration had over 3,000 vessels in operation through general agents to furnish logistics to the Armed Forces. During the Korean war and the Vietnam war, the Maritime Administration of the Department of Commerce operated vessels through general agents for the same purposes. Many of these vessels were repaired abroad and substantial costs were incurred by both the paying agency and the Bureau of Customs in the administration of sections 3114 and 3115 of the Revised Statutes. In fact, substantial duties were incurred which still remain unpaid.

These duties are the obligation of the U.S. Government agency which operated the vessels or for whose account the vessels were operated. When the duty on the foreign repairs of such vessels is assessed and actually paid, it merely is a transfer of funds from one agency to another.

H.R. 8217 would provide that the requirements of sections 3114 and 3115 of the Revised Statutes with respect to the duty imposed on equipment purchased for and repairs made to U.S. vessels in foreign countries shall not apply to entries made in connection with arrivals before January 5, 1971, on vessels owned by, or bareboat chartered to, the United States and operated by or for the account of any department or agency of the United States. Further, the bill provides that no agency shall be entitled to a refund for any duties already paid, and from January 5, 1971, all entries of these vessels will be assessed the appropriate duty on foreign repairs.

Mr. Speaker, the Department of Commerce fully supports enactment of this legislation, and no objection to it has been received by the Committee on Ways and Means from any other interested source. The bill has been reported unanimously by the committee, and I urge its favorable consideration by the House.

Mr. SCHNEEBELI. Mr. Speaker, I support H.R. 8217, which would exempt from duty certain foreign equipment and repairs of vessels operated by or for agencies of the United States, where the entries were made in connection with vessels arriving before January 5, 1971.

Before the 91st Congress enacted Public Law 91-654, section 3114 of the Revised Statutes of the United States imposed a 50-percent duty on foreign equipment purchased for, and foreign repairs made to, vessels which were documented under U.S. laws. Remission of that tariff under certain circumstances was provided for in section 3115 of the Revised Statutes.

Public Law 91-654, which amended section 466 of the Tariff Act of 1930, exempted from duty foreign equipment and repairs purchased by certain special purpose vessels after the first 6 months on voyages lasting 2 years or longer. But in the process, the substances of sections 3114 and 3115 of the Revised Statutes, in section 466 of the 1930 Tariff Act, were reenacted. And those sections of the Revised Statutes with respect to entries made in connection with the arrival of vessels on or after the date of enactment, January 5, 1971, were repealed.

In considering H.R. 8217, the committee was reminded that during the Korean and Vietnam conflicts, U.S. agencies operated vessels through general agents to furnish support to the Armed Forces. Many of these vessels were repaired abroad over the years, and substantial costs were involved, by both the paying agency and the Bureau of Customs, in the administration of section 3114 of the Revised Statutes with respect to these vessels. Duties were incurred which remain unpaid, and these duties are the obligation of the U.S. Government agency which operated the vessels or for whose account the vessels were operated.

The agencies involved have agreed, along with the General Accounting Office, that payment of these duty obligations would serve no useful purpose inasmuch as the funds would merely be transferred from one agency to another.

Therefore, the committee provided in the bill before us that the requirements of sections 3114 and 3115 of the Revised Statutes, with respect to the duty imposed on foreign-bought equipment and repairs for these vessels, would not apply to entries made in connection with arrivals before January 5, 1971. The bill also provides that no department or agency would be entitled to a refund of such duties paid prior to January 5, 1971.

Mr. Speaker, no objection to H.R. 8217 was registered before the committee, which unanimously approved it.

Mr. Speaker, I withdraw my reservation of objection and I thank the gentleman for his explanation.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the bill, as follows:

H.R. 8217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 3114 and 3115 of the Revised Statutes of the United States (19 U.S.C. 257 and 258) shall not apply to entries made in connection with arrivals before January 5, 1971, of vessels owned by the United States, or bareboat chartered to the United States, and operated by or for the account of any department or agency of the United States.

SEC. 2. On or after the date of the enactment of this Act, no department or agency of the United States shall be entitled to a refund of any duties paid before January 5, 1971, by any department or agency of the United States under section 3114 of the Revised Statutes of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAKING IN ORDER CONSIDERATION ON THURSDAY OF THE PAR VALUE MODIFICATION APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on Thursday to bring up the par value modification appropriation bill, which is an outgrowth of the legislation which mandates our maintaining par value of these international financial institutions.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, what would be the conditions of debate?

Mr. MAHON. We would ask for a minimum of 1½ hours and we would then take it up in the Committee of the Whole.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM THURSDAY, OCTOBER 4, 1973, TO TUESDAY, OCTOBER 9, 1973

Mr. O'NEILL. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 321) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 321

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, October 4, 1973, it stand adjourned until 12 o'clock meridian, Tuesday, October 9, 1973.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

THE CASE OF THE GOLDSHTEIN BROTHERS

(Mr. ROSENTHAL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSENTHAL. Mr. Speaker, emigration from the Soviet Union is not free.

Yet, in 1966 the Soviet Union signed the Universal Declaration of the Rights of Man, which affirmed the principle of free emigration.

Since 1971, the Goldshtein brothers, brilliant physicists from Tbilisi in the Georgian S.S.R., have applied for and been denied emigration visas.

Grigory and Isai Goldshtein have long been active in the struggle for free emigration. In 1973 they took part in a Moscow hunger strike. When they returned home they found that their apartments had been searched and papers seized.

In June 1973, preparations were underway to prosecute the Goldshteins on criminal charges for "defaming the Soviet Social System." The trial preparations were "suspended," but they may be reactivated. Is it a crime to speak out for human freedom? The brothers say, "no," and they continue their appeals and their peaceful protests.

Loss of jobs, threats, arrests and detention have not silenced these freedom fighters. Congress must help the Goldshtein brothers by passing the Mills-Vanik amendment.

PERSONAL EXPLANATION

Mr. HENDERSON. Mr. Speaker, on rollcall 481, the amendment offered by the gentleman from New Jersey (Mr. RODINO) which was offered September 26, I was in the Chamber, placed my card in the box, but was not recorded.

Had I been recorded, I would have been shown as voting "nay."

POSITION OF MR. JAMES V. STANTON ON DISTRICT OF COLUMBIA HOME RULE

(Mr. JAMES V. STANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES V. STANTON. Mr. Speaker, I am—and always have been—an advocate of home rule for the District of Columbia. To anyone who has ever asked me my position on this issue, I have replied that being president of the city council in Cleveland convinced me that no city can be run properly or effectively except by the people who live in it, because it is they alone who fully understand the city's problems. Now, against this background, I was astonished and outraged to learn yesterday that my name was being bandied about by the Delegate from the District of Columbia, the chairman of the District of Columbia Committee as being among those on whom the Democratic party should bring pressure to vote for home rule. I resent having false information about me spread around by these persons. I do not know where they got their erroneous information, but they never bothered to ask me what my views are. Furthermore, they ought to know better than to think that, on any question at all that comes before this body, I am going to be persuaded by a clumsy political plot to vote one way or the other.

I will vote for home rule as I have always intended to—because I believe in it. But not because the delegate or chairman or anyone else threatens me, subtly or otherwise. As a matter of fact, the tactics employed by them might possibly boomerang and defeat home rule, because the tactics might prove counterproductive with respect to certain Members of this body who are not as firmly committed as I am, one way or another, on this proposition. If there be such Members, I ask them to consider the issue alone and to ignore personalities, such as that of the delegate and chairman.

NATIONAL FAMILY WEEK

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the joint resolution (H.J. Res. 550) authorizing the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as "National Family Week," and ask for immediate consideration of the joint resolution.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California (Mr. EDWARDS)?

Mr. HECHLER of West Virginia. Mr. Speaker, reserving the right to object, I believe this House and the entire Congress wastes too much time considering resolutions such as this. I would just like to ask for some concrete information from my friend from California as to just what he proposes to accomplish through a resolution such as this. There are many meaningless resolutions on which the Congress wastes a lot of time. Congress should be concentrating its time on more important priorities facing the Nation. We pass a resolution for "National Clean Water Week," and I wonder if this means that all the other 51 weeks are to be national dirty and polluted water weeks. If my good friend from California can tell me what will come from the pending resolution, I will be glad to know.

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Speaker, in answer to the question of the gentleman from West Virginia, this type of resolution has been enacted by both the House of Representatives and the other body since their inception. They are traditional.

The gentleman suggests that they waste quite a lot of time. I would answer the gentleman by saying that they take practically no time whatsoever; maybe at the most, 2 or 3 minutes every 2 weeks. They take no committee time.

There is no cost in connection with any of these bills. No appropriation is ever involved. I think it is the general feeling of the Members that as long as the privilege is not abused, that the custom should continue. The House Judiciary Committee has worked out a number of strict rules on these bills—that there shall be no taint of commercialism; that there shall be no political implications; and that none of the bills shall be controversial.

Mr. HECHLER of West Virginia. Mr. Speaker, further reserving the right to object, is it correct that out of the gentleman's committee passed by Congress is a resolution to set up, "National Check Your Vehicle Emission Month?"

It interested me to learn that after the House and Senate passed that resolution, then it took a high-paid White House employee to write a presidential proclamation, in which President Nixon stated:

> I call upon all Americans to recognize the need for curbing exhaust pollutants from their motor vehicles by maintaining them in good working order.

I just wonder if National Check Your Vehicle Emission Month did indeed emerge as a resolution from the gentleman's committee?

Mr. EDWARDS of California. I believe that bill did pass both the House and the Senate last year and was signed by the President.

Mr. HECHLER of West Virginia. Can the gentleman from California furnish me with any concrete value that came from such a resolution?

Mr. EDWARDS of California. The author of the bill was the gentleman from Texas (Mr. ECKHARDT), who extended his remarks in the record on the day of the passage of that particular bill. I do not recall his exact words. I do know, after due consideration the subcommittee approved the bill, and the committee felt the case was well made for that particular day. I would refer the gentleman from West Virginia to the record.

Mr. HECHLER of West Virginia. Further reserving the right to object, Mr. Speaker, I notice that National Small Business Week has been honored either by act of Congress or by simple proclamation by the President. Does this indicate the other 51 weeks are big business weeks? One could conclude so from the rapid growth of big business and monopoly.

Mr. EDWARDS of California. I believe the gentleman should check the record. I do not believe we have enacted a Small Business Week.

Mr. HECHLER of West Virginia. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

DESIGNATING WEEK OF NOVEMBER 3 THROUGH 10, 1973, AS "NATIONAL HIGH BLOOD PRESSURE WEEK"

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the joint resolution (H.J. Res. 712) to designate the week of November 3 through 10, 1973, as "National High Blood Pressure Week," and ask for immediate consideration of the joint resolution.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROGERS. Mr. Speaker, reserving the right to object, I shall not object for I shall strongly support this joint resolution.

I believe we should realize there are some 23 million Americans who are the victims of high blood pressure, which leads to hypertension, probably the foremost cause of heart attacks and strokes in this Nation.

The fact is that we can now do something about it, if people are aware of it and will go to see their doctors. I believe this is a very easy way to bring attention to what can be done in regard to this health factor, without any cost of money to anyone, simply trying to get people to be cognizant of the matter, to have their examinations made and to take necessary action.

I strongly support the joint resolution, and I commend the committee.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is the week that is to be designated as "High Blood Pressure Week"?

Mr. EDWARDS of California. The week of November 3 through 10, 1973.

Mr. GROSS. Will the House be in session that week?

Mr. EDWARDS of California. Probably so. I believe so.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. HECHLER of West Virginia. Mr. Speaker, reserving the right to object, I intend to object to all these resolutions from now on. I do not believe the House of Representatives should be wasting its time on these resolutions, and fiddling while Rome burns. Although some people have even proposed National Fiddle Week, I am pleased the Congress has not yet gone that far. Yet there are vital national problems which the Congress should be tackling instead of these meaningless resolutions.

With due deference to my good friend from Florida, I fail to see that National Clean Water Week has resulted in any direct action toward cleaning up the Nation's waters. I fail to see that National Next Door Neighbor Day has resulted in any specific examples of improvement in neighborliness. Also, in apartment houses, this resolution discriminates against those who live on floors above or below.

These resolutions are a terrible waste of time when the Congress and the Nation face the kinds of problems all Americans face. I commend my good friend from Florida, a true pioneer in all matters relating to health, for his noble efforts. Yet I feel that the problem should be attacked directly rather than through a hopeful resolution.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I am glad to yield to the gentleman from Florida, on my reservation.

Mr. ROGERS. I would hope the gentleman in this instance would withhold his objection and make it a policy for those coming up later. I would hope he would not object to this joint resolution. It does affect the health of 23 million Americans.

It even affects those with black lung, who also have this disease. I know of the gentleman's concern about them. All of us have tried to do something in that regard.

I hope the gentleman will not tunnel-vision his concern only to black lung, but that he will also be concerned about other diseases. This is something which can have some effect. It may not help everyone, but I know the gentleman has enough concern for anyone we could alert, even if it is three people, to make the passage of this resolution worthwhile. I would hope the gentleman would not object to this joint resolution, but would withhold his objection until a future time, letting his policy be known.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. Yes, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, does the gentleman know whether or not this very week has been designated for a particular cause or purpose under a resolution of this nature?

Mr. HECHLER of West Virginia. Mr.

Speaker, I happen to know, I will say to my friend from Michigan, that during the current week, the first week in October, fall the birthdays of Presidents Chester Alan Arthur and Rutherford Birchard Hayes, but I do not know whether they have been designated as "weeks." "American Education Week" comes within the first 2 weeks in November, I believe. Does the gentleman have any information on that point?

Mr. BROWN of Michigan. No.

Mr. Speaker, will the gentleman yield further?

Mr. HECHLER of West Virginia. I yield further to my friend from Michigan.

Mr. BROWN of Michigan. No, I have no information. I was just wondering to what extent these weeks really are recognized, because I am not sure resolutions of this nature have the effect many of the speakers have attributed to them.

Mr. CARTER. Mr. Speaker, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I, too, will ask the gentleman to withhold his objection in this particular instance.

There is no doubt but that some of these days and weeks perhaps are facetiously named, and without purpose, but this has a great purpose for people throughout our country, that is, to recognize this week and have their blood pressure checked. I believe it is an extremely good idea.

Mr. Speaker, we have had another week, a Diabetes Week, which has been extremely helpful in finding diabetics throughout our country.

In deference to preservation of health, I would hope that my colleague would not object to the unanimous consent request.

Mr. CONABLE. Mr. Speaker, will the gentleman yield to me?

Mr. HECHLER of West Virginia. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I would like to ask the gentleman if he knows if this week would set a precedent so that we would have it every year at this time.

The reason I am asking is that I happen to notice that it coincides with election time, and I hope there is no implication about a connection between election and high blood pressure for the American public.

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California, my good friend for whom I have the highest respect.

Mr. EDWARDS of California. Mr. Speaker, I am sure the gentleman understands that that is not the case. This is a serious resolution. All of these resolutions are serious.

The Judiciary Subcommittee charged with responsibility for these bills would never report one for a frivolous reason. They all have to do with issues of broad national concern, such as a major health problem or an important historical event. Should Congress discontinue these bills, not only would many Members be disappointed but organizations throughout the country engaging in totally unselfish activities would also be disappointed.

Mr. CONABLE. Mr. Speaker, will the gentleman yield further?

Mr. HECHLER of West Virginia. I yield further to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, how does it happen that this particular time has been picked?

Are these weeks picked in some particular way, or is there some agency which is used as a clearinghouse in picking these weeks?

Mr. EDWARDS of California. Mr. Speaker, these bills are introduced and the subcommittee considers them.

There is no pattern. They are only considered on a yearly basis.

Since I have been chairman of the subcommittee handling these activities we have enacted only one bill establishing a permanent day, and that is Father's Day. No bill is passed for more than one particular year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, it is not original with me, but it has been suggested that perhaps we ought to consider next year—and it might well be passed now—a resolution providing a "Reelect your Congressman Week" for the first week of November 1974.

Mr. HECHLER of West Virginia. Mr. Speaker, the Congress ought to tackle more important problems directly instead of passing silly resolutions. The problems of the Nation are causing high blood pressure. Because this resolution raises my own blood pressure, I object.

The SPEAKER. Objection is heard.

CONFERENCE REPORT ON S. 795, NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES AMENDMENTS, 1973

Mr. BRADEMAS. Mr. Speaker, I call up the conference report on the bill (S. 795) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I inquire of the gentleman if he plans to make a statement in order to explain the conference report and perhaps answer a few questions?

Mr. BRADEMAS. Mr. Speaker, I would be very glad to yield to my friend, the gentleman from Iowa, for that purpose.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 27, 1973.)

Mr. BRADEMAS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I rise in support of the conference report on S. 795, a bill to extend the National Foundation on the Arts and Humanities Act for 3 years.

I should, at the outset, commend the distinguished chairman of the Education and Labor Committee, the gentleman from Kentucky (Mr. PERKINS), the distinguished ranking minority member of the committee, the gentleman from Minnesota (Mr. QUIE), the gentleman from Washington (Mr. MEEDS), the gentlelady from Hawaii (Mrs. MINK), the gentleman from Pennsylvania (Mr. ESHLEMAN), as well as the gentleman from Idaho (Mr. HANSEN) for their outstanding efforts in developing this measure and carefully defending the House position in the conference.

I would also like to take this opportunity to express appreciation to the gentleman from New Jersey (Mr. THOMPSON) the original sponsor of the legislation to establish the National Endowment for the Arts and the Humanities, and an untiring supporter of our efforts to strengthen the programs the legislation provides.

Mr. Speaker, the National Foundation on the Arts and Humanities Act was enacted in 1965 by Public Law 89-209 and was, thereafter, amended in 1967 and 1970.

The 1965 legislation created the Foundation as well as its two cooperative operating entities, the National Endowment for the Arts and the National Endowment for the Humanities.

Since 1966, Mr. Speaker, funds appropriated under this act increased from $5,034,308 to the $76.2 million appropriated for fiscal year 1973, divided equally between the arts and the humanities endowments.

Witness after witness before the Select Subcommittee on Education, which I have the honor to chair, spoke of the wise management that has characterized the two endowments. And I should in this respect, Mr. Speaker, pay particular tribute to Nancy Hanks and Ronald Berman who chair, respectively, the National Endowment for the Arts and the National Endowment for the Humanities.

PROVISIONS OF THE CONFERENCE REPORT

Mr. Speaker, the conference report before us today will break new ground for both the arts and the humanities endowments.

I should mention, briefly, to my colleagues the following provisions:

Increased authorizations;

New State arts allotments and matching requirements;

Regional programing; and

Grantmaking authority of the endowment chairmen.

FUNDING AUTHORIZED

With respect to the authorizations provided in the conference report, Mr. Speaker, S. 795 would authorize to be appropriated $145 million for fiscal year 1974, and sets ceilings of $200 million for fiscal 1975 and $252 million for 1976.

The $145 million provided for 1974, Mr. Speaker, is exactly the administration's budget request.

The funding levels for the 2 succeeding years also represent responsible and prudent increments, which will be, in the opinion of the conferees, necessary for the maintenance and growth of the programs of the two endowments.

CURRENT BUDGET INADEQUATE

Mr. Speaker, as I explained to my colleagues on June 13, when the House first considered this legislation to extend the National Foundation on the Arts and Humanities Act, the increased authorizations we are providing are surely modest when we consider the great value of these programs and the many unmet needs in this area.

Just in the arts endowment, for example, if the artists-in-schools program, which presently reaches 2,700 elementary and secondary schools, were to be expanded to the 90,000 schools in our land, the cost would exceed $75 million.

Similar gaps between the arts endowment's accomplishments and the great needs can be seen in other areas.

Touring professional theater companies, for example, were able last year to visit only 27 of the 20,000 communities with populations below 50,000 people.

The expansion arts program can fund only 10 percent of the requests it receives from programs to serve the residents of inner cities and rural areas.

A similar situation exists with respect to the humanities endowment, which is experiencing a growth in the number of applications at better than 33 percent annually.

In fiscal year 1972, for example, the humanities endowment received 4,500 grant requests and was able to fund only 1,100 of them, in spite of the fact that many of the rejected applications were of substantial scholarly merit.

So I just want to stress for my colleagues, Mr. Speaker, that the funding provided in the conference report is not at all exorbitant, and that both endowments can make good use of these funds.

STATE ARTS ALLOTMENTS

Mr. Speaker, the conference report also includes provisions to increase the minimum allotment to the State arts agencies from the existing $65,000 to $200,000.

The State arts agencies, mandated by the original 1965 legislation, have greatly encouraged arts programs within State borders, and I believe I speak for most of my fellow conferees when I say that in our views these agencies are now fully capable of wisely utilizing increased funds.

What we have done, Mr. Speaker, is to guarantee that at least 20 percent of all arts appropriations be used for State and regional programs. Of that set-aside, Mr. Speaker, 75 percent is to be allocated to the States on an equal basis, and the remainder is to be awarded to State arts councils and regional arts programs by the National Arts Endowment on a competitive basis.

Finally, with respect to the arts allotments, Mr. Speaker, I should point out that at the chairman's discretion, any part of a State's allotment which exceeds $125,000, but which is not more than 20 percent of the States total allotment, can be exempted from the 50 percent matching requirement. In other words, Mr. Speaker, the States may, with the approval of the Chairman of the National Arts Endowment, fund some programs at 100 percent. The conferees adopted these provisions in the belief that some new arts programs might not be able to get successfully underway without full funding.

AMERICAN FILM INSTITUTE

Mr. Speaker, I want to note that a precedent for the waiving of the matching requirement already exists with regard to the American Film Institute which receives substantial funding from the National Arts Endowment.

Since the endowment has always had the right to waive the matching requirements in unusual cases, the endowment has done so in the case of the AFI because the institute was, not a private entity seeking Federal funds, but, indeed, a creation of the endowment.

I refer, Mr. Speaker, to the fact that the AFI is the only Presidentially mandated activity carried out under the auspices of the National Endowment for the Arts.

Said President Lyndon Baines Johnson when signing the original 1965 legislation:

> We will create an American Film Institute, bringing together leading artists of the film industry, outstanding educators, and young men and women who wish to pursue this 20th century art form as their life's work.

Because of the unique status of the American Film Institute, therefore, the endowment has, quite rightly, contributed somewhat more than one-half of the AFI's total budget.

While greatly increased efforts on the part of the AFI to raise larger sums from private sources can be anticipated—the institute's capable director, George Stevens, Jr., is to be applauded for his past successes in these endeavors—the institute's programs will require primary funding from the Endowment itself.

REGIONAL PROGRAMING

Mr. Speaker, let me turn my attention briefly to the provisions in the conference report authorizing regional arts programing.

I have said that 25 percent of the set-aside for the State arts programs can be used for regional programing.

The conferees took this action, Mr. Speaker, as a result of the testimony in both the House and the other body that regional programs, especially in sparsely populated States, would make both the performing and creative arts available to a far wider audience than is presently the case.

Speaking for myself, Mr. Speaker, I anticipate an enormous growth in arts activities in the smaller States as a result of these provisions.

CHAIRMAN'S GRANTS

Finally, Mr. Speaker, the conference report authorizes the Chairman of the Arts Endowment, and the Chairman of the Humanities Endowment, to make grants for up to $17,500 on their own authority without submitting the applications to the appropriate council.

I should point out that existing legislation permits the Chairmen to make grants of up to $10,000, and this bill as it originally passed the House on June 14 raised that limit to $20,000.

So I believe the figure of $17,500 will be acceptable to the Members of the House, particularly since we do stipulate that no more than 10 percent of the total appropriations can be used for these grants.

CONCLUSIONS

Mr. Speaker, as I think of what this legislation can mean to the people of our land, I recall an editorial from the June 25 edition of the Elkhart Truth, which is published in Elkhart in my own Third District of Indiana.

Said the editorial:

> It's obvious that the Federal aid is no substitute for the broad base of support and patronage so vital at the state and local levels. That is not intended. Rather, the aid program can inspire and stimulate the fine arts projects we have. It can help encourage new ideas in this field.
>
> Perhaps most significant, the program signifies that fine arts have the approval and encouragement of this government of, by and for the people.

The editorial follows:

[From the Elkhart (Ind.) Truth, June 25, 1973]

ELKHART, STATE BENEFIT FROM FINE ARTS AID

The year 1973 may be remembered in history as marking a major advance in public appreciation and support of the fine arts.

This can happen as a consequence of measures approved both in Congress and in the Indiana General Assembly.

The U S. House voted 309–63 recently for a bill sponsored by Rep. John Brademas, D-3rd Dist., Ind., authorizing continued federal support of the arts and humanities through 1976. President Nixon was on record favoring the measure.

The $145 million authorized for fiscal '74 represents an 80 per cent high from the previous year. The Senate passed a similar bill calling for slightly more.

A compromise measure, signed by the President, and resulting appropriation are anticipated soon.

Thanks also to action by the 1973 Indiana General Assembly, our State will be able to take ample advantage of this assistance.

The legislature recently tripled the state appropriation for the Indiana Arts Council, for matching of federal money.

The state council has allocated the following sums to Elkhart fine arts projects for the next fiscal year: Elkhart community schools, about $4,500 for repertory theater; Michiana Ballet Company, about $2,500; Elkhart Symphony, about $2,000; Elkhart Concert Club, slightly more than $1,000.

Before this year, some of this federal arts aid did find its way to the Third District including Elkhart County. But it was less than we might have had, since the legislature had appropriated too few matching state funds.

What's really impressive about this whole picture now is the broad base of support. The Arts and Humanities program first was established by President Lyndon Johnson. But this legislation has been backed consistently by every presidential administration starting with Dwight Eisenhower's.

The National Foundation on the Arts and Humanities is, in fact, one of the few nondefense agencies to be recommended by the Nixon administration for sizeable increase in '74 spending.

All 50 states now have these arts councils to promote and advance appreciation of and participation in the fine arts.

It's obvious that the federal aid is no substitute for the broad base of support and patronage so vital at the state and local levels. That is not intended. Rather, the aid program can inspire and stimulate the fine arts projects we have. It can help encourage new ideas in this field.

Perhaps most significant, the program signifies that fine arts have the approval and encouragement of this government of, by and for the people.

Mr. Speaker, our acceptance of this conference report will indicate that the 93d Congress, of, by, and for the people, does support the creative and scholarly pursuits of the arts and humanities endowments.

Let us act decisively. I urge my colleagues to join with me to overwhelmingly approve the conference report.

Mr. BRADEMAS. Mr. Speaker, I had promised to yield, and I shall yield to the gentleman from Iowa, however, before that I wish first to yield 3 minutes to the distinguished chairman of our committee, the gentleman from Kentucky (Mr. Perkins), who has given such strong support to this bill.

Mr. PERKINS. Mr. Speaker, through the years the programs carried on by the National Foundation on the Arts and Humanities have grown in number and significance. From the small beginning in 1965—with a total authorization of $10 million—the foundation has advanced to a point today where a total of $110 million is being expended on a multitude of diverse and important programs and activities.

This progress is due in large part to the great and continuing work of the present chairman of our Select Subcommittee on Education, John Brademas and of the former chairman our colleague, Frank Thompson. Through their efforts, we have before us today a conference report which I believe every Member of the House can support.

Substantial contributions were made also by the majority members of the select subcommittee to this bill. Mr. Speaker, this bill is very much a bipartisan effort. Congratulations are also in order for the distinguished ranking minority member, Mr. Quie, and minority members of the select subcommittee.

Mr. Speaker, I am particularly pleased with a number of provisions in the conference report. In my judgment, it is important that we make sure that there is an equitable distribution of support by the foundation and that States and localities in greatest need throughout the country share fully in the benefits of this program.

To this end, Mr. Speaker, the conference report retains a House provision which will guarantee that the State art programs will grow at a healthy rate—commensurate with the growth in the national program.

While there is not a formula distribution of funds for programs carried on by State humanities agencies, the conference report includes a Senate provision which insures State humanities councils a greater role in the implementation of the humanities program. I believe our next step legislatively should be to provide for a formula allocation to State humanities agencies.

Finally, Mr. Speaker—and most importantly—in line with our desires to insure equity in this program and to reach those persons and areas which are in greatest need, the conference report retains a Senate provision modifying existing law as to emphasize the support of programs and projects in the arts in areas where citizens do not have access to such programs for geographical and economic reasons.

I would point out to my colleagues that the authorizations in the conference report are substantially less than those in the Senate bill. The conference report retains the House authorizations for fiscal year 1974. For fiscal year 1975 a total of $200,000,000 is authorized, as compared with a Senate proposed authorization of $300,000,000. In fiscal year 1976, a total of $252,000,000 is authorized in the conference report, as compared with $400,000,000 contained in the Senate bill.

Mr. Speaker, I urge adoption of the conference report.

Mr. BRADEMAS. Mr. Speaker, I will now reserve the remainder of my time, but I wish to advise my friend and colleague, the gentleman from Iowa (Mr. Gross) that I shall be glad to yield to the gentleman for any questions the gentleman may have.

Mr. QUIE. Mr. Speaker, I yield myself 10 minutes

Mr. Speaker, first I would like to say to the gentleman from Iowa (Mr. Gross) that if the gentleman needs additional time that I think both the gentleman from Indiana and I will be willing to yield to the gentleman such time as he may require.

Mr. Speaker, I have had this chart prepared, and I would like to use the chart for what I am going to try to tell the Members today.

First, before I do so, Mr. Speaker, I want to say that I support the conference report, and that I urge my colleagues to vote in favor of it.

When this conference report was agreed on I had some reservations about signing the conference report. I spent a lot of time talking to people down town about it, and finding that the administration supports the conference report and supports the figures, and find that it is acceptable to them for us to place the figures in for 1975 and 1976 at the level of $200 million and $252 million. I worked hard, as the Members know, and the majority voted that way, for a $145 million authorization for 1974. At that time I believed that we should have "such sums" for 1975 and 1976 in order that we would not overpromise to the people of this country. However, the conference in its wisdom decided to set specific figures.

What I want to point out today is the problem that I find in this legislation, and that is promising much more than we can produce. As we look down through that chart, we see the authorization for each year and the appropriation, and then the difference. The people out there who expected to receive Federal funds for the arts and humanities looked at what we did in passing the authorization figure, and then we came along and appropriated a sum that was substantially less.

It is interesting—and I point this out—that it is not the administration's fault when the appropriations are less than the authorization figure in this program:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

BUDGET REQUEST, AUTHORIZATION, AND APPROPRIATION, FISCAL YEARS 1966–74

Fiscal year	Budget request	Percent budget to authorization	Authorization figure	Appropriation figure	Difference, authorization versus appropriation	Percent appropriation to authorization
1966	$17,100,000	100	$17,250,000	$5,034,308	$12,215,692	29
1967	17,750,000	88	20,000,000	10,071,970	9,928,030	50
1968	19,750,000	100	20,000,000	10,999,548	9,000,452	55
1969	23,100,000	100	22,750,000	12,719,348	10,030,652	55
1970	17,000,000	68	24,750,000	16,300,000	8,450,000	66
1971	32,600,000	82	40,000,000	28,650,000	11,350,000	71
1972	$60,000,000	100	$60,000,000	$57,750,000	$2,250,000	96
1973	78,000,000	97	80,000,000	76,200,000	3,800,000	95
1974	145,000,000	100	145,000,000	111,775,000	33,225,000	77
1975			200,000,000			
1976			252,000,000			

Note: Includes definite and matching program funds (excludes administrative funds and gifts).

In 1966 the administration budgeted 100 percent for the authorization; in 1967, 88 percent; in 1968, 100 percent; in 1969, 100 percent; in 1970, 68 percent; in 1971, 82 percent; in 1972, 100 percent; in 1973, 97 percent; and in 1974, of course, 100 percent.

In every case the budget request was also substantially higher or a little bit higher than the appropriation. In 2 years we got close to the authorization. Those years were 1972 and 1973.

It really bothers me that by a majority vote we agreed to $145 million for 1974 and then turned around with the appropriations—which have already passed, by the way—of $112 million. Let me point out right here we are talking about the authorization program, not administrative expenses. The appropriations all the way down through there do not include administrative expenses. That is the way of the budget down there. But that gives the Members an idea. We appropriated $33 million less this year. We promised when the bill went through the House that we would allocate $145 million in fiscal 1974. The Senate promised $160 million when their bill went through. We agreed in conference to $145 million, which the administration agrees to.

We are pretending to be something that we are not in this Congress. Let me point out that I looked the word "hypocrisy" up, as Webster defines it. It means pretender, one who pretends to be what he is not, one who falsely assumes a position of virtue. I want to say right here I am not pointing my finger at anyone, because I signed the conference report. I voted, if I remember correctly, for all of those authorizations. If I did not, I have forgotten, but, as I recall, I voted for all of those authorizations, so I am as guilty as anyone else in this Congress.

But I think this Congress as a body is guilty of hypocrisy, of pretending to be something that it is not. To be hypocritic is to be, according to Webster, a dissembler, to be false, to be specious in our arguments.

I think these words fit us. We are guilty of playing a part, I think, in a deceptive, virtuous role, of pretending virtue we do not possess, and we hold ourselves out to be a great benefactor, promising largess we cannot deliver. I am really tired of doing this, and urge my fellow Members to make future authorizing legislation more compatible with possible appropriations.

I should like to quote the ancient poet, Homer, who defined a hypocrite as "he that hides one thing in his heart and utters another."

This is what we did by saying we authorized $145 million and yet appropriated $112 million. We have done that in too many other programs as well where we have authorizations way above what we appropriate. We should not be promising authorizations of $200 million in 1975 and $252 million in 1976.

Thomas Fuller, an English scholar said:

> A hypocrite is in himself both the archer and the mark, in all actions shooting at his own praise or profit.

We are certainly shooting at our own praise by the voters and profit at the election polls when we make extravagant promises found in these authorization bills—not in this bill alone but in many others that emerge from our committee.

We should be spending more for education, and additional sums for other worthwhile social programs, but we cannot find them in the Federal budget at this time. And we are, I think, less than honest when we pretend that we can somehow extract that money from the air.

The deficit is a fact of life; the money has to be taken from somewhere to fund these social programs. And until Congress is willing to face up to its responsibility, get its budget in balance and set its own priorities in determining how the money should be spent, I protest our promising what we cannot deliver.

When we authorize additional billions for social programs which are not in the budget and which will not be appropriated, we set the stage for the interest groups to harass the Appropriations Committee, a committee, I might add, which is already assailed by others with similar claims for additional billions for equally worthy programs, such as the environment, medical services, aid to the elderly, and so on.

I think Shakespeare described the likes of us as: "Those who daub both sides of a wall."

That describes Congress, I think. And to me it means that we are daubing one side of the wall for those of our constituents who applaud the additional millions we are authorizing for 1975 and 1976. We become shining knights like Don Quixote, doing battle for the right of our people to enjoy the fuller cultural life.

But then we come along and daub the other side of the wall with lowered appropriations. But they do not blame us on the committee. The public knows our hearts are "pure"—did we not tilt the windmill over in higher authorizations for the arts and humanities?

I think there is one way we can begin to correct this duplicity and that is by adopting the recommendations of the Ullman committee. The Rules Committee has the recommendations right now. I think the Congress can then correct itself in the beginning of the year by determining what our priorities are, and if we go through that budgeting exercise then we can honestly tell the people what they can expect from this Congress. That is the direction we have to go.

I point this out again, that we cannot blame somebody else. We cannot blame the administration. As I said earlier, they asked for more. But sometimes we ask for more in the Congress. So it is a mixed bag. But in the Congress it is for us to put our house in order, and before we adjourn this session we should take the recommendations of the Ullman committee, fashion them to fit our needs, and then honestly tell the American people how much we are going to authorize and then appropriate, and we should try to keep them as close as possible.

Mr. RUTH. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from North Carolina.

Mr. RUTH. Mr. Speaker, I am glad to see my colleague so concerned about hypocrisy. I wonder if the same hypocrisy prevails when we spend the people's money they do not have in the Treasury.

Mr. QUIE. I think in that case it is a deficit and it is like one's wife spending more money than he has or one's husband spending more money than she has if she is doing the working, and then he or she has to go out and borrow the money. We are not borrowing the money. In that case we borrowed the money, but we did not promise what we did not deliver.

Mr. RUTH. Is the gentleman really pleased with his explanation?

Mr. QUIE. I surely am.

Mr. SCHERLE. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Speaker, will my colleague tell me to his knowledge do we have any program that has spiraled to the extent this one has in such a short period of time, from $5 million in 1966 to $160 million?

Mr. QUIE. It is $112 million since 1974.

Mr. SCHERLE. In that short period of time is there any program, the benefits for veterans, or the aged, or for the disabled, any organization?

Mr. QUIE. I would say the feeding programs have done some of the same thing.

Mr. SCHERLE. Which programs?

Mr. QUIE. The feeding programs, such as food stamps have really expanded like everything.

That is not the question, because the gentleman from Iowa and I differ on this, but I favor these increases. I think they are right and I hope Congress will pass them and I urge the Congress to do so, but what I am criticizing is our continual propensity for authorizing higher than the figure we then appropriate. When we vote on them both, we cannot be right both times, and the majority votes both times.

Mr. SCHERLE. I am in sympathy with that argument. However I think the gentleman mentioned a moment ago that we should get our fiscal house in order as far as authorizations and appropriations. I agree, but at the same time I think we ought to get the taxpayers' house in order a little bit and not make such a fantastic outrageous appropriation as this increase in the past 5 years. I think it is reprehensible.

Mr. QUIE. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I am willing to take a chance with the arts and humanities in relation to evaluation under the Ullman recommendations to set its priority.

Mr. Speaker, I yield to the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I have been moved by my colleague's remarks, but not very much, and I make that response for several reasons. In the first place, as I listened to the gentleman bewail hyprocrisy, I was a little bit startled because I come back to what the gentleman said at the outset of his remarks; namely, that he supported the conference report. He signed it, as he made clear.

But the gentleman's criticism of the gap between authorization and appropriation does not, in all candor, seem to me to be a very well taken one, because what the gentleman is really complaining about is the nature of our legislative process. Now, the fact of the matter is that in our constitutional system, the President may make a judgment as to what he thinks ought to be spent for a particular program. That is his proper prerogative; that is his duty.

The Committee on Education and Labor, the Committee on Banking and Currency, the Committee on Agriculture, the Committee on Armed Services—all of the authorizing committees have, under our American legislative system, a responsibility to make a judgment as to what ought to be expended on the programs within their several jurisdictions. That is their prerogative; that is their duty.

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. QUIE. Mr. Speaker, I yield myself 1 additional minute, and yield to the gentleman from Indiana.

Mr. BRADEMAS. And, to continue, Mr. Speaker, the Appropriations Committee has a responsibility under our system for utilizing its best judgment on what should be spent for public programs. That is their prerogative; that is their duty.

Now, Mr. Speaker, what I have just described is called democracy. It is messy; it is complicated, and I share with the gentelman the hope that we can develop some more rational way of going about making these judgments in both the executive and legislative branches. In that, I totally agree with him, but I would strongly reject the epithet "hypocrisy" because, in effect, he is complaining about the nature of the American legislative system.

Moreover, Mr. Speaker, my friend from Minnesota also said that we had even set the stage for interest groups to harass the Appropriations Committee.

But, Mr. Speaker, I always thought that Members of Congress got elected, in part, to be harassed. It is the nature of our responsibility as elected representatives to be petitioned. That, too, is called democracy.

I wish to make two other points, Mr. Speaker. I share with the gentleman from Minnesota his concern about the enormous gap between what is promised and what is performed, but, if he is really concerned about this gap—and I know he is—we ought to look at where the big money is, where the real gap between promise and performance is. He knows as well as I that the Pentagon spills enough money coming over the 14th Street bridge in an hour to make up for all the programs we are talking about here today over a period of some years.

My final point, Mr. Speaker, as I look at the gentleman's own chart, is there is really not a great gap between authorizations and appropriations and has not been in recent years. The gentleman himself acknowledges that in 1972 and 1973, respectively, the appropriations figures came very near to being 100 percent of the authorization and, indeed, the latest figure may prove to be, although I do not know if the appropriations bill has been signed yet, close to 80 percent.

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. QUIE. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, what the gentleman says is true. There is a difference between the administration and the Congress, and the Congress can disagree with the administration. It is true that the authorizing committee and appropriating committee are two different bodies, and they can disagree with each other, but the final decision comes right down here on the floor of the House. At that time, the majority here decides one figure for the authorization and another figure for the appropriation.

I thought, as the gentleman indicated, that we are getting close to the area we should have been in 1972 and 1973, keeping those close.

What I am really bothered by now, are we going to expand the difference between the authorization and appropriations? We have got that responsibility. It is ours right here in the Congress.

Mr. BRADEMAS. Mr. Speaker, I seek recognition, and yield myself 1 minute.

Mr. Speaker, I would say then, by way of summary, and here I think the gentleman from Minnesota and I are in complete agreement, that we are pleased that the administration supports the conference report, and I hope very much that the Members of the House on both sides of the aisle will vote for the conference report.

Mr. QUIE. Mr. Speaker, I have requests for time from the gentleman from Pennsylvania, the ranking minority member of the subcommittee, and two members from the committee, and the gentleman from Iowa.

I yield now to the gentleman from Pennsylvania (Mr. ESHLEMAN) such time as he may consume.

Mr. ESHLEMAN. I thank the gentleman for yielding.

Mr. Speaker, I supported this bill on its first travel through the House. At that time the authorization figures were the budget figures.

The bill comes back to us from the conference committee, as follows: for fiscal year 1975, $200 million; and for fiscal year 1976, $252 million.

I now oppose this legislation, and I ask the Members to consider doing the same.

The dollar figures of the authorization will have grown from a total of $40 million in 1971 to a total of $252 million in 1976.

Giving that in percentages, fiscal year 1971 was 62 percent over fiscal year 1970. The next year was 50 percent higher. The following year was 33 percent higher. Fiscal year 1974 was 81 percent over fiscal year 1973. Fiscal year 1975 will be up 38 percent, and fiscal year 1976 will be up 26 percent.

Let me put it still another way. This authorization will have grown almost 300 percent in the past 6 years. This is how $40 million authorizations grow to half-billion-dollar authorizations in a decade.

I respectfully suggest that it is time we take this legislation back to the drawing board.

Mr. QUIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho (Mr. HANSEN).

Mr. HANSEN of Idaho. Mr. Speaker, I rise in strong support of the conference report.

Mr. Speaker, I am happy to be associated with this legislation. I serve on the Select Committee on Education which drafted the bill and was a member of the House conferees.

The Committee on Education and Labor and the Congress itself are deserving of praise for the steady progress made in recent years, and continued in this bill, in closing the gap between the per capita level of support for the arts and humanities in the United States and most European countries.

We have in this legislation determined that the States will be receiving no less than a basic allocation of $200,000 next year when, hopefully, the appropriations will be greater. The States must match Federal grants dollar for dollar, and many States and private contributors have been doing a tremendous job in matching Federal funding at a rate of $3 for every Federal dollar expended.

I am disappointed that the appropriations did not match the money which we authorized—$145 million for fiscal 1974—and which the President budgeted. I do not believe $112 million which was appropriated by Congress for the National and State programs will be adequate to fund the successful ongoing programs and plan for the new, as well as the bicentennial programs which should be in planning stage now.

The National Endowment for the Arts (NEA) is providing invaluable assistance to struggling orchestras, to financially starved museums, to dance and theater groups which hardly break even, and which provide indescribable delight to their audiences. I am hopeful that funding levels will not mean the cutback in traveling dance and theater groups, travel plans for orchestras, expansion of the popular artists in the school program, and the like.

Since 1968 the Endowment has been responsible for making possible such projects as the Oinkara Basque Dance Tours, the Boise Philharmonic Children's Concerts and telecasts, Idaho Falls Symphony Elementary String program, Idaho Antique Festival Theatres Tours, University of Idaho Troupers Theatre, Arts for Idaho's Senior Citizens, Lewis Clark Children's Theatre, and the Coeur d'Alene PTA Council summer arts program.

This has meant a great deal in the small State of Idaho. Appropriations for fiscal 1974 for the State programs (5g) will be roughly what they were this year, which will not allow for much expansion of the programs, but I am grateful that, even so, small States all over the United

States as well as those more heavily populated areas will be the recipient of grants for similar programs to those mentioned above. Expansion will come in 1975.

The Arts Endowment has been of great comfort and joy to those citizens who are handicapped, old and in institutions. Throughout the United States there are theatre groups for the deaf, orchestra programs for senior citizens, traveling musicians who visit the institutions, such as prisons, schools for the blind and so forth, and in hospitals.

We stipulated that work should be carried to economically deprived areas—work already undertaken by the NEA, for example, in the Expansion Arts program in 34 States, mostly working with inner city and rural youth who have not had the opportunities for creative outlets.

I must say a word about the Artrain which has been touring the western part of the United States since early this year. It began in Michigan with a grant of $50,000 from the Arts Endowment, and $600,000 was raised to put the six-car traveling exhibit on the roads into areas which might never see an art exhibit.

Exhibits and films in some cars were the same as those used in the beginning travels in Michigan, but the third car was devoted entirely to works collected from museums in the Western States. Local artist joined the Artrain exhibition, working in painting, sculpture, pottery, macrame, crocheting of beads. We had a demonstration of Navajo jewelry making. This Artrain has been a powerful force in creating interest in the arts in each community it visits. It will visit the Southeastern United States next.

Let me list a very few of the endeavors of the Humanities Endowment and what they are doing to acquaint the American people with their ideological roots. These include State-based programs, film-TV programs, museum grants, national humanities series, great issues in the American experience, college and newspaper school curriculums, fellowships, research and editing, bicentennial conferences, State guides and histories.

One of the best of the humanities programs, in my opinion, which will soon be in all 50 States, is to bring together in the State-based programs, groups of people in the various disciplines—from adult education, from academic humanists and from institutional leaders, from colleges and universities, historical societies, libraries and the media—in open forum to discuss the great issues of the Nation as well as State and local issues, and trying to bring the insights of their disciplines to bear on these important problems.

The lack of the $33 million, which is the difference between the President's budget request of $145 million, Congress authorization, and the final appropriation of $112 million, will mean drastic cutbacks, I fear, in these State based programs. They promise to be a valuable source of education for our people in the substantive issues of the day, and will contribute to an enlightened, informed electorate. I would be sorry to see funds for this program cut.

The lack of funding will also mean that plans for the Bicentennial in 1976 will have to be cut, as well, and works which were to have been commissioned now will just not be written or composed or choreographed or sculpted or whatever. The National Endowment for the Humanities planned a television series on our revolutionary greats, such as Washington, Jefferson, and the Adams family. They are also commissioning scholarly historical works on other historical figures, and histories of the States and countries. I sincerely hope these endeavors will not suffer.

I am pleased to see that the NEH-funded "course by newspaper" on American history will be carried by the Evening Star-News—and some 200 newspapers across the country. This will be another means of education of our people, which is one laudable aim of the Endowment. This lecture course by newspaper, using as it does some of the best scholars in the country to write the series, will make our citizens richer in history, particular in understanding the deeper implications of the meanings found in the Declaration of Independence, the Bill of Rights and the Constitution.

I believe that changes which we made in this bill are good ones.

We provided that the advisory panels which make decisions on grant applications must have broad geographic representation rather than be dominated by any one region of the country. We also stipulated that the Endowments search out economically deprived areas for funding. We allowed public research libraries to come under the eligibility standards of the Library Services Act. We approved amendments which provides funding for regional groups to begin operations, so that the States can pool limited resources to provide cultural resources for their people, with technical and other assistance from the Arts Endowment.

It was the intention of the legislation to enlarge the role the States play in the building and strengthening of their programs. I believe that our final bill is explicitly clear on this.

We are also clear that the States are to receive more money in the future.

This is, I repeat, an excellent bill. The Endowments are doing an outstanding job in bringing a greater and richer cultural life to our citizens.

I should like to commend Miss Nancy Hanks, Chairman of the National Endowment for the Arts and her fine staff, and Dr. Ronald S. Berman, Chairman of the National Endowment for the Humanities and his gifted staff, for work well done. The standard which they set for themselves is excellence. And they insist that the applicants for Federal grant money must meet this rigid criteria. Congress has in the past insisted upon this, and the Endowments have followed through very well indeed.

This program is vitally necessary in our national life. It helps fill an inner need which each of us has for participation and enjoyment of the arts, for the creative development of the life of the mind and spirit; and I am grateful to this Congress for its support of this legislation.

Mr. QUIE. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I should like to ask someone who is knowledgeable about this conference report whether I am right in assuming that for fiscal year 1974, the current fiscal year, the authorization for spending on the Arts and Humanities is $145 million?

Mr. QUIE. That is right.

Mr. GROSS. For all purposes?

Mr. QUIE. That is right.

Mr. GROSS. For administration, the arts, humanities, endowments, and so on and so forth, $145 million.

For 1975 it would jump, according to the conference report, to $200 million; is that correct?

Mr. QUIE. That is correct.

Mr. GROSS. And for 1976 it would jump for all purposes to $252 million?

Mr. QUIE. That is correct.

Mr. GROSS. Plus?

Mr. QUIE. Not plus, period.

Mr. GROSS. What was the appropriation as finally agreed upon in the conference report, from the Appropriations Subcommittee?

Mr. QUIE. I would say to the gentleman, the appropriation for programs was $11,775,000 plus the administrative costs, which were $6.5 million. So it was a total of a little over $18 million.

Mr. GROSS. A total of over $18 million, is that correct?

Mr. QUIE. A total of a little over $18 million.

Mr. GROSS. And this is the program that former President Johnson, who was no slouch in the business of spending the public's money, held to $5 million for all purposes in the first year of its operation?

Mr. QUIE. That is correct, in the first year of its operation. He did submit a budget of $17.1 million.

Mr. GROSS. And this program for the Arts and Humanities did not take flight into the spending orbit until the first full Nixon budget in 1970; is that not correct?

Mr. QUIE. First I want to correct the gentleman. The figure in the first year of the program, $5 million, was the appropriation figure. President Johnson requested $17.1 million.

Mr. GROSS. But it really took off in the fiscal year 1970, in the budget for that year, the first for which Mr. Nixon was responsible; is that not correct?

Mr. QUIE. Mr. Speaker, the budget request by Mr. Nixon in 1970 was $17 million, which was 68 percent of the opposition figure.

Mr. GROSS. So, Mr. Speaker, about 2 weeks ago, President Nixon boasted that he had approved a 900-percent increase in spending for the Arts and Humanities since his administration took over on a full fiscal year basis in 1970.

Mr. QUIE. The budget request of 1970

was $70 million, and the budget figure was for $145 million.

Mr. GROSS. And that to come from a busted U.S. Treasury.

Mr. Speaker, this committee had the gall to go over and sit down with the Senate and agree in conference, with all of the financial uncertainty that confronts this Government and the people of this country, to a budget of $252 million in 1976. How unconscionable can the conferees be?

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I will yield later if I have time.

Mr. Speaker, before I do yield and before my time runs out, I wish to join the gentleman from North Carolina, Mr. Ruth, on the subject of hypocrites and say to the Members, as he did, that I cannot think of a bigger hypocrite than one who would subscribe to this kind of business and then preach about a balanced budget, about economy or any kind of fiscal responsibility.

It is unbelievable and unconscionable, Mr. Speaker, that in this time of unhalted inflation, of a huge and growing debt and with the Federal Government borrowing billions of dollars each year to keep afloat, that in 10 short years—from 1966 to 1976—the spending for the arts and humanities should be increased from a total of $5 million in 1966 to a projected $252 million in 1976. Who among us here today has the faintest conception of the financial situation of this country in 1976?

This is financial irresponsibility at its worst and it matters not whether the blame rests upon the executive branch of the Federal Government or Congress or both.

Reason and common sense dictate that this conference report be defeated.

Mr. QUIE. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. Peyser).

Mr. Speaker, will the gentleman yield to me?

Mr. PEYSER. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, I just wish to say on the question of the $145 million that the House figure was $145 million, and the Senate figure was $160 million. We could not go below the $145 million, and the Senate yielded to the House figure.

Mr. PEYSER. Mr. Speaker, I thank the gentleman for making that point clear.

I just hope that in the few minutes remaining nobody loses sight in the House of the fact that this is one of the programs that the Congress launched a few years back and has seen fit to increase year after year. This is a program that truly reaches out to the people of this country.

Mr. Speaker, I know of no one who has really gone out and seen some of the programs and projects, both in the cities and in rural areas where the impact of the arts and humanities have truly been felt, who no longer supports this program. They do support it.

There have been some who started out as doubters, those who did not subscribe to the program. We heard the minority leader speak several months ago on this subject. He told us that he was in opposition to it originally, but that he had a chance to look and see what was happening, and he, himself, is now a strong supporter.

I do not think we ought to get lost in the area of who is a hypocrite or who is not a hypocrite in connection with some actions in the House which we have taken on some other legislation, whether it is correct or not correct. We are dealing with a program where both education and the pleasures of this life are considered, and by this program we are giving everyone an opportunity for the pleasures of this life, whether they are poor or middle income, to see some of the great things this country has to offer and hear some of the great things that artists and writers can give to our civilization.

It seems to me that every one of our Presidents, from Mr. Kennedy to Mr. Johnson to Mr. Nixon, and the Congresses of those periods have recognized this as a great program. Now, let us continue the program and let it grow.

Mr. Speaker, I can think of no better investment in the people of our country than this program of arts and humanities has to offer.

Let us go ahead and pass his legislation.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 294, nays 106, not voting 34, as follows:

[Roll No. 488]

YEAS—294

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Badillo
Baker
Barrett
Bell
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Carney, Ohio
Carter
Cederberg
Chamberlain
Chappell
Clark
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Donohue
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Griffiths
Gubser
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hutchinson
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
King
Kluczynski
Koch
Kyros
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCloskey
McDade
McFall
McKay
McKinney
Macdonald
Mahon
Mailliard
Mann
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stark
Steed
Steele
Steelman
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Whalen
Whitehurst
Widnall
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—106

Armstrong
Ashbrook
Bafalis
Bauman
Beard
Bennett
Blackburn
Breaux
Brinkley
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dennis
Derwinski
Devine
Dickinson
Downing
Eshleman
Fish
Flynt
Fountain
Frey
Froehlich
Gilman
Ginn
Goodling
Green, Oreg.
Gross
Grover
Gunter
Hammerschmidt
Hastings
Hébert
Henderson
Hinshaw
Holt
Huber
Hunt
Ichord
Kemp
Ketchum
Kuykendall
Landgrebe

Landrum
Lott
Lujan
McCollister
McEwen
McSpadden
Madigan
Mallary
Maraziti
Martin, Nebr.
Mathis, Ga.
Michel
Milford
Miller
Montgomery
Myers
Passman
Poage
Powell, Ohio
Price, Tex.
Rarick
Roberts
Robinson, Va.
Rousselot
Ruth
Saylor
Scherle
Shuster
Skubitz
Snyder
Spence
Stanton, James V.
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, Mo.
Treen
Waggonner
Ware
Whitten
Wiggins
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wylie
Young, S.C.
Zion

NOT VOTING—34

Archer
Biaggi
Brown, Calif.
Buchanan
Carey, N.Y.
Chisholm
Conyers
Davis, Ga.
Diggs
Dingell
Dorn
Gray
Green, Pa.
Gude
Hanna
Johnson, Colo.
Jones, N.C.
Latta
Leggett
McCormack
Madden
Mills, Ark.
Nix
Patman
Rees
Rooney, N.Y.
Runnels
Sandman
Satterfield
Staggers
Sullivan
Teague, Tex.
White
Young, Ga.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Satterfield.

Mr. Staggers with Mr. Brown of California.

Mr. Teague of Texas with Mr. Madden.

Mrs. Chisholm with Mr. Rees.

Mr. Carey of New York with Mr. Mills of Arkansas.

Mr. Nix with Mr. Runnels.

Mr. Dingell with Mr. Gude.

Mr. Hanna with Mr. Conyers.

Mr. Davis of Georgia with Mr. Jones of North Carolina.

Mrs. Sullivan with Mr. Buchanan.

Mr. Green of Pennsylvania with Mr. Diggs.

Mr. Gray with Mr. Latta.

Mr. Dorn with Mr. Archer.

Mr. Leggett with Mr. White.

Mr. McCormick with Mr. Young of Georgia.

Mr. Biaggi with Mr. Patman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON H.R. 10614, MILITARY CONSTRUCTION AUTHORIZATION BILL FOR FISCAL YEAR 1974

Mr. PIKE. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file a report on H.R. 10614, the military construction authorization bill for fiscal year 1974.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the conference report (S. 795) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERSONAL EXPLANATION

(Mr. HEINZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEINZ. Mr. Speaker, yesterday I was unavoidably absent on official business in my congressional district. Had I been present, I would have voted on the question to suspend the rules and pass the bills, as follows:

Rollcall No. 485, H.R. 8029—Indian Claims Commission Funds Distribution, "aye."

Rollcall No. 486, S. 2419—Agriculture Act technical corrections, "aye."

Rollcall No. 487, H.R. 10397—Cabinet Committee on Opportunities for Spanish-Speaking Peoples, "aye."

BOARD FOR INTERNATIONAL BROADCASTING ACT OF 1973

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 549 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 549

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1914) to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 549 provides for an open rule with 1 hour of general debate on S. 1914, a bill to provide for the establishment of the Board for International Broadcasting, and to authorize the continuation of assistance to Radio Free Europe and Radio Liberty.

The Board for International Broadcasting, as provided for by S. 1914, will receive congressionally appropriated funds and allocate them to Radio Free Europe and Radio Liberty.

S. 1914 allocates $31,604,000 for Radio Free Europe, $18,330,000 for Radio Liberty, and $275,000 for the costs incurred by the Board for International Broadcasting. The total amount authorized by the bill is $50,209,000.

Mr. Speaker, I urge adoption of House Resolution 549 in order that we may discuss and debate S. 1914.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 549 provides for the consideration of S. 1914, the Board of International Broadcasting Act of 1973, under an open rule with 1 hour of general debate.

The two primary purposes of S. 1914 are: First, to establish a Board for International Broadcasting, which would receive funds, allocate them to Radio Free Europe and Radio Liberty, and perform review functions; and second, to authorize $50,209,000 for fiscal year 1974 to support the operations of Radio Free Europe, Radio Liberty, and the Board of International Broadcasting. In addition, the bill requires private contributions and contributors to the two radio stations to be made a matter of public record.

Radio Free Europe and Radio Liberty were established following World War II, when the U.S.S.R. gave indication of establishing hegemony over Eastern Europe. Until June 30, 1971, both were supported by funds provided by the CIA. In the case of Radio Free Europe, small amounts were raised from private sources. Since CIA funding has been denied both organizations by Congress, they have been funded on an annual, temporary basis under the U.S. Information and Educational Exchange Act.

Mr. Speaker, I urge the adoption of the rule.

Mr. Speaker, I have no further requests for time.

Mr. PEPPER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1914) to provide for the establishment of the Board of International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1914, with Mr. ST GERMAIN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 30 minutes, and the gentleman from California (Mr. MAILLIARD) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Pennsylvania (Mr. MORGAN).

Mr. MORGAN. Mr. Chairman, I yield myself such time as I may consume.

The bill, S. 1914, provides for the establishment of a Board for International Broadcasting and authorizes $50,209,000 to support the operations of the Board, Radio Free Europe and Radio Liberty for fiscal year 1974.

Mr. Chairman, S. 1914 passed the Senate by an overwhelming vote of 76 to 10 and was reported favorably, without amendment, by the Committee on Foreign Affairs by a vote of 22 to 6. The bill, as passed by the Senate and approved by our committee, contains the following changes in the administration's original request:

First of all, the amount authorized for fiscal year 1974 is $50,209,000 rather than $50,300,000. The lower figure represents the amount actually budgeted by the Executive for the two radios and the Board for International Broadcasting;

Second, there is no authorization in the bill for fiscal year 1975; and

Third, the bill requires all private contributions and contributors to the two radio stations to be made a matter of public record.

Until June 30, 1971, both radios were supported by funds provided by the Central Intelligence Agency. In the case of RFE, $49 million was raised in private contributions during the two decades since 1951. This amounted to about 18 percent of the Radio's operating expenses.

Since CIA funding has been terminated by Congress, the stations have been funded on an annual, temporary basis under section 703 of the U.S. Information and Educational Exchange Act of 1948. Under this authority, $35 million was provided to the Secretary of State for fiscal year 1972, and $39.7 million for fiscal year 1973.

Both of those authorizations were stop-gap measures, pending the completion of studies on RFE and RL—first by the Library of Congress and the General Accounting Office—and more recently by a Presidential Study Commission on International Broadcasting—the Eisenhower Commission.

All of these studies reported favorably on the Radios' activities, policies, and management.

The Presidential Study Commission I have referred to, Mr. Chairman, was chaired by Dr. Milton Eisenhower, president emeritus of Johns Hopkins University, and was composed of four other prominent members, distinguished in the field of communications and foreign policy. I commend their report to Members' attention.

The Eisenhower Commission unanimously concluded that the two radios continue to serve a useful purpose and are consistent with U.S. foreign policy objectives during an era of lessening East-West tensions. As the report states:

> The Commission is convinced that Radio Free Europe and Radio Liberty, by providing a flow of free and uncensored information to peoples deprived of it, actually contribute to a climate of détente (de-tont), rather than detract from it . . .

As a mechanism for continued public funding of the two stations, the Commission recommended the creation by congressional action of a Board for International Broadcasting—a public institution which would receive appropriated funds for allocation to RFE and RL. The Board would also carry out specific oversight functions, which are set forth under section 4(a) of the act.

The Board would consist of five voting members—all appointed by the President by and with the advice and consent of the Senate—and two nonvoting—ex officio—members representing the stations.

Voting members are to be non-salaried and selected from "among Americans distinguished in the fields of foreign policy or mass communications"—who are not full-time employees of the Government. Not more than three such members are to be of the same political party.

The Board would be serviced by a small staff of five to seven members.

I would now like to turn to the cost of these operations.

The $50 million authorization is $10 million higher than what the Congress provided for Radio Free Europe and Radio Liberty last year.

This is a substantial increase—and a number of my colleagues may ask "Why?"

Well, Mr. Chairman, let me state that none of these funds are going to be used to enlarge the operations of the two stations—to increase their personnel—or to provide any fringe benefits.

This increase in the budget has been caused by one fact and one fact alone: The devaluation of the dollar.

Since most of the employees of Radio Free Europe and Radio Liberty work in Europe, they are paid with European currencies—mostly with German marks.

In recent times, the U.S. dollar has gone down in value in relation to those currencies by over 20 percent—and the increase in the authorization is required to cover that deficit.

Let me add one more point on the issue of costs:

The Eisenhower Commission has recommended that studies be carried out to see what economies can be achieved by sharing various facilities by the two stations—and by those stations with other U.S. broadcasting activities in Europe.

Our committee has endorsed that proposal and put this in our report.

We believe that there may be room for some economies here—not by merging RFE and RL with the Voice of America or some other U.S. broadcasting activities, but by sharing technical and other facilities.

We expect the Board for International Broadcasting to get into this subject and to report to us next year, before any additional authorizations come before the Congress.

Mr. Chairman, that concludes my explanation of the bill.

If I could take another minute or two, I would like to say a few words about some of the issues raised in the minority and opposing views, contained in our committee report.

Some of our committee members have opposed this legislation on the grounds that the radios are run and staffed by foreigners—that they benefit foreign countries—and that they are contrary to our policy of trying to get along with the Soviet Union and the countries of Eastern Europe.

These arguments are not convincing.

Radio Free Europe and Radio Liberty are American organizations. They were created by the U.S. Government to serve our foreign policy. They are run by Amercans and they serve the interests of our country.

The fact that a lot of former Eastern Europeans, and former Russians, work for these stations does not change those facts.

Like any other organizations, these radio stations have to employ people who can do the job—and do it right. Many of the people who work for them—in most cases for wages much lower than those which would be expected by qualified U.S. citizens—have the language ability which is hard to find.

Radio Liberty, for example, broadcasts to the Soviet Union in 18 different languages, including Tartar, Bashkir, and Turkestani.

There are not many people in the United States who have topnotch command of those and other languages.

The fact remains that all those employees serve the interests of U.S. foreign policy—otherwise there would be no Radio Free Europe, and no Radio Liberty.

In addition, the operations of these two stations are not countrary to our policy of improving relations with the Soviet Union and Eastern Europe.

This is the opinion of President Nixon—and of the Department of State.

This is also the conclusion of the Eisenhower Commission—and neither Dr. Eisenhower, nor Ambassador Gronouski, nor the other members of the Commission, can be accused of being "cold war" warriors.

Finally, this is also the conclusion of our committee, which reported this bill by an overwhelming vote of 22 to 6.

For all of these reasons, I urge the passage of S. 1914 as reported by the Committee on Foreign Affairs.

Mr. MAILLIARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the distinguished chairman of our committee has explained the background and history and some of the arguments that revolve around Radio Free Europe and Radio Liberty, and I certainly do not intend to take the time of the committee to go over these grounds again. I fully support what the Chairman has said. I think he has accurately described the reason we are here with the legislation.

I want to address myself at this point to just one point which several people have asked me about. The House quite recently acted on the authorizing legislation for the U.S. Information Agency, which includes the Voice of America. I find that many Members are asking the question: Why do we have these two broadcasting operations when the Voice of America is doing the same job?

Mr. Chairman, I believe there has been a certain amount of confusion about this. The roles of these two broadcasting units and the Voice of America are quite distinct and different. The VOA is the radio arm of the U.S. Information Agency and, as such, is an official voice of the U.S. Government. It reports primarily on events in the United States and interprets U.S. Government policy as it affects not only domestic but international questions.

On the other hand, Radio Free Europe and Radio Liberty serve to a large extent as domestic radio communications for the countries behind the Iron Curtain. Their own press and radio are almost totally government controlled, and information that does not fit with government policy generally is not disseminated to the people of those countries.

In bringing this bill to the floor today, the Committee has had the benefit of extensive studies, as the Chairman has mentioned, the last one being by the Eisenhower Commission. In response to the charge that has been made that the two radio broadcasters are sort of a relic of the cold war era and are not appropriate to the continuing détente we are trying to achieve today, they made the following comment, which I believe is a significant one:

> Providing a flow of free and uncensored information to people deprived of it, actually contributes to a climate of détente rather than detract from it.

The majority of the committee supported this conclusion of the Eisenhower Commission. That is why we have the bill here today.

I would like to point out that the radios have changed a lot from their earlier years when they were inclined to be rather polemic and liberation-oriented. Today the emphasis is on factual news reporting, so that the people in these countries behind the Iron Curtain have some source of information of what is going on in their own countries that they cannot get from their own press.

The question of how to provide for the financing of the radios has not been an easy one to solve. I think our proposal here for a Board of International Broadcasting provides a reasonable solution to a rather vexing problem of how to transfer financial support to these radios, which most of us on the committee have been convinced are useful, important means of communicating information to people who have practically no sources of information beside what their own governments choose to tell them.

So I hope Members will join with me in support of this legislation.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Chairman, I rise in opposition to S. 1914.

This bill provides an approach without parallel in the domestic or foreign operations of the U.S. Government. Neither the report of the Eisenhower Commission nor the committee hearings provide answers to the serious questions which this approach raises. Some of these questions, the answers to which Members should have before they support this bill or any similar legislation, are:

First. Who in this world will believe that these radio stations operate in any way "like a free press" with "professional independence," as the Eisenhower Commission maintains in its report, when they are financed principally and directly by the U.S. Government?

Second. Why should the American taxpayer supply $50 million or more annually for the foreseeable future for two private organizations which are run principally by non-Americans operating in foreign countries to send their views into other foreign countries?

Third. Do the American people believe they have such a monopoly on wisdom and virtue in the world community that they should finance "truth" broadcasts on the internal problems of Eastern European countries?

Fourth. Would the Congress grant $50 million to any other board to be channeled to private groups with no guidelines for spending the money, no effective oversight procedure and no description of the public goals to be gained through this public expenditure?

Fifth. What officials responsible to our Government and with proper resources for the task, will supervise the expenditure of these public funds which will be spent in foreign countries for activities directed into other foreign countries?

Sixth. Should the official foreign policy agencies of our Government, especially the Department of State, be excluded from an advisory or supervisory role over these stations which broadcast controversial information on the internal affairs of our principal foreign adversary?

Seventh. Would we believe the Soviet Union if it said that its financing of "private" radio stations beamed to the United States about American domestic affairs was compatible with détente?

Eighth. If the Soviet Union financed the broadcast into the United States of the views of deserters and draft resisters would we accept the Soviet explanation that they sought only to impart information and not to interfere with our domestic affairs?

Ninth. Should the Congress continue to finance both official overseas radio broadcasts of the Voice of America and "unofficial" broadcasts of these stations with a duplication of function, facilities and personnel?

Tenth. Can Congress convince itself, and its constituents that $56 million in public funds for the Voice of America constitutes "official" international broadcasting while another $50 million in public funds for these two stations constitutes "free and independent" broadcasting?

Eleventh. If these stations are performing such important functions why do West European governments refuse to contribute to their operation?

Twelfth. Why do private contributors in either Europe or the United States fail to provide more than token financial support for these stations?

Thirteenth. If broadcasting "internal" news to Eastern European countries is important enough to negate or at least diminish the trend toward détente, why do none of our West European allies undertake such broadcasting on their international stations? Why is the United States the only Western country involved in such broadcasting?

Fourteenth. If it is proper today for one government to finance the broadcast of views of emigres to their country of origin, why did we use secret CIA funds to finance the stations for nearly 20 years?

Fifteenth. If Radio Free Europe and Radio Liberty are proper functions for official U.S. Government financing, why not establish a Radio Free China, Radio Free Greece, or Radio Free Brazil? If we are truly concerned about the lack of information within other countries, should we not try to do a thorough job in every country where such deficiencies in news exists?

Sixteenth. Why should the United States increase its balance-of-payments deficits, and help Europeans increase their surpluses, by sending another $50 million overseas each year, principally to West Germany where the dollar has already declined by about 30 percent in value since January 1973?

Seventeenth. Why should U.S. public funds pay the salaries of over 2,400 workers, largely non-Americans, living overseas at an average salary of over $10,000 each, when we have a sizable unemployment problem at home?

Eighteenth. Why should Congress authorize these millions of dollars to support anti-government broadcasts to the Soviet Union in a year following one in which we sold one-quarter of our grain crop to that government at bargain prices?

Nineteenth. Does anyone have any reliable information about whether these stations are worthwhile operations, in proportion to their costs, except as they benefit several thousand expatriates who run them?

Twentieth. Would anyone today consider establishing Radio Free Europe and Radio Liberty if they did not already exist?

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I thank the gentleman for yielding to me.

In regard to the gentleman's comments, his 13th question states this:

> If broadcasting "internal" news to Eastern European countries is important enough to negate or at least diminish the trend toward détente, why do none of our West European allies undertake such broadcasting on their international stations?

Then I notice in the report of the committee the additional views of the gentleman from Florida (Mr. BURKE) set forth on page 15, and the gentleman from Florida raised the same question, but then goes on in his succeeding paragraph to make the following statement:

> In addition, the British Broadcasting Corporation, the West German station, Deutsche Welle, the official radio of France, the Vatican, Israel and others transmit a sum total of 822 program-hours each week to the Soviet Union and Eastern Europe over and above the efforts of Radio Free Europe and Radio Liberty.

I am confused as to what the facts really are.

Mr. ROSENTHAL. Well, there is no dispute between us. The Western European governments maintain official radio stations, BBC, Deutsche Welle, and others, the same way we do the Voice of America, and that is why we authorized $56 million for Voice of America. None of the Western European governments contribute to a private radio station independent of Government operation such as Radio Free Europe and Radio Liberty.

Mr. EVANS of Colorado. I thank the gentleman.

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, one can only wonder why the gentleman from New York has taken the time to read the questions that he put in his additional views in the committee report. Needless to say, I will not impose on the time of the committee to answer them in detail. I shall begin by saying that answers to all these questions are readily available.

I would assume that any member of the Foreign Affairs Committee, at least those who have listened to the testimony before us, would know the answers to these questions. He would also know that the questions are in several cases inaccurate statements of the factual situation. Other members, I recognize, may want to know the answer to some of the questions posed.

As an example, the gentleman asked, why should the American taxpayers supply $50 million to private organizations which are run principally by non-Americans? The answer is that these organizations are not run principally by non-Americans. The Board of International Broadcasting, which will have the basic responsibility, will consist of Americans. The boards of directors of both Radio Free Europe and Radio Liberty are Americans. There is, quite obviously, an ongoing interest on the part of Congress in these operations. The gentleman from New York himself has pointed out, in other questions he has recognized that this quite obviously, is an American operation, and I think quite rightfully so.

The gentleman from New York in question No. 1 asks:

> Who in this world will believe that these radio stations operate in any way "like a free press" . . . with "professional independence". . . ?"

If the question is meant to suggest that we are trying to deny that there will be Government financing, I would say that the Government financing is obvious. However, this does not prevent the policy of the stations from being independent. The Board of International Broadcasting will have the responsibility to see that the views expressed are not inconsistent with American foreign policy, but they presumably will guard against dictation regarding what is broadcast. Government financing does not mean that these radios will not have—and we can anticipate that this is going to be the case, because it has been true in the past—a very considerable degree of independence.

Then there is question No. 5:

> What officials, responsible to our government and with proper resources for the task, will supervise the expenditure of these public funds which will be spent in foreign countries for activities directed into other foreign countries?

The answer should be plain. The Board of International Broadcasting will have the responsibility of making these funds available to these two radios, and will also be responsible for how the money is spent. Quite clearly, there is also going to be a continuing responsibility for auditing on the part of the Congress. I would suggest that there will be no problem here with respect to uncontrolled expenditures.

Let me jump to the last question, which was mentioned with some emphasis as if it were important.

> Would anyone today consider establishing Radio Free Europe and Radio Liberty if they did not already exist?

The answer to that is obvious: Of course, they would, because there is still need for such activity. There is still the need for such news to the countries of Eastern Europe and to the Soviet Union to continue. I wish it were not the case. I wish that the residents of the Soviet Union did today have free access to news which now can only be provided by the broadcasts of Radio Liberty. But the fact is that this is still a need which is generally recognized, and which the Eisenhower Commission recognized. This need will continue for the foreseeable future. For that reason I think it is appropriate that we set up an entity to handle funds. What is being suggested is to continue these operations.

We have the right to end these broadcasts, if we thought the need had ended. The fact that they have been going on for many years in the past is not an argument for continuing them unless the need still exists. So I think the answer is that most of us today do consider that Radio Free Europe and Radio Liberty are well worth continuing, in our own national interest.

All this talk that this in some way is going to interfere with détente and that perhaps the Soviet Union does not like to have us beam within their borders, I think is not borne out by the facts. It may well be that the Soviet Union does not like these broadcasts, but it is quite obvious that they have nonetheless sought a relaxation of tensions. They have been willing to get closer to us despite the fact that these broadcasts have continued. I do not think that there is going to be any less interest on the part of the Soviet Government in establishing trade relations or economic relations with us because of our activities. And even if the Soviet Government is not happy I think with the kind of repressive internal organization which the Soviets still continue to demonstrate, that the need for this kind of activity on our part definitely continues.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. REID).

Mr. REID. Mr. Chairman, I thank the distinguished gentleman for yielding.

First, let me see if I can put this instant legislation, S. 1914, a little bit in perspective. I introduced the original legislation along with Senator CLIFFORD CASE, I in the House and he in the Senate, to remove the funding of these radio stations from the Central Intelligence Agency, to move the operation of Radio Liberty and Radio Free Europe in the direction of a quasi-independent operation, and to place responsibility for these radios specifically under the Secretary of State instead of under the Central Intelligence Agency.

This was an effort, as is made clear in S. 1914, to further promote the right of freedom of opinion and expression and to seek receipt of and impart information and ideas in accordance with article 19 of the Universal Declaration of Human Rights. To put it very simply, there seemed to many of us merit for straight news reporting which could reach the peoples of Poland and four other countries in Eastern Europe and indeed the Soviet Union, where news is broadcast in 19 languages. In fact, it seemed critically important that this be done.

Let me give the Members just two illustrations as to why I think straight news reporting is critically important and is not available through any other media. All of the Members are familiar, along with the members of the committee, with what happened in the case of Poland and the ouster of Gomulka. What some of us may not know is that when the disturbances started, essentially over the question of a higher standard of living for men working in the mines in the Baltic area, the Polish Government suppressed the fact that there was a revolt and that there were serious problems.

It was only due to Radio Free Europe that word reached the rest of Poland and, indeed, Warsaw. The result was the fall of Gomulka and the rise of Gierek and I believe the rise of a certain degree of relaxation in Poland that bodes well in the future both with respect to relations between Poland and the United States and with respect to a general relaxation toward freedom.

Had the news never reached the rest of Poland I believe Gomulka might still be in charge and the lot of the Polish people would be that much more difficult. I believe the church and others in Poland are well aware of the function of free information reaching the people of Poland.

In the question of the Soviet Union, having recently returned from Schoenau, which many may have seen perhaps in the news, and from Israel, I found it clear that the Soviet Jews are very dependent on word of the outside world which they receive from Radio Liberty.

I think we are serving a vital function in providing free information. I have said repeatedly that the effort here must be for an independent professional news operation.

I might mention one question raised by my distinguished colleague, the gentleman from New York (Mr. ROSENTHAL). In question No. 2 he raises the question as to why we should send "their" views—referring to Americans—into foreign countries. The radio stations do not send "their" views. This is supposed to be straight reporting of news throughout the world or news within these countries that otherwise would not receive frequency.

Finally I would say that in my judgment these stations will be under an independent board. The board itself will be subject to the oversight of the Congress.

As to the question of whether these funds are well spent, I think if we are interested in relaxation of tensions, in détente, in a slight opening up of a communication, we must realize that freedom of news and freedom of communication will contribute to that end. Conversely, if we allow the Soviet Union to slam down the doors by jamming or other efforts to prevent information reaching their peoples, then the discussions of diplomacy and of a gradual improvement in the standard of living which can contribute to relaxation will be that much harder.

Obviously these stations must be totally independent and while they are funded by the United States that should not mitigate—under the new board and the Secretary of State and hopefully the independent men who will be approved by the Congress on the board—in any way or derogate in any way from the independence and accurate news character of their reporting.

Mr. Chairman, I accordingly urge support of this legislation in the interest of détente and freedom of communication.

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. BURKE).

Mr. BURKE of Florida. Mr. Chairman, I rise in opposition to S. 1914, which, would not only provide for the establishment of a Board for International Broadcasting but would also receive congressionally appropriated funds, which it would allocate to Radio Free Europe and Radio Liberty. It disturbs me also that it would be the principal one to perform the review functions in lieu of the Congress. The bill would authorize an appropriation of $50,209,000 for fiscal year 1974 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting.

To me, this is no longer good legislation for us and its use to our U.S. security is greatly overrated. Unfortunately, we, often, continue programs already in existence and increase our appropriations year after year, because it is easier than to really question their merit or effectiveness. Thus, the costs to the U.S. taxpayer of many of yesterday's programs, which have outlived their usefulness, are continued. I hope this will not be one of them.

All my life I have opposed communism and have seen the evils of communism first hand; but, to me, the methods of dealing with our ideological differences must change with the times and with our relationships with the other nations of the world. We face an economic crisis at home, and to me this is not the time for us to support three radio stations and programs to beam broadcasts into the Soviet Union and Eastern European countries. In fact, very often these same programs are jammed by the Soviet government.

In fiscal year 1973 we spent more than $138 million of U.S. taxpayers' money on overseas broadcasting activities through Voice of America, Radio Free Europe, Radio Liberty, and Armed Forces Radio and Television Service. Requests for fiscal year 1974 are up $11 million to $149 million to finance these three radios sending information and news into the Soviet Union and Eastern Europe.

I believe that the time has come when we should each ask ourselves before voting on this matter, whether we would consider establishing Radio Free Europe and Radio Liberty today if they were not already in existence? Surely the $50 million requested for these operations this year are needed also to help resolve some of our many domestic problems.

The so-called "freedom radios" began in the early 1950's during a period of ideological confrontation between the East and West. Radio Liberty focused upon the Soviet Union, while Radio Free Europe focused upon its Eastern European satellites. Each presented itself as a spontaneous creation, run by freedom-loving refugees and, presumably, financed by the dimes and nickels from school children. However, both were in reality organizational and functional instruments of the CIA. Radio Free Europe and Radio Liberty have modified their goals and no longer espouse the concept of revolt against communism as it did originally. True, to some extent, they still work for "liberalization," but they do so by fostering popular pressures for policies of moderation on the part of the Soviet official hierarchy.

It is my opinion that today little will be gained for the U.S. from the exacerbation of tension that Radio Free Europe and Radio Liberty cause. I feel that we would likely achieve more good for the American people and the free people of the world if we helped reduce international tensions which we can hardly do by continuing lukewarm broadcasts in a conspiratorial vein, especially since we have announced a foreign policy of not forcing our version of the political truth into other nations.

I agree with the argument that the free nations of the West should have a voice and should be heard; but, we should remember that, at the present time, in addition to the present three U.S. radios which I mention the British Broadcasting Corp., the West German station, Deutsche Welle, the official radio of France, the Vatican, Israel and others transmit a sum total of 822 program-hours each week to the Soviet Union and Eastern Europe over and above the efforts of Radio Free Europe and Radio Liberty.

I do not have to mention the problems we have today with our balance of payments and our present economic situation here in the United States. We all are aware of this, but, I ask this: "Why should we continue to spend the U.S. taxpayers' money for this duplication of effort abroad?" If these radios are to continue, they should be financed by the prosperous nations of Western Europe which actually stand to benefit as much, if not more than we do, by such radio programing and the success thereof.

In summary, in my opinion, S. 1914 is not in the best interest of either the U.S. taxpayer, or our U.S. foreign policy, as it has outlived its usefulness. I, therefore, urge my colleagues to vote against this legislation in order that we be able to take a more realistic and equitable approach for dealing with the economic and ideological world situation today.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, I rise in support of the pending legislation, and I associate myself with the majority position of the committee.

There are a number of serious questions which have been addressed to this bill, and which I believe ought to be seriously considered, as we are doing here today. The answers to the questions should be in full on the record.

With respect to these questions raised by my distinguished colleague from New York (Mr. ROSENTHAL), I shall provide full and detailed responses in a minute, because I am satisfied there is a logical and convincing answer to each one of them.

But first, I should like to touch on some of the more serious points which I have seen raised in this discussion.

One was an issue raised by my distinguished colleague who just preceded me; namely, that in some way, as I understand it, by this legislation the Congress is giving up its authority and oversight over the proposed Board for International Broadcasting. I do not see the legislation that way at all.

This is an authorizing bill. The authorizing committee is still here. We will be here tomorrow and next year. We have a right to exercise whatever power we want to exercise over the funds provided to the Board and the two stations.

The appropriations for these broadcasting operations will have to be in the President's budget. The appropriation request will have to go through the normal appropriations route. The Appropriations Committee is certainly here, and that committee is not going to give up its oversight.

Furthermore, we have specifically provided in the bill that the General Accounting Office shall audit the accounts and the books of this independent board.

So it seems quite clear that the Congress in every way will maintain full oversight and control over this independent board.

The next question, it seems to me, is whether or not it is in our national interest to continue Radio Free Europe and Radio Liberty in this new framework. Well, free communication and exchange of ideas ought to be a two-way street.

Unfortunately, it is not. We all know that. One of the things that ties one of our hands behind our back, for example, is that if any event transpires which the Soviets or anybody else in this same position wants to make available to the people of the United States, that idea is disseminated without any difficulty to the entire population of the United States in just about the time it takes for a person to snap his fingers.

Let us go back to look the other way, to see how that part works. Let us assume for a moment that we did not have Radio Free Europe and did not have Radio Liberty, and we just depended on the normal sources of information to disseminate what is going on, without even trying to propagandize anybody. The answer is that the door to our message is absolutely closed unless the closed society decides to open the door and let the information in.

If these two radio stations did not do a thing besides simply reciting the facts that ordinary people ought to have about the events of the day, to help them make up their minds as to what they are, what they are doing and what their government is doing, this would be serving a useful purpose.

When we add what the distinguished gentleman from New York pointed out in the two specific cases with respect to the Jews in Russia and the Polish uprising, we can see the tremendous potential which is here not only in the interests of our own people in the United States but also in the interests of freedom and liberty behind the Iron Curtain.

To move to another point: to say that these radio operations are not worthwhile, that they are minimal in their effect, raises a question: Why do the Russians spend $200 million or $300 million jamming these broadcasts, if they do not mean anything to anybody?

The fact is that we have been wise enough now to make the funding of these operations public, and we have been wise enough to take the label of the "Cold War" off of them, and wise enough to walk the delicate line of making information available without getting the governments overly excited.

It seems to me that under those circumstances, the small amount that we have been putting into these organizations out on top of the table is well worth it in our national interest.

Now, Mr. Chairman, one of our colleagues suggested that Radio Free Europe and Radio Liberty are not necessary because our Armed Forces Network in Europe can do the job. This is simply a misstatement of the facts. The military radios broadcast in English to our troops. But RFE and RL operate around the clock in 24 different languages broadcasting to countries and areas which our military communications media do not begin to touch.

As one drives through Germany, one cannot switch a dial without hearing a station broadcasting in English; one is not sure whether he is in Brooklyn or in Germany, they have that many radio stations. But that is an entirely different proposition. It involves broadcasting to U.S. Armed Forces abroad. But insofar as the bill S. 1914 is concerned, we are dealing with a very difficult question of providing open communications in societies which basically are closed.

So, Mr. Chairman, it seems to me that the arguments made in opposition to this bill, while they are well-intentioned and certainly seriously conceived, fall very short of any mark which they seek to find.

At this point, Mr. Chairman, I would like to address myself to the 20 questions posed by the gentleman from New York (Mr. Rosenthal) and try to answer each and every one of them.

The answers to his questions are as follows:

Question 1. Who in this world will believe that these radio stations operate in any way "like a free press" . . . with "professional independence" (as the Eisenhower Commission maintains in its report) when they are financed principally and directly by the U.S. Government?

Answer. The Eisenhower Commission concluded that funding of RFE and RL by the U.S. Government has not damaged their credibility. The fact that the Soviet Union spends millions of dollars in efforts to "jam" the stations is an indication that the regime believes too many Soviet citizens listen to the stations and believe what they hear.

Former Ambassador to Poland, John Gronouski, made this statement during the Committee hearing:

"It (RFE) has always been supported by the Federal Government, sometimes more covertly than others, *but somehow it has developed an independence within that frame and a credibility with its listeners.*

Howland Sargeant, a former Director of the Voice of America and presently President of Radio Liberty, also noted in hearings before our committee:

"Being involved in international communications for a generation or so, I have come to the conclusion, which seems to be fairly well supported by the leading academic specialists, that the *source of the information in the long run is not determinative of the attitude of the receiver*. This means that if you listen to a radio . . . if the radio proves to give you reliable information that is important to you, you don't care where it is located . . ."

Question 2. Why should the American taxpayer supply $50 million or more annually for the foreseeable future for two private organizations which are run principally by non-Americans operating in foreign countries to send their views into other foreign countries?

Answer. The management of the stations and policy direction are in the hands of American citizens. The Boards of Directors of both radios, which set policy, are composed exclusively of prominent Americans such as General Lucius Clay, Ambassador Robert Murphy, etc. The presidents and the division, feature and research heads of both stations are Americans.

Non-Americans are employed in carrying out, not setting, broadcast policy.

FY 1973 statistics show that:

RFE employs 337 U.S. citizens out of an employee total of 1,541.

RL employs 195 U.S. citizens out of an employee total of 877.

Non-Americans are employed primarily in *translation* work. There are simply not enough Americans with the specialized linguistic capabilities to do that job. RL, for instance, broadcasts to the Soviet Union in 18 distinct languages.

Question 3. Do the American people believe they have such a monopoly on wisdom and virtue in the world community that they should finance "truth" broadcasts on the internal problems of Eastern European countries?

Answer. No one argues that the United States has a monopoly on the truth. We do, however, have a free press and free radio, which report extensively on what is happening in this country. If the peoples of the Soviet Union and Eastern Europe also had such sources of information, there would be no need for Radio Free Europe or Radio Liberty

The people of most countries want peace, freedom and a better life. Not all governments, however, want the same things. Governments, generally, want to stay in power. To do this, they sometimes keep the truth away from the people, accuse other countries of preparing for war—even start wars.

It is in the interest of peace, therefore, that the people of all countries have as much information as possible—both about what is going on in their own countries, and abroad. This helps to restrain some governments from following policies which could lead to war.

As the Eisenhower Commission concluded:

". . . It is clear that a people uninformed or misinformed is a *danger to itself and a potential danger to its neighbors*. Thus, a precondition for world peace is international freedom of information."

Question 4. Would the Congress grant $50 million to any other board to be channeled to private groups with no guidelines for spending the money, no effective oversight procedure and no description of the public goals to be gained through this public expenditure?

Answer. Funds provided to Radio Free Europe and Radio Liberty *are* subject to Federal control. They are spent in accordance with *policy* approved by both the Congress and the Executive Branch. *The way* in which these funds are spent is also reviewed by the Federal Government. Only two years ago, the General Accounting Office audited the operations of the two stations.

The fact that Federal funds are provided to corporations which have private or semi-private status is not new. Each year, millions of dollars in appropriated funds goes to private corporations. In all instances, however, these funds are channeled through a government agency.

As Dr. Eisenhower pointed out during the committee's hearings:

". . . I am certainly not one to remind you that Congress never appropriates directly to a private corporation. It always appropriates to a public agency which it can control through many processes, and that executive agency then makes grants to private agencies. *This is common practice in the National Science Foundation, the National Institutes of Health, the Defense Department, and others in making grants to universities, private research agencies and even industry.*"

Question 5. What officials, responsible to our government and with proper resources for the task, will supervise the expenditure of these public funds which will be spent in foreign countries for activities directed into other foreign countries?

Answer. Members of the Board for International Broadcasting will be responsible both to the President and to Congress under this legislation to ensure that the radios' operations are not "inconsistent" with U.S. foreign policy objectives. The Board is also responsible for conducting studies and making certain that the money appropriated is effectively spent for the purposes Congress intended.

Sec. 5(a) of the bill requires that both radios keep records which "fully disclose the amount and disposition of assistance provided under this Act," the total cost of the programs, etc. Moreover, the Board and the Comptroller General of the U.S. or any of their duly authorized representatives "shall have access for purposes of audit and examination to any books, documents, papers and records" of the radios.

Question 6. Should the official foreign policy agencies of our government, especially the Department of State, be excluded from an advisory or supervisory role over these stations which broadcast controversial information on the internal affairs of our principal foreign adversary?

Answer. The Department of State *does* set foreign policy guidelines within which the stations are required to operate. The "internal policy guidelines" of both RFE and RL are set forth in detail on pages 83–91 of the Eisenhower Commission report. It will be up to the Boards of Directors of RFE and RL, and the Board for International Broadcasting which oversees them, to ensure that these policy guidelines are followed. Programming within these guidelines is carried out independently.

Question 7. Would we believe the Soviet Union if it said that its financing of "private" radio stations beamed to the United States about American domestic affairs was compatible with detente?

Answer. The Soviet Union does presently finance "private" radio stations which conduct shortwave broadcasts to the United States. Such broadcasts from Eastern Europe and the Soviet Union to North America total about 250 hours weekly, of which 164 hours are in English and the remainder in a variety of European languages used by ethnic groups in the U.S. and Canada.

Secretary Brezhnev has, in fact, called for an ideological offensive abroad during a period of detente. Apparently the Russians find nothing inconsistent in this procedure.

Apparently—also—these Soviet broadcasts to the U.S. and Canada have not inhibited or impeded the Nixon administration in its search for detente.

Question 8. If the Soviet Union financed the broadcast into the United States of the views of deserters and draft resisters would we accept the Soviet explanation that they sought only to impart information and not to interfere with our domestic affairs?

Answer. The two radio stations—RFE and RL—are not broadcasting the "views" of defectors or emigres from the Soviet Union and Eastern Europe. They broadcast news—much of it news about what is happening in those countries. In the process, of course, they do report on the trials of Soviet intellectuals—on the persecution of Soviet Jews—and other subjects.

For many years, it has been the practice of many Members of Congress to sponsor bills and resolutions which deal with internal affairs of the Soviet Union and Eastern Europe. These resolutions have condemned denial of human rights, oppression of different religions, discrimination against particular groups, and so on.

In this Congress, many Members have introduced legislation condemning persecution of Soviet Jews.

Also, some 285 Congressmen have cosponsored bills which would deny the Soviet Union "most-favored ntaion treatment" if internal emigration policy discriminates against a particular group of Soviet citizens.

Question 9. Should the Congress continue to finance both official overseas radio broadcasts of the Voice of America and "unofficial" broadcasts of these stations with a duplication of function, facilities and personnel?

Answer. The roles of RFE and RL are quite different than the role of the Voice of America (VOA). VOA is the radio arm of the U.S. Information Agency and is the official voice of the U.S. government. Its primary function is to report on *U.S.* life and events and to interpret and explain *U.S.* policy.

RFE and RL provide a service that is made necessary by virtue of heavy censorship *within* the Iron Curtain countries. A major function of these radios is to concentrate on "internal" reporting of domestic and bloc-wide activities which official broadcasters, like VOA, are not equipped to undertake. RFE, for instance, uses 80 frequencies assigned to it by the German government. If RFE relinquished these frequencies, it is doubtful that they could be taken over by VOA—even if VOA were prepared to undertake this assignment. Thus there is little "functional duplication" involved.

The Eisenhower Commission in its report, noted that "while functional integration with the Voice of America would undermine the effectiveness of these stations as well as of VOA, this does not preclude the possibility of their joint use of transmitting facilities and locations" . . . For this reason the Commission recommended that a "comprehensive study of all U.S. international radio broadcasting facilities be undertaken at the earliest possible date."

The Foreign Affairs Committee, in its report, urged that the Board assign this study a high priority and report on its findings "prior to consideration by Congress of any further authorizations."

Question 10. Can Congress convince itself, and its constituents, that $56 million in public funds for the Voice of America constitutes "official" international broadcasting while another $50 million in public funds for these two stations constitutes "free and independent" broadcasting?

Answer. The U.S. Government does not always use a single instrument to accomplish a particular objective. Frequently, several instruments have to be used—each tailored to do a different part of a single job.

In the military, we use different services, different kinds of tanks, different ships and planes.

In the health field, appropriated funds support different research institutes—each dealing with a different aspect of the overall health problem.

In agriculture, we have different programs for different crops.

As noted in the answer to question No. 9, the roles of the Voice of America and of RFE and RL are quite different.

Yet both of these operations are designed to support one foreign policy objective: to promote our national security and well-being, and peace in the worlid.

The experts who have studied RFE and RL conclude that these stations contribute to that foreign policy objective. This view is supported by an overwhelming majority of editorial opinion both in the U.S. and in Western Europe.

Question 11. If these stations are performing such important functions why do West European governments refuse to contribute to their operation?

Answer. The West European governments have not refused to contribute to the radios' operations They have, in effect, provided considerable *indirect* support by granting them the use of various radio frequencies, by leasing various facilities, and by allowing them to operate on their soil.

The Eisenhower Commission, however, has recommended against *direct public support* of broadcasting operations by European governments. This recommendation appears on page 4 of the Commission's report. It says:

"Radio Free Europe and Radio Liberty have from their beginnings been essentially American undertakings. Although many West European governments and leaders have widely endorsed the broadcasts of the two radios, direct public support of broadcast operations by European governments could lead to confusion in operational policies . . . The Commission, therefore, believes that the stations must continue to be financed mainly by United States appropriated funds."

At the same time, there is no reason why the European governments should not contribute to the *research activities* of the two stations. The cost of research which benefits all should be shared by all. We are hopeful that the Europeans will contribute to this item.

Question 12. Why do private contributors in either Europe or the United States fail to provide more than token financial support for these stations?

Answer. In most instances, private contributions are received as a result of fund drives or "campaigns". Such campaigns have been conducted in the U.S. almost exclusively in behalf of Radio Free Europe. During the period 1951 thru 1972, private contributions to RFE have amounted to $49 million—or 17.7% of RFE's total operational expenditures.

In Europe, a committee to raise corporate and private contributions to the radios has just been established under the direction of Dr. J. H. van Roijen, the new chairman of the West European Advisory Committee on the Free Flow of Information. Prospects for receiving *large* sums through this device are not, however, very favorable. Unlike U.S. corporations or foundations, European private institutions receive *no tax deductions or benefits* from such contributions and therefore the incentive to give is correspondingly reduced.

Question 13. If broadcasting "internal" news to Eastern European countries is important enough to negate or at least diminish the trend toward détente, why do none of our West European allies undertake such broadcasting on their international stations? Why is the United States the only Western country involved in such broadcasting?

Answer. The answer is primarily a historical one: The United States began these radio operations in the early fifties, when it was in a financial position to do so and the European governments were in the process of recovering from World War II. Since then, these stations developed in experience and expertise and dominated this aspect of international broadcasting. It would seem to make little sense for the European radios to duplicate this activity and compete with what is already being done—and being done well—by RFE and RL.

Question 14. If it is proper today for one government to finance the broadcast of views of emigres to their country of origin, why did we use secret CIA funds to finance the stations for nearly 20 years?

Answer. Covert government funding was a device used by both sides, the Soviet bloc and the United States, since the beginning of the Cold War. This fact is now known and recognized both in Eastern Europe and in the West.

Since June 30, 1971, however, these stations have been funded openly—under the regular authorization and appropriation processes of Congress. Many of the station's proponents in the Congress welcomed this development on the assumption that if these stations had merit they would be continued. This is the question now before the Congress—not their historical origin, but their present usefulness in and era of détente.

Question 15. If Radio Free Europe and Radio Liberty are proper functions for official U.S. government financing, why not establish a Radio Free China, Radio Free Greece, or Radio Free Brazil? If we are truly concerned about the lack of information within other countries, should we not try to do a thorough job in every country where such deficiencies in news exist?

Answer. The answer to this question was provided by Dr. Milton Eisenhower during our committee hearings:

". . . After all, we are talking here about the two great power centers of the world. I am sure, sir, that we all agree that if we can reach an accommodation to bring about détente with the other great power center, we would have set the stage for a new period in history. I would have no objection . . . if we wanted to set up a radio to broadcast to Spain. The Soviet Union has a clandestine station directed exclusively to Spain, it has another directed to Iran, another to Greece. It would be all right if we wanted to spend the money, but we think RFE and RL broadcasts are so imperative that we don't want to waste any of the resources we need to run these two . . ."

In other words, it is a question of priorities. Moderating Soviet policies is certainly of overriding importance in an age of potential nuclear war.

Question 16. Why should the United States increase its balance-of-payments deficits (and help Europeans increase their surpluses) by sending another $50 million overseas each year, principally to West Germany where the dollar has already declined by about 30% in value since January 1973?

Answer. The combined cost of these two stations is a small fraction of the money we spend each year to promote the security of our country, and to prevent any large-scale war. It amounts to the cost of producing four F–14 planes.

If these stations contribute to the achievement of our foreign policy objectives—and our Government believes that they do—then we should be willing to pay the cost of operating them.

The whole point is that these stations serve U.S. foreign policy interests—not the interests of the Soviet Union or of Eastern Europe.

To eliminate them today could damage our ability to deal with a very complex, and very difficult, problem that is still with us.

Question 17. Why should U.S. public funds pay the salaries of over 2400 workers, largely non-Americans, living overseas at an average salary of over $10,000 each, when we have a sizeable unemployment problem at home?

Answer. The question again should be: Are these radio operations worthwhile and is the cost justified? If so, the rest follows: It would cost infinitely more to beam these broadcasts from the United States. In addition, technically such a proposition would be unfeasible.

Again, if Americans could be found who are fluent in such languages as those of the North Caucasian language groups—for example, the Tartar-Bashkir or the Turkestani group—they certainly would have been hired long ago.

Question 18. Why should Congress authorize these millions of dollars to support anti-government broadcasts to the Soviet Union in a year following one in which we sold one-quarter of our grain crop to that government at bargain prices?

Answer. It could be argued that one of the reasons such a grain deal was concluded in the first place was the pressures brought to bear by the Soviet people on their own Government for more of the "good things in life"—for more consumer products.

This kind of pressure builds up when Soviet citizens are *aware* of conditions in their own country and the rest of the world—when they realize how much of the Soviet GNP is devoted to defense vs. consumer goods. It is Radio Liberty's mission to inform them and allow them to draw their own conclusions.

In addition, just because we sold wheat to the Soviet Union does not mean that our relations with that country are now on a solid, peaceful basis. We want them to be friendly and peaceful—and we are working in that direction. But, at the same time, we are not yet ready to abolish NATO, to dismantle our Strategic Force, or to cut our Defense appropriations in half.

The same reasoning applies today to Radio Free Europe and Radio Liberty. They are still needed.

Question 19. Does anyone have any reliable information about whether these stations are worthwhile operations, in proportion to their costs, except as they benefit several thousand expatriates who run them?

Answer. The committee report reviews the evidence and concludes that these radio operations are worthwhile. It points out:

(a) *RFE:* RFE's own surveys of East European listening habits indicate a total radio audience of more than 30 million people, on one or more times per month. This represents 50 per cent of the over-14 population in the five listening areas or countries. RFE's opinion-sampling methods have been examined and endorsed by outside specialists, such as Oliver Quayle Co. (October 1970) and by the Library of Congress' Congressional Research Service (March 1972).

(b) *RL:* Until recently, the task of evaluating RL's effectiveness was more difficult than is the case with RFE. Soviet citizens travel abroad much less frequently than do other Eastern Europeans and their movements are more likely to be watched by the Soviet authorities.

Two recent studies have been conducted which provide more information on this subject than has been previously available:

One study was conducted by a polling organization which did not know for whom the study was made. Questions were asked of Soviet citizens (*not emigres*) about their listening habits. The study found that about 70% of all Soviet citizens listen to foreign broadcasts. (There are about 34 million shortwave sets in the USSR). About 6 out of 10 of them actually were listeners to Radio Liberty. Of those sampled, 40% were members of the Communist Party.

Another recent independent study has uncovered evidence of RL's listener appeal vis-a-vis Soviet domestic broadcasts, which is based almost entirely on polls conducted by the Soviets themselves. A summary statement of these findings has been included in the hearings record.

These findings seem to indicate that funds needed to support these stations have produced significant results.

Question 20. Would anyone today consider establishing Radio Free Europe and Radio Liberty if they did not already exist?

Answer. Maybe not. But we would face the same kind of an issue with our farm program, with programs in support of education, and with many other undertakings financed with Federal funds.

Yet, very few people would argue that we abolish all our programs—simply because times have changed since they were initiated.

The basic point here is that RFE and RL are still useful—that they continue to do a job in support of our foreign policy objectives.

Moreover, there is no one else who can do that job today.

As Ambassador Gronouski pointed out:

"I think one has to realize that unique institutions are built over years. You could not recreate them if you tried it. I don't think you could recreate Radio Free Europe if you abolished it and tried to start over. It has grown over 20, 30 years, and it has developed a character of its own."

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, I have been somewhat surprised at the concern expressed by some of my colleagues over the fact that Radio Free Europe and Radio Liberty allegedly employ non-American citizens in a technical capacity overseas. I have checked on this matter and have uncovered the rather unsurprising information that of an employee total of 1,541—Radio Free Europe employs 337 U.S. citizens and 1,204 non-Americans; of an employee total of 877, Radio Liberty employs 195 Americans and 682 non-Americans.

Of course these critics fail to mention that the Department of Defense currently employs over 153,000 non-Americans around the world, the Department of State employs some 5,000 and the Agency for International Development around 8,000.

The reason these non-Americans are employed by the radio, is that special language skills are needed in translating material into a variety of esoteric languages. Radio Liberty, for instance, broadcasts in 18 separate and distinct languages. Let me read you a list of just some of these languages:

Russian, Ukrainian, Belorussian, Armenian, Aberbiajani, Adighe, Avar, Chechen, Karachai, Ossetian Kazakh, Kirghiz, Tajik, Turkmen, Uzbek, Tartar-Bashkir, Uighur.

My only comment to those Members who are worried about the employment of non-Americans as translators—at a time when there is unemployment at home—is that if they have any qualified Avar, Chechen, Nzbek, or Tajik speaking constituents in their districts on the unemployment rolls—they should please let me know and I think I can get them a fair hearing with the Radio Liberty personnel people.

Mr. Chairman, in addition to the discussion of the technical factors in the bill and the overall merits of the need for this legislation, I wish to advise the House of recent developments involving the Soviet Union that, in my opinion, dramatize the continued value of Radio Free Europe and Radio Liberty.

Recently the Soviet Union stopped jamming Voice of America broadcasts in what appears to be a direct response to approval by the Congress of continued funding of Radio Free Europe and Radio Liberty, which also transmit to the Soviet Union.

I would like to reemphasize that, while the Voice of America is a Government operation, controlled by the U.S. Information Agency, Radio Free Europe and Radio Liberty, although funded in recent years by Congress after being supported by the Central Intelligence Agency, are privately sponsored. The Voice of America offers musical entertainment and a variety of reports as well as news, while Radio Free Europe and Radio Liberty concentrate more on developments within the Soviet Union and thus are of greater interest to Soviet political dissidents.

It is for this reason the Soviet authorities continue to try to jam receiving channels within their territory, even though they have relaxed similar efforts against the Voice of America. They evidently regard the blander diet of the Voice of America as the lesser of two evils, while viewing Radio Free Europe and Radio Liberty transmissions as more effective in penetrating the Iron Curtain. The decision by the Soviet authorities to lift the curtain on the Voice of America seems to be a concession to Congress' firmness in maintaining operations of the two more pointed stations, which regard themselves as adjuncts of "domestic" Soviet radio which is silent about topics of internal embarrassment.

I am certain that other motives governed the decision of the Soviet Union to stop jamming VOA broadcasts. One is that American and Western critics, who have long plugged for freer interchange of ideas with the Soviet Union and for lifting of restrictions on emigration and on a more liberal political expression, have made a dent on the thinking of the Soviet hierarchy.

Mr. MORGAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I would vote for this legislation, although I am somewhat troubled by a number of the questions that have been raised by my colleague from New York (Mr. ROSENTHAL), and others.

I will vote for it primarily because I see no alternative at the present time to bring to the people of Eastern Europe the word, the news, about what is going on within those countries, for example, about statements being made by such courageous individuals as Professor Sakharov and author Solzhenitsyn and others.

It is imperative that this word gets to the people of Eastern Europe. I see no alternative for doing that now but by this legislation. However, I would call the attention of the committee to the fact that this is a 1-year authorization.

I greatly sympathize with the views that have been expressed that this should not be entirely a U.S.-financed operation.

Why should it be? Why should not the free nations of Western Europe come in on this in some form of international support?

I also sympathize with the suggestions of Mr. ROSENTHAL. If we do this with respect to the Soviet Union, it ought to be considered with respect to other countries. I have in mind, for example, the great majority of the people of South Africa, who are without news from the outside of what goes on in their country to a great degree.

During the next year I hope the administration will take steps to consider whether or not it is not possible to get support for this operation to make it more international than is now proposed and perhaps to consider other like operations where there are denials of human liberty around the world.

Mr. MAILLIARD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Chairman, I rise in support of S. 1914 which creates a Board for International Broadcasting and authorizes funds for the operation of Radio Free Europe and Radio Liberty during fiscal year 1974.

My views concerning the need for this legislation were strengthened by findings contained in the report "The Right to Know," issued by the Presidential Study Commission on International Radio Broadcasting chaired by Dr. Milton Eisenhower.

This document points out that progress toward relaxation of international tension will be the product of many influences. Principal among these, according to Dr. Eisenhower and his associates, is the free flow of ideas and information. "Without this free communication of information and ideas," states the report, "governments will strive to insulate themselves from the pressures for changes of policy and actions which an informed public opinion imposes on even the rigidly controlled societies in Eastern Europe."

It seems to me that these comments are especially appropriate in this period of détente. The Soviet leadership—fearful of the impact of the free flow of ideas and information—is seeking to control the expression of opinion at home while simultaneously expanding government-level contacts in trade and other areas abroad. It may be that at this particular moment Radio Free Europe and Radio Liberty can make their contribution to progress toward true détente as their broadcasts help to develop an informed citizenry that will communicate its desires and concerns to its government.

These stations, indeed, are doing a good job, broadcasting information with restraint and objectivity.

This is confirmed by Soviet Nobel Prize winner Aleksandr Solzhenitsyn. Last year he observed:

> If we hear anything about events in this country, it's through them.

In a recent editorial, the Dayton Daily News, published in my district, noted several other significant contributions which these stations have made to Eastern European citizens' right to know.

> Radio Liberty has countered other distortions that affect Soviet-American relations. Last year the Soviet press wrote only of U.S. aid to Israel. It took Radio Liberty to let the people know that the Russians were giving military aid to the Arab countries. Radio Liberty has been one of the few sources of information about the protests and plight of Soviet Jews.
>
> When President Nixon gave his "address" to the Russians while he was in Moscow last year, the Soviet press censored some parts in their reports, so Radio Liberty filled in the information. The Russians weren't even told about U.S. grain sales to the Soviet Union until the radios mentioned it.

I urge approval of S. 1914 so that Radio Free Europe and Radio Liberty can continue to operate. As the Washington Post concluded in a September 17 editorial—

> To cut and condemn two principal channels of communication . . . would be destructive as well as absurd.

Mr. MAILLIARD. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. STEELE).

Mr. STEELE. Mr. Chairman, I rise in support of S. 1914 to authorize an appropriation of some $50 million for fiscal year 1974 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting.

Radio Free Europe and Radio Liberty are voices of freedom in Eastern Europe and the Soviet Union; they are not government spokesmen but rather representatives of the independent free press. Since we in this country too often take the latter for granted, we often fail to realize the importance of the existence of such a service to captive nations.

While I have heard many apparently sophisticated arguments against the continuation of these radios, I believe there is one overriding consideration in this debate. And that is the fact that the service which these two radios perform is indispensible to the continuation of open communication between the people of the Soviet Union and the western democracies, and therefore essential to increasing detent between East and West and liberalization within the Soviet Union and the Soviet bloc countries.

But if these two radios are to perform their functions fully, it is essential that they also broadcast in the Baltic languages—Latvian, Estonian, and Lithuanian. This point was focused upon during the hearings held before the Foreign Affairs Committee in July and August. I emphasized the need for Baltic language broadcasts during those hearings and am gratified that the committee report includes a letter from Assistant Secretary of State Marshall Wright which assured Chairman MORGAN that the Department of State supports the initiation of Baltic language broadcasts by Radio Liberty "as soon as practicable." Assistant Secretary Wright expressed the view that—

> Passage by the Congress this year of the proposed authorizing and appropriation legislation would provide the essential base of security and stability for Radio Liberty to reopen the question of such broadcast operations in its fiscal year 1975 budget presentation.

It is the expressed view of the committee that Baltic language broadcasts should be accorded a high priority and be included in the fiscal year 1975 budget presentation to Congress.

The plight of these nations too frequently goes unnoticed by the free world because of their small size. All three, however, have strong traditions of liberty and democracy, and their inability to achieve the right of self-determination represents one of the most tragic aspects of modern international relations. Any individual who is aware of the history of oppression in these countries and who appreciates the freedoms we possess cannot help feeling a sense of outrage at the consistent denial of similar freedoms to the peoples of this region.

Fifty-five years ago, Estonia declared her independence. During the 22 years of freedom that followed, Estonia was a prosperous and growing nation carving out her own destiny. She lost her independence with the advent of World War II when the Soviet Union signed the nonaggression pact with Germany.

Latvia, too, declared her independence in 1918 after more than two centuries of domination by the Russian empire. The newly formed state quickly became a model of democracy, its government functioning on true proportional representation and free and open elections. In 1932, Latvia and the Soviet Union signed a treaty of nonaggression which absolutely forbade Russian intervention in Latvian affairs. Very shortly afterward, in blatant violation of their written promise, the Soviet Union began to undertake the active subversion of free Latvia, culminating in total domination by 1940.

That same year saw the forcible annexation of Lithuania to the Soviet Union. For a brief period between 1920 and 1940, Lithuania enjoyed political sovereignty. With the outbreak of World War II, however, she became one of the first countries to experience the fierce aggression of both Hitler and Stalin. From 1944 to 1952, anti-Soviet partisans struggled for independence, but their efforts were brutally crushed. Fifty thousand Lithuanians were lost during these 8 years of guerrilla warfare, and one-sixth of the population was deported during the Stalin regime. Still, the defiance of these courageous people has not been quelled. As recently as May 1972, continued violation of human rights and religious persecution resulted in three self-immolations by Lithuanian youths.

While it is eminently clear that acquiescence is not a Baltic characteristic, the intensive pressure of a consistent program of Russification over the past 30 years now threatens to destroy national culture and identity.

By providing the funds for Radio Liberty to broadcast beacons of freedom in the Baltic tongues, our country can at least help preserve their inextinguishable spirit of liberty and independence, while exerting pressure on the Soviet Government to liberalize its policies in these lands.

Mr. MAILLIARD. Mr. Chairman, I have no further requests for time.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I rise in support of the bill, S. 1914, and wish to associate myself with the remarks of the gentleman from Pennsylvania, the distinguished chairman of our Committee on Foreign Affairs. The views he has expressed accurately reflect the position adopted by the overwhelming majority of our committee, who voted on this important issue.

Mr. Chairman, I believe that Radio Free Europe and Radio Liberty serve the foreign policy interests of the United States. I believe they contribute positively toward a lessening of East-West tensions; and I think all the evidence at our disposal—including three major studies of these radios' operations over the past 2 years—clearly supports this conclusion.

At the risk of repeating some of the points already raised in this connection, I should like, at this time, to focus attention on certain popular misconceptions or allegations which have been widely circulated among Members of this body in recent days. Sometimes repetition is necessary to set the record straight. I shall confine my remarks to a few of the more prominent charges which have been leveled at these broadcast operations:

First of all, we have heard the charge that these radios duplicate the work of the Voice of America and are therefore wasteful and unnecessary. Nothing could be farther from the truth.

There is a very basic difference between the role of VOA and that of RFE and RL. VOA is the radio arm of the U.S. Information Agency and is the official voice of the U.S. Government. Its primary function is to report on U.S. life and events and to interpret and explain U.S. policy.

RFE and RL, on the other hand, provide a service that is made necessary by virtue of heavy censorship within the iron curtain countries. A major function of these radios is to concentrate on "internal" reporting of domestic and bloc-wide activities which official broadcasters, like VOA, are not prepared or equipped to undertake. The emphasis is on factual news reporting about what is happening in the Soviet Union and Eastern Europe—not on propaganda, as is sometimes inferred.

Even if the Voice of America were prepared or inclined to absorb the functions of RFE and RL—which it is not—it is highly doubtful that this could be accomplished. RFE, for instance, uses 80 frequencies assigned to it by the German Government. If RFE, in fact, relinquished these frequencies, they would not be automatically reassigned to VOA—in all probability, they would merely be lost and the programs would be terminated. Thus, from the technical standpoint alone, the argument that VOA could take over these specialized radio operations is fallacious.

Second, it has been alleged that RFE and RL are run principally by foreigners operating in foreign countries to send their views—I repeat, their views—into other foreign countries. This is pure fantasy—it is simply not true.

Radio Free Europe and Radio Liberty are American corporations. They were incorporated in New York and Delaware, respectively. The management of the stations and their policy direction are firmly in the hands of American citizens. The boards of directors of both radios, which set policy, are composed exclusively of American citizens—prominent American citizens, like Gen. Lucius Clay, former Ambassador Murphy and other distinguished individuals. If there is no objection, Mr. Chairman, I should like at this time to include in the RECORD a full list of RFE's Board of Directors and RL's Board of Trustees. (See alternate lists).

These directors and trustees—together with the seven-member Board for International Broadcasting to be established by this legislation—have the responsibility of insuring that these two radios operate in a manner which is not inconsistent with broad U.S. foreign policy objectives. Moreover, section 5(a) of the bill requires that both radios keep records which—

> fully disclose the amount and disposition of assistance provided under this act.

Both the Board for International Broadcasting and the Comptroller General of the United States are guaranteed access to these records for purposes of review and audit. Thus congressional, as well as executive, control over these expenditures is issured.

Mr. Chairman, I want to reemphasize Chairman MORGAN's statement, that not only the policy direction, but also the management of these stations, is carried out by Americans, not by foreigners or emigres. RFE employs 337 U.S. citizens out of an employee total of 1,541. Of these American employees, 110 are stationed in the United States and 227 are stationed abroad, primarily in Munich. Radio Liberty employs 195 U.S. citizens out of an employee total of 877—88 of whom are headquartered in New York and 97 in Germany, 4 in Spain, 4 in Paris, 1 in Taipei, and 1 in London. All of the divisional heads of these stations are Americans: the heads of the feature, policy, research and news departments are Americans. Let us face it: this is an American, not an emigre, operation.

Non-Americans are, of course, employed in a variety of technical capacities, particularly in translation and script-writing work, where their linguistic skills are at a premium. Radio Free Europe broadcasts a daily total of 78 program hours in six languages. Radio Liberty broadcasts around the clock in 18 distinct languages spoken within the Soviet Union. There simply are not enough Americans to do the job. Moreover, non-Americans are employed at wage scales which are considerably less than would be required if Americans were to fulfill these same functions. The hiring of non-Americans to perform such duties abroad is, of course, nothing new. The Defense Department alone currently employs some 153,000 such individuals worldwide. By contrast, RFE employs 1,204 non-Americans, and RL, 682—These figures are as of January 1, 1973—so much for the "foreigner" label.

Another question which has been asked—and it is a legitimate one—is whether we have any evidence that anyone actually listens to these stations. The answer, which is provided in our committee's report is: Yes, we have a surprising amount of information in this regard—some of it of very recent origin:

> (A) *RFE.* RFE's own surveys of East European listening habits indicate a total radio audience of more than 30 million people (one or more times per month). This represents *50 percent* of the population over 14 years in age in the five listening areas or countries. Moreover, RFE's opinion-sampling methods have been independently examined and endorsed by outside specialists, such as the Oliver Quayle Co. (October 1970) and by the Library of Congress' Congressional Research Service (March 1972).
>
> (B) *RL.* Until recently, the task of evaluating RL's effectiveness was more difficult than is the case with RFE. This is because Soviet citizens travel abroad much less frequently than do other Eastern Europeans and their movements are more likely to be watched by the Soviet authorities.
>
> Two recent studies have been conducted, however, which provide more information on

> this subject than has been currently available:
>
> One study conducted by a *polling organization which did not know for whom the study was made*. Questions were asked of *Soviet citizens* (*not emigres*) about their listening habits. It found that 70% of all Soviet citizens listen to foreign broadcasts (there are about 34 million short wave sets in the USSR). About 6 out of 10 of them were actually listeners to Radio Liberty.
>
> Another recent independent study has uncovered evidence of RL's listener appeal vis-a-vis Soviet domestic broadcasts, which is based *almost entirely on polls conducted by the Soviet Union itself*. A summary statement of these findings is included in our Committee's hearing record.

These findings seem to confirm that RFE and RL are listened to by large numbers of people—many of whom, I might add, are Communist Party officials. The very fact that the Soviet Union spends approximately $200 to $300 million each year to jam these stations is further evidence of this fact—if further evidence is needed.

Finally, Mr. Chairman, there is the question as to whether these broadcasts inhibit or are in some way inconsistent with the official U.S. policy of seeking a lessening of East-West tensions. My own response is that those experts who have considered this problem in considerable depth—including researchers from the Library of Congress and more recently by Members of the Eisenhower commission, have concluded that these radios foster a climate of détente and do not detract from it. This view is overwhelmingly endorsed by those experts in the Department of State who have primary responsibility for implementing this policy of détente.

We must also recognize, Mr. Chairman, that the Soviet Union is the largest single international broadcaster in the world today. Together with the Communist nations of Eastern Europe, it broadcasts up to 250 hours weekly to the United States and Canada. Secretary Brezhnev has, in fact, called for an ideological offensive abroad during an era of détente. The Russians, apparently, find no inconsistency here. Only some Members of Congress harbor such reservations.

I might just add that neither the operations of Radio Free Europe and Radio Liberty nor these Soviet broadcasts to North America seem to have inhibited or impeded the Nixon administration in its search for détente. They have not hindered the Russians either.

The real question we must ask ourselves, Mr. Chairman, is whether the cost of four F–14 planes, which is slightly more than the combined cost of these operations for 1 year, is worthwhile—whether the continued functioning of these stations, which impart information, not propaganda, to peoples otherwise deprived of it, is of value to the United States and furthers the national interest. I think the answer is a resounding yes, and I urge the passage of S. 1914, as reported by the Committee on Foreign Affairs.

Radio Free Europe, Boards of Directors

Mr. Eugene N. Beesley, President, Lilly Endowment, Inc., 2801 North Meridian Street, Indianapolis, Indiana, 46208.

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Mr. Winthrop Murray Crane, 3rd, Vice President and Secretary, Crane & Company, Inc., Dalton, Massachusetts 012226.

The Honorable Eli Whitney Debevoise, Debevoise, Plimpton, Lyons & Gates, 299 Park Avenue, New York, New York 10017.

Mr. William P. Durkee, President, Free Europe, Inc., 2 Park Avenue, New York, New York 10016.

The Honorable Ernest A. Gross, Curtis, Mallet-Prevost, Colt & Mosle, 100 Wall Street, New York, New York 10005.

Mr. Michael L. Haider, Room 1250, One Rockefeller Plaza, New York, New York 10020.

Mr. John D. Harper, Chairman, Aluminum Company of America, 1501 Alcoa Building, Pittsburgh, Pennsylvania 15219.

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Mr. Donald H. McGannon, Chairman, Westinghouse Broadcasting Company, Inc., 90 Park Avenue, New York, New York 10016.

The Honorable Robert D. Murphy, Chairman, Corning Glass International, 717 Fifth Avenue, New York, New York 10022.

Dr. Frank Stanton, 30 West 54th Street, Suite 1801, New York, New York 10019.

The Honorable Theodore C. Streibert, Moore's Hill Road, Laurel Hollow, Syosset, New York 11791.

Mr. H. Gregory Thomas, Gorongosa Farm, Box 250, Route #1, Masaryktown, Florida 33512.

Mr. Leslie B. Worthington, Director, United States Steel Corporation, 525 William Penn Place, Pittsburgh, Pennsylvania 15230.

Radio Liberty, Board of Trustees

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John W. Studebaker, Former U.S. Commissioner of Education.

Reginald T. Townsend, Former Vice President, Radio Liberty Committee.

William L. White, Editor and publisher, *Emporia Gazette*.

Philip L. Willkie, Attorney.

(Note: Former Presidents Harry S. Truman, Dwight D. Eisenhower and Herbert Hoover all served as Honorary Chairmen until their deaths.)

Mr. ANNUNZIO. Mr. Chairman, I believe that one of the main questions raised by S. 1914, which calls for continued funding and future organization of Radio Free Europe and Radio Liberty, is whether or not the American people should have any concern for the future of the various nations in Eastern Europe.

If, indeed, the answer is "no"—that we should have no concern—then our response to S. 1914 should also be "no." Logically, we should stop funding, terminate broadcasting to Eastern Europe, and dismantle Radio Free Europe and Radio Liberty.

But, if the answer is "yes"—which I believe it should be—then we should give full support to S. 1914, restructure the radios along the lines recommended by the Eisenhower Commission and provided for in this bill, and continue funding on a permanent basis.

I firmly believe that we should have a continuing concern for all the peoples of Eastern Europe, not only for humanitarian reasons and for reasons that spring from the idealism of the American democratic spirit, but also from the practical consideration that we cannot disassociate our future destiny from that of Europe, East or West. What happens in Eastern Europe is our concern; it does affect our basic security interests; and we dare not destroy the instrument which can contribute most to those positive forces within Eastern Europe that hold the promise of a more genuine peaceful coexistence between East and West.

That instrument is Radio Free Europe and Radio Liberty. As the voices of a free press, they transmit information to the Poles and Rumanians, the Czechs and Slovaks, Russians and Ukrainians, and all other peoples of the Soviet Union and Eastern Europe, that is denied them in their own media. With this information giving various points of view on developments in the world and their own domestic affairs, they can analyze for themselves the problems facing their country and, like ourselves who enjoy the benefits of a free press, judge their nation's interests accordingly. In the course of time, a "public opinion" can take shape within these countries which must be taken into account by the decisionmakers and leaders of those countries.

I want to point out that Radio Liberty had originally planned to begin broadcasts in fiscal year 1974 in the Baltic language—Latvian, Lithuanian, and Estonian—but "new project funds" were eliminated from the fiscal year 1974 budget by OMB. I strongly disagree with this action on the part of OMB, and I have, on many previous occasions in this Chamber, expressed my opposition to arbitrary impoundments of this kind. I am heartened, however, by the State Department's renewed indication of support for Radio Liberty broadcasts in the Baltic languages, and I do hope these broadcasts will be given the highest priority in the 1975 budget.

Certainly, so long as the Soviet Union continues harassment, persecution and deprivation of the peoples trapped behind the Iron Curtain and fails to recognize human needs, human dignity, and fundamental human rights, it is imperative that we keep open the lines of communication to these people. Radio Free Europe and Radio Liberty represent these lines of communication.

Mr. Chairman, a vote of "yes" for S. 1914 is a vote for the principle of a free press and for the cause of freedom. It is a vote for continuing our association with the people of Eastern Europe, and a vote for continuing with the important task that we share with all Europeans, namely, the task of creating a system of

European security based on a more genuine form of peaceful coexistence between East and West.

Mr. McKINNEY. Mr. Chairman, in the simplest of terms, the issue before us today is that of communication—the essential ingredient in any people-to-people relationship. On an international level, with all due plaudits to the administration, it seems that the art of communication is currently reaching one of its highest levels in this century.

In general, a large majority of Americans applaud this emerging spirit of détente but there are those who would say that because of it, Radio Free Europe and Radio Liberty should be abolished for they represent embarrassing symbols of the cold war. With that I disagree. Optimistically, I would think that as basic forms of communication, their very existence would complement détente in the growing spirit of exchange in ideas and cultures. Regrettably, however, this spirit of cooperation is seemingly not shared in certain sections of Eastern Europe and I must urge full and continued funding of Radio Free Europe and Radio Liberty until all efforts to jam and interrupt broadcasts cease.

There are countless thousands of Eastern Europeans who depend on the radios for information and entertainment. I see no reason why they should be denied this, especially when certain powers that be would attempt to impede this free flow of communication. I would also like to commend the House Foreign Affairs Committee for the comprehensive bill its members have brought to the floor today. A key section of this measure clearly lifts Radio Free Europe and Radio Liberty out from under the control of the Central Intelligence Agency. I favor the concept which places the radios under the direction of a "Board for International Broadcasting" for I believe it will allow for a continuing assessment of the quality, effectiveness, and professional integrity of the on-air programing. I also feel that the Board, through its involvement, can be the best judge as to how the $50 million authorized in the bill can be effectively utilized.

In all, if there is to be peace, the peoples of the world must understand one another and in my view, Radio Free Europe and Radio Liberty will serve as valuable tools in building that understanding.

Ms. ABZUG. Mr. Chairman, I rise in opposition to the continued funding of Radio Free Europe in the form embodied by S. 914. It seems to me that the facelift provided by a new board of directors does not address in any meaningful way, the major failings of Radio Free Europe and Radio Liberty, as they are now operated. One can make a moderate case that, with a portion of their work, they provide some needed research and news broadcasts. These activities could, however, be done elsewhere. Against this limited intellectual utility one must measure basic philosophic, financial, and organizational failings.

Radio Free Europe spokesmen claim they have kept up with the times and only advocate "liberalization" rather than revolution. If this were the heart of the argument, we should at least be asking what "times" they are referring to. But what we have here is a country whose paranoia about outside agitators stretches from Kent State to Vietnam but which is busy pouring many millions of its own tax dollars into outside agitation of its own on the other side of the world. What would we say if the Russians ran a radio station from Cuba to teach us about pragmatic new socialism? The basic concept of Radio Free Europe is wrong. It ties potential dissidents to the West which makes them more vulnerable at home. And it violates basic components of national integrity.

Radio Free Europe is also a luxury we cannot afford to subsidize on an ever-increasing scale. Since it is based in Germany, much of the operation must be paid for in local currency. The German marks which are a large part of the cost will not go down in value. Radio Free Europe has also been putting off various plans for the modernization and expansion of facilities.

What was $39 million last year and $50 million for this fiscal year, will certainly be much more next year. Given our balance of payments problems, we cannot live on vague promises to look into the sharing of future costs. This is one of those small projects that sneaks by an uncaring Congress each year. The sum of these programs is directly related to the escalating cost of food and everything else. Is this really in the national interest?

Even worse than the element of luxury is the fact that we are yet again subsidizing directly a private enterprise. Neither Radio Free Europe nor Radio Liberty is an official arm of our foreign policy. It is instead a private business which we are paying in effect to articulate American foreign policy to Russia and Eastern Europe. How does this corporation distinguish between its own interests and American interests? Who is really represented?

Finally, it is equally sad to point out that we really do not have any idea what we get for the $50 million. There is no congressional audit or oversight of either the programs or their results. Have we liberalized and educated more than we have perpetuated mutual distrust and delayed opportunities for detente? Who can say? Does the Congress give away $50 million to any other program and then ignore it thereafter?

I would like to suggest that Radio Free Europe and Radio Liberty be abolished. Some of their resources and personnel could be absorbed by the Voice of America which could begin a redefinition of their function. At the same time Congress could set up a panel to review the ideological content of the broadcasting and set some basic guidelines. The whole process might even generate some badly needed new thinking about the nature and future of our foreign policy.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Board for International Broadcasting Act of 1973".

DECLARATION OF PURPOSES

Sec. 2. The Congress hereby finds and declares—

(1) that it is the policy of the United States to promote the right of freedom of opinion and expression, including the freedom "to seek, receive, and impart information and ideas through any media and regardless of frontiers," in accordance with article 19 of the Universal Declaration of Human Rights;

(2) that open communication of information and ideas among the peoples of the world contributes to international peace and stability, and that the promotion of such communication is in the interests of the United States;

(3) that Free Europe, Incorporated, and the Radio Liberty Committee, Incorporated (hereinafter referred to as Radio Fee Europe and Radio Liberty), have demonstrated their effectiveness in furthering the open communication of information and ideas in Eastern Europe and the Union of Soviet Socialist Republics;

(4) that the continuation of Radio Free Europe and Radio Liberty as independent broadcast media, operating in a manner not inconsistent with the broad foreign policy objectives of the United States and in accordance with high professional standards, is in the national interest; and

(5) that in order to provide an effective instrumentality for the continuation of assistance to Radio Free Europe and Radio Liberty and to encourage a constructive dialog with the peoples of the Union of Soviet Socialist Republics and Eastern Europe, it is desirable to establish a Board for International Broadcasting.

ESTABLISHMENT AND ORGANIZATION

Sec. 3. (a) There is established a Board for International Broadcasting (hereinafter referred to as the "Board").

(b) (1) Composition of Board.—The Board shall consist of seven members, two of whom shall be ex officio members. The President shall appoint, by and with the advice and consent of the Senate, five voting members, one of whom he shall designate as Chairman. Not more than three of the members of the Board appointed by the President shall be of the same political party. The chief operating executive of Radio Free Europe and the chief operating executive of Radio Liberty shall be ex officio members of the Board and shall participate in the activities of the Board, but shall not vote in the determinations of the Board.

(2) Selection.—Members of the Board appointed by the President shall be citizens of the United States who are not concurrently regular full-time employees of the United States Government. Such members shall be selected by the President from among Americans distinguished in the fields of foreign policy or mass communications.

(3) Term of Office of Presidentially Approved Members.—In appointing the initial voting members of the Board, the President shall designate three of the members appointed by him to serve for a term of three years and two members to serve for a term of two years. Thereafter, the term of office of each member of the Board so appointed shall be three years. The President shall appoint, by and with the advice and consent of the Senate, members to fill vacancies occurring prior to the expiration of a term, in which case the members so appointed shall serve for the remainder of such term. Any member whose term has expired may serve until

his successor has been appointed and qualified.

(4) Term of Office of Ex Officio Members.—Ex officio members of the Board shall serve on the Board during their terms of service as chief operating executive of Radio Free Europe or Radio Liberty.

(5) Compensation.—Members of the Board appointed by the President shall, while attending meetings of the Board or while engaged in duties relating to such meetings or in other activities of the Board pursuant to this section, including traveltime, be entitled to receive compensation equal to the daily equivalent of the compensation prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code. While away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently. Ex officio members of the Board shall not be entitled to any compensation under this Act, but may be allowed travel expenses as provided in the preceding sentence.

FUNCTIONS

Sec. 4. (a) The Board is authorized:

(1) to make grants to Radio Free Europe and to Radio Liberty in order to carry out the purposes set forth in section 2 of this Act;

(2) to review and evaluate the mission and operation of Radio Free Europe and Radio Liberty, and to assess the quality, effectiveness, and professional integrity of their broadcasting within the context of the broad foreign policy objectives of the United States;

(3) to encourage the most efficient utilization of available resources by Radio Free Europe and Radio Liberty and to undertake, or request that Radio Free Europe or Radio Liberty undertake, such studies as may be necessary to identify areas in which the operations of Radio Free Europe and Radio Liberty may be made more efficient and economical;

(4) to develop and apply such financial procedures, and to make such audits of Radio Free Europe and Radio Liberty as the Board may determine are necessary, to assure that grants are applied in accordance with the purposes for which such grants are made;

(5) to develop and apply such evaluation procedures as the Board may determine are necessary to assure that grants are applied in a manner not inconsistent with the broad foreign policy objectives of the United States Government;

(6) to appoint such staff personnel as may be necessary, subject to the provisions of section 5, United States Code, governing appointments in the competitive service, and to fix their compensation in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(7) (A) to procure temporary and intermittent personal services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS–18; and

(B) to allow those providing such services, while away from their homes or their regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently, while so employed;

(8) to report annually to the President and the Congress on or before the 30th day of October, summarizing the activities of the Board during the year ending the preceding June 30, and reviewing and evaluating the operation of Radio Free Europe and Radio Liberty during such year; and

(9) to prescribe such regulations as the Board deems necessary to govern the manner in which its functions shall be carried out.

(b) In carrying out the foregoing functions, the Board shall bear in mind the necessity of maintaining the professional independence and integrity of Radio Free Europe and Radio Liberty.

RECORDS; AUDIT; CONTRIBUTORS

Sec. 5 (a) The Board shall require that Radio Free Europe and Radio Liberty keep records which fully disclose the amount and disposition of assistance provided under this Act, the total cost of the undertakings or programs in connection with which such assistance is given or used, that portion of the cost of the undertakings or programs supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Board and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of Radio Free Europe and Radio Liberty which, in the opinion of the Board or the Comptroller General, may be related or pertinent to the assistance provided under this Act.

(c) No grant may be made under this Act unless the radio to which the grant is to be made agrees to make available, and does make available, for public inspection, during normal business hours at its principal office in the United States, a complete list of every person and government making a contribution to that radio during the fiscal year preceding the making of the grant and the fiscal year in which the grant is to be made, the address of the person or government making the contribution, the amount of each such contribution, and the date the contribution was made.

ROLE OF THE SECRETARY OF STATE

Sec. 6. To assist the Board in carrying out its functions, the Secretary of State shall provide the Board with such information regarding the foreign policy of the United States as the Secretary may deem appropriate.

PUBLIC SUPPORT

Sec. 7. The Board is authorized to receive donations, bequests, devises, gifts, and other forms of contributions of cash, services, and other property, from persons, corporations, foundations, and all other groups and entitles, both within the United States and abroad, and, pursuant to the Federal Property Administrative Services Act of 1949, as amended, to use, sell, or otherwise dispose of such property for the carrying out of its fuctions. For the purposes of sections 170, 2055, and 2522 of the Internal Revenue Code of 1954, as amended (26 U.S.C. 170, 2055, or 2522), the Board shall be deemed to be a corporation described in section 170(c)(2), 2055(a)(2), or 2522(a)(2) of the Code, as the case may be.

FINANCING AND IMPLEMENTATION

Sec. 8. (a) There are authorized to be appropriated, to remain available until expended, $50,209,000 for fiscal year 1974. There are authorized to be appropriated for fiscal year 1974 such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law and for other nondiscretionary costs.

(b) To allow for the orderly implementation of this Act, the Secretary of State is authorized to make grants to Radio Free Europe and to Radio Liberty under such terms and conditions as he deems appropriate for their continued operation until a majority of the voting members of the Board have been appointed and qualified, and until funds authorized to be appropriated under this Act are available to the Board.

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, we have heard three or four speakers here this afternoon speaking of the necessity for détente, a foreign word that has crept into common usage lately in the newspapers and in remarks in Congress. This bill calls for another $50 million for 1 year's broadcasting, although there are several other groups engaged in this same business—the Voice of America, the armed services, and others. I wonder if we could someday speak of détente in terms of the taxpayers of this country, in terms of relaxing or slackening of the tensions and burdens on the taxpayers of the country. Does the gentleman from Pennsylvania suppose we could have a little détente with the taxpayers someday when it comes to foreign aid in all of its ramifications, including this?

I should like someday to find somebody in this field of foreign affairs who might be interested in the people who have to put up the money to pay the bills.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I will be delighted to yield to the distinguished Chairman.

Mr. MORGAN. The gentleman from Iowa is a very active member of the Committee on Foreign Affairs. I am sure if he wants to put what he just said into action, since he has a great deal of respect of the members of the Committee on Foreign Affairs, that they will listen to his arguments.

Mr. GROSS. The House just voted to provide millions of dollars for the arts and humanities. Somewhere, somehow, we are going to have to save a few million dollars to feed that rathole and this appears to be a good time and place to do it.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield for a question?

Mr. GROSS. I do yield with some hesitation because I wonder if the gentleman from Illinois wants to laud some other deserter of the Republican Party.

Mr. DERWINSKI. If I thought the gentleman from Iowa were in a good enough mood, I would suggest that he is the conscience of the party, but I shall not do that.

Mr. GROSS. Is the gentleman from Illinois saying that the Republican Party is the spending party? Or has the gentleman embarked upon the course of helping spend this country blind by his support of this and other such bills?

Mr. DERWINSKI. No, but if the gentleman will yield further, I admire the gentleman from Iowa as a great world statesman—granted that the gentleman from Iowa has not seen as much of the world as I have—nevertheless, I respect the gentleman's sincere interest in the pursuit of freedom and world stability. I would suggest to the gentleman from Iowa that one of the great accomplishments of our country is in the area of agriculture where our farmers, many of whom the gentleman represents, are able to produce so much that they are literally able to feed the world in times of crises, catastrophe, and also under normal circumstances.

Much of that information is not available to people behind the Iron Curtain because their governments will not inform them of their dependence on the American farmer.

Mr. GROSS. Does the gentleman from Illinois think for one moment that he can make a farmer by radio?

Mr. DERWINSKI. No, but I think it is important that the people behind the Iron Curtain be aware of the contribution of the American farmer to their minimum well-being, and only by the broadcasting of Radio Liberty and Radio Free Europe can this be done.

Mr. GROSS. The gentleman from Illinois had to reach for that one.

Since the gentleman is on his feet and giving me a lecture, I wish he would tell me where is it proposed to get the $50 million to continue this operation?

Mr. DERWINSKI. I know the gentleman was trying to stop the previous bill, and I am not guilty of that extravagance. I say this bill provides a legitimate investment of the public funds in a very, very necessary way.

Mr. GROSS. Including the creation of another board. We need another board in this Government about like we need a hole in our heads. Here is a new one, a brandnew one, being created under this bill to supervise I do not know what.

I must join with the gentleman from Ohio (Mr. Hays) in his minority views. They are brief. Let me read them to the gentleman from Illinois, if he has not read them.

Mr. Hays says:

> It is my view that the American taxpayers should not pay for organizations which are under the direction of and staffed by more than 99 percent non-American citizens.
>
> For that reason, and the fact that no one knows whether anyone listens to these stations, I can no longer support the expenditure of the taxpayers' dollars for these functions.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman.

Mr. MORGAN. That statement is not correct. Radio Free Europe and Radio Liberty are not staffed 99 percent by foreigners. The direction of both radios, and all of the top management and operational positions, are controlled by U.S. citizens. The gentleman from Illinois put the figures in the record. I know the gentleman from Iowa attended the hearings, but he may not have realized that between 20 and 25 percent of the people working in these stations are Americans.

Mr. GROSS. I am merely quoting the gentleman from Ohio (Mr. Hays), who is usually right.

Mr. MORGAN. The facts are as I described them.

Mr. GROSS. Mr. Chairman, I oppose this bill and I urge its defeat.

Mr. RARICK. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I take these few minutes to make several remarks on the bill which apparently have not been brought forth at this time. The appropriation of $50 million per year means we are being asked to approve of roughly $1 million a month to finance these radio stations. That is a great deal of money from the American taxpayers and would support quite a number of radio stations that operate within the United States.

According to the information furnished to me, in 1970 the average cost of operating a radio station in the United States was approximately $216,687 a year. It is true there are five stations operated by Radio Free Europe and Radio Liberty, located in Spain, Portugal, Germany, and Taiwan. But five radio stations in the United States can be run for approximately $1,084,335.

Mr. Chairman, this legislation further authorizes the proposed Board for International Broadcasting to receive donations, bequests, gifts, and other contributions from private individuals and corporations, with these donations to qualify as deductions under the relevant provisions of the IRS Code. Thus, Mr. Chairman, the legislation would provide yet another front for those rich and superrich who wish to control the destiny of the world.

Mr. Chairman, the committee report makes it clear that it is the intent of this legislation to "encourage continuation of the professional integrity and independence of the two radio stations, their chief operating executives, and their staffs." Presumably, Mr. Chairman, this implies that these radio stations are not to be directed or influenced by the U.S. Government and are free to broadcast as their executives see fit. Like any other business, I would suggest that these executives will be influenced, or answerable to those individuals or corporations which make the largest donations to the operation of the radio stations.

I certainly agree with our colleague, Congressman Rosenthal, in asking: Why should the American taxpayer supply $50 million or more annually for the foreseeable future for two private organizations which are run principally by non-Americans operating as agents of the American people in foreign countries to send their views into other foreign countries?

Mr. Chairman, I, for one, wonder why it is necessary for the Congress to authorize appropriations to the proposed Board for International Broadcasting, which is established as a nonprofit, tax-exempt organization by this legislation, and which in turn is authorized to make grants to two private nonprofit organizations which operate radio stations in foreign countries employing staffs reported to be composed of 99 percent non-American citizens.

Perhaps the reason for this increase in expenditure is that originally these radio stations were initiated to reach the Captive Nations people behind the Iron Curtain. We are told that the CIA is now removed from influencing Radio Free Europe and Radio Liberty; so the transition explains the need for additional moneys. This may be the backlash of détente, that our interest in the Captive Nations Peoples, the original target for Radio Free Europe and Radio Liberty is at low profile as our leaders move toward détente with their Communist captors.

Some recognition is due the committee for their declaration in section 2 of the bill which states: The Congress hereby finds and declares—

> (1) that it is the policy of the United States to promote the right of freedom of opinion and expression, including the freedom "to seek, receive, and impart information and ideas through any media and regardless of frontiers" in accordance with Article 19 of the Universal Declaration of Human Rights;

Of course, it is evident from this bill that we are advancing taxpayers' money to further U.N. objectives, but the rhetoric advancing free speech is nobly stated. Within the last several months Radio Station WXUR has had its license revoked and the Faith Theological Seminary and Dr. Carl McIntire have been denied their first amendemnt right of free speech, opinion, and expression.

Dr. McIntire has been denied the use of the ether waves of the United States to reach a segment of our people who trust his opinions, his expressions and spiritual leadership. Those Americans have been denied their right to information. As I understand it, this American minister has had to resort to operating a pirate radio station at sea off the coast of New Jersey, which he calls Radio Free America. Obviously because like the stated intent of the legislation before he is trying to "import information and ideas through any media and regardless of frontiers" to Americans,

Obviously many Americans will find it next to impossible to reconcile giving $50 million dollars to support a free radio in Europe while denying American citizens a equal right to a free radio system at no cost.

I am concerned that the legislation before us could even extend this absurd notion of a fairness doctrine into international relations through the new international bureaucracy proposed by this bill and thus prevent or circumvent our true concern for the freedom of those enslaved in the Captive Nations. I believe the people of the Captive Nations do indeed have a right to know, but I question if this legislation authorizing the expenditure of over $50 million—almost $1 million a week—of our people's tax dollars, would actually contribute to the opportunity to explain or broadcast the views of the American people into captive foreign nations. It is ironic that at this very instant Radio Free America is trying to permeate the veil of secrecy to reach American citizens who are claiming that they are being denied hearing a free viewpoint or one which they prefer.

Mr. Chairman, I urge our colleagues to give serious consideration before voting on this boondoggle.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ST GERMAIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had other consideration the bill (S. 1914) to provide for the establishment of the Board of International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes pursuant to House Resolution 549, he reported the bill back to the House.

The SPEAKER. Under the Rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passages of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROSENTHAL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 313, nays 90, not voting 31, as follows:

[Roll No. 489]

YEAS—313

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashley
Aspin
Badillo
Barrett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Calif.
Burke, Mass.
Burton
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Dickinson
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Grasso
Griffiths
Grover
Gubser
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hawkins
Hébert
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holifield
Horton
Hosmer
Howard
Huber
Hudnut
Hunt
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Karth
Kazen
Keating
Kemp
Kluczynski
Kuykendall
Kyros
Latta
Lent
Litton
Long, Md.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Roybal
Ruppe
Ruth
St Germain
Sarasin
Sarbanes
Saylor
Schneebeli
Sebelius
Shoup
Shriver
Sikes
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Ullman
Vander Jagt
Vanik
Vigorito
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—90

Abzug
Addabbo
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Breaux
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Camp
Clancy
Clawson, Del
Collins, Tex.
Corman
de la Garza
Dellums
Devine
Downing
Duncan
Edwards, Calif.
Flynt
Ginn
Goodling
Green, Oreg.
Gross
Gunter
Haley
Harrington
Hays
Hechler, W. Va.
Hicks
Holt
Holtzman
Hungate
Hutchinson
Ichord
Jarman
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Ketchum
King
Koch
Landgrebe
Landrum
Lehman
Long, La.
Lujan
McSpadden
Macdonald
Mathis, Ga.
Mazzoli
Milford
Owens
Pickle
Price, Tex.
Rangel
Rarick
Rogers
Rose
Rosenthal
Rousselot
Roy
Ryan
Satterfield
Scherle
Schroeder
Seiberling
Shuster
Skubitz
Snyder
Stark
Steed
Steiger, Ariz.
Studds
Symms
Taylor, Mo.
Towell, Nev.
Treen
Van Deerlin
Veysey
Waggonner
Waldie
Wilson, Charles, Tex.
Young, Fla.

NOT VOTING—31

Archer
Brown, Calif.
Buchanan
Burgener
Carey, N.Y.
Chisholm
Conyers
Davis, Ga.
Diggs
Dingell
Donohue
Dorn
Gray
Green, Pa.
Gude
Hanna
Johnson, Colo.
Jones, N.C.
Leggett
Madden
Mills, Ark.
Nix
Rees
Roe
Rooney, N.Y.
Runnels
Sandman
Shipley
Sisk
White
Young, Ga.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Conyers against.

Until further notice:

Mr. Gray with Mr. White.
Mr. Green of Pennsylvania with Mr. Young of Georgia.
Mr. Hanna with Mr. Jones of North Carolina.
Mrs. Chisholm with Mr. Donohue.
Mr. Nix with Mr. Madden.
Mr. Carey of New York with Mr. Gude.
Mr. Davis of Georgia with Mr. Sandman.
Mr. Diggs with Mr. Roe.
Mr. Shipley with Mr. Brown of California.
Mr. Sisk with Mr. Buchanan.
Mr. Leggett with Mr. Rees.
Mr. Dorn with Mr. Archer.
Mr. Dingell with Mr. Runnels.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9286. An act to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9286) entitled "An act to authorize appropriations during the fiscal year 1974 for procurement of aircraft missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. SYMINGTON, Mr. Jackson, Mr. Cannon, Mr. McIntyre, Mr. Thurmond, Mr. Tower, Mr. Dominick, and Mr. Goldwater to be the conferees on the part of the Senate.

HOBBY PROTECTION ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 5777, to require that reproductions and imitations of coins and political items be marked as copies or with the date of manufacture, together with the Senate amendments thereto and disagree to the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION FOR SPEAKER TO DECLARE A RECESS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that following all special orders that the House may go into a recess at the order of the Speaker in view of the fact that we have just received a Senate resolution that is to be considered by the Committee on Banking and Currency. I do not have the number of the resolution in front of me at the present moment.

Mr. GERALD R. FORD. Mr. Speaker, if the gentleman will yield, the gentleman from Massachusetts, our distinguished majority leader, gave me his copy, and that is why the gentleman does not have it in front of him. The gentleman from Massachusetts is referring to Senate Joint Resolution 160, which would provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would ask the distinguished majority leader how long he would think this recess would be in effect?

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, the Committee on Banking and Currency is going to meet at 3 o'clock, and we expect that after a brief hearing this legislation will be reported by the committee.

There has been tremendous pressure, I know, on many of the Members from throughout the Nation concerning these time deposits and savings deposits and, especially in view of the fact that the interest rates are so high on certificates of deposit and others, and also because of the fact that literally thousands of students have not been able to get student loans this year, and that there has been a great tightening up on mortgage money throughout the country. Therefore, this being a suspension of the rules day, it is hoped that this matter could be brought up today. The resolution was introduced by Senator Tower in the Senate yesterday. The resolution passed overwhelmingly there. It is hoped that the committee will report the resolution back practically forthwith. And, as I say, this being a suspension of the rules day, that is the reason that we would like to have the legislation taken up today.

I really cannot be more explicit than that except to say that we anticipate that the committee will be reporting this matter out shortly.

Mr. GROSS. Are the big game hunters on the Committee on Banking and Currency back from Africa?

Mr. O'NEILL. The gentleman will have to explain that to me. I do not understand what the gentleman means.

Mr. GROSS. It is my understanding that 20 or more of the members spent a week or so in Africa, and I just wondered whether they were back and ready to do business.

Mr. O'NEILL. Yes, they are here.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I would like to direct a question to the majority leader.

We were just notified approximately 25 minutes ago of this meeting. Is the gentleman from Massachusetts satisfied that this has been considered carefully to determine what the total impact would be on all of the economy or, are we again, just more or less guessing at what might be the effect?

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, let me read the resolution to the gentleman, and to the Members:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. In carrying out their respective authorities under the Act of September 21, 1966 (Public Law 89–597) and under other provisions of law, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall take action to limit the rates of interest or dividends which may be paid on time deposits of less than $100,000 by institutions regulated by them.

This is just to show the Members that some of these institutions, I understand, are now paying as high as 12 percent. They have drained all of the money off of the mortgage market.

I come from a large city area where there are big banks, and the money is standing in the big banks, and the metropolitan areas are not affected as badly as are the really rural sections of America.

I will have to state that the arguments that have been given by the member of the gentleman's committee that they deem this as necessary, and because of the fact that this is a suspension day, they think that this is the proper time to bring the matter up.

Mr. ROUSSELOT. Mr. Speaker, I further reserve the right to object. Those of us on the Committee on Banking and Currency are very much aware of the basic problem, and we have heard the reasons to which this hurry-up legislations Senate Joint Resolution 160 supposedly addresses itself, as the gentleman knows.

Those of us on the Committee on Banking and Currency are very much aware of the basic problem, and we have heard the reasons to which this hurry-up legislation Senate Joint Resolution 160 supposedly addresses itself, as the gentleman knows.

We were primarily restricted by the Federal Reserve Board on July 5 of this year. In my opinion, on the basis of what little we know about this legislation, it is basically cosmetic. It really does not go to the core of the problem at all. I do not wish to prevent this House from undertaking a task of trying to do something constructive; and part of the problem is that we really have not had a chance to study in detail what the total effect of this would be.

Secondly, is this legislation really going to solve the problem for all concerned?

Mr. Speaker, I withdraw my reservation of objection.

Mr. O'NEILL. I am not an authority on the subject. It is my understanding that the committee—and I am at this particular time taking Mr. Patman's place on the floor, who normally would be speaking instead of myself—is meeting, and if the gentleman is a member of the committee, I would advise him that the best place to present his arguments is before the committee.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Texas.

Mr. PICKLE. Some of us had reserved a special order this afternoon to talk about the transportation of grain and the shortage of freight cars.

Mr. O'NEILL. I understand the special orders will go forward. At the end of the special orders and after business is completed, at that time the Speaker may call a recess.

Mr. PICKLE. There is a possibility of a recess after that?

Mr. O'NEILL. The gentleman is correct.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE, AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DULY PASSED, BY THE TWO HOUSES AND FOUND TRULY ENROLLED, NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until tomorrow, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, is that designed to deal with the legislation for which the recess is being taken?

Mr. O'NEILL. I have to presume that that is so, yes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 9286, AUTHORIZING APPROPRIATIONS FOR MILITARY PROCUREMENT

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and appoints the following conferees: Messrs. Hébert, Price of Illinois, Fisher, Bennett, Stratton, Bray, Arends, Bob Wilson, and Gubser.

QUALITY OF POSTAL SERVICE

(Mr. HILLIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HILLIS. Mr. Speaker, during the August recess, I distributed a questionnaire to approximately 250 individuals who had written to me over the past year expressing their views about problems existing within the Postal Service and relaying personal experiences.

Many of these people lived in my own Fifth District of Indiana while others were from various parts of the country. However, they had one thing in common—a desire for quality postal service and concerns for existing conditions.

Well over 80 percent response to the questionnaire was received. I have found the replies to be highly beneficial to me in my efforts to understand the problems which great numbers of Americans have experienced with either delays or loss of their mail.

Time has come for talk to cease and action to begin on improving our postal service. Accordingly, I am again soliciting the support of colleagues here in the House to sponsor my bill, H.R. 5051, which would assure quality postal service to all U.S. citizens.

I want to share this questionnaire along with its results, my letters to Postmaster General Klassen and James Hanley, chairman of the Subcommittee on Postal Service of the House Post Office and Civil Service Committee, of which I am a member.

Results of Hillis Postal Questionnaire

Washington.—Congressman Elwood H. "Bud" Hillis (R-Kokomo) announced today the final results of a postal questionnaire he recently directed to approximately 250 individuals who had previously written to him about their postal problems.

"I was quite pleased with the overwhelming response of over 80 percent to the survey," Hillis commented.

The Congressman also stated that the replies came from persons all over the United States as well as the 5th District of Indiana and it had generated interests from many others.

"I plan to furnish my findings to Thaddeus Dulski, Chairman of the House Post Office and Civil Service Committee of which I am a member, and to H. R. Gross, the Ranking Minority Member. Also, the results will be going to Postmaster General E. T. Klassen and each of my Colleagues here in the House of Representatives," Hillis further commented.

"I have gone through every reply to the questionnaire and the responses all are much the same. People everywhere are dissatisfied with the service they are receiving from the Postal Service. Mail is taking longer and longer to reach its destination. It is being delayed and often lost altogether. One lady wrote of having impressions made to send to a dental office in another city. They were lost in the mail and then she had to go through the expense and trouble of having more made. In another city, a mother sent photographs of her children to their grandmother. They were never received. These are just a few examples.

"Overall, those replying felt that their local post office was in good condition. Most found it to be neat and clean. However, many felt that post offices were inadequate with facilities for the disabled and suggested that ramps be installed.

"Of course, a great majority felt that postal rates were too high already and they did not feel that an increase to 10¢ for first class postage was warranted on January 1, 1974. However, I was interested to learn that many individuals would be willing to pay an additional 2¢ if service and delivery were improved significantly.

"People are opposed to the sectional centers where mail is sent to be sorted and then sent back home again for local delivery. This was the number one complaint because many felt that this not only leads to delay but there are increased chances of mishandling, misdirecting and outright loss of the mail," Hillis concluded.

Additional results are as follows:

1. How do you rate the attitude of postal employees?

a. Postal Clerks—Excellent, 18 percent; average, 40 percent; fair, 30 percent; poor, 2 percent.

b. Carriers—Excellent, 33 percent; average, 50 percent; fair, 12 percent; poor, 5 percent.

2. How do you rate your local postal service at present?

Excellent, 10 percent; average, 40 percent; fair, 23 percent; poor, 27 percent.

3. How do you rate national postal service at present?

Excellent, 1 percent; average, 20 percent; fair, 41 percent; poor, 38 percent.

4 How would you compare the service you are receiving today with that of when you initially wrote to me?

Better, 19 percent; same, 22 percent; about the same, 51 percent; poorer, 8 percent.

September 25, 1973.

Hon. James M. Hanley,
House of Representatives,

Dear Jim: This August I conducted a survey among approximately 250 individuals from my own Fifth District in Indiana and others from all over the country who had written to me regarding the postal service.

Enclosed is a copy of the questionnaire which was sent out and a press release giving the results. I am also enclosing a copy of a letter I have today written to Postmaster General Klassen.

As indicated in my correspondence to Klassen, I want to urge that your subcommittee soon consider my bill, H.R. 5051, which would assure quality postal standards. I am anxious to work with you and do hope that your schedule will soon permit you to hold hearings on my bill along with other related pending legislation.

With best wishes, I remain.

Sincerely,

Elwood H. Hillis, M.C.

Postal Questionnaire

1. How do you rate the attitude of postal employees?

A. Postal Clerks—excellent, average, fair, poor.

B. Carriers—excellent, average, fair, poor.

2. How do you rate your local postal service at present?

Excellent, average, fair, poor.

3. How do you rate national postal service at present?

Excellent, average, fair, poor.

4. How would you compare the service you are receiving today with that of when you initially wrote to me?

Better, same, about the same, poorer.

5. If you have been in your local post office recently, in what condition did you find it?

6. The Postal Corporation has proposed an increase in first class mail from 8c to 10c on January 1, 1974. What are your thoughts on this?

7. General observations on the Postal Service. (You may use the reverse side of this questionnaire for comments.)

September 25, 1973.

Hon. E. T. Klassen,
Postmaster General,
U.S. Postal Service,
Washington D.C.

Dear Mr. Postmaster General: During August, I mailed out a survey to approximately 250 individuals from my own Fifth District of Indiana and throughout the country who had written to me regarding the postal service in this country. A copy of this questionnaire is enclosed.

Earlier this year my mail was quite heavy with letters complaining about the postal service. This volume had dropped and I was anxious to learn if postal service had actually improved or had remained the same. The response was overwhelming—well over 80 percent replied.

I want to share with you the results of this questionnaire and have enclosed a copy of a press release which has just gone out from my office.

People continue to be dissatisfied with the service they are receiving and I believe that their complaints are justified.

Our postal service is a vital public service. It is a daily lifeline of communications, without which this nation could not exist. We cannot afford to stand by and allow this system to deteriorate. For this reason, I am today contacting James M. Hanley, Chairman of Post Office and Civil Service's Subcommittee on Postal Service, to urge that he conduct hearings as soon as possible on my bill, H.R. 5051, which would assure quality standards of postal service to all U.S. citizens.

I am glad to have had this opportunity to share my questionnaire with you and look forward to working wtih my Committee and you to bring about a top rate postal service in this nation.

With best wishes, I remain

Sincerely,

ELWOOD H. HILLIS, M.C.

AT LAST

(Mr. RANDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RANDALL. Mr. Speaker, the news ticker in the south lobby just off the House floor, this afternoon typed off some most welcome news with the announcement of mandatory allocation of fuels.

Today is the sixth successive legislative day, starting Monday, September 24, that I have taken the floor of the House to emphasize the desperate need for some kind of allocation program of petroleum products for the farmers of our country. At this late date the best that can be said for either the White House or the President's Energy Adviser, John Love, former Governor of Colorado, is, "Better late than never."

On July 30 just before the August recess, Governor Love came to our office in the Rayburn Building to discuss the energy crisis. I distinctly recall the comments he made then in opposition to any allocation program. He said:

> Any kind of an allocation program will only spread the shortages around.

Today, it is encouraging to note that he has had a change of heart when he says:

> Allocation will insure that no single area of the country would suffer undue shortages.

It is heartwarming to hear the news that the administration plans immediate allocation of propane to help our farmers with this year's crop and that there will be regulations for other petroleum products within the next 2 weeks.

The announcement today reveals an interesting turn around in administration attitudes. Last week, Mr. Love thought nothing could be done until Congress enacted enabling legislation. I do not enjoy assuming an "I told you so" appraisal of today's action. Nonetheless the facts are I have been calling daily attention to Public Law 93-28, section 2, which clearly gives the President authority for petroleum allocation. Remember, Public Law 93-28 was passed way back in April of this year.

Maybe the President's Chief Energy Adviser, by his action today, concedes at long last that no action by Congress was really necessary to set up a comprehensive mandatory fuel allocation program. However, it is unfortunate that the White House failed to act 60 days or even 30 days ago to provide our farmers, whose tractors have stood idle in the fields of the Middle West, with the needed fuel to harvest their silage and other crops.

Anyhow, the long overdue action is welcome. The announcement today should prove that this administration try as it did could not shift the burden to Congress charging a need for legislation of when the problem all along was the failure to act by the White House and Mr. Lane.

We say again, for our farmers all over the Middle West, "better late than never." We are grateful that it seems now we will have a mandatory allocation program. At last.

NASA ACCOMPLISHMENTS

(Mr. TIERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. TIERNAN. Mr. Speaker, as a member of the Appropriations Subcommittee that handles the appropriations of the National Aeronautics and Space Administration, during the past year I had an opportunity to review the many benefits that flow from NASA's activities. In the area of communications, medicine, electronics, computer application technology and in the development of devices to monitor our weather and evaluate the extent of our natural resources, NASA has made immeasurable contributions to American society.

This past year NASA began to phase out many of the projects which it has developed in the past. It has decided to leave development of communications satellites to private industry. And the last planned Moon mission has now been completed. However, we should not think that the ability of NASA to serve the Nation is coming to an end. While many of its past projects are coming to an end new projects have begun.

Further, the NASA's level of scientific expertise can and should be put to use in areas other than just space technology. For this reason, I am submitting a bill introduced in the Senate by Senator MAGNUSON which would amend the National Aeronautics and Space Act of 1958 to apply the scientific and technological expertise of NASA to the solution of many of our domestic problems.

The Technology Resources Survey and Applications Act would create a three-element system for utilizing available technical manpower and other resources in the solution of critical domestic problems.

First, it would create a long-range survey of technological resources which would draw on both government and private sources to identify the actual scientific research being done by private enterprise, the academic community, government at all levels, and other sources. This survey would also note areas of research critical to the solution of important domestic problems that are being neglected. It should also describe to what degree unemployment among technically oriented workers exists and be updated yearly. This approach is long overdue and is recommended by the National Academy of Engineering.

Second, the act would provide for an inventory of critical domestic problems which are susceptible to resolution by the application of science and technology. It would provide for the selection of such programs as will utilize unemployed technological resources and contribute to the resolution of critical domestic problems.

Third, the act would provide an organization within NASA to carry out programs thus identified to resolve critical national programs. This would expand an activity already underway within NASA and enable us to better utilize a capability which has already exhibited an impressive record of success.

The survey of technological resources and the identification of critical national problems would be under the direction of a National Technology Resource Council composed of Cabinet members and agency heads most involved with high technology problems. This Council would not be obligated to assign all problems which it identifies to NASA for solution, but could do so where they felt it to be in the best interests of the country. The Council, procedurally, would make its recommendations to the President who, in turn, would make the ultimate decision as to assignment.

The Technology Resources Survey and Applications Act provides for the systematic application of unemployed technological resources to the Nation's technology oriented problems. Our country has both the technological momentum and resources to overcome the most serious of our technology-oriented problems. What we lack is a strategy. The Technology Resources Survey and Application Act fills an urgent need.

WITHOUT ADEQUATE TRANSPORTATION FREE ENTERPRISE ECONOMY CANNOT SURVIVE

The SPEAKER pro tempore (Mr. WALDIE). Under a previous order of the the House, the gentleman from Texas (Mr. PICKLE) is recognized for 60 minutes.

Mr. PICKLE. Mr. Speaker, the American consumer took a beating because of last year's Russian grain deal. The consumer took a beating because the grain deal paralyzed the shipment of domestic goods. The consumer took a beating because the grain deal was responsible for higher food prices.

Surely the maligned consumer has had enough, but he faces more abuse. As I stand before this House today, another massive grain deal is underway. The Nation's railroads are drifting toward paralysis; and, although we now see a temporary, seasonal dip, higher food bills are staring America in the face.

The grain export surge has laid bare a fundamental weakness which stands directly between supply and demand. Without adequate transportation, a free-enterprise economy cannot survive.

So we can clearly see the situation before us, I want first to review last year's grain sale. Last year, the United States sold 1.1 billion bushels of wheat to other countries. Our Government spent $300 million in subsidies without considering how that much grain would be shipped. With all the foresight of a pack of lemmings, the administration agreed to deliver the goods on blind faith.

Within months of the grain sale, every freight car that railroads could muster there stood glutted with wheat. Yet millions of bushels of wheat remained to be shipped. Up to 1,000 grain elevators were blocked, and some of them were driven out of business. Worse yet, up to 2 million bushels of wheat lay in great piles, exposed to the uncertainties of weather.

Here at last was the freight car shortage which draws so much talk and so little action. Grain shippers alone needed an additional 36,000 freight cars every day.

The fertilizer industry, the lumber industry and other shippers discovered half their normal freight car supply had fallen victim to the great suction of the grain deal.

For the nearly half-million railroad cars loaded with wheat, the picture was little better. Movement toward seaports progressed at an agonizing rate. Because of insufficient locomotive power, empty cars plugged terminals such as Fort Worth and Kansas City. Loaded cars often waited 4 or 5 days for an engine.

Some railroads could not even keep track of their cars. Our rail system is a gigantic spider web, with every line interconnecting every other line. Railroad companies simply cannot trace their cars closely when they travel another company's tracks. A witness at a Commerce subcommittee hearing described the situation as "complete and total lack of coordination."

If the railroad does not even know where its cars are, it takes little imagination to see the railroad companies had difficulty telling shippers when—and if—they could furnish more cars.

The highest hurdle of all, however, loomed at the ports, where the grain was loaded onto freighters. More than 4 months passed while Russian and American diplomats haggled over the price of freighter service. Each of these months wasted time that could have gone into loading grain.

When the Soviet-destined wheat finally began to move, three-fourths of it was channeled through one port—Houston, Tex.

Hundreds of freight trains snaked their way south only to find Houston hopelessly overloaded. At capacity, this port can discharge around 4,900 cars a day. The railroads and port elevators pushed themselves to the limit, but between two and three thousand freight cars were consistently back-logged on sidings around Houston.

The railroads, in short, were unable to ship all the grain, and the ports could not handle what arrived.

In a similar fashion, freighters congregated in the harbor to wait their turn at the dock. Fifty-four ships stood offshore at one time. The United States was liable for penalty payments on some of these freighters, and our Government shelled out up to $75,000 a day in penalty fees.

The ill-fated shipment of export wheat was finished nearly 2 months late.

The mishandling of the Russian grain deal also commandeered indispensable freight cars from other services. During the entire venture, shipments of such commodities as corn and soybeans were delayed. An acute lumber shortage—especially in plywood—developed. Fertilizer shippers found themselves 10,000 cars short of their daily need. Cotton mills faced 3- and 4-month delays in getting needed shipments.

The cost of bread jumped 6.5 percent during the grain deal, and the cost of raw wheat doubled. Beef began its steady price increase.

It is difficult to say how much inflation was caused by the freight car shortage. The mere fact that the grain was sold elevated prices even before shipment began, and the decline of the dollar also contributed to inflation. But the shortage, for sure, played its part in bringing higher prices.

The grain deal is most tragically a harbinger of things to come. It was the first of several developments which continue to threaten the stability of our economy.

We have already destined ourselves to repeat the transportation fiasco this year. We are already well on the way to overloading our railroads and ports.

Instead of 1.1 billion bushels, this year we expect to ship 1.3 billion bushels of wheat. The customers are different, with the Republic of China and the nations of Africa ranking ahead of the U.S.S.R. But again this year, 75 percent of the shipment is headed for the port of Houston.

There have been some improvements. The railroads have increased their hauling capacity by 30 percent. Houston elevators are operating around the clock, 7 days a week.

The Interstate Commerce Commission is holding coordinating sessions with shippers, railroads and port authorities. The Agriculture Department has set up a transportation monitoring system. I believe everyone is hoping to avoid another transportation impasse. All in all, last year the railroads did a good job under difficult circumstances.

But the same problems which crippled the rail shipping system last year are already rearing their heads. The best we can do is simply not good enough.

Today nearly 2 million bushels of wheat lie exposed to the elements. Six hundred elevators are blocked and unable to ship their grain.

Smaller gulf ports have all the traffic they can handle. Houston is processing cars at capacity, but the flood of freight trains has forced the ICC to embargo all but two major elevators there. That is to say, the ICC has already had to order that no more grain can be shipped to most of the Houston port until more of what is already there is moved on out. One Houston elevator presently has more than 800 cars waiting to be unloaded.

Railroads are now short more than 25,000 freight cars every day. Moreover, as of this date, less than 350 million bushels of wheat—less than a third of planned exports—have started moving. We are less than one-third of our way into this year's venture and the freight car shortage is already serious. It cannot help but grow worse.

Bumper harvests of corn and sorghum will place additional burdens on the rail system, but freight capacity will fail to meet the demand.

Domestic shippers are already finding themselves with no way of moving their products. Farmers cannot get fertilizer for their winter wheat crop. The Agriculture Department says farmers will be short 700,000 tons of fertilizer, and that means a lot of lost crops. How ironic! The United States cannot produce wheat because railroads are choking with wheat exports.

Other shortages are poking over the horizon. Just like last year, we can expect the lumber industry to suffer. We can expect other crops—soybeans, corn, and sorghum—to further clog the railroads. And this year we will be exporting a million more bales of cotton than we did last year. Where we will get the rail cars necessary for this and for domestic cotton shipments is anyone's guess.

In short, we can expect a repeat of last year. Bread will cost a few cents more. The price of cattlefeed will climb, ground beef may take a few extra pennies, and clothing costs will climb.

And if the fertilizer shortage damages the winter wheat crop, the next harvest will bring another price increase.

All these high prices translate directly into human suffering. They undermine the borderline families who barely get by. They castigate those who cannot spare a few more pennies for bread.

All of this is partly because we are selling grain we cannot deliver efficiently. I am not implying we should halt our grain exports. Exports are basically good for the economy, and U.S. wheat is saving millions from starvation.

I am saying we should start now—today—to repair a railroad problem which has needed attention not just recently but for years.

First, we need to help the railroads secure more cars and locomotives. Every time we grow another ton of wheat, railroads become less efficient. American agriculture is the most productive venture on Earth, but added production without more railroad cars is sheer folly. It makes no sense to grow crops that will rot on the ground or at the terminal.

We need also to provide stronger incentives for the railroads to purchase the needed cars. We have to get away from the feeling that it is easier to rent a car than it is to own one.

We also need improved ports, ports that can handle the grain coming down the railroads. The is another long term, but necessary, requirement.

We need better storage facilities—especially at our ports—so that cars will not be stacked up for days on end waiting for a place to deposit their loads.

Perhaps we need to think in terms of a low interest or guaranteed loan program for more grain elevators at the ports. I am thinking of something similar to that program used so successfully by the Rural Electrification Administration in setting up rural-owned facilities for the rural people as they did in rural electric cooperatives across our land.

Second, we can put those resources at hand to better use. With better utilization of existing facilities—and they are getting better—railroads can keep track of cars that today stand lost on a countryside track. With a nationwide computer system, every car could be pressed into nearly constant use.

What we need more than anything else, though, is more commonsense. With some advance planning, we could begin right now to use the equipment we have more fully.

Today exporters can dump their wheat on the railroads with little regard for the havoc that follows. Today we have a near panic situation. Everyone is trying to get through at once, and very few get through at all.

Congress can act this session to control this transportation chaos. By requiring exporters to plan transportation beforehand, we can at least line up shippers in an orderly fashion.

We can also offer Government assistance to bring about use of one port for 75 percent of our wheat exports. The right legislation can coordinate our export shipments and keep domestic goods rolling.

I stress to you that time is of the essence. A railroad imbroglio is churning more inflation for the second time in as many years. We should make this the last time it happens.

I have heard people remark that it takes a catastrophe to make Congress act. Well, we have got our catastrophe—a creeping, insidious cancer that escapes public attention while it eats away at our economy. I hope we can act on the freight car shortage before it blows up in America's face.

Will the transportation mess take the course of our fuel problem? Will an obvious inadequacy be ignored until it reaches monstrous proportions?

I trust Congress will not let such a thing happen. I trust that Congress will soon focus its creative energy on our railway shipping problems. To do otherwise is to flirt with tragedy.

Freight cars and locomotives lack romance; I know that. I realize the problems we face are complex. They are hard to pin down and even harder to solve. But the basic relationship is straightforward: Freight car shortages mean higher prices. They mean higher food costs in particular.

All of us—regardless of party, regardless of ideology—surely agree that costs are already too high. Waging a frontal attack on the freight car problem will not halt inflation, but it will retract a major contributor to inflation.

That is the message we bring to you today. More freight cars and fuller use of freight cars we have will mean better shipping; and better shipping means lower prices.

We can act this year on legislation to bring better railway shipping. We can help provide through guaranteed loans a billion dollars worth of new cars and locomotives. We can create sensible rules for more orderly and efficient use of existing equipment.

Three pieces of legislation have been formulated to achieve these goals. I urge every Member to examine them closely and push for early action. They have laid before pertinent committees for months already.

We cannot say we were not warned, and history will judge us harshly if we do not heed the warning. Clearly, the freight car shortage demands swift attention.

BACKGROUND

While the freight car shortage has suffered from lack of attention, it has not suffered from lack of history. Freight car shortages became a fact of railroad life in 1887, when the first case laid before the new ICC in 1887 was a shortage case filed by eight wheat farmers in the Dakota territory.

Except for the years of the Great Depression, we have suffered a freight car shortage ever since.

Even in the 1920's, our railroads made the list of America's "sick industries," and freight car shortages clearly were part of the problem.

Our railroads have been failing for so long no one seems to believe they can actually collapse—although forthcoming events in the Northeast corridor may soon rob us of this illusion.

As a nation we seem to feel the railroads cannot really collapse—and they cannot really run well either.

We seem to take an attitude toward the railroad as a nostalgic old mare who has seen better days and ought to be allowed to die in peace.

We forget that our railroads carry around 38 percent of our national freight and will continue to do so.

We forget that this 38 percent represents over double the actual load the railroads carried in World War I when their share was 75 percent.

We forget that our railroads still carry more freight than any other single means of transport currently in use.

We forget that the railroad is the only economical way to transport many bulk commodities over long land distances.

And we have not looked down the track at all.

Railroads currently carry around 2 trillion ton-miles of freight annually. If the population of this Nation reaches the expected 265 million by the year 2000 and our standard of living continues to improve, we may by then be moving as much as 6 trillion ton-miles of freight between our cities—three times the current load in less than 30 years.

Are we to carve up our countryside with more and more slabs of concrete roads to carry this load?

Are we to doom clean air forever by increasing highway truck traffic beyond recognition?

Are we to allow our transport system to get so clogged we collapse the economy simply because we cannot get the goods moved around?

Are we to compound our energy shortage by relying on high energy transports such as highway and air traffic? At any speed above 6 miles per hour railroads use one-half as much energy per ton-mile as a pipeline, one-third as much as a truck, and 84 times less energy per ton-mile than airplanes.

When we were not being nostalgic toward our railroads, we're being parochial. Even the ICC has shown a great propensity for expending much of its energy settling disputes between individual railroads instead of making the whole system work better.

Freight car shortages are usually thought of in terms of a problem of the Western farmers during harvest season, but the facts clearly show any segment of the economy can now be hit sometime during the year. It is no longer a regional issue.

The problem with the prevailing nostalgic and parochial attitudes toward our railroads is that they overlooked two simple facts:

First. Our railroads can collapse; and

Second. Our railroads can be improved and helped so they will work.

We spent a lot of time yesterday under the leadership of my good colleague Father Drinan discussing the first of these facts, the pending collapse of the Penn Central.

Now, I want to concentrate on the second fact—our railroads can be improved so they will work.

In the First World War, our rail freight was thrown into such disarray that the National Government had to step in and run the industry. The situation carries frighteningly clear lessons for us today.

Between 1900 and 1915 rates had generally been frozen while prices had risen 30 percent, wages 50 percent, and taxes on railroads had tripled.

The war disrupted normal traffic patterns; nearly everything was moving to Eastern ports.

The railroad made a classic mistake—by 1917 thousands of cars were idling as storage bins.

By November of 1917, freight car shortages had reached 160,000 cars per day.

The industry made an effort to pull together, but could not. And the Federal Government had to step in—to the tune of $2 million per day from the American taxpayers' pocketbooks.

Between the two World Wars, however, some important events occurred.

First, several billions—$7 billion before 1930—were invested in new equipment—more efficient equipment—including double tracking, more yard track, and automatic block signals.

Second, 13 regional boards were set up to improve estimates of their areas' rail needs in advance.

Third, overall railroad efficiency was increased drastically—besides introducing improved equipment, the railroad increased the miles a car traveled per day some 69 percent, nearly doubled the net amount of freight moved each hour, and made other advances.

Consequently, during World War II, the American railroad was able to stand almost double the amount of ton-miles carried—from 367 billion ton-miles in 1916 to 690 billion in 1945—and still suffer daily shortages of only about 10,000 cars.

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And, it did this with little new equipment and while paying about $3 million back to the Government in taxes daily.

The lessons of the two wars ought to be clear. In the first, we saw no organization, poor utilization, and a shortage of cars reaching into the hundreds of thousands. We saw the Federal Government having to step in and the taxpayer bearing $2 million a day for it.

In the second, however, we saw better organization, better utilization, equipment ready to go, and car shortages kept to a minimum. And we saw private enterprise at work, paying $3 million per day into the Federal Treasury.

The choice is before us today—and before this Congress more than anywhere else—whether we will doom the future of our national transportation—and our national economy—to costly tieups such as we witnessed in the grain deal or whether our transportation will be a true asset to our Nation.

The choice lies before the Congress because they are the only ones who can break through the miasmic mess of railroad problems with both a general overview of the needs and problems and the power to write the legislation to get our railroads back on the track again.

The ICC cannot do it because at this time we simply have not given them some powers they need, and they have not used the powers they have—and the same goes for the President.

The railroads cannot do it alone because they are as hamstrung in their own way as the ICC is in its. The problem is so longstanding, and past industry efforts have proven so ineffective, little hope remains for success here. Further, the structure of the industry—independent and competing roads with differing individual set-ups and problems—repeatedly undermines the necessary close cooperation.

Only the Congress can meet this task—and so far it, too, has avoided it like the plague. Hearings have been held. Legislation has stood ready for committee consideration for months on end. Everyone is willing to stand up and denounce high food prices, high lumber prices, shortages of fertilizer, and shortages of freight cars. But no one seems willing to sit down and really do something about it.

I challenge this Congress to do just that—to sit down and take a good, hard look at an integral part of our economy—at something which represents 20 percent of our GNP—our transportation system. And do something about it.

I spoke to you earlier about shortages in last year's grain sale of 36,000 cars per day or more. I mentioned that this year we are already running shortages of 25,000 cars, with the major winter crunch still before us.

Although they have to shoulder some of the blame like everyone else, we simply cannot put this off as railroad sluggishness.

Our hearings and studies of the situation across the country show that after the initial shock of the size of the grain sale all parties involved tried to work together, to do the best they could as a joint effort.

They are trying again this year.

But once again, it simply will not be enough. All that we are seeing now is an acute example of a chronic illness.

THE PROBLEMS AND THE SOLUTIONS

The real crux of the problem can be divided into three general areas: first, actual shortages of cars; second, poor utilization of cars we have; and third, the structure of rates, regulations, and penalties now in use.

There are other areas which need attention as well. I mentioned earlier the problems with outdated port facilities and lack of storage facilities for the grain. There is the fact that the necessary back-up equipment for any railroad—meaning its roadbeds, its rails and ties, its terminals, classification yards, and signaling systems—are often in deplorable condition.

One expert noted that new rail is being installed at a rate that would be adequate only if rail could last more than 150 years instead of about 20. And, he noted that the rate of tie replacement would be adequate only if ties could last more than 46 years instead of about 20.

Moreover, the better we get at producing more cars and getting them moved around, the more wear and tear there will be on the whole industry plant.

But today I want to concentrate on three aspects of the problem—and three legislative solutions—which I think cut to the heart of the issue before us in the coming months.

FREIGHT CAR SHORTAGES

Since 1960, the capacity of the rail car fleet has increased about 8 percent. But total demand for inter-city freight transportation increased 45 percent.

Moreover, what gains there have been in usage in the past decade cannot be repeated in the 1970's. The 1960 gains relied mostly on an increase in the average rail car size—and roadbed conditions as well as shipper needs do not call for many more gains simply in car capacity.

Even under the best of imaginable circumstances, the rail carriers need an average of 62,000 new and rebuilt freight cars annually for replacement purposes and another 130,000 new cars too catch up with the current backlog.

This past year the railroad industry ordered 50,000 new cars. But this not only means we are making no headway on the backlog; we are adding to it.

The current structure of the railroad industry does little to help the situation.

The decline in numbers of cars is most concentrated in general service cars such as gondolas, hoppers, and boxcars. Although there has been an overall decline in the total number of cars, there has actually been an increase in railroad ownership of special purpose cars and of nonrailroad ownership of cars.

The tendency toward specially equipped cars is easily explained because they are easier to keep track of and they return higher profits.

But this also means the flexibility of the rail system is reduced. These cars are often sent back to their points of origin empty. And the small shipper, dependent on general purpose cars, is placed at more and more of a disadvantage.

The small shipper and the weaker railroad have trouble acquiring sufficient cars because they cannot get the financing to build what they need. Other roads, stronger financially, can meet their own needs, but cannot catch the slack from their weaker partners.

If those roads which are chronically short of cars could get on an adequate acquisition program stronger roads might well be able to build more cars as well—knowing that the cars would not be immediately appropriated for the use of other roads.

I have introduced a bill which contains two parts. The first is pertinent here. It is designed to assure an adequate supply of freight cars for the movement of the Nation's goods by helping to finance the purchase of freight cars. I am proposing a Federal Railroad Equipment Obligation Insurance Fund which will be used by the Secretary of Transportation as a revolving fund to insure the interest on, and the unpaid principal balance of, any equipment obligation which the Secretary determines eligible for such insurance.

I have tried to include safeguards so that this revolving fund will be used wisely. There are also stiff criminal penalties provided so as to discourage any improper use of the fund.

FREIGHT CAR UTILIZATION

Even more critical, however, than shortages because of a lack of equipment are shortages caused by poor utilization of what equipment we do have.

Commissioner Rupert L. Murphy of the ICC testified before the Interstate and Foreign Commerce Committee's Special Investigations Subcommittee that 50 percent of the current shortage could be eliminated through an improvement in utilization of equipment. Santa Fe claims a mere 1-percent rise in utilization would mean for them, in effect, the addition of 200 cars to their fleet.

Right now, the average freight car is in movement only 11 to 12 percent of the time—or less—and it is moving loaded only a little over half of that—7 percent—time. A freight car today is in paying service; that is, loaded and moving only 7 percent of its lifetime. It spends 30 percent of its life in a classification or interchange yard; 40 percent in the process of loading or unloading; 13 percent waiting to be unloaded; and 5 percent out of service for repairs.

It takes little imagination to see why there are shortages when expensive capital such as rail cars are given such poor usage.

There are other factors which weigh in the utilization problem.

While the loading and unloading process has been speeded up, little progress has been made in the time it takes to get from one point to another since the complete conversion to diesel locomotives in 1960. Truckers get an average of 85,000 to 125,000 miles per year from the average trailer. The rail industry gets 20,000 miles per year from the average boxcar—almost four times less.

The Chairman of the ICC has pointed out that on days when shortages of, say, 2,000 freight cars were being reported from some lines, other carriers were lamenting they had as much as 30,000 cars of all types sitting idle because of lack of demand.

Besides the problem of getting any cars at all, shippers also face problems such as getting the wrong type of car, getting cars all in a bunch—which increases the loading time—getting cars late, and getting cars in such poor working condition they have to make extensive repairs before they can fill the car.

And, of course, some shippers must also bear some of the blame—by ordering more cars than they really need, not loading or unloading them as quickly as they can, or employing circuitous routing for marketing purposes.

But even if all components of the industry work together reasonable utilization is still beyond the grasp of the industry.

Railroads need modern terminals which can handle heavy loads without jam-ups. They need modern classification yards, better signaling systems, and they need an industrywide computer tracking system of all cars.

One rail spokesman testified that computerizing their car management system allowed them to handle the same amount of traffic with 6 percent fewer cars. Another said he increased the mileage on his cars by over 12 percent; and another that he increased the number of trips per car by 18 percent.

But computers owned by individual lines cannot do the job alone—for they only extend to the boundaries of that line. When boxcars are typically off-line 60 percent of the time, gondolas 45 percent, covered hoppers 40 percent, and open hoppers 30 percent, this leaves a mighty big hole still to be filled.

It makes it extremely difficult—especially if there is no other incentive to do so—for railroads to get together and plan how to meet massive orders like the grain sales of this year and last.

Coordination at the national level is essential to minimize disruptions caused by massive bulk shipments. It is essential as well to minimize disruptions which have been a daily part of railroad life for decade after chronic, costly decade even when there has been no acute crunch.

Freight car shortages are a factor of double entry—actual shortages and utilization of what we have.

The second portion of the bill I spoke of earlier attacks the utilization aspect. It provides for the design and implementation of a national rolling stock information service using computer and communication techniques. This will insure that every freight car in the country is used to its maximum efficiency. The Secretary of Transportation is responsible for the development of this service. We now have tools available to tell us where every freight car in the country is, and when it will be available. This information needs to be ready to use as soon as possible so that none of our freight cars is lying idle when the need for them is so great. The Secretary of Transportation will make rules to insure the confidentiality of certain types of competitive information supplied for use in connection with the system.

THE GOVERNMENT'S ROLE

To handle all the increased load the railroads must carry, we need more cars, better use of them, and a revamping of the government's role in the whole operation.

Until now, the ICC and the Congress have spent inordinate amounts of time settling disputes within or between various rail lines. For instance, this Congress held hearings in 1955, 1956, 1959, 1961, 1963, and 1965 on the problem of incentive per diem charges. This was an effort to force rail lines to get cars they were borrowing from other lines back to the owner line as quickly as possible.

But while it was a needed effort to be fair to carriers who owned cars loaned out, the incentive per diem actually can work contrary to efforts to get cars where they are most needed.

There is no reason why the ICC cannot instead devote more effort to updating the frankly notorious system of accounting used by the railroads. The present system has seen little change since its introduction in 1907. It is virtually useless if one is seeking to install cost-conscious management control.

While some individual carriers have developed their own cost accounting systems, there is no uniform approach—and therefore no uniform data to help the whole industry. A system of economic rewards and punishments based on cost accounting could be extremely useful.

There is no reason why the ICC or the Congress, or some designated body cannot wade in to untangle the costly, defeating hodgepodge of rates now encumbering the whole rail industry.

In the recent grain shipments, for example, Houston lay clogged to the ears, while nearby Brownsville lay easy until the situation was acutely desperate simply because the rates to Brownsville were so much higher. The industry is to blame for this.

Incentives to improve on both actual shortages and utilization clearly lie more with the Federal Government than with the individual lines caught in a life and death struggle to maximize individual profits.

Time was when we thought all the railroads needed was a new increase in percentage of national freight sent their way. But while the actual percentage has dropped, the actual load has doubled. And at no time have the railroads had a better chance to prove this theory—or hope—than last year, when their load jumped drastically.

Instead, it only created more wounds and deepened old ones.

Cutting to the heart of both freight car supplies and freight car utilization, I think we need to give clear and unmistakable authority to the ICC or some proper regulatory agency to impose meaningful, significant, or heavy fines whenever there are unnecessary delays in the movement of freight cars.

We must get away from the illusion that it is easier to rent a car and pay demurrage charges than it is to own one.

The only way to do that is to slap a heavy fine on the offending party. I am not saying the fine should be automatic and with no appeal; but the burden of proof should be on the party charged to show there was no other way to get the car moving.

So far we have relied on a voluntary approach between the AAR and the ICC. The system has worked fairly well—when we have had a surplus of cars. They have imposed some demurrage charges—but there are no real teeth.

The ICC should be able to impose a heavy fine, if necessary, on any shipper, any carrier, any elevator, any consignee.

Until it is shown that it is downright costly to hold back the movement of freight cars we will have tongue-in-cheek compliance instead of fluid movement of freight cars.

There is no reason why the Congress and the ICC cannot move forward now on two other, closely related fronts.

They entail planning ahead.

A second bill I have sponsored is designed to prevent another chapter in the continuing tragedy of the Russian wheat sale. The bill provides that whenever an exporter contracts to export over 1 million bushels of grain he would have to submit a transportation plan to the Department of Transportation for moving that grain. DOT would have to certify the plan as not jeopardizing the transportation system of America, or no export subsidy could be paid to the exporter by the Department of Agriculture. Again, penalties are provided for violation so as to discourage anyone from neglecting to comply with these provisions.

If a plan is approved by the Departments of Agriculture and Transportation, then we at least will know the problem is being tackled and the system will work.

It is the only way I see to protect the railroad and the average American consumer who must pay the price for transportation snarls.

This bill might not sound like an earthshaker, but it could be the beginning of a national transportation plan—something we desperately need.

The third bill I have sponsored also seeks to give us a jump on freight car crunches. It gives the Interstate Commerce Commission authority over railroad car service not only during an emergency as it is presently provided by law, but gives them authority to act if an emergency is imminent. In other words, we are giving them power to act before we are already in serious trouble. This is my bill in simple terms. Of course, the guidelines are somewhat more complicated, but I will provide the Members of Congress the full draft of my proposal in the near future.

The need for this legislative program is obvious. We have already waited too long to act to resolve the crisis of the freight cars. Our goods are tied up in warehouses, storage costs are mounting, the public is becoming increasingly irate over the delay in shipments and yet nothing is done. We have got to begin to think ahead and plan so that this intolerable situation does not continue. The three things my legislation proposes are not merely stopgap measures. They are designed to provide an orderly, long-range plan for the movement of our Nation's goods.

In summary, if we are to continue to move our Nation's goods in ever increasing quantity for our own growing population as well as our commitments overseas, we must: First, provide more freight cars by making it easier to finance them and establish a computer system so that we can efficiently use the freight cars that we do have; second, provide for mandatory advance transportation planning for large shipments; and, third, provide that the Interstate Commerce Commission can act before an emergency.

We can refuse to act. Transportation costs are paid for by the American consumer. The lack of planning means those costs are higher. Our consumers are already groaning under the inflation that now grips this country as a result of a lack of planning by the administration. Part of this inflation can be directly traced to the increased costs of transportation, especially for agricultural products. Unless we free the freight cars to carry bulk goods we cannot cut these costs. The American consumer needs help. He deserves our support.

I conclude by saying let us act now to solve our transportation crisis. I have legislation that will move toward this goal. It will help our economy, and God knows our economy needs help. I commend this legislation to my colleagues.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Iowa, who has been very concerned about this matter and who shares this special order this afternoon with the gentleman from Kansas (Mr. SKUBITZ), and me.

Mr. SMITH of Iowa. I commend the gentleman for taking this special order. The gentleman serves on the Committee on Interstate and Foreign Commerce. He is, I believe, one of the few Members of Congress who really is aware of the extent to which the transportation crisis in this country is upon us.

Mr. Speaker, I recall that it was only a year ago now that a few people were saying that we were going to have a fuel crisis. For the most part that type of comment was met with ridicule. The idea was that we have never had one, so we need not worry now.

The same thing applies to transportation at this point. People will not believe how bad the situation is because we have never really gotten completely stalled yet in this country, although it came close to it last year.

We still have people who think that the only problem concerning transportation in this country is the Penn Central Railroad. That is such a small part of the transportation problem that we can even forget about it if that is all the problem there is.

As a matter of fact, the heart of the country, where the production has been increasing the fastest, is the Midwest, and in other parts of the country, and that is the section where the transportation has not been increasing as fast as production. That is where the real problem lies. This problem has gotten to the point that it affects not just the people who live in one area of the country, but it affects the entire country.

Mr. Speaker, the gentleman mentioned the Russian wheat sale. We also saw the situation on soybeans and corn this past summer. We have quite a different situation with respect to some grains. It is a tight situation, supply and demandwise.

When the July option of corn was expiring, there was not enough corn in Chicago to meet the long contracts, and there was not adequate transportation to get it there. Therefore, those who were on the long side of the market were able to just sit and be satisfied that the shortage could not be alleviated, because the transportation was not available. So they put the squeeze on, and in one day corn shot up $1.30. It was not really because the shortage of grain justified that kind of an increase; it was because the transportation was not available to put that commodity on the doorstep.

The same thing applied to some other options on soybeans. It helped the speculators to put the squeeze on the market.

Transportation is absolutely vital in this country, and yet we are still trying to base our pricing system on the back-off price at some certain point, but we do not have transportation so that we can be sure we can get to that point. So this is a very vital problem which the gentleman has brought up.

Mr. Speaker, I will point out also that in our section of the country we have the Rock Island Railroad, which delivers a major share of grain from the Midwest to the Gulf. We have had for several years a drastic shortage of boxcars available to the west coast as well as boxcars to bring the grain back to some of those areas out there. Yet there just is not enough being done about it.

In addition to not having enough boxcars, the trains on much of this road now have to travel about half the speed they used to travel, so it would take twice as many even if they had enough boxcars, because the tracks are in such bad shape and the beds are in such bad shape. So it is enough of a problem that something should be done to alert the Congress about how bad this is so that they will move.

Mr. Speaker, that is why I commend the gentleman for bringing this matter up, in order to help alert the other Members of Congress so they will help support whatever corrective action is necessary.

The first thing to do is to recognize the problem. The people in the Department of Transportation are aware of a problem, but I will say this: I believe that they think the whole problem is in the 17 northeastern States. That just is not so. Those people are not going to get the goods delivered unless the problem is solved in the entire country.

In addition to that, we must have the Members of Congress aware of how difficult the situation is so that we will bring the right pressures and support the right kind of legislation.

Mr. Speaker, I commend the gentleman for his special order.

Mr. PICKLE. Mr. Speaker, I thank the gentleman.

I wish that there were some way in which we could make the Members of this body conscious of the fact that we have to improve our transportation system to provide for the handling of a large shipment of grain. We read it in the paper, we talk about it.

One Member told me recently:

> I came to Washington 30 years ago, and the number one crisis then was the shortage of freight cars, and today it is the same thing all over again.

Mr. Speaker, we must find an answer, but each year it has been getting a little bit worse, and we are going to have a real crisis on our hands. We never had any crisis in the Midwest as bad as the one we had last year.

Mr. SMITH of Iowa. Mr. Speaker, last year I believe one of the most deplorable aspects of the whole thing was that Government officials themselves who were involved were not cognizant enough apparently of the seriousness of the transportation shortage that it entered their minds to the point they would even think about it.

Mr. PICKLE. I think it is interesting at this point to read to you a portion of a statement—I will put it in the RECORD—of a story that appeared, I think, yesterday in the Washington Star. It was written by Marian Burros, and reads as follows:

Ex-U.S. Official's View—"Mistake" on Wheat

(By Marian Burros)

CHICAGO.—A former official of the Department of Agriculture has admitted that the department made a "big mistake" in continuing the subsidy on wheat sold to Russia in the summer of 1972 long after it was needed.

Richard Lyng, who recently left his position as assistant secretary at USDA to become president of the American Meat Institute (AMI), told a reporter who asked about the subsidies: "In hindsight, it looks like a big mistake. They (USDA) should have moved quicker." The subsidies cost the American taxpayer millions of dollars.

But, as if to explain the difficulties the USDA encountered in that massive wheat deal, he added, "I'm not sure we're geared up properly to handle exports to countries that are not democracies. Some of the buying nations are monopolistic. They do not have competitive buying and selling like we do. We must have a monitoring system of our agricultural exports. A country which could be an enemy could affect our entire food supply."

Lyng, who is opposed to most export controls, said that the United States might be "the only major exporting country without a monitoring system."

In his prepared remarks before the Annual Newspaper Food Editors Conference, Lyng said that, while "we are going to see some really good buys at the retail meat counters in the next few weeks," we are still going to "be paying the price of the wage-price freeze for a long, long time."

There will not be as many cattle this winter, he explained, as there would have been without the freeze, but whether the prices will rise steeply again will depend on the demand.

So far the demand is not there and Herrell Degraff, outgoing president of AMI, may have hit on the reason.

"I was disgusted with what I saw in the stores yesterday," he said. "Prices have not followed" the dramatic drop in wholesale quotations for beef, down from their 1973 peak of 56.4 cents a pound for choice steers to 38.5 cents last Wednesday.

Degraff expected to find many more "specials" in the stores than he saw. An advertised Washington special this week for round steak at $1.59 a pound was about 30 cents more than what he would consider a "good value."

The continued high prices as well as the quality of the beef in the stores "is not as good as it should be," he explained. "The cattle got too fat," during the freeze when producers were holding them off the market.

Whether consumer demand for beef will return, and reach 1972 highs is a question the AMI is not prepared to answer.

Mr. PICKLE. I might add, it cost the American taxpayer nearly $300 million in subsidies.

It is good for us to sell our grain, for us to empty the elevators and move the grain onto ships and across the way. The contention is that it helps the balance of payments. To an extent that is true; but when we also pay $300 million in subsidies to exporters, I ask wherein lies the profit except to the big grain exporters.

Mr. SMITH of Iowa. You remember July 5, when Continental bought all this grain. Then 2 or 3 days prior to that when they gave the assurance that subsidies would be available to encourage them to move the grain, they did not even consider the possibility that they might be creating a transportation problem.

Mr. PICKLE. We must say that the intent was to sell a large amount of grain. To move it the Russians called and raised the amount desired two or three times. But they did not intend to snooker us as bad as we were.

We must give the Government a good intent, but the net result of their action to move that grain was chaos.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield.

Mr. WILLIAMS. I thank the gentleman for yielding.

I would like to say that I agree vigorously with everything that was said.

What we do need in this country is a balanced transportation system. I am talking about rail transportation as well as highway transportation and air transportation.

We must keep in mind this Government has subsidized highway and air transportation to terrifically large amounts.

We have permitted our railroads to run down while forcing them to maintain their roadbeds in places where they are forced to go into bankruptcy. The trustees that were appointed to put the railroad lines back into operation have had little or no experience on actual railroads.

I can refer to the Penn Central Railroad where of the four trustees named only one man, Willard Wirtz, had any experience in handling people and was familiar with railroad problems. He walked off the job almost a year ago, leaving a Harvard professor, a man who was in the department store business and a man who was an attorney that headed the Baltimore & Ohio before it combined with the Chesapeake & Ohio.

Another thing that is wrong with our railroads today is that they do not have enough freight cars. I have to disagree with my distinguished colleague, Mr. SMITH of Iowa, when he says the Penn Central problem is a very little part of the whole problem. It is only a part of the problem, but it is a very significant part of the problem, because if you are shipping wheat or anything else from Iowa to the East Coast, the Penn Central Railroad has got to be the connecting link.

Right now, today, as we are talking about this, the Penn Central has 15,000 rail cars out of operation due to defects. They virtually have shut down their second shift operation there in the Altoona plant for servicing these cars.

At the same time the Interstate Commerce Commission has been extremely slow in granting any rate increases or decreases which the railroads have asked for.

I want to compliment the gentleman from Texas for bringing this matter to the attention of the House. I myself will have a further statement on the subject.

We have to have our railroads viable and in business. The Penn Central Railroad alone is employing over 80,000 people. This is a matter which deserves the attention and the fullest attention of every Member of this House.

Mr. PICKLE. I thank the gentleman for his remarks.

Of course, I might point out to the gentleman that I realize that what the gentleman from Iowa (Mr. SMITH) was saying, was that the proposition of freight cars and transportation tieups are not regional in nature any more; they have become national, and when little fingers spread out all over the United States whenever congestion or a bottleneck in one part occurs, then that backs up every other section.

Our Nation's railroads are experiencing real difficulties now, and I would like to point out that in the eastern section they are really a receiving line; freight cars are shipped in there, and it is difficult to move them out.

But, I say, it is a national problem, and until we can get a national transportation policy we will be faced with the same situation over and over again.

One part of the legislation we have introduced states that before there is any large shipment of grain in excess of 1 million bushels of grain by any one exporter they must file a plan with the Department of Transportation, and the Department of Transportation must make a finding in writing to the Department of Agriculture saying that this kind of a shipment of grain can move, and move efficiently, and without further disruption to our economy.

Maybe this will be the beginning of a national transportation policy. I hope we can move this legislation forward because there is a definite need for it.

Mr. MELCHER. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for yielding.

Mr. Speaker, there is a Farmers Union elevator in Sidney, Mont., which is an excellent example of the railroad car situation in our State, which will be able to load out all of the 1972 wheat it has on hand—last year's crop—at the present rate of its railroad car allowances, some time in 1976—3 years from now.

The gentlemen from Texas, Kansas, and Iowa have taken this special order to tell of car shortage problems in their States and across the country.

I just want them to know that things can get worse; indeed, they are always worse up in Montana because we are the last to harvest wheat, and we do not get grain cars—not even those that belong to our own railroads—until they are through using them in Texas, Kansas, and of course, Iowa needs cars for its corn.

The wheat harvest starts in Texas and grain cars are routed there. They "tend" to move north as the harvest moves north and wheat becomes available—but they only "tend" to move north. Getting cars through the so-called Denver Gate into our northern wheat country is an almost impossible task; they are kept south of us just as long as the railroads and the shippers in Iowa, Kansas, and Texas can hold on to them, regardless of the penalties that have so far been levied by either the American Association of Railroads or the ICC for keeping cars off line.

When the annual car crunch starts—and it has been an annual affair for us in Montana for years—we generally find the Burlington-Northern and Milwaukee railroads operating with 60 or 65 percent as many cars on line as they actually own. It has fallen under 60 percent at times. The annual battle then starts to get exclusion orders, imposition of penalties, and other actions to force cars back into our country.

I must say, in fairness to the Burlington-Northern railroad, that they have been car builders; they have annually been adding substantially to their fleet of covered hopper cars which carry grain. This year they have bought 1,000 new ones at a cost of $16 million.

But it is a discouraging business; they have a hard time to keep them on line after they build them. Once they get down South, or on one of the bankrupt Eastern lines, it may be months before their wheels run on Burlington-Northern tracks again.

The failure of American railroads to provide adequate transportation to agriculture in this Nation is not just costing them money; it is costing producers tens and hundreds of millions of dollars.

The Des Moines Register carried an excellent article by Arlo Jacobsen, their agribusiness editor, recently, reporting that every time a trainload of corn goes out of Iowa, farmers lose $47,500 in the form of an extra "take" of 25 cents per bushel claimed by leased car operators for use of cars, mostly the big grain companies.

Tight transportation has caused the spread between the farm price of grain and soybeans to grow to an unconscionable amount.

The July issue of the Department of Agriculture's Foreign Agriculture report noted that last winter the differential between inland prices to farmers and gulf prices for wheat, corn and soybeans had jumped from 25 cents per bushel to 40 cents in the case of wheat, 50 cents for corn and 70 cents per bushel for soybeans.

The Foreign Agriculture magazine reported:

> The severe transportation shortage led to an unusual price relationship between domestic and export grain prices. Ordinarily, the price of grain at Gulf ports is about 25 cents higher than the price at inland production areas . . .
>
> Following the closing of the Great Lakes ports in December (1972) the difference averaged over 70 cents per bushel for soybeans, 50 cents per bushel for corn, and 40 cents for hard winter wheat.
>
> Normally, both domestic and export demands combine to set the price at inland markets. During early 1973, however, export and domestic market systems became separated by a transportation tie-up.

This is money right out of the farmers' pockets.

The farmer, like other producers, ordinarily receives the price for his product at the point of ultimate consumption, or export, less handling charges and freight to that point. Since much of our grain is being shipped overseas the price the farmer receives for grain destined for export is its value at the docks less transportation and all the handling charges. It has always been that way. But what is different now is that our transportation is so inadequate and inefficient, extra handling charges are being assessed just to provide the wheels to move it.

Two soybean operations by the National Farmers Organization illustrate that point. Last January, the NFO signed up member soybeans on two different occasions, arranged to truck them to their own leased barges, and sold them at the gulf for a price which netted the producers 35 cents more than quoted prices in Nebraska and 30 cents more than quoted prices in Toledo, Ohio, the Nation's No. 1 soybean market center. NFO reports getting similar results on corn trucked and shipped in their own leased equipment.

The Arlo Jacobsen story about the high cost of "wheels" to move farm products to market reports that one Iowa elevator was able to offer only $2.10 per bushel of corn on a day when the corn was worth $3.05 at Gulf—a 95 cent per bushel spread to cover transportation which, Jacobsen reported, was actually 27 cents per bushel in single carlots, 21 cents per bushel if carried by a unit train, and even less by barge.

Jacobsen reported that the bulk of the leased cars earning fancy price differentials for their owners are the same big grain firms which handled the Russian wheat deal.

In fairness to independent local elevators dependent on the railroads themselves for their grain cars, it is only fair to say they have had to widen their margins on grain purchases to protect themselves against the cost of carrying grain for weeks or months until the boxcars

Many elevators, including cooperatives in the Montana area, now accept grain only with the understanding that it will be paid for when sold and shipped. Some offer to pay when sold, or in 6 months, whichever comes first. But if an elevator in Montana these days buys a bushel of wheat outright, it may have to hold the grain for months before it is sold and he can repay the bank's loan of operating capital with which the grain was purchased.

The interest on $4 at 10 percent interest rates is 40 cents per year, or 3⅓ cents per month. In 6 months, the interest on $4 to buy and hold a bushel of wheat eats up 20 cents. Add 25 cents for the use of one of the big grain companies' leased cars, the elevator's cost of insurance, storage and handling, and the farmer-producer has lost a very substantial sum—it does not take a big wheat grower in our country to lose $5,000 or $10,000 of income as a result of inadequate transportation facilities and outrageously high interest rates, in addition to footing the bill for actual freight charges which have been going up at least once and sometimes twice a year.

One of the aspects of this matter which I hope Congress will investigate is the imposition of a special charge—either directly or by discounting prices offered—for the use of leased cars. Interstate freight rates are supposed to be regulated by the Interstate Commission. An assessment for use of freight cars is an additional freight charge. It appears to be a new way of avoiding or getting around regulation, legally or illegally. If the big grain companies with fleets of leased cars are assessing huge charges for use of transportation equipment—at 25 cents per bushel it runs around $750 for one time use of a hopper car—then we should call on the ICC to regulate them, and advise Congress if they need any new legislation to do so.

I am advised that hopper cars lease at around $250 per month, but earn back their lease payment if they travel 1,700 miles per month, costing the lessor nothing in that event. Charging $750 for use of that car, on top of normal freight rates, to move one load is profiteering.

Years of boxcar shortages and tolerating unplanned, inadequate, and excessively expensive transportation facilities in the United States has now been climaxed with the worst transportation mess in our history.

We are soon to be confronted with a new transportation crisis yet this fall—inadequate facilities to move livestock from the ranches and ranges of the West into feedlots. The railroads have virtually gone out of the livestock transportation business in spite of their obligation to serve the public convenience and necessity. Many truckers have parked their livestock trailers and contracted to move some of the grain that the rails are unable to handle. Thus, transportation may prove the next major obstacle to getting meat production moving again.

It is time that this Congress took the initiative to find a solution to the transportation mess. Obviously the administration and the Interstate Commerce Commission are not going to take adequate initiative. Time is short. We need the earliest possible action to forestall aggravation of the shortages which are already plaguing the Nation.

Mr. PICKLE. When the special investigative committee last year was looking into the matter, it held one hearing in Montana, and the gentleman from Montana presented very valuable testimony to that committee and has maintained a very keen interest in it.

I think it is interesting to note that all the way from the Dakota and Montana area clear down to the gulf coast there must be a steady flow of this grain, and there must be plans made to move it; otherwise, unless we can get cars to move it and we can unload it at the port, we will get into a bottleneck.

It is significant, I think, at this point for us to realize again that just cars alone will not solve the problem. We have to have utilization. We have to have better port facilities. A lot of people do not realize that approximately 75 percent of the wheat export expected to be transported abroad this next year will be through the Port of Houston.

While we have got to improve freight cars, I say one of the most important things is that we must improve port facilities. The problem is that right now the railroads can move the grain into the port faster than the port can unload it at the Port of Houston or at some other point. This is a serious weakness.

Mr. MELCHER. The gentleman is absolutely correct.

EXTENSION OF CERTAIN LAWS RELATING TO PAYMENT OF INTEREST ON TIME AND SAVINGS DEPOSITS

Mr. PATMAN. Mr. Speaker, I move to suspend the rules and pass the joint resolution (S.J. Res. 160) to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

The SPEAKER. Is a second demanded?

Mr. WIDNALL. Mr. Speaker, I demand a second.

Mr. ROUSSELOT. Mr. Speaker, is the gentleman opposed to the bill?

Mr. WIDNALL. I am not.

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ROUSSELOT. I am, Mr. Speaker.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 160 would direct the various Federal banks, savings and loans and mutual savings banks regulatory authorities to impose rate ceilings on so-called wild card certificates under $100,000. This we hope will assure a flow of funds into thrift institutions so that home mortgage loans can be made at reasonable rates.

Yesterday the other body passed a resolution which we did not anticipate and we did not know too much about until this morning, but it is argued and contended by the other body that this will stop the flow of funds from thrift institutions into commercial banks.

Commercial banks all over the Nation today are advertising interest at from 7.5 percent on up, depending on the locality, guaranteeing those who want to sell money for 4-year certificates of deposit 7.5 percent or above. If it is 10 percent, they will get 40 percent for the 4 years, guaranteed by the commercial banks.

Of course, the thrift institutions cannot compete against these rates and make reasonable mortgage rates. After all, we have to rely upon the savings and loans and similar institutions such as mutual savings banks for money for the homebuilding industry. Since 1932 when the Home Loan Bank Board Act was passed, the savings and loans and similar institutions, cooperatives and mutuals have done a splendid job in building homes for the American people. Had it not been for those institutions we would not have one-half the housing we have in America today.

They have done a wonderful job. They were the only ones who were providing long-term loans at reasonable rates of interest. The commercial banks were not against home building and they did get into interim financing and things such as that, but that was not sufficient. It takes long-term loans for people to be in a position to build homes.

We cannot sincerely fight for environmental quality that we are all fighting for today without providing also for sanitary and decent housing and the right kinds of homes for American people which they can buy at reasonable prices and at reasonable interest rates.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. What is the gentleman saying, that this bill would take from one to give to the other?

Mr. PATMAN. No, it is not that way.

Mr. GROSS. Would it favor one to the disfavor of the other?

Mr. PATMAN. This is just for home mortgages. We cannot do without such institutions in providing homes for people. The committee met just awhile ago and approved this. We had 10 more than a quorum.

Mr. GROSS. If the gentleman will yield further, I do not think he has to emphasize the fact that the committee just met and approved it on a crash basis.

Mr. PATMAN. Mr. Speaker, let me tell the gentleman why it is a hurry-up matter. This is the last suspension date for 2 weeks. If we do not pass this before midnight tonight, it will be 2 weeks before we can take it up, and during that time all these bad things that are happening right now will continue at an increased rate to happen during that time.

It would not surprise me if a lot of savings and loans would have a great deal of trouble in keeping their heads above water.

Mr. GROSS. Mr. Speaker, what are these bad things?

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. WILLIAMS. Mr. Speaker, I would like to answer the question of my distinguished colleague from Iowa as to what are the bad things.

This is the bad thing: On July 5, 1973, without any notice or any consultation with anybody on the Banking and Currency Committee, Dr. Arthur Burns, head of the Federal Reserve Board, took the interest ceilings off certificates of deposit of 4 years up to $100,000. This simply meant that the commercial banks could pay 8, 9, 10, and 11 percent for certificates of deposit, which no savings and loan could equal or no mutual savings bank or anybody else. As a result, actually billions of dollars have flowed out of saving and loans and mutual savings banks into these commercial banks.

Today, in the State of Pennsylvania, if one wants a mortgage, he must take out a mortgage in excess of $35,000 and he is lucky to get it for 11 percent. He must take it out for over $35,000 in order to get around the State law, which is the usury ceiling. This has cut down new home building starts virtually to zero.

All this does is require the regular agencies to reestablish equality by placing interest rate ceilings on certificates of deposit of 4 years under $100,000. I do not believe that the ceiling on CD's of 4-year maturity date of over $100,000 has ever had the interest rate ceiling removed, so there is nothing bad about this legislation.

It is only one small step in what we have got to do to correct a horrible condition that exists today. That is, to Mr. Rank and File American, there is no mortgage money available. Therefore, we are going to get a little equity to give the saving and loans and mutual savings banks and thrift institutions that make mortgage loans a chance to compete for deposit money with the commercial banks.

Mr. GROSS. If the gentleman will yield to me, does not this penalize those who have money to lend?

Mr. WILLIAMS. It penalizes those who have money to lend in no way, except that the ones that have money to lend can only lend at a certain interest rate. In other words, if I am a manufacturer and in a 50-percent tax bracket, I can pay 14 percent interest to build a new part on my factory.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman for yielding. I merely rise to commend the gentleman from Pennsylvania (Mr. WILLIAMS) for his excellent explanation of the problem that confronts the small commercial banks and the savings and loan industry in the United States today.

I would also like to point out to my colleagues today that all this resolution does is to say to the coordinating committee, which is constituted by the Chairman of the Federal Reserve Board, the FDIC, and the Secretary of the Treasury, that they shall take action to limit the rates of dividends which may be paid on time deposits of less than $100,000 as regulated by them.

I want to say to my colleagues in the House that we were almost unanimous in our vote on this legislation in the Committee on Banking and Currency. There will be criticism of the House if we do not pass this legislation because it will appear as if we are not doing anything about the serious problem that confronts the thrift and savings and loan institutions in this country.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have great concern about this legislation before us. I am as concerned as my colleague from Texas or my colleague from Illinois about the problem of the savings and loan institutions. It is extremely serious. It directly relates to the July 5 action of the Federal Reserve Board.

That is one of the reasons why we are presently considering legislation to do something about that power which the Congress gave to the Federal Reserve Board many years ago, and to do something about it constructively.

Be that as it may, my major concern about this legislation is that we do not know the total impact of the legislation. There were no hearings in the Senate. We had no hearings in the Committee on Banking and Currency in the House. We ran it through in 20 minutes today.

I tried to get some time to ask some questions, but I was denied the opportunity to ask questions, which I believe was unfair.

This was not unanimously passed by the committee. The vote was taken by voice.

The problem is that once again we are legislating in the dark.

I am just as concerned as anybody else in the Congress about doing something constructive to alleviate the arbitrary action of the Federal Reserve Board on July 5.

We were told in the committee, "We must go ahead and legislate, because it is needed." Then, when the question was asked of people who were supposed to know what it does, they said, "We do not know what it does, but we have to do something."

I believe that is an improper way to legislate. I believe it is wrong, and especially that will be so if we find, after we pass the legislation, that the Federal Reserve Board decides to raise the interest rates, say, to 10 percent, because they want to shut off the money even further. Then what will Members do, when they say to the savings and loan institutions, "We helped you." They will not.

I believe it is a mistake to legislate in this way. I am not critical of the effort to try to do something. We should try to review a few of the basic problems we have. If Members want to check with the savings and loan institutions at home, now complaining about the problem, they will be told that probably in most cases better than 50 percent of this money now being withdrawn from savings is going to Federal bills and notes. The Federal Government is in competition for this money, because the Government is paying such tremendously high interest rates. That is where the money has gone. It has not gone exclusively, as was tried to be indicated, to commercial banks. That is false.

To say that we are going to alleviate that problem by passing this legislation is not correct. The legislation has had no hearings, either in the Senate or here. I believe that is just blowing notes into the wind. We are not being realistic with ourselves.

Several of my colleagues have said, "John, do not get excited. We will just pass this and show them we are trying to do something." That kind of action is deceitful.

I believe that is absolutely why the Congress gets a reputation of not knowing what it is doing. I believe it is wrong to legislate that way.

I am for helping the savings and loan institutions. When I asked the chairman about this, when we were discussing it in committee, he himself had to admit he did not know what the measure would do. Yet here we are rushing it to the floor at the last minute, as though we had no other means of handling this kind of a problem. We do have the means to handle this.

To say that this is going to solve the problem overnight I believe is a mistake.

Let us consider the interest differential on savings that normally existed between a savings and loan institution and a commercial bank. If we wanted to improve the flow of savings to the housing market, why did we not include in this legislation the suggestion of the gentleman from Texas, that there be a mandatory savings differential, as there was in the past? This was done when we established regulation Q.

That is if we really want to help the mortgage market and if that is the general intent. But we speak not at all to that issue. Somebody tried to put it in the Senate, and it was unsuccessful, because I say we are legislating in speed and in the dark without knowing totally what we are trying to accomplish.

Now, Mr. Speaker, I say that this Congress can act speedily. We have done it in the past. I say that we should have hearings on this before the Committee on Banking and Currency, that we should get out the people who are responsible or to whom we are giving responsibility in this bill, because we are delegating responsibilities to several regulatory agencies. We should ask them to come up and tell us what they will do. Will they solve the problem? Will they do something about it?

It does not say in this legislation that they will have to establish a differential between a commercial bank and a savings and loan.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I would be delighted to yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Speaker, I am, of course, sympathetic with any objection that is ever raised on the floor when that objection goes to the failure of a committee to hold hearings. However, is it not a fact that we did hold hearings on regulation Q and the aspects of the present credit crunch?

Mr. ROUSSELOT. Mr. Speaker, is the gentleman saying we did?

Mr. ASHLEY. Of course, we did. We had 10 days of hearings on that, as soon as we returned from the August recess in the Committee on Banking and Currency. The Committee on Banking and Currency has held hearings preliminarily on the Hunt Commission recommendations, which goes to the very heart of the matter we are dealing with here.

Mr. ROUSSELOT. Mr. Speaker, that is the point I was trying to make. This legislation does not speak to that issue; this legislation does not speak to the issue of regulation Q. That is exactly the point I am making. As my colleague, the gentleman from Ohio, knows, this legislation does not solve that problem. It delegates power to the same agencies the savings and loan associations are complaining about to do what they could not do.

Is that not true? Is what I just said not true?

Mr. ASHLEY. Mr. Speaker, if the gentleman will yield further, I will be happy to respond.

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Speaker, the gentleman is entirely right when he says it will not establish a one-half of 1 percent differential between the savings and loans and commercial banks. The gentleman is on firm ground there.

However, what this legislation does do is to signal to the Federal Reserve and other financial regulatory agencies that something is wrong and we have that kind of disintermediation.

Mr. ROUSSELOT. Mr. Speaker, we have already clearly indicated that in the hearings we had on regulation Q, when they were up here to discuss more basic legislation on the whole subject.

My point is that this is totally cosmetic. As my colleague, the gentleman from Michigan (Mr. Brown) said, it is nothing but a sop to make people believe we are doing something when we are not getting to the real problem.

Mr. ASHLEY. Mr. Speaker, if the gentleman will yield further, I would say that it would be a mistake for the Congress to set an interest rate at this juncture. I do not think that we are in the best position to do that.

Mr. ROUSSELOT. Mr. Speaker, I was not suggesting that. I am saying that it does not solve the problem to which the gentleman addressed himself on this regulation Q differential, and the gentleman knows that it does not.

Mr. ASHLEY. Mr. Speaker, we have certain banks offering passbook accounts of $1,000 with 4-year maturity, offering an interest rate of 9.5 percent. How in the world are savings and loans supposed to keep their share accounts deposited if commercial banks are offering this kind of interest rate?

Mr. ROUSSELOT. Mr. Speaker, I will remind the gentleman that this legislation does nothing to make sure anything will be done about that, and I reiterate that point. As a matter of fact, it puts it basically back in the hands of the Federal Reserve Board.

Some day we may learn the lesson of allowing the free marketplace to make the final decisions, rather than inserting the Federal Government into the breach.

Mr. Speaker, the gentleman from Pennsylvania (Mr. Williams) has requested 1 minute, so I will yield 1 minute to the gentleman from Pennsylvania.

The SPEAKER. The gentleman from California (Mr. Rousselot) has consumed 8 minutes.

Mr. ROUSSELOT. I yield 1 minute to the gentleman from Pennsylvania (Mr. Williams).

Mr. WILLIAMS. Mr. Speaker, the statement has been made here that we do not know what we are doing. What we are doing is very, very simple.

What we are acting on is Senate Joint Resolution 160, which says as follows:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*
>
> Section 1. In carrying out their respective authorities under the Act of September 21, 1966, and under other provisions of law, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall take action to limit the rates of interest or dividends which may be paid on time deposits of less than $100,000 by institutions regulated by them.

Let me just give you a couple of simple facts.

The SPEAKER. The time of the gentleman has expired.

Mr. ROUSSELOT. I yield to the gentleman from Minnesota (Mr. Frenzel) such time as he may consume.

Mr. FRENZEL. Mr. Speaker, Senate Joint Resolution 160 is a well-intentioned bill whose stated purpose is to stop disintermediation in thrift institutions.

The conventional wisdom holds that 4-year "wild card" certificates, created early this July, have drained deposits from savings and loans to commercial banks. That may be the case, but unfortunately, the conventional wisdom is not corroborated by very much hard evidence. Actually, such surveys and figures as have been made available to the Banking Committee indicate that saving and loan deposits have been going to treasuries, commercial paper, municipals, and other investments.

Therefore, while the savings and loans plead for this bill, it is not very likely to give them any particular relief. If the regulatory agencies set the maximum interest too high, the cost of money to savings and loans will still be too high for profitable mortgage lending. If the maximum is set too low, the savings and loans simply will not get the deposits in competition with investments listed above.

There is no reason to vote against this bill, but there is not much reason to vote for it either. Since there was no testimony, nor hearings, in either the Senate or House, we have no idea where the regulators will set the limits. If the limits of the Humphrey bill (S. 2454) are used, as one might imagine from the limited Senate statements on this bill, the rates will not attract deposits.

I intend to vote for Senate Joint Resolution 160, but I do not want to make any promises that it will do anything. I wish it were an effective "bandaid approach" until a full scale Hunt Commission-type package is passed, but I doubt it.

The best relief for thrift institutions will be a general lowering of interest rates so savings and loans are again an attractive deposit. Short-term treasuries are down substantially. If, indeed, interest rates have peaked, real relief will be in sight for thrifts. If the FRB has to fight the inflation battle alone, interest rates may stay high. The best long-term relief for all of us is fiscal responsibility—a more sensible approach to our big spending.

Mr. ROUSSELOT. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, this resolution is coming up under unusual circumstances; but let me point out what I believe to be the real purpose of the resolution. The real purpose is to instruct the Board of Governors of the Federal Reserve System that they made a mistake when they created the wild card.

We are not putting a ceiling on the interest they can pay or instructing them how much ceiling they should put. We are saying "Fellows, you have made a mistake. You have thrown the housing industry into total chaos. Now we are going to direct you to take some action to give some relief to the housing industry and their allies in the savings and loan associations."

I can see no harm that will come from passing this resolution. I think it will be a rather healthy thing that we have put the Federal Reserve Board on notice that they have to give some relief to the housing and savings and loan industries.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. BLACKBURN. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Mr. Speaker, all I want to do is inform the House that in my personal opinion, this is much needed legislation. It is legislation that I think truly deserves passing.

Mr. PATMAN. Mr. Speaker, I yield such time as he may use to the gentleman from Minnesota (Mr. BLATNIK).

Mr. BLATNIK. Mr. Speaker, the Nation's home financing system has suffered a devastating blow since late July when the Federal Reserve Board instituted its financial experiment of allowing 4-year certificates of deposit with no maximum of interest and no minimum amount.

According to figures recently released by the Federal Reserve Board and the Federal Home Loan Bank Board, the Nation's savings and loan associations lost $313 million in savings accounts in July alone and $102 million in other consumer-sized CD's. This was the first net outflow from savings and loans since January 1970.

By contrast, the country's 328 largest banks sold $415 million in so-called "wild card" 4-year CD's during the first week of August alone and registered a gain of $510 million in consumer-sized savings deposits by the third week of August.

The result of this startling flight of savings dollars to wild-card CD's is an enormous credit crunch that is diverting money away from home mortgages and locking a great many Americans out of the housing market.

In short, what we are witnessing is not a mere interest rate war, but sheer piracy on the financial high seas; a cruel irony in which the American dollar is so cheap abroad, but so expensive at home and the tragedy of it all is that the financial burden is falling mainly on the back of the working men and women of America who need help the most and can afford these high interest rates the least.

What we need now is fast, decisive action by the Federal Government to restore order out of virtual financial chaos. In Senate Joint Resolution 160 Congress has that opportunity and by acting now, we can cut short the threat to housing and home financing. If we do not act, we must face up to the dire prospect of literally billions of dollars being withdrawn from thrift institutions such as savings and loans and from investments in long-term home mortgages.

The result will be almost predictable: 9 and 10 percent mortgage interest rates which most prospective home owners will not be able to afford; home financing will be virtually halted; interest rates will jump even higher than they are now; and the Nation could be facing a major financial crisis before long.

The facts are well known, developed with great skill by the knowledgeable and extraordinarily competent members of the House Committee on Banking and Currency under the distinguished and gifted leadership of Chairman WRIGHT PATMAN.

I commend Chairman PATMAN and the members of the committee on both sides of the aisle for responding so promptly to the challenge before us, and for bringing this legislation to the House floor on such short notice, mindful of their responsibility and the urgency of the need to begin now to restore stability to the national money market.

Mr. Speaker, I urge my colleagues to support the chairman and the members of the Banking and Currency Committee who have the expertise drawn from years-long experience in this highly complex field of finance and in whom we have repeatedly, with justification, placed our trust and confidence and who today have reported out this legislation by a near unanimous vote.

Mr. ROUSSELOT. Mr. Speaker, I yield 1½ minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I think we ought to put this resolution in totally proper context. As a practical matter, most of the speakers have been correct in what they said. It does not change the present situation as far as maximum rates on any time certificates, but it does tell the regulatory authorities, the Federal Reserve Board, the FDIC, and the Federal Home Bank Board, that some maximum rates must be imposed.

There is no question but what the regulatory authorities can impose a 20-percent rate, a 30-percent rate, and they have complied with the statute. So, as a practical matter, if you want to look at it from that standpoint, a remedy has been provided which provides no relief; but as a practical matter—and I think the gentleman from Georgia hit it as much as anyone—it tells these regulatory authorities that the Congress is concerned.

There are no maximum rates of interest on certain of these time deposits and possibly the regulatory authorities were wrong when they established the wild card.

They had better re-examine the premise on which the wild card certificate was based, and the Congress feels some action should be taken in that regard.

I would urge a yea vote on that resolution.

Mr. ROUSSELOT. I yield 3 minutes to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, I support this resolution. I think it is very much needed at this time. It is not going to be a cure-all. It is not going to accomplish what some people think it may.

At the same time, if we are in a situation where there has been a constant drain, particularly on the savings and loan institutions, and when they need help, this can offer that help to them.

I certainly am sure that this can be an important step on the way toward stabilizing matters in the mortgage business and getting a return of healthy homebuilding for America.

Mr. ROUSSELOT. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. BURGENER).

Mr. BURGENER. I thank the gentleman for yielding.

Mr. Speaker, I strongly support this resolution. I appreciate the depth of feeling of my distinguished colleague from California. I think really he is objecting more procedurally than as a matter of substance. This thing might help, and we hope it will.

It cannot possibly do any harm, and I really think it will help. I think we should certainly adopt it.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Briefly in closing, I would say this: I think part of the unfortunate nature of this whole issue is that not only are we in a rush to try to help the savings and loan industry, we really have not spoken to the basic issue that my colleague, the gentleman from Ohio (Mr. ASHLEY) raised relating to regulation Q. What we really are doing today does not solve the need to improve the money flow into the housing market. We have not addressed ourselves to that problem at all, and I feel that we should have.

Second, it disturbs me greatly that the Senate would do this without any hearings and to think that we would do the same and put ourselves in that kind of a position.

I could not disagree more gently with my colleague, that this might possibly help. This is once again an attempt to delegate away from this Congress the basic power it has to do something about the problem, placing the responsibility with an independent agency that we thought had acted incorrectly. Another point: The major cause of outflow of savings from savings and loan associations has occurred in large part because Federal Treasury notes and bills are going at 8.5 percent and 9 percent.

My belief is that we should go back to the committee and come out with something more constructive.

Now, Mr. Speaker, I agreed to yield an additional minute to my colleague, the gentleman from Pennsylvania (Mr. WILLIAMS), and I do so at this time.

Mr. WILLIAMS. Perhaps my distinguished colleague, the gentleman from California (Mr. ROUSSELOT) might even yield me 2 minutes.

Mr. PATMAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

The SPEAKER. The gentleman from Pennsylvania is recognized for 2 minutes.

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from Texas for yielding me the additional minute.

Mr. Speaker, we have been talking about this wild card, the certificate of deposit, and what it has done. Figures recently released by the Federal Reserve Board and the Federal Home Loan Bank Board show that the Nation's savings and loan associations lost $313 million during the month of July 1973. At the same time the country's 323 largest commercial banks gained $510 million in deposits.

The last quarter of this year $10 billion in savings and loan deposit certificates mature. It is necessary to keep that $10 billion in the savings and loan institutions.

I was asked the question before, does this not help the lender? I say no, it helps certain types of borrowers. I could not go into any commercial bank today and get a mortgage.

Unless we keep the money in the savings and loans and in the mutual savings banks, no one will be able to get a mortgage at anything like a reasonable interest rate.

What we are doing today is taking the first step in a number of steps that must be taken to make it possible for the people of the United States to continue to be home owners. It boils down just to that. It is only the first of a number of things that we have to do.

Mr. ROUSSELOT. Mr. Speaker, I yield 30 seconds to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding me this time.

I think that two points should be made. First of all, consistently throughout the discussion today we have been talking about the savings and loan problem. As a fact of the matter, small banks near cities with large commercial banks have the same problem in the credit squeeze because the liquidity of the small banks has not grown enough to pay the interest rates that the large commercial banks are paying, so it is not just the savings and loan banks are feeling the credit pains, but it is the small commercial banks in the large communities where there are large commercial banks.

Mr. PATMAN. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. HOLIFIELD).

Mr. HOLIFIELD. Mr. Speaker, I will not take the full 3 minutes because I know the House is in a mood to vote. I appreciate the gentleman from Texas (Mr. PATMAN), apportioning this amount of time to me.

Mr. Speaker, I rise in support of Senate Joint Resolution 160. This legislation takes positive action to put a stop to the savings rate war which has thoroughly disrupted housing and home finance since early July.

On June 30, we voted to extend the interest rate control system which has "kept the peace" in the consumer savings markets since 1966. Just 5 days later, the Federal banking agencies violated the express purpose of our action and carved a massive loophole in this rate control law by permitting financial institutions to offer $1,000 minimum, 4-year certificates of deposit without rate ceiling restrictions.

The net result of this hastily conceived gamble has been a massive shift of funds from savings and loan associations, which devote themselves to the housing needs of our Nation, into the commercial banking system.

Commercial banks, with their full range of investment opportunities—including short-term, prime rate, 10 percent loans to corporations and 10 percent to 15 percent consumer installment loans—can afford to pay 8 percent and 9 percent on these ceiling-free certificates to attract new savers. By contrast, savings and loan associations, with average earnings of 7.2 percent on assets, and operating expenses of 1.1 percent, cannot. Savings and loans cannot pay 8 percent and 9 percent to their depositors and still make funds available to American home buyers at reasonable interest rates on their long-term mortgage loans.

The magnitude of this problem is indicated by the fact that savings and loan associations had a net outflow of $1.5 billion in July and August, at the same time that their commercial bank counterparts showed a net gain of $2 billion in the ceiling free certificates. And, I am informed, that despite interest traditionally credited to accounts in September, that month, too, will show significant savings losses at savings and loans.

As many Members know, October 1 begins the traditional reinvestment period for persons with savings deposits. A telephone survey conducted this morning by the U.S. Savings and Loan League of savings flows in money center locations confirms what many experts had been predicting for this reinvestment period. Out of 19 associations, 18 reported significant losses in the final 3 days of September and the first day of October. A copy of this survey is attached.

The latest Census Bureau data indicates that the disappearance of money available for mortgages is already beginning to show up in home building activity, despite the long lead times in the housing business. Actual housing starts in August were at their lowest level in 2 years.

The U.S. Savings and Loan League estimates that new loan commitments dropped at a rate of about $1 billion a month in both July and August and this depressing pattern is continuing in September. Unless something can be done to stop the savings rate war, the present trends indicate that a full-blown recession in home construction is inevitable in 1974. The league anticipates a continued decline in loan commitments so long as present unfavorable savings patterns continue.

The need for immediate action cannot be overemphasized. Savings and loan associations, which provide two-thirds of the housing credit in normal times, have over $10 billion in savings certificates maturing in the quarter begining yesterday, October 1. Because of the strict rules of the Federal Home Loan Bank Board, many of these savers were not permitted, without penalty, to "upgrade" their deposits into higher-yielding certificate arrangements in July and August. Commercial bank depositors, by the way, were not so restricted. The savings and loan customers are already unhappy, and their institutions can ill afford a continuation of the savings rate war in the ceiling-free certificates area. Experts say that upward of $5 billion of the $10 billion falling due could leave the home finance sector as a result.

Thus, I urge that we accept the legislation approved by the Senate to reassert our congressional mandate that savings rate wars not be permitted among our Nation's financial institutions.

Today may be the last opportunity to correct this situation before disastrous new outflows of savings occur from these institutions which are the mainstay of housing credit. I therefore urge prompt action this afternoon to accept Senate Joint Resolution 160.

The U.S. Savings and Loan League telephone survey report follows:

TELEPHONE SURVEY OF SAVINGS FLOWS IN MONEY CENTER LOCATIONS OCTOBER 1, 1973

Attached are reports of savings losses from savings and loan associations in money center locations, covering the final three days of September and the first of October.

These losses are substantial and continuing note especially the high levels of losses for reporting associations in: California, District of Columbia, Florida, Georgia, Illinois, Minnesota, New Jersey, New York, South Carolina, Texas, and Wisconsin.

Out of 19 associations, 18 reported losses for the final three days of September and the other institutions broke even. For October 1, no reports were available for 6 associations, in part because of time zone problems. Of the remainder, 2 broke even and all of the others suffered losses running at rates that in most instances, were heavier than for the final three days of September.

U.S. SAVINGS AND LOAN LEAGUE.

SAVINGS LOSSES[1] AT SAVINGS ASSOCIATIONS—FINAL 3 DAYS IN SEPTEMBER AND OCT. 1

Location	Final 3 days of September	Oct. 1
Minnesota	$810,000	$1,200,000
Do	1,401,588	1,200,000
Do	799,243	(2)
Wisconsin	800,300	250,000
Illinois	854,000	3,200,000
Do	4,653,854	3,100,000
New York	(3)	600,000
New Jersey	2,000,000	(2)
California	3,700,000	(2)
Do	3,500,000	[4]3,000,000
Texas	2,768,267	(2)
Do	1,179,000	(2)
Georgia	450,000	500,000
Do	987,000	1,700,000
South Carolina	330,000	(3)
Florida	3,000,000	(3)
Colorado	141,000	450,000
District of Columbia	884,000	750,000
Illinois	1,511,000	(2)

[1] All are red figures.
[2] Not available.
[3] Even.
[4] 12 noon.

Mr. PATMAN. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. STEPHENS).

Mr. STEPHENS. Mr. Speaker, I want to thank the Chairman for taking the initiative to bring this to the floor. We have heard some criticism about the procedures. The first week in September we had exhaustive hearings on this subject about the very thing that we are talking about. There would be no need to postpone or to have any more hearings.

The second thing is that when we pass this kind of bill today, we are maintaining the integrity of the actions we have taken in the past in preserving the flexible interest rate formulas that we have put into effect.

The third thing is that we are not telling these people what to do except we are giving them a chance to listen to Congress and come forward with something that will be reasonable and will save the crisis that is now existing in the savings and loan associations. I think we ought to vote for this.

Mr. BROYHILL of North Carolina. Mr. Speaker, I rise in support of Senate Joint Resolution 160.

I am very pleased to note the quick attention which Congress is giving to Senate Joint Resolution 160. This legislation is needed to assure an adequate flow of consumer savings into the home finance market. This resolution would bring to a halt the disastrous "interest rate war" which has been going on since the decision to permit the "wild card" certificate of deposit. Hopefully our home financing system will then be able to recover from this situation and a serious hardship will be lifted from many Americans who have found themselves locked out of the housing market.

Figures recently released by the Federal Reserve Board and the Federal Home Loan Bank Board show that the Nation's savings and loan associations lost $313 million in July, their first net outflow since January 1970. At the same time, the country's 328 largest commercial banks gained $510 million in consumer sized savings deposits in the 8-week period ending August 22.

This outflow of savings from our Nation's savings and loan institutions critically wounds new home building and new mortgages by severely restricting the availability of money for the mortgage market.

The facts are here for everyone to see. We are on notice of an impending crisis and we must act promptly. I urge all of my colleagues to support the resolution before us.

Mr. ANDREWS of North Carolina. Mr. Speaker, I rise to urge your support of Senate Joint Resolution 160, which requires the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board to limit rates of interest or dividends which may be paid on time deposits of less than $100,000 by institutions regulated by them.

I urge the House to take this action for a number of reasons of which two are primary.

First, there has been and is an acute slow-down in housing starts in our country. I read an advertisement in the Wall Street Journal today wherein a New York bank was offering to pay 9.59 percent for time deposits of $1,000 or more. Such exorbitant rates are being offered by large banks in many parts of the country. This is causing billions of dollars to move out of savings and loan associations, mutual institutions, and small banks.

In my State of North Carolina, and I think in most States, the savings and loan institutions and others of like purpose have for many years been a prime lender for residential construction. Prospective home owners, builders, and contractors have far too few other places to go to secure money for residential construction. Certainly in my area and state, and I believe throughout the country, we need to encourage rather than discourage housing, both for those who need housing as residences and for those who are dependent upon the residential construction business for their livelihood.

The situation is causing great detriment not only to the contractors who should be building these homes and those who work for them but to untold numbers of subcontractors and suppliers. It is very adversely affecting such things as the carpet industry and the furniture industry.

The critical situation which exists in the building industry is a very proper one for immediate consideration and action by the Congress. Much more needs to be done, but this bill is a step in the right direction which we can take today on behalf of hundreds of thousands of our citizens to whom we have an obligation.

The second reason I urge your support is to offer much needed assistance to our fine lending institutions. They are essential to our economy and must be protected by proper legislation and for the interest and benefit of the total public.

Our savings and loan institutions throughout the country have for many years furnished a major portion of the money for residential construction. They have done a good job. Because of the wild-card time deposit interest rates being offered without restriction or regulation by some of the other institutions, billions of dollars have in recent months been withdrawn from such savings and loan institutions for deposit elsewhere at outrageously high interest rates. We must protect our savings and loan institutions against this unreasonable and even outrageous competition. A new interest quarter begins this very week, and we need to act positively and now.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. PATMAN) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 160).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and to include extraneous matter, on the Senate joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT ON HOUSE JOINT RESOLUTION 748, MAKING AN APPROPRIATION FOR SPECIAL PAYMENTS TO INTERNATIONAL FINANCIAL INSTITUTIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a joint resolution (H.J. Res. 748), making an appropriation for special payments to international financial institutions for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 9590, TREASURY DEPARTMENT, U.S. POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT AND CERTAIN INDEPENDENT AGENCIES APPROPRIATIONS, 1974

Mr. STEED. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? The Chair hears none, and appoints the following conferees: Messrs. STEED, ADDABBO, ROYBAL, STOKES, BEVILL, SHIPLEY, SLACK, MAHON, ROBISON of New York, EDWARDS of Alabama, MYERS, MILLER, and CEDERBERG.

APPOINTMENT OF CONFEREES ON H.R. 6691, APPROPRIATIONS FOR LEGISLATIVE BRANCH, 1974

Mr. CASEY of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6691) making appropriations for the legislative branch for the fiscal year ending June 30, 1974, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. CASEY of Texas, EVANS of Colorado, GIAIMO, Mrs. GREEN of Oregon, Messrs. FLYNT, ROYBAL, STOKES, MAHON, WYMAN, CEDERBERG, RHODES, and RUTH.

CONGRATULATIONS TO HONORABLE AND MRS. JACK BROOKS

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, I would like to take this occasion to make a brief announcement, that on last evening Kimberly Brooks, the daughter of Congressman JACK BROOKS and Charlotte Brooks, was born in Georgetown Hospital. I know all our colleagues would like to join with me in extending our congratulations on the birth of this little girl and to wish Charlotte and JACK much happiness in this new daughter.

FREIGHT CAR SHORTAGE

The SPEAKER. The gentleman from Texas has 29 minutes remaining under his special order, and the gentleman from Texas (Mr. PICKLE) is recognized.

Mr. PICKLE. Mr. Speaker, at this juncture in my special order I too want to add my congratulations to those extended to Congressman and Mrs. Brooks. This is indeed a great occasion long anticipated by many of us.

Mr. Speaker, one of the most penetrating articles I have read in some time appeared in the September 8, 1973, issue of Business Week. The article is entitled "The Railroad Paradox: A Profitless Boom." Under unanimous consent previously obtained I include the article at this point in my special order. It is a very thorough article and gives a broad range view of the railroad problem with statements by both management and labor and also by shippers and relating to the public interest. I think it would be worthy of every Member taking the time to read the article.

The article is as follows:

[From The Business Week, Sept. 8, 1973]

THE RAILROAD PARADOX: A PROFITLESS BOOM

American railroads in 1972 enjoyed their biggest year in history, handling a record 780-billion ton-miles. So far in 1973, the freight business has been even better: up 8% to 10% over the same period last year. According to all the theories of railroad operation, railroads ought to be enjoying their biggest profits in history.

They are not. American railroads are in bad shape despite dream levels of business. The Rock Island is teetering on the edge of bankruptcy; in the Northeast, six railroads have already fallen. In the first six months of 1973, the largest of them, the Penn Central, continued to lose prodigious amounts of money and threatened to plunge from bankruptcy into liquidation. Even rich railroads, such as the Union Pacific and the Burlington Northern, that are blessed with valuable mineral deposits, have to struggle to earn an adequate return from railroad operations.

This inability to earn money in the industry's finest year is more than a knockdown of traditional wisdom. It raises a serious question about the future viability of the entire railroad industry. Instead of enjoying the most profitable year in history, many railroads are worn out and exhausted. The failure is rooted in problems that have been building up for years.

The railroads cannot earn enough money to renew their facilities, partly because their rate structures are outmoded, partly because their physical assets have deteriorated, and partly because their accounting is as obsolete as their roadbeds.

They have the worst credibility in industry. Neither labor unions nor regulations nor the public believe their arguments. Railroads have been threatening collapse for so long without collapsing that nobody listens to them any more. In spite of the direct threats, they are still plugging along, whining but alive.

They have lost their clout in Washington so that they cannot get the federal help they desperately need. Rather, they are likely to get a cure prescribed by labor leaders, bureaucrats, and congressmen.

The stakes in preserving and rehabilitating the nation's railroads go far beyond the near term. Longer-range, railroads provide the best foreseeable way to keep the economy moving without consuming too much scarce energy or unduly upsetting a fragile environment. In the meantime, more of them are on the verge of dying.

The full depths of the industry's collapse were demonstrated this year when the railroads tried to carry two years' grain crops in one year. The result was bottlenecks on the lines and car shortages. At the worst of the crisis, 10,000 cars were waiting to be unloaded near ports, and the unfilled requests for empties were running as high as 42,500 a day.

NO PERCENTAGE IN MORE VOLUME

Even more significant than what happened in one season's grain movement—or nonmovement—is the problem of profitability.

"I used to think there was nothing the matter with this industry that 10% more volume couldn't cure," says Stephen G. Ailes, president of the Assn. of American Railroads. "But now I'm not so sure. Last year was the biggest in our history. The railroads handled record ton-miles of freight without much dislocation—and by dislocation, I mean car shortages. This year we are handling about 10% more ton-miles with a good deal of dislocation and no prosperity."

In his rude awakening, Ailes is not alone. Just about anyone who ever worked on or studied railroads has taken it as an article of faith that the railroads are a high-leverage industry. The fixed costs are large, but once traffic has been built up to cover these costs, everything over that level is practically gravy. The example forever being cited was that it cost very little to add a 100th car to a 99-car freight train, so most revenue from that car could be carried down to net.

Furthermore, it was always taken for granted that railroads could handle a lot more theoretically incremental and, therefore, high-profit business, because so much of their trackage is idle so much of the time. This theory did prove correct during World War II and the Korean War.

This year the railroads are getting their best peacetime chance ever to prove that theory right. Instead, they are proving it wrong, because the plant is so run-down. All the years when railroads should have been renewing themselves were spent fighting to stay alive. So yards are inadequate, weary locomotives and cars are breaking down, and speed restrictions are being placed on weakened track. Far from seeing extra profits from the extra business, the railroads face extra costs, because the new business requires extra effort. In every case there were special circumstances, mostly weather related, but some earnings declines in the second quarter of 1973 were staggering: Burlington Northern, down 77% from a year ago; Kansas City Southern, down 53%; Seaboard Coastline, down 34%; and the Frisco, down 63%.

In 1972, the industry had total operating revenues of $13.4-billion; a net income, including that from outside sources such as diversified companies and timber and mineral resources, of just under $500-million; and a rate of return on net investment of only 2.95%. Low as the rate of return was last year, it was the highest it has been since 1966.

With numbers like that, the industry faces an impossible task in generating adequate funds for renewal of its plant. It believes it ought to be spending an average of $3.6-billion a year over the next 10 years to get its plant in shape. This year, which is an unusually high one for railroad capital expenditures, it will spend about $2-billon. In other words, what the industry wants additionally is somewhere between $1.6-billion and, say, $2-billion a year. The problem is where and how it will get the money to meet the needs of today's economy, let alone tomorrow's.

IT TAKES A CRISIS TO GET A DECISION

There are, of course, those who think it will not have to meet those needs. "I have friends—we all do—who think of the railroad business as operating passenger trains, and therefore they think railroads will recede into the twilight and disappear," says William B. Johnson, chairman of IC Industries, parent of the Illinois Central Gulf RR. "And yet the industry can probably offer more to the country of what it needs today than at any time in modern history. Take inflation. One sure way to beat inflation is to increase productivity. We have immense capacity to increase the productivity of transportation. I don't mean we have it today. I mean the potential is there."

Just how important railroads are to the economy was amply demonstrated by the one-day shutdown of the Penn Central Transportation Co. on a Thursday last February. If nothing else, that got the attention of Richard C. Gerstenberg, chairman of General Motors, who fired off a telegram to President Nixon. "If it is not resolved immediately, virtually all GM manufacturing and assembly operations will be closed down by Monday," he told the President.

Actually, it is crises such as the Penn Central, due to come to a head in Congress within the next two weeks, that are giving railroad leaders their best hope. Impending disruptions are getting the attention of chief executives instead of merely the traffic managers, and they are certainly getting the attention of Congress.

The history of this country is that hard decisions are taken only at the last moment to save somebody or something from a fatal plunge. But if crises force hard decisions and create the opportunity to change directions, they also create haste and the chance of making a mistake. And there is always the danger that whatever is done will have the effect of erecting a fence at the edge of the cliff instead of eliminating the reasons that someone is teetering there.

This is the possibility that frightens most railroad officials. "I'm satisfied that there is going to be meaningful activity of Congress and the regulatory bodies to improve the railroad industry," says William J. Quinn, chairman of the Milwaukee Road. "But my concern is that it is going to be done only with respect to each crisis, that there will be an ad hoc solution to the Northeast crisis, for example, instead of a solution that gets at the fundamentals."

NOT MORE CARS BUT USABLE CARS

A proposed solution to the freight car shortage is another case in point. If there is a car shortage, the general reasoning goes, it follows that the industry needs more cars. And if the industry cannot afford more cars, then the obvious solution is for the federal government to step in either with loan guarantees or, if that does not work, with the creation of a quasi-public corporation to buy cars and lease them to the railroads. The Senate has already passed just such a bill.

But the problem is not so much that the railroads are short of cars as that they are short of empty cars where these are needed. "I saw what was coming," says Benjamin F. Biaggini, president of the highly profitable and well-managed Southern Pacific. "I got authority from our board of directors to go ahead with the biggest capital improvement program that we've ever had. We bought 13% of all freight cars bought last year in the U.S. And when the time came and we really needed them to take advantage of the booming lumber market in the Pacific Northwest, we found our cars tied up in bottlenecks in the Southeast and East. The net result is that we probably lost 15,000 carloads of lumber simply because our cars were not available when our shippers needed them. If I thought I'd get anywhere with it, I'd file a hell of a big damage suit."

"I'm opposed to calling the experience of the first half of 1973 a car shortage," adds Worthington L. Smith, president of the Milwaukee Road, which, like others in its territory, was swamped with grain business this year. "That implies that adding more cars would have solved things. With ports and terminals backed up, twice the number of cars available for loading would have resulted in twice the number of loaded cars with no place to go."

As the AAR's Ailes puts it: "If Jehovah himself had given us 100,000 more cars this year, it would not have solved the problem. The problem is that the whole industry is anemic, not just the car supply. We have to get healthy enough so we can handle the extra business on an ordinary basis instead of on an extraordinary basis."

THE MONEY BIND: WORSE AND WORSE

The answer, besides more cars, is modern terminals where cars do not get jammed up, modern classification yards, better signaling systems, and industrywide computer control of cars. It makes little sense just to buy more cars when the average freight car spends so much time standing still that it moves, both loaded and empty, only 56 mi. a day. The trick is to get more use out of existing cars. But all this requires the very capital that railroads do not have, and find it currently impossible to raise.

Scratch any railroad president and you get a long list of complaints about unfair treatment at the hands of government. The litany is familiar: While railroads have to build, maintain, and pay taxes on their rights of way, the world's most efficient network of highways, airways, and waterways has been provided and is being maintained by federal and state governments. Putting aside all the peripheral arguments that transportation people love to get mad about, such as trust funds, user charges, and land grants, the railroad people are right. The world they live and work in is unfair.

Last month, the Southern Pacific opened a new, automated classification yard costing $39-million. "We have to try to recover that," says Biaggini. "All that the user of highways or airways has to do is in some small way pay for a little bit of what he uses as he uses it. Now that's a system that is obviously slanted in favor of other forms of transportation. There has to be a way to finance improvements in the rail plant so these massive sums of capital are not needed long before you can begin to realize the benefits from them, or so that capital can be recovered quickly once you invest it.

We have got to find some way to reverse the flow of capital so it will flow into the industry and not out of it," adds Biaggini. "And right now the best way to do that, as I see it, is federal loan guarantees for the people that need it."

But IC Industries' Johnson does not think borrowing more is necessarily such a great idea. "In fact," he says, "it might be the greatest disservice the industry could do to itself, to borrow and overinvest. If the fixed charges get to the point where you can't pay the bill, you've got another crisis, and there are plenty of them in the making."

Johnson points to something that is worrying railroad men throughout the country: All the 3% and 4% debt on the books, negotiated in Depression days, will have to be refinanced at 10% if present conditions in the money market continue. The ICG, for example, has $17 million coming due next year. "And when you've got it refinanced, do you have a better railroad?" Johnson asks. "No, it's precisely the same railroad with interest charges two and a half times as high. And that's why you have bankruptcies." In any case, Wall Street will not lend the railroads a dime these days, even at inflated interest rates, unless the roads provide gilt-edged collateral and the most senior status for the debt.

To Johnson, the answer lies in adopting the Canadian approach to railroad problems. In Canada, if a low-density line cannot pay its way, it is discontinued unless shippers that want service on that line have successfully applied to the government for taxpayer subsidies.

ECONOMICS VERSUS POLITICS

Johnson feels that the present trend in dealing with the symptoms of the Northeast problem leaves Congress with a series of hard economic decisions vs. pleasant political ones. He says: "In every one of the issues—low-density branches, excess labor, you name it—there is the same conflict: the logical, economic decision vs. the difficult political one, or the pleasant political decision that becomes difficult in the context of the logic of economics. If the government resolves all these basic questions in the short-term political interest, then there's only one thing for us to do, and that's to get on the nationalization bandwagon. The only fair thing the government can do is buy all the railroads and return the investment the public has made."

Although Senator Vance Hartke (D-Ind.) is making a point that his proposed solution to the Northeast rail crisis is designed to prevent nationalization, railroad presidents disagree. They characterize his status-quo-while-the-problem-is-studied approach as just the sort of political waffling that will lead to nationalization. They also distrust the Transportation Dept.'s stated position of providing only minimal federal funds.

Most railroad officials still hope that Congress will want to avoid the huge cost of nationalization and will, instead, provide the necessary $1.6 billion to $2 billion a year to restore the industry's plant. Says Frank E. Barnett, chairman of Union Pacific Corp.: "That's not very much when you consider that federal, state, and local governments spend more than $28 billion annually on all other forms of transportation."

Along with government money, men like Barnett and Johnson want a clearly defined national transportation policy that will more equitably subsidize and regulate the various kinds of transportation. Failing that, they would like to rewrite the Interstate Commerce Act for fairer treatment and greater freedom to lower some rates and raise others.

The question of rates is crucial to the survival of the industry. According to a study by the management consulting firm of Temple, Barker & Sloane, Inc.—a study that the Illinois Central Gulf calls "the gloom and doom book"—something more than 20% of the commodities carried by rail are carried at a loss—among them pulpwood, sand, gravel, and even a lot of perishable produce. Much of this is left over from monopoly days, before truck competition, when railroads carried some raw materials at a loss in the expectation of making this up on the finished goods.

Many railroad presidents insist that the industry is no longer strong enough to carry any kind of freight below cost. The problem is to get everyone to agree with each other's cost figures, and then either to raise the rates or tackle the more difficult job of telling customers that some of their business is no longer wanted.

AN ENORMOUS REBUILDING JOB

If rates and regulations can be made more equitable and if capital can be raised, the rebuilding job to be done is still enormous. Some rich railroads such as the Santa Fe, Southern, and Union Pacific have well-maintained properties, but the industry average is dismal.

"We know of Midwestern railroads where 60% of the mainline track is under slow orders," says Barnett. A slow order is a speed restriction placed on a piece of track found to be in disrepair. In some extreme cases this year, the speed is down to 10 mph. A lot of the trouble in the Midwest was caused by weather, notably this year's floods, but a lot was also caused by wear and tear from the industry's high level of business.

A railroad can keep its rail surface smooth when no more than one tie in four is defective. But if tie replacements are deferred beyond this limit, the entire track structure deteriorates rapidly. According to the Temple, Barker & Sloane report, which also looked at the industry's physical shape:

New rail is being installed at a rate that would be adequate only if rail could last more than 150 years instead of about 20.

The rate of tie replacement would be adequate only if ties could last more than 46 years instead of about 20.

Cash generated per car on most railroads is stagnant or declining.

The cost of a new unit of rolling stock has risen rapidly, surpassing cash generation per car for all railroads except the Union Pacific.

Most railroads are not producing enough cash to pay for existing rolling stock, let alone to retire mortgages or pay cash dividends. Capital expenditures and dividends fare exceed net income and depreciation.

Among the men closest to the problem, such as an official of the Roadmasters & Maintenance of Way Assn. of America, the outlook is equally grim: "Many of our members say that in these times of comparatively active business conditions, they are barely able to keep their railroads together and are making little or no progress towards correcting deficiencies left over from leaner years. They fear that should a business recession occur, they will go under."

"Our business is just soaring," says an official of a relatively prosperous railroad, "particularly our container and piggyback business. But that kind of traffic requires fast trains, and we are fighting a losing battle keeping this a high-speed railroad. It doesn't cost twice as much to maintain a railroad for 100 mph as 50 mph—the numbers go up geometrically."

LABOR IS LOSING PATIENCE

If massive infusions of capital are necessary, the chances that these will come from the federal government are not good without substantial support from railroad labor unions. And the chances for that, though considerably brighter than a few years ago, are still poor.

Al H. Chesser, president of the key United Transportation Union, is nothing if not blunt in his position. He describes the scene when railroad management came to him, asking for help in getting relief from discriminatory taxation. "I met with management in February, 1972, and I laid down an ultimatum," he declares. "I told them 'Your soft spot is Washington, D.C., because that's where you've got to go to get help, and you don't have the know-how to do it. But don't come to me crying for help. That day is over. She's come to a close. You've had it until you change the industry, until you change your attitude, until you start treating people the way people should be treated. When you've done that, we'll go to Washington together and do something about this industry. We'll save it. If you don't want to change, let's not prolong the industry's death. The hell with it. I'm through with you.' "

Chesser is perfectly frank about not believing the railroad industry's books. "There's something wrong when an industry works at peak capacity and says it is only making 3% return on investments," he says. "I say that's baloney. I don't believe it." The Illinois Central Gulf has a standing offer with Chesser to let him examine the ICG's books to his heart's content, but he says that his union is too poor to hire the necessary auditors.

For all his tough talk, Chesser is just as opposed to nationalization as management is. "When the British Railways were nationalized in 1947, there were about 20,000 mi. of track, train service was good, and the operating employees had the best jobs in England," he says. "Today there are 11,000 mi., and our guys have the sorriest jobs in England with half the force. I don't want to buy any of that for the United States."

But for all his bluntness, Chesser does think management is showing better understanding, largely through close attention to railroad management's allegedly "old-fashioned" method of disciplining and suspending employees found guilty of errors of judgment, mistakes, or causing accidents. He cites the Burlington Northern as a railroad that had bad labor relations but where, thanks to joint efforts, grievances have been cut 60%. Now he thinks the BN is the most improved railroad in the industry, from a labor relations point of view.

BN's Chairman Louis W. Menk agrees. "I think we have made enormous progress in labor-management relationships," he says. Chesser and his top aides have been meeting repeatedly with Menk and his staff to discuss and defuse these grievances.

THE NEED FOR FLEXIBLE REGULATION

Labor-management relations must improve if the rail industry is to meet the needs of the U.S. economy. At present, railroad labor is protected by a host of provisions drawn up in the days of steam-engine technology and of less highway and waterway competition. These provisions determine how many men constitute a train crew, what is road work and what is yard work, and at what geographical boundaries the train crews must be changed. Management desperately wants these provisions relaxed, but in the climate of hostility that grew out of management's charges of "featherbedding," progress toward relaxing them is glacial.

"I don't question the rationale under which the work rules were established as reasonable and justified," says Alan S. Boyd former Secretary of Transportation and now president of the Illinois Central Gulf. "But the thing that we as managers have not gotten across, in addition to credibility, is that our competitive environment is now different. We cannot react to this changed environment if the bulk of our expenses are tied to work rules related to an alien environment".

Boyd admits that the same result would not necessarily be true on every railroad, but he is convinced that a relaxation of work rules on the ICG would lead to more employment, not less, because the railroad could then compete for traffic that is now lost to it.

The tendency on railroads today is to run long trains, since the labor costs are the same for a 10-car train as a 100-car train. But this means holding cars back until a long train can be assembled, and also delaying individual cars through repeated switching in classification yards. To an increasing degree, the U.S. economy requires exactly the opposite kind of transportation service; it is requiring quality transportation, not quantity.

The proliferation of brands, styles, and models of consumer products and the diffusion of places where they are sold are putting a premium on reliability and speed in transportation. These two trends are also decreasing the size of shipments. Carload lots of refrigerators, all white and all one size, are not going to meet the marketing demands of Sears, Roebuck in hundreds of shopping centers.

Moreover, record-high interest rates are making the cost of slow transportation of finished goods prohibitively expensive. "All of that inventory a customer has tied up on a railroad that can't handle it efficiently is costing him real money these days," says Arthur E. Leitherer, vice president for traffic at Allied Mills, Inc., and president of the National Industrial Traffic League. "We need transportation by the clock, not the calendar." Computer-aided management procedures also are leading to tighter controls of the distribution system again putting a premium on reliability.

Products tend to be more valuable per unit of weight as the standard of living improves. Thus, transportation service becomes more important, and its price less so. Improved technology also has led to more specialization of industrial products and components Once more this means smaller shipments and higher-quality transportation.

IN THE FUTURE NATIONAL INTEREST

This growing requirement for quality transportation abetted by continuing governmental investment in highways and airways causes many economists to believe that the share of freight tonnage hauled by rail will continue to decline as it has done steadily since the end of World War II and that railroads will, indeed, recede into the twilight.

But this outlook ignores two things. The U.S. is running short of energy and it is running short of land where people and industry want to exist.

A truly severe shortage of petroleum fuels would bring soaring prices and possibly government-imposed priorities and restrictions. The most efficient user of fuel, therefore, would probably have a priority in acquiring it and would certainly get more for the dollar. And at speeds above about 6 mph, railroads are the most efficient users of fuel in freight transportation. A Rand Corp. study looked at the problem in terms of energy consumption per ton-mile, expressed in British thermal units. Waterways were the most efficient with 500 Btu, railroads were only slightly less efficient with 750, pipelines had 1,850, trucks had 2,400, and air freight came in at 63,000. Another plus for the railroads is that they could be electrified much more easily than other forms of transportation. Indeed, several railroads, such as the Burlington Northern and Illinois Central Gulf, are already giving intensive study to the possibility.

Looking further into the future, the outlook for railroads is even brighter if they can only prepare for it. As the standard of living improves, there is dramatic growth in the ton-miles of freight moved per capita. If this number grows in the next 30 years at the same rate as in the past 30, and if the population by the year 2000 reaches the expected 265 million, there will be a need for as much as 7 trillion ton-miles of intercity freight transportation annually, compared with about 2 trillion ton-miles now.

Given finite amounts of land, air, and water for transportation purposes, the clutter would be unbelievable if the present trends were to continue. In fact, if the assumptions are correct, the magnitude of the job to be done will dictate that railroads will haul an increasing share, instead of a decreasing share, of the nation's commerce.

But first the industry must be rescued. As the IGG's Boyd says: "We have a lot to offer, and we don't know how to get to the place where we can offer it."

How Railroad Accounting Eats Up the Assets

How has the railroad industry survived all these years while loudly proclaiming its own imminent doom? A large part of the answer is that it has been consuming its own assets—and that is one fact of life it does not like to proclaim.

Railroads practice a kind of accounting that is unique in today's state of the accounting art. They do not, for example, take depreciation on their track. Where any other company would depreciate a capital asset over the economic life of that asset, the effect of railroad accounting is to leave the investor's money forever tied up in track.

Track appears on the left-hand side of a railroad balance sheet as an asset figured at the cost of its installation. If a railroad should improve its line by replacing 115-lb. rail with 130-lb. rail, the cost of the new rail goes onto the balance sheet as a betterment, which is why railroad accounting is called betterment accounting. But the labor of putting it there is an expense item, as is the normal replacement of rail, ties, and ballast of the same quality as the track materials they replace, and such activity has no effect whatever on the balance sheet.

NO LOGIC

The useful life of rail differs widely, depending on the speed and weight of trains and the local climate. But if 20 years is a good average for mainline track, logic would dictate that every year a prudent management should replace one-twentieth of its track. And, under railroad accounting, the cost of the new track and the cost of putting it there would be listed as an operating expense. But necessity and logic are often not the same thing on railroads. By not replacing rail, managements can make their income statements look better—or less horrible—than they otherwise would be. And for years now, railroads have not been maintaining their property adequately.

It is all perfectly legal under the rules of betterment accounting, but the result is that the balance sheet is wrong. Deferred maintenance means that assets that are listed at original cost are no longer worth anywhere near that much. The investors take the beating in the end; it is a sort of 1970s way for railroad management to play robber baron, and the Penn Central management before bankruptcy was a classic case.

In today's stock market, it is not unusual to find companies in many industries with a market price of their stock lower than the book value. But in the railroad industry, this is standard in any kind of market, good or bad. Leonard Spacek, then the managing partner of Arthur Andersen & Co. and the recognized demon among accountants for his disgust with betterment accounting, studied the situation in 1955. He took all the companies that made up the Dow Jones averages and worked out their market price as a percentage of their book value on Dec. 31 that year. The industrials were 230%, the utilities were 145%, and the 20 relatively high-grade railroads that made up the rail index in those days were 47%. Spacek specifically laid the blame for this on Wall Street's distrust of railroad balance sheets.

An even more dramtic example is provided by the Chicago & North Western Ry. When its holding company, Northwest Industries, sold the railroad in 1972 to its officers and employees, Northwest wrote down the railroad's assets by more than $400-million, thereby giving itself a huge capital tax loss carry-forward. This also wiped out years of accumulated uneconomic results of betterment accounting on the road and made the balance sheet honest. Following the sale, the North Western adopted depreciation accounting for its track, the first major U.S. railroad to do so.

Even though the North Western is only marginally profitable, the fact that it does not have ghost assets on its books has caused the book value of its stock, which is not traded, to "rise substantially," according to Larry S. Provo, North Western president, who is proposing a 60-for-1 stock split.

WORLD WAR I RULES

The history of betterment accounting for railroads goes back to 1914, when the Interstate Commerce Commission first prescribed the rules. At that time, of course, income taxes were low and railroads had a practical monopoly of transportation. The reason railroads embraced betterment accounting so eagerly was that the commission determined the industry's revenue requirement as a percentage of its total investment. By not depreciating its track, the industry kept its rate base high.

In other words, if a hypothetical railroad had $1-million invested in property devoted to public service, if it had $600,000 a year in operating expenses, and if the commission decided that 10%, or $100,000, was a reasonable rate of return, that railroad would have been allowed to set rates to bring it $700,000 annually. If, on the other hand, the railroad were to depreciate its track investment, down would go the allowable rates the railroad could charge its customers.

Technology and income taxes changed the world the railroads lived in. But the accounting rules on track depreciation did not. Today, if railroads tried to charge enough to get 10% of their net investment as a rate of return, the rates would be so high that all their business would go to trucks, barges, pipelines, and air cargo. Now it is too late to get the costs of the track back. More important, by not taking depreciation on their track, they are overstating their income and paying unnecessary taxes. The Andersen firm believes railroads should be allowed to recompute their income taxes back to 1913 based on depreciation accounting. For poor and bankrupt railroads the resulting refunds would be fantastic.

Mr. Speaker, while the freight car shortage has suffered from lack of attention it has not suffered from lack of history. The freight car shortages became a fact of railroad life in 1887 when the first case was laid before the ICC. In 1887 a shortage case was filed by eight wheat farmers in the Dakota Territory. Except for the years of the great depression we have suffered a freight car shortage ever since, and even in the twenties our railroads made the list of America's sick industries and the freight car shortages were clearly part of the problem.

Our railroads have been failing for so long no one seemed to believe they could actually collapse, although forthcoming events in the Northeast Corridor may soon rob us of this illusion. At the present we seem to feel the railroads cannot really collapse and that they cannot really run well either.

Mr. DENHOLM. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from South Dakota.

Mr. DENHOLM. Mr. Speaker, I appreciate the excellent work the gentleman has done in bringing this special order to the floor of the House today. I commend the gentleman from Texas.

I note he has referred to the first case tried before the Interstate Commerce Commission as having originated as a result of the shortage of boxcars in the upper middle Western States, particularly the Dakota Territory. That is exactly correct. It is docket No. 1–1887. We have observed this continuous problem of transportation from the upper Midwestern States since that year. There is a reason for that. When one stops to realize, I think it is about 11 of the Midwestern States produce about 85 percent of the total food and fiber of this country, and we get into this situation where the population trend in the United States recently has built around the industrialized urban States, and we find that there is a great percentage of the American people living in a few places and further from the point of production of the source of food and fiber.

We have not had a transportation system that has kept pace with that trend in the number of people, not only in the domestic marketing, but also foreign marketing, so today when we are recognizing the problems of transportation, I think we should say to ourselves that we stand at the threshold of a real national crisis in marketing and transportation. I think the marketing and transportation systems in America and around the world have been subjected to stresses the last year unequaled in reported times of peace or war.

A system of marketing cannot exist without a viable structure and system of transportation. Commerce is trade, and transportation is the wheels of trade. Commerce and trade are synonymous terms that are essential to the economy of America, between the States of this Union and between the countries of the community of nations of the world.

I think this is a serious problem. I see that we are going into the opening up of new acres of production for 1974 to try to meet the demand for consumer goods of our own land and hungry people of this world. I think it has been estimated that 35 to 50 million more acres of production will be coming in next year, coupled with the policy of the Federal Government to call up some 5 years of Commodity Credit Corporation stored grains, coupled with the fact that we have entered into sizable credit sales to foreign countries of our wheat and other food items, with the possibility of even negotiating more, as the gentleman from Texas has so ably set forth in the Record today.

I think all these things together, coupled with the problems we are dealing with such as an inadequate, obsolete transportation system that has not substantially changed in the last 50 years—the system itself has not—there have been improvements on it. I think it would be fair to say that the railroad industry in the last few months, particularly in 1973—and I stand corrected if the gentleman has statistics counter to that—but I believe statistics show they have actually moved more freight than in any other year in the history of our country. If the producers could have gotten all the grain they really wanted shipped when they wanted it shipped, we would have been able to put all the grain out of the country into the hands of international grain moguls, and they would have gotten the increase on the rise. So when we criticize railroads on the one hand, I think we have to recognize that had it not been for the incapacity of our transportation system, we may very well have had the great wealth we find in the bins of America in the hands of international speculators who could toy with prices way more than they have.

Fortunately, we still have the grain. What we need is an orderly system of marketing and transportation. I think it means that we intend to look at all possibilities; air, water, land, and whatever we have to deal with. I believe this idea of calling for more boxcars is not the full answer, as the gentleman from Texas has said. If we had all the boxcars every consumer wanted now, we probably would have terminal embargoes because there are not enough salt water vessels.

Therefore, I think the problem we are recognizing today is a short one and a long one. In the short one, we are going to have this image of what we are going to have in the regional warehouses and put it on a continuous basis in off-peak periods. We must recognize the system of harvesting has changed. In my area, we will be harvesting corn in the next few days.

It used to be that it took 60 days to get the corn harvest out. Now we do it in 6 days. This means all that corn is going into the system of marketing and transportation within a relatively short time. I believe we have to provide a system that will take over on the peak loads and valleys with a continuity of delivery to the consumer, as the gentleman from Texas has said today. The consumer really pays for the inadequacy of management or for the failure of mismanagement.

I believe we have to build into our system of marketing and transportation a continuity of delivery, a capacity to deliver.

I commend the gentleman.

Mr. PICKLE. The gentleman from South Dakota was a very material witness before our committee when we visited his section of the country last year. I would assume that the crisis and problem we had last year is repeating itself a year later. I assume the elevators are full again. Is that correct?

Mr. DENHOLM. That is correct. What I am saying today, I say to my distinguished colleague and good friend from Texas, is that it is bigger than what we saw then. We are on the threshold now of a collapse not only of the transportation system but also of the free, competitive market structure.

It does not do the farmer any good to have wheat quoted at $8 or $9 a bushel or corn at $2 if he cannot sell one bushel. I have farmers in my area who cannot make payments on their farms because they cannot sell their grain. That is what is breaking down, and that is what the consumer pays for, that kind of inadequacy.

Mr. PICKLE. That is why we are having the special order today. We cannot let the problem slide from year to year and hope that the problem eventually will get better and fade away. It will not.

We must realize that we have another big wheat sale on, of 1 billion or more bushels of grain. Our elevators are already full. We have a bumper crop. How are we going to move this grain again?

Until we increase the supply and set up a better utilization and have a plan to do it we will have the same congestion. I believe it is an indictment of the Congress that we cannot do a better job than we have done. The only way for us to do it is to try as best we can on this floor to bring about some legislation.

Let me point out that we have a bill that will be submitted, which pertains to 3 different segments of this problem.

First, there will be a part of it that provides for sufficient rolling stock.

It would give guaranteed loans to the industry so the railroads themselves can go out and build these cars, so that we will have a supply. We would have a guarantee approach.

It also will provide for a computer system of accounting, to know where the cars are and as they move, so that we will know their location.

It also provides for a plan that will say, again, "You cannot sell in excess of 1 million bushels of grain unless you file a plan with the Department of Transportation and, in turn, they have it made known to the Department of Agriculture. If an exporter sells any such amount, and the plan is not working, the Department of Agriculture can cut off the subsidies."

We spent $300 million last year.

This may be drastic action.

One other part of the measure would say that the ICC—some regulatory agency—probably the ICC—would be given a much broader power to say, "You will be fined heavily if you do not move your cars."

That is going to hurt some of our Northeast companies. They have a problem already. One cannot blame a shipper from the West who hesitates to send his cars to New York or Boston, since he knows that the cars, once they get there, will lay in the yard perhaps for days. He will say, "I am not going to let you get my car. I will hold it." Or he will use only so many cars, so that they will come back in the direction where they came from.

One cannot blame the shippers for that. But we have got to get a sufficiency of cars, and we must be able first to solve that problem, and then take the other steps.

Mr. DENHOLM. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from South Dakota.

Mr. DENHOLM. Mr. Speaker, I know that the gentleman serves as a member of the distinguished Committee on Interstate and Foreign Commerce. I will just ask the gentleman this question: I do not ask it facetiously; it is a difficult question.

I have been critical myself about the role of the Interstate Commerce Commission. That Commission has become a regulatory agency, more concerned about enforcing laws against carriers than seeing that the public interest is cared for in the delivery of commodities, and I would hope that the committee would look at the role of the Interstate Commerce Commission as a regulatory agency in solving problems in the public interest.

I am a former trucker, as the gentleman probably knows, and I kept pretty efficient records on my operation. I operated at less than 33 percent of efficiency with the Interstate Commerce Commission regulatory system. I will explain why.

We were not permitted to take backhauls or use other methods to cut expenses, and the public is paying for it, and the consumer is paying for it. We are regulated to death in those areas.

Mr. Speaker, I would like to participate in the hearings, and I know the gentleman's committee is very interested in this subject. I do not want to take more of the gentleman's time now in discussing it.

Mr. PICKLE. Mr. Speaker, I will explain that our regulatory agency, whether we like it or not, whether we like what they are doing or not, is the Interstate Commerce Commission. It is set up by law to do this.

I am convinced that that Commission will give strong leadership if they really believe that is what Congress expects. I think rightly they have assumed for several years that they were to act as a judge and to pass on a particular set of facts, and vote yes or no on matters of this kind.

I believe now the Congress is saying to them, "We want you to take strong leadership," and I believe that if we give them sufficient motivation, then we should expect action from them and literally "crack the whip" if necessary to keep these goods moving.

Mr. DENHOLM. Mr. Speaker, if the gentleman will permit me, I wish to commend him as an individual and also his associates on the committee for their efforts toward accomplishing that possibility in getting the Interstate Commerce Commission to look after the problems in the public interest. I thank the gentleman very much.

Mr. MEZVINSKY. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Iowa.

Mr. MEZINSKY. Mr. Speaker, I thank the gentleman for yielding.

Last spring, when there was a desperate need for boxcars to move grain in the Midwest, a major railroad running to the First District of Iowa was sending out orders like this: "Do not apply any grain boxcars or grain orders on the Chicago region." Instead, cars were being diverted to the State of Washington to pick up lumber, a more lucrative haul for the railroads than is grain.

Because of the boxcar shortage, some grain never was moved out of Iowa and today we find that many elevators in the First District are a third or more full of last year's crops as we move into the harvest season. A recent survey of the Iowa grain marketing system indicates that storage space and railroad transportation facilities are inadequate to handle this year's crop.

Thus, we may be faced with the prospect of continued grain shortages in the midst of plenty if we do see the record harvest USDA has encouraged and predicted. The possibility of not being able to move the grain out this year is going to become more dire if the expected shortages of propange gas—used in storage facilities to dry grain—develop.

Those who stand to lose the most from this situation are those who can cushion it least—the grain elevator operators caught in a price squeeze for the second year in a row; the farmer encouraged to increase his production; and the consumer who has to depend on the cost of grain to determine the cost of major food items like meat, eggs, bread, and milk.

In the midst of the boxcar shortage, we see that the grain which moves first often is owned by the giant grain export companies who enjoy several advantages over the independent grain elevator operator. The large corporations often control railroad-owned cars in trains of 25-, 50-, and 100-car units through leases that are perpetually renewable if they guarantee a large-volume of grain movement to the railroad. These firms can virtually control trains, telling the railroad from which they lease cars when and where to send the trains to pick up grain and where to take it for delivery.

Besides tying up a large number of boxcars on this priority basis, these firms enjoy a reduced rate from the railroads because of their large volume of grain shipment. In light of the railroad's financial problems, one is forced to wonder how they can afford to give reduced rates when there is ample competition for boxcars.

The independent elevator operator gets caught in the squeeze. Without enough boxcars to ship out their grain, they are often forced to sell their grain to the big companies at prices 5 to 8 cents per bushel below market prices. Having the only means of getting the grain to market, the big grain companies bid low and the elevator operator has little choice but to sell. As one Iowa elevator spokesman said,

> If we can't move the grain at all, it doesn't do us any good, so we sell it cheaper.

In the long run, of course, it is the farmer who pays for the boxcar shortage because the grain elevators will pay less for grain if they have to sell it for less.

The farmer also has to absorb some of the costs that many grain elevators have been hit with because of charges for late delivery.

One elevator operator in the First District of Iowa, who had to pay in excess of $1,200 in late delivery penalties last year to the large grain companies is now working to contract with trucking firms to move his grain this fall. However, since his elevator is designed for railroad car loading and unloading, he is faced with the prospect of time-consuming bottlenecks when trucks try to use train equipment. Another drawback is that in many places there simply are not enough trucks to move grain out on schedule.

The transportation crisis facing elevator operators could very well result with them buying less grain this year, despite forecasts for record crops on the farms. Even when crops are bought, it is reported that farmers can expect elevators to reduce their bids as much as 18 cents per bushel as a result of the added elevator expenses of truck hauling.

Clearly, action is demanded to relieve the boxcar shortage and its related harvest-time nightmares. We cannot hope for record harvests to benefit the people we represent unless we can assure adequate transportation for our crops.

We must insist that the USDA provide more coordination of farm production and the availability of boxcars. I think the Federal Government must begin to give as much priority to rejuvenating the grain hauling railroads of the Midwest, such as the Rock Island Line that serves Iowa, as we do to the rail lines in the Northeast.

We have to seek ways of equalizing the allotment of presently available boxcars to take the squeeze off independent elevator operators and farmers.

As another means of relieving this crisis, we must support loans for farmers to build more on-farm storage facilities and encourage the leasing of the now-empty Government storage bins so that farmers can hold their grain until transportation is available.

I would suggest further that we look carefully into the proposal of two Iowa State University economists who suggest the development of more Midwest grain delivery points. This would allow much easier delivery of grain to market by avoiding the transportation congestion at Chicago. According to these economists, the near impossibility of delivering corn and soybean futures contracts to Chicago in recent months has been a major factor behind the speculation and high prices on the commodity exchange.

I believe that the boxcar shortage offers us a frightening example of how so many of the problems we face today are interrelated.

We see in it the growing power of huge conglomerates whose control of cars puts the squeeze on independent elevator operators and farmers.

The fuel shortage is also involved as we realize that a lack of an adequate propane supply could lead to the rotting of undried crops awaiting transportation.

These factors, of course, could deny us the benefits of a bountiful harvest and send skyrocketing food prices even higher.

The far-reaching effects of the boxcar shortage demand our attention and I am hopeful that this special order will lead us to positive action to correct this situation.

Mr. PICKLE. Mr. Speaker, I appreciate the gentleman's remarks.

Mr. McFALL. I wish to express my appreciation and commendation to my friend for bringing this important subject to the attention of the House.

The gentleman serves on the important Committee on Interstate and Foreign Commerce, which has the legislative jurisdiction over this very important subject.

One of the important policies that I believe we need in this country is a transportation policy, a study that will try to determine for us what kind of transportation we are going to have ahead of us in the next 10 or 20 years.

The gentleman points out rightfully the problems we are having with the railroads. We have problems of integrating the truck lines, the barge lines, the steamship lines, the airlines.

It was the policy of the administration to reduce the ability of the Interstate Commerce Commission, which was discussed previously in the colloquy with another Member here on the floor, but we are now adding to this ability by providing them with more funds, which the House has taken the leadership in doing.

What we really need is a transportation policy. I do not think that the Department of Transportation and this administration are capable of bringing to us an integrated transportation policy. They have told us that the answers to our transportation problems are three palliatives: deregulation, revenue sharing, and reorganization of the executive branch.

Now, I think we both probably would agree that some kind of deregulation or change in regulation ought to be considered, but certainly it ought to be considered in the discussion of a whole transportation policy. But if we are going to deregulate in one way, how do we free up regulation in another way? What sort of transportation assets do we need?

I would hope and I have been urging members of the gentleman's committee, including the gentleman from West Virginia (Mr. STAGGERS) the chairman of the committee, for funds to carry on a very comprehensive study of the transportation policy of this country.

I do not think we are going to get the kind of transportation policy that we need and will serve this country in this important way unless the committee on which the gentleman from Texas serves is willing to take the initiative and go out and do that study.

I am not suggesting that the members, who are very busy, do it; but supervise it.

I think this is important to the country. Perhaps some of the important questions that the gentleman is discussing, which are immediate and pressing upon us, may not be solved by a study of this kind, but certainly eventually we will find some kind of solution.

Mr. PICKLE. Well, we must find a solution for our national transportation problems.

I am pleased that the gentleman, who is a very distinguished and outstanding Member of this body, would suggest that our committee conduct this study and even suggests that he would help in the obtaining of proper funds to carry out such a study.

We have stretched ourselves on the committee. I think you will see the moment we can get the Northeast railroad crisis out of our way then we have to jump headlong into the problems we are talking about.

I hope the chairman will do that.

Mr. McFALL. I realize that the Northeast railroad crisis is very important to the country, because the solution, the economic health of the entire country is dependent upon the great productive areas of the Northeast. The railroads in that area are very important and essential to that economic health.

I know it is a crisis and your committee has to solve it, but this is just a part of the whole transportation picture.

Mr. PICKLE. That is correct. It is a problem of the Northeast railroads.

Mr. McFALL. I met a few months ago the president of one of our great automobile companies. I was bemoaning the fact we had such competition from Japanese automobiles to the automobiles made in this country.

He pointed out to me that, yes, they have an advantage when they use their own transportation system on the coast, but when they get mixed up in our transportation system they lose their advantage. So here we have a very strange situation.

Mr. PICKLE. It is a paradox.

Mr. McFALL. A paradoxical situation whereby even the Japanese cannot cope with our transportation system.

Mr. PICKLE. I think the gentleman will recall that the Committee on Interstate and Foreign Commerce, when it passed the airport and airway development bill, put a provision in the bill that the Department of Transportation would submit to us for our consideration a national transportation policy. The bill provided that some 18 months be given for that preparation. When that time came the Department of Transportation said they were not quite ready. They announced that they had a certain number of guidelines they were studying. We directed that that policy be given to us within the year. When that time came it was not forthcoming. To this day, and that was some three years ago, we still do not have an announcement of a transportation policy.

I realize that it is difficult, that it intertwines itself with all the fibers of our great industrial Nation. But we must proceed to set our priorities. We have to do something about this.

I hesitate to make this comment, but I attended last week the opening of the great Fort Worth-Dallas Airport. It is supposedly the greatest airport in this country, or in any region in the world. It is so huge one cannot imagine it. We hope and pray it will be that efficient, and I assume it will. It ought to be, because some great brain power went into the construction of that airport. But, do you know, one of the biggest problems they have now—and I do hate to say this—but they really do not have a way to move the people from that airport to Fort Worth or to Dallas. So what does it behoove us to spend billions of dollars on an airport facility if we do not have an announced policy in advance that says that this is an integral part of this problem, moving people from downtown out to the airport, and back?

I think we ought to set up a policy in this Congress that we will not appropriate another dollar for any airport anywhere in our country unless, along with the plans for the runways, also there is an accompanying plan for moving people from the city out to the airport.

In one part of the bill that we are going to introduce here, and I will repeat again, is a provision that says whenever there is a large shipment of grain that the exporters, at least, must file a plan with the Department of Transportation and then to the Deparment of Agriculture, and if the plan is not followed, and the shipment is not handled properly, then we cut off all subsidies. That is not an unreasonable position to take.

And although maybe this does not have an awful lot of glamour to it, maybe it is the beginning of what could be a policy.

So I commend the gentleman from California for his forthright statement. We need his help, and we hope that the Committee on Interstate and Foreign Commerce can take advantage of it; I hope that we have enough good judgment in the committee to do something about it.

I will close, Mr. Speaker, by saying that we do have this shortage, and we have problems, but we do have some solutions.

The real crux of the problem can be divided into three general areas, first, actual shortage of cars; second, the best utilization possible for the cars and, third, the structuring of rates, regulations, and penalties, or the lack of penalties that are now in use. We just cannot, however, keep on decrying the fact that there is a shortage of cars, and once a year, say that our elevators are full, that we cannot move it out from the ports, that we cannot move lumber or aggregates or any of our other products. We have to do something about it. We have to take positive action. I know it is a problem that is not going to go away very easily.

I see the gentleman from Kansas standing. The gentleman has been in this fine city for 30 years now, one way or another, man and boy. The gentleman said we have always had this shortage. I recognize the fact that if you have the one problem, that means you have got too many cars. If you have got too many cars, that would be a foolish expenditure of funds. It is going to be hard to get a balance now, but we have got to correct that.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Kansas.

Mr. SKUBITZ. I will say here is really where I came in 34 years ago on boxcar shortages. We had them then; we still have them. Listening to my colleague's remarks and his statements about shortages, the question comes to my mind how are we going to resolve these shortages? There are less cars now than there were in 1960. The companies refuse to build them because they claim they cannot afford to build them.

Are we going to create some sort of Government corporation to build the cars and lease them back? What would the gentleman from Texas say to that?

Mr. PICKLE. I would not favor the creation of a corporation where the Government would own the boxcars or freight cars. I do not think that we have reached that point. I do think we could set up a corporation to guarantee loans for the unpaid principal to build new rolling stock.

I had a representative of one of the major railroads in the Midwest come to me last week decrying the fact that he not only had a shortage of cars, but he said:

> Even though at times we are in pretty good shape, if we did have the number of cars we needed, we could not move the cars stacking up now at the Houston port because we do not have the engines to pull the cars.

So it is not just freight cars. I would say the best approach would be guaranteed loans rather than a Government corporation, and if that will not solve it, then I would not be blind to the issue; I would look at anything that would help solve the problem. I would hope that the guaranteed loan would be a better approach.

Mr. SKUBITZ. I want to point out to my colleague another problem. A car in Kansas bound for the west coast takes about 28 days for the round trip. Something is ridiculous when it takes 28 days for a boxcar to go from Kansas out to the west coast and back.

I remember speaking to Mr. Weir, who is assistant director over at ASCS, and he pointed out the fact that if we really improved our present setup to get maximum use out of our cars, say, 10 percent, that it would be equivalent to 140,000 additional boxcars. That led to another point that my colleague and I are both familiar with. That is the roadbeds of the various railroads. Actually it is a shame to say that we have roadbeds for freight cars that should be moving at 50 miles an hour, where they are moving at only 20 miles an hour, which takes more time to reach their destination. It takes them longer to get to market than it should.

Mr. PICKLE. I would say they really ought to be moving at 125 miles an hour rather than 40 or 50 miles an hour.

What an indictment to our industry.

Mr. Speaker, I will conclude by saying I am going to introduce a bill which I am going to circularize to the Members. I hope we have many Members join in this and that we can do something about this problem.

Mr. SKUBITZ. May I say I hope to do some good in our area.

Mr. ANDREWS of North Dakota. Mr. Speaker, I thank the gentlemen, my colleague from Kansas (Mr. SKUBITZ) from Iowa (Mr. SMITH) and from Texas (Mr. PICKLE) for taking this time to call attention to this most serious problem. Like them, and I am sure, like all of my colleagues from farm States, my files are bulging with pleas for help in getting boxcars to haul grain to market.

The farmers in North Dakota have seen wheat prices climb to unprecedented highs only to be frustrated in their attempts to take advantage of this opportunity to gain a parity of income because they cannot get their crops to the terminal. Most recently we have seen a reduction in farm prices and, while the Secretary of Agriculture has predicted this drop will continue, the boxcar shortage still persists.

I believe that the railroads are doing the best job they can with the equipment they have and, in our part of the country at least, they are buying more new cars each year. There is a limit to what they can be expected to invest in rolling stock, of course, to meet a peak demand period considering the possibility many of these expensive cars will stand idle in freight yards once the job is done.

When the Interstate Commerce Commission was organized back in 1887, one of the first problems referred to the Commission dealt with the boxcar shortage in North Dakota. The records do not indicate whether or not that specific problem over 75 years ago was solved but we are all aware that their track record has been dismal.

Only last April, the Department of

Transportation announced with great fanfare the establishment of a task force to deal with the freight car shortage. Since that task force was organized we have heard nothing from it and we can only cling to the dim hope the reason for its silence has been they have been too busy finding solutions to tell anybody about possible progress.

Congress, too, must share in the blame of our failure to come to grips with this matter of great importance to the Nation. Our entire agricultural economy is at stake and our ability to meet foreign trade commitments essential to our balance-of-trade situation hangs in the balance.

Action has been taken on legislation to recognize the overbuilt and largely bankrupt network of railroads in the Northeastern part of the country and the Interstate and Foreign Commerce Committee will, it is anticipated, send its recommendations to the full House soon. In view of the fact, however, the subcommittee's proposal deals with railroads serving an area east of the Mississippi and north of the Ohio and Potomac Rivers, it is understandable why North Dakota farmers have expressed to me their view that it is perhaps a matter of fact that the Congress seems more concerned about the plight of stockholders of Eastern railroads than the plight of those charged with the responsibility of feeding the country and building needed export markets.

We need results, not more rhetoric. Realistic per diem rates should be set on the use of grain cars so there will be an incentive to own rather than borrow them. Under the old practice, boxcars simply have not been available because it is cheaper not to build them, except that this means you cannot haul the cargo.

Second. Congress should take a look at the requests for low interest loans and other funding by the railroads, and in place of advancing capital, perhaps we should furnish rolling stock in lieu of capital—rolling stock owned by the Government that cannot be squandered by inept management and will serve the Nation's needs.

Mr. McCORMACK. Mr. Speaker, I want to thank my colleague and friend, the gentleman from Texas (Mr. PICKLE) for calling this special order today on a subject which, to us from the West, is a very special and overriding problem in our desire to continue to provide this Nation with the least expensive and highest quality products possible.

The shortage of rolling stock has been a nagging seasonal restriction to the West for over 100 years. Just now it is beginning to spread into every sector of the economy, on a nonseasonal basis, in every part of the Nation.

The problem, simply stated, is that rail shippers are unable to obtain the rolling stock they desparately need, when they need it. It is affecting grain producers, orchardists, potato growers, coal mining corporations, and the forest products industry. Last, but certainly not least, it is directly affecting the consumer in increased costs of fresh fruits and vegetables, fuel, and housing, and in many similar unfortunate ways.

The lack of critically needed rolling stock for shippers, when they need it most desparately, is a result of rail industry inability to provide much needed, long-term recapitalization; and of improper utilization of the rolling stock now on the lines.

For the smaller and weaker railroads, the inability to purchase new stock, the necessity to "rent" rolling stock from the larger roads, and the falling off of freight business due to the intrinsic lack of boxcars is a vicious economic circle which can be broken only by limited Government involvement.

According to current studies, the average freight car is in movement only 12 percent of the time, and it is moving only 7 percent of the time with a load. Ninety-three percent of the time, our Nation's rolling stock is empty, while warehouses in the West are stocked to the roof with perishable fruits and vegetables awaiting markets in the Midwest and East, out of the vast and renewable forests of the Pacific Northwest finished timber waiting to be utilized for the construction of hundreds of homes and public facilities, oil and coal necessary for the heating of homes and the production of energy for industry all over the United States.

During the consideration of S. 1149, a bill to increase the supply of rolling stock, Senator MAGNUSON, of Washington, chairman of the Senate Commerce Committee, and a public servant who has contributed a great deal to the alleviation of the problem of freight care shortages, stated:

> No doubt investment in freight cars could be more efficiently utilized. To do so would reduce the number of cars and amount of investment required to service the needs of the Nation's rail shippers. For example, the Department of Transportation estimated the shortage of freight cars to be 130,000 cars, about 9% of the existing railroad-owned fleet. A 9% increase in car utilization—increasing loaded movement to 7.63% of the time and average mileage to 34.9 miles per day—would eliminate this car shortage without the need for investment in additional cars.

The application of modern computerized and communications technology would improve car utilization, but we are faced with the fact that some railroads cannot afford the required capital investment; and that some of the larger railroads will not expend capital to provide this needed equipment.

S. 1149 would provide the incentive for necessary recapitalization through guaranteed loans, instead of direct government ownership and subsidization. It would also establish a national, computerized car information system to assist in determining the origin, destination, and location of rolling stock for best immediate utilization.

This legislation, now pending in our own Interstate and Foreign Commerce Committee, provides incentives for solutions to this problem of lack of rolling stock; but, in the event the railroads do not take advantage of these incentives, the Federal Government would establish a quasi-public authority to purchase and control their own rolling stock.

There are many other versions of legislation pending before the House Interstate and Foreign Commerce Committee. Its distinguished chairman, HARLEY STAGGERS, and the ranking majority member of its Special Subcommittee on Investigations, JACK PICKLE, have worked arduously to define the problems the Congress must confront. The farmers, timbermen, and consumers of the Fourth District in Washington have tolerated this age-old problem long enough. They are demanding that Congress take the action necessary to provide the transportation necessary to allow them to market their production. The problem is more serious this year than last, and it promises to be economically devastating in subsequent years, if the Congress does not take action promptly.

In the interim, we must rely upon the Interstate Commerce Commission to see that our farmers and other producers receive the relief they seek. The Congress can no longer passively accept the fact that many food and fiber producers are being denied their right to market their products, and that the consumer will be the ultimate victim. This is, and has been, an economic crisis. Costs are measured in out-of-business farmers, broken and crippled processors, and a high incidence of job reduction. We must act positively and promptly.

Mr. SKUBITZ. Mr. Speaker, I commend my colleague, the gentleman from Texas (Mr. PICKLE) in asking for this special order today to permit a discussion of the boxcar shortage.

Mr. Speaker, here is where I came in. Thirty-three years ago when I first came to this Capitol, an apple-cheeked young man from the Kansas prairies to serve the late Senator Clyde Reed, I was initially introduced to that hardy perennial—the American boxcar shortage.

Senator Reed, who was a member of the Senate Commerce Committee—then the Interstate Commerce Committee—was an acknowledged authority on agriculture and railroad matters. He had appeared in behalf of shippers in literally scores of rate cases before the ICC. He knew railroads and rail managements.

At his request, the Interstate Commerce Committee made an investigation and held hearings on the box car shortage. It summoned railroad presidents as well as their bankers. It heard from farmers and elevator operators and shippers. The harvesting season passed, grain rotted outside as grain has year after year, the farmer lost income, and the cycle began again.

Senator Reed was not alone, of course; he was joined in these probes by the chairman of the committee, Senator Burton K. Wheeler of Montana, by Senator Norris of Nebraska, by Senators Langer and Frazier of North Dakota, by Senator Hendrick Shipstead of Minnesota, by Senator Harry Truman of Missouri, by Senator Elmer Thomas of Oklahoma, by Senator Wallace White of Maine, by Senator Alben Barkley of Kentucky, by Senator Guy Gillette of Iowa and others. Earlier this year, their successors, Senator MILTON YOUNG, Senator WALTER HUDDLESTON, Senator DICK CLARK were among those who deplored the boxcar shortage.

So my friend from Texas joins an illustrious company who have over a span of at least four decades battled this problem. What has been accomplished; what is the answer.

The answer to the first question is "nothing—absolutely nothing." The railroads continue to have an inadequate supply of boxcars. They continue to say now as they said over the years that they cannot afford the capital investment necessary to build boxcars to meet what they describe as a temporary emergency situation—a period when commodities must be moved from farms to elevators to market. And each railroad then—and I suppose now—continues to point its finger at its brethern as the other railroad being the culprit because of slow movement, slow handling, or even inadequate demurrage charges.

I remember what happened when Senator Reed proposed that demurrage charges be doubled or trebled as a penalty inducement on both the carriers and the shippers to release boxcars more rapidly. The railroads objected, of course, but the vehement protests that came in from shippers were something to behold. Even the ICC, that agency created a half century before primarily to protect western farmers from gouging and monopolistic practices by the railroads, got into the act on the side of the railroads and the shippers. High demurrage charges would be self-defeating, or something to that effect, was the argument advanced.

The Congress, as might be expected and as is so often the case with Congress, quietly retired from the fray. The boxcar shortage continued and the next year, and in the following years, other congressional hearings were launched—and with the same results.

What then is the answer to the second question—what can be done about the boxcar shortage. The railroads, like so many others who have become accustomed to Government bailouts, believe that the answer is for the Government to subsidize them directly by either building boxcars itself or funding such building through low-interest loans payable over long periods of time.

In fairness, I suppose it can be argued that although they are public carriers with certain responsibilities of public service, the railroads can hardly be expected to fund boxcar construction for emergency periods. On the other hand, the annual harvesting of grain and other commodities, is hardly an unforeseen emergency. The carriers are well aware that it is an annual recurring phenomena in which they are involved.

I have been concerned for almost 2 years with the Pennsylvania railroad situation, the bankruptcy of six roads in the northeast corridor of our country, and the question of a $2 billion to $3 billion bailout of private industry that was mismanaged, and perhaps worse, into bankruptcy. In these circumstances, I can hardly look with great favor or sympathy on more Government subsidization of boxcar construction.

I suppose one possibility is the funding of a prescribed number of boxcars annually that would be owned by the Federal Government, perhaps through its Department of Transportation or the ICC. The Government could lease out the cars to the appropriate railroads at rentals that would return construction costs plus a modest interest on the investment. The DOT, or whatever agency is involved, could set its own regulations and requirements that would insure fast turnaround of boxcars, better usage of them.

Meanwhile, it might prod the railroads into upbuilding their roadbeds so that average speed could once again be restored to 45 to 50 miles an hour instead of the 20 miles or less that is now all too common. That alone would increase the supply of boxcars measurably. It takes 28 days to get a boxcar from Kansas to the west coast and back. This is ridiculous. Glenn Weir, Associate Administrator of the ASCS, tells us that a 10-percent increase in freight car utilization would be equal to adding 140,000 cars to the fleet.

So, Mr. Speaker, I once again commend my colleague for his interest and concern. It is no new thing and I have little doubt that a half century from now, his successor from Texas and mine from Kansas, will be investigating boxcar shortages and making speeches about it to this House.

Mr. Speaker, I ask unanimous consent to place at this point a chart which shows the freight car ownership from 1960 to date along with the daily freight car shortages. The chart follows:

Daily freight car storage	Plain boxcars	Covered hoppers
Jan. 1, 1960	655, 418	61, 407
Jan. 1, 1961	639, 200	63, 910
Jan. 1, 1962	609, 487	65, 688
Jan. 1, 1963	578, 834	69, 016
Jan. 1, 1964	543, 898	73, 823
Jan. 1, 1965	508, 713	87, 889
Jan. 1, 1966	473, 798	92, 080
Jan. 1, 1967	454, 761	105, 027
Jan. 1, 1968	472, 206	118, 960
Jan. 1, 1969	404, 592	122, 566
Jan. 1, 1970	386, 499	125, 867
Jan. 1, 1971	367, 833	130, 954
Jan. 1, 1972	350, 493	138, 099
Feb. 1, 1972	349, 521	138, 202
Mar. 1, 1972	361, 699	139, 385
Apr. 1, 1972	360, 345	139, 839
May 1, 1972	357, 326	138, 848
June 1, 1972	355, 354	139, 138
July 1, 1972	352, 121	139, 757
Aug. 1, 1972	350, 541	140, 993
Sept. 1, 1972	348, 023	141, 167
Oct. 1, 1972	347, 444	141, 075
Nov. 1, 1972	343, 059	141, 023
Dec. 1, 1972	341, 817	140, 979
Jan. 1, 1973	339, 613	142, 309
Jan. 2, 1960	193	0
Jan. 7, 1961	120	0
Jan. 6, 1962	470	0
Jan. 5, 1963	220	0
Jan. 4, 1964	1, 298	54
Jan. 2, 1965	336	19
Jan. 1, 1966	3, 758	208
Jan. 7, 1967	1, 077	146
Jan. 6, 1968	679	339
Jan. 4, 1969	1, 900	596
Jan. 3, 1970	2, 959	3, 206
Jan. 2, 1971	205	1, 499
Jan. 1, 1972	217	48
Feb. 5, 1972	1, 144	322
Mar. 4, 1972	1, 352	392

Freight car ownership	Plain boxcars	Covered hoppers
Apr. 1, 1972	1, 192	311
May 6, 1972	958	247
June 3, 1972	688	21
July 8, 1972	574	168
Aug. 5, 1972	910	767
Sept. 2, 1972	2, 672	1, 765
Oct. 7, 1972	3, 109	2, 142
Nov. 4, 1972	5, 237	3, 791
Dec. 2, 1972	5, 378	4, 281
Jan. 6, 1973	8, 543	10, 122

With car supplies declining, shipments increasing, poor roadbeds, and slipshod unloading at ports, and demurrage charges so low that it pays to pay them rather than unload and pay or build storage facilities. Any wonder we are in trouble?

Mr. CAMP. Mr. Speaker, as this year's record wheat crop clearly illustrates, farmers in my congressional district and throughout the country are meeting the challenge of growing more food for America. But as one of my constituents, a farmer-rancher in the Oklahoma panhandle, reports:

> The crop was the best I ever raised, and the price is the highest I have ever received, and I am 65 years of age. Because of this large crop, our elevators and farm storage bins are all full, and we are not getting railroad cars to ship the wheat out to make room for a good crop of milo that we are beginning to harvest now.

I am sure that plaintive cry is familiar to many of us here in the Chamber today. There are not enough railroad cars to move the wheat and other crops to markets and ports. From my experience, everyone involved in this situation is cooperating as well as possible—and I have been in contact with farmers, elevatormen, presidents of the railroads, and the Interstate Commerce Commission.

The basic problem—that this country is experiencing the worst car shortage in its history—denies easy solution. The best we can do in many cases is to assure that the ICC will carry out its responsibility of seeing that each shipper gets his fair share of boxcars. A fair share of too little, however, has proved totally inadequate to meet the Nation's needs.

What can we as Members of Congress do about this situation which is becoming increasingly serious every year? In the simplest terms, we have got to find a way to effectively encourage the building of more boxcars. We must recognize that the shortage will not resolve itself and accept the fact that we cannot continue to delay some positive action. Legislation has been introduced for this basic purpose—we have a number of bills with possible answers. I urge the House to take early action on this worsening issue.

Mr. VANDER JAGT. Mr. Speaker, perhaps never in recent history have the consequences of America's failure to formulate and implement a national transportation policy been as apparent as they are today. The railroads, which were so instrumental in the development of our transportation network and which have enormous potential for meeting the demand for transportation services, are in disarray. As we become increasingly conscious of the patterns of energy consumption, we recognize that the movement of goods by rail is essential to our economy. But when we examine the status of our rail system, we find that six of the railroads north and east of the Mississippi River are in bankruptcy. We find that trackage and roadbeds are in poor condition. We find that service to outlying rural areas and even to some of our smaller cities is dwindling. Instead of encouraging a broader distribution in U.S. econome growth, the railroads now seem to be caught up in the continuing geographic imbalance which our economy experiences. Progress in researching and implementing major improvements in rail technology is unimpressive. Despite a Federal commitment to Amtrak, which I have shared as a result of my appreciation for the importance of rail passenger service, improvement in passenger operations has been hampered by Amtrak's entanglement with the railroads, whose legacy is one of disinterest in passenger business.

My interest in the plight of rail transportation has led me to engage in a diversity of activities. I have offered testimony in the Interstate Commerce Commission's consideration of an application by one railroad to abandon its operation of railroad carferries across Lake Michigan between Frankfort, Mich., and two Wisconsin communities. I have encouraged the U.S. Department of Transportation, the U.S. Department of Commerce and the Interstate Commerce Commission to direct attention to the deterioration of railroad ferry service, and to initiate comprehensive studies of its economic problems and prospects to assure the private and public decisions affecting the service will be appropriate and effective. I believe that the rehabilitation or replacement of the vessels currently in use, together with a reorganization of the service, is vital to the economic future of the north central States, and is directly related to the preservation of railroad service in northwestern Michigan. Preliminary steps which hopefully will lead to such investigations are in progress, and I again urge all relevant Federal agencies to cooperate in this endeavor. The Michigan Department of Highways and Transportation also is initiating a thorough study of rail service within the State, having recognized that the survival of the rail network is essential not only to Michigan producers, but to consumers throughout the Nation.

Recently I have taken an additional step to meet our transportation problems. I have submitted a brief amicus curiae in a civil action against the Interstate Commerce Commission that is now before the U.S. District Court for the District of Columbia. My brief supports the plaintiff's and plaintiff-intervenors' contention that the ICC has failed to adapt its rate procedures to the requirements of the National Environmental Policy Act of 1970. Failure to thoroughly consider the environmental impact of railroad rates for recyclables and to bring such an assessment to bear upon proposed rate increases is a major impediment to the reuse of scarce resources. It is my belief that such a reorientation would enhance our rail system in the long run and extend its contribution to the national economy.

The shortage of freight cars is an integral part of this picture of rail deterioration. On September 26 I brought to the House's attention the critical shortage of gondola cars and the restriction that this scarcity is imposing upon the metallic scrap processing industry and in turn upon the conservation of precious resources. Between 1955 and 1973, the number of gondola cars declined by 38 percent, and the carrying capacity of gondolas was reduced by 4 million tons, or 23.4 percent. The remaining gondolas typically are in poor condition. I noted:

> In some instances it is questionable whether the cars should be loaded with scrap or scrapped themselves.

The severity of the shortage of boxcars and covered hoppers which are required for the shipment of agricultural commodities was highlighted by a recent survey of grain elevators conducted by the Michigan Department of Agriculture. Operators of 214 grain elevators throughout Michigan responded to this July, 1973 survey. They indicated that of the freight cars that they had ordered since December 1, 1972, only 62 percent of the covered hoppers and 53.9 percent of the boxcars had been received.

Not counting Commodity Credit Corporation stocks, the July survey found 1,935,000 bushels of corn awaiting shipment from the 214 elevators, as well as 80,000 bushels of wheat, 5,000 bushels of soybeans and 300,300 hundredweight of dry edible beans. Sixty thousand bushels of commodity credit grain also awaited shipment. Mr. Porter Barnett, transportation specialist for the Michigan Agriculture Department, has indicated that the freight car shortage already has cost Michigan farmers and elevator operators at least $10.5 million this summer. A year ago, because of shipping problems, grain elevators were jammed to capacity and many farmers in Michigan were unable to move their crops into elevators. As a result, the quality of their production deteriorated and they suffered serious losses.

Because of the freight car shortage, more grain and beans are being shipped by truck. The result is a higher shipping cost, which ultimately means higher costs of food to consumers. In some instances the increased use of trucks has resulted in a shortage of vehicles.

Comments by the respondents to the survey suggested a myriad of problems associated with current rail operations. The criticisms included lengthy delays in receiving cars, high demurrage costs because of railroad failures to deliver cars to desired destinations, receipt of cars in unusable condition, loss of customers because of railroad restrictions on cars routings, and inability to obtain rail shipments of fertilizers.

Arbitrary application of the "34 carloads of freight per mile per year" formula as the criterion for abandonment has been harmful to agriculture in remote areas throughout the country. Railroad abandonment decisions should take into account not only the immediate economic characteristics of the line in question, but also the implications of abandonment upon the region's economy, its environment and social structure. Abandonment rarely solves much, but instead gives rise to other serious problems.

We have witnessed throughout the past six years a series of railroad freight rate increases. Unfortunately, we have seen little evidence of service improvements during this period. We can only conclude that efforts to better accommodate customers, including not merely the shippers but also the consuming public, have been inadequate.

But this is not the time for laying blame. The causes of rail service decay are multiple, and many interests have contributed to it. Among them has been the Federal Government, which had failed to exercise its capacity for leadership by defining a comprehensive, integrated national transportation policy.

I am pleased to join in this discussion of railroad service in the hope that it will contribute to greater awareness of the problems confronting the public. For a more detailed description of the rail car shortage that is affecting Michigan agriculture, I refer Members of the House to the following article from the Muskegon Chronicle of September 5, 1973:

[From the Muskegon Chronicle, Sept. 5, 1973]

CROPS PILING UP DUE TO STATE FREIGHT CAR SHORTAGE

LANSING, MICH.—A shortage of freight cars has millions of bushels of farm crops piling up at railroad sidings and has cost farmers and grain elevator operators in Michigan at least $10.5 million so far this summer.

Officials in the state Department of Agriculture said Monday the elevator owners more than 500 of them, are stuck with tons of corn, dry beans and grain which they can't get to the marketplace. "Not being able to move such items as corn, wheat, soybeans and beans out of storage is expensive to everyone," said B. Dale Ball, agriculture department director. "Someone has to pay this additional charge and, ultimately, it is passed on to consumers in the form of higher prices for meat, bread and other staples."

Porter Barnett, a transportation specialist for the agriculture department, estimated the $10.5 million cost, which he termed a conservative figure based on interest storage and late shipping penalties which total 14.11 cents per bushel.

Barnett said elevators will pass part of the cost on to farmers by discounting.

Last year, elevator owners experienced railroad car shortages because of the wheat deal with the Soviet Union which disrupted normal rail freight traffic for months.

This year, said Barnett, "there is just poor utilization of equipment by the railroads . . . they need a more efficient operation."

There also is a large demand for wheat overseas, Barnett said, which has changed overall marketing patterns.

A survey by the agriculture department in July found two million bushels of corn and 30 million pounds of dry beans in Michigan elevators, "unable to be sent to processors because of rail car shortages," said Ball.

The situation has improved somewhat since July said Barnett, "but we see a problem this month and next."

Last year in October, many Michigan farmers were unable to move their crops into grain elevators, which already were jammed.

The quality of the corn deteriorated while the farmers waited for space in the elevators, Barnett said.

The agriculture department, after surveying 213 elevator owners in July, found that of the covered hopper cars ordered by the operators, only 62 per cent had been delivered.

Of the box cars ordered, only 53.9 per cent were delivered.

Michigan needs about 28,000 hopper cars to haul its grain each fall and 5,000 box cars to haul beans, agriculture department officials said.

Nearly 70 per cent of the elevator operators questioned in July said they ordinarily ship by rail to the New England and northeast feed grain centers. Several shippers said they use only trucks to haul grain because rail cars are too unpredictable.

Hauling by truck is more expensive than by rail, according to agriculture department officials.

Among the costs elevator owners have to pay when there is a shortage of rail cars are late shipping fees.

These are paid to the manufacturer who is buying the farm crop for delivery at a specified date. If there is a late delivery, the elevators owner pays extra.

Mr. QUIE. Mr. Speaker, I am happy to join with my colleagues to discuss the critical freight car shortage and its effect on shipment of grain and fertilizers.

Ever since I have been in Congress, the freight car shortage has been a perennial problem in greater or lesser degree. I understand that this problem goes back as far as 82 years when the ICC was established. The first petition brought to the Commission was from some North Dakota farmers protesting the lack of freight cars to ship grain.

In recent years, exports of American agricultural commodities have been increasing significantly. These increased shipments may have caused some problems, but they have been compounded by the huge sales to the Soviet Union. A number of factors culminated in the unprecedented volume of grains which have to be moved.

It is unfortunate that the Federal Government did not take action a number of years ago to alleviate the car shortage so that the current problems might be of smaller dimensions.

It is certainly not my purpose to make any agency, public or private, a scapegoat at this time. It is more important to solve the current crisis and develop a long-range solution. Numerous proposals have been considered by committees in both the House and the Senate, but legislation has not been enacted into law. As a result, farmers are unable to sell their grain to country elevators because the elevators cannot move the grain to ports for export. Many elevators are facing bankruptcy because of their inability to move the grain.

A further complication is that the shipment of grain has made cars unavailable for transporting fertilizer, primarily from Florida to the Midwest. With a critical food shortage, it is essential that fertilizer supplies be made available to farmers for fall application in order to achieve maximum production next year.

Efforts made by the railroads, the ICC, and the Department of Agriculture to solve the problem are to be commended, but more needs to be done. Merely increasing the supply of cars is not the only answer. As many have suggested, more efficient use could be made of existing freight cars. Just last week, we have seen American technology achieve a new "first" in space. It would seem that if our technicians can plot a 59-day Earth-orbiting space record and predict reentry of the space vehicle within a second, the same technology could be used to solve such pressing problems as the freight car shortage.

I submit for the RECORD two articles reviewing the problem. One is from the August 9 issue of the Journal of Commerce and the second is from the September 2 issue of the Washington Star-News.

My hope is that our remarks today will spur the House into action on this pressing problem.

The articles follow:

[From the Journal of Commerce, Aug. 9, 1973]

THE GREAT CAR SHORTAGE

The extent to which rail car shortages have dammed up the grains that have been awaiting movement this year is a debatable point. Grain interests report the shortages averaged 30,000 to 40,000 cars daily in some of the first six months of this year, although carrier sources assert the unprecedented 1972–73 movements for export and to home markets have on the whole been handled pretty efficiently.

But no one doubts that there have been shortages and that they have probably been more severe than any others on record. A trustee of the bankrupt Penn Central was recently quoted as saying that between Jan. 1 and April 27 the PC could have earned $6,480,000 more than it did if it had enough hopper cars on hand to meet the demand.

Congress has obviously been impressed. By an overwhelming vote of 80–6 the Senate passed a bill to increase the supply of railroad locomotives and rolling stock by creating a $2-billion loan guarantee fund to finance freight car purchases, $10 million for a central freight car information system and forming a railroad equipment corporation which would begin assembling a car pool of its own in a few years if the rails failed to solve the problem by then.

Like another measure the Senate passed last year, S. 1149 is the product of intense political pressures mounted by agricultural interests. But it is not quite the same bill. Last year the move was made to set up a government-run quasi-public corporation that would not only acquire but manage a federal car pool.

Rail carriers as a whole did not welcome the prospect of the government as a new and dominant factor in the car supply picture. And they had little doubt that this is what it would become if it put $1 billion into rolling stock, as the 1972 bill would have allowed it to do. Now the Senate has backed off from this a bit. A provision for the quasi-public corporation is still in the bill, but to implement it would require an additional affirmative resolution by Congress.

So there is little question now that the nation's total supply of railroad rolling stock is going to be measurably increased by one means or another. If the rails don't do it the government will, whether through guaranteed loans or direct management. Whether the rails will get the help they are seeking through other means is another question.

And it does seem to us that before it embarks on an undertaking as unusual as a federal car pool, Congress ought to consider steps it could take short of that. Specifically it should remove the tangle of laws and procedures that now make it so difficult for an individual railroad to scrap deficit trackage. It may seem odd that so many railroads want to abandon excess trackage at a time when they're striving to build up their car fleets, but it is not. The cars earn money; the excess trackage drains it away. The PC, for example, couldn't earn that $6 million because it didn't have enough hopper cars. But it didn't have the hopper cars because it couldn't finance them. And one of the reasons it couldn't finance them was its inability to get government clearance for plans to abandon up to a third of its trackage.

The Interstate Commerce Commission used to get the blame for this, although ICC blamed shippers and local communities that objected almost automatically. Now the big obstacle is less ICC than the "impact" proviso in the Environmental Protection Act. This has brought the courts into the picture and brought abandonments to a standstill.

The new log jam could be broken rather simply. All Congress need do is say it never intended ICC should be required to make in-depth sociological, sanitation and environmental studies of every community involved in the abandonment of five miles of rail trackage, or that no abandonment be approved if it means another half dozen diesel trucks on the local highways. It could do this by amending the EP Act.

We grant, however, that some areas have reason for concern that a sudden relaxation of the curbs on abandonments could prove upsetting. Phillip Baumel, an agricultural economist for Iowa State University was recently quoted in this newspaper as saying, for example, that ICC's present guidelines for rail abandonments could conceivably lead to abandonment of 1,635 miles of track in Iowa. This would amount to 20 percent of a rail system of one of the very states most frustrated by persistent car shortages.

And, of course, there are grain elevators along these tracks that would be left high and dry when rail service was halted. They would be forced to resort to trucks, which would mean higher shipping costs.

It has been suggested in several quarters, however, that ways might be found to save excess trackage for shippers and communities depending on it without forcing the carriers to absorb its losses forever. The western grain coopertaives, big enough to operate their own truck fleets and exert considerable leverage on the markets, are likely possibilities. Independent elevator operators and other shippers might join with them.

This is certainly no more fantastic an idea than the oft-heard proposal that the government buy up the entire PC Boston-Washington corridor and let the railroad run it. To us, in fact, it makes more sense.

Then no trackage absolutely essential to a community and its shippers would be abandoned. Then the railroads would be freed of the need to subsidize deficit services. And once free of that need, they would have more cash for the new cars everyone wants them to acquire.

ICC TACKLES RAILCAR CRISIS

(By Stephen H. Aug)

The shortage of railroad freight cars has become so severe since the Russian wheat deal, that the Interstate Commerce Commission—anxious to avoid more criticism from Congress—has begun to take unusual methods to solve the problem.

ICC chairman George M. Stafford disclosed in a recent interview that one method has been a form of pressure to force railroads to place freight cars where they're needed most.

On two occasions this year—once in April, and again last week—Stafford invited officials of several railroads and representatives of shippers (grain and fertilizer dealers primarily) to meetings in his office to solve a couple of acute freight car crises.

In one instance it resulted in eight railroads supplying about 1,200 additional freight cars to move fertilizer to the Midwest. In the second Stafford was able to persuade—with somewhat less success so far—some Eastern railroads to improve the efficiency of their terminal operations to provide a faster turnaround of freight cars.

The two cases, Stafford said, illustrate a new mood at the ICC. "We are doing an awful lot of things that are different than we've done before. We're not here just regulating. We're looking into all kinds of policy matters. We've broadened our horizons here into all things we think are entailed with our responsibilities.

Although officials of several railroads and their trade association—the Association of American Railroads—indicated they were more than willing to cooperate with Stafford, there was the inevitable grumbling. After all, it's difficult for a railroad official who has been "invited" to a meeting with the chairman of the ICC to be uncooperative.

"Aw, there was a little grumbling, but it wasn't all that serious," said William H. Van Slyke, executive director of the AAR's car service division—the section of the organization that tries to provide freight cars where they're required.

Van Slyke was among the railroad executives who attended the most recent meeting in Stafford's office on Aug. 22. Still, he said the meeting was basically "a good idea. Certainly something that has to be done." He said of Stafford: "When the chairman gets behind it, it generates a lot of enthusiasm.

The meeting last week was attended by operating officials of the Penn Central, Grand Trunk Western, Chessie System (former Baltimore & Ohio-Chesapeake & Ohio), Erie-Lackawanna, Delaware & Hudson, Boston & Maine, Maine Central and Canadian Pacific. It resulted from complaints by grain dealers in Michigan who said they were unable to get covered hopper cars from the Chessie System to deliver their grains to poultry feed dealers in New England.

Part of the problem, Stafford said, was that the Chessie felt the arrangement wasn't "greatly remunerative" since the freight cars were off the railroad for 27 to 30 days in some cases. This apparently resulted from poor terminal facilities on the largely bankrupt or financially marginal New England lines.

Stafford said the Michigan group "wanted to see if I couldn't get some of the other railroads to offer that service cars and better cooperation on turn-around time."

Ron Stebbins, president of the Michigan Grain & Feed Association of Breckenridge, Mich., said it took about two months to set up the meeting with Stafford. He added that there are plenty of cars available now—but he indicated this was largely due to the fact that there's relatively little feed grain to be moved anyway. He expects the shortage "to start up again the first of October" when harvest time gets under way again.

Van Slyke, however, says the AAR is studying the situation to determine where the bottlenecks are in order to eliminate them before the oncoming harvest season.

Fred Yocum, assistant director of car utilization for Chessie in Baltimore, said that of the railroads represented at last week's meeting; only one—Delaware & Hudson—"told Stafford they could do something for this business." It was the only railroad that would supply additional covered hopper cars, although the bankrupt Erie-Lackawanna indicated it might supply some boxcars, which are more difficult to unload.

Stafford's new policy appears to have had considerably more success earlier this year when, on April 26, he met with representatives of eight major railroads plus the AAR and the Department of Agriculture in an attempt to solve a possible fertilizer crisis.

Seaboard Coast Line apparently found itself without sufficient freight cars to move phosphate fertilizer out of Florida, "and this had to be done within the next two weeks," Stafford said.

As a result, representatives of Seaboard, Rock Island, Louisville & Nashville, Burlington Northern, Milwaukee, Chessie, Penn Central and the Illinois Central Gulf, met with Stafford, an ICC staff member and Clayton T. Yeutter, an assistant secretary of Agriculture.

Stafford was impressed with the cooperation he received: "Each railroad gave enough cars to handle the one-shot deal." As a result between 1,200 and 1,300 additional freight cars were made available to haul the fertilizer to Midwestern farmers.

The ICC was bombarded with requests by angry Midwestern farmers and grain dealers this year as a shortage of grain cars hit its peak in March and April—possibly contributing to the lack of cars available to haul the fertilizer. The shortage was due largely to the Russian wheat deal and the federal government's move to dump stocks of old grains.

Stafford may get a chance to test his new policy of direct pressure in October when a bumper crop of corn—the largest U.S. grain crop—and soybeans will be harvested.

Stafford is fully aware of what the ICC faces—more wrath from the farmers and grain dealers, but he offers little immediate help from the agency, beyond short-range measures to alleviate particularly crucial problems.

Although Stafford points out that the railroads are ordering freight cars on a large scale—7,000 new covered hoppers valued at more than $125 million were added in the 12 months ended Feb. 28, and another 5,200 larger ones were on order—he said: "I don't think the managements (of the railroads) have been too resourceful sometimes."

Stafford, a Kansan told a Nebraska farm group recently that the "annual freight car shortage struck America in 1973 with a vengeance never before experienced, aggravated by the cumulative pressures of huge grain deals for which there was no adequate prior planning, the ravages of unseasonal weather and record flooding, bankrupt railroads in the Northeastern quadrant and a booming national economy."

He noted that while the shortage, which peaked in April, has eased somewhat with the opening of Great Lakes shipping, "it may be several years before the transportation system recovers from what began in euphoria last August when the United States announced it would sell 422 million bushels of grain to the Soviet Union."

He said that while it is almost impossible to forecast the future of the freight car situations, one of chief consideration will be the amount of grain to be sold to the Russians this year.

On other matters involving the ICC, Stafford pointed out during the interview that the agency recently has begun moving in areas in which it would not have moved a couple of years ago.

"I don't think too many years ago we would have come up with a plan for reorganizing the Northeastern railroads, and we have come up with a comprehensive plan in a relatively short time," Stafford said of the plan the ICC issued earlier this year. The plan envisions a special office within the agency to remap Northeastern railroads and a special freight tax to finance their upgrading.

Stafford, a Republican whose term expires Dec. 31, said it's no secret that he would like to be reappointed. He has been at the ICC since 1967, and in 1970 was appointed by President Nixon to be its first permanent chairman. Until then the chairmanship was rotated annually among the 11 commissioners.

Mr. DENHOLM. Mr. Speaker, I commend the distinguished gentleman and my friend (Mr. PICKLE) for emphasizing again the essential need for a national transportation system.

The problem of shortages of railway transportation facilities and services is almost as old as the industry itself. The first case that the members of the Interstate Commerce Commission every heard was on a petition of farmers from the Dakota Territory. The case was heard in 1878, and involved the complaints of the farmers of the Dakota Territory concerning a shortage of boxcars—I.C.C. Docket No. 1–1887.

The facts are that these Dakota Territory farmers did not have adequate railway facilities in the year 1887. I contend that at no time since the first case was docketed before the Commissioners of the ICC has the availability of railway service been commensurate with the propensity of cosignors to transport products. Furthermore, the availability of essential railway transportation facilities in the fall of 1973 is not adequate to meet existing needs thereof.

The purpose of the special order of today is to recognize the consequences of the current shortage of railway transportation facilities in relation to the demand for transportation of services. I am also hopeful that we may suggest short-term solutions which will preclude a boxcar shortage crisis within the next 30 to 60 days.

Grain is the chief commodity consigned for shipment from my congressional district. The U.S. Department of Agriculture through the agency of the South Dakota Crop and Livestock Reporting Service reports that the propensity for the production of all types of grains has increased dramatically in the last 8 years. The Crop and Livestock Reporting Service has reported that 282.3 million of bushels of all types of grain were produced in 1965. The latest statistics show a steady increase in the production of grain by almost 80 million bushels. In the year 1972, approximately 360.9 million bushels of grain were produced and harvested. These totals include the following grains: corn for grain, wheat, oats, barley, rye, flaxseed, sorghum for grain and soybeans. Various sources have estimated that for the current 1973 crop year, farmers in South Dakota will experience an increase in grain production of 11 to 19 percent. More than 400 million bushels of grain will be harvested in the State of South Dakota this year.

Early this year, the U.S. Department of Agriculture announced that farm-stored grains under the Commodity Credit Corporation loan agreements for the past 5 years would not be extended or renewed. Millions of bushels of outstanding commodities are presently being delivered to country elevators and must be marketed as transportation facilities become available. The grain under the the CCC loan agreements is therefore in addition to current and future projections.

Statistics available on production clearly show the propensity to produce grain has increased. Simultaneously, the propensity of demand consumption has increased with rapidity. However, and this is the main point of our discussion today, the propensity of the transportation systems to provide adequate facilities and services to move the commodity of grains has not increased proportionately.

Nationally, the quantity of general service boxcars and covered hopper cars available to transport grain has decreased from 702,084 in 1960 to 502,560 for the year 1970. While the actual production of all types of grains in the north central states has increased, the availability of railway transportation facilities to ship this commoditly has decreased.

It should also be noted that during the period of 1960-1970, the number of South Dakota county grain elevators decreased from 533 to 401. This trend indicates that the grain elevators must increase their storage capacity and that farmers will pay increased shipping charges to transport grain from on-the-farm storage bins to county elevators and ultimately to a major grain terminal. More importantly, the elimination of some uneconomical and scattered county elevators has decreased the need of railway companies to maintain and operate certain uneconomical spur lines. This is indicated by the fact that between 1960–70, railway companies serving consignors in South Dakota abandoned 362 miles of track. Therefore the service to the remaining consignors should have improved. This has not been done.

On the 24th day of May 1973, I appeared before a hearing of the Interstate Commerce Commission to state my opposition to the Application of the Chicago and North Western Transportation Co. for a certificate of public convenience and necessity authorizing the abandonment of existing facilities and scheduled services in seven southeastern counties in South Dakota serviced by the petitioner therein.

Now, the transportation of all grain by motor carrier is impossible and economically disadvantageous to the consignors. There is a difference in the prices received by consignors for rail-delivered and truck-delivered grain to market terminals. I have evaluated the economic loss to consignors on four major grains of corn, oats, milo and soybeans produced in seven counties and delivered by truck to selected Midwest terminals. The actual amount of grain produced was in excess of 80 million bushels.

The grain prices on the four grains most often shipped had been compared and the dates of September 27, 1972, and December 27, 1972, were selected as representative of the variation in grain bids paid by the Terminal Grain Association and Cargill, Inc., for grain delivered to Sioux City, Iowa.

A computation of the rail-truck price differential paid on September 27, 1972, by the terminal markets would result in an annual loss to farmers of over $3 million if no rail service existed in the seven counties and all grain had to be delivered by motor carrier to Sioux City. The same projected computation on market deliveries on the 27th day of December, 1972, would result in a total reduction in excess of $14 million if rail services were totally discontinued to all the shippers of the areas evaluated.

Mr. Speaker, railway cars are used to transport commodities on the average of less than 3 hours per day. I suggest that if all railway companies increase the use of all boxcars and hopper cars by 1 hour per day, the added 33 percent usage would virtually eliminate the shortage as it exists today.

The personnel of the Chicago and North Western Transportation Co. have established a task force to handle the shipment of the 1973 South Dakota grain harvest. This special office was established in Huron, S. Dak., in an effort to expedite the movement of grain and to assure the fair distribution of all available railway transportation facilities during the period of critical need. I commend the personnel of the Chicago and North Western Transportation Co. for this effort and I urge all other railway transportation companies serving consignors in the North Central Plains States to establish effective use programs accordingly.

The Members of the Congress and the personnel of the railway transportation companies of America must act now in the public interest. The farm operators in the North Central States are currently at the peak period in the harvesting of their crops. The need for an adequate number of boxcars becomes more critical with each passing day. Eleven of the States in mid-America have 55 percent of the total productive land in the Nation. The national and international demand for food, for production and distribution include the need for an increase of facilities and service for the delivery thereof. The administration has committed the farmers and producers of food in the United States to feeding two-fifths of the population of the world and to the delivery of grain to every major nation in the world. It is imperative that an adequate and viable transportation system exist—if a full competitive marketing structure is to prevail.

Mr. YATRON. Mr. Speaker, when Gordius, King of Phrygia, tied a knot which was incapable of being untied except by the future ruler of Asia, the knot stayed that way until cut by Alexander the Great.

Similarly, the Nation's rail transportation network today has been tied into a very tight Gordian knot—and there is no expectation that it can be cut anytime soon—because of a serious shortage in freight cars.

Consequently, the Nation's boxcar shortage has now reached crisis proportions, not only for our farmers, grain handlers, coal companies, and lumber industries, but also for American consumers. Foremost among the reasons for this shortage is the wheat agreement with the Soviet Union. Since the Russian wheat had to be moved to port, small grain elevator operators and our farmers were left with no available method for transporting the grain or with adequate facilities to store it until such time as rolling stock was available.

However, farmers are not the only people who are suffering. The freight car shortage has tightened our own supply of grain; pushed up the price of food; hurt the lumber industry; squeezed the coal mining industry in my State of Pennsylvania; and contributed to the skyrocketing prices of beef, pork, and poultry.

The Nation is suffering, therefore, one of its most serious freight car shortages at a time when there are more things than ever before to be carried by rail. Obviously, aside from inconveniencing thousands of shippers of numerous products, the box car shortage is adding serious inflationary pressures to our already overloaded economy and putting new force behind proposals for Government intervention.

Oddly enough, however, the current freight car shortage is no new phenomenon. The first case considered by the newly created Interstate Commerce Commission in 1887 was a petition from a group of North Dakota farmers who could not get boxcars to move their grain to market.

Although the ICC has, over the past several years, improved upon the overall usage of the existing freight car fleet, the extraordinary demand caused by the Russian wheat deal assured boxcar shortages which have been far and above the worst we have ever had to face.

While U.S. railroads were struggling to get huge amounts of wheat to eastern and gulf coast ports as a result of the massive export agreement with the Soviet Union, large quantities of general commodities such as lumber, fertilizer and coal had to sit idly on shipping docks due to the boxcar shortage. Compounding this already serious problem, record flood and unusually severe spring snows crippled much of the Nation's transportation capability in the early part of 1973.

Nevertheless, our railroads have had a busy year and, in the first quarter of 1973 alone, they carried 204 billion ton miles of freight. This represents a 9-percent increase over last year's rate and includes a 40-percent rise in grain haulage.

It may come as a shock to many persons, though, to find that the average railroad car moves a load only 7 percent of the time and for only 32 miles a day. The rest of the time, the average car is moving empty, standing in a railroad yard, idle on a spur to be loaded or unloaded, or out of service for repairs. The utilization figures for American railroads are, obviously, woefully inadequate.

The Department of Transportation, however, has estimated that we need an additional 130,000 cars now; costing $2.3 billion to meet current demand.

Most significant, however, is the fact that a mere 9-percent increase in car utilization—raising load movement to 7.36 percent of the time—would eliminate the current shortage and give needed breathing space while funds are found to buy additional cars. The need, then, for increased utilization is obvious.

The Congress and the Nation have waited long enough for the regulatory agencies and the railroads to implement additional efficiencies. At least this discussion today could well provide the needed strong incentive to increase freight car utilization and at most a congressional commitment to increase freight car numbers.

For example, during the first 6 months, of 1973, the Nation experienced its greatest car shortage in history—an average daily shortage of between 30,000 and 40,000 freight cars in some months. Currently, the best estimate indicates that rail traffic volume will increase throughout this decade and, consequently, we will need 617,000 new cars costing approximately $8.8 billion to meet this demand.

Mr. Speaker, this Nation's rural transportation system is currently dangerously inadequate and, as it has been since 1887, it may continue to be until concrete steps are taken.

Farmers, grain handlers, coal companies, the forest industry, and all of the Nation's consumers continue to be hurt seriously by our inefficient system of moving goods to market. While rural citizens bear the immediate costs of rail abandonments, boxcar shortages, and poor farm-to-market roads, the urban consumer suffers the consequences of these deficiencies in higher prices for food, fiber, and forest products.

A solution to this problem is needed now because of our expanding economy; because of the burden which increased use of railroads could lift from our energy reserves; because of environmental concerns; and, most importantly, because of the importance of strengthening and revitalizing the important role which the Nation's railroads play in meeting our overall transportation and security needs. Unless something is done soon, rural rail transportation can be expected to get even worse as urban demand for the products of our farmers and forests expands.

Mr. CULVER. Mr. Speaker, last year's unprecedented problems with the shipment of grain throughout the Midwest was an obvious example of the chronic problems facing the Nation's outmoded transportation system. It also was another painful illustration of the need to anticipate and deal with complex crises before becoming overwhelmed by them. Unfortunately, not much seems to have been learned from last year's lesson, as we are heading into this fall's harvest with the prospects of another major grain transportation crisis.

The transportation needs of our fast-moving society have changed enormously in the last 50 years. While we have an increasing demand for the movement of more grain from the farm to the market, the system designed to perform this function is becoming less capable of meeting the challenge. From bankrupt railroads in the Northeast to fuel starved locomotives in the Midwest, the rail transportation situation continues to deteriorate in many areas in our country. If we do not begin to reverse this trend soon, it is the entire Nation, and not just the farmers, who will suffer.

The rail transportation picture last year was distressing. In the Northeast, 6 of the 11 major railroads were bankrupt. Bad management, labor difficulties, competition, and over-regulation are some of the suggested factors contributing to the decline of these railroads. In the midwest, meanwhile, unprecedented demand for rail transportation of grain, compounded by the sale of wheat to Russia and the Government movement of CCC grain shipments. Shortages of storage space and boxcars left many agricultural producers unable to get their crops to market.

Every reasonable effort must be made to prevent a repetition of that situation this year.

The aspect of the rail crisis which most concerns me is the chronic shortage of box cars, and other railroad equipment such as hoppers, flatcars, and gondolas. At one point, 18,000 more freight cars were needed for grain shipment in Iowa last year then were available. The shortage of cars is complicated by a disorganized distribution system that hampers effective utilization of the cars that do exist. It is estimated that rural elevators in Iowa alone lost $5.2 million in 1969 due to rail equipment shortages and substandard services.

Many proposals have been made to cope with this serious shortage of freight cars. These include: incentives for construction of new or rebuilt freight cars with a larger load capacity; more rigid enforcement of ICC regulations on movement of cars, including use of "exclusion orders" and stiffer penalties for holding on to the cars; new rate structures for shipment of grains; greater use of special grain trains such as unit trains or so-called rent-a-trains; and more federal assistance to declining railroad companies. These and other proposals which have been advanced deserve to be given much more intensive study, and I commend the House Interstate and Foreign Commerce Subcommittee for the attention it has already given to the freight car shortage situation.

There are also other problems related to the rail situation that ought to receive greater attention. The large-scale abandonment of freight lines and the economic impact upon rural towns being served by these lines present serious obstacles to badly needed measures of rural development. The boxcar shortage last year resulted in charges of favoritism and price manipulation in the allotment of grain cars which should be investigated. The continued deterioration of the quality of service offered by the railroads is a matter of concern. We also need to know more about the impact foreign grain sales can be expected to have upon the domestic transportation system.

The most recent, and perhaps most serious, of the rail transportation problems is the inability of some midwest railroad companies to negotiate long-term fuel contracts with suppliers during the continuing fuel shortage. The Rock Island Railroad, which has 1,960 miles of track in Iowa, may be forced to substantially curtail its Midwest operations if it cannot receive adequate diesel fuel. This could have consequences of disastrous proportions for transportation of this year's grain crop. I have recently written Governor Love, the director of the President's energy program, expressing my deep concern over this situation.

It is obvious that this is a complex matter. While there are no easy or quick solutions, immediate steps must be taken now to alleviate the impending crisis. The Senate has passed a subsidy bill which could provide at least one solution to the railcar shortage. I sincerely hope that the House Committee on Interstate and Foreign Commerce will give full and prompt consideration to the measure.

One of the most disturbing aspects of this rail crisis—and so many other crises we have in this country today—is that we need not have been so unprepared for it. It resulted largely from mismanagement and insufficient foresight—a failure to foresee and understand the effect of policies which encouraged large grain sales to the Soviet Union, release of CCC grain from storage, and increased crop production at a time when our transportation system was already in dire trouble. We need to do a better job of forecasting the results of such national policy decisions.

There are some encouraging signs, however, that we will be better able to meet the grain transportation crisis in the coming year. There are more new hopper cars, barge capacity has increased, more storage space is available, and the grain export situation should be better. Nevertheless, more grain will be harvested this year and, despite these hopeful signs, there can be no doubt that many farmers are going to encounter problems getting their products to market in the coming months.

Mr. Speaker, I hope these brief comments will help my urban colleagues to better understand the seriousness and urgency of the rail transportation crisis. The impact of this crisis falls not only upon farmers, elevator operators, and those in the transportation business, but upon consumers and all others who have an interest in the efficiency and productivity of American agriculture. I share with many others the conviction that a Nation which can transport men to the moon and back ought to be better able to provide a national transportation system which adequately serves its citizens.

Mr. MAYNE. Mr. Speaker, my district, the Sixth Congressional District in northwest Iowa, includes 22 counties of some of the richest farmland in the world. It would rank as one of the top producers both of corn and soybeans in the country. Producers and local grain elevators are extremely dependent on rail service to move their grain.

Following record crops last year, coupled with large movements of grain for export, many local elevators still have large quantities of 1972 corn remaining to be moved. The harvest is now beginning in many parts of my district and prospects are for record crops again this year. Iowa's corn crop is estimated at 1.227 billion bushels and 282.6 million bushels of soybeans are expected. If these record crops are to move through local elevators in an orderly fashion, then adequate rail service must be made available to remove 1972 grain stocks, and then continued good rail service must be kept available throughout the coming months to handle the 1973 grain.

Historically, in the State of Iowa, Farmers Grain Dealers, Des Moines, Iowa, handles about one-half of the State's corn crop. When I contacted them on September 21, 1973, they indicated they had 16,000,000 bushels of 1972 corn remaining to be moved from member elevators as compared to 5,000,000 bushels at the same time last year. If we use Farmers Grain Dealers historical share of one-half, this would then indicate that as of September 21, 1973, the State of Iowa still had approximately 32,000,000 bushels of 1972 corn tied up at local elevators. This tie-up occurs just prior to what will probably be the biggest soybean and corn harvest in Iowa's history.

Just today I was informed by Farmers Grain Dealers that the situation is improving. This is due primarily to heavy rains which have delayed the harvest in Iowa in recent days and allowed elevators extra time to move their 1972 grain. Improved rail service, especially to elevators or branch lines, is badly needed in the coming months.

More than 46,000 miles of railroad trackage have been abandoned in the past 40 years. In most cases these abandonments have hit hardest at sparsely populated rural areas where rail service is most essential for grain movement. It is my feeling that funds need to be made available for branch line improvement and equipment expansion for better rail service to rural America.

However, I do not feel such funds need to go exclusively to railroads for such purposes. I feel loan funds should also be made available to local grain elevators or any business which would be interested in purchasing and improving branch lines and for purchases of equipment.

I intend to introduce such legislation or amend legislation presently under consideration, if possible. I urge my fellow colleagues to join and support me in this legislative effort.

Mr. SHOUP. Mr. Speaker, our economy in Montana is tied not so much to neatly packaged, compact, manufactured goods but rather to bulky agricultural produce and the bulky products of forests and mines.

If we are to continue to supply manufacturers with raw materials and exporters and distributors with our products and produce we must have rapid, efficient, and consistent rail service. An adequate box car allocation is necessary if we are to get our goods to distant markets.

We must maintain an adequate car supply and an efficient and realistic system of distribution of these cars.

We must assure prompt placement of suitable cars for loading and their prompt placement into trains after loading.

Freight car shortages, their causes and effects, are complex problems. It is obvious that the railroads have serious problems in meeting their responsibilities as common carriers. There are not enough freight cars in satisfactory condition available to the shipper when and where he needs them.

A significant reason for car shortages is poor allocation. While it is difficult to pin a dollar figure on poor utilization and missed opportunities, calculations show that a 10-percent increase in freight car utilization could achieve the same result as adding 170,000 cars to the existing fleet.

Harvest time is a critical period for us in Montana. Elevators fill with grain then overflow. If needed freight cars are on an eastern siding, losses are incurred. Often the needed empties are just down the track. Based on past experience, shippers double order on cars to assure themselves enough cars thus depriving their fellow shippers of their fair number of cars.

In 1970, 93 million bushels of grain moved out of Montana by rail. The State of Montana Department of Agriculture has calculated losses for the year due to lack of freight cars at 1 cent per bushel. It could have been much worse, though at almost a million dollars the loss is great enough.

We must continue to attack this problem. It is not just the shippers who are hurt but those at the receiving end as well. There is no reason why we cannot have cars in adequate numbers and quality and a system that will assure us that needed cars are not laying idle on a siding when there are goods to be moved.

Mr. HAMMERSCHMIDT. Mr. Speaker, foremost among our Nation's problems today is the growing crisis in transportation by which our Nation's agricultural community lacks adequate means to get its bulk farm commodities to the marketplace. This is a most paradoxical problem which, in my judgment, warrants priority attention by the 93d Congress.

Housewives throughout the country are having to cope with rapidly increasing food prices. Everyone who manages a household budget has been impacted by rising costs of farm-produced commodities. At the same time, we have enacted a new farm bill which takes a step in the direction of full productivity on America's bountiful farmlands. If our agricultural production can play a key role in reducing our balance of payments deficit, threatened particularly by increased oil product imports, our ability to move millions of tons of commodities to seaports is a prerequisite factor.

During consideration of the 1973 Federal-Aid Highway Act by the House Transportation Subcommittee of the Public Works Committee, Ray Metzger Jr., of Arkansas, publisher of Construction News, and Arthur Graham of Indiana, editor of Construction Digest, testified that there is a direct link between skyrocketing food prices and transportation factors. These include abandonment of thousands of miles of rail trackage serving rural areas and hundreds of thousands of miles of deteriorating primary, secondary, and farm-to-market roads suffering from years of accumulated neglect.

More than 46,000 miles of railroad trackage have been abandoned in the past 40 years. Most of the abandoned trackage traversed sparsely populated rural regions where agriculture is the backbone of the economy. In addition to fewer tracks, our railroads today are functioning with 30,000 less locomotives and 840,000 fewer cars than they had during the 1930's. During this same time interval, agricultural production and yield-per-acre have soared. The picture becomes even more startling when we consider that, except for minimal maintenance, most of the 2 million miles of non-Federal-system rural roads have gone unimproved in the past three decades.

In 1972, many events culminated into national attention to the issue. We had a bumper grain crop, heavy export sales and record floods closed the Mississippi and Missouri rivers to barge traffic.

In conclusion, I am inserting into the Record a pertinent section of an article published in the July 4, 1973, public works issue of Construction News:

Excerpt of an Article in the July 4, 1973, Edition of Construction News

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These stubborn facts remain, however: (a) railroads still do not have sufficient rolling stock to handle loading volume requirements, and existing fleets are not being utilized with maximum efficiency; (b) thousands of miles of rural area rail trackage are no longer in use, and more abandonments are in the offing, and (c) as much as half of the roadbed mileage still in service is inadequate and unsafe for today's 100-ton hopper car loadings.

Without a sustained, multi-billion dollar infusion of funds for new rolling stock and for needed improvement of roadbeds and other physical facilities, U.S. railroads will be extremely hard pressed to meet mounting demands for movement of grain and other basic commodities in the immediate future, let alone handle their subsequent burden of an overall national freight load which, according to DOT predictions, will double by 1985.

As was repeatedly emphasized at the two grain movement seminars, this situation also mandates immediate attention to the other modes of transportation, i.e. rural and farm-to-market roads and inland waterways.

Although over-the-road shipment of heavy bulk farm commodities for distances of more than 50 miles has, in the past, been considered prohibitively expensive, many rail-isolated farmers and suppliers are now left with no alternative. In Illinois alone, because of the lack of railroad lines and/or cars, truck hauling of grain increased by nearly 19-million bushels in 1972.

This extended truck-hauling trend will continue to accelerate. And, even within the prescribed 50-mile radius, the movement of grain to elevators and the equally important transporting of fertilizer, feed grain and heavy equipment to farmers is being choked off or made much more expensive by horse-and-buggy secondary roads and dilapidated, unsafe bridges.

It was this fact which prompted Rep. William H. Harsha (R-Ohio) to comment, during recent floor debate on the Federal-Aid Highway Act of 1973, that actual and proposed abandonment of thousands of miles of rail trackage is putting "an inordinate burden on our already over-burdened highway system and leaves highways—many of them inadequate—as the sole source and method of moving goods and services in and out of many of our rural communities."

Harsha went ahead to point out that this is a significant factor in steadily rising food prices.

Overdue improvements and expansion of the nation's waterways system have been almost equally slow in coming. Commercially navigable inland channels were extended by a scant 290 miles, or only slightly more than 1 per cent, in the 1960–70 decade, and stop-and-go funding of Army Corps of Engineers programs has stalled dozens of needed lock and dam and navigation projects.

A case in point is the old Lock & Dam 26 on the Mississippi River at Alton, Ill. The 41-million tons design capacity of these locks was reached and passed five years ago, and barge tow delays of as much as 18 hours are not uncommon.

There is no practical alternative route for these barges and, in addition to the present delay-loss to shippers and consumers of millions of dollars a year, there exists the possibility of structural failure which would immediately deprive all cities on the upper Mississippi and Illinois rivers of through-barge transportation.

Testifying before Congressional appropriations committees in mid-May, James B. Meanor Jr., manager of the Metropolitan St. Louis Chamber of Commerce transportation department, warned that "with the railroad car shortage becoming even more serious, loss of barge service to and from the upper midwest area would result in extremely serious conditions for its people and industry.

"In this connection, grain exports, much of which move south by barge, are extremely important to improving our balance of trade deficit," he added.

Meanor urged quick release of funds for replacement of Lock & Dam 26, explaining that, even if construction were to start immediately, the new facility would not be fully operational for another seven or eight years.

Sen. R. Vance Hartke, chairman of Senate's Surface Transportation Subcommittee, sums up the total picture in this manner: "The situation, simply put, is that our needs for fast, safe and efficient ways to move people and goods are far in excess of the capacity of available systems.

"Our rail system is in disrepair. The waterways are nowhere near their full potential as useful carriers. And, despite tremendous strides made in recent years, many of our roads and streets are still either unsafe or inadequate for the traffic volumes they are required to handle."

A number of other influential Congressional leaders are now speaking out on this problem and the enigma of more and more bypassed and isolated "ghost towns" in the hinterlands contrasting sharply with people-packed, transportation-jammed urban areas.

"Our population distribution today is badly unbalanced, with 80 per cent of all Americans living on 5 per cent of the nation's land area," explains Rep. John A. Blatnik (D-Minn.), chairman of the House Public Works Committee. 'Half of all our people live on the perimeter of the mainland within 50 miles of the Atlantic, Pacific, the Gulf of Mexico or the Great Lakes.

'We can and we must reverse this flow, and in so doing we can do much to reduce the population pressures that are at the root of today's urban congestion," he stated, adding: 'One way to get people back to countryside America is through the development of adequate highways that will encourage industry to locate in rural and small town areas.

"In our concern over the undeniable transportation crisis of our cities," Blatnik concluded, "we cannot afford to overlook or minimize the vital transportation needs of rural America."

Rep. Don Clausen (R-Calif.) echoed the same logic when he said that "if there is ever going to be a change in the quality of life in America, it's going to be brought about as a result of creating either new economic growth centers or revitalizing and diversifying some of the more sparsely populated areas in the U.S.

"If we are going to reverse or slow this out-migration from our rural sections, and if we're going to stop the stacking of people on top of one another in the big cities, then we must stop giving total consideration to allocating funds where the population is without giving some consideration to where the population can be," Clausen pointed out.

The grain shipment impasse is, obviously, just one important symptom of a number of interlocking problems from which the only key is a carefully conceived, adequately financed and quickly implemented national transportation plan.

Mr. STEELMAN. Mr. Speaker, I first became aware of the seriousness of the freight car shortage when I received communications from both large and small companies in Dallas, Tex., regarding the Interstate Commerce Commission's implementation of service order No. 1124, on March 16. The Commission cut in half the amount of free time shippers could hold cars, and raised demurrage rates. ICC felt this measure was necessary to ease the freight car shortage.

Soon after the effective date of the order I received a deluge of mail from wholesale grocers, sand and gravel shippers, asphalt and stone companies, and mining companies. All were small shippers, who stated that it would be impossible for them to operate under the ICC service order.

At the center of my constituents' outrage was the fact that the Russian wheat deal was in large part, causing this national shortage.

I began investigations with the ICC and the Department of Agriculture to determine the extent of the shortage and of the measures being taken to get these cars back into circulation.

I learned that as of March 16, we had only shipped 45 percent of the wheat. That left over half of the wheat to be shipped by May 31. Between the time of the actual announcement of the deal with Russia, in September 1972, and January 1973, when shipping began, 5 months were completely lost for shipping.

And who pays for extra personnel required to load these boxcars at an accelerated schedule? The consumer. First he subsidizes the wheat sale, then he faces higher prices and shortages of wheat, then he gets cost passthroughs for many products moved by rail.

It is deplorable, that in the planning of the Russian wheat deal, officials with the Department of Agriculture were neither concerned nor farsighted enough to realize the strain this would put on boxcar circulation, and that because of this unsatisfactory planning, the people least concerned with the entire deal are being pinched the most.

What will follow with another year's shipment of Russian wheat coming up? More ICC special orders, more people to enforce them, and more demand on small shippers. We need to take care of our own needs first.

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to associate myself with the remarks of my distinguished colleague Representative PICKLE. He certainly deserves credit for sponsoring this special order to discuss a most timely problem: the availability of freight cars and the overall problem of transportation tieups in agriculture.

It has already been dramatically pointed out how acute our transportation problems in agriculture are this year. Although our boxcar shortages may be more extreme this year, obviously this problem has been with us for a long time. As a matter of fact, the first case the Interstate Commerce Commission ever handled was a boxcar problem in 1887.

In recent years, the shortage has been primarily at harvest time. But this year with our booming economy and agriculture producing at full capacity, the shortage of boxcars has plagued us all year. I can assure you, having the privilege of representing the Nation's largest wheat producing district, my office staff and I have been keenly interested and involved in this problem.

In the wheat harvest, some elevators could not buy wheat because they had no assurance on when they could sell and move the grain. Since harvest, many elevators have been forced to increase their margin and reduce the farmer's price to allow for delay in shipping grain contracted for delivery and the interest on borrowed money to carry the grain. This has strained the resources of many country elevators and has taken hard earned money out of the farmer's pocket.

We all are painfully aware of the problem. We must get on with solutions which will come only through cooperation and discussions such as we are having here today.

Historically, railroad management has been reluctant to purchase additional rolling stock claiming that it is not economically feasible. However, I understand that in recognizing the problems we in agriculture face, they have committed substantial resources for the purchase of more than 7,000 new hopper cars with 5,000 more on order.

Local elevator officials and farmers have shown their resourcefulness, with the cooperation of certain railroad companies in refurbishing abandoned cattle cars to move grain. I feel this use has limited potential but it has provided much needed capacity for the fall harvest at selected elevators.

The Interstate Commerce Commission, under the astute leadership of Chairman George Stafford, has taken steps to insure that available cars are used in the most efficient manner possible. The ICC plans to set up a joint commission of ICC and railroad representatives at major gulf ports to monitor grain flowing through dockside elevators. Under the plan, the commission would have the power to declare an embargo on grain shipments to the ports if backlogs of grain build up awaiting transfer to oceangoing freighters.

The U.S. Department of Agriculture announced recently that it is setting up a monitoring system to identify areas with critical needs for rail equipment to move grain. Currently, nationwide information to determine areas of greatest need for rail cars is not available. As a result, an elevator with grain on the ground, and more being delivered, may not be receiving any cars while other elevators with less acute shipping problems are receiving cars.

This information will be reported to the Interstate Commerce Commission, the U.S. Department of Transportation, and the Association of American Railroads so that steps can be taken to insure a more equitable distribution of cars among all grain shippers.

Several bills have been introduced in Congress to remedy this situation. I feel it is important for the Congress to study these proposals on a priority basis to determine how the massive resources of the Federal Government could be effectively used to solve the problem.

As this discussion has shown, the freight car shortage and our related transportation difficulties are very complex problems. I would emphasize they are not a matter of blame. Solutions to these problems will only come through mutual understanding and cooperation. I commend my distinguished colleagues for their leadership in this area and hope that this discussion will bring direction and solutions to our transportation and boxcar problems.

Mr. **HILLIS**. Mr. Speaker, I am glad for the opportunity to discuss the freight car shortage today, because it is something the farmers in Indiana's Fifth District have been discussing every day this year.

In my district, corn and soybeans are the biggest freight items. Because of the shortage in adequate freight service for these feed grains, farmers and grain elevators in my district have lost millions of dollars needlessly. They cannot get these grains to market, and they sit rotting in the fields or in the grain elevators. This is insidious at a time for such high demand for feed grains, when an increase in supply could cut all food costs substantially.

I discussed this problem just the other day with a grain elevator operator in my district who generally buys and sells some 30,000 bushels of corn daily. I figure his experience is typical of farmers and elevator operators throughout my district.

In the 4-month crush period of last harvest season, lasting from October 1972 through January 1973, this dealer paid approximately $1,200 per week in penalties to buyers because he could not get the produce delivered on the promised dates. If this occurred through some fault of his own, I am sure it would be more graciously accepted—but the fact is there was nothing this man could do to get any faster freight service.

The result was that he and other elevators in the area resorted to selling their grain to truckers who, knowing the jam farmers were in, were able to get bargain basement deals—estimated at some 15 percent off the regular grain bushel price. This dealer estimated that the farmers he served in just a 20-mile radius lost some $1 million during November and December because of this situation—representing about a 20-percent field loss.

What worries this man is that he sees the same situation occurring in the harvest season just beginning this month, despite a year of sad experience and preparation time.

Remembering the tragedy of last harvest season, I have been looking into the causes for the shortage and the possible remedies for it. Put very simply, the shortage of transport facilities can be attributed mostly to the fact that there is just a lot more grain being shipped than ever before, without adequate warning or preparation time. The Association of American Railroads estimates there was a 50-percent increase in loading of grain and grain products between the 1971 and 1972 harvest seasons. The wheat sale to Russia and increased agricultural trade to other nations has created a demand for a lot more grain, which must be moved from the country to ports for export. Much of the jamup is caused by crowding of ports and inability to process cars in and out fast enough.

Further, last year's winter crops came later than usual, leaving the bulk of transportation demand to the very end of the winter in a short time span. Further, the deterioration every year of the Nation's rail facilities has resulted in ever increasing shortages of freight cars—particularly hoppers and boxcars—shortages of locomotive power, and even some manpower to unload the grain at the docks.

This shortage of transport facilities has resulted in some understandable transport policies, but ones which are clearly not in the interest of the smaller shippers. For instance, in order to get the maximum benefit per locomotive and grain pickup, the railroads have allocated 100 train units to the larger shippers, resulting in a decrease in freight cars available for smaller shippers.

The same phenomenon is seen at the unloading docks, where often smaller train units are shoved aside to process the larger loads first and send them off for other large deliveries.

The smaller farmers and elevator owners are seeing more new cars and more new carloadings than ever before—but they themselves are receiving fewer cars than ever before.

Undeniably, the railroads and the ICC have made some good attempts at alleviating some of these problems—the railroads through an honest attempt to tighten up the efficiency of their operations—the ICC through regulations aimed at breaking up discriminatory policies.

ICC regulations have required the movement of empty and loaded cars within 24 hours; reduced the free time in port for unloading from 7 to 3 days; limited the use of covered hoppers on unit trains to 25 percent; and increased demurrage penalties on loads not picked up or processed in the required time.

The ICC also has mandated that of the new freight cars produced in the past year, a 100-unit train could only have 50 new cars. This will help assure that the smaller dealers see these new grain cars themselves.

These are short-term measures which have helped equalize the treatment of larger and smaller grain dealers. But a large discrepancy remains, particularly because in order to enforce these regulations properly, the ICC would need a significant increase in personnel.

My local elevator operator recommended also that demurrage charges on smaller unit trains be increased, and that restrictions on 100 car unit trains be increased.

I am sure the ICC is studying these and other possibilities. We in Congress should also be studying this problem in depth, more from the line of trying to find some long-range answers so that the administrative route is not the only answer available year to year.

The options open to us seem to be assistance to the Nation's railroads so they can improve their trackage and equipment, and purchase new cars. I am convinced that better facilities and simply more cars would increase the railroad efficiency by a great deal—enough to solve the freight car problem eventually. This could be accomplished through low cost or guaranteed government loans, in view of the financial condition of many railroads today. Because of the Government's interest in keeping food costs down and assuring a fair competitive advantage to all grain producers and processors, I think some Federal assistance here could be justified.

What else can be done? Since the bulk of grain needing to be transported increased terrifically because of the Russian wheat grain sale, such dealings by the Government should take consideration of the effects domestically—both in terms of transportation and otherwise—and more advance warning should be given to those who should be planning for such an increase.

Further, possibly the ICC can work more integrally with the railroads in devising the most efficient schedules for turnabouts—I believe it has been suggested a National Rolling Stock Information System be developed so that railroads could better cooperate in turnabout or trade-off tactics.

I would like to see as little Federal intervention as possible in the long run, but it is clear that Government policies—particularly in the trade area—are going to play a large part in the creation of transportation problems. For that reason, I believe we have an obligation to help assure these problems are worked out, to the greatest benefit of everyone involved.

The farmers and grain dealers in Indiana's Fifth District are talking a lot about what should be done. I think the time for talking may have passed, and the time for doing arrived.

Mr. **RAILSBACK**. Mr. Speaker, the freight car shortage problem has grown increasingly worse over the past several years. It has now reached such epidemic proportions that we face a national transportation crisis.

The demand for rail transportation presently exceeds our ability to fulfill that demand. And, at the same time, the facilities which are available are not being fully utilized. For example, the average freight car moves only 2½ miles per day, and it is empty nearly half of the time.

The grain sale to Russia has added extra burdens to the rail transportation system. Port elevators on the gulf coast, where the majority of the grain is being shipped abroad, need to improve their handling capacity.

Men and equipment are both being overworked to the danger point. Rail accidents have increased substantially in the past year.

While nearly everyone is affected by the shortage and all of its related problems, I am particularly concerned about the people who live in the area I represent.

Recently, the Interstate Commerce Commission released statistics on the upper Midwest region—which includes nine States—that point out millions of tons of grain are grounded due to lack of transportation. At the rate grain is presently transported, 1973's crops will be ready for shipment while a large amount of 1972's grain crop is still waiting for shipment.

How will the Midwest farmer—especially the small farmer—be able to survive? These people have suffered extreme hardships due to the tieups of large quantities of freight cars by large grain dealers as a result of the Russian grain agreement. It has left these farmers with no means of transportation for their grain, and, if continued, will keep them out of the market.

Congress initially recognized and reacted to the car shortage problem in 1966 by passing Public Law 89–430, which directed the Interstate Commerce Commission to set incentive per diem rates to encourage the quick release of freight cars.

Unfortunately, the Commission did not react until May 31, 1969—almost 3 years after the passage of the law—when it informed the Surface Transportation Subcommittee of the Senate Commerce Committee that the Commission was unable to set per diem rates because the act required a prehearing and because of the need for additional studies on ownership and shortages of different types of cars.

We can delay action no longer. Within the next 60 days we are likely to witness one of the worst transportation tieups our country has ever faced unless some action is taken.

The special order being held today will help focus attention upon this crucial issue, and I appreciate the opportunity to participate. I would urge my colleagues to review the problems experienced by the grower, the shipper, and the industry itself. In addition, I agree with the following recommendations of the Special Subcommittee on Investigations of the Interstate and Foreign Commerce Committee, and am hopeful we can find the ways to properly implement them.

Increase the size of the national rail car fleet;

Improve the utilization of the existing fleet; and

Structure freight movement along service lines tailored to meet shipper needs.

Thank you.

Mr. FUQUA. Mr. Speaker, I thank the gentleman for yielding and appreciate the opportunity to participate in this discussion of what can become a very serious problem for America and her economy.

You are aware of the magnitude of the problem from the debate here today I want to add a couple of personal examples.

The first relates to a poultry business in my district. This business was built through the efforts of the owner, the story of an individual seizing an opportunity and striving to succeed.

Yet, when he came to me, he was in danger of suffering serious financial loss. He was unable to get rail shipment of feed to his business because of the shortage of available rolling stock at the time.

I want to add that officials of the railroads with whom I have worked could not have been more helpful or more diligent. There had been a lack of communication or this individual would not have needed to contact me. We immediately secured shipment for him because he is an agricultural producer.

The second instance to which I would like to refer came last summer as our people prepared for the watermelon season. Now for those of my colleagues who are not familiar with this crop, it is highly perishable. When melons are ready for picking, they cannot lie around in the field awaiting personal whim. They must be harvested or the entire crop can be lost.

There was a serious shortage of piggyback trailers necessary to move a bumper harvest to market. Prices were not just good, they were astounding. It looked as if this could be the best season in history. Yet, the crop and the farmers affected were threatened with loss of their investment and potential profit.

I might add that we have had enough difficulty with natural disasters in my district to make the prospect of a good year financially even more important to my people.

Again, we were barely able to keep pace with the demand because of the shortage of cars. The piggy-backs that had been shipped out of south Florida were being diverted to other uses in the Eastern United States and I shall always be grateful to the officials of the Seaboard Coast Line Railroad who worked around the clock to get enough cars into our area.

My two stories are those of success. I think they are significant in pointing out how close we came in two instances this summer in my district. Failure to have been successful would have proven disastrous.

The poultry producer could well have been put out of business if he could not have secured feed at a transportation price that he could afford. It is not necessary here to go into all of the problems attendant to price controls and how they complicated the situation.

Second, all of the melon growers in my section could have been severely hurt financially. Truckers were frightened to make long hauls because of the fuel situation. Adequate rail cars were not readily available.

Now the fuel shortage is not going to be appreciably better next year. I personally want to see America produce a bumper harvest and I want to see us sell to overseas markets. However, I do not want to see us cripple and destroy any individual or business in America.

It is my opinion that America has an opportunity to recognize this situation as an economic opportunity. If we fail to seize on this chance, it can become an economic disaster.

So many of you, my colleagues, represent districts that produce perishable commodities that must move to market in a relatively short period of time between maturity and consumer sales.

This is why I am pleased to participate here today. We are calling attention to a serious national problem. It can be solved with a partnership between government and private enterprise. I think that our policies have to be geared to meet this challenge. Certainly, it is too serious to be ignored.

I thank the gentleman for allowing me to add these thoughts to this most important discussion. If we are successful in calling attention to this problem, and then successful in finding solutions, our efforts will have been more than worthwhile.

Mr. ALEXANDER. Mr. Speaker, I regret that my colleagues and I find it necessary to rise today to discuss the subject before us—freight car shortages and other serious, relevant transportation problems. That we are taking this step is indicative of a critical flaw in the planning mechanism which has brought our Nation to this state of development.

Even a shallow appraisal of the difficulties which will result from the shortage of railway freight cars is disturbing enough. But, when we probe more deeply into what this, combined with other facts about our national transportation network the result is just this side of shattering.

There are basically four freight transfer modes in the transportation system: railroads, highways, waterways, and airways. Each of these elements may be better suited for some kinds of uses than others—at least at this stage in their technological development. In reality only two of them—railroads and highways—have been designed to and actually have reached into the nooks and crannies of America's heartland.

It is in these heartland areas that a major portion of our national food supply is produced. These areas are many miles, not unusually thousands of miles, from the homes where much of this food is needed to sustain life.

"So what," many may say, "there is a shortage of railway cars to transport wheat, barley, oats, soybeans, rice, beef, pork, lamb, potatoes, and so forth. Why get so uptight about that—let the farmers ship the food out in trucks." The fact is that such use of trucks over the highway network, when it is at all possible, is in many cases at best only a temporary and, at this time, very expensive solution—both in the short and the long run—in terms of damage to the existing road system and of transportation rates.

As I pointed out a moment ago, most of the Nation's foodstuffs are produced in the heartland—rural areas. These are the areas which have always been last at the table in terms of the dollars spent to keep up and upgrade their road transportation networks. True, we have spent billions of dollars for highways—particularly since the 1950's. The lion's share, though, has gone into interstate highways with primary Federal-aid highways and secondary highways coming in a poor second and third.

This is especially harmful where secondary highways are concerned because they, by and large, serve the rural areas where the food is produced and where the shortage of freight cars is now creating a crisis situation. There is no doubt in my mind that the railcar shortage in the Wheat Belt will make bread cost more in New York City.

We in the Congress must move to require the spending of all transportation funds in such a way that we achieve a balanced freight and people moving system that does not unnecessarily and inequitably penalize one or more groups of our citizens. There are currently groups contending, in what almost seems a death struggle, over control of the dollars we have available for transportation projects. Those of us from nonmetropolitan areas maintain that unless more attention is paid to our problems thousands of small towns which otherwise could prosper will die of strangulation. They will not be able to attract the businesses and industries needed to provide the jobs and other opportunities required to keep their citizens. And, their deaths will only aggravate the overcongestion and unemployment problems of the cities where the millions of transportation dollars are spent.

Those of us who come from metropolitan districts say without a heavy infusion of new dollars into mass transportation projects in the cities, the cities will choke to death on their own vehicular traffic.

I have the advantage of seeing these arguments from both vantage points. I represent a congressional district that is nonmetropolitan and I live—when in Washington—in a metropolitan area that is struggling with massive transportation problems. I recognize the critical nature of the problems in both areas and urge that we take the blinders of partisanship off and seek and approve the best possible solutions of these transportation problems. We must have a transportation system in which all modes work together—not against each other.

One of the most immediate problems—one which is likely to bring these problems as painfully into focus for city residents as for country livers—is this freight car shortage. Unless immediate solutions are found for it, the shortage is almost inevitably going to mean a reduction in the amount and quality of food that gets to the city grocery stores. And, just as inevitably, it is going to mean a damaging blow to efforts to keep food prices from soaring to a higher plane.

I would urge all my colleagues to direct their attention to this problem, because it is not just a problem of the farmbelt—it is a problem for every consumer in every congressional district.

Mr. ABDNOR. Mr. Speaker, instead of repeating many of the facts that have been presented here this afternoon, I would like to cite what the boxcar shortage has meant to my home district in South Dakota in 1973. Farmer and elevator man agree: There has been no worse year in history for trying to move grain. They have been expected to move more grain than ever before. They have been given fewer cars to move it in than ever before.

We are told, Mr. Speaker, that the railroads of this Nation are hauling twice as much freight in 1973 than previously. I have no reason to dispute this statement. The fact remains that in 1973 there were fewer cars available to move 4 years' harvest than there have been in previous years to move 1-year's crop.

There are many factors responsible for this. To be sure, the railroads have had a problem. Whereas in previous years grain cars moved between South Dakota and terminals in Omaha, Minneapolis, and Sioux City, since the Russian wheat sales of 1972, the grain cars have taken the wheat between South Dakota and gulf ports. The distance alone has made a tremendous difference in the time required to deliver a car of grain between elevator and terminal.

Another problem involving the railroads has been that although they have placed in service more of the large covered hopper cars, these cars are able to be used only on the mainlines of the railroads where the roadbeds are maintained. The condition of the branch lines has been and is steadily deteriorating as the railroads seek to abandon stretches of track they call unprofitable. Many of these branch tracks cannot handle the large hoppers even if they were available.

Policies of the U.S. Department of Agriculture have precipitated unnecessary hardship on both the farmer and the shipper. In the first place, last fall many farmers were literally scared into selling their grain when misinformation was promulgated that their crop loans had to be paid by January. Many of those who would have preferred to keep their grain on the farm for later sale and shipment, felt they had no recourse but to sell at once. In so doing they not only had transportation problems, loss in the cash price, but also many ended up with tax problems they could have avoided had they been able to plan their sales in an orderly manner.

The wheat sales, coupled with the calling up of 4 years of stored grain, created havoc that no number of boxcars could have prevented. Had the Government gone about their call-ups in an orderly fashion, much of the hardship could have been abated, or avoided altogether.

Mr. Speaker, one of the five largest grain elevators in South Dakota told me today that in August of 1972 they had received 45 cars for cash grain and 17 cars for Government shipments. This past August they received seven grain cars. In September of 1972 they received 61 cars for the cash crop. Last month they received 12. They have received nowhere near a third of the cars in 1973 that they did in 1972, yet the grain shipments had to be made.

How was this accomplished?

In the first place, they are using more trucks, even though the trucks are more costly. Farmers may be penalized up to 30 cents a bushel on grain shipped by truck. The transportation rates are higher and there is an additional discount taken at the terminal because of the difficulty in handling grain coming by truck as compared with that arriving by rail.

Another innovation that the elevators are utilizing is that they are using just about anything mounted on a journal box to ship the grain, including open hoppers intended only for the shipment of coal, rocks, and sand. This, too, entails an economic hardship. The elevators load these open hoppers, then attempt to cover and seal them with unseamed plastic covers, but success is limited at best.

Yesterday, a heavy rain hit Omaha, Nebr. One of the large grain shippers in South Dakota had a shipment of plastic-covered hoppers in the yards of that city at the time. Another shipment from a different dealer arrived a few hours later. When the elevators checked this morning, the first shipment had been totally rejected because the grain had gotten wet and was now unusable. The second, although there was some moisture damage, was accepted. Another factor that must be considered is the security problem involved with the temptation presented by high-priced grain in easily accessible circumstances.

Hopefully, Mr. Speaker, when the 4-year's backlog of grain plus the new harvest are cleared out, the situation can return to normal. Neither the farmer, nor the elevator man, nor the transportation, nor the world depending on our food can stand the crunch we have experienced this year recurring anytime in the future. We have a responsibility to see that this never happens again.

Mr. THONE. Mr. Speaker, there are transportation problems in moving grains. Let us do all we can to correct them. We must not use the transportation problem, however, as an excuse for curtailing export of agricultural products. These are vital to the Nation's balance of trade.

The railroads have added many boxcars, especially many new covered hopper cars for hauling grain. Additional boxcars are on order.

The problem in transportation is now one more of eliminating bottlenecks rather than a shortage of cars.

This week, I wrote to every elevator operator in Nebraska's First Congressional District. I have asked them to report the total number of hopper cars they will need in the next year and how many they have received in the past month and past year. When I have accumulated the replies, I believe they will help convince the ICC and the railroads just how critical the boxcar situation is in Nebraska.

We must move to solve these transportation problems. We can move our grain and move a large portion of it for export. Export of farm products is necessary for the economic stability of the United States. Sales abroad of agricultural goods is the largest contributor toward a favorable balance of trade for the United States. If the Federal Government does not make the foolish mistake of placing hindrance on export of farm produce, the United States will probably have a favorable balance of trade in 1974. This would greatly contribute to the stability of the dollar and of overall confidence in the U.S. economy.

Mr. ZWACH. Mr. Speaker, I would first like to thank my distinguished colleague from Texas (Mr. PICKLE) for initiating this special order on freight car shortages, grain exports, and transportation planning.

With our great Midwest in the middle of corn picking and soybean harvest, this special order is all the more timely.

I have been in Congress 7 years. I remember one of the first cases on which I helped was to get additional boxcars to a local elevator which was experiencing difficulties in obtaining cars. Seven years later, that same elevator still has the same problem. Not only does this elevator need more boxcars, but many more elevators have the same problem. We had a shortage of boxcars in 1967, and we have an even greater shortage in 1973.

I am sure that in the 82 years since the ICC was established, the problem of having an adequate number of boxcars in the right places has been a major concern. However, since 1960, the hauling capacity of rail car fleets has increased about 8 percent. During the same time, intercity freight transportation has increased 45 percent.

The newly enacted farm bill encourages greater farm production. We are now asking our farmers to produce more corn, more wheat, more soybeans, and more grains in order to feed our people at a lower per unit cost, while at the same time producing enough excess to export abroad to help support our balance of trade situation.

The American farmer is the greatest miracle worker in the world. He can outproduce any other farmer on this earth. But he can not do it all. He needs help in order to market his products.

My homestate of Minnesota recorded record yields for corn and soybeans in 1972, producing 456-million bushels of corn and 93.1-million bushels of soybeans. The 1973 crops in my district look good and harvesting continues on schedule. With all production restrictions removed from the new farm bill, farm production in 1974 will reach alltimes highs. But again, I must stress that if our farmers can not market their produce, this increased production will be left on the fields or held up in local elevators.

In my 22 county congressional districts, we have had almost daily requests to intercede for our elevators in order to obtain additional boxcars. Some elevators in my district are months behind in the delivery schedules. They need more cars. These elevators are just not buying grain from our farmers, which causes a backlog that reaches all the way to the field, and a substantial decrease in the amount of money received per bushel by the farmer.

The transportation of grain is a complicated problem and will not be solved overnight.

The USDA has initiated a monitoring service to identify areas with critical needs for railroad cars to move grain. Country elevator operators have been asked to report their shortages to the Agricultural Marketing Service, Transportation and Warehouse Division, USDA, room 3969, South Building, Washington, D.C. 20250, telephone 202-447-7423.

The Marketing Service in turn will report the trouble spots to the Interstate Commerce Commission, the Department of Transportation, and the Association of American Railroads.

It is hoped that this coordination at the national level will help to minimize disruptions caused by massive bulk shipments.

Additional hopper cars are being built, but this takes time, and we need relief now. We need a short term immediate approach to the boxcar shortage, as well as an overall examination of our transportation system.

The boxcar shortage is not a new or recent development. It has been around a long time and the solution is complicated and complex. But in order to continue to meet the ever increasing needs of consumers at home and abroad, we must provide adequate transportation for our producers. If we are going to reverse the exodus of our young people from the farms and strike a meaningful balance between rural and urban growth, we must correct the inadequate rural transportation system in order to insure fast "farm-to-market" service. If we do not, small farm failure and decay of rural communities will continue. We can not let this happen.

THE RIGHT OF THE VICE PRESIDENT TO AN INQUIRY BY THE HOUSE OF REPRESENTATIVES

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. McCLOSKEY) is recognized for 60 minutes.

Mr. McCLOSKEY. Mr. Speaker, I rise to support the request of the Vice President of the United States for a formal inquiry by the House into allegations of impeachable misconduct on his part, and in support of House Resolution 570 which would direct the Judiciary Committee to conduct such inquiry.

We are privileged to serve during historic times. Only twice has a Vice President asked the House of Representatives for an inquiry into allegations of impeachable misconduct. The first was in 1826; the second, a week ago today.

I believe there are four principles we, as Members of the House, should consider with respect to this unique situation.

First, the issue is a constitutional matter for careful deliberation and decision by the whole House,.not a political matter for quick determination by the leadership of either political party.

Second, our primary obligation today is to do everything in our power to restore, as rapidly as possible, the faith of our people in our system of government.

This faith is the priceless asset of our heritage, and the cornerstone of our strength as a nation. It is as important as the Constitution itself, for without public faith, our Constitution is no more meaningful than the Constitutions of Soviet Russia or mainland China, both of which solemnly promise the same guarantee of free speech, free press, free religion, and free assembly as does our own.

Third, we should do nothing which would detract from or interfere with concurrent judicial proceedings, recognizing that the integrity of the judicial process requires a clear and public independence of the courts from political influence, both congressional and executive.

Fourth, we owe the Vice President of the United States both fairness and due process of law, with an absence of political considerations from our deliberations as to whether his past conduct merits exoneration, impeachment, or a decision that further House action is not warranted.

The constitutional background of the issue facing us is fairly simple.

The Vice President is subject to impeachment for bribery and other high crimes and misdemeanors. Allegations of bribery both before and after the Vice President assumed office have been reported in the press and have been the subject of comment by the Attorney General, the President, and various White House spokesmen, named and deliberately anonymous.

Only the House of Representatives can impeach. It is one of the two special powers and duties reposed solely in the House, the other being the initiation of revenue measures.

There are two questions of constitutional interpretation which are unresolved. The first is whether a sitting Vice President can be indicated in the courts; the second is whether impeachment should lie for offenses committed prior to taking office. The first issue can only be finally determined by the Supreme Court. The second is a matter which only the House and Senate can decide. It is my initial impression that the House has the power to impeach for misconduct prior to an individual's taking office when the misconduct was unknown to the electorate at the time of his election; whether impeachment should be brought in such a case is for the ultimate determination of the House.

On two prior occasions the House has considered the alleged misconduct of a Vice President which occurred prior to his assumption of office.

In the case of Vice President Calhoun, in 1826, the House chose to grant the Vice President's request to conduct an inquiry into the alleged misconduct.

In 1873, in the case of Vice President Schuyler Colfax, the House Judiciary Committee consider similar preincumbency misconduct and voted that impeachment would not lie. This is not necessarily conclusive, since at the time of the committee's decision, Colfax's term was due to expire in a few days anyway and impeachment proceedings would have been moot.

Since the allegations presented to us, although third-hand hearsay only, relate to conduct both before and after the Vice President's taking office, the problem is clearly irrelevant to the issue of whether an inquiry should be initiated, although it creates the possibility that the grand jury might indict on one set of allegations and the House impeach on another.

The most difficult question before us is the matter of whether an inquiry should be commenced at the same time as a Federal grand jury in Maryland is taking testimony under the specific authorization of the Attorney General and the U.S. attorney for Maryland.

The initial reaction of the Speaker has been that the House should defer any action pending the resolution of the court proceedings. At first blush, this may seem reasonable, but I think careful reexamination is in order, and that the House should respectfully except to the Speaker's decision. The House's action or inaction should not affect the grand jury proceedings. We must of course, acknowledge the very real constitutional question to whether an indictment can be brought at all or whether impeachment is the exclusive action which can be taken against a sitting Vice President. I have previously believed, as a personal opinion, that the Constitution permits the indictment of the Vice President although not the President. I reached this conclusion because to permit indictment of the President would effectively permit one branch of government to stop the operations of another. This is obviously not true of an indictment of a Vice President whose only two constitutional duties are presiding over the Senate and standing by to assume the responsibilities of the Presidency in event of death or disability of the President.

Despite this feeling—evidently shared by the present Attorney General in view of his authorization of the present grand jury proceedings—I would confess to some merit in the argument that impeachment is the exclusive remedy against a sitting Vice President. Presumably the Vice President should be completely free to devote his full time to the study of current foreign policy, diplomatic and military matters as well as those complex problems of national leadership which are the sole responsibilities of the President. The time, energy and uncertainties of facing criminal proceedings can certainly do nothing to assist the Vice President to maintain a proper state of readiness for this awesome potential responsibility, and clearly the Vice President's preparedness, and thus the security of the Nation, can be seriously jeopardized by permitting criminal proceedings to be conducted against him. The Vice President, in his letter to the Speaker of September 25, alludes to the fact that the pending court proceedings "unavoidably jeopardizes" the functions of his office. If he is right, then perhaps impeachment should be the exclusive remedy.

There is certainly also some validity in the point that the language of the Constitution itself lends the inference that impeachment was contemplated as preceding criminal action against a civil officer of the United States.

Article I, section 3, paragraph 7:

> Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of Honor, Trust or Profit under the United States, but the Party convicted shall nevertheless be liable and subject to Indictment, Trial, Judgment and Punishment, according to Law.

Does this mean that only after impeachment and conviction a civil officer of the United States may be indicted? The issue has never been fully adjudicated. I believe we must concede that reasonable minds can differ on the point and that only the Supreme Court's decision will resolve the matter. Obviously, with the problems of Statutes of Limitation, there is the possibility that the Attorney General had no real choice but to commence the proceedings in Maryland, even holding a reasonable doubt as to whether criminal indictment was appropriate under the Constitution.

This being so, we must also accept the reality that the present proceedings before the Maryland grand jury can stretch on for a considerable period of time. In the meantime, the allegations of impeachable misconduct remain before the public, understandably causing concern and apprehension. The public faith in government remains skeptical, if not cynical; and the Vice President, who asks for a complete and speedy examination of the issues, remains unable either to confront his accusers, obtain a bill of particulars of his alleged misconduct or present his own defense to charges which are among the most serious recognized under our system of government.

There is nothing whatsoever in our law which prevents a congressional investigation at the same time as criminal proceedings are in progress. The Senate Watergate proceedings have gone forward during the period of indictment of several of its most prominent witnesses, including a former Attorney General, a former Secretary of Commerce, and a former Chief Domestic Counselor to the President. While a defendant in an ordinary criminal case may justly object to undue pretrial publicity which might prejudice his trial, a person who accepts a position of high public trust is in a lesser position to complain of the publicity which necessarily adheres to the operation of the office he has voluntarily accepted. We have long since recognized a different test for public officials under the laws of libel, for example.

The legitimate responsibilities of the courts and the Congress are separate. Justice under law and proper legislative inquiry are of equal importance to the Nation; they are of equal responsibility under the Constitution, and neither should be delayed save perhaps in the rare case where they might be prejudicial to the other.

But where can there be prejudice in proceeding with a congressional inquiry at the request of the only person whose judicial defense can conceivably be damaged thereby? The Vice President himself is the only individual who can be prejudiced, and he is the one who asks our inquiry. The Government's case is certainly not prejudiced. If the House impeaches the Vice President, the court action is not affected. This is also true if the House finds that no impeachable offense was committed. The court's powers and jurisdiction are the same whatever the House may do.

I have heard it argued that the Speaker's decision was motivated by the concern that if the House commenced an inquiry, the court might be more likely to find that impeachment is the exclusive remedy and that the court is without jurisdiction to entertain an indictment.

This argument seems to me to be specious. Either the Constitution permits the indictment of a Vice President or it does not. Whether or not the House initiates impeachment proceedings does not affect the meaning of the Constitution. No competent judge is going to make his decision on this issue on the basis of whether the Speaker or the House acts or declines to act. The court jurisdiction and congressional jurisdiction are not mutually exclusive.

In all fairness, and other considerations aside, I think we owe the office of Vice President this much—a speedy, comprehensive, and impartial inquiry into allegations of impeachable misconduct so that the Vice President can serve high office without this particular sword of Damocles suspended over his every function. Only the House can act with the speed which the public interest requires.

I might add I think we owe this to Vice President AGNEW himself. Regardless of any disagreement with his political positions, the Vice President has demonstrated remarkable courage in his request to the Speaker of September 25. He has said he will cooperate fully and that he is wholly at the disposal of the House. He has had competent legal advice. He can be only too aware of the pitfalls of perjury and the nature of the testimony and the character of the witnesses who can be expected to testify against him. Likewise, he is also cognizant of the extremely high standard of conduct which both we and the public are certain to impose on an individual who holds his high position at this critical time in our history. He is ready to risk the verdict of public opinion as well as the judgment of the House, and it seems to me we owe him the timely and definitive determination he has requested.

I must confess that if the Vice President is guilty, he has assured his speedy conviction in a forum whose verdict may be more damaging in the light of history than that of the courts. It is refreshing to have a member of the executive come to us ready to reveal the full facts, withholding nothing. The Vice President knows, more than most, that the slightest obfuscation on his part, the barest hint of a claim of privilege or confidentiality—anything less than the full cooperation he has promised the House, could be more damaging than any evidence adduced against him.

Under the circumstances, I admire his courage and hope for the Nation's sake and his own, that he has been guilty of no misconduct. At the same time, I expect, as I am sure he does, that the House will hold him to the highest possible standard of conduct in adjudging the allegations that may be presented against him.

The question as to whether the Speaker should appoint a select committee as proposed by House Resolution 569 introduced on September 26 by the gentleman from Illinois (Mr. FINDLEY) or delegate the responsibility to the Judiciary Committee is a matter on which I would defer to the judgment of the House.

It does seem to me that the Judiciary Committee includes a number of our ablest lawyers and Members, and that the need for all due speed in the matter justifies the use of an established committee with established rules and a particular expertise and concern for due process of law.

I would, therefore, urge the Speaker to assign this responsibility to either the Judiciary Committee forthwith pursuant to the resolution I have introduced today, or House Resolution 570 introduced by a number of Members of the Judiciary Committee on September 27.

But by all means, let us grant to the Vice President the speedy, definitive hearing and determination which the House granted to Vice President Calhoun nearly a century and a half ago. The Vice President's courage and candor deserve the same on the part of the world's greatest deliberative institution.

RESOLUTION

Whereas, Article I, Section 2, clause 5, of the Constitution states that "The House of Representatives shall choose their Speaker and other Officers; and shall have the sole Power of Impeachment"; and

Whereas, Article II, Section 4 of the Constitution states that "The President, Vice President and all civil Officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors": Now, therefore, be it

Resolved by the House of Representatives that the Committee on the Judiciary is directed to conduct a full and complete investigation of the charges of impeachable offenses alleged to have been committed by Spiro T. Agnew.

SEC. 2. The Committee on the Judiciary is further directed to report to the House the results of the investigation conducted pursuant to this resolution, together with any recommendations the Committee deems appropriate, no later than 45 days after the date of the adoption of this Resolution.

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I am glad to yield to the gentleman from Indiana.

Mr. LANDGREBE. I wish to commend the gentleman from California for his very thoughtful statement.

I have some regret about this. I have thought about making statements like this, but I did not act. I thought about it.

I did give the press a release at the time Mr. AGNEW asked the House to consider his case and lay it before the Democrat-controlled House to work its will.

I commend the gentleman, and I wish to state it was a very commendable approach.

I should like to say publicly how disappointed I was when the Speaker so promptly slammed the door, taking this upon himself rather than even giving the House an opportunity to indicate its will. So I do certainly commend the gentleman from California (Mr. McCLOSKEY) for this statement.

Mr. McCLOSKEY. I thank the gentleman from Indiana. I believe this points up to the fact that so often we are capable of reaching instantaneous judgments, and then, upon reflection, recognize perhaps that there were other factors we should have considered. I took this special order today in the hope that a reasoned debate and discussion on this subject might lead some of our Democratic colleagues to the opinion that the initial decision of the Speaker, made so hastily, and based upon the facts before the Speaker at that time, was a decision that should be changed by majority vote of the House of Representatives.

Mr. WALDIE. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I am glad to yield to the gentleman from California.

Mr. WALDIE. As the gentleman knows, I have enormous respect for his integrity and particularly for his legal ability and analysis of constitutional law. I have some questions I should like to ask of him in regard to this procedure.

In the resolution the allegation is made in the resolving clause that the committee is directed to conduct a full and complete investigation of charges of impeachable offenses alleged to have been committed by SPIRO T. AGNEW, but I see nowhere in the resolution where those offenses have been set forth. Neither do I know where we would have access to the charges.

Can the gentleman tell me how the committee would arrive at that intelligence?

Mr. McCLOSKEY. I would assume the only way the committee could obtain evidence of allegations against the Vice President would be by request to the Department of Justice and the full cooperation of the Department of Justice, particularly including the U.S. Attorney from Maryland.

There is a resolution of inquiry which has been filed before the House by the gentleman from Illinois (Mr. FINDLEY) requesting and directing the Attorney General to furnish this House with all information in the hands of the Department of Justice relating to the Vice President and the charges against him.

That is a privileged resolution of inquiry which, if I recall the rules correctly, must be reported by the Committee on the Judiciary, to which it has been referred, within 10 days, after which it comes to this floor for a vote. I would hope that the House would pass that resolution of inquiry requiring that we be furnished with the full nature of the charges against the Vice President.

Mr. Speaker, the most insidious aspect of this matter is that, with the Vice Presilent under challenge for offenses which cannot fail to attract the dismay of people across the United States, he is faced with a grand jury proceeding which is secret and court proceedings which must last at a minimum several months, so that the resolution of the matter in the public interest awaits court determination rather than House determination. This is the reason that it seems to me that due process alone justifies the Vice President's request to the Speaker.

Mr. WALDIE. Well, Mr. Speaker, may I intrude at this moment. Will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from California.

Mr. WALDIE. Mr. Speaker, may I ask the gentleman, Do I gather that the gentleman believes that the House under any conceivable circumstances could arrive at a conclusion as to whether impeachable offenses have been committed within a span of 2 months?

Mr. McCLOSKEY. Well, going back to 1826, within 45 days of its formation, a Select Committee's investigation resulted in a report and recommendation that Vice President Calhoun be exonerated of the charges made against him.

Mr. WALDIE. But there were no indictments pending in that case. Neither had any Attorney General of the United States begun to proceed against Calhoun before any grand jury.

Mr. McCLOSKEY. Mr. Speaker, I can only say as an ex-prosecuting attorney that I would doubt that a full examination of the evidence of bribery, even in a case as complex as this, should take any competent set of lawyers more than 30 days to analyze and understand and to then be able to take testimony from witnesses and permit the Vice President to confront those witnesses and make his own defense. It seems to me that 30 days would be a sufficient time.

Mr. WALDIE. Mr. Speaker, would there not be a competent set of lawyers in the Justice Department and in the criminal court system in the land?

Mr. McCLOSKEY. Mr. Speaker, I gather and I understand, from the time of the first report of these allegations until today, that the Justice Department did not require very many days to move from the consideration of the Vice President's involvement to the decision to take it to the grand jury. My understanding is that they contemplate completing their testimony to the grand jury concerning the Vice President in a matter of a very few days.

Mr. WALDIE. Mr. Speaker, the thing I am troubled with is this: I gather that the gentleman believes we should proceed with the proceedings of impeachment literally, although it is called an inquiry to impeachment proceedings.

Mr. McCLOSKEY. Mr. Speaker, I really have to challenge that, because it seems to me that we have no right to file a resolution of impeachment until we have inquired into whether or not the facts justify impeachment.

Mr. WALDIE. Well, the filing of the resolution of impeachment enables the House then to inquire into the contents of the resolution. Is that not really the impeachment process?

The filing of the resolution of impeachment does not mean that even the author per se will vote for the resolution unless he is persuaded by the evidence adduced pursuant to the hearings that take place under the authority of the impeachment or by the affirmative vote taken.

Mr. McCLOSKEY. But as the gentleman points out, the impeachment, which is similar to an indictment, would require a specific bill of particulars as to the impeachable offenses allegedly committed by the Vice President. He could not be impeached merely on the charge of bribery. There would have to be specific instances set forth in the impeachment resolution. Those are, of course, not available to us today.

Mr. WALDIE. No, it would await consideration until they are available.

Mr. Speaker, we ought not to proceed, I do not think, on a kind of a dragnet approach where we are simply examining rumors and allegations. If we have the evidence that the Findley resolution would produce, if the Attorney General presents his case in the House of Representatives, the case which I presume he is seeking to present to the Criminal Court session, we would then be able to draw a fairly particularized impeachment resolution. I just do not see why the Vice President, when he came to the House, asked for an inquiry. Why he did not ask for that resolution is strange to me. I gather what he was seeking is that which he was entitled to: "a speedy, comprehensive, and impartial" judgment of the facts alleged against him; but I do not know why the Vice President is entitled to any more speedy, comprehensive, and impartial judgment on the allegation of criminal misconduct than any other American is entitled to.

Mr. McCLOSKEY. I think at this stage in our history any man holding high public office, particularly one connected with the White House, is in a position where it is a matter of national interest that the charges against him be determined at the earliest possible opportunity.

I go back to the first point I made in my remarks, that the greatest obligation of those of us in politics today is to do what we can to assist in a speedy restoration of the faith of our people in our system of government, the integrity of our public officials.

While the Vice President might not have any greater rights than any other citizen in this connection, it seems to me that it is of immense benefit to the Nation if this matter is speedily resolved and that we get back on the track and put Watergate and its accompanying problems behind us and move on to a constructive, affirmative restoration of the faith of the people in our system of government and their participation in making that system better.

It is for this reason, it seems to me, that the request of the Vice President to the House deserves our special attention. There is only one Vice President. There is only one House of Representatives. This is one of our great national leaders, elected by overwhelming vote of our people. He has asked for a resolution of the House of Representatives, an equally great cornerstone of our system of government, and if we turn our back on him, it seems to me we deny our responsibility.

Mr. WALDIE. I think, in terms of the integrity of the people, one consistent argument that can be made and my personal belief is that integrity and that faith are not enhanced by special considerate treatment of a man holding high office because he does. That is in essence what the Vice President is alleging, that the criminal court system has no authority, in fact, to judge his acts while he sits as Vice President. That would seem to me to be the ultimate variance and it would also seem to me that if we say he is entitled to better treatment than any other American in the speedy disposition of judging criminal misconduct against him, therefore we will give him that speedy disposition in the House of Representatives because he will not be able to get it if he has to be tried in a court system like every other American. That would seem to me to be detracting from the faith of the system you are seeking to enhance, because it would seem to me you are setting up a special category with the Vice President in a very preferential position.

Neither do I see—and I am raising these questions only in the interest of this debate—that we can even conclude that an impeachment proceeding, which as a rose by any other name smells as sweet, and this is an impeachment proceeding, I believe, and I must say I would not even consider supporting it were it not—I think if we inquire in any respect into the conduct of the Vice President as to whether he has committed criminal acts, it ought to be pursuant to the high authority of an impeachment resolution.

So for my purposes, although the gentleman has not intended it as an impeachment resolution but something short of it, I must consider it as that.

Unless we know what the Vice President is accused of having done, it is hard for me to conclude that this proceeding that has been proposed would be any more speedy, any more comprehensive, and certainly any more impartial than would the criminal courts of the land. How can we draw that conclusion with what he is charged with?

Mr. McCLOSKEY. But will the gentleman concede this possibility, and as I said, I originally had a different view of the meaning of the Constitution on this point: There are four references to the process of impeachment in the Constitution. This subject probably received as much debate at the Constitutional Convention in 1787 as any other provision of the Constitution.

Nevertheless, the scholars concede that this point is in doubt. It may be that the language of the Constitution precludes any judicial proceeding against a sitting Vice President. It may be that impeachment is the sole remedy. You have to look at that language from the Constitution that I quoted, indicating that the party convicted shall nevertheless be liable and subject to indictment, trial, judgment and punishment, as possibly indicating that only after conviction can a civil officer be prosecuted.

I did not take that view initially until I started contemplating what the responsibilities of the Vice President were. We know we cannot indict a sitting President of the United States because we would interfere with the performance of the functioning of his office. The Vice President contends that despite the fairly minor functions of his office as President of the Senate and as preparing to serve as President, that these functions have been unavoidably jeopardized." If he is in any way correct it may be that we may get a Supreme Court decision that indictment will not lie against him. And if that is the case, or if it is not, we are looking at months of judicial proceedings before the question of the guilt or innocence of the Vice President is determined.

I think under those circumstances the duty to try to speedily resolve the issue outweighs the fact that of course he certainly could get a fair determination ultimately before a court.

I disagree with the contention of his attorneys that he cannot get a fair trial. The length of those proceedings is what causes me to believe that this is a preferable remedy.

Mr. WALDIE. If the gentleman will yield further, to the extent those proceedings are unduly lengthened because of the claim of the Vice President of his immunity, that is within the prerogative and decision of the Vice President to foreshorten that time enormously by not setting forth that claim. It is a claim of immunity, even if he is correct, that is personal to him. If he does not raise it, then it is not a matter of issue or a matter of delay in the ultimate determination.

Mr. McCLOSKEY. I recognize his particular position.

Mr. WALDIE. So that if there is delay he is delaying it. So why should he come here asking for a speedy trial when a speedy trial is within the prerogatives of the system in the criminal courts, if he should not go along?

Mr. McCLOSKEY. Let me respond in this way: First of all, I can understand his position, that as Vice President, if it is his honest belief that a Vice President should not be indicted while in office, then it might very well be his duty to raise that defense in the legal action rather than continue to allow this to be in doubt for future generations.

Second, even if he should waive the right against claiming that of immunity from indictment, I would guess that the criminal trial on this kind of a charge could not come to pass in perhaps less than 4 to 6 months. Which means that we have a period of 4 to 6 months before the issue is resolved in court. If it then should be resolved against the Vice President we would then be faced at that juncture with the obligation to proceed with impeachment, and we would have delayed for that period of time the removal of the Vice President from office.

Mr. WALDIE. And the consequences of that delay would be damaging to the country.

Mr. McCLOSKEY. That is my point.

Mr. WALDIE. And the other point is that the Vice President would be totally and exclusively within his power to prevent that damage to the country from any of these consequences by suggesting his resignation, be it indictment or any other proceeding. I simply cannot believe the Vice President would in fact bring about the consequences that the gentleman in the well quite rightly predicted would occur in terms of detriment to the country because of his selfish desire not to seek vindication in that court.

Mr. McCLOSKEY. I know of the gentleman's reputation and ability as an attorney, and I could not believe the gentleman would suggest that a person charged with an offense which he believes he has not committed should ever be placed in the position of having to resign rather than have those charges resolved either through court action or by the Congress in the manner I suggest.

Mr. WALDIE. I am saying that he should resign from the Vice Presidency of the United States upon indictment, and then have the charges resolved in the criminal court.

Mr. McCLOSKEY. I misunderstood the gentleman. If he is indicted, that may raise another question.

Mr. WALDIE. So no damage will accrue to the country that he is so concerned about, and that I am so concerned about, and surely he is willing to be placed before the court after resigning as Vice President upon indictment, and then to seek vindication in the criminal courts where vindication more properly can be granted than in the House of Representatives, and where every other American must go for vindication.

Mr. McCLOSKEY. Do I understand now that in his objections to the House inquiry, the gentleman's objections relate only to the current situation, and that if the Vice President were indicted, the gentleman would feel that the House should speedily undertake the inquiry I have recommended today?

Mr. WALDIE. No, not the inquiry the gentleman has recommended. If the Vice President is indicted and he does not resign, then the damage that the gentleman anticipates that will accrue to this Nation will in fact begin to accrue, and then the inquiry ought to be done pursuant to a resolution of impeachment.

Mr. McCLOSKEY. If he is indicted, I suppose the Justice Department will have prepared a thorough indictment of the charges against him, which would then furnish the basis for a resolution of impeachment; but even then I would be reluctant to see the House indict on the basis of that evidence produced by the Justice Department alone and not evaluated independently by our own committee.

Mr. WALDIE. But the House does not indict until it votes the resolution of impeachment. I am not suggesting that when the Vice President is indicted, or if—and I hope he is not—but if he is indicted by the Baltimore grand jury, and he fails to resign, and he says, "My vindication is more important than the consequences to this Nation," and if the consequences to this Nation are as I fear they might be, and as the gentleman fears they might be, then the constitutional responsibility devolves upon the House of Representatives to bring about that which the Vice President in his own decision did not bring about, and that inquiry ought to be conducted under a resolution of impeachment.

I find myself increasingly concerned about the Vice President's ability to end this trauma to the country. He could end it, once, by not claiming immunity, so that the criminal court system could treat him as it does every American.

He would not then place the House in the position he sought to place us in by coming to the House. He could say, "I will not seek immunity. The other Vice Presidents before me have not sought immunity, and I will not claim it."

Two, he could on indictment, if he sees those consequences accruing to the country, resign and seek his vindication in the criminal court system. It is within his power exclusively to bring about all of these salutary things to the country that he professes to desire, but I do not see him acting to do so.

Mr. McCLOSKEY. That may be, but it also lies within our power as the House of Representatives to resolve this matter within the constitutional framework, with prejudice to no one. It escapes me why the House of Representatives, granted the sole power of impeachment by the Constitution—the greatest body of inquisition or inquiry in the Nation—should withdraw from the challenge to go into these facts which are of such material importance to the Nation and its security.

Mr. WALDIE. At this point one reason is because no indictment has occurred. If the Vice President, for example, is not indicted in Baltimore, does the gentleman think the House should proceed with an impeachment proceeding?

Mr. McCLOSKEY. I do not think that the House should ever initiate impeachment proceedings until we on our independent inquiry determine that the facts justify such action. Impeachment is not an easy remedy to undertake or even to discuss until we have clear evidence before us.

Mr. WALDIE. I am not saying we should vote for impeachment. It is sort of like seniority. For years one would not discuss seniority around here. Now in recent times we use the word "impeachment." So we have resolutions of inquiry leading to the hated word of impeachment—and it is a hated word, but it is a hated process, but that is what we are doing.

Mr. McCLOSKEY. It is a hated process, because in the past it has carried the tinge of political influence. Impeachment, I think, was never intended by the framers of the Constitution to be used other than in a legal manner to remedy legal wrongs. It has been used in the past for political offenses against which people in the majority of the Congress have voted, against justices who have spoken out against the ruling majority of the House, against Andrew Johnson who defied radical Republicans in the House. Because of the fact that impeachment has been used as a political remedy, it has a bad taste in the mouths of most Americans.

It is within the capacity of this House to change the public understanding of impeachment back to what the framers of the Constitution intended it should be, a means of removal from office of an individual who has committed high crimes and misdemeanors, treason, or bribery.

This is one of the reasons why it seems to me at this juncture in history we owe a particular duty to set aside partisan considerations. There was no secret to the fact that the Democratic leadership met and decided to do as the Speaker has done, that is determine to take no action on the request of the Vice President.

I go back to the fact that we have one Vice President. He has requested the House of Representatives to have an inquiry to clear his name. Regardless of all else, it seems to me we owe him that privilege.

Mr. WALDIE. Let me ask the gentleman in the inquiry he has suggested, suppose this speed and impartial inquiry resulted in a determination on the part of the House that in fact no impeachable offenses have occurred and the grand jury proceedings go on and criminal court proceedings go on and they ended up in a jury determination that draws the conclusion that he is indictable because of these campaign contributions and briberies.

Mr. McCLOSKEY. That is perfectly proper. The courts have not always agreed with us on the facts nor we with them.

Mr. WALDIE. But then do we impeach if they find him guilty of bribery?

Mr. McCLOSKEY. After we have determined that he is not guilty of bribery and they find he is? I think we have to face that at that time.

Mr. WALDIE. If they find him guilty of an impeachable offense I think we have to impeach him. Can we find him not guilty? I am reversing it because the gentleman is suggesting in his thesis that both proceedings can continue at the same time, but the gentleman says this is faster and that is what the Vice President wants because we will get rid of it more quickly, so we find him innocent and the court finds him guilty. We have vindicated him and they find him guilty. We have a Vice President the House of Representatives said did not accept bribes or illegal campaign contributions but the grand jury finds him guilty and they send him to jail.

Mr. McCLOSKEY. Then the Nation will have gained because we will have seen democracy in action with different constitutional processes which reach different results. It is quite often that an appellate court will overrule a lower court and the Supreme Court will overrule both. I cannot conceive of anything more democratic than having men change their views and change their minds as they are presented with more persuasive evidence.

Mr. WALDIE. I thank the gentleman for permitting me to participate. I think it has been a service to the House. I hope the gentleman's presentation is well read and understood.

I can think of nothing more sanguine for the well-being of the country than for the Vice President to resign before these traumatic situations confront us and the country.

Mr. McCLOSKEY. I can only hope partisan political instincts will play no part in either the decisions of the Congress or of the executive branch of the Government.

Mr. BADILLO. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from New York.

Mr. BADILLO. Mr. Speaker, I commend the gentleman from California (Mr. McCLOSKEY) for initiating this discussion and agree with him regarding the propriety of and the necessity for a House of Representatives inquiry into allegations against the Vice President. My judgment on this is based on two key points:

First, I think it is a matter of national urgency that all the facts involved in the charges against the Vice President be determined and made public as quickly as possible. The natural time lag involved in the judicial process combined with the constitutional issues which are being raised by the Vice President's lawyers make such early disclosure virtually impossible except through House action. The Nation and the executive branch have been damaged enough by the Watergate affair without this additional cloud serving as cause for further paralysis.

Second, it is my belief that there is no constitutional impediment to House action while a criminal investigation or other judicial process is going on. In my view, the framers of the Constitution intended impeachment and the steps leading up to it to serve as a separate remedy to whatever action might be initiated through the courts. This was done so that expeditious and decisive action could be taken to avoid a President or Vice President existing in a sort of limbo while public debate raged on. The framers of the Constitution wisely foresaw how dangerous that situation could be for our Government and the Nation and that is precisely the situation we are confronted with today.

Watergate and the charges involving the Vice President have shaken public confidence in our Government and its leadership as never before. Restoring that confidence will not be easy, but it is a task we dare not avoid.

It is my hope that today's discussion will convince the leadership of the House to reconsider its decision not to initiate an inquiry into the charges against the Vice President. Unless that step is taken, judicial action might well drag on for so long that the remedy of impeachment would no longer be available.

Mr. SYMMS. Mr. Speaker, first of all I would like to congratulate my colleague from California (Mr. McCLOSKEY), sponsoring this special order today on the situation involving the Vice President. Mr. Speaker, I am most concerned and upset over the treatment that Vice President AGNEW has received from those in charge of investigating the alleged wrong doings in Maryland, and I am equally upset at the attitude of the leadership of the House toward the Vice President's request for a House investigation of the charges of his involvement in the Maryland situation.

In my opinion the decision was political in nature. The Vice President seems to be of the opinion that the Justice Department case has been stacked against him and that some of the witnesses against him are guilty of perjury. With this being the case the only fair solution is for the House to take up the investigation and clear the air once and for all. However, Mr. Speaker, some of the arguments given for not acting on Mr. AGNEW's request border on the ridiculous. Some have said that the House is cowardly and incompetent. It seems odd to me that a grand jury composed of a cross section of people is held competent to evaluate evidence, yet the Members of the House of Representatives are considered incompetent to perform a similar task.

Of course, Mr. Speaker, the House is free to shirk its responsibilities if it wants, but the act should be seen for what it is. The decision was not made on constitutional or legal grounds, but on political grounds. The Democratic leadership in the House does not want to end the uncertainty that threatens to cripple this Republican Vice President. If we find that the same uncertainty cripples the Republic, then the House will pass the buck once more, blaming everyone but ourselves for letting the damage come to pass.

Finally, Mr. Speaker, I would like to take this opportunity to say that I am completely behind the Vice President in his attempts to get to the bottom of the leaks, gossip, and innuendos that have been steadily flowing from Mr. Richardson's quarters in the Justice Department. It goes without saying that there should be a full and thorough investigation of this type of "trial by leaks." It certainly is not what we would expect from an Attorney General of the United States and those around him. Consequently, the Vice President will have my full support in his efforts to clarify this situation and expose those who have tried to ruin him politically wherever, and whomever, they may be.

Mr. Speaker, I think we must all commend the Vice President for the open willingness he has demonstrated to bring his case before the public.

I appreciate his forthrightness to let the chips fall where they may.

Mr. CRANE. Mr. Speaker, we are living through a period unprecedented in our national experience. Rocked by scandals, failures of Government, economic, energy, and moral problems, it is no wonder surveys indicate public disgust and distrust of both individuals and institutions.

If all this were not enough, we must deal as well with the current phenomenon of trial in the media by innuendo, heresay, and quotes from "undisclosed," "informed," or "high placed officials."

This vicious, irresponsible, professionally unethical practice jeopardizes our judicial procedures through pretrial publicity and character assassination.

In the case of the Vice President of the United States, there is a constitutionally provided redress of the grievances Mr. AGNEW has suffered. The Founding Fathers provided for the impeachment of Federal officers charged with serious crimes. The House would be remiss in its public trust if it chose to ignore allegations of the magnitude Vice President AGNEW has been charged with in the press based upon undisclosed sources. If the unsubstantiated allegations are true, clearly the Vice President is guilty of crimes warranting impeachment, conviction, and removal from office.

No one is more aware of this fact than the Vice President himself. He has already resigned himself to the conviction that this whole messy affair has destroyed his political future. At this point he is fighting desperately to vindicate himself in the face of malignant attacks upon his integrity.

With such a purpose in mind, the Vice President respectfully requested a House inquiry into the allegations that have clouded his career. In making such a request, it was with the full knowledge that any or all charges against him would be brought before both the Congress and the public.

The Vice President has told friends, the President, and the American people that he is innocent of charges imputed to him. He is entitled to a public defense before the House of Representatives.

When the Vice President stands up for his rights on this subject, he is standing up for the rights of all Americans. It is particularly in the interest of those of us in public office today to recognize that House action, within the framework of constitutional processes, can help to restore confidence by the American people in their elected officials as well as our institutions.

Vice President AGNEW has made it clear that he is willing to shoulder the responsibility of protecting all our rights by standing up for his own; how much easier it would be for him to "cop" a plea. Instead he has stood firm. He has asked us to investigate the charges in order to get at the truth.

What Vice President AGNEW has asked of us will not vacate any other proceeding; it will not spare him from eventual sentence if he is guilty; it will do nothing more than to expose the truth to the American people. If the man accused can live with the truth, so can we.

What he has asked of us will confirm the truth as an institution by which our rights are protected.

If we in the House choose to do nothing, our inaction will further only the degradation of truth.

As Sir Thomas More once said:

> I would uphold the law if for no other reason but to protect myself.

The fundamental law is the right of a person to a fair trial.

We have no choice but to uphold the law. I call upon this House to grant the request of the Vice President and investigate the allegations made against him.

GENERAL LEAVE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PREVENTING CONTROL OF KEY STRATEGIC MATERIALS BY FOREIGN INTERESTS

The SPEAKER pro tempore. Under a previous order oft he House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, I rise today to discuss H.R. 8951, a bill I have cosponsored with the Honorable JOHN H. DENT and which has attracted the attention of the Honorable JOHN E. MOSS, chairman of the Subcommittee on Finance and Commerce. Mr. Moss has stated he will hold hearings on this bill at an early date, and I appreciate his interest and concern in a matter I believe will become increasingly important to all Americans.

H.R. 8951 will accomplish two primary objectives which I think are vital to the future of our country and its people. It will prevent the control of our Nation's key strategic materials and resources by foreign interest; it will also soften what could be a most disastrous impact on our reeling economy by the sudden and massive influx of billions of foreign-owned American dollars.

We know what has whet the appetites of foreign investors and speculators to obtain more U.S. holdings. It is our chaotic economy. Foreign interests see a golden opportunity to unload their excess devalued American dollars and obtain control of the American economy. It is good business for them to take advantage of the situation. But, is it good business for us to allow them to do so, at the expense of our Government, our national security, and our people?

If a man is trying to shake a cold, does he drink the entire bottle of cough medicine in one gulp? It might cure his cough by killing him. I know our economy needs treatment but I do not believe an overdose of foreign-owned dollars is the answer. The medicine should be administered in measured doses.

H.R. 8951 permits foreign investments in U.S. markets. It permits acquisition up to 35 percent of nonvoting securities and 5 percent of voting securities. That is enough to turn a tidy profit and it is more than is given U.S. businesses by some foreign government. Foreign investors should be permitted to diversify their interests here but they should not be allowed to control our economy.

Our economy has been in trouble for the past few years and the administration has tried one solution after another in an unsuccessful attempt to cool the boom and curb inflation. At the present time, it is pulling money out of circulation in hopes of achieving its objective.

Does it make sense then to permit foreign investors to dump massive amounts of their cheapened American dollars into the economy while at the same time our own Government is trying to pull money out? If we permit this, what will happen to our already soaring inflation? I can guess and so can you. Inflation will skyrocket even higher, dragging the consumer along with it.

For example, there is evidence that foreign interests are buying up all our corn they can get their hands on. Price is no object. They bid whatever is necessary to get it. What does that mean to the American who needs corn, too? He cannot play by the same rules. He does not have billions of dollars to unload. If he stays in the bidding, he will end up paying far beyond his means. The expense will be passed on to the consumer. If he drops out of the bidding, where does he get the corn for his cattle? From the foreign buyer? And at what cost?

Look at the textile industry. Japan, which normally buys 600,000 to 800,000 bales of cotton a year, already has contracted to buy nearly 2.5 million bales of our current crop. Why? Has the Japanese textile industry grown 2½ times in size in 1 year? Of coure not. What then is the purpose behind these huge purchases? Is she using her cheapened American dollars to corner the market and drive up the price of cotton?

The People's Republic of China also has begun buying large quantities of cotton and other agricultural commodities. Is it possible, then, that before long the American housewife will be paying $20 a pair for blue jeans made in China of cotton grown here but sold at prices far above their present level?

The Japanese also have purchased approximately 34 percent of the wool available throughout the world, paying whatever she must to get it. Again, she is driving up the price to the detriment of our textile consumers.

Industry Week magazine recently reported three Japanese firms—Tokai Dyeing & Processing Co., Ltd., Kawabo Textile Co., Ltd., and C. Itoh & Co., Ltd.—will enter into an $11 million joint venture with unnamed U.S. partners to build a knit fabric plant in California. The Japanese, according to the article, will hold about 70 percent of the venture. What effect will this have on the American consumer?

Recently, I watched an NBC report on television that described the wide scope of Japanese buying in America today. In addition to wool and cotton the Japanese pay high for diamonds, works of art, thoroughbred horses, honey, and, believe it or not, the gallstones of cows. The Japanese use the stones in the manufacture of an aphrodisiac, I believe. I do not think the American consumer will be upset over a shortage of cow gallstones, but I will bet they are galled at the going price of them—$125 an ounce. Cow gallstones are worth as much as gold!

But, Japan is not the only shrewd investor on the prowl, although she may be the most active. There are others. Canada is showing increasing interest in investing here. We are all familiar, I am sure, with the attempt being made by the Canada Development Corp. to acquire Texas Gulf Corp. I wonder, however, if everyone knows that the only stockholder in CDC is none other than the Canadian Government?

The United States happens to have been blessed with an abundant supply of various natural resources and materials. Some of those resources have been drained by our growing need for them as well as the growing needs of the world. Whatever supplies we have left are in great demand and foreign investors will bid to the ceiling to get their hands on whatever they need. They will buy the company which mines it, if necessary.

The same fervor to control exists in other areas. We have, for example, ample coal fields in our Nation and we know there is a concerted effort to turn to coal for our energy needs of the future. Foreign investors know it, too, and they are buying up coal and timber rights as fast as they can.

What will happen if they get control of these vital materials? Will they have any great concern over the preservation of our forests? Or will they rip them apart for as much board feet as they can get? Will they exhaust our coal fields? Will they sell the coal to us once the technique of converting coal to gas is perfected?

What of the possibility of a vital industry, such as steel, becoming foreign-owned? Would we someday find ourselves dependent upon a foreign firm for the production of steel products necessary for our Nation's security and survival? Could any one of you guarantee that someday the United States would not be refused products needed to defend herself in times of emergency? And, what would our Government do then? Take the industry over by force, challenging the government of the foreign owner to do something about it?

And, what happens to the American working force when their foreign employers decide they no longer need them? If our steel industry was controlled by foreign interests and the world demand for steel suddenly nosedived, would the steel magnates operate a plant here or in their own country? Would they show any concern for our economy, our workers and their families, our consumers? Or, will they leave the abandoned mines, the empty mills, the scarred timberlands as monuments to man's greed? Remember, these investors are not guided by compassion, nor the national interest of the United States, but by the national interest of the foreign country of their origin.

They certainly displayed no such concern after they gained control of the manufacture of our baling wire industry. In 5 years, low cost imports drove six of nine American wire companies out of business. They dominated the industry—as long as it served their interests. However, when the dollar was devalued and the American market lost its attractiveness, the foreign wire suppliers halted their shipments to us.

Now, farmers cannot get the wire they need to bale a bumper crop of hay. They are going to the black market, paying triple the normal cost because they need that hay to feed their cattle. Ultimately, this added cost will be reflected when the consumer goes to the butcher shop for the family dinner. Walter Cronkite, the noted CBS correspondent, recently commented on the rise of foreign multinational corporations and the growing realization among Americans that for the first time, probably since the American Revolution, their lives might be subject to decisions they cannot control—decision made in Tokyo, Ottawa, or Zurich.

Mr. Cronkite astutely observes multinationals have the potential to disrupt a nation. They could close a plant in one country where labor is well-paid and open another in a country where labor is cheap. They could quickly transfer huge amounts of credit from wobbly to safe currency, possibly creating world monetary crises.

There are those in our Nation today who would say: "What are you complaining about? Did not U.S. investors and speculators go abroad and dominate the industries and control the economies of other nations? Are you going to sulk now that the tables are turned?"

The United States did go abroad after World War II, but we supplied capital and know-how, which the foreign countries lacked, and we went at the invitation of the foreign government. We created healthy economies from shattered ones. We went to underdeveloped nations and established industries there, putting their people to work and, in many, many cases, improving the standard of living.

Foreign investors and speculators coming here today are not coming to aid an underdeveloped nation where the economy has been destroyed by the tragedy of war. They are coming to a nation which maintains the highest standard of living in the world; a nation whose industrial strength was such that it enabled the free world to stand against and defeat its enemies in two global conflicts and several other wars.

Mr. Speaker, no other nation, no other people, in the history of the world, has given so much to other nations and other people than has America and Americans. We have given foreign governments American technology; we have given foreign governments American money; we have given foreign nations American lives. I do not believe we should give foreign governments, or their business representatives, control of America's future.

The concern expressed by my colleagues, the Honorable JOHN H. DENT and the Honorable JOHN E. MOSS, as well as other Members of this body with the takeover of American industry by foreign investments, is underscored by the recent remarks of the Honorable Edward Gough Whitlan, the Prime Minister of Australia, on August 1, 1973, to the American-Australian Association.

> We certainly want to discourage foreign takeovers which do not strengthen the Australian economy but merely transfer control of existing enterprises from Australian hands. As far as American companies are concerned, our experience has seen that they are generally more interested in direct investment, which has a greater potential benefit for Australia than the takeover of an existing Australian business. Even in the case of direct investment, however, we are looking for increased Australian participation.
>
> . . . Australia, under my government, intends to be a mature, responsible, and generous member of the International Trading Community; yet, at the same time, an Australia determined to be master of its own household.

If foreign countries such as Australia, and many others, are "determined to be masters of their respective households,'" can we say that they are wrong, and in the meantime allow foreign interests to be the masters of our household?

The Congress appropriated $75 billion for national defense for fiscal year 1973, and will soon consider a similar appropriation for fiscal year 1974 to insure the national security of this country. Yet, at the same time, we run the risk of an economic takeover of this country, if we do not prohibit foreign interests from acquiring control of our vital industries.

Will you and your family feel secure when some of the key strategic industries of the United States are controlled by foreign interests?

FEDERAL INVOLVEMENT IN EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. LANDGREBE) is recognized for 60 minutes.

GENERAL LEAVE

Mr. LANDGREBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LANDGREBE. Mr. Speaker, probably nothing has fallen from public favor more in recent years than public education. Widespread disillusionment is evident among parents and taxpayers over the billions they have lavished on U.S. education on recent times: In 1965, almost 80 percent of school bond referendums for public schools won approval; by 1972, the figure had dropped to 47 percent.

Dr. Sidney P. Marland, Jr., Assistant Secretary for Education, Department of Health, Education, and Welfare, sums up the current public attitude toward education as follows:

> There is manifest in the country—to my knowledge, for the first time in our history—an active loss of enchantment with our schools . . . from kindergarten through graduate school . .
>
> For the first time, Americans in significant numbers are questioning the purpose of education, the competence of educators and the usefulness of the system in preparing young minds for life in these turbulent times. (U.S. News & World Report, September 3, 1973, p. 28.)

Well, why should they not be disenchanted? The costs of education are soaring while the quality of education falls lower and lower. Enrollments in public elementary and secondary schools rose from 36.3 million in 1961 to 45.9 million in 1972, an increase of 26 percent. But during the same period, school spending rose from $17 billion to $48.6 billion, an increase of 186 percent.

The evidence of failure of public education during this same period is all around us: widespread drug addiction among the young; student violence; functional illiteracy. Experimentation with such things as the "look-say" method of reading resulted in large numbers of students being unable to read. Their methods exposed by the book, "Why Johnny Can't Read," the educators are reluctantly turning to phonics.

In 1965, during this period of soaring costs and declining quality in education, a significant event took place: the enactment of the Elementary and Secondary Education Act—ESEA. President Lyndon Johnson, in signing ESEA on April 11, 1965, said that no measure he had "signed, or ever will sign, means more to the future of America." This may be true; but not, unfortunately, in the sense apparently meant by President Johnson.

ESEA was part of President Johnson's Great Society. It created compensatory educational programs for the educationally disadvantaged—title I—but, all the rhetoric about improving education to the contrary, it was then and is now nothing but a poverty program which attempts to redistribute income, or wealth if you prefer! For example, the formula for distributing funds is based on income level, not educational level. Thus the Federal educators, in attempting to determine how well Johnny can read, simply ask Johnny how much money his father makes; Johnny's answer determines his reading level—his level of educational "advantage" or "disadvantage."

But much worse, ESEA marked the first major Federal involvement in education, setting up the means for complete Federal control of education in the United States. For instance, ESEA grants power to the U.S. Commissioner of Education to:

Distribute funds for "disadvantaged" children to State and local education agencies, provided such agencies comply with the requirements of the central government;

Distribute moneys to State and local agencies for the purchase of library materials and textbooks;

Distribute moneys to those State and local agencies complying with Federal regulations for the purposes of counseling, testing, and experimenting on schoolchildren and other "innovations";

Distribute funds to State departments of education for the purposes of consolidating and extending the State agencies' control within the respective States;

Since its inception in 1965, over $13 billion have been appropriated and spent under ESEA. The result? Utter Failure?

In a March 1972 evaluation of ESEA title I conducted by the American Institute for Research, it was reported that:

> Participants [in federal educational program] gained less during the period of instruction than nonparticipants and consequently fell further behind their non-participating [i.e., non-federally funded] peers and national norms.

The following table from the A.I.R. report dealing with reading skills demonstrates that participants in the Federal program actually recorded a negative gain.

> Table 7.4 presents the analyses of gain scores of nonparticipants, participants in one program, and participants in more than one special reading program for disadvantaged pupils. Results are presented separately for each grade level and each achievement test. In this subsample, nonparticipants made larger gains than participants; in fact, both participant groups tended to lose ground while nonparticipants gained ground.

The table follows:

TABLE 7.4.—AVERAGE READING RESIDUAL GAIN SCORES IN MONTHS FOR PARTICIPANTS AND NONPARTICIPANTS IN ACADEMIC COMPENSATORY PROGRAMS[1]

Test[2]	Nonparticipants		Participants in 1 program		Participants in 2 or more programs	
	N	Gain	N	Gain	N	Gain
Grade 2:						
MAT	916	0.47	155	−2.03	42	−2.68
SAT	803	.72	227	−2.34	62	−.73
Grade 4:						
MAT	1,245	.40	318	−1.51	58	−.20
ITBS	826	.46	178	−1.09	32	−5.66
Grade 6:						
MAT	885	.29	141	−1.61	21	−1.46
ITBS	920	.43	151	−2.08	14	−5.80
SAT	645	.12	104	−.60	13	−1.15

[1] Glass, 1970

[2] MAT—Metropolitan achievement test; SAT—Stanford achievement test; ITBS—Iowa tests of basic skills.

The relationships between residual gain scores and 14 biographical variables were examined, but contrary to the fiscal year 1968 survey, nothing significant was found. That is, there was no evidence that students with particular background characteristics gained more or less as a result of participation in compensatory reading programs.

To those who would argue that participants were better off than they would have been had they not received Federal "aid," the report says:

> No evidence could be found at the national level to support that hypothesis. Furthermore, five of the six reports that presented empirical evidence to support their conclusion found no positive relationship between Title I project expenditures and cognitive benefits.

In light of all this, one would expect those concerned with education to, at the very least, question Federal involvement in education in general and ESEA in particular. So what is our House Committee on Education and Labor doing? They are presently marking up a bill, H.R. 69, to extend ESEA for another 5 years.

Are the members of the committee aware of the public disenchantment with public education? Are they aware of the failure of ESEA? Are they concerned with Federal control of education? If they are, they are keeping it a secret. Instead of debating or discussing these fundamental issues they are constantly demanding higher funding levels and are bitterly fighting over the formulas, that is the distribution of funds, through which States and congressional districts should get more or less.

Meanwhile, the vital issues of the future of education in America, such as the diminishing quality of education under Federal programs, the ominous increase in Federal control of education and our ever-increasing national debt are totally ignored.

Because I cannot support H.R. 69, I am introducing today my own bill to phase out Federal aid to education authorized by ESEA. My bill, the Freer Schools Act of 1973, provides for the following:

Extends title I for 4 years, fiscal 1974–77, but phases out this title by reducing the funding authority 25 percent each year;

Extends title III for 2 years, fiscal 1974–75, and phases out title III by reducing the funding authority by 50 percent in 1975;

Restricts title I programs to basic cognitive skills, particularly reading and math;

Restricts title III programs to cognitive development, as opposed to social development or behavior modification;

Asserts moral and legal rights of parents with respect to the development of their children;

Requires parental permission for participation in experimental programs;

Prohibits the use of such psychotherapy techniques as group therapy or sensitivity training; and

Prohibits the requirement of school employees to join any organization or teacher's union.

My bill makes no provision for the remaining titles and programs of ESEA. All of these have an automatic 1-year extension, and thus will not expire until June 30, 1974. Some of these—title II—library services—title V—aid to State departments of education—and title VIII—drop-out prevention, nutrition and health—are scheduled for termination by the Nixon administration, which provided no funding for them in the fiscal 1974 budget. Other programs dealing with such things as education of the handicapped should be consolidated and dealt with in a separate bill.

I have chosen to submit my own proposal to Congress for a number of reasons. First, Federal aid to education in any form is unconstitutional. This forms one of the bases on which I must reject all other proposals for Federal aid to education. Nowhere in the Constitution is the Central Government granted the authority by the States to intervene in any way in education. In two areas which may be broadly considered educational, the Central Government is expressly denied authority to intrude; namely, in the areas of religion and the press. Furthermore, the 10th amendment expressly states that powers not delegated to the Central Government nor prohibited to the States "are reserved to the States respectively, or to the people." One must conclude that education is regarded by the Constitution as a purely State and/or private matter.

Second, the 8-year history of Federal aid to education is a sorry one indeed, as was shown by the research reports cited above.

Third, Federal aid is an inherently wasteful means of funding education. The Federal Government first takes the money from the people, and then passes it on to the States and localities—minus, of course, a handling and processing fee for the tax collectors and the bureacrats. The States and localities then spend the money, presumably, on education, but only after paying the extra administrators it was necessary to hire to process all the Federal forms. How much of the funding is absorbed by the bureaucracy and how much actually filters down to be spent on education may be impossible to calculate exactly. I can, however, speak with certainty about the cost of administration on the local level: one school corporation in my district will receive $14,000 this year in title I funds, $7,000 of which will be spent for administering the various Federal forms. School teachers, whose profession is one of the lowest paid, should take note of this—Federal aid enriches the bureaucracy, soaking up funds that could mean higher salaries and better education.

Finally—and most important of all—Federal aid to education necessarily includes Federal control of education. If the Federal Government takes money from the people for the purpose of education, then the Government has the responsibility to see that it is in fact spent on education. This necessitates granting power to Federal commissioners and the promulgation of various regulations and controls, as we have seen embodied in ESEA. While the Federal Government cannot—as yet—actually require schools to follow their dictates, as the Federal share of funding gets greater and greater it amounts to the same thing. Schools either follow Federal dictates or they lose their funds; and if they lose their funds they will have no place to turn since Federal taxes will have dried-up most local sources of revenue.

I might add that the administration's proposed revenue sharing for education, which they have now abandoned, would not help matters in regard to Federal control—it would merely replace the control by Congress inherent in categorical programs with control by departments of the executive branch of the Central Government.

Thus if we continue down the road of extending and increasing Federal aid to education, total central control of education is inevitable. Sooner or later we will have a centralized, standardized, uniform national school system. Only a full-fledged Communist or Fascist would advocate a government monopoly on education. And yet that is what we are, in fact, approaching.

I realize that my proposal will be fiercely attacked by some segments of the educational establishment. But, in light of the failure of these Federal programs, it is time to ask those critics: are you concerned with quality education or merely with receiving "free" Government money? The question of "conflict of interest" is raised in regard to public officials who have connections with private sources of income. The same question should apply to a bureaucrat whose source of income is a government job, when he opposes a program that threatens the source of his income.

The educational establishment contends that their goal is to provide quality education, not to control the intellectual life of our country. Let us take them at their word and hold them to it.

I plan to offer my bill, at the appropriate times, as a substitute to H.R. 69 both in committee and on the House floor. It will offer Members of Congress, for the first time in many years, a clear choice regarding the future of education in America: a choice between freer, decentralized schools which just might provide better education; or more controlled more expensive and more centralization of schools which will most likely perpetuate some sorry failures we see today and in the past.

Mr. BLACKBURN. Mr. Speaker, I am indeed pleased to participate today in this detailed discussion of the problems of modern elementary and secondary education with which we must concern ourselves because of the Federal Government's close involvement with the schools. The question of whether the Federal Government should be involved in all these matters is one which I cannot pursue at the moment, although I hope that at some future time it can be thoughtfully discussed as well. The fact is that for the time being the Federal Government has become heavily entangled in the education of the young, and therefore we in the Congress have a responsibility to examine closely what is being done in the schools with the money we provide. Many of our citizens at the local level do not like what is being done under the guise of "education." Many of us would not care for it either if we knew more about it.

Let me deal with one relatively small facet of the fashionable approach to education these days. I have in mind the concept of the elementary and secondary teacher as a "change agent." This notion is endemic in the thinking of educators today, including those who enjoy generous support from the Federal educational bureaucracy. I shall content myself with one small quotation from the 1968 study by Bruce R. Joyce of Columbia University Teachers College, entitled the "Teacher-Innovator" and supported by a contract from the U.S. Office of Education. Of course the Office of Education disclaims responsibility for the author's conclusions, but the idea of the teacher as innovator central to this study is one very much in favor with the Federal establishment. Consequently this may be taken as a typical expression of educationist opinion. "The development of this model [of the teacher-innovator]," Mr. Joyce writes in his study, "is to prepare a teacher who will be an evolutionary in the schools of today. He will be developing a new education even while he executes the old. Several developments make this necessary, this commitment to change, even if it were not the product of analysis and ideology."

Mr. Speaker, I might comment to begin with that an "evolutionary," as Mr. Joyce calls him, is less likely than a revolutionary to "execute the old," but we shall let that pass. Whether he be evolutionary or revolutionary, the teacher is expected to espouse a commitment to change as the guiding principle of his life. Let us think a little about what this means.

Generally speaking, I believe, a person committed to change under all circumstances believes that the existing order is entirely worthless, for otherwise he would not wish to alter it wholly. It is for this reason that "change-agents" are constantly using the rhetoric of crisis when they speak of the current state of affairs in this country: everything is in crisis, from gasoline supplies to food prices, through the environment, population growth and the education of our children, to the danger of utter destruction of all life on earth by nuclear holocaust. The famed Harvard Psychologist B. F. Skinner uses this as the quite unargued premise for his conclusion, in "Beyond Freedom and Dignity," that we must accept drastic changes in our concepts of freedom and dignity if we are to escape total destruction. In like manner, teachers who consider themselves pure "change-agents" must believe that the current state of education and society is entirely unsatisfactory, and stands in need of drastic and thorough change. Now I believe that the vast majority of the American public—at least to the extent that it is not propagandized by the mass media, which are more part of the problem than the solution—rejects the idea that our society is in a condition of utter crisis. Only history will tell us whether we really are, but most people believe we are not, and if we are, it will probably be of a quite different sort than the sort the mass media tells us about with such obsessive enthusiasm. Yet, of course, this same American public is being asked to subsidize people who believe in change as the highest good.

What are we to make of the educationists' commitment to change. The eminent sociologist Robert Nisbet in his book of 1969, "Social Change and History," challenges the assumption of many intellectuals that change is the chief characteristic of all things: Change is, however, not "natural," not "normal," much less ubiquitous and constant. Fixity is—in the realm of simple observation and commonsense, nothing is more obvious than the conservative bent of human behavior the manifest desire to preserve, hold, fix, and keep stable.

In the past, I might note, the assumption was that something which had stood the test of time was more likely to be correct than not, that the burden of proof lay upon the advocate of change. If it is not necessary to change, the saying went, it is necessary not to change. We would probably call a person who was so different every day as to be unrecognizable, demented or mad. We recognize a friend after 20 years separation because of what is the same in him, not what is different. It is this which enables us to keep our moorings. I would hazard the guess that the confusion and dislocation which besets our society today is in large measure the result of unnecessary and too rapid change, modification and tinkering pursued for their own sakes. Students who enter the university to follow a particular course of study may by the end of their 4 years find the curriculum and requirements altered out of all recognition. This can only be disorienting and unsettling. But such change in education is the result of artificial inducements and commitments, the result of an ideological thrust of which Mr. Joyce spoke.

No, Mr. Speaker, the idea of the teacher as an agent of unrelenting change now promoted by the education establishment and supported by Federal dollars, is destructive and harmful. It would be better to spend nothing at all on education than to allocate funds for the support of such "change-agents." In a sensible society we must have teachers dedicated to reasonable and sensible change: not teachers who cling rigidly to what they know, but also not teachers committed to the idea of change and innovation simply for the sake of change and innovation. But we must recognize, with Professor Nisbet, that the principle of continuing is more important than the principle of change, although both must coexist in a healthy society. Today's teachers in increasing numbers reject that formulation.

I might add, however, that this dedication to change is a devotion to change in certain directions, in many cases. If Members of Congress propose a change in the direction of Federal funding so as to reduce or eliminate it, if we propose increased funding to develop improved methods of teaching the basic intellectual skills, I dare say we shall find the "change-agents" highly alarmed and suddenly as conservative as anyone. Change in that direction they do not want. In like manner, when teachers seek, by legitimate or illegitimate methods, to change the behavior or values of their pupils, it is usually in certain directions, and away from the values of the community and the family. This makes the teachers as "change-agents" even more alarming, and explains why parents are so upset over the state of their schools. It also explains why we must examine very carefully the educational philosophies of the educationists if we are asked to place the coercive power of the state behind their efforts. Otherwise we shall be more than derelict in our duties to our constituents.

Mr. BEARD. Mr. Speaker, it does not take long for a new Congressman in Washington to realize the importance of poverty to the continued existence of massive Federal programs aimed at its elimination. Each new administration unveils its own new approaches to the problems of poverty leaving in their wake the old, discredited wrecks of the past.

An element each of these programs share is the ability to consume enormous sums of money drained from the taxpayer's pocketbook. All too often, these "dollar swallowing" programs result in unfulfilled expectations and a decrease in the faith Americans have for their Government's ability to solve problems. This does not mean we should not attempt to address the issue of poverty. It is to say that serious structural problems exist in our poverty and education programs which must be addressed if we are to make any gains in the fight to deal with poverty and deprivation within our society. Chief among these structural defects is what may be termed "negative incentive."

The "negative incentive" may be observed most clearly in a poverty program. Let us assume that Congress has made a certain amount of money available nationally to alleviate poverty. This money is allocated initially to the States according to the number of poor people in each State as shown by some set of population and income statistics. A poverty bureaucracy then comes into being, both in Washington and in each State, to administer these funds. This bureaucracy has a vested interest in the continuation of the poverty programs while its mandate is to eradicate it. If the poverty programs are genuinely successful, the number of poor people in each State will decline, and individual States will be eligible for fewer Federal dollars. Thus, it is often in the interest of the poverty bureaucracy to see to it that poverty is redefined in such a way that the number of poor people in the State will not decline; indeed, it would be good for the poverty bureaucracy if the number of poor people actually increased.

The end result of this is that the Congress establishes a program to appropriate funds to eliminate poverty which has a built-in tendency to result in larger and larger numbers of people being declared "poor." The results of the program are the exact opposite, in a sense, of those originally intended. I say in a sense, because the poor will actually be helped to some extent by the programs, we can only hope, but the number of those defined as poor by the bureaucracy will increase under the "negative incentive" plan. In short, the poverty bureaucracy has a vested interest in seeing to it that the number of poor does not decrease.

By artificially linking poverty to educational achievement, the "negative incentive" has been applied in the field of education as well. In the debates within the House Education and Labor Committee on title I of the Elementary and Secondary Education Act, a title which provides more than $1.5 billion for the assistance of educationally deprived children, some unexamined assumptions have been made. The first is that educationally deprived children are synonymous with economically deprived children, or, in other words, if a child is poor then he is necessarily badly educated. I believe this to be very far from the case, but let me return to the question in a moment.

Much of the debate in the committee has circled around the proper poverty formula to be used in allocating what are supposed to be educational funds under title I ESEA. The debate centers on whether the figures on family income should be set at, say, $2,000 or $4,000, and then the statistics derived from this are used as the basis for allocation. Others have argued that the statistics for aid to families with dependent children would yield a more reliable figure for poor children who would stand in need of remedial education; still others have urged a closer look at the so-called Orshansky formula, possibly since the Orshansky formula shows an increase in the numbers of the poor in recent date rather than a decrease. The assumption is clear that poverty programs cannot result in a decrease in the number of poor people. Thus, if the equation between the educationally deprived and the economically deprived is allowed to stand, then, just as with the poverty programs, there will be a strong vested interest in seeing to it that educational deprivation is never overcome.

Mr. Speaker, within the House Education and Labor Committee, there have been attempts to make title I ESEA an educational title rather than a poverty title, rejecting that equation between poverty and educational deprivation. One proposal here is to institute a program of nationwide educational testing, and then to award funds on the basis of low test scores, since these would be a truer index of educational deprivation. It is true that this approach would deal with title I as an educational program, but at the same time it, too, runs the risk of "negative incentive" as with the poverty programs. We must consider whether we would be creating a vested interest in seeing that students score as low as possible on the tests, since funds would be allocated on that basis. What stimulus would there be to improve educational achievement if this resulted in a loss of funds? So, it is possible that ESEA title I, instead of remedying educational deprivation, could have a powerful tendency to perpetuate it.

Mr. Speaker, this whole question of "negative incentive" is one that affects many, if not most, of our well-intentioned social programs, and not just poverty and education programs. I raise the issue not to discourage new efforts to improve Federal programs but in hopes that an awareness of it will better enable us to meet the challenge effectively.

Mr. DEL CLAWSON. Mr. Speaker, many of the participants in this discussion of the frailties and failures of the Elementary and Secondary Education Act of 1965 are dealing with harmful, damaging aspects of the schools which have been encouraged by funding primarily through title III of that act. To a large extent, this is as it should be, for many of the most alarming aspects of education in our day were encouraged by that title. At the same time, we must realize that title III is funded, and has been funded, at a much lower level all along that title I. For example, the Labor-HEW appropriations bill passed by this House on June 26, provided slightly over $146 million for title III, but $1.8 billion for title I. That sum is a rather large one and the purposes for which it is to be spent should not go unexamined.

Mr. Speaker, I realize that this is a question many Members of the Congress would prefer to avoid. The educational lobby is very powerful throughout the entire country. It reaches into every congressional district in the Nation and has been made even larger in recent years by the expenditure of billions of tax dollars through such legislation as title I ESEA. As a result there is an immense vested interest which does not desire close examination of title I funds and what they have or have not accomplished. Lately many insertions have appeared in the CONGRESSIONAL RECORD from school administrators and other educators who testify with great fervor to the importance of title I, which was designed to improve the lot of educationally disadvantaged children at tremendous public expense. Those who try to discuss such educational questions seriously are frequently accused of being "enemies of education" and "enemies of children." This is just not true. The interest lies in seeing that children receive quality education at a cost sufficient to do the best job efficiently. Title I fails on both these counts, and especially on the second count.

Criticizing title I from the outside is the more difficult because the title combines two things with wide political appeal: Education, which is invariably considered good in all forms to be encouraged; and poverty, which is considered a bad thing to be eliminated. People who have not examined the problem think that for $1.8 billion per year we must be greatly encouraging education and considerably alleviating poverty, at least in the sphere of the schools. In fact, a strong case can be made that title I overall has brought about very little improvement in education and has financially enriched primarily the educational bureaucracy and the manufacturers of mechanical teaching aids.

Perhaps the best witness I could call to support my case is John F. Hughes, who from 1956 to 1969 directed the title I program at the U.S. Office of Education. In 1972, he coauthored a book entitled "Equal Education: A New National Strategy," in which he spoke quite candidly about the failures of title I during the time when he was the person most directly responsible for administering it. Let me note that Mr. Hughes ends by prescribing more and tighter Federal controls for education—a position which I reject—but this does not prevent him from evaluating the shortcomings of title I.

It seems that when the Office of Education first received the bonanza of title I funds, it did not quite know what to do with it. In any case, it did manage to settle upon some guidelines for programs, which Mr. Hughes summarizes as: "limited pupil participation, strict project area definition, careful project design and approval, and concentration of services on schools having the highest numbers of poor children."

Whatever one thinks of Federal guidelines in education, these did represent a serious attempt to adhere to the intent of the original legislation. What happened? At a meeting in November of 1965 these guidelines were largely diluted as "an effort at undue Federal control and as being inconsistent with earlier USOE positions," after which title I ended up largely as simply general aid to the schools, to be used for educationally deprived children or not, as the localities saw fit. This was only a partial counter-attack, though, on behalf of local control, because, as Mr. Hughes notes, "until ESEA, Federal education acts had never challenged the authority and responsibility of the States for public education." Some 3 years later, however, the Federal policies were strengthened and the financial controls at the State level were tightened. Before they had been very loose, and title I funds were being spent for all sorts of things entirely unrelated to educationally deprived children.

The main point I would like to make, Mr. Speaker, is that the educational experts really had no idea what to do with sums of money in the range of $1.5 billion annually in order to improve the education of the culturally deprived. I am told that at the hearings before ESEA was adopted, the late Senator Robert

Kennedy raised one very central and very pertinent question. He asked:

> How would we know in two or three years' time whether the Title I programs had in fact achieved their objectives?

The educational experts had no satisfactory answer, and even seemed to have regarded the question itself as improper. It was far from improper. The answer is that it is difficult indeed to find out whether the achievement of educationally deprived children has been raised. Moreover, it seems the educational experts do not want even to try to find out, probably because they suspect what they will find. Mr. Hughes admits that measurement and accountability are difficult to apply to this program. He writes:

> While difficult to measure the effects of such education-related services in terms of improved academic performance—and, indeed none of the evaluations of Title I have taken on this sticky task—there is little doubt but that such services increase the probabilities of youngsters being able to learn.

Mr. Speaker, that is a rather remarkable statement. We cannot evaluate the results of the program, but we can be sure that the expenditures of $1.5 billion per year will "increase the probabilities of youngsters being able to learn." That is a very large sum to pay for such vague assurances.

Mr. Hughes delivers a sad verdict indeed on the title I program which he headed for 4 years after its inception in well-meaning legislation passed by this Congress. He puts it this way:

> What Title I brought out of the shadows was that when the schools were challenged to educate the poor, they had little to offer. . . . A painful first revelation was the discovery that the schools did not really know how to go about the business of educating the poor.

Apparently, the Congress felt that if it allocated $1.5 billion per year to the education of the poor, the poor would be educated. Unhappily, in real life things do not work out so neatly. If you have no one who knows how to do the job, it is a monstrous waste to allocate sums of money to a project. We often hear people say: If we can put men on the moon, why can we not clear away the slums, educate our children, and so forth? The answer is that we know how to put a man on the moon, and therefore it made sense to allocate money to that project. Apparently we do not know how to permanently eliminate slums, or educate our children infallibly, at least not yet—and so it makes little sense indeed to spend vast sums of money on useless or harmful projects; we might be better advised to proceed slowly. Title I ESEA has probably not been positively harmful, as title III has been, but it has failed to measure up to expectations. Small, experimental projects for a fraction of the present cost might better serve the purpose.

Mrs. HOLT. Mr. Speaker, it is with great sadness that I look upon the schools today, the institutions which, in Mathew Arnold's words, were meant to pass on "the best that has been thought and said in the world." Lowered achievement among schoolchildren attests to the fact that the schools' focus is somewhere other than on the basic skills. An abominable infamiliarity among young people with the nature of our cultural heritage shows that the schools are engaged in something other than the transmittal of the wisdom of the past.

In an obsession with "relevance" and the modern fads of today, the schools are disregarding the important lessons we can learn from the past. This distorted emphasis on the importance of the present permeates federally funded education programs such as an experience with the new humanities, an "innovative" project funded under title III of the Elementary and Secondary Education Act in use in Billerica, Mass.

This project is described in an abstract which relates how teaching of the renaissance and other historic periods was abolished in favor of teaching the relationship between the different arts "within the urgency of what's happening now." This includes the use of "student/teacher rap sessions" and "student problem-oriented projects." The entire project has "replaced geography in the school curriculum."

This project typifies the anti-intellectual atmosphere in the schools and their self-appointed role as "problem solvers." Instead of concentrating on teaching the basic skills and the facts of history the schools are entering realms, which were previously considered only within the framework of the home, the church, or the family doctor. Education journals now often refer to the teacher as a "learning clinician" and the schools are "learning clinics." Spokesmen for education associations speak not of what the schools should teach but of "what kind of people we will produce."

Indicative of this movement away from the teaching of subject matter and into the realm of feeling and sensing is the 1969 Report of the Joint Commission on Mental Health of Children, which took place under the auspices of the Federal Government. The report states:

> Schools originally were intent on the development of the mind as a primary mission. The body and spirit were the responsibility of the home and the church. As the home and the church decline in influence, the schools are required to assume more responsibility for the education of the whole child. Schools must begin to provide adequately for the emotional and moral development of children as well as their development in thinking. The school as a major socializing agency in the community must assume a direct responsibility for the attitudes and values of child development. The child advocate, psychologist, social technician and medical technician should all reach aggressively into the community, send workers out to children's homes, recreational facilities and schools.

Thus, the educationists are preparing to assault not only the individual psyche of each child, but their plans include a large scale usurpation of what we used to consider parents' rights. The fact that the schools have ambitions that include much more than the child's intellectual growth is revealed by a statement of the National Education Association, which appeared in the NEA booklet "Schools for the 70's." The NEA states:

> In addition to purely intellectual growth, the curriculum should regard emotions, attitudes, ideals, ambitions, and values as legitimate areas of concern for the educational process, and should emphasize the student's need to develop a sense of respect for self and others.

The school has always been concerned with molding the values and attitudes of good citizens up to a certain point, but this aspect of school has always been secondary to the teaching of what educator Jonathon Kozol calls the "survival skills." Today we have rearranged our priorities so radically that we view such elusive abstractions as intergroup relationships, self-esteem, and general happiness and not the basic skills as the primary goal of the schools.

I recently read of an "open classroom" experiment in Louisiana, which received several million dollars in Federal funds, where much emphasis was placed on the children's comfort, pleasure, and happiness. The goal of the project seemed to be merely to make school a "fun" place rather than improving learning skills.

Now, I am all for comfortable surroundings in the classroom and a pleasant atmosphere but I don't think this should be our number one priority. Nor should we emphasize human relations at the expense of the basic skills. I don't think the schoolchildren of this Nation will thank us for depriving them of that much more profound pleasure, the pleasure of knowing a subject well as a result of a little hard, sometimes tedious, work. They will be indeed ungrateful to us for all the fun they had in school if, at age 18, the products of our schools find themselves too ill-prepared educationally to cope with the rigors of college.

As the eminent scholar, James Koerner, says so well in his book "The Miseducation of American Teachers":

> Let us do everything we can to facilitate the learning process, but let the "learning" remain in it. Let us not confuse, as so much of progressivism did, the pleasant with the important, the temporary with the permanent, or the "broad primrose path" which in Whitehead's words "leads to a nasty place' with the long and rocky road to genuine education.

Parents across the Nation are complaining that their children are not learning American history and that what is taught is negative because it teaches children to question the events of history. In social studies courses the "inquiry method," which uses open ended discussions and frowns on absolutes, is used to approach such events as the War of Independence. Using this method George Washington might be viewed not as an hero and patriot, but as a traitor to the English crown. As a result children do not grow up with a certainty about their heritage, but develop instead a cynical, questioning attitude that can foster the self-doubting attitude many Americans have about America today.

Moral and cultural relativism are part of the curriculum today. An example is the social studies curriculum known as "Man: A Course of Study," which was developed and is disseminated with Federal funds. This course replaces history and geography with a behavioral science oriented comparison between the Netsilik Eskimo, a baboon troop, herring salmon and seagulls. The course includes the discussion of infanticide, cannibalism, and senilicide, accomplished not by a denunciation of such practices, but by an explanation that this is acceptable behavior in the Netsilik culture. The customs of a primitive, stone age culture are viewed as equally valuable as those of western civilization. The teachers guide explains that students are not tested for factual knowledge, but for attitudes learned. In the behavioral approach to life there are no right and wrong answers, because everything is relative.

The psychologist Erich Fromm has stated that by regarding all truth as relative we are discouraging original thinking. "Truth is made out to be a metaphysical concept, and if anyone speaks about wanting to discover the truth he is thought backward by the 'progressive' thinkers of our age. Truth is declared to be an entirely subjective matter, almost a matter of taste," states Fromm and adds that "thinking loses its essential stimulus" as a result of relativism.

The use of relativism in curricula is widespread and much of it is federally funded. "ALERT: a Sourcebook of Elementary Curricula Programs and Projects" lists federally funded curricula including 11 "affective education/personal development" projects.

Among these are the schools without failure seminars, which are based on the "reality therapy" of Dr. William Glasser and are described as "a classroom method that involves students in decisions about their own learning and instills a feeling of 'worthwhileness'." A project goal is to "remove failure" from the school. "In order to prevent failure children must be taught to tolerate uncertainty and we have to let students know there are no right answers and we have to let them see that there are many alternatives to certainty and right answers," states the curriculum abstract.

The only way to totally free children from the dangers of failure is to demand nothing of them. Only when we decide that Western civilization is not worth preserving can we accept that concept. We must ask ourselves are we ready to throw away the civilization that it has taken so many centuries to achieve in favor of the ubiquitous monster of relevance? In favor of unproven social theories of behavorial scientists? In favor of the abyss of barbarism that awaits man once the thin thread of civilization is forever ruptured? To quote Dr. Koerner again:

> Whatever our attitude toward the ultimate questions that have always confronted mankind, whether we believe man to be a divinely inspired creature or merely a cosmic accident we have no choice but to assume that Western civilization is good, at least more good than bad; and that whatever hopes we have for the future will have to be realized through the continuation and improvement of that civilization, building on all that has gone before.

It is because I concur with Dr. Koerner on the virtues of Western civilization that I am fearful of the damage the schools may wreak if they continue to ignore true learning in favor of behavioral science, relevance and relativism. Once the schools begin to be viewed as tools for social change, we must begin to ask "what kind of social change?" lest they become instruments for the demise of Western civilization. Among the more pessimistic thinkers of great perception is Malcolm Muggeridge, who assails the schools for their assault on traditional values, particularly religious ones. In his book "Jesus Rediscovered" Muggeridge states:

> A future historian is likely to decide that the most powerful instrument of all in bringing about the erosion of our civilization was none other than the public education system set up with such high hopes and at so great expense precisely to sustain it.

If we are to rescue our children from mediocrity we must abolish the programs that use them as guinea pigs for social experimentation, while neglecting to nourish their minds. We must clear the schools of constant assault on culture, intellect and tradition, lest we drown in the mire of relevance and psychological education.

We should be teaching our children a body of knowledge comprised of what T. S. Eliot called "the permanent things" and not the faddish social theories that are doomed to be replaced by equally short-lived ideas. If we do not want to bring up vague-minded robots that march to the tune of the drummer of the day instead of to the heartbeat of the universe, we must save the schools before they move further in the direction they are taking. We must return to quality education before it is too late.

Mr. ASHBROOK. Mr. Speaker, it is high time for the Congress to begin serious consideration of the sorts of educational philosophies now being supported by massive Federal funding, including substantial funding under title III of the Elementary and Secondary Education Act of 1965, the one we are now being asked to extend for many more years. Even those who are not experts in education are aware in a general way that all is far from well with our schools. The recipients of Federal funding who want still more and who have been responsible for what has gone on in the schools over the last few years will say, of course, that this is because not enough money has been allotted to education and that the solution is to spend more. They have a vested interest in that, and we should hear their arguments with a certain amount of scepticism. We who do not have a vested interest in education, on the other hand, should consider whether the problems of education do not arise from too much money being spent for the wrong things. From 1960 to 1970, the expenditure per pupil on elementary and secondary education more than doubled from $375 to $783, and all educational expenditure over that same decade rose by about 50 percent, from 5.1 percent of the gross national product in 1960 to 7.6 percent in 1970. Yet despite this massive expenditure, few would claim that American education in 1970 was better than in 1960, and very many people would say that it was substantially worse. Consequently, it is necessary for us to stop and take a close look at what the educators are doing with the dollars Congress so generously appropriates.

Most of our educational difficulties, including those stemming from title III of ESEA, arise from the conception the educational establishment has of its function. Educators nowadays see themselves as concerned with the "whole child," in other words, as responsible not only for learning in the intellectual sense but also for children's emotional and social development. Educators see the school as the institution in society which will become all-encompassing, which will replace the old school which saw only to a child's intellectual development; the church, which was charged with inculcating moral values; and even the family, which had the burden of seeing to the child's emotional development in large measure. The school, if the educators had their way, is to be entrusted with the task of tending to the good of the child from virtually the beginning until he enters adult life.

The new educationists see a conflict between the family with its values and the school. They consider the child "damaged" or "harmed" by its contact with the family and seek to remove it into the arms of experts for as long a period as possible during the day so that they may attend to its "emotional development." Dr. Joseph P. Bean, formerly clerk of the school board in Glendale, Calif., has summarized class meetings of a certain type as follows:

> The meeting acts first as a problem-solving group to strengthen the child's coping behavior. The class discusses any difficulty it wishes and *problems of the home are eligible for discussion*. The conclusions arrived at are to afford peer group control of behavior of the individual students. The teacher stresses that there are no right answers, no constant truths, and no constant principles. (This type of program) is 180° out of phase with the moral concepts of Western man, with the Biblical religions, both Jewish and Christian, and with most beliefs held by the mainstream of our society. Much of the literature refers to these class meetings as psychotherapy.

Dr. Bean quotes a California mother as having commented that "The students sit around in circles exchanging uninformed opinions." This may not be our idea of education, but it is that of the present-day educators. For them the important thing is not learning but the learning process, regardless of what is learned, if anything. From this point of view, swapping uninformed opinions is just as valuable, perhaps even more valuable, than learning something of the accumulated wisdom of civilization. What information is supplied the class is often the work of the instructor, who frequently does what he can to shield his charges from that "irrelevant" accumulated knowledge of the past.

Mr. Speaker, some may think that these doctrines are the product of isolated individuals with little influence. In fact, they are espoused by a great number of educators who are quite influential, indeed. Recently the Washington-based Council for Basic Education studied the winter 1973 issue of "Kaleidoscope," the official publication of the Massachusetts Department of Education, which in 1972 had disbursed some $4.8 million, largely in Federal money, through title III ESEA. Here are some of the officially described projects:

In Danvers, the self-direction through group dynamics project provided "teaching awareness and coping with social learning" as well as "training in outdoor tasks and group discussion skills" at a total cost of $105,000.

In Medford, the arts for intergroup relations education project provides for "intergroup-interpersonal relations and the visual and performing arts . . . (and) deals with five issues of concern with respect to children: prejudices, groups, emotions, conflict, and people change" at a cost of $112,000.

In Billerica, a generously funded program emphasizes "the viewpoint of students within the urgency of what's happening now" at an annual cost of some $93,000.

At the Springfield environmental center for our schools, the program treats children to "discovery hikes," teaches them "climbing skills," takes them through a "group exercise in survival," and includes an intellectually exciting picnic lunch, all for the bargain price of only $140,600.

The entire funding for these programs does not come from title III funds, but the bulk of it does. It strikes me, Mr. Speaker, that at best we are perpetrating a gigantic hoax upon our children with such programs, and at worst, we are crippling them intellectually. If in fact the students are to be allowed to teach themselves, then why should we spend large sums of money on "professional educators?" If uninformed opinion is as good as knowledge, why should we bother building libraries and laboratories? Even worse, if educators are the divisive "change agents" they see themselves as being, engaged in setting child against parent and generation against generation, why should we feel obliged to support them with tax moneys? It is far past time to examine these programs and the assumptions of the educational establishment which engenders them, so as to insure that the voters of this country are not compelled, through the unwitting instrumentality of the Congress, to finance the undermining of all they believe in.

Mr. CONLAN. Mr. Speaker, I am most pleased to join in this special order to discuss the Federal role in education. I am acutely concerned that Federal funds have been used to support experimental projects in the classroom that serve to strip children of social and moral values shared by their families and taught at home.

As our schools cease to be conveyors of culture and academic skills in the traditional sense, they become more and more vulnerable to each passing fad of the day. In an unending quest for "relevance", they absorb and reflect what Russell Kirk calls the "passing pageant" of the day.

We find in these schools an "adjustment curriculum". The latest tools for promoting adjustment to the modern world and to all one's fellow men is sensitivity training. Also known as group dynamics, human relations training, small group discussions, encounter group, this method employs peer group pressure and emotionalism to effect some sort of change, either in thought or behavior.

Given the experimental nature of these methods, I find their use in the schools highly disconcerting. Precious time which would be better spent on scholastic subjects is being used on these activities in the hope that the schools will somehow cure society's ills and any problem that the individual might have.

As a Utopian concept, it may prove, at best, to be a waste of time. At worst, however, the use of sensitivity training in the schools can have disastrous results.

A typical small group discussion may include an instructor and several children seated in a small circle. The instructor may select one child and ask him to tell all about his feelings for his parents.

"Why don't you like them? Why do you find your mother absurd?", the instructor may probe.

Emotions build up. A child may burst into tears as he "tells all." Excessive guilt can set in once the session is over. Privacy has certainly been invaded.

In another case, an instructor may point to one participant and single out another while asking the question, "What don't you like about him or her?"

A barrage of insults may follow. A destroyed relationship. Feelings of inadequacy on the part of the student criticized, and feelings of guilt in the critic.

Dr. Bruce Maliver, in his book "The Encounter Game," points to some of the tragic results of the group movement, including the suicide of a 24-year-old who attended Esalen Institute. Maliver's main criticism is that group leaders are only marginally trained and thus not equipped to deal with emotional disorders that surface in a group session.

Teachers who conduct the probing "rap" or contact sessions in the classroom are likely to be equipped with no more understanding of the dangers of sensitivity training than what was offered them in a single workshop. The use of such methods, even in the hands of professionals, as we have seen, is a dangerous proposition.

In their book "Encounter Groups: First Facts," Drs. Morton Lieberman, Irvin Yalom, and Mathew Miles describe a conclusive study of group strategies. They found that one-third of participants gained absolutely nothing. Another third reaped "negative outcomes", while still others sustained "significant psychological injury."

Dr. Joseph T. English stated in the December 1969 issue of the American Journal of Psychiatry that:

> Today we are witnessing a proliferation of sensitivity training programs aimed at persons in educational, industrial, and community settings . . . Of primary concern to psychiatrists, many of whom have seen the casualties of insensitive sensitivity training programs and "trainers", should be the outright invasion of individual privacy such programs tend to promote.

The subjects of discussion in such groups are often highly controversial, and may include such subjects as lying, smoking, drug use, abortion, or shoplifting. The group consensus which emerges often conflicts with the values taught in the home, parents find.

As disturbing as I find these incursions into our children's mental health in the schools today, I must add that the problem could be solved by simply abolishing Federal programs that promote such activities. Secondly, if schools and school administrators and teachers were truly concerned with intellectual endeavor, there would not be a moment to waste on such practices.

I agree with Jacques Barzun, who has severely scored "the almost total lack of intellectual attachments among those who think they lead our schools." Barzun points out in his book, "The House of Intellect," that "the notion of helping a child has in the United States displaced that of teaching him. Anyone who tries to preserve the distinction is obviously unhelpful and is at once known as a declared enemy of youth. The truth is that even apart from its hostility to intellect, systematic coddling is as dangerous as it is impertinent."

Mr. Speaker, I strongly believe that the schools should concentrate on areas they have been asked to handle—that is, the development of the child's intellect. Let us underscore our insistence that we get back to teaching children to read, write, and count, rather than wasting precious hours on sensitivity training and other experimental forays into a student's psyche. Until schools stop graduating whole generations of children of whom many are functional illiterates, unable to compete successfully in the world of work, they have no business wandering into these other areas.

Mr. SYMMS. Mr. Speaker, the threat to an individual's privacy in the modern world is a growing problem that citizens face each day from employers, schools, and an ever-expanding government.

Schoolchildren as a captive audience are increasingly becoming victims of privacy invasions as the schools come to view their role as educators of the whole child, which means that teachers are delving into children's feelings, values, and thoughts.

The term "right to privacy" was first coined by Boston law partners Samuel Warren and Louis Brandeis in 1890. Since then we have come to view it as a right inherent in the Constitution, as we have come to accept as a natural human tendency, man's need for privacy.

Dean Roscoe Pound called this right in 1915 "the demand which the individual may make that his private, personal affairs shall not be laid bare to the world and be discussed by strangers."

Alan Westin in his book "Privacy and Freedom" sets down the right to privacy as something which is opposite to government surveillance and compulsory disclosure and considers it an innate part of a democratic society. Westin sees the strong desire to protect privacy as an inherent part of the American character. He states:

> American personality with its stress on unique personality in religion, politics and law provides a major force for privacy in the United States. This attitude is derived from such factors in American national experience as frontier life, freedom from the feudal heritage of fixed class lines, the Protestant religious base of the nation, its private property system and the English legal heritage.

Yet, many innovative school programs geared to social change, violate precisely this right. Dr. Florence Lewis, a psychiatrist in California, spoke before a convention last year and stated:

> To me nothing is more reprehensible than the public school's intrusion upon the child's private and personal emotional life. If the police were to crash into our homes without proper search warrants there would be an outcry from many sources, but there are a pitifully small number of voices protesting the state's entrance into a child's private thoughts and feelings. Yet, the public school system is an arm of the state and attendance is compulsory and often without choice.

Dr. Lewis cites the use of written sentence completion tests in California schools. Children are asked to complete the following:

> My mother——My father——I hate——I love——I feel——Fellows at school like a girl who——The worst thing about me is——Sex relations——

The fact that results of such questionnaires are frequently stored in children's folders for a variety of individuals to see—except of course the parents—makes the gleaning of such personal thoughts from minors particularly reprehensible. Unfortunately many of our federally funded education programs contain similar privacy invasive activities.

An example is Project CARE: Curriculum of Affect for Responsive Education, a project funded under title III of the Elementary and Secondary Education Act and in use in Montague, Mass. In this program children are asked introspective, privacy invading questions such as "Who am I?" "Do I count?" "To whom do I belong?" "How do I relate?" "Do I have control over what happens to me?"

In title III drug abuse education programs students are asked such questions as "Do you like your parents? Do they like you? Do they embrace you a lot?"

This manner of questioning schoolchildren constitutes a serious invasion of privacy and is all the more disturbing because the activity is directed toward dedenseless schoolchildren who, for fear of low grades or suspension, feel compelled to "tell all." Often the privacy of the home and family members is invaded when children are thus compelled to "let it all out." Just as it is unethical for government bureaucracies to delve into the private thoughts, religious feelings, or sexual proclivities of government employees or, for that matter, of private citizens, so should these areas of private life remain off limits for school authorities.

Just as freedom is always taken away for a good reason, so school authorities argue the need for invading privacy on the grounds that children have "problems" and the school must solve them. Yet, these activities are not merely directed at problem children within the confines of the guidance counselor's office. They are applied to whole classrooms of healthy children and frequently include public disclosure. Such activities include group discussion, often called "rap sessions," and group dynamics, a form of sensitivity training.

The Council for Basic Education, a strong supporter of traditional education, says the following about sensitivity training in the book "A Consumer's Guide to Educational Innovations":

> It seems likely that schools have tended to adopt and adapt the jargon and the ritual of sensitivity training because of its present popularity. Much done in its name seems merely a part of of the current pursuit of "relevance." The movement certainly reflects the current emphasis on the importance of the group, with even the most far-out programs that advocate the release of emotion and feeling ("letting it all out") doing so in the interests of group solidarity. Individuality and privacy are hardly popular watchwords at T-group sessions.

Those who advocate the use of such activities by untrained teachers fail to take into account the potential for dangerous consequences of too much self-disclosure before a group. Extreme guilt feelings can follow and personal relationships can be permanently impaired by too much truth telling.

According to Dr. Lewis:

> Professionals in psychiatry and psychology are concerned about the self disclosure that comes too early in group therapy. The individual may divulge something about himself which the group members find abhorrent. The result can lead to alienation of the individual which may be permanently damaging. I doubt that teachers are in any position to handle all they hear in response to their questions.

Federally funded education programs that employ such activities do so either in the interest of curing behavioral problems or, on a bigger scale, society's problems. The danger of funding federally such psychological activities lies in the threat to individual freedom of any State ordered activity that includes focus on feelings, attitudes and values. Ironically, there is also a danger that these activities may lead to the shaping of an individual in the wrong direction so that following excessive invasion of his privacy he actually becomes a detrimental force in a democratic society. Myron Benton in his book "The Privacy Invaders" points out:

> The end result of the free and easy approach to student privacy is easily predictable. Enduring intrusion through their entire scholastic history, young people are not likely to depart from their citadels of learning inspired to a lasting respect for other people's privacy. More likely they will simply join the ranks of those businessmen who have an exaggerated interest in their employees' and customers' private lives, or join the public payroll with a similar disregard for individual privacy as balanced against community needs.

I believe it is time that we looked into the substance of some of our education programs. If we are actually funding programs that violate children's right to privacy, if they are indeed guilt inducive and otherwise psychologically disturbing, if they are undermining the democratic system which we look to the public schools to uphold, then I think it is time for an investigation of Federal education programs.

Above all, it is time that we left the psychological arena in favor of a return to some basic education.

Mr. **CRANE**. Mr. Speaker, it may at first glance strike some as inappropriate for questions of the philosophy of elementary and secondary education in the United States to be discussed in detail on the floor of the House of Representatives, but such is the scope of Government intervention in all phases of our national life nowadays and we are forced to look at such questions with some care. I would like, in these remarks, to offer an overall comparison between what education used to mean in our Nation, and what it means now. Such a comparison will, I believe, make considerably clearer the direction in which we are moving.

First, let us recollect for a moment what education used to mean, even for Members of this House who are not so very old. The school has always played a central role in American life. Education for all, whether public or private, between certain ages—generally from about 6 to around 18—has been part of the accepted norm of American life. The teacher is an honored figure in America, and the word "education" is a term with such positive connotations in everyone's mind that one is hesitant to call it onto question. In the old days, in fact, there was little need to; for education occupied a definite and circumscribed place in our culture. Its task was to impart the basic intellectual skills of reading, writing, and arithmetic, to give students a ground ing in the history of our civilization and the fundamentals of our political system and sometimes to provide vocational training for those who wished to pursue a vocation of some sort and become useful citizens. The school did not go much beyond this. The realm of religion and moral values was left to the churches, by and large, although the widespread custom of school prayer—now so long outlawed by the courts—emphasized the religious foundation of our country, just as the inscriptions on our coins and the invocations before the sessions of Congress do. The emotional training of the child was the primary responsibility of the family, and the family also, through local school boards which were close to the people and such organizations as the PTA, kept a fairly close watch on what the schools were doing—and could control them to a considerable degree. Then other facets of an individual's personal development occurred in an informal and unstructured way—in the 6 years before school began, over the long and lazy summer vacations, after one left school and entered what many often liked to call the real world. So the school was a central institution, but one which was circumscribed in its function, reflected local values and interests reasonably closely, and looked upon it as its task to train the young intellectually in the traditions of this country and its culture. As for Federal financing of education—why, that was virtually unheard of among the citizenry at large.

Mr. Speaker, everyone is aware that wrenching changes have occurred in our society over the last 10 or 12 years, and nowhere more so than in education. If we stop to consider what the vested interests of the educational establishment—and they are that, for education has become known as the growth industry of our period—have accompanied and wish to accomplish in the future, we will scarcely be able to recognize the situation which now prevails.

First of all there is the matter of funding. Our national investment in education has increased astronomically over the last 12 years or so. According to the Comptroller General of the United States, Elmer Staats, writing in the magazine Government Executive for February 1973, the total investment in education from all sources nearly tripled from 1960 to 1972, from $30 million to $86 billion. Let us note in passing that an investment like that puts our military establishment in the shade. At the same time, Federal investment in education over the same period more than quadrupled, from $3 billion to $13 billion. The Office of Education in HEW alone was in charge of nearly $6 billion in 1972. Moreover, we all know that he who pays the piper calls the tune, and Federal control has been swift to follow Federal financing. Mr. Staats would say this is not so, pointing out as he does in his article that "Federal control of education is specifically prohibited in many pieces of education legislation." However, just before that he has mentioned that the Federal Government allows State and local governments to use their funds "within the boundaries of Federal guidelines and regulations." The distinction between controls on the one hand and guidelines and regulations on the other seems highly tenuous to me. In any case, if the Federal Government is to invest vast sums of money in education, it must in fact assure itself that these sums are spent in a proper way.

What has been the result of this vastly increased spending? A severe decline in the inculcation of the traditional skills of reading, writing, and arithmetic and the intellectual disciplines, despite the incessant self-congratulation of the educationists, who assure all that the current generation is the best educated and brightest ever to appear on the American scene. The magazine American Education has found that now 1 out of every 4 11-year olds in the Nation cannot read at their grade level, and the State with the highest reading standards for high school graduation—California—asks only that children read at an eighth grade level.

Now after all this investment in manpower and plant, we surely ought to be able to do better than that. Perhaps the problem is that the educational establishment has redefined its mission in such a way that reading and writing are not nearly so important in its scheme of things any more. When we look at what the educationists say about their task, we see that this is precisely the case. Training in intellectual skills has not been completely abandoned, but it has been largely submerged in an attempt to make of the schools a comprehensive engine of social change. Let me explain what I mean in a bit more detail.

To begin with, the school has set out to become a primary social organism, competing with and displacing the church and the family. It sees itself as very much concerned with the student's values, and feels that the traditional religious views inculcated by the churches must be uprooted. The elimination of school prayer in the public schools was merely a step in this process. Most educators are what is called "secular humanists" who deny any religious framework to our society and argue that man must be judged solely in his own terms. I do not have enough time to go into this in detail, but two quotations from a speech given by Prof. Melvin Tumin of Princeton before a meeting of the National Committee for the Support of the Public Schools in 1967 will give you some of the flavor of that approach:

> I want every child to understand, Professor Tumin said, that what men value determines that value, namely that man is the value-investing creature who gives value and meaning to his behavior by that act of valuing.

And again:

> Every child should understand that man is the effective agent of his own destiny; either by default or by activity, and that man shapes his own history and makes himself.

Man "makes himself," note. There can be no clearer statement than that of the value of the secular humanist. Man has no divine nature or supernatural calling: he is what he thinks he is and what he makes himself out to be. Man is the measure of all things. With that approach the element of supernatural religion in our culture is effectively jettisoned.

The schools have also begun to see themselves as concerned with the mental and emotional health of their charges, and in this area have infringed severely upon the rights of the family. Children are cut off from the wisdom of the past and instead use themselves as "educational resources." They endlessly discuss their own feelings and reactions to things and those of people around them. A wedge is driven between the child and his family by various methods, such as encouraging the children not to divulge what goes on in school to their parents and the use of questions and questionnaires which delve into the private and family affairs of the student.

Busing is a part of this strategy: it not only aids racial and socio-economic mixing which the educationists consider a good thing in itself, but it also removes the child that much longer from the embrace of family and neighborhood. Now attempts are being made through "educational" summer camps and the extension of the school year to whittle down the summer vacation when children are beyond the grasp of the school. Students are encouraged to lengthen their education, to continue on for higher education and graduate study, and we all know of the tremendous expansion of higher education over the last decade, which has brought perhaps more woes than joys. There is also a move on to extend the age of mandatory school entrance downward: for example, the "Master Plan for Public Education in Hawaii," published by the Hawaii Department of Education in 1969, called for the following among many, many other things:

> Conduct a comprehensive study of early education and determine the earliest feasible age for starting public education; examine value of lowering the present mandatory age provision of six years. . . . Study the value of extending the school year and school day.

In short, the thrust is to use the coercive power of the State as expressed in mandatory school attendance laws to remove the student to the greatest extent possible from influences other than the school.

One small example, Mr. Speaker, will show you how this sort of thing works. The Headstart program was devised in order to give educationally disadvantaged children the opportunity to get a running start upon their more fortunate fellows. Although some of the programs seemed successful, what testing could be done began to indicate that Headstart gains were ephemeral and soon disappeared after the student had begun regular school. The explanation of the educationists was that they had not had the children long enough. Thus, in December of 1967, Congress obligingly introduced the Follow Through program, to continue work with these disadvantaged students. Then when that program proceeded to give disappointing results, the educationists shifted their ground: Headstart was not working because the educationists could not get at the children early enough. The result of this was the Comprehensive Headstart, Child Development and Family Services Act of 1972, in its final form, which proposed to take children very much earlier from their families in order to correct the "damage" the families had done to them. Predecessor legislation was vetoed by President Nixon in December of 1971, but the Child Development Act of 1972 passed the Senate in 1972 by the appalling margin of 73 to 12, only to die in committee in the House. My point here, though, is that each time a new Federal program is instituted in the field of education, the administrators of that program will admit—or perhaps even hasten to admit—that the program has not achieved its objectives but will then add with great haste that the solution is even more extensive government intervention is long past time that we began to question the self-serving recommendations of the vested interests in education, and compel schools to retrench.

That will not be easy, of course. Mr. S. P. Marland, Jr., formerly Commissioner of Education under President Nixon, had revealing things to say about his concept of education in his report for 1971. He said in that report,

> Education carries a staggering weight of expectation as the people ask the schools to become more involved in solving society's concrete problems. The schools in a sense are being asked to remake our society, as distinct from nurturing it—

He goes on:

> We can, I believe, devise educational techniques that can crack the problems of the ghettos; we can bring satisfaction and enrichment to the lives of adults; we can help to fulfill the precious potential of the first five years of life.

Mr. Speaker, I submit that this last sentence from Commissioner Marland's report is astonishing. Not only does it assert that the schools, or some outgrowth of them, should work with adults probably until death, but they should also work with infants from birth. In a word, the schools should care for citizens from the cradle to the grave in some fashion and not just over the school-attending years from 6 to 18 or 22 or even 26. Not only do the schools lay claim to infants, schoolchildren, parents, and adults alike, but the schools will resolve all the political problems of our society. For that is what is behind the shorthand notation "solve the problems of the ghettos." In short, the schools now see themselves as all-encompassing instruments of social change—change, of course, in the directions favored by the educational establishment—which will be the next thing to revolutionary, although Commissioner Marland phrased it slightly more tamely when he wrote in his 1971 report that the political crises of our society "have impelled Americans who are concerned with the welfare of this country to take stock of what the schools offer and to begin to design changes that while short of all-out revolution are nonetheless profound and of far-reaching import."

Now if one has such a grandiose vision of education in this Nation—in effect, "revolution through education"—it is not very easy to accomplish your task if we still have local control of school districts. The fact is that effective control of education has been more and more centered in Washington, as those who have opposed busing without fully understanding the place it occupies in the educationist philosophy have discovered. The tremendous centralization of educational control in Washington has so far been accomplished with the Federal Government contributing only some 8 to 10 percent of the total cost of the educational bill. Commissioner Marland, while paying lipservice to the principle of local control, wrote in his 1971 report that "the Federal share should also be markedly enlarged." With a "marked enlargement" of the Federal contribution, the last vestiges of true local control would be eliminated and the "education revolution" could be centrally managed.

Mr. Speaker, I realize that the portrait of present-day American education which I have painted is a dark one, at least for those of us who uphold the traditional values of our society and reject the notion that they stand in need of prompt and drastic revision. Everything alive changes to some extent; the quarrels arise over the direction and rate of change. I am all in favor of change and experimentation if they will lead to better training in the intellectual skills and to a reasoned understanding of the values and traditions of our Nation. If education is to become, or has become, an instrument of political revolution—and please note that I have quoted very important and influential people, including a Princeton professor and a former U.S. Commissioner of Education—then the Congress of the United States has a solemn responsibility to see to it that education is restored to its rightful and limited place in the National life—no less, but certainly no more. We cannot support a centralized educational system which lays claim to the citizen from the time he is born until he dies, which concerns itself with not only his intellectual development, but his emotional adjustment, mental health, behavior and physical well-being as well, supplants the family and the church as an inculcator of values along lines opposed by the majority of our citizenry, and takes as its primary task the nurture of far-reaching, almost revolutionary change outside the political process. For the schools have even drawn a bead upon our political institutions as well—some radical educationists look upon them as the last bastion of the old order which prevents the adoption of the new order they would force upon us. Let us have none of it.

Mr. HUBER. Mr. Speaker, I am pleased that in this discussion of the extension of the Elementary and Secondary Education Act of 1965, some Members of the Congress at last are making an effort to come to grips with fundamental problems in the education of our children, that education which the Federal Government is being asked to fund to an ever-increasing extent.

Thanks to the traditional American view of education as a "good thing," and thanks also to the efforts of the ever-expanding vested interests in the educational establishment, "education" and the way it is conducted have for too long been immune to criticism. Yet most citizens realize vaguely that something is not quite right with the educational establishment and the sort of training which it now insists on giving to our children. And, unpleasant though it may be, it is the duty of Congress to investigate these problems if it is to continue extracting money from the pockets of the taxpayers and transferring it to those of the educationists.

Mr. Speaker, those of us who conceive of education in the more traditional terms think that it is designed to inculcate in our children intellectual skills, such as reading, writing, and the ability to do arithmetic, and the acquiring of knowledge about the past and present. Therefore, when we read that after the investment of millions of dollars in "innovative" programs in education, our children read and write even worse than before, we conclude that such programs have failed, and rightly wonder why. In the same way, when we discover that busing has not produced the educational benefits which we were told to expect from it, in addition to the disruption of family and neighborhood which it has caused, we conclude that there is no justification for the expense and trouble to which we have gone in seeking racial integration through the schools. The population turns overwhelmingly against busing, only to boil with frustration when, despite its will expressed through its representatives in the Congress, busing goes right on. From the traditional point of view, they are quite right.

The problem is that the traditional view of education prevalent among the people no longer holds for the educational establishment which has seized control of the funds which the Congress so generously appropriates. Instead, the educational establishment seeks to change the social and political values of the children subjected by law to its ministrations, and is concerned only very little about inculcating intellectual skills. Teachers are now defined as "agents of social change" more than anything else, and the schools are to be used to effect a dramatic shift in our social values without the consent or knowledge of the voters as a whole. Thus, in the educationists' scheme of things, busing is not a means to achieving an education of higher quality in the traditional sense, but rather an integral part of a scheme to alter social values through the schools. When we take this view, then we see that busing is not a means to a desirable end, but rather an integral part of a package which the vast majority of American citizens would not buy if they realized what was in it. This is why, despite the uproar over busing, the buses continue to roll—because busing is not peripheral; it is central to the philosophy of the educationists, part of their design to achieve social mixing, which they consider desirable in itself, and to separate the children in their care to the greatest extent possible from local and family influence. This is why the battle over busing will not be won easily, and if it is won, the victory will be only part of the battle, a triumph on only one segment of a very long front. It would be disastrous, moreover, if we were to mistake victory on this particular issue for victory on the entire front.

Mr. Speaker, another reason for the inability of the localities to stop busing needs to be mentioned. That is the astonishing centralization of control in HEW which the educational establishment has been able to effect with the aid of massive Federal funding over the past few years. Most local school districts have in effect become administrative agents for Washington, and are left with precious little local autonomy, primarily because they have become addicted to Federal funding which is provided only if they comply with the stipulations of the central bureaucracy—and that includes busing. So when busing became an issue, the people suddenly discovered how little control they really exercised over something that touched their lives so immediately. That control had passed to Washington and was granted and sustained by us in the Congress. Therefore, it is up to us to set the situation aright, for ultimate control in these matters has passed into our hands, whether we like that fact or not.

Mr. Speaker, let us at least be conscious that busing is only one facet of a whole complex of an approach to education now being imposed upon an unwilling or unknowing population by the education establishment centered in the Department of Health, Education, and Welfare. Parents would be quite as opposed to many of the other facets of that approach as they are to busing, if only they knew about them or if they were as dramatic in their consequences as busing. It is good that the Congress is finally meeting its responsibilities in bringing these questions out into the open.

Mr. KEMP. Mr. Speaker, the manner in which we are allocating Federal funds in the form of scholarships for the disadvantaged high school student is of grave concern to me. The educational opportunities program is a case in point. By giving more money to those with low grades—with the viewpoint that they have potential but need help—we are encouraging and funding inferiority rather than excellence.

The following article from the Buffalo Courier-Express brought home to me the devastating effect such programs are having on the ambitions, morale, and incentives of disadvantaged students. As one youngster interviewed points out, "the regulations say you have to be both poor and dumb, and its hard to be both. We're all poor, so we work on being dumb."

This is nothing but negative incentive, a factor which has no place in education. It is certainly not something we should be fueling with Federal funds. The article, which I think explains this devastating phenomenon in an excellent fashion points out that "the students said they could get more money from the EOP programs than from the regular scholarships, so financially, it's more worthwhile to aim low academically."

This reminds me of the writings of the distinguished black economist and writer, Thomas Sowell, who sharply criticizes HEW guidelines in scholarship programs for the disadvantaged in his book, "Black Education: Myths and Tragedies." Mr. Sowell, in his book, repeatedly assails what I call negative incentive. He says that college foundations and special programs are "explicitly not looking for the academically ablest black students." This is even spelled out in various legislation, in HEW guidelines and accompanying Federal grants. Instead, they often recruit students "from the bottom." Under such guidelines, those scoring above B minus have a lesser chance of a good education than those ranging below down to D plus.

As the article inserted below points out, the youngsters who stand to gain from such programs are not only those who cannot make the grade, but those who can make the grade but deliberately suppress achievement in order to qualify. I am sure that my colleagues will agree that this is not a trend we wish to encourage. With the House Education and Labor Committee now deliberating on the best method of allocating funds for the educationally deprived child, I recommend the reading of the following article in order to better understand the problem of negative incentive.

HIGH SCHOOLERS DECIDE "GOOFING OFF" PAYS BIG IN FEDERAL FUNDS—SOMETIMES

Playing the "Goof Off Game" is the key to college entrance under federal programs for the disadvantaged, a group of city high school students have told The Courier-Express.

Work hard for low grades is the first rule of the game, according to five blacks and one white pupil who agreed to talk with a reporter if they could remain anonymous.

Seated in Miss Sharon Lanza's Math 11 classroom at Grover Cleveland High School, the students explained, variously:

"The only way I can get into college is to play dumb."

"We fail tests, skip homework and cut class, so we can get low marks."

"You don't know to fail a test?!!! You just put down any answer that looks good—or, if a test has five parts, you do two or three and say you can't do the rest."

"You try to get low grades in hard classes, like physics or trigonometry, but get good ones in the easier subjects like history and English. That way it looks like you have potential, but need some help."

"Yeah, then you get into one of the special EOP (Educational Opportunities Program) groups in college, and they give you tutoring, and it looks like their programs are working, while the high school's wasn't."

"The regulations say you have to be both poor and dumb, and it's hard to be both. We're all poor, so we work on being dumb."

Miss Lanza had had four of the six students in earlier math classes. Some passed Math 10 easily in one semester, but had since struggled through three semesters of Math 11 and couldn't muster passing grades.

Like school principal Ronald L. Meer, the teacher became suspicious. After talking to their physics teacher, the suspicions became more widespread.

Talking to the youngsters, and observing their class work (when they knew they weren't being graded) made it obvious they were not producing work of which they are capable.

Asked to explain the youngsters admitted they were purposely working to get low grades. Some for as long as four years, some for only one or two years.

For, as they understand regulations for college admission via federally-funded EOP programs for "deprived" youngsters, their chances of acceptance depend on their grades staying below the 85 per cent mark, and the chances improve if their grades stay below 80.

"It's better to get 65 than 90," said one youth.

Another added, "They have special programs for deprived kids with averages 79 and below, but not for those 90 and above."

When it was pointed out there are scholarship programs for those with good grades—90 and above—the students said they could get more money from the EOP programs than from the regular scholarships, so financially, it's more worthwhile to aim low academically.

They also admitted that aiming high might only bring them to the high 80s or low 90s, and that might not be good enough for the stiff competition for regular scholarships, yet would keep them out of EOP as "too smart."

This puts the 85 to 90 per cent grade level students into a sort of limbo, too smart for the EOP regulations and not smart enough for regular scholarship competitions.

"Maria" is a perfect example. She is black, comes from a broken home, works after school to support herself and falls easily into the "economically deprived" category.

Unlike the other five students interviewed, she has consistently worked hard to earn grades of which she is capable.

Her freshman average was 88, sophomore 90, junior 85, and so far in her senior year, 87. Her I.Q. falls within the "average" 90 to 110 range, though just barely, indicating she has indeed worked hard for her grades.

But, she scored poorly on the regents scholarship exam, ruling out financial help in that area.

She is "in everything" at school, a cheerleader, winner of several sports and music awards, active in the Inter-High School Student Council, third-place winner in the Erie County competition for the Daughters of the American Revolution, and deemed "an outstanding senior" by the faculty voting on grades, activities, character and leadership.

Her grades are not high enough for regular scholarship competitions; yet too high for EOP. She can't afford to finance her own college education.

She wants to be a nurse or a medical technician. To date, she has not gotten into college.

GOOFING OFF

"Tom" was a different story. Listening to him talk for even five minutes shows he's an above average student. Yet, a check of his yearly averages (freshman 73, sophomore 76, junior 75, senior 72) shows he has been right in saying he's been goofing off for four years.

His math teacher insists he's more than capable and that his class work far exceeds his test score—when he comes to class to take the tests.

Moreover, he is one of only five students at Grover allowed to do "independent study," an experimental program limited to those who show they can do above average work, because working alone, outside of class, more is expected of them.

Tom is doing one year of study on suspended animation.

He submitted the request, got special permission to use the facilities at the University of Buffalo Medical School, and gained approval for his project from the science teacher under whom he is working.

Yet, his past scholastic record apparently was sufficiently poor to gain his admission into EOP. He has been accepted into UB's "Outward Bound" tutoring program, and into EOP groups at Albany and Cortland State College, as well as UB.

The trigonometry tutoring he's getting in Outward Bound hasn't taught him anything he didn't learn in high school, he said. Miss Lanza agrees that he knows the work, though he doesn't let his grades show it.

Two other boys interviewed transferred to Grover Cleveland after two years at Hutchinson-Central Technical High School. Their grades show they didn't do well at Tech, just as their grades at Grover Cleveland show.

But, the stringent entrance requirement for Tech implies they did work in grammar school.

Both are now participating in a tutoring program at a community agency. Both claim supervisors there have advised them to get good marks in history and English, but slow down in math and science—to show "potential, but need for special help" via the EOP.

ABOVE AVERAGE

One boy, "Bob," has an above average I.Q., 118, with yearly averages of 75, 71, 82, and 79 respectively.

He's active in sports and the school's science club. Last year he passed geometry (a two-semester course) in one semester, scoring 72 on a state Regents exam. Now, he's purposely flunking math 11.

Bob's efforts to aim low have backfired. He hasn't been accepted in a federal program. So far, he has gained admission to Hilbert College—on a basketball scholarship which will only provide a fraction of the funds he would get under EOP. The other boy, "Jerry," hasn't been accepted anywhere. Records show an average I.Q., 102, with school averages of 75, 71, 82, and 71.

Miss Lanza said he sleeps in class because he works full time and he's simply tired. He shows good math reasoning when he participates, but skips class when he knows there's going to be a test.

The teacher explained that while students can purposely fail a test—and do if one is sprung unannounced—they seem to dislike doing it this way, preferring to cut if they know of a test ahead of time.

Because of the busing program, it's nearly impossible to keep students after school for make-ups, and knowing this, they simply cut class and take a failing test grade by not taking the test.

Jerry's past records show a history of poor class marks followed by good test marks.

His yearly average in freshman science was 76; his final exam score—90. In economic world, his average was 71, his final test score 86. As a sophomore, his 67 exam mark in world history pulled him through the course, though he had a yearlong average of 55.

WHITE STUDENT

"George" was the one white student in the group.

He learned to "play dumb" from an older brother, "Don," who made a concerted effort to get thrown out of school via a variety of disciplinary infractions. As a dropout, Don got into a federal program to make up the work, eventually got into UB under EOP money, and is now studying psychology.

George is active as a public speaker, doing his own research as a member of the debate team, and for a radio program in which students interview various community leaders on current issues.

His I.Q. is 109, his yearly averages, 82, 72, 74, and 82.

NEAR BACKFIRE

His goofing off nearly, just nearly, backfired.

He purposedly got a poor score on the regents scholarship exam, by walking out early and omitting answers he knew. But, he worked for a good grade on the SAT (College boards) exam—passing the gamble taken by some students: "Do I aim high and try for regular admission, or play low for the more lucrative federal programs?"

George was nearly accepted into Buffalo State College's SEEK program—until officials saw his SAT score. He said they told him the score was too high for admission into the special program.

But, because of that good score, he has been accepted at Canisius, the college for which he was aiming in working high.

JOB HUNTING

George was saved. But what happens to the other students, like Jerry and others who declined to take part in the interview? The students interviewed claim that many at Grover Cleveland as well as other schools, have operated under similar thinking.

What do they do after high school goofing off fails to get them into college, leaving them marks which may prove a problem when they go job-hunting?

Meer posed some other questions.

If they are accepted into college, can they break the goofing off patterns developed in high school? Can they do college work without forming good study habits earlier?

SHORT-CHANGED

Imagine what they could have done if they had tried to work in high school, seeing they have done fairly well without trying, said Meer, adding "They are short-changing, cheating themselves."

With school grades on their permanent records, how can they really prove they have ability, if the need arises?

Miss Lanza noted what has already hit some students. Three of the boys interviewed applied to the General Motors Institute.

Though they impressed the interviewers, Miss Lanza said the institute personnel admitted they could not accept the boys because of their poor math grades—despite the teacher's efforts to tell them her class observations proved otherwise, and despite the institute's goal of enrolling more minority students.

Whether or not the colleges agree, these students and reliable sources from other schools claim that many "smart" minority youngsters are convinced their chances of college admission improve if they gamble for low grades. They say they have seen others do it.

They rate the minority students currently in EOP college programs three ways—those like them, who are college material, but "played dumb" to get the low grades necessary to get in; those who are not college material, but got in on low grades they deserved; those who are college material and got in on potential, with no concerted effort to get poor grades, in other words, those who worked hard to get in honestly.

No matter how they got in, however, the students expressed resentment over the connotations developed toward minorities in the programs, the idea that their college work "is a gift"; that these students aren't as good as "regular students," but are looked upon as "someone to help;" that it degrades them all as a group because of the maneuvering of some.

Moreover, it kills motivation because they feel they don't have to strive for excellence, as does the rest of the world.

"It's discrimination of another kind," said one boy.

Meer calls it "an invidious kind of racism; everyone else has to work up, but they feel society expects them to be stupid, so they have to work down in order to get anywhere."

The students agreed there is a need for the EOP programs, but feel they should operate like other programs, with the idea that "those who work get an opportunity, not those who seem to need help."

That would be people like Maria, who fall into the 85 to 90 per cent academic limbo despite a lot of hard work.

She's too smart for the special programs that could give the financial help she needs, but not smart enough for the other, more competitive, but less lucrative programs.

Despite her honest effort to work for good grades, she was very likely nudged off the EOP college admissions because of other students, those who "played dumb" to get in, or won approval with grades lower than her 88, 90, 85 and 87 high school averages.

FEDERAL SUPPORT IS NEEDED FOR PUBLIC HEALTH SERVICE HOSPITALS

The SPEAKER per tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, on September 12, the House failed to override the President's veto of S. 504, the Emergency Medical Services Systems Act of 1973. This may mean the eventual closing of the eight Public Health Service hospitals across the country which have had a long history of providing quality medical care.

The administration feels that operating the Public Health Service hospitals is no longer economically acceptable. The President advises that these hospitals should fall under the responsibility of State and local governments. If the Federal Government does not have the economic means by which these hospitals can be maintained, how are our State and local governments expected to assume the responsibility? The administration would have us believe that State and local governments are perfectly capable of assuming the costs of these hospitals.

We know this is unrealistic and the inevitable result will be the extinction of these vitally needed Public Health Service hospitals. Each year Public Health Service hospitals train 12,000 physicians, dentists, medical technicians, licensed practical nurses, physicians' assistants, orthopedic assistants, medical librarians, and other paramedical personnel as well as provide medical care to well over 1 million Americans. This, in itself, is justification for continuing Federal support of the Publc Health Service hospitals.

The decision as to whether or not to close down these hospitals will soon be handed down from the U.S. district court here in Washington. Because of the importance of these hospitals, and in the event of an adverse court decision, I am today introducing a bill which would require the Department of Health, Education, and Welfare to continue operating the eight Public Health Service hospitals across the country.

The bill is identical to the PHS hospital provision which was included in the Emergency Medical Systems Act vetoed by the President. It would, in essence, require HEW to continue operating the hospitals at their January 1, 1973, level of operations or higher until Congress, by law, authorizes otherwise. It would not require that the hospitals remain open forever. Rather it would simply permit Congress, as opposed to HEW, to decide if and when they are to be closed. This is entirely consistent with the President's expressed objective of returning decision-making authority to the people and reversing the notion that "Washington always knows best."

The closing of these hospitals would have a direct effect on the economy of their respective areas. The patients serviced by these hospitals will have nowhere to turn, unless, of course, they are able to bear the 40- to 50-percent higher cost of health care in private hospitals. Those people who staff the hospitals would be forced to seek alternate employment and the States would assume the burden of increased unemployment. Already our PHS hospital in Baltimore has been experiencing an exodus of trained medical personnel.

The PHS hospital in Baltimore has had a long history of providing quality medical care. Currently, it is functioning as a general medical-surgical facility with extensive training and research programs. The cancer research located in this institution and its continuing education program for health professionals have greatly contributed to the outstanding reputation of the Baltimore PHS Hospital.

Certainly the hospital's work in the field of cancer research is in line with the administration's attack against this dreaded disease. The precipitated closing of the Wyman Park facility in Baltimore without a determination of who will continue this cancer effort makes no sense.

The administration points out that closing the hospitals will save some $35 to $45 million in renovation costs in the short run. But they go on to demonstrate that this initial saving would soon be consumed by the higher annual costs of providing care to merchant seamen and other PHS patients through community hospitals. Specifically, HEW's plans indicate that the operating cost of its proposal would run about $8 million more each year than it now costs to keep the PHS hospitals going.

I cannot subscribe to the notion that the closing of these hospitals is necessary in order to fight inflation. I do not think that the way to fight inflation is by closing facilities such as the Baltimore PHS Hospital where cancer victims are receiving treatment.

Last year the Congress passed, and the President signed Public Law 92-585, which established conditions for the closure or transfer of Public Health Service facilities. This law requires that the Secretary of Health, Education and Welfare transmit to Congress detailed plans for closing any PHS hospital at least 90 days in advance of the intended closure date. Furthermore, this law requires that those plans contain the following:

First, assurances that those now receiving care at the hospitals will be provided equivalent care under any new arrangement.

Second, an estimate of the cost of providing such care; and

Third, the comments of the relevant 314(a) and 314(b) health planning agencies if they wish to comment after being given a reasonable opportunity to do so.

On March 28 of this year, the Congress received HEW's plans for closing this summer the PHS hospitals in Baltimore, Seattle, New Orleans, San Francisco, Galveston, and Boston. Subsequently, we have also received the plan for closing the Norfolk hospital.

Mr. Speaker, these plans are disastrously lacking with respect to the requirements of Public Law 92-585.

They do not assure equivalent care to those now receiving treatment at the hospitals. They do include what amounts to a superficial survey of bed availability in the affected communities. But they do not include assurances that those beds would, in fact, be made available to PHS beneficiaries. Nor do they include any detail on how inpatient care would be offered in community hospitals to serve the unique requirements of seamen or of the poor who are being served by many of the PHS hospitals.

Mr. Speaker, everyone talks about the importance of health. We had better begin to give health the priority it deserves because it is one of the most important domestic problems we face today. We have good research, but we can do more and we must do more to translate that research into care for all Americans.

The PHS hospitals play a substantial role in health manpower training and health research to provide facilities for a wide variety of health programs servicing those people who cannot afford to purchase these services independently.

Mr. Speaker, these Public Health Service hospitals play a vital role in providing health service and training to Americans and I believe that we must maintain their operation. At this point I would like to include a text of the bill.

H.R. 10633

A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Washington; Boston, Massachusetts; San Francisco, California; Galveston, Texas; New Orleans, Louisiana; Baltimore, Maryland; Staten Island, New York; and Norfolk, Virginia.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) except as provided in subsection (b), the Secretary of Health, Education, and Welfare shall take such action as may be necessary to assure that the hospitals of the Public Health Service, located in Seattle, Washington; Boston, Massachusetts; San Francisco, California; Galveston, Texas; New Orleans, Louisiana; Baltimore, Maryland; Staten Island, New York; and Norfolk, Virginia, shall continue—

(1) in operation as hospitals of the Public Health Service,

(2) to provide for all categories of individuals entitled or authorized to receive care and treatment at hospitals or other stations of the Public Health Service inpatient, outpatient, and other health care services in like manner as such services were provided on January 1, 1973, to such categories of individuals at the hospitals of the Public Health Service referred to in the matter preceding paragraph (1) and at a level and range at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on such date, and

(3) to conduct at such hospitals a level and range of other health-related activities (including training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973 at such hospitals.

(b) (1) The Secretary may—

(A) close or transfer control of a hospital of the Public Health Service to which subsection (a) applies,

(B) reduce the level and range of health care services provided at such a hospital from the level and range required by subsection (a) (2) or change the manner in which such services are provided at such a hospital from the manner required by such subsection, or

(C) reduce the level and range of the other health-related activities conducted at such hospital from the level and range required by subsection (a) (3),

if Congress by law (enacted after the date of the enactment of this Act) specifically authorizes such action.

(2) Any recommendation submitted to the Congress for legislation to authorize an action described in paragraph (1) with respect to a hospital of the Public Health Service shall be accomplished by a copy of the written, unqualified approval of the proposed action submitted to the Secretary by each (A) section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) the area in which such hospital is located or which is served by such hospital, and (B) section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) such area.

(3) For purposes of this subsection, the term "section 314(a) State health planning agency" means the agency of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) (referred to in paragraph (2) as a "section 314(a) plan"); and the term "section 314(b) areawide health planning agency" means a public or nonprofit private agency or organization which has developed comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) (referred to in paragraph (2) as a "section 314(b) plan").

(c) Section 3 of the Emergency Health Personnel Act Amendments of 1972 is repealed.

INQUIRY INTO CONDUCT OF VICE PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 10 minutes

Mr. FINDLEY. Mr. Speaker, yesterday I introduced House Resolution 572, a Resolution of Inquiry directing the Attorney General to provide the House of Representatives with any facts indicating that Vice President AGNEW has accepted bribes or failed to declare all of his income for tax purposes. I refer you to page 32096 of yesterday's RECORD.

My reason for introducing this privileged resolution is to force the House to deal with the question of whether the Vice President has committed impeachable offenses. Under the Constitution the House is charged with impeaching the Vice President if he has committed treason, bribery, or other high crimes or misdemeanors. News reports allege that violations have occurred. Individual House Members so far as I know do not have the facts. Certainly I do not.

However, the Attorney General does have many of these facts in his possession. If the House is to fulfill its constitutional responsibility to decide whether impeachment of the Vice President is warranted, it should have those facts at the earliest possible time.

The Nation cannot be without a President. The Vice President is next in the line of Presidential succession. If something should happen to President Nixon, SPIRO T. AGNEW would become President of the United States. It is unthinkable that the President of the United States, the moral leader of our country, should be under indictment for criminal offenses.

Suppose he were indicted, tried, and convicted. If he succeeded to the Presidency, could he grant himself a pardon and continue as the Chief Executive of the land? That is the absurd conclusion the logic would dictate of those who urge that the House of Representatives do nothing while this matter is pending in the courts.

In my view, the House has a higher duty to the American people—a duty to preserve the line of Presidential succession and the integrity of those who are only a heartbeat away from the Presidency.

Under the rules of the House, the Judiciary Committee is required to act upon my Resolution of Inquiry within 7 legislative days, or risk having the resolution taken from it. The recommendation of the committee is then subject to approval by the full House.

If the committee fails to act within the allotted time, I shall introduce a privileged motion to discharge the committee from further consideration of the resolution. In that way, Members of the House will have an opportunity to decide whether an investigation of the conduct of Vice President AGNEW should be undertaken, or whether Congress should stand idly by.

IDA: THE FOURTH REPLENISHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, shortly the administration will bring to Congress, a bill requesting authorized for further U.S. participation in the International Development Association, which is the so-called soft loan window of the World Bank. As chairman of the Subcommittee on International Finance. I feel it is my responsibility to advise all Members of the agreement the United States has entered into for IDA, and to advise my colleagues of certain correspondence I have had with the Secretary of the Treasury and the President on this subject. Accordingly, I take the liberty of placing into the RECORD at this point, copies of correspondence between Secretary Shultz and myself, a copy of a letter I sent to the President yesterday, and a copy of the press release announcing the IDA fourth replenishment.

THE SECRETARY OF THE TREASURY,
Washington, D.C., September 7, 1973.
The Honorable HENRY B. GONZALEZ,
Chairman, Subcommittee on International Finance, Banking and Currency Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to you concerning the urgent need facing both the International Development Association (IDA) and the Asian Development Bank (ADB) to replenish their resources for making soft-term loans to poor countries. I am doing so as part of an intensive program of consultations the Executive Branch is carrying out to determine the views of Congress regarding the level of U.S. participation to further funding of these important international institutions. These consultations are, in turn, part of a major effort on the President's behalf to establish a new framework for executive-legislative cooperation in participating in these institutions.

To underscore the importance the President attaches to our participation in these institutions, I am enclosing a copy of a letter I received from him asking me to press forward on an urgent timetable with international discussions and with the necessary Congressional consultations. In his letter, the President states unequivocally that, "Adequate funding of these institutions is vitally important, and that the United States should do its fair share."

It is particularly important that I communicate with you now on this subject, because I will be leaving shortly for the annual meeting of the IMF and the World Bank in Nairobi which opens September 24, and at that meeting other donor countries will be looking to the United States for an indication of what level of future IDA replenishment it is prepared to support and submit ultimately to Congress. Our position on ADB special funds replenishment will likewise be sought by other donor countries at a meeting scheduled immediately following the Nairobi meeting. Failure by the United States to state a position will effectively block the timely actions which other donor countries are prepared to take in their own legislatures.

There appear to be five major concerns on the part of members of Congress regarding IDA replenishment. First, perhaps the main concern is to reduce significantly the U.S. share of total contributions from its present 40 percent level. Second, many members of Congress also feel it essential, in view of current U.S. budget and balance of payments stringencies, not to increase the absolute amount of our annual contributions. There are, in addition, strong desires to ensure that international institutions take a leading role in South Indo-China reconstruction, thereby reducing the direct burdens on us; that further progress be made by the World Bank toward establishment of a truly independent audit mechanism to review Bank and IDA operations; and finally, that the current requirement to make retroactive additional IDA subscription payments for maintenance of value purposes following devaluation be reduced or eliminated.

I believe the following plan for the Fourth IDA Replenishment, which has evolved from international discussions, is in fact fully responsive to the above Congressional concerns:

First, the United States share of the replenishment would be reduced from 40 percent to one-third.

Second, we would have the option to spread our normal three-year payments over a four-year period, beginning in FY 1976. By doing so, the annual amount of our contribution would be kept to $375 million per year. Our present contribution level of $320 million per year in pre-devaluation dollars is the equivalent of approximately $388 million after adjusting for existing maintenance of value. Accordingly, a $375 million annual contribution in current dollars would not represent an increase.

Nevertheless, a U.S. contribution at this level would make possible a total replenishment allowing IDA to make loan commitments of $1.5 billion per year for a three-year period beginning July 1974 when its current resources will be exhausted.

Third, the World Bank would take a leadership role, along with the ADB, in organizing reconstruction efforts in South Indochina, and would allocate a significant volume of IDA resources for this purpose.

Fourth, further steps would be taken to ensure the independence of the World Bank's operations evaluation (audit) unit, including direct reporting requirements to the Board of the Bank, i.e., along lines consistent with recommendations of the General Accounting Office.

Fifth, at a minimum, maintenance of value obligations would not extend beyond the payment date for each subscription installment, so that any payment will constitute final payment in full.

I think it fair to say that the Congress, by making its views known to us, has played an important role in the formulation of this proposal and that its views have been reflected in a very full manner. All other countries are prepared to move ahead now with a substantial IDA replenishment along these lines. I am hopeful that as a result of contact with you and other Congressional leaders between now and the Nairobi meeting, I will be in a position to enter into a definite understanding at Nairobi which all governments would then submit to their legislatures. If all went well at Nairobi, the President would submit draft authorization legislation shortly after our return.

A similar need for a definite statement in the immediate future of the basis on which the United States is prepared to move ahead exists with respect to replenishment of the ADB's concessionary lending funds. I believe the following proposals that have evolved from our preliminary discussions with other ADB members also meet the Congressional concerns that have been expressed:

First, our cumulative share in soft funds contributions to the Bank would be only 20 percent. This is so because others, who have already contributed almost $250 million, are prepared to have us apply the $100 million authorization that is still pending appropriation in the Congress to a U.S. contribution of $150 million for a second, three-year round of contributions. We thus obtain "double duty" from two-thirds of the funds we put up. Other countries would put up a further $375 million at this time.

Second, the $100 million portion of our contribution may remain tied, while others contribute on an untied basis. Thus American suppliers will be assured of $100 million of special funds business, and of eligibility to compete for still larger amounts. The additional $50 million of our contribution to this new round would not give rise to any balance of payments effects until the late 1970's. We have, as you know, satisfied ourselves that ADB procurement procedures are not biased against American suppliers, and I am confident that recent exchange rate changes will have an important beneficial effect on American competitiveness in Asia.

Third, the replenishment will permit the ADB to expand the operations it is already carrying on in South Indo-China, with highly favorable burden-sharing from our standpoint.

Fourth, no maintenance of value provisions will apply to these contributions.

As in the case of IDA, I am hopeful that upon completion of Congressional contacts we will be in a position at the donors' meeting on ADB special funds to indicate agreement to a definite proposal for submission to legislatures. Again, subject to a satisfactory outcome of our discussions with other countries, President Nixon would then submit authorizing legislation for our contribution, along with the IDA request just mentioned, shortly after the Nairobi meeting.

I would welcome any indication you might care to give on the above courses of action with respect to IDA and ADB—which I sincerely believe would be appropriate ones, serving our country's need to be a full participant in these cooperative international institutions, and the need of the Congress to be fully involved in the decision process for that participation.

Sincerely yours,

GEORGE P. SHULTZ.

SEPTEMBER 11, 1973.

Hon. GEORGE P. SHULTZ,
The Secretary of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: I sincerely appreciated your letter of September 7, regarding negotiation for replenishment of the International Development Association (IDA) and the Asian Development Bank (ADB). I understand that you have sent an identical letter to the Chairman of the Banking and Currency Committee, the Honorable Wright Patman. In view of this, I would not presume to speak for the full committee, but only for myself and suggest that you consult closely with the Chairman in order to ascertain his views with respect to the proposals outlined in your letters.

Nevertheless, I would like to offer my own personal comments with respect to your letters and the proposals outlined therein.

First: I think that it is correct to presume that the majority of the Congress desire to reduce United States outlays abroad which implies that we should reduce our total contributions to the multilateral institutions. This is an appropriate reflection of our balance of payments difficulties and, moreover, would be an appropriate recognition of the growing economic strength of other advanced countries.

Second: I agree with your observation that a number of the Members of Congress, and particularly those of my colleagues on the Appropriations Committees, would like to see no increase in the absolute level of our annual contributions.

Third: The Congress has for a considerable period, indeed, been interested in obtaining an independent audit of IBRD and IDG operations.

It is also true that while my colleagues seemed quite willing to increase subscription payments to provide for maintenance of value commitments to IDA and other institutions after the first U.S. devaluation, they were reluctant to do so after our second devaluation. I do not feel that it is urgent for us to insist on suspension of maintenance value requirements unless you intend to convey to me that you anticipate further devaluations. I certainly have no such anticipation and therefore feel that suspension of maintenance of value requirements might merely contribute to continued instability in the world monetary markets. I feel that the United States should adopt no position that implies, however indirectly, that the dollar might or should be devalued further and, therefore, while it is true some Members might be reluctant to continue maintenance of value requirements, I doubt that anyone feels these should be suspended.

In your letter you stated, "there are . . . strong desires to ensure that international institutions take a leading role in South Indo-China reconstruction, thereby reducing the direct burdens on us . . ." Mr. Secretary, insofar as I recall, I have had no discussions with you or anyone else with respect to where and how international institutions should make their commitments. I do not know of any geographical entity known as "South Indo-China" nor how you would define this term. In supporting a replenishment of IDA, at whatever level, I do not believe that the Congress is committing itself to push any policy in behalf of South Indo-China (however that term is defined) at the expense of any other area of the world. We have had no discussions with respect to this and you should not take the liberty of saying that the Congress is determined or committed to increasing assistance to what you call "South Indo-China" whether by multilateral or bilateral means, because this is certainly not my understanding of existing sentiment.

With respect to the specific level of United States commitment to IDA, I do not believe that Congress has been adequately consulted. While we have received various signals as to Administration intentions, this Subcommittee has not committed itself to supporting any particular level of contributions, but has only pointed out to the Administration the increasing difficulty of winning support for any contribution. I do not feel committed to any given level, nor do I feel that it would be possible between now and the Nairobi meeting for the Subcommittee to be so committed. Certainly I, and I know my colleagues, will work with you in attempting to sustain the commitment you feel necessary, but I do not feel that you should be at liberty to say that the Congress would necessarily support your commitment.

With respect to the Asian Development Bank, we have had no discussions and I feel that no negotiations should proceed until consultations can be had. I do not believe that the Administration has made an adequate effort to ascertain our views either with respect to IDA or to the Asian Bank and, accordingly, I hope that you will endeavor to contact us well in advance of any negotiations with respect to the Asian Bank, as you should have with respect to the International Development Association. I do not mean to imply that we seek to negotiate for you, but merely to say that it has become increasingly difficult in recent years for us to defend the position that the United States has made a commitment and that Congress is obliged to honor it. It would be far easier for us if the Congress could be involved on a continuing basis so that we could know well in advance of negotiations, at least the parameters of American thinking. We have been denied this in the past and what consultations have been held, have been at a late date and under circumstances which would not allow the Congress a positive input, however well intentioned we might be.

As in the past, let me assure you that I feel a keen obligation to support the Administration in making those commitments that are essential to American security and world progress. I will cooperate with you in every way that I can, as I have in the past, and I offer the foregoing by way of a frank commentary on matters as I understand them. Such frankness is, I believe, the basis of effective cooperation.

With best wishes, I remain.

Sincerely yours,

HENRY B. GONZALEZ,
Member of Congress, Chairman.

OCTOBER 1, 1973.

The Honorable RICHARD M. NIXON,
The President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I have learned from press reports that the United States agreed to seek authorization from Congress for a $1.5 billion further contribution to the International Development Association (IDA).

I believe it was correct for Secretary Shultz to make it clear that United States participation depended upon the approval of Congress. In the past, many critics of the multilateral lending programs have complained that the Congress seemed to have no other choice than to ratify whatever commitment had been made. Certainly, Mr. Shultz' comments make it plain that Congress is not necessarily obliged to approve the commitment made at Nairobi.

On the other hand, let me assure you that when the Administration comes forward with a bill embodying a request for further participation in IDA, this Subcommittee will promptly consider it. I have, in the past, cooperated in every possible way with the Administration on legislation for the multilateral institutions and will continue to offer my whole-hearted cooperation.

Nevertheless, Mr. President, in all candor, I must say there are tasks with respect to this commitment for IDA that will not be easy. Favorable consideration of this legislation will require your energetic leadership, especially since so many Members of the House feel terribly unwilling to make foreign commitments at a time when domestic commitments are being severely reduced.

It will be no easy thing to persuade many of my Colleagues that such things as emergency medical assistance are inflationary but IDA commitments are not.

Again, Mr. President, I assure you that this Subcommittee will promptly consider whatever request you bring forward in behalf of IDA. Candidly, I hope that you will exert full leadership in behalf of this measure for, in my judgment, its success or failure depends on effective leadership from the Executive.

With best wishes, I remain

Sincerely yours,

HENRY B. GONZALEZ,
Member of Congress, Chairman.

INTERNATIONAL DEVELOPMENT
ASSOCIATION,
Washington, D.C., September 28, 1973.

Subject: Agreement on a Fourth Replenishment

The following announcement has been issued at Nairobi:

"Twenty-four contributing members of the International Development Association and Switzerland, have agreed on the need to increase the resources of the Association and to recommend that this should be done through a fourth replenishment of resources of the Association amounting to the equivalent of $4.5 billion. The arrangements on which they have agreed will be submitted to the Association for further action and transmittal to all member governments, it being understood that no commitment to contribute by any member will be made until approval, where necessary, has been obtained from its legislature.

"The proposed fourth replenishment would provide the Association when the necessary legislation approvals have been obtained with authority to grant new credits after June 30, 1974. All resources provided by previous replenishments will be fully committed by that time.

Part 1 Countries	*U.S. $ (equivalent)*
Australia	90, 000, 000
Austria	30, 600, 000
Belgium	76, 500, 000
Canada	274, 500, 000
Denmark	54, 000, 000
Finland	25, 200, 000
France	253, 545, 000
Germany	514, 500, 000
Iceland	1, 350, 000
Ireland	7, 500, 000
Italy	181, 350, 000
Japan	495, 000, 000
Kuwait	27, 000, 000
Luxembourg	2, 250, 000
Netherlands	132, 750, 000
New Zealand	11, 745, 000
Norway	49, 500, 000
South Africa	9, 000, 000
Sweden	180, 000, 000
United Kingdom	499, 500, 000
United States	1, 500, 000, 000
Part II Countries	
Israel	1, 000, 000
Spain	13, 333, 000
Yugoslavia	5, 000, 000
Switzerland	(1)
Total	4, 500, 000, 000

[1] It is expected that the outstanding balance will be covered by an interest free loan from the Swiss Confederation to be approved by the Swiss Federal Council and Parliament.

"Joining for the first time in a proposal to replenish IDA as 'Part I' members are Ireland and New Zealand.

"Participating as 'Part II' members are Israel, Spain and Yugoslavia. Israel proposes for the first time to join as a contributor.

"The Swiss Confederation, not an Association member, has again announced its intention to participate in the Replenishment by seeking approval of a 50-year interest free loan to the Association.

"The agreement would provide for recipient countries a 55% increase in IDA resources in real terms. It also would represent a 32% increase in the aid effort of donor countries measured in terms of their GNP."

LET'S GIVE SMALL BUSINESS A CHANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 15 minutes.

Mr. MATSUNAGA. Mr. Speaker, I would like to express today my surprise and profound dismay at the recent announcement that the Small Business Administration has boosted the interest rate ceiling for loans by participating lending institutions. The increase, from 9 percent to 11 percent, must prove especially damaging to the small businessman now struggling with the uncertainties of climbing costs and prices. Moreover the 2-percent interest hike directly contradicts Government policies, as stated by the Congress, toward small business.

The reason, or rather the excuse, for SBA's action is clear: The unprecedented surge in interest rates of all kinds. With the country's major banks now charging a record 10-percent interest to their most favorate corporate borrowers and homebuyers finding mortages either exorbitantly expensive or unavailable, all Government credit programs are subject to severe strains. And the raging cost of living, still far from effective control, makes it all the more difficult to maintain traditional national policies toward the individual entrepreneur.

Yet none of these considerations cancels the congressional mandate for the protection of this vital sector of the economy. As noted in the Small Business Act of 1958:

> It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise . . .

It is thus the very purpose of the 1958 legislation to insulate small businessmen from those drastic changes in the overall economic climate over which they have no control.

This argument carries special significance in 1973.

Even if conceived of as an anti-inflation tool, interest boosts may be harmful in the long run. Economists have increasingly viewed the commercial concentration which small business programs seek to prevent as an important cause of the continuing inflation. Analysts have warned that the concentration of vast and unrestricted economic power will not halt itself, but requires specific Federal action to preserve and restore the healthy climate of free competition.

I protest, then, the new SBA interest ceiling not only because of its impact on small business itself, but in light also of its inevitable adverse effect on the structure of our entire economy. The current inflation demands much of Federal policymakers, but most of all it demands that we remain consistent to our deeply held belief in the importance of individual economic opportunity and the programs we have developed to sustain this opportunity.

The Small Business Administration indeed is such a program. Its recent interest rate boost is ill-considered and only serves to frustrate the purpose underlying the entire program. Mr. Speaker, I strongly urge the Administrator of the Small Business Administration to reconsider the recent SBA interest rate increase.

MUNICIPAL SECURITIES REGULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. STUCKEY) is recognized for 5 minutes.

Mr. STUCKEY. Mr. Speaker, this week the Public Finance Division of the Securities Industry Association is holding their annual conference in Kansas City, a portion of which will be devoted to a discussion of municipal securities regulation proposals. It is commendable that this forum is addressing the pressing problems now faced by the industry which require some form of regulation.

By "pressing," Mr. Speaker, I wish to emphasize problems needing urgent attention, but not necessarily pervasive problems. In other words, it is my opinion that Federal regulation is overdue, although abuses within the industry are not rampant. While the Memphis-dealer scandal and the recent SEC action against Paragon Securities Co. exemplify gross abuses of public confidence and fraudulent sales practices, such unscrupulousness is not widespread within the industry. That the overwhelming majority of dealers are dedicated to fair principles of trade and protective of the public interest attests to their personal integrity as well as to the fully competitive nature of their industry.

The competitive structure of the municipal securities industry has performed the functions of self-regulation in the true sense of the word. The industry is characterized by a high degree of access resulting in many dealers interacting on a competitive bid basis for a large number of diversified bonds. In addition to these structural limitations, once a bid is won, members of a syndicate impose limitations on themselves. For example, the syndicate manager and individual participants outline in some detail the duties and obligations to each other in the functioning of the syndicate. Much of the decisionmaking is done within the group on a more or less democratic basis, and the members of the account can act as a check on each other as well as on the manager.

The structure of the industry, then, coupled with the personal qualities of the dealers have long obviated the need for regulation in a marketplace that has existed for over a hundred years. The need for Federal regulation has arisen not so much from a change in these two factors as it has from a change in the purchasers of bonds. Increasingly over the last decade, small and in many cases, unsophisticated investors have been attracted to municipal securities. Some of these investors have been, unknowingly, the victims of the fraudulent activity and other less than ethical practices engaged in by a few dealers. This has led all segments of the industry to agree that there is a need to eliminate any doubt as to the propriety of their practices.

The industry is as yet divided, however, as to the appropriate mechanism for regulating the activities of municipal securities dealers. One of the proposals which the conference will no doubt discuss encompasses an industry self-regulatory body, the National Association of Municipal Securities Dealers—NAMS—subject to SEC control and review. There is something to be said for dealers taking a major role in the writing of the rules by which they would function and the enforcement of those rules. One could certainly expect that such rules would be supported by the membership, and that given their expertise in this highly technical industry, such rules would resolve the problems without being unnecessarily inflexible.

Unlike other capital markets, bank municipal departments are an integral part of the industry both as underwriters and purchasers. Therefore, despite the traditional bank exemption from the regulatory requirements of the Securities and Exchange Act of 1934, any viable proposal must include banks where these institutions perform the same functions in municipal securities as do other dealers. A second criterion is the assurance of uniformity and evenhanded regulation, if underwriting and enforcement for the various segments of the industry are to be vested in different regulatory bodies.

There are certain difficulties in arriving at a mutually acceptable compromise, but it is my hope that the industry will not find them insurmountable. I stand ready to consult with industry and to be of assistance where I can in fashioning a feasible legislative proposal which will serve both the industry and the public.

COLLEGE AND UNIVERSITY TUITION, THE COMMITTEE ON ECONOMIC DEVELOPMENT PROPOSES A GIANT STEP BACKWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. O'HARA) is recognized for 10 minutes.

Mr. O'HARA. Mr. Speaker, it is time to blow the whistle on the growing tendency for the rich to make grandiose plans to aid the poor with the money of the middle class.

A few months ago, the Carnegie Commission on the Financing of Higher Education proposed increasing the tuition charged at State and community colleges expressly for the purpose of having a greater share of the costs of higher education borne by the "higher-income" student and his family.

Now the Committee for Economic Development, which numbers among its rather small membership, the chairman and presidents of America's biggest and most prestigious corporations, law firms and banks, is proposing raising tuition and suggesting that the added costs can be met by making grants to "middle income" students whose family incomes are below $12,000 a year.

I do not think the CED economists and bankers are deliberately trying to freeze the middle-class out of college, but I do believe they have a surprisingly outdated version of who is a rich family and who is a poor one. A committee whose members probably average a six-figure annual income can be forgiven if they honestly and sincerely think that $15,000 puts a family in the "high-income brackets." Once it might have, but today, with interest rates at an all-time high, with meat priced out of the shopping list of people with incomes in that bracket, with policemen and schoolteachers forced to moonlight to supplement incomes of $10,000 to $12,000, it just is not realistic to think in those terms.

As long as I am chairman of the Special Subcommittee on Education which has jurisdiction over higher education legislation, I can assure the good people at the Carnegie Commission and the Committee for Economic Development that I am going to be very inhospitable to proposals that the State universities and community colleges raise their tuition—or that Federal funds be made any harder for the real middle income student to get.

Underlying these various proposals is the economists' assumption that there is little or no social benefit from postsecondary education—that anything that happens to a college student may be all right for him, but that it does not benefit the society at all.

I simply do not accept those assumptions. I think they are contrary to the evidence that faces us on every side. We have built a magnificent public education system on the belief that investments in education were and are the soundest investments we can make with public funds.

Instead of supporting increased tuition for those least able to pay them, I think we should return to the policy on which our land-grant, and community colleges were founded—free higher education for all who can profit from it, without any financial barriers at all. That is the system that made American education the wonder of the world.

That is the system that made Americans the best-educated people on Earth. And I, for one, am not ready to replace it.

COLLECTIVE BARGAINING RIGHTS FOR PUBLIC EMPLOYEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Thompson) is recognized for 10 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, this week the Special Subcommittee on Labor will begin its second round of hearings on the subject of collective bargaining rights for public employees. Comprehensive hearings were held last Congress on this important problem; those hearings covered 10 days, and more than 25 witnesses testified.

Two approaches to the Federal regulations in the public sector at the State and local level will be explored. One approach, H.R. 8677 (Mr. Clay of Missouri and Mr. Perkins of Kentucky), would establish an Independent National Public Employment Relations Commission with a mandate similar to that of the National Labor Relations Board. The other approach, H.R. 9730 (Mr. Thompson of New Jersey), would strike the present exclusion of States and political subdivisions from coverage of the National Labor Relations Act and have them treated as employees in the private sector.

There are over 10 million State and local public employees in the United States today. Their rights as employees are governed by a patchwork of varying State laws—from the progressive to the reactionary.

As a result we have had—in recent years—tremendous growth in public employee unions and an increasing militancy among public employees. This in turn has presented the country with a spiraling number of disruptive public employee strikes.

It is obvious that the present legislative framework for dealing with public employee disputes is not working. It is my hope that as a result of these hearings Congress will be able to devise a uniform system of regulation and protection for employees in the public sector.

CONSTITUENT OPINION POLL—NEW YORK'S 27TH CONGRESSIONAL DISTRICT—PART III

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Robison) is recognized for 15 minutes.

Mr. ROBISON of New York. Mr. Speaker, continuing with this effort as begun last week, I now present the third in a detailed report by me on the results of my recent constituent opinion poll.

In the planned, last installment—which I should have ready this week—I shall report, that, by far and away, the some 30,000 persons who have so far responded to my question in this regard consider "the economy and inflation—the most serious and pressing problem faced by the United States and its people."

With that result somewhat in mind—for it does not surprise me—the fourth question included in my "postal patron" poll of the people of New York's 27th Congressional District was this:

> During the last two years, we've gone from freeze to Phase II to freeze and now to Phase IV in an effort to halt inflation through Government control of wages and prices. Would you now favor abandoning this whole effort and going back to a control-free economy?

Purists might well complain that we have not enjoyed a truly "free" economy for the better part of this century—with which charge I would not disagree—however, I think my question was adequately phrased so as to encompass our present dilemma with direct controls on wages and prices and to sample, as well, public opinion as to their present worth. In any event, much after the fashion of citizens across the Nation, Mr. Speaker, it would appear that a substantial majority of the people I represent here have soured on the efficacy—at least under current economic conditions—of direct wage and price controls, since 58.5 percent of those answering that fourth question of mine said "yes" as to it, with only 41.5 percent saying "no."

In many ways, this majority viewpoint undoubtedly more or less parallels mine—for I have just about determined, Mr. Speaker, that abandonment of the administration's current wage-price control effort at, in language reminiscent of previous legislative efforts to end the war in Vietnam, the "earliest practicable date" would, at first, produce some 2 or 3 months of economic chaos and uncertainty, followed by something resembling an economic triumph as the American economy once again demonstrated its basic strength and resiliency.

Those of us here in positions of legislative responsibility who have lived, Mr. Speaker, through these past 2½ years—and I hope most of us can politically survive them—have lived through an, in the main, unprecedented economic time-of-challenge for the people of the United States, with a history so curious that future economic historians cannot help but take special note of it.

To begin with, it was already apparent—over 2½ years ago—that this Republican administration's problems with its inheritance from its Democratic predecessor of an overheated economy was the one political problem, among a host of others, most likely to bring it down. In the end, that may still prove to be the case—even despite the inroads of the "Watergate" tragedy and, now, the political complications that can only be titled "the Agnew affair."

But whatever the shadows those unhappy political events may cast before them, Mr. Speaker—to get back to that time 2½ year or so ago—the whole thrust of majority political influence in the 92d Congress was to back Richard Nixon into such a corner that, if he did not then institute an effective Federal wage-price control mechanism, he would be the instant political victim of the fate that ought to befall any American President who could not control inflation in his own country. And so, as we will remember, that Congress voted Mr. Nixon "standby" authority to so deal in an "effective" fashion with the inflationary pressures that were blowing our economy up to potentially explosive proportions—with never a thought that he would ever actually turn to that authority, which he had repeatedly said he did not want and would not use. However, as we also vividly recall, on the evening of Sunday, August 15, 1971, President Nixon reversed directions and announced to a surprised Nation—and even more surprised Congress—that he was imposing, under that authority, a 90-day wage and price freeze on the economy, with what was later to be called phase II to follow in a far-reaching program to halt inflation and, along with a surcharge on imports and the devaluation of the dollar, make the United States an effective competitor in world markets once again.

There were cheers and huzzahs, Mr. Speaker, as we will remember, despite the misgivings of some. But, now—some 25 months later—those cheers have faded, and business and organized labor, along with much of the general public, as indicated by my poll, have turned against controls. Labor leaders, who were among the earliest to demand Presidential action along these lines were also among the first to become disaffected with the controls, as the 6- to 7-percent wage increases they could get their members proved insufficient to keep pace with food costs that sometimes increased that much in a single month. Then, business leaders, after a period of steadily higher profits, began to turn sour on controls as shortages appeared and it developed flat-out production rates left little room for greater productivity and, therefore, even higher profits. Finally, the consumers—who had strongly backed the Nixon effort in early months—lost all faith in the effectiveness of the permissive phase III period, found no solace in such sporadic efforts as this spring's meat boycott and, though a mid-July Gallup poll showed them still favoring stiffer rather than more relaxed controls, now in ever greater numbers appear to agree with George Meany that it is time to "take whatever chaos comes from the removal of controls" in order to get rid of them.

Nevertheless, Mr. Speaker, I for one conceive it important for Congress—in an area of concern as complex as this one—to be something more than an erratic weather vane, shifting with every gust of public opinion. Even though it now be tempting to demand of the President an early end to all controls, we should bear in mind the fact that the reason the Founding Fathers chose for us a "representational" rather than a "direct" form of democracy was, as James Madison explained it:

> To refine and enlarge the public views by passing them through the medium of a chosen body of citizens whose wisdom may best discern the true interest of their country.

One has to wonder if, in the present situation, it would not be almost as unwise for this Congress to pressure the President into a too early end of controls—about which he, himself, has said we will have to "work our way" out of—as it was for the 92d Congress to have pressured the same President into entering into them in the first place. To me, the answer seems to be obvious.

One final thing, though: Most of our constituents evidently now consider the Nixon effort at halting inflation to have been a total failure. Surely, the President did not meet the economic goals in this regard he and his advisers had set for the Nation, and I have to assume he is just as disappointed in this regard as any of us. However, some perspective as is valuable here as it is elsewhere. In trying to provide that, I am reminded of that old vaudeville skit in which the straight-man asks the comic, "How's your wife?" to which the comic responds, "Compared to who?" Before we assign total failure to the President's economic game-plan, let us compare inflation in this Nation to other countries' problems with the same phenomenon. Although our record is comparatively not as good when it comes to industrial wholesale prices, insofar as consumer prices are concerned—and it is on the basis of those that increases in the cost-of-living are generally computed—here is the trend for ourselves and nine other industrial nations during the 12-month period from June of 1972 to June of 1973, as well as for the 6-month period from December of 1972 to June of 1973:

RECENT TRENDS IN CONSUMER PRICES OF 10 INDUSTRIAL COUNTRIES

Country	Percent change	
	12 mos. June 1972-June 1973	6 mos. December 1972-June 1973
United States	5.9	3.9
United Kingdom	9.3	5.1
France	7.4	3.2
Germany	7.9	4.5
Italy	11.5	8.9
Netherlands	8.3	4.8
Belgium	6.9	3.2
Japan	11.1	8.5
Canada	8.1	4.4
Sweden	6.9	3.6

Source: OECD, "Main Economic Indicators."

As you can see, Mr. Speaker, while there is definitely room for improvement—especially insofar as price trends since last June are concerned—it remains clear that the citizens of most other lands would gladly exchange places with us Americans, and assume the burden of almost all of our problems, including our still-unresolved problem with inflation.

In any event, to move on to another of those unresolved problems—although this time one of far less public interest—the fifth question I asked my constituents was this:

> Would you favor a case-by-case review of the Vietnam draft-evaders and the granting of amnesty, conditioned on 2 or 3 years of "public-service" work to those meriting the same?

Mr. Speaker, as I noted in one of these earlier installments, I had some trouble in drafting this particular question, and am still not altogether satisfied with its form. Nevertheless, I suppose it more or less reflects the interest I have heretofore been expressing—both here in this Chamber and at home—in the troubling question of amnesty, as one of those unfinished pieces we face, as a Nation, in putting together the final form of our withdrawal from our tragic involvement in the conflict for Southeast Asia.

I do not here intend to restate, in specifics, the nature of all I have said on this subject, or to again express my own disappointment in having failed, as I had hoped, to spark an objective and unemotional discussion in Congress and throughout the Nation of this largely misunderstood issue.

Suffice it to say that my efforts in this regard received more attention in my home district than they did here, and then, thanks to an unexpected interview about them as carried on the editorial page of the Wall Street Journal a few weeks back, brought me some additional attention along with some strongly-worded letters of disapproval from around the Nation.

The important thing, though, insofar as any of my colleagues are concerned, Mr. Speaker, who might—someday—want to join me in a further discussion of this issue, is that one can do so, as I have proved, and still survive politically since, for every letter of disapprobation I have received, I have also received about two indicating interest and support, besides which, and of more direct importance to me, I can now report that my constituents responding to this opinion poll said "yes" to this question by a percentage of 57, as compared to the 43 percent who said "no."

The fourth, and final, installment in this series, Mr. Speaker, will be ready, I hope, for insertion in the RECORD on tomorrow.

"TO GIVE IN WHEN ONE LIFE IS ENDANGERED ONLY ENDANGERS MORE—THERE CAN BE NO DEALS WITH TERRORISTS"

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the Prime Minister of Israel, Golda Meir, appeared before the Consultative Assembly of the Council of Europe just yesterday and in what was reported as an extraordinary extemporaneous statement, she brought that very sophisticated audience of members of parliaments representing 17 European countries, to their feet in a standing ovation. I am setting forth excerpts from that statement which relate to the action of the Austrian Government and its submission to Arab terrorists.

The statement follows:

EXCERPTS FROM ISRAELI PREMIER'S SPEECH TO COUNCIL OF EUROPE

STRASBOURG, FRANCE, October 1—Following are excerpts from a transcript of an address given today by Premier Golda Meir to the Consultative Assembly of the Council of Europe:

I would be less than honest with you if I did not speak today about what happened in Vienna because that incident highlights the whole problem of the Jewish people and Israel's position among its neighbors. At the age of 25, we still owe an explanation to the world for our right to exist.

Having failed in Israel itself the Arab organizations, helped by Arab governments and provided by them with arms and with training for terrorist acts, have taken terror into Europe and all parts of the world.

I well understand the feelings of the Prime Minister and other members of the government of a country who says: "We have nothing to do with this. Why has our territory been chosen for activities of this kind?"

I do understand those feelings. I understand that they may reach the conclusion that the only way to free themselves of this headache is to make their country out of bounds either for Jews—and certainly for Israelis—or for terrorists. Such a choice has to be taken by every government.

If it is agreed that it is too dangerous for Austria, then why only Austria? Why not all countries?

DEALING WITH GUERRILLAS

I understand what it is like when a plane is hijacked. I have had experience of dealing with such situations. I have had to face the grim problems while Israel men and women in Thailand were kept on the floor bound hand and foot for over 20 hours. We had then to say over and over again that we would not do the terrorists' bidding.

I hope I do not have to explain that in saying that I had no easy heart. Yet the parents of one of the young men and one of the young women involved called me to say, "Do not give in?" Perhaps I may digress here a moment to tell you that young man and the young woman are now married.

Why did we and those parents say, "do not give in?" Is it because we have no hearts? Have the parents no heart? Have the prime minister and the government no hearts?

A BITTER LESSON

We have learned a bitter lesson. To give in when one life is endangered only endangers more. The answer is that terrorism must be wiped out. There can be no deals with terrorists. What about this terrible thing which has happened at Vienna? Is that a deal? Otherwise, I do not know what happened.

Let us say it was an agreement, an understanding. I am prepared to use the kindest words if it will only change the situation. An understanding has been made that the terrorists will let these three Jews and one Austrian go while in return Russian jews who want to go to Israel will not be helped through Austria after all they have gone through in their struggle.

MUNICH IS CITED

This is the first time that a government has come to an agreement of this kind. Terrorists who have committed terrorist acts as in Munich at the Olympic games finally find themselves free to go through or try to go through the same operation all over again. They have placed the very basic, important principle of freedom of movement of people under a question mark. At the point of a gun, these terrorists have raised the question of whether any country should let Jews pass through in transit.

I know, I am convinced that the question of the lives of the four people is very dear. But I am convinced—certainly with no intention whatsoever on the part of the Austrian Government or its ministers—that what has happened in Vienna is the greatest encouragement to the world.

Believe me, we are strongly grateful for all that the Austrian Government have done for the tens of thousands of Jews who have gone through Austria from Poland, from Rumania, from the Soviet Union. I honestly and sincerely hope that this is not the final decision of the Austrian Government. I honestly and sincerely hope that there was some misunderstanding somewhere, that there was misinterpretation. Israel is not looking for a victory over any country. We just want an understanding that will protect our people."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Esch (at the request of Mr. Gerald R. Ford), for October 3, on account of official business.

Mr. Johnson of Colorado (at the request of Mr. Gerald R. Ford), from October 1, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Regula) and to revise and extend their remarks and include extraneous matter:)

Mr. Derwinski, for 30 minutes, on October 3.

Mr. Robison of New York, for 15 minutes, today.

Mr. Landgrebe, for 60 minutes, today.

Mr. Hogan, for 30 minutes, today.

Mr. Findley, for 10 minutes, today.

(The following Members (at the request of Mr. Jones of Oklahoma) and to revise and extend their remarks and include extraneous matter:)

Mr. William D. Ford, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Matsunaga, for 15 minutes, today.

Mr. Stuckey, for 5 minutes, today.

Mr. O'Hara, for 10 minutes, today.

Mr. Thompson of New Jersey, for 10 minutes, today.

Mr. Jones of Oklahoma, for 30 minutes, on October 3.

Mr. Dent (at the request of Mr. Owens), for 30 minutes on October 3, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Gross to revise and extend his remarks and include a newspaper article.

(The following Members (at the request of Mr. Regula) and to include extraneous matter:)

Mr. Frenzel.

Mr. McKinney in two instances.

Mr. Steele.

Mr. Rousselot.

(The following Members (at the request of Mr. Regula) and to include extraneous matter:)

Mr. King in three instances.

Mr. Chamberlain.

Mr. Dickinson.

Mr. Findley.

Mrs. Holt.

Mr. Hosmer in two instances.

Mr. Wyman in two instances.

Mr. Biester in two instances.

Mr. Ketchum.

Mr. Thomson of Wisconsin in two instances.

Mr. Railsback in two instances.

Mr. Hogan.

Mr. Ashbrook in three instances.

Mr. Derwinski in three instances.

Mr. Steiger of Wisconsin in two instances.

Mr. Forsythe in two instances.

Mr. Abdnor.

Mr. Maraziti.

Mr. Kemp.

Mr. Parris in five instances.

(The following Members (at the request of Mr. Jones of Oklahoma) and to include extraneous matter:)

Mr. Giaimo in 10 instances.

Mr. William D. Ford.

Mr. Reid.

Mr. Howard.

Mr. Bevill in 10 instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Johnson of California.

Mr. Harrington in five instances.

Mr. Patten.

Mr. Studds.

Mr. Waldie in three instances.

Mr. O'Neill.

Mr. Riegle in two instances.

(The following Members (at the request of Mr. Owens) and to include extraneous matter:)

Mr. Andrews of North Carolina.

Mr. Leggett.

Mr. Brown of California in 10 instances.

Mr. Tiernan in two instances.

Mr. Dellums in five instances.

Mr. Wright.

Mr. Denholm.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 719. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S.J. Res. 160. Joint resolution to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 3, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1411. A communication from the President of the United States, transmitting proposed amendments to the request for appropriations for the General Services Administration for fiscal year 1974 (H. Doc. No. 93–161); to the Committee on Appropriations and ordered to be printed.

1412. A letter from the Director of Selective Service, transmitting his semiannual report for the period ended June 30, 1973, pursuant to section 10(g) of the Military Selective Service Act; to the Committee on Armed Services.

1413. A letter from the Attorney General, transmitting a draft of proposed legislation to establish a Working Capital Fund in the Department of Justice; to the Committee on the Judiciary.

1414. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended (8 U.S.C. 1154(d)); to the Committee on the Judiciary.

1415. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissable to the United States, pursuant to section 212(a) (28) (I) (ii) of the Immigration and Nationality Act (8 U.S.C. 1182(a) (28) (I) (ii) (b)); to the Committee on the Judiciary.

1416. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d) (3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182 (d)(6)]; to the Committee on the Judiciary.

1417. A letter from the Treasurer, American Historical Association, transmitting the audit of the association's accounts for the year ended June 30, 1973, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1418. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Tariff Act of 1930 to provide an exemption from the restrictions of the trademark laws; to the Committee on Ways and Means.

Received From the Comptroller General

1419. A letter from the Comptroller General of the United States, transmitting a report on the financial status of selected major weapon systems being acquired by the Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FISHER: Committee on Armed Services. H.R. 8187. A bill to amend section 2031 (b)(1) of title 10, United States Code, to remove the requirement that a Junior Reserve Officer Training Corps unit at any institution must have a minimum number of physically fit male students (Rept. No. 93–537). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 2. A bill to revise the Welfare and Pension Plans Disclosure Act; with amendment (Rept. No. 93–533). Referred to the Committee of the Whole House on the State of the Union.

Mr. PIKE: Committee on Armed Services. H.R. 10614. A bill to authorize certain construction at military installations, and for other purposes (Rept. No. 93–534). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 7582. A bill to amend title 10, United States Code, to entitle the Delegates in Congress from Guam and the Virgin Islands to make appointments to the service academies; with amendment (Rept. No. 93–535). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. House Joint Resolution 735. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy two citizens and subjects of the Empire of Iran (Rept. No. 93–536). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 748. Joint resolution making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes; with amendment (Rept. No. 93–538). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 10628. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling wastepaper; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 10629. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish a standard for determining substantial evidence of a drug's effectiveness for purposes of revocation of an approval of a new drug application under section 505 or repeal of a certification of antibiotics under section 507; to the Committee on Interstate and Foreign Commerce.

H.R. 10630. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for the appointment of scientific advisory committees to make recommendations concerning scientific matters raised in the course of proceedings under section 507 of that act relating to certification of antibiotics; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG (for himself, Mr. Harrington, Mr. Ichord, Mr. Nix Mr. Roe, and Mr. Roncallo of New York):

H.R. 10631. A bill to amend the Economic Stabilization Act of 1970 to adjust ceiling prices applicable to certain petroleum products and to permit retailers of such products to pass through increased costs; to the Committee on Banking and Currency.

By Mr. FLOWERS:

H.R. 10632. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. HOGAN:

H.R. 10633. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Wash.; Boston, Mass.; San Francisco, Calif.; Galveston, Tex.; New Orleans, La.; Baltimore, Md.; Staten Island, N.Y.; and Norfolk, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Pennsylvania:

H.R. 10634. A bill to direct the National Science Foundation to undertake an expanded program of earthquake prevention and prediction research, and for other purposes; to the Committee on Science and Astronautics.

By Mr. KEATING:

H.R. 10635. A bill to provide for the continued supply of petroleum products to independent oil marketeers; to the Committee on Interstate and Foreign Commerce.

H.R. 10636. A bill to reform the mineral leasing laws, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 10637. A bill to amend the Outer Continental Shelf Lands Act and to authorize the Secretary of the Interior to regulate the construction and operation of deepwater port facilities; to the Committee on Interior and Insular Affairs.

H.R. 10638. A bill to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, and to provide that provisions of the act shall not apply to certain sales in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. LANDGREBE:

H.R. 10639. A bill to provide for a phaseout period for certain Federal elementary and secondary education programs which would otherwise expire on June 30, 1974, and for other purposes; to the Committee on Education and Labor.

By Mr. LENT:

H.R. 10640. A bill to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LONG of Maryland:

H.R. 10641. A bill to strengthen interstate reporting and interstate services for parents of runaway children, to provide for the development of a comprehensive program for the transient youth population for the establishment, maintenance, and operation of temporary housing and psychiatric, medical and other counseling services for transient youth, and for other purposes; to the Committee on Education and Labor.

By Mr. McKINNEY:

H.R. 10642. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McKINNEY (for himself, Mr. Frenzel, Mr. Heinz, Mr. Andrews of North Dakota, Mr. Biester, Mr. Frelinghuysen, Mrs. Grasso, Mrs. Heckler of Massachusetts, Mr. McCloskey, Mr. Mallary, Mr. Mosher, Mr. Obey, Mr. Quie, Mr. Robison of New York, Mr. Roncallo of New York, Mr. Seiberling, and Mr. Sarasin):

H.R. 10643. A bill to amend the Economic Stabilization Act of 1970 to make mandatory the systematic allocation of petroleum products in accordance with the procedures established under the act; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia:

H.R. 10644. A bill to assure the constitutional right of privacy by regulating automatically processed files identifiable to individuals; to the Committee on the Judiciary.

H.R. 10645. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for security device expenses; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 10646. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 10647. A bill to provide for a 7-percent increase in social security benefits beginning with benefits payable for the month of January 1974; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 10648. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PEYSER (for himself, Ms. Chisholm, Mr. Murphy of New York, Ms. Heckler of Massachusetts, Mr. Hudnut, and Ms. Holtzman):

H.R. 10649. A bill to amend the Elementary and Secondary Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral; to the Committee on Education and Labor.

By Mr. REGULA:

H.R. 10650. A bill to provide for a study of the most feasible and suitable means of preserving the resources of the Ohio and Erie Canal in the State of Ohio, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. REUSS (for himself and Mr. Vander Jagt):

H.R. 10651. A bill to amend the Fish and Wildlife Coordination Act, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. REUSS (for himself, Mr. Adams, Mr. Moss, and Mr. Thompson of New Jersey):

H.R. 10652. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by increasing the amount of minimum tax imposed on tax preferences; to the Committee on Ways and Means.

By Mr. RODINO (for himself and Mr. Hutchinson):

H.R. 10653. A bill to amend sections 656, 657, and 2113 of title 18, United States Code; to the Committee on the Judiciary.

H.R. 10654. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling waste paper; to the Committee on Ways and Means.

By Mr. ROGERS:

H.R. 10655. A bill to provide that the special cost-of-living increase in social security benefits enacted by Public Law 93-66 shall become effective immediately, and for other purposes; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 10656. A bill to prohibit use of the mails to effect certain sales or other deliveries of mailing lists for purposes of commercial or other solicitation, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SAYLOR (for himself, Mr. Shuster, Mr. Boland, Mr. Kyros, Mr. Teague of Texas, Mr. Moorhead of California, Mr. Heinz, Mr. Roncallo of New York, and Mr. Veysey):

H.R. 10657. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SKUBITZ:

H.R. 10658. A bill to establish an Office of Rural Health within the Department of Health, Education, and Welfare and to assist in the development and demonstration of rural health care delivery models and components; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 10659. A bill to amend the Immigration and Nationality Act to provide for recording of admission for permanent residence in the case of certain aliens who entered the United States prior to October 3, 1965; to the Committee on the Judiciary.

H.R. 10660. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to waiving the exclusion from the United States for fraud; to the Committee on the Judiciary.

H.R. 10661. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to exclusion from deportation of aliens excludable for fraud; to the Committee on the Judiciary.

H.R. 10662. A bill to amend section 312 of the Immigration and Nationality Act with respect to certain tests for naturalization; to the Committee on the Judiciary.

By Mr. WYMAN (for himself, Mr. Derwinski, Mr. Devine, Mr. Sebelius, Mr. Gross, Mr. Vigorito, Mr. McClory, Mr. Sikes, Mr. Rarick, Mr. Randall, Mr. Michel, Mr. Eshleman, Mr. Rousselot, Mr. Ketchum, Mr. Gubser, Mr. Taylor of North Carolina, Mr. Wright, Mr. Goodling, Mr. Hastings, Mr. Preyer, Mr. Roberts, Mr. Bob Wilson, Mr. Brown of Michigan, Mr. Huber, and Mr. Landgrebe):

H.R. 10663. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WYMAN (for himself, Mr. Crane, Mrs. Green of Oregon, Mr. Harrington, Mr. Hudnut, Mr. Hutchinson, Mr. Myers, Mr. O'Brien, Mr. Charles Wilson of Texas, Mr. Edwards of Alabama, Mr. Williams, Mr. McCollister, Mr. Cleveland, Mr. Archer, Mr. Towell of Nevada, Mr. Hosmer, Mr. Seiberling, Mr. Collier, Mr. Roncallo of New York, Mr. Scherle, Mr. Findley, Mr. Melcher, and Mr. Robert W. Daniel, Jr.):

H.R. 10664. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. BOGGS:

H.R. 10665. A bill to authorize the establishment of the Jean Lafitte National Historical Park in the State of Louisiana, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BREAUX:

H.R. 10666. A bill to amend the Internal Revenue Code of 1954 to provide an individual tax credit for disaster evacuation expenses; to the Committee on Ways and Means.

By Mr. DULSKI:

H.R. 10667. A bill to require that certain drugs and pharmaceuticals be prominently labeled as to date beyond which potency or efficacy becomes diminished; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS of California:

H.R. 10668. A bill to amend title 5, United States Code, to improve the administration of the provisions thereof relating to compensation for Government employee work injuries through the establishment of medical review boards to review occupational disease claims, and for other purposes; to the Committee on Education and Labor.

By Mr. ERLENBORN (for himself and Mr. Findley):

H.R. 10669. A bill to revise the Welfare and Pension Plans Disclosure Act, and to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, and for other purposes; to the Committee on Education and Labor.

By Mr. FRENZEL (for himself, Mr. Bergland, Mr. Breaux, Mr. Brown of California, Mr. Evans of Colorado, Mr. Frelinghuysen, Mr. Gilman, Mr. Gude, Mr. Harrington, Mr. Kemp, Mr. Lent, Mr. McKinney, Mr. Nelsen, Mr. Obey, Mr. Rangel, Mr. Rees, Mr. Regula, Mr. Roe, Mr. Schneebeli, Mr. Seiberling, Mr. Stark, Mr. Veysey, Mr. Williams, and Mr. Zwach):

H.R. 10670. A bill to require the Secretary of the Interior to compile and keep current a mineral fuel reserves inventory; to the Committee on Interior and Insular Affairs.

By Mr. GOLDWATER:

H.R. 10671. A bill to amend the Social Security Act to prohibit the disclosure of an individual's social security number or related records for any purpose without his consent unless specifically required by law, and to provide that (unless so required) no individual may be compelled to disclose or furnish his social security number for any purpose not directly related to the operation of the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. HARVEY:

H.R. 10672. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 10673. A bill to carry into effect certain provisions of the Patent Cooperation Treaty and for other purposes; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 10674. A bill to prohibit discrimination on the basis of sex or marital status against individuals seeking credit; to the Committee on Banking and Currency.

By Mr. KYROS:

H.R. 10675. A bill to prohibit discrimination on the basis of sex or marital status in the granting of credit; to the Committee on Banking and Currency.

By Mr. McCORMACK:

H.R. 10676. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. McKINNEY (for himself, Mr. Frenzel, Mr. Heinz, and Mr. Keating):

H.R. 10677. A bill to amend the Economic Stabilization Act of 1970 to make mandatory the systematic allocation of petroleum products in accordance with the procedures established under that act; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia:

H.R. 10678. A bill to amend the Food Stamp Act of 1964, to prohibit the use of food stamps to purchase imported food; to the Committee on Agriculture.

By Mr. OWENS (for himself, Mr. Abdnor, Mr. Aspin, Mr. Bingham, Mr. Cohen, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Mezvinsky, Mr. Roybal, Mr. Seiberling, Mr. Stark, Mr. Studds, Mr. Tiernan, and Mr. Udall):

H.R. 10679. A bill to insure that no public funds be used for the purpose of transporting chemical nerve agents to or from any military installation in the United States for storage or stockpiling purposes unless it is the sense of the Congress to do so; to the Committee on Armed Services.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Wolff, Mr. Fauntroy, Mr. Yatron, Mr. Nix, Mr. Helstoski, Mr. Morgan, Mr. Metcalfe, Mr. Moakley, Mr. Gude, Ms. Holtzman, Mr. Rosenthal, Mr. Riegle, Mr. Stark, Mr. Carney of Ohio, and Mr. Rangel):

H.R. 10680. A bill to amend section 402 of title 23, United States Code, to extend certain deadlines relating to apportionment of highway safety funds, and for other purposes; to the Committee on Public Works.

By Mr. SHOUP:

H.R. 10681. A bill to require that a percentage of U.S. oil imports be carried on U.S. flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. JAMES V. STANTON:

H.R. 10682. A bill to provide for increased security and protection for certain federally related housing projects; to the Committee on Banking and Currency.

H.R. 10683. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. STARK:

H.R. 10684. A bill to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $60 million for the construction of Federal Reserve Bank branch buildings, and for other purposes; to the Committee on Banking and Currency.

By Mr. UDALL:

H.R. 10685. A bill to designate the Blue Range Wilderness and Apache National Forests in the States of Arizona and New Mexico; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 10686. A bill to amend title III of the act of March 3, 1933, commonly referred to as the Buy American Act, with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced, or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use; and for other purposes; to the Committee on Public Works.

H.R. 10687. A bill to provide certain enrollees of Federal health benefit plans coverage supplementary to parts A, and B of the medicare program with appropriate Government contribution thereto; to the Committee on Post Office and Civil Service.

By Mr. WIDNALL (by request):

H.R. 10688. A bill to improve and simplify laws relating to housing and housing assistance; to the Committee on Banking and Currency.

H.R. 10689. A bill to provide for the guarantee of private mortgage insurance; to the Committee on Banking and Currency.

By Mr. HECHLER of West Virginia:

H.R. 10690. A bill to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOAKLEY:

H.R. 10691. A bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NELSEN (for himself and Mrs. Green of Oregon):

H.R. 10692. A bill to implement certain recommendations of the Commission on the Organization of the government of the District of Columbia, to reorganize the governmental structure of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mrs. GREEN of Oregon (for herself and Mr. Nelsen):

H.R. 10693. A bill to implement certain recommendations of the Commission on the Organization of the government of the District of Columbia, and to provide self-government to inhabitants of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PICKLE:

H.R. 10694. A bill to assure an adequate supply of freight cars for the movement of the Nation's goods, to encourage the production and acquisition of freight cars and to facilitate the efficient use of rolling stock, to provide that the Secretary of Transportation certify his approval or disapproval of plans submitted to him by grain exporters regarding their proposed use of freight cars, and amending the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN:

H.R. 10695. A bill providing for a national technology resource study, and for other purposes; to the Committee on Science and Astronautics.

By Mr. HANSEN of Idaho:

H.J. Res. 749. Joint resolution authorizing the President to proclaim September 15 of each year as "Respect for the Aged Day"; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.J. Res. 750. Joint resolution to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended; to the Committee on Public Works.

By Mr. EDWARDS of California:

H. Con. Res. 322. Concurrent resolution to reprint and print the corrected report of the Commission on the Bankruptcy Laws of the United States; to the Committee on House Administration.

By Mr. ROSENTHAL:

H. Con. Res. 323. Concurrent resolution expressing the sense of Congress with respect to the observance of human rights in Chile; to the Committee on Foreign Affairs.

By Mr. McCLOSKEY:

H. Res. 573. Resolution directing the Committee on the Judiciary to conduct an investigation into certain charges against the Vice President of the United States; to the Committee on Rules.

By Mr. OWENS (for himself, Mr. Abdnor, Mr. Aspin, Mr. Bingham, Mr. Cohen, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Mezvinsky, Mr. Roybal, Mr. Seiberling, Mr. Stark, Mr. Studds, Mr. Tiernan, and Mr. Udall):

H. Res. 574. Resolution to move forward toward immediate ratification of the Geneva Protocol of 1925, to request a public reevaluation of the U.S. policy which requires nerve gas stockpiles, and to require the Department of Defense to detoxify obsolete nerve gas presently stored near Denver, Colo.; to the Committee on Armed Services.

By Mr. ROYBAL:

H. Res. 575. Resolution expressing the sense of the House with respect to Chile's violations of human rights and basic freedoms, in contravention of the United Nations Universal Declaration of Human Rights; to the Committee on Foreign Affairs.

By Mr. SANDMAN:

H. Res. 576. Resolution directing the Committee on the Judiciary to conduct an investigation into certain charges against Spiro T. Agnew; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

310. The SPEAKER presented a memorial of the Legislature of the State of California, relative to Federal funds for housing authorities; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS:

H.R. 10696. A bill for the relief of Mr. and Mrs. Oscar da la Santisima Trinidad Vega Narvarro; to the Committee on the Judiciary.

By Mr. FRASER:

H.R. 10697. A bill for the relief of Grant J. Merritt and Mary Merritt Bergson; to the Committee on Interior and Insular Affairs.

By Mr. GINN:

H.R. 10698. A bill for the relief of Arthur F. Andrews; to the Committee on the Judiciary.

By Mr. HAMILTON:

H.R. 10699. A bill for the relief of Cesar DeLos Santos and his wife, Rosalinda and their children Liza, Raul, and Jona; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follow:

303. By the SPEAKER: Petition of the National Indian Economic Development Board, Cache, Okla., relative to Fort Sill Indian School lands; to the Committee on Interior and Insular Affairs.

304. Also, petition of the National Association of Attorneys General, Boston, Mass., relative to mandatory allocation of petroleum products; to the Committee on Interstate and Foreign Commerce.

SENATE—*Tuesday, October 2, 1973*

The Senate met at 10:45 a.m. and was called to order by Hon. Lloyd Bentsen, a Senator from the State of Texas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, Creator and Preserver of all mankkind, on this "Day of Bread" we thank Thee that in the creative process Thou hast provided soil and seed and rain and sunshine; that through toil of hand and brain, the Earth has brought forth grain, and grain has been transformed into flour and flour into bread; and bread from the beginning even until now has been the staff of life. As we pray, "Give us this day our daily bread" so may the family of man be fed in body and soul. Spare us from eating our own bread while indifferent to those who are without bread. Hasten the day when none shall go hungry but all shall partake of Thy marvelous bounty and live in fellowship with Thee and with one another. Feed our bodies on the bread of the oven. Feed our souls on the bread of life.

We pray in the name of the Divine Provider. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., October 2, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Lloyd Bentsen, a Senator from the State of Texas, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. BENTSEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, October 1, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Louisiana (Mr. Long) is recognized for not to exceed 15 minutes.

(The remarks Senator Long made at this point on the introduction of S. 2513, the Catastrophic Health Insurance and Medical Assistance Act of 1973, and the ensuing discussion are printed in the Routine Morning Business section of the Record under Statements on Introduced Bills and Joint Resolutions.)

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 7976. An act to amend the act of August 31, 1965, commemorating certain historical events in the State of Kansas. (Rept. No. 93–413).

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H.R. 8877. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes. (Rept. No. 93–414).

REPORT MADE BY SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS OF THE COMMITTEE ON THE JUDICIARY—REPORT OF A COMMITTEE (S. REPT. NO. 93–415)

Mr. ERVIN, from the Committee on the Judiciary, submitted a report made by the Subcommittee on Constitutional Rights, of that committee, pursuant to section 6, Senate Resolution 265, 92d Congress, 2d session, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. LONG (for himself, Mr. Ribicoff, Mr. Talmadge, Mr. Nelson, Mr. Abourezk, Mr. Bentsen, Mr. Hansen, Mr. Dole, Mr. Roth, Mr. Montoya, Mr. Percy, Mr. McGovern, Mr. Saxbe, and Mr. Hugh Scott:

S. 2513. A bill to amend the Social Security Act by adding a new title thereto which will provide insurance against the costs of catastrophic illness, by replacing the medicaid program with a Federal medical assistance plan for low-income people, and by adding a new title XV thereto which will encourage and facilitate the availability, through private insurance carriers, of basic health insurance at reasonable premium charges, and for other purposes. Referred to the Committee on Finance.

By Mr. MANSFIELD:

S. 2514. A bill for the relief of Hernando O. Macalalad. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. Metcalf):

S. 2515. A bill for the relief of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont. Referred to the Committee on Interior and Insular Affairs.

By Mr. BROOKE:

S. 2516. A bill to amend the Internal Revenue Code of 1954 to permit the exclusion from gross income of up to $200 of dividends and interest received by individuals during a taxable year. Referred to the Committee on Finance.

By Mr. HATFIELD:

S. 2517. A bill to provide financial assistance for the establishment of a neighborhood multimodel approach to the treatment of narcotic addicts to authorize treatment for certain narcotic addicts, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MONDALE (for himself, Mr. Abourezk, Mr. Hart, Mr. Hathaway, Mr. Humphrey, Mr. Schweiker, and Mr. Williams):

S. 2518. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve educational equity for all students, men, and women, and for other related educational purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. WILLIAMS (for himself, Mr. Brooke, and Mr. Biden):

S. 2519. A bill to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on completion, to strengthen and improve the Securities and Exchange Commission's oversight of self-regulatory organizations, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. KENNEDY:

S. 2520. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by increasing the amount of minimum tax imposed on tax preferences. Referred to the Committee on Finance.

By Mr. HUMPHREY (for himself, Mr. Kennedy, Mr. Jackson, and Mr. Javits):

S. 2521. A bill to amend the Foreign Assistance Act of 1961 to provide disaster relief to the drought-stricken Sahel, to relieve the flood damage in Pakistan and provide reconstruction assistance to Nicaragua. Referred to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LONG (for himself, Mr. Ribicoff, Mr. Talmadge, Mr. Nelson, Mr. Abourezk, Mr. Bentsen, Mr. Hansen, Mr. Dole, Mr. Roth, Mr. Montoya, Mr. Percy, Mr. McGovern, Mr. Saxbe, and Mr. Hugh Scott:

S. 2513. A bill to amend the Social Security Act by adding a new title thereto which will provide insurance against the costs of catastrophic illness, by replacing the medicaid program with a Federal medical assistance plan for low-income people, and by adding a new title XV thereto which will encourage and facilitate the availability, through private insurance carriers, of basic health insurance at reasonable premium charges, and for other purposes. Referred to the Committee on Finance.

CATASTROPHIC HEALTH INSURANCE AND MEDICAL ASSISTANCE ACT OF 1973

Mr. LONG. Mr. President, on behalf of myself and Senator Ribicoff, as well as Senators Talmadge, Nelson, Bentsen, Hansen, Dole, Roth, Abourezk, Montoya, Percy, Saxbe, McGovern, and Hugh Scott, I am proud to introduce today proposed legislation which we believe represents a major step forward in the provision of adequate protection against the high costs of necessary health care.

The Catastrophic Health Insurance and Medical Assistance Reform Act of 1973 represents many months of effort designed to develop a means of assuring virtually all Americans that they will not be bankrupted by the devastating effects of serious illness, as well as a definitive approach toward eliminating the widespread inequities of the medicaid program by replacing it with a program providing equal benefits to all Americans at the lower end of the income scale. Additionally, the proposal contains provisions designed to stimulate, on a voluntary basis, the actual availability of adequate basic private health insurance to those many millions of hard-working, middle-income Americans as a floor of protection above which they would be covered by catastrophic health insurance.

These are the people who can often afford good private health insurance at reasonable premium rates, but to whom such coverage is not always available and often, when available, incorporates various underwriting restrictions designed to limit the insurer's liability rather than protect the person insured.

The thrust of these latter provisions is to assign a vast area of responsibility to the private health insurance industry of this country, giving them benchmarks against which the success of their efforts will be measured. Obviously, to the extent private health insurance effectively meets the basic needs of a large segment of our population, to that extent further expansion of governmental programs would not be necessary.

The Long-Ribicoff health insurance proposal has three essential parts:

The first part consists of catastrophic insurance coverage for virtually all Americans. Each year hundreds of thousands of Americans are stricken by catastrophic illnesses or accidents. In addition to suffering the terrible physical consequences of these events, these individuals and their families also suffer the often devastating financial effects of these illnesses.

I have long thought that the Federal Government should play a part in mitigating the financial effects of these illnesses through the use of the established social insurance mechanisms.

This plan, like medicare, would be financed by social security payroll taxes and administered by the time-tested Social Security Administration. The plan, effective July 1, 1974, would cover nearly all employees covered under social security and their dependents, and all social security beneficiaries. It would make payment for the types of services covered by medicare, after an individual had been hospitalized for sixty days or a family had incurred expenses of $2,000. The payments would cover expenses beyond those deductibles.

Again, the catastrophic plan is not designed to replace basic private health insurance but rather to supplement that protection.

The second part of the bill consists of an entirely new basic health benefits program for low-income individuals and families. While most middle-income families can afford and can obtain reasonably adequate private health insurance coverage toward the costs of their first 60 days of hospitalization and first $2,000 of medical expenses, many millions of low-income individuals and families cannot afford or do not have such basic private health insurance protection available to them.

The present Federal-State program providing health benefits to the poor—medicaid does not generally cover low-income workers who are not on welfare. It is basically provided only to welfare families and, even then, benefit and eligibility levels vary all over the lot from State to State. In most States medicaid is limited to poor aged, blind, and disabled persons or fatherless families.

Today, for example, in one State a disabled person with $1,800 annual income might not be eligible for medicaid whereas, in another State, he would be. Further, that same disabled person might be covered for only 15 days of hospitalization under medicaid in one State while, in another, he would be eligible for unlimited hospitalization. Now, that just does not make sense, does it?

Aside from those obvious inequities in treatment of the poor, there is another inequity developing with implementation of the new supplemental security income plan for aged, blind, and disabled persons, where thousands of people in a State would be eligible for medicaid and other thousands in the same State, and with the same income, would not. And in no State is medicaid coverage available to a hard-working couple or small intact family with low income.

These general problems with the existing medicaid program are best illustrated by specific cases, such as the man in Florida who recently had to divorce his wife of many years in an attempt to qualify her under medicaid and thus obtain the necessary medical care for her chronic illness.

The major new program which Senator RIBICOFF and I propose, would provide, effective July 1, 1975, basic health benefits coverage with uniform national eligibility standards for all low-income individuals and families. It would be administered, as would catastrophic health insurance, by the Social Security Administration.

The basic benefits provided under the low-income plan are designed to mesh with the deductibles under the catastrophic program. This new proposal is directed primarily at providing necessary health benefits protection to the millions of working low-income families in the United States who receive no coverage at the present time. The program would also eliminate the inequities and much of the redtape in the present medicaid program.

Coverage under the new program would be available to all individuals and families with annual incomes at or below the following levels: First, an individual with income at or under $2,400; second, a two-person family with income at or under $3,600; and third, a family of four with an income at or under $4,800. For each family member above the first four, the eligibility limit is increased by $400. In addition, families with incomes slightly above the eligibility levels would be eligible for benefits if their medical expenses reduced their income to these levels. For example, a family of four with an income of $5,200 would become eligible after they had expended $400 for medical expenses, including any health insurance premiums. Of course, no person presently eligible for medicaid would lose entitlement to benefits, because of the new program.

The benefits covered by the plan would include 60 days of hospital care and all medically necessary physicians' servinces, laboratory and X-ray services, home health services and care in skilled nursing homes and intermediate care facilities. A copayment of $3 would be required on patient-initiated services, such as visits to a doctor's office, but copayments could not exceed $30 per individual or family during a year. These copayments would not apply to well-baby care or with respect to family planning services.

The plan would also afford catastrophic insurance coverage to those low-income families who are not covered under the catastrophic plan and would also pay for low-income families and coinsurance required under the catastrophic plan.

States would be free to provide additional benefits—such as drugs and dental services—with the Federal Government assuming one-half of the cost.

For millions of older Americans with low incomes, the Long-Ribcoff bill would pick up their part B medicare premiums—presently $6.30 per month—as well as paying their medicare deductibles and coinsurance amounts. In addition, it would provide them with all medically necessary hospital, skilled nursing facility, and intermediate care facility services. Home health care would also be available without limitation.

With respect to mental illness, the program would cover all medically necessary care in an accredited medical institution and care in qualified mental health centers.

The plan would also cover up to five visits to a psychiatrist for "crisis intervention," as well as any additional visits or care approved by a professional standards review organization as medically appropriate and, in the absence of which, the patient would reasonably be expected to be institutionalized or suffer serious dysfunction.

Additionally, the bill also includes coverage of appropriate routine immunization and pap smears on a scheduled allowance basis. This provision is written in such a way so as to also make this coverage of immunizations and pap smears applicable to medicare beneficiaries generally.

The benefits under the low-income plan are residual—that is, they are available only after whatever private health insurance or similar coverage which the person may have has paid first. Under the bill, no employer insurance plan could exclude an otherwise eligible employee solely because that employee could be covered under the low-income plan. Additionally, if an employed, low-income plan eligible refuses to participate in an employer-sponsored health insurance program where the employer pays 75 percent or more of the cost, that individual would have to pay the first $250 of his hospital or medical costs before being eligible for benefits under the low-income plan.

Mr. President, coverage under the low-income plan would virtually eliminate hospital bad-debts problems. The plan would pay physicians' services at medicare levels—rather than at the often substandard medicaid rates. It would provide necessary long-term care for many millions of low-income older people—long-term care not now provided under medicare.

Of great importance, the plan would afford very substantial fiscal relief to State and local governments. States would make a fixed contribution toward the cost of the low-income plan based upon each State's level of spending for medicaid and general assistance health care in the year prior to the effective date of the plan, July 1, 1975. For example, if a State spent $100 million of its own funds under medicaid for the types of care covered under the new low-income plan, it would contribute that $100 million to the low-income fund during the first and in each succeeding year. Additionally, the State would contribute 50 percent of the estimated amount of State and local expenditures in the year before the low-income plan effective date for health care services to people ineligible for medicaid, but who would be eligible for those types of services under the new low-income plan.

The estimated annual cost of the low-income plan is $5.3 billion in general revenues above present Federal-State expenditures for medicaid. The catastrophic illness plan, financed from social security payroll taxes, would cost an estimated $3.6 billion in the first full year of operation.

The total new Federal cost of $8.9 billion for the catastrophic health insurance and low-income plan compares with the estimated cost of over $70 billion for the national health insurance plan proposed by Senator KENNEDY. The Long-Ribicoff proposal would also cost about $6 billion less annually than legislation endorsed by the American Medical Association.

Mr. President, the third part of our bill consists of a new and voluntary certification program for private basic health insurance policies. With this new program, private insurers could, of their own volition, submit any or all of their basic health insurance policies to the Secretary for certification. This certification would be based upon certain minimum criteria specified in the bill relating to adequacy of coverage, ratio of benefits paid to premium income and conditions of eligibility.

Insurers could advertise the certification in promoting their policies. Three years after enactment of this bill, carriers and intermediaries under the medicare program would be expected to offer one or more certified policies to the general public in areas where they sold policies.

In addition, the bill contains provisions designed to facilitate arrangements whereby basic health insurance policies meeting minimum standards could be offered through private insurance "pools" established by groups of private insurers.

The bill also directs the Secretary of Health, Education, and Welfare to report to Congress after 3 years as to the extent to which private health insurance meeting the criteria established in the bill is actually and generally available in each State.

Mr. President, this bill does not constitute a "be all—end all" approach, but it does provide an opportunity to provide significant assistance to many millions by closing major gaps in the financing of necessary health care. We believe that careful building and improving upon the present system through this major initiative is the only feasible alternative to the potentially disruptive and bankrupting effects involved in proposals which would radically alter and almost scrap existing structures and mechanisms. The variables are too uncontrollable and the chances of error too great for us to risk the magnitude of any mistakes in the total takeover approach. What Senator RIBICOFF and I propose to do is what we know needs to be done and can be done.

We firmly believe that the thrust of the catastrophic health insurance and the Medical Assistance Reform Act is the direction in which we should proceed. Both Senator RIBICOFF and I expect that our proposal will certainly benefit from additional constructive efforts during the course of legislative consideration.

Mr. President, I believe that those who have joined in cosponsoring this measure with us have made a significant and impressive contribution. These are Senators who, through the years, have made their suggestions and sponsored their own bills, indicating ways that they believed we could solve the problem of providing better health care for America. Having worked in this area, we were proud that some of them saw fit to join our efforts and coalesce on a bill which we believe the Senate could pass.

We are extremely proud to have them in this effort. We believe that by moving in this fashion, trying to take the suggestions of each Senator on the Finance Committee as well as each Senator who has worked in this area through the years up to this point, we can contribute to shaping a bill in the best national interests, and a bill that can be passed, and one which we believe will serve the Nation.

Mr. President, I now send the Catastrophic Health Insurance and Medical Assistance Reform Act to the desk and ask that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

Mr. LONG. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2513

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Catastrophic Health Insurance and Medical Assistance Reform Act".

TITLE I—CATASTROPHIC ILLNESS INSURANCE

SEC. 101. The Social Security Act is amended by adding after title XIX the following new title:

"TITLE XX—CATASTROPHIC HEALTH INSURANCE PROGRAM

"DESCRIPTION OF PROGRAM

"SEC. 2001. The insurance program established by this title provides protection against the costs of high-cost catastrophic illnesses and establishes the conditions individuals must meet to become entitled thereto.

"ELIGIBLE INDIVIDUALS

"SEC. 2002. (a) Every individual who—

"(1) (A) is fully or currently insured (as such terms are defined in section 214 of this Act), or (B) is entitled to monthly insurance benefits under title II of this Act, or (C) is the wife, husband, widow or widower or dependent child (as defined in regulations) of an individual who is fully or currently insured, or (D) is the wife, husband, widow or widower or dependent child (as defined in regulations) of an individual entitled to monthly insurance benefits under title II of this Act; and

"(2) has filed an application under this section in such manner and in accordance with such other requirements as may be prescribed in regulations of the Secretary; shall be entitled to catastrophic health insurance benefits provided by this title for each month in which he meets the conditions specified in paragraphs (1) and (2), beginning with the first month after June 1974 in which he meets such conditions and ending with the month in which he dies, or if earlier, the month before the month in which he no longer meets the conditions of either paragraph (1) or (2) of this subsection.

"(b) For purposes of subsection (a)—

"(1) entitlement of an individual to catastrophic health insurance benefits for a month shall consist of entitlement to have payment made under, and subject to the limitations in, this title to him or on his behalf for the services described in section 2003 which are furnished him in the United States (or outside the United States in the case of services specified in section 2003 (a) (2) (B)); and

"(2) in determining whether (A) an individual, who has not attained age 62, is a fully insured individual with respect to a calendar year he shall be deemed to have attained age 62 in such year and (B) an individual who is not entitled to benefits under section 202(a) is a currently insured individual with respect to a quarter, he shall be deemed to be entitled to benefits under such section in such quarter;

"(3) an individual who is not (nor deemed to be) a fully insured individual with respect to a calendar year shall be deemed to be such for such calendar year and 6 months thereafter if in the preceding calendar year he was (or is deemed, pursuant to paragraph (2), to be), a fully insured individual;

"(4) an individual who is not (nor deemed to be) a currently insured individual with respect to any quarter shall be deemed to be such for such quarter if such quarter is in the 13-quarter period following, the last quarter of any such period in which he was (or is deemed, pursuant to paragraph (2), to be), a currently insured individual.

"SCOPE OF BENEFITS

"SEC. 2003. (a) The benefits provided to an individual by the insurance program under this title shall be—

"(1) hospital insurance benefits which shall consist of entitlement to have payment made on behalf of an individual for—

"(A) inpatient hospital services (as defined in section 1861(b));

"(B) post-hospital extended care services (as defined in section 1861(1) but only if with respect to at least one of the 3 days of hospitalization required by such section payment may be made pursuant to section 2004(a) (1) (A) for services furnished on each day);

"(C) home health services (as defined in 1861(m));

"(D) outpatient physical therapy services (as defined in section 1861 (p));

"(E) medical and other health services (as defined in section 1861 (s), but subject to the limitation and conditions prescribed in section 1832 ((a) (2) (B)); and "(2) medical insurance benefits which shall consist of entitlement to have payment made to an individual on or his behalf for—

"(A) medical and other health services (as defined in section 1861(s));

"(B) services of the type described in section 1814(d) (1) for which payment cannot be made under paragraph (1) (A) or subparagraph (A) of this paragraph solely because the hospital does not elect to claim payment, but only if the provisions of section 1814(d) (2) (B) or section 1835(b) (2) (B) are met;

"(C) services described in section 1814(f).

"(b)(1) Notwithstanding the previous provisions of this section, no payment may be made with respect to expenses incurred for items or services if pursuant to section 1862 (a), (b), (c), or (d) payment may not be made for such expenses under title XVIII.

"(2) Notwithstanding the previous provisions of this section, no payment may be made with respect to expenses incurred for items and services provided under subparagraph (a)(1)(B) for any individual, over and above those provided under section 1812 (a)(2).

"PAYMENT, DEDUCTIBLES, AND COINSURANCE

"SEC. 2004. (a) Subject to the succeeding provisions of this section, there shall be paid from the Federal Catastrophic Health Insurance Trust Fund, in the case of each individual who is covered under the insurance program established by this title and incurs expenses for services with respect to which benefits are payable under this title, amounts equal to—

"(1)(A) in the case of services described in subparagraph (A) of section 2003 (a) (1), the reasonable cost of such services (as defined in section 1861 (v)) furnished after the 60th day of inpatient hospital services (as defined in section 1861 (b)) to such individual in any calendar year, reduced by a coinsurance amount (subject to subsection (e)) equal to one-fourth of the inpatient hospital deductible (as determined under section 1813 (b) (2) of the Social Security Act) for each day after such 60th day on which such individual is furnished such services, except that (i) the days on which such individual was an inpatient of a hospital in the last three months of the preceding calendar year and which were included in the 60-day period for which no benefits were payable during such calendar year shall be included in determining such 60-day period and (ii) the reduction under this sentence for any day shall not exceed the charges imposed for that day with respect to such individual for such services (and for this purpose, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charges so imposed);

"(B) in the case of services described in subparagrph (B) of section 2003 (a) (1), the reasonable cost of such services (as defined in section 1861 (v)) reduced by a coinsurance amount (subject to subsection (e)) equal to one-eighth of the inpatient hospital deductible (as determined under section 1813 (b) (2)) for each day on which such individual is furnished such services;

"(2) in the case of services described in subpargraphs (C), (D), and (E) of section 2003 (a) (1), 80 percent of the reasonable cost of the services (as determined under section 1861 (v) and subject to subsection (e) of this section); and

"(3) in the case of services described in subsection (a) (2) of section 2003, 80 percent of the reasonable charges for such services (subject to subsection (e)).

For purposes of paragraph (1) (A), any individual who is entitled to benefits under this title and to hospital insurance benefits under part A of title XVIII, shall be deemed, in the case of services described in section 2003 (a) (1) (A), to be entitled to have payment made only under this title when such services are furnished after the 60th day of inpatient hospital services (as defined in section 1861 (b)) to such individual in any calendar year.

"(b) Before applying paragraphs (2) and (3) of subsection (a) with respect to expenses incurred by an individual during any calendar year, the total amount of the expenses incurred by such individual during such year, including any expenses incurred for medical insurance benefits provided under part B of title XVIII, (which would, but for this subsection, constitute incurred expenses from which benefits payable under paragraphs (2) and (3) of subsection (a) are determinable) shall be reduced by a deductible of $2,000; except that—

"(1) the amount of the deductible for such calendar year as so determined shall first be reduced by the amount of any expenses incurred by such individual in the last three months of the preceding calendar year and applied toward such individual's deductible under this section for such preceding year, and

"(2) any such expenses so incurred by other members of such individual's family shall be deemed to have been incurred by such individual.

For the purposes of paragraph (2), a family may consist of one or more individuals (i) one of whom is entitled to benefits under this title by reason of section 2002(a)(1) (A) or (B) and (ii) such others of whom are so entitled by reason of section 2002(a)(1) (C) or (D), but only to the extent that the individuals included under clause (i) and (ii) are living in a place of residence maintained by one or more of them as his or her own home.

"(c) The Secretary shall between July 1 and October 1, 1975, and each year thereafter, determine and promulgate the deductible which shall be applicable for purposes of subsection (b) in the succeeding calendar year. Such deductible shall be equal to whichever is the higher—

"(1) $2,000 or

"(2) 2,000 multiplied by the ratio of the component of the Consumer Price Index, prepared by the Department of Labor for June of the year in which such determination is made and promulgated, which represents fees for physician services to such component of such Consumer Price Index for the month of June 1974, with such product, if not a multiple of $50, being rounded to the nearest multiple of $50.

"(d) Payment for services under this title shall also be subject to the limitations described in section 1812 (c) and (e) and section 1833 (c) and (e).

"(e) Whenever the total of any coinsurance amounts under subsection (a)(1) (A) and (B) and any deductible under subsection (a) (2) and (3) which is required to be paid by an individual under this title exceeds the sum of $1,000 in any calendar year, the Secretary shall pay any such amounts as are in excess of $1,000 during such calendar year.

"CONDITIONS OF AND LIMITATIONS ON PAYMENT FOR SERVICES

"SEC. 2005. (a) To the extent that payment may be made for services described in section 2003(a)(1), the provisions of sections 1814, 1815, 1816, 1833(f), 1835 shall apply.

"(b) To the extent that payment may be made for services described in section 2003 (a)(2), the provisions of section 1842 shall apply.

"APPLICABILITY OF CERTAIN PROVISIONS OF TITLE XVIII

"SEC. 2006. The provisions of section 1861 (except subsection (a) and (y)), 1866, 1867, 1869, 1870, 1871, 1872, 1873, 1874, and 1875 shall apply with respect to this title to the same extent as they are applicable with respect to title XVIII.

* * * Security Amendments of 1967 shall be applicable to this title to the same extent as they are applicable to title XVIII.

"STATE AGREEMENTS FOR COVERAGE OF ANNUITANTS AND MEMBERS OF A RETIREMENT SYSTEM AND THEIR DEPENDENTS AND SURVIVORS

"SEC. 2007. (a) The Secretary shall, at the request of a State which has entered into an agreement under section 218, enter into an agreement with such State pursuant to which all individuals in any of the coverage groups described in subsection (b) (as specified in the agreement) will be entitled to benefits under this title.

"(b) For purposes of this section—

"(1) the term 'retirement system' means a pension, annuity, retirement, or similar fund or system established by a State or by a political subdivision thereof.

"(2) the term 'political subdivision' includes an instrumentality of (A) a State, (B) one or more political subdivisions of a State, or (C) a State and one or more political subdivisions.

"(3) the term 'State' includes an instrumentality of two or more States.

"(4) the term 'coverage group' means (A) annuitants under a retirement system, (B) members of a retirement system who are not annuitants, (C) the widows or widowers of annuitants under a retirement system, and (D) the widows or widowers of members of a retirement system who were not annuitants; except that such term shall not include any individual who is entitled to catastrophic health insurance benefits under this title by reason of section 2002(a).

"(c)(1) An agreement entered into with any State under this section shall be applicable to one or more coverage groups, referred to in clause (A) of subsection (b) (4), and as designated by the State in such agreement.

"(2) An agreement entered into with any State under this section may be applicable to one or more of the coverage groups referred to in any of the clauses of subsection (b)(4) (except clause (A)) but only with respect to retirement systems (A) the annuitants of which are individuals in a coverage group designated, pursuant to paragraph (1), as a coverage group to which such agreement applies and (B) in the case of widows, and widowers, referred to in clause (D), the members of which are individuals in a coverage group designated, pursuant to this paragraph, as a coverage group to which this agreement applies.

"(d) The Secretary shall, at the request of any State, modify the agreement with such State under this section to include any coverage group to which the agreement did not previously apply; but the agreement as so modified may not be inconsistent with the provisions of this section applicable in the case of an original agreement with a State.

"(c) For purposes of this section an individual who is in a coverage group to which the agreement under this section applies, shall (subject to the succeeding provisions of this section) be entitled to benefits under this title in the same manner and under the same conditions as though he established such entitlement under section 2002(a).

"(f) The entitlement to benefits under this title of an individual who is in a coverage group to which the agreement under this section applies shall—

"(1) begin on whichever of the following is the latest:

"(A) July 1, 1974,

"(B) the first day of the month following the first month in which he is in such coverage group,

"(C) the first day of the second month following the month in which such agreement is entered into, or

"(D) the first day of the second month following the month to which such agreement, pursuant to a modification, becomes applicable to such coverage group, and

"(2) end on whichever of the following is the earliest—

"(A) the last day of the month in which such individual dies,

"(B) the last day of the month preceding the first month for which he becomes entitled to benefits under this title by reason of section 2002(a), "(C) the first day of the month following the month in which he ceases to be in the coverage group to which such agreement is applicable,

"(D) the day on which such agreement terminates, or

"(E) the day on which such agreement terminates with respect to such coverage group.

"(g) Each such agreement shall provide that the State—

"(1) will, at such time or times as the Secretary specifies, reimburse the Federal Catastrophic Health Insurance Trust Fund (A) for payments made from such fund to pay for the services furnished to individuals entitled to have payment made for such services by reason of such agreement and (B) for the administrative expenses incurred by the Department of Health, Education, and Welfare in carrying out such agreement and by such public or private agencies that such Department may utilize for such purpose,

"(2) will comply with such rules and regulations as the Secretary may issue in carrying out such agreement,

"(3) will furnish the Secretary such timely information and reports as he may find necessary in performing his functions under this section and will maintain such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of the information and reports under this paragraph and otherwise carry out this agreement,

and shall contain such other terms and conditions not inconsistent with this section as the Secretary may find necessary and appropriate.

"(h) Upon giving at least six months' notice in writing to the Secretary, a State may terminate, effective at the end of a calendar quarter specified in the notice, its agreement with the Secretary either in its entirety or with respect to a coverage group.

"(i) If the Secretary, after giving reasonable notice and opportunity for hearing to a State with whom he has entered into an agreement pursuant to this section, finds that the State has failed or is no longer legally able substantially to comply with any provision of such agreement or of this section, he shall notify such State that the agreement will be terminated in its entirety, or with respect to any one or more coverage groups designated by him, at such time as he deems appropriate, unless prior to such time he finds there no longer is any such failure or that the cause for such legal inability has been removed.

"(j) A determination by a State, which has entered into an agreement with the Secretary under this section, as to whether an individual is an annuitant or member of a retirement system or the widow or widower of such an annuitant or member shall, for the purposes of this section, be final and conclusive upon the Secretary.

"(k)(1) If more or less than the correct amount due under an agreement pursuant to this section is paid, proper adjustments with respect to the amounts due under such agreement shall be made, without interest, in such manner and at such times as may be prescribed by regulations of the Secretary.

"(2) In case any State does not make, at the time or times due, the payments provided for under an agreement pursuant to this section, there shall be added, as part of the amounts due, interest at the rate of 6 per centum per annum from the date due until paid."

"FEDERAL CATASTROPHIC HEALTH INSURANCE TRUST FUND

"SEC. 2008. (a) There is hereby created on the books of the Treasury of the United States a trust fund to be known as the 'Federal Catastrophic Health Insurance Trust Fund' (hereinafter in this section referred to as the 'trust fund'). The trust fund shall consist of such amounts as may be deposited in, or appropriated to, such fund as provided in this part. There are hereby appropriated to the trust fund for the fiscal year ending June 30, 1974, and for each fiscal year thereafter, out of any moneys in the Treasury not otherwise appropriated, amounts equivalent to 10 per centum of—

"(1) the taxes imposed by section 3101(c) and 3111(c) of the Internal Revenue Code of 1954 with respect to wages reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of such Code after December 31, 1973, as determined by the Secretary of the Treasury by applying the applicable rates of tax under such sections to such wages, which wages shall be certified by the Secretary of Health, Education, and Welfare on the basis of records of wages established and maintained by the Secretary of Health, Education, and Welfare in accordance with such reports; and

"(2) the taxes imposed by section 1401(c) of the Internal Revenue Code of 1954 with respect to self-employment income reported to the Secretary of the Treasury or his delegates on tax returns under subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such section to such self-employment income, which self-employment income shall be certified by the Secretary of Health, Education, and Welfare on the basis of records of self-employment established and maintained by the Secretary of Health, Education, and Welfare in accordance with such returns.

The amounts appropriated by the preceding sentence shall be transferred from time to time from the general fund in the Treasury to the Trust Fund, such amounts to be determined on the basis of estimates by the Secretary of the Treasury of the taxes, specified in the preceding sentence, paid to or deposited into the Treasury; and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or were less than taxes specified in such sentence.

"(b) With respect to the trust fund, there is hereby created a body to be known as the 'board of trustees of the trust fund' (hereinafter in this section referred to as the 'board of trustees'), composed of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, all ex officio. The Secretary of the Treasury shall be the Managing Trustee of the board of trustees (hereinafter in this section referred to as the 'Managing Trustee') The Commissioner of Social Security shall serve as the secretary of the board of trustees. The board of trustees shall meet not less frequently than once each calendar year. It shall be the duty of the board of trustees to—

"(1) hold the trust fund;

"(2) report to the Congress not later than the first day of April of each year on the operation and status of the trust fund during the preceding fiscal year and on its expected operation and status during the current fiscal year and the next 2 fiscal years;

"(3) report immediately to the Congress whenever the board is of the opinion that the amount of the trust fund is unduly small; and

"(4) review the general policies followed in managing the trust fund, and recommend changes in such policies, including necessary changes in the provisions of law which govern the way in which the trust fund is to be managed.

The report provided for in paragraph (2) shall include a statement of the assets of, and the disbursements made from, the trust fund during the preceding fiscal year, an estimate of the expected income to, and disbursements to be made from, the trust fund during the current fiscal year and each of the next 2 fiscal years, and a statement of the actuarial status of the trust fund. Such report shall be printed as a House document of the session of the Congress to which the report is made.

"(c) It shall be the duty of the Managing Trustee to invest such portion of the trust fund as is not in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purpose for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of public-debt obligations for purchase by the trust fund. Such obligations issued for purchase by the trust fund shall have maturities fixed with due regard for the needs of the trust fund and shall bear interest at a rate equal to the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of 4 years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of one per centum, the rate of interest on such obligations shall be the multiple of one-eighth of one per centum nearest such market yield. The Managing Trustee may purchase other interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price, only where he determines that the purchase of such other obligations is in the public interest.

"(d) Any obligations acquired by the trust fund (except public debt obligations issued exclusively to the trust fund) may be sold by the Managing Trustee at the market price, and such public debt obligations may be redeemed at par plus accrued interest.

"(e) The interest on, and the proceeds from the sale or redemption of, any obligations held in the trust fund shall be credited to and form a part of the trust fund,

"(f)(1) The Managing Trustee is directed to pay from time to time from the trust fund into the Treasury the amount estimated by him as taxes imposed under section 3101(c) which are subject to refund under section 6413(c) of the Internal Revenue Code of 1954 with respect to wages paid after December 31, 1973. Such taxes shall be determined on the basis of the records of wages established and maintained by the Secretary of Health, Education, and Welfare in accordance with the wages reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of the Internal Revenue Code of 1954, and the Secretary of Health, Education, and Welfare shall furnish the Managing Trustee such information as may be required by the Managing Trustee for such purpose. The payments by the Managing Trustee shall be covered into the Treasury as repayments to the account for refunding internal revenue collections.

"(2) Repayments made under paragraph (1) shall not be available for expenditures but shall be carried to the surplus fund of the Treasury. If it subsequently appears that the estimates under such paragraph in any particular period were too high or too low, appropriate adjustments shall be made by the Managing Trustee in future payments.

"(g) There shall be transferred periodically (but not less often than once each fiscal year) to the Trust Fund from the Federal Old-Age and Survivors Insurance

Trust Fund and from the Federal Disability Insurance Trust Fund amounts equivalent to the amounts not previously so transferred which the Secretary of Health, Education, and Welfare shall have certified as overpayments pursuant to section 1870(b) of this Act as made applicable to this title by section 2006.

"(h) The Managing Trustee shall also pay from time to time from the Trust Fund such amounts as the Secretary of Health, Education, and Welfare certifies are necessary to make the payments provided for by this part, and the payments with respect to administrative expenses in accordance with section 201(g)(1).

"APPROPRIATIONS FOR CONTINGENCY RESERVE

"SEC. 2009. In order to assure prompt payment of benefits provided under this title and the administrative expenses thereunder during the early months of the program established by this title, and to provide a contingency reserve, there is authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, to remain available for the 3 calendar years immediately following December 31, 1973, for repayable advances (without interest) to the Trust Fund, an amount equal to one-half of the amount of benefits estimated to be paid under this title in each of such calendar years.

(b) Section 201(g) of the Social Security Act is amended by—

(1) inserting after "title XVIII" the first time it appears the following: "and the Federal Catastrophic Health Insurance Trust Fund established by title XX";

(2) inserting after "title XVIII" each time it appears therein after the first time the following: "and title XX".

(c)(1) Section 1401 of the Internal Revenue Code of 1954 is amended by adding after subsection 1401(b) the following new subsection:

"(c) CATASTROPHIC HEALTH INSURANCE PROTECTION.—In addition to the tax imposed by the preceding subsection, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax as follows:

"(1) in the case of any taxable year beginning after December 31, 1974, and before January 1, 1977, the tax shall be equal to 0.30 percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1976, and before January 1, 1982, the tax shall be equal to 0.35 percent of the amount of the self-employment income for such taxable year; and

"(3) in the case of any taxable year beginning after December 31, 1981 the tax shall be equal to 0.40 percent of the amount of the self-employment income for such taxable year."

(2) Section 3101 of the Internal Revenue Code of 1954 is amended by adding after subsection 3101(b) the following new subsection:

"(c) CATASTROPHIC HEALTH INSURANCE PROTECTION.—In addition to the taxes imposed by the preceding subsections, there is hereby imposed on the income of every individual a tax equal to the following percentages of wages (as defined in section 3121(a)) received by him with respect to employment (as defined in section 3121(b).

"(1) with respect to wages received during the calendar years 1975, 1976, and 1977, the rate shall be 0.30 percent;

"(2) with respect to wages received during the calendar years 1978, 1979, 1980, 1981, and 1982 the rate shall be 0.35 percent; and

"(3) with respect to wages received after December 31, 1982, the rate shall be 0.40 percent."

(3) Section 3111 of the Internal Revenue Code of 1954 is amended by adding after subsection 3111(b) the following new subsection:

"(c) CATASTROPHIC HEALTH INSURANCE PROTECTION.—In addition to the taxes imposed by the preceding subsections, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentages of the wages (as defined in section 3321(a)) paid by him with respect to employment (as defined in section 3121(b), but without regard to the provisions of paragraphs (5), (6), and (9) thereof)—

"(1) with respect to wages paid during the calendar years 1975, 1976, and 1977, the rate shall be 0.30 percent;

"(2) with respect to wages paid during the calendar years 1978, 1979, 1980, and 1981 the rate shall be 0.35 percent; and

"(3) with respect to wages paid after December 31, 1982, the rate shall be 0.40 percent."

TITLE II—MEDICAL ASSISTANCE PLAN FOR LOW-INCOME PEOPLE

SEC. 201. (a) Effective July 1, 1975, title XIX of the Social Security Act is amended to read as follows:

"TITLE XIX—MEDICAL ASSISTANCE PLAN FOR LOW-INCOME PEOPLE

"Part A—General Provisions

"PURPOSE

"SEC. 1901. It is the purpose of this title to provide, for low-income individuals and members of low-income families, assistance toward the costs of necessary hospital, skilled nursing facility, medical, and other health care services.

"FREE CHOICE BY PATIENT GUARANTEED

"SEC. 1902. Any individual entitled to benefits under this title may obtain health services provided hereunder from any institution, agency, or person qualified to participate under this title in accordance with reimbursement and service requirements if such institution, agency, or person undertakes to provide him such services. The provisions of the preceding sentence shall not be applicable in the jurisdiction of Puerto Rico, the Virgin Islands, or Guam for any period with respect to which there is in effect an election (submitted to the Secretary in such form and manner as he shall by regulations prescribe) by the Governor of such jurisdiction that such provisions not be applicable to such jurisdiction.

"OPTION OF INDIVIDUALS TO OBTAIN OTHER HEALTH INSURANCE PROTECTION

"SEC. 1903. Nothing contained in this title shall be construed to preclude any State from providing, or any individual from purchasing or securing (through collective bargaining or otherwise), protection against the cost of any health services.

"Part B—Description of Medical Assistance Plan

"ELIGIBLE INDIVIDUALS

"SEC. 1910. (a) Every 'medicaid eligible' (as defined in section 1916(a)) shall be eligible for the health benefits provided under this title in the manner prescribed by section 1916. Every individual who—

"(1) is (A) a low-income individual, or (B) a member of a low-income family,

"(2) is a resident of the United States, and is either (A) a citizen or (B) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 203(a)(7) or section 212(d)(5) of the Immigration and Nationality Act), and

"(3) has filed (in the case of a low-income individual), or has had filed in his behalf by an appropriate person an application under this title (filed in such form and manner and containing such information as the Secretary shall by regulations prescribe),

shall be eligible for the health benefits provided under this title for the benefit period (as determined under subsection (d)(2)) to which such application is applicable; except that no such individual shall be entitled to such benefits on account of services received by him during any period with respect to which he does not meet the condition imposed by paragraph (2) of this subsection.

"(b) Whenever the Secretary approves any application (referred to in subsection (a)(3)), he shall issue a health benefits card to each individual who, by reason of such application, is eligible for a benefit period to the health benefits provided by this title. Such health benefits card which shall be used to assist in identifying an eligible individual, shall identify the individual or family member to whom it is issued (by name, sex, age, and social security account number and such other criteria as the Secretary shall by regulations prescribe) as being eligible for such benefits for such period.

"(c) An application (referred to in subsection (a)(3)) on behalf of the members of a low-income family shall be filed by the head of such family or by such other appropriate person as the Secretary shall by regulations specify.

"(d)(1)(A) Any application (referred to in subsection (a)(3)) shall be filed with respect to—

"(i) the coverage year in which the application is filed, or

"(ii) the coverage year immediately following the coverage year in which the application is filed and which begins not later than 60 days after the date on which such application is filed.

"(B) As used in this subsection and section 1911, the term 'coverage year' means the 12-month period beginning April 1 of any year.

"(2) The benefit period of any individual resulting from the filing of an application (referred to in subsection (a)(3)), shall commence—

"(A) on the first day of the first month in which the application is filed, or

"(B) if earlier, the first day of the third month prior to the month in which the application is filed and in which such individual or the family of which he is a member first met the conditions imposed by section 1910 (a)(1) and (2),

and shall end on whichever of the following is earlier—

"(C) the close of the coverage year with respect to which such application is filed, or

"(D) such date as may be specified in regulations of the Secretary (promulgated in accordance with the provisions of section 1911(d)), if such individual, prior to the date referred to in clause (C), ceases to meet the applicable condition imposed by subsection (a)(1), or fails to submit reports which the Secretary deems to be necessary or useful to enable him to determine whether such individual continues to meet the conditions imposed by subsection (a)(1) and (2);

except that, if, on the date that any individual's benefit period would (as determined under the preceding provisions of this paragraph) end, such individual is an inpatient in a health care institution (which is a hospital, skilled nursing facility, or intermediate care facility) participating under titles XVIII or XIX, such individual's benefit period shall not end until the day following the first day, after such date, that such individual either is no longer an inpatient in or no longer requires care in such an institution.

"DETERMINATIONS OF ELIGIBILITY

"SEC. 1911. (a) Whenever an application (referred to in section 1910(a)(3)) has been filed by or on behalf of an individual or on behalf of the members of a family, the determination of whether such individual or such family meets the applicable condition imposed by section 1910(a)(1)(A) or (B) shall—

"(1) in case such application is filed with respect to the coverage year in which such application is filed, be based on the actual (if any) and, where appropriate and feasible, prospective income for the period, commencing with the date on which the benefit period of such individual or family begins, and ending 6 months thereafter, or, if later, with the close of such benefit period, or

"(2) in case such application is filed with respect to the coverage year immediately succeeding the coverage year in which such application is filed, be based on the actual income of such individual or family (as the case may be) for the preceding calendar year, unless for such preceding calendar year—

"(A) such individual or family had no income, or

"(B) the amount of the prospective income, which can be reasonably estimated, of such individual or family for the calendar year in which such application is filed is substantially greater or less than such individual's or family's actual income for the preceding calendar year,

in which case, such individual's or family's income shall be based on such individual's or such family's (as the case may be) prospective income for the calendar year in which such application is filed.

"(b) An individual shall be deemed, for purposes of subsection (a)(2)(A), to have had no income for a calendar year if—

"(1) at the time the application (referred to in section 1910 (a)(3)) is filed by such individual, such individual is not a member of a family, and

"(2) during all of such year (A) such individual was a member of a family, (B) was not regularly employed, and (C) was not the head of such family.

"(c) The Secretary, in determining (for purposes of subsection (a)) the prospective income of any individual or family, may take into account current income (if any) and other relevant factors (including, in appropriate cases, actual income for preceding periods).

"(d) An individual (referred to in section 1910 (d)(2)(D)) shall be deemed not to have ceased to meet the applicable condition imposed by section 1910 (a)(1) in a current coverage year because the income of such individual or of the family of which he is a member, as the case may be, has increased, if such income, as so increased, does not exceed 120 per centum of the maximum amount of income which such individual (or such family) can receive while still being a 'low-income' individual or family (as the case may be). The preceding sentence shall apply also to decreases in family income maximums brought about by a diminution in the number of members thereof, except that a diminution in the number of members of a family of not more than one such member during a benefit period shall not affect the eligibility of the remaining members of such family during the remainder of such benefit period.

"SCOPE OF BENEFITS

"SEC. 1912. (a) The benefits provided to an individual eligible in any benefit period under this title shall consist of eligibility to have payment made (subject to the provisions of this title) on his behalf for—

"(1) necessary inpatient hospital services for not more than 60 days during a benefit period;

"(2) medical and other health services;

"(3) skilled nursing facility services;

"(4) home health services;

"(5) intermediate care services;

"(6) mental health care services;

"(7) pre-natal and well-baby care;

"(8) family planning counseling, services, and supplies;

"(9) in the case of eligible children under age 18, early and periodic screening, diagnosis, and treatment; and

"(10) payment of any premium imposed under part B of title XVIII for coverage under the insurance program established by such part.

"(b) In addition to the benefits described in subsection (a), each individual who is eligible, during any benefit period to benefits under this title shall—

"(1) if he is entitled to benefits under the catastrophic health insurance program established by title XX, be eligible to have payment made under this title for any amount of coinsurance payment required under such title XX; or

"(2) if he is not entitled (and upon filing application would not be entitled) to benefits under such catastrophic health insurance program, be entitled to have payment made under this title for benefits which, if he were entitled to the benefits provided under such catastrophic health insurance program, would be provided under such program.

"(3) be eligible to have payment made under this title for any hospital days excluded from coverage under such title XX by reason of the deductible requirement of such title.

"CO-PAYMENT REQUIREMENTS

"SEC. 1913. (a)(1) Any individual or family who, for any coverage year, is eligible for the health benefits provided by this title shall be responsible for the first $3 of the cost incurred for a visit for physicians' services (other than as an inpatient) if such visit is not for the purpose of securing appropriate well-baby care or family planning services. Such $3 co-payment shall be applicable to each of the first ten visits of any individual or family for physicians' services. In the case of an individual covered under title XVIII, the co-payment or deductible requirements of this section shall apply to the extent they are less than the co-payment required under title XVIII.

"(2) In the case of any individual who—

"(A) is, for any benefit period, entitled to the health benefits provided under this title

"(B) is not a member of a family or is a member of a family all of whose members meet the requirements of subparagraph (C),

"(C) for a continuous period in excess of 60 days (whether or not in the same benefit period), is an inpatient in an institution which is a hospital, skilled nursing facility, or intermediate care facility,

there shall be imposed in each month (which begins after such period) in which he is an inpatient in such an institution a special co-payment, with respect to health care services in such institution to which he is entitled under this title during each month, equal to the amount by which his cash income for such month exceeds $50.

"(b) The amount payable under this title with respect to physicians' services where a co-payment is required by subsection (a)(1) or (a)(2) shall be reduced by an amount (if any) equal to the co-payment imposed.

"RESIDUAL NATURE OF BENEFITS

"SEC. 1914. Amounts otherwise payable under this title with respect to any item or service specified in paragraphs (1) through (9) of section 1912 (a) and (b) provided to an individual during any benefit period shall be reduced by an amount which is paid (or upon claim by the individual, or a person claiming on his behalf, would be payable) under any other public or private insurance or health care benefits plan by which such individual is covered (including the insurance program established by title XVIII, and any workmen's compensation law), except that payments under this title shall be primary in the case of a State program designed to supplement (through higher income tests) the eligibility of this program.

"PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM

"SEC. 1915. For special provisions applicable to Puerto Rico, the Virgin Islands, and Guam, see section 1930(d).

"SPECIAL PROVISIONS RELATING TO MEDICAID ELIGIBLES

"SEC. 1916. (a) For purposes of this section and the first sentence of section 1910(a), the term 'medicaid eligible' means an individual (whether as a member of a family or otherwise) who, for any month after December 1974 and prior to July 1975, was determined to be eligible for assistance under a State plan approved under title XIX.

"(b) Notwithstanding any other provision of this title, any individual who is a medicaid eligible shall (subject to subsection (c)) be eligible for the health insurance provided by this title for any period after June 1975 if, for such period, such individual—

"(1) meets the requirements imposed (or deemed by Federal law to be imposed) as a condition of eligibility for assistance under the State plan under which his status as a medicaid eligible is established, as such plan was in effect for June 1975,

"(2) does not meet such requirements but would meet such requirements except for the amount of his income (or the income of the family of which he is a member), if his income (or the income of the family of which he is a member) does not exceed 105 per centum of the maximum applicable income standard imposed as a condition of eligibility under such requirements as in effect for June 1974, or (if greater) for June 1975.

except that no individual shall, by reason of the provisions of this subsection, be deemed to be eligible for health benefits under this title unless such individual meets the requirements of section 1910(a)(2) and there has been filed (in the manner provided by section 1910(a)(3)) by or on behalf of such individual an application for benefits under this title with respect to such period.

"PART C—CONDITIONS AND LIMITATIONS ON PAYMENT, AND ADMINISTRATION

"BASIS FOR PAYMENT FOR HEALTH SERVICES

"SEC. 1920. (a) Covered health care services provided to individuals insured under this title shall, in the case such services are provided by a provider of service (as defined in section 1861(u)) or an intermediate care facility, be paid for on the basis of the reasonable and necessary cost subject to the limitations otherwise provided under title XVIII for such services except skilled nursing facilities and intermediate care facilities under the section 249 approach) and, in the case such services are provided by a person other than a provider of service or an intermediate care facility), be paid on the basis of the reasonable charge (subject to the limitations in title XVIII) for such services. In the event that such amounts are not payable due to the failure of the individual or family to enroll in a health insurance plan for which he or such family was otherwise eligible, and to the extent such coverage would have been in effect during the benefits period, and in which his or such family's premium or rate liability was 25 percent or less (or failure to enroll in part B of title XVIII) amounts otherwise payable under this title shall be reduced by not more than $250 in a benefit period.

"(b) As used in subsection (a), the terms 'reasonable cost' and 'reasonable charge' shall have the same meaning as when such terms are employed in title XVIII.

"CONDITIONS OF AND LIMITATION ON PAYMENT FOR SERVICES

"SEC. 1921. (a) Services and the payment therefor under this title are subject to the same conditions and limitations as those imposed by sections 1814, 1834, and 1835 with respect to services, and the payment therefor, provided under title XVIII.

"(b) No payment shall be made under this title to any person on account of any health care service furnished by such person to an individual who is covered under this title for such service unless such person accepts the amount of such payment, together with any co-payment required under section 1913 with respect to such service, as payment in full for such service. Whenever payment under this title is made in supplementation of a payment made under any insurance program (whether public or private) for a service, the amount of the payment under this title shall not be in excess of the amount which would be paid had such service been provided under this title, and no person accepting such payment as payment for such service shall charge any amount so paid to the individual receiving such service.

"(c) If any eligible individual (as determined under section 1910) who is a low-income individual or a member of a low-income family (as determined without regard to section 1932) is enrolled in—

"(1) a health maintenance organization which meets the applicable requirements of section 1876, or

"(2) an organization which (A) provides medical and other health services (or arranges for their availability) on a prepayment basis, and (B) receives and prior to September 1, 1973, received, payments under part B of title XVIII under the authority contained in section 1833(a) (1) A),

the Secretary may, in lieu of making payments for health benefits on behalf of such individual as provided in other provisions of this title, make payment therefor in the manner authorized by section 1876 for any period, during which he is so enrolled, and for which he is such an eligible individual.

"(c) Payments under this title may not be made for services provided by any group practice unit unless such unit meets the applicable requirements of section 1876.

"ADMINISTRATION AND QUALITY CONTROL

"SEC. 1922. (a) The provisions of this title shall be administered by the Secretary who shall, in administering such provisions, assign primary policy, operating and general administrative responsibility to the Social Security Administration, utilizing the personnel and facilities of that agency who are employed in the administration of the provisions of title XVIII of the Social Security Act.

"(b) The provisions of title XVIII (and other provisions of law applicable to the health insurance programs established by such title, including part B of title XI) relating to utilization and professional review and conditions of participation required with respect to persons or providers of health services under title XVIII, shall be applicable to all health services provided under this title.

"(c) To the maximum extent practicable, the Secretary, in the administration of this title, shall utilize and otherwise coordinate with the procedures employed in the administration of the health insurance programs established by title XVIII (including the procedures for certification of providers of service), and shall have the same authority (except as otherwise specifically provided) as that conferred upon him with respect to the administration of the insurance programs established by title XVIII.

"REQUIREMENT FOR CARRIERS AND INTERMEDIARIES

"SEC. 1923. (a) The Secretary, in the administration of this title, shall, whenever he determines that the interests of quality of service to eligible individuals or program economy, or efficiency of administration would be furthered, require consolidation of activities on the part of carriers (utilized pursuant to authority contained in section 1842) and agencies or organizations (utilized pursuant to authority contained in section 1816) in geographic regions with minimum size populations of individuals covered under this title and under the insurance programs established by title XVIII.

"(b) No private carrier or other organization shall, after the three-year period which commences on the date of enactment of this section, be utilized in the administration of this title or title XVIII unless such carrier or other organization is an 'approved carrier' under section 1504.

"MEDICAL COVERAGE TRUST FUND

"SEC. 1924. (a) There is hereby created on the books of the Treasury of the United States a trust fund to be known as the 'Medical Coverage Trust Fund' (hereinafter in this section referred to as the 'Trust Fund'). The Trust Fund shall consist of such gifts and bequests as may be made as provided in section 201(i) (1), and such amounts as may be deposited in, or appropriated to, such fund as provided in sections 1925 and 1926.

"(b) With respect to the Trust Fund, there is hereby created a body to be known as the Board of Trustees of the Trust Fund (hereinafter in this section referred to as the 'Board of Trustees') composed of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, all ex officio. The Secretary of the Treasury shall be the Managing Trustee of the Board of Trustees (hereinafter in this section referred to as the 'Managing Trustee'). The Commissioner of Social Security shall serve as the Secretary of the Board of Trustees. The Board of Trustees shall meet not less frequently than once each calendar year. It shall be the duty of the Trustees to—

"(1) hold the Trust Fund;

"(2) report to the Congress not later than the first day of July of each year on the operation and status of the Trust Fund during the preceding fiscal year and on its expected operation and status during the current fiscal year and the next two fiscal years;

"(3) report immediately to the Congress whenever the Board is of the opinion that the amount of the Trust Fund is unduly small; and

"(4) review the general policies followed in managing the Trust Fund, and recommend changes in such policies, including necessary changes in the provisions of law which govern the way in which the Trust Fund is to be managed.

The report provided for in paragraph (2) shall include a statement of the assets of, and the disbursements made from, the Trust Fund during the preceding fiscal year, an estimate of disbursements to be made from, the Trust Fund during the current coverage year and each of the next two fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

"(c) The Managing Trustee shall pay from time to time from the Trust Fund such amounts as the Secretary of Health, Education, and Welfare certifies are necessary to make the payments of benefits provided for in this title, and the payments with respect to administrative expenses in accordance with section 201(g) (1).

"STATE CONTRIBUTIONS TO MEDICAL COVERAGE TRUST FUND

"SEC. 1925. (a) In order for individuals residing in any State to receive for any period the benefits provided by this title, there must be in effect for such period an agreement between such State and the Secretary entered into under this section.

"(b) Any agreement between the Secretary and a State under this section shall provide that the State will (subject to subsection (c)) pay, with respect to each fiscal year for which such agreement is in effect, to the Secretary of the Treasury at such time or times as may be specified in the agreement, an amount equal to—

"(1) in case such State is a State which (for the fiscal year ending June 30, 1974, or June 30, 1975, had in effect a State plan approved under title XIX, as in effect prior to the effective date of the program established by this title), the sum of the following:

"(A) an amount equal to (i) the total amount expended from non-Federal funds for the purpose of providing (under such State plan to persons eligible under such plan) services of the types for which coverage is provided by this title, for the four-quarter period ending June 30, 1974, or (ii) if greater, the total amount expended from non-Federal funds for such purpose for the four-quarter period ending June 30, 1975, plus

"(B) an amount equal to one-half of (i) the total amount expended (as determined by the Secretary) from non-Federal public funds for the purpose of providing, for individuals not covered under such plan but who are eligible under this title, services of the types for which coverage is provided by this title, for the four-quarter period ending June 30, 1974, or (ii) if greater, the total amount expended (as determined by the Secretary) from non-Federal funds for such purpose for the four-quarter period ending June 30, 1975; and

"(2) in case such State did not, for the fiscal year ending June 30, 1974, or June 30, 1975, have in effect a State plan referred to in paragraph (1), (A) the total amount expended (as determined by the Secretary) from non-Federal funds for the purpose of providing services of the types for which coverage is provided by this title for persons eligible under this title, for the four-quarter period ending June 30, 1974, or (B) if greater, the total amount expended (as determined by the Secretary) from non-Federal funds for such purpose for the four-quarter period ending June 30, 1975.

"(c) The amount payable by any State under subsection (b) with respect to a coverage year shall be reduced by an amount equal to one-half of the amount expended by such State during such coverage year from non-Federal funds in providing to individuals in such State services of a type—

"(1) which is not covered under this title, but

"(2) with respect to the cost of such type of service (whether or not included in such State's plan) which there could have been Federal financial participation under title XI (as in effect prior to the effective date of the program established by this title).

"(d) Amounts paid to the Secretary of the Treasury under this section shall be deposited by him in the Medical Coverage Trust Fund.

"APPROPRIATIONS TO MEDICAL COVERAGE TRUST FUND

"SEC. 1926. There are authorized to be appropriated for each fiscal year to the Medical Coverage Trust Fund such sums as may be necessary to carry out the program established by this title.

"PART D—DEFINITIONS AND MISCELLANEOUS PROVISIONS

"MEANING OF 'LOW-INCOME INDIVIDUAL' AND 'MEMBER OF A LOW-INCOME FAMILY'

"SEC. 1930. (a) For purposes of section 1910 (a) (1) (A), the term 'low-income individual' means an individual—

"(1) who is not a member of a family (as determined under subsection (b) (1)), and

"(2) whose income is at a rate of not more than $2,400 for the calendar year 1975 or any calendar year thereafter.

"(b) For purposes of section 1910 (a) (1) (B)—

"(1) the term 'family' means two or more individuals who are—

"(A) related by blood, marriage, or adoption, and

"(B) living in a place of residence maintained by one or more of them as his or their own home;

"(2) the term 'member', when used in reference to a family, means an individual described in paragraph (1), and

"(3) the term 'low-income', when used in reference to a family, means a family, the aggregate income of all the members of which is at a rate of not more than—

"(A) in case there are only two members of such family, $3,600, or

"(B) in case there are only three members of such family, $4,200, or

"(C) in case there are only four members of such family, $4,800, or

"(D) in case there are more than four members of such family, an amount equal to $4,800 plus $400 for each member of such family in excess of four.

"(c) The Secretary may prescribe the circumstances under which, consistently with the purposes of this title and in the same manner as authorized in section 1611(d), the gross income of an individual or family from a trade or business (including farming) will be considered sufficiently large to cause such individual or family not to be regarded as a 'low-income individual', or a 'low-income family', even though such individual's or family's income does not exceed the applicable dollar amount prescribed in subsection (a)(2) or (b)(3).

"(d) In the case of jurisdictions of the Commonwealth of Puerto Rico, the Virgin Islands, and Guam, the amounts set forth in subsection (b)(3) (A), (B), (C), and (D) shall each be deemed to be reduced to such amount as the Secretary determines to be appropriate to assure that the ratio of individuals and families in any such jurisdiction who meet the criteria for low income (for purposes of this title) to the total population of such jurisdiction is not greater than the ratio of individuals in that State of the United States which has the highest such ratio of individuals who meet such criteria to the total population of such State.

"MEANING OF 'INCOME'

"SEC. 1931. (a) For purposes of this title, 'income' means (subject to subsection (b)) both earned income and unearned income; and—

"(1) 'earned income' means only—

"(A) wages as determined under section 203(f)(5)(C); and

"(B) 'net earnings from self-employment', as defined in section 211 (without application of the second and third sentences following subsection (a)(10), and the last paragraph of subsection (a)), including earnings for services described in paragraphs (4), (5), and (6) of subsection (c); and

"(2) 'unearned income' means all other income, including—

"(A) support and maintenance furnished in cash or kind,

"(B) any payments received as an annuity, pension, retirement, or disability benefit; including veterans' compensation and pensions; workmen's compensation payments; old-age, survivors, and disability insurance benefits; railroad retirement annuities and pensions; and unemployment insurance benefits,

"(C) prizes and awards,

"(D) the proceeds of any life insurance policy to the extent that they exceed the amount expended by the individual or family involved for purposes of the insured person's last illness and burial or $1,500, whichever is less,

"(E) gifts (cash or otherwise), support and alimony payments, and inheritances, and

"(F) rents, dividends, interest, and royalties.

"(b)(1) In determining, for purposes of this section, the income of any individual or family, for any period of time, there shall be excluded—

"(A) the aggregate value of any gifts which do not exceed $100, if such period of time is equal to 12 months, or, if such period of time is less than 12 months, then an amount which bears the same ratio to $100 as such period bears to 12 months, and

"(B) that portion of any scholarship, grant, fellowship or loan received for use in paying for tuition, books and related fees at any educational (including technical or vocational education) institution.

"(2) For purposes of paragraph (1) and subsection (a)—

"(A) a loan of $100 or more (or aggregate thereof) shall be regarded as a gift if such loan—

"(i) is unsecured (or is without adequate security), or

"(ii) has no maturity date; and

"(B) in the case of a loan which—

"(i) bears no interest, or

"(ii) bears interest at a rate which is not more than one-half of the prevailing rate of interest imposed with respect to similar loans,

the recipient of such loan shall be regarded as having received, as a gift, an amount, with respect to any period of time, equal to the excess of—

"(iii) the amount of interest which would have been payable by him, with respect to such period, on such loan if such loan bore a rate of interest equal to the prevailing rate of interest imposed (as of the time such loan was made) with respect to similar loans, over

"(iv) the amount of interest (if any) payable by him, with respect to such period, on such loan.

"SPEND-DOWN REQUIREMENT

"SEC. 1932. (a) For purposes of determining eligibility, the amount of the income of any individual or family (as determined under section 1931) shall be reduced by an amount equal to such individual's or family's incurred health care expenses to the extent such expenses constitute a legal obligation and are not payable by any other third party payor (whether public or private) (as determined under subsection (b)) for the benefit period with respect to which such individual's or family's income is determined.

"(b)(1) The term 'health care expenses', when applied to any individual or family, means (subject to paragraph (2)) reasonable expenditures by or on behalf of such individual or the members of such family (as the case may be) for any of the following:

"(A) inpatient hospital services (including services in an institution for tuberculosis or mental diseases),

"(B) outpatient hospital services,

"(C) other laboratory and X-ray services,

"(D) skilled nursing facility services,

"(E) physicians' services furnished by a physician (as defined in section 1861(r)(1)), whether furnished in the office, the patient's home, a hospital, or a skilled nursing facility, or elsewhere,

"(F) optometrists' and podiatrists' services,

"(G) home health services,

"(H) private duty nursing services,

"(I) clinic services,

"(J) dental services,

"(K) physical therapy, speech, pathology, and audiology services,

"(L) prescribed drugs, dentures, durable medical equipment and related supplies, and prosthetic devices, and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist,

"(M) other rehabilitation services,

"(N) intermediate care facility services,

"(O) inpatient psychiatric hospital services, or

"(P) health insurance premiums.

"(2) For purposes of paragraph (1), the expenditure for any item or service specified therein means—

"(A) in case payment for such items or service has been made prior to the time the determination of health care expenses (which includes such item or service) is made, the amount actually paid for such item or service,

"(B) in case payment for such item or service has not been made at such time and such item or service is of a type which is covered under the health coverage plan established by this title, whichever of the following is the lesser:

"(i) the actual charge for such item or service, or

"(ii) the reasonable charge or reasonable cost (as the case may be) for such item or service as determined under this title when such item or service is provided as an item or service covered under such health plan.

"(c) The health care expenses (as determined under the preceding provisions of this section) may, in the case of any individual, be determined on a prospective basis for any future period for which such individual's income (or the income of the family of which an individual is a member) is determined, but only if such individual is determined (in accordance with regulations of the Secretary) to be an individual who, on the basis of his recent past medical history, can be expected, for such future period to require inpatient institutional care for all or a substantial part of such future period.

"INPATIENT HOSPITAL SERVICES

"SEC. 1933. For purposes of this title, the term 'inpatient hospital services' shall have the meaning assigned to such term by section 1861(b).

"HOSPITAL

"SEC. 1934. For purposes of this title, the term 'hospital' means an institution which meets the requirements set forth in clauses (1) through (9) of section 1861(e).

"MEDICAL AND OTHER HEALTH SERVICES

"SEC. 1935. For purposes of this title, the term 'medical and other health services' shall have the meaning assigned to such term in so much of section 1861(s) as precedes the last sentence thereof; except that such term shall include such physician's and other services, diagnostic X-ray tests, diagnostic laboratory tests, and other diagnostic tests as are involved in providing appropriate well-baby care (as determined in accordance with regulations of the Secretary).

"SKILLED NURSING FACILITY SERVICES

"SEC. 1936. For purposes of this title, the term 'skilled nursing facility services' means the items and services which (1) are described in clauses (1) through (7) of section 1861(h), and (2) are furnished by a skilled nursing facility; excluding, however, any item of service if it would not be included under section 1861(b), if furnished to an inpatient of a hospital.

"SKILLED NURSING FACILITY

"SEC. 1937. For purposes of this title, the term 'skilled nursing facility' means an institution (or a distinct part of an institution) which meets the criteria set forth in section 1861(j).

"HOME HEALTH SERVICES

"SEC. 1938. For purposes of this title, the term 'home health services' shall have the meaning assigned to such term in section 1861(m); except that the term 'skilled nursing facility', as used in clause (7) of such section, shall be deemed to include a skilled nursing facility (as defined in section 1937); except that such term shall not include any term or service if it would not be included under section 1932 if furnished to an inpatient of a hospital.

"HOME HEALTH AGENCY

SEC. 1939. For purposes of this title, the term 'home health agency' shall have the meaning assigned to such term in section 1861(o).

"PHYSICIANS' SERVICES

"Sec. 1940. For purposes of this title, the term 'physicians' services' means professional services performed by physicians, including surgery, consultation, and home, office, and institutional calls (but not including services which are included within the definition of inpatient hospital services).

"PHYSICIAN

"Sec. 1941. For purposes of this title, the term 'physician' shall have the meaning assigned to such term in section 1861(r)(1).

"MEANING OF CERTAIN OTHER TERMS

"Sec. 1942. For purposes of this title, any term which—

"(1) is defined in section 1861;

"(2) is employed in provisions which, by reference, are used in defining any of the terms defined in sections 1932 through 1940; and

"(3) is not otherwise defined in this section; shall, insofar as such term is applicable to the provisions of this title and except as the Secretary (in order to carry out the purposes of this title) shall otherwise by regulations provide, have the meaning assigned to it in section 1861.

"INTERMEDIATE CARE FACILITY

"Sec. 1943. (a) For purposes of this title, the term 'intermediate care facility' means an institution which (1) is licensed under State law to provide, on a regular basis, health-related care and services to individuals who do not require the degree of care and treatment which a hospital or skilled nursing facility is designed to provide, but who because of their mental or physical condition require care and services (above the level of room and board) which can be made available to them only through institutional facilities, (2) meets such standards prescribed by the Secretary as he finds appropriate for the proper provision of such care, and (3) meets such standards of safety and sanitation as are established under regulations of the Secretary in addition to those applicable to nursing facilities under State law.

"(b) The term 'intermediate care facility' also includes—

"(1) any skilled nursing facility or hospital which meets the requirements of subsection (a);

"(2) a Christian Science sanatorium operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts, but only with respect to institutional services deemed appropriate by the Secretary; and

"(3) any institution which is located on an Indian reservation, if such institution is certified by the Secretary as meeting the requirements of clauses (2) and (3) of subsection (a) and providing the care and services required under clause (1) of such subsection.

"INTERMEDIATE CARE SERVICES

"Sec. 1944. For purposes of this title, the term 'intermediate care services' means services provided by an intermediate care facility to an inpatient thereof, but only if (1) such individual meets the conditions referred to in section 1943(a), and (2) such services are required to meet the needs of such individual because of such condition.

"MENTAL HEALTH CARE SERVICES

"Sec. 1945. (a) The term 'mental health care services' includes only care and services for mental conditions—

"(1) which, if provided on an inpatient basis, consist of a course of active care and treatment provided in and by an accredited medical institution (as determined in accordance with section 1905(b)(ii)),

"(2) which, if provided on an outpatient basis, are

"(A) provided by a qualified community mental health center (as determined in accordance with regulations of the Secretary), or

"(B) provided by a psychiatrist (except that such term shall not include any visits to a psychiatrist during any twelve-month period for purposes of diagnosis or treatment of acute psychosis in excess of (i) five visits, plus (ii) such additional visits as shall have been approved in advance by an appropriate professional review mechanism upon a finding that, in the absence of such additional visits, the patient will require institutional care or will experience serious dysfunction).

"(b)(1) The term 'mental health services', in the case of services provided on an outpatient basis by a qualified mental health center (as determined in accordance with regulations of the Secretary) or by a psychiatrist, includes any drug which is prescribed for a patient by the physician under whose direction such patient is receiving such services, but only if—

"(A) such drug is included on the list (referred to in paragraph (2)) and is prescribed in accordance with the criteria indicated in such list, and

"(B) such physician determines that unless such patient receives such drug, such patient can reasonably be expected to require institutional care.

"(2) The Secretary is authorized (after consultation with appropriate professional individuals and organizations) to compile and publish (and from time to time revise) a list of drugs which he has determined to be effective in the treatment of various mental conditions. Such list shall indicate, with respect to each drug included therein, the particular mental conditions with respect to which such drug is effective, and the appropriate dosage (in terms of quantity and intervals at which such drug shall be administered) of such drug.

"PROHIBITION AGAINST EXCLUSION BY EMPLOYERS OF CERTAIN EMPLOYEES FROM COVERAGE UNDER GROUP HEALTH INSURANCE PLANS

Sec. 1946. (a) If any employer provided for some or all of his employees coverage under a group health insurance plan, it shall be unlawful for such employer to exclude from coverage under such plan any employee of such employer if—

"(1) such employee belongs to a category of employees who would originally be eligible for coverage under such plan, and

"(2) such employee is excluded from coverage under such plan because of the coverage provided under this title.

"(b) Any person violating the provisions of subsection (a) shall be fined not more than $10,000 and imprisoned for not more than one year."

(b)(1) Section 201 (i) (1) of the Social Security Act is amended by striking out "and the Federal Supplementary Medical Insurance Trust Fund" and inserting in lieu thereof "the Federal Supplementary Medical Insurance Trust Fund, and the Medical Coverage Trust Fund".

(2) Section 201 (g) (1) (A) of such Act is amended—

(A) by inserting "the Medical Coverage Trust Fund, and" immediately after "shall include also", and

(B) by inserting "title XIX," immediately after "title XVI," wherever it appears therein.

AMENDMENTS TO TITLE XVIII

Sec. 202. (a) Section 1861(s) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (8),

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and",

(3) by inserting immediately after paragraph (9) the following new paragraph:

"(10) such immunizations as the Secretary determines are appropriate and Pap smears, but only if provided on a scheduled allowance basis (as determined under regulations of the Secretary).", and

(4) by redesignating paragraphs (10) through (13) as paragraphs (11) through (14), respectively.

(b) Section 1864(a) of such Act is amended by striking out "paragraphs (10) and (11)" and inserting in lieu thereof "paragraphs (12) and (13)".

(c) Section 1862(a)(7) of such Act is amended by inserting immediately after "(7)" the following: "except as provided in section 1861(s)(10),".

(d) The amendments made by this section shall apply only with respect to services furnished on or after the first day of the month following the month in which the section is enacted.

TITLE III—PRIVATE BASIC HEALTH INSURANCE CERTIFICATION PROGRAM

Sec. 301. The Social Security Act is amended by adding after title XIV thereof the following new title:

"TITLE XV—PRIVATE BASIC HEALTH INSURANCE CERTIFICATION

"PURPOSE

"Sec. 1501. It is the purpose of this title to encourage and facilitate the availability to the public of private basic health insurance coverage at a reasonable premium charge by—

"(a) establishing a procedure whereby health insurance policies offered by private insurers may be certified by the Secretary as meeting minimum standards with respect to adequacy of coverage, conditions of payment, opportunity for enrollment, and reasonableness of premium charges,

"(b) facilitating arrangements whereby basic health insurance policies meeting such standards can be offered through pools of private insurers, and

"CERTIFICATION OF BASIC PRIVATE HEALTH INSURANCE POLICIES

"Sec. 1502. (a) Any insurer which desires to do so may (in accordance with regulations of the Secretary) provide to the Secretary, for this examination and certification, any health insurance policy.

"(b)(1) If the Secretary, after examining any such policy and evaluating any data submitted in connection with such policy, determines that such policy meets the standards prescribed in section 1503, he shall certify such policy.

"(2)(A) The certification by the Secretary of any such policy shall be conditioned upon such policy's continuing to meet the standards prescribed in section 1503; and no policy shall be deemed to have been certified by the Secretary under this title for any period for which it fails to meet such standards.

"(B) The Secretary shall establish procedures whereby any insurer having secured the Secretary's certification of any policy offered by such insurer shall from time to time provide to the Secretary relevant data with respect to such policy in order for the Secretary to determine whether such policy continues to meet the standards prescribed in section 1503.

"(c) Notwithstanding the preceding provisions of this section, the Secretary shall not certify any group health insurance policy of any insurer unless such insurer furnishes assurances satisfactory to the Secretary that such insurer (whether as a participant in an insurance pool arrangement or otherwise) will make generally available, in each geographic area in which such group policy is to be offered, to individuals and family members a private health insurance policy which has been certified by the Secretary and which provides coverage which is equivalent (as determined by the Secretary) to that provided by such group policy.

"STANDARDS WITH RESPECT TO BASIC HEALTH INSURANCE POLICIES

"SEC. 1503. (a) The Secretary shall not certify under this title any insurance policy offered (or to be offered) by an insurer unless he finds that—

"(1) such policy provides—

"(A) inpatient hospital coverage (without any deductible in excess of $100 or co-payment by the insured person) for at least 60 days during any policy year,

"(B) medical coverage which shall include home, office, hospital, and other institutional care provided by physicians,

"(C) with respect to medical coverage, that—

"(i) payment shall be made with respect to not less than the first $2,000 of reasonable expenses incurred by any insured person for any policy year for services with respect to which coverage applies,

"(ii) the total of any co-payment and deductible required of any insured person with respect to such reasonable expenses shall not exceed 10 per centum thereof, and

"(iii) in the case of any deductible applicable to the payment of such reasonable expenses for any benefit year, such deductible shall not exceed $100 for any insured person, and that, for purposes of computing such deductible for any policy year, the insured person shall be given credit for any deductible applied toward such expenses for the last 3 months of the preceding policy year,

"(D) in case such policy is a group policy, there will be no exclusion from coverage or limitation on payment on account of any medical condition (including any preexisting condition) or any waiting period prior to the beginning of coverage with respect to any such condition,

"(E) in case such policy is an individual policy (including a policy for an individual and members of his family), there will be no exclusion from coverage on account of any medical condition (including any preexisting condition) other than pregnancy, and there will be no waiting period prior to the beginning of coverage with respect to any preexisting condition which is greater than 90 days after the date the policy is issued,

"(F) in case such policy covers an individual and members of his family, coverage will be provided for all dependent unmarried children in the family under age 22, and coverage will be automatically extended, at birth, to any newborn (or adopted) children of such individual or his spouse,

"(G) in case such policy is a group policy which covers all or a certain category of employees of any employer, that—

"(i) coverage will not be terminated with respect to any employee (and members of such employee's family, if such policy covers such members) because of the termination of such employee's employment prior to the expiration of 31 days after the date of such termination,

"(ii) the insurer offering such policy will afford to any employee covered by such policy whose employment has been terminated a reasonable opportunity to secure, from such insurer a basic private health insurance policy which has been approved under this title,

"(iii) there will be a periodic open enrollment period of at least 31 days (which shall occur not less often than once during each policy year) in which all eligible employees, who are not covered by such policy because of failure to elect coverage at the time of initial employment or during previous open enrollment periods, and secure coverage thereunder,

"(2) the premium charge for such policy does not exceed the reasonable ratio of benefits payable to premiums imposed (as determined under subsection (d)).

"(d) The Secretary in determining whether any comprehensive prepaid group practice plan is eligible for certification under this section, shall, in lieu of the standards imposed by subsection (a), develop and apply criteria which assure that such plan meets requirements which are, on an actuarial and benefit basis, equivalent to such standards.

"(c) Notwithstanding the provisions of subsections (a) and (b), the Secretary shall not withhold approval under this title of any health insurance policy solely because such policy excludes—

"(1) charges for services or supplies in connection with an occupational disease or injury,

"(2) items or services for which the insured individual furnished such items or services has no legal obligation to pay, and which no other person (by reason of such individual's membership in a prepayment plan or otherwise) has a legal obligation to provide or pay for,

"(3) any item or service to the extent that payment has been made, or can reasonably be expected to be made (as determined in accordance with regulations), with respect to such item or service, under a workmen's compensation law or plan of the United States or a State,

"(4) charges for services or supplies with respect to which benefits are provided under title XVIII or title XX,

"(5) items or services which are not reasonable and necessary for the diagnosis or treatment of illness or injury, pregnancy, or to improve the functioning of a malformed body member,

"(6) charges for care, treatment, services, or supplies, provided to any individual, to the extent that the payment of benefits with respect thereto is prohibited by any applicable law of the jurisdiction in which such individual is residing at the time he receives such care, treatment, services, or supplies,

"(7) charges for care, treatment, or supplies provided to any individual, to the extent that they are not reasonably priced (except that, for purposes of this paragraph, the charge for any item or service shall be deemed to be reasonable, if such charge is not in excess of the allowable charge therefor under title XVIII or XX),

"(8) charges in connection with routine physical check-ups,

"(9) expenses incurred for items or services, where such expenses are for cosmetic surgery or are incurred in connection therewith, except as required for the prompt repair of accidential injury or for improvement of the functioning of a malformed body member,

"(10) charges made by a hospital for the professional services of any resident physician or intern to the extent that such charges are in excess of the actual cost incurred by the hospital in providing such services, or

"(11) charges for the professional services of a psychiatrist to the extent that such charges exceed $250 in a policy year.

"(d) (1) With respect to policies submitted to the Secretary for his certification under this title, the Secretary shall establish (after considering the size of the groups to be covered by any such policy and whether the insurer is a non-profit or profit making organization) an appropriate reasonable ratio of benefits payable to premiums imposed for coverage thereunder. In the case of individual policies such ratio shall be the same as that established by the Secretary for group policies covering the smallest groups. The initial determination with respect to any such policy shall be based upon projected payments of benefits thereunder. After making such an initial determination with respect to any such policy, the Secretary shall periodically thereafter review and make a redetermination of such ratio based on actual payments of benefits thereunder and the actual premium charges made for the period with respect to which the review is made, in order to determine whether such policy continues to meet the requirements for certification.

"(2) In determining the appropriate reasonable ratio of benefits payable to premiums imposed with respect to any particular health insurance policy offered by an insurer, the Secretary shall, in his determinations of such ratio, give consideration to the average ratio, with respect to group policies generally underwritten by insurers (classified on the basis of nonprofit or profit making) with respect to policies excluding those which are not certified under this title.

"APPROVED CARRIER

"SEC. 1504. For purposes of sections 1923 (b), 1816, and 1842, an 'approved carrier' is a private insurer which the Secretary has found to offer one or more health insurance policies approved under section 1502 to the general public in each geographic or normal service area in which such insurer offers health insurance policies (including any which are not approved under this title).

"ANTITRUST EXEMPTION

"SEC. 1505. (a) It shall not be unlawful under any antitrust law for any insurer to enter into any contract, combination, or other arrangement with any other such person after the date of enactment of this Act for the sole purpose of establishing or participating in an insurance pool arrangement whereby there will be offered to the public health insurance policies approved under section 1502, if such contract, combination, or other arrangement is approved by the Secretary, as being consistent with the purposes of this title, before any party to the contract, combination, or other arrangement has carried out any activity, or refrained from carrying out any activity, under its terms (other than such activity as may be necessary to negotiate the contract, combination, or other arrangement and to apply for approval of the same under this section). The Secretary shall not approve any contract, combination, or other arrangement under which the parties thereto agree to act in a manner which constitutes a violation of any such law for which no exemption is provided under the preceding sentence or for purposes other than the purposes for which the exemption contained in the preceding sentence is established. Nothing contained in this subsection shall exempt from any antitrust law any predatory pricing or practice, or any other conduct in the otherwise exempt activities of two or more such insurers under a contract, combination, or other arrangement approved under this section which would be unlawful under any such law if engaged in by only one such insured.

"(b) For purposes of this section, the term 'antitrust law' means the Federal Trade Commission Act, each statute referred to in section 4 of that Act (15 U.S.C. 44) as an Antitrust Act, any other statute of the United States in pari materia, and any law of any State or political subdivision thereof which prohibits or restrains contracts, combinations, or other arrangements in restraint of trade.

"ESTABLISHMENT OF EMBLEM TO INDICATE CERTIFICATION

"SEC. 1506. (a) The Secretary shall cause to be designed an appropriate emblem which may be used as an indication that certification of an insurance policy under this title has been made by the Secretary; and any insurer which has secured certification of an insurance policy by the Secretary under this title may have printed thereon such emblem, and may, in advertising such policy to potential subscribers, state that such policy has received such a certification.

"REPORT TO CONGRESS

"SEC. 1507. The Secretary shall, at the earliest practicable date (but not later than 60 days) after the expiration of the three-year period which commences on the date of enactment of this section, submit to the Congress a report indicating (1) the extent to which basic private health insurance policies certified by the Secretary under this title are actually and generally available to the residents of each State, and (2) the extent to which residents in each State are covered by such policies.".

Mr. LONG. I also request unanimous consent that a summary of each of the three titles of the bill appear in the Congressional Record following these remarks, and a letter I received today from Congressman Downing, which illustrates one of the problems with private health insurance which will be dealt with by title III of our bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

Description of Catastrophic Health Insurance Plan—Title I of the Bill

ELIGIBILITY

The bill would establish, effective July 1, 1974, a new Catastrophic Health Insurance Program (CHIP) as part of the Social Security Act financed by payroll contributions from employees, employers and the self-employed. Under the plan all persons who are fully or currently insured under the Social Security program; their spouses and dependents (and all Social Security beneficiaries) would be eligible for CHIP protection. All persons who are entitled to retirement, survivors, or disability benefits under Social Security, as well as their spouses and dependent children, would thereby be eligible for CHIP. This constitutes about 95 percent of the population.

The largest noncovered groups are Federal employees, employees covered by the Railroad Retirement Act, and State and local governmental employees who are eligible for Social Security but not covered due to the lack of an agreement with the State. (There are a small number of people who are still not covered by Social Security or other retirement programs; the majority of these are domestic or agricultural workers who have not met the necessary Social Security coverage requirements.)

Federal employees are, however, eligible for both basic and major medical catastrophic health insurance protection under the Federal Employees Health Benefits Act, with the Federal Government paying 40 percent of the costs of such coverage.

BUY-IN FOR STATE AND LOCAL EMPLOYEES

Under the plan, State and local employees who are not covered by Social Security could receive coverage under CHIP if the State and local governments exercise an option to buy into the program to cover them on a group basis. When purchasing this protection, States would ordinarily be expected to include all employees and eligible annuitants under a single agreement with the Secretary. A determination by the State as to whether an individual is an annuitant or member of a retirement system or is otherwise eligible to have such coverage purchased on his behalf would, for purposes of the agreement to provide CHIP protection, be final and binding upon the Secretary.

Each State which enters into an agreement with the Secretary of Health, Education and Welfare to purchase CHIP protection will be required to reimburse the Federal Catastrophic Health Insurance Trust Fund for the payments made from the fund for the services furnished to those persons covered under CHIP through the State's agreement with the Secretary, plus the administrative expenses incurred by the Department of Health, Education and Welfare is carrying out the agreement.

Payments will be made from the fund to providers of services for covered services furnished to these persons on the same basis as for other persons entitled to benefits under CHIP. Conditions are also specified under which the Secretary or the State could, after due notice, terminate the agreement.

BENEFITS

The benefits that would be provided under CHIP would be the same as those currently provided under Parts A and B of Medicare, except that there would be no upper limitations on hospital days, or home health visits. Present Medicare coverage under Part A includes 90 days of hospital care and 100 days of post-hospital extended care in a benefit period, plus an additional life-time reserve of 60 hospital days; and 100 home health visits during the year following discharge from a hospital or extended care facility. Part B coverage includes physicians' services, 100 home health visits annually, outpatient physical therapy services, laboratory and X-ray services and other medical and health items and services such as durable medical equipment.

The major benefits excluded from Medicare, and consequently excluded from this proposal, are nursing home care, prescription drugs, hearing aids, eyeglasses, false teeth and dental care. Medicare's limitations on extended care, on inpatient care in psychiatric hospitals, which limit payment to active treatment subject to a 190-day lifetime maximum, and the program's annual limitation on outpatient services in connection with mental, psychoneurotic and personality disorders are also retained. An additional exclusion would be for items or services which the Secretary of Health, Education and Welfare rules to be experimental in nature.

DEDUCTIBLES AND COINSURANCE

In keeping with the intent of this program to protect against health costs so severe that they usually have a catastrophic impact on a family's finances, a deductible of substantial size would be required. The proposed has two entirely separate deductibles which would parallel the inpatient hospital deductible under Part A and the $50 deductible under Part B of Medicare.

The separate deductibles are intended to enhance the mesh of the program with private insurance coverage. In order to receive both hospital and medical benefits, both deductibles must be met. If a person were to meet the hospital deductible alone, he would become eligible only for the hospital and extended care benefits.

Similarly, if a family were to meet the $2,000 medical deductible, they would become eligible only for the medical benefits. There would be hospital and medical coinsurance requirements (as described below) but these would rise to a maximum of $1,000.

HOSPITAL DEDUCTIBLE AND COINSURANCE

There would be a hospital deductible of 60 days hospitalization per year per individual.

After an individual has been hospitalized for a total of 60 days in one year, he would become eligible for payments toward hospital expenses associated with continued hospitalization. The program would thus begin payment with the 61st day of his hospitalization in that year. Only those post-hospital extended care services which he receives subsequent to having met the 60-day deductible would be eligible for payment.

After the hospital deductible has been met, the program would pay hospitals substantially as they are presently paid under Medicare, with the individual being responsible for a coinsurance amount equal to one-fourth of the Medicare inpatient hospital deductible applicable at that time. Extended care services which are eligible for payment would be subject to a daily coinsurance amount equal to one-eighth of the Medicare inpatient hospital deductible. In 1973, this coinsurance amounts to $17.50 a day for inpatient hospital services and $8.75 a day for extended care services. Thus, the coinsurance could rise yearly in proportion to any increase in hospital costs.

MEDICAL DEDUCTIBLE AND COINSURANCE

There would be a supplemental medical deductible initially established at $2,000 per year per family. The Secretary of Health, Education, and Welfare would, between July 1 and October 1 of each year (beginning in 1975) determine and announce the amount of the supplemental medical deductible for the following year.

The deductible would be the greater of $2,000 or $2,000 multiplied by the ratio of the physicians' services component of the Consumer Price Index for June of that year to the level of that component for December, 1974. Thus, the deductible could rise yearly in proportion to any increase in the price of physicians' services.

After a family has incurred expenses of $2,000 for physicians' bills, home health visits, physical therapy services, laboratory and X-ray services and other covered medical and health services, the family would become eligible for payment under the program toward these expenses. For purposes of determining the deductible, a family would be defined as a husband and wife and all dependents.

After the medical deductible had been met, the program would pay for 80 percent of eligible medical expenses, with the patient being responsible for coinsurance of 20 percent.

DEDUCTIBLE CARRYOVER

As in Part B of Medicare, the plan would hospital-day deductible—under which expenses incurred (or hospital days used) but have a deductible carryover feature—applicable to both the dollar deductible and the not reimbursed during the last calendar quarter of a year would also count toward the satisfaction of the deductibles for the ensuing year. For example, an individual admitted to the hospital with a cardiac condition on December 10, 1975, and continuously hospitalized through February 19, 1976, would not, in the absence of the carryover provision meet the hospital-day deductible unless he were to be hospitalized for at least another 10 days in 1976.

With a carryover provision, however, the individual described above would meet the hospital deductible on January 30, 1976. Similarly, if a family's first eligible medical expenses in 1975 amount to $1,200 and were incurred during the months of November and December, and an additional $3,000 in eligible medical expenses are incurred in 1976, the family would, in the absence of a carryover provision, be eligible for payment towards only $1,000 of their expenses in 1976. With a carryover provision, however, the family described above would be eligible for payment toward $2,200 of their expenses in 1976.

ADMINISTRATION

Payments made to patients, providers and practitioners under this program would be subject to the same reimbursement, quality, health and safety standards, and utilization controls as exist in the Medicare program. Reimbursement controls would include the payment of audited "reasonable costs" to participating institutions and agencies, and "reasonable charges" to practitioners, and other suppliers.

The utilization of services would be subjected to review by present utilization review committees established in hospitals and extended care facilities and by the professional standards review organizations established under P. L. 92–603.

The proposal contemplates using the same administrative mechanisms used for the administration of Medicare, including, where appropriate, Medicare's carriers and intermediaries. The proposal also would encompass use of Medicare's statutory quality standards, in that the same conditions of participation which apply to institutions participating in Medicare would apply to those institutions participating in CHIP.

The Social Security Administration, utilizing its network of district offices, would determine the insured status of individuals and relationships within families which are necessary to establish entitlement to CHIP benefits. The determination of whether the deductible expenses had been met would also be handled by the Social Security Administration in cooperating with carriers and intermediaries. The proposed administrative plan envisions establishing a $2,000 minimum expense amount before individual bills would be accepted. This would protect the administrative agencies from being inundated with paperwork.

FINANCING

The amendment would finance the plan with the following contribution schedule: 1975–1977, 0.3 of one percent of taxable payroll on employees and 0.3 on employers; 1978–1981, 0.35; 1982 and after, 0.4. Rates for the self-employed would also be 0.3, 0.35 and 0.4 respectively.

The contributions would be placed in a separate Federal Catastrophic Health Insurance Trust Fund from which benefits and administrative expenses related to this program would be paid. The complete separation of catastrophic health insurance financing and benefit payments is intended to assure that the catastrophic health insurance program will in no way impinge upon the financial soundness of the retirement, survivors, or disability insurance trust funds or Medicare's hospital and supplementary medical insurance trust funds. Such separation will also focus public and congressional attention closely on the cost and the adequacy of the financing of the program.

To provide an operating fund at the beginning of the program (in recognition of the lag in time between the date on which the taxes are payable and their collection), and to establish a contingency reserve, a Government appropriation would be available (on a repayable basis without interest) during the first 3 calendar years of the program. The amount which could be drawn in any such calendar year could not exceed the estimated amount of 6 months of benefit payments during that year.

CONCLUSION

More than one million families of the approximately 49 million families in the United States annually incur medical expenses which will qualify them to receive benefits under the program. Of course, nearly all American families will receive the benefit of insurance protection against the costs of catastrophic illness.

DESCRIPTION OF MEDICAL ASSISTANCE PLAN FOR LOW-INCOME INDIVIDUALS AND FAMILIES—TITLE II OF THE BILL

GENERAL APPROACH

The bill would establish a medical assistance plan, effective July 1, 1975, for low-income individuals and families. The plan would provide Federally-administered basic health benefits coverage with uniform national eligibility standards.

The basic benefits provided under the plan are designed to mesh with those under the catastrophic health insurance plan. The plan is aimed in large part at providing coverage to low-income working individuals and families, in addition to replacing the current Medicaid program. It would eliminate the present inequities in Medicaid whereby people with the same incomes and needs are eligible for Medicaid in one State but ineligible in another, as well as the extensive variations in benefits between States. The plan would also result in substantial fiscal relief to State and local governments.

ELIGIBILITY

Coverage would be available to all individuals and families having an annual income at or below the following levels: $2,400 for an individual; $3,600 for a two-person family; $4,200 for a three-person family; $4,800 for a four-person family; and $400 additional for each additional family member.

Eligibility would not be linked to eligibility for welfare payments and, consequently, there would be no requirement that an individual fit into one of the current welfare categories (such as aged, blind or disabled). This would mean that working low-income individuals and families presently ineligible for Medicaid (such as thousands of migrant families) would be eligible for benefits under this plan.

In view of the fact that the plan is not linked to the welfare program, and to simplify its administration, there would be no assets test applied in determining eligibility.

The program would contain a "spend-down" provision under which an individual or family's income would be reduced by their incurred health care expenses in determining their eligibility for benefits under the program. For example, a family of four with $5,000 of income would be covered under the program after they had incurred expenses of $200 for medical care.

To be eligible for benefits, persons would have to be either resident citizens of the United States or aliens lawfully admitted for permanent residence, or otherwise legally residing in the United States.

Eligible individuals would file an application (or have an application filed in their behalf). Upon approval of an application, each individual would be issued a health benefits eligibility card.

To enhance administrative simplicity, eligibility would be certified on an annual basis with a coverage year generally beginning on April 1, and with the income determinations generally being based upon the previous year's income. Provisions are included to allow entrance into the program, where appropriate, at any point during the year. In such cases, eligibility would be redetermined on the following April 1. In addition, the plan provides for prospective earnings estimates, where appropriate, in determination of eligibility.

Individuals' or families' eligibility would generally continue throughout the coverage year unless their income increased to more than 20 percent above the eligibility level. In determining eligibility, a family is defined as two or more individuals related by blood, marriage or adoption, and residing in a place maintained by one or more of them as their home. Also, in determining eligibility, income would include both earned and unearned income, including welfare payments, pension or Social Security payments, support and alimony payments, gifts, rents, dividends and interest. The plan includes lesser income limits for Puerto Rico, the Virgin Islands and Guam. Additionally, there would be special rules established by the Secretary to deal with cases where the gross income of an individual or family from a trade or business (including farming) would be considered sufficiently large to cause the family not to be regarded as "low income".

The plan contains a "grandfather" provision to guarantee that no current Medicaid recipient would be disadvantaged by this program.

BENEFITS

The plan would cover medically-necessary inpatient hospital services for up to 60 days during a benefit period, as well as all medically-necessary skilled nursing facility care, intermediate facility care and home health services. Additionally, the plan would cover all medically-necessary medical and other health services (including physicians' services and laboratory and X-ray services), as well as prenatal and well-baby care, family planning counseling services and supplies and, for children under 18, periodic screening, diagnosis and treatment. Additionally, the plan would make payments for Part B Medicare premiums for eligible individuals.

Mental health care would be covered on an inpatient basis to the extent that it consisted of active care and treatment provided in an accredited medical institution, and outpatient mental health services would be covered without limitation if provided in a qualified community mental health center. Additionally, the plan would cover up to five visits to a psychiatrist, related to "crisis intervention", during any benefit period. Additional visits would be authorized upon a finding that the patient would require institutionalization in the absence of such care or that he would be severely dysfunctional.

For individuals who are also entitled to benefits under the catastrophic health insurance plan, the medical assistance plan would pay any coinsurance required under the catastrophic plan. For persons not eligible for benefits under the catastrophic plan, the medical assistance plan would make payments for benefits covered under the catastrophic plan. The plan would also cover routine immunizations.

DEDUCTIBLES AND COINSURANCE

In view of the fact that the medical assistance plan is aimed at providing benefits to individuals and families without adequate resources to purchase medical care, there would generally be no deductibles or coinsurance payments required.

However, to assist in controlling patient-initiated utilization, there would be a $3 per visit copayment for each of the first 10 outpatient physicians' visits per family, but no copayment would be applicable for visits for well-baby care and family planning services.

There would be one other circumstance in which a copayment would be required. This would be applicable in those situations where a person, without dependents, is in a long-term care facility for more than 60 days. In such cases, the individual (usually an elderly person in a nursing home) would retain $50 of his monthly income and any income in excess of $50 would be required as a copayment.

PAYMENTS AND ADMINISTRATION

Payments made to providers and practitioners under this program would be subject to the same reimbursement, quality, health and safety standards, and utilization controls as are applicable under the Medicare progam. Reimbursement controls would limit payments to not more than audited "reasonable costs" to participating institutions and agencies, and "reasonable charges" to practitioners and other suppliers.

Payments made under this program, along with any required copayment, would have to be accepted by providers and practitioners as payment in full for the services rendered, and no person accepting such payment could charge amounts in excess of the payment for the individual receiving the service.

Benefits under the program would be residual and amounts payable under this program would be reduced by amounts payable under any other public or private insurance plan under which the individual was covered, with the exception of a State program designed to supplement this program.

In addition, amounts otherwise payable under this program would be reduced by not more than $250 in a benefit period if an eligible employed individual failed to enroll in an employer-sponsored health insurance plan for which the employer paid 75 percent or more of the premium cost. No employer could exclude an otherwise eligible employee from participation in a health insurance plan solely on account of the employee's eligibility for benefits under the Medical Assistance Plan.

The utilization and quality of services would be reviewed by utilization review committees established in hospitals and skilled nursing facilities, and by the Professional Standards Review Organizations established under Public Law 92–603.

The program utilizes the same administrative mechanisms used for the administration of Medicare, including, where appropriate, Medicare's carriers, intermediaries and public health agencies. The program also would encompass use of Medicare's statutory quality standards, in that the same conditions of participation which apply to institutions participating in Medicare would apply to those institutions participating in this program.

Primary policy, operating and general administrative responsibility for the program is specifically assigned to the Social Security Administration, basically involving personnel and facilities employed in the Bureau of Health Insurance.

FINANCING

The low-income plan would be financed from general revenues, just as the Federal share of the current Medicaid program is now financed, and also with State funds. A medical assistance trust fund would be established to make payments for benefits under the program. The fund would receive appropriations from general revenues and State contributions.

States would contribute a fixed amount which would be equivalent to their total expenditures from State funds under Medicaid for the types of benefits covered under this plan during the year prior to the effective date of this program. Additionally, a State would also pay 50 percent of the estimated amount that the State and local governments had expended in that same base year for provision of these types of services to people not covered under Medicaid who would however, be covered under the new plan. State contributions in future years would be limited to the initial contribution amount.

The State contribution would be reduced by an amount equal to one-half the amount expended by the State from non-Federal funds in providing types of services not covered under this program, but which could have been matched under the Medicaid program. This provision would encourage States to offer or to continue providing optional services, such as drugs, dental services and eyeglasses.

The additional first full-year Federal cost above present Medicaid expenditures, is estimated at $5.3 billion.

CONCLUSION

An estimated 34 million people throughout the United States would be eligible for benefits under this program in any given year though, of course, not all of these people will receive services in a given year. The current Medicaid program covers some 22 million people. The additional people covered under this new program represent primarily the working poor who, until this time, have been ineligible for Federally-supported medical assistance.

DESCRIPTION OF PRIVATE BASIC HEALTH INSURANCE VOLUNTARY CERTIFICATION PROGRAM—TITLE III OF THE BILL

GENERAL APPROACH

The bill would establish a voluntary certification program for private basic health insurance. Under this program, a private health insurer could, if it chose, submit one or more of its basic health insurance policies to the Secretary for certification. The Secretary's certification would be based upon the policies' meeting certain minimum criteria with respect to adequacy of coverage, conditions of eligibility, actual availability of the policy and reasonableness of pay-out ratio which are specified in the bill.

If a policy was certified by the Secretary, the private insurer could advertise such certification in promotion of the policy.

As a condition of eligibility for contracting as the Government's agents, beginning three years after enactment of the bill, carriers and intermediaries under the Medicare program would be expected to offer one or more certified policies to the general public in each service area where the carrier or intermediary sold health insurance policies.

Additionally, the bill would facilitate arrangements whereby basic health insurance policies meeting the minimum standards could be offered through "pools" of private insurers.

The bill would direct the Secretary of Health, Education and Welfare to report to the Congress after three years on the extent to which private health insurance meeting the criteria established in the bill is actually and generally available.

CRITERIA FOR BASIC PRIVATE HEALTH INSURANCE

The bill contains a set of criteria for basic private health insurance policies. Private health insurance would not be required to meet these criteria but these yardsticks would be applied by the Secretary in certifying policies voluntarily submitted for certification.

The criteria dealing with adequacy of coverage would basically call for benefits of at least 60 days of hospital care and coverage of medical bills up to $2,000. A policy meeting these criteria would mesh with the deductible amounts under the catastrophic health insurance program. The standards also limit the amount of deductible and copayments which could be charged with respect to the covered hospital and medical care.

Other criteria ban exclusions, waivers of liability and waiting periods in group policies and, with respect to individual policies, limit medical exclusion to preexisting pregnancy and waiting periods for other preexisting conditions to not more than 90 days.

Additional requirements deal with opportunities for enrollment including at least an annual "open" enrollment period.

Reasonable ratios of benefit payments to premiums are defined in terms of average ratios for group policies generally underwritten by insurers.

USE OF CERTIFICATION

The Secretary would design an appropriate emblem which could be used by the private insurer in advertising the certified policy.

CARRIERS AND INTERMEDIARIES

Three years from the effective date no insurer could serve as a Medicare carrier or intermediary unless it offered one or more certified policies to the general public in each geographic or service area in which it did business.

FACILITATING INSURANCE "POOLS"

The bill contains an antitrust exemption under which insurers could enter into contracts or arrangements for the sole purpose of establishing insurance "pool" arrangements in order to offer to the general public certified health insurance policies. Such pools allow proportionate sharing of risks and rewards.

REPORT BY THE SECRETARY

The Secretary of Health, Education and Welfare would report to the Congress at the end of three years on the extent to which private health insurance meeting the criteria for certification contained in the bill was actually and generally available in States.

FACT SHEET—LONG-RIBICOFF CATASTROPHIC HEALTH INSURANCE AND MEDICAL ASSISTANCE REFORM ACT OF 1973

TITLE I—CATASTROPHIC HEALTH INSURANCE PLAN

Eligibility

All persons covered by the Social Security System and their spouses and dependents. This constitutes 95% of the population. Most of the rest of the uncovered population are government employees. State and local governmental employees not covered under Social Security could buy into the program. Federal employees who are eligible for basic and catastrophic protection under the Federal Employees Health Benefits Act would continue to be covered by that program.

Benefits

Social Security administered trust fund pays for medical bills after a family has incurred $2000 of medical bills in a year. Hospital costs would be paid for after a person has incurred 60 days of hospital costs. The $2000 deductible and the 60 day deductible are entirely separate. If a person were to meet the hospital deductible alone it would be eligible only for the hospital benefits. Similarly, if a family were to meet only the $2000 deductible, it would be eligible only for medical benefits.

After the deductibles are met there would still be copayments required similar to the Medicare copayments ($17.50 a day for hospital and 20% of medical bills). But these copayments would stop once they reach $1000.

Cost

$3.6 billion payable by .3% increase in Social Securtly tax on employee and em-

Effective date

July 1, 1974.

TITLE II—MEDICAL ASSISTANCE PLAN

Replaces Medicaid with a uniform national program of medical benefits for low-income persons administered by Social Security Administration.

Eligibility—34 million people

All persons now receiving Medicaid benefits.

All individuals and families having an annual income at or below the following levels:

$2,400 for an individual;
$3,600 for a two-person family;
$4,200 for a three-person family;
$4,800 for a four-person family;
And $400 additional of each additional family member.

Families with incomes above these levels would become eligible if they spend enough on medical care to reduce their income to the eligibility levels. Thus, a family of four with $5000 would become eligible if it spent $200 for medical care.

Benefits

Provides hospital care for up to 60 days and all skilled nursing facility care, intermediate facility care and home health services.

Also covers physicians services, X-ray, laboratory, prenatal and well-baby care, family planning counselling services and supplies, periodic screening, diagnosis and treatment for children under 18, inpatient mental health care that consists of active care and treatment in a medically accredited institution and outpatient care in a qualified community health center. Outpatient psychiatric services would be limited to 5 visits related to "crisis" intervention and additional visits could be authorized upon finding that in their absence the patient would require institutionalization or be severely dysfunctional.

The plan would also pay the $6.30 monthly

Part B Medicare premium for persons eligible for this Title.

Copayments and deductibles

Only copayment is $3 for each of first 10 visits to doctor per family (but no copayments for visits for well-baby care and family planning services).

Payments to health care providers and administration

Same as Medicare (reasonable costs for institutions, reasonable charges for physicians.

Payments made under the program would have to be accepted as payment in full and there could be no additional charges to patient.

Benefits reduced to patients by $250 if they have failed to enroll in an employer-employee plan in which employer pays 75% or more of the premium cost.

Cost

$5.3 billion in federal general revenues. States would have to pay no more than they did for Medicaid in the year prior to this Title's effective date plus one-half of what they paid for medical services for those not covered by Medicaid. Thus states would be held harmless against additional costs or caseloads.

Effective date

July 1, 1975.

TITLE III

Establishes a voluntary certification program for private basic health insurance to encourage the availability of adequate private health insurance.

Insurer could submit policy to HEW Secretary for certification. Certification is based on adequacy of coverage, conditions of eligibility, actual availability. Certified policies would be advertised as such.

Criteria for certification of policies

Must provide 60 days of hospital care and coverage of medical bills up to $2000. (This meshes with catastrophic plan.)

Limits on deductibles and copayments.

Ban on exclusions, waivers of liability and waiting periods in group policies, and with respect to individual policies, a limit on medical exclusion to pre-existing pregnancy and waiting periods for other pre-existing conditions to not more than 90 days.

At least one annual open enrollment period.

Reasonable ratios of benefit payments to premiums defined in terms of average ratios for group policies generally written by insurers.

Incentives to provide certified policies

For three years from effective date of act, Secretary of HEW studies progress of insurers in making certified policies actually and generally available to population.

After that time no insurer could serve as a Medicare carrier or intermediary unless it offered one or more certified policies to the general public in each geographic or service area in which it did business.

Insurance pooling

Contains an anti-trust exemption under which insurers could enter into contracts or arrangements for the sole purpose of establishing insurance "pool" arrangements in order to offer to the general public certified health insurance policies. Such pools allow proportionate sharing of risks and rewards.

HON. THOMAS N. DOWNING,
House of Representatives,
Washington. D.C.

DEAR MR. DOWNING: I have an insurance policy with National Preferred *Division* Globe Life and Accident Insurance Company, Box 18526, Oklahoma City, Oklahoma 73118.

It was issued in November 1960, and is a cash payment policy of $100 to $150 per week, payable after the third day of hospitalization. I have collected on this insurance on several occasions when I was hospitalized, the last time being in June 1973.

Since I have terminal cancer, a condition which did not exist when the policy was issued, the Company now advises me that they are cancelling the policy as of February 1974. They have this option as so stated in the policy.

My question is, since this policy was issued such a long time ago, has there been any insurance laws passed since then that prohibits a company from cancelling a policy at their option. It does not seem fair that a person pays all these years on a policy, and even though I have collected small amounts in the past, now when they feel there may be long term hospitalization they opt to cancel.

I would appreciate a reply with your comments and suggestions, if any, as to what can be done in this case. I know that my policy states at their option, and I will have to abide by it, but it seems to me that this is something that should be considered in future legislation to protect the consumer, and this is my reason for bringing it to your attention.

Mr. RIBICOFF. Mr. President, will the distinguished chairman yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Mr. President, I want to take this opportunity to commend and congratulate our chairman for his leadership in this most important field.

I ask the Senator, is it not true that one of the greatest fears hanging over millions of Americans is, "What happens to me and my family in case serious illness strikes us?"

Mr. LONG. That is true. As far as the great majority of Americans are concerned, they can pay a regular medical bill, but they cannot pay their medical bills if they mount into the thousands. That is the kind of thing: the fear of being utterly wiped out by a serious or longstanding illness, the type of thing that happens to an individual no more than once in a lifetime, but which on that occasion stands well to wipe out all of his life savings and all of his prospects for the future.

Mr. RIBICOFF. Is it not also true that in drafting this bill we wanted to make sure that the legislation would provide equality of health care for every segment of the population, recognizing that good health care is a matter of right and not a privilege?

Mr. LONG. Yes, the Senator is exactly correct. We thought that we should move to take care of the over 1 million families who would be benefited each year by the catastrophic proposal, and in addition to that, we wanted to take care of those millions who are not able to pay for their ordinary medical expenses; and further, we felt that for those who would not be benefited in either instance, we should assure that there will be adequate insurance available to them through private health insurance that the Government certifies on a voluntary basis.

Mr. RIBICOFF. What we have done is to put a ceiling on medical costs for every American family.

We have also established a medical assistance plan for low-income persons, eliminating the inequities and deficiencies of the present medicaid program. This would mean better health care for the poor and the needy as well as Americans in the middle-income bracket.

Mr. LONG. That is correct. This bill, for example, for the first time, would assure protection to the families of our 1 million migrant workers for whom everyone has sympathy, but for whom, up to this point, altogether too little has been done.

Mr. RIBICOFF. We also recognized, in drafting the bill, that while we were taking care of catastrophic illness there were many people who would find it difficult to pay even the first $2,000 for medical expenses and the first 60 days of hospital care. Therefore in title III, we have set up a policy of assuring private health insurance at reasonable rates covering the first $2,000 and the first 60 days.

Such a provision would assure basic health insurance protection to supplement the catastrophic plan.

Mr. LONG. The Senator is correct.

Mr. RIBICOFF. In doing that, we also make it possible for those people in collective bargaining agreements to bargain collectively and have the employer pick up the costs of health insurance under title III.

Mr. LONG. Yes.

Mr. RIBICOFF. But, in doing so, the chairman and I also recognized there were many people not covered by collective bargaining agreements. Therefore, those people not covered by collective bargaining agreements would have to be given the opportunity to purchase insurance under title III at generally available group rates. Therefore, we would not be excluding any member of the population whether he or she is a farmer, an independent businessman, or an independent contractor.

Mr. LONG. That is correct. It is intended by this measure that everyone in this country could be protected. There is a large area—probably the largest area—in terms of dollars which is an area in which private industry and private initiative should operate.

It may be that a person would prefer to be a self-insurer for the first $2,000 of medical expenses. That might be the cheapest way. I have been led to believe that if one can afford to take the risk, it is cheaper to be a self-insurer, but everyone should have a good insurance policy available to him.

This is the area where we expect private industry to do its job in this measure. We attempt to set the stage to make it clear what we expect the private insurance industry to do, and what we expect a group policy to contain, and what we expect an individual policy to contain.

Mr. RIBICOFF. Is it not true that in devising this legislation, we took into account the various programs that have been introduced in Congress. Is it true that there are many programs that go further, and many programs that do not go as far. There is the Kennedy approach. I have great praise for the senior Senator from Massachusetts who has been an outstanding leader in the health field. We have looked at President Nixon's approach. We have looked at the American Medical Association's approach, the Health Insurance Association's approach, and we have looked at the American Hospital Association's approach. In analyzing all these measures, our objective was to get a bill that was adequate, workable, and could pass. Our objective was to make sure that there was equality of treatment for every individual in American society.

We took into account the realities of the present situation, the fiscal problems of our Nation and our budget, the relative cost of all the programs, the assurance that everyone would be treated equally, and we also took a very hard look at what could pass. Many of the bills already introduced have merit. Some cannot pass, because they are too expensive. They would break the Federal budget. Some others are unpassable, because they do not provide equal treatment for all segments of the population.

So, after months and months of work by the distinguished chairman and myself, and our very, very able staffs—and I want to give great credit to the staffs of the Finance Committee which Senator Long chairs, and to my staff, who have worked untold hours and days to put this bill together. Our objective is to develop a bill that will pass, that will cover the health needs of all Americans. We intend to have this bill enacted by Congress before it adjourns in 1974.

Mr. LONG. I thank the distinguished Senator from Connecticut. As he so well knows, a great deal of the language, suggestions, and the expertise in this measure was generated by persons who receive altogether too little credit but who work diligently in the Nation's interests year in and year out on the committee staff and on the Senator's staff, and I would expect to give them credit for the fine work that they have done if we do pass the bill. If we fail to pass the bill, then I guess they can just look on it as 1 more year's hard work that did not quite pay off.

But I have no doubt that we will eventually succeed in this area.

I also think, Mr. President, that we should pay tribute to the very fine and dedicated employees in the Department of Health, Education, and Welfare who have made their contribution and helped put this bill together.

Mr. RIBICOFF. Mr. President, today I join with the distinguished chairman of the Senate Finance Committee (Mr. Long) in introducing the Catastrophic Health Insurance and Medical Assistance Reform Act of 1973. I am pleased that we are joined by Senators Nelson, Talmadge, Bentsen, Roth, Dole, Hansen, Saxbe, Hugh Scott, Percy, and Montoya.

For more and more Americans health care is a problem. We do not have to be poor to be staggered by health costs. Almost anyone can find his life savings depleted, his house sold out from under him, educational opportunities for his children lost—all because of major illness or injury.

Low-income individuals are hurt most of all, but middle-class Americans can be financially destroyed almost as easily.

It is easy to describe the problems facing us in health care but it is much more difficult to propose an adequate and workable solution.

In developing our proposal we have consulted with every sector of the health care field—consumers, physicians, insurers, hospitals, administrators, labor leaders and others. All of them have contributed and all of them have had constructive suggestions. The interest on health care is evidenced by the many health insurance proposals now pending before Congress.

We believe our bill best meets the needs of the American people and provides a workable and financially realistic mechanism. It is not perfect. No proposal is. In the weeks and months ahead we look forward to receiving constructive ideas to improve our proposal.

In summary fashion our legislation includes three parts.

Title I protects all Americans against the large or catastrophic costs associated with prolonged illness, disease or injury. In effect, it places a ceiling on almost every American family's medical costs. We have an obligation to assure that no one goes into bankruptcy because of prolonged illness or injury. Under this title a family's medical costs would be assumed by the social security fund once it had incurred 60 days of hospital costs and/or $2,000 of medical bills.

Title II establishes a medical assistance plan with a uniform national program of medical benefits for low-income persons. It replaces the costly, inefficient, and inadequate Federal-State medicaid programs and provides health protection for 34 million Americans, including 12 million working poor persons who were ineligible for medicaid. The coverage of this plan would provide basic benefits to mesh with the catastrophic program. That is, this program would pay for the first $2,000 and 60 days of hospital and the catastrophic plan would assume costs above those limits. By requiring the States to pay only what they paid for medicaid in the year prior to enactment, States will save millions of dollars. Without this bill their costs would have continued to climb.

Title III of this bill makes it possible for any other American not eligible for the low-income plan to purchase at a reasonable price a private insurance policy. It sets standards for these policies to assure that they mesh with the catastrophic program. Insurers who elect to participate in this program and whose policies meet the basic standards set in this bill would be eligible to have their policies certified as meeting the proper standards. The Secretary of Health, Education, and Welfare would study the operation of this title for 3 years to see if this insurance was being made available. Any insurer not meeting the standards after 3 years would be ineligible to serve as a medicare carrier or intermediary.

This title will thus encourage insurers to upgrade their policies and expand their coverage. And it will provide the Congress with 3 years in which to get an accurate picture of the extent to which private health insurance is providing adequate coverage to the general population.

Before discussing the details of this legislation I want to explain in summary fashion some of the background and decisions which led to my selection of this proposal for introduction.

What emerges from this discussion is the clear evidence that progress has been made in health insurance protection only on an incremental or gradualist basis. Nothing was gained by adopting an "all or nothing approach." But major progress was made by taking one or two steps at a time.

HISTORY OF NATIONAL HEALTH INSURANCE

The history of national health insurance in this country has demonstrated a continuing demand on the part of the people for Federal involvement in health care protection. Such demands date to the first decade of this century under the auspices of a group of academics, lawyers, and other professionals organized as the American Association for Labor Legislation. The association unsuccessfully tried to shepherd a model bill through several State legislatures but met opposition both from organized medicine and organized labor who feared that any form of compulsory social insurance would serve as an excuse for Government control of workingmen.

During the 1920's a variety of groups made studies of health care financing and attention also turned to the feasibility of group medical practice and prepayment medical plans.

It was not until the economic insecurity of the depression in the 1930's, however, that real interest in Government health insurance reappeared. President Roosevelt's Advisory Committee on Economic Security, created in 1934 to draft a social security bill, looked into health insurance. The original social security bill contained one line to the effect that the Social Security Board should study the problem and report to Congress. The solitary line caused a furor and was struck out of the bill by the Ways and Means Committee which feared that any talk of health insurance would jeopardize the entire social security bill. President Roosevelt shared this fear and he withheld vigorous support for Government health insurance.

The passage of the Social Security Act with its many income protection features freed advocates of broad social insurance to concentrate solely on Government health insurance. From 1939 onward their activities were concentrated on the annual introduction of compulsory national health insurance bills for the entire population. Organized medicine, seeing this development, reversed its previous opposition to private health insurance and began to endorse Blue Cross, Blue Shield, and commercial hospital insurance.

Under President Truman's administration, vigorous executive branch support for national health insurance appeared for the first time. In 1949 President Truman urged enactment of a bill similar to the so-called Wagner-Murray-Dingell bill, which was introduced as an annual event, followed by congressional refusal to hold hearings. Public opinion polls still supported the concept of national health insurance. But despite the big push in 1949 no bill was reported out of committee in either House. President Truman persisted throughout the remainder of his term but no action was ever taken.

Recognizing the impossibility of enacting a comprehensive bill, Truman and his advisers, including Wilbur Cohen and I. S. Falk, developed a more modest proposal to provide health insurance just for the aged. This 1951 plan, which would have insured the 7 million social security beneficiaries for 60 days of hospital care, was the forerunner of medicare.

The initial proposal had many advantages. It covered a limited number of people and, therefore, was less costly. But those people—the aged—were most in need of medical care. It paid for the most expensive form of care—hospitalization.

While debate continued throughout the 1950's without legislative success, the proponents of a gradualist approach to health protection were making strides. In 1956 Congress enacted a disability insurance program to protect workers over age 50.

Serious congressional interest in a medicare approach revived in 1958 and continued until the program was enacted in 1965. Hearings were held every year and the debate was hot and heavy, involving organized medicine, the insurance industry, organized labor, and every facet of the health industry. Some said the bill went too far while others said it did not go far enough. Millions of dollars were spent in lobbying efforts.

By 1960 an alternative to medicare, the Kerr-Mills bill, was enacted into law in 1960. It limited benefits to those aged persons in severe financial need and allowed the States to set the standards with the Federal Government providing matching funds. By 1963 only 32 States were participating and only 4 States had the full range of benefits provided for in the bill. In addition 90 percent of the money for the program was going into the 5 major industrial States and these States had only 32 percent of the aged population.

President Kennedy's election in 1960 marked a big step forward for medicare. He supported it. I was appointed as his Secretary of Health, Education, and Welfare. Wilbur Cohen was called to Washington to head a task force to draft a medicare bill. The bill was introduced in February of 1961 by Senator Clinton Anderson and Representative Cecil King. The Senate rejected it in 1962.

The 1964 landslide which kept President Johnson in the White House produced a Congress which was receptive to medicare. WILBUR MILLS skillfully acted as a negotiator and conciliator, taking suggestions from all sides and incorporating parts of the administration proposal, parts of the ranking Ways and Means minority member John Byrnes' proposal and the AMA suggestion of an expanded Kerr-Mills program—now medicaid. The bill also provided a role for the private health insurance industry as agents for the Government in administering and paying claims.

Enactment of medicare and medicaid in 1965 brought about many problems—how to pay doctors and hospitals, how to charge the patient for covered services, how to control costs. But it was a giant step forward in protecting a portion of the population against medical costs. The insuring years have brought higher medical costs and concomitant pressure to expand and increase medicare coverage. As a result medicare has been expanded on an almost annual basis. Most notable are the 1972 amendments extending medicare benefits to the disabled regardless of age and to cover the high costs of treating those with chronic kidney disease.

THE NATIONAL HEALTH PICTURE TODAY

This brings us to the present. Increasing medical costs have continued the demand for national health insurance. For millions of Americans the symbol of medical care is no longer the Red Cross or the Blue Cross or the physicians' insignia. It is the dollar sign. The average cost of a day of hospital care in Connecticut, for example, has risen from $49 a day in 1966 to $97 today. And this is lower than the national average cost of $110. Hospital charges over the last few years have been rising at an annual rate of nearly 13 percent, other medical care has been going up at a 6 percent rate while the Consumer Price Index for all items has been rising at a rate of only 3 percent. Total American health costs increased from $47.8 billion in fiscal year 1967 to $83.4 billion in fiscal 1972—a jump of $36 billion dollars or nearly 75 percent.

Many bills have been introduced to meet these cost problems—bills backed by the insurance industry, the organized medicine, organized labor and others. They range from fully federalized national health insurance to mandated private health insurance coverage to subsidies to physicians.

Many other bills have been introduced to reform our health care delivery system—group practice—HMO—physician redistribution, health facilities, research and manpower training, and other bills. All of these issues must be dealt with in a comprehensive way to provide an adequate health care system. I have introduced or cosponsored a number of proposals in these areas.

As history demonstrates, we have encountered success in improving the financing of health care only by incremental means.

For that reason, I am adopting the approach being introduced here today.

Senator KENNEDY has provided outstanding leadership in the health field. His approach—the Health Security Act—is a far more comprehensive proposal. I support its goals—guaranteed health care as a basic right for all Americans—not just a privilege for the few. But the Health Security Act would cost $40 billion in general revenues and another $40 billion in additional social security taxes. We just do not have the tax dollars to pay for it, nor the delivery system to make it work as of now. And it will be years, I am afraid, before Congress passes it.

Just because we cannot pass the Kennedy bill does not mean we should sit back and do nothing. If we had taken the all-or-nothing approach in the 1960's we would not have medicare today. We can take some significant first step now.

COVERING THE HIGH COSTS OF MEDICAL CARE

We can afford—and we must enact—a bill to protect everyone against the devastating costs of major illness. We have an obligation to assure that no one goes into bankruptcy because of the costs of a long illness or injury. Our bill would put a ceiling on every American family's medical costs.

A catastrophic illness can reduce a middle-income family to poverty in less than 2 years according to a recent survey by the National Cancer Foundation.

The study, which was based on a survey of families living within a 50 mile radius of New York City, showed that 84% of the families with high costs had health bills exceeding $10,000 and 39 percent had expenses between $25,000 and $50,000. Only 39 percent of the families received medical or health insurance payments in excess of $10,000.

These long-term illnesses and their costs affected every family member. Homes had to be sold and life savings were depleted. The study showed that the illnesses caused early retirement, changes of career, loss of promotional opportunities for immediate family members, many of whom had to rearrange their working hours to help care for the stricken person. Most families reported cutbacks in food, clothing, and health care for adults and children, elimination of vacations, children's camps, and plans for purchase of major items such as cars.

Emotional, psychiatric and adjustment problems were faced by 76 percent of the families. The effects on children were most devastating. School work suffered, personalities were altered and children became confused and frightened by the change in their lives caused by prolonged major illness. Parents often had to neglect their children in favor of the patient.

We must not allow this to happen any longer. A ceiling on medical costs must be established. We cannot wait for the "climate to be right" for full national health insurance. I am not such a purist that I am going to wait for the whole loaf when thousands of families are being financially wiped out by huge medical bills.

TITLE I—CATASTROPHIC HEALTH INSURANCE PROGRAM

The catastrophic health insurance proposal provides health insurance once a family has incurred $2,000 of medical costs or 60 days of hospital coverage.

It is intended to supplement private health insurance which many Americans have today in one form or another. For those who do not have such basic coverage, a second title provides coverage for the poor and a third title in the bill would make available to everyone a private health insurance policy at reasonable cost.

The catastrophic insurance title is modeled on the medicare experience.

Basically, the bill would provide protection to all those who are currently and fully insured under social security, their spouses and dependents, and to all social security beneficiaries.

The very broad coverage includes about 95 percent of all persons in the United

States, and the vast majority of those not covered are Federal employees and State and local employees. Federal employees are eligible for major medical catastrophic protection under the Federal Employees Health Benefit Act, and State and local employees could buy into the catastrophic program established under this bill.

It contains deductibles of $2,000 per family for physicians' benefits and 60 days hospitalization deductible per individual for hospitalization benefits. In other words, benefits would be payable for a family's medical bills beyond $2,000 and hospitalization would be covered from the 61st day of an individual's hospitalization. After the deductibles have been met, benefits will be payable as under medicare, which calls for a coinsurance payment of 20 percent on medical bills and $17.50 per day for hospital coverage. These coinsurance payments would be limited to a maximum of $1,000 at which point no further coinsurance would be charged.

The types of services covered under the catastrophic plan would be similar to those currently covered under parts A and B of medicare except that there would be no limitation on hospital days or home health visits.

Present medicare part A coverage includes 90 days of hospital care, 100 days of posthospital extended care, and 100 home health visits. Present part B coverage includes physician's services, laboratory and X-ray services, physical therapy services, and other medical and health items and services. Unlike medicare which provides basic insurance coverage, people would be responsible for payment for the first 60 days of hospital care and the first $2,000 in medical expenses in a year.

Families could insure themselves through the use of present private health insurance arrangements against their basic health care costs, including the first 60 days of hospitalization and the first $2,000 of medical bills. For those families without the resources to obtain this basic private health insurance coverage, I believe the Federal Government should play a role in assuring availability of such basic coverage, as we already do for many of the poor through medicaid. Title II of the bill assures this basic coverage for the poor and title III provides it for the nonpoor.

The catastrophic program would be administered along with medicare by the Social Security Administration, and it would incorporate all of medicare's quality, cost, and utilization controls.

The cost of the catastrophic proposal, estimated at $3.6 billion would be borne by the social security system—3 percent on employees and 0.3 percent on employers. Almost immediately it would provide help for a million families and security for all other families against future illnesses and accidents.

TITLE II—MEDICAL ASSISTANCE PLAN

While title I protects virtually all Americans against medical costs above $2,000 in medical bills and/or 60 days of hospital care, most Americans cannot even afford to spend those amounts. Titles II and III address themselves to this problem.

For low-income Americans the problem of paying for medical care is especially acute. While approximately three-quarters of the American people are covered by some form of health insurance, the poor and the minority groups are less likely to have health insurance. Slightly less than half of those white Americans with incomes under $5,000 and slightly more than one-third of the minority race population under $5,000 have insurance. But 90 percent of the white population and 86.9 percent of the minority population over $10,000 in income have insurance. The following chart, based on a survey by the National Center for Health Statistics illustrates the point:

HEALTH INSURANCE: WHO HAS COVERAGE

[Percent of persons under 65 years of age with hospital insurance coverage, by color, income, and age: 1970]

Age	White			Black and others		
	Under $5,000	$5,000 to $9,999	$10,000 and over	Under $5,000	$5,000 to $9,999	$10,000 or more
All ages under 65 years	49.9	81.9	90.3	38.3	70.7	86.9
Under 17 years	37.1	79.6	89.7	31.1	66.0	86.7
17 to 24 years	59.9	77.1	83.5	49.7	67.2	78.4
25 to 44 years	47.5	83.5	91.9	42.8	74.6	88.9
45 to 64 years	57.3	87.3	92.6	43.6	81.0	92.4

Even these figures tend to exaggerate insurance protection. They are limited to hospital protection. Even fewer people have insurance to protect against the costs of physician services, X-ray, laboratory, and other services. And they do not take into account the fact that most insurance coverage is subject to deductibles and copayments. As a result, health insurance met only 42 percent of all health care costs in 1971.

Title II of the bill would establish a medical assistance plan, effective July 1, 1975, for low-income individuals and families. The plan would provide federally administered basic health benefits coverage with uniform national eligibility standards.

The basic benefits provided under the plan are designed to mesh with those under the catastrophic health insurance plan. It is aimed in large part at providing coverage to low-income working individuals and families, in addition to replacing the current medicaid program. This means that some 34 million Americans, including 12 million working poor not now covered by medicaid, would have health insurance protection. It would eliminate the present inequities in medicaid whereby people with the same income and needs are eligible for medicaid in one State but ineligible in another, as well as the extensive variations in benefits between States. The administration would be more efficient and more adequate both from the provider's side and the patient's side. The plan would also result in substantial fiscal relief to State and local governments whose expenditures would be fixed at no higher than what they spent under medicaid during the year prior to the effective date of this program.

ELIGIBILITY

Coverage would be available to all individuals and families having an income at or below the following levels: $2,400 for an individual; $3,600 for a two-person family; $4,200 for a three-person family; $4,800 for a four-person family; and $400 additional for each additional family member.

To be eligible for benefits, persons would have to be resident citizens of the United States or aliens lawfully admitted for permanent residence, or otherwise legally residing in the United States.

Eligible individuals would file an application—or have an application filed in their behalf. Upon approval of an application, each individual would be issued a health benefits eligibility card.

To enhance administrative simplicity, eligibility would be certified on an annual basis with a coverage year generally beginning on April 1, and with the income determinations generally being upon the previous year's income. Provisions are included to allow entrance into the program, where appropriate, at any point during the year. In such cases, eligibility would be redetermined on the following April 1. In addition, the plan provides for prospective earnings estimates, where appropriate, in determination of eligibility.

Individuals' or families' eligibility would generally continue throughout the coverage year unless their income increased to more than 20 percent above the eligibility level. In determining eligibility, a family is defined as two or more individuals related by blood, marriage or adoption, and residing in a place maintained by one or more of them as their home. Also, in determining eligibility, income would include both earned and unearned income, including welfare payments, pensions, or social security payments, support and alimony payments, gifts, rents, dividends, and interest. The plan includes lesser income limits for Puerto Rico, the Virgin Islands, and Guam. Additionally, there would be special rules established by the Secretary to deal with cases where the gross income of an individual or family from a trade or business—including farming—would be considered sufficiently large to cause the family not to be regarded as "low income."

The plan contains a "grandfather" provision to guarantee that no current medicaid recipient would be disadvantaged by this program.

BENEFITS

The plan would cover medically necessary inpatient hospital services for up to 60 days during a benefit period, as well as all medically necessary skilled nursing facility care, intermediate facility care, and home health services. Additionally, the plan would cover all medically necessary medical and other health services—including physicians' services and laboratory and X-ray services—as well as prenatal and well-baby care, family planning counseling services and supplies and, for children under 18, periodic screening, diagnosis, and treatment. Additionally, the plan would make payments for part B medicare premiums for eligible individuals.

Mental health care would be covered on an inpatient basis to the extent that it consisted of active care and treatment provided in an accredited medical institution, and outpatient mental health services would be covered without limitation if provided in a qualified community mental health center. Additionally, the plan would cover up to five visits to a psychiatrist, related to "crisis intervention," during any benefit period. Additional visits would be authorized upon a finding that the patient would require institutionalization in the absence of such care or that he would be severely dysfunctional.

For individuals who are also entitled to benefits under the catastrophic health insurance plan, the medical assistance plan would pay any coinsurance required under the catastrophic plan. For persons not eligible for benefits under the catastrophic plan, the medical assistance plan would make payments for benefits covered under the catastrophic plan. The plan would also cover routine immunizations.

DEDUCTIBLES AND COINSURANCE

In view of the fact that the medical assistance plan is aimed at providing benefits to individuals and families without adequate resources to purchase medical care, there would generally be no deductibles or coinsurance payments required.

However, to assist in controlling patient-initiated utilization, there would be a $3 per visit copayment for each of the first 10 outpatient physicians' visits per family, but no copayment would be applicable for visits for well-baby care and family planning services.

There would be one other circumstance in which a copayment would be required. This would be applicable in those situations where a person, without dependents, is in a long-term care facility or more than 60 days. In such cases, the individual—usually an elderly person in a nursing home—would retain $50 of his monthly income and any income in excess of $50 would be required as a copayment.

PAYMENTS AND ADMINISTRATION

Payments made to providers and practitioners under this program would be subject to the same reimbursement, quality, health and safety standards, and utilization controls as are applicable under the medicare program. Reimbursement controls would limit payments to not more than audited "reasonable costs" to participating institutions and agencies, and "reasonable charges" to practitioners and other suppliers.

Payments made under this program, along with any required copayment, would have to be accepted by providers and practitioners as payment in full for the services rendered, and no person accepting such payment could charge amounts in excess of the payment for the individual receiving the service.

Benefits under the program would be residual and amounts payable under this program would be reduced by amounts payable under any other public or private insurance plan under which the individual was covered, with the exception of a State program designed to supplement this program.

In addition, amounts otherwise payable under this program would be reduced by not more than $250 in a benefit period if an eligible employed individual failed to enroll in an employer-sponsored health insurance plan for which the employer paid 75 percent or more of the premium cost. No employer could exclude an otherwise eligible employee from participation in a health insurance plan solely on account of the employee's eligibility for benefits under the medical assistance plan.

The utilization and quality of services would be reviewed by utilization review committees established in hospitals and skilled nursing facilities, and by the Professional Standards Review Organizations established under Public Law 92-603.

The program utilizes the same administrative mechanisms used for the administration of medicare, including, where appropriate, medicare's carriers, intermediaries and public health agencies. The program also would encompass use of medicare's statutory quality standards, in that the same conditions of participation which apply to institutions participating in medicare would apply to those institutions participating in this program.

Primary policy, operating and general administrative responsibility for the program is specifically assigned to the Social Security Administration, basically involving personnel and facilities employed in the Bureau of Health Insurance.

FINANCING

The low-income plan would be financed from general revenues, just as the Federal share of the current medicaid program is now financed, and also with State funds. A medical assistance trust fund would be established to make payments for benefits under the program. The fund would receive appropriations from general revenues and State contributions.

States would contribute a fixed amount which would be equivalent to their total expenditures from State funds under medicaid for the types of benefits covered under this plan during the year prior to the effective date of this program. Additionally, a State would also pay 50 percent of the estimated amount that the State and local governments had expended in that same base year for provision of these types of services to people not covered under medicaid who would, however, be covered under the new plan. State contributions in future years would be limited to the initial contribution amount.

The State contribution would be reduced by an amount equal to one-half the amount expended by the State from non-Federal funds in providing types of services not covered under this program, but which could have been matched under the medicaid program. This provision would encourage States to offer or to continue providing optional services, such as drugs, dental services, and eyeglasses.

The additional first full-year Federal cost above present medicaid expenditures, is estimated at $5.3 billion.

CONCLUSION

An estimated 34 million people throughout the United States would be eligible for benefits under this program in any given year though, of course, not all of these people will receive services in a given year. The current medicaid program covers some 22 million people. The additional people covered under this new program represent primarily the working poor who, until this time, have been ineligible for federally supported medical assistance.

TITLE III

While title I protects all Americans against extraordinarily high health bills and title II provides basic health care for low-income families, title III assures the availability of private health insurance coverage to the rest of the population. While the private health insurance industry has made strides in recent years in making better insurance protection more widely available to more Americans, more needs to be done to encourage this expansion.

Fully one-quarter of the American population still has no hospital insurance protection. Even fewer people have nonhospital protection as the following chart indicates:

	Percent of civilian population covered
Hospital care	76.9
Physicians' services:	
Surgical services	74.2
In-hospital visits	72.3
X-ray and lab	70.7
Office and home visits	46.6
Dental care	7.5
Out-of-hospital prescribed drugs	52.1
Private-duty nursing	51.0
Visiting nurse service	53.6
Nursing home care	18.8

For those people not eligible for the low-income plan we propose to assure that a private health insurance policy is available at a reasonable rate to anyone who wishes to purchase it.

Title III therefore describes a model basic private health insurance policy which meshes with the catastrophic program and establishes a mechanism whereby companies can voluntarily have their policies certified by the Secretary of HEW as meeting at least the minimum definition of adequate basic health insurance.

The standards for such a package would include coverage for 60 days of hospital care, $2,000 of medical expenses. Other criteria ban exclusions, waivers of liability and waiting periods in group policies and, with respect to individual policies, limit medical exclusion to preexisting pregnancy and waiting periods for other preexisting conditions to not more than 90 days. Additional requirements deal with opportunities for enrollment including at least an annual open enrollment period.

The Government-certified policies would have to be sold at reasonable rates. In determining reasonableness the primary factor would be the ratio of benefits paid out to premiums collected. Reasonable ratios of benefit payments to premiums or defined in terms of average ratios for group policies generally underwritten by insurers.

While these standards provide needed flexibility in rate determination by insurers they would put an end to the health policies which pay out only 30 or 40 cents for each dollar of premium collected.

No one could be denied the opportunity to buy a policy because of preexisting conditions or because he or she is a bad risk. In order to facilitate the offering of such policies the insurers would be authorized to offer such policies on a "pooled" basis with a proportionate sharing of risks and rewards.

During the first 3 years of the operation of title III the Secretary of HEW would study the extent to which private health insurance meeting the definition of adequacy is actually and generally available. He would report his findings to Congress.

After that date no company or organization could serve as a medicare carrier or intermediary unless it offered a policy certified by the Secretary as meeting the model definition.

This title, then, would encourage private health insurers to upgrade their coverage and to guarantee a reasonable pay-out ratio, thus making available better private health insurance to the average person.

And it would provide the Congress in 3 years with an accurate picture of the extent to which private health insurance is providing adequate coverage to the general population.

The private health insurance industry will have a real incentive and real standards toward which they can work in meeting the needs of the majority of the population who are presently covered for better or worse under private health insurance.

Title III is a means of saying to the broad population that it is our expectation and hope that private health insurance will provide the opportunity to secure insurance coverage for the first 60 days of hospitalization and the first $2,000 of medical expenses, after which the Government catastrophic health insurance program would take over.

SUMMARY

I believe that this legislation is a major step in protecting all Americans against rising health costs. It puts a ceiling on every American's medical bills, assures health protection to those who can't afford it and encourages the private health insurance industry to make available the best possible policies at reasonable rates. At the same time it allows employees the flexibility necessary to bargain with their employers for broad health care protection.

We can wait no longer to reform our health care system. We have the opportunity today to make health care a right for all Americans—not just a privilege for the few.

I join my distinguished colleague, the chairman of the Senate Finance Committee in urging the members of this body to help us make health care reform a reality.

Mr. President, I ask unanimous consent to have printed in the RECORD the following material: A description of the bill, a letter from Wilbur Cohen, former Secretary of Health, Education, and Welfare describing the legislation, and an editorial from the September 28 Hartford Courant.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF CATASTROPHIC HEALTH INSURANCE PLAN—(TITLE I OF THE BILL)

ELIGIBILITY

The bill would establish, effective July 1, 1974, a new Catastrophic Health Insurance Program (CHIP) as part of the Social Security Act financed by payroll contributions from employees, employers and the self-employed. Under the plan all persons who are fully or currently insured under the Social Security program; their spouses and dependents (and all Social Security beneficiaries) would be eligible for CHIP protection. All persons who are entitled to retirement, survivors, or disability benefits under Social Security, as well as their spouses and dependent children, would thereby be eligible for CHIP. This constitutes about 90 percent of the population.

The largest noncovered groups are Federal employees, employees covered by the Railroad Retirement Act, and State and local governmental employees who are eligible for Social Security but not covered due to the lack of an agreement with the State. (There are a small number of people who are still not covered by Social Security or other retirement programs; the majority of these are domestic or agicultural workers who have not met the necessary Social Security coverage requirements.)

Federal employees are, however, eligible for both basic and major medical catastrophic health insurance protection under the Federal Employees Health Benefits Act, with the Federal Government paying 40 percent of the costs of such coverage.

BUY-IN FOR STATE AND LOCAL EMPLOYEES

Under the plan, State and local employees who are not covered by Social Security could receive coverage under CHIP if the State and local governments exercise an option to buy into the program to cover them on a group basis. When purchasing this protection, States would ordinarily be expected to include all employees and eligible annuitants under a single agreement with the Secretary. A determination by the State as to whether an individual is an annuitant or member of a retirement system or is otherwise eligible to have such coverage purchased on his behalf would, for purposes of the agreement to provide CHIP protection, be final and binding upon the Secretary. Each State which enters into an agreement with the Secretary of Health, Education and Welfare to purchase CHIP protection will be required to reimburse the Federal Catastrophic Health Insurance Trust Fund for the payments made from the fund for the services furnished to those persons covered under CHIP through the State's agreement with the Secretary, plus the administrative expenses incurred by the Department of Health, Education and Welfare in carrying out the agreement.

Payments will be made from the fund to providers of services for covered services furnished to these persons on the same basis as for other persons entitled to benefits under CHIP. Conditions are also specified under which the Secretary or the State could, after due notice, terminate the agreement.

BENEFITS

The benefits that would be provided under CHIP would be the same as those currently provided under Parts A and B of Medicare, except that there would be no upper limitations on hospital days, or home health visits. Present Medicare coverage under Part A includes 90 days of hospital care and 100 days of post-hospital extended care in a benefit period, plus an additional life-time reserve of 60 hospital days; and 100 home health visits during the year following discharge from a hospital or extended care facility. Part B coverage includes physicians' services, 100 home health visits annually, outpatient physical therapy services, laboratory and X-ray services and other medical and health items and services such as durable medical equipment.

The major benefits excluded from Medicare, and consequently excluded from this proposal, are nursing home care, prescription drugs, hearing aids, eyeglasses, false teeth and dental care. Medicare's limitations on extended care, on inpatient care in psychiatric hospitals, which limit payment to active treatment subject to a 190-day lifetime maximum, and the program's annual limitation on outpatient services in connection with mental, psychoneurotic and personality disorders are also retained. An additional exclusion would be for items or services which the Secretary of Health, Education and Welfare rules to be experimental in nature.

DEDUCTIBLES AND COINSURANCE

In keeping with the intent of this program to protect against health costs so severe that they usually have a catastrophic impact on a family's finances, a deductible of substantial size woud be required. The proposal has two entirely separate deductibles which would parallel the inpatient hospital deductible under Part A and the $50 deductible under Part B of Medicare.

The separate deductibles are intended to enhance the mesh of the program with private insurance coverage. In order to receive both hospital and medical benefits, both deductibles must be met. If a person were to meet the hospital deductible alone, he would become eligible only for the hospital and extended care benefits.

Similarly, if a family were to meet the $2,000 medical deductible, they would become eligible only for the medical benefits. There would be hospital and medical coinsurance requirements (as described below) but these would rise to a maximum of $1,000.

HOSPITAL DEDUCTIBLE AND COINSURANCE

There would be a hospital deductible of 60 days hospitalization per year per individual.

After an individual has been hospitalized for a total of 60 days in one year, he would become eligible for payments toward hospital expenses associated with continued hospitalization. The program would thus begin payment with the 61st day of his hospitalization in that year. Only those post-hospital extended care services which he receives subsequent to having met the 60-day deductible would be eligible for payment.

After the hospital deductible has been met, the program would pay hospitals substantially as they are presently paid under Medicare, with the individual being responsible for a coinsurance amount equal to one-fourth of the Medicare inpatient hospital deductible applicable at that time. Extended care services which are eligible for payment would be subject to a daily coinsurance amount equal to one-eighth of the Medicare inpatient hospital deductible. In 1973, this coinsurance amounts to $17.50 a day for inpatient hospital services and $8.75 a day for extended care services. Thus, the coinsurance could rise yearly in proportion to any increase in hospital costs.

MEDICAL DEDUCTIBLE AND COINSURANCE

There would be a supplemental medical deductible initially established at $2,000 per year per family. The Secretary of Health, Education and Welfare would, between July 1 and October 1 of each year (beginning in 1975) determine and announce the amount of the supplemental medical deductible for the following year.

The deductible would be the greater of $2,000 or $2,000 multiplied by the ratio of the physician's services component of the Consumer Price Index for June of that year to the level of that component for December, 1974. Thus, the deductible could rise yearly in proportion to any increase in the price of physicians' services.

After a family has incurred expenses of $2,000 for physicians' bills, home health visits, physical therapy services, laboratory and X-ray services and other covered medical and health services, the family would become eligible for payment under the program toward these expenses. For purposes of determining the deductible, a family would be defined as a husband and wife and all dependents.

After the medical deductible had been met, the program would pay for 80 percent of eligible medical expenses, with the patient being responsible for coinsurance of 20 percent.

DEDUCTIBLE CARRYOVER

As in Part B of Medicare, the plan would have a deductible carryover feature—applicable to both the dollar deductible and the hospital-day deductible—under which expenses incurred (or hospital days used) but not reimbursed during the last calendar quarter of a year would also count toward the satisfaction of the deductibles for the ensuing year. For example, an individual admitted to the hospital with a cardiac condition on December 10, 1975, and continuously hospitalized through February 19, 1976, would not, in the absence of the carryover provision meet the hospital-day deductible unless he were to be hospitalized for at least another 10 days in 1976. With a carryover provision, however, the individual described above would meet the hospital deductible on January 30, 1976. Similarly, if a family's first eligible medical expenses in 1975 amount to $1,200 and were incurred during the months of November and December, and an additional $3,000 in eligible medical expenses are incurred in 1976, the family would, in the absence of a carryover provision, be eligible for payment towards only $1,000 of their expenses in 1976. With a carryover provision, however, the family described above would be eligible for payment toward $2,200 of their expenses in 1976.

ADMINISTRATION

Payments made to patients, providers and practitioners under this program would be subject to the same reimbursement, quality, health and safety standards, and utilization controls as exist in the Medicare program. Reimbursement controls would include the payment of audited "reasonable costs" to participating institutions and agencies, and "reasonable charges" to practitioners, and other suppliers.

The utilization of services would be subjected to review by present utilization review committees established in hospitals and extended care facilities and by the professional standards review organizations established under P.L. 92–603.

The propsal contemplates using the same administrative mechanisms used for the administration of Medicare, including, where appropriate, Medicare's carriers and intermediates. The proposal also would encompass use of Medicare's statutory quality standards, in that the same conditions of participation which apply to institutions participating in Medicare would apply to those institutions participating in CHIP.

The Social Security Administration, utilizing its network of district offices, would determine the insured status of individuals and relationships within families which are necessary to establish entitlement to CHIP benefits. The determination of whether the deductible expenses had been met would also be handled by the Social Security Administration in cooperating with carriers and intermediaries. The proposed administrative plan envisions establishing a $2,000 minimum expense amount before individual bills would be accepted. This would protect the administrative agencies from being inundated with paperwork.

FINANCING

The amendment would finance the plan with the following contribution schedule: 1975–1977, 0.3 of one percent of taxable payroll on employees and 0.3 on employers, 1978–1981, 0.35; 1982 and after, 0.4. Rates for the self employed would also be 0.3, 0.35 and 0.4 respectively.

The contributions would be placed in a separate Federal Catastrophic Health Insurance Trust Fund from which benefits and administrative expenses related to this program would be paid. The complete separation of catastrophic health insurance financing and benefit payments is intended to assure that the catastrophic health insurance program will in no way impinge upon the financial soundness of the retirement, survivors, or disability insurance trust funds or Medicare's hospital and supplementary medical insurance trust funds. Such separation will also focus public and congressional attention closely on the cost and the adequacy of the financing of the program.

To provide an operating fund at the beginning of the program (in recognition of the lag in time between the date on which the taxes are payable and their collection) and to establish a contingency reserve, a Government appropriation would be available (on a repayable basis without interest) during the first 3 calendar years of the program. The amount which could be drawn in any such calendar year could not exceed the estimated amount of 6 months of benefit payments during that year.

CONCLUSION

More than one million families of the approximately 49 million families in the United States annually incur medical expenses which will qualify them to receive benefits under the program. Of course, nearly all American families will receive the benefit of insurance protection against the costs of catastrophic illness.

Description of Medical Assistance Plan for Low-Income Individuals and Families— (Title II of the Bill)

GENERAL APPROACH

The bill would establish a medical assistance plan, effective July 1, 1975, for low-income individuals and families. The plan would provide Federally-administered basic health benefits coverage with uniform national eligibility standards.

The basic benefits provided under the plan are designed to mesh with those under the catastrophic health insurance plan. The plan is aimed in large part at providing coverage to low-income working individuals and families, in addition to replacing the current Medicaid program. It would eliminate the present inequities in Medicaid whereby people with the same incomes and needs are eligible for Medicaid in one State but ineligible in another, as well as the extensive variations in benefits between States. The plan would also result in substantial fiscal relief to State and local governments.

ELIGIBILITY

Coverage would be available to all individuals and families having an annual income at or below the following levels: $2,400 for an individual; $3,600 for a two-person family; $4,200 for a three-person family; $4,800 for a four-person family; and $400 additional for each additional family member.

Eligibility would not be linked to eligibility for welfare payments and, consequently, there would be no requirement that an individual fit into one of the current welfare categories (such as aged, blind or disabled). This would mean that working low-income individuals and families presently ineligible for Medicaid (such as thousands of migrant families) would be eligible for benefits under this plan.

In view of the fact that the plan is not linked to the welfare program, and to simplify its administration, there would be no assets test applied in determining eligibility.

The program would contain a "spend-down" provision under which an individual or family's income would be reduced by their incurred health care expenses in determining their eligibility for benefits under the program. For example, a family of four with $5,000 of income would be covered under the program after they had incurred expenses of $200 for medical care.

To be eligible for benefits, persons would have to be resident citizens of the United States or aliens lawfully admitted for permanent residence, or otherwise legally residing in the United States.

Eligible individuals would file an application (or have an application filed in their behalf). Upon approval of an application, each individual would be issued a health benefits eligibility card.

To enhance administrative simplicity, eligibility would be certified on an annual basis with a coverage year generally beginning on April 1, and with the income determinations generally being based upon the previous year's income. Provisions are included to allow entrance into the program, where appropriate, at any point during the year. In such cases, eligibility would be redetermined on the following April 1. In addition, the plan provides for prospective earnings estimates, where appropriate, in determination of eligibility.

Individuals' or families' eligibility would generally continue throughout the coverage year unless their income increased to more than 20 percent above the eligibility level. In determining eligibility, a family is defined as two or more individuals related by blood, marriage or adoption, and residing in a place maintained by one or more of them as their home. Also, in determining eligibility, income would include both earned and unearned income, including welfare payments, pension or Social Security payments, support and alimony payments, gifts, rents, dividends and interest. The plan includes lesser income limits for Puerto Rico, the Virgin Islands and Guam. Additionally, there would be special rules established by the Secretary to deal with cases where the gross income of an individual or family from a trade or business (including farming) would be considered sufficiently large to cause the family not to be regarded as "low income."

The plan contains a "grandfather" provision to guarantee that no current Medicaid recipient would be disadvantaged by this program.

BENEFITS

The plan would cover medically-necessary inpatient hospital services for up to 60 days during a benefit period, as well as all medically-necessary skilled nursing facility care, intermediate facility care and home health services. Additionally, the plan would cover all medically-necessary medical and other health services (including physicians' services and laboratory and X-ray services), as well as prenatal and well-baby care, family planning counseling services and supplies and, for children under 18, periodic screening, diagnosis and treatment. Additionally, the plan would make payments for Part B Medicare premiums for eligible individuals.

Mental health care would be covered on an inpatient basis to the extent that it consisted of active care and treatment provided in an accredited medical institution, and outpatient mental health services would be covered without limitation if provided in a qualified community mental health center. Additionally, the plan would cover up to five visits to a psychiatrist, related to "crisis intervention," during any benefit period. Additional visits would be authorized upon a finding that the patient would require institutionalization in the absence of such care or that he would be severely dysfunctional.

For individuals who are also entitled to benefits under the catastrophic health insurance plan, the medical assistance plan would pay any coinsurance required under the catastrophic plan. For persons not eligible for benefits under the catastrophic plan, the medical assistance plan would make payments for benefits covered under the catastrophic plan. The plan would also cover routine immunizations.

DEDUCTIBLES AND COINSURANCE

In view of the fact that the medical assistance plan is aimed at providing to individuals and families without adequate resources to purchase medical care, there would generally be no deductibles or coinsurance payments required.

However, to assist in controlling patient-initiated utilization, there would be a $3 per visit copayment for each of the first 10 outpatient physicians' visits per family, but no copayment would be applicable for visits for well-baby care and family planning services.

There would be one other circumstance in which a copayment would be required. This would be applicable in those situations where a person, without dependents, is in a long-term care facility for more than 60 days. In such cases, the individual (usually an elderly person in a nursing home) would retain $50 of his monthly income and any income in excess of $50 would be required as a copayment.

PAYMENTS AND ADMINISTRATION

Payments made to providers and practitioners under this program would be subject to the same reimbursement, quality, health and safety standards, and utilization controls as are applicable under the Medicare program. Reimbursement controls would limit payments to not more than audited "reasonable costs" to participating institutions and agencies, and "reasonable charges" to practitioners and other suppliers.

Payments made under this program, along with any required copayment, would have to be accepted by providers and practitioners as payment in full for the services rendered, and no person accepting such payment could charge amounts in excess of the payment for the individual receiving the service.

Benefits under the program would be residual and amounts payable under this program would be reduced by amounts payable under any other public or private insurance plan under which the individual was covered, with the exception of a State program designed to supplement this program.

In addition, amounts otherwise payable under this program would be reduced by not more than $250 in a benefit period if an eligible employed individual failed to enroll in an employer-sponsored health insurance plan for which the employer paid 75 percent or more of the premium cost. No employer could exclude an otherwise eligible employee from participation in a health insurance plan solely on account of the employee's eligibility for benefits under the Medical Assistance Plan.

The utilization and quality of services would be reviewed by utilization review committees established in hospitals and skilled nursing facilities, and by the Professional Standards Review Organizations established under Public Law 92–603.

The program utilizes the same administrative mechanisms used for the administration of Medicare, including, where appropriate, Medicare's carriers, intermediaries and public health agencies. The program also would encompass use of Medicare's statutory quality standards, in that the same conditions of participation which apply to institutions participating in Medicare would apply to those institutions participating in this program.

Primary policy, operating and general administrative responsibility for the program is specifically assigned to the Social Security Administration, basically involving personnel and facilities employed in the Bureau of Health Insurance.

FINANCING

The low-income plan would be financed from general revenues, just as the Federal share of the current Medicaid program is now financed, and also with State funds. A medical assistance trust fund would be established to make payments for benefits under the program. The fund would receive appropriations from general revenues and State contributions.

States would contribute a fixed amount which would be equivalent to their total expenditures from State funds under Medicaid for the types of benefits covered under this plan during the year prior to the effective date of this program. Additionally, a State would also pay 50 percent of the estimated amount that the State and local governments had expended in that same base year for provision of these types of services to people not covered under Medicaid who would, however, be covered under the new plan. State contributions in future years would be limited to the initial contribution amount.

The State contribution would be reduced by an amount equal to one-half the amount expended by the State from non-Federal funds in providing types of services not covered under this program, but which could have been matched under the Medicaid program. This provision would encourage States to offer or to continue providing optional services, such as drugs, dental services and eyeglasses.

The additional first full-year Federal cost above present Medicated expenditures, is estimated at $5.3 billion.

CONCLUSION

An estimated 34 million people throughout the United States would be eligible for benefits under this program in any given year though, of course, not all of these people will receive service in a given year. The current Medicaid program covers some 22 million people. The additional people covered under this new program represent primarily the working poor who, until this time, have been ineligible for Federally-supported medical assistance.

Description of Private Basic Health Insurance Voluntary Certification Program—(Title III of the Bill)

GENERAL APPROACH

The bill would establish a voluntary certification program for private basic health insurance. Under this program, a private health insurer could, if it chose, submit one or more of its basic health insurance policies to the Secretary for certification. The Secretary's certification would be based upon the policies' meeting certain minimum criteria with respect to adequacy of coverage, conditions of eligibility, actual availability of the policy and reasonableness of pay-out ratio which are specified in the bill.

If a policy was certified by the Secretary, the private insurer could advertise such certification in promotion of the policy.

As a condition of eligibility for contracting as the Government's agents, beginning three years after enactment of the bill, carriers and intermediaries under the Medicare program would be expected to offer one or more certified policies to the general public in each service area where the carrier or intermediary sold health insurance policies.

Additionally, the bill would facilitate arrangements whereby basic health insurance policies meeting the minimum standards could be offered through "pools" of private insurers.

The bill would direct the Secretary of Health, Education and Welfare to report to the Congress after three years on the extent to which private health insurance meeting the criteria established in the bill is actually and generally available.

CRITERIA FOR BASIC PRIVATE HEALTH INSURANCE

The bill contains a set of criteria for basic private health insurance policies. Private health insurance would not be required to meet these criteria but these yardsticks would be applied by the Secretary in certifying policies voluntarily submitted for certification.

The criteria dealing with adequacy of coverage would basically call for benefits of at least 60 days of hospital care and coverage of medical bills up to $2,000. A policy meeting these criteria would mesh with the deductible amounts under the catastrophic health insurance program. The standards also limit the amount of deductible and copayments which could be charged with respect to the covered hospital and medical care.

Other criteria ban exclusions, waivers of liability and waiting periods in group policies and, with respect to individual policies, limit medical exclusion to preexisting pregnancy and waiting periods for other preexisting conditions to not more than 90 days.

Additional requirements deal with opportunities for enrollment including at least an annual "open" enrollment period.

Reasonable ratios of benefit payments to premiums are defined in terms of average ratios for group policies generally underwritten by insurers.

USE OF CERTIFICATION

The Secretary would design an appropriate emblem which could be used by the private insurer in advertising the certified policy.

CARRIERS AND INTERMEDIARIES

Three years from the effective date no insurer could serve as a Medicare carrier or intermediary unless it offered one or more certified policies to the general public in each geographic or service area in which it did business.

FACILITATING INSURANCE "POOLS"

The bill contains an antitrust exemption under which insurers could enter into contracts or arrangements for the sole purpose of establishing insurance "pool" arrangements in order to offer to the general public certified health insurance policies. Such pools allow proportionate sharing of risks and rewards.

REPORT BY THE SECRETARY

The Secretary of Health, Education and Welfare would report to the Congress at the end of three years on the extent to which private health insurance meeting the criteria for certification contained in the bill was actually and generally available in States.

UNIVERSITY OF MICHIGAN,
Ann Arbor, Mich., September 25, 1973.
Hon. ABE RIBICOFF,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR RIBICOFF: This is in response to your request for my comments on the national health insurance proposal you have indicated you plan to introduce with Senator Russell Long. I have studied the proposal and support it as a timely and constructive approach.

As you know, I have strongly supported a comprehensive national health insurance plan since 1941. I believe that currently the Kennedy-Griffiths national health security bill provides the basic elements of such a comprehensive national plan. However, I also believe it is both desirable and practical to improve our health system on an incremental basis. The managerial and administrative problems involved in the implementation of any large-scale health insurance proposal can best be handled by extending the Medicare program to cover a broader scope of protection and to cover additional groups of individuals. Consequently, I favor your approach as a pragmatic and constructive one at this time. It would enable substantive progress to be made and valuable experience to be obtained with added protection to many millions of persons. It would also relieve the states of part of the tremendous financial burden of increasing Medicaid costs.

Naturally, it goes without saying that your proposal does not solve all the financing and coverage problems which exist. Nor will it result in enactment of the medical millenium. But it will not only result in vast improvements for millions of persons, but it will not jeopardize making further improvements in coverage in the future.

Thus, if the Congress should decide later on to enact something like the Kennedy-Griffiths bill, there is nothing in your proposal which would serve as a barrier or disincentive to that decision.

Some persons claim, erroneously in my opinion, that any proposal to cover "catastrophic costs" and the needs of low-income persons would result in raising medical prices and costs more than would a comprehensive first-dollar coverage of all persons. Any extension and expansion of medical coverage—private or public—will tend to increase costs and prices since demand in the short-run is likely to increase faster than supply. To fully and satisfactorily control all medical costs and prices would require not only a moratorium on the role of all private health insurance, it would require a moratorium on all extension of health insurance coverage through collective bargaining or any other means. Moreover, as far as I know, nobody has yet developed an acceptable and workable voluntary or legislative means of solving all the problems of our health delivery system. The sick, disabled, disadvantaged, and the poor should not have to wait five or ten more years while we struggle to perfect the mechanism of control and accessibility which is inherent in the proposals of those who criticize an incremental or piecemeal approach.

Those who criticize the "catastrophic" approach fail to recognize that many of those who would be covered by it already have some basic hospital and physician "first-dollar" costs. Therefore, as a result, they would have reasonably comprehensive coverage. Your proposal would enable those with inadequate basic coverage to make it more adequate at no additional or very little additional net cost.

Finally, under collective bargaining plans, employers and unions could arrange for the employers to pay all or part of the employee costs of the catastrophic coverage. Any employer could voluntarily do so. There is nothing in your proposal which would adversely affect any union or employee proposal to improve the financing or coverage.

All in all, I see the proposal which you plan to introduce with Senator Long as a statesmanlike and practical approach in dealing with a complex and important nationwide problem. Your proposal is relatively simple to understand and to explain. It builds upon the acceptable and workable foundation of Medicare. It can be administered reasonably efficiently and economically. By utilizing the existing reimbursement forms under Medicare it will simplify and reduce the burden of diverse forms which physicians must now fill out under a variety of plans with different conditions and limitations.

If we still were arguing about the perfect plan, we would not have Blue Cross or Blue Shield plans today. We would not have Medicare. Your proposal is a step in the right direction.

It is to be expected that some of the details in your proposal may be changed before enactment as a result of further consideration by interested persons and by the Senate Committee on Finance. I should be glad to study these details. Moreover, it must be recognized that there is a need for some important basic changes in our health delivery system. Some of these come within the purview of the Senate Committee on Labor and Public Welfare and the House Committee on Interstate and Foreign Commerce. As members of the Senate Finance Committee, you and Senator Long are taking appropriate action within the purview of your Committee. I hope members of the other Committees will accept responsibility for introducing and reporting out legislation to make changes in the delivery system when your proposal is acted upon favorably by the Senate. Your leadership oh the financial aspects should thus accelerate the other changes which are long overdue.

I hope your proposal will receive early and favorable action in the Senate.

Sincerely,

WILBUR J. COHEN,
Dean.

[From the Hartford Courant, Sept. 28, 1973]

High-Cost Health Options

Plans for national health insurance could be called a dime a dozen—except that the prospective first-year price range runs from $3.1 billion to $80 billion.

Much as we might be tempted by Senator Edward Kennedy's $60-to-$80 billion plan, which would cover nearly everyone against nearly everything, reality dictates that we do our shopping in lower price ranges.

At the other end of the scale, we could limit ourselves to protection against the catastrophic costs of long-term illness. Senator Abraham Ribicoff has just announced he is backing such a plan.

A plan of this type would extend the Medicare principle to cover the cost of hospital stays longer than 60 days and other costs which exceed $2,000, regardless of the patient's age. In the form now before the Senate, the yearly cost would be $3.1 billion to be paid with increased Social Security taxes.

In the next-higher price bracket one finds several similar proposals, including those backed by the American Hospital Association, the Health Insurance Association of America and the Administration, whose proposal is currently being redrafted.

These call for a partnership between government and the private health insurance industry. Government-backed insurance would be intended primarily to cover gaps not filled by normal private plans.

Most would also provide coverage for catastrophic illness, would encourage health maintenance organizations and other potentially cost-saving means of service and would give strong backing to planning and research.

Within this broad group, though, there is a great cost spread, from about $7.5 billion to $18 billion. The revised Administration plan is expected to come in at the $7.5 billion mark.

Much of the cost difference depends on how much coverage we would buy. For example, the $18 billion proposal would cover up to 90 days in a hospital, while an $8.1 billion version would pay for only 30 days.

Buying national health insurance, then, is a matter of paying your money and taking your choice. A catastrophic illness plan would be seen to be the most basic item. It would be relatively low in cost and would meet one of the most serious needs

There is much to be said too, for the partnership principle in which government would supplement and encourage private health insurance rather than trying to replace it.

Beyond that, however, the selection of added benefits would be similar to adding options to a new car. Air conditioning and power windows might be nice, but they do add to the cost. The same is true of broader insurance benefits.

Before we make the final selections of any national insurance plan, we must first answer some basic questions: How much protection do we really want and need, and how much are we willing to pay for it?

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the remaining part of the time allotted to me be given to the distinguished Senator from Delaware (Mr. ROTH).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, does the Senator know whether the Senator from Delaware (Mr. ROTH) is on his way?

Mr. RIBICOFF. I was asked to allocate some of my time to him.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I am pleased to announce that I am joining the distinguished Senator from Louisiana (Mr. LONG) and other Members of the Committee on Finance and the Senate in sponsoring the introduction of the Catastrophic Health Insurance and Medical Assistance Reform Act of 1973. I support the bill, because I believe it will provide us with an effective vehicle for beginning a careful and complete examination of the many problems and myriad issues that the Senate must ultimately consider on the question of national health insurance. My fundamental goal in approaching this problem is to provide the best of health care for all of our citizens at a price they can afford.

In each of the last several sessions of Congress, numerous national health plans have appeared in legislative form.

Some of these envision a wholesale revamping of the Nation's health system. Others recommend only minor changes in the responsibilities of Government to assure the American people of access to quality care at a cost that the public and the individual can afford. Few of these proposals, it seems to me, represent a balanced attack on the problems often cited in debates about the need for a new national program.

This bill, however, is specifically tailored to deal with concrete and identifiable problems relating to health care. For example, I believe that there is an urgent need for Congress to examine ways in which to remove the fears and anguish of economic ruin wrought by catastrophic illness and injury.

No American is immune from the ravages of accidents, rare diseases, or long-term illness that require constant medical attention. No class distinction, age, or station in life can protect any of us against the awesome possibilities of fate gone awry.

Title I of the bill would establish a castastrophic health insurance program as part of the country's social insurance system. The catastrophic plan is designed only to protect against health costs so severe that they would have a ruinous impact on the lives and resources of families and individuals. The CHI plan, therefore, is a complementary program that would supplement other, more basic forms of health insurance protection.

Title II of the bill addresses the problems of providing adequate medical care for low-income individuals and families.

Existing programs, such as medicaid, have proven wholly inequitable and almost always inadequate. The title II program recognizes, for the first time, that an adequate medical care program for the poor and the near-poor cannot be linked to an antiquated and outmoded welfare system. The changes proposed by the bill to deal with problems to replace medicaid deserve the Senate's most thorough attention.

Title III recognizes the importance of the private sector in the health insurance field. This bill would establish a voluntary certification program under which private insurers, if they chose, could submit one or more policies for evaluation by the Secretary of Health, Education, and Welfare. The Secretary's certification would be based upon a policy's meeting certain minimum criteria regarding such matters as adequacy of coverage, conditions of eligibility, actual availability of the policy, and the reasonableness of the benefit payout ratio. Private insurers could advertise the Secretary's certification in the promotion of their policies. The bill also includes provisions that are designed to facilitate efforts on the part of private health insurers to establish pools for the purpose of offering the public certified policies. These pools would permit proportionate risk sharing and the division of rewards. In my judgment, the title III program can accomplish much in the way of improving the quality of private health care coverage in the country without destroying private initiative in the process.

Of necessity, Mr. President, any bill of this magnitude and importance will require a great deal of scrutiny and examination. And, I have no doubt that there are aspects of the proposal that only the light of detailed and thorough hearings can bring out. But I am convinced that the time has come for the Senate to begin serious study of the national health insurance debate in the regular legislative process. This new health bill offers us this opportunity and should, therefore, be taken up by the Committee on Finance at the earliest possible moment. I, for one, intend to encourage such an effort.

Mr. TALMADGE. Mr. President, I am pleased today to cosponsor with Senator LONG and Senator RIBICOFF the Catastrophic Health Insurance and Medical Assistance Reform Act of 1973. I believe that this bill effectively deals with the problems of those most in need of assistance in meeting the costs of medical care: those faced with the very high expenses of catastrophic illness and injury and those with low incomes.

I have been particularly concerned about the plight of those citizens stricken by catastrophic illness or accidents. They must deal not only with the physical effects of these illnesses or accidents, but also with the devastating financial consequences. All Senators are aware of the rapidly increasing costs of medical care and the costs of new and sophisticated treatments. These crushing financial burdens can and do affect people at all income levels. Many middle-income families have been wiped out by one serious illness or injury requiring an extended hospital stay. The long agony of cancer, the devastation of a stroke—we have all been touched by this at one time or another. Our families, relatives, and loved ones have suffered physically, mentally, and financially.

Medicine has taken great strides over the past few decades in coping with the physical effects of these illnesses and accidents, and I believe it is time we began to deal effectively with the financial consequences of these catastrophes.

The costs of hospitalization, therapy, recuperation, and care can indeed be staggering. Most people are aware of the ailments of old age, but few realize how often, or how sudden, sickness strikes among the young, the adolescent, and those in the prime of life. Good health is among the most precious of all life's gifts. Many, perhaps most of us, will not be stricken with the circumstances this bill addresses. But for those families that do find themselves in this predicament, legislation such as this may well prove its worth.

As described by Senator LONG, the catastrophic illness bill would provide protection against hospitalization and medical expenses after a person had been hospitalized for 60 days or after a family had incurred $2,000 of medical expenses. The program would be financed through social security and administered in a fashion parallel to medicare. This catastrophic proposal was approved overwhelmingly by the Finance Committee in 1970, though it failed of passage due to a controversy over the welfare reform bill in that session of Congress. I believe that it is imperative that we take action in this area in the near future.

The catastrophic bill is based on the concept that the average citizen should and would obtain private health insurance to cover his basic health care expenses. In other words, he would obtain private insurance covering the first 60 days of hospitalization and the first $2,000 of medical expenses.

Senators LONG and RIBICOFF have improved upon the catastrophic health insurance bill previously introduced and passed by the Finance Committee in 1970 by adding two titles which deal with the basic health insurance citizens need in combination with catastrophic coverage.

Title II of the bill would eliminate the present medicaid program and replace it with a reformed program that would guarantee all low-income citizens in the United States coverage against the first 60 days of hospital care and the first $2,000 of medical expenses. This new medical assistance plan would, for the first time, enable the working poor to receive medicaid benefits which in the past have been restricted to those who fall into a welfare category. It is estimated that there are some 12 million working poor throughout the United States who will become newly eligible for medical assistance under this plan.

Furthermore, the financing provisions of this measure will effect a substantial savings for the States.

Title III of the bill would consist of a voluntary certification program under which private health insurers could have their policies certified by the Secretary of Health, Education, and Welfare if they meet certain basic criteria contained in the bill. For example, a certified policy would have to cover 60 days of hospital care and the first $2,000 of medical expenses. In addition, the policy would have to have a reasonable ratio of benefits paid out to premium income. Through this certification mechanism, the average citizen could be assured that he would be given adequate protection at reasonable cost. I am confident that the private health insurance industry will meet the challenge of offering policies which meet the criteria specified in the bill.

Mr. President, both the catastrophic program and the medical assistance program will be administered in a fashion parallel to medicare. This will have many advantages. It will cut redtape for doctors and hospitals as there will be one Federal program making payments for the aged, disabled, the poor, and those with catastrophic illnesses. The mounting number of debts owed to hospitals would be greatly curtailed under this legislation. In addition, medicare's quality standards and peer review mechanisms, including the Professional Standards Review Organizations established by law last year, will apply to this new program. Extension of assistance to mental care also reflects the need for a comprehensive health service program.

In my judgment, Mr. President, the problems of those who cannot cope with their medical and hospital bills—the poor and the victims of catastrophic illnesses and injuries—represent the greatest unmet health need confronting our Nation today. This bill is designed to meet this pressing need in a responsible and responsive manner.

NATIONAL HEALTH LEGISLATION

Mr. PERCY. Mr. President, I believe it is vitally important that this Congress adopt legislation to assure access to adequate health care to all Americans, particularly protection against the catastrophic costs of major illnesses. The crying need for such a program has been amply documented and it is inexcusable for us to delay any longer.

I commend the distinguished chairman of the Finance Committee (Mr. LONG) and the distinguished Senator from Connecticut (Mr. RIBICOFF) for coming forward with a proposal designed to meet these needs at this time. I am delighted to join them in introducing what I believe is a sound and workable national health delivery program.

As my colleagues know, the distinguished Republican leader (Mr. HUGH SCOTT) and I introduced a national health insurance plan in the 92d Congress. Like the bill we have both joined in introducing today, the main thrust of our proposal is to provide catastrophic coverage for all individuals based on ability to pay. We intend to reintroduce our bill in the near future so that all possible ideas will be before the Finance Committee when its hearings begin.

I believe the measure we are introducing today will provide both the vehicle and the catalyst necessary to pass national health legislation during this Congress. I will lend whatever support I can toward this end.

By Mr. BROOKE:

S. 2516. A bill to amend the Internal Revenue Code of 1954 to permit the exclusion from gross income of up to $200 of dividends and interest received by individuals during a taxable year. Referred to the Committee on Finance.

Mr. BROOKE. Mr. President, for many years our Federal tax code has exempted individuals from taxation on the first $100 in dividend income. This is done in recognition of the fact that when savings are invested in American enterprise through the vehicle of common stocks, it is subject to double taxation—once at the corporate level, prior to distribution to shareholders, and again when the individual pays his personal income tax. We should not lose sight of the important role of the individual investor in this Nation's capital formation process. It is important to maintain a continuous review of the investment incentives offered by our tax system to insure that these incentives are maintained at levels that are consistent with insuring continued economic growth and tax equity.

The present dividend exclusion was last revised upward 10 years ago. Since that time, the cost of living has skyrocketed. Furthermore, during the same years the dramatic growth of large-block trading of securities on the part of institutional investors has made necessary, as never before, the continued presence of individual investors in our securities marketplace. Since such individual investors provide much needed depth, liquidity, and continuity to the market mechanism, we ought to encourage them to continue to fulfill their role. Yet recent polls conducted for the New York Stock Exchange indicate that the number of individual shareholders in America has declined 2½ percent over the past year, the first such reversal in 20 years of such recordkeeping. For these reasons, I am today proposing that the amount of dividend income excludible from income taxation be increased from $100 to $200, subject to one proviso.

That proviso concerns the hitherto unequal tax treatment accorded to dividends and interest earned on savings accounts. Those persons who deposit their savings in a savings account have been hurt by inflation. Bank accounts have never received Federal tax relief. Yet they are every bit as important to the national economy as equity investment: for instance, our announced goal of providing every American with decent housing depends, in large measure, upon an instant and growing supply of money on deposit at lending institutions. In my judgment, it is apparent that interest earned on savings deposits ought to qualify, in reasonable amounts, for exclusion from gross income, just as dividends do.

Accordingly, the bill which I am introducing today would exempt up to a total of $200 of dividends, bank interest, or both. This figure, I believe, balances the equities between savings accounts and securities; at the same time, it is calculated with regard to the eroding influence of inflation on our present system of tax incentives.

By Mr. HATFIELD:

S. 2517. A bill to provide financial assistance for the establishment of a neighborhood multimodel approach to the treatment of narcotic addicts to authorize treatment for certain narcotic addicts, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. HATFIELD. Mr. President, I introduce a bill to provide for the establishment of neighborhood-based centers for the treatment and rehabilitation of narcotics addicts.

Mr. President, all of us are generally familiar with the growing problem of drug abuse within our country. For years, the official estimate of the number of narcotics addicts in the United States was in the vicinity of 68,000. However, in the past few years that estimate has risen—first to 200,000; then to 350,000; and now, according to the best estimates of the Bureau of Narcotics and Dangerous Drugs, there are some 560,000 narcotics addicts in this country. Up to half of these reside in New York State.

One major indication of the growth of the problem in recent years has been the increase in arrest rates for drug law violations. Nationwide, the arrest rate per 100,000 population for such violations was up 307 percent between the years 1967 and 1971. The State of Mississippi's arrest rate had the greatest increase during this period—up 11,012 percent. New York's drug law arrest rate increased by 171 percent; Indiana's by 715 percent; Minnesota's by 1,237 percent; Texas' by 604 percent; California's by 159 percent; and my own State of Oregon's increased by 484 percent. Moreover, it has been suggested that the addict on the average may commit up to 120 crimes for each crime for which he is arrested and charged.

Besides the cost in human lives and personal tragedy, crime that is caused by drug addiction is also very expensive in economic terms. The Bureau of Narcotics and Dangerous Drugs estimates that the average habit currently costs at least $30 per day. One of the most common ways of obtaining money to support a habit is to sell drugs; prostitution, and shoplifting are also common. A great number turn to robbery, and in the process assault. Those who steal must steal goods worth at least five times the cost of their habit, since stolen merchandise brings only about 20 percent of its value when sold on the street. Thus, the addict with a $30-a-day habit who engages in property theft to support himself must steal perhaps $150 worth of merchandise each day. There is some evidence that up to 50 percent of property crimes in major metropolitan areas with a serious addiction problem are committed by addicts. A recent study conducted by psychologists at UCLA for the Bureau of Narcotics and Dangerous Drugs estimated that addicts steal $2.8 billion worth of property each year. And this does not include expenditures for law enforcement, treatment, prevention, and loss of production—all of which have been estimated to total some $4.7 billion per year.

The Congress has become increasingly aware of the growing magnitude of the addiction problem and has taken steps which in its judgment would help alleviate it. During the 91st Congress, for instance, no less than 20 major bills were introduced to deal with the various aspects of drug abuse. During the 92d Congress, literally hundreds of such bills were introduced, and 13 important laws were passed, many of them focusing on rehabilitative efforts.

Personally, I find merit in many of these bills focusing on treatment and rehabilitation, but believe that a critical element is often absent from these proposed programs. That element is the establishment of neighborhood drug treatment and rehabilitation centers.

All too commonly, the treatment and rehabilitation of the addict have taken place in sterile, cloistered environments outside the addict's normal habitat. So long as the addict lives within such cloisters, he may exhibit behavioral tendencies which would lead the untrained observer to conclude that rehabilitation is complete. Once returned to his neighborhood, however, the addict must again cope with the myriad civil disabilities and outright discrimination which attend narcotics addiction. As a consequence, it is disturbingly normal for the addict to return to the use of hard drugs.

Treatment and rehabilitation cannot take place in a cloister. Such efforts must relate closely to real environments, and the problems which attend narcotics addiction must be faced as squarely and with as much urgency as we face the problem of addiction itself. Nor, I might add, are simple maintenance programs adequate. While they provide a form of treatment for the addict, they are not sufficiently affirmative in developing strategies for his rehabilitation.

It is for these reasons that I have concluded that we must move toward the establishment of neighborhood-based drug treatment and rehabilitation centers. Unlike the approach of the cloistered environment, these centers recognize the need for the addict to relate promptly and directly to his neighborhood. Unlike simple maintenance programs, these centers recognize the need to help the addict relate to his normal environment in an altered way.

A critical element of the centers is that their treatment forms will be multimodal in nature. By that, I mean to say that addicts who visit the centers must not be subjected to types of therapy that may be inappropriate to their condition. For example, a young addict without an established pattern of addiction need not be treated with methadone maintenance simply because it is the cheapest, the most expedient, and therefore the only modality available. Nor, for that matter, should an older, hard-core addict be forced into a drug-free program when there is every evidence that he will not be responsive to that form of treatment and that he will soon recidivise back to the use of drugs. It is hoped and envisioned that in a multimodal program, sound medical evaluation and proper counseling will enable the addict to receive the kind of treatment that best suits his medical and psychological needs.

I realize fully that there will be those who will say that treatment and rehabilitation are not possible in neighborhoods which may have catalyzed the addiction of the persons we now hope to treat. But it is manifestly clear to me that present efforts to treat and rehabilitate the addict have met with marginal success, and that unless the addict can positively relate his treatment to life in his community, our rate of success will remain marginal at best.

I find it necessary, however, to add this caveat. If treatment and rehabilitation centers are to work to integrate the addict into a productive community role, they must receive substantial support from the neighborhoods they hope to serve. If not, they may experience the kind of frustration suffered by the Addiction Research Treatment Corporation—ARTC—of Bedford-Stuyvesant in New York, who found that only 27 of 1,900 business firms they contacted were willing to consider employing addicts certified as rehabilitated by the program. We can remain assured that ARTC is an excellent program, serviced by superior personnel, and incorporating many of the concepts I have advocated here. But it is evident that meaningful community support will be vital if these centers are not to flounder unwanted and unsuccessful in neighborhoods which treat them as social pariahs.

Owing to this need for community support, I do not suggest that the Federal Government impose the centers on neighborhoods, but propose instead that Washington respond to requests for center support which emanate directly from the neighborhoods. In that way, the centers, so long as they meet certain standards set forth in this bill, can conform to the diverse needs of the individual communities they will serve.

Mr. President, it is my firm belief that these multimodality treatment and rehabilitation centers, rooted in the mores and with the support of individual communities, will be an effective tool in combatting the human tragedy of drug abuse that has so adversely affected American life in recent years.

Mr. President, I ask unanimous consent that my bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drug Substitution and Rehabilitation Act of 1973".

DEFINITIONS

Sec. 2. As used in this Act, the term—

(1) "Secretary" means the Secretary of Health, Education, and Welfare;

(2) "physician" means any individual authorized by Federal or State law to practice medicine;

(3) "addict" shall have the same meaning as that provided in section 102 (1) of the Controlled Substances Act;

(4) "controlled substance" shall have the same meaning as that provided under section 102 (6) of the Controlled Substances Act;

(5) "administer" means the direct application of a controlled substance to the body of a patient whether such application by by injection, inhalation, ingestion, or other means;

(6) "person" means any individual, corporation, partnership, association, agency (public or private), or other entity; and

(7) "governmental entity" means any department, agency or instrumentality of the United States or any State, or any political subdivision thereof, or any officer or employee thereof.

GRANTS FOR NEIGHBORHOOD DRUG TREATMENT CENTERS

Sec. 3. (a) The Secretary is authorized to make grants to public agencies and private nonprofit organizations, and institutions, and enter into contracts with public agencies and private organizations, institutions and individuals to establish and operate neighborhood centers for drug abuse treatment and rehabilitation.

(b) No payment may be made under this section unless an application therefor is submitted to the Secretary and the Secretary determines that—

(1) the program for which assistance is sought is supported by and serves the neighborhood in which such program is conducted;

(2) such program is based upon a multimodal approach to drug abuse treatment and rehabilitation;

(3) the program for which assistance is sought will be substantially administered by the applicant;

(4) whenever such a program involves treatment authorized by section 4 or section 5 of this Act, or both, the requirements of this Act will be met;

(5) procedures will be established to assure the proper and efficient administration of services and activities offered as part of such a program; and

(6) such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds.

(c) Payment under grants or contracts under this section may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

(d) There are authorized to be appropriated $ for the fiscal year ending June 30, 1974 and for each of the succeeding fiscal years.

DRUG SUBSTITUTION THERAPY PROGRAM

Sec. 4. (a) The Secretary is authorized and directed to take such action as he determines necessary to establish and carry out a program pursuant to which physicians approved by the Secretary shall be authorized to administer controlled substances to certain addicts. Any controlled substance administered to any addict pursuant to such program shall be considered as having been administered for a medical purpose.

(b) Any program established and carried out pursuant to this Act shall provide that any physician, approved by the Secretary, administering a controlled substance to any addict on the basis of an addict medical card issued to such addict pursuant to this Act shall, upon submitting an itemized statement to the Secretary containing the costs of such service so provided (together with such additional verifying data as the Secretary may require) be compensated by the Secretary in the amount set forth in such statement and approved by the Secretary.

ADDICT MEDICAL TREATMENT CARD

Sec. 5. (a) The Secretary, upon receipt by him of an application filed by an addict in accordance with regulations promulgated by the Secretary, is authorized to issue to such addict an addict medical treatment card which shall entitle such addict to the benefits provided for under any program established or assisted under this Act.

(b) Any such card so issued shall be in such form and contain such information (for identification purposes only) as the Secretary shall by regulation prescribe.

CONFIDENTIALITY OF RECORDS

Sec. 6. (a) Subject to the provisions of section 4(b) of this Act, all records, information, and other data acquired by any physician in connection with the treatment of any addict under any program carried out pursuant to this Act shall be confidential and, except with the specific approval of such addict, shall not be divulged, distributed, disseminated or otherwise made available to any person, or governmental entity, or be admissible as evidence in any criminal action against such addict.

(b) No records, information, or other data acquired by the Secretary, in the administration of any program authorized by this Act, in connection with the treatment of any addict shall be divulged, distributed, disseminated, or otherwise made available to any person or governmental entity without the specific approval of such addict, or be admissible as evidence in any criminal action against such addict.

By Mr. MONDALE (for himself, Mr. Abourezk, Mr. Hart, Mr. Hathaway, Mr. Humphrey, Mr. Schweiker, and Mr. Williams):

S. 2518. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve educational equity for all students, men and women, and for other related educational purposes. Referred to the Committee on Labor and Public Welfare.

Mr. MONDALE. Mr. President, I am pleased today to have the privilege of introducing in the Senate the Women's Educational Equity Act. This bill is identical to H.R. 208, which was introduced in the House in January by Representative Patsy Mink. I commend Representative Mink for the leadership she has taken in developing the legislation and for holding hearings on the problem of discrimination against women in education.

A large portion of my career in the Senate has been devoted to the study of education and to attempts to improve the system and make its benefits accessible to all Americans.

In the 1960's—many years too late—we finally became aware as a nation of the failure of our educational system to serve the disadvantaged child, the migrant child, the Indian child living on a reservation, the black and Chicano children in inner-city ghettos and isolated rural areas.

In the Congress, in the executive branch and in the education establishment momentum developed for the creation of new programs that would provide all of these children with the opportunity for a decent education. We passed the Elementary and Secondary Education Act of 1965 and the Higher Education Act of 1965, and other legislation aimed at achieving this goal. For nearly 3 years, as chairman of the Senate Select Committee on Equal Education, I studied and saw with my own eyes—on trips across the country—the human tragedies resulting from discriminatory educational policies.

There is no question that, for a nation of immigrants, education has been a key factor in achievement of economic and social well-being.

So it has been a very unsettling experience for many of us to learn—as a result of the work done in recent years by the women's movement—that for decades the educational system has actually been discriminating against the majority of our population—women.

The evidence of this discrimination is both abundant and convincing:

First. The U.S. Office of Education reported in April of this year that—

> Women comprise 22.5 percent of the nation's 254,930 full-time college and university faculty members . . . and receive average salaries that are almost $2,500 less than their male counterparts.

Second. A recent study by the National Council of Administrative in Education shows that women constitute the great majority of educational personnel in this country. However, only 1.4 percent of all high school principals and 19.6 percent of elementary and secondary school principals are women.

Third. A witness who testified before the House Subcommittee on Equal Opportunities said:

> In my recent experience counselors have discouraged a 35-year-old widow from entering dental school, an undergraduate woman from majoring in engineering, a high school girl from taking advanced classes in science and math.

Fourth. A report by an affiliate of the National Education Association concludes:

> Findings reveal that (in textbooks) women are underrepresented as main characters in stories and illustrations, are shown as passive, dependent persons, are characterized as unstable and weak, and are labeled with negative terms.

Congress recognized the validity of the evidence of discrimination last year, when it enacted legislation prohibiting sex discrimination in all educational institutions—except private, undergraduate, one-sex colleges. The Department of Health, Education, and Welfare has spent nearly a year developing guidelines for title IX, the antidiscrimination section of the education amendments of 1972.

When these guidelines go into effect, we will have a mechanism for assuring compliance in institutions that now discriminate. But, as the civil rights movement has so clearly demonstrated, affirmative action is a prerequisite for eliminating discriminatory policies and replacing them with equitable ones.

The legislation I am introducing today is a logical complement to title IX. It would provide support for a wide variety of programs seeking to eliminate discrimination in many phases of education—teaching, administration, curriculum development, and counseling, to name only a few.

Textbook and curriculum revision, inservice and preservice training, and similar activities are simply not getting enough support from private sources to have a widespread effect.

Meanwhile, a generation of American girls is growing up reading biased textbooks; being guided by counselors who often label particular careers as either "masculine" or "feminine"; receiving less than their share of physical education because it is generally thought to be more appropriate and necessary for boys.

Before concluding, I would like to emphasize a couple of things about this bill. First, it is not coercive. The legislation would not require any teacher or principal, any school district or book publisher, any teachers' union or parent, to do anything. It would simply be a source of support to communities, schools, parents, or other groups who believe a discriminatory educational situation exists and want to remedy it.

Second, this legislation does not discriminate against men. Section 2(c) states:

> Nothing in this Act shall be construed as prohibiting men from participating in any of the activities funded.

As Bernice Sandler, director of the Project on the Status and Education of Women of the Association of American Colleges, stated in her testimony before the House subcommittee:

> The courts have held that when shaping a remedy for race discrimination, "present correction of past discrimination is not preferential." Case after case has upheld affirmative action measures as a proper and equitable means of relief.

A large number of education and women's organizations support the legislation including: American Council on Education; American Personnel and Guidance Association; Association of American Colleges; Business and Professional Women's Clubs, Inc.; Federation of Organizations for Professional Women; Interstate Association of Commissions on the Status of Women; Minnesota Women's Center; National Council of Jewish Women; National Education Association; National Organization for Women; National Student Lobby; National University Extension Association; National Women's Political Caucus; Women's Equity Action League.

I request unanimous consent that a copy of the bill be reprinted at the end of my remarks. I also ask unanimous consent that the following documents and articles be printed following the text of the bill:

A press release from the Department of Health, Education, and Welfare; three informative and interesting articles on the subject of women in education by Geri Joseph, a columnist for the Minneapolis Tribune; two clippings from the Washington Post concerning results of recent studies of the status of women in education; a National Education Association statistical report on the "status of women in higher education"; "Women's Place is in the Curriculum," an article which appeared in Saturday Review magazine; and an article recently published in the New York Times.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2518

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. This Act may be cited as the "Women's Educational Equity Act of 1973".

Sec. 2. (a) The Congress hereby finds and declares that present educational programs in the United States are inequitable as they relate to women of all cultural and ethnic groups and limit their full participation in American society.

(b) It is the purpose of this Act, in order to provide educational equity for women in this country, to encourage the development of new and improved curriculums; to demonstrate the use of such curriculums in model educational programs and to evaluate the effectiveness thereof; to provide support for the initiation and maintenance of programs concerning women at all levels of education (preschool through adult education); to disseminate instructional materials and other information for use in educational programs throughout the Nation; to provide training programs for parents, teachers, other educational personnel, youth and guidance counselors, community leaders, labor leaders, industrial and business leaders, and government employees at the State, Federal, and local level; to provide for the planning of women's resource centers; to provide improved career, vocational, and physical education programs; to provide for community education programs; to provide programs on the status, roles, and opportunities for women in this society; and to provide for the preparation and dissemination of materials for use in mass media.

(c) Nothing in this Act shall be construed as prohibiting men from participating in any of the activities funded.

Sec. 3. (a) There is hereby established within the Office of Education a Council on Women's Educational Programs (hereinafter referred to as the "Council") consisting of twenty-one members (including not less than twelve women) appointed by the President. The Council shall consist of persons broadly representative of the public and private sectors with due regard to their knowledge and experience relating to the role and status of women in American society, and with due consideration being given to geographical representation. The Director of the Women's Bureau in the Department of Labor, the Chairmen of the Citizens' Advisory Council on the Status of Women, and the Director of the Department of Health, Education, and Welfare's Women's Action Program shall serve as ex officio members of the Council. The Council shall be provided with adequate staff and facilities to carry out its duties as prescribed by this Act.

(b) The President shall appoint one member of the Council to serve as its Chairman. The Chairman shall be compensated at a rate not to exceed the maximum rate prescribed for grade GS-17 in section 5332 of title 5, United States Code.

(c) The remaining twenty members of the Council shall serve without compensation, except that they shall be allowed travel and subsistence expenses while actually engaged in the business of the Council as authorized by section 5703 of title 5, United States Code.

(d) The members of the Council shall serve for terms of three years each, except that the initial appointments shall be made in accordance with procedures designed to allow for the staggering of appointments so that the member or members whose terms expire in any year will be approximately the same as the number of members whose terms expire in any other year.

(e) The Council shall—

(1) advise the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") concerning the administration of, preparation of, general regulations for, and operations of, programs assisted under this Act;

(2) make recommendations to the Secretary with respect to the allocation of any funds pursuant to this Act, with due respect to the criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(3) develop criteria for the establishment of program priorities;

(4) develop programs and procedures for review of projects assisted under this Act annually; and

(5) develop and disseminate an annual independent report of the programs and activities authorized under this Act.

SEC. 4. (a) The Council shall advise, review and make recommendations for the administration of the programs authorized by this Act, and the coordination of activities within the Federal Government which are related to women's educational programs.

(b) The Secretary shall annually present to the Council a design for a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional research organizations, and other public and private nonprofit agencies, organizations, and institutions (including libraries and museums) to support research, demonstration, and pilot projects designed to fulfill the purposes of this Act; and shall carry out a program of grants and contracts for such purposes in accordance with the policies of the Council; except that no grant may be made other than to a nonprofit agency, organization, or institution.

(c) Funds appropriated for grants and contracts under this section shall be available for (but not limited to) such activities as—

(1) the development of curriculums;

(2) dissemination of information to public and private preschool, elementary, secondary, higher, adult, and community education programs;

(3) the support of women's educational programs at all educational levels;

(4) preservice and inservice training programs;

(5) projects including courses of study, fellowship programs, conferences, institutes, workshops, symposiums, and seminars;

(6) research, development, and dissemination of curriculums, texts and materials, nondiscriminatory tests, and programs for adequate and nondiscriminatory vocational education and career counseling for women;

(7) development of new and expanded programs of physical education and sports activities for women in all educational institutions;

(8) planning and operation of women's resource centers;

(9) community education programs concerning women, including special programs for adults.

(10) preparation and distribution of materials;

(11) program or projects to recruit, train, and organize and employ professional and other persons, and to organize and participate in women's educational programs;

(12) research and evaluation of the effectiveness of such programs;

(13) research and development of programs aimed at increasing the number of women in administrative positions at all levels in institutions of education;

(14) research and development of programs aimed at obtaining and maintaining an adequate distribution of instructors, counselors, and other professionals of both sexes in educational institutions;

(15) training, educational, and employment programs; for unemployed and underemployed women; and

(16) research and development of programs aimed at increasing the proportion of women in fields in which they have not traditionally participated.

(d) In addition to the activities specified in this section, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this Act.

(e) Financial assistance under this section may be made available only upon application to the Secretary. Any such application shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(1) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(2) describes a program for carrying out one or more of the purposes of this Act which holds promise of making a substantial contribution toward attaining such purposes;

(3) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be used so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this section, and in no case supplant such funds;

(4) sets forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application;

(5) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this Act;

(6) provides for making an annual report, and such other reports, in such form and containing such information, as the Secretary may reasonably require, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports; and

(f) For the purposes of this section, the Secretary shall require evidence that an organization or group seeking funds shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report to the Secretary on Federal funds expended. The Secretary may waive such one-year existence requirement where it is determined that an organization or group existing for less than one year was formed because of policies or practices of a predecessor organization which discriminated by sex, provided that such organization or group meets eligibility standards in other respects.

(g) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as the original applications.

SEC. 5. The Secretary, in cooperation with the heads of other agencies with relevant jurisdiction, shall insofar as practicable, upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions at all levels of education, agencies of State, local, and Federal governments and other agencies deemed by the Secretary to affect the status of women in this society. Such technical assistance shall be designed to enable the recipient agency or institution to carry on education and related programs concerning the status and education and the role of women in American society.

SEC. 6. The Secretary is authorized to make grants to, or enter into contracts with, public or private nonprofit agencies, organizations, and other institutions for planning and carrying out community-oriented education programs or projects on women in American society for the benefit of interested and concerned adults, young persons, ethnic and cultural groups, community and business leaders, and other individuals and groups within a community. Such programs or projects may include, among other things, seminars, workshops, conferences, counseling, and information services to provide advice, information, or assistance to individuals with respect to discrimination practices, and vocational counseling, and will include information centers designed to serve individuals and groups seeking to obtain or disseminate information, advice, or assistance with respect to the purposes and intent of this Act.

SEC. 7. (a) In addition to the grants authorized under section 4, the Secretary from the sums appropriated therefor, shall have the authority to make grants, not to exceed $15,000 annually per grant, for innovative approach to women's educational programs.

(b) Proposals submitted by organizations and groups under this section shall be limited to the essential information required to evaluate them, unless the organization or group shall volunteer additional information.

SEC. 8. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Secretary shall publish annually a list and description of projects supported under this Act, and shall distribute such list and description to interested educational institutions, citizens' groups, women's organizations, and other institutions or organizations and individuals involved in the education, status, and role of women.

SEC. 9. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of previously made overpayments or underpayments.

SEC. 10. As used in this Act, the term "State" includes (in addition to the several States of the Union) the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 11. There is authorized to be appropriated not to exceed $15,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, and $40,000,000 for the fiscal year ending June 1977 for carrying out the purposes of this Act.

NEWS RELEASE FROM THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Women comprise 22.5 percent of the Nation's 254,930 full-time college and university faculty members on nine- and 10-month contracts and receive average salaries that are almost $2,500 less than their male counterparts, HEW's Office of Education (OE) announced today.

Compiled by OE's National Center for Educational Statistics, the data represent estimates for the 1972–73 school year and deal with instructional faculty in public and private institutions of higher education in all 50 States, the District of Columbia, and outlying areas.

These preliminary figures reveal that colleges and universities employ 197,633 men and 57,297 women on nine- and 10-month contracts and that the male faculty members earn an average salary of $14,352 annually, while females receive $11,865.

The salary gap is widest in the Nation's universities, where men receive an average annual salary of $15,829 compared with $12,325 for women, and it is smallest at two-year colleges where the figures are $12,889 and $11,862 respectively.

The survey also reveals that only 9.7 percent or 5,565 of all female faculty members have achieved the rank of professor—compared with 25.5 percent of all males—while 36.8 percent or 21,068 of the women are instructors. Working up from the instructor level, 36.4 percent of females are assistant professors and 17.1 percent are associate professors.

Although no strictly comparable historical data exist, the OE report cites an earlier study of universities and certain other four-year institutions to show that the proportion of women faculty members has changed little in the last 10 years, rising from 19.0 percent in 1962–63 to 20.6 percent in 1972–73. This comparison (which excludes two-year institutions) does reveal, however, a sharp rise in the proportion of women with the rank of instructor who now comprise 43.5 percent of the total for men and women as compared with 30.9 percent of all instructors in 1962–63.

TABLE A.—WOMEN AS PERCENT OF TOTAL FULL-TIME INSTRUCTIONAL FACULTY ON 9- TO 10-MONTHS CONTRACT IN INSTITUTIONS OF HIGHER EDUCATION: AGGREGATE UNITED STATES, 1972-73

Academic rank	All institutions	Universities	Other 4-year	2-year
All ranks	22.5	17.1	23.4	33.0
Professor	10.0	6.6	12.5	22.0
Associate professor	16.5	13.1	18.1	25.0
Assistant professor	24.0	20.3	25.1	31.9
Instructor	40.1	44.4	43.0	35.9

Source: National Center for Educational Statistics, U.S. Office of Education. Preliminary date, February 1973.

TABLE B.—WOMEN AS PERCENT OF TOTAL FULL-TIME INSTRUCTIONAL FACULTY ON 9 TO 10-MONTH CONTRACTS IN 4-YEAR INSTITUTIONS OF HIGHER EDUCATION: AGGREGATE UNITED STATES, 1962-63 AND 1972-73

Academic rank	1962-63	1972-73
All ranks	19.0	20.6
Professors	8.7	9.4
Associate professors	16.1	15.8
Assistant professors	22.5	23.1
Instructors	30.9	43.5

Source: National Center for Educational Statistics, U.S. Office of Education. Preliminary data, February 1973.

TABLE C.—NUMBER AND AVERAGE SALARY OF FULL-TIME INSTRUCTIONAL FACULTY ON 9-10 MONTH CONTRACTS IN INSTITUTIONS OF HIGHER EDUCATION: 1972-73, ALL INSTITUTIONS AGGREGATE UNITED STATES

Rank and sex	Total		Universities		Other 4-year		2-year	
	Number of faculty	Average salary	Number of faculty	Average salary	Number of faculty	Average salary	Number of faculty	Average salary
Total	254,930	$13,793	95,524	$15,231	121,014	$13,052	38,392	$12,550
Men	197,633	14,352	79,222	15,829	92,676	13,496	25,735	12,889
Women	57,297	11,865	16,302	12,325	28,338	11,601	12,657	11,862
Professors	55,890	18,911	27,980	20,741	25,480	17,156	2,430	16,231
Men	50,325	19,128	26,135	20,931	22,296	17,233	1,894	16,544
Women	5,565	16,950	1,845	18,050	3,184	16,620	536	15,122
Associate Professors	59,479	14,353	24,954	14,951	30,223	13,849	4,302	14,426
Men	49,674	14,481	21,684	15,063	24,764	13,974	3,226	14,459
Women	9,805	13,704	3,270	14,207	5,459	13,280	1,076	14,327
Assistant Professors	87,049	12,043	32,038	12,442	46,845	11,745	8,166	12,181
Men	66,190	12,233	25,535	12,594	35,098	11,967	5,557	12,259
Women	20,859	11,437	6,503	11,845	11,747	11,083	2,609	12,015
Instructors	52,512	10,613	10,552	9,749	18,466	9,401	23,494	11,954
Men	31,444	10,964	5,868	10,009	10,518	9,550	15,058	12,325
Women	21,068	10,089	4,684	9,423	7,948	9,024	8,436	11,292

Source: National Center for Educational Statistics, U.S. Office of Education. Preliminary data, February 1973.

WOMEN EDUCATORS

(By Geri Joseph)

There is joy in distaff circles of the University of Minnesota: A woman is about to enter that formerly all-male preserve of top administrative offices. She is 36-year-old Shirley Clark, an associate professor in the department of history and philosophy of education. She has just been named temporary assistant vice-president for academic administration.

One might think the "temporary" and "acting" cluttering up that title would temper the satisfaction women take in Prof. Clark's success. But to those who have been struggling to bring equality for women to university faculties and administration across the nation, this is sweet progress.

Besides, a couple of other helpful blows were struck on the way to Ms. Clark's appointment.

In some universities around the country, women faculty members became activists at their peril. There have been charges that, in the recent wave of faculty cutbacks caused by money problems, women have been dismissed in disproportionate numbers. And activists have been high on the list of expendables.

But Prof. Clark was a leader in the University of Minnesota's Council for University Women's Progress with no apparent harmful side effects. Indeed, her leadership may even have been a plus. There were risks in the beginning, she says, but it is "hardly notorious now" to be a member of such women's groups. And it helped, she adds, that "we were presenting an accurate picture of inequities."

There is another reason for satisfaction. Ms. Clark moved up the career ladder in spite of the fact that her husband also is on the university faculty. (He is chairman of the sociology department). In the past, nepotism policies against husbands and wives working at the same university have been an enormous stumbling block for otherwise qualified women.

As a matter of fact, merely being female has been such a handicap to careers in university administration and teaching that one question inevitably rankles: What took university women so long to organize in their own best interests? Most of the many efforts going on now began only in 1970, although evidence of unfair treatment has been around much longer than that.

From such disparate sources as Dr. Bernice Sandler, director of Project on the Status and Education of Women for the Association of American Colleges, and Alan Pifer, president of Carnegie Corporation, comes a lopsided—and overwhelming—picture.

The proportion of women faculty has dropped continuously during the past 100 years from a third of the positions in 1870 to less than a fourth today. (The University of Chicago, for example, has a smaller percentage of women on its faculty now than in 1899!) The higher the academic rank, the fewer the women. Study after study shows that women with the same qualifications as men are hired less frequently, promoted more slowly and get less money than male colleagues.

It is true, too, that the more honored and better known the university, the worse the status of women. Rarely have they been hired even when they have done brilliant work earning Ph.Ds at those same institutions. They are far more likely to end up at lesser-known universities and junior colleges where they are 40 per cent of the faculty—and where salaries are lower and oportunities for research and professional advancement fewer.

Maybe, as some critics claim, academic women are not as well-qualified as men. Not so, says the National Academy of Science. Women with doctorate degrees have "somewhat greater academic ability" than their male colleagues.

On the administrative side—where Ms. Clark is about to make an entrance—the story is even worse. Few indeed are the number of women presidents, even at women's colleges, and they are getting scarcer. Except for traditionally female fields of home economics and nursing, few women head departments. And in some of the old, female-dominated professions, top jobs are now going to men. Of the 50 largest academic libraries, for example, not one is headed by a woman. A few decades ago, many women were deans of schools of social work. Not any more.

Within the last five years, change has been crowding old campus policies. "We have found courage and new confidence," explains one woman leader. They also have been mightily aided and abetted by new laws, court rulings and executive orders forbidding discrimination in salaries, hiring and promotion policies.

Some 500 universities have had formal charges of sex discrimination filed against them in the past several years—including prestigious, masculine bastions such as Harvard and Yale. (Yale appears to have taken change to heart with appointment in recent days of Hanna Holborn Gray as provost, the first woman to serve at the top level of the university's administration.)

The campus will never be the same. Some think it is headed for a future of academic mediocrity. But it is hard to believe that opening opportunities and using new talents will bring anything but good for both men and women.

UNLEARNING "DICK AND JANE"

(By Geri Joseph)

Sugar and spice and everything nice—is that what little girls are made of? Not lately. Maybe not ever, although a lot of little girls grew up trying. It was a phony image anyhow, full of "you can't" and "you shouldn't" and limiting a girl's horizon from babyhood.

Just how girls came to be seen in this unreal and restrictive light is one of those "it's-always-been-this-way" stories. But important chapters undoubtedly were supplied by the free, public education system that most American boys and girls enter at age 5 and leave at 18, taking with them some basic ideas about themselves and each other. As a matter of fact, some experts claim that by age 8 there is 99 per cent agreement among children of both sexes as to which sex does which job, what kind of person a girl or boy should be and what the limitations and expectations are.

Eight years old—that seems ridiculously young for either a boy or girl to be settling neatly into a rut, even if it is hallowed by tradition. In the last few years, a rebellion sparked by the women's-rights movement has been trying to break the old, imprisoning mold, trying to bring the real world into the educational process.

The rebellion finally reached the halls of Congress last year. Rep. Patsy Mink (D-Hawaii), a tough-minded lawyer, introduced a bill to provide $80 million over a three-year period for special programs and materials to improve education for women. Called the Women's Education Act (H.R. 208), it nevertheless treats men as equals. "Nothing in this Act," it reads right there at the beginning, "shall be construed as prohibiting men from participating in any of the activities funded."

At hearings in July, the House subcommittee on equal opportunities got a generous sample of ways in which public education short-changes girl children.

There were documented charges that vocational education for girls provides far fewer job-training opportunities than for boys, although women now number 40 per cent of the U.S. labor force. All too often, girls are channeled into "acceptable" if limiting courses in typing, cooking, sewing.

Sports and physical-education programs also were raked over the coals at the July hearings. One study denounced school athletics as "pervasively discriminatory." Swimming pools, tennis and basketball courts are generally far less available to girls, measured on a dollar, per-capita basis of interested participants.

But among the many charges of sex discrimination in schools, none was more thoroughly aired than complaints against elementary-school textbooks. What? Even Dick and Jane? Yes, and a plethora of studies unanimously says so. The National Organization of Women (NOW) has had task forces around the country poring over children's readers, and numerous reports have come from university professors. They show that more than two-thirds of all stories studied are about boys or men or male animals, and most deal exclusively with male adventures. Boys are shown as active and creative, using their wits, solving problems for girls and even mothers. Girls, on the other hand, walk, read or dream and universally admire the prowess of boys. Seldom are girls seen doing anything athletic, not even riding a bicycle.

In still another report, the author remarked that she could not find a single description or picture of a woman driving a car, and she found only one picture book about working mothers, Eve Merriam's "Mommies at Work." But even that book has a cop-out ending. It says sweetly, "All mommies love the best of all to be your very own Mommy and coming home to you." Why, asks the author of the report, do we not feel the need to say about Daddy that he loves his children more than his work? "Couldn't Mommy matter-of-factly like working and baby, too?"

It is possible that Rep. Mink's bill, if passed, might provide the financial incentive to push text-book publishers a little faster into the modern world. They have complained in the past that it takes half a million dollars to launch a new series and a few millions more before the publisher makes a profit.

In testimony before the subcommittee, Arvonne Fraser, national president of the Women's Equity Action League (and mother of six, four of them girls), summed up what this rebellion is all about:

"Our educational system has given boys and men first place long enough," she said. "Traditionally, we have looked at education of girls as a kind of life insurance—something they need 'just in case'—just in case their husband can't support them, in case they can't find a husband or in case they need to support themselves while looking for a husband. We want children to be educated as individuals, not as assigned members of a group."

Rep. Mink's bill will not achieve a perfect world of educational equality. But it can provide some small beginnings. Here's hoping it makes it through the Congress. And the White House.

THE STUDY OF WOMEN: UNPREDICTABLE RESULTS

(By Geri Joseph)

Women have been with us for as long as men. So says the observant general editor of the current Journal of Social Issues. But the gentleman goes on to add a less obvious, more significant fact. While the female of the species has been frequently present, the study of women—their capabilities, life role, their potential—has been "grossly deficient."

The editor is right, but at the rate things are changing, he will not be right for long. Suddenly the study of women is very *de rigueur*, a substantial and growing part of the fallout from the Women's Liberation Movement. Jobs, education, family roles and woman herself are under scrutiny.

On campuses across the nation, about 800 undergraduate courses in women's studies are being offered this year, an increase that must be close to 100 per cent over a mere five years ago. The Ford Foundation, which like most large foundations responds to trends, just allocated an additional $500,000 for a variety of programs related to the study of women.

In numerous surveys, a long list of questions is being asked, such as, why are more and more women working outside the home? (The answer, according to one University of Michigan study: to earn money, just as men do.) And at the New York State School of Industrial and Labor Relations, a new study will try to determine why women, who make up about 20 per cent of labor-union membership, play so small a part in the union hierarchy.

Every month, a score of meetings take place, focused on that emerging human being—woman. Women's role in the business world and higher education are two popular topics. Women and their place in religion is another. ("If you look closely at the Christian church," Dean Krister Stendahl of Harvard Divinity School remarked, "you'll find only one honored category with a heavy representation of women—that's the saints. And the reason is that the only qualification for membership is quality.")

As a matter of fact, so much studying is going on that a few faint-hearted feminists are getting a little nervous. Something may turn up to halt the march toward equal rights. It seems an unlikely fear. But in any event, there is no stopping this diligent examination.

Recently, a two-day meeting on "The Destiny of Women" was held on the Gustavus Adolphus College campus at St. Peter, Minn. This was the annual, prestigious Nobel conference, initiated by the college in 1963 and never before concerned with women. For that matter, until this year no woman speaker appeared among the guest lecturers in the eight years the conference met. At the 1973 gathering, however, the capitulation was total: All five speakers were women.

Dr. Eleanor Maccoby, a psychologist, told of research in the development of sex differences in intellect and behavior, and Dr. Beatrix Hamburg, a gentle-voiced psychiatrist from Stanford University, spoke on the biology of sex differences.

"There are no sex differences in intelligence. Boys are better at some things, girls are better at others," Dr. Maccoby said. "But all human behavior is subject to social pressures. I hope there will not be pressures to make men and women more alike, but I can only applaud the current trend of experimentation. Too many pressures in the past acted to keep women from developing their own abilities."

Dr. Hamburg emphasized that many traits ascribed to women—such as dependence and passiveness—are a reflection of what society expects. "It is generally expected, for example, that women will be protected." But she urged the debunking of myths, and added, "biological behavior is not rigid and inflexible. Humans have the capacity to learn."

Dr. Mary Daly, one of the rare theologians among women, spoke with icy, ironic intensity on "Scapegoat Religion and the Sacrifice of Women." In a long and erudite speech she excoriated "patriarchal religion" for bestowing its blessings on a "planetary sexual caste system."

And from Johnnie Tillmon, a humorous, canny black woman, a leader of the National Welfare Rights Organization, came a not-so-gentle poke at her white sisters even as she expressed support for the liberation movement. "I know white women are being exploited and in some ways may be oppressed. But to compare their plight with blacks in America—men, women and children is—comparing a pebble falling on your head with a big rock falling on your head. One can hurt you a little. The other can do you in."

But it was Rep. Martha Griffiths of Michigan, traveling undaunted through the worst blizzard of the Minnesota winter, who won a standing ovation from an audience of several thousand, mostly young men and women who came from high schools, colleges and universities in the seven-state Upper Midwest.

She won their approval with a ringing defense of the Equal Rights Amendment, which she helped steer through the Congress last year. She cited examples of unequal treatment experienced by women, and reminded her listeners, "Women are last hired and first fired. Just look at the monetary rewards society gives for jobs and then you'll really know who the last-class people are."

In spite of the conference theme, it was not so much women's destiny as their past that got the speakers' attention, perhaps in the belief that to know the past is the beginning of both wisdom and action.

And while the five women differed greatly in their interests, their education and their work, they agreed on two basic points: The differences between men and women should not be used as barriers to a full life, and neither sex should be locked into limited, stereotyped roles.

Clearly, the study of women has only begun and not all its results are predictable. But as long ago as 1914, Walter Lippmann, a man not noted for revolutionary or militant beliefs, wrote this: "The effect of the woman's movement will accumulate with the generations. The results are bound to be so far-reaching that we can hardly guess them today. For we are tapping a reservoir of possibilities when women begin to use not only their generalized womanliness but their special abilities.

"The awakening of women points straight to the discipline of cooperations. And so it is laying the real foundations for the modern world . . . The old family with its dominating father, its submissive and amateurish mother produced invariable men who had little sense of a common life and women who were jealous of an enlarging civilization. It is this that feminism comes to correct, and that is why its promise reaches far beyond the present bewilderment."

STUDY CITES SCHOOL BARS TO WOMEN

(By Bart Barnes)

Women account for the largest untapped supply of superior intelligence in the nation, the Carnegie Commission on Higher Education said yesterday.

In an exhaustive study of opportunities for women in higher education, the commission said women face a host of barriers along the educational ladder. These range from female stereotyping in grade school to deliberate exclusions from some college faculties.

Among faculty at the level of post-secondary education, the commission said, women are both underrepresented and underpaid, earning on the average between $1,500 and $2,000 less than men in comparable situations.

And, it added, it is unlikely that a reversal of inequalities in the addition of women to college and university faculties can be achieved soon.

Despite pressure from the federal government, the number of women faculty members is still low and the pool of qualified applicants limited, the commission said. In addition, enrollment growth in higher education has been declining for the last few years, causing a subsequent decrease in the number of new appointments each year.

"The situation is not entirely unlike that of trying to add to the number of women railroad conductors . . . it will take until the year 2000, under reasonable assumptions, before women are likely to be included in the national professoriate in approximately the same proportions as they are in the total labor force."

Even if colleges and universities put a freeze on hiring of all men and hired only women to their faculties, it would be the mid-1980s before women constituted half the faculty in higher education, the commission said.

At each level of advancement within the American educational system, the commission noted, the percentage of women declines. They are 50.4 per cent of high school graduates, 43.1 per cent of college graduates, 24 per cent of faculty, 13.4 per cent of these holding doctors degrees and 8.6 per cent of the full professors.

At the graduate school level, the commission argued, many faculty members display negative attitudes towards women. For many of their students, this serves to increase emotional stress and to decrease their commitment to remain in school.

To help correct the inequalities, the commission urged stepped up efforts to locate talented women and improve their training. It noted that women are now on college and university faculties at about half their extent of participation in the general labor force.

At the pre-college level, the commission urged more mathematical training for women to enable them to enter fields, such as engineering, often thought to be reserved for men. It also called for career counseling free of outmoded concepts of male and female careers.

It also suggested efforts at the college level to increase the pool of women who hold Ph.D.s and to increase opportunities for women to return to college for advanced training after they have started families.

A reduction in the severity of nepotism rules that bar a husband and wife from serving on the same faculty, increased child care facilities and allowing more part-time appointments for women with children would also increase women's participation in higher education at the faculty level, the commission said.

WOMEN LOSE POWER IN PUBLIC SCHOOLS

(By Andrew Barnes)

Woman are vanishing from the administrative leadership of American public schools. Scarcely more than one high school principal in a hundred is a woman. Even in elementary schools, where 85 per cent of teachers are women, 80 per cent of the principals are men.

Education has traditionally been a women's field. As recently as the early 1950s, women were in charge of most grade schools, and their numbers were substantial among the administrators of high schools and junior highs.

Explanations of why men are coming to dominate the schools start with the higher teaching salaries that have attracted more and more men into the profession over the last 20 years.

Men rise quickly to the top, concludes a successful woman administrator, as "a matter of attitude."

Another top official, a man, calls it "typical, unthinking chauvinism."

Whatever its cause, the pattern of unequal advancement is clear from the figures:

Of nearly 16,000 senior high school principals in America, only 222, or 1.4 per cent, are women. Two years ago it was three per cent. In 1950 it was six per cent.

In 1950, 56 per cent of elementary principals were women. Only 19.6 per cent are women today.

It does not appear that women are becoming less qualified. During this same period, women earning advanced degrees, one of the main qualifications for advancement, multiplied six-fold.

The change to male leadership has come somewhat more slowly to the Washington area, where women still hold 51 per cent of the elementary principalships. In the city, 70 per cent of grade school principals are women.

In the Washington suburbs, however, only one of 70 high school principals is a woman, and only five of 100 junior high principals.

Across the country, the last 25 years have seen the elimination of nearly 60,000 schools, mostly small and rural and headed by women, which is one reason the number of women administrators has shrunk.

Perhaps the most dramatic trend has been the number of men entering teaching. In 1940, 22 per cent of teachers in the U.S. were men. By 1968, the proportion had grown to 31 per cent.

Men are concentrated at the high school level, where they have been the majority since 1957–58, according to the National Education Association. Men now are 54 per cent of high school teachers. Women still make up 85 per cent of the elementary teaching force.

The National Council of Administrative Women in Education, having studied these figures, concludes:

"The patterns of discrimination are pervasive and many women fall under their influence. They too become convinced that a job with real growth potential would be too demanding."

In a report entitled "Where are the women superintendents?" the council describes "unwritten policies" excluding women in the belief that men are the "natural leaders" because men have families to support, women are too emotional, and boys need father figures.

Discrimination is seldom recognized or acknowledged, the report finds, because men run school systems, "and successful men, as well as unsuccessful men, have difficulty in understanding the intricacies of sex discrimination."

As sex discrimination comes to be more widely discussed, uncritical acceptance of it will diminish, and protests by local women's rights groups have begun to raise the issue around the country.

Barbara Sizemore, Washington's newly appointed school superintendent and the highest ranking woman local school official in the country, fears the situation may get worse because school enrollments are falling and teaching jobs are hard to get.

"Whenever there's a scarcity of jobs, women are out," says Mrs. Sizemore.

Local school personnel officials say they are seeking women to promote. "We get very few women applying for principalships at the secondary levels," says Carl McMillan of Prince George's. The capable women exist but do not apply, says John Schreck of Fairfax.

Discrimination that keeps women from promotion is explicitly illegal, and has been since 1972. The regulations and forms spelling out what the government intends to do have not yet been published, however.

Until that happens, the department of Health, Education and Welfare and the Equal Employment Opportunity Commission will not have a comprehensive view of the situation.

"It may be that there is rampant sex discrimination," says Peter Holmes of the Office for Civil Rights at HEW, but there will have to be proven cases for his office to act.

Legal proof will be made more complicated by the fact that, unlike the case of racially segregated school systems in the South, there have been no laws or rules stating a policy of preference for men.

It may take as much as 10 years for the legal ban on sex discrimination to lead to the "understanding, awareness and moral obligation" that can bring real change, Holmes estimates.

Rep. Edith Green (D-Ore.), a prime mover in amending anti-discrimination legislation so it would cover school employees, says it is her belief the main qualification for promotion in schools is to "wear trousers and coach athletics."

In the long run advancement for women may open up, but meanwhile more jobs in other fields are opening to women and the schools may "end up worse than before," Mrs. Green said.

Sex discrimination, she says, "is one of the reasons we're in all the trouble we're in. The best women leave, because they know there's no chance for promotion."

WOMEN PRINCIPALS IN THE WASHINGTON AREA

Locality	High school	Junior high	Elementary
District of Columbia	2 of 16	7 of 31	78 of 112.
Montgomery	0 of 24	4 of 31	58 of 144.
Prince Georges	0 of 17	1 of 41	88 of 160.
Arlington	0 of 4	0 of 7	6 of 27.
Alexandria	0 of 3	0 of 3	9 of 14.
Fairfax	1 of 22	0 of 18	58 of 126.
Total	3 of 86 3.5 percent	12 of 131 10 percent	297 of 583. 51 percent.

STATUS OF WOMEN IN HIGHER EDUCATION IS REPORTED BY NEA

The April, 1973, Research Memo 1973–7 of the National Education Association reports comprehensive information on the status of women faculty and administrators in 1971–72. Despite efforts to upgrade women salaries and ranks, the picture that emerges from the data is not altogether encouraging. The total proportion of women faculty in higher education has remained relatively constant over the past twelve years. However, the proportion of women faculty at the instructor rank has increased by 10 percent while it has decreased at each of the higher ranks during the past twelve years (Table 1).

The survey indicates that women achieve a greater degree of equality of rank in two-year institutions than in four-year institutions.

PERCENT OF WOMEN FACULTY

Faculty rank	1959–60	1965–66	1971–72
All ranks	19.1	18.4	19.0
Professor	9.9	8.7	8.6
Associate professor	17.5	15.1	14.6
Assistant professor	21.7	19.4	20.7
Instructor	29.3	32.5	39.4

A second concern is identified in the comparison of median salaries of female and male faculty. When all ranks are combined, the median salary of women is 82.5 percent of the median salary of men in 1971–72. This represents a continuing decreasing curve as a result of the greater concentration of women in lower ranks. In 1959–60, it was 84.9 and in 1965–66, it was 83.4 percent. Median salary comparisons by rank for 1971–72 are as follows:

1971–72. MEDIAN SALARY BY RANK

Faculty rank	Median salary		Percent of women faculty
	Women	Men	
Professor	$16,423	$18,185	8.6
Associate professor	13,219	14,026	14.6
Assistant professor	10,969	11,619	20.7
Instructor	8,898	9,408	39.4
Lecturer	11,469	12,112	37.2

Other analyses of the data indicate that the proportions of faculty who are women are greatest in the medium and small non-public colleges, the small public universities, and the public colleges. Also, women represent a higher proportion of faculty in the Mideast and Southeast than in other regions.

Data concerning the tenure of women in higher education are not reported as completely as other information. Based on the available information, however, the percentages of women faculty having tenure are highest in the public institutions, particularly the municipal and small public universities, where almost half of the women faculty have tenure.

Even in these public institutions, the percentage of men faculty having tenure is more than 5 percentage points greater than the percentage of women faculty having tenure in each classification except public colleges, the smallest non-public colleges, and the non-public 2-year colleges. The trend that is observed is that the differences in tenure are widest in the large public and non-public universities which also employ a smaller percentage of women in higher academic ranks.

A full report of the survey entitled *Salaries Paid and Salary-Related Practices in Higher Education,* 1971–72, NEA Research Report 1972 R–5, may be obtained for $2.00 from the NEA Publications Department. Ask for Stock No. 435–25500.

SALARY DIFFERENTIALS OF ELEMENTARY SECONDARY TEACHERS

A further instance of the salary differentials of female and male personnel was documented in the results of the 1971–72 Teacher Opinion Poll. These data are obtained from a national sample of 1575 classroom teachers. Responses to the question, "What is your current annual contract salary as a teacher for the school year 1971–72 (before deductions)?" indicated the following differentials between female and male teachers. It was not possible to assess the causes for the differences in salary.

FEMALE-MALE DIFFERENTIAL IN 1971–72 SALARIES OF A SAMPLE OF ELEMENTARY AND SECONDARY TEACHERS

	Elementary		Secondary		Total	
	Women N=675	Men N=147	Women N=252	Men N=501	Women N=927	Men N=648
Mean salary	$9,071	$10,124	$9,605	$9,980	$9,216	$10,010
Median salary	8,550	9,600	9,100	9,400	8,696	9,500
Low salary	4,250	5,200	4,660	5,200	4,250	5,203
High salary	17,700	19,000	17,200	20,600	17,700	20,600

WOMAN'S PLACE IS IN THE CURRICULUM

(By Janice Law Trecker)

Women on campus are beginning to end their long acquiescence to second-class status; they are challenging the structure, educational policies, and curricula of the nation's colleges and universities. Backed by new guidelines against discrimination by federal contractors, groups of women have filed charges with HEW against scores of universities, charging blatant discrimination in admissions, hiring, promotions, and tenure. In addition, campus women's groups have organized to demand day-care facilities, gynecological services, removal of restrictions on female students, and flexible scheduling for women with family responsibilities.

At the heart of the movement is the large pool of female talent in the lower echelons of higher education—graduate students, instructors, and faculty wives. A more stable group than the transient undergraduates, these women have begun to document their complaints against higher education and against the policies and practices that keep them in their "place" in the university system.

Increasingly, however, campus activists have begun to wonder if the removal of discrimination in the structure of higher education will end women's inferior position, or whether discrimination is not inherent in the curriculum itself; in American history courses that skim over the women's suffrage fight without any analysis of its political or social significance; in psychology courses that uncritically present Freudian views of women; in literature courses that blandly accept the female stereotypes of many modern novels. These academic women are asking how much is really known about women, about the structure of the family, and about the development of "femininity" and "masculinity." Are there really innate differences between the sexes, and is there any conclusive research on the subject? How much of what we assume about men and women is fact, how much is fantasy?

Their questions and their doubts have risen from examining the content and the assumptions of college curricula. Humanities courses have traditionally assumed that man (meaning male) is the measure of all things. In history, one studies the position of women in different cultures and periods, but never the position of men, because the male role in society and the activities of prominent men are seen as history itself. The very language of most history texts bears this out. Discussions of colonial America, for example, treat the early landowners and pioneers in exclusively male terms, ignoring the fact that single women also journeyed to the New World, took title to land, and set up farms, plantations, and businesses.

In philosophy, one studies the ideas of man's nature advanced by Aristotle, Rousseau, and Nietzsche, but one rarely notes that these men excluded 51 per cent of the world from full humanity. Clearly, the fact that few philosophers have had an adequate notion of femininity has not been considered any flaw in their philosophical systems.

Attitudes toward women are even more clearly marked in philosophy's latter-day child, psychology. Critiques of the assumptions of Freudian psychology and its descendants by Simone de Beauvoir, Karen Horney, and Betty Friedan are decades old, but only now are their works being taken into serious consideration. Women are beginning to ask if psychologies that assume that women are "defective" men, or that females have a more narrow range of possibilities than males, are adequate for the modern world. Women are beginning to ask for proof of their supposed inferiority, and when that proof is not forthcoming, they are asking for a revision of old beliefs and theories.

One of the first attempts to influence traditional curricula came at Cornell after that university's 1969 Conference on Women. After the conference meetings, a group of female faculty members devised a course entitled "The Evolution of Female Personality," which examined the history of women, presented various theories on socialization and sex-role development, and raised some questions about the nature and role of women. With such books as Leo Kanowitz's *Women and the Law,* Kate Millet's *Sexual Politics,* and Eleanor Flexner's *Century of Struggle,* the course attempted to challenge contemporary complacency with information about women's legal status, about the assumptions of literary criticism, and about the long and bitterly fought "emancipation" of the American woman. In effect, this pioneering course proved to be a critique of traditional attitudes in sociology, history, and psychology.

The Cornell experiment, the contemporary San Diego State College program, and the many other courses in women's studies that have developed since have two purposes: to provide alternative ways of looking at women and at the assumptions of our culture, including our sciences; and to provide new information about women, their history, and their accomplishments. To achieve these aims, many of the new courses present both theoretical works and research studies. Such books as Friedrich Engels's *Origin of the Family, Private Property, and the State,* which opposes the patriarchal theory of so many reflections on human prehistory, appear on many reading lists, as does Philip Arise's *Centuries of Childhood,* which examines the history of the family and shows that the modern family is a recent invention. Controversial works such as Naomi Weisstein's critique of modern psychology find a place beside scientific papers on hermaphrodites and studies of sex differences, in an effort to discover whether masculinity and femininity are innate or conditioned.

Some courses have dealt with cross-cultural comparisons of sex roles, using materials such as Margaret Mead's classic *Sex and Temperament,* which demonstrates the flexibility of human nature and the importance of cultural expectations in the development of personality. Other courses concentrate on contemporary American problems through studies of marriage and the family in various social groups, examinations of the nature of prejudice, both sexual and racial, and analyses of the legal and economic position of the modern woman. To provide a historical perspective, the whole neglected story of the American woman—from the laws governing female servants in the colonies to the cultural pressures on women in the post-World War II era—is being unearthed.

In literature, women's studies most often involve examining women writers from new points of view to see how they differ from their male colleagues, how their male and female characters were conceived, and how they regarded themselves and their female protagonists. Two new courses on women in literature at the University of Connecticut are typical. One deals with women in the eighteenth- and nineteenth-century novel, and the other with images of women in modern fiction. Like many of the women's studies literature courses, these attempt to present a critical picture of women's problems and of societal expectations, using such works as *Madame Bovary, Clarissa,* and *Vanity Fair,* and writers as diverse as Doris Lessing, D. H. Lawrence, and Jane Austen. Both courses are popular, even though women's liberation is not yet a significant issue on the Connecticut campus. Such courses give students an opportunity to discuss male-female relations, standards of morality, and social issues. "I thought," said Dr. Joan Hall, "that students would find Lawrence's *Sons and Lovers* old-fashioned, but I was wrong. The sexual problems he discusses were still pertinent to the kids, and they took them seriously."

Another reason for the popularity of women's studies is that research courses often give students the chance to contribute new knowledge. Writing a term paper on the women's trade union movement or the work of women in the Freedman's Bureau is not like researching another paper on the Civil War. Much of the material about women in American history still resides in diaries, newspapers, census reports—in the raw material of history. Sarah Lawrence's Gerda Lerner is one of a number of teachers who has described the excitement of students who felt that they were participating in the process of "making history" as they began to explore the role of women in our nation.

Courses concentrating on women have appeared in almost every discipline except physics, chemistry, and mathematics, and even in these areas research is under way to determine, for example, whether lower-level mathematics tests contain anti-female bias. The number of such courses, the proliferation of research on women, and the formation of feminist presses and reprint houses represent a phenomenal growth of interest in women's problems, history, biology, and psychology. The courses and the demand for them by students, staff, and the university community show a deep-seated dissatisfaction with what one instructor described as the university's "conventional wisdom" about women.

Without doubt, the main impulse behind both this dissatisfaction and the new courses is feminism. "There's no doubt, women's liberation uncovered the need," said Barnard's Dr. Annette Baxter, who taught her first course in women's history in 1966. With students lined up outside her office to grab the last places in her fall course on women, there was no doubt that feminism had created considerable interest in the intervening years. Women's liberation has also created a new feeling of female solidarity on campus and a sense of confidence that is carryihg over into the classroom. Young women are less reluctant to question stereotyped or biased material. They are asking to learn about Carrie Chapman Catt and Margaret Sanger as well as about Warren Harding, about Mary Cassatt and Georgia O'Keeffe as well as John Singer Sargent, and about Edith Wharton and Virginia Woolf as well as Norman Mailer.

Although individual courses and programs have developed in a number of ways, feminist sentiment has played a part in most of them. Many courses, like those at Cornell and the University of Connecticut, have grown out of the interests of faculty members. At other colleges and universities, there has been more grass roots support. Student groups sat in at Bryn Mawr to enforce their demands for women's studies, while at San Diego State College, which boasts one of the country's largest and most ambitious programs, undergraduates and staff collected petitions to support a women's studies proposal. As part of a plan to improve the status of women at Wesleyan University, a group of faculty wives and instructors asked for a course on women. On the eve of the university's venture into coeducation, they won support for an interdisciplinary course, as well as for a female administrator. Coincidental events also aided the programs at Smith College, where a series of courses in history and literature was instituted, following the widespread student strikes of 1970.

The growth of women's liberation has also created anxiety lest this women's movement, like the long suffrage struggle, produce only token results. Well-trained academies are reexamining the women's movement of the nineteenth century to find out how its overall goals were thwarted, and why the vote brought only minor changes in women's status. They want to know how women acquired power, and to what extent they were able to influence their society even though denied access to formal political structures. The passion for women's history is more than just a desire for a female heritage; it is also a search for ways in which a successful female revolution might be constructed.

Many women faculty members are expressing deep concern about the problems and attitudes of undergraduate women. They are concerned that young girls on campus have few models to follow, that they are passive and unambitious. Explaining her somewhat unconventional approach to English composition at Goucher College, Florence Howe observed that her female students "consistently considered women writers [and hence themselves, although that was not said outright] inferior to men." She found that students work improved once they were encouraged to discuss their position as women and to express their self-doubts. Like a number of other teachers who have worked with women, Dr. Howe has concluded that an understanding of women's peculiar social position and a willingness to challenge assumptions of inferiority may be prerequisites for superior achievement by female students.

Doubts about both acceptance and ability are particularly keen on campuses that have only recently begun to accept women undergraduates. The demonstrations and discontents that marred the initial year of Yale's experiment with coeducation and that ended with the disruption of the annual alumni luncheon by dissident coeds are an indication of the alienation of some young women at "male" colleges. In an effort to ease these problems, other newly integrated schools, such as Princeton, have instituted courses about women.

While most instructors agree that reaching their female students is of first importance, many feel that women's studies are as important to men as they are to women. "We're not teaching Women's Lib, we're teaching about women," notes Sheila Tobias, associate provost at Wesleyan, who feels that courses on women would be helpful to all students, but are essential for men who plan to work with women as teachers, doctors, and administrators.

One of the strongest impulses for instituting courses on women, however, has come from the needs and uncertainties of women faculty members, who are searching for an ideology that will justify their own growing rebellion against the status quo. While undergraduate women may have doubts about their self-worth, female teachers have questions about their acceptance in male-dominated colleges and about their chances for professional advancement.

Papers presented at the New York University Law School before the Conference of Professional and Academic Women in 1970 indicate a widespread feeling that many schools are willing to accept women as tuition-paying students but not as staff members and colleagues. Disgruntled women point to the noticeable decline in a woman's status after graduation, and to the failure of institutions like the Harvard Business School to make job counseling facilities available to female students. A survey of more than 400 colleges by the American Association of University Women (1970) showed that women nationally constitute 22 per cent of the faculties in higher education. However, the number of women declines sharply with academic rank. On the average, women hold fewer than three department chairmanships per institution, and they hold only 9 per cent of all professorships. Furthermore, data assembled by the professional women's caucus indicate that the more prestigious the institution, the fewer women are employed.

Dissatisfaction with the clearly inferior position of women in higher education and with the continued decline in the percentage of female faculty has led to political and legal action. In addition to suits against colleges and complaints to federal and state antidiscrimination agencies, campus women are beginning to build a political base of support, and they are beginning to look at the problems of women outside academia as well as within. Younger women, especially, are sensitive to women in the community outside higher education. Many are concerned that women's studies may concentrate too narrowly on the middle-class white woman, both in theory and in the make-up of the classes. Impatience with much of the available historical material on women has led to research into the history and position of working-class women of all ethnic and racial groups as well as to the inception of such courses as Buffalo's (State University of New York) examination of economic, racial, and sexual exploitation. This particular course, "Class, Race, and the Oppression of Women," is unusual in that it is highly theoretical, consisting of an examination of class, sex, and race from the standpoints of Marxism-Leninism, feminism, and black nationalism, respectively.

Non-college-affiliated projects such as the Northampton (Massachusetts) Women's Center are also popular. A meeting place for area women, the center provides vocational and educational counseling, offers information on contraception and abortion, and serves as a clearinghouse for information on women's studies in the Northampton Five College area. San Diego State College, which already sponsors a women's center, is experimenting with another plan for utilizing the community—a field work course examining the policies of various San Diego community agencies with regard to women.

All this activity has provided new outlets for female talent and has stimulated research into a number of neglected areas. American history has claimed the major share of interest in historical studies about women, but there is little doubt that the growing evidence of distortions and omissions in our history has implications for the histories of other nations as well. In this one discipline alone, the questions raised about the substance of history, the possibilities for objectivity, and the assumptions of its students reveal the revolutionary implications of women's studies.

Although most women hesitate to discuss the problems involved in beginning and maintaining women's studies courses, not all faculties have greeted the new courses with enthusiasm. Budget cuts and male administrative control threatened San Diego's program and continued belt-tightening at the universities puts all new programs, including women's studies, in a vulnerable position. Faculty opposition may revolve around dislike of women's liberation or uneasiness about academic innovation. For some male professors, material about women represents a weakening of scholarship, the fragmentation of the curriculum, or, worse, the enlargement of their specialty to include new and unfamiliar material. For others, the interdisciplinary approach and the use of team teaching are seen as threats to the authority of the individual teacher.

There has also been some student opposition, and occasional hostility, between radical and conservative female students. Opposition from black students is not uncommon. Many believe, at least at first, that women's studies is merely a ploy to distract attention from the problems of minorities.

There is a more subtle question raised by women's studies as well: What is to be the relationship among academic activities, women's liberation, and educational reform? While even the most radical young women concede the practical advantages of stressing the academic rigor of the new courses, at least a minority feel that the first job of women's studies is to "raise the consciousness" of young women and to act as a lever for educational reform. At the Conference on Women in Academia held last February at the University of Pennsylvania, one young instructor criticized the idea that conventionally structured courses in women's history and literature could effect change. The only way to increase the awareness of undergraduates, she maintained, is to merge the classroom with women's liberation through such activities as personal rap sessions.

But few faculty members see the politicizing of courses as a major problem. Minority group studies have already broken down the wall between academics and politics. Dr. Baxter of Barnard, however, views the teaching of any controversial material as a special challenge to the teacher. "The basic problem with a controversial subject is how to keep the course relevant without becoming polemical. I think that you have a responsibility to the students and to the subject to see that discussion remains open."

Open discussion and investigation are not always easy, however. Most history texts, for example, treat women as comic relief, while criticisms of philosopsy, psychology, and sociology by such writers as Simone de Beauvoir, Betty Friedan, and Naomi Weisstein raised doubts about the existence of any value-free discipline. On the other hand, many women who are committed to women's studies as a responsible academic pursuit are concerned that the universities will coopt women's studies and offer token courses that are non-controversial and meaningless. For this reason, women such as Pat Sackrey of the Northampton Women's Center are anxious that control of women's studies courses and co-ordination of information about them be kept in the hands of women.

The structure of women's studies and their relation to the overall university program raise special questions: What form is an extensive program in women's studies to take; what, if any, degrees should it offer; how may it most effectively serve women on campus? Ultimately, what is the aim of women's studies? Should interested women aim for women's studies centers or colleges apart from the rest of the university, or should the long-range goal be to integrate material about women into the overall curriculum?

Both alternatives have their adherents, and each has certain tactical advantages and problems. Whichever way the programs develop, however, it appears that if the charges of academic bias and distortion raised by these courses are vindicated, and if the research developed by women's studies programs is sound the rest of the academic world will face some serious self-examination.

[From the New York Times, Sept. 18, 1973]

Study Finds Women Academicians' Salaries Lag

(By Iver Peterson)

More women graduate from American high schools than men, they receive better grades in college, and they apply themselves as diligently to their work, but they do not achieve anything near parity with men in academic rank and salary, according to the latest report by the Carnegie Commission on Higher Education.

Because women are under-represented in the labor force generally and in the upper reaches of academic life in particular, the commission, in a summary of the report, called them "the largest unused supply of superior intelligence in the United States."

The report, entitled "Opportunities for Women in Higher Education," will be published in book form in October.

The central theme of the study holds that in the academic world, the percentage of women declines at successively higher levels. It cites Government figures showing that women comprise 50.4 per cent of the country's high school graduates, 43.1 per cent of those who receive bachelor's degrees, 36.5 per cent of those with advanced degrees. However, only 24 per cent of campus faculties are women and just 8.6 per cent of the country's full professors are women.

LOWER WAGE SCALE

The report also cites evidence that women faculty members earn, on average, $1,500 to $2,000 less a year than do men in comparable jobs. It asserts that this comes to between $150-million to $200-million in wage differentials a year for the whole country.

The commission found that the barriers to women's unhindered advancement arise from several subtle and largely traditional cultural preconceptions about the role of women in this country. It notes the argument that as young girls, women have tended to be steered toward domestic, or, at best, part-time occupations; that they have lacked strong female success models on whom to pit their ambitions, and that the country as a whole—and more markedly than European countries—has a strong habit of seeking careers in terms of their suitability for men or for women.

The Carnegie study also reported, however, that changing social attitudes and legal pressure from the Government and from feminist groups had reduced the gap between male and female opportunities for career attainment.

"IMPROPER BARRIERS"

In order to speed this progress, the commission urges the removal of "all improper barriers to the advancement of women, an active search for their talents, and special consideration of their problems and for their contributions."

For example, the panel recommends more generous maternity and child rearing rules, particularly in academic work. It cited evidence that such on-and-off employment of women does not impair a woman faculty member's job performance.

The commission also urged more training in mathematics for pre-college girls as a way of opening up their access to the "hard" sciences, engineering and design.

It noted that one reason for the under-representation of women in advanced campus positions is the relatively small number of women holding the necessary advanced degrees. A solution, the report suggested, would be to expand efforts to increase the number of women with Ph. D'.s.

"A GENERATION OF EFFORT"

The panel also came out in favor of continuing the existence of colleges for women only—despite a recent trend toward co-education—because the single-sex colleges offer "diversity" and "an additional option" for women.

The report predicts that given the small number of women qualified by training for high campus positions, and the slowing of enrollments in higher education, "it will take until about the year 2000, under reasonable assumptions, before women are likely to be included in the national professoriate in approximately the same proportions as they are in the total labor force—this is a task for a generation of effort."

The study added that the time needed to achieve "a satisfactory level of absorption of women into faculties" will be lengthened by the concurrent need to bring more minority group members into campus careers as well.

GRAND JURY IN QUEENS GETS WOMEN LEADERS

Supreme Court Justice Moses M. Weinstein broke a long-standing tradition yesterday by appointing two women to head the regular grand jury in Queens for September.

Veteran court personnel said the choice was unprecedented. In the past the posts of foremen and assistant foremen always went to men.

Justice Weinstein said his reason for appointing the women was that women "seem to be the victims of many crimes in Queens County and therefore should be part of the borough's criminal justice system."

The appointees, both housewives, are Ida Newman of Jamaica and Madeline Shaffer of Flushing.

By Mr. WILLIAMS (for himself, Mr. Brooke, and Mr. Biden):

S. 2519. A bill to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on completion, to strengthen and improve the Securities and Exchange Commission's oversight of self-regulatory organizations, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL SECURITIES MARKET SYSTEM ACT OF 1973

Mr. WILLIAMS. Mr. President, on behalf of Senators Brooke and Biden and myself, I am today introducing a bill entitled the National Securities Market System Act of 1973. This bill is the last in the series of four bills growing out of an 18-month study of the securities industry conducted by the Subcommittee on Securities. This coordinated legislative program includes, in addition to the present bill, S. 470 which passed the Senate on June 18, 1973, S. 2058 which passed the Senate on August 1, and S. 2234 which is now pending before the subcommittee. Taken together, this series of legislation constitutes the most substantial and significant revision of the regulatory provisions of the Securities Exchange Act of 1934 ever undertaken by the Congress.

The National Securities Market System Act is by far the most far-reaching of the individual bills. I also regard it as the most important in terms of assuring all investors that our securities markets are open, fair, and orderly.

The subcommittee analyzed in great detail the question of the future shape of our Nation's securities markets. We found a general agreement among informed observers that substantial improvements can be made in the present markets for equity securities and, on the general goals to which a national market system should be directed. But there was substantial disagreement as to the techniques by which these goals can be best achieved and as the order in which various steps should be taken to reach our desired goals. All, however, agree that a communications system through which all orders and quotations in a particular security have an opportunity to meet and all transactions would be reported is of the greatest importance. Such a communications system is the heart of a national market system.

After analyzing the various proposals for the development of a national market system, the Securities Subcommittee in its February 1973 report to the Congress endorsed the actions of the Securities and Exchange Commission in fostering the development of a composite transaction reporting system and a composite quotation system. However, the SEC's power to facilitate the creation of such system and to regulate their operation is by no means clear.

The National Securities Market System Act resolves this issue by vesting in the SEC unambiguous authority over all securities related communications systems and all persons operating those systems. The bill requires persons falling within the definition of a "securities information processor" to register with the SEC. Such persons, as well as national securities exchanges and registered associations of securities dealers, are brought under direct SEC control with respect to matters relating to the collection, processing, and publication of information about quotations for and transactions in securities. Additional regulatory power is provided to the SEC to assure that all broker-dealers have access to composite communications systems and that the costs and regulatory responsibilities associated with such systems are equitably allocated among exchanges, securities associations, and securities information processors.

With the new powers provided in the National Securities Market System Act, there is every reason to believe that the SEC will be able to carry out the new statutory mandate to "remove impediments to and perfect the mechanism of a national market system."

While there is substantial agreement that a central or national market system for any particular stock is preferable to a number of separate unconnected markets, there is a good deal of disagreement over what the character of that market system ought to be.

The discussion has tended to be conducted in terms of whether the public is better served by an "auction" or a "dealer" market. But the real issue is what features of each of those markets should be preserved in the developing national market system.

There are many advantages to the auction market and it should be preserved. These advantages include the priority for orders of public investors over those of dealers and the ability of public orders to meet inside the existing dealer quotation spread. However, to prevent large scale institutional trading from disrupting the fair and orderly character of the markets, it is necessary to substantially improve the market making capacity of professional traders.

The National Securities Market System Act addresses the twin objectives of preserving auction trading principles and strengthening marketmaking capacities in the following ways.

First, the SEC is given the authority to require both specialists and market makers operating off the exchange floor to yield priority and precedence to public orders. The Commission may also require the disclosure of limited price orders held by specialists or market makers to all other market makers.

These provisions will go a long way toward enabling the small investor to obtain the best execution of his order at the least cost. Although it is always difficult to identify precisely those matters on which investor confidence depends, this is one major way of strengthening the confidence of small investors in our equity markets.

Second, with respect to the need to strengthen marketmaking capacity to handle institutional trading, the National Securities Market System Act charges the SEC with the responsibility to foster competition among marketmakers to the extent consistent with the protection of investors and the public interest. The removal of present restrictions on communications between marketmakers and the encouragement of maximum opportunity for competition among dealers will go a long way toward improving marketmaking capacity. This bill will accomplish that objective.

Third, the subcommittee recognized that competition alone may not be sufficient to assure the maintenance of continuous and orderly markets in all securities. The National Securities Market System Act, therefore, strengthens the SEC's ability to regulate all marketmakers whether operating on or off an exchange, so that regulatory authority will be available to back up the competitive pressure to make tight and continuous markets.

I have summarized only some of the provisions of the National Securities Market System Act relating to the development and regulation of a true, integrated nationwide market system. A more detailed analysis of the bill's provisions is contained in an accompanying summary.

Apart from the specific provisions, however, the bill is premised on two fundamental objectives. First, the maintenance of stable and orderly markets with maximum capacity for absorbing trading imbalances without undue price movements. And second, centralization of all buying and selling interests with appropriate protection of public orders. In this way every investor will be assured of receiving the best possible execution of his order, regardless of where it originates. I believe that this bill will carry out these objectives and preserve and strengthen our equity markets and the confidence of all investors in them.

Closely associated with the development and regulation of a national market system are the procedures and conduct of the exchanges and the NASD—the self-regulatory organizations. The Securities Exchange Act of 1934 delegates substantial regulatory responsibilities to industry organizations to enforce just and equitable principles of trade, as well as to police the fundamental mechanisms of the markets.

In its securities industry study report, the subcommittee identified a number of weaknesses in the self-regulatory structure, weaknesses not so much in the concept of self-regulation as in its execution. For example, many procedures for imposing sanctions on members and non-members were found not to comply with standards of due process; policy formulation was often based in insufficient articulation of reasons and purposes; and the allocation of regulatory jurisdiction among the self-regulatory agencies was confused and duplicative.

The bill we are introducing today deals with these problems in a manner intended to preserve and strengthen self-regulation, to make it more attuned to the needs of the emerging national market system, and to assure that its deliberations and actions conform to our expanding notions of due process.

At the same time that the operations of the self-regulatory organizations are in need of improvement. In addition, the SEC's authority over self-regulatory activity is in need of clarification and strengthening. The National Securities Market System Act vests in the SEC plenary power over the rules of the self-regulatory organizations and provides it with the authority to review all actions taken by such organizations adversely affecting particular firms and individuals.

The National Securities Market System Act also concerns itself with the Congress oversight of the SEC. We need more information on a continuous basis about the Commission's oversight activities and its success in administering its regulatory responsibilities under the Securities Exchange Act. This bill addresses this need by establishing a mechanism for such reporting and public disclosure.

Again, I wish to refer to the accompanying summary for a fuller description of the provisions of the National Securities Market System Act relating to the self-regulatory organizations and the SEC's oversight of its activities.

The National Securities Market System Act is a far reaching and significant piece of reform securities legislation. The Subcommitee on Securities has been intensely involved in the operation and regulation of our securities markets for over 2 years and this bill is the culmination of those efforts. I believe that the bill contains the most significant proposals yet advanced for protecting the small investor and restoring his confidence in our equity markets. It is not a panacea, but it is a sound, carefully constructed framework within which the self-regulatory organizations and the SEC may be expected to act to maintain the health, vigor, and fairness of our markets.

In addition to the provisions in the bill, I believe it is important to call attention to one additional question in connection with this legislation. This concerns the continuing role to be played within the self-regulatory system of membership on a national securities exchange. It has been argued that with the advent of fully competitive Commission rates and the implementation of a composite quotation and transaction reporting system many firms will cease to have an incentive to retain their memberships on exchanges, and as they leave, the important regulatory role played by exchanges will be lost.

In answer to this assertion, the SEC, among others, has argued that the implementation of competitive commission rates and access to composite communications systems will not lead to an exodus of firms from national securities exchanges. Rather, firms will retain memberships so long as the markets on those exchanges remain competitive.

The question of the need for an incentive for exchange membership is one to which we must address ourselves, and I invite all interested persons to comment on it. One proposal put forward by the New York Stock Exchange would be to amend the Exchange Act to make it—

> unlawful for any registered broker or dealer to effect, whether as broker or dealer, any transaction in any security registered on a national securities exchange other than on a national securities exchange, for its own account or for the account of any other person, except as may be permitted by the rules of the national securities exchange on which such security is registered.

The SEC on the other hand has suggested exploring the concept of "associate" membership on an exchange and the possibility of requiring any broker or dealer transacting business in listed securities to join at least one self-regulatory organization. Both of these proposals deserve our careful consideration.

Mr. President, I ask unanimous consent that a summary of the National Securities Market System Act of 1973 and the full text of the legislation be printed in the RECORD.

There being no objection, the summary and bill were ordered to be printed in the RECORD, as follows:

THE NATIONAL SECURITIES MARKET SYSTEM ACT OF 1973—SUMMARY OF PRINCIPAL PROVISIONS

The National Securities Market System Act of 1973 is the fourth bill introduced during this session of the Congress arising from the Securities Industry Study Report of the Subcommittee on Securities. Previous bills, i.e., S. 470, S. 2058, and S. 2234, have dealt with issues related to the commission rate structure, membership on national securities exchanges, processing of securities transactions, and disclosure of institutional investment activities. This bill is directed primarily at the development and regulation of a national market system, the rationalization of the self regulatory process and the strengthening of the Securities and Exchange Commission's oversight of that process. Unless otherwise noted all section references in this summary refer to the Securities Exchange Act of 1934 as amended by this bill.

I. A NATIONAL MARKET SYSTEM FOR SECURITIES—REPORT AT 89–135

In its Report, the Subcommittee emphasized the importance of empowering the SEC to shape the development of and maintain adequate regulatory control over an integrated, central market system. Such power is needed if the SEC is to be able to assure that the efforts and directions of the many organizations involved are consistent with one another and with the overall goal of a fair and efficient market structure. It is also needed if the SEC is to prevent barriers to competition, in the form of regulatory or economic impediments, from obstructing the orderly and expeditious achievement of such a central market system. Section 1 of the National Securities Market System Act sets the pattern for the later substantive provisions implementing these recommendations by amending Section 2 of the Securities Exchange Act of 1934 to include among the purposes of this statute to "remove impediments to and perfect the mechanism of a national market system in securities."

A. SECURITIES COMMUNICATIONS SYSTEMS—REPORT AT 96–104

The Subcommittee recognized that communications systems for the automated dissemination of transaction and quotation information with respect to securities will form the heart of the national market system. The Subcommittee, therefore, concluded that the SEC's authority and responsibility must be expanded to encompass the regulation of persons operating and administering such systems. The goal of such expanded regulatory authority would be to assure that these communications networks are not controlled or dominated by any particular market center, to prevent unnecessary costs to the securities industry because of substantial investments in parallel or duplicate communications systems, to assure fair access to such systems by all brokers and dealers and knowledgeable investors, and to prevent any competitive restriction in their operation not justified by the purposes of the Exchange Act. (Report at 96–104)

Regulation of securities communication systems in accordance with the Subcommittee's recommendations is accomplished by adding Section 11A to the Exchange Act. This new section is entitled, "Securities Information Processors; National Market System," and it brings under the SEC's jurisdiction all organizations engaged in the business of collecting, processing, or publishing information relating to quotations for or transactions in securities.

The bill provides that no person may act as a "securities information processor" (as defined in section 3(a)(22)) unless it is registered with the Commission. (Secs. 11A(a)–(c)). Under this provision such organizations as Autex, Instinet, and SIAC would be required to register with the SEC. With respect to registered securities information processors, as well as national securities exchanges and registered securities associations, the SEC is given broad authority to regulate and oversee their activities. For example, the SEC is empowered to assure that all brokers and dealers have access on reasonable terms to all services available through any securities communication system; it may review any exclusionary action taken by a securities information processor; and it may promulgate rules to facilitate the prompt, accurate, and reliable collection, processing, and distribution of quotations and reports of transactions. (Secs. 11A(f) and (h))

The new section 11A also provides the Commission with the authority to promulgate rules to prevent the publication of fraudulent or manipulative information with respect to quotations and transactions (Sec. 11A(f)); to specify the form and content of and the method and manner by which quotations and reports of transactions are published (Sec. 11A(h)); to allocate among exchanges, the NASD, and registered securities information processors the costs, functions and responsibilities associated with collecting, processing, and distributing quotation and transaction data (Sec. 11A(h)); and to require disclosure of transactions which take place in the fourth market (Sec. 11A(g)).

B. ELIMINATION OF UNNECESSARY REGULATORY RESTRICTIONS—REPORT AT 104–105

The Subcommittee concluded that the development of a national market system depends in large measure on the removal of unnessary regulatory impediments to transactions involving participants in different markets. However, rather than recommending that the Exchange Act be amended to require the elimination of particular existing barriers with no provision for those which might arise in the future, the Subcommittee concluded that the SEC should be given appropriate powers to eliminate competitive restraints which, in its view, are not justified by the purposes of the Exchange Act.

Following this recommendation, the bill imposes on the SEC the affirmative obligation "to remove burdens on competition not reasonably necessary to the achievement of the purposes" of the Exchange Act. Thus, the SEC must determine that the rules of a national securities exchange or registered secruities association do not impose any such burden on competition. (Sec. 6(b)(4) and Sec. 15A(b)(8)) The rules of an exchange or securities association may not be amended unless the SEC finds that the amendment would not impose an unnecessary competitive burden. (Sec. 19(c)) Actions by a self-regulatory organization which have an adverse impact on an individual or a firm, e.g., disciplinary sanctions levied against a member or denial of membership to a broker-dealer, are subject to review by the SEC and reversal if they are found to impose an unnecessary burden on competition. (Secs. 19 (e) and 19(f) The SEC is further empowered to abrogate, alter or supplement the rules of a self-regulatory organization if it deems this necessary or appropriate "to remove burdens on competition not reasonably necessary to the achievement of the purposes" of the Exchange Act. (Sec. 19(b)) And finally, the SEC is required, in connection with the promulgation of any rule under the Act, to analyze the competitive impact of the rule so as not to create an unnecessary restraint on the free play of competitive forces in the securities markets. (Sec. 23(a))

C. THE IMPLEMENTATION OF A NATIONAL MARKET SYSTEM—REPORT AT 106–119

The Subcommittee identified two paramount objectives in the development of the central market system for listed securities. First, the mantenance of stable and orderly markets with maximum capacity for absorbing trading imbalances without undue price movements. And second, the centralization of all buying and selling interest and the protection of the priority of public orders so that each investor will receive the best possible execution of his order, regardless of where in the system it originates. To assure the realization of these objectives, the Subcommittee recommended legislation (1) providing priority for public orders over those of professional dealers, (2) strengthening the capacity of the markets to handle institutional trading, and (3) establishing appropriate regulations to govern the activities of all market makers.

1. Priority for public orders—Report at 110–113

To guarantee that public investors enjoy the benefits of "auction" trading in connection with orders for securities with suitable characteristics, the Subcommittee recommended that the Commission be given the authority to prescribe rules requiring all broker-dealers trading for their own account in such securities to yield priority, parity and precedence to outstanding public orders. S. 470, which passed the Senate on June 18, 1973, amends section 11(a) of the Exchange Act to provide the SEC with this authority over members of exchanges. The present bill extends the SEC's authority to market makers operating in the third market (Sec. 15(c) (6)), while also giving the SEC regulatory control over transactions effected by persons enjoying access to exchange markets on the same terms as are available to members. (Sec. 11A(j))

The Subcommittee recognized that to assure priority for public orders some mechanism must be established by which specialists and other market makers can be made aware of all such orders within the system. The bill achieves this objective by vesting in the SEC authority to require all dealers whether operating on or off an exchange to disclose to such persons as the SEC indicates the limited price orders which they hold or are in their "book." (Secs. 11(b) and 15(c)(6))

2. Handling of institutional transactions—Report at 113–115

One of the Subcommittee's principal recommendations in this area—public disclosure of institutional transactions—is embodied in S. 2234, which was introduced in the Senate on July 23, 1973. In addition, the Subcommittee noted the need to strengthen market making capacities in order to absorb the large trading imbalances created by institutional transactions, and expressed its belief that this could be best achieved by encouraging vigorous competition among market makers. The bill does this to the extent possible by empowering and directing the SEC to remove present restrictions on communication among market makers and to open opportunities for competition. (Secs. 11(b), 11(A)(f), (h) and (i), and 15(c)(6))

3. Regulation of market makers—Report at 115–119; 122–126

The Subcommittee concluded that increased competition among market makers will remove a number of existing regulatory difficulties. It also recognized, however, that competition will not remove the need for all regulation. The bill implements the Subcommittee's recommendation that there be adequate regulatory authority "to back up the competitive pressure to make tight and continuous markets" by adding to the Exchange Act a new subsection giving to the SEC authority over the activities of market makers operating off of exchanges. (Sec. 15 (c)(6)). In addition, the bill directs the SEC to make the regulations applicable to market makers equal to the extent that such market makers are similarly situated with respect to the purposes of the regulations. (Sec. 11A (k))

4. "Auction" markets for unlisted securities—Report at 120–121; 126–135

The Subcommittee concluded that in an environment of open communication and competition among market makers, stocks should attract the type of market ("auction" or "dealer") that is warranted by their trading characteristics. Accordingly, corporate management should not be able to limit the type of market in which investors can trade the corporation's securities by choosing not to "list" those securities on an exchange. The bill follows this recommendation by amending Section 12(f) of the Exchange Act to permit an exchange, upon application to and approval by the Commission, to commence trading in securities which are not listed on any exchange. Standards are established to guide the Commission in considering applications for the extension of unlisted trading privileges to such securities, including the public trading activity in the security, the impact of the extension on the existing markets for the security, and the desirability of removing impediments to and perfecting the mechanism of a national market system.

5. Reports to the Congress

In order that the Congress and the public may be kept informed of the progress toward a true national market system, the bill requires the SEC to include in its annual reports information with respect to the development of such a system, and the activities, capabilities, and plans of the self-regulatory organizations relating thereto. (Sec. 23(b)).

II. The Structure of the Regulatory System—Report at 137–204

A. THE OPERATIONS OF THE SELF-REGULATORY ORGANIZATIONS

1. Procedural standards for self-regulatory action

The Subcommittee recommended several amendments to the Exchange Act to assure that persons adversely affected by the action of a self-regulatory organization are assured of due process. (Report at 150–155) Following these recommendations the bill would establish the following minimum procedural standards:

(a) The rules of an exchange or securities association must provide fair and orderly procedures for disciplinary proceedings against members or persons associated with members, the denial of membership to any broker or dealer seeking membership, and the prohibition or limitation of any customer or issuer with respect to requested access to services offered by the exchange or association or any member thereof. (Secs. 6(a)(6) and 15A(b)(10)).

(b) Notice of any final action by a self-regulatory organization adversely affecting a member or non-member must be filed with the Commission and made available for public inspection. (Sec. 19(d))

(c) The Commission may on its own motion or pursuant to the petition of any aggrieved person, review any action by a self-regulatory organization imposing a disciplinary sanction, denying membership, or prohibiting or limiting access to requested services. (Sections 19(d), (e) and (f)).

2. Policy formulation by the self-regulatory organizations—Report at 155–157

With respect to the decision-making procedures at the various self-regulatory organizations, the Subcommittee concluded that it was advisable to preserve flexibility and informality by not imposing specific statutory requirements. However, it did recommend that each self-regulatory organization should be required to file with the SEC and make publicly available a concise general statement of the basis and purpose of any proposed amendment to its rules. The bill amends the Exchange Act to impose such a requirement. (Sec. 19(c))

3. Self-regulatory jurisdiction—Report at 157–169

The Subcommittee identified two serious problems in the present statutory scheme with respect to the scope of self-regulatory authority. First, there is a potential gap between the prerogatives and apparent authority of the self-regulatory organizations and the oversight powers of the SEC. Second, the present allocation of jurisdiction among the self-regulatory organizations often leads to overlapping regulation, or to unequal regulation, or to no regulation at all.

The bill implements the recommendations of the Subcommittee for dealing with these problems by amending the Exchange Act in the following manner:

(a) The existing open-ended grant of authority to national securities exchanges is stricken, and the scope of self-regulatory jurisdiction is more specifically defined. In particular, the regulatory authority of all self-regulatory organizations is limited to matters "related to the protection of investors" in securities. (Secs. 6(b)(4) and 15A(b)(8))

(b) The SEC is given clear authority over all self-regulatory rules. Thus a self-regulatory organization may not change its rules in any respect without SEC approval, and the SEC may, in accordance with a statutorily prescribed procedure, abrogate, alter, or supplement the rules of a self-regulatory organization in any respect consistent with the purposes of the Exchange Act. (Secs. 19(b) and (c))

(c) The SEC is directed to allocate among the self-regulatory organizations responsibility to examine members for compliance with applicable regulations and to receive regulatory reports. (Sec. 17(c))

(d) The SEC is directed to take such steps as are within its power to assure that the regulatory requirements imposed by the various self-regulatory organizations are equal to the extent that they apply to persons similarly situated in terms of the purposes of the regulations. (Sec. 11A(k))

B. THE SEC'S OVERSIGHT OF THE SELF-REGULATORY ORGANIZATIONS—REPORT AT 170–204

1. SEC authority over self-regulatory rules—report at 155–157; 160–164; 172–177; 196–201

The Subcommittee found that the SEC's existing power over the rules of the self-regulatory agencies is a patchwork quilt of inconsistent provisions and anomalous gaps. Following the Subcommittee's recommendations for rationalizing the regulatory pattern, the bill codifies the SEC's authority over self-regulatory rules in one section of the Exchange Act and vests in the SEC identical powers with respect to the rules of both exchanges and the NASD. Under the bill, the SEC has the following powers in this regard and must adhere to the following procedures:

(a) No amendment to the rules of a self-regulatory organization may become effective unless the SEC finds that such amendment is consistent with the requirements and purposes of the Exchange Act. (Sec. 19(c)(1))

(b) The SEC's review of a proposed amendment to the rules of a self-regulatory organization must follow a procedure similar to that for rule-making under the Administrative Procedure Act. Notice of the proposed amendment must be given; opportunity must be provided for comment by interested persons; all correspondence between the SEC and interested persons must be available for public inspection; and the Commission, in approving such an amendment, must issue a concise statement of the amendment's basis and purpose. (Sec. 19(c)(2)(A))

(c) Prior to disapproving a proposed amendment to the rules of a self-regulatory organization, the SEC must provide interested persons with an opportunity for the oral presentation of views. (19(c)(B))

(d) In order to abrogate, alter or supplement the rules of a self-regulatory organization, the SEC must (1) give notice of its intention to do so together with a full statement of its reasons; (ii) provide interested persons with an opportunity for the oral presentation and written submission of views; (iii) make available for comment before final action the facts and other evidence on which it intends to rely in taking such action; and (iv) publish a full statement of its reasons for any final action abrogating, altering, or supplementing the rules of a self-regulatory organization, the facts and other evidence on which such reasons are based, and an evaluation of the principal arguments presented against such action. (Sec. 19(b))

(e) Judicial review of SEC action abrogating, altering, or supplementing the rules of a self-regulatory organization is available directly in the Court of Appeals. (Sec. 25(b)) Judicial review of other SEC actions with respect to self-regulatory rules is available in District Court under the Administrative Procedure Act. (See Report at 205–218)

(f) Although the SEC does not have the authority to enforce the rules of a self-regulatory organization directly against its members, the bill does give it the authority (1) to suspend or withdraw the registration of a self-regulatory organization, to censure it, or to impose limitations upon its activities, functions, and operations if it fails to enforce compliance with its rules (Sec. 19(a)(1)); (ii) to remove from office or censure any officer or director of a self-regulatory organization who has willfully failed to enforce the organization's rules (Sec. 19(a)(3)); and (iii) to apply to a district court for an injunction to compel a self-regulatory organization to enforce compliance with its rules. (Sec. 21(f))

2. SEC review of self-regulatory action adversely affecting particular persons—Report at 150–155; 179–180

An aggrieved person's inability to obtain SEC review of an exchange action imposing a disciplinary sanction or denying a membership application or of the action of any self-regulatory organization limiting or prohibiting his access to requested services offered by that organization or its members is, as the Subcommittee noted, contrary to standards of elemental fairness and sound administrative procedure. Accordingly, the bill provides such a right of review and lays down the procedural mechanism by which it may be exercised. (Secs. 19 (c) and (f))

3. SEC performance of its responsibility to oversee the self-regulatory organizations—report at 180–196

Although the Subcommittee identified several gaps in the SEC's authority over self-regulatory activities, it concluded: "the major regulatory need in the securities industry is a willingness on the part of the Commission to use the broad oversight powers available to it to assure that '. . . there is no gap between the regulatory need and the self-regulatory performance'." Recognizing that the Congress cannot legislate a willingness on the SEC's part to take effective action, the Subcommittee nevertheless concluded that by requiring the SEC to disclose more fully the nature and results of its oversight activities, the Congress could improve its own and the public's ability to evaluate the SEC's performance.

The Subcommittee specifically recommended, and the bill follows this recommendation, that the Exchange Act be amended to require the SEC in its annual reports to Congress to describe:

(a) The SEC's oversight activities with respect to the self-regulatory organizations and the changes brought about as a result of them (Sec. 23(b)(1));

(b) The expenses of the self-regulatory organizations in carrying out their responsibilities under the Exchange Act (Sec. 23 (b)(2)); and

(c) The regulatory activities and plans of the self-regulatory organizations with respect to the national market system (Sec. 23(b)(3)).

The Subcommittee also expressed concern with the failure of the SEC to make available for public inspection copies of comments and correspondence it sends or receives in connection with proposed changes in self-regulatory rules (Report at 197–199) and the promulgation of its own rules (Report at 201–204). The Subcommittee recommended a statutory amendment to require disclosure of all such comments and correspondence, and the bill follows this recommendation. (Secs. 19(c)(2) and 23(a)).

The SEC has broad powers to delegate functions to its staff. In order to insure that any self-regulatory organization or person associated with a self-regulatory organization adversely affected by a staff decision has the right of review by the full Commission, the bill appropriately amends P.L. 87–592. (Sec. 23 of the bill)

S. 2519

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Securities Market System Act of 1973".

SECTION 1. Section 2 of the Securities Exchange Act of 1934 (15 U.S.C. 78b) is amended by striking the word "and" immediately before the phrase "to impose requirements necessary to make such regulation and control reasonably complete and effective,' and by adding the following immediately after that phrase: "and to remove impediments to and perfect the mechanism of a national market system for securities,".

SEC. 2. Section 3(a)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(3)) is amended to read as follows:

"(3) The term 'member' when used with respect to an exchange or a registered securities association means any broker or dealer who agrees to be regulated by an exchange or association and with respect to whom the exchange or association undertakes to enforce compliance with its rules and with the provisions of this title, and any amendment thereto, and any rule or regulation made or to be made thereunder."

SEC. 3. Section 3(a)(21) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(21)) is amended to read as follows:

"(21) The term 'person associated with a member' means a person who is registered with a registered securities association or national securities exchange pursuant to its rules or who is associated with a broker or dealer which is a member of such association or such exchange."

SEC. 4. Section (3)(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end thereof the following new paragraphs:

"(22) The term 'securities information processor' means any person engaged in the business of (A) collecting, processing, or preparing for distribution or publication, or assisting, participating in, or coordinating the distribution or publication of information with respect to transactions in any security or bids and offers for or indications of interest to purchase or sell any security (which bids and offers and indications of interest are hereinafter collectively referred to as 'quotations'), or (B) distributing or publishing (whether by means of a ticker tape, a communications network, a terminal display device, or otherwise) on a current and continuing basis information with respect to such transactions or quotations. The term 'securities information processor' does not include any bona fide newspaper, news magazine, or business or financial publication of general and regular circulation, any common carrier subject to the jurisdiction of the Federal Communications Commission or a State commission as defined in section 3(f) of the Communications Act of 1934, any national securities exchange, or any registered securities association.

"(23) The term 'self-regulatory organization' means a national securities exchange or a registered securities association."

SEC. 5. Section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f) is amended to read as follows:

"NATIONAL SECURITIES EXCHANGES

"SEC. 6. (a) Any exchange may be registered with the Commission as a national securities exchange under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the following information, and accompanied by the following documents:

"(1) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, whatever the name, and its stated policies and practices relating to its organization, membership, rules of conduct, procedures, financial condition, methods of trading, and similar matters, which are hereinafter collectively referred to in this title as the 'rules of the exchange'; and

"(2) Such other information and documents as the Commission, by rule, may prescribe.

Such registration shall not be construed as a waiver by such exchange or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation under this title.

"(b) An exchange shall not be registered as a national securities exchange unless it appears to the Commission that—

"(1) such exchange is so organized and is of such a character as to be able to comply with and to enforce compliance by its members with the provisions of this title, the rules and regulations thereunder, and the rules of the exchange, and to carry out the purposes of this title;

"(2) the rules of the exchange assure a fair representation of its members in the adoption of the rules of the exchange and amendments thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs;

"(3) the rules of the exchange provide for the equitable allocation of dues, fees, and other charges among its members and other persons utilizing its facilities to defray reasonable expenses;

"(4) the rules of the exchange are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, to foster cooperation and coordination with other exchanges, registered securities associations, registered securities information processors, and other persons engaged in regulating, clearing, settling, transferring, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a national market system, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination between or among customers or issuers or brokers or dealers, to fix minimum profits, to regulate matters not related to the protection of investors, or to impose any burden on competition not reasonably necessary to achieve the purposes of this title;

"(5) the rules of the exchange provide that its members and persons associated with its members shall be appropriately disciplined for violation of any provision of this title, the rules or regulations thereunder, or the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, or censure, and in the case of a person associated with a member by being suspended or barred from being associated with any member; and

"(6) the rules of the exchange provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members, the denial of membership to any broker or dealer seeking membership therein, and the prohibition or limitation of any customer or issuer with respect to requested access to services offered by the exchange or any member thereof. In any proceeding to determine whether a broker or dealer shall be denied membership or whether a customer or issuer shall be prohibited or limited with respect to requested access to services offered by the exchange or any member thereof, such rules shall, as a minimum, provide that the broker or dealer or customer or issuer shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or prohibition or limitation which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or prohibition or limitation is based.

"(c) The Commission shall, upon the filing of an application for registration as a national securities exchange pursuant to subsection (a), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(2) institute further proceedings to determine whether the application should be denied. After notice of the grounds for denial under consideration and opportunity for hearing, the Commission shall by order grant such registration unless it finds that a requirement of this section is not satisfied, in which case the Commission shall by order deny such registration. The Commission shall conclude its further proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding.

"(d) An exchange may, upon appropriate application in accordance with the rules and regulations of the Commission, and upon such terms as the Commission may deem necessary or appropriate for the protection of investors, withdraw its registration."

SEC. 6. Section 11(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78k(b)) is amended to read as follows:

"(b) When not in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, the rules of a national securities exchange may permit (1) a member to be registered as an odd-lot dealer and as such to buy and sell for his own account so far as may be reasonably necessary to carry on such odd-lot transactions, and (2) a member to be registered as a specialist. If under the rules and regulations of the Commission a specialist is permitted to act as a dealer, or is limited to acting as a dealer, such rules and regulations shall restrict his dealings on the exchange so far as practicable to those reasonably necessary to permit him to maintain a fair and orderly market and to those necessary to permit him to act as an odd-lot dealer if the rules of the exchange permit him to act as an odd-lot dealer. It shall be unlawful for a specialist or an official of the exchange to disclose information in regard to orders placed with such specialist which is not available to all members of the exchange, to any person other than an official of the exchange, a representative of the Commission, or a specialist who may be acting for such specialist: *Provided, however,* That the Commission, by rule, may require or permit disclosure of any limited price order placed with a specialist to such other specialists, such dealers, such brokers, and such other persons as it deems necessary or appropriate in the public interest or for the protection of investors to maintain fair and orderly markets or to remove impediments to and perfect the mechanism of a national market system. It shall also be unlawful for a specialist acting as a broker to effect on the exchange any transaction except upon a market or limited price order."

SEC. 7. The Securities Exchange Act of 1934 is amended by inserting after section 11 (15 U.S.C. 78k) the following new section:

"SECURITIES INFORMATION PROCESSORS;
NATIONAL MARKET SYSTEM

"SEC. 11A. (a)(1) Except as otherwise provided in this subsection, it shall be unlawful for any securities information processor, unless registered in accordance with this section, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a securities information processor with respect to any security. The Commission, by rule, upon its own motion or upon application, may conditionally or unconditionally exempt any securities information processor or class of securities information processors or any security or class of securities from any provision of this section or of any rule or regulation prescribed under this section, if the Commission finds that the application of such provision to such securities information processor or such class of securities information processors or such security or such class of securities is neither necessary nor appropriate in the public interest or for the protection of investors.

"(2) The Commission shall include in its annual reports to Congress required by section 23(b) of this title information concerning the number of requests for exemptions from this section received, the number granted, and the basis upon which any exemption was granted.

"(b) Any securities information processor may be registered for the purposes of this section by filing with the Commission a registration statement which shall state the address of its principal office or offices, the securities and markets for which it is then acting as a securities information processor, and such other information and documents as the Commission, by rule, may prescribe with regard to performance capability, standards and procedures for the collection, processing, distribution, and publication of information with respect to quotations for and transactions in securities, personnel qualifications, financial condition, and other matters germane to the purposes of this section.

"(c) The Commission shall, upon the filing of an application for registration pursuant to subsection (b), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(1) by order grant such registration if the Commission finds that such securities information processor is so organized and possesses such operational capacity as to assure the prompt, accurate, and reliable performance of its functions as a securities information processor, to comply with the provisions of this title and the rules and regulations thereunder, and to carry out the purposes of this section with respect to the maintenance of fair and orderly markets in securities and the removal of impediments to and perfection of the mechanism of a national market system, or

"(2) institute further proceedings to determine whether the application should be denied. After notice of the grounds for denial under consideration and opportunity for hearing, the Commission shall by order grant such registration unless it finds that the organization or operational capacity of the securities information processor is such that the processor is unable to assure the prompt, accurate, and reliable performance of its functions as a securities information processor, to comply with the provisions of this title and the rules and regulations thereunder, or to carry out the purposes of this section with respect to the maintenance of fair and orderly markets in securities and the removal of impediments to and perfection of the mechanism of a national market system, in which case the Commission shall by order deny such registration. The Commission shall conclude such further proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding.

"(d) A securities information processor registered under this section may, upon such terms and conditions as the Commission may deem necessary or appropriate in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registrant or person for whom an application for registration is pending is no longer in existence or has ceased to do business in the capacity specified in the registration statement, the Commission shall by order cancel or deny the registration.

"(e) The Commission may, by order, censure, or place limitations upon the activities, functions, or operations of any registered securities information processor or suspend for a period not exceeding twelve months or revoke the registration of any such processor if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or revocation is in the public interest or necessary for the protection of investors and that such securities information processor has violated or is unable to comply with any provision of this title or any rule or regulation thereunder or has knowingly engaged in any other activity inconsistent with the purposes of this section.

"(f) No national securities exchange, registered securities association, or registered securities information processor shall make use of the mails or any means or instrumentality of interstate commerce to collect, process, distribute, publish, or prepare for distribution or publication any information with respect to quotations for or transactions in any security or to assist, participate in, or coordinate the distribution or publication of such information in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest or for the protection of investors to prevent the use or publication of fraudulent, deceptive, or manipulative information with respect to quotations and transactions, to facilitate the prompt, accurate, and reliable collection, processing, distribution, and publication of informative quotations and reports of transactions, to remove impediments to and perfect the mechanism of a national market system, and to assure the maintenance of fair and orderly markets.

"(g) No person shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in any security for his own account or for the account of any other person in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors to assure prompt, accurate, and informative reports of transactions in securities.

"(h) The Commission shall prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors (1) to assure that current, accurate, and informative quotations and reports of transactions in all securities (other than exempted securities) are available on reasonable and nondiscriminatory terms to all registered brokers and dealers and, subject to such limitations as the Commission may, by rule, impose as necessary or appropriate for the protection of investors and the maintenance of fair and orderly markets, to all investors; (2) to specify the form and content of information with respect to quotations and transactions and the method and manner in which such information is distributed and published; and (3) to provide for the fair and reasonable allocation among national securities exchanges, registered securities associations, and registered securities information processors of the costs, functions, and responsibilities associated with the collection, processing, distribution, and publication of information with respect to quotations and transactions, and the development, operation, and regulation of a national market system.

"(i) If any securities information processor prohibits or limits any person in respect of requested access to services offered by such processor, the securities information processor shall promptly file a notice thereof with the Commission. Any such prohibition or limitation shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been filed with the Commission and received by such aggrieved person, or within such longer period as the Commission may determine. In any proceeding to review any such prohibition or limitation, if the Commission, on the record and after notice and opportunity for hearing, determines that such prohibition or limitation is consistent with the provisions of this title and the rules and regulations thereunder, that such person has not been discriminated against unfairly, and that no burden has been imposed on competition not reasonably necessary for the achievement of the purposes of this title, the Commission shall, by order, dismiss the proceeding. In the absence of such a determination, the Commission shall, by order, set aside the prohibition or limitation and require the securities information processor to permit such person the requested access to services offered by the securities information processor.

"(j) The Commission may prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors to regulate transactions effected on an exchange by any person (other than a member of such exchange) without the services of another person acting as broker.

"(k) The Commission, having due regard for the public interest, the protection of investors, and the need to remove impediments to and perfect the mechanism of a national market system, shall take such steps as are within its power to assure that brokers, dealers, exchanges, securities associations, securities information processors and investors are subject to equal regulations to the extent that such persons are similarly situated in terms of the purposes of such regulations. The Commission shall, on or before December 31, 1975, report to the Congress on the steps so taken and make recommendations for such further legislative authority as it deems necessary to provide for such equal regulations, if the Commission determines that it lacks the necessary authority or is otherwise unable to do so."

Sec. 8. Section 12(f) of the Securities Exchange Act of 1934 (15 U.S.C. 781(f) is amended as follows:

(1) Paragraph (1) thereof is amended to read as follows:

"(1) Notwithstanding the foregoing provisions of this section, any national securities exchange, subject to the terms and conditions hereinafter set forth—

"(A) may continue unlisted trading privileges to which a security had been admitted on such exchange prior to the effective date of subsection (g)(1) of section 12 of this title;

"(B) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security duly listed and registered on any other national securities exchange; and

"(C) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security registered under section 12 of this title or which would be required to be so registered except for the exemption from registration provided in subsection (g)(2)(B) or subsection (g)(2)(G) of that section.

If an extension of unlisted trading privileges to a security was originally based upon its listing and registration on another national securities exchange, such privileges shall continue in effect only so long as such security shall remain listed and registered on any other national securities exchange."

(2) Paragraph (2) thereof is amended to read as follows:

"(2) No application pursuant to this subsection shall be approved unless the Commission finds, after notice and opportunity for the presentation of views, that the extension of unlisted trading privileges pursuant to such application is necessary or appropriate in the public interest or for the protection of investors. In considering an application for the extension of unlisted trading privileges to a security not listed and registered on a national securities exchange, the Commission shall, among other matters, take account of the public trading activity in such security, the character of trading, the impact of such extension on the existing markets for such security, and the desirability to removing impediments to and perfecting the mechanism of a national market system."

Sec. 9. Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 781) is amended by adding at the end thereof the following new subsection:

"(j) The Commission is authorized, if in its opinion such action is necessary or appropriate in the public interest, for the protection of investors, or to carry out the purposes of this title, by order to deny, to suspend the effective date of, to suspend for a period not exceeding twelve months, or to withdraw the registration of a security if the Commission finds, on the record after notice and opportunity for hearing, that the issuer of such security has failed to comply with any provision of this title or of the rules and regulations thereunder."

Sec. 10. Paragraph (1) of section 15(a) of the Securities Exchange Act of 1934 (15 U.S.C. 780(a)), paragraphs (8) and (10) of section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 780(b)), and paragraphs (1) and (2) of section 15(c) of that Act (15 U.S.C. 780(c)) are amended by striking out the phrase "otherwise than on a national securities exchange" and by inserting in lieu thereof the phrase "otherwise than on a national securities exchange of which it is a member".

Sec. 11. Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 780(c)) is amended by adding at the end thereof the following new paragraph:

"(6) No dealer shall make use of the mails or of any means or instrumentality of interstate commerce to hold himself out (by entering quotations in an interdealer communications system or otherwise) as being willing to buy and sell any security for his own account on a continuous basis or to effect for his own account any transaction in or to induce the purchase or sale for his own account of any security in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest or for the protection of investors to insure the maintenance of a fair and orderly market in such security or to remove impediments to and perfect the mechanism of a national market system. The Commission, by rule, may require or permit the disclosure of any limited price order placed with such a dealer to such specialists, such other dealers, such brokers, and such other persons as it deems necessary or appropriate in the public interest or for the protection of investors to maintain fair and orderly markets or to remove impediments to and perfect the mechanism of a national market system."

Sec. 12. Section 15A(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(a)) is amended to read as follows:

"Sec. 15A. (a) Any association of brokers or dealers may be registered with the Commission as a national securities association pursuant to subsection (b), or as an affiliated securities association pursuant to subsection (d), under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the following information, and accompanied by the following documents:

"(1) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, whatever the name, and its stated policies and practices relating to its organization, membership, rules of conduct, procedures, financial condition, methods of trading by members, and similar matters, which are hereinafter collectively referred to in this title as the 'rules of the association'; and

"(2) Such other information and documents as the Commission, by rule, may prescribe.

Such registration shall not be construed as a waiver by such association or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation under this title."

SEC. 13. Section 15A(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(b)) is amended as follows:

(1) Paragraph (2) thereof is amended to read as follows:

"(2) such association is so organized and is of such a character as to be able to comply with and to enforce compliance by its members with the provisions of this title, the rules and regulations thereunder, and the rules of the association, and to carry out the purposes of this title."

(2) Paragraph (7) thereof is amended to read as follows:

"(7) the rules of the association provide for the equitable allocation of dues, fees, and other charges among its members and other persons utilizing its facilities to defray reasonable expenses."

(3) Paragraph (8) thereof is amended to read as follows:

"(8) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, to foster cooperation and coordination with other registered securities associations, national securities exchanges, registered securities information processors and other persons engaged in regulating, clearing, settling, transferring, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination between or among customers or issuers or brokers or dealers, to fix minimum profits, to impose any schedule of prices, to impose any schedule or fixed minimum rates of commissions, allowances, discounts, or other charges, to regulate matters not related to the protection of investors or to impose any burden on competition not reasonably necessary to achieve the purposes of this title."

(4) Paragraph (9) thereof is amended to read as follows:

"(9) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined for violation of any provision of this title, the rules or regulations thereunder, or the rules of the association by expulsion, suspension, limitation of activities, functions, and operations, fine or censure, and in the case of a person associated with a member by being suspended or barred from being associated with any member."

(5) Paragraph (10) thereof is amended to read as follows:

"(10) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members, the denial of membership to any broker or dealer seeking membership therein, and the prohibition or limitation of any customer or issuer with respect to requested access to services offered by the association or any member thereof. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other persons may be found to have omitted;

"(B) a statement setting forth the specific provision of this title, or rule or regulation thereunder or rule of the association of which any such act or practice, or omission to act, is deemed to be in violation;

"(C) a statement whether the acts or practices prohibited by such provision or rule, or the omission of any act required thereby are deemed to constitute conduct inconsistent with just and equitable principles of trade; and

"(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether a broker or dealer shall be denied membership or whether a customer or issuer shall be prohibited or limited with respect to requested access to services offered by the association or any member thereof, such rules shall, as a minimum, provide that the broker or dealer or customer or issuer shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or prohibition or limitation which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or prohibition or limitation is based."

SEC. 14. Section 15A(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(e)) is amended to read as follows:

"(e) The Commission shall, upon the filing of an application for registration as a national or affiliated securities association pursuant to subsection (a), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(2) institute further proceedings to determine whether the application should be denied. After notice of the grounds for denial under consideration and opportunity for hearing, the Commission shall by order grant such registration unless it finds that a requirement of this section is not satisfied, in which case the Commission shall by order deny such registration. The Commission shall conclude its further proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding."

SEC. 15. Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3) is amended by striking out subsections (g), (h), (j), (k), (l), and (n) thereof and redesignating subsections (i) and (m) thereof as subsections (g) and (h) respectively.

SEC. 16. Section 17(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(a)) is amended to read as follows:

"(a) Every national securities exchange, every member thereof, every broker or dealer who transacts a business in securities through the medium of any such member, every registered securities association, every broker or dealer registered pursuant to section 15 of this title, and every registered securities information processor, shall make, keep, and preserve for such periods, such accounts, correspondence, memoranda, papers, books, and other records and furnish such copies thereof and make such reports, as the Commission by its rules and regulations may prescribe as necessary or appropriate in the public interest or for the protection of investors. All accounts, correspondence, memoranda, papers, books, and other records of such persons shall be subject at any time or from time to time to such reasonable periodic, special, or other examinations by examiners or other representatives of the Commission as the Commission may deem necessary or appropriate in the public interest or for the protection of investors."

SEC. 17. Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended by adding at the end thereof the following new subsection:

"(c) With respect to any person who is a member of more than one self-regulatory organization, the Commission shall, by rule or regulation, as it deems necessary or appropriate in the public interest, for the protection of investors, or to foster cooperation and coordination among self-regulatory organizations with respect to the regulation of brokers and dealers, allocate among such self-regulatory organizations responsibility to examine such person for compliance with applicable provisions of this title, the rules and regulation thereunder, and the rules of the self-regulatory organizations of which it is a member, and to receive regulatory reports and to carry out other specified regulatory functions with respect to such person."

SEC. 18. Section 19 of the Securities Exchange Act of 1934 (15 U.S.C. 78s) is amended to read as follows:

"COMMISSION OVERSIGHT OF SELF-REGULATORY ORGANIZATIONS

"SEC. 19. (a) The Commission is authorized, if in its opinion such action is necessary or appropriate in the public interest, for the protection of investors, or to carry out the purposes of this title—

"(1) by order to suspend for a period not exceeding twelve months or to withdraw the registration of a self-regulatory organization or to censure or impose limitations upon the activities, functions, and operations of any such organization if the Commission finds, on the record after notice and opportunity for hearing, that such organization (A) has violated any provision of this title or of the rules and regulations thereunder, (B) has failed to enforce compliance with any such provision or with its own rules by a member thereof, a person associated with a member, or, in the case of a national securities exchange, by an issuer of a security registered thereon, and, in the case of a national securities association, by an issuer of a security for which quotations are published by means of any system which the association operates or regulates, or (C) has engaged in any other activity tending to defeat the purposes of this title;

"(2) by order to suspend for a period not exceeding twelve months or to expel from a self-regulatory organization any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds, on the record after notice and opportunity for hearings, that such member or person (A) has violated any provision of this title or of the rules and regulations thereunder, or has effected any transaction for any other person who, he has reason to believe, was violating with respect to such transaction any provision of this title or of the rules and regulations thereunder, or (B) has willfully violated any provision of the Securities Act of 1933, as amended, or of the rules and regulations thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or of the rules and regulations thereunder;

"(3) by order to remove from office or censure any officer or director of a self-regulatory organization who, the Commission finds, on the record after notice and opportunity for hearing, (A) has willfully violated any provision of this title or of the rules and regulations thereunder, (B) has willfully failed to enforce the rules of the self-regulatory organizations, or (C) has willfully abused his authority; and

"(4) if in its opinion the public interest so requires, summarily to suspend trading in any registered security on any national securities exchange for a period not exceeding ten days, or with the approval of the President, summarily to suspend all trading on any national securities exchange for a period not exceeding ninety days.

"(b) The Commission, as it deems necessary or appropriate in the public interest, for the protection of investors, to insure fair and orderly dealing in securities, to insure the fair administration of self-regulatory organizations, to remove burdens on competition not reasonably necessary to the achievement of the purposes of this title, or to remove impediments to and perfect the mechanism of a national market system, may, by rule, abrogate, alter, or supplement the rules of any self-regulatory organization, in the following manner:

"(1) The Commission shall publish in the Federal Register any such proposed rule together with a full statement of its reasons for proposing to abrogate, alter, or supplement the rules of a self-regulatory organization in the manner specified and an evaluation of the effect of the proposed rule on the procedures and operations of the self-regulatory organization and the securities markets.

"(2) The Commission shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions, with respect to any such proposed rule and any presentation or submission by the Commission in connection therewith. Before the close of the period for the presentation and submission of views, the Commission shall present orally or submit in writing such facts and other evidence on which it then intends to rely under paragraph (3) of this subsection in promulgating the rule. A transcript shall be kept of any oral presentations.

"(3) The Commission shall publish with any rule adopted pursuant to this subsection a full statement of its reasons for abrogating, altering, or supplementing the rules of a self-regulatory organization in the manner provided, the facts and other evidence upon which such reasons are based, and an evaluation of the principal arguments presented against the adoption of such rule.

"(4) Except as provided in paragraphs (1) through (3) of this subsection, rulemaking under this subsection shall be in accordance with the procedures specified in section 553 of title 5, United States Code. Nothing in this subsection shall be construed to impair or limit the Commission's power to make rules and regulations pursuant to any other authority under this title.

"(c)(1) Each self-regulatory organization shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed change in, addition to, or deletion from the rules of such organization accompanied by a concise general statement of the basis and purpose of such proposed change, addition, or deletion. No such proposed change, addition, or deletion shall take effect except in accordance with the provisions of this subsection.

"(2) The Commission shall, upon the filing of a proposed change, in addition to, or deletion from the rules of a self-regulatory organization, publish notice of such proposal together with the organization's statement of basis and purpose and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, or deletion. The Commission shall make available for public inspection copies of any correspondence between the Commission or its staff and any interested person relating to the proposed change, addition, or deletion. Within twenty-one days of the filing of such proposed change, addition, or deletion, or within such longer period up to sixty days of such filing as the Commission may designate, if it finds such longer period to be appropriate and publishes its reasons for so finding, the Commission shall—

"(A) publish a rule approving such change, addition, or deletion and declaring it effective if the Commission finds that the rules of the self-regulatory organization as so changed would not be inconsistent with the registration requirements for such organization or with the purposes of this title and are not otherwise inconsistent with the public interest, or

"(B) institute further proceedings, including providing interested persons an opportunity for oral presentation of views, data, or arguments, to determine whether the proposed change, addition, or deletion should be disapproved, in whole or in part. Within one hundred and fifty days of the filing of the proposed change, addition, or deletion, the Commission shall conclude such further proceedings and shall publish a rule either approving such proposed change, addition, or deletion and declaring it effective or disapproving such proposed change, addition, or deletion if it finds that the rules of the self-regulatory organization as so changed would be inconsistent with the registration requirements for such organization or with the purposes of this title or are otherwise inconsistent with the public interest, except that the Commission may extend the period for such further proceedings it it finds good cause therefor and publishes its reasons for so finding.

"(3) The Commission, by rule or regulation or by order, upon its own motion, or upon application setting forth the reasons therefor, may conditionally or unconditionally accelerate the effectiveness of any proposed change in, addition to, or deletion from the rules of a self-regulatory organization or any class or classes of such proposed changes, additions, or deletions if it appears to the Commission that such accelerated effectiveness is not inconsistent with the purposes of this subsection.

"(d) If any self-regulatory organization takes any final disciplinary action against any member thereof or any person associated with a member, or denies admission to any person seeking membership therein, or prohibits or limits any customer or issuer in respect of requested access to services offered by such organization or any member thereof, the self-regulatory organization shall promptly file a notice thereof with the Commission. The notice shall be in such form and contain such information as the Commission, by rule, may prescribe and shall be available for public inspection. Any such action, denial, prohibition, or limitation by a self-regulatory organization shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been filed with the Commission and received by such aggrieved person, or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall not operate as a stay of such action, unless the Commission otherwise orders, after notice and opportunity for the presentation of views on the question of a stay (which presentation may consist solely of affidavits).

"(e)(1) In a proceeding to review disciplinary action taken by a self-regulatory organization against a member or a person associated with a member, after notice and opportunity for hearing and upon consideration of the record before the self-regulatory organization and such other matters as the Commission may deem material—

"(A) if the Commission finds that such member of such person has engaged in such acts or practices, or has omitted such acts, as the self-regulatory organization has found him to have engaged in or to have omitted, and that such acts or practices, or omissions to act, are in violation of such provisions of this title, or such rules adopted thereunder, or such rules of the self-regulatory organization as have been designated in the determination of the self-regulatory organization, the Commission shall, by order, so declare and affirm the action taken by the self-regulatory organization or, if appropriate, modify the sanctions or penalties in accordance with paragraph (2) of this subsection, or remand to the self-regulatory organization for further proceedings; or

"(B) if the Commission does not find that such member or such person has engaged in such acts or practices, or has omitted such acts, as the self-regulatory organization has found him to have engaged in or to have omitted, or if the Commission finds that such acts or practices are not prohibited by the designated provisions of this title, or the rules adopted thereunder, or the rules of the self-regulatory organization, the Commission shall, by order, set aside the action of the self-regulatory organization or remand to such organization for further proceedings.

"(2) The Commission, having due regard for the public interest, the protection of investors, and its responsibility to remove any burden on competition not reasonably necessary for the achievement of the purposes of this title, if it finds that any disciplinary action taken by a self-regulatory organization against a member or a person associated with a member is neither necessary nor appropriate or is excessive or oppressive, may cancel or reduce such action or require the remission of any penalty associated therewith.

"(f) In any proceeding to review the denial of membership in a self-regulatory organization or the prohibition or limitation of a customer or issuer with respect to requested access to services offered by the self-regulatory organization or any member thereof, if the Commission, after notice and opportunity for hearing and upon consideration of the record before the self-regulatory organization and such other matters as it may deem material, determines that the specific grounds on which such denial or prohibition or limitation is based exist in fact, that such denial or prohibition or limitation is consistent with the rules of self-regulatory organization, and that such rules have not been applied so as to discriminate unfairly against such applicant or customer or issuer or to impose burdens on competition not reasonably necessary for the achievement of the purposes of this title, it shall, by order, dismiss the proceeding. In the absence of such a determination, the Commission shall, by order, set aside the action of the self-regulatory organization and require it to admit the applicant to membership or permit the customer or issuer the requested access to services offered by the self-regulatory organization or member thereof."

SEC. 19. Section 21(f) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(f)) is amended to read as follows:

"(f) Upon application of the Commission, the district courts of the United States, the United States District Court for the District of Columbia, and the United States courts of any territory or other place subject to the jurisdiction of the United States, shall also have jurisdiction to issue writs of mandamus or injunctions commanding any person to comply with the provisions of this title and the rules and regulations thereunder or any order of the Commission made in pursuance thereof or with any undertaking contained in a registration statement as provided in subsection (d) of section 15 of this title, or commanding a self-regulatory organization to enforce compliance by its members or persons associated with its members with the provisions of this title, the rules and regulations thereunder, and the rules of such organization."

SEC. 20. Section 23 of the Securities Exchange Act of 1934 (15 U.S.C. 78w) is amended to read as follows:

"RULES AND REGULATIONS; ANNUAL REPORTS

"SEC. 23. (a) The Commission and the Board of Governors of the Federal Reserve System shall each have power to make such rules and regulations as may be necessary for the execution of the functions vested in them by this title, and may for such purpose classify issuers, securities, exchanges, securities information processors, and other persons or matters within their respective jurisdictions. No provision of this title imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule or regulation of the Commission or the Board of Governors of the Federal Reserve System, notwithstanding that such rule or regulation may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason. The Commission shall, in making rules and regulations pursuant to any authority under this title, consider among other matters, the impact any such proposed rule or regulation would have on competition. The Commission shall not promulgate any such rule or regulation which would impose a burden on competition not reasonably necessary for the achievement of the purposes of this title. The Commission shall include in the notice of any such proposed rule or regulation and in the statement of basis and purpose published upon the adoption of any such rule or regulation, a full explanation of the reasons for the Commission's determination that any burden on competition imposed by such rule or regulation is reasonably necessary for the achievement of the purposes of this title. In making rules and regulations pursuant to any authority under this title, the Commission shall make available for public inspection copies of any correspondence between the Commission or its staff and any interested person relating to the proposed rule or regulation.

"(b) The Commission and the Board of Governors of the Federal Reserve System, respectively, shall include in their annual reports to Congress such information, data, and recommendations for further legislation as they may deem advisable with regard to matters within their respective jurisdictions under this title. The Commission shall also include in its annual report to the Congress for each fiscal year (1) a summary of the Commission's oversight activities with respect to the self-regulatory organizations, including a description of any examination of any such organization, any recommendation presented to any such organization for changes in its organization, character, or rules, and any action by any such organization with respect to any such Commission recommendation; (2) a statement and analysis of the expenses of each self-regulatory organization in connection with the performance of its responsibilities under this title; (3) information, data, and recommendations with respect to the development of a national market system, including a summary of the regulatory activities, operational capabilities, financial resources, and plans of the self-regulatory organizations related thereto; and (4) a summary of the Commission's handling and ultimate disposition of any petition filed with it for the issuance of any rule under this title."

SEC. 21. Section 25(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78y(b)) is amended to read as follows:

"(b) Any person adversely affected by a rule promulgated under section 19(b) of this title may obtain a review of such rule in the Court of Appeals of the United States, within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the promulgation of such rule, a written petition praying that such rule be modified or set aside, in whole or in part. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Commission or an officer designated by it for that purpose, and thereupon the Commission shall file in the court the record of the rulemaking proceeding. Upon the filing of such petition such court shall have jurisdiction to review the rule on the record of the rulemaking proceeding in accordance with chapter 7 of title 5, United States Code, and to affirm, modify, and enforce or set aside such rule or regulation, in whole or part, and to grant such other appropriate relief, including interim relief, as provided in such chapter. If the petitioner shall apply to the court for leave to adduce additional data, views, or arguments, and shall show to the satisfaction of the court that such additional data, views, or arguments are material and that there were reasonable grounds for the petitioner's failure to adduce such data, views, or arguments in the rulemaking proceeding before the Commission, the court may order the Commission to provide additional opportunity for the oral presentation of data, views, or arguments and for written submission. By reason of the additional data, views, or arguments so presented, the Commission may modify or set aside the original rule or the statement and other information published with it, and the Commission shall file in the court such modified rule and statement, if any, and the record of such additional data, views, or arguments. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. For purposes of court review of a Commission rule pursuant to this subsection, the record of a rulemaking proceeding consists of the rule as proposed and as adopted, the statement and other information published with the rule when proposed and when adopted, any written submissions to or by the Commission related to the rule, the transcript of any oral presentations to or by the Commission related to the rule, and the transcript or any oral presentations and the written submissions of any additional data, views, or arguments adduced pursuant to this subsection."

SEC. 22. Section 25 of the Securities Exchange Act of 1934 (15 U.S.C. 78y) is amended by adding at the end thereof the following new paragraph:

"(c) The commencement of proceedings under subsection (a) or (b) shall not, unless specifically ordered by the court, operate as a stay of the Commission's order or rule."

SEC. 23. Section 28(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(b)) is amended to read as follows:

"(b) Nothing in this title shall be construed to modify existing law (1) with regard to the binding effect on any member of any exchange of any action taken by the authorities of such exchange to settle disputes between its members, or (2) with regard to the binding effect of such action on any person who has agreed to be bound thereby."

SEC. 24. Paragraphs (3) and (4) of Section 1(b) of the Act of August 20, 1962 (15 U.S.C. 78d–1(b)) are amended to read as follows:

"(3) suspends or withdraws any registration, or censures or imposes any limitation upon the activities, functions, and operations of a self-regulatory organization, or suspends or expels a member of any such organization, or suspends or bars any person from being associated with any member of any such organization, or removes from office any officer or director of any such organization, or suspends trading on an exchange pursuant to section 19(a) of this title, or (4) disapproves any proposed change in, addition to, or deletion from the rules of a self-regulatory organization pursuant to section 19(c) of this title."

SEC. 25. This Act shall become effective on the date of its enactment except that sections 6(b), 11A, and 15A(b) of the Securities Exchange Act of 1934 (as amended by this Act) shall become effective 180 days after the date of enactment. The Commission shall, upon the effectiveness of such sections, suspend the registration of any national securities exchange or registered securities association or impose appropriate limitations on the activities, functions, and operations of any such exchange or association, if it finds, on the record after notice and opportunity for hearing, that the organization, character, or rules thereof do not conform to the requirements of such sections as amended by this Act, and any such suspension or limitation shall remain in effect until the Commission issues an order declaring that such exchange or association conforms to such requirements.

Mr. BIDEN. Mr. President, since I joined the Senate Subcommittee on Securities at the beginning of my term of office, it has been actively engaged in reform of the securities industry, based on findings of its 18-month study of the securities markets. As I have progressively immersed myself in these problems, I have begun to appreciate the complexity of the issues, the depth of the controversy, and the need for basic reform.

The securities industry now functions within an operational and regulatory framework established in the 1930's. At that time, neither the trading volume nor trading patterns of today's markets could possibly have been foreseen. Only about a half billion shares of stock were traded on the New York Stock Exchange each year in the 1930's, while nearly 4½ billion were traded last year. Until quite recent times, individuals did the great majority of trading in securities, while the strong trend today is toward institutional investment. Together with these changes in volume and investment pattern has come the almost revolutionary development of electronic equipment which has made worldwide, real-time market information an achievable goal. No technological barrier exists any longer to prevent total communication among all broker-dealers and with respect to any security, no matter how geographically separated they may be.

The new technology has created an economic structure that no longer comfortably fits within the statutory language. Until recently trading in securities was largely dependent upon personal contacts among broker-dealers, specialists and marketmakers. In recent years, however, cathode ray tubes, the computer, and automated trading systems have made possible the development of sophisticated trading techniques which are no longer dependent on physical proximity. For example, NASDAQ carries quotes for nearly 3,100 over-the-counter securities and 111 listed securities, which results in a trading volume nearly 53 percent of that of the New York Stock Exchange. Even more revolutionary, automated trading systems such as Autex and Instinet have made possible direct trading between institutional investors and their brokers. These systems are handling a volume of well over a million shares a day—nearly as great as that of the New York Stock Exchange when the Securities Exchange Act was passed.

These changes have put great stress on the traditional market mechanisms of exchange and over-the-counter trading. The diffusion of the markets, which has been called a "fragmentation," has indicated a need for a rethinking of the regulatory structure for the securities industry as well as a reallocation of regulatory responsibilities among the self-regulatory organizations. I view the legislative task as arriving at a proper balance between a desire to encourage free and open competition and a duty to protect the investing public. It is my belief that regulation should respond to the natural flow of economic development, but so as to be responsive to general investor interests.

I, therefore, hope that the National Securities Market System Act of 1973, introduced today by Senator WILLIAMS with my cosponsorship, will encourage the appropriate reform. I believe that this bill takes a basically sound approach to the problems at hand, although I will certainly be interested in the comments we receive from members of the industry and investors. In any case, this legislation will provide a concrete basis for beginning fundamental revision of the existing statutory pattern.

By Mr. KENNEDY:

S. 2520. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by increasing the amount of minimum tax imposed on tax preferences. Referred to the Committee on Finance.

THE MINIMUM TAX—TAX REFORM ON THE DEBT CEILING ACT

Mr. KENNEDY. Mr. President, I introduce for appropriate reference a bill to reform the minimum tax. Identical legislation has been introduced today in the House of Representatives by Congressmen HENRY REUSS, BROCK ADAMS, JOHN MOSS, and FRANK THOMPSON. My hope is that Congress will include this legislation as part of the debt ceiling bill, which must be acted on by Congress before the end of this session.

Mr. President, Congress has the opportunity to demonstrate its commitment to comprehensive tax reform by taking action this year to strengthen the minimum tax.

Existing loopholes in the minimum tax are rightly criticized as among the most glaring, most notorious, and most unjustifiable loopholes in the Federal income laws. We in Congress have an obligation to millions of average American taxpayers to make a downpayment on tax reforms this year, and we can do it by including three specific reforms of the minimum tax as part of the debt ceiling bill.

The three proposed reforms would raise an estimated $4 billion in increased Federal revenues—revenues that can be used to offset the budget impact of increased Federal spending in other areas, especially in the case of the increased cost-of-living benefits under social security already passed by the Senate and now awaiting action by the House.

Even aside from the question of basic tax fairness, tax reform is in fact the most obvious available safety valve to take the pressure off the Federal budget and generate necessary new funds, without impeding the fight against inflation or requiring a general tax increase.

In this time of budget crisis, tax reform can provide dollars to reduce the budget deficit, dollars for national defense, dollars for homes and jobs and schools and health, dollars for policemen and drug control; dollars for transportation and the environment; dollars to reduce the soaring burden of property and payroll taxes; dollars for revenue sharing with State and local governments—in short, dollars to meet all the national priorities that are being set today by Congress, the administration, and the American people. Given the budget straitjacket in which Congress now finds itself in many areas, we should not hesitate to act in the obvious area of tax reform.

The three reforms proposed in the pending bill would make the following changes in the minimum tax:

First, the bill would repeal the existing deduction allowed against the minimum tax for regular taxes paid. In effect, this deduction is an "executive suite loophole," because it allows high-salaried executives and others to escape their fair share of the minimum tax by using the taxes they already pay as a device to shelter large amounts of income derived from tax loopholes.

Second, it would repeal the $30,000 exemption currently allowed against tax preference income. It is illogical for Congress to apply a minimum tax on income earned from tax loopholes, and then exempt the first $30,000 in loophole income from the tax.

Third, it would raise the rate of the minimum tax from the current fixed rate of 10 percent to a progressive rate, equal to one-half the tax rate on ordinary income—that is, a sliding rate schedule ranging from 7 to 35 percent. The existing flat rate of 10 percent is the biggest bargain in the Federal tax laws, an excessive bonus to taxpayers enjoying hundreds of thousands of dollars a year in loophole income. Instead, we need a progressive rate schedule, the fairest approach for the minimum tax.

The irony of the existing minimum tax, originally enacted by Congress in 1969 as a modest tax on income derived from loopholes, is that the tax itself is so full of loopholes that it does not fulfill its function. For example, in 1971, the most recent year for which data are available, 98,000 individuals reported income from tax preferences, but only 24,000, or one-quarter of the total, paid any minimum tax. In other words, 75 percent of those with income from tax loopholes escaped the minimum tax altogether.

Although the statutory rate of the minimum tax is 10 percent, the effective rate is only 2.6 percent.

The $2.2 billion, or fully 36 percent of the total amount reported by individuals as tax preference income, went completely untaxed in 1971.

Mr. President, Congress has left tax reform on the back burner for too long. Meaningful reform is needed now to help millions of ordinary Amercan citizens who are fed up with the high tax burden they have to bear because of the Nation's loophole-ridden tax laws.

Already, it is likely that Congress will make tax reform its number one priority in the session that begins next January. Action by Congress now would be widely seen as a downpayment on more comprehensive tax reform to come, a sign of good faith by Congress that we are at last about to redeem our pledge of real tax justice for all the people.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2520

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 56(a) of the Internal Revenue Code of 1954 (relating to imposition of minimum tax for tax preferences) is amended to read as follows:

"(a) In general.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to the income of every person, a tax, determined as provided in subsection (d), on the sum of the items of tax preference."

(b) Section 56(b) of such Code (relating to treatment of net operating losses) is amended by striking out "in excess of $30,000" and by striking out "10 percent" in each place it appears and inserting in lieu thereof "the applicable percent".

(c) Section 56(c) of such Code (relating to tax carryovers) is hereby repealed.

(d) Section 56 of such Code is amended by adding at the end thereof the following new subsection:

"(d) AMOUNT OF TAX.—The amount of tax imposed under subsection (a) shall be an amount equal to one-half of the amount determined by applying the tables prescribed in section 1 except that in lieu of the words 'taxable income' each place they appear in such tables there shall be substituted the words 'sum of the items of tax preference'."

(e) Section 58 of such Code (relating to rules for application of the minimum tax) is amended by—

(1) striking out subsections (b) and (c) and redesignating subsections (d) through (g) as (b) through (e) and by amending subsection (a) to read as follows:

"(a) ESTATES AND TRUSTS.—In the case of an estate or trust, the sum of the items of tax preference for any taxable year of the estate or trust shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each.", and

(2) adding at the end thereof the following new subsection:

"(f) ELECT NOT TO CLAIM TAX PREFERENCES.—In the case of an item of tax preference which is a deduction from gross income, the taxpayer may elect to waive the deduction of all or part of such item, and the amount so waived shall not be taken into account for purposes of this part. In the case of an item of tax preference described in section 57(a)(9), the taxpayer may elect to treat all or part of any capital gain as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231, and the amount treated as such gain shall not be taken into account for purposes of this part. An election under this subsection shall be made only at such time and in such manner as is prescribed in regulations promulgated by the Secretary or his delegate, and the making of such election shall constitute a consent to all terms and conditions as may be set forth in the regulations as to the effect of such election for purposes of this title."

(f) Section 443 of such Code (relating to returns for a period of less than 12 months) is amended by striking out subsection (d) thereof and redesignating subsection (c) as (d).

(g)(1) The amendments made by this section shall apply only with respect to taxable years beginning after the date of this Act.

(2) In determining the deferral of tax liability under section 56(b) of the Internal Revenue Code of 1954 for any taxable year beginning after the date of enactment of this Act, the necessary computations involving such taxable year shall be made under the law applicable to such taxable year.

(3) There shall be no tax carryover under section 56(c) or 56(a)(2)(B) of the Internal Revenue Code of 1954 to any taxable year beginning after the date of enactment of this Act.

By Mr. HUMPHREY (for himself, Mr. Kennedy, Mr. Jackson and Mr. Javits):

S. 2521. A bill to amend the Foreign Assistance Act of 1961 to provide disaster relief to the drought-stricken Sahel, to relieve the flood damage in Pakistan and provide reconstruction assistance to Nicaragua. Referred to the Committee on Foreign Relations.

(The remarks Mr. Humphrey made when he introduced the above bill and the ensuing discussion appear later in the Record in connection with the debate on S. 2335, the Foreign Assistance Act of 1973.)

REFERRAL OF S. 2176 TO COMMITTEE ON COMMERCE AND THE COMMITTEE ON PUBLIC WORKS

Mr. JACKSON. Mr. President, on Thursday, September 27, the Committee on Interior and Insular Affairs filed a report on S. 2176, a bill to provide for a national fuels and energy conservation policy, to establish an Office of Energy Conservation in the Department of the Interior, and for other purposes.

Mr. President, this legislation includes provisions within the jurisdictions of the Committees on Commerce and Public Works. Therefore, in accordance with prior agreements with these committees, I ask unanimous consent that S. 2176 be referred jointly to the Committees on Commerce and Public Works for a period not to exceed 15 days to run from September 27, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS

S. 2237

At the request of Mr. Thurmond, the Senator from Arkansas (Mr. McClellan), the Senator from Arizona (Mr. Fannin), the Senator from Utah (Mr. Bennett), the Senator from Nebraska (Mr. Curtis), the Senator from North Carolina (Mr. Helms), and the Senator from Virginia (Mr. William L. Scott) were added as cosponsors of S. 2237, to remove the labor union exemption from the antitrust laws.

S. 2328

At the request of Mr. McIntyre, the Senator from Maine (Mr. Muskie) was added as cosponsor of S. 2328, to require that certain information about gasoline be disclosed to consumers.

S. 2400

At the request of Mr. Bellmon, the Senator from Utah (Mr. Bennett) was added as a cosponsor of S. 2400, to amend section 202 of the Clean Air Act with respect to motor vehicle emission standards.

S. 2411

At the request of Mr. Javits, the Senator from Connecticut (Mr. Weicker) was added as a cosponsor of S. 2411, to amend the Export Administration Act of 1969 to provide for the regulation of the export of agricultural commodities.

S. 2422

At the request of Mr. Mathias, the Senator from Alaska (Mr. Stevens), the Senator from South Dakota (Mr. Abourezk), the Senator from Minnesota (Mr. Humphrey), the Senator from Illinois (Mr. Stevenson), the Senator from Massachusetts (Mr. Kennedy), and the Senator from Utah (Mr. Moss), were added as cosponsors of S. 2422, to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape.

S. 2445

At the request of Mr. McIntyre, the Senator from Utah (Mr. Bennett), the Senator from New Hampshire (Mr. Cotton), and the Senator from California (Mr. Cranston) were added as cosponsors of S. 2445, to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes.

S. 2502

At the request of Mr. Hatfield, the Senator from Montana (Mr. Mansfield) was added as a cosponsor of S. 2502, the Neighborhood Government Act of 1973.

SURFACE MINING RECLAMATION ACT OF 1973—AMENDMENTS

AMENDMENT NOS. 580, 581, AND 582

(Ordered to be printed and to lie on the table.)

Mr. CASE. Mr. President, I am today submitting a package of three amendments to the Surface Mining Reclamation Act of 1973, S. 425, which will be considered by the Senate in the near future.

The purpose of my amendments is to authorize appropriations of $20 million annually for research and demonstration projects designed to find new and better ways to extract coal from deep mines in this country.

Russell E. Train, Administrator of the Environmental Protection Agency, noted recently in an interview published in the Washington Post that deep-mined coal is essential for clean energy in this country and that this country can become the Saudi Arabia of coal only by deep mining for it, rather than surface mining.

Deep mining not only promises greater energy resources for this country, but it promises less environmental damage and greater employment.

Mr. President, I submit for inclusion in the Record at this point a copy of the Washington Post interview with Mr. Train, a tabulation of the coal reserves in this country, and copies of my amendments to S. 425.

There being no objection, the material and amendments were ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 27, 1973]

Deep-Mined Coal Termed Essential for Clean Energy

(By George C. Wilson)

The United States can become the Saudi Arabia of coal only by digging deep in the ground for it rather than concentrating on strip mining, according to the government's top environment executive.

Administrator Russell E. Train of the Environmental Protection Agency made that statement on the basis of government figures which show only 3 per cent of the nation's total coal supply lies near the surface where it can be stripped.

That distribution of coal is shaping the lobbying drive of environmental groups trying to get the Senate to pass a bill providing strict federal controls over strip mining—an issue expected to be joined on the floor next week.

Train spoke not in the context of that legislation but in response to a question on where the United States might get clean energy in the future. His remarks are pertinent, however, to the current debate on the strip mining bill.

Said Train: With such a small percentage of our total coal supply strippable, "the underground reserves are by all odds the predominant sources that we have. We're going to have to get at this in any event.

"The sooner we can make underground (mining) more economically attractive, more technologically feasible and more socially acceptable as a way of life, way of employment, the better off we're going to be," he said during an interview.

The Environmental Policy Center, a private pressure group pushing for a tough strip mining bill, released a report yesterday decrying what it said was a lack of government planning to go after the deep rather than the strippable coal.

"In certain regions of the country," said the EPC report, "strippable coal will soon become marginal and in some areas exhausted in the next decade. There is no governmental policy to prevent this nor any preparations being made for the day when the country will have to return to its real coal reserves in the deep mines."

President Nixon's Council on Environmental Quality released figures back in March on which both Train and the EPC relied in discussing the ratio of strippable and deep-mined coal. The CEQ said that of the reserve of 1.55 trillion tons of coal in the United States, 45 billion tons could be obtained through strip mining—or about 3 per cent.

Another study, also figuring in the lobbying over how strictly surface mining should be regulated, challenges claims that banning stripping on the hills of Appalachia would cost jobs in the region. Charles Rivers Associates of Cambridge, Mass., indicated in a report prepared for the Appalachian Regional Commission that such a ban would actually bring a more stable coal economy to that area.

If things continue as they are in Appalachia, the number of men employed in both surface and deep mines will drop from the current 105,000 to 55,800 in 1980, according to the study.

But with stripping of the hills banned, the report predicted that the 1980 estimate of 55,800 jobs would be increased by 8,842 direct jobs in the coal industry in Appalachia and 6,014 associated positions as the companies turned to deep mining.

The National Coal Association, representing mine owners and operators, has applauded President Nixon's commitment to rely more heavily on coal for energy in the future but has assailed both the House and Senate strip-mining bills as too restrictive.

TABULATION OF COAL RESERVES

I. Ratio of deep mine, low sulfur coal to strippable, low sulfur coal in the United States. 30:1.

II. Ratio of deep mine coal to strippable coal in the U.S. 34:1.

III. Ratio of deep mine, low sulfur coal to strippable, low sulfur coal in Appalachia. 43:1.

IV. Ratio of deep mine coal to strippable coal in Appalachia. 49:1.

Note on the term "reserves":

Of the total coal resources, some 50 per cent, or 1.5 trillion tons of bituminous, subbituminous and lignite coal, are considered recoverable reserves, (i.e., minable under current economic conditions and with present technology, or technology that may be available in the future[1]).[2]

Reserve Source:

DeCarlo, Sheridan, and Murphy, *Sulfur Content of United States Coals*, U.S. Bureau of Mines Information Circular 8312.

National Coal Association, *Bituminous Coal Facts, 1972*.

FIGURE 1.—COAL RESERVES—RATIO OF DEEP MINE COAL TO STRIPPABLE COAL, BY STATE

[Units in millions of tons]

	Total reserves	Deep mine reserves	Strip mine reserves	Ratio, deep mine to strip mine reserves
BITUMINOUS COAL				
Appalachia:				
Alabama	13, 577. 8	13, 443. 8	134	100:1
Eastern Kentucky	29, 414. 8	28, 633. 8	781	37:1
Maryland	1, 180. 0	1, 159. 0	21	55:1
Ohio	41, 024. 0	39, 991. 0	1, 033	39:1
Pennsylvania	57, 951. 5	57, 199. 5	752	76:1
Tennessee	1, 839. 5	1, 765. 5	74	24:1
Virginia	9, 820. 0	9, 562. 0	258	37:1
West Virginia	102, 666. 4	100, 548. 4	2, 118	47:1
Total	257, 474. 0	252, 303. 0	5, 171	49:1
Interior and Gulf States:				
Alaska	21, 387. 4	20, 907. 4	480	43:1
Arkansas	1, 615. 8	1, 466. 8	149	10:1
Colorado	62, 415. 5	61, 939. 5	500	124:1
Illinois	135, 889. 2	132, 642. 2	3, 247	40:1
Indiana	34, 841. 1	33, 745. 1	1, 096	30:1
Iowa	6, 522. 5	6, 342. 5	180	35:1
Kansas	20, 738. 0	20, 363. 0	375	54:1
Western Kentucky	36, 895. 4	35, 918. 4	977	37:1
Missouri	78, 760. 0	77, 600. 0	1, 160	67:1
Montana	2, 104. 6	2, 104. 6	0	0
New Mexico	10, 686. 0	10, 686. 0	0	0
Oklahoma	3, 302. 8	3, 191. 8	111	29:1
Texas	7, 978. 0	7, 978. 0	0	0
Utah	27, 658. 0	27, 508. 0	150	183:1
Washington	1, 571. 0	1, 571. 0	0	0
Wyoming	12, 819. 0	12, 819. 0	0	0
Total	465, 184. 3	456, 759. 3	8, 425	54:1
Total bituminous	722, 658. 3	709, 062. 3	13, 596	52:1
SUBBITUMINOUS COAL				
Rocky Mountains and Northern Great Plains States:				
Alaska	71, 115. 6	67, 189. 6	3, 926	17:1
Arizona	4, 047. 0	3, 660. 0	387	9:1
Colorado	18, 229. 5	18, 229. 5	0	0
Montana	132, 116. 6	128, 716. 6	3, 400	38:1
New Mexico	50, 735. 0	48, 261. 0	2, 474	20:1
Washington	4, 193. 8	4, 058. 8	135	30:1
Wyoming	107, 903. 9	93, 932. 9	13, 971	7:1
Total	388, 341. 4	364, 048. 4	24, 293	15:1

FIGURE 2.—COAL RESERVES—RATIO OF DEEP MINE, LOW SULFUR COAL TO STRIPPABLE, LOW SULFUR COAL, BY STATE

[Units in millions of tons, sulfur content 1 percent or less]

	Total reserves	Deep mine, low-sulfur reserves	Strip mine, low-sulfur reserves	Ratio, deep low sulfur to strip, low sulfur
Appalachia:				
Alabama	13, 577. 8	2, 045. 5	33	62. 1
East Kentucky	29, 414. 8	21, 599. 8	532	41. 1
Maryland	1, 180. 0	0	0	0
Ohio	41, 024. 0	611. 0	0	0
Pennsylvania	57, 951. 5	1, 198. 4	0	0
Tennessee	1, 839. 5	159. 2	5	32. 1
Virginia	9, 820. 0	7, 905. 0	154	51. 1
West Virginia	102, 666. 4	46, 333. 6	1, 138	40. 1
Total	257, 474. 0	79, 852. 5	1, 862	43. 1
Interior and Gulf States:				
Alaska	21, 387. 4	20, 907. 4	480	43:1
Arkansas	1, 615. 8	0	3	0
Colorado	62, 415. 5	61, 915. 5	500	123:1
Illinois	135, 889. 2	573. 7	0	0
Indiana	34, 841. 1	370. 5	0	0
Iowa	6, 522. 5	0	0	0
Kansas	20, 738. 0	0	0	0
West Kentucky	36, 895. 4	0	0	0
Missouri	78, 760. 0	0	0	0
Montana	2, 104. 6	269. 4	0	0
New Mexico	10, 686. 0	10, 686. 0	0	0
Oklahoma	3, 302. 8	1, 022. 8	10	102:1
Texas	7, 978. 0	0	0	0
Utah	27, 658. 0	22, 135. 4	6	3, 689:1
Washington	1, 571. 0	1, 571. 0	0	0
Wyoming	12, 819. 0	12, 819. 0	0	0
Total	465, 184. 3	132, 270. 7	999	1, 322:1
Total bituminous	722, 658. 3	212, 123. 2	2, 861	74:1
SUBBITUMINOUS COAL				
Rocky Mountains and Northern Great Plains States:				
Alaska	71, 115. 6	67, 189. 6	3, 926	17:1
Arizona	4, 047. 0	3, 660. 0	387	9:1
Colorado	18, 229. 5	17, 753. 5	476	37:1
Montana	132, 116. 6	127, 636. 0	3, 176	40:1
New Mexico	50, 735. 0	48, 261. 0	2, 474	20:1
Washington	4, 193. 8	4, 058. 8	135	30:1
Wyoming	107, 903. 9	94, 518. 3	13, 377	7:1
Total	388, 341. 4	364, 390. 4	23, 951	15:1

FIGURE 3.—COAL RESERVES—RATIO OF DEEP MINE COAL TO STRIPPABLE COAL, BY STATE

[Units in millions of tons]

	Total reserves	Deep mine reserves	Strip mine reserves	Ratio, deep mine to strip mine reserves
Lignite:				
Arkansas	350. 0	325. 0	25	13:1
Montana	87, 481. 7	83, 984. 7	3, 497	24:1
North Dakota	350, 698. 0	348, 623. 0	2, 075	167:1
South Dakota	2, 031. 0	1, 871. 0	160	12:1
Texas	6, 902. 0	5, 593. 0	1, 309	5:1
Total	447, 467. 7	440, 401. 7	7, 066	62:1

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[1] Averitt, Paul, *Coal Resources Of The United States, January 1, 1967 U.S.G.S.* Bulletin 1275, U.S.G.P.O. 1969.

[2] *Factors Affecting The Use Of Coal In Present And Future Energy Markets*, A background paper prepared by the Congressional Research Service, pursuant to S. Res. 45, *A National Fuels And Energy Policy*.

RATIO OF DEEP MINE, LOW SULFUR COAL TO STRIPPABLE, LOW SULFUR COAL BY STATE

[Units in millions of tons, sulfur content 1 percent or less]

	Total reserves	Deep mine low sulfur reserves	Strip mine low sulfur reserves	Ratio, deep, low sulfur to strip, low sulfur reserves
Lignite:				
Arkansas	350.0	325.0	25	13:1
Montana	87,481.7	81,399.1	2,957	27:1
North Dakota	350,698.0	317,438.4	1,678	190:1
South Dakota	2,031.0	1,871.0	160	12:1
Texas	6,902.0	0	625	0
Total	447,462.7	401,033.5	5,445	74:1

	Tons
Summary of coal reserves of the Appalachian States, on Jan. 1, 1965:	
Total	257,474,000,000
Deep mine	252,303,000,000
Strip mine	5,171,000,000
Deep mine, low sulfur	79,852,500,000
Strip mine, low sulfur	1,862,000,000
Ratio, deep mine to strip mine	49:1
Ratio, deep mine, low sulfur to strip mine, low sulfur	43:1
Summary of coal reserves in the United States, on Jan. 1, 1965:	
Total	1,558,467,400,000
Deep mine	1,513,512,400,000
Strip mine	44,955,000,000
Deep mine, low sulfur	977,547,100,000
Strip mine, low sulfur	32,257,000,000
Ratio, deep mine to strip mine	34:1
Ratio, deep mine, low sulfur to strip mine, low sulfur	30:1

AMENDMENT No. 580

On page 130, line 6, insert the following:

"SEC. 505. Research and Demonstration Projects on Alternative Coal Mining Technologies.—(a) The Secretary is authorized to conduct and promote the coordination and acceleration of research, studies, surveys, experiments, demonstration projects, and training relative to the development and application of coal mining technologies which provide alternatives to surface disturbance and which maximize the recovery of available coal resources, including the improvement of present underground mining methods, methods for the return of underground mining wastes to the mine void, methods for the underground mining of thick coal seams and very deep coal seams, methods for underground gasification and liquefaction, and such other means of mining as may be recommended in the studies authorized under Sec. 402. In conducting the activities authorized by this section, the Secretary may enter into contracts with, and make grants to qualified institutions, agencies, organizations, and persons.

(b) There are authorized to be appropriated to the Secretary $20,000,000 annually for the purposes of this section."

And renumber the present sections 505 through 513.

AMENDMENT No. 581

On page 64, strike out lines 8 through 11 and insert in lieu thereof the following:

"(2) coal mining operations presently contribute significantly to the Nation's energy requirements; surface coal mining constitutes one method of extraction of the resource; the overwhelming percentage of the Nation's coal reserves can only be extracted by underground mining methods, and it is, therefore, essential to the national interest to insure the existence of an expanding and economically healthy underground coal mining industry;"

No. 582

On page 66, line 19, insert the following:

"(8) reduce surface land disturbance and encourage the full utilization of coal resources through the development and application of underground extraction technologies."

And renumber the present paragraphs (8) and (9).

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1974—AMENDMENT

AMENDMENT NO. 583

(Ordered to be printed and to lie on the table.)

AMENDMENT TO THE CONTINUING RESOLUTION, HOUSE RESOLUTION 727

Mr. JAVITS. Mr. President, I wish to give notice that in the continuing resolution, House Joint Resolution 727, I will oppose the committee amendment which would have the effect of restoring to that measure the Quie amendment added by the House by a 286-to-94 vote on September 25. This would have the effect of holding harmless local educational agencies at 85 percent of the title I-A, ESEA, funds which they received in fiscal year 1973. This provision would substitute for the present hold-harmless provision which stipulates that no State may receive less of these funds than it received in fiscal year 1972.

Also, I am submitting an affirmative amendment should the legislative situation require it.

Briefly stated, this amendment has the following advantages:

First. It utilizes 1973, rather than 1972, as the reference year for hold harmless. If the purpose of a hold-harmless provision is to forestall precipitous loss of funds, then the previous year—rather than 2 years ago—should be utilized.

Second. It holds harmless at the local rather than the State level. As the Office of Education has pointed out, the State hold-harmless provision has no effect on local school districts experiencing a diminution in funds, not even in advantaged States, because title I-A, ESEA, allocates funds to counties through the States. Thus, the States only serve as a conduit of funds and a State hold-harmless provision permits certain parts of the 21 advantaged States to gain greater appreciations in title I funds than would ordinarily be the case at the expense of local schools in 29 losing States.

Third. Since this provision is already in the House-passed bill, the issue will be removed from conference. The debate on this issue could very well delay the continuing resolution in conference imperiling the availability of Federal funds for all programs at this time.

Fourth. The State hold-harmless provision creates inequitable variations in the amount of funds allocated to different parts of the country, the amounts of money received as a proportion of per pupil expenditure and teacher-pupil ratio. Appended to my remarks is a chart, utilized in my remarks in the Senate of September 21, on this subject. I also include the table from my June 29 Senate speech showing gains and losses by State under the State hold-harmless provision. Indicative of how the State hold-harmless provision benefits certain cities is the case of Mobile, Ala., which in fiscal year 1972 received $2.2 million in title I, ESEA funds, in fiscal year 1973 received $1.9 million, and in fiscal year 1974, under the State hold-harmless provision this will jump to $4.2 million. Without that provision, Mobile would still get more title I funds, but at a reasonable increased level to about $2.2 million.

I am hopeful that the committee amendment will be rejected and the Quie provision to be preserved, it is reasonable and it is equitable. The 100-percent hold-harmless at the 1972 level is, by contrast, discriminatory and unreasonable and should be altered as the Quie amendment proposes.

Mr. President, I ask unanimous consent to have certain tables printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

ESEA TITLE I, FISCAL YEAR 1974—ANALYSIS BASED ON $1,810,000,000 APPROPRIATION AND 100 PERCENT STATE HOLD HARMLESS PROVISION AT 1972 LEVEL AS CONTAINED IN HOUSE-PASSED FISCAL YEAR 1974 LABOR-HEW APPROPRIATION BILL (H.R. 8877) AND CONTINUING RESOLUTION (PUBLIC LAW 93-52)

State	State average per pupil grant	State average per pupil grant as percent of State average per pupil expenditure	Number of teachers per 1,000 title I children
Alabama	$402.72	76.07	5.1
Alaska	290.35	19.99	1.9
Arizona	185.48	24.86	2.0
Arkansas	427.01	82.33	6.2
California	170.58	19.94	1.4
Colorado	170.42	20.97	1.8
Connecticut	200.19	19.83	1.9
Delaware	199.77	20.05	2.0
Florida	175.44	22.45	2.1
Georgia	279.68	43.38	3.4
Hawaii	195.95	19.92	1.7
Idaho	188.84	30.95	2.5
Illinois	196.94	19.84	1.8
Indiana	170.84	21.81	1.7
Iowa	284.97	32.95	2.9
Kansas	220.90	28.06	2.6
Kentucky	353.57	61.83	4.5
Louisiana	253.04	35.32	2.8
Maine	175.96	24.80	2.0
Maryland	195.47	19.83	1.8
Massachusetts	177.36	19.83	1.8
Michigan	192.75	19.83	1.6
Minnesota	257.28	25.58	2.4
Mississippi	420.34	89.51	6.3
Missouri	253.76	35.14	2.8
Montana	208.43	26.00	2.3
Nebraska	229.92	28.48	2.6
Nevada	176.97	22.45	1.7
New Hampshire	173.27	22.48	1.9
New Jersey	225.17	19.83	2.1
New Mexico	222.96	32.36	2.1
New York	295.12	19.84	2.3
North Carolina	390.50	63.84	4.7
North Dakota	267.14	38.98	4.0
Ohio	170.51	22.35	2.0
Oklahoma	254.99	40.83	3.3
Oregon	189.59	19.81	1.9
Pennsylvania	183.75	20.20	1.9
Rhode Island	188.96	19.85	1.9
South Carolina	438.59	76.80	5.7
South Dakota	328.20	45.64	4.2
Tennessee	427.22	77.28	5.2
Texas	250.04	37.44	2.9
Utah	170.99	25.74	1.9
Vermont	190.39	23.88	2.3
Virginia	270.71	36.65	2.9
Washington	177.20	19.82	1.6
West Virginia	389.77	60.51	4.6
Wisconsin	188.47	19.83	2.1
Wyoming	212.40	24.08	2.4
District of Columbia	221.55	19.84	1.9

State	Fiscal year 1974 ESEA I, part A estimated allotments with 1972 floor	Fiscal year 1974 ESEA I, part A estimated allotments without 1972 floor	Loss or gain under hold harmless	Percent of formula allotment with fiscal year 1972 floor
Alabama	$42, 202, 992	$22, 685, 091	+$19, 517, 901	186. 04
Alaska	4, 108, 676	4, 745, 528	−636, 852	85. 58
Arizona	11, 523, 805	13, 047, 637	−1, 523, 832	88. 32
Arkansas	26, 470, 169	13, 383, 963	+13, 086, 200	197. 78
California	151, 796, 957	183, 335, 748	−31, 538, 791	88. 80
Colorado	14, 061, 868	16, 598, 162	+2, 536, 294	84. 72
Connecticut	17, 099, 599	20, 457, 938	−3, 358, 339	83. 58
Delaware	3, 649, 464	4, 212, 224	−562, 760	86. 64
Florida	39, 837, 839	40, 721, 904	−884, 065	97. 83
Georgia	42, 188, 006	32, 050, 692	+10, 137, 314	139. 63
Hawaii	4, 636, 313	5, 594, 705	−958, 392	82. 87
Idaho	3, 977, 755	4, 307, 637	−329, 882	92. 34
Illinois	82, 549, 907	100, 027, 048	−17, 477, 141	82. 53
Indiana	20, 487, 387	24, 353, 714	−3, 866, 327	84. 12
Iowa	16, 645, 654	12, 594, 561	+4, 051, 093	132. 17
Kansas	12, 478, 897	11, 930, 161	+548, 736	104. 60
Kentucky	38, 302, 224	23, 014, 304	+15, 287, 920	166. 43
Louisiana	37, 989, 922	31, 943, 897	+6, 046, 025	118. 93
Maine	6, 549, 274	7, 617, 589	−1, 068, 315	85. 98
Maryland	24, 621, 223	29, 564, 565	−4, 943, 342	83. 28
Massachusetts	33, 505, 700	40, 254, 091	−6, 748, 391	83. 24
Michigan	65, 576, 522	78, 255, 320	−12, 678, 798	83. 80
Minnesota	23, 183, 881	22, 160, 878	+1, 023, 003	104. 66
Mississippi	44, 154, 990	22, 829, 237	+21, 325, 753	193. 41
Missouri	28, 547, 584	24, 025, 663	+4, 521, 921	118. 82
Montana	4, 379, 638	4, 425, 127	−47, 489	98. 97
Nebraska	$8, 461, 135	$7, 789, 028	+$672, 107	108. 63
Nevada	1, 666, 084	1, 950, 597	−284, 513	85. 41
New Hampshire	2, 801, 095	3, 304, 210	−503, 115	84. 77
New Jersey	60, 773, 155	73, 044, 917	−12, 271, 762	83. 20
New Mexico	11, 203, 896	10, 614, 276	+589, 620	105. 56
New York	255, 282, 719	309, 962, 830	−54, 680, 111	82. 36
North Carolina	61, 621, 074	35, 255, 652	+26, 365, 422	174. 78
North Dakota	5, 447, 877	4, 140, 123	+1, 307, 754	131. 59
Ohio	51, 107, 359	61, 063, 079	−9, 955, 720	83. 70
Oklahoma	20, 300, 817	17, 010, 041	+3, 290, 776	119. 35
Oregon	12, 858, 310	15, 009, 650	−2, 151, 340	85. 67
Pennsylvania	74, 563, 599	88, 482, 429	−13, 918, 830	84. 27
Rhode Island	6, 041, 948	7, 252, 309	−1, 210, 361	83. 31
South Carolina	37, 107, 533	18, 991, 562	+18, 115, 971	195. 39
South Dakota	6, 870, 494	4, 632, 141	+2, 238, 353	148. 32
Tennessee	38, 712, 613	20, 021, 999	+18, 690, 611	193. 35
Texas	93, 439, 492	81, 923, 055	+11, 516, 437	114. 06
Utah	5, 302, 785	6, 304, 179	−1, 001, 374	84. 12
Vermont	3, 014, 806	3, 268, 002	−253, 196	92. 25
Virginia	37, 084, 416	29, 347, 081	+7, 737, 335	126. 36
Washington	19, 676, 262	23, 307, 758	−3, 631, 496	84. 42
West Virginia	21 681, 593	12, 118, 337	+9, 563, 256	178. 92
Wisconsin	19, 931, 228	23, 752, 279	−3, 821, 051	83. 91
Wyoming	1, 821, 060	1, 891, 064	−7, 004	101, 59
District of Columbia	13, 478, 984	16, 197, 598	−2, 718, 614	83. 22

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1974—AMENDMENT

AMENDMENT NO. 584

(Ordered to be printed and to lie on the table.)

Mr. CURTIS (for himself, Mr. EAGLETON, Mr. JOHNSTON, Mr. BAYH, and Mr. MCINTYRE) submitted an amendment intended to be proposed by them to the joint resolution (H.J. Res. 727) supra.

AMATEUR ATHLETIC ACT OF 1973—AMENDMENT

AMENDMENT NO. 585

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (S. 2365) to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition.

(The remarks Mr. DOLE made when he submitted the above amendment and the ensuing discussion relating thereto are printed in the RECORD near the end of the day.)

AMENDMENTS NOS. 586 THROUGH 598

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY. Mr. President, since introduction of S. 2365, the Amateur Athletic Act of 1973, we have attempted to respond to the concerns of the affected parties. Numerous informal meetings have been held with the various groups and, in particular, representatives of the NCAA and the high school organizations. Last week a full-fledged meeting involving representatives of the high schools, the NCAA, and members of my staff as well as members of the Commerce Committee staff, was held. After this meeting and at their suggestion, we presented the NCAA with concrete proposals which we felt would meet the objections they had voiced to the bill. They responded with 12 further suggested amendments. We have examined these amendments and after careful consideration have decided to substantially accept 10 of their 12 proposals. I am now sending to the desk an amendment containing these 10 proposals as well as the ones that we had previously submitted to the NCAA.

We felt that the legislation as introduced dealt fairly with the concerns of the college and high school community. However, because we believe this is such important legislation, we are introducing this amendment in the hope that it will clear up any lingering misapprehension about the effects of this bill. Any fair reading of the bill must clearly now show that the legitimate interests of the colleges and high schools are more than adequately covered.

These amendments are keyed to amendment No. 459, which by unanimous-consent agreement, will be treated as original text for the purpose of further amendments.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 535 TO S. 2335

At the request of the Senator from California (Mr. TUNNEY) the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. MOSS), the Senator from Illinois (Mr. STEVENSON), the Senator from South Dakota (Mr. ABOUREZK), the Senator from California (Mr. CRANSTON), and the Senator from Washington (Mr. JACKSON) were added as cosponsors of amendment No. 535, proposed by him to S. 2335, to amend the Foreign Assistance Act of 1961, and for other purposes.

NOTICE OF HEARING ON NOMINATION OF WILLIAM JOHN FELLNER

Mr. SPARKMAN. Mr. President, I wish to announce that the Committee on Banking, Housing and Urban Affairs will hold a hearing on Thursday, October 11, 1973, on the nomination of William John Fellner, of Connecticut, to be a member of the Council of Economic Advisers.

The hearing will commence at 10 a.m. in room 5302, Dirksen Senate Office Building.

NOTICE OF HEARINGS BY SUBCOMMITTEE ON PARKS AND RECREATION

Mr. JACKSON. Mr. President, I would like to announce that on October 5 the Senate Subcommittee on Parks and Recreation will conduct a hearing on four measures.

These are S. 210, to establish the Boston National Historical Park in Massachusetts; S. 417, to provide for the addition of property to Independence National Historical Park in Philadelphia; S. 262, to establish the Tuskegee Institute National Historical Park in Alabama, and S. 584, to amend the Indiana Dunes National Seashore Act.

The hearings will be open and public, and will start at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

NOTICE OF HEARING ON S. 194

Mr. JACKSON. Mr. President, I wish to announce hearing by the Public Lands Subcommittee of the Interior and Insular Affairs Committee on S. 194, a bill to remove certain restrictive covenants in the Anchorage City Hall Complex deeds.

This bill is in addition to public land bills previously announced.

The hearing will be held on October 10 at 10 a.m. in room 3110, Dirksen Senate Office Building. Those who wish to testify or submit a statement for inclusion in the hearing record should contact Steven P. Quarles at 5–2656.

ADDITIONAL STATEMENTS

GIVING WITH ONE HAND AND TAKING AWAY WITH THE OTHER

Mr. BROOKE. Mr. President, last Friday by a vote of 72 to 16, the Senate approved Senate Resolution 171 and thereby made effective the date of October 1 for a cost-of-living increase for Federal employees.

But now, it would appear that for some Federal employees, we are taking away with one hand what we gave last Friday with the other.

Yesterday morning my staff and I

began the new week with a most disquieting experience. We discovered that the price of coffee in the Senate cafeterias and restaurants had increased 50 percent; the cost of a cup of tea with lemon had almost doubled. At lunchtime, the story was similar. The price of our famous Senate bean soup has increased 20 percent. Main course prices have all jumped between 10 and 20 percent. And the price of two scoops of ice cream has risen 62 percent.

I submit to the Senate that it is strange practice indeed to vote for a pay raise of 4.7 percent on Friday and then assent by silence to an average raise in food prices in our cafeterias of more than 10 percent on Monday.

Presumably the raise we supported last week was to compensate Federal employees for the cruel increase in the cost of living that has already taken place this year. I only hope that yesterday's action in the Senate cafeterias does not presage the continuation of further cost-of-living increases which will inevitably be followed by next year's cost-of-living wage increase.

Enough, Mr. President, enough.

AWACS AND AIR DEFENSE

Mr. EAGLETON. Mr. President, one of our Nation's most objective technical journals, "Scientific American," has an article in the August 1973 edition concerning the Air Force's airborne warning and control system—AWACS—which I commend to the attention of my colleagues. The article, entitled "Defense Against Bomber Attack," was written by Richard English and Dan Bolef.

The article takes particular issue with the air defense justification of AWACS. Perhaps the most concise explanation of their position is contained in the following paragraph:

> Whether one assumes an attacking force of 140 heavy bombers or includes some medium range bombers flying one way missions, the key question is: could the proposed defensive system repel the attack? To a large extent that depends on whether it could survive the missile strike that would almost certainly precede the bombers?

The article goes on to state that even if Russian bombers did present a major threat to the United States, the proposed new system would not be capable of thwarting such an attack. The two scientists address the possible psychological effect of the new system in the following statement:

> Even though the deployment of bomber defenses would probably not protect the nation, it would not be without consequences. First, it might foster the illusion that the U.S. is safe from nuclear attack, whereas even a perfect air defense system would not meaningfully change the outcome of a nuclear war.

Mr. President, I ask unanimous consent that this article be printed in the Record and I recommend it highly to my colleagues.

There being no objection, the article was ordered to be printed in the Record, as follows:

Defense Against Bomber Attack

(By Richard D. English and Dan I. Bolef)

A nuclear attack on the U.S. would probably consist of an initial volley of ballistic missiles, followed some hours later by bombers, which would assess the damage and attack any areas that had escaped destruction. At the strategic-arms-limitation talks in 1972 the U.S. and the U.S.S.R. virtually renounced defenses against the missile attack. Weapons that would detect and destroy enemy bombers, however, are not proscribed by the SALT agreement, and the Department of Defense has recently proposed construction of a new bomber-defense system.

The new system would "modernize" the Aerospace Defense Command, a branch of the Air Force charged with defending the nation against aerial attack. It would have four components: a new early-warning radar array, an improved interceptor aircraft, a new surface-to-air missile and the equipment to launch it, and an airplane capable of coordinating an attack on hostile bombers from aloft. The Department of Defense has requested $409.2 million for the program during fiscal year 1974, following appropriations totaling slightly more than $1 billion in previous years. These are relatively small sums within the defense budget, but they are primarily for development, not procurement or construction. The entire project could cost $10 billion or more over the next several years; operating expenses and additional armament proposed for the 1980's would add further to the cost.

Unlike the Safeguard anti-ballistic missile system, a proposal discussed extensively in the press before it was repudiated by the SALT accords, the Air Force bomber-defense plan has received litle public debate. Before the aircraft and other equipment are procured, and before forces are committed to their maintenance and operation, three questions should be answered affirmatively: Is there a reasonable threat of a bomber attack on the U.S.? Would the proposed system repel such an attack, and would it do so more reliably or more efficiently than weaponry now available? Finally, is it worthwhile to defend the nation against a bomber attack when such an attack is likely to occur only in the aftermath of a nuclear missile strike? We shall address these questions here.

The bomber threat to the U.S. consists of the 140 heavy bombers in the Russian long-range air force. One hundred of these are Tupolev Tu-95's, turboprop aircraft with a range of 7,800 miles, designated "Bear" in the North Atlantic Treaty Organization codeword system; the rest are Myasishchev Mya-4's, four-engine jets with a 6,050-mile range, designated "Bison" by NATO. Both of these aircraft could deliver nuclear weapons to points within the U.S. and return to bases in the U.S.S.R.

Some calculations of the bomber threat to the U.S. also include the Russian force of medium-range bombers, 500 Tu-16's ("Badger") and 200 supersonic Tu-22's ("Blinder"). Modified versions of these planes ("Badger-C," "Blinder-B") carry air-to-surface missiles instead of bombs, but the number of aircraft so converted is not known. In armament and electronics the medium-range bombers are in some cases more modern than the heavy bombers.

Throughout the 1950's and 1960's the U.S. used aircraft of similar range and performance (B–47's) as a strategic threat against the U.S.S.R. It has been argued that the Russian medium-bomber force should be considered in the same role. The American bombers, however, could fly from bases near the borders of the U.S.S.R. (in Europe, the Mediterranean area, the Far East and elsewhere), whereas the U.S.S.R. has no airfields on the perimeter of the U.S. In addition the U.S. Air Force had a fleet of nearly 1,000 aerial tankers available for in-flight refueling. The Russian long-range bomber force has 50 Mya-4 tankers. For reasons such as these we believe it is misleading to consider the Russian medium-range bombers capable of attacking the continental U.S.

It has been suggested, however, that the medium-range bombers could be used on one-way "suicide" missions against the U.S. Even assuming Russian willingness to sacrifice the plane and their crews, such missions seem unlikely. The Tu–22, under the best of conditions, has insufficient range for even a one-way trip. The Tu-16, if it were based at the tip of the Kola Peninsula in the northwestern U.S.S.R. or the Chukchi Peninsula in the northeastern U.S.S.R., and if it were flown at optimum speed and altitude, could perhaps reach some parts of the U.S. The bomber forces are not based on the Kola or Chukchi peninsulas, however, but farther inland, which increases the distance to their potential targets. Moreover, on combat missions evasive maneuvers necessary to avoid detection and interception would further reduce their range.

For reasons such as these the International Institute for Strategic Studies has concluded that "Soviet [medium-range] bombers can strike at United States allies anywhere on the Eurasian landmass and also at Canada, but not at the United States itself." Similar views have been expressed by recent secretaries of defense, from Robert S. McNamara through Elliot L. Richardson.

Still another threat to the security of the continental U.S. has been perceived, however, in a new Russian bomber, a "variable-geometry wing," or swing-wing, aircraft derived from the Tu-22. This plane, designated "Backfire" by NATO, has wings hinged near the mid-point; in the extended position they make possible lower takeoff and landing speeds, and in the swept-back position they allow higher cruise speeds. The Backfire, designed to approach its target at low altitude in order to avoid radar detection, will have a top speed of more than twice the speed of sound and a range (according to U.S. estimates) of 4,300 miles. It is expected to join the Russian long-range air force next year.

The development of the Backfire has prompted statements of concern from those who advocate strengthened U.S. air defenses. In 1972 Secretary of Defense Melvin R. Laird reported: "There is a probability that it [Backfire] has a capability for in-flight refueling. With refueling it could reach virtually all U.S. targets." Admiral Thomas H. Moorer, chairman of the Joint Chiefs of Staff, also speculating on the possibility of airborne refueling, said in his fiscal-year 1974 Military Posture statement: "The major uncertainty regarding the U.S.S.R. bomber force is still the primary mission of the new Backfire variable-geometry-wing, supersonic bomber. . . . An intercontinental role for the Backfire cannot be excluded." The threat allegedly presented by the new bomber was in fact cited in Congressional testimony by Major General George J. Keegan, Jr., assistant chief of staff for Air Force intelligence, as a factor justifying the proposed U.S. bomber-defense system.

Independent assesesment of the Backfire's potential is difficult because most of the pertinent documents are classified. In the record of Congressional hearings dealing with the airplane all information on its performance was deleted. It is apparent, however, from the published estimate of its range and from the limitations of the small Russian tanker force that the Backfire, like the Tu-16, will not be capable of a conventional, round-trip bombing run, and that a suicide mission, if one were contemplated, would be at least marginal. The International Institute for Strategic Studies, in its publication The Military Balance, 1972–73, noted: "Development of new Soviet bombers appears to be limited to prototype testing of the Backfire variable-geometry aircraft, whose limited range seems to restrict its utility as a potential successor to the 140 aging, long-range Soviet bombers in current service."

Whether one assumes an attacking force of 140 heavy bombers or includes some medium-range bombers flying one-way missions, the key question is: Could the proposed defensive system repel the attack? To a large extent that depends on whether it could survive the missile strike that would almost certainly precede the bombers.

The present system could not survive. Continental air defense is now the responsibility of the North American Air Defense Command (NORAD), organized in 1957 and embracing both U.S. and Canadian forces. It has four components: the radars, which detect and track enemy bombers; the command and control centers, known as SAGE (Semi-Automatic Ground Environment) and BUIC (Back-Up Interceptor Control), which direct battle forces against invading aircraft, and two types of weapon, the interceptor and the surface-to-air missile (SAM). The interceptor is a piloted aircraft equipped with air-to-air missiles, sometimes armed with a nuclear warhead. SAM's are usually guided from the ground, although newer types have an on-board guidance system that takes over after the missile has reached the vicinity of the target.

The weakness of NORAD lies in the radars and command centers, which are immobile ground-based installations and thus are ideal targets for ballistic missiles. Because they are "soft" (not encased in concrete or otherwise protected from a near nuclear explosion) even a relatively inaccurate missile could destroy them. Also contributing to the system's vulnerability is the fact that the number of sites is small: there are 14 SAGE units and 56 long-range radar stations. (The BUIC centers are being deactivated.) A fairly small force of missiles (say 210, at three per target) would be more than enough to destroy this network. Since the U.S.S.R. is allowed a total of 2,358 intercontinental ballistic missiles and sea-launched ballistic missiles under the SALT agreement, it could certainly afford to use such a force.

The loss of the radars and the control centers would mean the collapse of NORAD. Without long-range radar it is impossible to detect and to plot the course of attacking bombers. Lacking this information and the command centers to utilize it, it is impossible to guide interceptors to their targets or to alert SAM batteries of the bombers approach. (The interceptors and the SAM's are themselves also vulnerable to missile attack, a problem that will be taken up below.)

In addition to their vulnerability the radars of NORAD have another weakness: they cannot track aircraft flying close to the ground in the maneuver called "terrain avoidance." Present Russian bombers can use this technique, and the Backfire is designed expressly for it.

The proposed replacement for the ground-based radar and control stations is the airborne warning and control system aircraft (AWACS). AWACS radar is installed in a modified version of the Boeing 707 commercial jetliner; a rotating radome, or radar pod, is mounted on two struts above the rear section of the fuselage.

The range of ground-based radar is limited by the curvature of the earth to about 200 miles. According to *Air Force Magazine*, the AWACS aircraft, flying at 30,000 feet, can survey the sky from ground level to about 60,000 feet and has a range double that of ground-based radars. In addition to extending the range of aerial surveillance it provides more reliable tracking of bombers flying in terrain avoidance. It discerns low-flying aircraft against "ground clutter," the radar images of terrestrial obstructions, by using a rapid stream of pulses and by detecting the Doppler shift of signals reflected from a moving target. The Doppler shift caused by the motion of the AWACS aircraft itself is compensated for electronically.

Also in the radome is the antenna of an IFF (for "Identification" Friend or Foe") transmitter and receiver. This system "interrogates" other aircraft within the range of the AWACS radar; transponders in other military craft transmit a coded reply that identifies each airplane. In a combat situation aircraft that did not respond would be considered hostile.

The output of these two systems is processed by computer for visual display. Aircraft being tracked can be plotted on a fixed map grid rather than on the circular sweep-pattern display used in many other radars, which always have the transmitter-receiver at the center. The identity, altitude and velocity, as well as the position, of all aircraft within the range of the radar can be indicated. AWACS will carry a flight crew of four and an additional crew of 13 to operate the surveillance radar and command equipment.

The AWACS aircraft could survive a missile attack simply by staying aloft. With an endurance of at least seven hours, it could probably remain airborne long enough to meet the incoming Russian bombers. If necessary it could be refueled in flight.

Two prototype AWACS aircraft were built by the Aerospace Division of the Boeing Company in 1970. On the basis of flight tests the Westinghouse Electric Corporation was awarded the contract for the surveillance radar, and the Air Force has requested $209.5 million this year for additional development. Production, if the project receives continued Congressional approval, will begin in 1975 with an initial order of 42 airplanes.

The utility of AWACS would be enhanced, according to the Department of Defense, by the deployment of a new long-range ground-based radar, the over-the-horizon backscatter (OTH–B) system. Over-the-horizon forward-scatter radar already forms a part of the U.S. early-warning network. Signals generated by transmitters in Japan, Taiwan and the Philippines are reflected by the ionosphere over the U.S.S.R. and are detected by receivers in western Europe. Activity in the intervening atmosphere, such as the launch of a volley of missiles or a fleet of bombers, produces an "OTH signature" on the signal that, when interpreted, gives a general picture of events in Russian airspace.

In the backscatter system signals returning to the vicinity of the transmitter would be affected in the same way by events over the U.S.S.R. and would be interpreted to provide the same information. Two units are planned, one looking east and the other west, according to a statement made in March by Secretary Richardson. OTH–B could give at least 30 minutes' warning of an impending attack, which would allow AWACS craft on ground alert to be launched and which thus would improve the chance that a radar and command station for antibomber defenses would survive. For further development of OTH–B $5.5 million has been requested this year.

Although the radar and command elements of the proposed air defenses seem adequate to their tasks, the weapons they would direct seem to offer no improvement over those now available in their ability to survive an intercontinental-ballistic-missile attack. Among the aircraft being considered as interceptors are the F–111X–7, the NR–349, the F–14 and the F–15; the last two have received the most attention. General John D. Ryan, the Air Force chief of staff, has said that he believes only the F–15, an Air Force plane with 50-mile radar and additional fuel tanks, should be considered for the air-defense mission. Others, in the Aerospace Defense Command, appear to favor the F–14, a Navy plane that has 100-mile radar and mounts the long-range Phoenix air-to-air missile. A recent study by the Directorate of Defense Programs Analysis and Evaluation also concludes that the F–14 should be considered.

The cost of interceptors for bomber defense has not yet been estimated by the Air Force; the cost will depend on which aircraft is chosen and how many are procured. Published estimates of the strength of the proposed interceptor force have all set the number of aircraft at 200. For the F–15, 200 airplanes would cost about $2 billion, for the F–14 about $3 billion, based on prices now paid for other versions of the same craft.

Regardless of which airplane is chosen, its ability to survive a missile attack is doubtful. Interceptors are kept on the ground, and like ground-based radars they are probable targets for Russian ICBM's. Although several countermeasures are available to protect them, none seems entirely workable.

First, the interceptors could take off when the attack began and could wait out the missile barrage in the air. Neither the F–14 nor the F–15, however, could stay aloft long enough (seven to 12 hours) to meet the arriving enemy bombers. Aerial tankers could be used to refuel them, but the present tanker force is entirely committed to the bomber fleet of the Strategic Air Command. New tankers would cost $40 million each, a price far beyond the scope of the projected bomber-defense budget.

The interceptors could also fly to alternate airfields on receiving an attack warning. Any fields with the facilities to service them, however, would also be likely targets. Indeed, the only airfields military planners may prudently assume would survive are those that have been abandoned, a situation that has led to the proposal of a "bare base" strategy. In this plan the interceptors would fly to abandoned fields, accompanied by transport aircraft carrying the men and equipment needed to set up ground control stations. Presumably the Russians would not know until after they had launched their attack which fields would be used.

Since the primary bomber threat is from the north, however, the bases would have to be in the northern U.S., which limits the potential dispersion of targets. In addition the bare-base strategy would require transports, and the Aerospace Defense Command has none. Borrowing them from other commands would be possible but risky. In a surprise attack they may be committed elsewhere and not available quickly enough.

The final element of the proposed air-defense system is the Army's new surface-to-air missile, called SAM–D for "SAM-Development." Four missiles, each in a protective canister that would also serve as a launching tube, would be carried on a large wheeled trailer. A similar trailer would carry phased-array radar, and a third communications and command facilities; combinations of these vehicles would make up a "fire unit." The Army estimates the cost of its planned missile force at $3.9 billion, in addition to research and development costs of $1.2 billion and operating expenses of about $1 billion a year.

The mobility of SAM–D has been mentioned as protection against destruction by ICBM's. With the missiles mounted on wheeled platforms and independent of fixed communications lines, they could be moved; they would not, however, be mobile enough to escape jeopardy.

SAM–D would have a range of about 100 miles, which would restrict it to areas near the cities and military sites being defended. Moving such heavy and delicate vehicles on highways would be difficult, particularly in metropolitan areas, where air defense is presumably most needed. Moving them frequently and clandestinely, so that enemy missiles could not be again aimed on them, would seem almost impossible.

Thus SAM–D seems as vulnerable to missile attack as the proposed interceptor aircraft, and as unlikely to survive to repel a bomber attack. It is for this same reason that the present bomber defenses are considered obsolete. In a probable scenario for a nuclear war, over-the-horizon radar would give adequate warning, and AWACS aircraft would survive to coordinate the nation's defenses, but neither would be able to stop enemy bombers because the weapons they were intended to direct would have been destroyed.

Both the AWACS aircraft and SAM–D have been proposed in Senate hearings as multipurpose weapons, with value both to the defense of the continental U.S. and to the Army and Air Force in field operations. The primary mission of SAM–D appears to be the battlefield defense of Army units, but the cost of its development is included in the continental air-defense section of the defense budget. AWACS is sought by both the Aerospace Defense Command and the Tactical Air Command. The latter would use it as a flying battlefield command post; instead of erecting ground-based radar units in a disputed territory, the Air Force could station an AWACS plane hundreds of miles from the battle, out of range of enemy weapons, and still control all air operations.

Although the 42 AWACS aircraft initially ordered would all apparently be assigned to the Aerospace Defense Command, the Air Force has said that, even if there were no bomber threat, it would still give high priority to the procurement of AWACS as a tactical weapon. Areas mentioned for its possible tactical deployment range from Southeast Asia to Western Europe, where the U.S. could act in support of a friendly government. It could be of greater utility in countries where the U.S. influence is not established, a possibility cited by Lt. Gen. George S. Boylan, Jr., deputy chief of staff of the Air Force. As an example, General Boylan described a hypothetical U.S. intervention in North Africa.

The political as well as the military significance of such weapons ought to be evaluated. AWACS, together with remotely piloted vehicles and other automatic weapons developed in the course of the war in Southeast Asia, would make it possible to commit the U.S. to a Vietnam-like war more quickly, more quietly and more deeply than in the past. Ground-based radars would not be required. Because fewer troops would be engaged, both costs and casualties would be lower. Indeed, the ultimate goal is apparently to commit only air and naval power, and no ground troops at all.

Thus as a component of the Aerospace Defense Command, AWACS seems relatively harmless, if also relatively useless. In its tactical role, however, it could facilitate the prosecution of limited, non-nuclear wars. We believe the political questions raised by this capability should be answered before procurement of the aircraft is approved.

If one were to assume, contrary to our analysis, that Russian bombers do present a major threat to the U.S., and further that the proposed Aerospace Defense Command program could thwart an attack by those forces, would bomber defenses then be justified? We think not.

The main strategic-offensive forces of both the U.S. and the U.S.S.R. are not bombers but intercontinental ballistic missiles and sea-launched ballistic missiles. Because surprise would be important in any contemplated nuclear war, bombers are likely to remain weapons of secondary importance. They require several hours to reach their targets, whereas missiles need only about 30 minutes, and they may call for additional preliminary preparation that might be detected as much as a month before an attack.

Under the strategic-arms-limitation agreement the U.S.S.R. is allowed 2,358 missiles, and the U.S. is forbidden, except in two limited areas, to defend itself against them. Since this is a treaty, and intended to be permanent (as opposed to the five-year interim agreement on offensive weapons), planning for defense in the late 1970's or the 1980's should be expected to take its provisions into account. One of its consequences, we believe, is that in the absence of defenses against missiles any attempt to defend the nation against bombers would be futile.

While he was Secretary of Defense, Robert McNamara stated that the destruction of a fourth of a nation's population and half of its industry would be "unacceptable damage." That is, the nation could not survive this level of destruction as a functioning society; there would be no way to reestablish the network of production, transportation and communication necessary to the lives of the survivors.

The U.S.S.R. is capable of inflicting that much damage on the U.S. According to Department of Defense estimates, by 1975 Russian sea-launched missiles alone will be sufficient to attack all Strategic Air Command bomber bases and to "pin down" the Minuteman ICBM force. That would leave at least 1,000 ICBM's available to attack civilian areas. Assuming only 40 percent reliability, the lowest estimate we have seen, 400 warheads could be exploded over U.S. cities. Eight could be allotted to each of the 50 largest metropolitan areas. (The 50th-largest metropolitan area in the U.S. is Oklahoma City.) Such an attack would be more than enough to devastate those cities. Forty-two percent of the nation's population and 55 percent of its industry would be destroyed. Both figures exceed McNamara's criteria for "unacceptable damage," and doubtless the U.S.S.R. has more sophisticated means of choosing targets and calculating damage.

It has been argued that bomber defenses, however ineffective, would save American lives. Even if the Aerospace Defense Command failed entirely, some advocates of its programs have said, it would divert Russian missiles from civilian populations and force them to be aimed on military installations. These arguments are humane but specious. In military planning one must assume that one's enemy will use his forces in whatever way will cause the most destruction. That is, the U.S.S.R. would divert missiles from population centers only if that action would, by reducing the losses of its bombers, increase the damage overall; otherwise the missiles would be used directly on the cities. In any case the saving of lives, an issue of great magnitude in ordinary circumstances, becomes less important in a nuclear war. Once a threshold has been crossed, when a small fraction of an attacking force can demolish the opposing society, small increments in the number of deaths can have no effect on the outcome of the conflict.

Russian bombers, however small or large their number, could do grave damage to the U.S., but this potential for harm is not enough to justify the creation of expensive and complex weaponry to oppose them. It must be shown, rather, that bombers are a sufficiently large portion of the Russian force and account for so much potential destruction that thwarting their attack could ensure the survival of the nation. Given the preponderance of missiles in the Russian arsenal, we do not believe the bomber-defense system, as now planned, could save the U.S. from destruction. In any probable nuclear war, we feel, it would defend a society that no longer existed.

Even though the deployment of bomber defenses would probably not protect the nation, it would not be without consequences First, it might foster the illusion that the U.S. is safe from nuclear attack, whereas even a perfect air-defense system would not meaningfully change the outcome of a nuclear war. Second, it might undermine the SALT agreements.

The U.S. and the U.S.S.R., in signing the strategic-arms-limitation agreements, recognized that the weapons programs forbidden or curtailed by SALT were too expensive for both countries and would improve the security of neither. The agreements are balanced on the razor's edge of what each nation considers an appropriate compromise between the needs of its security force and the limitations of its budget.

Should the U.S.S.R. conclude that a new U.S. bomber-defense system would threaten its security, the least it could do would be to respond in kind. The worst it might do, should the costs of bomber defenses seem too great, would be to abrogate the SALT agreements.

AIRLINE SERVICE IN NORTH DAKOTA

Mr. YOUNG. Mr. President, North Dakota, like many other areas of the United States, has inadequate airline passenger service.

When airline flights are reduced, this causes many problems and resentment in local communities. Typical of this is a resolution adopted by the Board of City Commissioners of the City of Fargo, N. Dak., as a result of Northwest Airlines discontinuing two flights daily to Fargo.

I ask unanimous consent to have printed in the Record as a part of my remarks a letter I have received from the Honorable Herschel Lashkowitz, president of the board of city commissioners and mayor, and a copy of the resolution adopted by the Board of City Commissioners of the City of Fargo, N. Dak.

There being no objection, the letter and resolution were ordered to be printed in the Record, as follows:

Fargo, N. Dak.,
September 26, 1973.

Hon. Milton R. Young,
U.S. Senator, Senate Office Building, Washington, D.C.

Dear Senator Young: I am transmitting a certified copy of a Resolution which I presented to the Fargo City Commission at its Regular Meeting on Tuesday, September 18, 1973 for your attention and consideration. The Resolution, which was adopted unanimously, expresses some of the deep indignation felt by the people of our community as they are subjected to the inconvenience of the reduction of commercial airline service.

I am asking that my letter and Resolution be introduced into the Congressional Record in both the House of Representatives and the United States Senate so that the other Members of Congress will be able to be appraised of this situation so that legislation can be developed and enacted into law to require that a hearing be held on due notice before there is any reduction or modification of the quantity and quality of commercial airline service so that the affected members of the communities involved can have a chance to be heard and enter their protests.

With kindest regards.

Sincerely,

Herschel Lashkowitz,
Mayor and President, Board of City Commissioners.

Resolution of the City of Fargo, N. Dak.

The Regular Meeting of the Board of City Commissioners of the City of Fargo, North Dakota was held in the City Commissioners' Room at the City Hall at 7:00 o'clock p.m., Tuesday, September 18, 1973.

The Commissioners present or absent were as shown following:

Present: Bromenschenkel, Markey, Schuster, Stockman, Lashkowitz.

Absent: None.

President Lashkowitz presiding.

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Resolution Protesting Northwest Orient Airlines Reduction of the Quantity and Quality of Commercial Airline Service Between the Twin Cities and Fargo:

President Lashkowitz relinquished the Chair to offer the following Resolution and move its adoption: (Vice President Markey presiding)

Whereas, Northwest Orient Airlines has informed the City of Fargo Airport Authority that effective September 17, 1973, Flight 537 arriving in Fargo from New York and other points via Minneapolis at 3:51 p.m. will be deleted and also effective September 17, 1973 Flight 396, originating in Fargo at 5:10 p.m.

enroute to Minneapolis, Rochester, Chicago and Detroit will be deleted; and

Whereas, Tentatively, according to information available to the Fargo Airport Authority, Flight 166 will be instituted on October 26, 1973 replacing Flight 154 which will be arriving from Los Angeles and Minneapolis one hour earlier and heretofore was scheduled for arrival at 5:41 p.m. in Fargo; and

Whereas, The number of boarding passengers in the month of August, 1973 was at the highest level in the history of the operations of Hector Municipal Airport being 10,168; and

Whereas, Passengers for the month of July, 1973 were 9,516 and the month of June, 1973 were 9,119 boarding at Hector Municipal Airport and this level of high boardings has taken place during the greatest inflationary spiral in the history of our country; and

Whereas, The boardings in general have increased throughout this entire historic period of inflation; and

Whereas, The projections for growth in the metropolitan area are uniformly encouraging and positive with expectations of increased business activity for the entire metropolitan area with the strong likelihood that the use of the airport facilities will continue to grow; and

Whereas, Fargo, in concert with Grand Forks, North Dakota and Denver, Colorado, working in conjunction with other neighboring local officials and state officials have been seeking to increase the amount of airline routes available to the Fargo and Grand Forks area directly through to the southwest and that in the meantime, our most expeditious route presently existing by air to the southwest is via Northwest Orient Airlines going through the Twin Cities of Minneapolis and St. Paul enroute to Denver; and

Whereas, No adequate explanation has been afforded the City of Fargo concerning the proposed change by Northwest Airlines nor has there been adequate notice of such proposed scheduling changes to enable the City of Fargo to register a timely and effective protest and to obtain the intercession and assistance of federal officials concerned with the Fargo metropolitan area and its neighbors; and

Whereas, The unwarranted elimination and modification of service will result in inconvenience and hardship to residents in the greater Fargo area who are transacting both private and public business; and

Whereas, The commerce in agricultural goods and services depends upon the easy, quick and expeditious mobility of commercial airline services between Fargo and the Twin Cities of Minneapolis and St. Paul and that the removal and modification of said service could have unwarranted and perhaps harmful consequences on the conduct of business between residents of the Fargo area and in the Twin Cities and adjoining areas.

Now, therefore be it resolved, That the City of Fargo does hereby register a strong and emphatic protest to the proposed deletion, discontinuance and modification of commercial services by the Northwest Orient Airlines between the City of Fargo and its metropolitan area and the cities of Minneapolis and St. Paul and their metropolitan area as being contrary to the public interest and convenience.

Be it further resolved, That the City of Fargo is respectfully calling upon Northwest Orient Airlines to reinstate the proposed deleted and modified service as promptly as possible in order to minimize economic consequences as stated above and we further petition the North Dakota Congressional Delegation to join with the City of Fargo in an effort to reinstate this service and to expand the services so that the needs of the area are adequately provided for and we further call upon the Fargo Municipal Airport Authority, the Aviation Committee of the Fargo Chamber of Commerce, the Officials of the State of North Dakota and the Officials of the State of Minnesota to join with the City of Fargo in a concerted effort to reinstate the aforementioned services and to join in a united effort to expand the commercial airline service to the City of Fargo and the State of North Dakota rather than to contract and reduce it and we further call upon the Congress of the United States to provide by law the machinery requiring commercial airline services that have been subsidized by the government in the past and the present to not delete or discontinue nor to modify service to communities without first having a properly conducted public hearing after due and adequate notice concerning said proposed deletions of service. In the meantime, we ask respectfully and firmly that the services referred to be restored immediately.

Second by Schuster.

Commissioner Bromenschenkel stated that he will pass his vote since he is employed by an airline.

On the vote being taken on the question of the adoption of the Resolution Commissioners Stockman, Lashkowitz, Schuster and Markey voted aye.

Commissioner Bromenschenkel passed his vote.

The Vice President declared the Resolution to have been duly passed and adopted and returned the Chair. (President Lashkowitz presiding.)

Herschel Lashkowitz,
Mayor and President, Board of City Commissioners.

THE 25TH ANNIVERSARY OF THE UNITED STATES-UNITED KINGDOM EDUCATIONAL COMMISSION

Mr. FULBRIGHT. Mr. President, on September 13, the United States-United Kingdom Educational Commission celebrated the 25th anniversary of its establishment of the commission which administers the exchange program between our two countries.

This program has been successful, not only with the United Kingdom, but also with more than 40 other countries.

The London Times educational supplement carried a short report of the meeting in London.

I ask unanimous consent to print the article as a part of my remarks in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Anglo-American Exchanges Under the Fulbright Act Are 25 Years Old—Academic Links Forged From War Detritus

(By Peter Hennessy)

At a Washington cocktail party in September 1945, a few weeks after the Japanese surrender the junior Senator from Arkansas, J. William Fulbright, fell into conversation with the former counsel to the Lend-Lease Administration, Oscar Cox, and the editor of The Washington Post, Herbert Elliston.

He used them as guinea-pigs for an idea which had come to him that summer as the Congress began to consider how to dispose of the detritus of war—the trucks, Jeeps and freightcars—that littered the countries through which the United States army had advanced towards its defeat of Germany and Japan.

These nations both needed and wanted this equipment. Fulbright said, but were without the dollars to pay for them. Why not let them purchase the equipment by setting up educational exchange programmes with the United States financed by local currencies?

Messrs. Cox and Elliston endorsed the scheme and thus was born, in Fulbright's own words, an idea that has since had a globe-trotting career. He quickly introduced an enabling Bill in the Senate and on August 1, 1946, President Truman signed the Fulbright Act into law. Two years later, on September 22, 1948, Britain signed one of the first educational exchange agreements to be effected by the Act.

This week, Senator Fulbright and Congressman Wayne Hays (who sponsored an updated version of the legislation in the House of Representatives in 1961) are in London to celebrate the twenty-fifth anniversary of the establishment of the United States-United Kingdom Educational Commission, which administers the exchange.

During its quarter century of existence, 3,681 American scholars, of whom 985 were teachers and 2,738 graduate students, have come to Britain while 5,282 British scholars, of whom 2,073 were teachers and 3,209 students, have travelled the other way.

Despite the much vaunted special relationship, the British side of the Fulbright programme has neither been unusually large nor especially favoured. The four biggest commissions in Europe—France, Italy, Germany and Britain—have received the same degree of financial support.

However, according to Dr. Wayne Wilcox, cultural attache at the United States Embassy in London and chairman of the United States-United Kingdom Educational Commission, competition for spots in Britain is fierce because of the undoubted quality of British higher education and the easy access to British life afforded by a common language.

Currently the commission receives 300 applications from Americans for its 18 senior Fulbright awards and over 400 for the 33 student scholarships. A glance at the list of luminaries who have benefited over the years from the exchange is very impressive—Marcus Cunliffe, Richard Hoggart, Enid Starkie, Sir Peter Venables, Mrs. Shirley Williams and Mr. Norman St. John-Stevas from the British side; Milton Friedman, Daniel Patrick Moynihan, David Riesman and Clinton Rossiter from the American, to name but a few.

For all its undeniable excellence and success, the Fulbright programme has not been without its problems. The infamous Senator Joseph McCarthy tried to smear it in the 1950s as a Trojan Horse for infiltrating the United States with foreign subversives.

By 1961, the reserves of surplus property in recipient countries had all but dried up and the Fulbright-Hays Act of that year voted further funds for its continuance. In 1965, Her Majesty's Government agreed to provide one fifth of the commission's budget, a proportion raised to one third in 1971.

In 1969, however, the entire enterprise almost foundered. The new Nixon Administration in Washington felt its financial latitude to be severely limited and Congress cut the programme's budget by 80 per cent. (Senator Fulbright's persistent opposition to the Vietnam War had not endeared him to the State Department, which services the independent Board of Foreign Scholarships which in turn administers the exchange in Washington, and not a few would have been happy to see his cherished legacy destroyed.)

"There were one or two premature obituaries in 1969", said Mr. John Herrington, executive director of the commission. But the programme survived and the British end now operates on a budget of £200,000 which is still 40 per cent below its pre-1969 level.

The commission has high hopes for the future. Already it has gone beyond exchanges in the traditional areas of the arts and sciences. Among last year's scholars was a student of stained glass windows, went to Edinburgh, and a specialist in the design and construction of hospital buildings, who spent the year in Newcastle.

They are proud of their new project in graphic art and design whereby the polytechnics have established an exchange scheme (three students each way) with Alfred University, Buffalo, and the Chicago Art Institute.

The commission hopes to celebrate the bicentennial of the American Revolution in 1976 by launching a new programme of fellowships in the creative and performing arts. The staff will have to leave their attic premises in Mayfair next year and have set their sights on finding a Bi-Centennial House in London to share with the American Library and London University's Institute of United States Studies.

The Fulbright programme which, according to Professor R. B. McCallum, the senator's tutor at Oxford when he was a Rhodes Scholar at Pembroke in the 1920s, has been responsible for the largest and most significant movement of scholars across the earth since the Fall of Constantinople in 1453. And it continues to show every sign of life and future prosperity.

Senator Fulbright sees its present rationale as unchanged since the programme's inception. "It is the only thing that gives me some hope that the human race won't commit suicide, though I still wouldn't count on it. It is wholly constructive and if it can be pursued long enough and on a broad enough scale, it might have a very beneficial effect on international relations".

ANOTHER LOOK AT THE CONCORDE AND THE SST

Mr. PERCY. Mr. President, several days ago I went to Dulles Airport to inspect a preproduction model of the Anglo-French supersonic passenger airplane, the Concorde. I was given a very informative tour by Mr. Robert Saitta, manager of Air-France at Dulles, and Mr. Philippe Lebouc, the Concorde sales engineering manager. While I was quite impressed with the design of the aircraft—it is undeniably a beautiful piece of machinery—I am now more certain than ever before that we, in the Congress, acted properly and prudently in refusing to authorize the expenditure of massive amounts of funds for the development and construction of an American SST.

There is no question that the Concorde aircraft is aimed to service the needs of an upper income elite; even their own publicity brochure indicates this quite clearly. The concept of a supersonic transport in general and the Concorde in specific has always been presented in terms of providing an option to those passengers who are willing and able to pay a higher fare for added speed.

No doubt the flight time between certain major cities will be cut dramatically. For instance, it now takes approximately 7½ hours to fly from Paris to New York on a subsonic jet airliner whereas only 3 hours and 45 minutes would be necessary with the Corcorde. The time savings would, of course, be even greater on longer flights. A 6-hour and 55-minute time savings would be realized on a Tokyo-New York run and a Los Angeles-Sydney flight would be shortened by over 8½ hours.

But the presumed advantages of our own proposed SST must be kept in perspective. Most of the air travel done by Americans is over rather densely populated portions of North America. Here, an SST would be required to fly at subsonic speeds, thus eliminating its one major selling point and adding considerable cost. Furthermore, the average Corcorde is scheduled to have only 108 passenger seats—the preproduction model has 32—and so it is likely that the fares charged will be well out of the financial reach of the vast majority of American as well as world voyagers.

Mr. President, I continue to feel that in simple cost-benefit terms, the production of an American SST at this time of the proposed Boeing design is not worth the money and effort that we know it would require. Commercial deliveries of the Concorde are now scheduled to begin in early 1975. If, after a trial run the Concorde appears to be a commercially feasible proposition at the price of which it is offered, airlines in the United States could buy the aircraft from the British and the French—and could do so at a fraction of the cost of our own production of planes of the SST design. We are thus keeping our options open in this matter and at the same time conserving our resources to deal with far more pressing domestic and foreign problems.

We should remember that IBM was not the first corporation to market computers. Univac was. It was only later that IBM entered the market and soon came to dominate it.

Mr. President, I ask unanimous consent that a recent Washington Post article, entitled, "Top Banker Wounds Sacred Cows in Britain" be inserted in the RECORD. It concerns, among other matters, a new controversy within the British Government about the desirability of the Concorde project.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 26, 1973]

TOP BANKER WOUNDS SACRED COWS IN BRITAIN

(By Bernard D. Nossiter)

LONDON, Sept. 25.—Lord Rothschild, the scientific member of the prominent banking family and confidential adviser to Prime Minister Edward Heath, has kicked up a tremendous row here by publicly warning the government against wasting scarce resources on costly prestige projects.

To rub it in, Rothschild implied that the supersonic Concorde airliner was one such project—at the very moment the Heath government is trying to sell the plane in the United States.

Rothschild was summoned to 10 Downing Street for 30 minutes this afternoon. A spokesman conceded that the controversial speech was discussed. The spokesman would not deny that Heath had bawled out his adviser.

The brief address yesterday by Rothschild a distinguished zoologist, has wounded a herd of sacred cows here.

Heath has been stumping the country to tell Britons they never had it so good. But Rothschild, relying on published growth forecasts, stressed that Britons' incomes will be half that of the Germans and French by 1985.

Heath has been saying that "national self-confidence" depends on plunging ahead with big and controversial projects like a third London airport (current estimated cost, $2.9 billion); a tunnel under the English Channel ($1 billion) and the Concorde ($1.4 billion). Rothschild insisted that the country must "give up the idea that we are one of the wealthiest . . . most important countries in the world . . . that Queen Victoria is still reigning."

As head of Heath's Central Policy Review Staff, Rothschild is technically a civil servant, and civil servants are not supposed to speak publicly on politically sensitive matters. When he came to work this morning Lord Rothschild was collared by two of the nation's top civil servants, Sir John Hunt and Sir William Armstrong, and told he had misbehaved. To salt the rebuke, Sir John and Sir William had their displeasure made public.

The 62-year-old Rothschild is no novice to government and it is assumed here that he knew his words would cause a huge fuss and make Heath red with anger and embarrassment.

Even apart from his family's vast wealth, Rothschild may be the most secure man in this kingdom. His scholarly work has made him a Fellow of the Royal Society, the scientific elite.

As hereditary baron, he sits on the Labor Party's side of the aisle. His big business connections are impeccable. For five years, until he joined Heath in 1970, Rothschild directed research for Royal Dutch Shell, one of the seven major international oil companies.

His role in Heath's government is a bold innovation, an attempt by the prime minister to master the skillful civil service that tends to run government here, regardless of which party is nominally in power.

The Central Policy Review Staff is a think tank of 15 bright economists, engineers and others, many of them friends of Rothschild or his children, who are charged with picking and choosing between government programs. In American terms, the Rothschild group is a streamlined Office of Management and Budget plus a Council of Economic Advisors.

Rothschild himself has been reporting directly to Heath, a degree of access that has troubled the civil service mandarinate. In the past, prime ministers have been largely dependent on civil servants, men like Sir John Hunt, secretary to the Cabinet, and Sir William Armstrong, head of the civil service, the pair who rebuked Rothschild today.

They would have been less than human if they did not take some pleasure in puncturing a rival for power.

Rothschild's actual words were mild in tone and reflected little more than economic truisms. The trouble is that he said them out loud, where the public could hear them. The tradition of secret government is extremely strong here, and parliamentary debate is usually a perfunctory affair on policies that a government has already decided upon.

Rothschild observed that because of Britain's low rate of economic growth "we are likely to find ourselves in increasingly serious trouble."

He acknowledged that growth was not everything, that many people, particularly foreigners, found "this a pleasant country to live in." Here he hinted at a growing belief that the much-remarked upon civility of Britons is due in part to their comparatively unhurried style, their semi-conscious choice of leisure over goods.

Nevertheless, Rothschild insisted that Britain's slow growth posed "dangers and difficulties as severe and ominous as they were in World War II." This was because Britons wanted both to take proper care of the poor, sick and elderly, enjoy more services like a better train system—and support the arts on a wider scale. To do all these things, Rothschild said, requires more output and necessitates giving up "a small fraction of the freedom of action and decision which are more appropriate to the reign of Queen Victoria than to the present time.

"We have to realize that we have neither the money nor the resources to do all these things we would like to do . . . But of course this is very difficult. When you have one million unemployed, it is not easy to scrap the Concorde and put another 25,000 men out of work."

That last was the crack that particularly infuriated Heath and company. Britain's unemployment has now fallen to half a million. The clear implication of Rothschild's artful statement was that now is an appropriate time to drop the unsellable Concorde and its ever-mounting costs.

Last night, Sir John Hunt got to Rothschild first and had the think-tank chief issue a statement denying that he had ever advised the government to scrap the supersonic plane. This could well have been a literally correct and yet substantively misleading statement.

Knowing Heath's political commitment to the Anglo-French venture, it would have been Rothschild's style to duck a clear-cut recommendation but simply report to the prime minister on the plane's shortcomings.

When Parliament returns in October, labor MPs will undoubtedly press Heath to explain the differences between himself and his top thinker.

Rothschild's own future as a Heath adviser as well as that of his think tank is now very much in doubt.

But if his speech reopens inside the Heath government the seemingly settled questions of Concorde, the third airport and others, Rothschild may decide it worth it after all.

RHODESIA AND ACCESS TO EXPORT MARKETS IN BLACK AFRICA

Mr. McGEE. Mr. President, on September 24 in a statement printed in the RECORD, I warned of the consequences of a U.S. foreign policy which continued to ignore the concerns of nations making up what is commonly referred to as the developing world.

In this connection, I noted the United States could avert possible disastrous economic consequences in Africa if the Senate passed legislation (S. 1868) which would place us back into compliance with U.N. sanctions against Southern Rhodesia.

In light of the continued depletion of our own natural resources and the international economic difficulties we have encountered in recent years, I warned it would ill-behoove the United States to continue with policies which would deny us access to the natural resources of the black African nations and the export markets of these nations. I would urge my colleagues not to take this possibility lightly, because it is indeed closer to fruition than we realize.

I also noted, in my September 14 statement, that a handful of corporations in this Nation are once again deluging the Congress with misrepresentations and distortions of fact in order to maintain access to Rhodesia's ferrochromium production. I noted these corporations would willingly sacrifice our own domestic ferrochromium industry in order to satisfy their own ends at the expense of the broader national interest.

While I listed a wide range of natural resources to be found in the black African nations which are vital to the continued economic viability of our Nation—in the September 24 statement—today I will briefly outline the facets of U.S. industry which would adversely be affected should export markets in black Africa be closed to our products.

Presently, our export markets in black Africa cut across a wide swath of our industrial productivity. We export everything from tractors, spare parts, aircraft, motor vehicles, and locomotives, to medicines, textiles, pharmaceuticals, and insecticides. Practically every productive sector of our economy has a market in Africa. Yet the special interests, which would have us continue violation of economic sanctions against Rhodesia, would be willing to sacrifice all this in order to realize a marginal economic benefit of their own.

In listing the export market profile of Africa, once again my source is the U.S. Department of Commerce year-end report for 1972, entitled "Overseas Business Reports." I will list several black African nations and the principle U.S. exports to to those nations.

LIST OF U.S. EXPORTS TO BLACK AFRICAN NATIONS

Cameroon—Tractors; excavating, leveling, mining, construction and maintenance equipment; and other transportation manufacturers.

Central African Republic—Machinery, automotive and transport equipment.

Chad—Machinery, fuels and lubricants.

Congo (Brazzaville)—Machinery, electrical equipment, vehicles and vehicle parts.

Ethiopia—Aircraft parts, non-road tractors, cultivating and harvesting machinery, construction machinery and equipment electrical machinery and equipment.

Gabon—Tractors, construction and mining machinery and parts; iron and steel tubes and pipes.

Ghana—Alumina, raw cotton, grey cloth, construction and mining; machinery, mechanical handling equipment, tractors, air-conditioning equipment.

Guinea—Transportation equipment.

Ivory Coast—Tractors, kraft paper, mechanical handling equipment; construction equipment, and air conditioning.

Kenya—Aircraft, construction machinery other transport equipment; paper and paper board; chemical products and agricultural tractors.

Liberia—Construction and mining machinery, road motor vehicles.

Malagasy Republic—Aircraft, iron and steel structures, tractors, and petroleum products.

Malawi—Motor vehicles, tractors and parts, medicines, pharmaceuticals, clothing and textiles, insecticides.

Mali—Pharmaceuticals, vehicles and vehicle parts.

Mauritania—Construction and mining machinery and parts; motor vehicles and parts; power tools.

Niger—Road maintenance, construction, agricultural machinery, vehicles and parts.

Nigeria—Heavy machinery, iron and steel tubes, pipes, fittings, transport equipment.

Sierra Leone—Machinery and transport equipment and parts; cereals, vegetable oils.

Somali Democratic Republic—Rice, building materials, construction and mining machinery, and agricultural tractors.

Sudan—Transport equipment, agricultural machinery and equipment; insecticides.

Tanzania—Corn, dairy products, transport equipment, construction and mining equipment, and agricultural tractors.

Togo—Machinery, tobacco.

Uganda—Transport equipment (railway cars, air craft), construction and mining machinery, tractors.

Zaire—Aircraft, construction and mining machinery, wheat flour, passenger cars and trucks, mechanical handling equipment, engines and tobacco.

Zambia—Transport equipment (railway locomotives and automobiles), construction and mining equipment, and mechanical handling equipment.

We are deluding ourselves if we believe that these markets would never be denied to us. The world is much different from 25 or 30 years ago. In recent years, we have had our economic supremacy challenged by the European Economic Community to the west and Japan to the east. The developing nations now have alternatives open to them which they never have had before. Thus, the United States can no longer afford to ignore the concerns of the developing world. If we continue to do so, we will be the ones paying the price in the end.

One final thought. Rhodesia's population is 95 percent black. Majority rule will come, whether it is accomplished peacefully or by force. We can assist in seeking a peaceful settlement if we return to compliance with the U.N. sanctions. On the other hand, it would behoove Union Carbide and the stainless steel industries to give considerable thought to what would happen to their access to Rhodesian chrome and ferrochrome when majority rule does come. Since these companies are principally responsible for our violation of the sanctions, one could hardly expect a new government to be very sympathetic to the ferrochromium needs of the stainless steel industries or Union Carbide's chromium holding and ferrochromium processing plants in Rhodesia. It would be in the long-range interest of both to support U.S. compliance with U.N. sanctions against Rhodesia if they believe our long-term interests are tied to chrome in that nation.

CONFERENCE ON WORLD PEACE THROUGH WORLD LAW—INTERNATIONAL TERRORISM, ABIDJAN, IVORY COAST, 1973

Mr. JAVITS. Mr. President, international terrorism in recent years has become one of the most difficult and delicate problems facing the world community.

The toll of innocent lives lost and other suffering endured in the wake of the inhuman acts of political terrorists have shocked decent people everywhere. International transportation and communications have been threatened and in some cases interrupted.

Dealing with violent acts of death and wounding allegedly justified as politica on a broad scale in the internationa community is a perplexing responsibility of national governments throughout the world, but there is no question that there are many different perceptions of the nature of the problem of international terrorism and many different approaches to dealing with it.

The World Conference on World Peace Through World Law assembled last month in Abidjan, Ivory Coast, Africa. I attended the conference through the cooperation of the Senate Foreign Relations Committee and served on the criminal law section symposium which considered the issue of international terrorism, under the honorary chairmanship of the Honorable Rolv Ryssdal, president of the Supreme Court of Norway.

Mr. President, it was the objective of this effort to deal with a specific immediate problem—the export of political violence from countries involved in civil or international conflict to countries not parties to such conflict—and the consequent murder of innocents and kidnapping which inevitably follows.

Who could react with anything but horror in the face of the random like way in which passers-by have found themselves thrust into the line of fire at airports and embassies, and on public streets and in private mail rooms, pawns in the hands of political terrorists.

Last fall, 92 member states included a discussion of terrorism in their statements to the United Nations General Assembly, reflecting the extent to which world attention has been focused on the need for international measures to combat this problem. Since that time, terroristic acts of violence have increased.

Many such acts, like the kidnapping of a diplomat in Mexico and the killing of three American diplomats at Khartoum were directed at diplomatic representatives. Thirty-three diplomats from 13 nations have been kidnapped in the past 5 years; 6 have been killed.

In numerous other instances, the victims have been innocent civilians, as illustrated by hundreds of letter bomb attacks in London, Washington, and elsewhere; the massacre at Lod Airport in Tel Aviv; the killing of Israel athletes at the 1972 Olympic Games in Munich; the almost daily acts of violence in Northern Ireland; the hijacking of 30 airlines of 14 nations in 1972—141 lives lost; 99 injured—and the frustration of 29 hijackings and other acts of terrorism.

In yet another incident, in May 1973, the Ford Motor Co. agreed to meet terrorist demands to send $1 million worth of ambulances and donations to hospitals in Argentina to prevent further attacks on its employees and facilities there.

Mr. President, the World Peace Through World Law Center was established to work for the resolution of disputes by law rather than violence. It is predicated upon the belief that nations have a solemn obligation to the people of the world to cooperate in developing effective measures to prevent unlawful acts of criminal violence against innocent people by terrorist groups.

To date there has been no decisive international action on terrorism. One year ago this month, former Secretary of State William P. Rogers presented to the U.N. General Assembly a draft convention to deal with the "export of terrorism" problem.

The draft convention covers certain criminal acts such as murder, kidnapping, or causing serious bodily harm. Four separate conditions must be met in order to require international action.

First, the act must be intended to damage the interest of or to obtain concessions from a state or international organization. This provision differentiates covered acts of international terrorism from every day crimes dealt with by domestic criminals. For example, assume a citizen of another country is kidnapped in the United States. If it is done for ransom from a relative in the United States, it is a crime under U.S. law, but it is not covered by the draft convention. If, however, it is done to secure the release of guerrillas in the prisons of another country, it is also covered by the draft convention.

Second, the act must be committed or take effect outside the territory of a state of which the alleged offender is a national. The convention does not seek to cover acts by a state's own nationals within the state's own territory even if the acts are directed against a third state. The problem of maintaining civil order among its own nationals in its own territory is primarily one for each state.

Third, the act must be committed or take effect outside the territory of the state against which the act is directed; that is, the draft convention is not aimed at acts taking place within a particular state and directed against that state even if committed by non-nationals. For example, if a guerrilla comes into a state of which he is not a national to commit a terrorist act directed against that state, that situation is left to the state to control. It is not covered by the draft convention. Though his kind of violence is one dimension of the problem, it is a more difficult dimension to control and is not the principal thrust of the recent trend toward the spread of violence in third countries. The only exception under the draft convention to this third condition is that acts committed or taking effect within the territory of the state against which the act is directed will be covered if the act is directed against a non-national of that state. The attack at Lod Airport in Israel by Japanese terrorists is the most notorious example of this type of act.

Fourth, the act must not be committed either by or against a member of the armed forces of a state in the course of military hostilities; for, the legality of such an attack would be judged by the laws of war and the U.N. Charter.

All of the above conditions must be met for the draft convention to apply. Despite its narrow focus the draft convention would cover most of the recent acts of international terrorism evidencing the dangerous trend toward expansion of violence to states not party to a particular conflict.

On the other hand, the convention would not deal with international conflicts within a state unless such conflicts were exported to the territory of third states or directed against third-country nationals. Thus, the convention would neither cover the act of a freedom fighter in Rhodesia or Angola who attacks a government soldier nor an attack by the IRA against a British soldier in Northern Ireland. Moreover, the convention would yield to any of the more specialized conventions governing attacks against diplomats or civil aviation where such conventions are applicable. For example, the highjacking by Croation terrorists in Sweden would be governed by the 1970 Hague Highjacking Convention if there were a conflict between the convention and the new draft convention.

Once the critical threshold of coverage is reached, the draft convention would establish substantially the same framework for dealing with offenses as the Hague Highjacking and Montreal Sabotage Conventions; that is, states party to the convention would be required to establish severe penalties for covered acts and either to prosecute or extradite offenders found in their territory. In addition the convention would create an obligation to cooperate with other parties to consider and implement measures to combat acts of international terrorism.

The Arab States, joined by a sizable African bloc and the Soviet bloc succeeded in turning aside this proposal—and another similar proposal by Australia, Austria, Belgium, Canada, Iran, Japan and Britain, among others, at last year's U.N. General Assembly meetings.

Instead, the Assembly voted to refer the whole question of international terrorism to a 35-nation U.N. committee to make recommendations to the General Assembly session this fall.

I trust that the United Nations, and the international community as a whole, will no longer delay the taking of strong international action against this devastating problem. Action rather than words is what is called for. I am confident that such concerted international actions can be taken without compromising efforts for self-determination and national liberation.

The work of the World Peace Through Law Center constitutes an important contribution in broader efforts to develop a program to help in formulating the immediate and specific measures aimed at combating international acts of terrorism and violence. I commend the center and its criminal law section for its leadership on this issue. Its work, as well as the efforts now going forward in the U.N. involve a reaffirmation of our commitment to the rule of force.

They represent an unusual opportunity—especially for the developing countries—by an exercise of statesmanship to help in the resolution of this issue without prejudice to themselves.

Mr. President, other distinguished lawyers who served on the criminal law section symposium at Abidjan were: Marut Bunnag, Thailand; Wheaton S. Thompson, Esq., Liberia; Fouad B. Atalla, Jordan; Amelito R. Mutuc, Esq., Philippines; John Norton Moore, Esq., United States; Prof. Yoram Dinstein, University of Tel Aviv, Israel; Avv. Carlo Fornario, Italy. They also deserve the thanks of all for their important work on this question.

GO AND DO THOU LIKEWISE

Mr. MONDALE. Mr. President, an editorial recently appeared in the Worthington, Minn., Globe in tribute to the senior Senator from Iowa, Mr. HUGHES. This editorial expresses the deep admiration felt by the people of Minnesota for Senator HUGHES. Many of us were profoundly disappointed to learn of Senator HUGHES decision not to seek reelection to a second term. But as the Globe points out—

> Regretful as Hughes' resolve may be, it is nonetheless exemplary—as much of Hughes' life has been through the past dozen years.

Mr. President, I would like to share this excellent editorial with my colleagues in the Senate, and I ask unanimous consent that it be printed in full in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Worthington (Minn.) Globe, Sept. 8, 1973]

HUGHES: "GO AND DO THOU LIKEWISE"

Iowa's Sen. Harold Hughes, the onetime alcoholic truck driver, has been one of the most admired men in public life through all the local region. During the past decade, while he served three terms as Iowa's governor and then as Iowa's U.S. Senator, Hughes earned esteem and a degree of affection among both his northwest Iowa constituents and his southwest Minnesota neighbors. Hughes' Ida Grove origins permitted citizens throughout the region and on both sides of the state line to claim him as "one of ours."

Hughes' years in public service has been the essence and definition of "distinguished career." As something of an ultimate testimony to this assertion, a small but enthusiastic national following was promoting Hughes for the Democratic presidential nomination last year only midway through his first term in the Senate.

For its part, the Daily Globe is convinced Harold Hughes could serve the office of the presidency with high distinction—a consideration which becomes urgent as the spreading stain of Watergate reduces the presidential office to its most disgraceful state in the history of the Republic.

It follows that there was keen disappointment expressed Thursday when Sen. Hughes announced he would not seek re-election and would, instead, dedicate himself to a life as a religious layworker after the expiration of his term in 1974.

There was a flood of rather extraordinary tribute to Hughes, not only in Iowa but all through the nation. An example: Minnesota's Walter Mondale said he was "depressed" by Hughes' announcement. "It's tragic," Mondale told a knot of reporters. "I hope he changes his mind." Mondale termed Hughes "one of the most remarkable men I've ever met" and declared Hughes has been "a magnificent influence in the Senate."

Certainly Hughes has been effective. Through recent months it was he, almost alone, who uncovered the evidence that the United States secretly bombed Cambodia through more than a year before the announced American invasion and through a time when the President has told the nation Cambodia's neutrality had been "scrupulously" respected by the United States.

Hughes is established as a credible, decent and articulate leader among the American people.

But, he declared Thursday, "I have an intuitive, compelling commitment to launch out in a different kind of effort that will be primarily spiritual rather than political." (Those who have had misgivings regarding Hughes' leadership have long employed the term "mystic" in their statements of exception to his support.)

Hughes indicated his decision is firm. "This new work represents to me a new kind of challenge and spiritual opportunity in today's troubled world," he said. "I have long believed that government will change for the better only when people change for the better in their hearts."

Regretful as Hughes' resolve may be, it is nonetheless exemplary—as much of Hughes' life has been through the past dozen years.

The pattern in American politics by this date is for men and women to attempt to make a career of public life. Public office is pursued and embraced as a wedding partner "for rich or for poor, for better or for worse, in sickness and in health til death do us part."

There is a notable argument to be made for the contention that it is healthier for a democratic society to have a succession of talented and respectable men and women take a turn at public office, to give their best through a single term, and then to be on their way.

This is the model Harold Hughes has chosen. Great credit to him once again. The host of incumbents at all levels of government are properly admonished: "Go and do thou likewise."

HIGH BEEF PRICES

Mr. HANSEN. Mr. President, the high price of beef has stood no less high in the market than it has in news value in the past year and especially in recent months.

As an antidote to this high level of prices the import quota on meat was suspended some months ago in the hope that rising imports would moderate beef prices. Beyond that a consumer boycott was organized a few months ago for the same purpose.

Mr. President, I shall not go into further detail about the cause of the rise in beef prices, such as high feed grain cost, high soybean prices, high and rising exportation of corn, wheat, and soybeans, all of which contributed to the rising price level.

The price of soybeans, corn, and wheat has declined appreciably in recent weeks and the price of beef has followed suit. Let me give the price in both categories, that is, cattlefeed and beef prices.

According to the Chicago Board of Trade as printed in the Journal of Commerce, the peak price of corn reached this summer was $3.47 per bushel. The most recent price this week was $2.43 per bushel, a decline of a little over a dollar per bushel, or almost a third. The soybean price has fallen from a 1973 peak price of $10.10 per bushel to $5.75. The price would no doubt have gone yet higher if export controls had not been established for a brief period.

Corn, declining from $3.47 to $2.43 per bushel, had come up from a low of $1.35 earlier in the year. The soybean price, falling from $10.10 to $5.75, had come up from a low of $3.22 earlier in the year.

Wheat came up from a low of $1.81 per bushel, rose to $5.48, and then declined only moderately to $5.08 a few days ago. The price of wheat, in other words, has not yet come down as much as that of corn and soybeans.

Midwestern live cattle on the Chicago Mercantile Exchange as reported in the Journal of Commerce reached a high of $60.71 per hundredweight this year, but has fallen to $40.82. Feeder cattle prices have dropped from a high of $70.80 to $56.25 per hundredweight.

These are appreciable declines, but they still leave beef prices higher certainly than a level that would allay consumer complaint.

As for laying the blame on the import quota on beef that was in effect for a year or two but which was suspended last year, I can see no justification for placing such blame. At this point I would like to offer for the record a letter written by O. R. Strackbein, who heads the Nation-Wide Committee on Import-Export Policy, to the Washington Post. This letter was in reply to one printed in the Post from David Steinberg, who is director of the Committee for a National Trade Policy, who called for repeal of the import quota law. Mr. Strackbein's letter speaks for itself.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MEAT IMPORTS AND QUOTAS

MEAT IMPORT QUOTAS

In a letter (August 17) urging the removal of import quotas on meat imports, David J. Steinberg, director of the Committee for a National Trade Policy, tries to take advantage of an unusual situation to undo an act of Congress that was passed in 1964. He admits that the import quota has been suspended but he says the control mechanism hangs like a sword of Damocles over meat imports. So he calls for repeal of the law.

Mr. Steinberg must know that pork is under no import quota. Yet the price of pork has risen more sharply than that of beef. Since 1970 the price of cattle has risen from $27.10 per hdw. to $44.20 in July 1973, or by 63%. The price of hogs in the same period rose from $22.70 per hdw. to $41.00, an increase of 80%. Since January 1973 the cattle price has risen 19% and that of hogs, 32%.

Unquestionably we should place an import quota on pork, should we not? It would seem that Mr. Steinberg should look somewhere else than an import quota on beef for his beef against high beef prices!

O. R. STRACKBEIN,
President, The Nation-Wide Committee on Import-Export Policy.
WASHINGTON, *August 1973.*

Mr. HANSEN. Mr. President, from this letter we see that the price of hogs swung more widely than that of cattle and beef. Updating Mr. Strackbein's figures through August of this year, we find cattle prices rising from $37.10 per hundredweight in January to $51.70 in August, while the price of hogs rose from $31 in January to $56.50 in August. Cattle went up $14.60 per hundredweight, hogs $25.50.

Now, one would think that since we have no import quota on pork the price should have been held down, since it is constantly claimed that import quotas raise prices. Obviously an import quota could not be blamed for the rise in hog prices, sharp as it has been, since there is no import quota. Yet the price of cattle which was under an import quota, the application of which has only been suspended, did not rise nearly as sharply as the price of hogs. Mr. Strackbein's letter shows that hog prices outpaced cattle prices during the very period when the beef import quota was in effect.

The price of beef is, of course, like all other prices, reflective of demand and supply. Consumers for one or another reason prefer beef to pork in this country. This follows from the trend in beef and pork consumption per capita in this country. In 1940 we consumed 54.9 pounds of beef per capita compared with 73.5 pounds of pork. In 1971 we consumed 113.6 pounds of beef per capita, or over twice as much as in 1940 while pork consumption remained at 72.7 pounds or a little less per person than in 1940. Demand-pull thus might have been expected to raise cattle prices over the years.

Yet, the price of beef which was at $26.30 per hundredweight in 1950 stood at exactly that figure in 1967. Indeed, it had dropped to $16.80 in 1955. These statistics may be verified by reference to the Statistical Abstract of the United States, 1972, table 1033, page 620. By 1970 the price was up only to $29. Indeed, it was only after feed grain prices began their big rise that the price of beef also took off. This was cost-push inflation on top of a brisk consumer demand for beef. The 1972 per capita consumption of beef was 2.3 pounds higher than in 1971.

Mr. President, the price freeze on beef was lifted on September 12. It was expected that the lid would blow off. I think it is safe to say that if the price of cattle feed continues to decline the price of beef will follow suit. I know of no monopoly at work in the supply of cattle for the market.

OUR VAST OCEANS—RELIEF FROM FOOD SHORTAGE

Mr. INOUYE. Mr. President, the growing food scarcity has been much in the news in recent days. With many of the traditional sources of surplus food drying up and the world population boom an ominous threat for the future, the problems of food scarcity have just begun. Most of the major mechanized, agricultural nations can no longer keep up with the burgeoning need of the ever more populated third world. Unless the developing nations can learn to better meet their own food needs, many of them, as well as major industrialized nations with only a limited agricultural base, surely face famine and tragedy in the years ahead.

Men have historically talked of turning to the vast oceans for relief from shortage. In Hawaii we are doing much more than just talking about this problem. There, in the warm, gentle tropical waters off the shore of our beautiful islands, Hawaiian scientists are engaged in down-to-earth research in the fields of aquiculture and large-scale seafood production. These research institutions, such as the Oceanic Foundation, the Institute of Marine Biology at the University of Hawaii and others, strive to make fish farming operational on a massive scale, and to develop methodologies that can be transferred to other nations for their use. Thus, any nation with ocean frontage or large lake areas will in the future be able to utilize their water resources as a major supply of food for their citizens. Whereas fish farming is a very old art in Hawaii, the attempt to perfect marine farming on such a transferable scale is not, and thus Hawaiians as well as many foreign scientists work doggedly in what they well understand might be a very close race with hunger and famine.

Recently an excellent article by Phyllis Hanes appeared in the Christian Science Monitor which highlighted the work being done by Dr. John Bardach and his staff at the Hawaii Institute of Marine Biology at the University of Hawaii. As I know that this topic is of major concern to most of my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMING THE SEAS: NEPTUNE'S LARDER SEEMS STUFFED WITH FOOD, BUT MANKIND MUST LEARN HOW TO RESTOCK IT

(By Phyllis Hanes)

HONOLULU.—Many people today are counting on the ocean to help supply the protein needed to feed the peoples of the world.

This optimism is reasonable, since we are now catching for food only about 200 of the 25,000 or more existing species of fish. And there is hardly a sea animal that cannot be eaten after proper preparation.

"But," warns John E. Bardach, director of the Hawaii Institute of Marine Biology at the University of Hawaii, "there is a possibility we could blow the whole thing—as we did with the land.

"As today's beef supplies depend in wheat and grain for livestock, so fish supplies depend in a large part on plant plankton and floating algae, known to most people as seaweed," he said. "Right now, almost a fifth of all the algae in the sea are being used up in feeding us every year, which indicates that the resources of the sea are far from limitless."

Dr. Bardach feels we must remember, too, that a great quantity of fish that are caught are not utilized directly but go into feed for land animals. "Not only the chicken industry of the United States, Europe, and South Africa, but other animal-rearing schemes rely heavily on the small plankton-feeding, schooling fishes of the upwelling areas of the sea.

"This practice of feeding animals with fishmeal is wasteful, since it lengthens the food chain by one more link. Only 15 percent, at best, of the input reappears as meat that can be used."

CONTAMINATION

Marine scientists today are worried about the contamination of the ocean from herbicides and radioactivity and garbage. They are concerned with the knowledge that although fish lay millions of eggs, most of the larvae that develop from those eggs die; and they are aware of the other signs of depletion and over-fishing.

Unfortunately, because of some problems, such as finding economical feed, scientists cannot pick and choose which species they will study and cultivate first.

Of the thousands of fish in the sea, the seafood that Americans like best, for example, are those that are carnivores, rather than herbivores, and are fish that have difficult and/or expensive feeding habits.

"In the developing countries, on the other hand, lack of protein is an ever-increasing problem, and traditional food habits are different.

"What these countries must try to produce are the herbivorous grazers of the sea, lakes, or rivers—the animals that feed directly on plants and therefore are comparable to cows and goats," according to Dr. Bardach.

RICE-PADDY FISHING

Orientals have been raising fish in their rice paddies for centuries and today oysters, catfish, salmon, turbot, plaice, and shrimp are being raised in various areas with varied success.

"But the gradual fishing-out of food fishes and other sea creatures used for food will make it increasingly unimportant that it costs more to rear a carnivore than to catch one," Dr. Bardach said.

Experiments with sea animals, such as turtles and plant-eating fishes, are also being done at the Coconut Island laboratory, operated jointly by the University of Hawaii and the University of California, which Dr. Bardach also heads.

One of the animals under study is the octopus.

"Octopuses are very good subjects for mariculture," says William F. Van Heukelem, Jr., marine biologist there.

OCTOPUS ADVANTAGES

"Although Americans don't like them as a rule, octopuses are prized as fine food in Mediterranean countries, Central America, South America, Pacific islands, Asia, and the Caribbean.

"But what is important," he said, "is perfecting methods of raising seafood under controlled conditions so that we can preserve the protein sources the world now takes for granted, which some day may not be available.

"The octopus has many advantages for controlled culture," Mr. Van Heukelem feels. "It grows quickly—from hatching to market size of one to three pounds in six months. They use their food very efficiently. On the average 50 percent of ingested food goes into growth. Most animals convert only 10 percent.

"The octopus reproduces in captivity and also can be pushed to spawn whenever desired. They are easy to raise. They have no problems and there is little waste as a food item since 85 percent of the live weight is edible."

The disadvantage in commercially raising octopuses, however, is the problem of food, since octopuses are carnivorous. At present they are fed fresh or frozen fish or crustaceans.

But with further research, scientists say, it should be possible to prepare a low-cost diet from cheap ingredients such as soy, fishmeal, shrimpmeal, and other materials plus an added flavor that is attractive to the sea-animals.

Another disadvantage in raising octopuses is that the market is limited compared with shrimp and other more popular seafood. The lack of money for research is still another drawback; financing is slow because of the U.S. prejudice against octupus as a food.

"At the present, the most important of our aqua and mariculture endeavors is the production of the Giant Prawn, which is sold commercially in Hawaiian fish markets," said Dr. Bardach.

Tasty, freshwater prawns that grow as big as one pound each are being marketed right now as a result of the intensive prawn study conducted by the Hawaii Division of Fish and Game.

Large, tender, and somewhat like the New England lobster in flavor, this cultured prawn is a luxury food, selling for about $4 a pound live in the Tamashiro Market in Honolulu. And, because live prawns are very special among Oriental peoples, fish markets are usually sold out in about an hour, to people waiting in line.

At the state division's Keehi Fishery Station in Honolulu, the Malaysian prawns are now being grown by the hundreds of thousands. This is the only station in the world that has the technology and facility for raising freshwater prawns on a mass scale.

"Aquaculture has various goals among which the replenishment of Neptune's larder for luxury consumption is just one," Dr. Bardach said.

"The others—conservation and the production of bait for much larger gain, as well as the production of sport fish for recreation, are of no less importance, as is learning how to husband the true herbivores of the sea for those millions who really need the animal protein."

IMPROVING THE AGE DISCRIMINATION LAW

Mr. HANSEN. Mr. President, as ranking Republican member of the Subcommittee on Employment and Retirement Incomes, I am pleased to bring attention to the Special Committee on Aging a working paper entitled, "Improving the Age Discrimination Law." I am joining Senators FONG, CHURCH and RANDOLPH of the committee in focusing on this revealing paper because of our concern about the issues it raises.

As a member of the Special Committee on Aging, I have been fortunate to hear testimony on a variety of substantive problems afflicting the elderly. Perhaps one of the less overt, yet more poignant and far-reaching problems is that of job discrimination based on age, which affects many thousands of Americans.

Rejecting many individuals from the labor force at an early age prevents them from preparing adequately for their retirement years. Refusal to hire the 40-year-old individual because—he is approaching retirement and may be a burden—is becoming an increasingly common practice.

Employment discrimination against the older American can lead to any or all of a wide gamut of other problems they face—health, housing, and social involvement.

This problem cut a double edge Employment discrimination against our Nation's elderly often prevents them from achieving or maintaining economic adequacy for the present and the future. Job bias provides another barrier between our "Pepsi generation" oriented society and the older American. They become furthed disenfranchised, and feel a sense of worthless ennui.

The double edge, however, is this: We are depriving our own country of a labor-rich segment of manpower.

Trained and experienced, the elder American citizen would help ease at least one aspect of our current inflationary burden by providing a wealth of needed skills and goods. We are faced with a shortage of goods and services, and to ignore this great potential source for curbing the shortage is myopic and unnecessarily impractical.

A change in our attitude toward the worthiness of the older American employee is imperative and the working paper provides insight into this very real American tragedy.

GENOCIDE DEFINED

Mr. PROXMIRE. Mr. President, genocide has become a word in altogether too common usage. It is useful to examine the limitations of the word in arriving at an understanding of the Genocide Convention.

Article II of the Convention defines genocide as any of the following acts committed with intent to destroy, in whole or in part, a national ethnical, racial, or religious group, as such:

First. Killing members of the group;

Second. Causing serious bodily or mental harm to members of the group;

Third. Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;

Fourth. Imposing measures intended to prevent births within the group;

Fifth. Forcibly transferring children of the group to another group.

The Senate Foreign Relations Committee has attached and recommended two understandings to article II so as to clarify what does and what does not constitute genocide. In a number of previous statements before the Senate on this matter I have attempted to show that the Genocide Convention does not apply to many of the acts which some of its critics fear that it would. The Foreign Relations Committee has enumerated those concerns which are not covered by the Genocide Convention:

It does not alter the rules of warfare, or the obligations of parties to the Geneva Conventions on the treatment of prisoners of war and the protection of civilian persons in time of war.

It does not apply to civil wars as such.

It does not apply to discrimination, racial slurs, and insults and the like.

It does not apply to voluntary population control measures.

It does not apply to the past.

However reprehensible such actions are, they do not constitute genocide under the terms of the Genocide Convention and the understanding attached to it.

Mr. President, I urge the Senate to ratify the Genocide Convention without further delay.

ON THE PASSING OF TOM VAIL

Mr. BENNETT. Mr. President, for all of us who now serve or who have recently served on the Finance Committee, the passing of Thomas L. Vail was a great tragedy.

Tom was a very unusual man who more than matched an unusual situation. I suppose there is no more difficult staff job in the Senate organization than that of chief counsel of the Senate Finance Committee staff. The committee's jurisdiction is broad and covers three major but completely unrelated fields—taxes, social security, and tariffs. To be truly successful, the Chief of Staff must be completely at home with both the law and the current problems in these fields. Moreover, even though the staff is nonpartisan, the committee obviously is not and the ideas of its members range over a broad field of political and philosophical differences. In order to make the staff truly useful to every member of the committee, Tom had to be able to literally put himself in that member's philosophical shoes and help develop arguments and statistics which that member could use in sponsoring or defending a position. This he did superbly.

The Senate Finance Committee staff has always been kept lean and active. In that spirit, Tom had to be both the chief staff executive and administrator and also as I have said earlier, a technical expert in all of the fields covered by the committee, and able to maintain his position of leadership with each of the other professional staff members who were assigned to particular areas. In the face of this monumental and many-sided responsibility, Tom was able to keep the confidence both of the Senators on the committee and of the members of the staff who worked under him. I know from many personal experiences just how helpful he could be. He was always gracious and patient and productive. All of us who knew and worked with Tom were touched and saddened by the ordeal through which he had to pass in the last year of his life, but we were even more impressed by the cheerfulness and courage with which he faced what he must have known, but would never admit, was a losing battle.

During these tragic months, some of us on the committee have come to know his wonderful wife, Nancy, who faced these trials with him with the same courage and outward calm and who now must take over Tom's share of the responsibilities of raising their four children toward the level of excellence which their father so well exemplified. Our hearts and hopes go out to her and also our confidence. We feel sure that with Tom's example, she cannot fail.

UNSAFE AT ANY SPEED—ESPECIALLY ABOVE 90 MILES PER HOUR

Mr. PERCY. Mr. President, the problem of traffic safety is one that has plagued us for many years and is rapidly becoming more acute. The National Safety Council informs us that last year alone, 56,000 Americans were killed in motor vehicle accidents, 2.1 million were injured, and $19 billion in damages were reported. Of special importance is the fact that of the 48,800 fatal accidents that occured in 1972, speed was a factor in approximately 16,000 cases. With an understanding of the magnitude of the death and destruction that occurs annually on the Nation's highways comes a responsibility to explore all means to reduce this senseless slaughter.

The system of calibration presently used on most automobile speedometers in this country is, I believe, a significant factor contributing to the carnage on our highways. Speedometers indicating maximum speeds of 120, 140, or even 160-miles-per-hour represent a built-in safety hazard. They are also deceptive since, to my knowledge, the speed limits on all the Nation's highways, except in Kansas and Nevada, do not exceed 70 miles per hour. Automobile owners are thus induced to drive in a perilous fashion. It is an invitation to recklessness, to hit-and-run accidents, to vehicular homicide—in short, an invitation to death particulary for the youthful driver.

Although most of us are cognizant of the legal speed limits in our communities, what sense does it make to psychologically encourage people, especially youngsters, to drive faster than has been determined to be safe and lawful by highway safety experts? This can only lead to serious accidents, the destruction of property, and, most tragic of all, the loss of life.

In the future it may be possible to get to the root of the problem by a mandate from Congress for less powerful auto engines, limited by their structure and design to speeds not in excess of 90 miles per hour. It is also conceivable that the installation of a buzzer warning system could be required to indicate when the speed limit is being exceeded. But, as we all recognize, these proposals should be looked into further and as of now would be vigorously opposed by the automobile manufacturers. They could be implemented only after many years of court battles, if at all. Instead, my suggestion to limit maximum speedometer calibrations of 90 miles per hour with a red-lettered "extreme-hazard" area above that, would be relatively inexpensive to tool up for and would cause no serious disruption to factory production schedules.

Consequently, last week I contacted the Chairman of the Federal Trade Commission and have urged him to take appropriate action, within section 5 of the Federal Trade Commission Act, to eliminate the unfair and deceptive practice of manufacturing present day speedometers. I have also written to the Administrator of the National Highway Traffic Safety Administration requesting that new safety regulations be promptly promulgated pursuant to the National Traffic and Motor Vehicle Safety Act of 1966, as amended, in order to establish safety standards which would require a more realistic, less hazardous, system of speedometer calibration.

It is absurd that this situation has been allowed to persist, especially since it could be so easily corrected by redesigning new speedometers. Further delay in this matter can only lead to more needless injuries and deaths. Only through prompt and forceful action now can we help to end the massacre on the Nation's highways.

Mr. President, I ask unanimous consent to print in the RECORD the letters that I have written concerning this matter, dated September 26, 1973, to Lewis Engman, Chairman of the Federal Trade Commission, and James Gregory, the Administrator of the National Highway Traffic Safety Administration.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 26, 1973.
Hon. JAMES B. GREGORY,
Administrator, National Highway Traffic Safety Administration, Washington, D.C.

DEAR DR. GREGORY: While automobile travel can never be completely risk-free, much more can be done to cut down on the devastating toll of lives lost in highway accidents each year.

In this regard, I call your attention to the preposterous system of calibration presently used on most automobile speedometers in this country. Speedometers marked for maximum speeds of 120, 140, or 160 miles per hour constitute an obvious safety hazard. They are also an obvious deception since, to my knowledge, the speed limits on all of the nation's highways, except those in Kansas and Nevada, do not exceed 70 miles per hour. This built-in safety defect subtly but surely encourages automobile owners to drive in a perilous fashion. It is an invitation to recklessness, to hit-and-run accidents to vehicular homicide—in short, an invitation to death.

True, most citizens are undoubtedly aware of the legal speed limits in their community. But it makes no sense to psychologically encourage people, youngsters especially, to drive faster than has been determined to be safe and lawful by highway safety experts. Is there really any good reason to appeal to a kind of vehicular machismo which all too often in the end amounts to vehicular madness? It can only lead to serious accidents, the destruction of property and, most important of all, the tragic loss of human lives.

Many automobiles equipped with such speedometers cannot safely attain speeds of 140 or 160 miles per hour because their engines are built to operate only at reasonable rates. Thus, even if accidents are avoided in individual cases, excessive speeds cause severe engine damage and increase the likelihood of loss of vehicle control.

Just as there is an accelerating loss of control, so too there is an accelerating rate of loss of fuel as speeds begin to exceed safe, reasonable rates. In view of the critical energy shortage this country now faces, why must we squander precious gasoline and oil supplies? The Environmental Protection Agency has estimated that there is a 25% drop in fuel economy for a car driven first 50 miles per hour and then 70 miles per hour. At higher speeds fuel consumption becomes even more pronounced. This wasteful consumption of gasoline at very high speeds is inimical to the national interest of conserving scarce fuel supplies. The wasteful consumption of human lives is likewise inimical to the fundamental civility which underlies all that is meaningful in our society.

I need hardly remind you that in 1972 alone, over 56,000 Americans died on the nation's highways and 2.1 million injuries were reported. The cost of these accidents has been estimated to be a staggering $19.4 billion. There can be no estimate for the human misery that results.

Why is it necessary for us to allow accident statistics to rise even higher by continuing to permit the manufacture of automobile equipment which constitutes a clear safety defect? And why must an agency of the Federal government which has regulatory authority in this matter—one which has done an outstanding job in eliminating other unreasonable vehicle risks—sit back for so many years smug in the silence of unconcern over this problem? It makes no sense to me for NHTSA to issue regulations for safe brakes while at the same time allowing a situation where drivers are induced to reach breakneck speeds which make the best of brakes virtually worthless.

Perhaps the real solution lies in mandating less powerful auto engines which would be incapable of exceeding speeds of 90 miles per hour. But as you and I know, the hue and cry from within the industry, and attendant court battles would effectively delay implementation of any such rule for many years to come. The kind of change I am suggesting—limiting speedometer calibrations to 90 miles per hour with a red-lettered "Extreme Hazard" area above that—would be relatively inexpensive to tool up for and could be achieved without disruption to assembly lines. I believe the move would be welcomed by any responsible automobile manufacturer.

It is absurd that the present situation is allowed to persist. I strongly urge that NHTSA take prompt action to issue new safety regulations pursuant to the National Traffic and Motor Vehicle Safety Act of 1966 in order to remedy this unnecessary hazard. Further delay can only lead to more senseless slaughter on our highways.

Sincerely yours,
CHARLES H. PERCY,
U.S. Senator.

U.S. SENATE,
Washington, D.C., September 26, 1973.
Hon. LEWIS A. ENGMAN.
Chairman, Federal Trade Commission, Washington, D.C.

DEAR MR. CHAIRMAN: Admittedly, automobile travel cannot be made altogether risk-free. But far more can be done to cut down on the devastating toll of lives lost in highway accidents each year.

Specifically, let me direct your attention to the preposterous system of calibration presently used on most automobile speedometers in this country. Speedometers marked for maximum speeds of 120, 140, or 160 miles per hour are clearly an unfair and deceptive practice within the meaning of Section 5 of the Federal Trade Commission Act since, to my knowledge, the speed limits on all of the nation's highways, except for those in Kansas and Nevada, do not exceed 70 miles per hour. This built-in inducement to bravado subtly but surely encourages automobile owners to drive in a perilous fashion and dupes many into thinking they are driving at safe speeds when they are not. It is an invitation to recklessness, to hit-and-run accidents, to vehicular homicide—in short, an invitation to death.

True, most citizens are undoubtedly aware of the legal speed limits in their community. But it makes no sense to psychologically encourage people, youngsters especially, to drive faster than has been determined to be safe and lawful by highway safety experts. Is there really any good reason to appeal to a kind of vehicular machismo which all too often in the end amounts to vehicular madness? This can only lead to serious accidents, the destruction of property and, most important of all, the tragic loss of human lives.

The practice is deceptive in that most automobiles equipped with such speedometers cannot safely attain speeds of 140 or 160 miles per hour because their engines are built to operate only at reasonable rates. Even if accidents are avoided in individual cases, excessive speeds cause severe engine damage and increase the likelihood of loss of vehicle control.

Just as there is an accelerating loss of control, so too there is an accelerating rate of loss of fuel as speeds begin to exceed safe, reasonable rates. In view of the critical energy shortage this country now faces, why must we squander precious gasoline and oil supplies? The Environmental Protection Agency has estimated that there is a 25% drop in fuel economy for a car driven first 50 miles per hour and then 70 miles an hour. At higher speeds fuel consumption becomes even more pronounced. This wasteful consumption of gasoline at very high speeds is inimcal to the national interest of conserving scarce fuel supplies. The wasteful consumption of human lives is likewise inimical to the fundamental civility which underlies all that is meaningful in our society.

Although the FTC is not the primary agency responsible for auto safety, it does have a primary obligation to prevent unfair or deceptive practices. In 1972, the present practice of calibrating speedometers was a contributing cause to more than a fair number of the 56,000 deaths on the nation's highways and the 2.1 million injuries which were reported. The cost of these accidents has been estimated to be a staggering $19.4 billion. There can be no estimate for the human cost in terms of heartbreak for the loss of relative and close friends.

Why must we allow accident statistics to rise even higher by silently acquiescing to the manufacture of automobile equipment which represents a deception and a hazard to the American public? Under the able leadership of former Chairman Caspar Weinberger and Miles Kirkpatrick, and now under yourself, the FTC has shed the vestments that once made her the "little old lady of Pennsylvania Avenue." But if Pennsylvania Avenue is to be made safer, and all the other byways and highways in this country, a good start could be made by taking prompt action to end this practice. The deception to the driver is clear enough; the unfairness to the society is writ large in the carnage, the trauma, and the toll of lives which the deception promotes.

Perhaps the real solution lies in Congress mandating less powerful auto engines which would be incapable of exceeding speeds of 90 miles per hour. But as you and I know, the hue and cry from within the industry, and attendant court battles would effectively delay implementation of any such rule for many years to come. The kind of change I am suggesting—a FTC rule limiting speedometer calibrations to 90 miles per hour with a red-lettered "Extreme Hazard" area above that—would be relatively inexpensive to tool up for and could be achieved without disruption to assembly lines. I can't help but believe that the move would be welcomed by any responsible automobile manufacturer.

It is absurd that the present situation is allowed to persist. I strongly urge that the FTC remedy this unnecessary hazard. Further delay can only lead to more senseless slaughter on our highways.

Sincerely yours,

Charles H. Percy, *U.S. Senator.*

CONGRESS YIELDS ON MILITARY BUDGET

Mr. McGOVERN. Mr. President, I regret that the Senate largely capitulated to the administration on the issue of military spending. Many of the amendments offered on the Senate floor would have brought about prudent economy cuts in the lavish military budget. But these amendments were defeated in considerable part, because the Senate was reluctant to take issue with the Pentagon and the White House. As a consequence, we have missed an opportunity to lift some of the burden from our taxpayers to reduce some of the inflationary pressures resulting from military spending.

Mr. John Finney, of the New York Times, has summarized this issue well in an article appearing in the Sunday Times. I ask unanimous consent that Mr. Finney's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Congress Gives Nixon All He Asks

(By John W. Finney)

Washington.—The annual Senate debate on the defense budget had been billed by the Democrats as the great battle over spending priorities. It turned into more of a rout, proving once again that when it comes to weapons, Congress was neither willing nor prepared to challenge the judgment of the military or the President.

The most that Democrats could claim was that over Nixon Administration opposition they had pushed through an amendment dictating a 110,000-man reduction—about 23 per cent—in the 471,000 air and ground troops stationed in foreign countries by the end of 1975. But even that may prove to be a fruitless gesture, since the Administration probably will be able to kill the amendment when the military procurement bill goes to a Senate-House conference committee.

In recent years, the procurement bill, which authorizes the procurement of new weapons and military research, has provided the forum for the annual defense debate in the Senate. This year the setting was somewhat different.

The military bill was the first to be considered since the end of the Vietnam war, a development that presumably should give rise to Congressional reappraisal of the future military posture of the United States.

The Senate debate came at a time when the spirit of détente between Washington and Moscow seemed to portend a reduced military threat and when American and Soviet negotiators resumed their SALT negotiations in Geneva on a permanent limitation on strategic weapons.

Far more than in previous years, the defense budget had become enmeshed in the domestic issue of spending priorities. On the one side was President Nixon declaring that his military budget had been reduced "to a minimum level consistent with national security interests," that he must deal from a position of military strength if he is to translate détente from spirit into fact, and attacking the Congressional Democrats for their budget-busting increases for domestic programs. In an awkward position on the other side were the Senate Democrats who had to make some cuts in the defense budget if they were to offset their domestic spending increases and still stay within a $268-billion budget ceiling they had imposed on themselves.

The issues seemed fairly clearly staked out, but in the week-long Senate debate they were never quite joined by the Democrats who, in their disorganization, seemed to be overwhelmed by the power of the Pentagon. Almost routinely, and usually before a virtually vacant Senate chamber, a Democratic Senator would call up an amendment to kill or cut this or that multi-billion-dollar weapons program. Just as routinely his amendment would be rejected. "Nobody is listening," complained one Democratic Senator after his amendment was defeated—a comment that could apply to his liberal colleagues as well as the Senate as a whole.

The closest the Democrats came to challenging a major weapons program was on their move to slow down development of the Trident missile-launching submarine which, at $1.3-billion a boat, is the most expensive single weapons system ever proposed by the military. They lost by a 49–47 vote after some of the most intensive Pentagon lobbying seen on Capitol Hill since the antiballistics missile (ABM) fight four years ago.

Thwarted on individual weapons programs, Senator George McGovern tried the frontal approach of proposing a $78-billion ceiling on defense appropriations—$7-billion less than requested by the Administration. Again to a near vacant Senate, the 1972 Democratic Presidential candidate declared:

"While the President hails a 'generation of peace', he offers a budget that prepares for a generation of war, of more and more elaborate new weapons, and of American forces still scattered all over the globe. If détente is real, if SALT is succeeding, and if peace is cheaper, I think the American people have a right to expect that arms spending will go down, not up. And that is what we should require."

It was probably the best summation of the case of the Democratic liberals in the course of the lackadaisical debate. But when the vote came, it was 81–12 against the McGovern amendment.

Senators as politicians feel more comfortable dealing with men than with weapons, and when it came to manpower, the Senate was somewhat more assertive. The Armed Services Committee brought the bill to the floor with a recommendation that military manpower strength be cut 156,000 men below the Administration's proposed level of 2,232,900—a recommendation that will save $1.6-billion annually. It was a recommendation that nobody in the Senate challenged, but which the Administration will seek to modify in the conference committee.

On the floor, under pressure from retired military groups, the Senate, at the suggestion of Senator Vance Hartke, voted 74 to 12 to recalculate the basis for retired military pay—a "recomputation" that will cost $296-million in this fiscal year and a total of $16.4-billion to future defense budgets.

The only serious challenge the Senate mounted to the basic defense policies of the Administration was on overseas deployment of troops. Surprisingly, the Senate at first adopted an amendment by Senate Majority Leader Mike Mansfield calling for a 40 per cent reduction in the 471,000 troops stationed in foreign lands over the next three years. For the next three hours it appeared that the Senate was about to hand the President a serious foreign policy setback.

But then, with some arm twisting, the White House prevailed upon four Senators to switch their votes and the Mansfield amendment was rejected. The Senate fell back on a 110,000-man reduction by the end of 1975—a reduction which the White House immediately declared to be a dangerous impediment to negotiations of mutual troop reductions with the Soviet Union in Europe.

The White House can probably count on the conservative elders of the House Armed Services Committee to delete the troop withdrawal amendment in conference, thus putting off the Senate challenge to a basic postwar policy of foreign military commitments to another year.

On the spending priorities question, some of the Democratic elders of the Senate, such as Senators Mansfield and Hubert Humphrey, are afraid that the Democrats may be walking into a political trap set by the President. Before the Senate passes the military procurement bill tomorrow, Senator Humphrey will make one last attempt to cut the $31-billion bill by $1-billion. His argument will be that if Congress is serious about staying within its spending ceiling and still providing increased money for domestic programs, then it has no alternative but to cut the defense budget.

On the basis of last week's performance, the Humphrey amendment will be spurned by the Senate. Congress will then have one last chance when it comes to the $85-billion defense appropriations bill that provides the actual funds for the Pentagon. Congress will probably cut that bill, but not enough to offset its increases for domestic programs.

At that point, as seen by some Democratic leaders, the trap will be sprung. The President will be given virtually the defense budget he wanted. Meanwhile, he can blame inflation and the possibility of increased taxes on a Congress that was unwilling to stay within its own spending ceiling.

DRASTIC DROP IN CATTLE PRICES

Mr. McGOVERN. Mr. President, during a trip home last weekend, I was confronted frequently by livestock feeders who are justifiably disturbed by developments on the cattle market over the past couple of weeks.

They have seen prices drop faster than at any time in the history of organized markets.

It is significant that one frequently made comment is this: When prices were going up, the news media reported it daily, but when they are dropping, nobody mentions it. Why?

Another comment went like this: When consumers protested high meat prices, the Government moved in with a price freeze, but when we protest falling prices, the Government does nothing. Why?

The mood of the people in my State, Mr. President, is described in a letter from the Sioux Falls Stockyards' president to Dr. Dunlop of the Cost of Living Council, and in an article which appeared in the Rapid City Journal. I ask unanimous consent that both be printed in the Record.

There being no objection, the letter and article were ordered to be printed in the Record, as follows:

Sioux Falls Livestock Foundation,
September 26, 1973.

Mr. John Dunlop,
Cost of Living Council,
Washington, D.C.

Dear Sir: Although the Sioux Falls Stockyards, this nation's 4th largest livestock market, does not pretend to act in an official capacity as a spokesman for the livestock industry. it is our belief that certain facts should be brought to your attention.

Do you realize that since the onset of Phase IV, we have witnessed fluctuations in the price of livestock never before heard of? It should further be noted that since the "peak," the price of live cattle has dropped approximately $18.00 per hundred, resulting in a total value decrease in excess of $200.00 per animal. The total value of a market hog has decreased by $50.00 and that of a market lamb by $18.00 per head.

We realize that your intended purpose in the initiation of Phase IV was to reduce the price of meat by lowering the price at the farm level. Only a portion of your plan has worked. Livestock prices are now at a level that will result in immeasurable financial loss to many feeders and yet prices at the retail level remain constant. In fact, it has been brought to our attention that many of the chains have raised the price of meat as late as yesterday.

Should these prices remain as they are now, you will observe a decrease in the amount of cattle and hogs being fed with a subsequent decrease in the amount of red meat available to our consumer.

It would be our suggestion that immediate steps be taken to rectify an unbelievably tragic situation. We would ask that you personally visit our Midwestern feeding area and observe the current economic plight. We would further suggest that meat be re-instated as the primary ingredient in this nation's school lunch programs and finally would ask that a Senate Committee be established to investigate the accounts of this nation's major meat retailers. We realize that they too are deserving of a profit, but not at the expense of Agricultural Bankruptcy.

The current situation is more than serious because basic economics and a review of this country's 1930 depression reaffirm the fact that as Agriculture goes, so goes the Nation.

Sincerely,

James L. Smith,
President and General Manager.

Livestock Industry Bitter Over Sharp Price Drop

(By Dick Rebbeck)

One of the sharpest price drops the livestock industry has seen is leaving at least part of the industry extremely bitter about federal ceiling price manipulations. Others a bit more philosophical, figure "things will straighten out in time."

Grain-fed steers, topping at $58 a hundredweight and a few going to $60 just before a beef price ceiling was lifted Sept. 9, ahead of schedule, are now in the $40 range or lower, depending on how things go this week.

Jim Madden at the Rapid City Livestock Market notes that all classes of cattle nationwide are $5 to $10 per hundredweight cheaper now than they were just a week ago.

At the Sturgis Livestock Exchange, Dale Maddox reports prices going down daily since a week ago Monday. "In six weeks, fat hogs are down $21 a hundredweight and finished cattle have dropped, as of yesterday morning, $16 to $16.50 a hundredweight," he says.

"It's the greatest market drop in history," Madden exclaims. "It's the dirtiest, rottenest deal the livestock producers have ever received from anybody in any time."

Madden traces it all to the beef ceiling price. "If it hadn't been for the ceiling, things would have leveled off and consumers wouldn't have had to pay more than they could afford," he says.

Cattle, sheep and hog producers were "just barely getting along" before the market fell in but, he cites, feedlots are now losing $150 to $200 a head from the prices they had to pay for feeder cattle and feed to the prices they now get.

Only the retailers are coming out ahead, as Madden understands it. "The retail price of meat has never changed from the high point. Or if it has changed, it's only changed very slightly," Madden finds. "At least it hasn't changed much around here."

"Everybody has their opinion," Maddox acknowledges. But he agrees the beef price ceiling was a primary cause of current troubles on the livestock end of the business.

Because of the ceiling and its initially announced Sept. 12 termination, many Midwest feedlots apparently elected to hold back cattle. These animals ended up weighing 1,200 pounds instead of 1,000 in the case of steers, with comparable heavier weights for other classes. This adds up to a tremendous amount of extra beef coming on the market, Madden explains.

And while all this great volume of beef was moving toward the market, everyone was talking up a terrible beef shortage. The housewife, Madden continues, therefore decided to stock up on beef "before all the hoarders got it." Consequently many families may have two or three months supply of meat to get rid of before they start shopping again. "Everybody's guilty," he adds.

Madden expects, however, the livestock market to correct itself.

"I've seen it happen once before," he comments, adding that several buyers indicate they'll be out for this week's sales and "this is encouraging."

One positive influence, Madden believes, are the "fantastic" crops in Nebraska, Iowa and other major feeding states. "If a farmer has feed he'll likely buy cattle," he says.

"I think it'll straighten out but it'll have to have a litle time to do it," Madden concludes.

How much time is anybody's guess.

VETERAN "BOY" SCOUT EARNS ANOTHER HONOR

Mr. MATHIAS. Mr. President, I am very pleased today to pay tribute to a truly outstanding citizen, James Scott, of Fairmont Heights, Md. In his 30 years of work with the Boy Scouts of America, Mr. Scott has served as both example and leader to many many boys in Prince Georges County. He is truly deserving of the recognition awarded him recently by Prince Georges County executive, William W. Gullett, the County Certificate of Public Service.

I ask unanimous consent that an article from the Prince Georges Post of September 20, 1973, detailing Mr. Scott's fine achievements be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Veteran "Boy" Scout Earns Another Honor

James Scott, 76, has a new and highly cherished award to add to the trophies in his Scout Room in his Fairmont Heights home.

Prince George's County Executive William W. Gullett visited Scott Sept. 11 and presented him with a County Certificate of Public Service in recognition of his more than 30 years of work in Scouting.

Scott began his Scouting efforts with a Cub Scout pack connected with Mt. Airy Baptist Church, in the District of Columbia. After moving to Fairmont Heights, Scott organized troops at four local churches.

The walls of Scott's Scout room are covered with awards and remembrances of his years of working with youths. In a prominent place hangs the Silver Beaver Award Scouting's highest, which Scott received in 1959.

Also on display are the Afro-American Award presented in 1958, Scouting Exposition ribbon, several trophies for outstanding Cub packs, a wide assortment of camping and other Scouting achievement awards, photos of many former Scouts, and a certificate from the Family Bible Studies program, not a Scouting award, but one of which Scott is very proud.

"This is best. This is what He likes," Scott said.

Another source of satisfaction to the Scouting leader is that 10 of his former Scouts grew up to be preachers.

Still active in his avocation, Scott today is a Scouting committeeman, serving as liaison between Scouting activities at Turner Memorial AME Church in Washington and Boy Scout headquarters.

According to Scott "Scouting is outing." He believes the more you get down to basics in camping and fewer ready-made things you provide Scouts, the better the Scouting program.

VIETNAMESE CHILDREN

Mr. WILLIAMS. Mr. President, as many of my colleagues know, the tragic plight of the children of Vietnam has long been a deep concern of mine. On several occasions, in recent years, I have introduced legislation designed to implement American assistance in meeting the critical needs of these children, the most innocent victims of a decade of brutal war. I am, therefore, very pleased that the Senate Foreign Relations Committee has included in the pending foreign assistance legislation, provisions which I introduced to assist the children whose lives have been shattered by the destruction and desolation of war.

These provisions, embodied in section 803 of the Foreign Assistance Act, will improve the effectiveness and living conditions of the Vietnamese institutions charged with the awesome burden of providing care for these children. In addition, section 803 provides for assistance programs and intercountry adoption, so that these children will have the opportunity for a life of love and security in a family environment.

Specifically, this legislation provides $7.5 million for the establishment, expansion, and improvements of day-care centers, orphanages, hostels, school feeding programs, and health and welfare programs which are designed to benefit South Vietnamese children. In addition, 10 percent of this amount is designed to facilitate intercountry adoptions of South Vietnamese children.

When we speak of the children of Vietnam, we are referring to one-half of the total population 14 years of age and under. These 8 million children would not be expected to fend for themselves in a normal society. However, they were born into a society where they have suffered from war for their entire lives. That war-torn society has left over 700,000 of these children as orphans or half-orphans, and most of them lack the minimum physical and emotional requirements for healthy growth.

Some 24,000 of these children are known to be in orphanages, and another 25,000 are of mixed parentage whose American fathers have abandoned them or never knew that they existed. Tragically, mortality rates in the orphanages run as high as 80 percent. In addition, there are equally pathetic reports of discrimination and deprivation suffered by many of the children who are not institutionalized. On any civilized scale of priorities, this issue deserves our strongest commitments.

I wish to express my sincere gratitude to the chairman of the Foreign Relations Committee, Mr. Fulbright, the manager of this bill, Mr. Humphrey, and all the members of the committee who have responded so sympathetically to the manifest needs of these children. Their support for this amendment is deeply appreciated by me and by the thousands of Americans who are now involved with voluntary programs to assist Vietnamese children.

Mr. President, I am certain that my colleagues agree that the plight of the children of Vietnam is a matter which demands our most urgent attention. Our Nation must not fail to show our commitment to the humanitarian needs of peace after we and these children have suffered such devastating sacrifices as a result of war. I am confident that the Members of Congress and our entire Nation will support these provisions of the Foreign Assistance Act which are a necessary beginning toward the well-being of the children of Vietnam.

TRIBUTE TO SENATOR BENTSEN

Mr. KENNEDY. Mr. President, I want to call the attention of my colleagues to an article published in the Washington Post recently which eloquently describes the excellent record being established in this body by the distinguished Senator from Texas (Mr. Bentsen).

As a member of the Senate Armed Services Committee during the previous Congress, the Senator from Texas took a leading role in exploring the manpower policies of the Defense Department. And he ably led an effort to limit the breakneck schedule being proposed on the Trident submarine. I have worked closely with him during the activities of the Military Committee of the North Atlantic Assembly where he currently heads our Subcommittee on MBFR.

Also, in what can only be regarded as an unusual accomplishment, the Senator from Texas played a leading role in securing a most important consensus on the pension reform legislation just passed by the Senate. His work was a major reason for the measure's acceptance by the Senate.

As the article by Spencer Rich states, Senator Bentsen clearly is destined to play a leading role in this body for many years to come.

I ask unanimous consent for the article published on September 27, 1973, in the Washington Post, to be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Soft-Spoken Bentsen Gains Wide Respect in the Senate

(By Spencer Rich)

Although he is little known to the general public, Sen. Lloyd M. Bentsen, the quiet man from Texas, is rapidly winning widespread respect and admiration in the Senate, and may soon become one of its brighter Democratic stars.

Soft-spoken, hard-working, persuasive, extremely well organized and systematic and known as a follow-through man, Bentsen, 52, is already being talked about as a man of future leadership potential, although he has been in the Senate only 2½ years.

"Probably he is the best Democratic senator to come into the Senate in the last dozen years," said one Senate staff man who has seen them all for nearly two decades.

"He's the most promising first-term senator in the Senate—without question," said one high-ranking Democrat who asked not to be identified, lest his praise of Bentsen provoke the resentment of other freshmen.

"He's a heavyweight. He has made his mark as a speaker. He carries the ball intelligently and aggressively. When we're up against him we know we have to work," said Senate Minority Leader Hugh Scott (R-Pa.) recently.

Attractive Senate newcomers often lose their luster as time passes, their drive and enthusiasm fades and they settle down to a comfortable routine merely designed to get them reelected. This could happen to Bentsen—only time will tell—or he could conceivably reach for the presidency, as some think he may, and become singed and tarnished in the process, as has often happened to other men.

But so far, Bentsen looks good to his colleagues. What earns men Brownie points around the Senate is hard work, a certain willingness to give and take, a respect for democratic institutions, and forbearance from excessive showboating.

So far, Bentsen has demonstrated these qualities, plus a quiet but articulate manner of speaking which comes across extremely well both in person and on television, and a moderate political stance in which he has supported civil rights, Democratic economic programs and end-the-war legislation, while looking after the oil interests of his native state. Bentsen startled the Southern establishment last year when, in a move wholly unlike a junior Southerner, he opposed acceleration of the Trident submarine system. He had shocked it even more when he first came to the Senate with a strong but fallacious reputation as an arch-conservative, and promptly bucked the most ancient traditions of the South by voting to make it easier to cut off filibusters.

A close associate of Lyndon B. Johnson and John B. Connally in his earlier political career, and a sort of protege of famed Speaker Sam Rayburn during a 1949–55 stint in the House, Bentsen became an insurance millionaire (his net worth in 1971 was $2.4 million) and in 1970 tackled long-time liberal Democratic Sen. Ralph Yarborough (D-Tex.) for the Senate nomination.

In a rough campaign which polarized the positions of both men, Bentsen narrowly beat Yarborough in the primary and then went on to whip George Bush, now GOP national chairman, in the general election.

It was in these campaigns that Bentsen earned an exaggerated reputation as a conservative. It was widely expected in Washington that he would become a part of President Nixon's hoped-for ideological majority" when he took office in 1971.

Arriving in Washington, he immediately held a news conference to announce that, while he didn't consider himself a liberal, he wasn't a fascist either, and if there was anything he could be labeled it was "moderate" and "regular Democrat."

"You know, when I was in the House I was one of only two Texas congressmen who voted against the polltax," he said in a recent interview. "The other was Albert Thomas, who represented a fairly liberal constituency in Houston. That doesn't sound like much now, but believe me, in those days it was something."

Bentsen emerged on the Senate Finance Committee this year as one of the strong men in support of the committee's pension reform bill. Those who worked with him said they were amazed at his knowledge of the technical aspects of pensions. "I did a lot of study on it," he said. "And I was in the insurance business, the banking business and the mutual fund business."

Although a freshman, he has been named chairman of the Senate Democratic Campaign Committee by Majority Leader Mike Mansfield (D-Mont.). He admits to being a good political fund-raiser: "I'm pretty good at it," he said. "As long ago as 1960, I was finance chairman for the Kennedy-Johnson ticket in Texas."

Bentsen is a millionaire and he doesn't hide it. He dresses conservatively but he rides around town in a big black car with a telephone. He has helped to hire extra staff with his private funds, and has recently taken on Ben Palumbo, a former aide to Sen. Harrison A. Williams Jr. (D-N.J.), as an "advance man" on some political matters. Palumbo is paid with money left over from a Bentsen campaign dinner.

Bentsen says Palumbo will help him with Senate Democratic Campaign Committee work. A number of others around the Senate think he may just be dreaming of the presidency—an idea Bentsen denies—and may be using Palumbo in a dual role.

When Bentsen first came to the Senate, he hired a systems analysis firm to analyze his employee needs and help him work out job descriptions for every function in his office, which has since won a reputation as one of the more smooth-running Senate operations.

Partisan politically but not on policy matters, Bentsen has often stood with the President on defense or other substantive issues. But on the Watergate tapes, "If the Supreme Court says that the President has to surrender those tapes, then he has to surrender them," he said. Refusal would be so destructive to our system of government that it could not go unchallenged, he contended.

Bentsen appears to have won widespread respect among conservative Democrats, substantial respect among moderates, and somewhat grudging, if increasing respect, from the party's liberal wing, which doesn't completely trust him yet

"He makes the right moves; he's smooth; so far he looks good. But I'm not clear about him yet," said one Northern Democrat. "I'll have to see him more. How much he gets through. How much staying power he has."

Bentsen disclaims national ambitions or the desire to run for a Senate leadership post, but leaves the impression his arm could be twisted.

"I'm enjoying myself working in the Senate. This (town) is the center of the world," he said, adding, "Am I running for President or Vice President? I'm not." But at another point he said: "Everyone in the Senate knows that the places you can influence the destiny of this nation most is there in the presidency."

DOMESTIC AND WORLD FOOD RESERVES—A MUST

Mr. HUMPHREY. Mr. President, the abundance of food that we have taken for granted for several years has suddenly become a food shortage that is a major public policy concern around the world. While some have tried to write off our current food scarcity as the unfortunate result of a unique combination of drought and calamities that is a one time phenomenon, most of the people who follow world agriculture recognize today's problems as the result of a number of deep-seated trends.

With the experts predicting a world grain supply shortage of 6 to 9 million tons over the coming year, it is obvious that we must take action now to prevent the shortages from becoming even more serious.

Among the most important steps needed is the establishment of domestic and international grain reserves.

A system of strategic domestic reserves, such as that proposed in S. 2005 which I introduced on June 15, 1973, would protect the consumer from wild price escalation, assure the American farmer a more stable income, and maintain our credibility in the world market as a reliable supplier of food and fiber. This needs immediate Senate action.

Since 1956 I have been urging the establishment of a system of international strategic food reserves—a world food bank. Such a strategic reserve would provide a minimum level of security for the people of the world from the ravages of hunger and malnutrition. I believe we must do all we can to support the work of the United Nation's Food and Agriculture Organization, under the able leadership of Dr. Boerma, to make this dream of 20 years a reality. I will offer an amendment today to the Foreign Assistance Act urging the President to move the United States into the forefront in support of the world food bank.

Because of the importance of continuing adequate supplies of food to all the people of the world, I ask unanimous consent that an article from the Washington Post entitled "Grain Reserve Policy Urged" written by Jack Egan, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAIN RESERVE POLICY URGED

(By Jack Egan)

The depletion in world grain reserves this past year—particularly wheat—to the lowest levels in 20 years has ignited urgent calls for an international policy to set aside stocks as insurance in case of shortages.

The drawdown of reserves, primarily in the United States which has served as the world's major granary, has triggered volatile increases in the prices of wheat, corn and soybeans. These doublings and triplings have in turn been translated into higher food prices of all kinds and induced a searing general inflation in this country.

In addition there is concern that without grain reserves, only good weather in crop-producing countries stands in the way of widespread famine in certain areas of the world like the sub-Sahara or southern Asia.

Reserves are essentially a cushion against adversity. Famine can be avoided by tapping stocks of grain built up in years of abundance. In addition, the stocks moderate and largely stabilize food prices from the erratic fluctuations fed by speculation against shortages.

The world has had a reserves policy for the past 20 years in the form of the huge—and burdensome—grain surpluses, mainly held by the U.S.

But they did serve their function as a form of insurance.

"They were good to have when the 1972 world crop was short," Don Paarlberg, the Agriculture Department's chief economist, said in a speech last week to the National Public Policy Conference.

"Had stocks been available we would not have seen wheat double in price from July 10 to August 13 this year, and then drop 15 per cent in three days, fluctuations that did little good for anyone," he continued.

Paarlberg noted that the U.S. government has built up stocks six times in the past 45 years under price-support storage programs, and liquidated them six times:

"Once in the depth of the Depression, hurtfully. But five times helpfully: During the droughts of the '30s, during the needs of World War II, during the Korean war, during the food crisis in India (in the mid-1960s), and most recently during the 1972 shortfall in world food production."

Paarlberg, discussing the 1973 Farm Act, pointed out that Congress rejected a proposal for the government to maintain reserves in anything more than token amounts. "But the idea is not dead," he added significantly.

The proposal for a grain reserve policy in fact has gained some diverse and powerful adherents.

A. H. Boerma, director-general of the United Nation's Food and Agriculture Organization, called for such a policy earlier this year. (The FAO has been meeting in Rome this week to decide what should be done in the event of a world grain shortfall this year, although world crop prospects have recently brightened, increasing the chances of squeaking through.)

A group of European, Japanese, U.S. and Canadian economists proposed this week that an international feed bank should be established which would supply food to meet serious shortages. The group, meeting under the auspices of the Brookings Institution, recommended that the costs be shared by all industrial nations including both importing and exporting countries and that the amount in reserve should be fixed by international agreement.

The Federation of American Scientists recently suggested that the U.S. "take the lead in encouraging a system of stable food reserves." The statement, drafted by population expert Paul R. Ehrlich and food expert Lester Brown, said that, in the absence of U.S. surpluses and excess acres to protect against shortages, this country should not be put in the position of choosing "during famines between selling our food to developed nations or donating it to the underdeveloped."

Several bills have been introduced in the Senate which propose a grain stockpile. Sen. Hubert H. Humphrey (D-Minn.), who tried unsuccessfully to attach an amendment to the farm bill and set up a domestic grain and oil seeds reserve, has introduced separate legislation to require the government to set aside 600 million bushels of wheat, 150 million bushels of soybeans and 40 million tons of feed grains.

Sens. Jacob K. Javits (D-N.Y.) and Adlai E. Stevenson (D-Ill.) recently proposed legislation which would require the amount of raw agricultural products needed for domestic consumption plus "a reasonable amount for a carryover" to be subtracted from the year's total harvest before any was allocated for export.

In addition, up to 10 per cent of the exportable amount of a crop could be placed in a reserve for unexpected emergency situations abroad.

One of the large grain firms which participated in last year's sales to the Soviet Union, Cargill Inc., last week came out with its own "strategic agricultural commodity reserves" plan.

Cargill would establish enormous reserves—50 per cent of annual domestic consumption, export shipments and food aid needs for food grains (nearly 1 billion bushels for wheat alone), 25 per cent for feed grains like corn (1.5 billion bushels) and 25 per cent for oil seeds like soybeans (400 million bushels).

The difficulty with all of these proposals is two-fold. They would be expensive. And, in periods when even record domestic and world crops can't keep up with the current demand, it is nearly impossible to build up reserves.

The current tight wheat situation illustrates both the benefits of having a reserve policy and also the difficulty in implementing one in the next few years without the government entering the market at very high prices.

Despite a record 1973 wheat crop of 1,727 billion bushels, there are sober fears that there may be actual shortages of some categories of wheat in this country by next summer.

U.S. wheat reserves, always ample in the past, were drawn down substantially in 1972 by a combination of the mammoth 400 million bushel sale to the Soviet Union and buying by other countries suffering from a series of crop disasters.

Reserves going into the new crop year beginning July 1 were 428 million bushels, for a total of 2,156 bililon bushels. Domestic use for the year is projected at 755 million bushels, and the USDA expects exports to total 1.1 billion bushels. This would leave only 300 million bushels by next summer.

However, even the 300 million bushel carry-over figure for next year is in dispute. Actual exports of wheat, bookings for shipment to specific countries and to unidentified destinations already total more than 1.3 billion bushels—far more than the Agriculture Department has predicted—and it is only three months into the new crop year.

This activity has sent wheat to the stratospheric price of $5.43 a bushel, triple what it was little more than a year ago.

USDA officials argue that much of the early buying has been precautionary to insure against the possibility of future export controls on wheat and that there is a lot of "water" to be squeezed out of the figures. Others are not so sure. The problem is that no one knows.

Conceivably, even if very little further purchasing takes place, next year's carryover would be drawn down to 200 or 100 million bushels or less, barring application of export controls at some point and the cutting of previously signed contracts—a repeat of the soybean situation.

The small carryover figure itself is deceptive, because in the aggregate it masks the possibility that some desirable categories of wheat used for baking or noodle products would disappear entirely. Also, the very last part of carryover stocks are often in the worst condition due to long storage and often have reduced protein content.

For the 1974 wheat crop, the first tentative estimates put out by the USDA predict another record, up nearly 10 per cent to 1.9 billion bushels.

But even with reduced export expectations contained in the department's 1974–75 figures and using the optimistic 300 million bushel carryover for next year, the carryover by 1975 is put at just 405 million bushels.

What this means is that in 1975 after two years of all-out record production, the amount of U.S. wheat reserves will be even less than they are coming into this crop year, and the price may be anybody's guess.

If the U.S. or any other government were to stockpile from the domestic crop during the next two years, it would put even a greater strain on supplies for current use and greater upward pressure on prices.

ROBERT E. L. EATON ELECTED NATIONAL COMMANDER OF THE AMERICAN LEGION

Mr. MATHIAS. Mr. President, it was a source of great pleasure to me to note that my long-time friend and constituent Robert E. L. Eaton of Chevy Chase, Md., was recently elected National Commander of the American Legion. A retired Air Force major general, Robert Eaton has behind him 27 years of service in the interests of the Nation's veterans. As a member of the American Legion, I am indeed proud to be represented in the Legion by a fellow Marylander of such stature. On September 21, the Baltimore Evening Sun carried an excellent article outlining some of Robert Eaton's outstanding qualifications and achievements. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN LEGION'S NATIONAL LEADER STRESSES DEBT TO THOSE WHO SERVED

(By Stephen McKerrow)

Robert E. L. Eaton, Chevy Chase, looks the way the national commander of the American Legion should look, with the square jaw and erect bearing that a person with more than 30 years of military service never loses. But when he talks about his dedication to Legion activities, his succinct, military manner of speaking softens a bit.

"I guess it sounds kind of square, but I really feel we owe a lot to those who have served their country," said Mr. Eaton, a retired Air Force major general who last month became Maryland's first legionnaire to be elected national commander.

A World War II Veteran, decorated with a string of medals including the Silver Star, distinguished Service Medal, and Legion of Merit, Mr. Eaton said he "carried away from the war a great responsibility to the people who have served their country during war."

Now after 27 years of service in the Legion meeting that responsibility, during which he held most major posts in the Maryland district, including Maryland commander in 1965–1966, and served in addition as a national committeeman and national vice commander, Mr. Eaton has reached the highest post in the veterans service organization.

AT HONOLULU CONVENTION

Mr. Eaton, 63, a member of Fitzgerald-Cantrel Post 105 of Bethesda-Chevy Chase, was elected national commander August 23 by the 3,062 delegates attending the Legion's national convention in Honolulu. He defeated a rival candidate from Arizona, Soleng Tam, despite strong support for the Arizonan from U.S. Senator Barry Goldwater (R., Arizona).

The election, Mr. Eaton said, followed "a good two years of active campaigning." Endorsed by the Maryland district as a potential candidate in 1968, Mr. Eaton began campaigning in earnest for the job in 1971 after a year of service as national vice commander.

The campaign, he said, rivalled in scope some campaigns for national political office. "It was a pretty active project. I visited every state but seven . . . and my record was five different states in one week.

The position, he said, is an influential one, because the national commander acts as spokesman for some 2.7 million Legion members. Counting their families, he said, "That's a lot of voters." And he claimed the Legion has had "A great influence" on American defense policies.

Now an even busier itinerary stretches before Mr. Eaton, with de rigueur visits to each state district and many of the Legion posts in 28 foreign countries on the agenda. The new commander left this week for a tour of four overseas posts, Korea, Okinawa, Taiwan, and the Philippines.

"The State Department supports these visits, and we're given diplomatic and military briefings," he said, but hastened to stress that the cost of the trip is borne by Legion.

Basically, said Mr. Eaton, he views his role as one of spreading and advocating the Legion's formally adopted positions, as opposed to personally providing direction for the organization.

Indeed, in a standard speech, Mr. Eaton has been delivering to state Legion posts, he forcefully stresses several Legion positions on various national issues, including:

1. National Defense—"The American Legion from time to time is characterized as being militaristic, but we can only view our position as being realistic, for America achieved greatness in the community of nations not through weakness, but from a position of unchallenged strength."

The Legion, he said, supports development of proposed new military warplanes and missiles and development of the SST, as well as an increased submarine fleet and construction of the Alaskan pipeline.

2. No amnesty for draft evaders—"I don't think the cause of amnesty is going anywhere, but it would be a mistake not to be prepared to deal with it. The American Legion is so prepared and, if the need arises, we will battle it every step of the way."

3. The search for missing-in-action soldiers—"We are calling upon our government to bring all possible political and economic pressures to bear on North Vietnam and the Viet Cong, and their allies, to carry out their obligations concerning American servicemen missing and killed in action in Indo-China."

COMMUNITY, YOUTH ACTIVITIES

In addition, Mr. Eaton stressed the continuing role of the Legion in community and youth service activities, and the need to give all veterans an opportunity, to join the organization through contact with the Legion.

The Legion he said, is particularly interested in helping Vietnam veterans find jobs and cope with problems of adjustment to civilian life.

Mr. Eaton has operated Eaton Associates, Inc., a Washington advertising and public relations firm, since retiring from the military in 1962.

He has three children, including twins Robert Jr., a 32-year-old veteran who is now an attorney with the U.S. Justice Department, and Mrs. Sally Elliott, and another son, Charles 20, a student at the University of North Carolina, Mr. Eaton is married to the former Jo Kathryn Rhein.

A CALL FOR STRUCTURED RESTRAINT

Mr. JAVITS. Mr. President, I would like to call the attention on my colleagues to a very provocative article by Norman Cousins in a recent issue of World magazine. Mr. Cousins reminds us of the great destructive power loose in today's world and the need for developing some mechanisms of restraint which will operate to prevent accidents that could result in millions of deaths. He sees this need for structural restraint as even more pressing in light of the Watergate affair and its attendent secrecy and misuse of power.

I ask unanimous consent that a copy of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATERGATE AND HIROSHIMA

History is a vast early warning system. Human societies have gone into decline not because people were indifferent to dangers but because they were oblivious to signs. What is most striking about Thucydides' *History of the Peloponnesian War* is that the causes he described were no less visible than the effects he deplored. The signals were there but the Greeks looked elsewhere. The Roman Empire didn't just come to the edge of a precipice and then take one step too many. Rome stumbled many times before it fell. Centuries before Gibbon, Polybius was chronicling his eye-witness observations of potential disaster in ancient Rome.

It is doubtful whether any civilization has ignored more signals than our own. These signals have not peeked out at us from the crevices of small events. They have jumped at us from mammoth circumstances and collisions; they have been as bright and potent as the flash of nuclear explosions. They have illuminated every major event since Hiroshima. The blazing message of these signals is that the instruments of force have become greater than the instruments of control. The result is that the human race, beginning with Hiroshima, has been desperately out of balance. It has arrived at a point where it knows more about the techniques of self-destruction than about the techniques of survival.

The clear challenge, therefore, is to eradicate the habit of war, since war has represented the main direction of history. And the inevitable question that has been with us since Hiroshima is whether wisdom can catch up with force and whether control can become institutionalized before nuclear power becomes universalized.

In a curious and terrifying way, the events of Watergate have a stark bearing on these questions. By Watergate, of course, is meant not just the break-in at Democratic party headquarters by the bungling burglars but all the disclosures about the impulsive, arbitrary, and even illegal use of government authority and power. The revelations of thousands of air bombings of Cambodia—bombings the President, the Secretary of State, and the Department of Defense denied ever took place—represent sober warnings that acts of war can be set in motion outside the structural safeguards that most of us had thought were assured.

The present situation is that the United States, the Soviet Union, Great Britain, France, and China all have large stockpiles of nuclear explosives. Two of those nations, the United States and the Soviet Union, also have fingertip capability of dispatching those explosives by missile to any point on the globe. These two nations have entered into agreements to limit their further military development, but those agreements have not affected the size of the nuclear stockpiles or the existence of the instant delivery system or the circumstances that could dictate their use.

Into the midst of this situation of total jeopardy is now injected history's greatest absurdity. It is that the human race need have no apprehension because available destructive power is so ghastly that no nation would dare use it. A parallel absurdity is that the fear of retaliation is enough to restrain anyone from initial use of such force. These twin Strangelovian absurdities come under the heading of a balance of terror. They assume the kind of rationality that would not have permitted the present situation to develop in the first place. They assume that no men at the heads of government will be vindictive or paranoid or megalomaniacal or even puny. It is by no means a historic rarity that men at the top have had warped ideas or have been monstrously irrational or irresponsible or just evil. The struggle for a civilized society is synonymous with the need to protect human beings against such men.

The biggest need of the age, therefore, is not to assume the existence of responsibility but to create the mechanisms of restraint. Such restraint should not come into play only at the point where an ultimate button can be pressed. The restraint must be part of a full and comprehensive and workable system governing the circumstances that could set the stage for force.

We have not been moving in the direction of such structured restraint. We have been moving in the direction of greater surreptitious and undercover use of force. We have heard the argument that men in authority should be able to act outside the Constitution if they see a threat to the national security. If those men interpret that argument to mean they have the right to drop bombs on human beings, then what is to stop them from using the most powerful explosives in the nation's arsenal? Are we en route to one of the ghastliest ironies in history—the fact that the world could be plunged into a nuclear war without anyone knowing what caused it? Is it contended that only the President has the power to activate the big bombs? To the extent that this is true, the need for apprehension deepens further still.

Who, then, will exercise control? This is just the point. Control has to be part of a far larger design than has been generally accepted. The danger is to the species and not just to the nation. Therefore, the design must be adequate to the danger. This is what the delegates of the United Nations should be talking about. This is what the great debates on foreign policy should be about. This is what the danger signals have been all about since Hiroshima.

FOOD: NEARING THE LIMITS

Mr. KENNEDY. Mr. President, after decades of speaking of growth, of plenty, of freer trade of more and better goods, every indication today tells us that one of the more compelling themes of the coming decades will be scarcity—scarcities in resources, in energy and, most compelling of all, in food. And instead of speaking of growth we may hear more of stability, and rather than negotiating free trade, we may see negotiations to protect scarce goods.

This is a frightening and tragic picture of the future, but one that surely must be understood if it is to be avoided. For too long we have been lulled by a false sense of security, and even as the world awoke to the problem of pollution and the ecological crisis, we must awake today to the crisis of resources—energy and food.

These issues are dealt with in a provocative column by Anthony Lewis in yesterday's New York Times. Mr. Lewis reports an interview with Dr. Nevin S. Scrimshaw, head of the Department of Nutrition and Food Sciences at the Massachusetts Institute of Technology, and, I might add, a frequent consultant to the Judiciary Subcommittee on Refugees, which I serve as chairman. It has been my pleasure and benefit to travel with Dr. Scrimshaw to South Asia, where we saw first hand many of the nutritional problems he foresees for the future.

Mr. President, I commend this important article to the attention of my colleagues in the Senate, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From The New York Times, Oct. 1, 1973]

Nearing The Limits

(By Anthony Lewis)

Boston, September 30.—In dealing with the acute public concern about food prices, official Washington has taken a generally reassuring line. There have been some unexpected trends, it is said, and perhaps some fault in negotiation, but careful planning can put things right for the future.

Talking with experts on world food production gives one a profoundly different picture: The problem is one of world dimensions, and it is here to stay. The sharp rise in prices, the shortages, the new food nationalism of export controls—all these things are happening around the world, and they are not passing phenomena.

"We are seeing the effects of the pressure of population and affluence in the world." So says Professor Nevin S. Scrimshaw of the Massachusetts Institute of Technology. He heads M.I.T.'s Department of Nutrition and Food Science and is also chairman of the important Protein Advisory Group that serves the World Bank and many United Nations agencies.

The impact of population growth can be seen in the end of traditional grain exports from underdeveloped countries—such as the rice surpluses of Southeast Asia. Today those countries need the grain for themselves. The only significant grain exporters are the United States, Canada, Australia and New Zealand. But we think too much of population alone, Dr. Scrimshaw says, and not enough of how affluence multiplies demand on food resources. The point is made in a simple and dramatic statistic.

In a culture with a predominantly cereal diet, the average person eats 400 pounds of grain a year. But a society like America's, with its emphasis on meat-eating, uses 2,000 pounds of grain a year per capita. Animals are that much less efficient in converting grain to protein.

Right across the northern tier of the earth—Europe, North America, Japan—the postwar rise in affluence has made the demand for meat soar. In 1940 Americans ate 55 pounds of beef each. In 1972 the figure was over 120 pounds. Europe and Japan have passed the 1940 American level and are "hell-bent to catch us," Dr. Scrimshaw says.

The hunger for meat is putting tremendous strains on the animal feed potential of the world. One major source of cattle food was anchovies in the Humboldt Current off South America—a catch of ten-million tons a year. But two years ago the fishermen violated the natural cycle by following the anchovies when they moved out with a shift of the current, and since then there has been no catch whatever.

Now the world is increasingly dependent on soybeans for animal feed, and mostly on the American crop. In the oncoming crop year fully one-sixth of U.S. agricultural acreage will go for soybeans, an astonishing proportion. Most of the beans are for export.

This dependence puts a heavy responsibility on the U.S., as we were made suddenly aware this last year when President Nixon's embargo on soybean exports produced anguished reactions in France, Japan and elsewhere. And the United States has had years of good crop weather; the cycle may be about due for drought again.

What makes this whole picture so surprising to Americans is that until recently—until yesterday, it seems—we were worried about surplus crops and acreage. Now most of the fifty-million unused acres in the U.S. agricultural bank have gone into production, and the remaining land is of doubtful value. The same situation applies around the globe: The good farmland is in use. Intensifying the use by fertilizers carries its own problems, notably pollution as from phosphate runoff.

"We were lulled into some false security by the Green Revolution," Dr. Scrimshaw says. "But even better strains of plants need well-watered land and water is limited. Then if your population and affluence begin to swallow up the gain. . . ."

Dr. Scrimshaw is a careful, a conservative scientist. He has sought no headlines. It is just that what he knows deeply worries him. The same is true of his M.I.T. colleague, Professor Carroll Wilson, the former general manager of the Atomic Energy Commission. After taking part in a high-level meeting on world food problems he was interviewed by The Boston Globe.

"We are now looking at some of the outer limits of global 'carrying mass' in food production," Wilson said. "It's becoming marginal to feed the present world population. I had not thought of food as the most critical ceiling. But it is clear to me that you couldn't double the (world) population, as is expected by the year 2000, and still feed them."

Anyone who thinks about those statements must realize that there is involved here something very much larger than the prices troubling American families. The specter of world shortages may be near, and with it even more terrible differences between the developed and underdeveloped nations. The even more significant inference to be drawn from world food trends, one requiring separate discussion, is that mankind is indeed approaching the limits to physical growth.

AN IMMOVABLE FEAST

Mr. HUMPHREY. Mr. President, the attainment of our national food and agricultural production goals during this next year and in the future will be directly influenced and determined by the availability of the "inputs" necessary to achieve those goals.

Thirty percent of all U.S. crop production is directly attributable to the application of fertilizers.

A major influence on the supply levels of fertilizer will be the availability of natural gas to produce it and the supply of railcars to transport it to the production areas where it is needed.

Furthermore, current Government policies imposing price ceilings on fertilizers sold for domestic use are resulting in higher exports of U.S. fertilizer and lower imports of foreign fertilizers. And, adding further insult to injury, American users of credit are now being forced to pay the highest interest rates in history.

In short, we have a grand mess on our hands and unless all of these Government policies affecting our Nation's food production are soon brought into line with one another, 20 percent or more of our crop production next year may never be realized—and much of what may be realized may never reach marketing channels for consumption, when needed.

In other words, given the deteriorating condition today of our Nation's rail and road system in rural areas, we may be faced with an immovable feast.

I am now preparing for a series of hearings to be held beginning later this month, to examine all of these policy questions in detail. In the course of these hearings, I hope to not only shed some light on the basic underlying problems of these policy conflicts but lay out before the people of this country what will be required to solve them.

To further illustrate some of the multipolicy questions that must be dealt with, if we are to achieve our national food and production goals, I ask unanimous consent to have printed in the RECORD a letter I recently received from Mr. Carroll B. Brunthaver, Assistant Secretary of Agriculture, regarding expected fertilizer shortages and the factors influencing those shortages.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., September 28, 1973.

Hon. HUBERT H. HUMPHREY
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: This is in reply to your letter of August 21, 1973, regarding fertilizer shortages.

We have made a preliminary analysis of the fertilizer supply situation through June 30, 1974. This analysis will be updated as more current data become available. The current outlook is for serious shortages of nitrogen and phosphate. Potash supplies should be adequate.

Nitrogen production can be increased very little because U.S. plants are operating at or near their effective capacities. World prices are considerably above domestic prices. For this reason, imports are expected to be down from last year and exports are expected to be up. Phosphate production is expected to be about 5 percent above last year. Imports are expected to be down and exports up, again because of the differential between world prices and domestic prices.

The policy of this Administration is to avoid direct export controls whenever possible. To be consistent with this, direct export controls on fertilizer should be avoided if other means can be used to relieve the shortages. We are actively working on other promising means to increase the quantities of fertilizer available to U.S. farmers. We understand that several domestic fertilizer companies are retaining more of their production for domestic use. Secretary Butz has recommended to the Cost of Living Council that price ceilings applying to the fertilizer industry be removed so that the difference between domestic and world prices can narrow and make exporting less attractive. The Cooperative Extension Service is expanding educational activities on the conservation and efficient use of available fertilizer supplies.

We have discussed with the Agency for International Development (AID) the possibility of reducing purchases in the domestic market of fertilizers with AID funds. AID has promised to avoid shipments of AID financed fertilizers during the period February through May except for emergency situations. We are also exploring the possibility of working with financial institutions, particularly those supported by Federal Government, with the aim of decreasing low interest loans to foreign countries for U. S. fertilizer purchases.

The availability of boxcars and covered hopper cars to move fertilizer is extremely limited. These same types of cars are needed to move grain, cotton and other agricultural commodities. Because of the current heavy demand for cars by grain and other agricultural shippers we can expect a continuing shortage of rail cars to move both fertilizer and grain. While the railroads have doubled the number of new cars on order in 1973 over 1972, the shortage will not be cleared up in the near future. There is an urgent need to make more efficient use of the available box and covered hopper cars. To this end, Department personnel are working with other agencies such as DOT, ICC and commercial groups to find ways to obtain better utilization of the existing national freight car fleet.

This Department has recommended to the Federal Power Commission that priorities for the use of natural gas be based on end use in the public interest instead of type of service contract of the user. In support of this recommendation, we have explained agriculture's dependence on natural gas as a raw material for the production of over 90 percent of the nitrogen fertilizer. The threatened curtailment of natural gas supplies based on type of contract could reduce the supply of nitrogen and further increase the nitrogen shortage.

For nearly a year we have been working diligently toward our objective of sufficient fertilizer and other inputs for agricultural production. The above information highlights some of our actions on fertilizer. If spot shortages occur despite our efforts, we are set up to provide assistance in trying to alleviate them. We have been reasonably successful with this assistance in the case of fertilizer spot shortages up to the present crunch for winter wheat seeding.

We have and will continue to work with appropriate Federal agencies and State government officials to make necessary inputs available as needed for increasing agricultural production.

Sincerely,

CARROLL G. BRUNTHAVER,
Acting Secretary.

THE GAMES IN MOSCOW WE MUST NOT PLAY

Mr. BROCK. Mr. President, it would appear that the deck is stacked, when the International Olympic Committee meets in March to decide the site of the 1980 games, in favor of Moscow.

The Russians had hoped to host the games in 1976, but the committee voted instead in favor of Montreal. An unwritten rule of the IOC, however, is that if a strong bid is rejected for 1 year, that city is given preferential treatment in the deliberations for the next.

That is a reasonable enough procedure generally, but in this instance, America, and all nations who believe in sportsmanship should resist the temptation to "go along," and firmly reject the Moscow bid.

The recently completed World University Games brought the issue into focus, not so much because individual Communist participants and observers behaved in a thoroughly despicable manner, but because Soviet officials did nothing to correct the situation.

Writing in the Washington Post, columnist William Gildea said:

> While Russian soldiers taunted the Israeli basketball team and Cuban players hit their American counterparts with almost everything that was not nailed down, the Communist-bloc members were asking, with straight faces, "What soldiers? What problem? Chairs? Trouble?"

I simply do not believe that the safety of American athletes, and, especially in view of the Soviets' conduct at the World University Games and in their society generally, of Jewish athletes, can be assured. That being the case, I regard it as preposterous that we should consider participating in games scheduled for Moscow.

Let us face one other fact that has been apparent for years, and routinely covered up by IOC officials and others: although the Olympic games are the special reserve of amateur athletics, nothing approaching amateur athletics exists in the Soviet Union.

Russian Olympic athletes are professionals every bit as much as Hank Aaron and Sonny Jurgensen. The Soviets know that, the IOC knows that, the whole world knows that. Yet it has always been swept under the rug in the name of athletic détente.

This attitude destroys the fiber of sportsmanship which is the essence of the Olympic games. I can see no reason why Soviet professionals should be allowed to compete at all against free world amateurs. Certainly we should not compound the problem by conferring on them additional status as hosts.

Even that, however, might be tolerated if the Soviets were capable of displaying routine sportsmanship, and willing to subvert their goals in political propagandizing to genuine free competition. Their conduct during the World University Games, however, clearly demonstrates that they are not. By that conduct, they forfeit whatever dubious right they ever had to be considered as the 1980 site.

The anti-Semitic aspects of their behavior are particularly disturbing, and call to mind the other great siting error made by the IOC, their decision to hold the 1936 games in Nazi Germany. A particularly forceful documentation of the comparison of the two decisions has been made by Bernard Levin, writing in the London Times. I ask unanimous consent that Mr. Levin's article be printed here in the RECORD, to demonstrate the danger of acceding to Soviet demands.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GAMES IN MOSCOW WE MUST NOT PLAY

(By Bernard Levin)

Is the Olympic movement really going to commit, in 1980, the same abominable crime that it perpetrated in 1936? If so, it has even less excuse than it did on the earlier occasion.

In 1936, despite protests from all over the civilized world, the Olympic Games were staged in Berlin. The system of allocating the Games, I should explain, is that the International Olympic Committee receives applications from cities wishing to stage the Games, and then chooses among them; there also seems to be something of a convention that when there is a close vote between two cities, the runner-up has an extra claim on the right to stage the next following Games.

Naturally, in view of the immense scale of preparations necessary for the Games, the host city has to be selected well in advance—several years, in fact. Thus, Berlin was selected for the 1936 Games well before the Nazis came to power in 1933. But long before the Games actually took place, the Nazi terror had been loosed on the Jews of Germany and, just as musicians and other artists were refusing to perform there, so there grew a campaign to call off the Games in a country that was, quite simply, totally unfit to stage any spectacle dedicated to civilized values.

Note that the protests were not based on the fact that Germany was a dictatorship; the International Olympic Committee takes no account of such things as the political system obtaining in a potential host country. The point was that Germany under Hitler was, quite rightly, considered *hostis humani generis;* it was a place with which no decent man in possession of the facts could voluntarily have anything to do, and particularly in the field of international friendship and amity.

The protests failed to get the Berlin Games canceled; it was, of course, too late to transfer them to another city altogether. Whereupon, a further campaign was launched, especially in America, to persuade athletes to stay away. One of the grounds was of discrimination against Jewish athletes in Germany; the Nazis promised that they would not do so, and even announced, in words which chill the blood even now, that a group of German Jewish athletes were to be sent to the training camps. Shortly afterwards, all German Jews were deprived of German nationality, and shortly after that the Jews of Germany, athletes and others alike, were on their way to a very different kind of camp.

Christian church organizations joined the protests: eventually half a million American signatures were gathered for a petition calling on the United States Olympic Committee to withdraw the American contingent. In vain; the Games proceeded as planned, and the result was that the Nazis turned the whole thing, as, of course, they had always intended, into a huge hymn of Nazi propaganda. (It can be seen, by those with exceptionally strong stomachs, in Leni Riefenstahl's film of the Games; she had already done the same job of slobbering adulation over the Nuremberg Rallies of the Nazi Party.)

And unless resolute action can be mounted *now,* the International Olympic Committee is going to do exactly the same thing all over again. The 1976 Games are to take place in Montreal; the Canadian city won the contest against Moscow Moscow is now the favourite for the right to hold the 1980 Games and, because of the long gestation period, the International Olympic Committee must decide on the Soviet application by the end of March next year—only seven months away.

It is rumoured that no other city with the resources to stage the Games has yet applied; well, there is still time, and in any case the principle which the IOC will have to consider has nothing to do with questions like that.

Nor has it anything to do with the fact that the Soviet Union is a brutal dictatorship, though the idea of staging such a festival in that imperialist tyranny is sufficiently odious in itself.

But the fact is that *within the past week,* not only has the official Soviet anti-semitic persecution been increased; it has been directed against Jewish athletes and, still more, against Jewish citizens of the Soviet Union who wanted to attend athletics events.

The World Student Games have been taking place in Moscow. They have, of course, been used as a propaganda weapon, but that was to be expected. More to the point, Soviet Jews with valid tickets have been refused entry to the stadium for events in which Israeli athletes were competing, and manhandled by security toughs into the bargain, while the seats have been filled with Soviet storm-troopers whose job was to shout abuse at the Jewish competitors.

Now, perhaps, it can be seen why I ask whether the IOC is going to make, not just a mistake, but the same mistake as its predecessor did in 1936. Why I say that, if they do, they will have even less excuse than their predecessors in that, in 1936, many honest people simply could not believe that states could behave as the Nazi State did. The world learned the hard way that states can indeed behave like that; and nobody now has any excuse whatever not to know the history of Soviet tyranny from the days of Stalin's extermination camps to the present actions of his heirs and assigns, who grew to their present power by carrying out his policies and whose own terror, though for the present far less dreadful than his, is the worst anywhere in the world.

And, even as I write, it is being directed, as no persecution since the days of Hitler and Stalin has, against the Jews of Russia—and one of its current manifestations, moreover, is precisely in the field of athletics. It is no use saying that the Games that may be allocated to Moscow are not to take place until 1980, and that much can happen between now and then. The evidence on which the IOC must decide is evidence about what is happening in the Soviet Union now. The regime there has shown itself, by its actions, unfit to stage the Games. Soviet promises of amendment, which will in any case not be forthcoming, would be worthless. The IOC representatives from the Soviet Empire will, of course, next March vote the way they are told to; and in view of the fate they could expect for disobedience it is not for us to blame them. But the rest of the world is under no such obligation. When the IOC meets to decide on the venue for the 1980 Games, I hope it will have several worthy applications before it. (Where is the civic pride of Glasgow, for instance, and what about the Games being staged jointly, in some agreed place, by Black Africa?) But even if there is no other offer at all, the Soviet authorities must be told that their particular brand of racialist barbarism, in sport as in all things, makes them unworthy of consideration.

WELFARE ASSISTANCE

Mr. INOUYE. Mr. President, I am pleased to join with my distinguished colleague from Montana (Mr. METCALF) in support of legislation designed to provide 100 percent Federal reimbursement for the costs of all welfare assistance programs to native Americans.

Much lipservice has been paid to the aboriginal Americans, including native Hawaiians, American Indians, Aleuts, and Eskimos, since the Federal Government first acknowledged a debt to those native Americans whose land was taken to fulfill our "manifest destiny." The native Americans have given much more than they have received from this country. Although past Congresses have enacted legislation designed to help repay this debt of conscience, many of these measures have been ineffective, if not actually adverse, in their effects upon their intended beneficiaries.

Similar to the Indians who live on land that is held in trust by the Government for the benefit of various tribes, there is provided for the people of Hawaiian ancestry lands, held in trust by the Hawaiian Homes Commission. The Hawaiian Homes Commission Act of 1920—Act July 9, 1921, c42, 42 Statistical 108—is the enabling statute which sets aside this trust land. The fact that Congress has amended the original act no less than 18 times since 1921 gives evidence to its shortcomings.

The native Hawaiian and part-Hawaiian who was to have been the "beneficiary" of several Federal laws can take little solace in his proud and majestic heritage when he finds that his people are without land. Many of his brothers are poverty stricken, without trades, without a real opportunity to achieve economic independence in a State which has the highest cost of living in the United States.

Many American Indians, Aleuts, and Eskimos also as a result of past injustices live in poverty, without much hope of joining the country's economic mainstream. The States in which these first Americans live carry the burden of providing assistance to allow those underprivileged original Americans who require economic assistance to achieve a minimal standard of living.

The proposal which Senator METCALF is today introducing will place the financial responsibility for assistance to native Americans where it rightfully belongs—on the Federal Government.

The eradication of the plight of needy native Americans should be a national policy implemented by the Federal Government. This fact was acknowledged by the Senate on October 3, 1972, when it passed a measure in the form of an amendment to H.R. 1 that is nearly identical to the legislation being introduced today.

Those States and local communities whose tax bases are diluted by reservations not subject to State and local taxes and by loss of income tax revenues from a high incidence of native Americans of low economic status are also burdened by significant welfare caseloads. Federal assumption of welfare costs in these States would serve as a useful means of correcting this fiscal dilemma.

The legislation being introduced today for the first time includes native Hawaiians along with American Indians and Native Alaskans as a native American group that has a justifiable claim to national consideration. It is my hope that both Houses of Congress and the President will take early and positive action on this bill.

MANDATORY FUEL ALLOCATIONS

Mr. RIBICOFF. Mr. President, the announcement today that President Nixon has decided to implement a mandatory system for allocating heating oil is most welcome, but also long overdue.

I hope that this decision is not too late to insure a full winter's supply of home heating oil for Connecticut. My own subcommittee investigation has shown that the Nation's heating supply is tight but manageable. While major producers along the east coast were found to have more in their storage tanks than they did at this time last year, the independent dealers whom they supply—and who have to deliver most of the heating oil to homes in the Northeast—have only half the supply they had a year ago.

What remains to be seen is whether the President's belated decision to step in and right this imbalance will come in time to head off critical shortages this winter in the Northeast and upper Midwest—those areas which, by his own admission, face the "greatest potential problems."

A valuable summary of the critical heating oil problem in key areas throughout the United States appeared in the New York Times of Sunday, September 30. I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. Mr. President, although the home heating season began on October 1, we still must wait for the detailed regulations for implementing the mandatory program. Only until we see whether these regulations will actually assure a fair distribution of the heating oil supply to all the Nation's consumers—especially homeowners—can we make an intelligent appraisal of the President's decision.

In my view, if we are to have a truly effective and equitable system, it is essential that the regulations accomplish the following:

First. Independent distributors should be guaranteed 100 percent of the supply they received last year from the major producers, as well as a fair share of any increased domestic production.

Second. A formula should be established to require major producers to increase the level of imports and to average the higher priced imports with the lower priced domestic production. This will assure the lowest possible price to all heating oil consumers.

Third. Consumer priorities should be established, and there should be maximum possible reliance on the existing private marketing system to assure these deliveries.

Fourth. The mandatory allocation system should apply to all refineries within the territorial United States and U.S. possessions to assure that there will be no leakage of oil to higher priced foreign markets.

Fifth. There should be efficient, uniform national administration of the mandatory system.

It is essential that the President, having delayed a mandatory system this long, implement it immediately with strong, fair, meaningful regulations.

As I have been saying for months, the time for action is now. It is time to take off the gloves before we have to start wearing them indoors.

EXHIBIT 1

FUEL OIL—INDEPENDENT DEALERS IN UPROAR

MANDATORY ALLOCATION FAVORED BY DISTRIBUTORS

Last winter, Larry Meyer, an independent home heating oil dealer in the Kansas City area, was forced to cut back deliveries to his commercial customers by more than 30 per cent. Asked the other day about the prospects for this year, he said: "It will probably be worse."

The prospective nationwide shortage of home heating oil this winter will probably have its greatest impact in the Northeast and upper Midwest, a spot check shows. Independent distributors in these areas say they are unable to obtain sufficient fuel oil from major oil companies and refiners.

The situation is less serious in the South and West, where natural gas is the most common heating source.

Present stocks of fuel oil represent a 53-day supply, compared with reserves sufficient for 71 days in 1971, according to the American Petroleum Institute.

Last week, the Governors of seven Northeastern states called on President Nixon to implement immediately a mandatory program for fuel oil allocation. Mr. Nixon is on record as opposing any mandatory distribution system for heating oil.

"The Federal Government had better wake up to the fact that it is playing with dynamite," said Charles Burkhardt, executive vice president and general manager of the New England Fuel Institute.

His anger is representative of that of many independent fuel oil dealers, who are faced with cutbacks by suppliers and feel they are being shortchanged by the Government. Most independents favor an immediate mandatory allocation program for domestically produced fuel oil.

NEW YORK

Home heating oil is going to be difficult to obtain this winter in the New York metropolitan area, according to local oil industry and government officials.

Milton Musicus, chairman of the Mayor's Public Utilities Commission, said last week that independent suppliers' stocks of fuel oil were less than half of what they presently should be.

In New Jersey, available supplies are 3.5 per cent below last year's needs, and this winter the demand is expected to be higher.

On Long Island, a spokesman for the Oil Heat Institute of Long Island, an industry group composed of local independent dealers, said that its members faced a possible 40 per cent shortage of home heating oil this year. This is especially serious because independent dealers serve almost 90 per cent of the 550,000 homes in the area that use oil as their only heating source.

Another major oil user, the Consolidated Edison Company of New York, reported that the supply of residual oil for its baseload generators was very tight. The utility complained that the Cities Service Company, previously one of its principal suppliers, had refused to serve it since June.

Cities Service has also cut back deliveries of home heating oil to 80 per cent of the customers' purchases last year.

BUFFALO

Supplies of home heating oil are expected to keep pace with demand in Buffalo this winter, but spot shortages could occur in the Binghamton, Lockport and Olean areas of upstate New York.

Inventories of fuel oil in the vicinity are higher than last year, but increased demand means that there are actually fewer days' reserves on hand.

Both Ashland Oil, Inc., and the Mobil Oil Corporation have refineries near Buffalo, which prompted a spokesman for Ashland to say that "nationwide things are going to be tight, but Buffalo is better off than a lot of places which do not have refineries."

Both companies depend on crude oil imported from Canada and will have to pay the additional 40 cents a barrel that Canada will be charging. So far the Cost of Living Council has not allowed them to pass on that increase to their customers.

The R. B. Newman Fuel Corporation, a large independent supplier that recently acquired the 40-million-gallon storage facilities of the Gulf Oil Corporation near Buffalo, said that it did not foresee any difficulties in meeting customer demands for heating oil this winter.

A spokesman for the company said that its new storage facility already had more than 10 million more gallons of fuel oil in storage than there were at this time a year ago.

A heating oil shortage could, however, develop if there are interruptions in the flow of Canadian crude or if there should be tight supplies of natural gas, which would force some industrial users to convert to oil.

BOSTON

The expected shortage of home heating oil this winter will be especially serious in New England, where 71 per cent of all buildings use No. 2 oil, according to the New England Fuel Institute. No. 2 oil is the type used for almost all home heating.

Charles Burkhardt, the institute's executive vice president and general manager, said the prognosis was grim, with a prospective 15 per cent gap between demand and supply, unless the Federal Government provided a mandatory allocation system quickly.

Refiners in the area thus far have been forced to cut back only slightly on their usual deliveries to dealers. Independent wholesalers, however, are in a much more precarious position, with reserves of only 1.25 million barrels of oil, compared with more than 3 million barrels at this time last year.

The major oil companies are limiting supplies to their own dealers, forcing independents to rely on foreign, high-cost No. 2 heating oil. Thus, the independents are demanding that Washington step in to assure equitable distribution of domestically produced oil, which is currently controlled by the refiners.

The independents are also angered because Phase 2 regulations require them to sell oil at the price levels of last Jan. 10, while major oil companies or refiners that sell at the retail level have had to roll back their prices only to the level of last May 15.

DETROIT

"The small guys like me are really catching it," said Roger Johnson, speaking of the problems that small independent operators are having in obtaining home heating fuel.

Mr. Johnson, owner of Roger's Service in Detroit, said that he had used up his September allocation of oil in two weeks.

A large number of suppliers have discontinued operations in parts of Michigan, and their competitors do not have enough oil to serve new customers. In fact, most heating oil dealers in the state have imposed a moratorium on new customers. Some are even extending it to people who purchase homes previously served by the company.

The Amoco division of the Standard Oil Company (Indiana) indicated that it intended to continue supplying its present customers but warned that there could be difficulties if the weather turned unseasonably cold.

An independent dealer in Livonia, Mich., said that concern over a possible fuel oil shortage was a fabrication of the people "who put out the newspapers."

A spokesman for the State Task Force on Fuel Supply said that, "given an average winter, demand for heating oil statewide will exceed supply by about 1 per cent." The task force was formed last winter to coordinate heating oil resources. It has since developed a voluntary distribution system.

KANSAS CITY

Independent suppliers of home heating oil in the Missouri area say that future deliveries are uncertain, but most are expecting significant reductions.

"A lot of people are going to be cold this winter," said Mrs. Ruth Hill, operator of the Hill Oil Company, one of the largest dealers of fuel oil for residential use in the area.

Actually, about 90 per cent of the homes and buildings in the vicinity use natural gas for heating. Hence, the prospective scarcity of fuel oil this winter will not be as serious here as in other parts of the country.

Aggravating the potential problem, however, is the scarcity of natural gas, which will probably force some utilities to convert to oil as a means of generating power.

Spokesmen for the Gas Service Company say they expect to run about 10 per cent short on their commercial customers' demand for natural gas. The slack, they add, will have to be made up with either fuel oil or propane.

Last winter was relatively severe in the Kansas City area and independent jobbers were on allocation for fuel oil from January to April, forcing them to cut back on industrial customers.

This year could be worse. Reserves are lower because of the increased demand for fuel oil this summer, when many users were required to conserve gas.

GENE SALORIO.

MANDATORY FUEL CONTROLS

Mr. HANSEN. Mr. President, it may be that the President's energy adviser, John A. Love, had no alternative but to announce implementation of mandatory allocation programs for heating fuel and propane gas.

But those who have been demanding a mandatory program in place of the voluntary program are the same ones who earlier this year were saying that gasoline shortages were contrived by the oil companies to drive prices up and that the so-called energy crisis was a conspiracy among the major oil companies.

The same ones were saying—and some of them still are—that there is no real natural gas shortage but that the larger gas producers were and are withholding gas reserves from the interstate market or selling their gas to intrastate markets for twice the price they were allowed under FPC regulations.

In fact, one of these gentlemen from New England went down to Alabama last week to urge the southern Governors in conference there to support mandatory fuel allocation legislation.

He accused the Nixon administration of indecision and inaction and warned of an impending energy shortage, particularly in his home State of Massachusetts and other northeastern States. This same gentleman, who is chairman of a House subcommittee on power, has been sitting on legislation for 2 years that could have freed up additional gas supplies and offered incentives to oil and gas producers to explore for and develop critically needed new supplies of natural gas and oil.

Only a year ago, other Congressmen and Senators from the northeastern States were clamoring for an end to oil import quotas in favor of unlimited imports of foreign oil and oil products.

Now that foreign oil, residual and heating oil is higher than the domestic product they want a mandatory allocation program so they can share in the shortage of "cheap" domestic oil.

At the Southern Governors' Conference last week, the Governors of Texas, Oklahoma, Louisiana, and Mississippi threatened to cut off gas to northeastern States unless those States took steps to increase refining capacity and allow offshore exploration for oil and gas.

The four Governors warned that they had the police powers to regulate where gas produced in those States goes. Governor Edwards said he was no longer willing for Louisiana to deplete its natural resources and damage its environment when northeastern States balked at new refinery construction and offshore exploration.

I fully agree with the four Southern Governors and I believe our own Governor of Wyoming, Stan Hathaway, also agrees with them.

We are both fed up with the idea of the New England States, and other northeastern States trying to have the best of all possible worlds by having us, the energy-producing States, supply the energy and seeing that the tougher State standards we might want to protect our environment are not imposed.

While tougher State environmental standards might increase the cost of the energy they receive from the producing States, if they want that energy, the consuming States in the East should certainly be willing to share in the cost of protecting the environment.

In my judgment, the eastern energy consuming States should pay some of the costs of maintaining the environment of Wyoming and other producing States and the easterns should not expect us to supply them cheap power and fuel at the expense of our enviroment.

The eastern environmentalists have been adamant in their refusal to allow construction of much needed powerplants, refineries and deepwater ports in their States and they oppose offshore oil and gas drilling in the waters adjoining their States on environmental protection grounds.

But they have a flagrant disregard for the views of those of us in the Western and Southern producing States who believe that our environment is entitled to a little protection if we are going to continue to provide the energy on which this country runs.

Mandatory fuel allocations will serve the purpose only of sharing the shortage and may be necessary to prevent hardship and suffering in the northeastern States that depend mainly on imported foreign oil for their supplies. But the only real solution is to get on, and quickly, with an accelerated domestic exploration and development program for oil and gas—the only safe and sensible near-term solution of our energy problems.

It is time that we put to rest the ridiculous charge of a contrived shortage and conspiracy and level with our constituents concerning the facts of the energy problem. It is time that we got the message across that the days of cheap gas, gasoline, and heating oil are over and that the only safe course we can pursue is one of the quickest possible return to substantial energy self-sufficiency. And while that will cost money further dependence on imports will cost more. Some of the advocates of cheap imported oil are now learning about the laws of supply and demand as the Middle East nations, Canada, Venezuela, and all other oil producing countries push their prices higher and higher to whatever the market will bear.

And when a nation is dependent on oil and gas for more than three-fourths of its energy and there is no other place to get it, we have not seen the end of foreign oil prices that have more than doubled in the past year. Where they will stop nobody knows.

Mandatory fuel oil controls share the shortage but will not solve the problem.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

FOREIGN ASSISTANCE ACT OF 1973

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 2335, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California (Mr. TUNNEY), amendment No. 535, on which there will be 1 hour of debate.

The amendment is as follows:

On page 19, line 12, insert the following:

"SEC. 16. Chapter 3 of part III of the Foreign Assistance Act of 1961 as amended by adding at the end thereof the following new section:

" 'SEC. 659. LIMITATION ON ASSISTANCE TO PORTUGAL.—(A) The Congress declares that it is the policy of the United States that no military or economic assistance furnished by the United States, nor any items of equipment sold by or exported from the United

States, shall be used to maintain the present status of the African territories of Portugal.

"'(B)(1) The President of the United States shall, as soon as practicable following the date of the enactment of this section, make a determination and report to Congress with respect to the use by Portugal in support of its military activities in its African territories of—

"'(a) assistance furnished under the Foreign Assistance Act of 1961, as amended, after the date of the enactment of this section;

"'(b) defense articles or services furnished after such date under the Foreign Military Sales Act, as amended;

"'(c) agricultural commodities or local currencies furnished after such date under the Agricultural Trade Development and Assistance Act of 1954, as amended, or any other Act; or

"'(d) items for which validated export licenses are granted after such date for export to Portugal or its territories.

"'(2) The President shall include a report similar to that specified in the previous subsection in each year at the time of submitting the budget request for foreign assistance. Such report shall also specify the steps being taken to implement the policy contained in this section.

"'(C) All assistance, sales, and licenses referred to in the preceding paragraph shall be suspended upon the submission to Congress of a report by the President containing his determination that any such assistance, or item so furnished or exported, after such date, has been used in support of Portugal's military activities in its African territories. Such suspension shall continue until such time as the President submits a report to Congress containing his determination that appropriate corrective action has been taken by the Government of Portugal. The authority contained in section 614 of this Act shall not apply to programs terminated by reason of this section.'".

On page 25, line 21, change "SEC. 16." to "SEC. 17.".

On page 28, line 5,, change "SEC. 17." to "SEC. 18.".

On page 28, line 10, change "SEC. 18." to "SEC 19.".

On page 28, line 20, change "SEC. 19." to "SEC. 20.".

On page 29, line 4, change "SEC. 20." to "SEC. 21.".

On page 29, line 10, change "SEC. 21." to "SEC. 22.".

On page 30, line 4, change "SEC. 22." to "SEC. 23.".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time not to be taken out of either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. HELMS, the distinguished Senator from Missouri (Mr. EAGLETON) be recognized to call up his amendment No. 579, and that there be a time limit thereon of 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the Eagleton amendment the distinguished Senator from Idaho (Mr. CHURCH) be recognized to call up 2 amendments in succession, on each of which there be a time limitation of 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally charged against each side on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on the pending amendment be limited to 40 minutes, to be equally divided.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. And I ask unanimous consent that the time for the quorum call which was being charged against the amendment be vitiated.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

The Senator from California.

Mr. TUNNEY. Mr. President, I am pleased to offer my amendment No. 535 to the Foreign Assistance Act of 1973. Joining me in sponsoring this amendment are Senators HUMPHREY, KENNEDY, MOSS, STEVENSON, ABOUREZK, CRANSTON, and JACKSON.

This amendment will add a new section to the Foreign Assistance Act. It will declare that it is the policy of the United States that no military or economic assistance programs, and no items of equipment sold by or exported from the United States, should be used to maintain the present status of the African territories of Portugal. Presently, Portugal has three territories in Africa—Angola, Mozambique, and Guinea-Bissau—which are administered from Lisbon, and whose people are denied self-government and freedom.

In order to implement this policy, the President is required, under this amendment, to make a determination and report to the Congress stating whether or not any of the following U.S. programs is being used in support of Portuguese military activities in its African territories:

First, grant economic or military assistance under the Foreign Assistance Act of 1961.

Second, sales of military equipment, whether for cash or on credit terms, under the Foreign Military Sales Act.

Third, any agricultural commodities or local currencies generated by the food for peace program, or any other legislation.

Fourth, items of equipment sold privately by U.S. firms, but which require a validated export license in order to be exported to Portugal or any of its African territories.

Now, the President must assure that all of these programs are being carried out in such a way that they do not support Portuguese military activities in Africa. This really only means a continuation of our present policies, since the U.S. Government has maintained an arms embargo for Southern Africa for over 10 years. Portugal presently certifies that it will not use any U.S. military equipment in Southern Africa. Therefore, this would not affect programs for the NATO defense.

The amendment does provide, however, that U.S. assistance programs should be suspended if the President ever reports that any of these programs or items of equipment are being used by Portugal in support of military actions in Africa: The suspension shall continue until the situation is corrected. If the President carefully reviews U.S. programs and policies and makes sure the Portuguese understand the limits of U.S. assistance, there will be no need for sanctions.

Finally, the amendment requires that the President report annually on his review of U.S. programs, and that he also report to the Congress on the steps being taken to insure compliance with the policy declared in this amendment

Up to now, American policy regarding Portugal's African territories has been made by the executive branch. This policy has, for the most part, been a good one, denying U.S. aid for Portugal's colonial activities. However, hearings by the African Subcommittee of the House Foreign Affairs Committee raised some questions as to the effectiveness of our arms ambargo, and about our policy with Portugal. Accordingly Members of the House of Representatives took the initiative to enact some legislation to firmly prevent U.S. assistance from being used in southern Africa. Representative ANDREW YOUNG offered an amendment very similar to the one I offer today, and it was accepted by the House during debate on the foreign aid bill last July. Now that our sister body has taken action on this important subject, I am asking my colleagues in the Senate to join with the House of Representatives, and adopt this amendment.

The amendment states a principle which is fundamental to America's spirit and at the heart of its deepest instincts: That is the principle of self-determination for all peoples. Our Nation must not allow itself to support a regime and a policy which deny dignity, opportunity, and self-government to some 14 million blacks who live in Mozambique, Angola, and Guinea-Bissau. The United States has long supported steps to lead to the independence of these territories; numerous resolutions have passed the United Nations Security Council and General Assembly calling on Portugal to negotiate an end to its colonial holdings.

The last point I would make is that this amendment fits in perfectly with the growing congressional movement to restore its role in the making of foreign policy. This amendment strikes a balance between the Congress and the President. By this legislation, Congress takes the lead in making a policy statement, but leaves to the President the implementation of that policy. We do not usurp proper Presidential powers, but at the same time, we are announcing that we will not abdicate entirely to the President the formulation of U.S. policy on this important issue. It is also important to note that this amendment is to be implemented by putting restrictions on programs and laws passed by the Congress: The Foreign Assistance Act of 1961, the Foreign Military Sales Act, the Agricultural Trade Development and Assistance Act, and the Export Administration Act.

Thus, I call on my colleagues to adopt this amendment, which insures that no U.S. assistance or materials will be used to support Portugal's military activities in Africa. This amendment will place the United States legally on record in opposition to a policy which is condemned by virtually every nation in the world. This amendment will be consistent with our present policy toward Portuguese Africa, and will not interfere with legitimate NATO programs which Portugal undertakes. Passage of this amendment will help restore Congress role in making foreign policy. Let us join with the House of Representatives, and present a clear message to all nations that the United States believes in its heritage, believes in allowing all men and women to have the right to choose their political future, and their destiny.

Liberation movements have been active in all three territories for more than a decade. In response, Portugal maintains half its army in Africa, and carries on a brutal, repressive war to maintain its control. Despite a massive effort by Portugal, the liberation movements are growing in strength, and the situation in the territories is more and more approaching large-scale civil war. Just this week, the liberation movement in Guinea-Bissau—which controls more than two-thirds of the area of the territory—declared itself an independent state in its liberated areas, and it is receiving support from many African nations.

This is the blueprint for another Vietnam, another Algeria. The United States must not become involved again in such a civil war. That is what this amendment would prevent.

Not only would the amendment assure no U.S. involvement in a morally abhorrent war; it would have positive benefits as well. It will act as a signal to the nations of Africa, Asia, and Latin America that the United States stands firmly on the issue of human rights and human dignity. These nations are important sources of raw materials, and important future trading partners. Good relations are worth making this kind of symbolic statement. Also, passage of this amendment will help the administration to continue its present policy. The Congress will show its strong backing for the policy, and the enactment of legislation makes it easier for the executive branch to resist Portuguese pressure for delivery of military equipment or other assistance.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. HUMPHREY. First of all, I want to commend the able Senator from California for this amendment. I was very willing and proud to be a cosponsor when he spoke to me about it. I believe what the Senator is advocating is sound national policy. I believe, also, in signals being raised to the world that we do not want to see the American Government involved on the side of colonial powers in colonial struggles.

We value Portugal as an ally. She is part of NATO. The Senator does not wish to disturb that relationship at all, but he wants to make sure, as I understand the amendment, that our aid is not used in efforts to put down what are called freedom movements or the desire for self-rule on the part of people in Africa and in the Portuguese colonies.

Mr. TUNNEY. Absolutely. That is as well stated as it could be. It would be a similar situation to the time when the United States was declaring its independence from Great Britain, if a country such as France or Italy were to supply arms to the British to be used against the United States. So what we want to do is to preserve our free heritage and not do the same thing which we would have abhorred ourselves two centuries ago.

Mr. HUMPHREY. Mr. President, might I make one suggestion to the Senator from California? In looking over the amendment, I find that on page 2, line 6, item (d) running through line 18, language which reads:

> Items for which validated export licenses are granted after such date for export to Portugal or its territories.

This does not relate to foreign aid at all. It relates to business, so to speak. It seems to me that that particular section might well be removed from the amendment because the licenses will have to be, first of all, obtained and approved by the State Department. And I believe, in my judgment, that we ought not to be legislating in that type of territory when we are dealing with the Foreign Assistance Act. I wonder if the Senator would be willing to accept a modification and we will then have accomplished our objective and will have seen to it that foreign assistance paid for by the taxpayers of this country is not used in any way for colonial domination.

Mr. TUNNEY. Mr. President, subsection (d) simply states what is already part of our governmental policy, and that is not to allow validated export licenses to be used in some way to avoid our arms embargo.

We do have a policy that no export licenses will be granted if it would represent a means of supplying arms to Portuguese territories in southern Africa. Inasmuch as it is a statement of what is already basic policy, I am reluctant to take it out.

Mr. HUMPHREY. Mr. President, as the Senator properly notes, it is a fact that there is an international arms embargo in southern Africa. I think that our country has made an effort to comply with this embargo. I wish that other countries had done the same.

However, I think it is time for this body to stop beating ourselves as though the United States is a villain in this matter. Other countries have supplied arms and have violated the embargo. We have tried to walk a pretty straight and decent line in this matter.

The State Department requires the assurance of Portugal that American aid and sales will not be used to maintain control in African territories. And the State Department investigates every situation in which American goods are being used for that purpose.

It seems to me that we already have this item covered. This is not in reference to arms. Item (d) refers to items for which validated export licenses are granted after such date for export to Portugal or its territories.

This does not only apply to arms. And that is the danger.

Mr. TUNNEY. That is the whole purpose of including it.

Mr. HUMPHREY. If the Senator would be willing to limit it and say "validated export licenses for arms ——," that would be agreeable.

Mr. TUNNEY. The trouble is that recently some Boeing 707's were sold to the Portuguese Airline, a Government organization. They were put into use as troop transports to carry troops to the territories in Africa. Light aircraft and helicopters were sold to Mozambique, and these planes are being used to transport troops and for reconnaissance.

The point is that we are asking the State and Commerce Departments to review these sales, these export licenses, and to put some pressures to bear in the right quarters to prevent what looks like an innocent sale of equipment, but which turns out to be a sale of equipment which, in fact, is going to be used to help the war effort in Portuguese Africa.

Inasmuch as we have a record of so-called innocent sales which have supported the Portuguese troops in Southern Africa, it seems to me that it would be best to have this provision in the bill, if I could convince my very worthy and able cosponsor, who has been so deeply involved in this foreign aid program.

I recall that the very able junior Senator from Minnesota, as Vice President, was one of those who convinced me to vote for the foreign aid bill 8 years ago when I was a Member of the House of Representatives. I recognized his expertise in this area. However, it would seem to me that it would be best to have this matter covered in the bill and leave implementation to the State and Commerce Departments.

Mr. HUMPHREY. Mr. President, on general principle I fully support the amendment. I am chairman of the Subcommittee on African Affairs, and I am deeply committed to the U.S. policy with respect to southern Africa. I am opposed to apartheid. I am opposed to any effort to aid colonial powers who suppress the right of self-determination.

In fact, very shortly, I will be bringing to the Senate floor a bill which will once again, I hope, restore our embargo on Rhodesian chrome. These are symbolic efforts.

My only point is whether we can clarify the matter in a conference discussion. I prefer to do it here. I would rather change the language where it says "items for which validated export licenses are granted after such date for export to Portugal or its territories." To be more specific and say, "military items or those related to military activities . . ."

I believe that we need to differentiate between items which are strictly for consumer or industrial use and items which are for military use. I know what the purpose of the Senator is. As a matter of fact, we could rewrite that in conference.

Mr. TUNNEY. That would be acceptable, "items for military use."

Mr. HUMPHREY. Mr. President, I would prefer to have, "items that have a military application." How is that for language?

Mr. TUNNEY. That is agreeable, "items that have a military application."

Mr. HUMPHREY. That takes care of the point which the Senator has appropriately raised here, the use of planes that appear to be for civilian use, but which are used for military purposes.

Mr. TUNNEY. Mr. President, I modify section (B)(1) of my amendment to read as follows:

> (d) Items that have a military application for which validated export licenses are granted after such date for export to Portugal or its territories.

Mr. HUMPHREY. Mr. President, I appreciate the cooperation of the Senator from California. I was very interested in this. However, I was interested in seeing that we do just what we sought to do, and no less.

Mr. TUNNEY. Mr. President, I thank the Senator.

The ACTING PRESIDENT pro tempore. The Senator from California will need unanimous consent to modify his amendment.

Mr. TUNNEY. Mr. President, I ask unanimous consent that my amendment be modified as I have stated.

The ACTING PRESIDENT pro tempore. Without objection, the amendment is accordingly modified.

Mr. TUNNEY. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I would like to yield back my time. Mr. President, before we complete our discussion, I think that this amendment is universally acceptable. Does the Senator feel that he needs a rollcall vote?

Mr. TUNNEY. I do not feel that we need a rollcall vote.

Mr. HUMPHREY. Mr. President, I can promise the Senator that in the conference we will fight to the end to maintain the provision.

I am thoroughly in agreement with the Senator. And I am sure that the Senate would vote in agreement.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment as modified. (Putting the question.)

The amendment, as modified, was agreed to.

AMENDMENT NO. 566

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to the consideration of the amendment (No. 566) of the Senator from North Carolina (Mr. HELMS), which the clerk will state.

The legislative clerk proceeded to read the amendment.

Mr. HELM'S amendment (No. 566) is as follows:

> On page 9, line 11, strike out the quotation marks.
>
> On page 9, between lines 11 and 12, insert the following new section:
>
> "SEC. 116. PROHIBITING USE OF FUNDS FOR ABORTIONS.—None of the funds made available to carry out this part shall be used in any manner, directly or indirectly, to pay for abortions, abortifacient drugs, or devices, the promotion of the practice of abortion, or the support of research designed to develop methods of abortion. The provisions of this section shall not apply to any funds obligated prior to the date of its enactment."

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum, the time to be charged equally to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on all further amendments except the Fulbright amendment, there be a time limitation of 30 minutes, the time to be equally divided, and in the regular form.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I also ask unanimous consent that there be, from this moment on, 2 hours on the bill.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. HELMS. Mr. President, I call up my amendment No. 566.

The ACTING PRESIDENT pro tempore. The Senator's amendment is the pending business before the Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HELMS. I yield.

Mr. HUMPHREY. In the light of our discussion, would the Senator like to ask unanimous consent relating to the vacating of the rollcall?

Mr. HELMS. Mr. President, I do ask unanimous consent that my request for the yeas and nays be vacated.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered. The previous order for the yeas and nays is vacated.

Mr. HELMS. Mr. President, in the light of a conference with the distinguished Senator from Minnesota and others, I am happy to say that I believe I am correct in stating that the Senator from Minnesota has agreed to accept my amendment, which is cosponsored by the distinguished junior Senator from Oklahoma (Mr. BARTLETT).

Mr. HUMPHREY. Yes, I have indeed. I feel the Senator's amendment has considerable merit to it, and as I said to him, we will accept it and work to have it accepted in conference.

Mr. HELMS. I appreciate that. I do not desire to consume the Senate's time unnecessarily, Mr. President, and if we may have the understanding that my amendment will be supported vigorously in conference, that is satisfactory to me, and I thank the distinguished Senator from Minnesota.

Mr. HUMPHREY. I assure the Senator it will be supported vigorously. I am not sure the Senator from Minnesota is always effective, but he is vigorous, and we will do our level best. With the wisdom of the distinguished Senator from Vermont (Mr. AIKEN), perhaps we can do better.

Mr. HELMS. With such a combination, we are bound to win.

Mr. AIKEN. I can assure the Senator from North Carolina that when the Senator from Minnesota gets into conference, he is always vigorous.

Mr. HELMS. Mr. President, I thank the Senator for yielding. I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of the time on this side

The ACTING PRESIDENT pro tempore. All time having been yielded back, the question is on agreeing to the amendment of the Senator from North Carolina (Mr. HELMS).

The amendment was agreed to.

Mr. HUMPHREY. I thank the Senator from North Carolina for his cooperation and help.

Mr. HELMS. I thank the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be divided equally between both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Missouri (Mr. EAGLETON) is on his way to the floor of the Senate. Under the previous order, his amendment would be called up next. However, I ask unanimous consent that the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) be recognized now for the purpose of calling up an amendment. I understand that his amendment will be accepted. I make this request with the understanding that there will be a limitation of 10 minutes on the Byrd amendment.

Mr. GRIFFIN. Mr. President, reserving the right to object, what is the nature of the amendment?

Mr. HARRY F. BYRD, JR. If the Senator will yield, it is an amendment identical with the amendment accepted on last Friday on the military procurement authorization bill by a vote of 67 to 18. It probably has more relevance to this measure.

Mr. HUMPHREY. As I understand, the amendment is identical to the amendment we proposed on the military procurement bill, but it does require a conference.

Mr. HARRY F. BYRD, JR. Mr. President, I send the amendment to the desk. I ask that the stating of the amendment be dispensed with but that the amendment be printed in the RECORD. I will explain the amendment briefly.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

GOVERNMENT OF INDIA LOAN SETTLEMENT

The United States Government may not agree to any settlement with the Government of India with respect to sums owed by that Government to the United States Government on sales and loans made pursuant to law, unless—

(1) that settlement provides for the Government of India paying all of such sums owed; or

(2) Congress, by law, specifically authorizes settlement in an amount which is less than all of such sums owed.

Mr. HARRY F. BYRD, JR. Mr. President, the amendment is identical to one that was adopted by the Senate last Friday by a vote of 67 to 18. It would require that any settlement of the $3 billion that the Government of India owes to the United States must be approved by Congress. It is really the same as appropriating funds, when we cancel a debt that a foreign government owes us.

I am not passing judgment on the merits of the negotiations, but I believe that before we start giving away tax funds, Congress itself should make the decision. That is the purpose of the amendment.

Mr. AIKEN. Mr. President, I am not very enthusiastic about the amendment. The administration is preparing a proposal on how to settle the situation with India, since India owes us a tremendous amount of money. I understand that the interest they pay us on the principle is more than the aid we are giving them year by year. It is almost morally certain they will never be able to pay back the entire amount which they owe us which is now on the books. We have made deals with other countries, particularly Russia, on the aid which we have given them back in World War II days.

While I realize that this amendment will pass the Senate by a one-sided vote, as it did the other day, and, therefore, I am not going to oppose it at this time, I would hope that we will wait to take any positive action until we find out what arrangements can be made with India.

We know that the Indian Government under Mrs. Gandhi is having a pretty difficult time. I would not want her job, I can assure you, Mr. President, of that; but inasmuch as this has already been passed by a one-sided margin before, I will not vote against it now.

Mr. HARRY F. BYRD, JR. I thank the Senator from Vermont.

Mr. GRIFFIN. Mr. President, I should like to associate myself with the remarks of the distinguished dean of the Senate, the Senator from Vermont (Mr. AIKEN). It is unfortunate that this amendment was adopted last week. Of course, it would be adopted again if there were a rollcall vote on it.

I do not believe it is helpful at the present time to adopt an amendment which singles out India while the efforts are being made by our new Ambassador to India to do something about the problems that have been created.

I can understand some kind of general policy along the lines the Senator from Virginia (Mr. HARRY F. BYRD, JR.) suggests here but it is not helpful, in my opinion, to single out and focus on the negotiations with India at this time.

I regret that the amendment is being offered. I wish it could be defeated but, like the distinguished Senator from Vermont (Mr. AIKEN), I am realistic, too. I know that there is nothing we can do about the outcome.

Mr. HUMPHREY. Mr. President, might I say to the Senator and to my colleagues here, that the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) brought up this amendment to the military procurement bill and I discussed it with him on the floor of the Senate.

Earlier, I had the privilege of discussing the negotiations relating to a settlement of the debts with India with Mr. Moynihan, our Ambassador to India. This settlement relates only to what we call soft currencies and not dollar loans. It relates to the Public Law 480 account. Also, Mr. Moynihan told us that the proposal for a settlement—I repeat just the proposal for a settlement—would be referred to the Committee on Agriculture and Forestry because it is under Public Law 480. My understanding is if we want to, we can file, as we do under the reorganization plan, a motion of objection, and that will kill it if the motion carries; otherwise it goes through by consent. But what the Senator from Virginia is seeking is congressional action and congressional participation. He had the votes, and I thought, as I talked to him about it the other day, that this was an appropriate vehicle for this amendment to be on, even more so than in the military procurement bill.

Mr. HARRY F. BYRD, JR. Yes.

Mr. HUMPHREY. I would suggest that we have a voice vote on the amendment and by the time we come to conference, may I say to the Senator from Virginia, we will have had all of the administration's views by then, so that we can discuss it further with the Senator if there needs to be any modification.

Mr. HARRY F. BYRD, JR. Mr. President, I move the adoption of the amendment.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. AIKEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. NUNN). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Virginia (Mr. HARRY F. BYRD, JR.).

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, while Senators are waiting for the arrival of the Senator from Missouri (Mr. EAGLETON), I ask unanimous consent that the Senator from Massachusetts (Mr. BROOKE) be recognized to call up an amendment at this time without prejudice to the rights of Mr. EAGLETON following disposition of the Brooke amendment.

Would the Senator from Massachusetts be agreeable to cutting the time on his amendment?

Mr. BROOKE. Mr. President, yes. I do not believe this amendment will take more than 15 minutes.

Mr. ROBERT C. BYRD. To be equally divided, then?

Mr. BROOKE. Yes, equally divided.

Mr. HUMPHREY. Mr. President, may I say that I want the Senator from Massachusetts to take most of the time because I so thoroughly am in sympathy with his amendment and I am sure that the Senate will be when it hears his explanation of it.

Mr. GRIFFIN. Mr. President, reserving the right to object, could the Senator from Massachusetts give us some idea of what the amendment is about?

Mr. BROOKE. This is an amendment to provide $1 million for the Albert Schweitzer Hospital in Gabon for leprosy.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on the amendment of the Senator from Massachusetts be limited to 15 minutes, with the time to be equally divided and in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 539

Mr. BROOKE. Mr. President, I call up my amendment No. 539 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill, add the following new section:

SEC. 24. There is authorized to be appropriated to the President for fiscal year 1974 $1,000,000 to make grants, on such terms and conditions as he may specify, to the Albert Schweitzer Hospital in Gabon.

Mr. BROOKE. Mr. President, the amendment I have proposed for myself, Senators HUMPHREY, JAVITS, MCGEE, MCGOVERN, MOSS, HATHAWAY, and TUNNEY would authorize to be appropriated to the President for fiscal year 1974, $1 million to be used as a grant to the Albert Schweitzer Hospital, the money to aid in the construction of a leprosy rehabilitation wing for that facility.

The Albert Schweitzer Hospital in Lambarene, Gabon, was started by Dr. Schweitzer in 1913. Since its inception, over 150,000 patients have been treated there and its importance to the area is illustrated by the fact that in the mid-1960's one out of every three operations performed in Gabon was performed at the Schweitzer Hospital.

The Schweitzer Hospital has now grown to include over 70 buildings. However, it is not a hospital in the usual sense of the word—it is essentially a village where anyone in need is given shelter and medical care. It has always been the policy of the Schweitzer Hospital to treat its patients in the context of their own culture.

Rather than frighten and estrange those already suffering from physical pain, the Schweitzer Hospital provides surroundings familiar to its patients. In addition, it encourages patients' families to stay at the hospital and help care for them—speeding their recovery and performing many of the tasks which would otherwise require additional hospital staff.

After Dr. Schweitzer's death in 1965, an International Committee for the Albert Schweitzer Hospital was formed to perpetuate his work. The committee has recently determined that there is a compelling need for a new Leprosy Rehabilitation Center at the hospital.

At the present time, leprosy is a substantial problem in Gabon and in neighboring areas of West Africa. In Gabon alone there are 20,000 known sufferers—many in terrible pain. Drugs now exist which make leprosy a controllable and treatable disease. While the Government of Gabon and its neighboring counterparts are trying to treat those who contract active leprosy, they cannot begin to treat or retrain the thousands who become crippled by this cruel disease. Therefore, there is an enormous, immediate need for expanded leprosy rehabilitation facilities in West Africa.

The Schweitzer Hospital has historically provided comprehensive treatment and assistance to those suffering from leprosy. In the 1940's, shortly after a major breakthrough in the effective treatment of leprosy, a complex called the Village of Light was developed within the Schweitzer Hospital. Here lepers and their families live during the course of treatment and rehabilitation which can take 2 years or more. Dr. Schweitzer used the moneys he won for the Nobel Peace Prize in 1952 to expand the village. It is now a facility where lepers can come, not to live out their lives as outcasts, but to be treated and taught so that they may return as fully functioning members of their society. There are now 120 patients and their families in the Village of Light and numerous other patients are treated in the hospital's clinic. Consistent with the rehabilitative goals of the Village of Light, its patients work there to the maximum extent possible. The lepers now raise almost enough fruit and vegetables to feed the entire hospital and many have been trained to overcome their disabilities and to work as secretaries and in similar capacities while at the hospital.

Given the great need, Lambarene is the obvious site for a new Leprosy Rehabilitation Center. The presence of the Schweitzer Hospital, the experience of its staff, and the confidence it has built among Africans from Gabon and elsewhere, make it uniquely equipped for this undertaking. The proposed New Leprosy Rehabilitation Center will initially include a surgical facility, radiology labs, a clinic, administrative offices, living units, and two 30-bed hospital wards. Two more hospital awards are ultimately expected to be added. The center's surgeons will employ the latest, highly skilled techniques of reconstructive surgery to rebuild deteriorating limbs and features. Trained therapists will help its patients to overcome their handicaps and to learn skills adapted to them. The new facility will permit the Schweitzer Hospital to better serve 1,500 to 2,000 patients per year.

The International Committee for the Albert Schweitzer Hospital is now trying to raise the $6 million necessary to construct and operate the proposed new facility for 5 years. The international commitment to this project is reflected by the fact that the honorary chairmen of the committee now include President Nixon, Prime Minister Heath, President Pompidou, Chancellor Brandt, former Prime Minister Sato, Former Secretary General U Thant and Albert Bongo, President of Gabon.

Given the magnitude of the existing challenge, the Schweitzer Hospital is, for the first time in its 60 years history, seeking public as well as private contributions. The Schweitzer Hospital has always had widespread support in the United States. Over 10,000 Americans have contributed almost $300,000 to the hospital since 1972. The committee is now seeking in the United States $2 million in private contributions, in addition to the $1 million appropriation which I propose today.

Such a grant from the U.S. Government will not only complement private contributions in this country but will parallel the efforts of other nations. The government of Gabon is contributing $500,000 to the project and to date approximately $300,000 has been raised privately in Holland and Switzerland. In addition, Japan and Germany are seriously considering contributions of $1 million each and fund-raising efforts are underway in Great Britain, France, and other nations.

A grant of $1 million to the Albert Schweitzer Hospital by the U.S. Government can have several significant immediate effects. Such a grant will permit the building of the surgical facility and the wards to support it. These facilities would be readily identifiable as an American contribution and would be the first portion of the rehabilitation center constructed. In addition, such a grant should catalyze the commitment of contributions now being contemplated by other nations.

The proposed Leprosy Rehabilitation Center will be the only hospital in Gabon giving specialized care to leprosy patients. In addition, it will provide its patients with education in health care and will train Africans to eventually assume the major share of the hospital operations. It will serve those now suffering in West Africa and will be a model for similar centers elsewhere.

We are in a period in which American foreign assistance has too often appeared to be unfortunately entangled with war, destruction, and death. At this time it is fitting and proper that our country take a prominent role in the realization of the proposed Leprosy Rehabilitation Center which will serve as a living memorial to Dr. Schweitzer's personal philosophy—"reverence for life."

I am sure the Members of the Senate recognize the humanitarian worth of this project and will vote accordingly.

Mr. President, I ask unanimous consent to have material describing the proposed Leprosy Rehabilitation Center at the Schweitzer Hospital be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ALBERT SCHWEITZER HOSPITAL—THE CASE FOR SUPPORT

"I beg of you who have helped up to now to continue to aid it, to furnish the material funds for its existence. For it would be too bad for the population of this large region if the hospital which helps those who suffer (and their number is quite large) should no longer exist. It must be able to survive me . . . this worry obsesses me continually, this hope supports me."—Albert Schweitzer, June 24, 1964, Lambaréné, Africa.

SUMMARY

The Albert Schweitzer Hospital is recognized throughout the world as having made a unique contribution to the health of Gabonese and other West Africans; as a prototype for the creation of Schweitzer hospitals in Haiti, Peru, and Korea; and to the understanding of Schweitzer's philosophy, "reverence for life."

Begun in Lambaréné, Gabon, by Schweitzer in 1913, over 140,000 patients have been treated, 20,000 operations performed and thousands of lives saved. By the mid-1960s one out of three operations performed in the nation of Gabon was performed at the Schweitzer hospital—and the number is growing.

The most compelling need now is for a Leprosy Rehabilitation Center adjacent, and attached, to the Hospital to fight leprosy. Leprosy is endemic in Gabon and West Africa. There are 20,000 known sufferers—many in terrible pain. With new programs for leprosy patients—and the training of Africans to eventually assume the major share of hospital operations—the new facility will require $2.2 million for construction and $3.8 million to operate for five years. Half of this total of $6,000,000 has been accepted by Europeans as their responsibility to raise. The remaining $3,000,000 is sought in the U.S.A.

For the first year, the American objective is $1,000,000. It is the intent of this statement to justify the need and to solicit the generous response of corporations and corporate foundations, general welfare and family foundations, religious and civic organizations and, of course, sympathetic individuals.

THE LEPROSY REHABILITATION CENTER

Nearly sixty years ago, Dr. Albert Schweitzer went into the African jungle and built a hospital at Lambaréné in what is today the Republic of Gabon. Although many of the facilities are now outdated, the AISL (Association Internationale de l'Hopital Albert Schweitzer à Lambaréné) Hospital Committee has decided that the costs for construction of facilities for a completely new general hospital are prohibitive. There is, however, a less costly, but no less important need which can be fully met by the immediate construction and equipping of a Leprosy Rehabilitation Center adjacent to the present Hospital.

As previously stated, there are an estimated 20,000 leprosy-afflicted people in the Republic of Gabon and environs. The special government service dealing with the major endemic diseases is battling against leprosy in the villages of Gabon, trying to treat all those with active disease, but it cannot begin to tackle the thousands of patients who are already crippled in some way by less active, or arrested, cases. It should be realized that leprosy is controllable and treatable and is held to be curable in many cases.

Unless a significant, immediate special effort is made, the backlog of preventable deformity will never be treated, and the crippled victim, the arrested patient, will continue to suffer needlessly till he dies.

Lambaréné is the obvious site for a Leprosy Rehabilitation Center for those who suffer from deformity or disability due to past leprosy. The presence of the Hospital for all these years, the experience of its staff, the confidence it has built among Africans from Gabon and elsewhere, all lend credibility to this undertaking.

The Center is planned so as to make available to the whole of Gabon—and beyond to all West Africa—the skills of the trained surgeon; the physiotherapist and occupational therapist; the makers of protective footwear and splints and artificial limbs.

For people throughout the world, Lambaréné has been long associated with general and tropical medicine as well as with the specific treatment of leprosy. And the name of Schweitzer, for them, epitomizes the compassion of a man for his less fortunate fellows. But today, with new medicines, and new surgical techniques at our disposal, together with recently acquired knowledge and changing social attitudes, simple caring is not alone enough. It must be accompanied by, and demonstrated by, competent medical and surgical skills.

Therefore a new Leprosy Rehabilitation Center will serve the thousands who contracted the disease before effective treatment became available, or whose treatment was for some reason inadequate or irregular.

There is no hospital in Gabon which specializes in taking complete care of leprosy patients. This does not mean medical care alone, but also physiotherapeutic and surgical treatment, as well as social services. A modern Leprosy Rehabilitation Center will change the focus of the Hospital. It will, in a certain measure, cease to be the general Hospital it is, since many diseases can be treated competently in the government hospitals which now exist. Lambaréné's principal mission will be the fight against leprosy. In addition to the emphasis on leprosy rehabilitation. The Hospital will include an orthopedic and traumatologic clinic to serve patients with accidents, congenital and acquired deformities and paralysis. It will, of course, continue to be open for all acutely threatened emergency patients.

The Rehabilitation Center is a project of the AISL (Association Internationale de l'Hopital Albert Schweitzer à Lambaréné) and developed by the AISL Hospital Committee in Zurich (in cooperation with Dr. Peter Kessler of Munich, a medical doctor and hospital architect.)

In March 1972, the AISL agreed on a plan to build a center with 60 beds for leprosy rehabilitation, orthopedic-traumatology and general surgery. The Center can be subsequently expanded to 120 beds, which will then correspond to requirements set by the Gabonese government.

The new buildings will be integrated into existing structures so that the historical character of the Hospital built by Dr. Schweitzer remains intact. The existing Hospital plant will continue to function until the new buildings are ready. Afterwards the old Hospital will be carefully restored and lodgings will be installed for chronic care patients and their families, and hospital personnel.

Site

The hill of Atadie has been chosen for the new hospital plant, because the buildings can be integrated naturally into its surroundings; the circulation of fresh air is extremely good; and there is room for expansion. The main entrance of the new hospital will be reached directly from the principal traffic area—in this instance the wharf at Atadie (near the existing children's hospital and the dental clinic). It will become the center of the entire complex. On one side is a polyclinic where the patients arrive. On the other side are administrative offices. A covered road connects all entrances and waiting rooms of the hospital buildings. The operating area (which includes X-ray and clinical laboratories) is centrally located. The wards, with 30 beds each, are on a higher level. Extensions to the wards are possible by lengthening the above units or by adding new buildings on the adjoining hillside.

Buildings for the medical staff are situated near the new hospital area, and three additional buildings are planned. All the new dwellings will have separate entrances and individual cooking facilities, as well as sufficient living space.

The construction of the new hospital facilities and living quarters will be done as economically as possible, utilizing indigenous labor and materials.

Equipment

All medical equipment will be modern and designed to meet the needs of routine surgery, rehabilitation surgery, traumatology, orthopedics, urology, otolaryngology, opthalmology and internal medicine. There will be a complete diagnostic laboratory (including bacteriology and serology), an X-ray diagnostic center and E.K.G. facilities.

Water

All water will be taken from the nearby Ogowe River for the old and for the new Hospitals. This water will be purified and filtered in a central reservoir. The waste water will be purified and recirculated back to the river. Also, drainage systems will protect the whole complex during the rainy season. Diesel powered generators will provide all the necessary electricity.

Building costs

The complete cost of the Leprosy Rehabilitation Center is based on a detailed estimate as of January, 1972. This cost projection was made by a general contractor in Gabon in cooperation with architectural firm in Switzerland and a medical firm in Germany.

Costs include the first stage of the new Hospital in Atadie as well as the quarters for the medical-administrative staff and other personnel.

Electrical and water systems will be centralized to serve both the old and the new Hospital. The costs for the renovation of the existing Hospital are not included, because this work will be carried out by hospital workers. Substantial economies will be possible because much of the labor will be by patients' families. The Republic of Gabon has stated that no customs will have to be paid for materials imported for the Hospital. However, the inflationary spiral is a fact of life in Gabon, as elsewhere, and a yearly cost rise of 8–12% is anticipated.

The following comprises the complete costs for the new Hospital. Each ward includes the costs for construction, installations, medical equipment and a part of costs for the work in the surrounding area (including electrical systems, water, drainage, and roads), as well as construction fees and contingencies.

Administration/dining room, kitchen, laundry	$515,060
Polyclinic/physiotherapy	197,343
Surgery/X-ray/laboratory	425,567
Ward (30 beds)	259,170
Ward (27 beds)	260,035
Medical-administrative staff housing	120,954
Personnel: (Nurses, etc.) 16 living units	299,486
Total	2,077,615
Price as of January 1972, excluding price increases up to January 1973 (approx. 10%)	207,762

A NEW LAMBARÉNÉ

Walter Munz, M.D., who was designated by Dr. Schweitzer in his will to assume the responsibility for the medical supervision of the Hospital, has written: "Dr. Schweitzer never considered his hospital as the best he could accomplish, and up to the end of his life he worked for its further development. That the stream of patients from all parts of the area did not diminish after his death is a testimony to the necessity of our continuing his efforts. In order to retain its medical efficiency and humanitarian significance Lambaréné must be adapted to the new requirements of this area of West Africa. It need not be luxurious but it must be modern and capable of helping the Africans solve those problems which they cannot as yet cope with alone. A greater participation by the Gabonese in the operation of the Hospital is envisaged so as to prepare them to take over eventually.

After Dr. Schweitzer's death his colleagues in Lambaréné tried, together with friends in Europe and the United States, to continue the Hospital. Several services were extended and improved. In cooperation with the Gabonese Government, which has always demonstrated a traditional friendship for the Hospital, a new project for the future of Lambaréné has been worked out. Although private, this Hospital will take an important place within the concept of Gabon's National Health Service and remain true to the spirit of Dr. Schweitzer.

As a long time medical colleague of Dr. Schweitzer, I recommend the project to everybody's generous support.

GIFT OPPORTUNITIES

Gifts commensurate with the $3,000,000[1] American goal are eagerly sought. Donors may wish to subscribe unrestricted gifts. Such benefactions will be allocated at the discretion of the Albert Schweitzer Fellowship's Board of Trustees to the construction fund, or the operating fund, as required.

Contributors may also wish to consider these commemorative opportunities:

Administration building	$750,000
Radiology laboratory	500,000
1 of 2 30-bed wards	250,000
Polyclinic and physiotherapy	200,000
X-ray equipment	150,000
Administration dining room	100,000
Administration kitchen	75,000
Surgical area	50,000
Each of 3 living units for couples	30,000
Diagnostic laboratory	25,000
Orthopedics/traumatology	20,000
Each of 16 family living units	15,000
60 hospital beds	10,000
Specific items of equipment	from $500 to 10,000

Bequests and legacies are encouraged as are gifts of stocks and bonds. Pledges—for terms not exceeding three tax years—are particularly welcome. All contributions, stock assignments, etc. are payable to, or should be recorded in, the name of the Albert Schweitzer Fellowship. All contributions from individuals and corporations are fully tax deductible in the manner and to the extent provided by law.

Contributions should be mailed or delivered to the Albert Schweitzer Fellowship, 866 United Nations Plaza, New York, New York 10017 (212–752–1760).

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[1] $1.1 million for construction; $1.9 million for five years' operation.

ALBERT SCHWEITZER HOSPITAL, LAMBARENE, GABON, REHABILITATION CENTER

[Summary of costs as of Jan. 1, 1972]

	Buildings (1)	Installations (2)	Interior equipment (3)	Total by building (1–3)	Exterior construction (4)	Contractor and architectural fees (5)	Total (6)
A. Hospital:							
1. Administration	$136,895	$20,960	$226,126	$383,981	$19,910	$39,169	$515,060
2. Polyclinic/physiotherapy	85,626	15,720	17,554	118,900	63,509	14,934	197,343
3. Radiology laboratories	129,690	36,680	134,930	301,300	91,910	32,357	425,567
4. Hospital wards (30 beds)	109,123	17,292	31,178	157,593	81,875	19,702	259,170
5. Hospital wards (27 beds)	109,123	21,222	28,034	158,379	81,875	19,781	260,035
Total	570,457	111,874	437,822	1,120,153	411,079	125,943	1,657,175
B. Personnel:							
6. 3 buildings (2 families each)	79,140	17,292	3,537	99,969	11,790	9,195	120,954
C. Medical staff:							
7. 16 living units (1 family each)	215,040	33,536	7,968	256,544	20,174	22,768	299,486
Total A, B, and C	864,637	162,702	449,327	1,476,666	443,043	157,906	2,077,615

Note: Not included—estimated increase in costs (10 percent) as of Jan. 1, 1973: $207,762.

A PERSONAL HISTORY OF THE ALBERT SCHWEITZER HOSPITAL

(By Rhena Schweitzer Miller)

When my father, Albert Schweitzer, was twenty-one years old, he decided that up to his thirtieth year he would live for his studies and his interests in philosophy, in theology, and music, but after that he would do something to relieve the suffering in the world. In the fall of 1904 he found on his desk in Strasbourg an appeal from the Paris Missionary Society for help in their Mission in Gabon where the native population was in desperate need. His search was over. He decided to study medicine because, as he said, "I wanted to be a doctor that I might be able to work without having to talk. For years I had been giving myself out in words . . . But in this new form of activity I could not represent to myself as talking about the religion of love, but only as an actual putting it into practice."

On Good Friday, in 1913, my father and mother were ready to set out for the great adventure of their lives. In Andende, the mission station of the Paris Missionary Society, my father performed his first operations in an old chicken-coop as the patients arrived before he even had time to put up the necessary buildings for them.

The First World War interrupted his work, and when he had to return to Europe in 1917 he left a hospital of fifty beds. Because of ill health and financial difficulties, it was 1924 before he could return to Andende to resume his work.

In 1925, the country suffered a severe famine and an epidemic of dysentry. My father realized that his hospital, being limited in space and badly overcrowded, was not in a position to cope with major health problems. He decided to move it up the river to an excellent location, with ample space for expansion. There he began building a new hospital—the hospital which exists today. For more than forty years it has continuously grown and now comprises over seventy buildings. It really is not a hospital in the usual sense of the word, but a village where everyone in need is given shelter and medical care—where no one has ever been turned away.

A major principle of my father in relation to the hospital's patients was to provide living conditions to which they were accustomed and to interfere as little as possible with their private lives. They do not come to the hospital alone. They are accompanied by one or more members of their family who stay with them during the treatment period in order to look after their personal needs, and so give them a feeling of security. The patients come mostly from the interior of the country, sometimes from far away where living conditions are still very primitive. We do not force upon them a foreign standard of living. It would make them feel uncomfortable and eventually drive them away, which would mean an interruption of treatment and a waste of time and money. We concentrate all of our efforts and financial resources on giving them the best medical treatment possible. In addition, we have now begun to give them some education in health care.

Each year we treat about 6,000 new patients. Besides the 450 to 500 hospitalized patients and the 120 patients in the Village of Light, we also treat a large number of people from the surrounding villages in our out-patient clinic.

Up to the end of his life, my father was a father to all those who lived in the hospital community—black and white people, patients and staff members. Even though he delegated most of the medical work to his doctors, he spent several hours each day in the main building of the hospital, writing out orders for drugs and equipment, attending to his correspondence, and keeping himself informed about all that was going on. The great concern of his last years was to construct enough buildings to house the ever-increasing number of patients, so that we would be able to continue to accept all those who came to seek help. When the good doctor left us in September 1965, it was an irreplaceable loss to us all and to the entire world. The Africans said, "The sun has left us," and according to their tribal customs, they paid tribute to his memory in dances and songs as fervently as they would have for one of their own. We are all grateful that he rests among us in the African earth and in his hospital. According to the Africans, he has thus not completely left us, and we who continue to work there share this feeling. Despite our deep grief, there was no interruption in the work of the hospital, and there were no troubles, as many people had predicted. The Africans had but one fear—that we would leave and abandon them. They seemed much relieved when we assured them that this was not the case.

The then President of Gabon, His Excellency Monsieur M'Ba, whom we went to see shortly after the death of my father, spoke with deep emotion of the passing of his old friend and the loss his country had suffered. He praised my father's selfless work and the continuous help he had given to the population of the Lambaréné area through all those long years. He encouraged us to continue the work of my father in his spirit and promised us his personal help, assuring us of his good will and expressing but one wish—that we would not tear down the buildings that my father had put up but preserve the hospital as he had built it. He said, "Your father understood my people and knew their needs." President Albert Bongo who succeeded M'Ba has been equally enthusiastic in his support of the hospital and gladly accepted the role of International Honorary Chairman of the Schweitzer Hospital Committee.

My father left us a heritage full of responsibilities. We are holding faithfully to the principles on which he founded his hospital and which have proved their value through all the years. The patients will continue to come with their families and to live in our hospital as in their villages. We also will continue to require their contribution in the form of work, and will carry on the construction and maintenance work with their help.

Lambaréné will remain an African village, but we wish to make it a village such as it ought to become. We have extended electrification from the working areas of the hospital where we have had electricity for many years, to the patients' wards and to our living quarters. We have improved sanitary conditions by better sewerage and garbage disposal and an adequate supply of pure water to the entire hospital, including the Village of Light.

As we educate our patients, we also wish to increase the number of African assistants and to give them more training in view of the greater responsibilities they will assume in the future. Our laboratory is the first of our services which functions entirely with African personnel, and it functions well. Later, we must face the problem of modern buildings for surgery, laboratories, and X-ray facilities. The President of Gabon does not wish us to demolish the houses which my father has built. How deeply grateful we are for this wish, for it would have torn our hearts and in the end changed the whole character of the hospital.

We have acquired Atadie, an adjoining property which was an old timber-cutting post, now abandoned. On this land we will build our Rehabilitation Center.

The hospital thus far has been supported solely by voluntary contributions. There has been no government or any other official support, but people all over the world have been contributing to this work and continue to do so. In many countries committees have been formed to arouse and sustain interest in the work of my father, as well as to administer and channel the donations. After the death of my father, these committees united with a central international committee, the Association Internationale de l'Hopital Albert Schweitzer à Lambaréné, with headquarters in Strasbourg, Alsace, France. In this international organization all the different countries are represented, and it is this new organization which now carries the responsibility for the support of the hospital and the continuation of the work of my father. Many problems will have to be solved, many important decisions be taken. Money will be needed. The responsibility is enormous. But, above all, it is important that the spirit of my father continues to direct us in our work—

the spirit of selfless dedication to all those who are in need, the spirit of Reverence for Life in all its forms.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. I yield myself 1 minute.

Mr. President, although I have never been enthusiastic about Congress undertaking to determine how each dollar of an aid appropriation shall be spent, however, since we have endorsed so many hospitals and schools scattered around the world, it seems only fitting now that we should accept the amendment of the Senator from Massachusetts, which would provide a hospital in an area where we have done very little and where such medical services are badly needed. Therefore, I support the amendment of the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I am very pleased to have the words of the distinguished senior member of the Committee on Foreign Relations, the dean of the Senate, and to have his support for this amendment.

Mr. AIKEN. This part of Africa particularly is a part of the world for which, with the exception of the Peace Corps, we have done very little. I know the African countries are looking more and more to us for cooperation than they have in the past, because Western Europe apparently is not giving them all they really need.

Mr. BROOKE. I thank my distinguished colleague.

Mr. HUMPHREY. Mr. President, I feel that this is a very worthy amendment, and it is constructive in its purpose. I agree with the distinguished Senator from Vermont that this part of Africa has had very little attention.

This is a humanitarian proposal and can be a tremendous help to people who suffer from the dread disease of leprosy. I am privileged—as the Senator from Massachusetts knows, because he invited me—to be a cosponsor of the amendment. I hope the Senate will adopt the amendment.

If the Senator from Massachusetts is prepared to do so, we will yield back our time and get to a voice vote in this matter.

Mr. BROOKE. Mr. President, I am pleased and proud to have the distinguished floor manager of the bill as the principal cosponsor of this amendment. He has long been known for his humanitarian support, and I am very pleased that he will accept the amendment, so that we can get on with a voice vote. Therefore, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Missouri is recognized for the purpose of calling up an amendment on which there is a limitation of 30 minutes, 15 minutes to each side.

Who yield time?

Mr. EAGLETON. Mr. President, I ask unnimous consent that my assistant, Mr. Brian Atwood, have the privilege of the floor during the pendency of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 579

Mr. EAGLETON. Mr. President, I call up my amendment No. 579.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 12, strike out lines 10 through 14 and insert in lieu thereof the following: "of 1961 is amended to read as follows: '(a) There are authorized to be appropriated to the President for each of the fiscal years 1974 and 1975 not to exceed $23,500,000, to provide assistance authorized by this part only for disaster relief purposes, in accordance with the provisions applicable to the furnishing of such assistance.'."

Mr. EAGLETON. Mr. President, I ask unanimous consent to modify my amendment on line 6 to strike the word "only" and substitute in lieu thereof the word "primarily."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. EAGLETON. Mr. President, the growing disenchantment of the American people with foreign aid is not a reflection of a lack of generosity. To the contrary, we are the most generous of nations. One measure of our generosity is illustrated by the overwhelming support Americans always give to Government efforts to assist those suffering from natural or man-made catastrophes.

The list in recent years is a long one: The civil strife in Nigeria; the earthquakes in Peru, Nicaragua, and Mexico; the floods in Bangladesh; the drought in West Africa. And in every case American disaster relief, both private and public, has been instrumental in helping to alleviate the pain and suffering of those who have experienced tragedy.

No sections of the bill before us today better capture the American spirit of generosity than those providing for disaster relief. This is the only form of foreign aid that is not intended to show tangible political benefit. And it continues to receive the unqualified support of the American people.

This year's bill contains a number of special categories to cover known disaster areas such as West Africa and Indochina. The major portion of American relief assistance for unforeseen catastrophes is, however, authorized by section 451 of the Foreign Assistance Act of 1961, the section entitled "Contingency Fund."

Describing this fund in its "Program Presentation to Congress" booklet, the Agency for International Development said the following:

> The need to have funds available is illustrated by such recent emergencies as relief for the victims of the Nicaragua earthquake and aid for refugees in southern Sudan. In such circumstances, it is imperative that the United States be able to respond quickly and effectively and, in an international context, to encourage positive action on the part of other donors.

No one would argue with the principle espoused in this statement. It is obvious that we must have the flexibility to move quickly to provide relief. Even political differences should not interfere with the availability of this fund when other nations experience disaster.

But the contingency fund is not reserved primarily for disaster relief, as I believe it should be. The AID booklet also states that the fund may be used "for situations involving the security interests of the United States."

Frankly, that statement greatly concerns me. It should not be necessary to run through the litany of bad experiences we have had in recent years over the varied interpretations of America's "security interests." If we have learned anything from those experiences, it is that the collective judgment of both Congress and the President best serves to define what is in the national interest.

As we seek, therefore, to reassert congressional control over the processes of government, an open-ended "slush fund" seems a vastly inappropriate part of our foreign aid program. The amendment I propose today seeks to correct that incongrous situation.

During the fiscal year 1973, only one-half of the total expenditures from the contingency fund were spent on disaster relief. Other grants—totaling $12,360,000—were made to the World Health Organization for a plan to develop a global strategy against cholera, to finance a livestock research and development project in the Bahamas, and to pay the U.S. share of contributions to the International Commission for Control and Supervision in Vietnam.

It is clear from the nature of these items that, outside the disaster relief category, many of the grants made with section 451 money were made in areas which should have been anticipated in the annual budget request. Others, such as our contribution to the International Commission established by the Paris Peace Agreement, should have been of sufficient import to warrant submission of a request to Congress for funding by special supplemental legislation. And still other grants could have clearly awaited congressional approval during routine consideration of the following-year aid bill.

The following list of nonurgent items taken from past AID summaries of contingency fund obligations indicates that tighter congressional control over this fund is badly needed:

In fiscal year 1972 a cash grant of $9.5 million was given to Malta to "support the economic and political stability of the Government of Malta in order to facilitate continuation of important strategic arrangements with that country."

Also in fiscal 1972 a cash grant of $15 million was given to the Jordan Government to help that Government "maintain its political stability."

In fiscal 1971, $3.7 million was provided to the U.S. Army Corps of Engineers "to pay a claim to a private U.S. contractor arising out of an AID construction project for which the Corps of Engineers was the implementing agent for AID.

In fiscal year 1970, a supporting assistance grant of $378,000 was made for the public safety program for Guatemala, "to assist Guatemalan police in their efforts against an upsurge in urban terrorism."

In fiscal 1970, a grant of $1.5 million was made to the American University of Beirut "to cover additional construction costs for the university's medical center."

Also in fiscal 1970, $1 million was transferred to the U.S. Bureau of Narcotics and Dangerous Drugs for a grant "to assist the Government of Mexico in its program to eradicate opium, poppy, and marihuana plants and to control the traffic of narcotics in the United States."

I wish to make it clear that some of these grants have considerable merit in their own right. Most would be supported by Congress if we were given the opportunity.

Last year, for example, the administration wanted to demonstrate the commitment of the United States to the future success of the newly independent nation of the Commonwealth of the Bahamas. The contingency fund was used to provide a $10 million grant for a livestock project.

But a contingency fund created primarily as a means of responding to natural disasters should not be used to express a commitment of the United States no matter how worthy the policy considerations might appear. What might seem to be a worthy use of the contingency fund today could too easily be an abuse tomorrow.

My purpose in introducing this amendment is to protect our ability to respond adequately and expeditiously to disasters. Misuse of this fund in a manner which seems to circumvent the legislative process can only detract from its principal purpose—that of enabling America to move quickly in relief of those suffering the consequences of catastrophe.

Mr. President, I ask unanimous consent that a summary of those items that fall under the disaster relief category and a summary of the uses of the contingency fund over the past 5 years be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DISASTER RELIEF

Following is a list of natural and manmade disasters for which relief has been provided by the United States Government through the Agency for International Development contingency fund:

Volcanic disturbances, earthquake, drought, cyclone, floods, civil strife, displaced persons (refugees), fire, famine, disease, explosion.

AID also stockpiles disaster relief equipment in certain areas of the world so that it will be immediately available in case of emergency. This stockpiled equipment is paid for through the contingency fund appropriation.

CONTINGENCY FUND USES

[In thousands of dollars]

	Fiscal year				
	[1] 1969	[1] 1970	1971	1972	1973
Disaster and refugee relief and reconstruction	4,000	24,000	24,542	3,471	14,407
Security assistance	3,000	1,000		24,500	2,018
Development assistance	6,000			2,000	10,000
Other		3,000	4,700	100	35
Total	13,000	28,000	29,242	30,071	26,460

[1] Figures rounded to millions.

Foreign Assistance Act contingency fund program as of June 30, 1973

(Narrative explanation of net changes in program during fourth quarter, fiscal year 1973)

ASIA

Khmer Republic	−$150,000

Grants totaling $150,000 previously authorized for refugee relief were changed to supporting assistance funding.

INTERREGIONAL

International Commission for Control and Supervision—Vietnam	+$2,018,000

Grants totaling $2,018,000 were made to meet the U.S. assessment for providing financial support for the ICCS in Vietnam.

Disaster relief grants	2,733,000

Of the $10,000,000 previously obligated for the relief effort resulting from the Nicaragua earthquake only $8,000,000 was ultimately needed and $2,000,000 was deobligated. A total of $4,697,000 was provided to the nations of the Sahelian area in Africa as relief from the catastrophic drought in that area. The net changes in funds programed for disaster relief in the 4th quarter are:

Nicaragua: earthquake	−2,000,000
Sahelian drought relief	4,697,000
Iceland: Volcanic disturbances	−5,000
Tunisia: Floods	150,000
Indonesia: Famine	14,000
Algeria: Floods	25,000
Costa Rica: Earthquake	25,000
Burundi: Civil strife	100,000
Panama: Fire	9,000
Honduras: Drought	25,000
Guatemala: Floods	25,000
Guam disaster stockpile purchases	39,000
Unobligated reserve	−371,000
Total	2,733,000

Statement Department	−2,500,000

A transfer of $2,500,000 originally made from the Contingency Fund to the Office of Refugee and Migration Affairs was changed to development loans during the 4th quarter.

FOREIGN ASSISTANCE ACT

CONTINGENCY FUND PROGRAM AND OBLIGATIONS, 4TH QUARTER ENDING JUNE 30, 1973

[In thousands of dollars]

	Program as of Mar. 31, 1973	Net change in 4th quarter	Program as of June 30, 1973	Obligations as of June 30, 1973
Asia: Khmer Republic Refugee Relief	150	150	0	0
Interregional:				
WHO grant for cholera emergency planning	35		35	35
Bahamas livestock R. & D. project	10,000		10,000	10,000
U.S. contribution to the international Commission for Control and Supervision, Vietnam		+2,013	2,018	2,018
Disaster relief	11,674	+2,733	14,407	14,407
Volcanic disturbances (Iceland)	(85)	(−5)	(80)	(80)
Nicaragua earthquake	(10,000)	(−2,000)	(8,000)	(8,000)
Sahelian drought relief		+(4,697)	(4,697)	(4,697)
Cyclone (Fiji)	(762)		(762)	(762)
Floods	(150)	+(200)	(350)	(350)
Civil strife	(243)	−(100)	(343)	(343)
Displaced persons	(25)		(25)	(25)
Fire	(34)	+(9)	(43)	(43)
Drought		+(25)	(25)	(25)
Famine		+(14)	(14)	(14)
Earthquake		+(25)	(25)	(25)
Miscellaneous	(4)	+(39)	(43)	(43)
Unobligated reserve	(371)	−(371)		
Total contingency fund, AID	21,859	+4,601	26,460	26,460
Transfer to Department of State for Sudan Refugee Relief	2,500	−2,500	0	0
Total contingency fund uses	24,359	+2,101	26,460	26,460

Foreign Assistance Act contingency fund—fiscal year 1973 approved uses of the contingency funds as of June 15, 1973

U.S. share of contributions to the International Commission for Control and Supervision (ICCS), Vietnam	$2,018,000
Grant to WHO for cholera emergency planning	35,000

This grant was made to WHO as a result of AID's effort to stimulate WHO to develop a global strategy to eliminate emergency conditions caused by the seventh pandemic of cholera. The grant is to augment WHO staff resources for emergency planning.

Bahama livestock research and development project	$10,000,000

This is a grant for a two part livestock project. Approximately $4 million will be for research, studies training and technical assistance to be done by Penn State, the Western Institute of Technology, and Texas State Tech. Approximately $6 million will go for 16 pilot farms, an ag. experiment station, and perhaps some ag. credit for new livestock growers.

Disaster relief	$12,668,000
Earthquake	8,025,000
Drought	2,912,000
Cyclone	762,000
Floods	325,000
Volcanic disturbance	85,000

Civil strife	$50,000
Fire	43,000
Stockpile transfer	39,000
Displaced persons	25,000
Famine	13,000
Miscellaneous	4,000
Unobligated reserve	385,000
Total contingency fund	24,721,000

Contingency fund uses, fiscal year 1972

DISASTER AND REFUGE RELIEF AND RECONSTRUCTION

Interregional disaster relief:	
Floods	$578,000
Earthquakes	262,000
War displaced persons	250,000
Civil strife	172,000
Storms	99,000
Volcano threat	92,000
Stockpile increases	60,000
Disease	46,000
Drought	25,000
Explosion	25,000
Miscellaneous	12,000
Subtotal	1,621,000
Eastern European refuge assistance	1,850,000

Pursuant to Section 2(C) of the Migration and Refugee Assistance Act, the President authorized a transfer of $1,850,000 to the Department of State to meet unanticipated urgent needs in connection with assistance to refugees from Eastern European countries.

Subtotal	3,471,000

SECURITY ASSISTANCE

Jordan	15,000,000

A cash grant was made to supplement the $30 million previously provided out of supporting assistance. Its purposes was to help the Jordanian Government maintain its political stability which is an essential element in the search for a just and lasting resolution of the Arab-Israeli conflict.

Malta	9,500,000

A cash grant was made in two tranches to support the economic and political stability of the Government of Malta and facilitate the continuation of important strategic arrangements with that country.

Subtotal	24,500,000

DEVELOPMENT ASSISTANCE

Boliva	2,000,000

A cash grant was made to the Government of Bolivia to fund an emergency public investment program required to relieve severe unemployment problems and resume the Bolivian development effort.

OTHER

U.N. Conference on the Human Environment	100,000

A contribution was made to the U.N. Conference on the Human Environment to support preparatory work with the developing countries to strengthen their participation in the Conference.

Total FY 1972	30,071,000

Contingency fund uses, fiscal year 1971

DISASTER AND REFUGEE RELIEF AND RECONSTRUCTION

Interregional disaster relief:	
Floods	$1,118,000
Earthquakes	322,000
Cholera	310,000
Typhoons	248,000
World Health Organization	200,000
Miscellaneous	96,000
Total	2,294,000
Philippines: Typhoon damage school reconstruction	1,500,000

As part of the program of relief following typhoons Joan, Kate, and Patsy, a supporting assistance grant of $1.5 million was made to the Philippines to cover the repair and reconstruction of typhoon damaged schools.

Jordan: Civil strife	4,250,000

$4,250,000 was provided to Jordan for emergency relief and rehabilitation following civil disturbances caused by Palestinian commandoes.

East Pakistan: Civil strife	1,000,000

$1,000,000 was provided to East Pakistan victims of the civil strife there.

East Pakistan: Cyclone	7,500,000

$7,500,000 was provided to East Pakistan for relief of victims of the cyclone and tidal bore.

U.N. High Commission for Refugees (UNHCR): Refugee relief	5,000,000

$5,000,000 was provided to UNHCR for care of East Pakistani refugees in India.

Transfer to Department of State	3,000,000

In accordance with the Presidential determinations, pursuant to section 2(C) of the Migration and Refugee Assistance Act, $10,000,000 of FAA funds were transferred to the Department of State in two tranches in order to meet unexpected urgent refugee and migration needs in connection with assistance to refugees in East Pakistan. Of this total, $3,000,000 were from the contingency fund.

Subtotal	24,544,000
Minus refunded overcharges	2,000
Subtotal	24,542,000

OTHER

International Committee of the Red Cross (ICRC)	1,000,000

$1,000,000 was provided to the ICRC to relieve the financial emergency resulting from the committee's increased activities in the areas of humanitarian and disaster relief.

Payments to U.S. Army Corps of Engineers	3,700,000

$3,700,000 was provided the Corps of Engineers to pay a claim to a private U.S. contractor arising out of an AID construction project for which the Corps of Engineers was the implementing agent for AID.

Subtotal	4,700,000
Total	29,242,000

Contingency fund uses, fiscal year 1970[1]

DISASTER AND REFUGEE RELIEF AND RECONSTRUCTION

Peru: Earthquake	$10,600,000

$10,600,000 was provided to Peru for earthquake relief and rehabilitation.

Nigeria: Civil strife	2,000,000

$2,000,000 was provided to Nigeria for international relief efforts.

Czechoslovakia, others: Refugees	5,800,000

$5,800,000 was provided for relief of Czechoslovakian and other refugees.

Tunisia: Floods	2,000,000

$2,000,000 was provided to Tunisia for relief of flood damage and reconstruction.

Subtotal	20,400,000

OTHER

Mexico: Narcotics control	1,000,000

$1,000,000 was provided to Mexico to assist in narcotics control.

Total	21,400,000

[1] Does not include all uses since not enough data was available.

Contingency fund uses, fiscal year 1969[1]

DEVELOPMENT ASSISTANCE

Laos: Dam	$2,700,000

$2,700,000 was provided for the U.S. share of a shortfall in funding of the multilateral Nam Ngum dam project in Laos.

[1] Does not include all uses since not enough data was available.

Mr. EAGLETON. Mr. President, I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, the Senator from Missouri has pointed out something that I think was needed in reference to what we call the contingency fund. The amount in this bill for the contingency fund is $23.5 million. Actually, in the past I think we have had some misuse of the contingency fund in terms of it not being used for emergencies. The whole purpose of the contingency fund was to meet emergencies.

These funds have been spent, for example, for a Bahama livestock research and development project, last year in the amount of $10 million. That, I think, should have been a development loan or grant rather than taken from the contingency fund.

The Senator has emphasized that the contingency fund should be primarily for disaster purposes, but I think that he would also allow what might be a necessity, such as the grant to WHO last year to work on cholera emergency planning when there was a fear of cholera and no funds were in the regular categories. A modest amount of $35,000 was taken to be used for that particular purpose.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. EAGLETON. Something related to an imminent cholera epidemic such as the WHO grant comes into the disaster category and would be permissible.

Mr. HUMPHREY. Mr. President, at this point I ask unanimous consent to have printed in the RECORD the information in the committee report related to the use of the contingency fund in fiscal year 1973 so that we can see what has happened in the past.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Foreign Assistance Act contingency fund—fiscal year 1973 approved use of the contingency fund as of June 15, 1973

	Thousands
U.S. share of contributions to the international commission for control and supervision (ICCS)—Vietnam	$2,018
Grant to WHO for cholera emergency planning	35
This grant was made to WHO as a result of A.I.D.'s effort to stimulate WHO to develop a global strategy to eliminate emergency conditions caused by the seventh pandemic of cholera. The grant is to augment WHO staff resources for emergency planning.	
Behama livestock research and development project	10,000
This is a grant for a two part livestock project. Approximately $4 million will be for research, studies training and technical assistance to be done by Pennsylvania State, the Western Institute of Technology, and Texas State Tech. Approximately $6 million will go for 16 pilot farms. an ag. experiment station, and perhaps some ag. credit for new livestock growers.	
Disaster relief	12,668
Earthquake	8,025
Drought	2,812
Cyclone	762
Floods	325
Volcanic Disturbance	85
Civil Strife	50
Fire	43
Stockpile Transfer	39
Displaced persons	25
Famine	13
Miscellaneous	4
Unobligated Reserve	385
Total Contingency Fund	24,721

Mr. HUMPHREY. Mr. President, I am more than happy to associate myself with the amendment of the Senator from Missouri. I have discussed this matter with the ranking minority member,* the Senator from Vermont (Mr. AIKEN), and we are suggesting that the amendment be agreed to. I hope we can yield back our time and have a voice vote.

Mr. EAGLETON. Mr. President, will the Senator yield for a brief question?

Mr. HUMPHREY. I yield.

Mr. EAGLETON. As a part of the legislative history of this amendment, which now reads "primarily" in lieu of "only," can I be assured by the distinguished Senator from Minnesota that next year when this bill is working its way through the legislative process, that with his usual diligent attention the Senator will focus on this fund to make sure the expenditures were primarily for disaster or crisis-related situations? I want to be absolutely sure that this fund is not siphoned off for items that could have been provided for in other portions of the AID bill—that the money will be used for unforeseen catastrophes.

Mr. HUMPHREY. Mr. President, I concur wholeheartedly. I hope the administrator of this program, when he uses any contingency fund assets, will report it immediately to the appropriate committees of Congress so that we have an idea what is going on and so we will know this fund is not used for anything other than emergencies. We have funds for development in several categories in this bill, with funding provided in the contingency fund for the kinds of things that are unpredictable, that come up and have to be handled promptly by the Secretary of State or the AID administrator.

Mr. EAGLETON. And of a crisis, disaster, or emergency-type situation?

Mr. HUMPHREY. The Senator is correct.

Mr. EAGLETON. Mr. President, I yield back my time.

Mr. HUMPHREY. Mr. President, I yield back the time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Missouri, as modified.

The amendment, as modified, was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield. Mr. President, this time will be on the bill.

Will the Senator yield first to let me call up an amendment out of order?

Mr. HARRY F. BYRD, JR. Certainly.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to call up my amendment No. 563 out of order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will read the amendment.

The second assistant legislative clerk proceeded to read amendment No. 563 offered by Mr. HUMPHREY for himself, Mr. JAVITS, and Mr. DOLE.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD without its being read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 563 is as follows:

Add the following new section to the end of the bill:

(a) It is the sense of the Congress that the United States should provide full participation in efforts to alleviate current and future food shortages which threaten the world.

(b) The President shall take immediate steps to initiate a high level commission to study and report on the world food situation through 1985 in consultation with relevant international agencies where possible and appropriate. The report should include estimates of world production and utilization, barriers to increase world productivity, the adequacy of transportation and distribution facilities, the known or anticipated world availability of agricultural inputs such as fertilizer, the impact of energy shortages on agricultural production, future sources of protein including sources from the seas, projections of humanitarian food assistance requirements, and the role of national trade policies in facilitating and encouraging the productive capacities of world agriculture.

(c) To provide a minimum level of security for the peoples of the world from suffering hunger and malnutrition the President shall cooperate with the appropriate international agencies such as the Food and Agricultural Organization of the United Nations to establish an international system of strategic food reserves. Such a system of world food reserves should provide for an equitable distribution of the direct and indirect costs between producer and consumer nations.

(d) To bring appropriate attention to the current and potential threat to world security and social welfare the President shall instruct the Special Representative for Trade Negotiations to issue a formal request before the member nations of the General Agreement on Tariffs and Trade to explore means for assuring equitable access by all nations of the world to national markets and basic resources such as mineral and agricultural supplies.

(e) The President shall submit a report to the Congress no later than December 31, 1973, concerning the progress made in implementing the provisions of this section and should forward to the Congress by June 30, 1974, any recommendations he deems advisable for legislation required for United States participation in an international food reserve.

(f) To provide the Secretary of Agriculture the flexibility with which to respond to such emergencies Public Law 480 is amended as follows: The last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking the period and inserting a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act.".

(g) In making any assessment which would affect or relate to the level of domestic production the Secretary of Agriculture should include in his estimated overall utilization the expected demands for humanitarian food assistance through such programs as Public Law 480.

Mr. HUMPHREY. Mr. President, may I say I have cleared this amendment with the minority side, and there is no objection on that side.

Now I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. May I ask the distinguished Senator from Minnesota a question I note on page 11 of the bill there is provided $900,000 each year for 2 years to the National Association of the Partners of the Alliance, Inc.

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. What in the world is that?

Mr. HUMPHREY. That is a nongovernmental organization working in the field of Latin American economic development.

The committee report notes that—

> This organization has done an effective job over the last several years in developing cooperative arrangements between our states and cities and countries and cities in Latin America.

It is a kind of people-to-people program. There are cities, in the Senator's State and my State, for example, that have relations with cities in Argentina, Brazil, or Venezuela, for example.

The committee has given this program support over the years. It is something that has proven itself to be very valuable. By the way, it proves itself to be valuable even in economic terms, where communities have been able to induce investment from Latin America here and to find investment opportunities there.

It is not done by the Government, may I say; it is done by the local communities, the State of Virginia, the State of Minnesota, the city of Richmond, the city of St. Paul, all working with their Latin American counterparts in sister cities and provinces and so on.

Mr. HARRY F. BYRD, JR. But the Federal money goes to this organization?

Mr. HUMPHREY. That is correct.

Mr. HARRY F. BYRD, JR. Could I ask another question? Under the heading "International Organizations and Programs" I note $120 million is involved.

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. Which organizations are those?

Mr. HUMPHREY. Those are primarily U.N. organizations. We will give the Senator the complete listing of them. The listing is on page 22 of the committee report, and includes the U.N. development program, the U.N. children's fund, food and agricultural program, the World Health Organization, the International Secretariat for Volunteer Service. Those are some of the multilateral organizations that we aid. They are contributed to also by other countries.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. HUMPHREY. Mr. President, my amendment relates to the President's taking immediate steps to initiate a high-level commission to study and report on the world food situation through 1985 in consultation with relevant international agencies where possible and appropriate. However, it would relate not only to international agencies, but to other countries, both importing and exporting countries. The report would include estimates of world production and utilization, barriers to increase world productivity, and the adequacy of transportation and distribution facilities.

The purpose here is to get our Nation involved more directly with the international food program so that we do not have the burden of food relief strictly on our own shoulders. We need a much better understanding of what the crop reports are, what world production may be, and what world demands may be.

Therefore, we are asking the President to submit a report to the Congress not later than December 31, 1973, concerning the progress made in implementing the provisions of this section, and to forward to Congress by June 30, 1974, any recommendations he deems advisable for legislation which would be required for U.S. participation in an international food reserve.

May I add that this food reserve we mention in the amendment is the one that has been talked a great deal about. This amendment does not commit us to it; it merely provides that the President shall initiate a study to see whether or not it is feasible, what the costs would be, in other words, what our effort, if any, should be.

WORLD FOOD CONFERENCE AND WORLD FOOD RESERVES

Mr. President, it would be easy to write off the food shortages of the past year as aberrations due to bad weather in certain parts of the world.

But it would be irresponsible to do so.

The problems we are facing can be linked to trends which go far into the past.

According to the FAO the rate of increase in agricultural production was less than the rate of population growth in 42 countries over the last decade.

In 1972 instead of an increase the developing countries suffered an actual decline of 1 percent in their agricultural production.

In the Far East the fall in total production was 4 percent, and if the population increases are added in the decline in production per capita was 6 percent.

What we are seeing are the early signs of strain on world agricultural productions and unless we start planning now for the food demands of the future the shortages we have encountered this past year are going to become ever more severe.

The United States has a special responsibility in taking the lead in planning for increasing world food needs. Our excellent climate, efficient farm organization, readily available supply of farm inputs, and favorable geographic situation make us, the American farmers, among the most productive of the world.

With about 1 percent of the world's farmers we produce about 15 percent of the world's food.

While I realize that America cannot and, if fact, should not serve as the world's cornucopia, certainly the United States should take the lead in initiating policies toward a minimum level of nutritional security for the consumers of the world in cooperation with all the nations of the world.

Furthermore, we cannot suddenly withdraw our food assistance to these countries of the less-developed world who critically depend on the United States to make ends meet and prevent mass starvation and malnutrition. We must, in consultation with the other developed countries, make a commitment toward gradually increasing the level of self-sufficiency and thereby reducing the dependence of the third world on the food supply of the developed world. This must be done first by a program which provides for direct food assistance to avert widespread starvation during time of shortages but not at a level that might inhibit domestic production.

Public Law 480 is a proven program. Over the 20 years of its existence the program has been a model for humanitarian food assistance. Now, in times of temporary domestic shortages it would not be fair to suddenly pull the rug out from under a program that has shown itself to be a successful example of what can be done to provide a crucial foundation upon which a country can move out of the mires of food crises and malnutrition and begin building toward self-sufficiency. This amendment will clarify the restrictions on Public Law 480 to allow the Secretary of Agriculture to permit continuation of our humanitarian food assistance programs for emergency food requirements of the less-developed countries of the world.

This past year we saw a situation of mass starvation and malnutrition in many parts of the world but we were prevented from responding to the extent that was necessary because of the constraints in the language in Public Law 480.

We are not talking about any significant effect on the availability of food supplies at home.

What we are talking about is setting aside a relatively small part of our domestic production for humanitarian food assistance.

We encountered spot shortages and rising prices over this past year due to the unusual demand on our food supplies.

But food shortages meant the difference between life or death for many of the people of the less developed world.

We must also go beyond the immediate food problems to begin planning for the future food demand of the world.

My amendment also calls for a major conference of the nations of the world to meet and plan for world food needs.

The shortages and dislocation in our food supply system over this past should be testimony enough for the need to begin planning for our future food demands now.

Such a conference should not only address the simple supply demand situation but should explore all aspects which affect our food supply system including the availability of adequate supplies of fertilizer, fuel, and other farm inputs.

The conference should direct itself to the constraints on world production and explore ways to provide a reasonable level of food security for the consumers of the world.

Finally my amendment would state the Senate's belief that our country should participate in establishing a system of world food reserves—a world food bank.

I am concerned to note that the wheat stocks in the exporting countries have fallen to their lowest level in 20 years—20 years over which the world's population has grown by over 50 percent.

It has become clear that even the lowest foreseeable grain requirements over the next year cannot be covered by this year's production. This means stocks will have to be reduced even further.

The International Wheat Council predicts the world will suffer a 6- to 9-million-ton shortfall in grain supplies over the coming year.

It should be pointed out that 1 million tons of grain represents a year's minimum food supply for between 4 and 5 million people in a developing country.

What we are seeing is an increasing uncertainty in world food production created by a rapidly rising world demand.

The inability of world agricultural production to keep up with population growth compounded by rising world affluence creating a demand for more and better food places increasing strain on our agricultural systems throughout the world. We are seeing the swings in agricultural production from year to year become increasingly more significant. And, unless we can develop ways to insulate world farm production from the effects of weather and climate or unless the countries develop a system which insures the availability of stored reserves large enough to offset the production swings, consequences for the consumers of the world will become increasingly disastrous.

It is only prudent that the producer and consumer nations of the world join together to establish an international system of strategic food reserves to provide a reasonable measure of market and price stability on world markets and to protect the poorer nations of the world from mass starvation and malnutrition when the world is confronted by bad weather which creates world shortages in basic food commodities.

We must give immediate attention to each of these issues, humanitarian food assistance programs, a world food conference and world food reserves if the world is to enjoy a minimum level of food security over the coming decades.

The stakes for the producers and consumers of the world are just too high to let policies be established in the emergency atmosphere of a new world food crisis.

We must place the emphasis on preventing a world food disaster rather than waiting for an emergency to force us to action.

Are we to be proactive or reactive?

These are the responsibilities with which the Congress and the world are challenged.

Mr. President, the distinguished Senator from New York (Mr. JAVITS) has been deeply involved in this matter, as has the Senator from Kansas (Mr. DOLE).

Mr. JAVITS. Mr President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. I would like to express my strong support for this particular proposal. It is based on a very keen personal experience, as I have been recently, through the so-called famine areas of Africa, where this problem is extremely visual and extremely poignant. So I consider it a privilege to join the Senator from Minnesota (Mr. HUMPHREY) in the proposal of this amendment.

Our operations in the food field, it seems to me, now dominate the whole matter of foreign aid. I hope ultimately the amendment will also be joined by other efforts in the world food situation. Certainly the food situation, involving problems of worldwide scarcity and the hazards which are involved because of the marginal nature of many of the economies in terms of food, and which depend so sensitively upon the vagaries of the weather and immediate crop developments and immediate crop realizations, make this amendment, to my mind, extremely attractive and very important in terms of the real purpose of our world aid, which is the subject of this bill. It represents a humanitarian concern by one of the stronger nations on Earth in terms of productivity and in terms of resources. We simply cannot forgo it and remain in a peaceful and working world which is not filled with hatred and resentment.

For this reason, and based on the argument which the Senator from Minnesota has made, which is very informative and helpful, I am privileged to join with him in hoping that this amendment will be accepted by the Senate.

Mr. HUMPHREY. Mr. President, I thank the Senator from New York. May I say this amendment is primarily the result of a conference the Senator from New York and I had some time ago. I discussed the substance of it with the Senator from Kansas (Mr. DOLE), who serves on the Committee on Agriculture and Forestry and is a cosponsor of the amendment. The amendment also reads:

> unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act—

Relating to Public Law 480.

So it makes provision for flexible authority for the Secretary of Agriculture to be helpful on the part of our Government where there is great humanitarian need.

Mr. DOLE. Mr. President, the pending amendment focuses attention on the critical need for food and the necessity to evaluate food production potential of the peoples throughout the world. It creates a high level commission charged with the responsibility to survey and report on this need and other factors affecting food production.

The United States, through the food for peace program—Public Law 480—has been a leader in improving worldwide nutrition during recent years when our Nation's food supplies were in surplus. Now, as those surpluses have been diminished greatly, there is a natural tendency to withdraw from our participation in worldwide feeding programs. This must not happen.

I join to cosponsoring this amendment today in the interest of maintaining our participation in food for peace activities, especially those administered by America's great voluntary agencies for overseas relief and rehabilitation, organizations such as CARE, the Protestant Church World Service and Lutheran World Relief, Catholic Relief Service and its charitas counterparts, the American Jewish Joint Distribution Committee, and a number of similar privately supported humanitarian organizations.

This program is indeed worthwhile and deserves our continued support. We cannot be humanitarian only in times of surplus. We have an obligation to continue this worthwhile program.

Furthermore, Mr. President, our farmers have been asked to respond to this increased demand for food production and they are planting far greater acreage this year than ever before. Estimates show that Kansas wheat farmers have already increased acreage by 10 percent. We are not out of food. We will produce adequate grain to supply our domestic needs and still participate in these worthwhile programs for other nations.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. JAVITS. Mr. President, are we on controlled time?

Mr. HUMPHREY. Yes, we are on controlled time. I shall be happy to yield to the Senator from time on the bill.

The PRESIDING OFFICER. The next order of business is an amendment by the Senator from Idaho.

Mr. ROBERT C. BYRD. Mr. President, does the Senator from New York have an amendment?

Mr. JAVITS. I have two amendments which are routine, and I would be happy to propose them now.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from New York may be recognized to call up two amendments in succession at this time, without prejudice to the distinguished Senator from Idaho (Mr. CHURCH).

Mr. JAVITS. Mr. President, I call up my amendment No. 564 and ask that it be stated.

The PRESIDING OFFICER (Mr. NUNN). The clerk will report the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the end of the bill add the following new section:
>
> That section 17 of the Asian Development Bank Act (Public Law 92–245, March 10 1972) is hereby amended by striking out "$60,000,000 for fiscal year 1972 and $40,000,000 for fiscal year 1973", and inserting in lieu thereof "$100,000,000".

Mr. JAVITS. Mr. President, this is a technical amendment to section 17 of the Asian Development Bank Act. It strikes out a requirement calling for two installments, one of $40,000,000 and one of $60,000,000, in fiscal years 1972 and 1973 for the special fund of the bank and substitutes a single installment of $100 million. These are two installments already which provide for an aggregate of $100 million.

These were originally enacted on March 10, 1972, as part of a comprehensive bill making authorization for special funds in respect to the number of international financing agencies.

I believe it was the intent of the Congress in enacting this particular section that the two installments did not have to be appropriated in a particular fiscal year, but could be expended without fiscal year limitations.

We are now in fiscal year 1974 and Congress has not yet taken affirmative action on the administration request for these funds. I do not believe the fact that we have not acted should affect the authorization.

This technical amendment will remove any question that the total of $100 million is authorized—that is, the $40 million and the $60 million. It would continue, subject to appropriation, if we decided to appropriate it. But at least it will not be susceptible to a point of order that there is no authorization. I should point out that it does not involve the authorization of any additional funds.

I urge the adoption of the amendment.

Mr. HUMPHREY. Mr. President, this amendment does not add new money to the bill. It is a technical amendment. It states again that the commitments made in the past shall continue and not be vitiated by the fact that the authorizations were in the years 1972 and 1973.

There is no objection to the amendment. This is required and necessary.

On behalf of the committee, I am prepared to accept the amendment and thank the Senator from New York for his alertness in bringing the matter to our attention.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator fgrom New York (putting the question).

The amendment (No. 564) was agreed to.

Mr JAVITS. Mr. President, I send another amendment to the desk and ask that it be stated.

Mr. HUMPHREY. Mr. President, is this amendment a printed amendment?

Mr. JAVITS. No, it is not. However, again it is not a matter of terribly great importance.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 18, line 16, immediately after the semicolon, insert the following: "the Deputy Under Secretary for International Affairs, Department of Labor;".

Mr. JAVITS. Mr. President, it will be noted that there is a section dealing with coordination of various Cabinet agencies which are concerned with foreign aid.

Mr. HUMPHREY. Mr. President, this is an acceptable amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that the letter from the Deputy Under Secretary for Legislative Affairs of the Department of Labor which describes this amendment be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> U.S. DEPARTMENT OF LABOR,
> *Washington, D.C., September 28, 1973.*
>
> Hon. JACOB K. JAVITS,
> *U.S. Senate,*
> *Washington, D.C.*
>
> DEAR SENATOR JAVITS: Your assistance in connection with the matter described below will be very much appreciated.
>
> Section 640B of S. 2335, "A Bill to amend the Foreign Assistance Act of 1961," calls for the President to establish a Development Coordination Committee to "advise him and the Congress with respect to coordination of United States policies and programs affecting the development of the developing countries, including programs of bilateral and multilateral development assistance." In naming the Committee members the Bill omits the Department of Labor. The House version of this Bill, H.R. 9360, includes the Department of Labor among the agencies of the Executive Branch on the Committee.
>
> There are two major reasons why a representative of the Department of Labor should be included on the Development Coordination Committee.
>
> Many of the policies and programs initiated under the Foreign Assistance Act will have an impact on employment, wages, and working conditions in the United States, matters for which the Department of Labor bears major responsibility within the Executive Branch. At present the Department is deeply involved in providing information and advice with respect to international trade and investment matters affecting U.S. workers through its membership on the Council on International Economic Policy and through its participation in the interagency trade organization. It would be both advantageous to and consistent with this role for the Department to assist in the coordination of policies and programs under the Foreign Assistance Act to ensure that the impact of such policies and programs on employment, wages, and working conditions in the United States is taken fully into account.
>
> In addition, one of the three main thrusts of the proposed legislation is education and human resources development, with prominence given to the need "to increase manpower training in skills related to development" (Section 105). The Labor Department has extensive responsibilities and expertise in the manpower field. For years it has collaborated with AID and various multilateral agencies in international activities designed to assist the developing nations. This work has involved: training large numbers of foreign labor and manpower technicians; providing American experts for overseas assignments; and research and preparation of technical manuals for use in developing countries. The Department's expertise and experience should continue to be drawn upon in the formulation of manpower policies and programs for the developing countries. Moreover, the growing emphasis being given to questions of employment and income distribution in both our bilateral and multilateral foreign assistance efforts underscores the appropriateness and desirability of Department of Labor participation on the Coordination Committee.
>
> The officer within the Department of Labor who is responsible for international activities and who is analogous to the officers named for the other agencies in the Senate Bill is the Deputy Under Secretary of Labor for International Affairs. He, therefore, would be the appropriate officer to represent the Department on the Committee and should be named in Section 640B (a) of the Senate Bill.
>
> Sincerely,
>
> BENJAMIN L. BROWN,
> *Deputy Under Secretary for Legislative Affairs.*

Mr. JAVITS. Mr. President, the amendment adds the Department of Labor to the agencies in the executive branch who function on this coordination committee.

Mr. HUMPHREY. Mr. President, this is the development coordination committee which we establish in this legislation.

Mr. JAVITS. The Senator is correct.

Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, this is a desirable amendment. I certainly accept it on behalf of the committee. I hope that it will be voted on favorably. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from New York. (Putting the question.)

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, with respect to the two amendments which the Senator from Idaho (Mr. CHURCH) is scheduled to call up at this time in consecutive order—and in connection with which, I understand, he will want a yea-and-nay vote on both amendments—I ask unanimous consent that the first yea-and-nay vote occur at 1:30 p.m. today and that the second vote occur back to back immediately following the first yea-and-nay vote, and that beginning with the second yea-and-nay vote, there be a time limitation on that vote and on all other yea-and-nay votes, during the afternoon, of 10 minutes, with the warning bells to sound after the first 2½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, what is the time limitation on the amendments of the Senator?

The PRESIDING OFFICER. Thirty minutes, to be equally divided.

The Senator from Idaho is recognized.

Mr. ROBERT C. BYRD. Mr. President, if the Senator would yield for a parliamentary inquiry, would the situation not be this in response to the amendments of the distinguished Senator from Idaho, the time on both Church amendments would be limited to a total of 45 minutes en bloc?

The PRESIDING OFFICER. If they are offered en bloc, by unanimous consent.

Mr. ROBERT C. BYRD. Mr. President, with the vote to occur on the first amendment at 1:30 p.m. and the vote on the second amendment to occur immediately thereafter at 1:45 p.m., are we not limited to a total of 45 minutes for debate?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, a vote is to occur on the first amendment at 1:30, and there will be back to back votes, and we will be voting on the second amendment immediately thereafter. Is there not just 45 minutes to be equally divided on both amendments?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHURCH. Mr. President, I propose these amendments be offered ad seriatim and statements be made for both of them. If the Senator from Minnesota wishes to respond, I ask that he give me 3 minutes at the end of the debate to sum up my side. Is that agreeable?

Mr. AIKEN. Mr. President, would the Senator from Idaho tell us what his amendments are? They are not printed or typed.

Mr. CHURCH. The Senator is correct.

Mr. AIKEN. Mr. President, if the Senator will tell us, it will help me as the Senator goes along.

The PRESIDING OFFICER. Would the Senator from Idaho send his first amendment to the desk so that the clerk may report it?

Mr. CHURCH. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

At the end of the bill, add the following new section:

EXPENDITURE LIMITATION

SEC. 24. Notwithstanding any other provision of law, not to exceed $1,100,000,000 in addition to funds made available pursuant to section 203 of the Foreign Assistance Act of 1961 may be obligated during fiscal year 1974 to carry out parts I and V and section 637(a) of the Foreign Assistance Act of 1961.

Mr. CHURCH. Mr. President, this amendment would reduce the authorization level in the bill by $134 million, giving the President full flexibility to make the cuts where he sees fit.

Mr. AIKEN. What about the second amendment?

Mr. CHURCH. The second amendment would restore to Congress the right of both authorizing and appropriating debt moneys repaid by foreign governments. At present, such moneys are collected into a revolving fund administered by the AID agency.

Mr. AIKEN. It would eliminate the loan reflows to AID, or the revolving fund?

Mr. CHURCH. It would eliminate the revolving fund; it would restore the authority to Congress to decide what part of that money should go back to AID, and what part should be used for other purposes.

Mr. AIKEN. It comes back to the Congress.

Mr. CHURCH. The Senator is correct. Now it is recaptured by USAID.

Mr. President, the first amendment I have sent to the desk is a simple one. It is designed to help balance the budget. It would establish a ceiling of $1.1 billion on obligations that can be made during fiscal year 1974 for the programs authorized in this bill.

The amounts in the bill before the Senate appear modest, as foreign aid bills go. But this bill is only the tip of the foreign aid iceberg. The $1.2 billion authorized in S. 2335 represents less than 15 percent of the $8.6 billion foreign aid package proposed by the executive branch for this fiscal year.

Since this is little understood, Mr. President, I ask unanimous consent that a table listing the many different foreign aid programs, which will total $8.6 billion during the coming fiscal year—to be exact, $8,643,349,000—be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Transfers of U.S. resources to foreign nations—worldwide distribution by program

[In thousands of dollars]

	Fiscal year 1974 proposed
Grand Total of All U.S. Resources Transferred	8, 643, 349
Security Assistance (Subtotal)	4, 111, 417
Military assistance program	771, 500
Distributed by country	(648, 727)
Not distributed by country	(122, 773)
Int. mil. education and training program	33, 000
Distributed by country	(30, 123)
Not distributed by country	(2, 877)
Military assistance service funded	1, 870, 800
Distributed by country	(1, 870, 800)
MAAG administrative costs—military department funded	52, 409
Distributed by country	(52, 409)
Transfer of defense stocks	—
Distributed by country	—
Excess defense articles	185, 000
Distributed by country	(185, 000)
Not distributed by country	—
Ships transfers, distributed by country	6, 500
Real property transfer	244, 553
Security supporting assistance	124, 055
Distributed by country	(117, 500)
Not distributed by country	(6, 555)
Foreign military credit sales	760, 000
Distributed by country	(760, 000)
Export-Import military loans (n.a.)	
Distributed by country (n.a.)	
Public Law 480 (Sec. 104(c), dist. by country	(162, 080)
Purchase of local currency (Vietnam)	63, 600
Indochina postwar reconstruction subtotal	630, 945
Distributed by country	(614, 000)
Not distributed by country	(16, 945)
Development assistance—subtotal	3, 900, 987
Agency for International Development	(1, 338, 314)
Development loans—Distributed by country	596, 000
Not distributed by country	49, 000
Development grants—Distributed by country	102, 725
Not distributed by country	84, 525
Population programs—Distributed by country	37, 071
Not distributed by country	9, 675
South Asian relief	500
American schools and hospitals abroad	
Not distributed by country	10, 000
International organizations and programs—Not distributed by country	177, 122
Administrative expenses—not distributed by country	57, 875
Administrative expenses—State	5, 100
International narcotics control and contingency fund—Distributed by country	20, 481
Contingency fund, undistributed	30, 300
Narcotics, undistributed	9, 738
Program support and interregional activities—Not distributed by country	148, 202
Peace Corps—Distributed by country	51, 463
Not distributed by country	6, 543
General support	18, 995
Public Law 480—Distributed by country	976, 575
Not distributed by country	22, 345
Ocean freight	117, 700
Grants of title I, section 204	1, 000
Private trade entities	10, 000
Emergency reserve	19, 180
U.S. Contributions to international financial institutions:	
IBRD—Paid-in capital	-------
Callable capital	-------
International Development Association	320, 000
Inter-American Development Bank:	
Paid-in capital	25, 000
Callable capital	(168, 380)
Fund for special operations	500, 000
Asian Development Bank:	
Paid-in capital	24, 200
Callable capital	(96, 800)
Special funds	100, 000
State Department migration and refugee programs—Not distributed by country	7, 600
Inter-American Foundation	13, 285
Pan American Highway	
Darien Gap Highway	30, 000
Mutual education and cultural exchange	38, 557
Nonregional	14, 443
Trust Territories of the Pacific	66, 000
Contribution to international organizations—State Department	199, 787

Mr. CHURCH. Mr. President, I point out also that there is already $2.7 billion in the pipeline for the programs included in this bill, two and a half times the authorizations allowed under my amendment. And Members should also realize that in addition to the $1.1 billion of new money my amendment would allow, $251 million more is available to AID from repayments on outstanding foreign aid loans.

Our Government's fiscal situation is in terrible shape. Over $100 billion in deficits in the regular Federal budget have been run up in the last 5 fiscal years. Interest on the Federal debt will cost some $27 billion this year and is mounting steadily. The Government is now borrowing money at 8½ percent to lend to foreign governments at 2 percent.

The President has asked Congress to hold the line on spending for domestic programs. There is no doubt that the Federal budget should be balanced and deficit spending ended. But I do not agree that domestic programs should absorb all of the cuts for budget balancing purposes, as the President proposes. Foreign aid should bear its fair share of the burden of bringing our financial house in order.

My proposal would only make a modest reduction of $134 million in the spending level recommended by the committee. It would do this not by cutting specific programs, but by imposing a ceiling on obligations. Thus, it would leave the President with complete flexibility to apply the cuts as he sees fit. He could make the reductions in loans, grants, aid to Indochina, contributions to international organizations, administrative expenses, or any of the other categories in the bill.

Mr. President, I remember vividly how we discussed the need to balance the budget and to establish a spending ceiling in the early months of this session. I see little evidence that we will accomplish that goal. Furthermore, I can recall how enthusiastically members of the Democratic Caucus called for these cuts to be made in military spending and in spending abroad, rather than in domestic programs, as the means of balancing the budget and living within the ceiling that Congress and the President have prescribed.

If we are to have any chance of succeeding, it is necessary that this foreign aid bill be cut, at a minimum, by the amount proposed in this amendment. Even so, we still will have a long way to go, if Congress is to fulfill its pledge to live within its own spending ceiling. That, Mr. President, sums up the case for the first amendment I have offered.

I now ask that the Senate proceed to consideration of the second amendment I have sent to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 9, strike out lines 13 through 20 and insert in lieu thereof the following:

Sec. 3. Section 203 of the Foreign Assistance Act of 1961 is repealed.

Mr. CHURCH. Mr. President, this amendment would help to restore congressional control over the foreign aid program. It returns to Congress the pursestrings for a quarter billion dollars now held by the executive branch. Members will be surprised to learn that the bill now before the Senate is close to a quarter of a billion dollars bigger than it looks.

My amendment is very simple. It would require that Congress authorize and appropriate, in the regular manner, all funds for use in the foreign aid program. Strange as it may seem, this is not the case under existing law, a condition that would be continued by this bill. Under existing law, Congress is deceived about the amounts it thinks it authorizes and appropriates for the foreign aid loan program—loans made for 40 years with 2 percent interest the first 10 years and 3 percent for the next 30 years. Take this bill, for example. The table on page 2 of the committee report shows that, under the continuing resolution, development loans can be made at an annual rate of $310 million and that, under the new aid categories, a total of $592 million will be available for both loans and grants. But these figures do not show that $251 million more will be available this fiscal year for lending purposes from repayments on outstanding foreign aid loans. Nowhere in this bill will you find that quarter of a billion dollars listed. This is not a $1.23 billion foreign aid bill; it is a $1.48 billion bill, immensely more than meets the eye.

I would hazard the guess that few, if any, members outside the Foreign Relations and Appropriations Committees realize that this additional money is made available each year—almost automatically and without any real congressional scrutiny. And the total is growing yearly. In 4 years, the money from loan repayments that will be available under existing law will increase to $416 million. This practice is deceptive of Congress and deceptive of the public.

Repayments on foreign aid loans should go into the Treasury. If a case can be made for using these additional funds in the foreign aid program, a straightforward authorization and appropriation request should be submitted to Congress each year by the President. This method for circumventing Congress should end.

I recognize that the executive branch, of course, wants to keep things the way they are—so that these hundreds of millions will not be subjected to the gamut of the regular authorization and appropriations processes.

Foreign aid officials know that Congress would take a dim view of voting an extra quarter of a billion this year for 2-percent loans to foreign countries when the Government is borrowing its money at 8½ percent.

This is a clear-cut example of how Congress has allowed its authority to erode to the advantage of the executive branch. Approval of my amendment will be a step toward restoring Congress control over the purse strings.

So I urge the Senate to adopt it.

That concludes, Mr. President, the case that I intend to make for the two amendments that I have offered. Aside from the time I should like to reserve for rebuttal, I suggest that the floor manager of the bill, the distinguished Senator from Minnesota (Mr. HUMPHREY), may want to take the remaining time to respond as he sees fit.

Mr. JAVITS. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. How much time does the Senator need?

Mr. JAVITS. Five minutes.

Mr. HUMPHREY. I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, I have heard the arguments of the Senator from Idaho with great interest. He took very much the same position before our committee. I hope very much that that position will not be sustained and for the following reasons:

We are already making material cuts in foreign aid. Indeed, the Senate's proposal is $300 million less than that adopted by the House. We are facing a real issue of morality in this particular situation because we are simply thumbing down on foreign aid both absolutely in terms of our own position and relatively in terms of the position of other countries, which is almost shameful in terms of the fact that relatively speaking we are the major "have" nation when two-thirds of the world are in the "have not" category.

I do not believe it is worth the $134 million for the United States to put itself in the position of incurring more hatred and resentment, which is growing—as we whittle down, and whittle down again with respect to foreign aid—among developing countries in the world. It is growing and I have seen it grow and so has every other Member who has gone to any meeting or conference around the world, including the United Nations, which involves the developing areas of the world, which are mindful of what this relatively affluent Nation of ours is doing with respect to trying to help them out of the morass in which they have found themselves for so many decades.

The argument is made to cut it down because it is not effective, when the fact is that this amendment comes at the moment when we are trying totally new criteria with respect to foreign aid.

The report on page 4 clearly states:

> This year, in providing for the continuation of a U.S. bilateral program, the Committee has taken determined action to focus our aid efforts more sharply upon the world's poor. Under the provisions in the bill reported by the Committee, bilateral development aid would be concentrated on direct problem-solving, and considerably less emphasis than in the past would be accorded to large scale capital projects and general purpose resource transfers. Funds in the bill would be allocated specifically in categories reflecting the most common and pervasive development problems: food production, rural development, and nutrition; population planning and health; and education and human resources development.

Mr. President, I should like to point out that we are not even talking about $1.2 billion because $376 million is for economic assistance in South Vietnam, Laos, and Cambodia and we can be sure that if this cut is made, it will not come out of those countries, which represent, in essence, defense support—but will come out of the backs of the poorest people on Earth.

We have cut down and cut down until today we are responsible, in the public sense, for a fraction of 1 percent, not the United Nations' criterion of the 1 percent to which we ourselves subscribed. I know that, because I made the speech at the United Nations by authority of the President in 1970 when I was a general delegate there.

One other point. One of the excuses for cutting down, which we have already done with respect to a bilateral foreign aid program, has been the fact that we are building up and financing an international organization, like the World Bank, the Inter-American Development Bank, the Asian Development Bank. But the fact is that we are not following through on these commitments. One of the crying needs for appropriations is precisely in those particular areas. It only compounds the deplorable situation in which our country would find itself were it to make this proposed further cut.

Finally, and I think this is a conclusive argument, we have a new Secretary of State. We have a new posture regarding foreign policy. We have done our utmost to make a success of our foreign policy. Most of us understand the grave deficiencies in our domestic policy. Let us not make the mistake of putting in danger our progress in foreign affairs by such a shortsighted proposal as this.

For these reasons, I believe the committee has done more than enough to accept the conception of an economy that proportionately will make certain that we have a well-planned rather than an undeveloped foreign assistance program.

Mr. AIKEN. Mr. President, I yield myself 2 minutes.

I invite the attention of the Senate to the fact that, as I understand the second amendment of the Senator from Idaho, it would eliminate the loan reflow authority. I do not think this is the time when we can cut down on our cooperation with other countries to that extent. We approved an amendment this morning—and the other day, too—which I was not happy about, which puts the squeeze on India, or would if that amendment were carried out as it might be interpreted.

I do not think that countries like India, Bangladesh, and many other countries can do the job if our assistance to them is reduced at this time.

This $385 million cut which is what the two amendments provide—is pretty heavy—pretty heavy, indeed. I hope the amendment will be rejected.

Mr. HUMPHREY. Mr. President, I oppose this amendment. I opposed the first amendment, which would set a ceiling of $1.1 billion, because it would have the effect of reducing the authorization in the bill by $134 million. I note again that the Senate's appropriation for the fiscal year 1973 was $1,493,000,000. If we were to adopt this authorization ceiling without regard to what the Committee on Appropriations does, that would mean a reduction of $393 million since fiscal 1973, despite the fact that during that period of time inflation has caused a reduction in the value of the dollar.

Mr. President, the committee has already cut the administration's request by $376 million. We have acted with the greatest care in trying to economize under this program.

The amounts in this bill are already the lowest recommended for these activities in foreign aid since the foreign aid program began. So we are being prudent.

I regret that this Chamber is not filled, so that Senators would know that we have done what the Senate has asked us to do. We have cut, and cut deeply.

The Senator alleges that Congress is kept in the dark about the use of the repayments on outstanding development loans. I respectfully suggest that this is simply not true. Not one penny of these funds can be used without passage of authorization and appropriations bills. Four committees go over this item each year and any one of them can vote to deny the use of these repayments for additional lending.

AID does not get this money automatically. It takes specific approval in both the authorizing and the appropriations process for these funds to be made available. This is not a process where the wool is pulled over Congress' eyes. Congress has been clearly told by AID each year what they plan to do with the money and Congress has consistently given its approval in both the authorization bill and the appropriations bill.

The AID congressional presentation materials clearly show how these funds are to be used—every chart showing the proposed AID program includes these reflow funds. The facts are fully laid out for anyone who has enough interest to look.

The authority for use of the repayments on outstanding foreign aid loans for making new loans is nothing new. It has existed since the beginning of the current development loan program. It is entirely proper that these repayments be used for making additional loans. To do so is to use the money for precisely the same purpose for which it was appropriated by Congress in the first place.

One final point: If the Senator's amendment is approved it will have the effect of cutting the development loan program approved by the committee by about one-half—a reduction of $251,000,000. This would be on top of the 20-percent reduction already made by the committee in the administration's request.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. I yield myself an additional minute.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I might call attention to the fact that if we take into consideration the devaluation of the currency, the cut is much more than it appears to be on paper.

Mr. HUMPHREY. Indeed. This amendment, if adopted, would amount to a total cut of 35 percent in the program, and we have already trimmed the program by almost 26 percent.

I believe it would be unwise for us to accept this amendment or to approve it.

This reflow amendment was before the committee, was argued in committee, was debated in committee, and the committee rejected it. I hope the Senate will reject it.

Mr. President, I ask unanimous consent that the authorization and appropriation history for economic assistance under the Foreign Assistance Act of 1961 and predecessor legislation, including supplementals, be printed at this point in the RECORD, showing exactly what the authorizations are, what the appropriations are, and the reflow.

There being no objection the material was ordered to be printed in the RECORD as follows:

AUTHORIZATION AND APPROPRIATION HISTORY FOR ECONOMIC ASSISTANCE UNDER THE FOREIGN ASSISTANCE ACT OF 1961 AND PREDECESSOR LEGISLATION (INCLUDING SUPPLEMENTALS) FISCAL YEAR 1948–73

[In millions of dollars]

Fiscal year	Authorization request [1]	Authorized by Congress [2]	Appropriation request [3]	Appropriated by Congress
1948–49	7,370.0	6,913.0	7,370.0	6,446.3
1950	4,280.0	4,280.0	4,280.0	3,728.4
1951	2,950.0	2,762.5	2,950.0	2,262.5
1952	2,197.0	1,585.7	2,197.0	1,540.4
1953	2,475.0	1,894.3	2,499.0	1,782.1
1954	1,543.2	1,475.7	1,543.2	1,301.5
1955	1,798.1	1,571.9	1,788.5	1,528.8
1956	1,812.8	1,851.8	1,812.8	1,681.1
1957	1,860.0	1,815.1	1,860.0	1,749.1
1958	1,964.4	1,786.9	1,964.4	1,428.9
1959	2,142.1	2,070.6	2,142.1	1,933.1
1960	2,330.0	2,176.8	2,330.0	1,925.8
1961	2,875.0	2,786.3	2,875.0	2,631.4
1962	2,883.5	2,559.5	2,883.5	2,314.6
1963	3,281.3	3,074.8	3,281.3	2,573.9
1964	3,124.6	2,602.1	3,124.6	2,000.0
1965	2,461.7	2,452.0	2,461.7	2,195.0
1966	2,704.5	2,605.0	2,704.5	2,463.0
1967	3,443.4	2,628.0	2,469.0	2,143.5
1968	2,785.6	2,165.0	2,630.4	1,895.6
1969	2,554.2	1,609.8	2,498.5	1,380.6
1970	2,210.0	1,624.2	2,210.0	1,424.9
1971	2,093.7	2,093.7	2,008.0	1,733.9
1972	2,355.2	1,868.6	2,355.2	1,718.2
1973	[4] 1,970.5	[4,5] 1,026.5	2,256.6	[6] 1,664.2

[1] Adjusted to fiscal year basis and including executive branch adjustments.

[2] Adjusted to fiscal year basis.

[3] Includes borrowing authority (other than for investment guaranties) during Marshall plan period April 1948–52.

[4] Includes $984,000,000 authorized in fiscal year 1972 for development assistance programs in fiscal year 1973.

[5] Excludes supporting assistance and refugee relief assistance (Bangladesh) which were not authorized in fiscal year 1973.

[6] Represents annual rate contained in the continuing resolution (Public Law 93-9; Mar. 8, 1973).

Note: Excludes investment guaranty program (borrowing authority and appropriations) and OPIC.

Mr. JAVITS. Mr. President, will the Senator yield for 1 minute, for a question?

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. HUMPHREY. I yield.

Mr. JAVITS. I have been reading the editorial opinion in the country. I have before me two editorials from leading newspapers—the Washington Post and the New York Times—one captioned "A Responsible Foreign Aid Policy," the other "Innovative Aid Reform." The new direction of foreign aid has been widely hailed in editorial opinion throughout the country.

Does not the Senator feel that it is a sheer construction of good faith in undertaking a totally new program directed to the most poor and the most dire situation; that because these amendments have been very carefully debated and considered by the committee, the Senate ought to at least, for this once, abide by our judgment and give this matter a chance?

Mr. HUMPHREY. That is my view, of course; but every Senator has a right to modify legislation.

I know the views of the distinguished Senator from Idaho. I have a high regard for him personally, publicly, and officially, particularly in matters that relate particularly to foreign policy. But I feel that his amendments go too far.

If this bill had not been reduced, I would say there should be a cut. But we have made a 25- to 26-percent reduction. As the Senator from Vermont has said, if we should accept these amendments, we would, for all practical purposes, wreck this bill.

More than that, this money will come out of the categories that relate to food production, nutrition, health, education, and training. That would be a sad mistake.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. CHURCH. Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator from Idaho has 7 minutes.

Mr. CHURCH. Mr. President, I know that the distinguished floor manager of the bill knows the score, and I like to think that I know the score as well.

All the discussion concerning reductions in this program amounts to just so much juggling of figures. The important figure to look at, if one really wants to know whether or not this program is being reduced, is the figure contained in the continuing resolution. That represents the existing level of foreign aid spending. The House bill is 11 or 12 percent above the continuing resolution. The Senate bill, as reported by the Committee on Foreign Relations, is 11½ percent below the continuing resolution. It may be that these near-identical percentages are just coincidental, but I do not think so.

The effort here is to pass a bill that will then go to conference, where the differences in the money amounts will be split between the two Houses. In that process, we will come out with foreign aid spending preserved at the current level. In other words, the real undertaking here is to keep foreign aid spending at the current level and, if possible, to increase it just a bit. Unless my amendment is adopted, this is what will happen.

If my first amendment is adopted, we will a modest reduction of $134 million, which would likely come out of conference at about $50 million or $60 million. I suggest that it is a very small cut, indeed.

Even though I have long since grown disenchanted with the bilateral aid program, having concluded that it does serve the goals its advocates proclaim, the case for this amendment can be based solely upon the financial difficulties within our own country. The best argument that can be made for it is the fact that we are now suffering through the worst inflation in the century, aggravated by enormous Federal deficits which bespeak the urgent need to reduce Federal spending.

Here is a place to do it, and to do it in a way that will not bring down either the wrath of the world upon us or cause the collapse of foreign aid.

As a matter of fact, as I have already pointed out, that program does not amount to $1,234,000,000, the authorized level of this bill. This is only a small part of a total foreign aid program that actually will come to between $8 billion and $9 billion this year, when all categories of aid are added together.

If Senators wish to make any reduction in the present level of the economic aid program, this amendment represents their opportunity to do it. If they accept the bill as the committee reported it, they will continue foreign aid spending at approximately present levels, once the measure works its way through the legislative process.

In regard to the second amendment, I suggest the present method of handling reflows does pull the wool over the eyes of Congress. The Senator from Minnesota knows that a quarter billion dollars of returned payments on past loans this year will revert to foreign aid; I submit, however, that most Senators and Members of Congress do not know this. It is not a line item in any appropriation bill, it is buried in the fine print of the law; it is a way to circumvent the normal process by which Congress scrutinizes public expenditures; it should be stopped.

Anyone who believes Congress should undertake to tighten its grip on the Federal purse strings should support this amendment. Those who would give only lip service to that cause, by leaving it to the AID agency to recapture the money and reloan it to foreign governments, support a method that, in effect, circumvents the Congress.

Finally, Mr. President, I wish to say a word about the new foreign aid program. It does come to us in new wrappings, yet it is still the same program underneath. The wrappings are designed to appeal to our best instincts. Since day-to-day politics are largely determined by the packaging, it may be that the committee version of the aid bill will pass unaltered. However, it is the same old program still, whatever the wrappings.

Therefore, I hope the Senate will approve both amendments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The request is not in order at this time.

Mr. HUMPHREY. Mr. President, may we divide the time on a quorum?

Mr. CHURCH. Mr. President, I ask unanimous consent that we may have a call of the quorum and that the time be equally divided between the two sides.

The PRESIDING OFFICER. The Senator form Minnesota has all the time remaining.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum. I am very glad to divide it on that basis with my dear and distinguished friend from Idaho.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the two votes which were scheduled to begin at the hour of 1:30 p.m. today begin at the hour of 1:45 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. Does the Senator from Minnesota yield back his time on the pending amendment?

Mr. HUMPHREY. Mr. President, I am sorry. I thought we were finished. I yield back all my time.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. NELSON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

PRISONERS OF WAR AND INDIVIDUALS MISSING IN ACTION

SEC. 23. (a) The Senate declares that—

(1) the families of those 1,300 individuals missing in action during the Indochina conflict have suffered extraordinary torment in ascertaining the full and complete information about their loved ones who are formally classified as missing in action;

(2) United States involvement in the Indochina conflict has come to a negotiated end with the signing of the Vietnam Agreement in Paris on January 27, 1973, and section 307 of the Second Supplemental Appropriations Act, 1973, requires that "None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated under any other Act may be expended for such purpose.";

(3) the question of the return of prisoners of war and accounting for individuals missing in action and dead in Laos is covered by article 18 of the Protocol signed by representatives of the Lao Patriotic Front (Pathet Lao) and the Royal Laotian Government in Vientiane on September 14, 1973 (which implements article 5 of the Agreement signed by the Pathet Lao and that government in Vientiane on February 21, 1973, requiring the release of all prisoners "regardless of nationality" captured and held in Laos), and paragraph C of such article 18 provides that, within "15 to 30 days" from the date of the signing of the Protocol, each side is to report the number of those prisoners and individuals still held, with an indication of their nationality and status, together with a list of names and any who dies in captivity; and

(4) few of the United States men lost in Laos during the military engagements in Indochina have been returned, and with knowledge about many of these men has yet been fully disclosed, and the North Vietnam cease-fire provisions calling for inspection of crash and grave sites and for other forms of cooperation have not been fully complied with.

(b) It is, therefore, the sense of the Senate that—

(1) the provisions for the release of prisoners and an accounting of individuals missing and dead, as provided for in article 18 of the Protocol signed on September 14, 1973, by the Pathet Lao and the Royal Laotian Government, be adhered to in spirit and in deed; and

(2) the faithful compliance with the spirit of the Laotian Agreement and Protocol on the question of individuals missing in action will encourage all parties in Indochina to cooperate in providing complete information on all nationals of any nation who may be captured or missing at any place in Indochina.

Mr. NELSON. Mr. President, more than 8 months ago representatives of the U.S. Government signed the Vietnam agreement in Paris marking a negotiated end to the Indochina conflict.

Soon thereafter, 591 American prisoners of war rejoined their families after long years of separation.

Many of us would like to think that this marked the end to what seemed to be an endless ordeal for the peoples of the United States and Indochina. But that is, unfortunately, just not the case. For the families of 1,300 men missing in action in Indochina, there is no end to the tormenting questions about their loved ones.

A recent development occurred in Vientiane Laos to give these families new hope, however. On September 14, 1973, the representatives of the Royal Laotian Government and the Lao Patriotic Front—Pathet Lao—signed a protocol pursuant to their agreement of February 21, 1973. Article 18, in particular, spells out detailed provisions agreed to by the two Lao parties for release of prisoners and accounting for the missing in Laos.

According to an official State Department analyst of POW/MIA provisions of the Laos Protocol:

> The language of Article 18 requires the release of all prisoners regardless of nationality captured and held in Laos. This would apply to Lao personnel, to other Indochinese, and, of course, to any Americans. . . . Paragraph C of Article 18 provides that within '15 to 30 days' from the date of signing of the Protocol (September 14) each side is to report the number of those still held, with indication of their nationality and status, together with a list of names of any who died

in captivity. . . . If this provision is observed, information on the number of those held, and the list of names of those who died in captivity, should be provided no later than October 14, 1973.

Mr. President, we are at a very crucial juncture in our long-standing efforts to learn about the fate of the 1,300 men missing in Indochina, some 327 of them in or near Laos.

Mr. President, a show of Senate concern and resolve is absolutely essential at this stage. The end of the period of 15 to 30 days from the signing of the protocol on September 14—the time prescribed in the protocol when the Laotian parties are to report the number, nationality, and status of those men held and the names of any who died in captivity—is in only a matter of weeks.

This amendment, which is really a sense-of-the-Senate resolution, which I am calling up today is an effort to encourage resolution of the status of the missing in action. It appeals to the well acknowledged humanitarian reputation of the Laotian people. And it is directed to them as a reinforcement of all the unflagging efforts of those who, with understandable concern, still seek news about their unforgotten loved ones.

This resolution, it is further hoped, will also serve as an encouragement for all parties concerned in Indochina to cooperate in providing complete information to the families of all 1,300 Americans who may be captured or missing anywhere in Indochina.

Mr. President, I ask unanimous consent that the Senator from Florida (Mr. CHILES) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. I also ask unanimous consent that the Senator from Minnesota (Mr. HUMPHREY), the Senator from Alabama (Mr. ALLEN), and the Senator from Idaho (Mr. CHURCH) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, might I just ask the Senator a question, on my time? In section 23 of the Senator's amendment he says, "The Senate declares that * * *" I believe the Senator should change that to, "The Congress declares."

Mr. NELSON. That is correct. I modify my amendment to include the word "Congress" for "Senate" in the language.

Mr. HUMPHREY. And in one other place there is reference to "Senate." It should be changed to "Congress."

Mr. NELSON. The Senator is correct. I amend my amendment to use the word "Congress" anyplace where the word "Senate" is used.

The PRESIDING OFFICER (Mr. ALLEN). The amendment will be so modified.

Mr. HUMPHREY. Mr. President, I want to commend the Senator from Wisconsin for this amendment. There is no subject that is closer to the hearts of the American people with reference to the tragic war in Indochina than what we call the missing in action. We want to make sure that every conceivable effort is made by our Government and other governments, international organizations, to ascertain whether these men are really missing in action, or whether they are prisoners of war, or whether they are casualties or dead.

The purpose of the amendment is quite obvious. It states that the families of 1,300 individuals are suffering great anguish here in America because they are not getting any information as to what is happening to their loved ones. The amendment merely states that faithful compliance with the Laotian agreement and the protocol on individuals missing in action will encourage all parties in Indochina to cooperate in providing complete information on all individuals who may be captured or missing at any place in Indochina.

I want to thank the Senator for bringing this matter to our attention. I am sure this will be a source of reassurance to the families of the 1,300 Americans who are listed as missing in action.

Mr. NELSON. I thank the Senator from Minnesota. I think many of the people who have relatives, sons, or brothers who are missing in action frequently feel that not enough is being done to retain the issue in the public forum for constant reference and pressure. We must continue to do whatever we can do to get word and information on all of those missing in action.

I ask unanimous consent that the very brief amendment, as modified, be printed in the RECORD at this point.

There being no objection, the amendment, as modified, was ordered to be printed in the RECORD, as follows:

At the end of the bill, add the following new section:

PRISONERS OF WAR AND INDIVIDUALS MISSING IN ACTION

SEC. 23. (a) The Congress declares that—

(1) the families of those 1,300 individuals missing in action during the Indochina conflict have suffered extraordinary torment in ascertaining the full and complete information about their loved ones who are formally classified as missing in action;

(2) United States involvement in the Indochina conflict has come to a negotiated end with the signing of the Vietnam Agreement in Paris on January 27, 1973, and section 307 of the Second Supplemental Appropriations Act, 1973, requires that "None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam or off the shores of Cambodia, Laos, North Vietnam and South Vietnam by United States forces and after August 15, 1973, no other funds heretofore appropriated under any other Act may be expended for such purpose.";

(3) the question of the return of prisoners of war and accounting for individuals missing in action and dead in Laos is covered by article 18 of the Protocol signed by representatives of the Lao Patriotic Front (Pathet Lao) and the Royal Laotian Government in Vientiane on September 14, 1973 (which implements article 5 of the Agreement signed by the Pathet Lao and that government in Vientiane on February 21, 1973, requiring the release of all prisoners "regardless of nationality" captured and held in Laos), and paragraph C of such article 18 provides that, within "15 to 30 days" from the date of the signing of the Protocol, each side is to report the number of those prisoners and individuals still held, with an indication of their nationality and status, together with a list of names and any who dies in captivity; and

(4) few of the United States men lost in Laos during the military engagements in Indochina have been returned, and knowledge about many of these men has yet been fully disclosed, and the North Vietnam cease-fire provisions calling for inspection of crash and grave sites and for other forms of cooperation have not been fully complied with.

(b) It is therefore, the sense of the Congress that—

(1) the provisions for the release of prisoners and an accounting of individuals missing and dead, as provided for in article 18 of the Protocol signed on September 14, 1973, by the Pathet Lao and the Royal Laotian Government, be adhered to in spirit and in deed; and

(2) the faithful compliance with the spirit of the Laotian Agreement and Protocol on the question of individuals missing in action will encourage all parties in Indochina to cooperate in providing complete information on all nationals of any nation who may be captured or missing at any place in Indochina.

Mr. HUMPHREY. Mr. President, I feel that there is no need for further use of time on this side, because we are in full concurrence with the amendment of the Senator from Wisconsin. Therefore, I yield back all time on this side.

Mr. NELSON. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Wisconsin, as modified.

The amendment, as modified, was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on both Church amendments at this time with one show of seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I am waiting for the Senator from Indiana, who, I believe, is on the way and has an amendment that he wishes to be brought up. I do not know whether any other Senator at this point has an amendment he wants to bring up.

May I suggest, therefore, on the time on the bill—we still have considerable time left——

The PRESIDING OFFICER. One hour on each side.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum, with the time equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I send to the desk my amendment, No. 502, as modified, and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

> At the end of the bill, add the following new section:
>
> INTERNATIONAL NARCOTICS CONTROL
>
> "Sec. 23. Chapter 8 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291) as amended, relating to international narcotics control, is further amended
>
> (1) by inserting in section 481 "(a)" immediately after "INTERNATIONAL NARCOTICS CONTROL.—";
>
> (2) by inserting in section 481 "(b) immediately after the first sentence and before the beginning of the second sentence which reads, "In order to promote";
>
> (3) by striking out of section 481 the fourth sentence to the end which begins with "The President shall suspend" and inserting in lieu thereof:
>
> "(c) The President (or his delegate) shall cause to be suspended all foreign assistance, tangible or intangible, including but not limited to gifts, loans, credit sales, or guarantees to each country, except as provided in (b) of this section, when such aid is rejected by the Congress in accordance with subsection (b) of section 482 of this chapter.";
>
> (4) by striking "Sec. 482.", and inserting in lieu thereof "Sec. 483.";
>
> (5) by inserting the following:
>
> "Sec. 482. (a) The President shall make an affirmative finding that a country is taking adequate steps, as set forth in (c) of this section, to control the production, distribution, transportation, and manufacture of opium and its derivatives within ninety days of the enactment of this section and each year thereafter, which finding shall be submitted to the Congress the first day of June of each year.
>
> "(b) Within ninety days following the submission of such affirmative findings, the Congress may adopt a concurrent resolution rejecting such findings as to any or all countries, whereupon the President shall immediately suspend all foreign assistance to such country in accordance with section 481 of this chapter.
>
> "(c) The Secretary of State, after coordination and consultation with all other departments or agencies involved with the control of the production, distribution, transportation, and manufacture of opium and its derivatives, shall set forth those measures which constitute a good faith effort to control illicit opium and its derivatives. Such measures may reflect the individuality of a country, but shall include the following:
>
> "(1) the enactment of criminal laws controlling the production, distribution transportation, and manufacture of opium and its derivatives;
>
> "(2) the establishment of a viable agency to enforce criminal laws controlling the production, distribution, transportation, and manufacture of opium and its derivatives;
>
> "(3) the vigorous enforcement of criminal laws controlling the production, distribution, transportation, and manufacture of opium and its derivatives;
>
> "(4) the full cooperation of such country with all United States departments or agencies involved in the interdiction of the supply of illicit opium, and its derivatives, into the United States;
>
> "(5) the establishment of border procedures for the interdiction of opium and its derivatives, out of or into such country;
>
> "(6) the destruction of all illicit opium and its derivatives after its evidentiary use has expired; and
>
> "(7) the establishment of detailed procedures for the control of all legal production, transportation, distribution, or manufacture of opium and its derivatives.".

Mr. HARTKE. Mr. President, I am today raising an amendment to the foreign assistance bill to prohibit foreign assistance to those countries which refuse to take adequate measures to end illicit opium production.

Mr. President, section 481 of the Foreign Economic Assistance Act authorizes the President to suspend military and economic assistance to those nations which he determines have not taken adequate steps to suppress dangerous drugs. The President fully embraced this responsibility on September 18, 1972, when he proclaimed—

> Any government whose leaders participate in or protect the activities of those who contribute to our drug problem should know that the President of the United States is required by statute to suspend all American economic and military assistance to such a regime. I shall not hesitate to comply fully and promptly with that statute.

Apparently the President feels that there are no nations which continue to be lax in their control of heroin and other related hard drugs. And he most certainly must not suspect that some governments are completely ignoring drug traffic. The Congress, however, knows better. The existing situation demands a clear formulation of the intent of Congress in the Foreign Assistance Act if we are to be conscientious in our effort to end the drug problem in America.

Congressional study and journalistic research have brought forth incontravertable evidence that a number of governments are simply not complying with the requests of the U.S. Government to vigorously suppress drug traffic. Yet no action has been taken by the President.

Mr. President, I ask unanimous consent that the July 1973 report of a special study mission entitled "The Narcotics Situation in Southeast Asia," submitted to the House of Representatives' Committee on Foreign Affairs by the Honorable Lester L. Wolff, be printed in the Record following my remarks.

The White House denies that their program of piecemeal efforts is insufficient, claiming that there have been "important breakthroughs and huge seizures." These huge seizures amount to confiscating 29 tons of opium in Laos, South Vietnam, and Thailand. In the face of the total production of illicit opium in this area, the seizures amount to only 3 or 4 percent.

Mr. President, Congress gave the power to terminate economic and military assistance to the President only because we know that customs agents and border patrols cannot singlehandedly reduce smuggling of heroin. A General Accounting Office report stated, in reference to customs operations, that—

> Although these efforts may deter amateurs and small-scale smugglers they have not had and probably cannot have any real impact on the organized groups engaged in large-scale heroin smuggling.

Customs does act as a strong deterent, but it simply cannot stop the main bulk of heroin reaching the streets of America, addicting our citizens, filling the coffers of organized crime, and accounting for nearly half of the crimes committed in our cities. Profits in the drug trade are enormous. A $100,000 investment by stateside financiers can yield $2 million within 6 months; 10 or 15 tons of heroin, originally costing $5 million will take a turnover for American dealers of $9.8 billion. With profits as high as this, as long as there is a source and a reasonably safe route of transit, there will most assuredly be successful smuggling of heroin into the United States to feed the veins of American addicts.

The logic behind section 481 of the Foreign Assistance Act was to stop heroin at its source. Perhaps the flaw in our legislation has been that the President alone is left to decide whether or not a government's cooperation has been adequate. As we know, there are many countries in violation of the intent of Congress. Yet, section 481 of the Foreign Assistance Act of 1961 leaves the President to decide which governments are taking adequate steps to control the illicit production, transportation, and manufacture of opium and its derivatives.

Gen. Lewis W. Walt, USMC retired, as head of Special Task Force on the World Drug Situation, stated that Southeast Asia is providing 10 or 15 percent of the total drug traffic coming into this country. Because of its tremendous potential, however, Southeast Asia could eventually replace Turkey as the largest producer of opium in Asia with approximately 400 tons. Laos, however, accounted for nearly 100 tons, and Thailand for almost 200 tons annually. According to the State Department, heroin imports from Southeast Asia's "golden triangle" to the United States doubled from 1969 to 1971. These countries not only produce opium, but are the homes for many of the laboratories which convert opium into the more valuable and much deadlier commodity—heroin.

General Walt went on to say that,

> We know as a certainty that a lot of opium entering the illicit market is grown in the "golden triangle," or in Turkey, Iran, Afghanistan, Pakistan, and Mexico.

The Turkish Government has taken decisive action in banning all opium production after 1972. This should effectively dry up Turkish sources. Mexico is the source of approximately 10 percent of the heroin smuggled into the United States and is the route of transit of 15 percent. The Mexican Government has established penalties under the agrarian reform law for those who plant or permit the planting of opium. Penalties include confiscation of land and livestock. In addition, they have mobilized 10,000 troops for antidrug operations, destroying more than 2,500 hectares of poppy fields.

Mr. President, Michel Lamberti, coauthor of a book on heroin, has written:

> Any underdeveloped country with a large unemployed labor force can start production. This could be the case, say for various South American countries.

If we are to deter these underdeveloped countries from realizing their potential as opium producers and distributors, we must act boldly and decisively. Some have suggested paying subsidies to those foreign farmers who agree not to grow opium as we have done in Turkey. But from the Washington Post of February 18, 1973,

> American financial contributions to Turkey as part of the considerable political pressure to stop the cultivation of the opium poppy after 1972, offers no encouragement to other opium producing countries. Turkish authorities had estimated that stopping opium production would cost the country 432 million dollars: United States contributions have amounted to 35 million dollars.

Obviously, the cost of such subsidies to fully pay for opium produced in all countries would become extreme. Threats to begin production by those countries not now engaged might also become commonplace. We would be paying a tribute to tyranny—the tyranny of drug traffickers. The only practical and honorable deterrent to illicit opium production and sales is the imposition of penalties on those nations which refuse to cooperate. And the only penalty we can impose on a sovereign nation is the removal of American assistance. This line of reasoning was accepted by Congress when it gave the power of suspending foreign aid to countries not taking adequate steps to end illicit drug traffic to the President last year. By enacting the pending amendment, we will be serving notice to organized crime and governments which have not taken vigorous action against drug traffic that we will no longer tolerate the financial human or social costs that illicit drugs have brought to our people.

Let me explain what my amendment does. Under my proposal, the President shall annually make an affirmative finding that a country is taking adequate steps to control the production, distribution, transportation, and manufacture of opium and its derivatives. The affirmative finding shall be submitted to the Congress, which may by concurrent resolution reject the finding as to any country. All foreign assistance will then be suspended to that country.

My proposal calls upon the Secretary of State to set forth those measures which constitute a good faith effort to control illicit opium and its derivatives. Those measures may reflect the individuality of the country, but shall include:

First. The enactment of criminal laws controlling the production, distribution, transportation, and manufacture of opium and its derivatives;

Second. The establishment of a viable agency to enforce those criminal laws;

Third. The vigorous enforcement of those criminal laws;

Fourth. The full cooperation of such country with all U.S. departments and agencies involved in the interdiction of the supply of illicit opium and its derivatives into the United States;

Fifth. The establishment of border procedures for the interdiction of opium and its derivatives, out of or into such country;

Sixth. The destruction of all illicit opium and its derivatives after its evidentiary use has expired; and

Seventh. The establishment of detailed procedures for the control of all legal production, transportation, distribution or manufacture of opium and its derivatives.

I have modified my amendment to clarify a questionable interpretation of when foreign assistance is to be suspended to each country not taking adequate steps to control illicit opium. Under my amendment as modified, subsection (c) of section 481 will read:

> (c) The President (or his delegate) shall cause to be suspended all foreign assistance, tangible or intangible, including but not limited to gifts, loans, credit sales, or guarantees to each country, except as provided in (b) of this section, when such aid is rejected by the Congress in accordance with subsection (b) of section 482 of this chapter.

This clarifies my amendment, and makes it clear that no aid will be suspended to any country under my amendment unless Congress by concurrent resolution rejects the President's finding of fact that adequate steps are being taken to control illicit opium.

My amendment does not cut off assistance to any country, but will result in a studied effort to determine which countries are seriously attempting to control the illicit flow of narcotics.

Further, Mr. President, I would like to explain the technical changes of my amendment to the existing law. I believe that once my colleagues understand the legal ramifications of my amendment, they will support it as a clear expression of the intent of Congress to the administration of this country in the conduct of their foreign policy.

Section 481 will be divided into subsections. The first subsection expresses the sense of Congress to be full and effective international cooperation to end the illicit production, smuggling, trafficking in, and abuse of dangerous drugs.

The second subsection will begin with the second sentence and authorizes the President to conclude agreements with other countries to facilitate the control of production, processing, transportation and distribution of narcotics and dangerous drugs.

My amendment then strikes the remainder of section 481, which states:

> The President shall suspend economic and military assistance furnished under this or any other act, and shall suspend sales under the Foreign Military Sales Act and under title I of the Agricultural Trade Development and Assistance Act of 1954, with respect to any country when the President determines that the government of such country has failed to take adequate steps to prevent narcotic drugs and other controlled substances (as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970) produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully. Such suspension shall continue until the President determines that the government of such country has taken adequate steps to carry out the purposes of this chapter.", and inserts in lieu thereof the following:
>
> (c) The President (or his delegate) shall cause to be suspended all foreign assistance, tangible or intangible, including but not limited to gifts, loans, credit sales, or guarantees to every country, except as provided in (b)—(which is the provision of aid to countries for the control of illicit substances) of this section and section 482 of this chapter.

My proposal then inserts a new section 482 which calls upon the President to make an affirmative finding that a country is taking adequate steps to control the production, distribution, transportation and manufacture of opium and its derivatives within 90 days of the enactment of this bill, and each year thereafter, which finding will be submitted to the Congress the first day of June of each year.

The Congress may then adopt a concurrent resolution rejecting the President's findings as to any or all countries, whereupon the President shall immediately suspend all foreign assistance to such country designated by the concurrent resolution. This establishes a partnership between the President and Congress which will allow for the Congress to perform their constitutional oversight responsibility, and set forth to the countries engaged in illicit opium trade that the U.S. Government will no longer support their government while they condone conduct denigrating to the United States.

For several years, I have been actively seeking legislation which would reduce the flow of narcotics into the United States. I am again introducing an amendment to the Foreign Assistance Act which clarifies the posture of the U.S. Government in international narcotics control. A similar amendment was passed by the Senate last year.

Mr. President, my proposal does not engage in foreign policy, but merely sets forth the intent of Congress to the President that unless countries are as concerned about the illicit flow of narcotics as is the United States, this country should not support their endeavors while they bankrupt the fabric of America.

My amendment is not a cure-all for the drug problem in the United States. It is a positive beginning by the Congress to tell the world and the administration that we are tired of rhetoric. And it tells addicts that we care and want to help.

Mr. HUMPHREY. Mr. President, I have discussed the amendment with the Senator and with the ranking minority member, the Senator from Vermont (Mr. AIKEN).

While section 481 of the Foreign Assistance Act presently requires the President to cut off aid to any country which does not take effective steps to control international traffic in narcotics, the amendment is a sound amendment. I understand that the Senator's amendment tightens up that section and requires affirmative action on the part of the President.

Mr. HARTKE. The Senator is correct.

It makes sure that the President will take affirmative action.

Mr. HUMPHREY. Mr. President, this is an amendment that is more than acceptable. It gets at a very tough problem on the narcotics scene. It strengthens the hands of the President at home in enforcing narcotic legislation.

If the Senator would yield back the remainder of his time, I would be glad to yield back the time on this side and accept the amendment.

Mr. HARTKE. Mr. President, I learned long ago that whenever there is a spirit of cooperation on the other side, one should not push his luck.

I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time, and I thank the Senator from Indiana.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment, as modified, of the Senator from Indiana (putting the question).

The amendment, as modified, was agreed to.

Mr. HARTKE. Mr. President, I thank the manager of the bill for accepting the amendment. I think that this is action of which he will be extremely proud.

Mr. HUMPHREY. Mr. President, I thank the Senator very much.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The hour of 1:45 p.m. having arrived, pursuant to the previous order, the Senate will now proceed to vote on the first Church amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Utah (Mr. MOSS), the Senator from Mississippi (Mr. STENNIS), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. DOLE) is necessarily absent.

I further announce that the Senator from Arizona (Mr. GOLDWATER) is detained on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Kansas (Mr. DOLE) would each vote "nay."

The result was announced—yeas 46, nays 47, as follows:

[No. 450 Leg.]

YEAS—46

Abourezk
Allen
Bentsen
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Eagleton
Eastland
Ervin
Fulbright
Gravel
Gurney
Hartke
Haskell
Hatfield
Helms
Hollings
Huddleston
Hughes
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGovern
McIntyre
Montoya
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Schweiker
Scott, William L.
Symington
Talmadge
Weicker

NAYS—47

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Brooke
Buckley
Case
Cook
Cotton
Curtis
Domenici
Dominick
Fannin
Fong
Griffin
Hansen
Hart
Hathaway
Hruska
Humphrey
Inouye
Jackson
Javits
Kennedy
Mathias
Metcalf
Mondale
Muskie
Packwood
Percy
Ribicoff
Roth
Saxbe
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Williams
Young

NOT VOTING—7

Bayh
Dole
Goldwater
McGee
Moss
Pearson
Stennis

So Mr. CHURCH's amendment was rejected.

Mr. CHURCH. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Several Senators addressed the Chair.

Mr. JAVITS. Mr. President, I make the point of order that the Senator from Idaho, having voted in the affirmative, and the affirmatives having lost, he is not in a position to move to reconsider.

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from Idaho, not having voted on the prevailing side, is not eligible to make the motion to reconsider.

Mr. HUMPHREY. Mr. President, let us proceed with the next vote.

Mr. HUGH SCOTT. Mr. President, I call for the regular order.

Mr. CHURCH. Mr. President, I change my vote to "no" and move that the vote by which the amendment was rejected be reconsidered.

Several Senators addressed the Chair.

Mr. HUGH SCOTT. Mr. President, I call for the regular order.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

Mr. JAVITS. Mr. President, the vote has been announced. I make the point of order that the vote has been announced and that the motion is therefore not in order.

The PRESIDING OFFICER. The Senator from New York is correct.

The question now before the Senate is on agreeing to the second amendment of the Senator from Idaho (Mr. CHURCH).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. STENNIS), the Senator from Indiana (Mr. BAYH), the Senator from Utah (Mr. MOSS), and the Senator from Wyoming (Mr. MCGEE), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. DOLE), is necessarily absent.

I further announce that the Senator from Arizona (Mr. GOLDWATER) is detained on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER), and the Senator from Kansas (Mr. DOLE) would each vote "nay."

The result was announced—yeas 68, nays 25, as follows:

[No. 451 Leg.]

YEAS—68

Abourezk
Allen
Baker
Bartlett
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fulbright
Gravel
Gurney
Hansen
Hartke
Haskell
Hatfield
Helms
Hollings
Hruska
Hughes
Huddleston
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Roth
Saxbe
Schweiker
Scott, William L.
Symington
Talmadge
Weicker
Young

NAYS—25

Aiken
Beall
Bellmon
Bennett
Brooke
Fong
Griffin
Hart
Hathaway
Humphrey
Javits
Kennedy
Muskie
Percy
Ribicoff
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Williams

NOT VOTING—7

Bayh
Dole
Goldwater
McGee
Moss
Pearson
Stennis

So Mr. CHURCH's amendment was agreed to.

Mr. CHURCH. Mr. President, I move to reconsider en bloc the votes by which the last two amendments were agreed to.

Mr. PASTORE. I move to lay that motion on the table.

Mr. JAVITS. Mr. President, what is the motion?

The PRESIDING OFFICER. The motion is to reconsider en bloc the votes by which the last two amendments were agreed to.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. BARTLETT) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 84. An act for the relief of Mrs. Naoyo Campbell;

S. 89. An act for the relief of Kuay Ten Chang (Kuay Hong Chang); and

S. 396. An act for the relief of Harold C. and Vetra L. Adler, doing business as the Adler Construction Co.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 795) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 321) providing for adjournment of the House from Thursday, October 4, 1973, to Tuesday, October 9, 1973, in which it requested the concurrence of the Senate.

FOREIGN ASSISTANCE ACT OF 1973

The Senate continued with the consideration of the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 567

Mr. FULBRIGHT. Mr. President, I call up my amendment No. 567.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Foreign Assistance Act of 1973".

DEVELOPMENT LOAN FUND

Sec. 2. Title I of chapter 2 or part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 202(a), relating to authorization—

(A) immediately after "fiscal year 1972," strike out "and";

(B) immediately after "fiscal year 1973," insert "$125,000,000 for each of the fiscal years 1974 and 1975,";

(C) immediately after "June 30, 1972," strike out "and"; and

(D) immediately after "June 30, 1973," insert "June 30, 1974, and June 30, 1975,".

(2) In section 203, relating to fiscal provisions, strike out "for the fiscal year 1970, for the fiscal year 1971, for the fiscal year 1972, and the fiscal year 1973" and insert in lieu thereof "for the fiscal years 1974 and 1975".

TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

Sec. 3. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 211(a), relating to general authority, in the last sentence immediately after the word "assistance", insert the word "directly".

(2) In section 212, relating to authorization, strike out "$175,000,000 for the fiscal year 1972, and $175,000,000 for the fiscal year 1973" and insert in lieu thereof "$100,000,000 for each of the fiscal years 1974 and 1975".

(3) Section 214, relating to American schools and hospitals abroad, is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) To carry out the purposes of this section there are authorized to be appropriated to the President for the fiscal year 1974, $19,000,000, which amount is authorized to remain available until expended.

"(d) There are authorized to be appropriated to the President to carry out the purposes of this section, in addition to funds otherwise available for such purposes, for fiscal year 1974, $6,500,000 in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

"(e) On or before the termination of thirty days after the convening of the second regular session of the Ninety-third Congress, the Secretary of State shall submit to the Congress, for consideration in connection with Department of State authorization legislation, such recommendations as he considers desirable for assistance to schools, libraries, and hospital centers for medical education and research, outside the United States, founded or sponsored by United States citizens and serving on study and demonstration centers for ideas and practices of the United States."

HOUSING GUARANTIES

Sec. 4. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, relating to worldwide housing guarantees, strike out "$205,000,000" and insert in lieu thereof "$349,900,000".

(2) In section 223(i), relating to general provisions, strike out "June 30, 1974" and insert in lieu thereof "June 30, 1975".

ALLIANCE FOR PROGRESS

Sec. 5. Section 252 of the Foreign Assistance Act of 1961, relating to authorization, is amended as follows:

(1) In subsection (a)—

(A) strike out "for the fiscal year 1972, $295,000,000, and for the fiscal year 1973, $295,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, $150,000,000"; and

(B) strike out "$88,500,000 for each such fiscal year" and insert in lieu thereof "$50,000,000 for each such fiscal year".

(2) Strike out subsection (b) and insert in lieu thereof the following:

"(b) There are authorized to be appropriated to the President for each of the fiscal years 1974 and 1975, $900,000 for grants to the National Association of the Partners of the Alliance, Incorporated."

PROGRAMS RELATING TO POPULATION GROWTH

Sec. 6. Section 292 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "1972 and 1973" and inserting in lieu thereof "1974 and 1975".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Sec. 7. Section 302 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), relating to authorization, strike out "for the fiscal year 1972, $138,000,000 and for the fiscal year 1973, $138,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, $120,000,000".

(2) Subsection (b)(2), relating to Indus Basin Development grants, strike out "for use in the fiscal year 1972, $15,000,000, and for use in the fiscal year 1973, $15,000,000" and insert in lieu thereof "for use in each of the fiscal years 1974 and 1975, $14,000,000".

CONTINGENCY FUND

Sec. 8. Section 451(a) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1972 not to exceed $30,000,000, and for the fiscal year 1973 not to exceed $30,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, not to exceed $23,500,000".

INTERNATIONAL NARCOTICS CONTROL

Sec. 9. Section 482 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "$42,500,000 for the fiscal year 1973, which amount is" and inserting in lieu thereof "$40,000,000 for the fiscal year 1974, and $30,500,000 for the fiscal year 1975, which amounts are".

PROHIBITIONS AGAINST FURNISHING ASSISTANCE

Sec. 10. The first full paragraph of section 620(e)(1) of the Foreign Assistance Act of 1961 is amended by striking out "no other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection." and inserting in lieu thereof "the provisions of this subsection shall not be waived with respect to any country unless the President determines and certifies that such a waiver is important to the national interests of the United States. Such certification shall be reported immediately to Congress."

EMPLOYMENT OF PERSONNEL

Sec. 11. Section 625 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(k)(1) In accordance with such regulations as the President may prescribe, the following categories of personnel who serve in the agency primarily responsible for administering part I of this Act shall become participants in the Foreign Service Retirement and Disability System:

"(A) a person serving under unlimited appointments in employment subject to subsection (d)(2) of this section as Foreign Service Reserve officers and as Foreign Service staff officers and employees; and

"(B) a person serving in a position to which he was appointed by the President, whether with or without the advice and consent of the Senate, if (i) such person shall have served previously under an unlimited appointment pursuant to such subsection (d)(2) or a comparable provision of predecessor legislation to this Act, and (ii) following service specified in clause (i) of this subparagraph, such person shall have served continuously with such agency of its predecessor agencies only in positions established under the authority of sections 624(a) and 631(b) or comparable provisions of predecessor legislation to this Act.

"(2) Upon becoming a participant in the Foreign Service Retirement and Disability System, any such officer or employee shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852 of the Foreign Service Act of 1946, as amended. Thereafter, compulsory contributions will be made with respect to each such participating officer or employee in accordance with the provisions of section 811 of the Foreign Service Act of 1946, as amended.

"(3) The provisions of section 636 and title VIII of the Foreign Service Act of 1946, as amended, shall apply to participation in the Foreign Service Retirement and Disability System by any such officer or employee.

"(4) If an officer who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection is appointed by the President, by and with the advice and consent of the Senate, or by the President alone, to a position in any agency of the United States Government, any United States delegation or mission to any international organization, in any international commission, or in any international commission, or in any international body, such officer shall not, by virtue of the acceptance of such an appointment, lose his status as a participant in the system.

"(5) Any such officer or employee who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection shall be mandatorily retired (A) at the end of the month in which he reaches age seventy, or (B) earlier if, during the third year after the effective date of this subsection, he attains age sixty-four or if he is over age sixty-four; during the fourth year at age sixty-three; during the fifth year at age sixty-two; during the sixth year at age sixty-one; and thereafter at the end of the month in which he reaches age sixty. However, no participant shall be mandatorily retired under this paragraph while serving in a position to which appointed by the President, by and with the advice and consent of the Senate. Any participant who completes a period of authorized service after reaching the mandatory retirement age specified in this paragraph shall be retired at the end of the month in which such service is completed.

"(6) Whenever the President deems it to be in the public interest, he may extend any participant's service for a period not to exceed five years after mandatory retirement date of such officer or employee.

"(7) This subsection shall become effective on the first day of the first month which begins more than one year after the date of its enactment, except that any officer or employee who, before such effective date, meets the requirements for participation in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection may elect to become a participant before the effective date of this subsection. Such officer or employee shall become a participant on the first day of the second month following the date of his application for earlier participation. Any officer or employee who becomes a participant in the system under the provisions of paragraph (1) of this subsection, who is age fifty-seven or over on the effective date of this subsection may retire voluntarily at any time before mandatory retirement under paragraph (5) of this subsection and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

"(8) Any officer or employee who is separated for cause while a participant in the Foreign Service Retirement and Disability System pursuant to this subsection shall be entitled to benefits in accordance with section 637 (b) and (d) of the Foreign Service Act of 1946, as amended. The provisions of subsection (e) of this section shall apply to participants in lieu of the provisions of sections 633 and 634 of the Foreign Service Act of 1946, as amended."

ADMINISTRATIVE EXPENSES

SEC. 12. Section 637(a) of the Foreign Assistance Act of 1961, relating to authorizations, is amended by striking out "for the fiscal year 1972, $50,000,000 and for the fiscal year 1973, $50,000,000" and inserting in lieu thereof "for each of the fiscal years 1974 and 1975, $49,000,000".

GENERAL AND MISCELLANEOUS PROVISIONS

SEC. 13. Part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new sections:

"SEC. 659. SHARING OF COSTS.—No assistance shall be furnished by the United States Government to a country under title I, II, or VI of chapter 2 of part I of this Act until the country provides assurances to the President, and the President is satisfied, that such country will provide at least 25 per centum of the costs in any fiscal year of the entire program, project, or activity with respect to which such assistance is to be furnished, except that such costs borne by such country may be provided on an 'in-kind' basis.

"SEC. 660. MULTILATERAL APPROACHES TO DEVELOPMENT.—Greater efforts should be made to promote and support sound multilateral approaches to the development of foreign countries. Therefore, the Secretary of State shall undertake consultations with multilateral organizations (including the United Nations) for the purpose of determining (1) how soon and which such multilateral organizations would be able to administer foreign assistance funds transferred to them by the United States Government for programs, projects, and activities for the development of foreign countries, (2) the kinds of such programs, projects, and activities which those organizations are able and will be able to administer, (3) likely methods for the administration of those programs, projects, and activities, and (4) the expectation of increased contributions by other countries to such organizations for those programs, projects, and activities. Not later than six months after the date of enactment of this section, the Secretary shall make a report to the President and the Congress with respect to his consultations, including such recommendations as the Secretary considers appropriate.

"SEC. 661. PROHIBITING POLICE TRAINING.—No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country."

POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

SEC. 14. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V—POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

"SEC. 801. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos, including humanitarian assistance to refugees, civilian war casualties, and other persons disadvantaged by hostilities or conditions related to those hostilities in South Vietnam, Cambodia, and Laos.

"SEC. 802. AUTHORIZATION.—There is authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $376,000,000, which amount is authorized to remain available until expended.

"SEC. 803. ASSISTANCE TO SOUTH VIETNAMESE CHILDREN.—(a) It is the sense of Congress that inadequate provision has been made (1) for the establishment, expansion, and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs, which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children, who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights.

"(b) The President is therefore authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in subsection (a) of this section. Of the funds appropriated pursuant to section 802 of this Act for the fiscal year 1974, $7,500,000 shall be available until expended solely to carry out the purposes described in such subsection (a). Not more than 10 per centum of the funds made available to carry out such subsection (a) may be expended for the purposes referred to in clause (2) of such subsection. Assistance to carry out the purposes referred to in such subsection (a) shall be furnished, to the maximum extent practicable, under the auspices of and by international agencies or United States or South Vietnamese voluntary agencies.

"SEC. 804. CONSTRUCTION WITH OTHER LAWS.—All references to part I of this Act, whether heretofore or hereafter enacted, shall be deemed to be references also to this part unless otherwise specifically provided. The authorities available to administer part I of this Act shall be available to administer programs authorized in this part. The provisions of section 655(c) of this Act shall not apply with respect to funds made available for fiscal year 1974 under part I, this part, and section 637 of this Act."

TERMINATION OF INDOCHINA WAR

SEC. 15. No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia.

LIMITATION ON USE OF FUNDS

SEC. 16. No funds authorized or appropriated under any provision of law shall be made available for the purpose of financing directly or indirectly any military or paramilitary operations by foreign forces in Laos, Cambodia, North Vietnam, South Vietnam, or Thailand unless (1) such operations are conducted by the forces of the government receiving such funds within the borders of that country, or (2) specifically authorized by law enacted after the date of enactment of this Act.

WEST AFRICAN FAMINES

SEC. 17. In regard to the famine in West Africa, the President shall consult with international relief organizations and other experts to find the best way to forestall future famine conditions in West Africa, and he shall report to Congress as soon as possible on solutions to this problem of famine and further propose how any of these solutions may be carried out by multilateral organizations.

POLITICAL PRISONERS

SEC. 18. It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

TERMINATION OF ASSISTANCE IN INDOCHINA

SEC. 19. (a) It is the sense of the Congress that the Agreements on Ending the War and Restoring Peace in Vietnam, and protocols thereto, signed in Paris, France, on January 27, 1973, will be effective only to the extent that the parties to such agreements and protocols carry out the letter as well as the spirit of those agreements and protocols. It is further the sense of Congress that the United States should not furnish economic or military assistance to any such party, or make any sale, credit sale, or guaranty to or on behalf of any such party, unless that party agrees to comply, and does comply, with those agreements and protocols.

(b) This section shall not apply to the provision of food and other humanitarian assistance which is administered and distributed, under international auspices or by United States voluntary agencies, directly to persons and not through any government.

ACCESS TO INFORMATION

SEC. 20. (a) After the expiration of any thirty-five-day period which begins on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the head of the Department of State, the United States Information Agency, the Agency for International Development, the United States Arms Control and Disarmament Agency, ACTION, or the Overseas Private Investment Corporation, a written request that it be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in its custody or control relating to such department, agency, or corporation, none of the funds made available to such department, agency, or corporation, shall be obligated unless and until there has been furnished to the committee making the request the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested.

(b) The provisions of subsection (a) of this section shall not apply to any communication that is directed by the President to a particular officer or employee of any such department, agency, or corporation or to any communication that is directed by any such officer or employee to the President.

(c) Section 634(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394(c)) is amended—

(1) by striking out "(1)"; and

(2) by striking out all after the phrase "so requested" and inserting in lieu thereof a period and the following: "The provisions of this subsection shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Government or to any communication that is directed by any such officer or employee to the President."

Mr. FULBRIGHT. Mr. President, what is the time situation with respect to this amendment?

The PRESIDING OFFICER. The Senator has 1 hour.

Mr. FULBRIGHT. I yield myself 10 minutes.

Mr. President, this is an amendment in the nature of a substitute. It would continue the foreign aid program under the traditional authorities in the Foreign Assistance Act of 1961, as recommended by the administration earlier this year, and make a modest reduction of $217 million in the overall amount recommended by the committee. It also includes all of the provisions now in S. 2335 that were initiated in the Foreign Relations Committee. It is the same bill except for deletion of the new authorization categories and the reduction in amounts.

I urge the adoption of this substitute for two principal reasons: First, the bill reported by the Foreign Relations Committee is merely a cosmetic job designed to give a facelifting to the foreign aid program, but which leaves the basic policy unchanged. Second, the state of our economy and the Government's fiscal condition are such that we cannot afford the luxury of continuing to spend the massive amounts recommended in this bill for a bilateral foreign aid program which is badly in need of basic change.

The bill is both deceptive and defective. For years bilateral economic aid, other than that for straight budget support, as has been the case in Indochina, has been approved by Congress in two major categories: Development loans and grants for technical assistance. These funds were then loaned or given to recipient countries for the various projects and activities—in the fields of agriculture, health, population, education, industrial development, transportation, and so on—that had been justified to Congress.

This year the Agency for International Development—AID—argued within the executive branch that its program would have a better chance to survive the gauntlet of an increasingly skeptical Congress if it asked for money in categories which had more sales appeal. Instead of the traditional loan and grant categories, it wanted to ask Congress for money under these labels: First, food production, nutrition, and rural development; second, population planning and health; third, education and human resource development; fourth, selected development problems; and fifth, selected countries and organizations. But the Office of Management and Budget did not accept that plan and the executive branch's foreign aid submission to Congress ended up as a straightforward extension of the existing loan and grant authority. This bill contains the same authorization categories sought by AID and rejected within the executive branch. Thus, it is, in effect, AID's second attempt to obtain a legislative revamping of its image.

Senators should not be deceived. The foreign aid program will not be changed by this bill; even the authorization labels are the same as those in the AID congressional presentation book. The people who will administer the program will be the same as now. And they will be dispensing $1.2 billion for the same projects and programs AID has supported in the past. This is hardly the "vigorous new initiative" claimed for this measure by its principal sponsor.

By authorizing amounts for five specific aid categories, it appears, on the surface, that congressional control will be strengthened under this bill. This is but a bit of legislative sleight of hand. The bill authorizes $592 million this fiscal year for five categories.

Let us look at how this new system will work. Take, for example, the category of "Selected Countries and Organizations," for which the bill authorizes $28 million. Among other things this money is to be used for "support of the general economy of recipient countries," in plain English, a program to finance imports. By adding loan reflows, the money available for "Selected Countries and Organizations" this fiscal year can be increased to $122 million—four times the specific amount the Senate is being asked to approve in this bill.

Here is another example of how this bill weakens Congress control over foreign aid spending. Under existing law Congress authorizes and appropriates specific amounts for loans and specific amounts for grants. But not under this bill. It authorizes a lump sum for each of the five categories, money which can be used for either loans or grants. The only requirement is that not more than half of the new funds appropriated for all categories can be used as grants. Executive branch bureaucrats, not Congress, will be the ones to decide how much in each category is given out as grants and how much in loans. They could require that population activities be financed entirely on a loan basis while financing the building of dams and steel mills with grants, if they choose to do so. The bill is so loosely drawn that the assistance authorized in the new categories could be used here in the United States, not in the poor countries, as intended.

The bill states only that the "President is authorized to furnish assistance on such terms and conditions as he may determine"—without specifying that the assistance is to go to foreign countries. It is another example of why this bill should be put aside for further study and refinement. For years Congress has been trying to plug the many loopholes in the foreign aid program. This bill reverses that commendable record.

If the Senate adopts S. 2335, it will probably do so under the impression that it is voting to make significant changes in the foreign aid program. This would be an illusion which would result only in giving the existing unsatisfactory aid program a new lease on life. This bill does not represent a change of policy; it is "business as usual." The foreign aid program needs a drastic overhaul, not a facelifting. My substitute would continue the existing programs, at a slightly reduced level, to give an opportunity for Congress to make an indepth study of the entire spectrum of U.S. relations with the poor countries of the world. It would avoid shoving the foreign aid problem under the rug.

As to the amounts, my substitute would authorize a total of $1 billion compared with the $1.2 billion recommended by the committee, a reduction of $217 million. The reductions would be made primarily in the development loan category and, to a lesser extent, the technical assistance program. I ask unanimous consent to have printed in the RECORD following my remarks a comparative table of the amounts involved.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, this bill cannot be considered in isolation from our general economic situation. Our economy is in a state of disarray, the Government's fiscal condition perilous. In the past 2 years we have seen the end of the convertibility of the dollar into gold and two devaluations of the dollar—by 7.9 and 10 percent.

The disorder in our financial house is largely due to the accumulated effects of many years of over-commitment abroad, including the foreign aid program. Our Government's zealous determination to control and shape the destinies of much of the world has brought our Nation to a state of financial exhaustion. Since 1965 the Federal debt has increased by $150 billion, interest on the national debt has doubled, and the cost of living is up by 40 percent. The $50 billion balance-of-payments deficit our Nation has incurred over the last 3 years is directly related to over-commitment abroad and the lessening of world confidence in the United States' ability to put its house in order. The programs to be funded by this bill add over $400 million annually to our balance-of-payments deficit. Enactment of this bill will contribute further to the deterioration of our general economic position.

Mr. President, 3 years ago AID completed a swanky hotel and apartment complex in New Delhi for foreign aid personnel at a cost of $3.2 million. Not long ago it was turned over to the Indian Government as a consequence of the shutdown of most of the U.S. aid program following the India-Pakistan war. Now, according to press accounts, India cannot figure out what to do with this costly white elephant. This is an appropriate symbol of the foreign aid program.

On a related issue, the September 20 Washington Post reported that India had proposed, and the United States had tentatively agreed, to settle its $3 billion foreign currency debt to us for $100 million in dollars and $900 million in local currency. Although, on the surface, it appears that only two-thirds of the rupee debt was written off, the American taxpayer has lost much more since, apparently, much of the $900 million in rupees will be used in foreign aid programs in the region.

I do not criticize this settlement as such, but for what it represents—the culmination of a misguided foreign aid policy. An Indian economist wrote in the New York Times recently:

> Better Indo-U.S. relations can only be built on a "zero aid" position. . . . The overwhelming majority of the Indian people . . . are against foreign aid.

Now that the Indian foreign currency debt is being settled on such a favorable basis for India, we can expect Pakistan to demand equal treatment on the $1.1 billion in foreign currency she owes on Public Law 480 purchases. And the list of petitioners is likely to grow. Indeed, if the entire $8.3 billion in outstanding Public Law 480 foreign currency debts were settled on this basis, the American taxpayer would end up getting only about $280 million in dollars and $2.5 billion in foreign currency. And, with the debt burdens of the poor countries growing, it is not unreasonable to expect similar defaults in the future on the $29 billion outstanding in dollar repayable loans. Settlement on the one-third basis followed in India would cost the taxpayers an additional $20 billion.

One final point. The $1 billion proposed in my substitute is but a small part of the overall foreign aid program for this fiscal year. The total foreign aid package proposed by the executive branch comes to $7.9 billion, using the most conservative estimates. Other estimates go as high as $8.6 billion. There is now $2.7 billion in the pipeline for the programs to be authorized by this bill. If no new program money at all were provided by Congress the foreign aid program would still continue for the indefinite future. In view of our Government's fiscal situation I think a further modest reduction in foreign aid is well justified.

I urge the Senate to give priority consideration to restoring the confidence of our people in our ability to act responsibly in fiscal matters and to vote for my substitute.

Mr. President, I believe I asked unanimous consent to have printed in the Record a table comparing the continuing resolution.

The PRESIDING OFFICER. The Senator is correct.

Mr. FULBRIGHT. I will read only the total amount. The continuing resolution we are now operating under has $1,240.9 million. The committee recommendation in the bill before the Senate is $1,234.4 million. My amendment would reduce that to $1,017.1 million, or in other words $217 million.

Mr. President, I ask unanimous consent to have printed in the Record as a part of my remarks two articles describing the Indian settlement of its debt to the United States, published in The Washington Post.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 20, 1973]

India Offers Settlement of Debts to U.S.

(By Barry Schweid)

The Indian government has proposed—and the United States tentatively accepted—settling its $3 billion debt for $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries.

Under terms of the proposal carried here from New Delhi by Ambassador Daniel P. Moynihan, the remaining $2 billion debt would be used to underwrite agricultural development, rural electricity, housing and other Indian projects.

All but the $100 million that India would give the United States in cash could remain in native currency—the rupee—under the proposal.

The debt has built up over the years from American grain supplied during the famine years of the 1960s under the Food for Peace program, and completed U.S. aid loans to India. Although the debt is equivalent to $3 billion, it is actually owed to America by India in terms of rupees, not U.S. dollars.

Moynihan is in Washington to consult with Henry A. Kissinger, the Secretary of State-designate, and other top officials. He still is considering an offer of a top post in the department, but appears inclined to pass it up before returning to New Delhi next weekend.

The 46-year-old Democrat has been ambassador only seven months. He is reluctant to drop the delicate job of repairing relations between the two countries, strained especially during the 1971 Indian war with Pakistan when Indians generally claimed that Washington was tilting toward their enemy.

The prospective compromise on the rupee account is essentially a political agreement, one that could help overcome Indian bitterness over the fact that Washington owns a handsome chunk of the Indian economy. The rupees have piled up in the Reserve Bank of India, drawing interest, despite vigorous U.S. efforts to spend them partly by such means as financing visits to India by American officials.

The $100 million would be paid over the next 10 years. Part of the $900 million in rupees would be used to finance U.S. aid programs to Nepal and other small countries on the subcontinent as well as to keep up the U.S. embassy and other American offices.

[From the Washington Post, July 16, 1973]

United States To End Aid Program in India

(By Lewis M. Simons)

New Delhi, July 15.—In the next couple of days, as soon as Prime Minister Indira Gandhi gets over a case of flu, U.S. Ambassador Daniel Patrick Moynihan will call on her and close out an era.

The ambassador will inform the prime minister that the much-maligned U.S. aid program to India is officially ended, at her government's insistence, after 22 years and an expenditure of $10 billion.

Moynihan will also present Mrs. Gandhi with a proposal for disposing of $840 million in Indian rupees held by the United States as a result of Indian payments for American grain supplied during the famine years of the 1960s under the Food for Peace program.

Finally, Moynihan will turn over to the prime minister a $6 million complex of luxury buildings occupied by the U.S. Agency for International Development (AID) in New Delhi. The complex was completed just two years ago.

So far as the Indians are concerned, the most important of the three components of the package will be Moynihan's proposition regarding the U.S. rupee holdings.

These rupees are held in the Reserve Bank of India and they represent a drain on the Indian economy because of the enormous interest the account commands—interest that is piling up faster than the rupees themselves can possibly be spent.

The ambassador, who recently returned from consultations with President Nixon, refuses to reveal details of the plan until he has seen Mrs. Gandhi. He said only that the proposal falls "somewhere between zero and infinity." In other words, it will not insist that the mammoth account remain in the Indian bank, nor will it write off the entire matter, as the Indians would like.

Sources familiar with the proposal say it is a good one, from India's viewpoint, and that Mrs. Gandhi is likely to accept it. Her only reason for rejecting it, the sources speculate, would be political, not economic.

The prime minister and members of her government periodically trot out the "rupee problem" when they want to accuse the United States of worming its way into the Indian economy. But the United States may not spend any of its rupee holdings without India's express consent.

Moynihan hopes his plan will be the first important step toward putting Indian-American relations on a normal nation-to-nation basis.

As much as ideological variants and military alliances, the donor-debtor relationship has helped sour India on the United States and vice versa.

The prime minister's attitude makes clear that there is no point to the old kind of relationship for either side. Knowing this, Moynihan is eager to clear the decks before his stewardship moves into full gear.

He views the transfer of the U.S. AID complex of buildings to the government of India as symbolizing an end to one era and the start of another.

The collection of white brick buildings sticks up from the desert on the south edge of New Delhi like a sore thumb. And like a sore thumb, it has been an irritant ever since it was built.

The south block complex as it is known to AID staff members, was living proof that the United States owned more of India's rupees than was good for either country.

The decision to build the complex with food for peace rupees, was made in 1969, when AID had 260 Americans working in India and the United States was spending what was considered "funny money" on anything it could think of, just to get rid of some of it.

As one AID insider put it, "The way we were buying and spending in those days would make your hair curl. Anything anybody wanted was okay."

The south block concept fits in perfectly with that kind of mentality. After all, the reasoning went, India is a hard place for Americans to live in. The weather is miserably hot at least half of the year, and all year-round in some parts; You cannot drink the water without boiling it; you cannot buy a steak; outside the big cities there's no place to swim, etc., etc. In short, wouldn't it be nice to have a place where we could get away from India, even for just a little while.

The south block is just such a place, "An ostentatious American ghetto, but the best damned oasis in the Indian desert," as one AID staffer put it. The complex consists of a clustered six-story building containing 30 roomy two-and three-bedroom apartments; a hotel with 18 double rooms as well as a dining room, cocktail lounge, reception room, library, four-lane bowling alley and swimming pool. The whole thing is swathed in tinted glass, lined with wall-to-wall carpeting, cooled with central air conditioning, sweetened with piped-in stereo music and lubricated with pure drinking water right from the taps.

In addition to these living and playing facilities, the complex has a sprawling, low-slung office block, a giant warehouse and a covered garage. These buildings have already been turned over to India which has installed members of its science and technology ministry in them.

The rest of the buildings will be turned over by the end of September. Such a transfer was envisaged in 1969. The agreement signed by AID and the Indian government then said India would receive the complex "when no longer required for the support of the United States assistance program in India."

Barely a year after the construction ended, Mrs. Ghandi said India had had enough of U.S. AID and the staff was quickly run down to its present 12 Americans.

A major unknown is how the Indian government is going to cope with the huge cost and expertise needed to run the modern complex. Electricity alone costs $67,000 a year. Total annual operating costs are $160,000.

An American engineer who just completed an overall inspection of the plumbing and water purification plant told AID staffers he expected the whole system would cease functioning six months after the Indians take over.

Cyril Peters, an Indian national who has been manager of the complex since its completion, says it will take even less time.

"The government won't be able to run it," said Peters. "I'd hate to see it three months after they move in. Under my management, everyone does whatever is required of him. The government will have to worry about caste. Higher caste people won't help with low-level jobs. It will be a mess."

The end of the south block complex does not mean that the American community in New Delhi will no longer have a refuge from India.

There is still the American Community Support Association, where Americans can taste such joys of home as hamburgers, hot dogs, American beer, cokes and soft ice cream and relax in the swimming pool and on the baseball diamond.

The handful of AID staffers and their families who will remain in New Delhi to oversee outstanding loans, the large school lunch program and a few other extant projects are being transferred to rented houses or embassy compound apartments.

Ironically, just as the south block is being given up, the U.S. embassy finds itself needing at least 20 new apartments for staff members. A 12-unit building was recently completed and plans for others are on the drawing boards.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Wall Street Journal entitled "The Case Against Foreign Aid," which I think makes a very strong argument against the continuation of the program as it has been administered heretofore.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Oct. 3, 1972]

THE CASE AGAINST FOREIGN AID

(By Peter T. Bauer)

It can be confidently predicted that whatever the outcome of the election in November, foreign aid will once again be a controversial item on the agenda of Congress.

And it can also be predicted confidently that once again it will be alleged that official development assistance—that is, government-to-government grants or soft loans—is indispensable for the progress of poor countries.

Aid is given regardless of the conduct of the recipients, or of its results. It is virtually the only form of government expenditure which goes unquestioned, unlike defense, farm price supports or school lunch programs. This is remarkable.

Aid is plainly not necessary for development, as is shown by the progress of many poor countries without aid. Moreover, it is often damaging, because although it is admittedly an inflow of resources, it sets up repercussions which can outweigh the benefits.

Aid advocates often allege that official aid is indispensable for development. This offensively patronizes aid recipients by saying that they desperately want development but cannot achieve it without handouts—doles from us. In fact, very many poor countries have progressed without them. Malaya was transformed by the rise of the rubber industry, which received no external subsidies, from a sparsely populated country of hamlets in the 1890s to a thriving country by the 1930s where a much larger population lived longer at much higher standards.

AFRICA AND HONG KONG

To move from Asia to Africa, the Gold Coast (Ghana since 1957) was transformed between the 1880s and the 1950s without foreign aid. In 1880 there were no cocoa trees there; by 1950 there were huge exports of cocoa, all from African-owned farms. Again, in 1840 Hong Kong was a barren rock. By now four million people live in that major manufacturing center, whose competition is most embarrassing to Western industries. Hong Kong also developed without external gifts. And so did the now developed countries, all of which had begun as poor.

Official aid is thus not necessary for development. Nor is it sufficient. The Navajo Indian nation has remained wretchedly poor in spite of decades of huge American official aid, If a society cannot develop without external gifts, it will not develop with them. What holds back many less developed countries is the people who live there.

Development depends on people's capacities, motivations and social and political institutions. Where these basic determinants are favorable, material progress will usually occur. Materially ambitious, resourceful, industrious, far-sighted and thrifty people will create or obtain capital, and also use it productively.

There is an inescapable dilemma in the argument that aid is necessary for development. If the required conditions other than capital are present, capital will be generated locally or supplied commercially from abroad, to government or to business, so that aid is unnecessary for development. If the other conditions are not present, aid will be ineffective and thus useless.

It is often said that the culture and the social and political institutions of the recipients should not be disturbed. But what if these are incompatible with substantial material progress, as are many beliefs, customs and institutions, such as the deeply held belief in the sanctity of animal life in South Asia? Material progress requires modernization of the mind, which is inhibited by many institutions in less developed countries and also by official policies pursued there.

Progress does not depend on handouts, but on capacities, mores and institutions. This still leaves open the question whether aid is more likely to promote or to retard progress, which cannot be shown so conclusively. I believe that in practice it is more likely to retard it. Here are some of the many reasons why.

Aid reinforces the disastrous tendency to make everything a matter of politics in less developed countries. The handouts increase the resources and power of governments compared to the rest of society, a result reinforced by the preferential treatment of governments which try to establish state-controlled economies and of countries with balance of payments problems. Politicization of life diverts energy and ambition from economic activity. Moreover it provokes and exacerbates political tension, because it becomes supremely important, often a matter of life and death, who has the government, as is clear from the recent history of Indonesia, Pakistan, East Africa and Nigeria.

Aid often supports most damaging policies. Many recipient governments restrict the activities of minorities, of Chinese in Indonesia, Asians in East and Central Africa, Indians in Burma, Europeans everywhere. The removal of thousands of Asians from East Africa (the most familiar of many examples) has reduced incomes and widened income differences between these countries and the West. These measures are often followed by the expulsion or even destruction of thousands or tens of thousands of people.

ENCOURAGING THE PARADOXICAL

Aid in many ways encourages the paradoxical policy of recipients to restrict the inflow and deployment of private capital. The Indian government, an aid recipient for many years, sets up expensive state oil refineries when the oil companies in India have unused capacity which they are not allowed to employ.

Foreign aid promotes the adoption of unsuitable external models. The establishment of uneconomic heavy industries and national airlines is familiar. More important is the proliferation of Western-type universities, whose graduates cannot find employment, and of Western-style trade unions which are only vehicles for the self-advancement of politicians.

Aid obscures the fact that progress cannot be had for nothing, that the peoples of advanced countries have themselves had to develop the required conditions. It reinforces a widespread attitude that opportunities and resources for the advance of one's self and one's family must be provided by someone else, which promotes or reinforces torpor, fatalism or even beggary and blackmail, but not self-improvement. Preoccupation with aid also diverts the government's attention from the basic causes of poverty and from the possibilities of acting on them.

These are just five ways in which an inflow of resources can damage development. And the economic productivity of aid resources is generally likely to be low and insufficient to outweigh the adverse repercussions. Aid cannot be so closely adjusted to local conditions as can resources supplied commercially. Moreover, governments are understandably apt to use resources donated from abroad on wasteful show projects.

All this is not to say that aid cannot promote development. Whether it in fact does so or not depends on the specific circumstances of each case. But the examples above make it clear that it is unwarranted to assume that because aid represents an inflow of resources, it must promote development. In fact, aid is at least as likely to retard development as to promote it.

If it is only money that were missing, it could be secured commercially from abroad.

Aid means at most that some capital is cheaper. But the capital is likely to be less productive than if it were supplied commercially from abroad to government or to business, and as we have seen, aid is also apt to set up far reaching adverse repercussions. There can, therefore, be no general presumption that in practice aid is more likely to promote development than to retard it. In fact, these various considerations suggest that as it has operated and is likely to operate, any general presumption would be the other way round. Of course, even if aid does promote development, this still leaves open the question why people in the donor countries should be taxed for this purpose.

It is often urged that the more aid is given the better, without examining its results that, somehow effectiveness is measured by cost, which no one in his senses would apply to his own life.

Aid certainly removes resources from the donors. But it does not follow that it promotes development. To make the rich poor, does not make the poor rich.

Once the case for aid is taken for granted, then either progress or its absence can be advanced for more aid; progress as evidence of its success, and lack of progress as evidence that more is needed. Whatever happens is an argument for more aid. When a case is taken for granted, evidence becomes irrelevant.

Why is the argument that aid is necessary so widely accepted if it is unfounded? This isn't strictly relevant: why people hold certain beliefs has nothing to do with their validity. However, for what it is worth let me give you my explanation.

Many advocates of aid are well intentioned, but not well informed. But by and large the aid crusade is a gigantic confidence trick. A well meaning public has been conned by a motley coalition which has succeeded in part by playing on feelings of guilt, which however unfounded are nevertheless widespread. I think this coalition includes international agencies and government departments anxious to increase their activities and power; professional humanitarians with similar ambitions; disillusioned, bored, power-and-money-hungry academics; the churches which face spiritual collapse and seek a role as welfare agencies; temperamental do-gooders, frustrated by events at home; politicians in search of publicity; exporters in search of easy markets, and governments embarrassed by commodity surpluses. And there are also many people who welcome any argument or policy which in some way or other weakens the position of Western society, which for various political and emotional reasons they have come to dislike.

Where do we go from here? What should we do about foreign aid? I think it would be best to finish this system of handouts which is bad for both the patrons and for the patronized, and which, by the way, is relatively recent and was started only some 20 years ago.

However, this is unlikely to come about, because of the emotional, political, intellectual, financial and administrative interests behind it. Moreover, the immense sums already spent on aid themselves operate against its termination: the greater are the sacrifices, the harder it is to question the principles in the name of which they have been extracted.

Given the fact that aid will continue, I would wish to see the method and criteria of allocation changed drastically. Aid could be allocated in such a manner that it would favor governments which within their human, administrative and financial resources try to perform the essential and difficult tasks of government and at the same time refrain from close control of the economy. These tasks include the successful conduct of external affairs; the maintenance of law and order; the effective management of the monetary and fiscal system; the promotion of a suitable institutional framework for the activities of individuals; the provision of basic health and education services and of basic communications; and also agricultural extension work. These are important and essential functions which must devolve on the government. This is for two reasons. First, because part of the institutional structure within which the private sector functions does not emerge from the operation of market forces and so must be established by law. Second, because some of these activities yield services which, although there may be a demand for them, cannot be bought or sold in the market.

This list of tasks largely exhausts the potentialities of state action in the promotion of general living standards. These tasks are extensive and complex. Their adequate performance would fully stretch the resources of all governments in poor countries. Yet governments frequently neglect even the most elementary of these functions while attempting close control of the economies of their countries, or even, occasionally, contemplating coercive transformation of societies. They seem anxious to plan and unable to govern.

Much more thought could also be given to prevent the inflow of aid from biasing the development of recipient countries in directions based on inappropriate external prototypes. Preference could be given to governments interested more in improving the roads and extending external contacts than in opening Western-type universities or in creating heavy engineering works.

GOVERNING VS. PLANNING

The substantial revision of the criteria of allocation of aid which I suggest does not in the least imply underestimation of the tasks of government, but rather the reverse. The adoption of such criteria would favor governments which try to govern rather than to plan. By the same token, aid would be withheld from governments which pursue policies which plainly retard the material progress of their countries. And many of these policies, as for instance the maltreatment of economically successful minorities, often exacerabate the problems and difficulties both of other aid recipients and also of the donors.

The adoption of such criteria would promote relatively liberal economic systems in the recipient countries, minimize coercion and favor material progress, especially an improvement of living standards. It would also reduce political tension in the recipient countries.

This proposal assumes, of course, that the purpose of aid is to improve material conditions in recipient countries. But the proposal will be altogether unacceptable if the actual purpose of aid differs from the ostensible objective of improving general living standards in the recipient countries. It will be unacceptable if the primary purpose is the pursuit of unacknowledged political policies, such as the promotion of closely controlled economies and societies, or the increase in the resources and power of the international organizations.

Mr. FULBRIGHT. Mr. President, lastly, I ask unanimous consent to have printed in the RECORD an article entitled "Foreign Aid Without Aid," published in the Washington Post on June 3, 1973.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 3, 1973]

FOREIGN AID WITHOUT AID

(By William C. Paddock)

The American bald eagle is a remarkable bird. For 83 days the parents feed their young. Then, realizing that the eaglets will never fly without drastic action, the parents fly overhead with a fish, land nearby in sight—but out of reach—of the eaglets and eat the fish themselves. The eaglets are finally starved into leaving the safety of the nest to go out and fish for themselves.

It is a practice we would do well to keep in mind in pondering our foreign economic aid program, run by the Agency for International Development, which expires this month unless Congress, as it has in the past, grudgingly renews it.

For more than 25 years, the American people have been carrying out a sometimes charitable and sometimes self-serving crusade against hunger and poverty in the developing world. The crusade employs thousands of Americans overseas and has cost us more than $150 billion. While the majority of those who have studied this crusade are hard put to find concrete proof that the money has been well spent, most internationally minded Americans still advocate a continued flow of such aid. But the time has come to let the developing world fish for itself.

A PREPOSTEROUS PROMISE

For more than 25 years the hungry nations of Asia, Africa and Latin America have heard of the miracles that American technical know-how, Yankee ingenuity and U.S. dollars can produce in a backward, hungry, tradition-bound nation. It is not surprising that these hungry nations have come to place a degree of faith for solving their problems on U.S. help.

No better example of this can be found than in the "green revolution," a name coined by a former AID head. The "wonder" wheat and "miracle" rice developed by the Rockefeller Foundation were "seeds of change" which gave Congress hope that the war on hunger not only could be won but was truly being won. The developing nations believed these florid statements.

Thus, after a couple of good crop years those countries credited their increased yields to new technology rather than to good rainfall. By 1970 Indonesia, the Philippines, Pakistan, India and others were talking confidently about soon being self-sufficient in food. The chairman of the Nobel Peace Prize committee, in announcing that the 1970 prize was going to Dr. Norman Borlaug, developer of the "wonder" wheat, summed up the euphoria by saying that, because of the "green revolution," "we do not any longer have to be pessimistic about the economic future of the developing countries."

How could the world be so misled? One reason was the flourishing public relations work of AID and the foundations. Another reason can be found in a book written in the early 1950s which noted that "when a white-coated scientist, looking up from his microscope, makes a pronouncement for the public, he may not be understood but he is certain to be believed. No one doubts a scientist." The book's title, "Science is a Sacred Cow," is appropriate when one remembers that the "green revolution" was promoted by the scientific branch of the development community.

For instance, Dr. Borlaug said, "You have to be brutally frank with some governments; you have to push them into using (the new technology) . . . it doesn't do any good to get 10 or 15 per cent yield increases, they won't listen to you. You have to throw the long bomb. You have to make a 100 or 200 per cent gain to change their old worn-out practices." Dr. D. S. Athwahl, Associate Director of the foundation-financed International Rice Research Institute (IRRI), where the "miracle" rice was developed, says, "What we are saying is either you apply the new technology or you starve."

I remember well a photograph of President Johnson visiting IRRI, a science showcase in the Far East, and listening spell-bound to the gesticulating director, Dr. Robert F. Chandler, in front of a large billboard which blazoned the message, "Newly Developed Rice Selections . . . Produce Up To 400% More Rice, Make Rice Growing Profitable."

The American Association for the Advancement of Science advertises one of its publications by saying, "New methods and techniques will make it possible to meet the food needs of the world's rapidly increasing population throughout the 21st Century." It is a preposterous promise, for at current rates the world's population will have grown from today's 3.5 billion to 37 billion by the end of the next century.

BREATHTAKING HOPE

The truth is that, while the new wheat and rice varieties are excellent high yielders under certain specialized conditions (controlled irrigation, high fertilization), they have done little to overcome the biological limits of the average farm. The hungry nations of Asia, Africa and Latin America are hungry because they have a poor piece of agricultural real estate, and no one should delude them into believing that some sort of technological wizardry can nullify the consequences of too many people on too little arable land.

But if AID officials and their supporters were to admit this to Congress, they would destroy a major argument for more money. For instance, in the 1973 congressional presentation of its program, AID said, "Significant and even exciting technological gains have been made in important food crops. . . . Keeping up the pace of this progress will be a difficult though *far from impossible* task" (italics mine).

The hope held out to Congress is breathtaking. For example, research on agricultural problems in Latin America, AID says, "has resulted, where the improved management practices have been adopted, in yields of 200 bushels per acre of corn where 80-bushel crops were the usual production. The long time effect of this research should result in yields increases on the nearly 300 million acres of land cultivated in Latin America . . . research in arid and subhumid lands in Asia has demonstrated that, in India and Pakistan alone, yields on the existing 100 million acres of irrigated land can be more than doubled by the application of modern irrigation practices . . ."

Where is the congressman who would vote against such a program? And if Congress takes hope, think what visions of sugarplum fairies dance before the eyes of the hungry nations. Why should they not feel that AID's technology will eliminate their problems, or at least materially reduce them?

THE ONLY HOPE

Yet if one looks at some of the characteristics which developing nations hold in common. It is clear the only hope to solve their food problems lies in extreme action of such gargantuan dimensions that they dwarf any help our dollars or technology can offer: 85 per cent of their people depend on agriculture for a living, though 25 per cent of the labor force is either unemployed or underemployed, they grow a narrow range of crops which are excessively susceptible to both pests and market fluctuations; most of their land is broken, mountainous, swampy or desert, with water the most critical factor affecting production. Malnutrition is rampant.

With enough capital some of these problems could be remedied, but this none of the hungry countries have, and few have much credit left. Of the $59 billion they have borrowed from the industrialized world, $33 billion falls due in the five-year period 1970–75.

Yet we hear of much progress in these nations, of how the poorest countries in the world (with a per-capita gross national product of less than $200 and containing 67 per cent of the developing nation's population) have been growing economically at nearly 4 per cent a year for 10 years; a rate faster than their population. This sounds fine, but in general it has meant that their rich have gotten richer while their poor have either remained the same or are, indeed, poorer. More people, not fewer, are worse off today than 10 years ago.

"When you rip aside the confusing figures on growth rates," says Pakistan economist Mahbub ul Haq, "you find that for about two-thirds of humanity the increase in per capita income has been less than one dollar a year for the last 20 years."

THE POPULATION CRUNCH

American presidents have told us AID is necessary because "the wealthy nations cannot survive as islands of abundance in a world of hunger, sickness and despair." This is utter nonsense, for we are doing so now, like it or not, and we are going to continue to do so, like it or not.

Every day the gap widens and at an accelerating pace. In 1960 the per capita GNP gap between the rich and poor countries was $2,000; today it is $3,000. World Bank President Robert S. McNamara says, "Projected to the end of the century . . . the people of the developed countries will be enjoying per capita incomes, in 1972 prices, of more than $8,000 a year, while the masses of the poor . . . will on average receive less than $200 per capita, and some 800 million of these will receive less than $100. . . ."

While some countries have doubled and tripled the size of their school systems during the past 10 years, each year there are more illiterates. The trouble, of course, is that even before they are started, development efforts are defeated by the steady, uncontrolled growth in population. Development experts once thought the millennium had arrived when India produced a record 95 million tons of food grains in 1967–68. Today, however, the experts refer to the projected 1972–73 Indian crop of 100 million tons as a "critically low figure." The reason: This year's crop must feed 70 million more Indians than it did in 1967.

Mexico is often cited as one of the world's best agricultural success stories. It was there that Dr. Borlaug of the Rockefeller Foundation developed his "wonder" wheat. Congressional committees and others have often heard that since the Rockefeller Foundation scientists began working there, Mexico no longer has to import wheat and corn. This supposed self-sufficiency, unfortunately, has been greatly exaggerated. Mexican price supports or cost of production or both have priced corn and wheat out of reach of a large pecentage of Mexicans. Malnutrition is a major problem in Mexico—clear evidence that Mexico's agriculture does not produce the food her people need.

Speaking of this, a former U.S. ambassador to Mexico once told me, "We can't convince the Mexican government that a population problem exists; as long as agricultural production is growing as fast as the population, they don't think there is anything to be concerned about."

Since World War II Mexico, like most of the developing world, has been able to increase its agricultural production primarily by putting new land into production, not through new technology. But now, like the rest of the hungry world, it is harder and harder to find new land to develop. If its population continues to grow at the present rate, the next 40 years will see Mexico's population mushroom from 50 million to 200 million, a number beyond the capabilities of her limited farm land to feed.

WHAT IS SELF-HELP?

Throughout the history of our aid program, Congress has been told that all the United States wants to do is help those people who will help themselves. Thus President Truman said our aim was to "help the free peoples of the world through their own efforts," and President Johnson said, "The key to victory is self-help." Today's AID administrator, John Hannah, says, "We recognize that the developing countries are responsible for their own development. . . ."

Such statements seem clear when made, but what is "self-help"? The concept offers no guidelines for the expenditure of our aid money because no country intentionally tries self-harm. They are all making an effort to improve their lot. And "self-help" is just as confusing to the recipient nation. A friend in the Dominican Republic once told me that his concept of "self-help" was that of a U.S. supermarket where a developing nation strolls along the AID shelves and helps itself to what it wants: a power plant here, a road there, and next an irrigation canal.

The United States has made a noble effort to help the developing world solve its problems. In doing so, however, we have given a false hope that we really can develop these regions—if the world would only listen to us and Congress would only be more generous with dollars. The resulting confidence has let the hungry nations concentrate on programs often completely unrelated to their basic problem: the population-food crunch.

Virtually every knowledgeable authority agrees that drastic action must be taken if the crunch is not to become catastrophic. "To delay progress toward full self-regulation of population size is to play 'Russian roulette' with the future of man," says a National Academy of Sciences report. Yet nowhere has the necessary extreme action been under taken, nor will it be until the developing world realizes that there is nothing the industrialized nations can do, in the form of foreign aid, about the population problem.

Cruel though the statement might sound, India would be a more viable nation today if in 1965 the United States had not shipped a fifth of its wheat crop to that subcontinent, thereby averting a famine and saving perhaps 30 million or more Indian lives (President Johnson put the figure at 60 million). The catastrophic shock of so many deaths in 1965–66 probably would have shaken India's political structure to the core and slowed down or stopped entirely its nationalist aspirations, such as needless expenditures on flag-carrying airlines and military operations against neighbors. Its agriculture would surely be receiving a greater percentage of the national budget, and we could expect the citizenry to be far more responsive to government efforts to control births (the Indian government might not have to report, as it did this year, that "Thus far, the rate of population growth has shown no declining tendency"). Nor would we have seen India relax into euphoric talk about food self-sufficiency, as it did in 1971 after having a couple of good monsoons—which led to further dallying with its problems.

AID WITHOUT AID

One reason why no drastic action is being taken in the world against the population-food crunch is the false hope that foreign aid provides. So long as there is such a false hope, governments will not initiate the action most needed The time has come then, for aid without AID.

The hungry nations must be helped by not helping them, by letting them know they must solve their own problems and that the only way they can do this is with their own energies and motivation. Most of the developing world knows what needs to be done. We must let them do it.

No new scientific gismo needs to be invented to control runaway population growth. Birth control techniques already exist. What does not exist is the motivation to use them. If the leaders of the hungry nations—Mrs. Gandhi, Gen. Suarto, President Marcos and others—could be convinced that so long as present trends continue famine is inevitable, they may well stop following their politically "safe" but dawdling courses. They would have to stop spending so much money on such things as elaborate road systems, military establishments and petrochemical industries that not only produce needed fertilizer but a hundred other less crucial "national" products.

The hungry nations of Africa, Asia and Latin America spend $26 billion annually on armaments—three times what they receive in official development assistance. If this $26 billion, or a large part of it, were spent on tube wells, irrigation ditches, fertilizer and agricultural research, it might become possible to head toward a true "green revolution." If, simultaneously, the nations' communications industries focused on teaching the perils of a six-child (and even a three-child) family, and if economic rewards went to those who practiced what the nation preached, a significant birthrate drop might be possible. Then, indeed famine would not be inevitable.

[From the New York Times, June 3, 1973]

INDIA TO IMPORT MORE GRAIN AS HEDGE AGAINST DROUGHT

NEW DELHI, June 2 (Reuters).—India has decided to import more grain to build stocks and to combat severe drought in parts of the country, the Minister of State for Food and Agriculture said yesterday.

The Minister, Annasaheb Shinde, said at a news conference that he could not yet announce how much grain would be imported and that this would depend upon the progress of the Government's plan to build up stocks and on the effect of the monsoon rains, due in Western India in less than two weeks.

Mr Shinde said that Government efforts to build up stocks were running behind schedule. They had been delayed, he said, because some farmers were holding their grain in the hope that the Government would increase the price. Mr. Shinde said that the Government still intended to nationalize the wholesale rice trade later this year, as it had nationalized wheat on April 1.

U.S. NEWS & WORLD REPORT

Hunger, mainly resulting from drought, is rising in *Africa, India, China*. As things look now, the coming year could be one of the century's hungriest.

In India, as the first touches of monsoon rain reach the hills, drought and famine are threatening *at least 80 million people* with hunger and starvation before October's harvest. So far, deaths are minimal. But worse is to come.

Bangladesh, miserable after the civil war, has promises of enough grain from U.S. alone to supply 6 million people for a year. More is needed.

Mainland China, with one bad harvest last year, faces another. Drought or floods mean food shortages, hunger, and increasing unrest ahead.

West Africa is struggling through the worst of five to seven years of drought. Six former French colonies are hardest hit—Chad, Mali, Mauritania, Niger, Upper Volta, Senegal. Millions of cattle, unknown numbers of people among the 10 million threatened have already died.

U.S., once beset by grain surpluses, now has not only grain-short Russia but much of the world lining up to get what grain the Americans can spare.

EXHIBIT 1

FOREIGN ECONOMIC ASSISTANCE AUTHORIZATION

[In millions of dollars]

	Continuing resolution, fiscal year 1974	Committee recommendation, fiscal year 1974 [1]	Fulbright substitute [1]
Supporting assistance for South Vietnam, Laos, and Cambodia.	[2] 450.0	376.0	376.0
International organizations	94.1	120.0	120.0
Indus Basin	9.0	14.0	14.0
Worldwide development loans	175.8		[3] 125.0
Worldwide technical assistance grants.	140.8		100.0
Alliance for Progress	204.1		150.0
Loans	(134.4)		[3] (100.0)
Grants	(69.7)		(50.0)
Population	89.8	(4)	(4)
New development assistance categories: [5]			
Food and nutrition		282.0	
Population planning and health.		141.0	
Education and human resources.		94.0	
Selected development problems.		47.0	
Selected countries and organizations.		28.0	
Miscellaneous categories:			
American schools and hospitals.	9.0	[6] 19.0	19.0
International narcotics control program.		40.0	40.0
Contingency	22.4	23.5	23.5
Partners of the Alliance		.9	.9
Administrative expenses (AID)	45.9	49.0	49.0
Totals	1,240.9	1,234.4	1,017.4

[1] The same amounts are recommended for fiscal year 1975 for all programs with the exception of the international narcotics control program for which $30,500,000 is authorized and American schools and hospitals abroad and assistance to South Vietnam, Cambodia, and Laos for which funds are authorized only for fiscal year 1974.

[2] Estimate.

[3] In addition, $251,000,000 in loan reflows will be available for relending.

[4] $125,000,000 earmarked out of all categories for population programs.

[5] Not more than 50 percent of the amounts appropriated for these categories may be used for grants. In addition, $251,000,000 in repayments on outstanding foreign assistance loans will be available for relending in fiscal year 1974.

[6] In addition $6,500,000 in excess foreign currencies are authorized.

Mr. FULBRIGHT. Mr. President, I also ask unanimous consent to have printed in the RECORD a letter to the editor of the New York Times on August 1, 1973, entitled "How Foreign Aid Hurts India," an article entitled "Foreign Aid: Politics of Resentment"; and a table showing the estimated unliquidated obligations by appropriation item for fiscal year 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 1, 1973]

HOW FOREIGN AID HURTS INDIA

To the Editor: In reference to Bernard Weinraub's July 25 news story "India Expresses Desire to Broaden Relations with U.S." I would like to state that better Indo-U.S. relations can only be built on a "zero aid" position.

Foreign aid—that is, government-to-government loans on low interest rates and long maturity periods—neither promotes economic growth nor betters political relations. In fact, it worsens both.

The overwhelming majority of the Indian people (and, I learn, the American people as well) are against foreign aid. At best, only a small fraction of the top bureaucracy in both countries want foreign aid. In India, foreign aid sustains sometimes directly and most often indirectly the high conspicuous consumption of a small elite, and consequently the investment pattern based on aid availability is distorted to bolster such consumption.

The availability of money and grain on easy terms makes this elite postpone hard decisions, on essential reforms such as economy in government expenditure, land reform and tax restructure. My study shows that, consequently, a dollar of foreign aid instead of supplementing domestic saving actually depresses it by more than a dollar.

What India badly needs is immediate self-reliance—that is, to tailor its import bill to its export earnings. Long-term credit on the international capital market is also permissible because foreign capital obtained this way is disciplined to optimal uses by the market interest rate that the Indian economy would have then to pay. To qualify for such loans, India will have to improve its "credit-rating," which will create additional pressures at home for serious reforms.

Finally, no one in India feels that foreign aid is motivated in the U.S. or Soviet Union by the "largeness of the heart" or that it entails a sacrifice for the donor country. An index of this feeling is the fact that Mrs. Gandhi ran the 1972 provincial elections on the main, appealing plank of *purna arthik swaraj*, i.e., self-reliance. To deviate from this election promise is good for nobody—Indians or Americans.

SUBRAMANIAN SWAMY.

(NOTE.—The writer is an economist currently teaching at, the Harvard University summer school. He is also a member of the Central Working Committee of the Bharatiya Jana Sangh, India's second-largest political party.)

[From the Washington Star-News, July 25, 1973]

FOREIGN AID: THE POLITICS OF RESENTMENT

(By Smith Hempstone)

Of all the billions of dollars of the American taxpayers' money which profligate administrations have sown around the world in the past quarter-century, none has reaped such a bitter harvest as the $10 billion pumped into India since 1950.

It always was naive to suppose that those nations which the United States so generously aided would be grateful for the assistance: Dependency is seldom a happy relationship. And yet in an era in which ironies abound, it is somehow doubly ironic that past American generosity should poison present relations between Washington and New Delhi.

Just the other day, American Ambassador to India Daniel Patrick Moynihan met with Prime Minister Indira Gandhi to announce the termination of the U S. aid program and to find a way to dispose of a mountain of U.S.-owned rupees worth $840 million which Washington cannot possibly spend and the existence of which affronts Indian sensibilities. The rupees are a debt incurred by India for the purchase of surplus food in famine years at cut-rate, long-term prices.

Americans rightly find it hard to turn away from people dying of hunger. Yet it is arguable that the provision of food to avert famine did India no favor: It simply made it possible for millions of people the land could not support to survive and procreate children who, in their turn, are doomed to lives of hunger and want.

Indeed, the churlish Indian response to United States assistance calls into question the whole concept of foreign aid. And high time, too.

The great success of the Marshall Plan, under which Europe rose phoenix-like from the ashes of World War II, fostered the simplistic notion that, given enough money, technical assistance and goodwill, poverty could be banished from the earth and the most backward nations introduced to the glories of industrialism and consumerism.

The point the aideologists missed—or chose to ignore—was that, in the case of Western Europe, we were dealing with nations which had already undergone the historical experience of industrialization. They had the skills, the institutions and the desire to become again what they once had been. The foundations, the preconditions, were there; in Western Europe, the job was one of reconstruction, not construction, and the difference is immense. In the Third World, we were trying to build bricks without straw, and to lay them on sand.

The point is that we know virtually nothing about the determinants of development. Theories abound, but there are no provable absolutes.

If you will look at a map of the world, you will see that, in general, the developed countries lie well north of the Tropic of Cancer (the U.S., Canada, Europe, the Soviet Union and Japan) or south of the Tropic of Capricorn (Chile, Argentina, Brazil, South Africa and Australia). In between these parallels lie the barefoot nations of Africa, Asia and Latin America.

Some theorists postulate that Protestantism and industrialization are linked, that the Moslem-Catholic prohibition against usury made impossible the accumulation of capital necessary for development. Others suggest that there is a linkage between climate and development. Still others are of the opinion that diet is the determining factor, that meat-eaters ultimately prevail over grain-eaters, and grain-eaters over rice-eaters.

There is always the danger of confusing cause with effect, and the probability is that there is no single reason why one nation or group of nations is developed and others are not. Religion, climate, diet, national attitudes and social organization probably all play a role.

The point is that only a people, a nation, can determine what it wants to be. Nobody else can effectively make that determination for it. Many underdeveloped nations want the fruits of industrialization: automobiles, sewing machines, transistor radios, Coca Cola. But, for reasons which we do not fully understand, they are unable or unwilling to create and sustain the preconditions for their own industrialization.

The concern has been more with appearances than with realities. Let a nation attain independence and the first things its rulers want are a steel mill, a national airline and a mammoth sports stadium. Never mind that its real needs are a workable population-control policy, an effective agricultural extension program and a system of simple vocational schools: These are not ego-massaging prestige projects.

And when resources in the form of money and technicians are received from abroad, this obviates the need for their generation at home, to the detriment of local pride, initiative and the development of responsive and responsible institutions.

In short, nobody appreciates something for nothing and it's high time we got out of the foreign aid business, except on a highly selective basis.

Foreign assistance and related programs—estimated unliquidated obligations by appropriation item, fiscal year 1973

[In millions of dollars]

Appropriation title.—Title I—Foreign Assistance Activities

Development assistance:	
Development loans	(1,841.3)
Worldwide	885.5
Alliance for Progress	955.8
Development grants	(161.4)
Worldwide	110.1
Alliance for Progress	51.3
Population programs	155.0
International organizations:	
United Nations development program and other programs	---------
U.N. technical assistance and other programs	---------
U.N. Environment Fund	---------
Indus Basin Development Fund, loans	---------
Indus Basin Development Fund, grants	---------
Refugee relief assistance (Bangladesh)	167.6
American schools and hospitals abroad	23.6
International narcotics control	12.2
Contingency Fund	30.1
Administrative expenses:	
AID	4.5
State	1.5
Prototype desalting plant	---------
Subtotal, development assistance	2,397.2
Indochina postwar reconstruction	---------
Military assistance:	
Military assistance	791.5
Regional naval training	---------
International military education and training	---------
Security supporting assistance	469.3
Subtotal military and security supporting assistance	1,260.8
Overseas Private Investment Corporation, reserves	151.1
Inter-American Foundation (limitation on obligations)	3.4
Total, title I, Foreign Assistance Act activities	3,776.5
Title II—Foreign military credit sales	747.7
Total title I and title II	4,524.2

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. HARRY F. BYRD, JR. I am not clear what the Senator from Arkansas said in regard to the settlement with the Indian Government. Did I understand the Senator to say that if that pattern is followed with all the other nations which owe money to the United States, the cost would be $20 billion?

Mr. FULBRIGHT. That is applied to the dollar debt; these were to a great extent foreign currency debts accumulated.

Mr. HARRY F. BYRD, JR. That $900 million also could be used for neighboring countries.

Mr. FULBRIGHT. Their currency is not convertible. The Indian agreement did not allow that.

Mr. HARRY F. BYRD, JR. I am speaking now of the total Indian debt of $3 billion.

Mr. FULBRIGHT. Yes.

Mr. HARRY F. BYRD, JR. Of the total debt, we will get $100 million.

Mr. FULBRIGHT. That is right.

Mr. HARRY F. BYRD, JR. Which means it is being settled at a rate of 3 cents on the dollar. The $900 million is still in local currency.

Mr. HARRY F. BYRD, JR. Then there is $2 billion in addition to the $900 million and the $100 million.

Mr. FULBRIGHT. We are forgiving the $2 billion. It is like settling a bankruptcy case.

Mr. HARRY F. BYRD, JR. As a practical matter, we are getting 3 cents on a dollar.

Mr. FULBRIGHT. That is right.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FULBRIGHT. I yield myself another 5 minutes.

Mr. HARRY F. BYRD, JR. The Senate approved on Friday legislation which would require that settlement to be approved by Congress before it may become effective.

Mr. FULBRIGHT. That is right. The Senate enacted it. I do not know when it will be passed, but I approved it. I supported it.

Mr. HARRY F. BYRD, JR. I offered it today on this bill, and it was approved on this bill, because I thought it might not be considered germane on the military procurement bill, but it certainly would be considered germane on this bill, which is the foreign aid bill.

Mr. FULBRIGHT. Certainly. As the Senator knows, I approve of that. I think we ought to approve these settlements. I do not know that we have much alternative——

Mr. HARRY F. BYRD, JR. In any case, since it is tax funds, money owed to the taxpayers of the country, the decision should be made, not by the executive branch, but by the legislative branch.

Mr. FULBRIGHT. I agree. The point is, why do we want to pour additional funds into these areas?

The bill we are now considering was a substitute offered by the Senator from Minnesota and the Senator from Vermont. They wrote it in collaboration with the AID people. The bill I offer as a substitute is in the form of the bill which the administration favored, except for the amount.

Mr. HARRY F. BYRD, JR. It is a tighter bill and it is of a lesser amount

Mr. FULBRIGHT. Yes; the administration, subsequent to the action of the committee, said it would support the committee action, because it was in a bigger amount than my bill.

Mr. HARRY F. BYRD, JR. The Senator's bill offers a lesser amount?

Mr. FULBRIGHT. Yes; $217 million less than the reported bill.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. As I understand it, the proposal would reduce substantially funds for the Alliance for Progress.

As I also understand it, a task force is already at work so as to get up aid to the new government of Chile. As I understand, if any of our aid money goes to Chile, it would come out of Alliance for Progress loans and grants; correct?

Mr. FULBRIGHT. That is correct.

Mr. SYMINGTON. There is an article in Newsweek of October 8, 1973, entitled "Slaughter in Santiago." I have seen many resports of organized murder, but this one is about the worst. It is a report by one John Barnes, who tells in detail of these frightful killings of the Chilean people, despite the denial by the Chilean Government that anything of that character is going on.

Inasmuch as I am told the AID people are already planning to now send aid to

Chile, and inasmuch as we very promptly recognized this takeover by military totalitarians of a duly elected government, regardless of the merits or demerits of said previous administration, this amendment would make it more difficult for us to give aid to this military junta, would it not?

Mr. FULBRIGHT. I do not know. The administration intends to give them aid. They recognized the new government quickly, and I assume they approve of it. The administration continued to give military equipment, but cut off economic aid during the Allende regime. The administration was devoted to supporting the Greek colonels. The Foreign Relations Committee voted to stop aid to the Greek colonels when they were alleged to be mistreating people, but the administration overrode the Senate.

Mr. SYMINGTON. In this article, John Barnes writes after being told eight people were the total killed:

> Last week I slipped through a side door into the Santiago city morgue, flashing my junta press pass with all the impatient authority of a high official. One hundred and fifty dead bodies were laid out on the ground floor . . .

I ask unanimous consent that at the end of this colloquy the article in question, "Slaughterhouse in Santiago," be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMINGTON. Mr. President, I support the amendment of the distinguished chairman of the Committee on Foreign Relations. It would seem we are having enough problems with our economy at home without taking the money of our taxpayers to support governments that operate on any such basis.

EXHIBIT 1

SLAUGHTERHOUSE IN SANTIAGO

Pablo Neruda, Chile's Nobel Prize-winning poet, was dead of cancer, and even as his body was lowered into its grave, his countrymen set about trying to murder his words. Books of all kinds, not only Neruda's but those by Mao and Marx and Marcuse, were seized by the tens of thousands from homes, bookstores and libraries and then fed to bonfires in the streets of Santiago. And the military junta that has ruled Chile for three weeks didn't stop there. Chilean universities, once proud bastions of independence, were purged of suspected leftists, and ordinary people learned to dread the midnight knock on the door. All that was bad enough, but Newsweek correspondent John Barnes discovered last week that the reign of terror has already gone much further than most people thought. Below, Barnes's report:

The military junta will not admit that there have been mass executions since the overthrow of Salvador Allende's Marxist government. "We have executed perhaps eight people since then for shooting at troops," Col. Pedro Ewing told newsmen. But that simply is not true. Last week, I slipped through a side door into the Santiago city morgue, flashing my junta press pass with all the impatient authority of a high official. One hundred and fifty dead bodies were laid out on the ground floor, awaiting identification by family members. Upstairs, I passed through a swing door and there in a dimly lit corridor lay at least 50 more bodies, squeezed one against another, their heads propped up against the wall. They were all naked.

Most had been shot at close range under the chin. Some had been machine-gunned in the body. Their chests had been slit open and sewn together grotesquely in what presumably had been a pro forma autopsy. They were all young and, judging from the roughness of their hands, all from the working class. A couple of them were girls, distinguishable among the massed bodies only by the curves of their breasts. Most of their heads had been crushed. I remained for perhaps two minutes at most, then left the building.

The next day I returned to the morgue with a Chilean friend so that I would have a witness. I also took along a camera. As I walked through the swing doors of the corridor the sickly sweet smell of the decomposing bodies almost knocked me back. There were more bodies, perhaps 70, and they were different from the day before. Just as I was pulling the camera from my jacket, a man in a white coat walked through the doors at the other end of the corridor. "What do you want?" he asked. "I'm looking for the bathroom," I said. "Come with me," he said. As I followed him, I took a sharp right and ran out of the building. He shouted after me but did not try to follow. I did not have the courage to try again. Later, in my hotel room, my friend burst into tears. "These were my countrymen," he cried. "My God, what has happened to us?"

BODIES

Workers at the morgue have been warned that they will be court-martialed and shot if they reveal what is going on there. But I was able to obtain an official morgue body-count from the daughter of a member of its staff: by the fourteenth day following the coup, she said, the morgue had received and processed 2,796 corpses.

No one knows how many have been disposed of elsewhere; a gravedigger told me of reports that helicopters have been gathering bodies at the emergency first-aid center in central Santiago, then carrying them out to sea to be dumped. One priest informed me that on the Saturday after the coup he had managed to get into the City's Technical University, which had been the scene of heavy fighting, on the pretext of blessing the dead. He told me he saw 200 bodies, all piled together. Tales like that abound in Santiago, and though information is almost nonexistent for the rest of Chile, the presumption is that the executions have followed a similar pattern in other cities. But the morgue count alone sets the regime's kill rate at an appalling 200 Chileans a day—just for the capital.

With hardly an exception, the victims come from the *poblaciones*—the slums that encircle Santiago and house half the city's 4 million inhabitants. During the three turbulent years of Salvador Allende's administration, the poor of the poblaciones never wavered in their support of his government, for the fact was that the *rotos* (broken-down ones, as they are contemptuously called by the more affluent) had never had it so good. Despite the soaring inflation, they earned enough money to buy undreamed-of luxuries like new clothes, radios, television sets, refrigerators. Community food-distribution centers in the poblaciones were always well stocked, while the shelves of stores elsewhere remained barren. Presumably, the junta believes that since the poblaciones provided the former government's main support, they must be terrorized into accepting the fact of its demise. So the local leaders are now paying with their lives for their love of Allende. Not one poblacion has escaped the terror.

ROUNDUP

I spoke with three women from the Pincoya poblacion. One of them, a mother of two, had just found out that she was a widow. She told me this tearful story: "Soldiers raided our poblacion last Saturday at 8 in the morning. In the section where we live, they rounded up about 50 men and held them until a police lieutenant came to take his pick. When the lieutenant saw my husband, he made him step forward and told him: 'Now you will pay for all you people have done.' The *carabineros* took him and a few others to the police station, and the rest were arrested by soldiers." For three days, she and the other women of Pincoya searched for their men in police stations and the two soccer stadiums where thousands are incarcerated. It was only after they heard that a 17-year-old boy from their block had been found at the morgue—shot in the head and chest—that they made the journey to see the lists of the dead. There they found her husband, Gabriel, as well as every adult male from one block of their poblacion.

I joined a funeral procession of weeping families following three coffins to burial. Carabineros, I was told, had raided a home in the Parque Santa María población and had picked up three petty thieves aged 18, 19 and 20. A sergeant told them they would be released if they paid 7,000 escudos—only $5, but a lot of money to the población poor. Their barrio raised the money and the youths returned home. But two hours later, a carabinero patrol came back to get them. That was the last their families heard, until they found their names on the morgue list. One of the boys was so riddled with bullets that they could hardly dress him for burial. But the fate of the other two was worse. Coffins in Chile have small window doors over the face of the dead, and the women opened them for me. There were no heads inside.

Orlando Contreras, who lives with his wife and seven children in the José María Caro población, is in daily dread of an official knock at his door. He is a laborer who worked in Santiago's office of social development, a particular target of the new regime. And he is well aware of the danger he faces, should the soldiers come after him. On the day the coup took place, he told me, he and one of his sons saw ten high-school students marched from their school, their hands over their heads, after a brief skirmish with carabineros. They were forced to lie face down on the ground, and then a policeman walked the line of prone youngsters, spraying them with machinegun fire.

The stories of atrocities are endless, and by now, inhabitants of the poblaciónes are utterly terrified. "I am too afraid to look for him," says a woman from the Ultima Hora población, whose husband was last seen covered with blood being hauled away in a police truck. "I am afraid that they will take me, too, and what would happen then to my four children?" Many are now afraid even to associate with families that had any connection with Allende's regime—whether as party members, union leaders or employees in the food-distribution centers. "They can kill whomever they want to kill," says Contreras bitterly. "There is nothing, absolutely nothing, that we can do about it."

Because of the total censorship of domestic reporting, most middle- and upper-class Chileans have no idea what is happening. They hear rumors, but their hatred for Allende compounded by their historic contempt for the *rotos* leaves them little desire to verify them. Many do not believe the stories about slaughter in the poblaciones; many simply don't much care. "Why should we?" a Chilean lawyer asked me over an expensive lunch in a wealthy section of Santiago. "I don't believe the stories you tell me, but after the things the supporters of Salvador Allende have done to Chile, they deserve whatever happens to them."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. AIKEN. Mr. President, in order to put things in their proper perspective, I would like to state that the amendment offered by the chairman, the Senator from Arkansas (Mr. FULBRIGHT), is the proposal which Mr. Haldeman and Mr. Ehrlichman approved when they were top officials in the White House. The amendment offered by the Senator from Minnesota and myself is the proposal Dr. John Hannah, who was Director of AID in those days, submitted to the White House, and he did not get to first base with it.

However, Dr. Hannah knew what he was doing. His bill was a good one. And after the "high commissioners," as you might call them, had left the White House, those who came in and replaced them supported his bill, approved it, and the Senator from Minnesota and I have offered it.

The adoption of the amendment offered by the chairman of the Foreign Relations Committee would undoubtedly mean the death of foreign aid. It means that, if it is approved, the task of getting a bill out of conference will be much tougher, and undoubtedly impossible.

The Senate and House have already passed separate versions of military aid legislation. That will make our task in conference complicated enough. If we now add to it separate and distinct economic aid measures, the differences in conference will be so great that the most likely outcome will be no foreign assistance legislation at all.

There may be some who wish such an outcome. There may be those who say that we should give up all foreign aid completely and should forget these countries which we have helped for the last 20 years. Indeed, this is a legitimate and valid goal if that is the way they feel. However, if the Senate wants to end the foreign assistance program, then it should legislate an end to it. It should not fall into the trap of using the procedures of Congress as a means of accomplishing indirectly what cannot be accomplished directly.

I fear that the pending measure leads us to the brink of that trap, and if it is approved today, it may well leave the entire economic aid program in a dire condition.

We cannot afford to sever our humanitarian connections with the rest of the world in this manner.

I hope that the Senate will reject the amendment.

Mr. JAVITS. Mr. President, would the Senator yield me 5 minutes?

Mr. AIKEN. Mr. President, I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, this would replace essentially what the Church amendment would have done, an amendment that the Senate defeated narrowly. At a time like this when we scrutinize so carefully every particular expenditure, I think the fact that 47 Members of the Senate felt in conscience that they ought to vote "no" is an excellent endorsement of what the committee did.

Second, and in addition to a steeper cut than the Senate rejected when it rejected a cut of $134 million already, the Senator from Arkansas (Mr. FULBRIGHT) proposes that we make a cut of $217 million.

The Fulbright amendment rejects any hope of any new concept in this field. I can only conclude, because in essence that is what the Senator says in his minority report which is before the Senate, that it means really a rejection of the whole thing.

On page 66, the Senator from Arkansas (Mr. FULBRIGHT), in his minority views, says:

> Rejection of this bill would be a step in the right direction. A major portion of this bill is but a camouflage job to give a new lease on life to a discredited program.

In my judgment, this kind of cut, steep as it is, means in essence rejection. We simply cannot move in respect of any kind of an appreciable program which is respectable enough for our country with respect to the rest of the world if we make this kind of steep cut.

Let us remember that the Senate has already decided in the second Church amendment to allocate cuts. Without any question, the recycling of funds for all practical purposes puts another $250 million in the bill into the straight authorization and reappropriation route rather than stamping it as a circulated fund out of which foreign aid may be forthcoming.

Mr. President, I think that perhaps the most damaging part of the amendment which the Senator from Arkansas offers to the Senate is the fact that it eliminates in one pen stroke any effort to bring the foreign aid program into areas where it must go after a maturation of such a long period of years. It eliminates the opportunity for us to reach what we now consider to be its best constituent population—namely, the very poor and the very poor nations through a sectoral funding approach which has been included in the bill through the gifted intervention of Dr. Hannah as carried through by the Senators.

Mr. President, I feel that it would be a great mistake on our part to turn back the clock at this time. The real issue is between whether we want any program or whether we want one.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. FULBRIGHT. Mr. President, I made my position clear. I have stated for the last 5 years that I support a full-fledged multinational foreign aid program. I have never voted against any appropriations for any international organizations.

The trouble is that they are moving on both fronts: bilateral and multilateral. I cannot support both. This program engages us in the internal affairs of other countries.

I think that it is time to end bilateral assistance except for very small technical assistance programs.

Mr. JAVITS. Mr. President, I have heard the Senator with great respect, as I always do. However, today the "they" is very important to identify in his statement. And the "they" is the very body which the Senator appeals to, in my judgment, to dismantle the bilateral aid program.

The fact is that the Congress has not appropriated the necessary resources for these international agencies. We are a year behind in respect to the World Bank, although our percentage has been materially reduced. It has been reduced from 40 percent to one-third.

We have already appropriated half of what we said we would do as far as the International Bank is concerned. We have appropriated nothing for the Asian Bank, although the Japanese have put up the money. And we have appropriated nothing for the African Bank. That does not put any money in any bill or provide any services or anything else.

I feel about this as I argued with respect to the Church amendment, that it becomes shameful at this point that our Nation, with relatively great resources should act in this manner. Although surely we have many poor citizens, and life is a matter of degree, the fact is that we cannot satisfy every need around the world. That does not mean that we should not look after, on a philanthropic and a humanitarian basis, other people. I always do, and so does everyone else.

There is no reason why we should practice a different kind of morality internationally than we do personally and nationally.

Two-thirds of the world is abjectly miserable compared to us. How can we, 200 million Americans, who live in a state that is unparalleled in mankind, avert our eyes and say that $1 billion will corrupt the $250 billion budget.

I deeply believe that the American people would feel that we would have to give foreign aid to other peoples of the world.

We rehabilitated Europe when it had problems. And we have rehabilitated other countries. We give our poor less, perhaps, than we should. Life is like that. We cannot exactly apportion things with a scalpel and say that this is what it should be.

We are now away under the margin, and that is indicated by the fact that other countries are doing a great deal more than we. And they are no angels. They are just as selfish and have as many problems as we have. This goes for countries in the world that have half and one-third the income that our country has.

I think that the common decency which the American people have always shown dictates that this program cannot be cut any further, although by a narrow margin that is what my colleagues decided on the Church amendment. The Senate should decide against the Fulbright amendment.

Mr. HUMPHREY. Mr. President, how much time remains to the opponents of the amendment?

The PRESIDING OFFICER. The opposition has 15 minutes remaining.

Mr. HUMPHREY. I yield myself 10 minutes.

Mr. President, first I want to express my thanks to the Senator from Vermont, the distinguished dean of the Senate, and to the Senator from New York, one of the most active, able, and dedicated Members of this body in the field of foreign relations, for their penetrating arguments in opposition to this amendment. The argument has been made again and again, in and out of committee and here again today.

I rise in opposition to the amendment. Mr. President, I never thought I would see the day when the chairman would rise in this body to support the same old foreign aid. Indeed, his posture is doubly anomalous in the light of his new assistance package, S. 2059, which is pending in committee. I suppose that he sees the old foreign aid concept as more vulnerable to our existing criticism and, finally, to the substitution of his new concept.

Let us not be confused by this maneuver. As I stated in my opening remarks, our committee has been after the executive branch to change its directions in foreign aid for quite a few years. We have expressed our concern with the failure of our aid program to reach the poor people of lesser developed countries and with its failure to address those people's human problems, such as malnutrition, overpopulation, and illiteracy. We did that as early as 4 years ago, when we were scarcely noticed, and we voiced our concerns again 2 years ago.

Well, we generated some talk but not much action. Dr. John Hannah, whom I have known for many years and whom I consider to be an extremely able AID Administrator, heard our concerns and started trying to change the AID program to meet our concerns. But Dr. Hannah could not get the rest of the administration to propose new legislation along these lines.

Therefore, a bipartisan group of Senators and Members of the other body introduced a bill to execute our ideas. Thirteen Senators, six from the majority party and seven from the minority, cosponsored the original legislation. Twenty-six Representatives—17 Democrats and 9 Republicans—sponsored the House version of our bill. The Senate Foreign Relations Committee reported it by a 12 to 3 vote. Why? Because it is not the same old foreign aid.

The committee bill, not the chairman's substitute, meets Congress' concerns with the foreign aid program and restructures it to assure that these concerns are adhered to. The committee bill embodies our general policy in seven specific expressions and guarantees the execution of that policy by authorizing foreign aid by impact sector rather than by method of delivery.

Let us get specific. We would authorize $282 million for agriculture, rural development and nutrition to alleviate starvation, hunger, and malnutrition and to provide basic services to poor people. We would authorize $141 million for population planning and health to increase the opportunities and motivation for family planning, to reduce the rate of population growth, to prevent and combat disease, and to help provide health services for the majority of poor people. We would authorize $94 million for education, public administration, and human resource development to reduce illiteracy, to extend basic education and to increase basic skills.

Recognizing the need for, but the narrower impact of, big project assistance, we would cut authorization in this field to $47 million, to help solve economic and social problems in fields such as transportation, power, industry, urban development, and export development. We would also cut the authorization for general economic support programs, in this instance, to $28 million, again recognizing that the impact of such programs is not as directly related to the poor people as we would like it to be.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. On the Senator's time.

Mr. FULBRIGHT. Yes; I yield myself 1 minute.

Is there any project that the Senator can think of that could not be financed under our substitute, that is authorized under the Senate bill?

Mr. HUMPHREY. I do not think that is the issue, as the Senator will find out as I go into it. The point is that Congress is saying how we should spend this money. The Senator, believe it or not, is saying we are just going to leave it up to the administration. What we are doing is saying there are certain sectors where this money will be expended.

Mr. FULBRIGHT. But the Senator says, under his bill, 50 percent of it can be given away, exactly the same way I would give it under my bill. There is no difference whatever in the type of activity that can be financed under either bill.

Mr. HUMPHREY. May I say the Senator's language speaks for itself.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. HUMPHREY. It says what can be done, while the Senate bill that we have before us tells what will be done. It points the direction; it is a map clearly outlining it.

What the Senator from Arkansas says is, "Here is the whole blank check; make the choice of the way you want to go." We are saying we have gone up that wandering trail in the past, and we want to have these funds dedicated to certain areas of conduct and activity.

Both the committee bill and the chairman's substitute authorize the use of loan repayments for future foreign aid loans.

It is interesting to me that the chairman of the committee voted for the Church amendment, which would compel the loan repayment program to go to the Appropriations Committee, even though his own substitute ignores that very vote here today in the Senate. Our bill, however, limits the use of these repayments to a maximum of one-third for any of the five impact sectors. The chairman's bill does not limit it at all. Thus, we are sure that these repayments will be directed into future loans with direct impact on poor people. Under the chairman's substitute, we have no such assurance of the direction of future loans to be made from repaid foreign aid loans.

The chairman's substitute is even more deficient in its basic approach to foreign aid. It continues to leave the executive branch with complete flexibility in programing loans and grants, regardless of the impact of those loans and grants. Under the chairman's substitute, "the old foreign aid concept," the executive branch could put the entire foreign aid program into general budget support for a select number of countries which it happens to favor at any given time, regardless of the impact on malnutrition, overpopulation or illiteracy. Our bill, on the other hand, guarantees at least $282 million to help undernourished people, $141 million to help combat overpopulation and $94 million to educate and train the less fortunate. We care, and we want the impact of our cares guaranteed by legislation. The new foreign aid, the committee bill assures that impact.

The chairman talks of cosmetics, and argues that our bill is merely painting up the old girl and waltzing her out again. Well, I cannot buy that argument. When we put title X in the Foreign Assistance Act to assure an impact on population programs, we were not engaged in cosmetics. The Congress wanted to make a dent on worldwide overpopulation and we set aside $125 million each year for that purpose. That money cannot be used for general budget support, for cement plants, for power stations or even for agricultural development or education. It is population money, and the GAO will assure that we get our dollar's worth in this area.

What we did in the area of population a few years ago, we are doing with almost all of foreign aid this year. We are going to get an impact in beating malnutrition to the tune of $282 million, in population and health to the tune of $141 million and in education and human development to the tune of $94 million. We are not going to rely on the good will of the executive branch to get that impact; we are going to write it into law. The chairman would let us continue to rely on the executive branch.

The chairman's substitute and his new bill are all caught up in methods of assistance rather than the result. Like the chairman, I think AID has made mistakes in the past—it has put too much money in governmental budget support and showcase projects. Unlike the chairman, I do not think the AID establishment is all wrong—I think its direction has been. With Dr. Hannah, we turned that agency around and now we are going to guarantee that it does not revert to its old practices. We are going to write our impact provisions into law, just as we did with population in title X.

If you vote for the chairman's substitute, you cannot be sure of what impact you will get for your foreign aid dollar. His substitue provides a cut of $167 million but returns no congressional control on what his bill would authorize.

I wish other Senators were here. We have been talking about wanting Congress to have more control. The substitute by the distinguished chairman gives Congress no control. Our bill does. We are responding to what has been the concerns expressed in this body.

We have worked too hard on redirecting the foreign aid program to turn it over to two new men, Dr. Kissinger and

Mr. Parker, without a clear statement of what we want—and what we are going to get—with our aid dollar. I think it is unwise.

Even if, after we have hearings on the chairman's new packaging bill, we decide to come back to the Senate with a bill to create a new agency, we want to be sure, in the meantime, that the present Agency gets the foreign aid dollar where we, the Congress, wants it to go. This is not putting makeup on the same old girl—it is washing her face and getting her in a completely different line of work.

I think that should be taken note of. [Laughter.]

Mr. President, I urge the Senate to oppose the amendment offered by the chairman of the Foreign Relations Committee.

His amendment would continue the present unsatisfactory status quo in the economic aid program and reduce the amounts to be authorized by the bill by nearly 20 percent. After years of growing dissatisfaction with the foreign aid program, I hope that the Senate is not going to reject this congressional initiative to change the existing policy. Contrary to the statement made by the Senator from Arkansas, this bill does initiate a new policy for our bilateral economic aid program. And this new policy originated in Congress, not the executive branch. It is one which Congress persuaded the executive branch to accept; not the other way around, as the Senator implies.

This bill starts from the proposition that the poorest majority must share in the work of building a nation and must share more equitably in the fruits of development at the outset—not at some future date after growth targets have been met. It insures that the benefits of the foreign aid program actually reach the people. By specifying the fields of endeavor which most directly benefit the poorest majority and committing money to each of those sectors, this bill channels our aid to the people. Each field is responsive to a deeply rooted human problem that permeates the societies of the low-income countries. The three fields of major emphasis are first, food, nutrition, and rural development, second, population planning and health, and third, education and human resource development. This new approach will enable the little guy to be reached more directly. It represents a major change in direction from the way the foreign aid program has been carried out in the past.

This bill also recognizes that America's responsibilities with respect to the developing countries reach far beyond our aid programs. U.S. policies on trade, investment, science policy, oceans, debt relief, and other subjects may affect very profoundly the destinies of the poor countries. Yet, until now, these policies are made without coordination—without systematically informing ourselves of how they will affect our interests in development. This bill institutionalizes a coordinating procedure that would insure that the development factor was always considered. In order to do this, the bill sets up a Development Coordinating Committee and makes as its Chairman the head of AID. This procedure will, for the first time, provide a means for considering in one place all of the ramifications of U.S. policies on the developing countries.

The Senator from Arkansas has alleged that this bill weakens congressional control over the foreign aid program. It does just the opposite. Under the existing system Congress votes large lump sums labeled simply "developmental loans" and "technical assistance" which the executive branch can distribute as it sees fit. Under the new approach in S. 2335, Congress specifies very precisely how it wants the foreign aid money it approves to be used—so much for each of five different categories. And projects must be justified to Congress for those categories.

This bill is not a cosmetics job. This bill will insure that our taxpayers' money, that is spent for foreign aid, actually gets down to the people. It turns away from the trickle-down theory that general economic development will automatically help the masses. This bill changes all that. It sets up a new system and new criteria which will channel our foreign aid into projects and programs that touch the daily lives of the poor in the poorest countries.

Now, let us talk about the amounts involved here. The Senator from Arkansas would cut the authorizations in this bill by $217 million. I want the Senate to know that the amounts in this bill are the lowest recommended for these activities since the foreign aid program began. The committee already cut the administration's request by $276,000,000. And this bill is $377,000,000 below the comparable total in the House bill.

Certainly foreign aid should not be continued on a "business as usual" basis in view of our grave fiscal and economic problems. The committee has acted in a responsible way to see that foreign aid bears its fair share of the belt-tightening needed to get the Federal budget in line and our priorities in proper order. This is a tight bill. There is no fat in it.

Mr. President, in summary, I urge the Senate to oppose the amendment. It would continue the present unsatisfactory status quo. I am amazed that the Senator would even offer it.

May I say, on behalf of the administration, that once we came up with this concept we have here, we had the support of the President, we had the support of the State Department and we had the support of the AID agency. But we wrote the bill. It was started in the House of Representatives. It was joined over here in the Senate. We had a meeting with Dr. Hannah, and he himself went to the Secretary of State and to the President and got support for our efforts.

Mr. AIKEN. Mr. President, will the Senator from Minnesota yield at that point?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I want to state that Dr. Hannah did not get the support of the White House until there had been a change in the high ranking personnel there.

Mr. HUMPHREY. The Senator from Vermont is absolutely right. Let me tell you, Mr. President, that the amendment we have here as a substitute is known as the Haldeman-Ehrlichman proposal [Laughter.] That is what it is. We got rid of them. I think, with Dr. Kissinger and with Mr. Parker coming in, that if we lay down these guidelines we will have better foreign aid. I do not say it will be all we want it to be, but I have heard about foreign aid being a failure. Well, we have not abolished poverty in the United States, but I am not about ready to abolish the aid programs we have now for the American people. We have not abolished discrimination in the United States, and we have passed law after law, but I am not about ready to give up on the Civil Rights Act of 1964.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. FULBRIGHT. Is the Senator through?

Mr. HUMPHREY. No, I am just relaxing. [Laughter.]

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, while the Senator relaxes a moment, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, I would only comment that the news that Haldeman and Ehrlichman worked on this bill is news to me. I never before heard any time in any of the hearings that they had interested themselves in this foreign aid bill. That is something that is a new line of activity, so far as I know.

Mr. President, the Senator says he is dressing up an old girl. This is an old girl, and I am glad she is trying to reform. But my experience has been that when we try to reform an old girl the reformation does not last beyond the weekend. [Laughter.]

There is nothing new about this. What we are concerned about is the effectiveness of the expenditure of the money that we put out in these many fields.

The Senator from New York made an impassioned argument that what is involved here is just human decency, implying that this is a charitable undertaking.

Actually, on that basis, I suppose it could be justified if we felt like being charitable to that extent. But I say that, even after we have tried the program of aid for so long, the only success that can be cited, of any consequence, is Western Europe under the Marshall Plan. And that was not comparable in any respect whatever to the undeveloped countries where they are trying now to remake a society. Bilateral aid has been almost a complete failure in practically all of these places.

There are a few little showcases where we have spent billions and billions of dollars, but I do not believe it is possible for us to contemplate doing that, in a comparable fashion, all over the world.

I have said before, and I say again with regard to what the Senator from New York said, that I have supported and voted for the appropriations for the multinational organizations in this field, such as the World Bank, IDA, IFC, the Inter-American Bank, and the Asian Bank. I would support the multilateral institutions because they are the only way that avoids our becoming involved in the internal affairs of these various countries, which we are doing now. If Congress and the Senate continues bilateral aid, then I will have to withdraw my further support, or additional support, of the multinational programs, because I do not believe we are justified in doing both.

Mr. PASTORE. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. PASTORE. I merely want to say that for the 23 years that I have been in the Senate, I have always supported foreign aid. I daresay, with the exception of the bill the last time, when it was more or less a matter of parliamentary maneuvering on the floor, many of us voted against it as a remonstrance against it, and then the vote was changed. But I have become weary over the years. I believe in the argument of dignity and humanitarianism. Naturally, the American heart has always been a big heart. No matter where in the world, we have always shared our largesse. We have helped the poor; we have helped people in cases of tragedy. But things are beginning to happen in our own society that give us pause in this day and age.

Just the other day, while coming back to Washington from my State by plane, on September 24, I read in the newspaper an article captioned "Old, Decaying Room Fills Widow's Day." This is out of Miami. This is what the article says:

> The room is old and decaying and filled with her memories, and from the window Flora Scheurman sometimes sees other old people pawing through garbage cans for scraps of food.

Mind you, this is in America.

This woman of 79 says:

> I'm in this room six years now. It's up to $85 now. I'm worried that it might go up to $100, and I don't know what I'll do then. How can I pay that out of $147 a month?

Then she goes on to say:

> I don't know what I'd do if I didn't get it. It makes your heart bleed to open the window and see some of those old people eating out of garbage cans, looking for a scrap of bread.

The article concludes:

> Mrs. Scheurman said she sometimes wonders why the government spends millions of dollars on foreign aid and politics while the old people who supported it are allowed to live in poverty.

Just the other day, we had the proposal with respect to the increment under social security. It was the Senator's amendment, and I was happy to cosponsor it. The President of the United States said we cannot pay it before July 1, 1974, because that would be inflationary. Here we are with a bill involving more than a billion dollars to feed the hungry throughout the world—a great thing, a noble thing. But when are we going to begin to take care of our own? How does one stand on this floor to enforce that case and emphasize the fact that charity begins at home? We learned that at our mother's knee. We are not doing it for our elderly in this country. We are not doing it for our underprivileged in this country.

Every year—year in and year out—this Foreign Aid bill comes up here. I congratulate the committee for cutting it by 26 percent. It should be cut even more, until we begin to provide for our own.

Every day I receive letters from the elderly: "I'm looking for a little place to live, and I cannot find one." And this administration has cut out the building for the elderly. People write to me and say, "I cannot live on my social security."

Just the other day, I was visited in my office and I was told that if an elderly couple not on relief want food stamps, they have to go to the relief office, and they will not go because they are too proud. Talk about dignity—we have dignity in the American soul, but it is being neglected.

So I say that unless this bill is cut a little further, I am inclined to vote against it. I hope it is cut a little beyond the 26 percent, because I want to see our elderly in America provided for. I am sick and tired of hearing that every time we give 10 cents on social security, we are talking about inflation.

Mr. President, I ask unanimous consent to have printed in the RECORD the entire article to which I referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OLD, DECAYING ROOM FILLS WIDOW'S DAY

(By Eric Sharp)

MIAMI.—The room is old and decaying and filled with her memories, and from the window Flora Scheurman sometimes sees other old people pawing through garbage cans for scraps of food.

"I'm in this room six years now," says Mrs. Scheurman, 79. "It's up to $85 right now. I'm worried that it might go up to $100, and I don't know what I'll do then. How can I pay that out of $147 a month?"

Mrs. Scheurman lives on about $4.70 a day provided by two welfare checks. She suffers more financial hardships than thousands of the retirees in the Miami area—and is better off than thousands more.

Until the federal government funded a hot meal program recently, it cost her more than $2 for her one meal a day. Now, she gets a hot meal at midday for 50 cents, but there are many who don't.

"Before the new program started, I used to run out of money at the end of every month," she said. "Sometimes, I had a can of soup or something to tide me over a few days. Other times I did without.

"I don't know what I'd do if I didn't get it. It makes your heart bleed to open the window and see some of these old people eating out of garbage cans, looking for a scrap of bread."

The plight of the elderly poor in Miami received national publicity recently when police and storekeepers said retirees hit by inflation were shoplifting everything from vitamins to meat.

Max Friedson, 75, head of the Congress of Senior Citizens, said some 250,000 retirees live around this city of 1.2 million, and he estimates 70 per cent need some kind of welfare assistance.

"People come down here on a fixed income for the golden years" he said. "Then inflation eats their income up. Then one of them gets sick and dies after medical expenses eat up their savings.

"Then the survivor can't afford to keep up the little house or apartment they bought and ends up living in poverty."

To Friedson, children who send parents to live out their years in the sunshine often do them a disservice.

"These old people are proud, and they don't want to be a burden on their families. A lot of times it isn't until the autopsy that the family learns Mamma starved to death," he said.

Mrs. Scheurman's room is in the old Miller Hotel. Its salad days long past, the Miller and many small hotels like it house thousands of old people in a neighborhood shared with small shops, most of them run by immigrant Cubans.

She was born in Nashville, Tenn., and worked as a practical nurse for many years until illness forced her to stop. She has been in the Miami area since her husband died in 1937.

Her room has a single bed, a dresser, a couple of small tables, two lamps and a fan, all supplied by the hotel. She said the only things she owns are her few clothes, a small television and radio, two pictures, a clock, some books and vases of artificial flowers.

Mrs. Scheurman said she last bought a new dress seven years ago, and her wardrobe was augmented two years ago when a relative gave her nine unwanted dresses.

"The owners of this hotel are very nice. They help the old people as much as they can, and they have a man on duty all night in case you need help," she said.

Mrs. Scheurman's main fear is illness. In the past seven years, she has been hospitalized several times for various illnesses.

"The last time, I had a bleeding ulcer. I passed out over the fan there. I don't know how long I lay there, but I managed to crawl to the phone and the desk clerk called some friends," she said.

For many of the elderly, most of whom live alone, life ends on an apartment floor because they are unable to crawl for help.

Mrs. Scheurman said she can't afford bus fare to visit parks and stores, so tedium is part and parcel of her life.

"I get up about 7 each morning and have a cup of Sanka and some Tang. Then I go down to the church for lunch. I usually get home about 1 p.m. and watch my soap opera. Then I sit for the rest of the day. I can't read much any more because everything runs together after a few lines," she said.

Mrs. Scheurman said she sometimes wonders why the government spends millions of dollars on foreign aid and politics while the old people who supported it are allowed to live in poverty.

"But I'm not unhappy, and I'm not afraid to die," she said. "I sometimes wonder, 'Why can't I go.' But wanting to die is a sin and I ask God to forgive me."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. HUMPHREY. Mr. President, I join the Senator from Rhode Island in his sense of compassion. I think my record in this body indicates that—publicly and privately.

It is not a question of either/or. The question before this body is whether or not we just want to forget the rest of the world and pay a price, as we paid once before. We are not throwing this money away. If one wants to look at it in economic terms, it comes back to the United

States—more than 80 percent of it. It creates jobs; it creates investments; it creates income.

However, more significantly, since it has been said that charity begins at home, I remind Senators that, in a sense, we are our brother's keeper, too. We are not trying to throw away American dollars. This is the smallest amount of assistance, for the wealthiest Nation in the world, in the history of this country.

Yet, the Senate will appropriate billions of dollars for wasteful material. We will appropriate billions of dollars for weapons that will never be used, planes that will never fly, and ships that will never float.

We are talking about trying to help people feed themselves. We are going to give them food because we cannot afford to let people starve. The American people will not take that.

We are putting $282 million in this bill to try to help people produce their own food. We are putting in this bill $125 million to help control population explosion. I think this is a wise investment.

I appreciate the concern of Senators about what happens at home. But I think the biggest mistake in foreign aid has been revealed by the testimony here today. In Korea and Taiwan it worked because they were given enough and it has come back.

I was originally a pharmacist by profession. If you have an infection, do not take 20,000 units of penicillin. It would be better to get yourself some Smith Brothers cough drops, spearmint chewing gum, or licorice. When you have an infection, you get a big enough dose to do the job. We have an infection of poverty, and we have one at home.

The biggest problem with many of our antipoverty programs is that they are penny-pinched. We do not take a week's time to put $20 billion on the line for defense, for weaponry about which we have no knowledge as to whether it will work. We take the word of the admirals; we take the word of the committee. We are told that we have to stick with the committee because the committee knows what it is doing. The overwhelming majority of this committee voted for the bill before the Senate, and the substitute has been rejected by the chairman, himself, and he offers it as a substitute today.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from Arkansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Mississippi (Mr. STENNIS), the Senator from Utah (Mr. MOSS), and the Senator from Montana (Mr. METCALF) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The result was announced—yeas 31, nays 64, as follows:

[No. 452 Leg.]

YEAS—31

Abourezk
Allen
Bible
Brock
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Cranston
Eagleton
Ervin
Fulbright
Gravel
Hansen
Hartke
Haskell
Hatfield
Helms
Hollings
Huddleston
Mansfield
McClellan
McClure
Montoya
Pastore
Pell
Proxmire
Randolph
Scott,
  William L.
Symington

NAYS—64

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Biden
Brooke
Buckley
Case
Chiles
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hart
Hathaway
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGee
McGovern
McIntyre
Mondale
Muskie
Nelson
Nunn
Packwood
Percy
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NOT VOTING—5

Bayh
Metcalf
Moss
Pearson
Stennis

So Mr. FULBRIGHT's amendment (No. 567) was rejected.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1016) to provide a more democratic and effective method for the distribution of funds appropriated by the Congress to pay certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 620. An act to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes;

H.R. 9205. An act to amend the Agricultural Adjustment Act of 1938 with respect to peanuts; and

H.R. 9257. An act to amend chapter 83 of title 5, United States Code, relating to the rates of employee deductions, agency contributions, and deposits for civil service retirement purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 620. An act to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

H.R. 9205. An act to amend the Agricultural Adjustment Act of 1938 with respect to peanuts. Referred to the Committee on Agriculture and Forestry.

H.R. 9257. An act to amend chapter 83 of title 5, United States Code, relating to the rates of employee deductions, agency contributions, and deposits for civil service retirement purposes. Referred to the Committee on Post Office and Civil Service.

ENTRY OF SOVIET JEWS INTO AUSTRIA

Mr. JAVITS. Mr. President, if recent news reports from Austria are accurate, it would seem that international negotiations have been moved from the diplomat's briefcase to the muzzle of the terrorist's gun. The diplomats are designated by their governments. The terrorists designate themselves—if they are successful, they are hailed by those whose cause they support; if unsuccessful, they are disowned.

Two issues emerge. One is whether terrorism—even minor league terrorism of the caliber of the recent incident in Austria—will become the arena for international persuasion and negotiation and dictate policies to governments. As the New York Times pointed out this morning—

> Success in terrorism inevitably breeds more desire for more success by the same devices, as governments and travelers around the world have learned.

The other issue is the continuation by Austria of its open-door policy of the past 3 years under which it has permitted transit and has temporarily harbored refugees from the U.S.S.R. and Eastern Europe. Some 100,000 Soviet Jews now breathe the air of freedom in Israel and the West as a result of this policy.

I am especially troubled by allegations in press reports that the decision to terminate the availability of the Schönau refugee transit center originated with the Austrians and not with the terrorists; I very much hope that this report is ill-founded, for it raises too readily to the mind the specter of another era best confined to the past.

Yesterday, when I was necessarily absent, attending to needs of my constituents in upstate New York, the Senate adopted as an amendment to the foreign aid authorization, S. 2335, a provision expressing the sense of the Senate that the President should take determined steps to impress upon the Austrians the grave concern of the American people on its capitulation to the terrorist demands and calling upon the Austrians to reverse their reported decision and again to serve as a temporary refuge for the unfortunates fleeing the Soviet Union. I associate myself with this amendment, which was offered by the Senator from Minnesota (Mr. MONDALE), and was adopted. Had I been here, I would have been one of its cosponsors at that time.

I am sure that the Austrian people themselves have not forgotten that not too many years ago, great numbers of Austrians themselves were homeless and adrift. I pray that the people of Austria will heed this expression by the Senate which bespeaks the concern of the American people and indicate in clear terms that their country is not to be swayed by minor league terrorism from an established humanitarian and responsible policy of facilitating the transit of refugees.

Mr. President, I ask unanimous consent to have printed in the Record an article in connection with this matter which was published in today's New York Times.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, Oct. 2, 1973]

Exit Through Austria

The most immediately urgent point now, in the negotiations between Israel and the Austrian Government over the emigration process for Soviet Jews, is to insure that the line of exodus through Austria remains open. This is the prime issue to be resolved when Chancellor Kreisky and Premier Golda Meir confer in Vienna today.

The Austrian leader made a fundamental mistake, we believe, in acceding to the blackmail demands of Arab terrorists and in closing down the Schönau transit center through which Israeli representatives have been processing the flow of immigrants from the Soviet Union in the past two years. Such a concession to terror tactics can only encourage fanatic extremists of the Palestinian or any other cause. Success in terrorism inevitably breeds more desire for more success by the same devices, as governments and travelers around the world have learned.

Dr. Kreisky has, however, been firm since last week's terrorist raid in pledging that Austria will continue to facilitate the flow of Soviet Jews. It is significant that he chose a meeting with official Soviet visitors last Saturday to make the formal statement that "Austria is open to everyone who wishes to reach another country via Austria; Austria remains a country which offers asylum to everyone who feels persecuted."

This assurance, rather than his dubious judgments or subsequent ill-conceived remarks under the heat of international pressures, is the most important point for Israel to build upon now.

FOREIGN ASSISTANCE ACT OF 1973

The Senate continued with the consideration of the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that Mr. Paul Summit, of my staff, have the privilege of the floor during the consideration of the amendment I am about to offer, and during the vote thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Nebraska (Mr. Hruska).

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read the amendment, as follows:

On page 9, line 11, immediately before the quotation marks, insert the following:

"This section shall not apply with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation."

Mr. McCLELLAN. Mr. President, on behalf of myself and Senator Hruska, I offer an amendment to the pending bill which is designed to meet a potential problem regarding section 115.

Section 115 of S. 2335 provides as follows:

> No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country.

We have been advised by Senator Fulbright that the basic objective of this provision is to eliminate the training program currently administered by the Department of State's Agency for International Development, Office of Public Safety.

Mr. President, on August 6, 1973, the President signed into law the "Crime Control Act of 1973"—Public Law 93–83—which continues the Federal Law Enforcement Assistance Administration's authority to provide financial and technical assistance to improve methods of law enforcement and crime control. For the first time, LEAA was granted the authority in section 515(c) of the act to provide technical assistance concerning law enforcement problems outside the United States as follows:

> To cooperate with and render technical assistance to States, units of general local government, combinations of such States or units, or other public or private agencies, organizations, institutions, or international agencies in matters relating to law enforcement and criminal justice.

The conference report, Senate Report No. 93–349 at 31, explained the scope of and limitations on this authority:

> The conference substitute also accepts the Senate version which adds authority to provide technical assistance to international law enforcement agencies as well as national law enforcement agencies. In recognition of the international scope of many law enforcement and criminal justice problems the conferees agreed to give LEAA authority to provide technical assistance in such areas as narcotics interdiction, skyjacking, and terrorism. The conferees felt that LEAA's international operations should be limited to providing technical assistance in cases of this character.

That is a quotation from the report and shows what the intent of the law is.

Section 115 of the Foreign Assistance Act of 1961, as contained in S. 2335—the Foreign Assistance Act of 1973—presently under consideration, imposes a broad prohibition on the use of funds under any provision of law "to conduct any police training or related program for a foreign country." Although I wholeheartedly agree with the objective of this provision to prohibit intrusion of the United States into the domestic law enforcement situation in foreign countries, the language is susceptible to a possible construction that would eliminate the new very limited authority of the Law Enforcement Assistance Administration to contribute to solutions of international enforcement problems in the areas of narcotics interdiction, skyjacking, and terrorism.

Mr. President, similar problems arise with respect to the Drug Enforcement Administration. In attempting to carry out its responsibility to suppress the ever-increasing worldwide traffic in narcotics and marihuana, the DEA, formerly the Bureau of Narcotics and Dangerous Drugs, last year requested and was granted appropriations to assist in the training of foreign police officers in anti-drug trafficking measures. This international training program is designed to increase the capability of these foreign drug law enforcement officers to assist the United States in its attempt to intercept the flow of these drugs before they ever get to this country. Because of the very nature of the drug problem and its international scope, this type of international cooperation is absolutely essential if we are to put an end to this most insidious crime. Indeed, since the training program has been instituted, drug seizures in these foreign countries have greatly increased. As presently worded, however, section 115 would also put an end to this very beneficial and necessary program, a result which I am confident was unintended.

Mr. President, we have also learned that the Federal Bureau of Investigation conducts certain training programs involving foreign law enforcement personnel. For instance, the Bureau participates in programs with our neighboring country of Canada for exchange of information and mutual training on border control problems. In addition, a small number of police officers from foreign countries—some 42 officers in fiscal year 1973—are accepted for training in the FBI National Academy each year.

In order to obviate an unintended disruption of Law Enforcement Assistance Administration, Drug Enforcement Administration, and Federal Bureau of Investigation programs in these areas, I respectfully present, with the Senator from Nebraska, for consideration an amendment to section 115 of S. 2335 as follows:

> This section shall not apply with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation.

Mr. President, in my view, this amendment would permit limited legitimate cooperation in international law enforcement without encroaching upon the laudable objectives underlying section 115 of the Foreign Assistance Act.

I do not think there can be any objection to these limited activities if we are to carry on our vital cooperation and assistance in support of effective international efforts to control serious crimes across international borders, such as narcotics traffic, terrorism, and skyjacking.

Mr. President, I ask unanimous consent to have printed in the Record three statements concerning foreign law enforcement assistance activities of the Law Enforcement Assistance Administration, the Drug Enforcement Administration, and the Federal Bureau of Investigation.

There being no objection, the statements were ordered to be printed in he RECORD, as follows:

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

The new authority of the Law Enforcement Assistance Administration to provide technical assistance concerning law enforcement problems outside the United States is limited in very strict ways.

First, it is limited to law enforcement problems of an international nature—those which affect a number of countries and which cross national borders.

Second, it is limited to the dissemination of information on how to control international law enforcement problems.

Third, it would not involve training of law enforcement or other criminal justice personnel for enforcement of laws or other programs inside a nation which are domestic in nature.

Fourth, it would not be a major part of the operations of the Law Enforcement Assistance Administration, but rather would involve dissemination of information which is a by-product of other LEAA activities.

The Conference Report on Section 515(c) of the Crime Control Act of 1973 says: "In recognition of the international scope of many law enforcement and criminal justice problems the conferees agreed to give LEAA authority to provide technical assistance in such areas as narcotics interdiction, skyjacking, and terrorism. The conferees felt that LEAA's international operations should be limited to providing technical assistance in cases of this character."

And in his remarks on the floor, Senator Hruska said: ". . . the conferees recognized the international scope of many law enforcement and criminal justice problems. Thus, we intended to give LEAA authority to provide technical assistance abroad in traditional police areas of international concern such as narcotics interdiction, skyjacking, and terrorism."

The range of crimes to be included under the technical assistance program are among the worst crimes—for they generally involve violence against people rather than being offenses against property.

In a report to the Congress last year on government-wide law enforcement activities, the Attorney General said there had been 27 aircraft highjackings in 1971—and 18 of them had been successful. That is the statistic for only the United States. Virtually every nation is faced with this threat—and even when highjackings occur overseas they frequently involve American passengers. Highjackings have led to deaths, injuries, and the spread of terror—to say nothing of throwing up obstacles to the harmonious way of sovereign nations doing business among themselves. Highjacking is a problem that no nation can solve by itself. It can only be solved by international cooperation—and the technical assistance to be offered by LEAA would heighten that cooperation.

Terrorism is another obstacle in the path of intercourse among nations. Like highjacking, it cannot be solved by any one nation alone. And like highjacketing, it can affect all nations, for no country can consider itself immune when terrorists operate with impunity. It can take many forms: kidnapping of citizens or diplomats; murders at the Olympic Games; bombings which kill innocent people; explosive devices sent through the mails, as happened at the British Embassy in Washington recently.

The United States seems particularly vulnerable to another crime problem which exists on an international scale—the use of narcotics. No heroin is produced in the United States. It all comes to this country from abroad. Enforcement measures in the United States cannot by themselves stem the flow or use of heroin. These goals can be achieved only by a double effort—effective enforcement in this country plus meaningful, cooperative efforts with foreign countries to either thwart the production or impede the flow of heroin. Much of the crime in the United States—the worst crime, the crimes of violence—are caused by heroin addicts. And thousands of lives are either destroyed or twisted—those of the addicts themselves.

There will be no LEAA technical assistance for problems which are local in nature—no assistance to local police departments for problems which are domestic in nature, no assistance to improve court programs to solve local problems, no assistance to corrections agencies to improve local corrections problems. Assistance will be offered only for law enforcement problems which transcend national borders.

A number of cooperative efforts with other nations already being carried out by the United States in the area of international crime. In the narcotics field, for instance, the Attorney General last year reported to the Congress that Federal drug agents were located in 44 cities in 31 foreign countries—working with those foreign countries to solve mutual problems.

LEAA would disseminate information to foreign nations and international organizations on new and more effective ways to combat crimes which have become worldwide problems. This information would be a spin-off from other LEAA-sponsored activities—particularly material developed by its research office, the National Institute of Law Enforcement and Criminal Justice. The Institute already is engaged in research in such areas as developing sensors which sniff out both heroin and explosives, devices which detect hidden firearms, and new techniques which would enable law enforcement personnel to prevent a wide variety of crimes.

Though important benefits would result from technical assistance to reduce international crime problems, this program would constitute a small part of the over-all LEAA program. The technical assistance material to be disseminated could be information already developed for the law enforcement and criminal justice community in the United States.

DRUG ENFORCEMENT ADMINISTRATION

The Drug Enforcement Administration is particularly concerned with Section 115, because it threatens the training program to foreign police officers directly related to drug traffic prevention functions. In Reorganization Plan No. 1 of 1968, 33 F.R. 6965, 82 Stat. 1369, one of the specific functions given to the newly created Bureau of Narcotics and Dangerous Drugs (now the Drug Enforcement Administration) was to maintain worldwide operations, working closely with other nations, to suppress the trade in illicit narcotics and marihuana. This was highlighted in President Nixon's Message on Drug Abuse to the Congress on June 17, 1971, where he stated:

"I am requesting one million dollars to be used by the Bureau of Narcotics and Dangerous Drugs for training of foreign narcotics enforcement personnel. Additional personnel within the Bureau of Narcotics and Dangerous Drugs would permit the strengthening of the investigative capacities of BNDD offices in the U.S., as well as their ability to assist host governments in the hiring, training, and deployment of personnel and the employment of necessary equipment for drug abuse control."

To carry out this responsibility the Bureau of Narcotics and Dangerous Drugs (now DEA) asked for, and Congress authorized, appropriations to assist in the training of foreign police officers in anti-drug trafficking measures. For example, in its Budget Estimate for FY 1973, on page 40, it is stated "The Bureau has increased its role in the training of United Nations Fellowships for periods ranging from two to six weeks, and by promoting specialized training to other nations." In its Budget Estimate for FY 1973, on page 50 it is stated "In 1972, BNDD accelerated its efforts in the training of foreign law enforcement personnel. Schools were conducted in the Panama Canal Zone; Saigon, Vietnam; Panama City, Panama; Dublin, Ireland; Mexico City, Mexico; Rome, Italy; Santiago, Chile; Lima, Peru; Singapore Republic; Buenos Aires, Argentina; Vienna, Austria; and Manila, P.I." A special school for Turkish officers and an International Seminar on Illicit Drug Traffic and Abuse were held in Washington. Fifteen European and North American nations and two international organizations participated."

From 1969 through 1973, over 4,000 foreign police officers from more than 40 countries will have received training by the Drug Enforcement Administration or its predecessor, BNDD. On several occasions, the United Nations Commission on Narcotic Drugs has taken special note of this function, and the United States representatives have continued to encourage member nations to take advantage of this program. The international training program is designed to increase the capability of foreign drug law enforcement officers to interdict the flow of drugs before they enter the United States. The United States has repeatedly requested countries to increase their efforts to stop the trafficking in illicit drugs; it has offered to help train foreign personnel to develop administrative and enforcement capabilities, and elimination or even diminution of the training program would be seen as a lack of good faith and threaten the progress we have made.

Through these training programs, close working relations have been developed between DEA agents and their counterparts in foreign countries. This has produced excellent results. Seizures of illicit drugs in foreign countries have risen significantly as our training programs and cooperation have increased. Enactment of Section 115 prohibiting DEA from conducting any police training for a foreign country would seriously hamper United States programs aimed at stopping the international drug traffic and could prove to be detrimental in our efforts to stem the tide of drug abuse.

Therefore, the Drug Enforcement Administration strongly opposes enactment of Section 115.

FEDERAL BUREAU OF INVESTIGATION

Section 115 of S. 2335 appears so broadly worded that it would probably prohibit the FBI from accepting qualified law enforcement personnel from foreign countries for training in the FBI National Academy and undoubtedly would preclude the FBI from cooperating with Canadian law enforcement agencies located near the U.S.-Canadian border in training matters.

The FBI National Academy is operated under provisions of Section 404 of Public Law 90–351 dated 9–19–68. At the specific request of the President the FBI began a number of years ago to accept a limited number of foreign law enforcement officers in each session of the Academy. Generally, no more than 10 or 11 are accepted for each session. The idea behind this cooperative venture was to assist in upgrading law enforcement in underdeveloped countries. Some of the foreign students are recommended by the Agency for International Development (AID) of the Department of State. Applicants are also accepted by the FBI on direct applications from the head of the foreign police agency. Final selection of applicants is made by the FBI. AID participation extends only to recommending a country from which applicants should come. The FBI makes the candidate selections.

In fiscal year 1973, 42 officers from foreign countries were trained at the FBI National Academy. The FBI does not provide grants to its Academy students; however, no student is required to pay tuition or for room, board, supplies, and laundry costs during the 12-week period. Travel expenses for foreign students have been paid either by AID or by the students' own agency. Travel funds are the only funds from AID.

Countries represented in the training sessions in fiscal year 1973 were: Canada, Australia, Malaysia, Thailand, Iran, Lebanon, Singapore, Taiwan, Hong Kong, Cyprus, Korea, Indonesia, Liberia, Mexico, Sweden, Norway, Philippines, and the Bahamas.

The cooperative training program with Canadian law enforcement agencies located along the border is not separately funded. The only expense incurred involves the time and travel costs of FBI instructors. In fiscal year 1973, FBI personnel participated in 6 training schools in Canada attended by 297 officers and involving 38 hours of instruction by FBI personnel. This segment is the most important to the FBI because it involves mutual problems faced by both the United States and Canada.

Mr. McCLELLAN. Mr. President, I yield to the distinguished Senator from Nebraska.

Mr. HRUSKA. Mr. President, I support Senator McCLELLAN's amendment to the pending bill. It is designed to meet a potential problem regarding section 115.

Section 115 of S. 2335 provides as follows:

> No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country.

We have been advised that the basic objective of this provision is to eliminate the training program currently administered by the Department of State's Agency for International Development, Office of Public Safety.

Unfortunately, the words "or any other provision of law" in section 115 of S. 2335 would seem to prohibit the funding of very important police training programs presently being conducted or planned by the Law Enforcement Assistance Administration, the Federal Bureau of Investigation, and the new Drug Enforcement Administration.

LEAA is concerned that section 115 may substantially limit the use of LEAA's new authority contained in section 515 (c) of Public Law 93–83, signed by the President on August 6, 1973. This new authority would allow LEAA:

> To cooperate with and render technical assistance to States, units of general local government, combinations of such States, or units, or other public or private agencies, organizations, institutions, or international agencies in matters relating to law enforcement and criminal justice.

The conference report, Senate Report No. 93–349 at page 31, explained the scope and limitations of this authority as follows:

> The conference substitute also accepts the Senate version which adds authority to provide technical assistance to international law enforcement agencies as well as national law enforcement agencies. In recognition of the international scope of many law enforcement and criminal justice problems the conferees agreed to give LEAA authority to provide technical assistance in such areas as narcotics interdiction, skyjacking, and terrorism. The conferees felt that LEAA's international operations should be limited to providing technical assistance in cases of this character.

LEAA believes that problems such as hijacking and terrorism, both of which cannot be solved by one nation alone, would be important subjects for technical assistance.

Another such problem which exists on an international scale is that of illegal narcotic trade. We are all aware that the goal of significant drug interdiction can only be achieved with meaningful international cooperation. LEAA would be able to translate the knowledge and expertise developed in this country into useful suggestions for better narcotics control worldwide.

LEAA intends that its function under this new authority would be limited to the dissemination of information on how to control these problems of international scope. It is not anticipated that LEAA would become involved in training law enforcement or other criminal justice personnel for enforcement of domestic laws or other programs within another nation. Furthermore, such international assistance would not be a major part of LEAA operations, but would involve only the dissemination of information which is a byproduct of other LEAA activities.

Concerning the FBI, section 115 of S. 2335 may prohibit the Bureau from accepting qualified law enforcement personnel from friendly foreign countries into the FBI National Academy, and would prevent the Bureau from offering training assistance, when requested, to Canadian police agencies located near the United States-Canadian border.

Authority to conduct the FBI National Academy for domestic law enforcement officers is contained in section 404 of Public Law 90–351, dated June 19, 1968. For a number of years, the FBI has accepted a limited number of foreign law enforcement officers in each session of the FBI National Academy, usually no more than 10 or 11. This policy was instituted upon the specific request of the President as a part of this country's program to assist in upgrading the caliber of law enforcement in underdeveloped countries.

Most of the foreign students are sponsored by the Agency for International Development (AID), Department of State; however, in some instances applications have been accepted directly from the head of a foreign police agency not covered by the AID program. During fiscal year 1973, a total of 42 officers, representing Canada, Australia, Malaysia, Thailand, Iran, Lebanon, Singapore, Taiwan, Hong Kong, Cyprus, Korea, Indonesia, Liberia, Mexico, Sweden, Norway, Philippines, and the Bahamas, were enrolled in the FBI National Academy. No financial grant is made by the FBI to any National Academy student, foreign or domestic, but no National Academy student is required to pay tuition, room, board, laundry, and dry cleaning costs, or for supplies required in connection with the 12 weeks of training. Travel expenses for foreign students are paid either by the student's agency or by AID, if sponsored by that agency.

The FBI also has followed the policy of affording limited training assistance, when requested, to Canadian law enforcement agencies located near the United States-Canadian border. There is no funding involved in this assistance; the only expenses are the time of FBI instructors and their travel costs. During fiscal year 1973, FBI instructors participated in six training schools in Canada, attended by 297 officers and involving 38 hours of instruction by FBI personnel.

Additionally, the FBI has mentioned that the broad language of section 115 of S.2335 may possibly prohibit FBI cooperation with foreign police agencies in other modest training matters.

The Drug Enforcement Administration is concerned with section 115, because it appears to threaten the training program to foreign police officers directly related to drug traffic prevention functions. In Reorganization Plan No. 1 of 1968, 33 F.R. 6965, 82 statute 1369, one of the specific functions given to the newly created Bureau of Narcotics and Dangerous Drugs—now the Drug Enforcement Administration—was to maintain worldwide operations, working closely with other nations, to suppress the trade in illicit narcotics and marihuana. This was highlighted in President Nixon's message on Drug Abuse to the Congress on July 17, 1971, where he states:

> I am requesting one million dollars to be used by the Bureau of Narcotics and Dangerous Drugs for training of foreign narcotics enforcement personnel. Additional personnel within the Bureau of Narcotics and Dangerous Drugs would permit the strengthening of the investigative capacities of BNDD offices in the U.S., as well as their ability to assist host governments in the hiring, training, and deployment of personnel and the employment of necessary equipment for drug abuse control.

To carry out this responsibility the Bureau of Narcotics and Dangerous Drugs—now DEA—asked for, and Congress authorized, appropriations to assist in the training of foreign police officers in anti-drug trafficking measures. For example, in its budget estimate for fiscal year 1973, on page 40, it is stated—

> The Bureau has increased its role in the training of United Nations Fellowships for periods ranging from 2 to 6 weeks, and by promoting specialized training to other nations.

In its budget estimate for fiscal year 1973, on page 50 it is stated—

> In 1972, BNDD accelerated its efforts in the training of foreign law enforcement personnel. Schools were conducted in the Panama Canal Zone; Saigon, Vietnam; Panama City, Panama; Dublin, Ireland; Mexico City, Mexico, Rome, Italy; Santiago, Chile; Lima, Peru; Singapore Republic; Buenos Aires, Argentina; Vienna, Austria; and Manila, P.I. A special school for Turkish officers and an International Seminar on Illicit Drug Traffic and Abuse were held in Washington. Fifteen European and North American nations and two international organizations participated.

From 1969 through 1973, over 4,000 foreign police officers from more than 40 countries will have received training by the Drug Enforcement Administration or its predecessor, BNDD. On several occasions, the United Nations Commission on Narcotic Drugs has taken special note of this function, and the United States representatives have continued to encourage member nations to take advantage of this program. The international training program is designed to increase the capability of foreign drug law enforcement officers to interdict the flow of drugs before they enter the United States. The United States has repeatedly requested countries to increase their efforts to stop the trafficking in illicit drugs; it has offered to help train foreign personnel to develop administrative and enforcement capabilities, and elimination or even diminution of the training program would be seen as a lack of good faith and threaten the progress we have made.

Through these training programs, close working relations have been developed between DEA agents and their counterparts in foreign countries. This has produced excellent results. Seizures of illicit drugs in foreign countries have risen significantly as our training programs and cooperation have increased. The concern is that enactment of section 115 may seriously hamper DEA programs aimed at stopping international drug traffic.

We understand that the House-passed bill which parallels S. 2335 did not contain a provision such as section 115 in S. 2335, and, therefore, if S. 2335 passes in the Senate, this entire matter will be open for consideration in conference.

We, therefore, seek an amendment to S. 2335 to except the authorized Department of Justice efforts which I have outlined in order to insure protection of both ongoing and prospective police training programs conducted by the Department of Justice for foreign countries.

I trust that the distinguished chairman of the Committee on Foreign Relations (Mr. FULBRIGHT) will see the merit in our views and recognize that it is not at all disruptive of his concern and the concern of the distinguished junior Senator from Minnesota (Mr. HUMPHREY).

We feel that these programs are important. There is no intention for the programs covered by Senator MCCLELLAN's amendment to come within the sphere of activities prohibited by section 115 of S. 2335 as drawn. Therefore, it is my hope that the amendment will be agreed to in the form offered by the Senator from Arkansas.

Mr. McGEE. Mr. President, could I ask a clarifying question of the sponsors of the amendment? In the programs that the two Senators are sponsoring, there is the program they wish to exempt. Does this involve a situation of sending abroad American personnel to advise or train a foreign police force?

Mr. McCLELLAN. No. This is solely confined to these particular crimes we have identified and which deal with such international problem as drugs, skyjacking, terrorism, and serious crimes across international borders.

Most of the international activities of these Federal agencies would involve technical assistance and exchange of information on law enforcement matters vital to crime control in this country. Additionally, the FBI individually selects a small number of law enforcement personnel from various foreign countries to receive training at the National FBI Academy. This program has the objective of improving the caliber of individual law enforcement officials and is not designed to train a foreign police force to influence domestic law enforcement policies.

Mr. HRUSKA. Mr. President, if the Senator would yield, I would like to subscribe to the answers given by the Senator from Arkansas. My statement and the statement of the Senator from Arkansas specifically describe the scope and training that is given the people abroad. As I previously indicated they do not fall within the area of activities that section 115 of S. 2335 seeks to cover.

Mr. McCLELLAN. There is no intention to authorize a program to train a foreign police force for their internal purposes. The primary areas covered by my amendment are those where we have a direct interest in protecting our own safety in our own country.

Mr. McGEE. Mr. President, I have a question related to that, if I might ask it in behalf of the Senator from Minnesota (Mr. HUMPHREY), the manager of the bill.

I put this question in his behalf. He states that he has some concern that the AID public safety program which the committee amendment would abolish may be transferred en bloc to the Justice Department or some agency other than AID. Is that authority sought to be exempted by this amendment? Can the sponsors of this amendment assure the Senate that that is not the intent?

Mr. McCLELLAN. Mr. President, I can assure the Senate that there is no intent to authorize the transfer of the AID public safety program to the Department of Justice or any other agency.

It simply excludes activities presently authorized for LEAA, DEA, and the FBI from the provisions in the bill. It says that this section shall not be applicable to certain specific things. It transfers nothing.

Mr. ABOUREZK. Mr. President, if the Senator will yield, I am sorry that I missed the first part of the Senator's explanation. What does it exempt?

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. McGEE. Mr. President, I am glad to yield whatever time is necessary.

Mr. ABOUREZK. Mr. President, what does it specifically exempt from section 115?

Mr. McCLELLAN. Mr. President, the amendment says:

> This section shall not apply with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation.

Mr. ABOUREZK. Mr. President, is the LEAA involved in providing money to foreign governments?

Mr. McCLELLAN. No. LEAA, DEA, and the FBI are involved in helping to curtail serious law enforcement problems that are international in nature, such as illegal drug traffic, and reduce the effect which these problems have upon this country. That is the purpose for which we seek an exemption for these particular agencies from section 115.

Mr. ABOUREZK. Mr. President, with section 115 in the bill, what effect does that have on LEAA? I was not aware of that.

Mr. McCLELLAN. The section in the bill?

Mr. ABOUREZK. Yes.

Mr. McCLELLAN. Section 115 of the bill reads as follows:

> PROHIBITING POLICE TRAINING.—No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country.

That "related program" is the thing that prevents the LEAA from cooperating with and furnishing technical assistance to international agencies in trying to stem, for example, the drug traffic into and from this country. If we take it this far, we simply preclude this Government from being able to give and obtain international cooperation and assistance in the drug traffic problem.

Mr. ABOUREZK. Yes. That explains it to me.

Mr. McCLELLAN. That is the purpose of it.

Mr. ABOUREZK. If the Senator will yield for another question, did the Senator talk about FBI training?

Mr. McCLELLAN. Yes. We have a program with our neighbor, Canada. We send instructors up to Canadian schools to train primarily with respect to our border protection.

Mr. ABOUREZK. And that only goes for Canada, that FBI training?

Mr. McCLELLAN. Yes, as far as I know.

Mr. ABOUREZK. Is there any intention on the part of the authors of the amendment to provide for Justice Department training or FBI training to any of the governments that receive money under the Foreign Aid Act?

Mr. McCLELLAN. No, that is not the case. Let me read a memorandum from the FBI, so that there will be no misunderstanding about it. I have put it into the RECORD, but it reads as follows:

> Section 115 of S. 2335 appears so broadly worded that it would probably prohibit the FBI from accepting qualified law enforcement personnel from foreign countries for training in the FBI National Academy and undoubtedly would preclude the FBI from cooperating with Canadian law enforcement agencies located near the U.S.-Canadian border in training matters.
>
> The FBI National Academy is operated under provisions of Section 404 of Public Law 90-351 dated 9-19-68. At the specific request of the President the FBI began a number of years ago to accept a limited number of foreign law enforcement officers in each session of the Academy. Generally, no more than 10 or 11 are accepted for each session. The idea behind this cooperative venture was to assist in upgrading law enforcement in underdeveloped countries. Some of the foreign students are recommended by the Agency for International Development (AID) of the Department of State. Applicants are also accepted by the FBI on direct applications from the head of the foreign

> police agency. Final selection of applicants is made by the FBI.
>
> In fiscal year 1973, 42 officers from foreign countries were trained at the FBI National Academy. The FBI does not provide grants to its Academy students; however, no student is required to pay tuition or for room, board, supplies, and laundry costs during the 12-week period. Travel expenses for foreign students have been paid either by AID or by the students' own agency. Travel funds are the only funds from AID.

Here are the countries that have had students here at the FBI Academy:

> Countries represented in the training sessions in fiscal year 1973 were: Canada, Australia, Malaysia, Thailand, Iran, Lebanon, Singapore, Taiwan, Hong Kong, Cyprus, Indonesia, Liberia, Mexico, Sweden, Norway, Philippines, and the Bahamas.

This is a program that has been going on for years.

Mr. ABOUREZK. Let me ask my colleague——

Mr. McCLELLAN. I think this measure as written would stop that program unless the amendment is accepted. It would stop it, if that is what the Senate wishes to do.

Mr. ABOUREZK. I wonder if my colleague from Arkansas might be able to assure the Senate that it is not the intention of the author of the amendment to carry on the police training that has been carried on by AID under the previous provision.

Mr. McCLELLAN. Absolutely not. All we are trying to do here is to permit these three Federal agencies to continue several beneficial programs in this field. The language in the present bill, in my judgment, is broad enough to prohibit all of that. I do not think that was the intention of section 115.

Mr. McGEE. Mr. President, might I inject at that point that we had that assurance from the sponsors of the amendment, I think perhaps before the Senator from South Dakota came to the floor, and it was in strong, unadulterated language.

Mr. McCLELLAN. That is not the intention. We are only trying to preserve what we are doing here that is absolutely essential and has nothing to do with what I understood was the prime objective of this provision. But the provision as written is so broad it goes farther than the author of the provision intended Unless we do this, we are handicapping ourselves.

Mr. ABOUREZK. As I was the author of this particular section, I submitted it to the Committee on Foreign Relations and they did put it in the bill during their committee sessions.

Mr. McCLELLAN. I did not know that the distinguished Senator was the author.

Mr. ABOUREZK. No; I just wanted to say that was the reason for my concern, that an amendment such as this does not abrogate that particular section.

Mr. McCLELLAN. I think we have been ample in making certain the intent.

Mr. ABOUREZK. I thank the distinguished Senator from Arkansas.

Mr. McGEE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wyoming has 5 minutes.

Mr. McGEE. I promised to yield 2 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, the colloquy between the Senator from Arkansas and the Senator from South Dakota has been very interesting and I believe necessary. I am glad the scope of these training activities has been so well covered.

The Senate and the House of Representatives have considered this subject in their conference report on the LEAA bill this year. I read this very pertinent passage from Senate Report No. 93-349:

> In recognition of the international scope of many law enforcement and criminal justice problems the conferees agreed to give LEAA authority to provide technical assistance in such areas as narcotics interdiction, skyjacking, and terrorism. The conferees felt that LEAA's international operations should be limited to providing technical assistance in cases of this character.

The problems mentioned in this passage are suggestive of the particular activities in which LEAA desires to become involved. As indicated, the thrust of LEAA efforts in such problems will be in the area of technical assistance and related matters.

The Drug Enforcement Administration and the Federal Bureau of Investigation have similar limitations upon programs involving foreign countries. This Senator is satisfied that all three agencies will properly conduct their activities so that these limited objectives are met. The amendment of the Senator from Arkansas has a purpose consistent with these objectives.

Mr. McGEE. I thank the Senator from Nebraska for his clarification. Does the Senator from New York wish to speak?

Mr. JAVITS. Mr. President, in order to give us more time, I have sent an amendment to the amendment to the desk. The purpose is only to give us more time, because I do think this is a serious matter, and widely advertised, and it should be fairly discussed. So I will await my turn, or take the time now, whatever the Senator wishes, and proceed to a vote, that the Senator from New York should proceed, then, under the time won by the introduction of this amendment.

The PRESIDING OFFICER (Mr. HELMS). Does the Senator yield back his time?

Mr. McGEE. I yield back the remainder of my time.

The PRESIDING OFFICER. In that case, the Senator from New York is recognized.

Mr. JAVITS. Mr. President, I send to the desk an amendment to the amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read the amendment:

> Strike the period and add: "which relates to crimes of the nature which are unlawful under the laws of the United States."

Mr. JAVITS. Mr. President, this raises the question, in this amendment:

> To strike the period and add: which relates to crimes of the nature which are unlawful under the laws of the United States.

Now, Mr. President, I am for this amendment, if confined to what the authors have in mind. In order to make that clear and get action on it, we must understand what the author of section 15 had in mind. I realize he was here, a short time ago, but let me be his lawyer for a minute. What he had in mind, as I understand it, and I was ardent for it in the committee, was the kind of involvement which we ran into in Brazil and elsewhere, where we had to give aid to police forces and where it was charged there as police persecution and torture, and so forth, and that there could be a colorable link between the aid we gave and what all these policemen may have known or learned about the despicable methods which are antihuman as well as antilegal in the United States.

So I think that what we are all trying to do, I might say to my colleagues—and I am with them—I want to be sure that we understand each other, to be sure that, under any guise, that link should not be established. That is what the purpose of this is about. Because it was such a horrendous thing that we all faced, this was made blanket in its application.

I agree that the two sentences involved are broader than they really needed to be.

Now a question. Are we doing both jobs which we all have in mind to do if we put a limitation on it, because section 515, which the assistant to Senator HRUSKA was kind enough to show me, dealing with technical assistance in relation to the enforcement of criminal law and therefore in an effort, as it were, to insure us against excesses and if it is unrefined, it can be properly refined in conference, so that it occurred to me that if we limit technical assistance to the kind of acts or attempts to act by what is unlawful under the laws of the United States, we would be omitting this whole area with political connotations because obviously torture, barbarism, denial of confrontation, and so forth, are all unlawful under the laws of the United States.

I just submit that to my colleagues. As I say, I have no desire to stand in their way, but simply submit it as a way out of what seems to be a little dilemma of definition.

Mr. HRUSKA. Mr. President, there is not any dilemma as a matter of fact. The primary intent of the amendment of the Senator from Arkansas, is a limitation in an affirmative and constructive way.

It would not be necessary, in my judgment, to have the additional language proposed by the Senator from New York. With this discussion and explanation, it seems to me that the legislative history will be sufficiently adequate to satisfy the questions raised by the Senator from New York.

Mr. JAVITS. If the Senator will allow me to proceed on my own time, as I am a conferee, I have such confidence in the views of the conferees that I would be prepared to say that if the Senator who proposed the proposition is willing that the amendment should be taken to conference, with the understanding that if, on further study, it needs the kind of refinement which I have suggested, it will be made, as our purpose is crystal clear, that we are confining it to acts criminal under the laws and the morality of the United States in terms of technical assistance and not other things.

Mr. HRUSKA. Speaking for myself, this Senator would have no objection to any additions. We have confidence in his objective and his desire to achieve it. I defer, however, to the chairman, the Senator from Arkansas (Mr. McCLELLAN).

Mr. McCLELLAN. Mr. President, I would only say that, of course, no one has any desire here to try to help enforcement of the laws of a foreign country that would be in conflict with the laws of this country. The whole purpose is to protect the United States. I cannot conceive that we would be giving any technical assistance in connection with some crime that is generally not a crime in the United States. I do not see any real harm in the Senator's modification of the amendment, but I would suggest that the manager of the bill take it to conference and study it further. If this language is required or any other language to confine it as we intend it and as we made the legislative history here, to so incorporate it in the conference report.

Mr. JAVITS. I thank my colleague. Let me make one other point, that we have various problems with the House conferees on the subject of germaneness. Maybe, and I submit this to Senator HRUSKA as well, we should make it larger rather than smaller, and take the amendment to conference so that we will have ample room in which to do whatever the intent of the matter indicates.

Mr. HRUSKA. I have no objection.

Mr. McCLELLAN. Mr. President, let me say that we will accept the amendment so far as the authors of this amendment are concerned. We accept the amendment of the Senator from New York.

The PRESIDING OFFICER. The Senator from Arkansas accepts the modification?

Mr. McCLELLAN. Yes.

The PRESIDING OFFICER. The amendment of the Senator from Arkansas is so modified.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. President, I modify my amendment to incorporate the language of the Senator from New York.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas (Mr. McCLELLAN) as modified.

The amendment was agreed to.

Mr. HRUSKA. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGEE. Mr. President, I have a matter here that is for purposes of clarification of the intent of the committee's action as pointed out to me by staff members who prepared the report on the pending legislation. It relates to the amount of money authorized for the voluntary contributions programs in the United Nations. Under the original resolution, that sum was to be in toto about $124 million, because of the further stipulation that 6 percent was to be an across-the-board cut in the aid programs.

In general, this cut was also made in the voluntary programs in the United Nations. It is our recollection that this was not the intent in the committee, for this reason: In the voluntary programs, the committee had accepted the point that due to the success of the Government of the United States in the preceding assembly last year of the United Nations in getting its regular budgetary percentage reduced to 25 percent, and because that success was tied to trying to hold the United Nations Development Program at the same figure last year, of $90 million out of this total, that the voluntary program appropriations were to be exempted from the 6 percent. Therefore, that is the purpose of the amendment which I have been instructed by the manager of the bill the Senator from Minnesota (Mr. HUMPHREY) would be acceptable, as the manager, to him. I am simply spelling it out for the record. Because Congress, in its wisdom, added $3 million to the UNICEF program under the United Nations, that sum already has been added. Thus, to adjust the books for the intent, the figure that would be restored is roughly $7.8 million. That brings it into the balance of the original figure, plus the 6 percent we had cut out originally, unintentionally, in the report.

So my amendment, which I send to the desk, seeks to correct that factor. I have discussed this matter with the Senator from Virginia, who has a deep interest in this matter, and with others who had been involved in intent with respect to this matter. That is the essence of the explanation of the intent.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 12, strike out line 2 and insert in lieu thereof the following: "each of the fiscal years 1974 and 1975 $127,822,000."

Mr. McGEE. Mr. President, the amendment I am offering to S. 2335 is designed to clear up a discrepancy between the line item on contributions to the United Nations voluntary funds approved by the Committee on Foreign Relations and the section of the committee report authorizing funding for the voluntary programs. I am joined in this effort by my distinguished colleagues from New York (Mr. JAVITS), Massachusetts (Mr. BROOKE), and Illinois (Mr. STEVENSON).

Briefly, the line item in the committee report called for an authorization of $124,822,000 for U.N. voluntary programs. However, the section of the report explaining our participation in these programs stipulated an authorization of $120 million, with an additional $3 million for UNICEF above the administration request.

The effect of this discrepancy is to leave us with a shortfall of $7,822,000 authorized for the U.N. voluntary programs. Even though the line item authorization in the committee report calls for a $90 million contribution to the United Nations Development Program, the shortfall would result in a $7,822,000 decrease in our UNDP effort since that program is by far our largest contributive effort.

Since it is vital that our participation in UNDP be funded at a minimum level of $90 million, my colleagues and I have offered this amendment to increase our total contribution to the voluntary programs by $7,822,000 in fiscal 1974. Since this authorization bill is for fiscal years 1974 and 1975, our amendment does not place a restriction on any authorization for fiscal 1975.

The reason for this is simple. At a $90 million level in fiscal 1974, our contribution to UNDP is about 28 percent of the total international contribution to this program. However, should we place a $90 million restriction on our contribution for fiscal 1975, we would fall to about 22 percent of the total international participation in the program.

The United Nations Development Program is one of the most critical of the voluntary programs, both from our standpoint and from the standpoint of the developing world. The less developed nations of the world view our participation in this program as an indication of our commitment to the United Nations itself. During the 27th General Assembly of the United Nations, my primary responsibility, as a delegate, was to obtain General Assembly approval of the U.S. resolution calling for a reduction of our assessed contribution from 31.5 percent to 25 percent. As all of you are aware, we were successful in this effort. However, in order to alleviate fears on the part of many nations, including both the developed and less developed countries, I pointed out that we would actively seek to increase our participation in the voluntary programs as a visible sign that the United States was not attempting to downgrade its role at the U.N.

It is for this reason that the amendment actually contains two provisions—one which would increase our contribution to U.N. voluntary programs by $7,822,000 in fiscal year 1974, and an open-end provision for fiscal year 1975 which would allow us to contribute "such funds as may be necessary" to the voluntary agencies.

My colleagues who have joined me in this effort and I believe that it is vitally important that we demonstrate the United States has a continuing strong interest and stake in the United Nations. We, therefore, urge acceptance of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, what is the pending question?

The PRESIDING OFFICER. The pending question is the amendment of the Senator from Wyoming and others.

Mr. McGEE. Mr. President, we have had a discussion of the perfecting language on the amendment which is at the desk. I am empowered by the manager of the bill to accept the language in order to clear up the intent.

Therefore, I am prepared to yield back the remainder of my time.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. HARRY F. BYRD, JR. I do not oppose what is advocated by the Senator from Wyoming, but I wish to reserve the right when the appropriation bill is before the Senate to give further consideration to this matter.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. McGEE. Mr. President, I am prepared to yield back the time on this side. I yield back time on both sides if there is no objection.

Mr. JAVITS. Mr. President, no objection. We yield back our time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming and others.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I call up my amendment No. 569.

The PRESIDING OFFICER. The amendment will be stated.

Mr. KENNEDY. Mr. President, I ask that I be permitted to submit a substitute amendment.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. KENNEDY. Mr. President, I wish to substitute another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 31 after line 13, insert the following new section:

"RIGHTS IN CHILE

"SEC. 23. (a) It is the sense of the Congress that (1) the President should deny Chile any economic or military assistance, other than humanitarian assistance, until he finds that the Government of Chile is protecting the human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, the Convention and Protocol Relating the Status of Refugees, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and the humane treatment or release of prisoners; (2) that the President should support international humanitarian initiatives by the United Nations High Commissioner for Refugees and the International Committee of the Red Cross to insure the protection and safe conduct and resettlement of political refugees, the humane treatment of political prisoners, and the full inspection of detention facilities under international auspices; (3) that the President should be prepared to provide asylum and resettlement opportunities under appropriate provisions of the Immigration and Nationality Act to a reasonable number of political refugees; (4) that the President should support and facilitate efforts by voluntary agencies to meet emergency relief needs; (5) that the President should request of the Inter-American Commission on Human Rights to undertake an immediate inquiry into recent events occurring in Chile."

Mr. KENNEDY. Mr. President, I believe this is the minimum step that can be taken at this time to demonstrate our deep concern over events taking place in Chile and over the continued silence by the administration on human rights in Chile.

Mr. President, this is a sense-of-the-Congress resolution.

It would state:

First, that the President should deny any economic or military assistance, other than humanitarian aid, until the President certifies that Chile is respecting the universal declaration of human rights and other agreements concerning protection of refugees.

Second, that the President should encourage international humanitarian initiatives by the United Nation's high commissioner for refugees and the international committee of the Red Cross to insure the protection, safe conduct and resettlement of political refugees and the humane treatment.

Third, that the President should be prepared to provide asylum and resettlement opportunities under appropriate provisions of the immigration and nationality act to a reasonable number of political refugees.

Fourth, that the President should support and facilitate efforts by voluntary agencies to meet emergency relief needs.

And finally, that the President should request of the Inter-American Commission on Human Rights to undertake an immediate inquiry into recent events occurring in Chile.

Mr. HUMPHREY. Mr. President, I am sure this amendment is very acceptable. If the Senator is agreeable, I believe we can move right along. I agree it is a minimum step but a very vital and important one, and we should have a vote on it.

Mr. KENNEDY. Mr. President, this amendment expresses my own deep sense of shock at the continued violation of human rights occurring in Chile. I stand as well to condemn the continued silence of the Government of the United States, which has not issued a single public expression of remorse over the military coup which toppled a democratically elected government or over the deaths, beatings, brutality, and repression which have occurred in that land.

Administration officials have said they have no confirmation of the reports of 8,000 to 12,000 dead or the reports of widespread summary executions.

Is not it enough that the junta itself has admitted summary executions? Is not it enough that books are being burned in the streets of Santiago? Is not it enough that witnesses have testified to hearing men moan from being beaten? Is not it enough that a military dictatorship is being erected, a military dictatorship which proudly extolls the example of Indonesia, where hundreds of thousands of people were slaughtered?

While our immediate concerns have been for the safety of Americans detained in Chile and in the threats to the lives of some 13,000 political refugees from other nations, we cannot fail to express our outrage at what has occurred to Chileans as well.

Beyond the summary execution of an untold number of Chileans and foreigners, the measures of repression include the abolition of the largest labor federation in Chile; the removal of all elected mayors and councilmen of city governments; the removal of all university rectors; the suspension of rights of all political parties; the suspension of the Congress; the imposition of heavy censorship on media permitted to operate and the suspension of all others; the suspension of civil rights and the civil system of law.

Two days from now, the World Congress of Parliamentarians was to have been held in Santiago, Chile. This interparliamentary session has been canceled because the Congress that issued that invitation no longer exists. The military junta has closed its doors, and has jailed or placed on wanted lists at least 20 Chilean Senators and 50 Chilean Representatives—men who were elected to office under the banner of legal political parties supporting the martyred President Salvadore Allende.

I ask now and urge our Government to ask; where are these Chilean Congressmen and why are they not released or given an opportunity to emigrate in safety?

I ask now and urge our Government to ask as well, where are the men appointed to government posts under Allende and why are not they given their freedom, men like Orlando Letelier who served as Ambassador here in Washington and returned to Santiago a few months ago as Minister of Defense; men like Jacques Chonchol, former Minister of Agriculture; men like former minister Clodomiro Almeyda and other government appointees?

There is no middle ground. One cannot adhere to values of individual liberty and then remain silent while those values are destroyed. Nor can one applaud the rapid and willing recognition of the new regime 13 days after the overthrow of a democratic elected government. The explanation given was that we did not want to be the first nor the last to recognize the junta as the government in fact in Chile.

Could we not at least have waited until the sound of gunfire had ceased to break the night in Santiago? Could we not have waited until submachinegun carrying soldiers no longer were on street corners, until the thousands imprisoned in Estadio Chile and Estadio Nacional had been released? Could we not have waited until political prisoners and political refugees had been given a chance to depart the country in safety? Could we not have waited until the blood stopped flowing in Chile?

Yesterday John Barnes of Newsweek magazine reported a series of events that reflect the worst as to the magnitude of the disregard for human lives and human rights of the military junta. Barnes reported seeing 150 dead bodies in the city's morgue, most apparently executed by a single shot under the chin and others submachinegunned. The next day he returned and found another 70 bodies.

The Senate Subcommittee on Refugees, which I serve as chairman, held a hearing last Friday at which American citizens who had left Chile in the past few days testified. All testified to the atmosphere of fear that pervaded the country. Two who had been imprisoned in Estadio Nacional testified to watching groups of 30 led onto the playing field and then heard bursts of gunfire; then only the guards returned. Another testified to being told by a dental surgeon who had been in Estadio Chile that he had seen three Bolivians led off after an officer ordered "Liquidelos"—get rid of them. Moments later, the surgeon heard a short burst of submachinegun fire and the sound of bodies falling to the ground.

The subcommittee also has received information from the head of an American institution in Chile who was told on the day of the coup by an army colonel—who was in favor of the coup but horrified by the brutality taking place—that 200 Chileans had been interrogated and then summarily executed. The staff also learned that the head of a Chilean educational institution had been called to the morgue to identify a student who had been detained by the military. The student reportedly had been shot in the face. The educator also saw some 100 bodies, all apparently shot, still unidentified in the morgue. Finally, an estimate of the number of dead from an American in an official capacity was reported as between 8,000 to 12,000.

What is most frightening is that these are the reports we have heard from Santiago alone. From the country's interior, there has been virtually no news. And if the evidence of tanks rumbling through the poor barrios of Santiago is any indication, it is among the poor, those who identified most with the Allende regime, where the military has been least restrained. What will come from the countryside in the next several weeks may be the worst yet to be made public.

Along with Senator Mathias, I introduced a resolution a week ago, which I ask unanimous consent to have printed in the Record at the conclusion of my remarks. That resolution urges the President to request the Government of Chile to respect the provisions of the universal declaration of human rights and other international agreements concerning refugees and political prisoners. That is still to be done.

I also have requested the following:

First, our Government—at the highest levels—should give some public assurance of active concern over the bloodshed and violation of human rights in Chile.

Second, our Government should make strong diplomatic representations to the military government of Chile, in support of international humanitarian initiatives in behalf of Chilean national and foreign residents, in need of protection and help. Specifically, our Government should strongly support efforts by the United Nations High Commissioner for Refugees to insure the protection, and safe conduct to resettlement elsewhere, of political refugees in Chile. We should also strongly support efforts by the international committee of the Red Cross to insure the humane treatment of political prisoners and full inspection of detention facilities under Red Cross auspices.

Third, as we do for refugees from other areas, our Government should be prepared to provide asylum and resettlement opportunities to a reasonable number of political refugees from Chile, under the parole provisions of the Immigration and Nationality Act.

Fourth, our Government should immediately support and facilitate efforts of voluntary agencies and others in helping to meet any emergency relief needs—including food and medicines—resulting from the civil strife in Chile.

Fifth, with the exception of emergency humanitarian assistance to the people of Chile, we should be in no hurry to provide any assistance to a regime which has come to power through a violent military coup—especially after years of denying bilateral economic assistance and impeding multilateral assistance to a democratically elected government. Clearly, we should halt all military assistance to that government.

The policy of this administration toward the previous government of Chile places a special responsibility on the United States in the case of Chile.

From the ITT hearings conducted by the Senate Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee, we learned that the so-called Forty Committee, including representatives of the National Security Council, the CIA and other intelligence agencies, as well as the Armed Forces met as early as June 1970 to approve a covert propaganda campaign against the candidacy of the Allende ticket. We know that a further meeting of this body met soon after President Allende received a majority of the votes cast in Chile's presidential election. Subsequently we know that there was frequent contact between ITT and CIA officials concerning the possibility of exerting economic pressures on the Allende government.

We have seen the evidence of a policy of economic denial imposed by this administration. The administration blocked Export-Import Bank financing of commercial jets for Chile's National Airlines as a way of pressuring Chile on the matter of the copper expropriation.

In the Inter-American Development Bank and other multilateral lending organizations, similar heavy-handed policies were used to impede almost all new loans to Chile.

Our own bilateral development loans to Chile came to a halt. Only in the area of military assistance did we continue to provide aid. In 1971, we provided $5 million in military credits to Chile and again in December 1972 we provided $10 million in credits. Once more this year we extended additional credits for the purchase of F-5E fighter jets.

These policies clearly produced additional severe pressures on the Allende regime and contributed to an unknown degree to the cascading economic difficulties that set the stage for the recent military coup.

For all of these reasons, I would hope that there would be a special sense of responsibility on the part of this Government to do everything in its power to try and protect the rights of all individuals now threatened by the military rule in Chile—150 years ago, Simon Bolivar wrote his "Letter From Jamaica" offering this prediction:

> If any American republic is to have a long life, I am inclined to believe it will be Chile. There the spirit of liberty has never been extinguished . . . in a word, it is possible for Chile to be free.

To a great degree since 1830, Chile has been free and democratic and this history, a history that has earned Chile the admiration of free men everywhere, makes what has taken place in the last 2 weeks more difficult to accept and more tragic to witness.

There being no objection, the articles were ordered to be printed in the Record, as follows:

SLAUGHTERHOUSE IN SANTIAGO

Pablo Neruda, Chile's Nobel Prize-winning poet, was dead of cancer, and even as his body was lowered into its grave, his countrymen set about trying to murder his words. Books of all kinds, not only Neruda's but those by Mao and Marx and Marcuse, were seized by the tens of thousands from homes, bookstores and libraries and then fed to bonfires in the streets of Santiago. And the military junta that has ruled Chile for three weeks didn't stop there. Chilean universities, once proud bastions of independence, were purged of suspected leftists, and ordinary people learned to dread the midnight knock on the door. All that was bad enough, but Newsweek correspondent John Barnes discovered last week that the reign of terror has already gone much further than most people thought. Below, Barnes's report:

The military junta will not admit that there have been mass executions since the overthrow of Salvador Allende's Marxist government. "We have executed perhaps eight people since then for shooting at troops," Col. Pedro Ewing told newsmen. But that simply is not true. Last week, I slipped through a side door into the Santiago city morgue, flashing my junta press pass with all the impatient authority of a high official. One hundred and fifty dead bodies were laid out on the ground floor, awaiting identification by family members. Upstairs, I passed through a swing door and there in a dimly lit corridor lay at least 50 more bodies, squeezed one against another, their heads propped up against the wall. They were all naked.

Most had been shot at close range under the chin. Some had been machine-gunned in the body. Their chests had been slit open and sewn together grotesquely in what presumably had been a pro forma autopsy. They were all young and, judging from the roughness of their hands, all from the working class. A couple of them were girls, distinguishable among the massed bodies only by the curves of their breasts. Most of their heads had been crushed. I remained for perhaps two minutes at most, then left the building.

The next day I returned to the morgue with a Chilean friend so that I would have a witness. I also took along a camera. As I walked through the swing doors of the corridor, the sickly sweet smell of the decomposing bodies almost knocked me back. There were more bodies, perhaps 70, and they were different from the day before. Just as I was pulling the camera from my jacket, a man in a white coat walked through the doors at the other end of the corridor. "What do you want?" he asked. "I'm looking for the bathroom," I said. "Come with me," he said. As I followed him, I took a sharp right and ran out of the building. He shouted after me but did not try to follow. I did not have the courage to try again. Later, in my hotel room, my friend burst into tears. "These were my countrymen," he cried. "My God, what has happened to us?"

BODIES

Workers at the morgue have been warned that they will be court-martialed and shot if they reveal what is going on there. But I was able to obtain an official morgue body-count from the daughter of a member of its staff: by the fourteenth day following the coup, she said, the morgue had received and processed 2,796 corpses.

No one knows how many have been disposed of elsewhere; a gravedigger told me of reports that helicopters have been gathering bodies at the emergency first-aid center in central Santiago, then carrying them out to sea to be dumped. One priest informed me that on the Saturday after the coup he had managed to get into the City's Technical University, which had been the scene of heavy fighting, on the pretext of blessing the dead. He told me he saw 200 bodies, all piled together. Tales like that abound in Santiago, and though information is almost nonexistent for the rest of Chile, the presumption is that the executions have followed a similar pattern in other cities. But the morgue count alone sets the regime's kill rate at an appalling 200 Chileans a day—just for the capital.

With hardly an exception—the victims come from the *poblaciones*—the slums that encircle Santiago and house half the city's 4 million inhabitants. During the three turbulent years of Salvador Allende's administration, the poor of the poblaciones never wavered in their support of his government, for the fact was that the *rotos* (broken-down ones, as they are contemptuously called by the more affluent) had never had it so good. Despite the soaring inflation, they earned enough money to buy undreamed-of luxuries, like new clothes, radios, television sets, refrigerators. Community food-distribution centers in the poblaciones were always well stocked, while the shelves of stores elsewhere remained barren. Presumably, the junta believes that since the poblaciones provided the former government's main support, they must be terrorized into accepting the fact of its demise. So the local leaders are now paying with their lives for their love of Allende. Not true población has escaped the terror.

ROUNDUP

I spoke with three women from the Pincoya población. One of them, a mother of two, had just found out that she was a widow. She told me this tearful story: "Soldiers raided our población last Saturday at 8 in the morning. In the section where we live, they rounded up about 50 men and held them until a police lieutenant came to take his pick. When the lieutenant saw my husband, he made him step forward and told him: 'Now you will pay for all you people have done.' The *carabineros* took him and a few others to the police station, and the rest were arrested by soldiers." For three days, she and the other women of Pincoya searched for their men in police stations and the two soccer stadiums where thousands are incarcerated. It was only after they heard that a 17-year-old boy from their block had been found at the morgue—shot in the head and chest—that they made the journey to see the lists of the dead. There they found her husband, Gabriel, as well as every adult male from one block of their población.

I joined a funeral procession of weeping families following three coffins to burial. Carabineros, I was told, had raided a home in the Parque Santa María población and had picked up three petty thieves aged 18, 19 and 20. A sergeant told them they would be released if they paid 7,000 escudoes—only $5, but a lot of money to the población poor. Their barrio raised the money and the youths returned home. But two hours later, a carabinero patrol came back to get them. That was the last their families heard, until they found their names on the morgue list. One of the boys was so riddled with bullets that they could hardly dress him for burial. But the fate of the other two was worse. Coffins in Chile have small window doors over the face of the dead, and the women opened them for me. There were no heads inside.

Orlando Contreras, who lives with his wife and seven children in the José Maria Caro población, is in daily dread of an official knock at his door. He is a laborer who worked in Santiago's office of social development, a particular target of the new regime. And he is well aware of the danger he faces, should the soldiers come after him. On the day the coup took place, he told me, he and one of his sons saw ten high-school students marched from their school, their hands over their heads, after a brief skirmish with carabineros. They were forced to lie face down on the ground, and then a policeman walked the line of prone youngsters, spraying them with machinegun fire.

The stories of atrocities are endless, and by now, inhabitants of the poblaciones are utterly terrified. I am too afraid to look for him," says a woman from the Ultima Hora población, whose husband was last seen covered with blood being hauled away in a police truck. I am afraid that they will take me, too, and what would happen then to my four children?" Many are now afraid even to associate with families that had any connection with Allende's regime—whether as party members, union leaders or employees in the food-distribution centers. "They can kill whomever they want to kill," says Contreras bitterly. "There is nothing absolutely nothing, that we can do about it."

Because of the total censorship of domestic reporting, most middle- and upper-class Chileans have no idea what is happening. They hear rumors, but their hatred for Allende compounded by their historic contempt for the *rotos* leaves them little desire to verify them. Many do not believe the stories about slaughter in the poblaciones; many simply don't much care. "Why should we?" a Chilean lawyer asked me over an expansive lunch in a wealthy section of Santiago. "I don't believe the stories you tell me, but after the things the supporters of Salvador Allende had done to Chile, they deserve whatever happens to them."

Chilean Military Worrying Church

JUNTA'S AUTHORITARIAN ACTS ARE CAUSING CONCERN

(By Marvine Howe)

Santiago, Chile, September 30.—Chile's Roman Catholic bishops have offered to cooperate with the ruling junta in the "reconstruction" of the country, but there is deep malaise in church circles over the continuing violence and the authoritarian actions of the military since it seized power nearly three weeks ago.

At least two priests have died in the wave of repression against sympathizers of the former leftist Government. A number of Chilean priests, particularly in the provinces, have been arrested, warned not to engage in politics and released.

Foreign priests have been a special target of the military. Some have been expelled—at least two Americans, two Canadians and several Dutchmen and Spaniards. Strong pressure has also been put on four French priests to leave the country.

"They hold us responsible for bringing Marxism and class struggle into the country," a foreign priest ordered to leave the country declared bitterly.

Christians for Socialism, a group of some 200 priests and other church people who supported the social aims of the late President Salvador Allende Gossens, has gone into recess and some of its leaders are in hiding.

Gonzalo Arroyo, the group's head, has twice been interrogated by the military authorities but declines to make any public statement.

One of the gravest acts of the new military authorities, according to sources close to the Catholic hierarchy, is the decision of few days ago to name military men as rectors in all universities. The move was expected to bring protests from the Vatican.

HELP FOR PRISONERS

The Catholic University of Chile has always enjoyed special status, even under the President Allende, a marxist. The university chancellor, who was approved by the Pope, had the power to ratify the nomination of the rectors.

The Archbishop of Santiago, Raul Cardinal Silva Henriquez, has publicly supported the military in its declared aim of "achieving a true social justice."

At the same time, however, he is known to be working quietly to help prisoners and to obtain guarantees for foreign refugees. He has visited the National Stadium, where up to 7,000 people are detained, and taken help and transmitted messages for prisoners.

Cardinal Silva Henriquez ardently supported discussions between President Allende and the dominant opposition party, the Christian Democrats, and until the end played the role of mediator in an attempt to spare the country from violent confrontation.

However, most Christian Democrats, led by former President Eduardo Frei Montalva, opposed any compromise with President Allende, according to church sources.

"They favored a white coup—a peaceful intervention by the military, with the ousting of Allende—and sincerely thought the armed forces would call for elections in a month or so," an aide of the Cardinal said, critical of such "naiveté."

Many priests and stanch Christian Democrats who disapproved of President Allende's hurried moves toward socialism, have been dismayed by the new regime's use of force and its arbitrary measures, such as the closing of congress, the outlawing of leftist parties, the burning of Marxist books and the dissolution of the Central Workers Confederation, the country's largest labor organization.

The permanent committee of the Chilean episcopate, led by Cardinal Silva Henriquez, visited the junta Friday to offer its "cooperation in the spiritual and material development of Chile." A communiqué issued at the close of the audience stressed the wish of the church to participate in "the pacification of spirits and in guaranteeing and developing the social gains of the workers."

ALARMED BY REPRESSION

The bishops are said to be alarmed over the repression that has been unleashed since the coup, often by lower-ranking officers and apparently without the knowledge of the junta.

An office has been set up within the church to look into abuses of human rights and acts of violence toward workers, who generally supported the Allende Government, as well as toward religious missions.

One case involved the Rev. Juan Alcina, a Spanish priest of the Catholic Action Workers Movement, who was arrested on Sept. 18. The Archbishop was notified of the priest's arrest but could not contact him.

Several days later a body with 10 bullet holes in the back was found in the Mapocho River. A Spanish consul identified the body as that of Father Alcina.

A Chilean priest, Miguel Woodward, who lived and worked in a slum district in the port city of Valparaiso and taught a course in trade unionism in the Catholic University, was arrested and beaten "savagely," according to church sources. He died from his wounds in a Valparaiso hospital.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. SYMINGTON. Mr. President, I commend the able Senator for his remarks on this subject.

Previously I placed in the Record an article which was published in Newsweek magazine of this week by American newspaperman John Barnes calling attention to the slaughter in Santiago. If this is true, and I understand he is a reputable newsman, this is one of the most reprehensible, illegal takeovers of a government I have ever heard of.

Mr. President, I support the amendment.

Mr. CASE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. CASE. Mr. President, I am happy to join with the Senator as a cosponsor of the amendment.

I have been asked by the Senator from New York (Mr. Javits) that he be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. I wish to be listed as a cosponsor also.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. As far as I know there is no objection to the amendment.

Mr. HUMPHREY. Mr. President, I am ready to yield back my time if the Senator from Massachusetts is ready to yield back his time.

Mr. KENNEDY. I yield back my time.

Mr. HUMPHREY. Did the Senator ask that the additional cosponsors be added?

Mr. KENNEDY. Mr. President, I ask unanimous consent that the additional cosponsors be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Massachusetts and others.

The amendment was agreed to.

AMENDMENT NO. 569

Mr. KENNEDY. Mr. President, I call up my amendment No. 569.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 31, line 14, insert the following:

Sec. 24. Bureau of Humanitarian and Social Services.—It is the sense of Congress that the President should establish within the Department of State a Bureau of Humanitarian and Social Services to be headed by an Assistant Secretary of State who is appointed by the President by and with the advice and consent of the Senate. The Bureau of Humanitarian and Social Services should provide continuing guidance and coordination to policies, activities, and programs within the executive branch relating to humanitarian assistance for refugees and victims of natural disasters, migration and visa affairs, international human rights, liaison with the United Nations and other appropriate international agencies or nongovernmental organizations, and such other humanitarian and social affairs as the Secretary of State may prescribe.

Mr. KENNEDY. Mr. President, this amendment would establish a Bureau of Humanitarian and Social Services within the Department of State. This is an idea and a concept which has been reviewed by the Committee on Foreign Relations. They refer to it positively on page 26 of their report and I commend them for doing so.

This is an attempt to institutionalize humanitarian policies and programs within the Department of State, so that we can respond more immediately and in a continuing basis and in a significant way to the basic humanitarian issues and problems that come before the world and the American people.

We have seen recently the types of situations that draw our attention to Sahel, the area below the Sahara Desert, where hundreds of thousands of people are starving, the Nicaraguan situation, the flooding in Pakistan, the Bangladesh situation, and the past problems in Nigeria-Biafra. Enormous numbers of lives have been lost and in many instances the United States responded in a positive way, but it always takes a good deal of time before we are able to put into motion the kinds of efforts which could have meant the saving of hundreds of thousands of lives.

This amendment attempts to coordinate the various humanitarian assistance programs that exist in the executive branch. It is not a new idea. It has been urged since 1966, so it has been around for 7 or 8 years. This approach is familiar to the Committee on Foreign Relations, and I am hopeful that the amendment may be accepted and taken to conference, and, hopefully, accepted within the conference.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. An explanation of this item appears on page 26 of the committee report, which I ask unanimous consent to be included in the Record at this point.

There being no objection, the extract was ordered to be printed in the Record, as follows:

COORDINATION OF HUMANITARIAN AND DISASTER RELIEF

The Committee considers the humanitarian relief assistance for refugees and victims of disaster in other countries to be a vital part of our foreign aid programs. This kind of relief aid reflects the humanitarian concerns of the American people, and its delivery should be as prompt and efficient as possible.

Over the years since World War II, the authority for the conduct of these relief activities has been dispersed among several offices and bureaus within the foreign policy establishment. Budget items for refugee and disaster assistance are scattered over many agencies of the government. The Committee views this situation with concern, believing that improved coordination of these activities is desirable in order to provide Congress and the public with a true picture of the scope and effectiveness of these activities. In addition, the Committee considers that improved communication between government officials and the private voluntary overseas relief agencies is urgently needed. These agencies in 1972 provided $430 million in disaster and refugee relief assistance, or about 60% of the total humanitarian relief assistance, public and private, which flowed from this country. The voluntary agencies serve as the delivery systems for much of the humanitarian aid provided by the United States government and they carry by far the greatest number of direct contacts with refugees and disaster victims in recipient countries.

The Committee is aware of the several proposals for the creation of a single high level official with authority to coordinate all of the humanitarian relief activities conducted by the United States. Most, if not all, of these proposals call for making such an official the focal point for liaison and cooperation with private voluntary relief activities. While it has not acted to report new legislative authority for the creation of such an official, the Committee wishes to make plain its view that the need for improved coordination remains acute and urges appropriate action by the Administration to meet this need, thus possibly avoiding the need for legislative action.

As domestic priorities assert themselves, and the United States moves to realign its far-flung overseas commitments, the role of the voluntary relief agencies in the delivery of critically needed disaster and refugee assistance is likely to grow. It is the Committee's view that the Department of State and the Agency for International Development should give support and encouragement to the voluntary agencies when they move in response to appeals for such assistance from abroad.

Mr. HUMPHREY. Mr. President, the committee has expressed the fact that it looks with considerable favor upon the creation of a single high official with authority to coordinate all these humanitarian activities. The amendment of the Senator expresses that same attitude and feeling in a sense-of-Congress citation, so to speak.

I think this is a worthy amendment, and that we should accept it. If the Senator is agreeable to that, we will get to a voice vote and accept the amendment.

I yield back my time.

Mr. KENNEDY. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I call up my amendment No. 570.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 570 is as follows:

On page 31, line 14, insert the following:

SEC. 23. HUMANITARIAN ASSISTANCE IN SOUTH ASIA.—The President is authorized to furnish humanitarian assistance, on such terms and conditions as he may determine, to the United Nations High Commissioner for Refugees (UNHCR) in support of the repatriation and exchange of minority populations between Pakistan and Bangladesh. There is authorized to be appropriated to the President for the purpose of this section, in addition to funds otherwise available for such purposes, $6,000,000 for the fiscal year 1974, which amounts are authorized to remain available until expended.

Mr. HUMPHREY. Mr. President, we have an amendment that we are going to offer here for disaster relief, of which the Senator is a cosponsor. It relates to several countries.

I wonder if we could not include this amendment within the context of that amendment. I am just making that suggestion in the hope, of course, that the Senate will see fit to accept disaster relief additions in the bill.

Mr. KENNEDY. Would the Senator be adding the $150 million for disaster relief, or just earmarking, in the amendment that he will offer?

Mr. HUMPHREY. We add additional funds.

Mr. KENNEDY. I would be glad to coordinate this effort. All we are doing here is earmarking for the United Nations High Commissioner for Refugees, which would represent the United States' fair share for the exchange and resettlement of the Pakistanis and Bengalis under the agreement recently concluded in South Asia.

Mr. HUMPHREY. Is it a new section that the Senator is seeking to add to the bill, or is this a section in the existing bill?

Mr. KENNEDY. This would be a new section to the bill.

Mr. HUMPHREY. Will the Senator yield further?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. Do I understand that this is not additional funding?

Mr. KENNEDY. That is correct.

Mr. HUMPHREY. It is to be taken out of disaster relief funds or contingency funds?

Mr. KENNEDY. That is correct.

It could be taken out of existing funds within the legislation.

Mr. HUMPHREY. The language that the Senator has in his amendment indicates that "There is authorized to be appropriated to the President for the purpose of this section, in addition to funds otherwise available for such purposes, $6 million for the fiscal year 1974, which amounts are authorized to remain available until expended."

That is an addition in the bill.

I understand the importance of it, and I am sure my sympathy is with it, but if the Senator could keep his language so that funds would come out of funds authorized within the bill and leave it to the discretion of the President to be able to find those funds—and there surely is within the contingency funds such authority—we could go along with that amendment.

Mr. KENNEDY. If the amendment, therefore, could comply with the suggestion of the manager of the bill, that would be satisfactory.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. JAVITS. Mr. President, will the Senator yield to me so I may make a comment about it?

Mr. HUMPHREY. I yield.

Mr. JAVITS. We heard earlier in the day the chairman of the Foreign Relations Committee speak of the fact that the authorities are contemplating aid to Chile. That was one reason why he was against the bill.

I had, prior to that, suggested to the Senator from Massachusetts, who had initiated this matter, that I would be glad to join in respect to this effort.

I think, the point having been made that this is a desirable addition, the modification suggested by the Senator from Minnesota (Mr. HUMPHREY) is what the Senator from Massachusetts (Mr. KENNEDY) was trying to do, himself, with my cooperation, in respect to the funding which is contained in the first clause of his bill. I should like to say to the Senator that I think it is very distinguished service in respect to the bill at this time, within the present-day framework, and that it should carry this particular provision.

Am I joined in the amendment as a cosponsor?

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senator from New York (Mr. JAVITS) and the Senator from Maine (Mr. MUSKIE) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I suggest to the Senator from Massachusetts that the language following line 7 read as follows, in lieu of the language that is now in the amendment:

There is authorized to be used by the President for the purpose of this section $6 million for the fiscal year 1974 out of funds authorized and appropriated to carry out this Act.

Mr. KENNEDY. That is satisfactory, Mr. President, and it carries out the intent of the amendment.

Mr. HUMPHREY. I send the modified amendment to the desk.

Mr. KENNEDY. I am prepared to yield back my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the modified amendment of the Senator from Massachusetts.

The amendment, as modified, was agreed to.

AMENDMENT NO. 571

Mr. KENNEDY. Mr. President, I call up my amendment No. 571. I ask that the reading of the amendment be dispensed with, but that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, strike lines 1 through 11 and insert the following:

PART V—POSTWAR RELIEF, REHABILITATION, AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

SEC. 801. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for the relief, rehabilitation, and reconstruction of South Vietnam, Cambodia, and Laos, especially humanitarian assistance for refugees, civilian war casualties, war orphans, and other persons disadvantaged by hostilities or conditions relating to those hostilities, and reconstruction assistance for the rebuilding of civilian facilities damaged or destroyed by those hostilities in South Vietnam, Cambodia, and Laos. Assistance for such purposes, shall be distributed to the maximum extent practicable under the auspices of and by the United Nations, other international organizations, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel.

Mr. KENNEDY. Mr. President, there are two objectives of the amendment in changing the language of the authorization, to make it clear that, first, humanitarian assistance is the first priority of our foreign aid funds to Indochina.

We spell out that the first priority of our aid funds should be for refugees, civilians who are casualties of the war, orphans, and other persons disadvantaged by the hostilities.

The second purpose of the amendment is to urge that to the maximum extent practical we proceed through international voluntary and multinational agencies, with a minimum presence of U.S. Government personnel. I know it was the intention of the committee itself to make sure that this kind of general assistance be made available through international efforts. This is an attempt to focus on United Nations, specialized agencies, and voluntary groups. That is where this assistance should go. That is where the greatest need is.

There are about 1 million orphans in Vietnam. Hundreds of thousands of people have lost arms and legs. About 300,000 are widows. Thousands have been wounded and maimed. There is a fundamental need for assistance to these war victims.

The amendment is an effort to make sure that the first order of priority will go toward meeting their needs. Second, and to the extent possible, we should work through national or multinational agencies. The most effective work being done today in that field is through such agencies. That has been true for the last 10 years.

It is in an effort to maximize their efforts and to minimize the use of direct U.S. Government personnel that this amendment is directed and focused.

Mr. President, I think the language of the committee states quite clearly the intent that I would hope would be achieved by this language. I would hope that, since it is really consistent with the thrust of the Foreign Relations Committee report, it will be accepted by the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield time to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I think the important thing for us to note is that it replaces the general authority set forth at page 26, really lines 1 through 11. It simply repeats the title, except that it includes the word "rehabilitation."

However, as to the substance, I think it says that the President is authorized to furnish such assistance as he may determine for relief, rehabilitation, and reconstruction, and it includes humanitarian assistance.

The Senator from Massachusetts changes the word "include" to "especially" as found on line 7 of his amendment.

Mr. President, in view of the fact that the President was given broad authority, I personally would not see any great obections to it. However, I would want to point out to the Senate that it does at least tell him we consider the first priority would be the various elements of humanitarian assistance which the Senator from Massachusetts emphasized when he changed the word "include," which means that it has equal priority, to the word "especially," which would give the Foreign Relations Committee in respect of legislative oversight the right to claim that it had a priority. That is one distinction.

The other distinction that I think we ought to be aware of is, ". . . assistance for such purposes shall be distributed to the maximum extent practicable under the auspices of and by the United Nations other international organizations, multilateral institutions, and private voluntary agencies with a minimum presence and activity of U.S. Government personnel."

I would like the Senate to tell us why he feels he wants to be so restrictive. I would personally prefer it if he could say that assistance for such purposes shall be distributed insofar as practicable under the auspices of and by the United Nations, other international organizations, multilateral institutions, and private voluntary organizations.

I see no reason why we should bow out of it by restricting ourselves to a minimum presence and activity of the United States Government personnel. That would be drawing into the woodwork, seems to me.

I suggest that rather than leave it to the conference to try to define this, we do it right here and now and strike the word "to" at the end of line 2 on line 3 strike the words "the maximum extent" and say "insofar as practicable" and so forth, and put a period at the end of the word "agencies" on line 5.

In that way, I would consider that the amendment would be entirely appropriate to give at least a claimed priority to these highly humanitarian purposes and not absolutely tie the hands of the United States in the administration of its AID program.

Mr. KENNEDY. Mr. President, the Senator is quite correct in analyzing the changes that would be made if the Senate were to agree to the amendment.

The clear intention of the amendment is to put a high priority on the humanitarian needs of the people of Indochina. It has been evident to me for some period of time that when there is a choice between the humanitarian needs and other needs, the other needs—military supplies, general economic aid—get taken care of first.

The record is replete with examples of this. It was the intention of the amendment to indicate by the words "especially humanitarian" a sense of our priority for the war victims of this ravaged part of the world, to indicate to the greatest extent possible that it will be the purpose and the function of our aid program to meet these basic and fundamental humanitarian needs first.

Mr. President, the word "especially" was added to give that emphasis, so that priority would be maintained.

The reason for emphasizing the United Nations and the specialized agencies, is to move toward building upon the humanitarian expertise and the knowledge and understanding that has been developed within recent times in these bodies. The specialized agencies of the United Nations have been enormously successful in responding to humanitarian problems in other parts of the world.

I think that the specialized agencies of the United Nations have made a most impressive record since the earliest days of the United Nations and are continuing to do so under the United Nations umbrella, in Bangladesh, for example, where they have been most effective in marshaling the support of other nations. And the United States is making its contributions, but under the U.N. umbrella. There are brought into this situation hundreds of thousands and millions of dollars from other countries.

I have been impressed by the fact that many other countries in other parts of the world are willing to participate in this humanitarian assistance. I think that to the extent we maintain a very close or dominating relationship with aid programs, we will discourage the active participation in humanitarian problems of other nations, and we will not be as effective in the utilization of the various international organizations in the areas which I think they have been so successful in the past.

We have tried to indicate some flexibility for the administration by saying "To the maximum extent practicable." I know that the Senator suggests "so far as practicable."

However, I do feel that, given their track records on meeting humanitarian needs and problems, unless we give some sense of urgency and some degree of direction, I am afraid that this thrust may be lost.

I am glad to work with the Senator from New York, however, in attempting to meet both of the aims.

But this is the reason for the language: "the maximum extent practicable," to capitalize upon the expertise and the assistance of the United Nations' specialized agencies, along with other international agencies. And most importantly it is beginning to bring those groups into play so that other countries around the world can help underwrite humanitarian assistance.

I am absolutely convinced that they will. They have, as the Senator from New York, who is very familiar with humanitarian problems in all parts of the world, understands rather well.

Mr. JAVITS. Mr. President, I would hope that the Senator would accept the following suggestion. On lines 2 and 3 of page 2, strike out "to the maximum extent and insert in lieu thereof the word "wherever". And beginning with line 5, after the word "agencies" insert a period and strike out the remainder of the paragraph.

On that basis, I would be prepared on our side to accept the amendment.

Mr. KENNEDY. Well, I think that is acceptable, Mr. President.

The PRESIDING OFFICER. Does the Senator so modify his amendment?

Mr. KENNEDY. To change "to the maximum extent practicable" to "wherever practicable under the auspices of and by the United Nations, other international organizations, multilateral institutions, and private voluntary agencies."

I think if that is really carried through, there may be corresponding language in other parts of the legislation, so the earlier language may very well be redundant.

I move that my amendment be so modified.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. KENNEDY. I yield back the remainder of my time.

Mr. JAVITS. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Helms). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts (Mr. Kennedy) as modified.

The amendment, as modified, was agreed to.

Mr. KENNEDY. I send to the desk another amendment, and ask for its immediate consideration.

Mr. HUMPHREY. Mr. President, how many amendments does the Senator have?

Mr. KENNEDY. One more.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, is this a printed amendment?

The PRESIDING OFFICER. It is not a printed amendment.

Mr. KENNEDY. No, it is not a printed amendment.

Mr. GRIFFIN. I shall not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Kennedy's amendment is as follows:

On page 26 strike line 12 through 17 and insert the following:

"Sec. 802. Authorization.—(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $376,000,000, which amount is authorized to remain available until expended.

(b) Of the funds appropriated pursuant to subsection (a) of this section for the fiscal year 1974, not less than $10,000,000 shall be available until expended to support humanitarian programs of the Indochina Operations Group of the International Red Cross in South Vietnam, Cambodia, and Laos."

Mr. KENNEDY. Mr. President, this amendment provides for the earmarking of a $10 million contribution for the Indochina Operations Group—IOG—of the International Red Cross for humanitarian programs in Indochina.

I might indicate to my good friend from Michigan why the amendment is unprinted. It is because it was only today that I received a telegram from the Red Cross in Geneva, Switzerland, in response to my earlier inquiry of a number of days ago, September 13, about the particular humanitarian needs in Cambodia.

Our committee had received assurances from the administration that all is being done that was required of the various humanitarian agencies, until as of this morning, when I received this telegram indicating that the Red Cross itself is handicapped and limited by the financial limitations that it has in providing, again, for basic humanitarian needs in Cambodia.

As I understand, the administration has gone ahead earlier today, and communicated to Geneva that they will be willing to provide some assistance to the Red Cross. This amendment is basically to provide that of the $376 million reconstruction aid for all of Indochina $10 million be earmarked for the Red Cross Indochina Operations Group, for relief purposes in Cambodia.

I am sure that they will end up with a good deal more funds than the $10 million, but I do feel that if they felt assured, as of now, that at least they would be able to get $10 million, they would be able to develop the programing which is so essential in terms of saving lives.

But that is the reason, because this communication reached me only this morning.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, might I just say to the Senator, this amendment has just come to us out of the cold blue, so to speak, without any advance information or knowledge about it. Is it the intent of the amendment to add this amount?

Mr. KENNEDY. No, it is just to earmark—there is provided $376 million in reconstruction funds.

Mr. HUMPHREY. Yes.

Mr. KENNEDY. This would earmark of that sum $10 million for the Cambodian refugee program as sponsored by the Indochina Operations Group at the Red Cross.

I ask unanimous consent that the telegram be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

[TELEGRAM—SEPT. 28, 1973]

To: Senator KENNEDY.
From: Olaf Stroh IOG.

Reference your telegram 13 September 1973 appreciate your encouraging interest for Red Cross activities in Cambodia. Despite difficult conditions IOG already undertook measures to try to obtain establishment of neutral zones. Several medical teams permanently on the spot working for sick and wounded. Emergency assistance also given especially to displaced persons such as shelters and additional nutrition to children. Are conscious that far greater assistance badly needed in Cambodia but have to adapt our activities to limited financial resources put at our disposal by Governments and National Societies for the total programme in all Indochina.

Mr. HUMPHREY. Is it not true that out of the $376 million which is authorized in this bill, any amount the Government feels would be needed could be authorized?

Mr. KENNEDY. The Senator is correct. I am convinced that they can. The Red Cross will, in fact, probably get a good deal more than these amounts. But it would give them the assurance at the present time, when they say their effectiveness in increasing humanitarian assistance is limited. This kind of assurance would let them go ahead with and pursue their humanitarian responsibilities and at least be assured that they will be able to obtain resources to this extent.

This does not add any additional money.

Mr. HUMPHREY. Is it not true that there may be a number of other organizations that would want funds earmarked?

I say to the Senator, I understand the importance of helping the International Red Cross. I know, as the Senator has indicated and as we have stated here on the floor, that in the $376 million category of relief and assistance to Indochina areas, funds could be made available for Cambodia, or for Cambodian humanitarian assistance.

I wonder if we could not settle for just having this colloquy, and include in the legislative history of this bill that we would expect funds to be made available to the International Red Cross because it is a highly respectable and accepted organization. I hesitate to start the process of earmarking for one organization, because the next thing we will have church groups and civic groups one after another coming in, and it is very difficult to turn one down by legislative action.

Mr. KENNEDY. Of course, I draw a distinction between earmarking for a church group and earmarking for an international organization, which in this case is the International Red Cross. Rather than it being a general kind of a statement that they are doing useful work, and therefore we ought to support them, they have made a direct appeal to our Government. I would like to just read this portion of the message from Olaf Stroh, who, as I indicated earlier, is the director of the Red Cross Indochina operations group in Geneva:

> Reference your telegram 13 September 1973 appreciate your encouraging interest for Red Cross activities in Cambodia. Despite difficult conditions IOG already undertook measures to try to obtain establishment of neutral zones. Several medical teams permanently on the spot working for sick and wounded. Emergency assistance also given especially to displaced persons such as shelters and additional nutrition to children. Are conscious that far greater assistance badly needed in Cambodia but have to adapt our activities to limited financial resources put at our disposal by Governments and National Societies for the total programme in all Indochina.

This appeal to the United States has been in effect, really, since last spring, and I regret, too, that we have to take particular appeals and try to respond through legislation. But we have had this appeal now for a number of months. I, too, regret that we have to take the time of the Senate to earmark in these particular areas, but what we have here is a thoroughly creditable, reputable organization and they find limited ability to move in humanitarian areas because of the financial constraints. I am convinced that over any period of time they will probably receive not just these funds but a good deal more. The fact that we earmark these now would give assurance to the organization that they could move ahead, which will result in the saving of many lives.

Mr. HUMPHREY. Might I say to the Senator that I understand the cogency of his argument. I listened to the telegram he read. I think that we can manage this all right. I would come out of the $376 million, with no additional funds needed. The International Red Cross, of course, is a highly reputable and respected organization.

I would suggest that we take this to conference and if we have any difficulties, we will discuss it with the Senator before we finally dispose of it.

So I am prepared to accept the amendment and yield back the remainder of my time.

Mr. KENNEDY. I thank the Senator from Minnesota very much.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY).

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I want to compliment the Senator and his staff on their prodigious work.

Mr. KENNEDY. Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. HUDDLESTON). The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. This is not a new subject. It has been devated and talked about——

The PRESIDING OFFICER. The Chair would observe that the amendment of the Senator from Massachusetts as drafted amends a part of the bill which has been already stricken.

Mr. KENNEDY. All right, Mr. President, I will yield the floor at this time and will attempt to redraft or restructure the amendment to the existing legislation.

Mr. HUMPHREY. Then the Senator withdraws his amendment temporarily?

Mr. KENNEDY. Yes.

The PRESIDING OFFICER. The amendment of the Senator from Massachusetts is temporarily withdrawn.

Mr. CHILES. Mr. President, I call up my amendment.

Mr. HUMPHREY. Mr. President, does the Senator from Florida have the floor now?

Mr. CHILES. Yes.

Mr. HUMPHREY. Could I ask the Senator from Florida to call up at this time the amendment that relates to the medical aspects first, and dispose of that one first.

Mr. CHILES. Of course, Mr. President, I send to the desk a second amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Intended to be proposed by Mr. CHILES to S. 2335, a bill to amend the Foreign Assistance Act of 1961, and for other purposes,

On page 27 between lines 19 and 20 insert the following new section:

"SEC. 804. CENTER FOR PLASTIC AND RECONSTRUCTIVE SURGERY IN SAIGON.—Of the funds appropriated pursuant to section 802 for the fiscal year 1974, not less than $712,000 shall be available solely for furnishing assistance to the Center for Plastic and Reconstructive Surgery in Saigon."

On page 27, line 20, strike out "sec. 804" and insert in lieu thereof "sec. 805".

Mr. CHILES. Mr. President, let me explain what the amendment would do. It would earmark funds for assisting the Center for Plastic and Reconstructive Surgery in Saigon. It would earmark $712,000 for that Center. This language has been voted on before. It was in the House bill. It was left out of the bill this time in committee. It is a project we are well aware of and the great amount of work that needs to be done in the field of reconstructive plastic surgery in Saigon and how much the Center is doing in that way. As I say, the Senate has been on record as supporting this in the past.

Mr. HUMPHREY. Mr. President, this is a modest request in an area that is in great need of the kind of work the Senator from Florida has described. I want to commend him for his thoughtfulness in bringing this to our attention. It will mean, if the amendment is adopted—and we will have no problem in the conference with it—that we will have the matter sealed down so that I would hope all of us would accept the amendment.

Mr. CHILES. Mr. President, I am introducing an amendment today which would earmark funds for the furnishing of assistance to the Center for Plastic and Reconstructive Surgery in Saigon.

I first became acquainted with the Children's Medical Relief International—CMRI—through an editorial in the Gainesville Sun Newspaper. Later, in an article in Time magazine, I learned that the center was the only facility in South Vietnam dedicated to providing plastic and reconstructive surgery for children.

Mr. President, I wish every Member of this body could have seen the film I showed a little over a year ago in the Senate Auditorium. The movie told the story of some of the children in South Vietnam, the innocent victims of war who desperately need our help. The photographs of youngsters unable to close their eyes, without ears or limbs or with large portions of facial tissue destroyed due to noma, the disease that attacks malnourished children, were gruesome to look at. And they linger in the mind, long after the film is over. The outstanding work the center accomplishes gives us some ray of hope—some channel for the expression of something positive, something constructive.

In 1967, Arthur J. Barsky, M.D. and Thomas R. Miller established Children's Medical Relief International, a nonprofit New York based agency. In 1968, in cooperation with the South Vietnamese medical community, they founded the center to care for Vietnamese civilians. At first, patients were seen in an apartment building in Saigon, but with the dedication of the new, modern structure in 1969, full scale operation of the hospital began. During the first year 400 children were served. Today the center treats more than 1,200 children annually and has already taken care of nearly 5,000 patients. The average patient's age is 8.

Rather than give a more technical description, let me quote from a letter Tom Miller received from American plastic surgeon, Richard Dakin, who served there:

> Nothing in my training prepared me for the shock of my first visit to the center for plastic and reconstructive surgery. It's like going to the pound, where the puppies cluster around the visitors, playful but shy, and very appealing in their attempts to be chosen—but these puppies are really children and they are asking, they are really asking, for operations: Then one notices that eyes and noses and ears and cheeks are missing. And one sees the incredible burn contractures, heels fused to buttocks, and ears plastered down into shoulders, and fingers locked back onto little wrists. Keloids are part of nearly every burn injury, and mountains of scar tissue cascade from forehead to chin to breast bone and across brown bellies. Old skin graft donor sites look like deep burns that had never been grafted.
>
> They are so confident that the surgeons can help them, and their quiet brown eyes follow us as we make rounds. And I wish that I had memorized every text book I had ever read and could repeat flawlessly everything my teachers had ever shown me.

Burns are a major problem in Vietnam, not only from the war but from war-related causes. Yet, in all of South Vietnam there is no adequate burn treatment facility. The Ministry of Health has repeatedly and urgently requested Children's Medical Relief International to help it establish a burn treatment facitlity. Even now, in spite of the fact that the center is not equipped to treat severe fresh burns, the present medical emergency has forced it to accept many fresh burn cases, forcing it to discontinue its other important work. Construction of a burns facility could begin immediately and be completed in 9 to 12 months. Badly needed burn treatment equipment could be ordered and used immediately.

I am sure most of us saw the pathetic photograph that was plastered on nearly every front page across the Nation of a little girl caught in a raid of South Vietnamese planes that missed their targets and mistakenly dropped flaming napalm on civilians—on their own soldiers. The picture showed the girl who had ripped off her burning clothes and with others in the village fled down the road in terror. Ten-year-old Samkin Toc will live to remember that awful day. In fact, her third degree burns and serious complications were treated at the center. But with all her suffering, Samkin Toc was still one of the lucky ones who at least got treatment—and a chance to survive.

I do not believe that concern for these unfortunate children is any matter for debate among men of compassion. CMRI deserves our support because it is an organization bent on repairing, rebuilding, and healing—on the activities man performs when he is really most human.

I strongly urge the Senate to give my amendment its strong support. We decided we should not be fighting there. Now we must realize our responsibility to help pick up the broken pieces of so many innocent lives.

Mr. President, I would like to add that this amendment is in the House version of the Foreign Assistance Act. Accepting this addition to the Senate version of the bill will be an aid in eliminating any unnecessary differences between the House and the Senate versions of the bill.

The amendment contains similar language to what was in the House bill. It would earmark $712,000 for the Center for Plastic and Reconstructive Surgery in Saigon. It is language that was contained in the last Senate foreign aid bill. The bill itself was defeated. This is language in the House bill at present and would earmark these funds for that center.

Mr. JAVITS. Mr. President, with the permission of the Senator from Minnesota, I should like to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, we are advised and I say this because it is essential to make this very clear to the Senate as the basis on which the minority side at least with the permission of the Senator from Vermont (Mr. AIKEN) would take the amendment, that this amendment was adopted by the Senate in a foreign aid bill which never became law here recently. It is to be understood that if we adopt this provision in the Senate this afternoon, as it is exactly identical with the one in the House bill, there will be no opportunity to change it in conference; but on the representation, one, that we did adopt it before and, two, that the situation relating to the authorization remains the same, I would be prepared, if the Senator from Vermont (Mr. AIKEN) is willing, to take it.

Mr. AIKEN. Mr. President, I would be agreeable to taking it to conference. I recall that Joe McCaffery, at 6:30 this morning, referred to this as being proxy voting on the part of the Senate, however. But I would be willing to take it. But it is risky business, accepting an amendment that we have seen only 2 seconds before we have to vote on it.

Mr. CHILES. It would not be necessary to take this to conference because it would be identical language which is now in the House bill.

Mr. JAVITS. I have just said that. It is for that reason that I have spelled out the understanding, one, that it has been in a previous bill which did not become law here recently, which is represented to us by our own staff and, two, that the situation remains the same. If there is any problem about it, I am sure that the Senator from Florida is a man of good faith and we will find ways to do something about it. But on those assurances which I gather we get from the Senator from Florida, I would be willing to take the amendment. Do I understand correctly those assumptions?

Mr. CHILES. Yes.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. CHILES. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. I yield back the remainder of my time. Mr. President.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Florida (Mr. CHILES).

The amendment was agreed to.

AMENDMENT NO. 578

Mr. CHILES. Mr. President, I call up my amendment, No. 578.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 7, line 10, strike out "SHARING OF COSTS.—" and insert in lieu thereof "COST-SHARING AND FUNDING LIMITS.—(a)".

On page 7, between lines 18 and 19, insert the following:

"(b) No assistance shall be disbursed by the United States Government under sections 103–107 of this Act for a project, for a period exceeding thirty-six consecutive months, with efforts being made before, during, and after such period, to obtain sources of financing within that country and from other foreign countries and multilateral organizations.

"(c) No amounts made available under this Act shall be obligated for any follow-on project which links that project with any other project.".

Mr. CHILES. Mr. President, the thrust of the bill before the Senate is that, after all the years since World War II, we are going to try to change the direction of our AID program; that we are going to realize that we have reached a point at which we no longer should blindly follow the practice that perhaps made sense at the end of World War II, when the United States had all the dollars and only the United States had the capacity of a developed country to be able to produce and to look after its neighbors; but that we are in changing times and are no longer the biggest guy on the block, who has all the money or all the military potential; that we feel that we have a responsibility to continue to try to help those countries less fortunate to help them reach their destiny and become more developed; that that is in our national interest. That, as I understand it, is the thrust of the bill being managed by the distinguished Senator from Minnesota.

This amendment actually goes to that thrust, because the amendment would also require that capital projects that we are going into under our AID proposals would not string out over many, many years and would not be financing huge capital projects, but would be more in the nature of trigger money or start-up money, or money that would be used for planning and to find other sources of capital and to bring them into being, so that they would start the engine for development.

It would recognize that under our program of technical aid, we would not be trying to finance huge capital projects under this program and continue over years and years. So this amendment would place a limit on the number of years that AID could finance a project.

I propose an amendment to the foreign aid bill for a 3-year phaseout of each AID loan. I feel that it is essential to have some mechanism in our AID legislation which will insure that the AID policy of the United States is to stimulate the efforts of others rather than to do it ourselves. Our policy should be to elicit financing by national institutions and other development agencies rather than be a source of financing.

My amendment limits the disbursement period for AID financing to 3 years. This would permit the Agency to plan, advise, negotiate, open bids, and conclude contracts before or after the 36 months of disbursement. So the AID Agency would be able to have a 10-year sectoral loan program with a country in education, for example, in which a continuing working relationship could be established and in which technical assistance, planning, and advisory work could be done. But the financial role of the Agency in any given project would be limited to 3 years. This would make the Agency's essential effort in the financial field one of looking for and stimulating other internal and external sources of financing. AID money would become one of several means of stimulating effort by others rather than a source of complete financing itself. This time limit on AID's financial role in any given project would end foreign aid as a giveway. This is what the American people want.

The other proposal I have made is to eliminate follow-on loans. These are loans which are made to complete a project started by a previous loan.

An example of a follow-on project which we recently came across in our Foreign Operations Subcommittee of the Appropriations Committee occurred in Afghanistan, where AID financed a powerhouse project. It is no good if you have a new generator with no transmission lines. The United States tried to get others to finance the transmission lines but ended up being the lender of last resort and financing the transmission facilities itself. This is clearly the kind of thing that is open to criticism for being a giveaway, with no end in sight.

That is why, in the second phase of the amendment, we are trying to strike the followup projects after a project has been entered into. In that way, Congress and the people responsible for okaying the project would understand that this is what we are talking about. We are not talking about a loan of $2 million that is going to grow into $15 million because of the follow-on projects that will have to be taken on after the first one unless we have a prohibition such as this.

I am hopeful that these kinds of ideas can provide a means by which the American public can feel that they are reaching out to people in poor countries abroad but that they are not being taken to the cleaners in the process. If the public feels that its interests and instincts are being expressed in legislation and in AID policy, then I think we may have a more politically sustainable AID posture for the United States.

At this time we see that we have a posture of aid that lacks a constituency, because the American people have the idea that too many times it has been a giveaway project, that we have supported what might be good projects, but there is no cutoff period and no end to good projects, and there is no end to being able to select and sort out those projects.

So I hope the amendment will be adopted.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I know that the objective of the distinguished Senator from Florida in offering this amendment is the very best, and I certainly do not question that in any way, in finding some fault with his amendment.

Needless to say, this proposal would make a basic and fundamental change in the concept of our whole aid program. If the proposal has merit—and it may have merit—it seems to me that it is the kind of basic departure that ought to be carefully considered with an opportunity to hear from the administration.

It is my impression that there is nothing magic about 3 years. Indeed, I see no particular relation between 3 years and the goals of our foreign assistance program.

If it is the purpose of this amendment to bring other nations into the effort to help underdeveloped countries, I might say that 16 other nations are already actively engaged in that effort. In fact, some of them, in terms of their gross national product, are doing a better job than the United States.

I hope the Senate will not adopt an amendment such as this.

Mr. CHILES. Mr. President, I was interested in the remarks of the distinguished Senator from Michigan. I would like him to know that I did present this proposal to the committee. I did testify before the committee in June. That testimony was certainly available in the record to the AID people as well as to the committee itself.

With respect to the arbitrary figure of 3 years, it is interesting to note that perhaps some other figure could be used, but right now the average of aid is over, perhaps, 5 years. This year we are getting ready to disburse a payment under a loan of a commitment made in 1961 to Argentina. This year we are going to make a payment of $7.5 million. The interest on that loan that Argentina will be paying is three-quarters of 1 percent. Senators can see why we should have some time period.

It seems to me that this is one of the best reasons I can think of. Someone in the United States today who wants to buy a home has to pay 9-percent interest, and yet we are making a loan where we made a commitment in 1961 to Argentina; the loan was for $7.5 million and bears interest at three-fourths of 1 percent.

I do not see any rhyme or reason to say we should not have a policy such as this. It seems to me that in this bill we are trying to change the direction of aid and trying to encourage loans to be made where they will help people, and not just build great highways and dams. I thought we were changing the thrust of the bill, according to the Senator from Minnesota, to have people-oriented projects. If we are going to have people-oriented projects then we are talking more about technical assistance and people programs. We are not going to be talking about capital projects, and any capital projects we are in, the funds should be disbursed in 3 years.

For that reason I do not think the amendment is arbitrary and I think it would be beneficial to the program.

Mr. INOUYE. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. INOUYE. Does the Senator's amendment affect the International Finance Institution?

Mr. CHILES. No.

Mr. INOUYE. Would it affect the military assistance program?

Mr. CHILES. No.

Mr. INOUYE. In other words, it affects only development loans.

Mr. CHILES. It affects only development loans, capital projects, so it would not affect technical assistance. It would affect capital projects under development loans.

Mr. INOUYE. Mr. President, I think the amendment is worthy of our serious consideration.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I share the concern expressed by the Senator from Minnesota and the Senator from Michigan about this amendment because it is very restrictive.

We must remember that some projects take many years, and we do not want to get into a situation where money is force fed and has to be forced out in a lot less years than it should be in an intelligent and orderly development in a developing country.

Second, the injunction that other sources of financing are to be sought before, during, and after is impractical. We know that once a project is undertaken its financing has to be provided for. We are talking about bailouts and sales after the fact.

This imposes obligations which cannot be assumed in good faith because they cannot be performed in business terms, whether public or private.

I think the fundamental thrust and purpose of the proposal of the Senator from Florida is to see projects financed so far as possible on the local level or from an international financing agency. I am sympathetic to that.

My opinion would be that because the objective is desirable, if the proponent of the amendment would be willing to modify it to make it practical, or if it were understood we will try to make it practical when we take it to conference, and we are not locked into it as it is—again, as an interesting idea and we are always interested in trying to develop interesting ideas—the managers of the bill might consider it disirable to take it to conference with that understanding.

Mr. HUMPHREY. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I wish to state that the Senator from Florida was very proper about the amendment. He came before the committee to discuss this proposal. It is not something that has been brought up at the last minute. I believe most members of the committee felt there was considerable merit in what the Senator is trying to do. They found no fault with the principle that some projects should not be continued in this case, but on the contrary, that there should be a time factor connected with financial participation.

I do wish to say, with all respect to the Senator from Florida that, as I have indicated to him in private conversation, I had some concerns about certain applications of the amendment. For example, in Ethiopia, there is a malaria eradication program, which was of high priority in this body. It already has provided three loans for this program in a country that is very poor, and it is planning a fourth program. This measure would mean that it would be cut off.

There is another instance in Ethiopia in terms of rural development districts. There is a malaria project—and I mention malaria because we did take special action in a foreign aid bill some years ago on this matter—and a 3-year limitation would prevent a successful malaria project. That was started in 1959 and was not completed until the early 1970's. There were problems of finding personnel for that part of the world.

If the Senator will believe me that we will try to work out the matter in conference in a way that will accommodate the general principle that the Senator has, and find a way as best we can to get a cut-off date and at least minimize the so-called follow-on projects, I would be more than happy to consult with him during the conference. That would be the best solution of this matter because I would like to see this embodied in our legislation. I know other Senators feel the same way, as the Senator from Hawaii has indicated.

Mr. CHILES. Mr. President, I yield to the Senator from Hawaii.

Mr. INOUYE. Mr. President, this amendment is worthy of our support for two reasons. It would provide all of us the necessary authority for oversight and review. At the present time, because of the unlimited nature of the development loan program, we have very little authority in reviewing programs.

In the case of the malaria eradication program I am certain Congress would be happy every 3 years to extend it, but at least we would have the opportunity to have a look-see. Right now because of the restrictions of time, AID and the State Department have made assurances, they come to us after the assurances have been made, putting us in a position where we have no choice and we have to accept because the commitment has been made by the Government. This way Congress would be a participant in making commitments for the program.

Mr. CHILES. I thank the distinguished Senator from Hawaii. I think he is so right.

As he knows, and as I was saying before, we find now AID is just now going to disburse, $7.5 million to Argentina because they made a commitment in 1961, even though it is at three-quarters of 1 percent interest. I have strong feelings about lending on something done in 1961 at three-quarters of 1 percent interest when people in Minnesota and Florida are paying 9 percent interest on loans for housing. That is something we have to look at in this country and we have to have some kind of control over it.

I appreciate the Senator from Minnesota's assurances, and on the basis he is talking about, I would be very satisfied to have the amendment go to conference. I would like to hear from him during that conference to see if we could work something out on the amendment, because I think it is a step in the direction which I am convinced we have to take.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. HARRY F. BYRD, JR. Is the Senator from Florida saying the U.S. Government is lending money to Argentina at three-quarters of 1 percent,

Mr. CHILES. We are going to disburse some funds this year on a commitment that was made in 1961, an AID loan made in 1961. This year we are going to disburse $7.5 million, and the interest rate is three-quarters of 1 percent.

Mr. HARRY F. BYRD, JR. And yet the Government itself—not private borrowers, but the Government itself—has been paying 9 percent to lend money to other countries at three-fourths of 1 percent.

Mr. CHILES. I think the Senator from Virginia puts his finger on it. If we had some kind of time limitation—and that is the thrust of the amendment—then we, as policymakers—and that is what the people want us to be—are going to get some chance to review it. The Senator from Virginia knows we would not agree to make a loan at three-quarters of 1 percent today, and yet we are bound just because we did it that way in 1945 and we are continuing to do it that way.

Now, when we say something about it to the AID people, they say, "Remember, it is like the full faith and credit of the United States being on the line. We made a promise." If at the time we made the promise, these funds could be disbursed only over 36 months, everybody knows we are going to take a look at it again. We might well make that loan today to Argentina, but it certainly should not be at three-fourths of 1 percent.

Mr. HARRY F. BYRD, JR. I thank the Senator for yielding.

Mr. HUMPHREY. Mr. President, I want to say to the Senator that I shall take this amendment. I compliment him on his amendment and on the detailed analysis of the situation. It is obvious that he put a great deal of time into it.

I want to put into the RECORD some examples of project activities in which there are follow-on activities to accomplish project goals, just so we have, as a matter of record when we go to conference, what we are dealing with.

Mr. CHILES. I would be glad to have that.

I hope the Senator would understand the point made by the Senator from Hawaii—that they would have to come back to Congress and say, "We think this is a good project. We think we should have funds for malaria control in Ethiopia." I have trust that the Congress will say it is a good project. If there were some delays in the project, we would recognize it. We also get a look at the "turkeys," the ones we would not do today because there have been some changes. We ought to have a chance to make a better choice.

Mr. HUMPHREY. I agree with the Senator, and we ought to have an oversight subcommittee in the Foreign Relations Committee to take a look at these projects.

Mr. JAVITS. Mr. President, I wonder if the Senator will yield to me before he takes the amendment?

Will the Senator explain what he means in paragraph (c) where it says:

> No amounts made available under this Act shall be obligated for any follow-on project which links that project with any other project?

This not only applies to sections 103 to 107, but to the whole act. That is a pretty broad net.

I am wondering if it might not be more prudent not to carry that into conference, because it is a pretty big one, but to confine ourselves to subsection (b), and then endeavor to work it out as the Senator from Minnesota and the Senator from Florida have just discussed.

Mr. CHILES. If it would help the Senator's understanding of the amendment, I would be happy to modify it in that way:

> No amounts made available under sections 103–107 shall be obligated for any follow-on project which links that project with any other project.

I think this is an important part of the amendment. I would be happy to offer that as a modification.

Mr. JAVITS. Will the Senator explain what he has in mind?

Mr. CHILES. Let me first modify the amendment.

Mr. President, I make the following modification: After the word "under" in the first line of subsection (c), insert "sections 103–107 of".

I send the modification to the desk and ask that the amendment be so modified.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. CHILES. Mr. President, the thrust of this——

The PRESIDING OFFICER. Will the Senator suspend until we get the modification reported?

Mr. CHILES. Certainly.

The legislative clerk read the amendment, as modified, as follows:

> On page 7, line 10, strike out "SHARING OF COSTS.—" and insert in lieu thereof "COST-SHARING AND FUNDING LIMITS.—(a)".
>
> On page 7, between lines 18 and 19, insert the following:
>
> "(b) No assistance shall be disbursed by the United States Government under sections 103–107 of this Act for a project, for a period exceeding thirty-six consecutive months, with efforts being made before, during and after such period, to obtain sources of financing within that country and from other foreign countries and multilateral organizations."
>
> "(c) No amounts made available under sections 103–107 of this Act shall be obliged for any follow-on project which links that project with any other project."

Mr. CHILES. The thrust of this amendment is to say that when we are getting into a capital project under AID, we are going to know what the price is for that project, and we are not going into a project that starts up as $2 million and ends up being a project that costs $25 million with the follow-ons.

In the Subcommittee on Foreign Operations of the Committee on Appropriations, we recently saw a follow-on project for transmission lines in Afghanistan. It seems that some years ago AID made a loan for a generating plant, a powerplant, there, but at the time that loan was made, that was to be the commitment; but now AID has come back and said, "Well, we had to grant this to use for the transmission lines. We granted millions of dollars for the generating plant, and what good is a generating plant or transmission facilities if you do not have any lines?"

That is a pretty logical argument, but we did not know that when we started. When we started it, we were told that was our obligation and the other money was to come from somewhere else.

This amendment is to pin it down and the thrust of it is to say that AID is to provide the startup money, the triggering money, or at least know what we are going to pay for it at the time we get into it, and not get into something that goes on and on and on in followup projects, which has been much of the history of these projects.

Mr. JAVITS. It seems to me we are locking ourselves in at both ends. The Senator's argument that we ought to take a look every 3 years I can buy. I cannot buy this argument, for the reason that it may be every 6 months or 3 months.

What the Senator is trying to do is protect against our own improvidence. If we are stupid enough to give more money for generators when we have authorized digging a trench, that is our problem. I do not think we can protect against our improvidence without completely hobbling the whole program.

When there is a fixed period of time, as was pointed out by the Senator from Hawaii, in which to take a look at it, I can go along with that, but to absolutely restrict any project I cannot go along with. A malaria control program may require clinics. It does not mean we have to provide them, but it does mean we have to listen to the arguments of people in AID that we should furnish them. We do not have to authorize or appropriate for them.

And we do take a hard look at it periodically. I think this could get another lock on the door which would simply paralyze us. We want this to mean something. Otherwise, why do it at all? I see the substance in the Senator's idea about the year and the fact that we do not commit ourselves for an indefinite time in the future. However, this particular thing presents us with an absolute limitation. Assuming that we are not trying to be improvident, we nevertheless put shackles on our hands respecting the kind of project we can finance, and we define what is in the project and what is a follow-on project. It is almost impossible to do. It will become involved in litigation.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. HUMPHREY. Mr. President, has the time expired on both sides?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that we may have 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I think that I have made my point. I would like to know what answer there is to the point I have made.

Mr. CHILES. Mr. President, if again there is a concern on the part of the distinguished Senator from New York that this would limit the Congress from looking at a follow-on project, then I would think he has a valid point. And if we wanted to so modify the amendment to say:

> No amounts made available under this act shall be obligated for any follow-on project which links that project with any other project without congressional authorization.

Then I would be happy to offer that as a modification. That is the thrust of the amendment. The Senator from New York says that we do not want to tie our hands. However, at the same time we want to be put on notice that if we are going to the well again, if this is going to be one add-on after another add-on, if we are going further, they ought to come back to us and not have the agency decide that we have committed ourselves to this and now they have to go forward. They will decide that this is the word of the United States. We might start off and say that there will be a few million dollars in the project and it will then go to $200 million, then at least we would get another look at it.

Mr. JAVITS. Suppose that the agency's counsel makes a recommendation. I do not know what it would be. We have not made any commitment for a project. It might be to put up poles without wires. It is not linked to any other project, and that is it. I do not know what the Senator is protecting us against by adding this provision except a possible legal complexity which would enable someone to start a suit and say that something is illegal.

That is what I am arguing. We would be locked in.

Mr. CHILES. Mr. President, the Senator is trying to protect a word of art that the AID people come up with when they come before one of the committees and say, "We are putting in for a transmission line in Afghanistan."

We ask why. And they say, "This is a follow-on project. We built the power source, and no one will build the power line. Now we are going to build the power line." They will probably come back and say, "We need telephones." It is a word of art developed by the AID people themselves. I think it does have a connotation for the word "art." And it simply requires that Congress have another look at it.

Mr. HUMPHREY. Mr. President, does the Senator want to modify his amendment and add the words "without any congressional approval"?

Mr. CHILES. Yes.

Mr. HUMPHREY. Mr. President, I think that will cover the subject.

Mr. CHILES. Mr. President, I so modify my amendment, on page 2, on line 3, after the word "project," strike the period and add the words "without any congressional authorization."

The PRESIDING OFFICER. The amendment is so modified.

Mr. HUMPHREY. Mr. President, all time on this side is yielded back.

Mr. CHILES. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ROBERT C. BYRD. I ask unanimous consent that the further reading of the amendment be dispensed with and that the amendment be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 17 strike out, lines 4 through 8 and insert in lieu thereof the following:
>
> Sec. 13, Section 637(a) of the Foreign Assistance Act of 1961, relating to authorizations is amended to read as follows: "(a) All administrative expenses incurred during fiscal years 1974 and 1975 by the agency primarily responsible for administering part I of this Act shall be paid out of amounts made available under such part I."

Mr. ROBERT C. BYRD. Mr. President, last year, when the distinguished Senator from Hawaiil (Mr. Inouye), chairman of the Subcommittee on Appropriations for Foreign Assistance, reported to the Senate the foreign assistance and related programs appropriation bill for fiscal year 1973, there was a chapter beginning on page 26 of the report entitled "Problems of Foreign Assistance Programs as Presently Constituted." The third, fourth, and fifth paragraphs read as follows:

> The committee points out problems relating to the appropriations account covering the Agency for International Development's Administrative Expenses. This appropriation was originally intended to monitor and control those funds appropriated for foreign assistance which were being used to "administer" the program; however, it is no longer an accurate or even useful yardstick for this purpose. For example, in fiscal year 1972, when the authorization for administrative expenses was reduced from $60,200,000 to $50,000,000, one of the agencies responses was to transfer 324 personnel, previously funded from the administrative expenses appropriation, to the program account appropriations. Secondly, $5,355,000 in fiscal year 1972 costs of the January 1971 pay raises (which were considered and rejected by the conferees on the fiscal year 1972 authorization bill—see page 18, Senate Report 92–763) were obtained by transfer from 1972 funds previously appropriated as Development Loans. Finally, the President transferred an additional $3,600,000 to this account for "Expanded Vietnam Support Costs."
>
> It is also a matter of concern to the committee that the Development Assistant Committee of the Organization of Economic Community Development has elected not to count funds for "administrative expenses" in its computation of U.S. foreign assistance.
>
> For these and other reasons the committee feels that separate appropriation of Administrative Expenses has outlived its usefulness and recommends that consideration be given to its elimination as an individual appropriation. This would permit "administrative" costs to be borne by and assessed against the several operating programs of the Agency for International Development as has often come to be the case through administrative determination.

Mr. President, my amendment would achieve the purposes set forth in the recommendation of the Senate Appropriations Subcommittee when it reported the foreign assistance appropriation bill last year. It will amend the Foreign Assistance Act by eliminating the authorization for "administrative expenses."

At the present time, the operating expenses for the Agency for International Development are funded from two primary sources, the AID administrative expense appropriation, and from major program appropriations.

For fiscal year 1972 the total administrative expenses for AID were $203,939,000, and $58,628,000 of that amount was appropriated under the administrative expense authorization. The balance was derived from the major program appropriations such as worldwide development grants, population programs, alliance development grants and others.

I ask unanimous consent to have in the Record, following my remarks, a table which will reflect the funding for AID administrative expenses for the past 3 fiscal years. It will also show which of these administrative expenses were incurred in Washington and which were incurred at overseas headquarters posts.

The PRESIDING OFFICER. Without objection, it is ordered.

(See exhibit 1.)

Mr. ROBERT C. BYRD. Mr. President, I am proposing this amendment for two reasons:

First, the administrative expenses appropriation does not accurately reflect or limit the amounts necessary to run the Agency programs. If it did, it would be a useful and meaningful budgetary device. However, as it stands now, that title is a hollow and misleading one that has no real meaning or justification. Second, by requiring the Agency for International Development to prorate their administrative expenses among their various major programs, and eliminating the "administrative expense" authorization, we will be reducing the total authorization by that amount. In fiscal year 1973, $57,159,000 was appropriated for administrative expenses and the budget request for fiscal year 1974 is $57,875,000. The committee has allowed $49 million.

Mr. President, I believe this $49 million ought to be absorbed within the various major programs administered by AID, and I urge the adoption of my amendment. It will mean a savings to the taxpayers of $49 million.

Mr. HUMPHREY. Mr. President, I yield myself 2 minutes.

Let me say that I understand the desire of the Senator from West Virginia (Mr. Robert C. Byrd). I am also aware that we had a discussion in the Committee on Appropriations. I would hate to see this happen for the coming fiscal year. My suggestion to the Senator from West Virginia is that if he would divide his proposal in half—in other words, require the agency to take half of the $50 from program funds. That is, a $24 million reduction from the $49 million—bringing it down to $25 million. In other words, the administrative expenses provided for in 1974 would be $24 million.

Mr. ROBERT C. BYRD. If the Senator would switch the figures, we would call it a deal. The Senator is getting the better share of the bargain. I would hope the Senator would make a reduction of $25 million, leaving $24 million.

Mr. HUMPHREY. That is what I intended I sought to leave $24 million as the amount for administrative expenses. $25 million would be taken from program funds.

Mr. ROBERT C. BYRD. Mr. President, I accordingly modify my amendment, because this would be a great step in the direction in which the Appropriations Committee has recommended that we move.

Mr. HUMPHREY. I understand that the Senator has discussed the matter with the Senator from Vermont (Mr. Aiken).

Mr. ROBERT C. BYRD. I have.

Mr. HUMPHREY. I, too, have discussed it with him. We think the proposal is satisfactory.

Mr. ROBERT C. BYRD. I think the Senator understands my intent in offering the amendment, as do the managers of the bill.

Mr. President, I ask unanimous consent that my amendment be so modified.

EXHIBIT 1

Operating expenses are funded from two primary sources: A.I.D. Administrative Expenses and the major program appropriations such as Development Grants, Supporting Assistance, Population, etc. In addition, nonappropriated funds available to the Agency—for the housing investment guaranty and excess property programs—and foreign currency Trust Funds contributed by host countries are used to meet such costs. The table below shows the amounts funded from each source for FY 1972–FY 1974.

FUNDING OF OPERATING EXPENSES

[In thousands of dollars]

	1972	1973	1974
APPROPRIATED FUNDS			
AID administrative expenses	58,628	57,159	57,875
Worldwide development grants	62,079	61,070	56,910
Alliance development grants	15,408	15,197	14,035
Population programs	2,414	4,006	5,873
Refugee relief and rehabilitation assistance (Bangladesh)	112	520	
American schools and hospitals abroad	141	219	225
Supporting assistance	33,961	31,801	5,230
Indochina reconstruction assistance			27,248
Total appropriated funds	172,743	169,975	167,396
OTHER FUNDS			
Housing guaranty fund	702	900	1,06
Excess property fund	487	447	42
Host country local currency contributions	30,007	29,887	22,242
Total	203,939	201,207	191,119
	1972 actual	1973 estimated	1974 estimated
Total AID operating expenses:			
Overseas	118,991	116,591	104,694
Washington	84,948	84,618	86,425
Total	203,939	201,207	191,119

Mr. HUMPHREY. We yield back our time.

The PRESIDING OFFICER. The clerk inquires, how is the amendment to be modified?

Mr. HUMPHREY. It is very simple. Let me help the clerk.

The bill provides for $49 million for administrative expenses. This amendment says there will be $24 million for administrative expenses and $25 million will be taken out of programed funds.

The PRESIDING OFFICER. The Chair understands, if the clerk does.

Mr. ROBERT C. BYRD. Mr. President, I ask that the figure "$49 million" appearing on line 8 page 17 be stricken and that in lieu thereof the figure "$24 million" be inserted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. And it is understood that the other $25 million will come from programed funds.

The PRESIDING OFFICER. Is time yielded back on the amendment?

Mr. ROBERT C. BYRD. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HUDDLESTON). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, the Senator from Maryland wanted to pose a question. I yield him 2 minutes on the bill.

Mr. MATHIAS. Mr. President, I thank the Senator for yielding just for a brief question, which I think will be helpful in clarifying one of the features of the bill which has been brought into doubt, under the area found on page 10 of the bill relating to housing guarantees.

Mr. President, according to the committee report, as I read it, the state of Israel was receiving $50 million a year in guaranteed loans in fiscal year 1973 and fiscal year 1974. Given the desperate housing conditions which exist in Israel, and both the needs and the ability of the Israelis to use such loans effectively, I would hope that the administration would continue these loans in fiscal year 1975 at the same rate.

Incidentally, I am advised that Israel itself is spending some $400 million a year for new housing.

Since there is some question about this, and since I think specifically the state of Israel is not certain at this time whether the administration will actually make these loans available at the same level for the rest of fiscal year 1974 and prospectively in fiscal year 1975, I am wondering if the Senator would state what the committee's position is, and whether I am correct in my assumption that it is the intent of Congress, and certainly the will of the Senate, that this program be continued.

Mr. HUMPHREY. Oh, absolutely. This program was discussed fully in committee. I do not think there is the shadow of a doubt that the program is to be continued.

We did review very carefully these program loans and guarantees in housing, and took into consideration, by the way, of course, the views of the distinguished Senator from Alabama (Mr. SPARKMAN), who is obviously involved in all matters relating to housing.

It is the view of the committee that the administration should continue at the level that is in this bill.

Mr. MATHIAS. I had contemplated the possibility that an amendment might be appropriate.

Mr. HUMPHREY. It is not necessary.

Mr. MATHIAS. But I think if it is the very clear understanding of the Senate that this is what is intended by this bill, that should suffice.

Mr. HUMPHREY. I think the bill speaks specifically to this point. There is no doubt what the intent is: namely, that the level shall continue and not be modified, that is, into a lesser degree.

Mr. MATHIAS. I thank the Senator.

AMENDMENT NO. 577

Mr. ROTH. Mr. President, I call up my amendment No. 577, as modified.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Beginning on page 30, line 3, strike all to end of bill.

Mr. ROTH. Mr. President, the amendment has been modified to read as follows:

Beginning on page 30, line 3, strike all to and including line 13 on page 31.

The PRESIDING OFFICER. The amendment is so modified.

Mr. ROTH. Mr. President, I am sympathetic to the intent of this section of the bill, but I believe that this is the wrong approach to correcting a serious problem.

This section would provide, if it became law, that if, after a demand for information in writing was made by either the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives, the committee did not receive the information from the Department of State, the U.S. Information Agency, the Agency for International Development, the U.S. Arms Control and Disarmament Agency, ACTION, or the Overseas Private Investment Corp., funds for the particular department, agency, or corporation would be cut off.

I happen to agree that it is most important that Congress receive the information that it needs, both for legislative purposes as well as for purposes of oversight. However, I think this is the wrong solution.

I would like to point out that this is not a partisan issue. In 1967, when I was a Member of the House of Representatives, I had problems in getting information I thought I was entitled to as a Member of the House of Representatives. It took me something like 18 months to even identify the hundreds of Federal domestic assistance programs, and I might say that as a member of the panel that has been looking into executive privilege and related problems on the Senate side, I strongly agree that this administration, too, has not been supplying the information that we need.

The thing that concerns me is that the cure is almost as bad as the bite. It seems to me wrong to provide that funds will be cut off for an entire program because, in essence, what we are saying is that those who are intended to benefit from the program will suffer because someone in the executive branch refuses that information.

I think it is also wrong because it would mean that the families of those persons working for that department would also have their compensation cut off. This seems to me an overreaching of power on the part of Congress.

I might point out that secondly, it seems to me that this section, if it became law, in effect could cut both ways, and I do not think it is desirable from either standpoint. What it provided is that a committee, by demanding certain information, can in effect kill a program, and there is no limit as to what kind of information could be demanded.

I think that it is wrong that any committee be given the power to defeat a program that has been enacted by both the House of Representatives and the Senate. It seems to me that if any such action were to be taken, it should be the action of Congress as a whole, rather than merely one committee.

But I point out, to those who are supporting this legislation, that it could cut from the other standpoint as well. It would be very simple for a President who did not like a particular program to refuse such information, and thereby kill the program.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROTH. Finally, I would like to point out that it seems that we learn nothing from history. This legislation places no limit, except that there is some provision with respect to executive privilege. Beyond that, it provides no limit as to the kind of information that can be demanded.

I think if we go back in the days of the 1950's, we will recall there was a committee that became infamous throughout this land for its unreasonable demands. That could happen again in the future. I would just say that the committee could demand information for which it really has no need. As the New York Times in 1954 said:

> The Congress is not entitled to every scrap of information and every piece of paper in the executive branch.

For that reason, I think this legislation is unsound in that it has no limitation.

More important than anything else, I would like to point out that the Government Operations Committee is working on this very serious problem. It is a problem not only with our foreign policy agencies, but with several other agencies, and I am very hopeful that before the year is out we will report to this floor a bill that will provide a sound means of insuring that each legislative committee has the information to which it is entitled.

Mr. HUMPHREY. Mr. President, I thank the Senator for telling us again what the Government Operations Committee is directing its attention toward. That is where we feel we will find a resolution of the problem on information.

Now with the approval of the distinguished chairman of the Foreign Relations Committee, I understand that this language has been agreed on between the two Houses, so that it would be acceptable.

So I might send it to the desk and ask that——

The PRESIDING OFFICER. That would not be in order until all time has been yielded back on the pending amendment, except by unanimous consent.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to proceed in that manner.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified——

Mr. HUMPHREY. No. Would the clerk please state the amendment?

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> Beginning on page 30, line 3, strike out all down through line 13 on page 31 and insert the following:
>
> "SEC. 22. Subsection 634(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394 (c)) is amended—
>
> (1) by striking out (1); and
>
> (2) by striking out all after the phrase so requested and inserting in lieu thereof a period and the following: The provisions of this subsection shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Government or to any communication that is directed by any such officer or employee to the President.

Mr. HUMPHREY. Mr. President, that is the language that is in the original bill at present, but I wanted it clear that we would be striking all the language from page 30 down through the line on page 31, line 2.

Mr. ROTH. Mr. President, I would say to the Senator from Minnesota that, of course, it is an improvement in the sense that it deletes several of the agencies to which it would otherwise apply. I ask this question: It is my understanding, then, that essentially what this does is to have it apply only to the——

Mr. HUMPHREY. Foreign assistance——

Mr. ROTH [continuing]. Agencies. The Agency for International Development? Is that correct?

Mr. HUMPHREY. That is correct. We thought in this legislation that we should relate the amendment to the particular activities of this particular agency.

Mr. ROTH. I would say to the Senator from Minnesota that I personally could not support the amendment. I will not ask for a rollcall vote. I disagree with the language in principle. It is the wrong way to correct what I consider to be a serious problem. But I realize from earlier votes that I cannot eliminate it entirely so I will not ask for a record vote.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. ROTH. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. That is the amendment I presented to the desk, is it not, on which we will now be voting?

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the amendment of the Senator from Minnesota (Mr. HUMPHREY).

The amendment was agreed to.

Mr. PERCY obtained the floor.

Mr. PERCY. Mr. President, I am happy now to yield to the assistant majority leader.

Mr. ROBERT C. BYRD. I thank the Senator for yielding without losing his right to the floor.

Mr. President, I am authorized by the distinguished majority leader—this matter having been cleared on both sides of the aisle, and having been cleared with Senators COTTON, MAGNUSON, YOUNG, McCLELLAN, and other Senators, and the leadership on the other side of the aisle—to propound the following unanimous-consent requests:

That, on tomorrow, immediately after any orders for the recognition of Senators and any routine morning business, the Senate proceed to the consideration of the continuing resolution for 1974, House Joint Resolution 727.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday next, after routine morning business, the Senate proceed to the consideration of the Labor and HEW appropriation bill H.R. 8877.

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, may I inquire whether the report of the committee and the proposal are both available to Senators?

Mr. ROBERT C. BYRD. The committee report is being filed today.

Mr. HARRY F. BYRD, JR. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order tomorrow afternoon—depending, of course, on the circumstances and the time of day when the continuing resolution shall have been disposed of—for the leadership to call up S. 2365, the amateur athletic bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Illinois for yielding me this time.

AMENDMENT NO. 574

Mr. PERCY. Mr. President, I call up my amendment No. 574 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 9, line 11, strike out the quotation marks.
>
> On page 9, between lines 11 and 12, insert the following:
>
> "SEC. 116. INTEGRATING WOMEN INTO NATIONAL ECONOMIES.—Sections 103–107 shall be administered so as to give particular attention to those programs, projects, and activities which tend to integrate women into the national economies of foreign countries, thus improving their status and assisting the total development effort.".

Mr. PERCY. Mr. President, I believe that we can dispose of this amendment, important as it is, in just a few minutes. Let me make these comments.

It is well known that in many of the lesser developed countries, traditional practices, cultural mores, and inadequate resources tend to block women and girls from access to educational and economic opportunities.

In developed countries as well, including the United States, women and girls suffer similar—if less severe—discrimination. I am very conscious of this, and I continue to support every reasonable effort to give women and girls full equality in our society.

The Committee on Foreign Relations has been especially concerned with the problems of women in the aid-recipient countries. In the committee report on this year's foreign assistance bill, S. 2335, the following language appears:

> Recognizing that the status of women within each society is one of the indicators of the level of national development, U.S. bilateral aid should assist in the integration of women into the national economy.

This is an important concept and a significant statement which I now wish to bring into law by means of an amendment to the foreign assistance bill.

My amendment specifies that the major provisions of the act "shall be administered so as to give particular attention to programs, projects, and activities which tend to integrate women into the national economies of foreign countries, thus improving their status and assisting the total development effort."

At the same time as we seek to achieve the equal rights of women in our own country, let us adopt this amendment to promote the achievement of equal rights for women in the aid-recipient countries.

Mr. President, I trust that the managers of the bill will, in their wisdom, consider this a desirable objective and will accept the amendment.

Mr. HUMPHREY. Mr. President, may I say to the distinguished Senator from Illinois that the amendment is surely acceptable. I have discussed it with the Senator from Vermont (Mr. AIKEN) and the Senator from New York (Mr. JAVITS) and we are more than happy to take it.

Mr. President, I yield back whatever time remains to me on this amendment.

Mr. PERCY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the amendment No. 574 of the Senator from Illinois (Mr. PERCY).

The amendment was agreed to.

INTRODUCTION OF S. 2521, AS AN AMENDMENT OF THE FOREIGN ASSISTANCE ACT TO PROVIDE DISASTER RELIEF TO THE DROUGHT-STRICKEN SAHEL, TO RELIEVE THE FLOOD DAMAGE IN PAKISTAN AND PROVIDE RECONSTRUCTION ASSISTANCE TO NICARAGUA

Mr. HUMPHREY. Mr. President, it was my intention to yield on the bill all time that we have to call up an amendment to add a new section to the bill for disaster relief. This is very much in order, particularly in countries like Pakistan and Nicaragua and other countries in West Africa in areas where there is serious trouble and great distress. But the amendment would call for an additional sum of money to the bill.

I have been a bit critical of those who have presented amendments here without hearings or without calling them to the attention of the committee—and I say this without referring to anyone who may be in the Chamber at this moment—but it would be much better in light of the fact that the sum of money here that I have been seeking would be approximately $150 million, that this amendment go to the Committee on Foreign Relations and I would hope that we could have hearings on it, because I know that the administration is deeply concerned over some of the needs in these disaster areas, where there is great suffering from floods, earthquakes, and drought. Therefore, I am not going to call up my amendment, but I will send it to the desk and ask unanimous consent that it be referred, as a bill, to the Committee on Foreign Relations, on behalf of myself, Senator KENNEDY, and Senator JACKSON.

The PRESIDING OFFICER. Without objection it is so ordered.

FUNDING FOR DISASTER RELIEF

Mr. HUMPHREY. Mr. President, last year we all were deeply concerned about the severe damage caused by an earthquake in Nicaragua. During the last few months, we have been shocked to learn of the catastrophic effects of a widespread, prolonged drought in West Africa. In just the last few weeks, we have been appalled by the devastation caused by floods in Pakistan.

The United States—both its Government and its private citizens—has responded promptly and generously to each of these disasters.

But the needs in each case go beyond the provision of food and other emergency relief. These unfortunate people must be given the wherewithal to rehabilitate themselves and begin again the task of development. The economic assistance funds already included in this bill are badly needed to implement the new development purposes outlined in the policy section. If we are to meet our important humanitarian obligation in the three unfortunate areas, additional funds must be authorized for this purpose. It is for this reason that I have introduced an amendment to authorize $150 million, of which $95 million would be for Pakistan flood recuperation, $40 million for the African Sahel drought area, and $15 million for Nicaragua earthquake reconstruction.

The needs are tremendous in each case. In Nicaragua, the reconstruction problems now facing the people of Managua are staggering. The earthquake which struck on December 23, 1972 killed some 10,000 people and injured 20,000. It was followed by 6 days of fires which swept through the still standing buildings in the city area. When the catastrophe was over half the population of Managua had lost their homes and two-thirds were refugees. Only one-fifth of the city had escaped significant damage; and one-third was completely destroyed. Most of the government offices had been rendered unusable. Four entire hospitals had been destroyed and 65 percent of Managua's classrooms were lost. Total damage to physical assets was estimated at over $300 million.

The international donor community rushed relief assistance to the people of Managua. Sixty-three countries, a number of voluntary agencies, the U.N., and the OAS all contributed food, emergency shelter, medicine, and field hospitals. AID contributed $12.5 million in disaster relief.

Now Managua must be rebuilt—at a cost far greater than the estimated damages. The hospitals, schools, and government buildings must be replaced. New homes must be built for the refugees—under higher construction standards and less crowded conditions so that this catastrophe will not repeat itself. Public services and utilities—water, electricity, streets—must be provided for Managua and the nearby cities where much of Managua's population is now living.

There is an urgent need for $15 million in fiscal year 1974 for AID to assist in rebuilding Managua and its economy. The first priority will be to provide assistance to the least fortunate victims of this disaster—to build low-cost housing and provide services for the thousands of poor Nicaraguans who lost what little they had in the earthquake.

The floods which swept Pakistan in late August and early September devastated more than 3 million acres of its most productive agricultural land. More than 400 people have died. About 10 million people were dislocated, with 1 million homes lost or damaged and perhaps 1 million tons of stored grain lost. The tragedy came just as Pakistan was completing a record wheat harvest and was beginning to register significant economic progress in the aftermath of the war with India and the loss of East Pakistan. The Pakistan Government considers the flood to be the worst natural disaster in its history.

The flood did tremendous damage not only to the current crop but also to the irrigation system, the roads, the railways, and in some cases the land on which agricultural production depends. It will cost the Pakistan Government at least $75 million to restore these facilities and an additional $100 million to rebuild schools, health and other public facilities.

Seed, fertilizer, and other agricultural inputs will be needed to assure maximum production in the next year.

Because the flood cost Pakistan $400 million in foreign exchange earnings, general balance-of-payments assistance will be necessary to assure the country can purchase needed products from abroad.

The United States has already contributed $42 million of the $59 million provided by the international community for disaster relief in Pakistan. The task now is to rebuild the devastated economy.

Mr. President, as chairman of the Subcommittee on African Affairs of the Foreign Relations Committee, I have followed closely report of the disastrous drought in West Africa. I am particularly concerned that the United States continue to play an active role in the relief and recovery of this area.

The people in six West African states—Mauritania, Mali, Chad, Upper Volta, Niger, and Senegal—are suffering one of the worst natural disasters in history.

The United States must act now to assure that food reaches these people threatened by famine and to begin projects which will eventually enable them to again feed themselves. Without massive food assistance and adequate distribution facilities, millions will die of starvation in the next year. Without assistance in substantially increasing the productivity of this area and pushing back the steadily encroaching desert, the suffering and threat of famine will continue indefinitely. The United States, in cooperation with the rest of the international donor community, can easily prevent famine, alleviate suffering, and provide some hope for the people of the Sahel.

Four years of drought have devastated the area known as the Sahel. Thousands have died of starvation and disease. Millions have lost their means of support—and their way of life. Their herds are dead. Their wells are dry. Their farms and pasturelands have been claimed by the Sahara Desert.

Today, millions of nomadic herdsmen and farmers are clustered around cities, waiting for the meager rations of food and water that will keep them alive. They are weakened and vulnerable to disease. The margins of survival are extremely thin. The only thing certain about their future is that the suffering will continue—and the threat of famine will become greater.

For again this year the rains did not come in many of these states. Again, many farmers saw their seed bake in the ground. Many of them had no seed to plant, or were away from their farms in search of food, or had seen the desert take over what was once their farmland. The harvests that are due in the next 3 months will be smaller than ever. They can do little to alleviate the hunger.

The grain reserves are totally depleted. As much as 80 percent of the herds that fed the nomads are dead. Those that remain are threatened by starvation, disease, and lack of water.

To avoid famine in the coming year, the international donor community must be willing to provide even more emergency relief than was necessary last year.

The relief supplied last year was barely enough to keep those who could reach the distribution centers alive. It is impossible to estimate how many died trying to reach these centers or in isolated villages, but most agree that deaths from starvation or disease were in the hundreds of thousands.

Last year, the international donor community contributed 624,000 tons of grain and $38,550,000 in cash. Of this, the United States contributed 256,000 tons of grain and $4,400,000. The major problem in the relief effort was inadequate transportation facilities. Food piled up at ports waiting to be shipped inland. The United States contributed three C-130's to carry food to distribution centers inaccessible by road or railroad. But many of the villages were never reached; and for many in the distribution centers, the food arrived too late.

Because the reserves are gone that enabled people to survive while they waited for food shipments last year, the transportation bottlenecks that developed cannot be allowed to recur. Grain must be shipped now and stored where it will be needed. This will require external subsidization of trucking, road repair and storage—as well as a continuing steady flow of grain shipments.

The African states are doing everything possible to meet this catastrophe internally. But it must be remembered that these are some of the poorest states in the world. Mali, for example, had a per capita GNP of $60 before the drought. The tax base in these countries has been destroyed. They cannot tax farmers who have lost their farms or herdsmen whose cattle are dead. Their traditional export crops diminished, they are earning very little foreign exchange. Without subsidization from the European Economic Community, these governments would not have been able to function in the last year.

The lives of 25 million people in the Sahel are therefore in the hands of the international donor community. U.S. assistance in the past year has made the difference between life and death for millions. We can be proud of the role the United States has played, not only in providing direct assistance, but also in encouraging other nations to participate and in coordinating the international relief effort. We cannot now relax our efforts to avoid famine in the Sahel, when the peak of the crisis is still to come.

Maurice Williams, the President's special coordinator for drought relief, has stated, "Merely keeping people alive is not enough." Because the people of the Sahel are malnourished and vulnerable to disease, subsistence-level food supplies are not enough to assure their survival. Medicines and nutritional food will have to be provided. The United States is helping set up a nutritional surveillance system in the Sahel. We will have to provide both medicine and high-quality food to prevent the spread of the contagious diseases that have already killed thousands of the victims of the drought.

And, if this disaster is not to continue year after year, projects must be begun now that will enable the people of the Sahel to once again feed themselves.

The first and most critical task is to assure that the harvest a year from now is as large as possible and that breeding herds are kept alive. Water must be provided wherever possible. Farm-to-market roads must be repaired and new ones built. Seed and agricultural inputs must be provided. The remaining herds must be fed and inoculated against disease. And those farmers who will be able to plant crops must be taught methods for maximizing their production. Unless these projects are begun immediately, the threat of famine will hang over the Sahel not only next year, but the year after as well. At a time of worldwide food shortage, we cannot afford to let this happen.

But the longer-term task of full recovery in the Sahel will require much more than the building of roads and wells. The Sahara Desert has claimed much of what was once crop and pasture land and continues to encroach on the little productive land left in these six West African states.

In a recent meeting in Ouagadoug representatives of the African governments and of national and international relief organizations outlined a program for recovery of the land taken over by the desert. This program will have to be carefully reviewed to assure that it solves rather than aggravates the problem of desertification. It will then take years of work and innovation to implement. But the U.S. Government has committed itself to contributing to the full recovery of the Sahel.

We must begin in the next year to apply our research skills, our agricultural technology, and our scientific expertise to pushing back the desert in West Africa. We have considerable experience and research capabilities in semi-arid agriculture. We have expertise in livestock management and water resources development. We can provide tools, seed, and research in crop rotation and livestock improvement.

We have already begun using the Earth Resources Technology Satellite to survey water resources in the Sahel and to work with scientists and agricultural specialists in American universities in helping develop a comprehensive plan for recovery in the Sahel. We must continue and expand these efforts to make the Sahel productive again.

The Sahelian drought is a unique catastrophe. It has not only brought the threat of famine for millions; it has also destroyed the land. If the land is not restored, the threat of famine will continue indefinitely; and the Sahel will become a permanent disaster area.

Yet, if the international community meets the challenge of this catastrophe, it could become a breakthrough in development assistance. For the Sahel is an extreme example of the development problems faced around the world. Agricultural methods are archaic in many less developed countries. In the Sahel, most of the food crops are grown by farmers with wooden hoes.

Agricultural productivity is far below capacity throughout the developing world. The small farmers who produce most of the food and export crops cannot get credit or agricultural inputs, are not reached by farm-to-market roads, are often not receiving adequate water supplies, and receive little or no education, extension or health services. The people of the Sahel, living in some of the poorest countries in the world, are faced with all these problems in an extreme form.

The international donor community has begun to meet the extreme problems of the Sahel with all the scientific knowledge, technology, and agricultural expertise applicable. The United States has promised to use scientists and agricultural experts from our universities in helping to develop a comprehensive recovery plan. The United Nations has begun to collect all the studies that have been done on the Sahel and relevant areas and all the projects that have been proposed for increasing productivity in the area. If this coordinated international effort to develop an effective recovery program for the Sahel is continued, it will serve as an important model for dealing with the problems of development throughout the world.

Mr. President, the drought in the Sahel is one of the greatest catastrophes of our time. It has killed thousands, left millions homeless, destroyed a way of life, and devastated the land. The United States can now make the difference between life and death, between a future of hope and a future of unrelieved suffering, for millions of people living in the Sahel. The administration has already promised U.S. participation in the relief and recovery efforts in the coming year. The House has already passed legislation authorizing this assistance. It remains for the Senate to express in concrete terms the willingness of the richest people on earth to help relieve tremendous suffering of the poorest.

Mr. President, I ask unanimous consent that a statement showing the flood recovery assistance needs in Pakistan and another paper which cites certain examples of projects for which follow-on activities are necessary to accomplish project goals be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Pakistan—Flood recovery assistance needs

(Summary of estimated flood rehabilitation costs of both actual and proposed U.S. assistance)

[In millions of dollars]

Disaster Relief Assistance:

Rescue personnel and equipment, medical personnel and supplies, fuel airlift, crop spraying personnel; equipment and supplies; fast growing vegetable seeds, damage assessment personnel.

Supporting Assistance	4.5
Contingency Fund	0.5
Total	[1] 5.0

Rehabilitation/Reconstruction needs:

The following cost estimates, although not yet precise, reflect the magnitude of rehabilitation/reconstructions: ($ Million equivalent)

Schools	15
Medical facilities	2
Community water supply	10
Community buildings	4
Rural roads	7
Major irrigation works	10
Grain storage	30
Tubewells	5
Highways	7
Railroads and power	3
Total	93

We would propose U.S. assistance for rehabilitation/reconstruction in the amount of $32 million, about one-third of the total cost, on a grant basis.

Flood Related Economic Assistance Needs:

A net loss in foreign exchange earnings of about $280 million is likely to result from damage to the cotton and rice crops. This loss and the need to increase imports to repair flood damage are expected to have a balance of payments impact in the $300–$400 million range. U.S. assistance in the amount of $58 million is proposed as follows to ease some of the pressure on the balance of payments and avoid a drastic reduction in Pakistan's limited foreign exchange reserves.

Emergency Agriculture Production Loan, approved September 24, 1973 (Development Loan Funding) to provide fertilizer, pesticides and other commodities needed to protect flood damaged crops and to maximize foodgrain production from the winter crop which must be planted in the next few months[1]	18.0
A loan to finance additional fertilizer and general commodity imports to sustain agricultural and industrial protection	40.0
Total assistance, actual and proposed	95.0

[1] In the event of a special appropriation in response to Pakistani flood rehabilitation needs it is expected that the Supporting Assistance, Contingency, and Development Loan accounts would be reimbursed.

EXAMPLES OF PROJECTS NECESSARY TO ACCOMPLISH PROJECT GOALS

(1) *Central West Africa Regional.*—Strengthening Health Delivery Systems, DG–FY 73–79.

A.I.D. successfully completed smallpox eradication campaign in FY 72. Measles control needs still exist. A.I.D. now initiating major new project to help this poor region of West Africa to develop broader-based low-cost health delivery systems to support programs of preventative health care services in rural areas instead of only health care programs.

(2) *Liberia.*—National Medical Center (JFK Hospital)

This project focussed on developing a national health center in Monrovia, the capital, will be expanded to enable the Center to support an "outreach program", i.e. provide health services to rural areas.

(3) *Kenya.*—Range and Ranch Management, DG–1973–79.

This project follow-on a successful pilot livestock development project—in Kenya's northeast region. New project expands beef production program to several additional provinces. The larger follow-on project reflects Kenya's commitment to a major expanded program of livestock production.

(4) *Colombia.*—Agriculture development program carried out step by step.

Program is too large to be implemented through a single large loan.

Each loan is specifically aimed at different aspects of the program such as consolidating the reorganization of agriculture sector agencies, increasing non-traditional agricultural exports, land reform.

(5) *Guyana.*—water supply loans.

The first loan resulted in the establishment of a sanitary water supply system for the capital city of Georgetown.

With the influx of poorer families from rural areas, expansion of the system to the growing outlying areas of the city is required. The trunk lines financed under the first loan will be used in the expansion program.

(6) *Indonesia.*

In Indonesia A.I.D. supports a Participant Training project which is a follow-on to an earlier training activity. Because of the success of the earlier activity and the impact of the trained people on Indonesian development, A.I.D. has supported the follow-on project which provides training for personnel in the public and private sectors.

EXAMPLES OF PROJECTS THAT CANNOT ACHIEVE THEIR OBJECTIVES IN 3 YEARS

(1) *Ethiopia.*—Ada District Rural Development, DG–1971–78.

Project designed to develop agricultural services to increase small-farmer productivity and thereby increase earnings. Project involves developing/testing agronomic practices suitable for specific areas; improving sanitary water supplies; improve condition of tenancy; promote development of corporative societies.

(2) *Ethiopia.*—Malaria Eradication, DL.

11–13 million people live in malarious areas. AID has provided 3 loans, planning a 4th, and perhaps may require a 5th loan before Ethiopia will be able to assume responsibility and maintain effective malaria control system.

(3) *Southern Africa Regional.*—University of Botswana, Lesotho, and Swaziland (UBLS) DG–1969–78.

Small countries—2 or 3 are among least developed nations of the world. UBLS is only institution of higher education in the region. Cannot develop staff, revise/improve curriculum in 3 years.

(4) *Brazil.*—Education loan II.

This loan finances the program for expansion and improvement in education at the secondary level. Funds are not disbursed until acceptable comprehensive reform plans have been drawn up and approved; completion of this effort by all the states of the federation will take more than 3 years.

(5) *Bolivia.*—Roads 1 & 4

Provides financing for construction of a road system to link fertile agricultural lands to the population centers of the country.

Because of the mountainous terrain it would be impossible to complete construction within a 3-year period.

(6) *Nepal.*

The 3 year limitation would have prevented completion of the successful malaria project in Nepal. Begun in 1959 and completed in 1973, this project has benefitted over 40% of Nepal's population of 11.5 million.

(7) *Philippines.*—Rural Electrification.

In projects such as these where a cooperative mentality must be created and the framework of cooperative institutions developed a 3-year time limitation is completely unrealistic.

Mr. KENNEDY. Mr. President, I rise in support of this amendment to provide emergency humanitarian assistance to Pakistan, West Africa, and Nicaragua. I commend the manager of the bill, the distinguished Senator from Minnesota, for introducing this amendment which will strengthen the humanitarian assistance provisions of the foreign assistance authorization, and assure that people problems are the first priority of our foreign aid dollars.

As chairman of the Judiciary Subcommittee on Refugees, I have closely followed the growing humanitarian needs in each of these areas, and recent hearings as well as subcommittee studies document the need for the additional funds provided in this amendment. I would like to review briefly the requirements in each area.

PAKISTAN

Mr. President, 2 weeks ago I had the opportunity to confer with Prime Minister Zulfikar Ali Bhutto of Pakistan during his visit to Washington for meetings with President Nixon and other officials of our Government. His visit came at a time of both great hope as well as human tragedy in his country and all of South Asia—of hopeful progress in normalizing relations among the Nations of the region, but at a time when floodwaters have spread tragedy over the land.

I was pleased to have this opportunity to review these and other developments with Prime Minister Bhutto, and to pay tribute to his government's successful effort to return Pakistan to a constitutional system. This mark of progress in the history of Pakistan deserves our praise and our support—and all Americans wish the Pakistani leaders and people well in their new efforts to develop their society and build their country in peace.

The prospect for peace has also progressed in South Asia, with the signing some weeks ago of a major diplomatic agreement between India and Pakistan, in consultation with Bangladesh. This agreement is cause for great satisfaction and commendation to all who have shared the concern and hope over the long struggle to build cooperative relations in the region.

But, Mr. President, these new efforts—both within Pakistan and in the area—were hardly underway before vast areas of Pakistan, as well as neighboring India, were inundated by unprecedented floods along the Indus River. This massive disaster is at once a disruption which blocks efforts to implement the newly signed agreements, as well as a new humanitarian crisis created in an area which has yet to resolve its earlier humanitarian problems.

The flood waters along the Indus have hit Pakistan severely, displacing an estimated 8 million people, inundating large agricultural areas, and leaving behind an estimated $1 billion worth of damage and countless thousands dead.

An urgent appeal by Pakistan for international assistance has been made through the United Nations, but to date it has received little response from the international community. The Government of Pakistan has indicated that it needs at least a million tons of food, plus medical supplies, pesticides, as well as aircraft and logistical support to help it deliver relief supplies to hundreds of thousands of people still affected by the flood.

The United States has commendably dispatched two high level officials to Pakistan to view the disaster situation and confer with Pakistani officials. And we have heard administration spokesmen announce that $30 million has been allocated for relief supplies. But, Mr. President, the Pakistanis have yet to see much of this aid. The gap between American promises and American delivery of humanitarian assistance appears to be as great as ever.

We must be prepared to accelerate the process of delivering humanitarian assistance to the flood-ravaged people of Pakistan. The United States has been swift to recognize the problem, but unnecessarily slow in responding to the emergency requests of Pakistan for food and logistical support—requests that we can and should be able to meet in an emergency situation as soon as they are made.

The amendment, Mr. President, will insure that our Government can fulfill our humanitarian responsibilities toward the people of Pakistan.

WEST AFRICA

Mr. President, another area of humanitarian need today is West Africa. Worldwide concern for the 24 million people of the Sahel region of West Africa has gained in intensity as each day brings more and more reports about the spreading threat of famine.

Last July 25, in hearings before the Subcommittee on Refugees, witnesses testified from firsthand knowledge of the devastating effects caused by the growing food shortages in the area and the ravaging effects of the drought. Adults are stricken and children are perishing, and the way of life of millions is literally withering away.

Drought and hunger are a tragic companion to millions of people around the world. And the human suffering it brings is, in many ways, more devastating than the toll of human conflict—for drought and hunger not only leaves proud people weak—but fertile land barren, and disease and death in its path.

Thousands of people across six nations of West Africa have fled their homesites in a desperate search for food and water. Threats of epidemics and disease cast their shadow over urban areas already choking under a wave of refugees seeking assistance. Witnesses testified that millions face hunger, starvation, and threat of famine. Fiercely proud and recently independent people, who have struggled so hard to create a viable society within the reaches of the desert, can no longer turn to their land for survival. And as the magnitude of the disaster becomes more fully known, we can only learn of even greater tragedy and human suffering.

With food and water and medicine in short supply, nearly 8 million people now await international assistance. Where starvation is not inflicting a heavy toll, malnutrition is. Daily, more people, weakened from hunger, are falling victim to the ravages of sickness and disease.

The measure before the Senate today will authorize $40 million as the U.S. contribution to the desperate need for international humanitarian relief in West Africa. This is the least that we can do to avoid the tragedy which witnesses before the Refugee Subcommittee predicted was in store for the people of West Africa without desperately needed help.

NICARAGUA

Mr. President, even as we consider the ravages of nature in West Africa, we cannot forget the toll it has taken closer to home, in Central America.

Last year Nicaragua was devastated by a massive earthquake which almost entirely destroyed its capital, Managua. Tens of thousands were displaced, hundreds were killed, and an entire nation was paralyzed for months. The rubble has now been cleared, but the process of rebuilding remains. To literally reconstruct a nation is a task beyond the capacity of any nation alone and requires the assistance of the international community.

The United States must do what it can to help the Nicaraguan people rebuild their lives and their land. The amounts in this amendment are minimal in the fulfillment of this responsibility.

Finally, Mr. President, I urge the adoption of this amendment, because it allows the United States to help these nations effectively meet their humanitarian needs—a task which is in the finest tradition of our Nation: To help people in need help themselves.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. I would like my name added as a cosponsor of the bill.

Senator HUMPHREY and I sponsored a bill for $30 million of emergency food relief for the Sahel countries, six countries in West Africa—I have been there, in the Upper Volta, within the last few weeks—which are in terrible shape.

I agree with the Senator, though it is really heartbreaking to a degree, but that is the only way we can do it. I pledge my effort to get early hearings and early action on this measure to deal with a terrible catastrophe.

Mr. HUMPHREY. I thank the Senator from New York.

Mr. President, I ask unanimous consent that the name of the Senator from New York (Mr. JAVITS) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I want to appeal to every Senator who is thinking about voting against this bill to consider again whether the programs in the bill are or are not in our own national interest and whether Senators are or are not prepared to take responsibility for ending them.

We are entering a period of world food scarcity which is partly responsible for driving up food prices in stores and restaurants all over this country. Is it in our own interest to help increase world food production so that there is enough food to go around and prices are not forced higher and higher either through scarcity or through costly increases wrung out of marginally productive land? If a Senator believes it is, then he should vote for this bill.

The number of people in the world is now about 3.8 billion, and at current rates of population growth—of which less developed countries account for some 85 percent—the world will have to make room for 6.6 billion people by the end of this century—less than 30 years from now. Is it in the interest of all the people in the world to slow down the exponential increases in the number of people claiming the world's limited resources? If a Senator believes it is, then he should vote for this bill.

Narcotic drugs continue to come into this country from abroad. Is it in the U.S. interest to help other countries stem production and trafficking in drugs that ruin lives and breed crime in the streets and alleys of this country? It certainly is. If a Senator believes it is, too, then he should vote for this bill.

Should we help control the spread of deadly communicable diseases like malaria, cholera, and measles? If a Senator believes we should, then he will vote for this bill.

Should we help cut down the amount of illiteracy in the world, the number of children growing up with no schooling at all, no education at all? If a Senator believes we should, then he will vote for this bill.

Should we support the United Nations development program, which accounts for some 70 percent of all of the U.N.'s technical assistance activities and is the largest multilateral source of preinvestment aid? If a Senator believes we should, then he will vote for this bill.

Should we provide funds for American-sponsored schools and hospitals abroad—such as the University of Beirut, the University of the Americas, the Weizmann Institute, and the Albert Schweitzer Hospital? If a Senator believes we should, then he will vote for this bill.

Should we help the ravaged countries of Indochina recover from the devastation of years of armed conflict? Or should we say "no" to the millions of homeless refugees, maimed children, and orphans who got in the way of our war?

Should we continue to support UNICEF? Or should we say "no" to the millions of mothers and children it feeds every year?

Should we contribute to relief efforts in the wake of drought in West Africa, floods in Pakistan, earthquake in Nicaragua, and other natural disasters? Or should we say "no" to the millions of human beings who suddenly, through no fault of their own, find themselves starving, prey to disease, injured, homeless, penniless?

If Senators want to say "no" to them, they will vote no on this bill.

But if Senators believe that this bill—even if they do not approve of every single provision in it—authorizes programs which are clearly in the interest of our own country and our own people, as well as in the interest of people in all parts of the world, so many of whom live lives of poverty and degradation beyond the imagining of most Americans, they will vote with me to approve this bill.

Passing this bill—the lowest economic aid authorization in history—is the very least we, as a compassionate and enlightened country, can do to help the world's poor.

Mr. BROOKE. Mr. President, growing concern has been expressed both in the United States and elsewhere over the continuing drought in the Sahelian region of Western Africa. The magnitude of the potential tragedy is so great as to have engendered confusing and, at times, misleading reports as to the nature of the problem and the efforts that are underway to meet it. It is important that a clear perspective be maintained regarding the situation if the U.S. role in relief and rehabilitaton efforts is to produce desired results.

The Sahel region encompasses six nations in Western Africa: Mali, Senegal, Chad, Niger, Upper Volta, and Mauritania. These six countries rank among the poorest in the world. The more than 25 million inhabitants are primarily nomads whose herds constitute their only means of survival and livelihood.

Rainfall during the past 5 years in the region has been far below the 4- to 12-inch per year average. Moreover, the water table in many areas has dropped 25 feet, leaving many communities waterless. Water shortages and crop failures have, in turn, engendered the specter of mass starvation.

The question of the immediate possibility of widespread starvation is of crucial importance to evaluating the possibility for effective relief for the Sahelian peoples. Some estimates have intimated that upwards of 10 million people may starve in the near future unless food shipments to the area are drastically increased. At the other extreme are statements to the effect that few if any deaths can be directly attributed to the dought. The truth, as usual, lies between the two extremes.

To date, the greatest number of deaths have occurred among the Tuaregs, a nomadic people. Their higher rate of death is, in most cases, due to their failure to come into relief stations before reaching a state of exhaustion and extreme dehydration. In such a state they are extremely susceptible to disease and other attendant problems of refugee camplife. The four to five deaths a day that have been reported in Timbuktu have occurred, in the main, among the Tuareg children. Among refugees who have gathered in relief camps before reaching an exhausted condition, the death rate is much lower.

It is important to note that in the Sahelian states the death rate even in good times is abnormally high. There is an infant mortality rate of 50 percent, and an average life span of only 43 years.

Extensive starvation has been avoided, because of a massive relief effort spearheaded by the United States and the European Community. The United States via AID has supplied approximately one-quarter of the total food and nonfood aid. The United Nations Food and Agriculture Organization has been the prime coordinator of relief measures. Canada, the Soviet Union, and European countries have also contributed to relief efforts.

While the immediate danger has been circumvented, there still exists the need to provide sufficient food stockpiles to sustain the Sahelian people for at least another year while efforts are made to formulate and begin implementation of an effective midrange—1 to 3 years—rehabilitation program. There is no hard and fast way to precisely determine food needs for the coming year. Estimates run from 800,000 to 1 million metric tons for October 1973 through the September harvest of 1974. A more precise evaluation of projected food needs should be available in the FAO report that will be made after this year's harvest. Between now and the harvest this fall 170,000 metric tons of grain is to be pumped into the area from various donors around the world. In addition, the United States plans on shipping another 100,000 metric tons of grain into the area by October of 1973, bringing its total contributions at that date to 2 million metric tons.

Several initiatives are underway to obtain an accurate estimate of the food need for this coming year. The ERTS satellite is taking photos of the crops in the Western African region to give some idea of the size of the harvest. Experts from the U.S. Department of Agriculture in late August and early September set up crop-cutting determines to get a fix on the size of the harvest. After the harvest is in, need for outside foodstuffs will hopefully not be so great.

It will be necessary to make a concerted effort to conserve harvested grain to be put into seed stock. The conservation of enough native Sahelian seed for future planting is considered vital due to the difficulty in getting foreign produced sorghum and millet seed to grow in the region. There are efforts underway to develop more versatile strains of sorghum and millet seed which will alleviate this aspect of the problem.

Other aspects of the problem must be taken into account. The marketing system in the Sahel is rudimentary, but not totally ineffectual. There is now, of course, less native food to be distributed. The lands have been weakened and there is not much that can be done without the aid of fertilizers and massive irrigation efforts. The people have been weakened by the drought. Moreover, the clustering of refugees around the cities has inhibited some crop planting. Clustering around urban areas is largely the result of the distribution of relief foods in these areas.

The problems of the Sahel go far deeper than the staving off of a famine with relief foods this year and next. It has been estimated that a 3-year relief program complete with reconstruction efforts would only bring the Sahel back to the condition it was in before the drought. Long-term relief will be necessary to put the people in the Sahel back on their feet and self-sufficient once again. Long-term relief must include efforts to stop erosion, effective land management, development of water resources, and rebuilding of herds. It will include as as well the strengthening of the economies of the various states and the educating of the people in these areas.

The real task facing the world is how to provide an arid area almost the size of the Continental United States with the technology and the means to reclaim a land rapidly turning to desert. This is the only way to keep recurring famine from Western Africa.

Mr. President, I ask unanimous consent that various material relevant to the Sahelian situation be entered into the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Lands Without Water—An Eyewitness Report: An Appeal for Aid

(By Colette Braeckman)

(Drought, the ninth during the past 150 years, has struck Africa's Sahel region. In this area between the desert and the savannah, five years of drought have brought famine to Chad, Mali, Mauritania, Niger, Senegal, and the Voltaic Republic, all associated with the European Community by the Yaoundé Convention. Colette Braeckman, a reporter for the Brussels daily newspaper Le Soir here describes the human impact of drought on one of the world's poorest areas.)

Children, competing against swarms of goats, seek something to eat among the dead bodies and the rocks. . . . In the streets of Niger's Agadès, women offer their last silver jewelry, and men whose blue veils hide their starved leanness wander empty-handed, their faces bearing the distress of the perennial refugee. Thousands of nomads come to desert cities for help where once they made only brief halts at the market places to barter their herds' milk products for millet, sugar, and salt.

In Agadès, Timbuktu in Mali, and other savannah towns, the populations have doubled in only a few weeks. Beyond the earth dwellings at the towns' outskirts, straw suburbs have sprung up, rows of huts where the sand constantly encroaches. Wells are empty, fields and pastures dried up. Dryness everywhere. . . .

In Senegal, Mauritania, Mali, Niger, the Voltaic Republic, Chad—countries which United Nations statistics have established as the poorest in the world—the balance between population and natural resources has rarely exceeded survival level. But now, years of drought have brought these countries to the verge of catastrophe. Farmers have harvested little to speak of. Their "surpluses" are long since exhausted, and they are forced to eat grain set aside for next year's sowing. Even the cotton seed and wheat bran normally used as fodder is food for the hungry. The water table sinks lower and lower, and the dried up wells make field irrigation and livestock feeding impossible.

THE DESERT MOVES SOUTH

Aware of the situation's seriousness since last winter, experts in the area—in particular European Development Fund (EDF) supervisors—tried to awaken world opinion to the danger awaiting six million people in a land as big as half of Western Europe. But in vain, for most of the African states would wait until the last minute to alert even themselves. Why? Lack of organization? Vanity? Little concern for the forlorn and powerless rural masses and indifference toward the nomads of the north? No one will ever know.

Nowadays appeals for aid are always emergencies. Even though not precise, the statistics are eloquent: In Mauritania, 75 per cent of the population lack food. There is also a food shortage, of more than 100,000 tons, in Niger and the Voltaic Republic and of more than 300,000 tons in Mali. In Senegal, out of a rural population estimated at three million, there are 1.3 million victims.

The nomadic herdsmen are even worse off. An estimated 70 per cent of the livestock in the Sahel region are dead or almost dead from hunger, thirst, and disease. Deprived of their herds, their only resource and livelihood, the nomads, who traditionally refuse to farm, are no more than stray human beings. Meanwhile, they struggle as the desert moves constantly southward, consuming pastures and water.

In some areas around the Niger River last year, the rainy season was shortened to two half-hour downpours. The renewable vegetation did not grow back. The green tops of the few living trees were cut by the shepherds to feed their flocks. Each time a tree dies, the desert advances.

As early as last November, authorities advised the nomads to go to the better pasture land in the South. Some of them did, but after the more than 600-mile journey, other problems awaited the nomads. The local populace, fearing the exhaustion of their overgrazed lands and last water sources, were hostile. Too, the herdsmen from the desert regions were not prepared against the endemic diseases of the South, in particular trypanosomiasis (sleeping sickness) carried by the tsetse fly. Even the surviving herds may be infected.

Other nomads, aware of the risks to their livestock and the black population's hostility, refused to leave their lands. They clung to the last minute to the treacherous desert.

HALLUCINATORY WATERHOLES

Betrayal can be seen in the heavy flight of vultures over dried up waterholes, where the sun bleaches abandoned carcasses. Animals still alive must travel increasingly longer distances between supposed pasture lands and subsistent waterholes, around which within a 20-mile radius there is not a twig to gnaw on. Hungry, thirsty, and exhausted, the weaker animals die.

On the roads to some waterholes the spectacle is sometimes hallucinatory. To Koukagana, less than 125 miles from Niger's capital city of Niamey, thousands of Malan refugees have flocked, and every well but one has run dry. More than 7,000 heads of cattle throng to that one water source each day. Cadavers dot its banks; the surviving cattle hardly have strength to move on. A steam from sweaty bodies, trodden mud, and fly-covered bones obscures the burning sky. Mixed together with the herds, men, women, and children crowd toward the same black mud to bathe and drink.

From time to time, a gaunt and stomach-swollen cow or zebu lies down in the mud. In vain, emaciated men grab its horn to save the beast that has been so hard to lead to water. But the dreamed-for water is powerless in the face of hunger and disease.

In Koukagana, children who have not had milk for months fight with animals over tree roots. Adults try to grind camel dung into food. At this writing, no help had yet reached this cursed place, where men and beast wait in the mud for death, resigned and silent. . . .

Farther to the north, this type of scene is already in the past tense. Now, the herds have practically all disappeared, and their nomadic owners have taken flight. The nomads, some of whom have lost everything, camp at the gates of towns and wait.

An old Tuareg sits near an aid distribution center. He used to own 600 cattle and 200 camels. Today he is fatalistic. He has all but given up. "I have nothing left but my children," he says. There are hundreds like him. Once lords of the desert, today they must beg.

THE TRAGIC IRONY OF FATE

In Agades, European planes have brought help daily since mid-May. The food aid is transported within the hour to some 20 distribution centers in a 220-mile radius. Each day the women line up at the centers and show their ration cards, which determine the supplies to which each family is entitled (usually some sorghum and enough powder to make a little over one quart of milk per person). Each day the men search the sky in anxiety over whether the plane will come.

Their anxiety is well founded, for the extent of the need prevents any stocking of reserves. At the Agades region's Anzell School, for example, former students carefully update the distribution registers and despairingly point to two bags of powdered milk as the reserve stock for 3,000 people.

Nobody knows if the food aid truck will return tomorrow. Everybody knows that when the rains begin, the roads will become impassable, the tragic irony of fate. The rain, long awaited to revive plants, beasts, and people, will have as its first effect the severing of these regions from the rest of the world.

INTERNATIONAL FAMINE RELIEF EFFORT

To alleviate the famine, the Community has allocated 13,000 metric tons of powdered milk as emergency aid. Claude Cheysson, the EC Commissioner responsible for development aid, expects the Community effort to amount to 52 million units of account (one UA equals one 1970 dollar) in emergency aid and UA 75 million from the European Development Fund (EDF). In addition, the United Nations (UN) Food and Agriculture Organization (FAO) has earmarked for the Sahel countries 450,000 metric tons of grain, 170,000 metric tons of which the Community has promised to contribute. Technicians from the EDF are also drilling wells in Niger.

Fellow African countries, Ghana and Zaire, have lent equipment, and Algeria has organized truck transportation. Along with 156,000 metric tons of grain, the United States has sent more than $2.7 million in non-food aid, including three C–130 airplanes.

Individual Community members have also given aid. France has donated two military transport planes to each Sahel country, and Ireland, Germany, and Belgium have sent respectively one, four, and seven C–130 Hercules aircraft to the Sahel.

Nevertheless, this aid is insufficient. The Director General of the FAO has emphasized that, while the international community has promised $4.3 million in aid, the necessary amount is estimated at $15 million. Furthermore, too large a part of these credits must be diverted to transportation costs.

In addition to its efforts through its institutions and by individual member countries, the European Community has created a relief fund. Readers wishing to contribute to this fund may send contributions to: Association Europe-Tiers Monde, Banque de Bruxelles, Brussels, Belgium, Account 310–0240244–61 (Sahel).

DROUGHT AND FAMINE IN WEST AFRICA

MAURITANIA

Area (sq. mi.): 398,000.
Population: 1.2 million.
Pop. growth rate: 2.2%.
Density/sq. mi.: 3.
Percent urban: 2%.
Literacy: 1–5%.
Life expectancy: 40 years.
Language: French, Arab.
GNP (1970): $170 million.
Per capita GNP: $140 (1970).
Imports (1969): $39 million.
Exports (1969): $77 million.
Government: republic.

MALI

Area (sq. mi.): 479,000.
Population: 5.1 million.
Pop. growth rate: 2.4%.
Density/sq. mi.: 11.
Percent urban: 12%.
Literacy: 5%.
Life expectancy: 50 years.
Language: French.
GNP (1969): $447 million.
Per capita GNP: $90 (1970).
Imports (1969): $39 million.
Exports (1969): $17 million.
Government: republic

CHAD

Area (sq. mi.): 496,000.
Population: 3.7 million.
Pop. growth rate: 1.6%.
Density/sq. mi.: 7.
Percent urban: 8%
Literacy: 5–10%.
Life expectancy: 35 years.
Language: French.
GNP (1968): $240 million.
Per capita GNP: $70 (1968).
Imports (1969): $54 million.
Exports (1969): $31 million.
Government: republic

Six former French colonies in Western Africa, Senegal, Mauritania, Mali, Upper Volta, Niger and Chad, are faced with mass starvation as a result of a five-year drought.

The steadily deteriorating situation in these West African countries is such that over 6 million people could die within the year if relief is not forthcoming. According to the United Nations Food and Agriculture Organization (FAO), the dimensions of this impending disaster are clearly as large as any in recent memory, including the famine crisis in Bangladesh last year.

The drought is the worst in 60 years. A similar drought occurred in 1910 to 1914, causing famine in the area, but it didn't last as long as the present drought. Lack of rain is not new to this area, but the usual cyclical pattern appears to be seriously out of joint. There has been no rain at all in Timbuktu, Mali's fabled desert out-post, since last summer, and its harbor on an inlet from the Niger River has dried up completely. Lake Chad, an important water source, has been reduced to one-third its normal size and is surrounded by large areas of deep mudflats, preventing the people from getting to the lake. The lake's fishing industry has been destroyed and its use as a source of water for drinking and irrigation is practically wiped out. The Niger River, the twelfth largest river in the world, is dry in places, hurting the fishing industry as well as the irrigation of crops.

The economies of the six nations have been shattered as food and seed grains are exhausted and as pasture lands and large numbers of livestock are lost.

This area of Africa, known as the "Sahel," is located on the southern edge of the Sahara desert. The 23 million inhabitants live in an area roughly the size of the continental United States. This is a region perched precariously on the edge of the desert, with sun-blackened rocks, high temperatures and little rainfall even when there is no drought. The effect of the drought is such that the Sahara desert itself is being pushed southward into what were once pasture and farm lands.

The population of the region consists largely of nomadic herders, roaming the interior with their herds of cattle, sheep and camels, and small farmers who eke out a living on the edge of the desert growing millet, sorghum, peanuts and maize in the parched earth.

The causes of the present emergency are many. Most important, of course, is the past five years of light rains, unseasonal rains or no rains at all in the Sahel which have cut back production of food grains by at least half. The over-grazing of the nomadic herds, coupled with the drought, have laid waste large tracts of land which have become desert. As a result, not only has farm land been destroyed, but grazing land has been severely diminished and large numbers of cattle are dying.

Although the current famine and drought in these six countries has become one of the most catastrophic situations in recent times, it was not produced by a single dramatic event. There have been no one-shot natural disasters like earthquakes, floods, or similar news-making events; and no international upheavals like the civil wars which spurred interest in the starving people of Biafra and Bangladesh. It simply hasn't rained enough for the last five years. This has been a slowly building catastrophe and world attention has not sufficiently been paid to the situation as a result.

The effects of the long drought have made the current situation very serious. Farmers have been forced to eat their seed grains and reserves in order to survive, which in turn means that they have nothing to plant if the rains do come again.

In many areas, half the animals—cattle, sheep, goats, donkeys, and even camels—have already died, with no longer enough grass for them to eat or water to drink. The remainder of the livestock that remain alive are swiftly exhausting available forage and water and are already succumbing to famine-related diseases. Cattle losses are estimated at 45% to 80%, depending on the area. In Mauritania, officials say 75% to 80% of the livestock have died. U.S. Agency for International Development (AID) estimates the loss of livestock as 80% in Mali and 33% in Chad and Niger.

In many cases whole villages, with their remaining herds, are migrating southward in search of pasture and water. Just as the large herds destroyed drought-damaged grazing lands in the north by over-grazing, the southern regions are in danger of being overgrazed as well by surviving herds. Many herdpeople who lost their flocks have become a large dependent class of refugees in and near cities and towns, living on relief hand-outs. Timbuktu's population, for instance, has been doubled by nomads whose herds have died.

A serious aspect of the drought and famine is the destruction of the nomadic way of life. Since the nomad's life is based on the survival of the herds, the herds' destruction is jeopardizing the nomad's whole way of life.

The loss of large numbers of livestock have depleted supplies of both meat and milk, important sources of protein for children. Fully 25% of the people in the region—six million—may actually starve to death in the next few months, according to the United Nations and other sources. Local governments' meager budgets have been depleted, trying to feed the people.

Disease has already begun to take its toll on a people weakened by lack of food and water. The first deaths, indeed, came from famine-related diseases rather than from starvation itself, but now starvation has begun as well. Malnutrition is rampant in large areas, and reports have been documented of large numbers of children dying from measles and other children's diseases they do not usually succumb to. In addition, meningitis has been reported in Chad, cholera in Senegal, and scurvy, sleeping sickness, and malaria have all been reported on the rise. Polluted water sources and carcasses of livestock add to the threat of epidemic.

Ironically, the impending rainy season, due to begin the middle of July, poses a major problem to the situation. If the rains do come as they have in the past few years, they will not be sufficient to provide proper moisture for crops and grass to grow, but they will wash away roads and communications to the interior. Thus the rains may not be enough to end the drought, but could seriously hamper the relief effort now underway. The Sahel's roads and communication systems are poor even in the dry season, and deteriorate in the rainy season. Some parts are virtually unreachable except by air and transportation difficulties would compound an already desperate situation.

The long range crisis is also a great cause for international concern. The cover soil in large areas is exhausted and once arable lands and pastures have now become desertlike. The growth of the Sahara desert, due in large part to over-grazing as well as to the drought itself, poses an almost insurmountable difficulty to the future of the area. The entire ecology of the region is being changed drastically.

Refugees who managed to escape into cities and less affected areas are creating serious social problems, in addition to the nearly intolerable burden placed on farmers in the still-productive areas. The migration of people from the stricken north to the south has been described as the region's largest migration in history. Returning these people to their sun-baked homelands, increasingly being transformed into deserts, may be wellnigh impossible.

The national economies of the six nations most affected have been seriously disrupted and they face additional burdens of famine relief. Many depended heavily on head taxes on cattle and crop taxation for revenues.

UPPER VOLTA

Area (sq. mi): 106,000.
Population: 5.1 million.
Pop. growth rate: 1.8%.
Density/sq. mi.: 48.
Percent urban: 5%.
Literacy: 5–10%.
Life expectancy: 36 years.
Language: French.
GNP (1969): $250 million.
Per capita GNP: $50 (1970).
Imports (1969): $50 million.
Exports (1969): $21 million.
Government: republic.

NIGER

Area (sq. mi.): 489,000.
Population: 3.8 million.
Pop. growth rate: 2.9%
Density/sq. mi.: 8.
Percent urban: 3%.
Literacy: 5%.
Life expectancy: 37 years.
Language: French.
GNP (1969): $321 million.
Per capita GNP: $90.
Imports (1969): $49 million.
Exports (1969): $24 million.
Government: republic.

SENEGAL

Area (sq. mi.): 76,000.
Population: 3.9 million.
Pop. growth rate: 2.4%.
Density/sq. mi.: 52.
Percent urban: 26%.
Literacy: 5–10%.
Life expectancy: 45 years.
Language: French.
GNP (1969): $710 million.
Per capita GNP: $186 (1970).
Imports (1969): $198 million.
Exports (1969): $123 million.
Government: republic.

WHAT IS BEING DONE

Leaders of the six West African nations struck by the drought will meet in August in Ouagodougou, the capital of Upper Volta, in an attempt to formulate long-range plans to deal with the disaster. The President of Niger, Diori Hamani, urged such a meeting, saying that it is vital that these countries find ways of making the best use of their relatively small and uncertain water supplies for agricultural purposes, as well as to coordinate the famine relief.

Due to the lack of attention by many governments and international organizations, the relief effort was slow in getting started, long after acute human suffering as well as the loss of animals had become a major feature in the arid pastoral zone of the Sahel. There was little consciousness of the extent of the problem and little attempt to coordinate appeals for assistance.

Seed grains and food are desperately needed now and it is imperative that the international relief efforts be accelerated. Long range assistance as well as short term relief will be needed, in the form of roads, irrigation, wells, health aid, etc. The Director-General of the Food and Agriculture Organization of the U.N., Dr. Addeke H. Boerma, has called for a fund of $15 million to cover transport, animal feed and vaccines, seed for the next harvest, and equipment for deepening wells. Massive food shipments have already been sent by the United Nations, the European Common Market, the United States, France, Canada, the People's Republic of China, West Germany, and the Soviet Union. The U.S., West Germany, France and the Soviet Union have lent aircraft to transport food into the interiors of the affected countries. Relief efforts already scheduled will bring in at least 700,000 tons of food to the six countries before October, and the FAO relief fund has collected $8 million of the $15 million called for by Dr. Boerma on May 10. But that is not enough.

The response to the crisis has been very good in France, since all six countries were once French colonies. President Pompidou told the French cabinet that France has a duty to help the area and pledged that France will give "exemplary help" and "play a dynamic role."

The British Government has pledged 300,000 pounds ($765,000) to the FAO Sahelian Zone Trust Fund. The Canadian Air Force is flying 2,000 tons of food supplies from Lagos, Nigeria, to distribution centers in northeast Niger. Sweden has contributed over $1.4 million to the Trust Fund.

The United States is the second largest contributor of food to the area since the crisis, after the Common Market. Of the approximately 450,000 tons of grain shipped between April and the middle of June, the U.S. provided one-third of the total. The U.S. has given $18 million in foodstuffs and $2 million in non-food aid, thus far. The $20 million was committed in Fiscal Year 1973, and has been almost all delivered. PL 480 food supplies are being provided under AID contingency funds.

Yet, American assistance is not as great as could be expected. U.S. aid has helped to prevent a holocaust, but the crisis is still very severe. Lester Brown, writing in New Leader magazine, said, "For the past 25 years it has been American policy to intervene with our food resources anywhere that famine threatens. Suddenly there is the possibility that we may be abandoning that." America just may not have the food resources. Soviet grain purchases last year all but wiped out U.S. and other exporters' surpluses. Exhaustion of the AID contingency fund has also hampered contributions (half of the $30 million fund was spent to aid the Bangladesh disaster last year).

President Richard Nixon, in a letter dated June 20, 1973, to Secretary-General of the U.N. Kurt Waldheim, wrote: "Those of us who have been spared this scourge (of drought) have been responding to the crisis, but more must be done, as you have said. The United States stands prepared to commit further resources as needs are identified. . . . In response to a request from Director-General Boerma, the Agency for International Development has provided a logistical planning expert to the Food and Agriculture Organization of the United Nations and our staffs in West Africa are being augmented to improve our ability to deliver what is needed to the right place at the right time."

The President continued, "We share your concern that the problems of dealing with the immediate emergency will become even more difficult as the rains begin and road transport problems increase. We therefore stand ready to provide further support for internal transport, as specified needs are identified.

"As you have recognized, this region is faced not only with the immediate needs of feeding the hungry but also of rehabilitating water and forage resources, livestock herds and grain producing facilities to permit a long range recovery from the devastating effects of the drought. This effort will require close collaboration among African leaders and the donor community. . . . The United States will be prepared to provide additional assistance for the Sahel to help overcome the profound effects of this tragedy."

WHAT NEEDS TO BE DONE

Of course, more funds and food must be shipped to Sahelian West Africa within the next few weeks and months to avert a major catastrophe and the deaths of up to six million people. But long range solutions to the problem are needed.

If the developed world, the United States especially, truly wants to help the people of the Sahel region in this, their worst crisis in 60 years, it must commit itself to a truly long range and coordinated plan of action. Technology for proper irrigation, new wells, road and rail transport into the interior, replenishing the destroyed livestock, seed grains for future harvests, pushing back the burning desert, and improving communications into the interior must all be part of a comprehensive plan.

Congressman Charles Diggs (D.-Mich.) and others are urging the U.S. Congress to do two things: first, he says the U.S. must take the lead in the short term famine relief for the immediate period of the emergency and recovery, estimated at three years. "Specifically," he said at a recent press conference, "I recommend that the U.S. reserve at least 300,000 tons of grains for the Sahelian drought emergency and that a *minimum* of an additional $30 million be made available for non-food aid."

Secondly, Cong. Diggs urges the beginning of a long term development program for the area in line with President Nixon's letter to Dr. Waldheim. He says, "I call upon the U.S. to take the initiative in launching a major multi-national program that will provide massive assistance over the next ten years to this area."

Cong. Diggs is calling upon Congress to insert an immediate relief authorization in the Foreign Aid Bill as the most effective and rapid way to solve the aid problem. The extra $30 million for emergency relief, in contrast to the other African funds in the bill, should not be limited to use during a one year period.

Diggs indicated it is necessary to underscore the concern of the American people about the starving people of West Africa with all members of Congress, and especially with members of the House Foreign Affairs Committee and the Senate Foreign Relations Committee; although the U.S. has done a great deal already for the Sahel, much more aid is still needed to alleviate the problem.

Private contributions can be made for the relief of the drought-stricken area to the following organizations:

Africare, a two-year-old, non-profit, tax-exempt organization, whose Chairman is President Diori Hamani of Niger. Africare's goal is $6 million, to be split equally between the six nations. It has a very low operating overhead. Checks should be made out to the: "Africare Famine Relief Fund," 2204 R St. N.W., Washington DC 20008. (202) 332 1000.

The *American Freedom From Hunger Foundation* has agreed to act as a tax-exempt conduit for contributions from Americans to the U.N. FAO's Sahelian Zone Trust Fund. The full amount of all contributions will be transferred to the FAO. Checks should be made out to the: American Freedom From Hunger Foundation, Sahelian Zone, Trust Fund, 1717 H St. N.W., Washington DC 20006. (202) 382 6772.

Other groups active in relief work are:

"West African Famine Fund, " Catholic Relief Services, 350 Fifth Avenue, New York, N.Y., 10001.

"West African Famine Fund," Church World Services, 475 Riverside Drive, New York, N.Y., 10027.

SAHELIAN DROUGHT DISASTER

INTRODUCTORY NOTE

In this first issue of the ACVAFS Situation Report on the Sahelian Drought Disaster, the emphasis has been placed on voluntary agency and private organization efforts to aid the victims of this grave emergency. Characterized in early spring as a "creeping catastrophe", awareness as to the extent of the disaster has been slow to show itself. As one agency put it, "When disasters occur suddenly and unexpectedly, public sympathy is strong. If a disaster happens slowly, few people seem to notice. . ." Earlier situation reports on other disasters published by the American Council began at the outset of the disaster when the rush of public sympathy was strong, many different organizations were coming into being, and it was necessary to have an immediate "clearing-house" type of communication so that duplication of effort could be avoided to the extent possible. This has only begun to be the case now in the present Sahelian zone disaster. Therefore the present report, as stated above, has been limited only to U.S. voluntary and other private effort.

Succeeding reports will update and add to this initial material, and also include summaries of U.S. governmental, other governmental and international efforts, particularly those of the United Nations and its Specialized Agencies, as well as those of the Red Cross. Meanwhile reports prepared by these organizations are generally available and ACVAFS staff will be glad to provide information on how to obtain them, if necessary.

It should also be noted that many of the organizations listed in the first part of the present report under the heading *Voluntary Agencies ACVAFS Members* and *Other* have had programs of development assistance in one or more countries of the area, often for at least the past decade. These, as in the case of the Near East Foundation and Catholic Relief Services, for example, have been in the area of agriculture research, tube-well digging, irrigation, livestock improvement, nutrition and the like. Their rehabilitation efforts will, along with those of governmental, international and other groups, be intensified within these categories of service where they already have great proficiency.

VOLUNTARY AGENCIES—ACVAFS MEMBERS—AMERICAN FRIENDS SERVICE COMMITTEE

1. In conjunction with its international affiliate, Canadian Friends, in the latter part of June sent Dr. George Povey of the Canadian Institute for Development Research (Ottawa) to Mali, to survey the area for possible AFSC activities.

2. Dr. Povey took with him to Mali 408 pounds of broad spectrum antibiotics equivalent to approximately 7,000 doses for gastro, respiratory and cholera-related illnesses, valued at approximately $5,000.

3. Part of Dr. Povey's task was to clear the supply bottleneck in Bamako.

4. A report by Dr. Povey is available.

5. The AFSC continues to "monitor" the situation to discern what role they might most usefully play in rehabilitation assistance to Mali or elsewhere in the affected area.

AMERICAN ORT FEDERATION

1. Operates an ongoing Mother/Child Health Program in Niger. In the village of Say trains nurses and midwives. In Niamey conducts a radio/television demonstration program for improving maternal/child health care through improved nutrition and sanitation procedures. Although not a relief agency, ORT will be watching Sahelian developments with deep concen.

2. Representative in Niger: *John Cooper*, Administrative Officer, Niamey.

BAPTIST WORLD ALLIANCE

1. At a Committee meeting of the Baptist World Alliance held overseas in July and attended by Carl W. Tiller, Associate Secretary at the organization's Washington office, it was voted to launch a special appeal for $10,000 (of which a large part is expected to be raised in the United States) for use in Sahelian disaster assistance.

2. Because the Baptist World Alliance does not have staff of its own to place in the area, they expect to use Baptist missions working in five of the countries (Chad, Niger, Upper Volta, Mali and Senegal) and also make a contribution to the Council of Entente for use in the latter's Sahelian effort.

CARE

1. The Government of Niger and CARE signed a basic agreement permitting CARE to implement various programs relating to current and future developments in Niger.

2. CARE sent two of their staff from Kenya and Nigeria to Niamey, Niger on temporary duty assignment to assist *Harold Silcox*, CARE's Director in Niger in the implementation of a program there which includes relief projects. *Charles Cohen* of the Kenya staff is still with Mr. Silcox in Niamey.

3. CARE flew in commodities via Swissair consisting of 60 cartons biscuits and 10 cartons candy for a total weight of 4,405 pounds to Abidjan. Thence they are to be flown to Niamey and airdropped to areas of need by the Belgian Airforce as of August 21st or 22nd.

4. Via sea freight CARE has shipped similar food commodities plus some medical items for a total dollar value of $453,839.

5. CARE has under consideration a water systems program for the rehabilitation phase of operations. This, however, is "still in the surveying and negotiating stage."

6. Within the context of world-wide disasters CARE includes the Sahel in its public appeal for funds.

CATHOLIC RELIEF SERVICES—USCC—CRS

1. Authorized cash grants of $10,000 each to its Program Directors in Senegal and Upper Volta for on-the-spot use in the procurement of supplemental foods and medicines.

2. Contributed $25,000 to the fund set up by the Vatican's Cor Unum for the purchase of seeds (European Catholic agencies pledged an additional $100,000 to this fund).

3. Purchased in Ghana 30 tons of sorghum at a cost of $9,000 for shipment to the northern part of that country where it is now being distributed to drought victims under the supervision of the White Fathers.

4. Dispatched a shipment of millet from the U.S. to Upper Volta, and shipments of clothing and medical supplies valued at $54,000 from east coast ports to Dakar and Abidjan for distribution in Senegal, Mauritania and Upper Volta.

5. Diverted from its ongoing relief and development programs in Senegal and Mauritania for distribution to victims of the drought 129 tons of CSM (Corn Soya Milk blend) valued at $43,425 which was discharged from the vessel Subin River at Dakar on August 1st.

6. Instructed its program director in Upper Volta to make similar use of 71 tons of CSM valued at $28,489 which the Subin River was scheduled to discharge on August 5 at Abidjan for onforwarding to Upper Volta.

7. Readied air shipments of vitamins and antibiotics ($17,500 value) to go forward to Dakar and Ouagadougou on Air Afrique Flight No. 50 at 6 p.m. August 11th from JFK Airport, New York. This shipment will also include several demonstration kits of Chapin drip irrigation equipment.

8. Received grants of $20,150 and $7,700 from OXFAM and Help the Aged London, respectively, the former for the purpose of well drilling equipment for Senegal, and the latter for use in the Sahel to provide assistance to old people suffering from the effects of the drought.

9. Total CRS contribution to date $225,264.

10. *Rehabilitation needs*. It is estimated that a minimum of $1 million is required to meet most urgent needs and lay basis for

continuing effort to help ameliorate effect of future droughts in Senegal, Mauritania and Upper Volta. Half this fund to be used to meet current emergency needs and the balance devoted to projects such as building of small earthen dams, sinking tube wells, installing simple irrigation schemes, establishing tool and seed banks, etc. Details of a number of such rehabilitative projects in process of compilation. Cooperation will be sought from various funding groups in U.S. and in Europe.

11. Men "on the spot": *Raymond K. Panczyk*, Regional Director, Dakar; *Thomas Kelly*, Ouagadougou.

12. Working together with Church World Service in a joint public appeal, announcements have been published in several national newspapers for funds to assist the drought victims.

CHURCH WORLD SERVICE

1. At request of Government of Niger CWS has sent self supporting hospital unit consisting of 1 physician, 2 public health nurses, 2 nutritionists, 2 vehicles, injection guns, portable freezers for vaccines (the physician is to arrive from France September 1st). For up to 6 months operational period the team is to be integrated into Government's health service at Agadez, where local paramedical staff will be made available by Agadez Department of Health to assist team. They are currently covering 24 centers in and around Agadez where serious threat of measles epidemic and cholera is already evident.

2. In addition to medical supplies CWS has also sent other relief supplies to Niger consisting of special foods (not PL 480), vitamins, clothing and blankets.

3. Total amount of material aid assistance sent to date is 248,244 pounds at a dollar value of $96,048.

4. Also in cooperation with the World Council of Churches CICARWS (Commission of Inter-Church Aid, Refugees & World Service), CWS is assisting in a date palm infestation project in Niger. The infestation which has been aggravated by the drought conditions threatens existence of these life-giving trees and deepens the extent of the disaster. Treatment researched by IFAC, a French firm, involves the importation of lady bugs from Iran for release in the Air Mountains north of Agadez to feed on the parasites attacking the date palm. The WCC has contributed $25,000 for personnel recruitment and equipment, and if successful the program will be expanded to other infested areas of the Sahel. The target date is September 1.

5. CWS is also helping to fund an American University water survey team currently in Niger which will be making its report to a meeting of the six countries in Ouagadougou imminently.

6. "Man on the spot" in Niamey, *Donald Kurtz*; sent on May 26, 1973.

LUTHERAN WORLD RELIEF

1. LWR expresses active concern in the Sahelian drought emergency. Some contributions from constituents have already been received unsolicited.

2. The Lutheran Public Affairs office in Washington devoted its entire August 15th issue of *Focus* to the Sahel. This publication which is circulated to 3,000 church leaders and others carries the advice that contributions may be sent to Lutheran World Relief.

3. Several projects for LWR participation, primarily in the rehabilitation area of the work, are under current consideration by the agency.

MENNONITE CENTRAL COMMITTEE

1. MCC has placed relief personnel in Chad, the easternmost of the affected countries, and is "hammering together" emergency plans for relief and longer-term development services in that country. *Vern Preheim* and *Terry Stuckey* on a two-weeks' survey trip to Chad contacted over 40 missionaries, church leaders, and embassy, UN and Chad Government personnel.

2. As a result, Preheim and Stuckey implemented immediate aid and proposed longer-term measures for relief in drought areas where the Chad people are suffering most now and where future needs will probably be greatest.

3. In the Fort-Lamay area, French Mennonite missionary *Gilbert Klopfenstein* buys millet at now inflated market prices and resells it to villagers for the lower price they were accustomed to paying in normal years. People come from 60 villages in a 25 mile radius to buy grain.

4. Two tons of millet have been shipped to Bol, near Lake Chad, where Swiss Free Evangelical Church missionary *Daniel Grossenbacher* requested it to start a similar purchase-sell project to provide food for the people whose crops have failed.

5. For the immediate future, Preheim indicates the greatest needs are for interior ground and air transportation of food being donated by international agencies and governments.

6. Other needs, Preheim states, are vitamins, medicines, and high protein foods for distribution through the 20 dispensaries and hospitals operated by missions in Chad; continuation of the buy-sell program of millet or peanuts and transportation of these foods to isolated pockets of hunger; water development programs; and tree planting for long-term effects in stopping the relentless advance of the Sahara southward.

7. MCC has already channeled $10,000 of constituent donations to relief work in Chad. But urgent and necessary relief measures are only temporary measures. For the people of Chad and the rest of the dry sub-Sahara, "it's the long haul that will be important."

8. CIDA (Canadian International Development Agency) has expressed interest in contributing substantial amounts for the area through MCC.

NEAR EAST FOUNDATION

1. The NEF is not a relief organization and does not respond to disaster situations. It has had, however, development programs in two of the areas affected by the drought, namely, Niger and Upper Volta (begun in 1964 and closed out in 1971), involving the development of range and livestock resources and currently has a similar ongoing program in Chad, working with the Lake Chad Basin Commission.

2. NEF representative is *Scotty Deffendol*, with headquarters in Cameroon.

WORLD RELIEF COMMISSION

1. Sent $1,000 to representative in Ouagadougou, Upper Volta, *Herman Engelgau*.

2. Continuing efforts to raise funds through direct pictorial appeal to constituency for additional gifts through pertinent channels in area.

WORLD UNIVERSITY SERVICE

1. World University Service has committed itself to raising funds for Sahelian drought relief and channeling them through WUS African Committees. Relief assistance will be basically in the area of providing food and other day-to-day needs to the victims of the drought. All contributions to WUS for this purpose should be sent to the New York office of the organization (20 West 40 Street, New York, N.Y. 10018).

OTHER—INTERNATIONAL VOLUNTRARY SERVICES

IVS expressed interest in being kept informed on Sahelian developments. While relief efforts are outside their activities (volunteer development assistance in agriculture, education and community development) they have personnel available to assist in resettlement and rehabilitation efforts.

MEDICAL ASSISTANCE PROGRAMS, INC.—MAP

MAP shipped 3,211 pounds of medical supplies to Upper Volta, value $21,600.

AMERICAN COUNCIL OF VOLUNTARY AGENCIES FOR FOREIGN SERVICE, INC.—ACVAFS

1. Members of ACVAFS representing CARE, Church World Service, and Lutheran World Relief attended an emergency meeting on May 24th to review the drought disaster in the six countries of Chad, Mali, Mauritania, Niger, Senegal and Upper Volta. Also attending the meeting were representatives from Africare, UNICEF and the UN.

2. On June 14, 1973 a statement was telegraphed to Senator Hubert H. Humphrey on the occasion of hearings to be held the next day on the Sahelian drought disaster, by the American Council on behalf of six of its member agencies. The telegram stressed their belief that the major burden of immediate relief as well as intermediate rehabilitation and long range remedy "will and must rest with massive bilateral government and intergovernmental assistance". It also stated that nevertheless there was a positive role also for the voluntary agencies "to assist through their contacts in the Sahelian area". The telegram listed ongoing programs of the six agencies in the area and indicated their readiness to be cooperative and helpful within their financial capacities. It was signed by Leon O. Marion, Executive Director of the Council and listed the following six agencies: American Friends Service Committee, Catholic Relief Services, CARE, Church World Service, Lutheran World Relief, Near East Foundation.

3. On Wednesday, July 18, 1973 leaders of prominent U.S. voluntary agencies met in New York with UN and U.S. Government officials to exchange information and plans for relief to the six drought-stricken countries of sub-Saharan West Africa. The meeting provided an opportunity for U.S. and UN officials to describe the massive bilateral and international relief efforts underway in that region and to exchage information on programs and plans of the American voluntary agencies. The meeting, under the chairmanship of Mr. Frank Goffio, Executive Director of CARE, was sponsored by the American Council of Voluntary Agencies for Foreign Service, Inc. In order to assure optimum coordination of governmental and private relief programs in the afflicted region, it is anticipated that similar meetings will be held periodically in the future. Represented at the meeting were: *ACVAFS Member Agencies*: American Friends Service Committee; American ORT Federation; CARE; Catholic Relief Services; Chuch World Service, CODEL, Inc.; Community Development Foundation; Lutheran World Relief; Mennonite Central Committee; Save the Children Federation; Seventh Day Adventist World Service; and World Relief Commission. *Guest Agencies and Organizations:* Africare; Agency for International Development (AID); American Freedom from Hunger Foundation; American Jewish Committee; U.S. Department of State; United Nations; National Office for Black Catholics.

4. It is expected that the next meeting of Council member agencies and guests will be held shortly upon the return of Mr. Fermino J. Spencer, Director, Office of Central and West African Regional Affairs, from the stricken Sahelian area where he flew again last week. (Mr. Maurice J. Williams, Deputy Administrator, AID, named by the President to be Special U.S. Coordinator for U.S. Sahelian zones efforts has asked Mr. Spencer to spend a good part of his time actually in the field).

FUND RAISING AND PUBLIC RELATION EFFORTS

(As have come to ACVAFS attention.)

Africare—A non-profit organization dedicated to the improvement of rural health services in Africa, Africare is taking action to help remedy the Sahelian zone famine. On June 22, it launched a national fund drive setting up fund raising headquarters at the Embassy of Niger in Washington, D.C. It plans to establish several regional Africare

Famine Relief Fund offices throughout the United States.

Afro-Americans Against the Famine—A nationwide Fast Against the Famine was called for midnight August 8 to midnight August 9 by Afro-Americans Against the Famine. The Fast was also supported by Dick Gregory, the Rev. Jesse Jackson, The Black Women's Community Development Association and the RAINS Coalition.

American Freedom from Hunger Foundation—Under the new leadership of former AID official Herbert J. Waters, the U.S. branch of the international Foundation will appeal for contributions in behalf of the FAO and its Sahel Zone Trust Fund.

Federation of Ethiopian Students—Expressed concern about the extent of the drought in Ethiopia.

Interreligious Foundation for Community Organization, Inc. (IFCO)—A news conference was called by IFCO on July 11, 1973, in New York, to stress the need for immediate action to assist the drought-stricken victims of the Sahelian zone area of Africa. Lucius Walker, IFCO Executive Director, stated that the organization would forego its fund-raising functions to demand that the Federal Government "respond to the crisis in the way that only the U.S. Government can". Imamu Amiri Baraka, Congress of African People leader, urged that in a kind of Marshall Plan the "U.S. transform the whole area" of the Sahel. IFCO is asking people to write Senator Fulbright, Senate Foreign Relations Committee Chairman, urging U.S. maximum assistance.

PUSH (People United to Save Humanity)—Under the leadership of the Rev. Jesse C. Jackson, PUSH is organizing an effort to aid the drought-stricken Sahelan zone victimes. Plans for assistance combine short, medium and long-term goals. According to Rev. Jackson the first goal is to bring the drought to world attention via the news media. For immediate relief needs, PUSH has solicited donations of foods and other supplies. Vans of food have been collected in 22 cities across the country. PUSH headquarters are in Chicago, Illinois.

The RAINS Coalition (Relief for Africans in Need in the Sahel)—Formation of a coalition of 18 Black organizations to work for immediate relief in behalf of the drought-stricken Sahel region was announced July 17, 1973 at headquarters in Washington, D.C. RAINS is co-chaired by former Ambassador to Upper Volta Elliot Skinner and Congressman Charles Diggs of Michigan. RAINS has launched a campaign urging Blacks to write their Conressmen and Senators pressing for more U.S. assistance to the people of six countries involved in the disaster. Its purpose is "to apply political pressure on the U.S. for direct and massive government aid to the countries involved"; to coordinate and monitor fund raising for West African Famine Relief; and to organize and monitor research and technical assistance in the drought affected area. Members of the RAINS coalition include: Afram Associates, African Heritage Studies Association, African Information Service, African Liberation Support Committee, Black United Front of Cairo, Illinois, Congress of African People, National Association of Black Social Workers, National Black Theatre, National Committee of Black Churchmen, National Conference of Black Lawyers, National Council of Negro Women, National Welfare Rights Organization, Pan African Liberation Committee, PUSH and Interreligious Foundation for Community Organization.

Mr. JACKSON. Mr. President, I am pleased to join in cosponsoring S. 2521 to authorize funds for emergency relief and related assistance to the disaster-stricken nations of Pakistan, Nicaragua, and the African Sahel.

In addition to proposing $95 million and $15 million, respectively, in connection with the damages caused by the floods in Pakistan and the earthquake in Nicaragua, our bill would provide $40 million to alleviate the tragic consequences of the drought in Sahelian Africa and would place the Congress firmly on record in support of an active U.S. role in a multilateral comprehensive African Sahel development program.

I would like to stress that the problem of drought in sub-Saharan Africa is both chronic and acute. We must move, and move quickly, to expand our assistance to prevent massive starvation in the nations most severely affected by what is the worst drought of the century—Chad, Mali, Mauritania, Niger, Senegal, and Upper Volta. And we must also undertake now, in cooperation with these nations and with the international community, efforts leading toward an economic reconstruction which would cushion the area against a drought of such proportions in the future. Our bill recognizes the need to provide both immediate and long-term aid to these African nations.

Mr. President, the funds we are asking for disaster relief are critical to the lives of millions of people in Pakistan, Nicaragua, and Africa. I am confident that the Senate will act to approve this measure in accordance with our traditional American commitment to provide such humanitarian aid.

FOREIGN ASSISTANCE ACT OF 1973

The Senate continued with the consideration of the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

THIRD READING

Mr. HUMPHREY. Mr. President, if there are no further amendments to be proposed to the pending bill, I ask for third reading.

The PRESIDING OFFICER (Mr. ABOUREZK). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. KENNEDY. Mr. President, for several years now, the whole issue of foreign aid has become less and less popular here on Capitol Hill. There have been many reasons for this disenchantment: the war in Southeast Asia; more modesty about our ability to promote fundamental changes in other countries; disillusionment with past aid programs that have not worked; and a feeling that the United States should not try to direct the way in which other people will live.

Many of these sentiments still prevail here in the Senate, and they are worthy of our attention and respect. Yet, we cannot stop with a criticism of the past; we need also to consider whether there are real and legitimate purposes for the United States to continue providing bilateral economic assistance and, if so, how best we should do it.

Mr. President, the issue of foreign aid must be seen as part of our overall relations with the developing countries of the world, and with the more than 2 billion of the world's people who are poor. What should we do to promote these relations? And what is our responsibility as members of the human race?

Politics among nations is now changing rapidly. The President has been to Moscow and Peking, and General Secretary Brezhnev has been here. We now place high hopes in détente. And we are concerned with building structures of peace. In these times our attention is turning more than ever before to economic relations among States. And these relations inevitably include the developing nations of the world.

We are now becoming dependent on developing nations for major quantities of energy; and we will depend on several of them in the future for a major portion of other essential raw materials. We look to developing countries for cooperation in limiting the growth of worldwide population, in growing enough food to feed the human family, in sharing the resources of the sea, and in controlling pollution.

Recently in Tokyo, a new round of trade talks began its preliminary phase; before these talks are completed, the interests of developing countries will be given a more thorough airing than ever before; and it is now clear that their role will be critical in fostering worldwide cooperation in this vital area. Finally, last week in Nairobi the combined annual meeting of the World Bank and International Monetary Fund grappled with difficult problems of development and monetary reform. Until recently, the role of the developing countries in this annual conference was limited to issues concerning the World Bank; now they are vitally involved in the future of monetary relations, as well.

In short, Mr. President, it is becoming increasingly clear that the development of international cooperation, and the shaping of a world congenial to American interests, will require a greater role for more developing countries than has been true in the past. We will ignore this lesson to our cost.

How, then, can we try to gain the cooperation of those developing countries that is essential to our own future? We must begin by reassessing the importance to us of countries which we have traditionally ignored, or which have served only as pawns in a competition among great powers. We must listen to what these countries have to say, and insure that their views are given due weight, in those many areas where we need their help.

And we must also look again at our attitudes toward the transfer of resources to countries that are desperately in need of assistance for their own development. If we wish to secure their cooperation, then we must show our willingness to cooperate with them in improving the lives of their people. There are many tools: trade, investment, fair prices for commodities, a larger share of special drawing rights, a fair share of the resources of the sea, and help in rescheduling payment of past debts.

What role is there for foreign aid? For many developing countries, foreign aid is of limited value, either for their own economic progress, or in helping us to secure their cooperation. There would be no sense in providing foreign aid to oil producing States, or to countries able to finance development through the export of goods.

But direct economic assistance does remain important for countries that have few minerals to export, that have little or no access to commercial credit, that have not developed export markets for their goods, or that stand on the dividing line between success and failure in their own economic efforts.

For us to help provide economic assistance to these developing countries is surely in their interests; and it is in our interest in securing broader international cooperation, and in promoting the effective working of international economic institutions.

But even beyond our own self-interest as a nation—which can no longer be separated from a broader global interest in meeting mankind's common problems with common effort—there is our responsibility to others deriving from our shared experience on this planet. Can we ignore 25 million people in the dought areas of West Africa simply because they are not important to us politically and economically? Can we ignore the poorest 40 percent of the world's people simply because they threaten no vital interest of our own? Can we ignore others while using nearly 40 percent of the world's resources—with only 6 percent of the world's population—and still regard ourselves as a just and compassionate people? I do not believe that we can. We are called to exercise our shared responsibility for the well-being of the vast majority of mankind, and we should do so, as we have exercised our responsibility in helping provide security against the threat of nuclear holocaust.

I wish I could say that there is no need for a bilateral economic assistance program; that all that is needed can be done by international agencies, like the World Bank, the Inter-American Development Bank, and the United Nations development program. Hopefully, in time, that will be possible, in an effort to reduce those dilemmas that sometimes arise when economic assistance is provided on a bilateral basis. Unfortunately, the shift to multilateral aid cannot take place this year or even in the next few years. The United States alone cannot decree that international agencies will assume all the burden of foreign assistance. Getting the necessary agreement among nations will take time, and during that time the needs and interests of developing countries will remain.

Today, therefore, we face a direct choice: do we want the United States to continue playing its part among other rich nations in providing bilateral economic assistance? Will we support this means of promoting the great development effort that is taking place in so many countries?

Mr. President, I am mindful of the weaknesses—as well as the strengths—of past legislation on bilateral economic aid. And for a time this year, it appeared that we would be faced with more of the same. Yet, in an unprecedented move, the Congress this year has taken the initiative in crafting a new approach to economic assistance. For this reason, if no other, this bill deserves our careful attention and review.

This legislation represents a fundamental break with the past. No longer does it focus upon projects designed to benefit the more developed parts of poor-country economies, with the hope that benefits will trickle-down to the least advantaged members of society. Instead, it follows the lead set by President Robert McNamara of the World Bank, in focusing directly upon the needs of the poorest 40 percent of the people in the developing world. These are the people most in need of support for their own efforts; these are the people who should most benefit from economic assistance.

Mr. President, this legislation will not build great factories or deepwater ports; but it will build farm-to-market roads, provide new seeds to increase crop yields, and improve the lives of people in rural areas. It will help developing countries to grow more food and reduce the world's food deficit. It will improve health standards, promote smaller families, and bring to many people the most priceless and essential gift of civilization: the ability to read.

Long and hard thought has gone into designing this new approach to development assistance. It reflects many years of experience, both of success and of failure. It taps the best knowledge that is now available both about the process of economic development and about the role that outside nations can play in it. Nor is it offered as a quick-fix, reducing the difficulties of development or the responsibilities that individual countries have for their own future. Expectations are modest; there is no grand design. Yet this approach is based upon firm hopes, grounded in the experience of a number of key developing countries. And the most essential facts are these: the subject of this approach is people; and the object is the improvement of their well-being, in terms that mean something to them, today, and not at some distant point in the future.

The view has been expressed here that this legislation does not represent the basic change that I have described; that this is just a cosmetic change for old policies. Yet whether that proves to be true is up to us in the Congress. It is our responsibility here, where this new approach is being fashioned, to see that our wishes are carried out; and that development assistance provided by the United States will truly go to where it is most needed, and is used in ways that will be most productive and useful. It is up to us to hold the administration accountable for making this legislation do what we intend. This is our challenge, and we should accept it.

If we look at this legislation through the lenses of past attitudes toward developing countries, or if we fail to see what is different in the approach advanced here, we may fail to grasp the significance of our opportunity, today. We can do something that is in the long-term best interests of the United States, and we can help, however modestly, to provide hope for people who have been passed by and forgotten.

Mr. President, there is one more question for us to answer today: Will we provide the funds called for in the bill before us, or will we follow tradition and reduce our commitment? With competing demands on the resources of the United States, this is not an easy question to answer.

Yet, we are not discussing a program of many billions of dollars; the money in this bill is less than the cost of a single Trident submarine. Nor is it a vast drain on our resources as a nation. In fact, our total contribution to development, in official development assistance, is now only twenty-nine one-hundredths of 1 percent of our gross national product—and that is less relative to our wealth than the contribution of 12 of the 16 rich industrial countries of the West.

Nor do I believe that we can do any less than is provided for in this bill if we are to give the new approach to economic assistance a chance to work. Only by providing adequate funds, only by backing our own commitment to helping the poorest of the world's poor, will we ever know whether these new approaches can do the job that is set for them. For this reason, I strongly urge the Senate to support full funding for the Foreign Assistance Act.

Mr. President, last week the new Secretary of State, Dr. Kissinger, spoke for the United States at the United Nations General Assembly. He is a man noted for hard-headed and careful analysis. And, yet, he, too, has become convinced of the need for the United States to play a greater role in promoting a world community. And this community he said "cannot remain divided between the permanently rich and the permanently poor."

Just before his nomination was confirmed by the Senate, Dr. Kissinger answered several questions that I put to him in my capacity as chairman of the Subcommittee on Refugees. In his answers, he committed himself to a major change in American foreign policy, and called upon us in the Congress to play our part:

> In the long run, no structure of peace will be possible if the bulk of the world's people are dissatisfied. They must be able to acquire the kind of stake that will, in their view, make the structure just. This is an immense task in which we have a major role to play along with others who have the means to contribute. Our contributions in areas such as trade and aid depend heavily on the Congress, and I look forward to working together with it in further improving our performance.

Mr. President, this is a welcome change from past policies of this administration. For more than 4 years, it has focused almost exclusively on relations with Russia and China, paid only occasional attention to Europe and Japan, and virtually ignored the Nations embracing the vast majority of mankind. This view has been shortsighted in terms of U.S. interests to avoid crisis in international economic relations, and to promote greater cooperation among States, both rich and poor. The administration has shown nothing but neglect for the world's poor—and it has not been benign.

Only last week, the Secretary of the Treasury, Mr. Shultz, demonstrated that he is mired in past attitudes about the role of developing countries in the world economy. Virtually alone among finance ministers of the world's developed countries, he failed to commit himself to genuine efforts to recognize the needs and interests—and the new importance—of developing countries.

Who speaks for the administration on its policy toward the developing world? Is it Secretary Shultz, or is it Secretary Kissinger? For my part, I hope that Secretary Kissinger prevails—the Secretary Kissinger who has reversed his earlier views on the developing world. This will be in the interests of the United States, of international economic cooperation, and of untold millions of the world's people.

Mr. President, some of us in this Chamber have taken exception to many of the policies advanced by Dr. Kissinger, and pursued by the administration. But we are at one in supporting his goal of fashioning a structure of peace that can endure. I believe that we should support him in this effort, as he now defines it with regard to the developing countries. Yesterday, we finished work on the military procurement bill, which the administration believes is a critical part of the structure of peace. This bill, today, represents another important part of that edifice. We can and we must respond.

Mr. President, I urge adoption of the Foreign Assistance Act.

Mr. HUMPHREY. Mr. President, I promised to yield some time on the bill to the Senator from Virginia. I yield 4 minutes to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the committee report gives the cost of this foreign aid bill as $1.5 billion plus carryovers from previous years. I shall vote against this measure. I think it is time that we reduce our foreign aid commitments. We are not doing that.

I want to read into the RECORD just how much is being requested in this budget for foreign aid and foreign assistance. I have a table which shows new requests for authorizations and/or appropriation for foreign aid and assistance contained in the fiscal year 1974 budget document.

The budget document contains an amount of $18,300,191,000. That is how much is in the budget for foreign aid and foreign assistance when we add it all up. I will put the breakdown of the figures in the RECORD in a moment.

The chairman of the Subcommittee on Foreign Aid Operations of the House of Representatives, Representative OTTO PASSMAN of Louisiana reports that his committee says that there is in the pipeline for foreign aid, over and above this $18 billion, a figure of $26 billion. I submit that we are not justified in using tax funds in this way; $18 billion is in this one budget for foreign aid and foreign assistance.

I shall vote against this measure. Many Senators have said from time to time that they want to reduce the amount of money for foreign aid. That is not being done. I think it is not justified, in this time of tremendous deficits and high inflation in this country, to have appropriations and authorizations which total $18 billion.

Mr. President, I ask unanimous consent to have printed in the RECORD a breakdown of these figures.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I.—*New requests for authorization and/or appropriation for foreign aid and assistance contained in the fiscal year 1974 budget document*

Foreign Assistance Act (includes military assistance)	$2,428,850,000
Overseas Private Investment Corporation	72,500,000
Foreign Military Credit Sales	525,000,000
Inter-American Development Bank	693,380,000
International Development Association	320,000,000
Asian Development Bank	100,000,000
Asian Development Bank (proposed)	108,571,000
Asian Development Bank (maintenance of value)	24,000,000
International Development Association (maintenance of value)	161,000,000
Inter-American Development Bank (maintenance of value)	510,000,000
International Bank for Reconstruction and Development (maintenance of value)	774,000,000
International Monetary Fund (maintenance of value)	756,000,000
Maintenance of value adjustment	25,000,000
Subtotal, maintenance of value (budget amendment)	2,250,000,000
Receipts and recoveries from previous programs	394,464,000
Military assistance (in Defense budget)	1,930,800,000
International Military Headquarters	85,800,000
MAAG's, Missions and Milgroups	168,100,000
Permanent Military construction-Foreign Nations	190,700,000
Export-Import Bank, long-term credits	3,850,000,000
Export-Import Bank, regular operations	2,200,000,000
Export-Import Bank, short-term operations	1,600,000,000
Peace Corps	77,001,000
Migrants and refugees	8,800,000
Public Law 480 (agricultural commodities)	653,638,000
Contributions to International Organizations	199,787,000
Education (Foreign and other students)	59,800,000
Trust Territories of the Pacific	56,000,000
Latin America Highway (Darien Gap)	30,000,000
Total	18,003,191,000

Mr. HUMPHREY. Mr. President, I yield to the Senator from Idaho.

THE FOREIGN AID BILL: BORNE ON A WAVE OF ILLUSIONS

Mr. CHURCH. Mr. President, if there is a single paramount lesson to be drawn from this country's foreign misadventures over the past 10 or 20 years, it is that we are profoundly vulnerable to illusions of our own making. No aspect of our foreign policy better displays our susceptibility to self-delusion than the disparate collection of programs we now perpetuate under the rubric of American foreign assistance.

Today the Senate has before it a 2-year foreign economic assistance bill which would provide the relatively modest amount of $1.2 billion per year—an amount equivalent to only about $6 per man, woman, and child in the United States. or a nation as strong and productive as the United States, this would seem, upon superficial examination, to be the least we could do in a world where so many people live on the very margin of survival, far below the level we would think necessary for human dignity and happiness. Certainly I for one, having long since acknowledged that any nation as advantaged as ours should do what it can to help other people improve their lot, would have no hesitancy in supporting a well-conceived $1.2 billion program directed toward that end. Thus, if S. 2335 represented such a program, it would receive my wholehearted endorsement and support.

But I will not support this program, Mr. President. For its provisions are neither well-conceived, nor in reality is it the moderate $1.2 billion a year program it seems to be. In fact, it is better seen as but one component of an extravagant—and largely ill-conceived—$7.8 billion foreign assistance program which annually works its way piecemeal through the Congress—little comprehended either by the Senators and Congressmen who vote for it nor, understandably, by the American people who must bear the burden of paying for it. It is a program borne on a wave of illusions; and at a time when American inflation is rampant and the American dollar has been weakened critically on international markets, it is the duty of Congress to look beyond these illusions to the realities which this conglomerate program represents.

THE REAL SIZE OF THE FOREIGN ASSISTANCE PROGRAM

Let us look first at the real size of the foreign military and economic assistance effort of the United States. For if we are to grasp the reality of S. 2335, we must see the whole of which it is but a fractional part. I ask unanimous consent Mr. President, to have printed in the RECORD at this point a table prepared by the Agency for International Development at the request of the Senate Foreign Relations Committee, entitled "Military and Economic Assistance Data, Fiscal Year 1974 Program, Regional Summary."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1974 PROGRAM REGIONAL SUMMARY

[In thousands of dollars]

SECURITY PROGRAMS

	Military programs								
	Military assistance grants	Foreign military credit sales	Excess defense articles [1]	Military service funded	International military education and training program	Ship loans [1]	Total military	AID supporting assistance	Total security
Summary, all programs	771,500	760,000	185,000	1,870,800	33,000	6,500	3,626,800	124,055	3,750,855
Latin America	10,000	150,000	8,000		10,665		178,665		178,665
Africa	12,930	18,000	2,000		2,820		35,750		35,750
Europe	3,349				951		4,300	12,500	16,800
Asia, total	(651,273)	(592,000)	(175,000)	(1,870,800)	(17,377)	(6,500)	(3,312,950)	(105,000)	(3,417,950)
Near East, South Asia, subtotal	121,133	465,000	65,000		4,105	6,500	661,738	90,000	751,738
East Asia and Pacific, subtotal	530,140	127,000	110,000	1,870,800	13,272		2,651,212	15,000	2,666,212
Asia regional, subtotal									
Other	93,948				1,187		95,135	6,555	101,690
Administrative and other expenses, State									

DEVELOPMENT AND RECONSTRUCTION ECONOMIC PROGRAMS

	Agency for International Development				Other programs				Total military and economic fiscal years—	
	Development assistance [2]	Indochina postwar reconstruction	International narcotics control	AID development and reconstruction, total	Peace Corps	Public Law 480	International financial institutions [3]	Total economic	1974	1973
Summary, all programs	1,295,814	630,945	42,500	1,969,259	77,001	1,146,800	920,000	4,113,060	7,863,915	8,431,483
Latin America	272,737		1,927	274,664	17,634	79,043		371,341	550,006	613,588
Africa	159,680		50	159,730	23,913	86,492		270,135	305,885	370,643
Europe					4	8,450		8,454	25,254	49,859
Asia, total	(447,079)	(614,000)	(18,054)	(1,079,583)	(16,455)	(824,935)		(1,920,973)	(5,338,923)	(5,771,163)
Near East, South Asia, subtotal	272,889		15,425	288,314	4,608	278,160		571,082	1,322,820	1,515,532
East Asia and Pacific, subtotal	161,050	614,000	3,079	778,129	10,551	546,775		1,335,455	4,001,667	4,255,631
Asia regional, subtotal	13,140			13,140	1,296			14,436	14,436	
Other	416,318	16,945	22,019	455,282	18,995	147,880	920,000	1,542,157	1,643,847	1,621,312
Administration and other expenses, State										4,918

[1] In legal value—at ⅓ average class acquisition costs.

[2] Includes AID and State administrative expenses; and contingency funds.

[3] Includes International Development Association, Inter-American Development Bank and Asian Development Bank.

Mr. CHURCH. This, Mr. President, is the reality of the American foreign assistance program as it has been proposed to the Congress for fiscal year 1974. The program is not, of course, proposed in this unified fashion, but we must draw the pieces together if we are to see what is really happening. Let us look at these individual pieces. First, the so-called security assistance programs:

"Military Assistance Grants": $771.5 million. In other words, Mr. President, three-quarters of a billion dollars in military hardware is to be given outright to other governments, including such luminous exemplars of democratic values as the Governments of the Philippines, South Korea, and Spain.

"Foreign Military Credit sales": $760 million. In other words, another three-quarters of a billion dollars in military hardware is to be paid by the U.S. Government and transferred abroad in return for payment sometime in the future. These transactions will fortify such additional garrisons of freedom and democracy as Brazil, Greece, and Chile.

"Excess Defense Articles": $185 million. In other words, Mr. President, over one-half billion dollars is supposedly "excess" hardware from the Pentagon is to be given away under a program which cites the value of these goods at only one-third of their original cost to the American taxpayer and then transfers them abroad as gifts, making way for still more weapons acquisitions by our own military services.

"Military Assistance—Service Funded": $1.87 billion. In other words, nearly $2 billion in military assistance is to be dispensed directly through American military channels to the pitiful, unpopular governments which we continue to support in Indochina.

"International Military Education and Training": Thirty-three million. In other words, an amount roughly equivalent to the entire Federal contribution to Public Broadcasting in America would be spent by the administration to polish the military regimes of Brazil, Portugal, and Korea.

"Ship Loans": Six and half million. In other words, another $20 million, this time in the form of ships which would in effect be given away, at a misleading valuaton of one-third the original cost to the American taxpayer.

"AID Supporting Assistance": One-hundred-twenty-four million—still another direct grant to foreign governments, this one to be administered by the Agency for International Development.

The programs I have just named, Mr. President, comprise only the so-called "security" side of our overall foreign assistance program. The so-called "development" side comprises still another collection of programs:

First there is "Development Assistance": One-hundred three billion—thirteen hundred million dollars which would be used for loans and grants to developing countries.

Next there is "Indochina Postwar Reconstruction": Six-hundred thirty million, an amount which would be donated to South Vietnam, Laos, and Cambodia.

Then there is "International Narcotics Control": Forty-two and a half million, an amount which would be spent largely to persuade other countries to desist in the production of the narcotics which have become so popular in our own budget-starved and decaying cities.

Then there is "Peace Corps": Seventy-seven million, a program which is now largely one of technical assistance, with little remaining justification for being maintained as a separate entity.

Next there is "Public Law 480," the food-for-peace program: $1.1 billion. Here, operating under the authority of titles I and II of the Agricultural Trade and Development and Assistance Act of 1954, the administration would dispense $1.1 billion in American food produce around the world on a grant and concessional credit basis.

And finally, Mr. President, a last category, "International Financial Institutions": $920 million. This category includes U.S. contributions to such multilateral development assistance agencies as the Inter-American Development Bank, the Asian Development Bank, and the International Development Association, which is the subsidized-loan operation of the World Bank.

So this, Mr. President, is the real size of the foreign aid program we are asked to consider today. S. 2335 should not be seen just as a $1.2 billion program; rather it is but one part of a $7.8 billion collection of programs. The real burden of foreign assistance which the American taxpayer is being called upon to finance is not $6 per person, as the $1.2 billion figure might make it appear; instead it is closer to $36 per person, or nearly $150 a year for a typical American family of four.

Surveying the entirety of the American foreign aid program enables us, Mr. President, to place in more accurate perspective the often heard charge that, in comparison with other developed countries, the United States is somehow not spending enough on foreign assistance. This charge is usually based upon rankings computed by the Development Assistance Committee of the Organization for Economic Cooperation and Development. The DAC ranks foreign aid donors on the basis of what it calls Official Development Assistance taken as a percentage of gross national product; and considerable publicity has been given to the low ranking of the United States in the comparative listing. Of the 16 developed countries which comprise the OECD, the United States is ranked 12th, behind such countries as France, Germany, the United Kingdom, and Japan.

Unfortunately, Mr. President, these rankings are misleading. For what these calculations clearly fail to account for is the vast expenditure being financed by the American taxpayer for military security purposes. The entire $3.7 billion "security assistance" portion of the American foreign aid program, which I described earlier in some detail, is totally ignored in the DAC calculation. So too is the vast additional expenditure—$17 billion a year by one calculation—financed by the American taxpayer for NATO defense. Ignored also in this calculation is the still further burden on the American taxpayer involved in the maintenance of 471,000 U.S. troops stationed on hundreds of American bases located around the world, bases from which many less-developed countries benefit by having to spend less on their own national defense.

Mr. President, I could discuss in greater detail the way in which the DAC figures tend to undervalue the U.S. expenditure on foreign assistance and also certain ways in which those figures tend to overvalue the contribution being made by other developed countries, by crediting them with assistance to their own overseas territories and colonies. But my point is not to argue with the DAC figures, nor to try to discredit them; I support the effort by the countries of the OECD to coordinate their efforts in international development assistance. My point is simply to emphasize the enormity of the foreign assistance burden currently being born by the American taxpayer. Even with the statistical difficulties I have mentioned, which tend to diminish dramatically the relative U.S. expenditure, the United States is still in first place, with no other country even a close second, in the absolute volume of Official Development Assistance it provides each year to the less-developed countries. Only in the ranking which employs ODA as a percentage of GNP does the United States not stand in first place.

I repeat this, Mr. President: Even with all the definitional limitations which diminish the amount of ODA credited to the United States, the United States still ranks a clear first in absolute volume of development assistance given. And when the unparalleled U.S. expenditures on "security assistance" and other international military activities are considered, it becomes abundantly clear that the United States is bearing a far, far larger burden of foreign assistance than any other country.

I might add, Mr. President, as regards foreign assistance-as-a-percentage-of-GNP, that I regard GNP as a highly dubious indicator of a country's true financial well-being or state of solvency. But I feel certain that if percentage-of-GNP rankings were calculated so as to take security assistance into account, the United States would stand in first place in foreign aid on a percentage-of-GNP basis, as well as on an absolute volume basis.

THE ILLUSION OF EFFECTIVENESS IN DEVELOPMENT ASSISTANCE

What I have endeavored to show thus far, Mr. President, is the vast extent of the annual American expenditure on programs of foreign assistance. The notion that the United States spends only a meager amount on foreign assistance is an illusion. The combined economic and military assistance programs of the United States far exceed comparable expenditures by any other country; and even when military expenditures are neglected and economic assistance alone is considered, the United States is the clear leader.

The question I wish to turn to now, Mr. President, is whether or not this aid—specifically the development or economic assistance for which S. 2335 would provide $1.2 billion—is actually effective. The American taxpayer who finances this economic assistance has been told that he is contributing to the betterment of the world's underprivileged peoples and that the aid which he pays for is indispensable for their economic development.

Mr. President, I, too, once subscribed to that view. But I have reconsidered in light of the mounting evidence from the history of international development assistance. I now believe that the supposed essentiality of aid to the development process is dubious, at best. Indeed, I believe the evidence now shows that economic aid has, in many cases, actually been detrimental to the development process.

The reasons for this, Mr. President, are complex and subtle—as complex and subtle as the nature of a society itself. Development is a process by which societies are transformed, by which people come to conduct their personal and their societal lives in an entirely different way. Twenty years ago, we assumed that such changes might be wrought quickly in an underdeveloped country. The introduction of a little American know-how, the injection of a little American capital—and people would see the light, grasp their opportunity, and begin to make themselves more like us.

Now, after years of often painful experience, we have learned that the process is not nearly so simple. Every change in a society, whether seemingly favorable or not, induces other changes, often unpredictable, often undesirable. We have seen this in our own country. Even as we continue to race ahead in pursuit of an ever-increasing gross national product, we find that our own well-being moves at a different pace.

Every step of progress or change sets off other, reactive changes which often cause us new problems and nullify our advance. It was only to be expected that analogous complexities would characterize the process of change in developing countries; and the evidence now shows that this is true, particularly when large sums of economic assistance are bestowed upon a developing country. I will mention only briefly some of the ways in which this has been observed to happen.

First, aid reinforces the very unhealthy tendency in developing countries for everything, throughout the society, to become a matter of politics. Aid bestowed upon the governments of underdeveloped countries dramatically increases the resources and power of those governments in comparison to the rest of their societies; and the politicization of life which results tends to divert energy and ambition from nonpolitical activity. Further, the buttressing of government power through aid tends to provoke and exacerbate political tension, by making it supremely important—sometimes indeed a matter of life and death—who controls the reins of government. Those who are in power prosper; those who are not often suffer grievously at the hands of governments made inordinately strong by aid. This is clear, for example, from the recent history of Indonesia, Pakistan, East Africa, Nigeria and now Chile.

Second, Mr. President, aid can retard development by its perverse tendency to encourage the adoption of damaging economic policies. In some cases, for example, aid has encouraged the paradoxical policy of recipient countries retarding the inflow and deployment of private capital. In other cases, aid has promoted the adoption of unsuitable models of development. The establishment of uneconomic heavy industries and unprofitable national airlines is a familiar syndrome. Even more important is the aid-induced proliferation of unsuitable Western-type universities, whose graduates cannot find employment, and of Western-style trade unions which are no more than vehicles for the self-advancement of politicians.

Third, Mr. President, and perhaps most importantly, aid obscures the fact that progress cannot be had from without, and that even the people of advanced countries have themselves had to first develop the required conditions for development. For the people of less-developed countries, aid reinforces a widespread attitude that opportunities and resources for the advance of one's self and one's family must be provided by someone else, a psychology which promotes or reinforces torpor, fatalism, and even beggary—not self-improvement. Preoccupation with aid also diverts the attention of governments in those countries from the basic causes of poverty and from the possibilities of acting effectively to combat those causes.

Mr. President, I do not assert here that aid cannot promote development. Whether it in fact does so or not depends on the specific circumstances of each case. But I believe that a realistic appraisal of the evidence now shows that, for some of the reasons I have just outlined, aid can just as well retard development as promote it. Development, we are now beginning to understand, depends on people's capacities, upon their motivations, and upon their social and political institutions. Where these basic determinants are favorable, material progress seems to occur. Materially ambitious, resourceful, industrious, farsighted and thrifty people, it has been observed, can create or obtain capital and then use it productively—with or without external assistance. But where these fundamental conditions do not exist, Mr. President, I believe that the evidence now shows that aid is often ineffective and even sometimes counterproductive.

THE ILLUSION OF REFORM

Mr. President, I am certainly not the first observer to reach the conclusion that economic aid is, at best, an extremely dubious means of promoting development. Opinion to this effect has been growing for years now—among academic experts on the subject and also in the Senate. The result has been a growing consensus that our economic aid program should be fundamentally changed. How this could best be done has been the object of intense study—in our universities, in Congress, and by special Presidential study commissions. No clear answers have appeared—the problem is too complex—but a conclusion common to almost all of these efforts is that the United States should move as quickly as possible in the direction of contributing its aid through multilateral channels of development assistance. The reason is that this mode of assistance seems to avoid, or at least minimize, many of the liabilities of the bilateral aid relationship. The studies generally recommend that as soon as possible the United States reduce and limit its bilateral economic assistance programs, possibly confining them to programs of technical assistance administered through contract by a tight cadre of American aid personnel.

The implication for the future of the U.S. aid agency, if these recommendations were given effect, has not, of course, been lost on those who work in that agency. The result, now apparent, is that AID has begun an elaborate effort to refurbish its image in Congress by revitalizing the notion that its bilateral programs provide an essential and effective means of assisting the world's underprivileged people. The approach which AID has chosen has all the subtlety of a Madison Avenue sales campaign. The technique is a change in packaging.

For years, Mr. President, Congress has appropriated money for AID in two major categories: Development loans and grants for technical assistance. These funds were then loaned or given to recipient countries for various projects and activities—in the fields of agriculture, health, population, education, industrial development, transportation, and so on. This year, however, AID decided that these bilateral programs would be more salable to Congress if they were dressed up in exciting new category names—names which would connote great human progress. Thus AID proposed that its loans and grants be authorized and appropriated under five attractively titled labels, such as "education and human resources development" and "food production, nutrition, and rural development." There would be no change in policy, there would be no change in agency personnel. There would simply be a change in the legislative format—and also, AID hoped, in the attitude of the Congress.

AID first proposed this cosmetic change to the Office of Management and Budget. Wisely, OMB refused, and required that AID's submission to Congress hold to the traditional straight-forward format of loans and grants. That was the bill that came to Congress. Unfortunately, it has now been changed into the deceptively-attractive form which AID originally proposed.

I say unfortunately, Mr. President, because the foreign aid program will not be changed by this bill—with or without the new loan/grant labels. The same agency with the same people will still be dispensing money for the same projects and programs. The only changes which will occur are in Congress—and those will be negative.

The first change is that, by the terms of this bill, Congress will lose a measure of control over the final disposition of AID money. In past years, a specific sum was authorized and appropriated for loans, and another specific sum for grants.

In the new bill, under the illusion of gaining more specific control by authorizing the money in five categories rather than two, Congress will actually lose much of the control it has heretofore had. The terms of flexibility which this bill allows the agency in expending money within those five categories are so liberal that it is almost impossible for Congress to know in advance for what purposes the money will be spent—or even whether it will be spent on loans and grants. The option to decide whether money will be dispensed within each category on a loan or a grant basis gives the agency almost unlimited flexibility—and thus gives Congress almost no control. This reverses the admirable trend, begun in recent years, of increasing congressional control over the dispensation of aid money.

The second change which may result from this bill, Mr. President, has to do with the attitude of Congress—and the momentum which has grown in this body in recent years for a genuine, fundamental reform of the foreign aid program. If the Senate adopts S. 2335, there is the danger that it may do so under the impression that it is accomplishing that reform. This, I must emphasize, would be an illusion. For this bill will change no more than the legislative format of foreign aid—a change the significance of which does not extend beyond the walls of this Chamber. Therefore, Mr. President, if Congress chooses to pass this bill, I sincerely hope that it will not fall prey to the illusion that in doing so, it has achieved reform. For that illusion could well destroy our momentum toward a true reformation of U.S. foreign aid—reform which gives increasing emphasis to American participation in the multilateral institutions of development assistance. With or without the bill before us, Mr. President, that far-reaching objective should not be lost or put aside; and a true reform of the American foreign aid program must remain high on the agenda of Congress.

I shall vote against this bill.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. Mr. President, I tried in the past to separate the items I approve of, such as the humanitarian, items population control, and the educational provisions, from the development loans and budget support. They are all mixed into this bill. It is a kind of hodgepodge.

I have tried previously to separate them; but, not being able to do that, I cannot support this bill, because it includes activities which I think are very wasteful of the American taxpayers' money. These programs are generally ineffective in producing true development. As the Senator from Idaho has so well stated, development simply cannot be induced from external coaxing or funding. Indeed these measures frequently do some harm by delaying the reforms which should be undertaken in the recipient countries. In their expectation of aid, and the psychology which that produces, they have often delayed the kind of action they should take.

I regret that I cannot support some parts of this measure, because I think some of them are very useful. In any case, on balance, I resolve that I am unable to support the bill.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CHILES. Mr. President, while there is much about this bill that I think does not go far enough, and although it would certainly not be a foreign aid bill that I would write, I intend to vote for the bill. I look at the continuing resolution we are dealing with and determine that we have surrendered—and are now going into the third year—our prerogatives as a Congress because we are failing to come to grips with this matter. We are just accepting the figure of the current resolution, with all the bad parts we know are in there, and are attempting to get some kind of handle and bring ourselves in.

With the work done in the House and the work that is continued now, we are changing somewhat the direction of aid, and I think this is a progressive step. We have a great deal farther to go. I feel that it is a progressive step. I do not want to surrender my legislative prerogative, to say that we are going to continue to accept a continuing figure that is locked in. It is almost as if we are so inept that we cannot influence anything. We should not be a Congress if we cannot authorize. I intend to support this bill. It is only a step in the direction we need to go in trying to completely revamp the foreign aid program. I feel that foreign aid has lost its constituency in the United States, not because the people of the United States are stingy, not because they do not want to help the people in countries who cannot help themselves, but because they feel that we are following programs that long since have lost their meaning; that we are not being frugal and are not making the kind of judgment we should—and that is where we have to go in the aid program.

Mr. ROBERT C. BYRD. Mr. President, I have been a consistent opponent of foreign aid throughout my years in Congress, and I will vote against the Foreign Assistance Act of 1973. Yet, a vote against giveaway programs financed by the hard-earned dollars of the American taxpayers seems more important this year than at any time in our recent past.

The economies of many countries throughout the world are booming, while our own economy is having serious problems. The American dollar can no longer be converted into gold. And while devaluations of 7.9 percent and 10 percent over the past 2 years have weakened the dollar abroad, skyrocketing inflation has crippled it at home.

Many of our financial woes—and we have many—are directly attributable to America's overcommitment abroad. And foreign aid has been an integral part of that overcommitment.

There was a time when foreign aid programs may have been necessary, and may have been the right thing for a nation like the United States to engage in. But to prove that such time has past, one has only to look at the meatless shelves in American supermarkets, the outrageous costs of the foods that are available, and the unwillingness of the newly affluent nations to assume their share of the burden of aiding the underdeveloped countries of the world.

There has been considerable talk in recent years to the effect that America can no longer afford to be the policeman of the world. I agree with that. But I also believe that America can no longer afford to be the rich uncle for every country whose standard of living may be below our own.

Compared to previous foreign aid bills, the Foreign Assistance Act of 1973 is especially detrimental to American workingmen and women. It would not only cost them billions of tax dollars, but could also cost them thousands of jobs.

For example, the act would establish the U.S. Export Development Credit Fund, which would make loans of $3 billion between July 1, 1974, and December 31, 1977. The loans could then be used to finance any projects of a "developmental character," which could include establishing factories in foreign countries to produce any number of consumer goods to be sold back to our own country in competition with American industries and American workers. It is only logical that, once a so-called underdeveloped country produces consumer goods, it must seek out markets for those products.

Where are those markets going to be located? Not in the underdeveloped world. Rather, the goods produced abroad with American tax dollars will have to be sold to countries like the United States, and such cheaply produced goods could directly threaten the jobs of American workers.

Considering the inflationary period in which we now find ourselves, considering the economic hardships that the times have placed upon the American taxpayers, I simply do not believe that the United States can afford the kind of extravagance that is called for in the Foreign Assistance Act. And I will cast my vote against it.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. AIKEN. I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Mississippi (Mr. Stennis), and the Senator from Maine (Mr. Muskie) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 54, nays 42, as follows:

[No. 453 Leg.]

YEAS—54

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Biden
Brooke
Buckley
Case
Chiles
Clark
Cranston
Dole
Domenici
Fong
Griffin
Hart
Hartke
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Nelson
Packwood
Pastore
Pell
Percy
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Williams

NAYS—42

Abourezk
Allen
Bible
Brock
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Cook
Cotton
Curtis
Dominick
Eagleton
Eastland
Ervin
Fannin
Fulbright
Goldwater
Gravel
Gurney
Hansen
Haskell
Hatfield
Helms
Hollings
Hruska
Hughes
Long
Magnuson
Mansfield
McClellan
McClure
Montoya
Nunn
Proxmire
Randolph
Scott,
William L.
Symington
Talmadge
Weicker
Young

NOT VOTING—4

Bayh
Muskie
Pearson
Stennis

So the bill (S. 2335) was passed as follows:

S. 2335

An act to amend the Foreign Assistance Act of 1961, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Assistance Act of 1973".

POLICY: DEVELOPMENT ASSISTANCE AUTHORIZATIONS

Sec. 2. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In the chapter heading, immediately after "Chapter 1—Policy" insert "; Development Assistance Authorizations".

(2) In section 102, relating to statement of policy—

(A) insert "(a)" immediately after Statement of Policy.—"; and

(B) add at the end thereof the following:

"(b) The Congress further finds and declares that, with the help of United States economic assistance, progress has been made in creating a base for the economic progress of the less developed countries. At the same time, the conditions which shaped the United States foreign assistance program in the past have changed. While the United States must continue to seek increased cooperation and mutually beneficial relations with other nations, our relations with the less developed countries must be revised to reflect the new realities. In restructuring our relationships with these countries, the President should place appropriate emphasis on the following criteria:

"(1) Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.

"(2) United States assistance should concentrate in particular on the development of employment-intensive technologies suitable to the less developed countries.

"(3) Future United States bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: food production; rural development and nutrition; population planning and health; and education, public administraton, and human resource development.

"(4) United States cooperation in development should be carried out to the maximum extent possible through the private sector, including those public service institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.

"(5) Development planning must be the responsibility of each sovereign country. United States assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.

"(6) United States bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest of their people and their capacity to participate in the development of their countries.

"(7) Under the policy guidance of the Secretary of State, the agency primarily responsible for administering this part shall have the responsibility for coordinating all United States development-related activities.

The head of that agency should advise the President on all United States actions affecting the development of the less-developed countries, and should keep the Congress informed on the major aspects of United States interests in the progress of those countries."

(3) At the end thereof, add the following new sections:

"SEC. 103. FOOD AND NUTRITION.—In order to alleviate starvation, hunger, and malnutrition, and to provide basic services to poor people, enhancing their capacity for self-help, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development, and nutrition. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $282,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 104. POPULATION PLANNING AND HEALTH.—In order to increase the opportunities and motivation for family planning, to reduce the rate of population growth, to prevent and combat disease, and to help provide health services for the great majority, the President is authorized to furnish assistance on such terms and conditions as he may determine, for population planning and health. There are authorized to be appropriated to the President for the purposes of this section, in addition to the funds otherwise available for such purposes, $141,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 105. EDUCATION AND HUMAN RESOURCES DEVELOPMENT.—In order to reduce illiteracy, to extend basic education and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration, and human resource development. There are authorized to be appropriated to the President for the purpose of this section, in addition to funds otherwise available for such purposes, $94,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 106. SELECTED DEVELOPMENT PROBLEMS.—The President is authorized to furnish assistance on such terms and conditions as he may determine, to help solve economic and social development problems in fields such as transportation, power, industry, urban development, and export development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $47,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 107. SELECTED COUNTRIES AND ORGANIZATIONS.—The President is authorized to furnish assistance on such terms and conditions as he may determine, in support of the general economy of recipient countries or for development programs conducted by private or international organizations. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $28,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"SEC. 108. APPLICATION OF EXISTING PROVISIONS.—Assistance under this chapter shall be furnished in accordance with the provisions of titles I, II, VI, or X of chapter 2 of this part, and nothing in this chapter shall be construed to make inapplicable the restrictions, criteria, authorities, or other provisions of this or any other Act in accordance with which assistance furnished under this chapter would otherwise have been provided.

"SEC. 109. TRANSFER OF FUNDS.—Notwithstanding section 108 of this Act, whenever the President determines it to be necessary for the purposes of this chapter, not to exceed 15 per centum of the funds made available for any provision of this chapter may be transferred to, and consolidated with, the funds made available for any other provision of this chapter, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 25 per centum of the amount of funds made available for such provision. The provisions of sections 610(a) and 614(a) of this Act shall not apply to this chapter.

"SEC. 110. COST-SHARING AND FUNDING LIMITS.—(a) No assistance shall be furnished by the United States Government to a country under sections 103–107 of this Act until the country provides assurances to the President and the President is satisfied, that such country will provide at least 25 per centum of the costs in any fiscal year of the entire program, project, or activity with respect to which such assistance is to be furnished, except that such costs borne by such country may be provided on an "in-kind" basis.

"(b) No assistance shall be disbursed by the United States Government under sections 103–107 of this Act for a project, for a period exceeding thirty-six consecutive months, with efforts being made before, during, and after such period, to obtain sources of financing within that country and from other foreign countries and multilateral organizations.

"(c) No amounts made available under sections 103–107 of this Act shall be obligated for any follow-on project which links that project with any other project without further congressional authorization.

"SEC. 111. USE OF RECEIPTS.—Not more than one-third of the receipts made available under section 203 of this Act may be used for purposes of any one of sections 103–107 of this Act in any fiscal year.

"SEC. 112. LIMITATION ON GRANTS.—Not more than 50 per centum of the aggregate of the funds appropriated each year under sections 103–107 of this Act shall be used for making grants.

"SEC. 113. DEVELOPMENT AND USE OF COOPERATIVES.—In order to strengthen the participation of the urban and rural poor in their country's development, not less than $20,000 000 of the funds made available for the purposes of this chapter shall be available during the fiscal years 1974 and 1975 only for assistance in the development of cooperatives in the less developed countries which will enable and encourage greater numbers of the poor to help themselves toward a better life.

"SEC. 114. MULTILATERAL APPROACHES TO DEVELOPMENT.—Greater efforts should be made to promote and support sound multilateral approaches to the development of foreign countries. Therefore, the Secretary of State shall undertake consultations with multilateral organizations (including the United Nations) for the purpose of determining (1) how soon and which such multilateral organizations would be able to administer foreign assistance funds transferred to them by the United States Government for programs, projects, and activities for the development of foreign countries, (2) the kinds of such programs, projects, and activities which those organizations are able and will be able to administer, (3) likely methods for the administration of those programs, projects, and activities, and (4) the expectation of increased contributions by other countries to such organizations for those programs, projects, and activities. Not later than six months after the date of enactment of this section, the Secretary shall make a report to the President and the Congress with respect to his consultations, including such recommendations as the Secretary considers appropriate.

"SEC. 115. PROHIBITING POLICE TRAINING.—No part of any appropriation made available to carry out this or any other provision of law shall be used to conduct any police training or related program for a foreign country. This section shall not apply with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation which relates to crimes of the nature which are unlawful under the laws of the United States.

"SEC. 116. PROHIBITING USE OF FUNDS FOR ABORTIONS.—None of the funds made available to carry out this part shall be used in any manner, directly or indirectly, to pay for abortions, abortifacient drugs, or devices, the promotion of the practice of abortion, or the support of research designed to develop methods of abortion. The provisions of this section shall not apply to any funds obligated prior to the date of its enactment.

"SEC. 117. INTEGRATING WOMEN INTO NATIONAL ECONOMIES.—Sections 103–107 of this Act shall be administered so as to give particular attention to those programs, projects, and activities which tend to integrate women into the national economies of foreign countries, thus improving their status and assisting the total development effort."

DEVELOPMENT LOAN FUND

SEC. 3. Section 203 of the Foreign Assistance Act of 1961 is repealed.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

SEC. 4. Section 214 of the Foreign Assistance Act of 1961 is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) To carry out the purposes of this section there are authorized to be appropriated to the President for the fiscal year 1974, $19,000,000, which amount is authorized to remain available until expended.

"(d) There are authorized to be appropriated to the President to carry out the purposes of this section, in addition to funds otherwise available for such purposes, for fiscal year 1974, $6,500,000 in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

"(e) On or before the termination of thirty days after the convening of the second regular session of the Ninety-third Congress, the Secretary of State shall submit to the Congress, for consideration in connection with Department of State authorization legislation, such recommendations as he considers desirable for assistance to schools, libraries, and hospital centers for medical education and research, outside the United States, founded or sponsored by United States citizens and serving as study and demonstration centers for ideas and practices of the United States."

HOUSING GUARANTIES

SEC. 5. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, relating to worldwide housing guarantees, strike out "$205,000,000" and insert in lieu thereof "$349.900.000".

(2) In section 223(i), relating to general provisions, strike out "June 30. 1974" and insert in lieu thereof "June 30, 1975".

ALLIANCE FOR PROGRESS

SEC. 6. Section 252(b) of the Foreign Assistance Act of 1961, relating to authorization, is amended to read as follows:

"(b) There are authorized to be appropriated to the President for each of the fiscal years 1974 and 1975, $900,000 for grants to the National Association of the Partners of the Alliance, Inc."

PROGRAMS RELATING TO POPULATION GROWTH

Sec. 7. Section 292 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "for each of the fiscal years 1972 and 1973, $125,000,000" and inserting in lieu thereof "for the fiscal year 1974, $125,000,000, and for the fiscal year 1975, $150,000,000".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Sec. 8. Section 302 of the Foreign Assistance Act of 1961, relating to authorization, is amended as follows:

(1) In subsection (a), relating to authorization, strike out "for the fiscal year 1972, $138,000,000 and for the fiscal year 1973, $138,000,000" and insert in lieu thereof "for each of the fiscal years 1974 and 1975, $127,822,000"

In subsection (b)(2), relating to Indus Basin development grants, strike out "for use in the fiscal year 1972, $15,000,000, and for use in the fiscal year 1973, $15,000,000" and insert in lieu thereof "for use in each of the fiscal years 1974 and 1975, $14,000,000".

CONTINGENCY FUND

Sec. 9. Section 451(a) of the Foreign Assistance Act of 1961 is amended to read as follows: "(a) There are authorized to be appropriated to the President for each of the fiscal years 1974 and 1975 not to exceed $23,500,000, to provide assistance authorized by this part primarily for disaster relief purposes, in accordance with the provisions applicable to the furnishing of such assistance."

INTERNATIONAL NARCOTICS CONTROL

Sec. 10. Section 482 of the Foreign Assistance Act of 1961, relating to authorization, is amended by striking out "$42,500,000 for the fiscal year 1973, which amount is" and inserting in lieu thereof "$40,000,000 for the fiscal year 1974, and $30,500,000 for the fiscal year 1975, which amounts are".

PROHIBITIONS AGAINST FURNISHING ASSISTANCE

Sec. 11. The first full paragraph of section 620(e)(1) of the Foreign Assistance Act of 1961 is amended by striking out "no other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection." and inserting in lieu thereof "the provisions of this subsection shall not be waived with respect to any country unless the President determines and certifies that such a waiver is important to the national interests of the United States. Such certification shall be reported immediately to Congress."

EMPLOYMENT OF PERSONNEL

Sec. 12. Section 625 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(k)(1) In accordance with such regulations as the President may prescribe, the following categories of personnel who serve in the agency primarily responsible for administering part I of this Act shall become participants in the Foreign Service Retirement and Disability System:

"(A) persons serving under unlimited appointments in employment subject to subsection (d)(2) of this section as Foreign Service Reserve officers and as Foreign Service staff officers and employees; and

"(B) a person serving in a position to which he was appointed by the President, whether with or without the advice and consent of the Senate, if (i) such person shall have served previously under an unlimited appointment pursuant to such subsection (d)(2) or a comparable provision of predecessor legislation to this Act, and (ii) following service specified in clause (i) of this subparagraph, such person shall have served continuously with such agency or its predecessor agencies only in positions established under the authority of sections 624(a) and 631(b) or comparable provisions of predecessor legislation to this Act.

"(2) Upon becoming a participant in the Foreign Service Retirement and Disability System, any such officer or employee shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852 of the Foreign Service Act of 1946, as amended. Thereafter, compulsory contributions will be made with respect to each such participating officer or employee in accordance with the provisions of section 811 of the Foreign Service Act of 1946, as amended.

"(3) The provisions of section 636 and title VIII of the Foreign Service Act of 1946, as amended, shall apply to participation in the Foreign Service Retirement and Disability System by any such officer or employee.

"(4) If an officer who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection is appointed by the President, by and with the advice and consent of the Senate, or by the President alone, to a position in any agency of the United States Government, any United States delegation or mission to any international organization, in any international commission, or in any international body, such officer shall not, by virtue of the acceptance of such an appointment, lose his status as a participant in the system.

"(5) Any such officer or employee who becomes a participant in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection shall be mandatorily retired (A) at the end of the month in which he reaches age seventy, or (B) earlier if, during the third year after the effective date of this subsection, he attains age sixty-four or if he is over age sixty-four; during the fourth year at age sixty-three; during the fifth year at age sixty-two; during the sixth year at age sixty-one; and thereafter at the end of the month in which he reaches age sixty. However, no participant shall be mandatorily retired under this paragraph while serving in a position to which appointed by the President, by and with the advice and consent of the Senate. Any participant who completes a period of authorized service after reaching the mandatory retirement age specified in this paragraph shall be retired at the end of the month in which such service is completed.

"(6) Whenever the President deems it to be in the public interest, he may extend any participant's service for a period not to exceed five years after the mandatory retirement date of such officer or employee.

"(7) This subsection shall become effective on the first day of the first month which begins more than one year after the date of its enactment, except that any officer or employee who, before such effective date, meets the requirements for participation in the Foreign Service Retirement and Disability System under paragraph (1) of this subsection may elect to become a participant before the effective date of this subsection. Such officer or employee shall become a participant on the first day of the second month following the date of his application for earlier participation. Any officer or employee who becomes a participant in the system under the provisions of paragraph (1) of this subsection, who is age fifty-seven or over on the effective date of this subsection may retire voluntarily at any time before mandatory retirement under paragraph (5) of this subsection and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended.

"(8) Any officer or employee who is separated for cause while a participant in the Foreign Service Retirement and Disability System pursuant to this subsection, shall be entitled to benefits in accordance with section 637 (b) and (d) of the Foreign Service Act of 1946, as amended. The provisions of subsection (e) of this section shall apply to participants in lieu of the provisions of sections 633 and 634 of the Foreign Service Act of 1946, as amended."

ADMINISTRATIVE EXPENSES

Sec. 13. Section 637(a) of the Foreign Assistance Act of 1961, relating to authorizations, is amended by striking out "for the fiscal year 1972, $50,000,000 and for the fiscal year 1973, $50,000,000" and inserting in lieu thereof "for each of the fiscal years 1974 and 1975, $24,000,000".

PEACE CORPS ASSISTANCE

Sec. 14. Section 638 of the Foreign Assistance Act of 1961 is amended by striking out "Peace Corps Assistance" and inserting in lieu thereof "Exclusions".

COORDINATION

Sec. 15. Chapter 2 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 640B. Coordination.—(a) The President shall establish a system for coordination of United States policies and programs which affect United States interests in the development of low-income countries. To that end, the President shall establish a Development Coordination Committee which shall advise him and the Congress with respect to coordination of United States policies and programs affecting the development of the developing countries, including programs of bilateral and multilateral development assistance. The Committee shall include the head of the agency primarily responsible for administering part I of this Act, who shall be the Chairman; the Under Secretary for Economic Affairs, Department of State; the Assistant Secretary for International Organization Affairs, Department of State; the Assistant Secretary for International Affairs, Department of the Treasury; the Assistant Secretary for International Affairs and Commodity Programs, Department of Agriculture; the Assistant Secretary for Domestic and International Business, Department of Commerce; the Deputy Under Secretary for International Affairs, Department of Labor; the President, Export-Import Bank of the United States; the President, Overseas Private Investment Corporation; the Special Representative for Trade Negotiations, Executive Office of the President; and the Executive Director, Council on International Economic Policy.

"(b) The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the direction of the Chief of the United States Diplomatic Mission, and the President shall keep the Congress advised of his actions under this subsection.

"(c) Programs authorized by this Act shall be undertaken with the foreign policy guidance of the Secretary of State.

"(d) The Chairman of the Development Coordination Committee shall report annually to the President and the Congress, and at such other times as requested by the Congress or any appropriate committee thereof, on United States actions affecting the development of the low-income countries."

LIMITING ASSISTANCE TO PORTUGAL

Sec. 16. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 659. Limitation on Assistance to Portugal.—(a) The Congress declares that it is the policy of the United States that no military or economic assistance furnished by the United States, nor any items of equipment sold by or exported from the United States, shall be used to maintain the present status of the African territories of Portugal.

"(b) (1) The President of the United States shall, as soon as practicable following the date of the enactment of this section, make a determination and report to Congress with respect to the use by Portugal in support of its military activities in its African territories of—

"(A) assistance furnished under the Foreign Assistance Act of 1961, as amended, after the date of the enactment of this section;

"(B) defense articles or services furnished after such date under the Foreign Military Sales Act, as amended;

"(C) agricultural commodities or local currencies furnished after such date under the Agricultural Trade Development and Assistance Act of 1954, as amended, or any other Act; or

"(D) items that have a military application for which validated export licenses are granted after such date for export to Portugal or its territories.

"(2) The President shall include a report similar to that specified in paragraph (1) of this subsection in each year at the time of submitting the budget request for foreign assistance. Such report shall also specify the steps being taken to implement the policy contained in this section.

"(c) All assistance, sales, and licenses referred to in subsection (b) of this section shall be suspended upon the submission to Congress of a report by the President containing his determination that any such assistance, or item so furnished or exported, after such date, has been used in support of Portugal's military activities in its African territories. Such suspension shall continue until such time as the President submits a report to Congress containing his determination that appropriate corrective action has been taken by the Government of Portugal. The authority contained in section 614 of this Act shall not apply to programs terminated by reason of this section."

POSTWAR RELIEF AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

Sec. 17. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"PART V—POSTWAR RELIEF REHABILITATION, AND RECONSTRUCTION IN SOUTH VIETNAM, CAMBODIA, AND LAOS

"Sec. 801. General Authority.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance for the relief, rehabilitation, and reconstruction of South Vietnam, Cambodia, and Laos, especially humanitarian assistance for refugees, civilian war casualties, war orphans, and other persons disadvantaged by hostilities or conditions relating to those hostilities, and reconstruction assistance for the rebuilding of civilian facilities damaged or destroyed by those hostilities in South Vietnam, Cambodia, and Laos. Assistance for such purposes shall be distributed wherever practicable under the auspices of and by the United Nations, other international organizations, multilateral institutions, and private voluntary agencies.

"Sec. 802. Authorization.—(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $376,000,000, which amount is authorized to remain available until expended.

"(b) Of the funds appropriated pursuant to subsection (a) of this section for the fiscal year 1974, not less than $10,000,000 shall be available until expended to support humanitarian programs of the Indochina Operations Group of the International Red Cross in South Vietnam, Cambodia, and Laos.

"Sec. 803. Assistance to South Vietnamese Children.—(a) It is the sense of Congress that inadequate provision has been made (1) for the establishment, expansion, and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs, which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children, who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights.

"(b) The President is therefore authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in subsection (a) of this section. Of the funds appropriated pursuant to section 802 of this Act for the fiscal year 1974, $7,500,000 shall be available until expended solely to carry out the purposes described in such subsection (a). Not more than 10 per centum of the funds made available to carry out such subsection (a) may be expended for the purposes referred to in clause (2) of such subsection. Assistance to carry out the purposes referred to in such subsection (a) shall be furnished to the maximum extent practicable under the auspices of and by international agencies or United States or South Vietnamese voluntary agencies.

"Sec. 804. Center for Plastic and Reconstructive Surgery in Saigon.—Of the funds appropriated pursuant to section 802 for the fiscal year 1974, not less than $712,000 shall be available solely for furnishing assistance to the Center for Plastic and Reconstruction Surgery in Saigon.

"Sec. 805. Construction With Other Laws.—All references to part I of this Act, whether heretofore or hereafter enacted, shall be deemed to be references also to this part unless otherwise specifically provided. The authorities available to administer part I of this Act shall be available to administer programs authorized in this part. The provisions of section 655(c) of this Act shall not apply with respect to funds made available for fiscal year 1974 under part I, this part, and section 637 of this Act."

TERMINATION OF INDOCHINA WAR

Sec. 18. No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia.

LIMITATION ON USE OF FUNDS

Sec. 19. No funds authorized or appropriated under any provision of law shall be made available for the purpose of financing directly or indirectly any military or paramilitary operations by foreign forces in Laos, Cambodia, North Vietnam, South Vietnam, or Thailand unless (1) such operations are conducted by the forces of the government receiving such funds within the borders of that country, or (2) specifically authorized by law enacted after the date of enactment of this Act.

WEST AFRICAN FAMINES

Sec. 20. In regard to the famine in West Africa, the President shall consult with international relief organizations and other experts to find the best way to forestall future famine conditions in West Africa, and he shall report to Congress as soon as possible on solutions to this problem of famine and further propose how any of these solutions may be carried out by multilateral organizations.

POLITICAL PRISONERS

Sec. 21. It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

TERMINATION OF ASSISTANCE IN INDOCHINA

Sec. 22. (a) It is the sense of the Congress that the Agreements on Ending the War and Restoring Peace in Vietnam, and protocols thereto, signed in Paris, France, on January 27, 1973, will be effective only to the extent that the parties to such agreements and protocols carry out the letter as well as the spirit of those agreements and protocols. It is further the sense of Congress that the United States should not furnish economic or military assistance to any such party, or make any sale, credit sale, or guaranty to or on behalf of any such party, unless that party agrees to comply, and does comply, with those agreements and protocols.

(b) This section shall not apply to the provision of food and other humanitarian assistance which is administered and distributed, under international auspices or by United States voluntary agencies, directly to persons and not through any government.

ACCESS TO INFORMATION

Sec. 23. Subsection 634(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394(c)) is amended—

(1) by striking out "(1)"; and

(2) by striking out all after the phrase "so requested" and inserting in lieu thereof a period and the following: "The provisions of this subsection shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Government or to any communication that is directed by any such officer or employee to the President."

ENTRY OF SOVIET JEWS INTO AUSTRIA

Sec. 24. (a) The Senate finds that the Austrian Government's decision to close the main, if not the only, transit facility for Soviet Jews jeopardizes the fate of Soviet refugees.

(b) It is, therefore, the sense of the Senate that the President should take immediate and determined steps to—

(1) impress upon the Austrian Government the grave concern of the American people;

(2) urge the Austrian Government to revive and continue to permit group travel by Soviet Union emigrants through Austria on their way to freedom and new lives; and

(3) urge all governments to take whatever actions are necessary to permit and facilitate the travel of refugees.

ALBERT SCHWEITZER HOSPITAL

Sec. 25. There is authorized to be appropriated to the President for fiscal year 1974 $1,000,000 to make grants, on such terms and conditions as he may specify, to the Albert Schweitzer Hospital in Gabon.

WORLD FOOD SHORTAGES

Sec. 26. (a) It is the sense of the Congress that the United States should provide full participation in efforts to alleviate current and future food shortages which threaten the world.

(b) The President shall take immediate steps to initiate a high level commission to study and report on the world food situation through 1985 in consultation with relevant international agencies where possible and appropriate. The report should include estimates of world production and utilization barriers to increase world productivity, the adequacy of transportation and distribution facilities, the known or anticipated world availability of agricultural inputs such as fertilizer, the impact of energy shortage on agricultural production, future sources of protein including sources from the seas, projections of humanitarian food assistance requirements, and the role of national trade policies in facilitating and encouraging the productive capacities of world agriculture.

(c) To provide a minimum level of security for the peoples of the world from suffering hunger and malnutrition the President shall cooperate with the appropriate international agencies such as the Food and Agricultural Organization of the United Nations to establish an international system of strategic food reserves. Such a system of world food reserves should provide for an equitable distribution of the direct and indirect costs between producer and consumer nations.

(d) To bring appropriate attention to the current and potential threat to world security and social welfare the President shall instruct the Special Representative for Trade Negotiations to issue a formal request before the member nations of the General Agreement on Tariffs and Trade to explore means for assuring equitable access by all nations of the world to national markets and basic resources such as mineral and agricultural supplies.

(e) The President shall submit a report to the Congress no later than December 31, 1973, concerning the progress made in implementing the provisions of this section and should forward to the Congress by June 30, 1974, any recommendations he deems advisable for legislation required for United States participation in an international food reserve.

(f) To provide the Secretary of Agriculture the flexibility with which to respond to such emergencies Public Law 480 is amended as follows: The last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking the period and inserting a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act.".

(g) In making any assessment which would affect or relate to the level of domestic production the Secretary of Agriculture should include in his estimated overall utilization the expected demands for humanitarian food assistance through such programs as Public Law 480.

ASIAN DEVELOPMENT BANK

SEC. 27. Section 17 of the Asian Development Bank Act (Public Law 92–245, March 10, 1972) is hereby amended by striking out "$60,000,000 for fiscal year 1972, and $40,000,000 for fiscal year 1973", and inserting in lieu thereof "$100,000,000".

GOVERNMENT OF INDIA LOAN SETTLEMENT

SEC. 28. The United States Government may not agree to any settlement with the Government of India with respect to sums owed by that Government to the United States Government on sales and loans made pursuant to law, unless—

(1) that settlement provides for the Government of India paying all of such sums owed; or

(2) Congress, by law, specifically authorizes settlement in an amount which is less than all of such sums owed.

PRISONERS OF WAR AND INDIVIDUALS MISSING IN ACTION

SEC. 29. (a) The Congress declares that—

(1) the families of those thirteen hundred individuals missing in action during the Indochina conflict have suffered extraordinary torment in ascertaining the full and complete information about their loved ones who are formally classified as missing in action;

(2) United States involvement in the Indochina conflict has come to a negotiated end with the signing of the Vietnam Agreement in Paris on January 27, 1973, and section 37 of the Second Supplemental Appropriations Act, 1973, requires that "None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam or off the shores of Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated under any other Act may be expended for such purpose.";

(3) the question of the return of prisoners of war and accounting for individuals missing in action and dead in Laos is covered by article 18 of the Protocol signed by representatives of the Lao Patriotic Front (Pathet Lao) and the Royal Laotian Government in Vientiane on September 14, 1973 (which implements article 5 of the Agreement signed by the Pathet Lao and that government in Vientiane on February 21, 1973, requiring the release of all prisoners "regardless of nationality" captured and held in Laos), and paragraph C of such article 18 provides that, within "15 to 30 days" from the date of the signing of the Protocol, each side is to report the number of those prisoners and individuals still held, with an indication of their nationality and status, together with a list of names and any who dies in captivity; and

(4) few of the United States men lost in Laos during the military engagements in Indochina have been returned, and with knowledge about many of these men has yet been fully disclosed, and the North Vietnam ceasefire provisions calling for inspection of crash and grave sites and for other forms of cooperation have not been fully complied with.

(b) It is, therefore, the sense of the Congress that—

(1) the provisions for the release of prisoners and an accounting of individuals missing and dead, as provided for in article 18 of the Protocol signed on September 14, 1973, by the Pathet Lao and the Royal Laotian Government, be adhered to in spirit and in deed; and

(2) the faithful compliance with the spirit of the Laotian Agreement and Protocol on the question of individuals missing in action will encourage all parties in Indochina to cooperate in providing complete information on all nationals of any nation who may be captured or missing at any place in Indochina.

INTERNATIONAL NARCOTICS CONTROL

SEC. 30. Chapter 8 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291), relating to international narcotics control, is amended—

(1) by inserting in section 481 "(a)" immediately after "INTERNATIONAL NARCOTICS CONTROL.—";

(2) by inserting in section 481 "(b)" immediately after the first sentence and before the beginning of the second sentence which reads, "In order to promote";

(3) by striking out of section 481 the fourth sentence to the end which begins with "The President shall suspend" and inserting in lieu thereof:

"(c) The President (or his delegate) shall cause to be suspended all foreign assistance, tangible or intangible, including but not limited to gifts, loans, credit sales, or guarantees to each country, except as provided in subsection (b) of this section, when such aid is rejected by the Congress in accordance with subsection (b) of section 482 of this Act";

(4) by striking "SEC. 482.", and inserting in lieu thereof "SEC. 483."; and

(5) by inserting the following:

"SEC. 482. (a) The President shall make an affirmative finding that a country is taking adequate steps, as set forth in subsection (c) of this section, to control the production, distribution, transportation, and manufacture of opium and its derivatives within ninety days of the enactment of this section and each year thereafter, which finding shall be submitted to the Congress the first day of June of each year.

"(b) Within ninety days following the submission of such affirmative findings, the Congress may adopt a concurrent resolution rejecting such findings as to any or all countries, whereupon the President shall immediately suspend all foreign assistance to such country in accordance with section 481 of this chapter.

"(c) The Secretary of State, after coordination and consultation with all other departments or agencies involved with the control of the production, distribution, transportation, and manufacture of opium and its derivatives, shall set forth those measures which constitute a good faith effort to control illicit opium and its derivatives. Such measures may reflect the individuality of a country, but shall include the following:

"(1) the enactment of criminal laws controlling the production, distribution, transportation, and manufacture of opium and its derivatives;

"(2) the establishment of a viable agency to enforce criminal laws controlling the production, distribution, transportation, and manufacture of opium and its derivatives;

"(3) the vigorus enforcement of criminal laws controlling the production, distribution, transportation, and manufacture of opium and its derivatives;

"(4) the full cooperation of such country with all United States departments or agencies involved in the interdiction of the supply of illicit opium, and its derivatives, into the United States;

"(5) the establishment of border procedures for the interdiction of opium and its derivatives, out of or into such country;

"(6) the destruction of all illicit opium and its derivatives after its evidentiary use has expired; and

"(7) the establishment of detailed procedures for the control of all legal production, transportation, distribution, or manufacture of opium and its derivatives.".

RIGHTS IN CHILE

SEC. 31. It is the sense of the Congress that (1) the President should deny Chile any economic or military assistance, other than humanitarian assistance, until he finds that the Government of Chile is protecting the human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, the Convention and Protocol Relating the Status of Refugees, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and the humane treatment or release of prisoners; (2) the President should support international humanitarian initiatives by the United Nations High Commissioner for Refugees and the International Committee of the Red Cross to insure the protection and safe conduct and resettlement of political refugees, the humane treatment of political prisoners, and the full inspection of detention facilities under international auspices; (3) the President shoud be prepared to provide asylum and resettlement opportunities under appropriate provisions of the Immigration and Nationality Act to a reasonable number of political refugees; (4) the President should support and facilitate efforts by voluntary agencies to meet emergency relief needs; and (5) the President should request of the Inter-American Commission on Human Rights to undertake an immediate inquiry into recent events occurring in Chile.

BUREAU OF HUMANITARIAN AND SOCIAL SERVICES

SEC. 32. It is the sense of Congress that the President should establish within the Department of State a Bureau of Humanitarian and Social Services to be headed by an Assistant Secretary of State who is appointed by the President by and with the advice and consent of the Senate. The Bureau of Humanitarian and Social Services should provide continuing guidance and coordination to policies, activities, and programs within the executive branch relating to humanitarian assistance for refugees and victims of natural disasters, migration and visa affairs, international human rights, liaison with the United Nations and other appropriate international agencies or nongovernmental organizations, and such other humanitarian and social affairs as the Secretary of State may prescribe.

HUMANITARIAN ASSISTANCE IN SOUTH ASIA

SEC. 33. The President is authorized to furnish humanitarian assistance, on such terms and conditions as he may determine, to the United Nations High Commissioner for Refugees (UNHCR) in support of the repatriation and exchange of minority populations between Pakistan and Bangladesh. There is authorized to be used by the President for the purpose of this section, $6,000,000 for the fiscal year 1974, out of funds authorized and appropriated to carry out this Act.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PASTORE and Mr. JAVITS moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the enrolling clerk of the Senate be authorized to make necessary technical and clerical corrections in S. 2335, and that the bill be printed as passed.

The PRESIDING OFFICER. Without objection, the Secretary of the Senate is so ordered.

PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise to ask the distinguished majority leader, first, if there will be any more votes today; second, what is the program for tomorrow and thereafter?

The PRESIDING OFFICER (Mr. ABOUREZK). Will the Senator suspend until we have order in the Senate? The Chair will ask Senators who are conversing in the aisles to remove themselves from the Chamber.

The Senate will be in order.

Those Senators conversing will remove themselves from the Chamber so that the Senator can be heard.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished Republican leader, the first order of business tomorrow, after the speeches under special orders have been disposed of and the leadership recognized, will be House Joint Resolution 727, a joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes.

Following that, if there is time—and it is the intention—to proceed to the consideration of S. 2365, the amateur athletic bill, so-called, by the distinguished Senator from California (Mr. TUNNEY).

Regardless of the outcome of that bill, if it is finished, the Senate will turn to the consideration of the Labor-Health, Education, and Welfare appropriation bill on Thursday, and that will probably take up Thursday and Friday.

There will be no Saturday session.

As soon as the Labor-HEW appropriation bill is disposed of, the Senate will then turn to the consideration of Calendar No. 378, S. 425, a bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations and the acquisition and reclamation of abandoned mines, and for other purposes.

There will be no further votes tonight.

Mr. HUGH SCOTT. I understand the so-called strip mining bill will come up either Tuesday or Monday?

Mr. MANSFIELD. If we have not finished the HEW appropriation bill on Friday, that will be taken up on Monday. If we finsh that bill, then we will start on the strip mining bill, which is of overriding importance. So we will be here through Friday of this week, not Saturday. We will be in all next week, at least Monday through Friday.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. COTTON. As one of the Senators in charge of the appropriation bill on HEW, I want to have the RECORD show that I believe it would be most unfortunate if we voted on the heavier amendments or final passage on Friday afternoon. Therefore, in order to protect myself on this matter, I would like to request that there be no unanimous-consent request limiting time until Monday morning.

Mr. MANSFIELD. The Senator's advice will be taken to heart. I notice he stressed the heavy amendments. If there are other amendments, which would not fall into that category in the opinion of the joint leadership and the managers of the bill, I am sure the Senator would not object.

Mr. COTTON. In order to make my meaning entirely clear to the majority leader, it is the hope, I think, on both sides of the committee, that we can be as liberal with this HEW bill as possible without running the risk of a veto that might be sustained.

Mr. MANSFIELD. I appreciate that.

Mr. COTTON. In view of that fact, we feel that we are more or less walking a tight rope, because there are many Senators who have an interest in the bill and in fine projects. The committee has been as liberal as it could with those projects, but I understand there are still 100 amendments which might be offered, all of them increasing the bill.

When I said heavy amendments, I meant amendments that would carry large sums that might load the bill up to the point where a veto might be sustained.

I am hopeful we will not have to grapple with them on Friday afternoon. There is bound to be some absenteeism. I know somebody who will not be present on this side. I think it would not present great difficulty, because usually Senators with very important amendments that carry large sums and have a good deal of policymaking in them prefer to hold them until they get full Senate attendance.

However, I would expect that minor amendments which do not greatly affect the bill could be voted on.

I just hope there will not be a limitation of time until Monday morning. I am not adamant; I am just expressing a hope.

Mr. MANSFIELD. The Senator is most gracious. I want to assure him that what he has said is something that should be taken to heart, because the more that is piled on the bill, the more certain the veto will be. And whether or not the veto will be upheld is very uncertain because of the unhappy situation in the past.

As far as the majority leader is concerned, I will, as always, work in close accord with the distinguished Republican leader and with the ranking Republican member of the Committee on Appropriations for Labor and HEW to see that insofar as possible what he has to say will be kept in mind.

Mr. HUGH SCOTT. Mr. President, this is a vessel on which the term is already somewhat doubtful as to stability. It is pretty well loaded up already. And if they overload this with ballast which it cannot manage, it is very likely to strike a reef. And the history of these vessels that strike a reef is that they sink and we have to build another vessel.

I am also reminded that Monday is Columbus Day.

Mr. MANSFIELD. Mr. President, that makes no difference. We met on last Columbus Day.

Mr. HUGH SCOTT. We do not want the vessel to sink.

Mr. MANSFIELD. That can be taken in two ways. The Senator is on notice.

Mr. COTTON. Mr. President, I was not authorized to make the request by my chairman. However, I would like to say that the Senator from Washington (Mr. MAGNUSON), the chairman of the committee, and the Senator from New Hampshire, the ranking minority member of the committee, all through the years have regarded themselves as coworkers on this bill rather than adversaries. The chairman of the committee has taken the lead in trying to balance this bill so that we can get a bill and be able to pass it and be able to hold it.

To that extent, it would be unfortunate to have something decided and voted on Friday afternoon. However, as for Monday, that would be all right.

Mr. MANSFIELD. I am certain that the close relationship and partnership between the ranking minority member of the committee and the chairman of the committee handling this legislation that will be before the Senate on Thursday will continue and that there will be close cooperation for the rest of this week and into next week.

Mr. HUMPHREY. Mr. President, before we leave this day, I want to express my thanks to the staff of the Senate Foreign Relations Committee, particularly to Mr. Norville Jones, who was of great help on this bill. Also I express my appreciation to the distinguished dean of the Senate, the Senator from Vermont (Mr. AIKEN), for his work in behalf of this legislation, for his cosponsorship of the bill which is very valuable, and for his very wonderful contributions here in the floor debate. I also express my appreciation to the others who have participated so effectively in helping us.

I also thank our colleagues for their willingness to accommodate themselves to the restraints of time. We proceeded rapidly. I think that we must have disposed of 20 or 25 amendments today. And I think we have been able to do a creditable job.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Minnesota for the splendid job he has performed in managing this very difficult bill. I also express appreciation to him for his cooperation with the leadership in arranging time agreements on the bill and amendments thereto.

I commend him and also commend the distinguished Senator from Vermont (Mr. Aiken), the ranking minority member of the committee, for their expeditious handling of the bill.

They have done a truly remarkable piece of work. I was remarking to the Senator from Louisiana (Mr. Long) a moment ago that this is the first time in recent years I can recall that the foreign assistance bill went through the Senate in a few days. Both Senators should be commended highly.

Mr. HUMPHREY. Mr. President, I thank the Senator from West Virginia and I thank him for his invaluable assistance in making this program of many amendments go along so smoothly. It is very commendable.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator from Minnesota.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bill and joint resolution of the Senate:

S. 1914. To provide for the establishment of the Board of International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes; and

S.J. Res. 160. To provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5777) to require the reproductions and imitations of coins and political items be marked as copies or with the date of manufacture.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6691) making appropriations for the legislative branch for the fiscal year ending June 30, 1974, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Casey of Texas, Mr. Evans of Colorado, Mr. Giaimo, Mrs. Green of Oregon, Mr. Flynt, Mr. Roybal, Mr. Stokes, Mr. Mahon, Mr. Wyman, Mr. Cederberg, Mr. Rhodes, and Mr. Ruth were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active-duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Hébert, Mr. Price of Illinois, Mr. Fisher, Mr. Bennett, Mr. Stratton, Mr. Bray, Mr. Arends, Mr. Bob Wilson, and Mr. Gubser were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Steed, Mr. Addabbo, Mr. Roybal, Mr. Stokes, Mr. Bevill, Mr. Shipley, Mr. Slack, Mr. Mahon, Mr. Robison of New York, Mr. Edwards of Alabama, Mr. Myers, Mr. Miller, and Mr. Cederberg were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled joint resolutions:

S.J. Res. 160. Joint resolution to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes; and

H.J. Res. 719. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes.

The enrolled joint resolutions were subsequently signed by the President pro tempore.

ORDER FOR ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW TO 10 A.M. THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until the hour of 10 a.m. on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMATEUR ATHLETIC ACT OF 1973

AMENDMENT NO. 585

Mr. DOLE. Mr. President, I am today submitting and ask to have printed a substitute amendment to the Amateur Athletic Act of 1973. The amendment directs its attention to the same basic problems addressed in the committee bill, however, my amendment makes every effort to keep Federal involvement in the area of amateur athletics at a bare minimum.

The amendment would establish a U.S. Amateur Sports Association Board which would have the authority to charter applicant corporations designating them as the U.S. sports association for a particular sport with authority regarding U.S. participation in international competition for that sport. The authority of the Board, however, would be limited to this function alone. Matters involving domestic competition would remain outside the authority of the Board. In addition, the bill specifically provides that Board shall cease to exist December 31, 1978, since it felt that by this time the restructure of the National Sports Association, which the bill is intended to promote, will have been accomplished.

The second portion of the amendment would establish a National Commission on the Olympic Games to review the participation of the United States in the Olympic games and recommend the form of organizations by means of which the United States should participate in the Olympic movement. The Commission is required to report within 180 days on its findings and would then expire within 30 days after that time.

The third portion of the amendment would establish an Amateur Athletic Information Center within the Department of Health, Education, and Welfare which, in conjunction with the President's Council on Physical Fitness and Sports, would be required to locate, collect, review, organize, and disseminate information and data related to amateur athletics. The Center would serve as a focal point for collecting and locating information on issues of interest to amateur athletics and could serve an initial source that someone might contact in order to tap the wealth of information that has been developed in this area.

The amendment also contains an athlete's bill of rights provision which has previously been developed. This provision insures that no sports association or other amateur sport group or operator shall deny or threaten any amateur athlete the opportunity to compete in amateur athletic events conducted by a U.S. sports association. This right can be enforced by an athlete or by his association by bringing an action in the U.S. district court.

I feel these basic provisions will help the problems which have developed because one organization has gained excessive influence over the affairs of the U.S. Olympic Committee. In addition, the bill of rights provision will prevent the disputes between national associations and have prevented them from serving the best interests of their athletic members. And finally, I feel this is accomplished with a minimal amount of Federal machinery and involvement and is accomplished in such a way that the Federal apparatus created by the bill will disappear once it has served its purpose.

Mr. President, I ask unanimous consent that the amendment be printed, and that it be printed in the RECORD as a part of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE's amendment is as follows:

AMENDMENT No. 585

Strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Amateur Athletic Act of 1973".

FINDINGS

SEC. 2. The Congress finds that—

(a) it is necessary and desirable for the United States to maintain a rigorous amateur athletic program that will field the best possible teams, with the assistance of the most competent administration and coaching available, in Olympic Games and other international competition in which the United States is represented and which will achieve broad participation by amateur athletes in Olympic games and other international competition;

(b) it is necessary and desirable that the United States be effectively represented in international federations governing amateur athletic competitions by organizations which represent the athletes and organizations in the United States conducting active national programs in the sports concerned;

(c) it is appropriate to ensure that participation on amateur athletic teams representing the United States in international competition is not restricted by sports groups and operators through agreements, practices and procedures not reasonably necessary to promote the physical, moral and educational welfare of amateur athletes;

(d) the Act of Congress by which the United States Olympic Committee was created as a federally chartered corporation expressly reserves to the Congress the right to alter or amend the Charter; and

(e) an evaluation is required of the form of organization and means by which the United States can participate most effectively in the Olympic games and provide leadership in accomplishing action to assure that future games will be organized and conducted in a manner which will contribute to the achievement of the high ideals of the games and promote international friendship and good will through athletic competition between individuals.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(a) "amateur athlete" means a person who participates in athletics for physical, mental, social, or educational benefits he derives therefrom, to whom athletics is an avocation, and who has not accepted compensation or the promise of compensation for such participation. The term "compensation" shall not include scholarships or grants in aid consistent with the rules of any secondary school, or college or other institution of higher learning, or the payment or reimbursement of actual expenses of an amateur athlete;

(b) "athletics" means physical sports following prescribed rules in which amateur athletes participate;

(c) "Board" means the United States Amateur Sports Association Board;

(d) "coach" means a person who teaches, trains, or supervises amateur athletes or athletics, whether or not he receives remuneration therefor;

(e) "commerce" means commerce, transportation, transmission, or communication between any place in any State and any place outside thereof, or between places in the same State through any place outside thereof, or wholly within the District of Columbia;

(f) "institution" means any secondary school, college, or other institution of higher learning, club, or similar body, which organizes or supervises amateur athletes or employs coaches;

(g) "international competition" means the Olympic games, the pan-American games, and other amateur competition in which individuals or teams, officially representing the United States, compete with or against individuals or teams officially representing any foreign nation or political subdivisions thereof;

(h) "operator" means a person, organization, association, federation, or other private entity, whether or not incorporated, which conducts, sponsors, or promotes any amateur athletic contest, meet, or tournament, whether or not such entity receives remuneration therefor, but such term does not include any State or political subdivision of any State, or any institution specified in subsection (f);

(i) "sport group" means a private organization, association, or federation, whether or not incorporated, whose members or affiliates are amateur athletes, coaches, institutions, or operators, and the primary purpose of which is to approve or sanction, or supervise under established rules, the conduct of amateur athletic contests, meets, or tournaments;

(j) "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and America Samoa; and

(k) "United States Sports Association" means a corporation not for profit which holds a charter granted under section 102 by the Board.

TITLE I—UNITED STATES AMATEUR SPORTS ASSOCIATION BOARD

ESTABLISHMENT OF BOARD

SEC. 101. (a) There is established in the executive branch of the Government an independent agency to be known as the United States Amateur Sports Association Board. The Board shall consist of five members, selected for their demonstrated excellence, ability, knowledge, and experience in the field of amateur sports, who shall be appointed by the President, by and with the advice and consent of the Senate. Not more than three members shall be affiliated with the same political party. One member shall be an amateur athlete who has, within the preceding fifteen years, engaged in international amateur athletic competition sanctioned by the appropriate organization. No member shall have been, nor serve during his term of office as, an officer or employee of the United States Olympic Committe or any national or international athletic sports-governing body. No individual shall be eligible for appointment who has previously served as a member of the Board. A member may be removed from office by the President for neglect of duty or malfeasance in office, but for no other cause.

(b) (1) Each member shall be appointed for a term of three years, except that—

(A) of the members first appointed, two shall be appointed for terms ending one year after the date of enactment of this Act, two shall be appointed for terms ending two years after such date, and one shall be appointed for a term ending three years after such date;

(B) no member appointed to serve for the remainder of the unexpired term of his predecessor shall serve under such appointment beyond the end of such unexpired term (except as provided in subparagraph (C)); and

(C) a member shall continue to serve after the expiration of his term until his successor has been appointed and qualified, but such post term service shall not be for a period greater than ninety days.

(2) The Board shall elect a Chairman and a Vice Chairman from among its members for a concurrent term of one year. No member who serves as Chairman may succeed himself as Chairman. The Vice Chairman shall act as Chairman whenever the Chairman is absent or disabled from performing his duties as a member.

(3) Three members of the Board constitute a quorum for the conduct of business.

(4) The Board shall have a seal which shall be judicially recognized.

(c) The Board shall first meet within thirty days after the date on which the fifth member is appointed and thereafter shall meet on call of the Chairman or upon written demand of not less than three members, but not less frequently than once each year.

(d) With the consent of at least three other members, the Chairman may appoint an Executive Director and such additional employees as the Board determines are necessary to carry out its duties. The Executive Director shall serve at the pleasure of the Board and shall be compensated at a rate to be determined by the Board, but not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code. The Board shall maintain an office in Washington, District of Columbia.

(e) Members of the Board shall be compensated at the maximum daily rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) spent in the active performance of their duties under this Act, and shall receive reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(f) The Board shall cease to exist as at the close of December 31, 1978

FUNCTION OF THE BOARD

SEC. 102. (a) Upon application made by any corporation meeting the requirements of section 103, including any requirements imposed by the Board through regulations, the Board may issue a charter to that corporation designating it a United States Sports Association with authority regarding United States participation in international competition for that sport or sports.

(b) In carrying out its function under subsection (a), the Board is authorized—

(1) to promulgate rules and regulations governing applications for charters, the terms and conditions under which it will issue, amend, suspend, or revoke a charter, operation under a charter, and such other matters as may be necessary, and

(2) to take whatever other action may be necessary in order to insure compliance with the terms of charters granted by it and in order to further amateur athletic competition by United States citizens in international competition having due regard for international amateur sports rules.

Actions of the Board pursuant to this subsection shall be consistent with the requirements of the Administrative Procedure Act (5 U.S.C., ch. 5).

(c)(1) Prior to granting any charter the Board shall hold a hearing thereon pursuant to section 554 of title 5, United States Code. The burden shall be on the applicant sports association to establish to the satisfaction of the Board that it is fairly representative of the athletes and of sports groups and institutions conducting national programs involving regularly scheduled practice and competition throughout the usual competitive season in the sport concerned and that it is otherwise capable of carrying out the duties of a United States Sports Association. The applicant sports association shall be requested to provide evidence that it is qualified to receive recognition by the appropriate international sports association as the United States organization responsible for certifying the amateur status of United States athletes and approving United States teams for international competition in its sport. The appropriate international sports association shall be requested by the Board to submit its views regarding the qualifications of the applicant association, but the failure of an international sports association to recognize or state it will recognize the applicant association shall not be the cause for withholding a charter.

(2) The Board may at any time on its own motion or on the application of an interested party review all matters related to the activities of an association and shall take such action as it deems appropriate including, but not limited to, placing conditions upon the continuation of the association's charter or withdrawing the charter.

(3) Section 3(3) of the Act of September 21, 1950 (64 Stat. 900, 36 U.S.C. 373(3)), is amended by inserting the following language at the end thereof: "*Provided, however,* That nothing contained in this Act shall limit the jurisdiction of the United States Amateur Sports Association Board or of any United States Sports Association chartered by the said board;".

UNITED STATES SPORTS ASSOCIATION

SEC. 103. (a) In order to be eligible to receive a charter under section 102 as a United States Sports Association, a group of not less than three individuals shall, in accordance with regulations promulgated by the Board—

(1) incorporate under the laws of any State or the District of Columbia as a corporation not for profit for the purpose of furthering amateur athletic competition within the United States and by United States citizens or residents in international competition with respect to a single sport,

(2) submit an application to the Board setting forth a request for a charter, a copy of the corporate charter and bylaws, the names, addresses, and occupations of all incorporators, shareholders, or members and other persons having any financial interest in the corporation together with details of such person's affiliation with any sports group, the sport in which it seeks to further competition, and such additional information as the Board may request,

(3) demonstrate to the satisfaction of the Board that—

(A) its board of directors, executive committee, or other governing body will at all times include among its voting members not less than two individuals who are actively engaged in amateur athletic competition in the United States as competitors in the sport of the association, and that the voting power held by such individuals is not less than 20 per centum of the total voting power held in that board, committee, or other body.

(B) it will at all times, to the extent consistent with rules and regulations promulgated by the Board, operate under procedures reasonably calculated to inform amateur athletes under its jurisdiction of policy matters under consideration by the corporation, and reasonably calculated to reflect in its policies the views of such athletes.

(C) it will undertake to develop interest and participation in its particular sport throughout the United States,

(D) it is reasonably representative of the athletes and of the sports groups and institutions in the United States actively engaged in the conduct of a national program involving regularly scheduled practice and competition throughout the usual competitive season in the sport concerned, with particular emphasis on those programs which produce world-class competitors in such sport,

(E) the terms of office, and the maximum period which any person may serve in any capacity, of its officers and of the members of its Board of Directors, executive committee, or other governing body are expressly limited to a reasonable period, and

(F) it has established and will follow procedures which assure that the nomination and selection of coaches, administrators, trainers, and athletes will be conducted without regard to organizational affiliations and so that the selection will fall upon the most highly qualified individuals.

(b) No corporation shall be eligible to receive or hold a charter under section 102: (1) if more than 40 per centum of the voting power in such corporation is held or controlled, directly, indirectly, or in common with affiliates, by any person, corporation, partnership, or association which directly, indirectly, or in common with affiliates, holds or controls more than 40 per centum of the voting power in any United States Sports Association; or (2) if any officer or director of such corporation is also an officer or director of any United States Sports Association. An "affiliate" of an organization shall mean any organization which controls, is controlled by, or is controlled in common with, or which has officers, directors, or executive committee members in common with, such organization.

(c) No United States Sports Association shall receive a charter for more than one sport on the Olympic or pan-American games program, unless the Board makes a finding in writing after a hearing that—

"(i) the sports with respect to which it wishes to receive a charter are closely related and would benefit by common administration, and

"(ii) it is capable of functioning as a chartered sports association, with respect to each such sport, in the best interests of that sport and of the amateur athletes participating in such sport.

UNITED STATES SPORTS ASSOCIATION EXCLUSIVE AUTHORITY

SEC. 104. (a) Except as provided in subsection (b), commencing on the earlier of the date a United States Sports Association for the sport concerned is chartered by the Board or the date which is two years after the date of enactment of this Act, a United States Sports Association for the sport concerned shall in the case of each sport on the Olympic or pan-American games program have exclusive authority: (1) to certify to appropriate foreign or international amateur sports bodies regarding the amateur status of United States athletes for the purpose of international competition; and (2) to approve the participation of individuals or teams officially representing the United States in international competition.

(b) The Board may waive the requirement of subsection (a) only by unanimous vote and only if there is no United States Sports Association which can exercise the required certification or approval authority.

(c) The district courts of the United States shall have jurisdiction to enjoin the commission of acts in violation of subsection (a). The Board or any association chartered by it may bring to the attention of the Attorney General any alleged violation of subsection (a) and the Attorney General shall thereupon cause an investigation to be made and if appropriate shall initiate injunctive proceedings in the United States district court for the district where such violation shall have occurred or at the residence or principal place of business of any defendant.

PROHIBITION

SEC. 105. (a) Except in the case of a violation of reasonable rules and regulations, including those requiring approval of the conditions of competition, duly adopted to promote the physical, moral, or educational welfare of amateur athletes, no United States Sports Association or other amateur sport group or operator engaged in commerce or in any activity affecting commerce which is a member of a United States Sports Association shall, directly or indirectly—

(1) deny or threaten to deny any amateur athlete the opportunity to compete in any amateur athletic event conducted, supervised, sanctioned, promoted, or organized by such United States Sports Association or sport group or operator on the ground that such amateur athlete competed or intends to compete in any international amateur athletic event conducted, supervised, sanctioned, promoted, or organized by any other United States Sports Association, or otherwise to take or threaten to take any disciplinary action against any amateur athlete on such ground; or

(2) otherwise impose or threaten to impose any unreasonable requirement or condition which results in the denial of or interference with the freedom of any amateur athlete to compete in any international amateur athletic event to be conducted, supervised, sanctioned, promoted, or organized by such United States Sports Association, including, but not limited to, unreasonable requirements or conditions for granting its sanction to any such event conducted by or under the supervision of any other United States Sports Association.

(b) Whenever any United States Sports Association or any amateur sport group or operator which is a member of a United States Sports Association has engaged, or there are reasonable grounds to believe that it is about to engage, in any act in violation of subsection (a) hereof, a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other appropriate order, may be instituted by any amateur athlete claiming to be aggrieved or on his behalf by any sport group of which he, his coach, or his institution is a member or is affiliated.

(c) The district courts of the United States shall have jurisdiction of actions brought under subsection (b) hereof. Such actions shall be commenced in the United States district court for any judicial district in which the violation is alleged to have occurred or be threatened, or in which the defendant United States Sports Association or sport group or operator is incorporated or has its principal office, or in which any person resides who, being a member of the board of directors or other governing body of, or a principal officer of, or a person controlling the affairs of, such defendant United States Sports Association or sport group or operator, has taken affirmative action to adopt or carry out any order or decision of such United States Sports Association or sport group or operator alleged to be in violation of subsection (b).

(d) In any action commenced pursuant to subsection (b) the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 106. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

TITLE II—OVERSIGHT OF OLYMPIC COMPETITION

Sec. 201. There is hereby established a National Commission on the Olympic Games (hereinafter referred to as "the Commission").

Sec. 202. The Commission shall be composed of nine members who shall be appointed by the President of the United States. Such members shall be selected with the purpose of assuring objective consideration of all viewpoints. No more than two members of the Commission at any one time shall be an officer or director, past or present, of the United States Olympic Committee, or of any other national athletic association or federation.

Sec. 203. The President shall designate a Chairman from among the members of the Commission. Any vacancy on the Commission shall not affect its powers and shall be promptly filled.

Sec. 204. The Commission shall review the participation of the United States in the Olympic games, and, if it recommends that such participation should be continued, shall also recommend the form of organization by means of which the United States should participate in the Olympic movement and shall present specific proposals for any legislation required to implement its recommendations. In formulating its legislative recommendations, the Commission shall take into account—

(1) the objectives of the modern Olympic movement and the extent to which those objectives are being met;

(2) the manner in which the Olympic games are administered, with particular attention to the views of those who participate in those games as athletes, coaches, officials, or otherwise, or who have attended such games in any other category;

(3) the role which the United States Olympic Committee has played in international sports and the manner in which the United States participation in the Olympic games has been organized and administered by that committee;

(4) the policies which would assure the selection on a fair and equitable basis of the best qualified athletes, coaches, managers, trainers, and other officials and which would provide the maximum opportunity for persons to develop their athletic skills and participate in international athletic competition; and

(5) the arrangements which will best protect the interests of the individual athletes during the period of their training for, travel to, and participation in the games.

Sec. 205. The Commission shall submit to the President and to the Congress a final report of its findings and recommendations on the earlier of—

(a) the one hundred and eightieth day after the date on which the ninth member of the Commission is appointed, or

(b) March 15, 1974.

Sec. 206. Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals; and

(3) hold such hearings, sit and act at such times and places, and administer such oaths, as the Commission or any subcommittee or any three of the members thereof may deem advisable.

Sec. 207. Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Commission is further authorized to request from any public or private organization or agency and from the United States Olympic Committee any information deemed necessary to carry out its functions.

Sec. 208. Five members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

Sec. 209. Members of the Commission shall receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

Sec. 210. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Sec. 211. The Commission shall cease to exist thirty days after the submission of its final report.

TITLE III—AMATEUR ATHLETIC INFORMATION CENTER

Sec. 301. (a) Establishment.—There is hereby established within the Department of Health, Education, and Welfare an Amateur Athletics Information Center.

(b) The Center shall have a director and such other personnel as may be necessary to enable the Center to carry out its duties and functions under this Act and shall coordinate its functions with those of the President's Council on Physical Fitness and Sports.

Sec. 302. (a) Functions.—It shall be the duty and function of the Center to locate, collect, review, organize, publish, and disseminate information and data related to amateur athletics.

(b) The information and data with respect to which the Center shall carry out its duties shall include, but not be limited to, information and data with respect to the following—

(1) Existing and potential procedures for the financing, construction, maintenance, and better utilization of athletic facilities, facts, studies, and experiments relating to

(2) Improved safety in athletic competition including innovative changes in equipment and facilities.

(3) Facts, studies, and experiments relating to the health of athletes including, but not limited to, the use of drugs and other medications by athletes and innovative techniques in physical therapy used to treat athletic injury.

(4) Information related to potential sources of financial assistance, both public and private, which are available to communities, institutions, and individuals to promote amateur athletic competition and improve athletic facilities.

Sec. 303. (a) Administration.—The Secretary of Health, Education, and Welfare shall make available to the Center all information and data within the Department of Health, Education, and Welfare which may be beneficial in carrying out the duties and functions of the Center.

(b) Each department or agency of the Federal Government is authorized to make available to the Secretary for use by the Center, any information or data which the Secretary may request for such use.

(c) The Secretary of Health, Education, and Welfare shall, to the maximum extent feasible, enter into arrangements whereby State and other public and private agencies and institutions having information or data which is useful to the Center in carrying out its duties and functions will make such information and data known and, where possible, available for use by the Center.

Sec. 304. Authorization.—There is authorized to be appropriated such funds as are necessary to carry out the objectives of this Act.

Mr. DOLE. Mr. President, if I may have the attention of the distinguished acting majority leader, the Senator from Kansas was not able to be here this morning when there was, I understand, some time agreement as to the bill of the distinguished Senator from California (S. 2365). I am now offering an amendment in the nature of a substitute for that proposal, and I am wondering what the time limitations are.

Mr. ROBERT C. BYRD. Mr. President, the time agreement with respect to that bill was secured several days ago, 10 days or 2 weeks or more ago, I do not recall. It seems to me there is 2 hours on the bill. I believe it is stated on the front of the calendar—2 hours on the bill, with time on any amendment limited to 30 minutes.

Mr. GRIFFIN. Mr. President, if the distinguished Senator from Kansas will yield to me, I seem to recall the matter having been brought up earlier, and such an agreement entered into. It may be that the Senator from Michigan was a party to the agreement.

I also realize and recognize that this bill apparently is more controversial than I thought it was at the time. I understand that there are several very important amendments. Certainly the one of the Senator from Kansas in the nature of a substitute is not a minor amendment, and I think we are perhaps in a situation where the time limitation that has been agreed to in advance may be a little restrictive. I do not know whether any other Senators would express that feeling or not.

Mr. DOLE. Let me say that there is great interest in this bill. It has been slowly developing for the past several days. I should have been aware, but was not aware of the agreement. I do not quarrel with it, except to indicate some hope that perhaps with reference to the amendment in the nature of a substitute there might be some other agreement worked out, some time agreement. In cooperation with the distinguished Senator from California (Mr. Tunney) perhaps we can do that.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. ROBERT C. BYRD. The date on which this agreement was entered was September 10.

Mr. DOLE. I see.

Mr. ROBERT C. BYRD. Under the agreement, the amendment in the nature of a substitute would be subject to the limitation of 30 minutes, I believe; am I correct, Mr. President?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I can understand the position of the distinguished Senator. It might well be possible for us to work out some modification of the agreement whereby there would be some additional time on the amendment in the nature of a substitute offered by the distinguished Senator from Kansas. The leadership on this side of the aisle will certainly make an effort to do that.

Mr. DOLE. I thank the Senator.

Mr. GRIFFIN. Mr. President, I thank the distinguished majority whip also.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW, AND ORDER FOR CONSIDERATION OF CONTINUING RESOLUTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, after the distinguished Senator from Oklahoma (Mr. BELLMON) has been recognized and has made his statement under the order previously entered, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each; after which the Senate, in accordance with the previous order, will proceed to the consideration of House Joint Resolution 727, the continuing resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON THURSDAY NEXT AND FOR CONSIDERATION OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each; and that at the conclusion of that period the Senate proceed, under the order entered today, to the consideration of the Labor, and Health, Education, and Welfare appropriation bill, H.R. 8877.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10 o'clock a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Oklahoma (Mr. BELLMON) will be recognized for not to exceed 15 minutes.

There will then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

At the conclusion of the period for the transaction of routine morning business tomorrow, the Senate will proceed to the consideration of the continuing resolution, House Joint Resolution 727. Yea-and-nay votes can be expected on amendments to the joint resolution and on the passage of the joint resolution itself.

If the continuing resolution is disposed of at a reasonably early hour tomorrow, the leadership will move to take up the amateur athletics bill, S. 2365, under a time agreement. It is hoped that the time agreement can be modified to accommodate the request of the distinguished Senator from Kansas (Mr. DOLE).

In any event, the Senate on Thursday will take up the appropriation bill for the Departments of Labor, and Health, Education, and Welfare, H.R. 8877, immediately following the transaction of routine morning business.

In summation, yea-and-nay votes will occur tomorrow. Of course, conference reports can always be called up and votes can occur thereon.

I should like to repeat a statement made earlier by the distinguished majority leader (Mr. MANSFIELD) that there will be sessions daily through Friday, with yea-and-nay votes occurring daily through Friday. There will not be a Saturday session.

The Senate will be in session on Monday, Columbus Day, as was the case last year, and will transact business. Votes will occur on Monday.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock a.m. tomorrow.

The motion was agreed to; and at 6:58 p.m. the Senate adjourned until tomorrow, Wednesday, October 3, 1973, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate October 2, 1973:

DEPARTMENT OF JUSTICE

Leonard F. Chapman, Jr., of Virginia, to be Commissioner of Immigration and Naturalization, vice Raymond F. Farrell, resigned.

Charles R. Work, of the District of Columbia, to be Deputy Administrator for Administration of the Law Enforcement Assistance Administration (new position).

IN THE AIR FORCE

Lt. Gen. Duward L. Crow, [redacted]FR, U.S. Air Force for appointment as Senior U.S. Air Force member of the Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711.

EXTENSIONS OF REMARKS

PHILIP B. HOFMANN "OUTSTANDING CITIZEN OF NEW JERSEY" FOR 1972.

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. PATTEN. Mr. Speaker, the firm of Johnson & Johnson, whose headquarters are located in the congressional district I represent, is preeminent in the surgical dressings field. Recently, its former board chairman, Philip B. Hofmann, received the "Outstanding Citizen of New Jersey" award for 1972.

Mr. Hofmann was praised for his "contributions to a better life in New Jersey." When he accepted the award from the Advertising Club of New Jersey, Mr. Hofmann said:

> I'd like to think that with this award, you're honoring the whole Johnson & Johnson group. We're all dedicated to public service.

Mr. Speaker, I am proud of Mr. Hofmann receiving that honor, and I am also proud of Johnson & Johnson—a truly outstanding firm that is not only renowned for its fine products, but also for its deep feeling for people and for greater social responsibility.

A new Johnson & Johnson brochure, "Twenty-Five Steps to Greater Social Responsibility," reports on current programs involving community and human needs receiving financial and manpower support from the Johnson & Johnson family of companies. As a recent J. & J. statement pointed out:

> These projects reflect a long-standing commitment to such concerns as education, health, disaster relief, environmental protection, human rights, and minority economic development.

Mr. Speaker, under the leadership of Philip B. Hofmann and his successor, Richard B. Sellars, Johnson & Johnson not only talks and writes about "Greater Social Responsibility." It practices this philosophy, because it believes in it. If all firms were as responsible, progressive, and compassionate as Johnson & Johnson, America would be greater.

I hereby submit the article from the Home News covering the award:

EX-J. & J. CHIEF "OUTSTANDING CITIZEN"

(By Janet Bodnar)

NEWARK.—Recognizing his "contributions to a better life in New Jersey," the Advertising Club of New Jersey yesterday honored Philip B. Hofmann, former Johnson & Johnson board chairman, as its "Outstanding Citizen of New Jersey" for 1972.

In making the presentation, W. Jefferson Lyon, vice president of the Hospital Service Plan of New Jersey, said Hofmann was "a natural" to receive the award, which is presented for "distinguished public service."

"I'd like to think that with this award you're honoring the whole Johnson & Johnson group," Hofmann responded. "We're all dedicated to public service."

Raymond Brady, editor of Dun's Review and business commentator for radio station WCBS, was guest speaker at yesterday's luncheon, which was held at the Hotel Robert Treat here.

Coming to the defense of multi-national

companies, Brady told his audience of businessmen that "It's time for us to talk about what's right with multi-nationals."

In Brady's opinion, what's right with multi-nationals is their high price-earnings ratios, their reputation as safe havens for investments and their management—"My own magazine has taken a number of polls to find the best-managed companies in American industry and, invariably, nine out of the 10 firms chosen have been multi-nationals."

With the growth of trade and competition, Brady feels that becoming multi-national is "the only way you can successfully operate in the marketplace today."

"In the competitive world of today, you must have your plant located near your market, you've got to compete in as many markets as possible just to survive. And, above all, you must be right there if you want access to changing technology, to the new ways of doing things that Europeans and Asians seem quite as capable of inventing as ourselves."

He also stressed that Americans should not get all the "blame" for running multi-nationals, which are neither new nor particularly American.

"Many of our chocolate bars are sold to us by a Swiss multi-national—Nestle. Many of our recorders and television sets are sold to us by a Dutch multi-national—Phillips Lamp. Much of our gasoline is sold to us by a British multi-national—Shell."

Rather than exporting jobs, as many labor unions have charged, Brady feels multi-nationals actually have saved many jobs.

"As an example, a lot of jobs have been lost in the American shoe, textile and glass industries—none of which is multi-national—because these industries have lost their major market right here at home to competitors from abroad," he said.

What Brady called the "reverse flow"—the benefits our multi-nationals have brought to other countries and the friends they've made for us—have been "equally impressive", he said.

CHROME IMPORTS FROM RHODESIA

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, October 2, 1973

Mr. HARRY F. BYRD, JR. Mr. President, the issue of chrome imports from Rhodesia is being brought before the Senate once again.

Legislation which I sponsored in 1971, and which was approved permitted the importation of Rhodesian chrome, so long as this strategic metal also was being brought in from the Soviet Union.

My legislation constituted an exception to an overall embargo on Rhodesian trade imposed by former President Johnson, without consulting Congress, pursuant to a sanctions resolution adopted by the Security Council of the United Nations.

The ban on Rhodesian chrome had unfortunate economic effects in this country while it was in effect.

One such segment is the so-called specialty steel industry. The Pittsburgh area is a major hub of this industry, and Mr. William H. Wylie, business editor of the Pittsburgh Press, has investigated the potential impact of a renewal of the Rhodesian chrome embargo.

In a series of three informative articles, Mr. Wylie has set forth the problems which will be posed for the specialty steel industry if the Rhodesian chrome plan is again put into effect.

I ask unanimous consent that the text of the three articles by Mr. Wylie be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

MOVE TO BAN RHODESIAN CHROME PERILS JOBS HERE

(By William H. Wylie)

(Few Pittsburghers are aware of the "chromium crisis," yet the outcome could give the local economy a bad jolt.

(The issue centers around efforts of civil rights interests in Congress to cut off the flow of chromium from Rhodesia to the United States.

(If the move succeeds, the specialty steel industry would be wounded and thousands of district jobs might go down the drain. This is the first of three articles about the chromium crisis and Pittsburgh's stake in it.)

It's a small world—small enough that thousands of district steel jobs owe their existence to a vital import from the African nation of Rhodesia.

This rare commodity is chromium. Specialty steels—stainless, electrical and tool steels, etc.—cannot be made without it. Ironically, a move is under way in Congress to cut off the specialty steel industry from its Rhodesian chromium supply.

But this effort will be blunted if E. F. Andrews, an Allegheny Ludlum Industries vice president, and other leaders of the specialty steel industry have their way. Recently Andrews carried the fight to the Senate Foreign Relations Subcommittee on African Affairs.

His testimony focuses attention on the stainless steel industry's Achilles heel—the shortage of chromium in the U.S. In fact, no other commodity pinpoints the emerging role of the United States as a "have-not" nation more drastically than chromium. None of this precious ore has been mined in this country since 1961 and the national stockpile is dwindling, Andrews said.

In Rhodesia, it's a different story. That nation has 67 per cent of the world's supply of metallurgical grade chromite—the kind used in specialty steels. The rest is scattered among the Republic of South Africa, 22 per cent; the Soviet Union and other Communist countries, 6 per cent; Turkey, 2 per cent; the Philippines, .3 per cent, and other nations, about 2 per cent.

On the basis of these figures, one would expect chromium users to beat a path to Rhodesia's door. But there are some complications.

That nation has fallen into the bad graces of the international community because of its racial policies. The situation boiled over in 1967 when the United Nations slapped economic sanctions on Rhodesia, making it off limits to world traders.

The United States and practically all of the U.N. members signed the embargo. With a stroke of the pen, the State Department wiped out the stainless steel industry's best source of chromium.

There were some painful years from 1967 until 1972, Andrews said. Specialty steelmakers dipped into the national stockpile and made a trade deal with Russia.

But chrome and ferrachrome prices soared and foreign steelmakers captured big chunks of the domestic market because they were able to underprice American mills in specialty steel products.

Where did foreign steelmakers get metallurgical chromite?

From Rhodesia, of course. Andrews said the U.N. sanctions gave Americans a cynical lesson. Despite signing the sanctions pact, many nations carried on business as usual with Rhodesia.

As Andrews quaintly puts it, "I learned a long time ago as an Indiana country boy that when you're in a crap game behind the barn and everybody else is using loaded dice you find another game."

Last year the stainless steelmakers got their story across and Congress passed the Byrd amendment which exempts chromium and ferrachrome from the sanctions. But now there's a move led by Sen. Hubert Humphrey, D-Minn., to repeal the exemption.

If the effort succeeds, there would be serious repercussions for stainless steelmakers, Andrews said. The pinch would be much more binding than in the late '60s and early '70s, he added.

"The issue will probably be decided within the next 30 days," Andrews said. If the ball bounces the wrong way, Pittsburgh's economy will suffer, he warned.

UNITED STATES: A "HAVE-NOT" IN CHROME GAME

(By William H. Wylie)

"The irony will not be humorous to a black steelworker in Pittsburgh who loses his job if the sanctions are reimposed."

That statement was taken from the testimony of E. F. Andrews, an Allegheny Ludlum Industries vice president, earlier this month before the Senate Foreign Relations subcommittee on African Affairs.

Andrews was referring to efforts by Sen. Hubert Humphrey, D-Minn., and other senators to repeal the Byrd Amendment which permits the United States to buy chromium and processed chromium from Rhodesia.

That African nation was shackled with economic sanctions by the United Nations in 1967 as punishment for its racial policies. As a result, American specialty steelmakers were prohibited from importing chrome from Rhodesia from 1967 to 1972.

Since that country has 67 per cent of the world's supply of metallurgical chrome, and since chrome is essential for making specialty steels, U. S. Steel, Allegheny Ludlum, Crucible, Cyclops, Armco and other specialty steelmakers were in a bind.

In 1972 Congress passed the Byrd Amendment which exempted chrome from the sanctions because it is the No. 1 strategic material. Since then the chrome squeeze has eased. But now a new attempt to bar chrome imports is under way in the Senate and specialty steelmakers are waging an all-out fight to head it off.

Andrews used the word "irony" advisedly in his testimony. He poses the question: Is an American steelworker willing to give up his job to further the civil rights of a Rhodesian black? In the case of a black American steelworker, this would be ironic indeed.

The steel executive says repeal of the Byrd Amendment constitutes a real threat to Pittsburgh because this area is a center of specialty steelmaking. Cut off the chrome supply and district mills would have to lay off workers, she said.

The economic issue is simple. Specialty steel cannot be made without chrome. In fact, stainless steel must contain no less than 10 per cent chromium to be classified as stainless, Andrews said. Actually most stainless steel is comprised of at least 18 per cent chromium, he added.

Andrews points out that Rhodesia has 67 per cent of the world's metallurgical grade chromium and the United States has none.

During the chromium crunch of '67–'72 the U.S. managed to live off the national stockpile and get ore from Russia, which controls about 6 per cent of the world's supply. But the price of chromium doubled during that period, Andrews said.

He cited a 14-cent-a-pound rise in prices and noted that each penny increase raises the price of finished stainless $8 a ton. A little simple arithmetic reveals that five years of sanctions tacked $112 onto the price of a ton of stainless steel.

During that period, foreign steelmakers, who continued to buy ore from Rhodesia even though they had signed the embargo too, grabbed sizable chunks of the American specialty market, Andrews said.

"We lost 60 per cent of the market for some of our products," he continued.

If the sanction on chromium imports were reimposed, Andrews believes prices would zoom at least 10 cents a pound. And the pinch would be much tighter this time, he said, predicting that the national stockpile would last less than a year.

Actually, the U.S. hasn't recovered fully from the '67–'72 cutoff, Andrews said. Chromium must be processed into ferrochrome before it can be used by steel mills.

Before 1967, chromium was imported and refined by American companies. But during the "famine," a lot of domestic ferrochrome plants closed, eliminating more than a thousand jobs. Few of these plants have reopened.

Rhodesia took advantage of the U.S. boycott to establish its own refining plants which have since won a place in the world market. Now American businessmen believe Rhodesia would take the next logical step and set up its own specialty steel industry if sanctions were revived.

And that would be bad news in Butler, Vandergrift, Brackenridge, Midland and other district milltowns.

CHROME KEY TO AIR, WATER CLEANUP

(By William H. Wylie)

Not all battles for survival are fought in the main arenas of the world.

This is true of a rather quiet but determined effort to ban chromium imports from Rhodesia. The stainless steel industry, which would be the victim of such a ban, is fighting for its life to keep these valuable imports flowing to the United States.

The struggle is being waged in the back halls of the Senate where civil rights interests led by Sen. Hubert Humphrey, D-Minn., want to punish the African nation for its harsh racial policies.

This appraisal of the Capitol Hill conflict comes from E. F. Andrews, an Allegheny Ludlum Industries vice president and spokesman for the Tool and Stainless Steel Industry Committee.

Since production of specialty steel creates employment for 50,000 to 60,000 workers, Americans have a vital stake in the industry's future. This is especially true in several Pittsburgh-area communities where mill jobs keep meat and potatoes on the table.

The Senate battle centers around a movement to repeal the Byrd Amendment which was passed to let us buy Rhodesian chromium. It exempts chromium, a strategic material, from economic sanctions imposed on Rhodesia in 1967. As a signer of the embargo, the U.S. agreed not to trade with the African nation.

Andrews said the stainless steel industry isn't fighting the repealer on moral grounds. "We certainly deplore the racial situation in Rhodesia," he said.

The industry's fight is being waged on economic grounds. Steel men are saying the U.S. can't afford to turn its back on Rhodesian chromium which represents 67 per cent of the world's supply. South Africa has the next largest source—about 22 per cent. The U.S., which has none, turned to Russia, which has about 6 per cent, during the 1967–72 Rhodesian chrome blackout.

Andrews argues that it's inconsistent to put Rhodesia off limits while permitting trade with South Africa whose racial policies are equally distasteful to Americans.

He also noted that most industrial nations have continued trading with Rhodesian anyway. "Since imposition of the sanctions, over a hundred cases of evasion have been reported to the United Nations by Great Britain," he said.

"These represent only the tip of the iceberg; sanction-busting continues to occur on a monumental scale," he added. Steel men make these points:

South Africa and Portugal ignored the embargo from the beginning. They were followed by Eastern European nations and parts of the Middle East. Finally, Western Europe and Japan entered the Rhodesian market, doing a big business every year since 1968.

Why all the excitement over chromium? Can't steel men use a substitute?

The answer is "no." Chromium, or ferrochrome as the processed ore is called, represents about 18 per cent of a ton of stainless steel. Nothing else will do.

In their struggle to preserve a supply of chromium, steel men can't understand why they are fighting virtually alone. They look for support of environmentalists, power generation people, transportation interests, food processors, chemical and petroleum firms. Products and equipment for all these industries use some specialty steels.

Equipping new cars with catalytic converters will require an additional 50,000 tons of ferrochrome annually, Andrews said. Almost all equipment for cleaning air and water of industrial pollutants contains some specialty steels.

One steel executive said, "We're scared about that 350,000 tons of additional ferrochrome that will be needed in the immediate years ahead. We don't know where it will come from."

Andrews believes the issue over the Byrd Amendment repeal will be decided within 30 days. Nobody has a bigger stake in the outcome than western Pennsylvania.

USW FIGHTS STEEL ON CHROME BAN

(By William H. Wylie)

(The following article is a postscript to a three-part series about a move in Congress to ban chrome imports from Rhodesia.)

As often happens, union and management are on opposite sides in the battle over banning chromium imports from Rhodesia.

To the casual observer, this may seem surprising in view of the specialty steel industry's argument that cutting off the rare ore from the African nation would jeopardize thousands of American jobs.

But to those who have followed the Rhodesian issue, testimony earlier this month by John J. Sheehan, legislative director of the United Steel Workers (USW) of America, before a Senate Foreign Relations subcommittee contained few, if any, surprises.

Two years ago the union opposed passage of the Byrd Amendment which ended the Rhodesian chrome blackout. And the USW's position hasn't changed, Sheehan said.

The issue erupted in 1967 when the United Nations imposed economic sanctions on Rhodesia. The United States signed the agreement aimed at forcing the Ian Smith government to reform its racial policies.

In 1971, mainly at the insistence of specialty steel companies, Congress exempted chromium from the sanctions.

At that time USW President I. W. Abel was critical. He told Sen. Gale McGee, D-Wyo., another opponent of the exemption, that "the price of human dignity should not be measured in terms of the cost of chromite in the United States market."

As Abel suggests, the USW opposes trade with Rhodesia on moral grounds. The union's position also is braced with economic arguments.

In fact, the moral and economic arguments are intertwined in the union's charge that Rhodesia permits "slave labor." The USW alleged that Union Carbide in 1970 paid black workers in the chromium industry $46 to $130 a month compared to $122 to $750 for whites.

The USW appears to make two points. First, Rhodesian pay scales are unfairly keyed to a "double standard". And, second, cheap foreign labor is eliminating American jobs.

Some background on chromium and how it is used is needed to clarify the second point. Steel mills don't buy chromium ore. Instead, they purchase ferrochrome, a crude alloy of chromium and iron.

Over the years, most of the domestically used ferrochrome was produced by American companies and sold to specialty steel makers. But, for various reasons, the ferrochrome industry has fallen on hard times and a lot of ferrochrome is imported from Rhodesia.

"The impact already is very real for some of our members," Sheehan testified.

"Ohio Ferroalloys in Brilliant, Ohio, has already shut down its ferrochromium process, switching instead to silicon process exclusively.

"Foote Mineral is planning on completely closing its Steubenville, Ohio, plant by the end of this year," he said, noting an expected loss of 313 jobs.

Obviously the USW feels that reviving the ban on Rhodesian chrome would give this country's ailing ferrochrome industry a badly needed lift.

The union shrugs off the companies' charge that cutting off Rhodesian chrome would give foreign competitors an advantage and threaten domestic jobs, saying the industry is protected by the voluntary import quotas agreement.

The union denies that while the embargo was in force from 1967–72 it cost some USW members jobs.

Sheehan also contends—although Rhodesia has 67 percent of the world's chromium—the U.S. can find other sources. He cited Russia, which exports chromium to this country, and the national stockpile.

The USW spokesman concedes sanctions may cost industry and consumers more, but he said, "It is a price we should be willing to pay in order to uphold the integrity of our ideals and the ideals of the United Nations."

WATERGATE REFORM NO. 1

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. BIESTER. Mr. Speaker, public support for the concept of Federal financing of all Federal elections is intensifying. As reported in the results of a Gallup Poll released this past weekend, 65 percent of the American people believe public financing is a good idea. This support has increased 8 percent since last June.

Roscoe Drummond, in the Christian Science Monitor of September 28, effectively summarizes many of these reasons why public financing is a timely response to the critical situation in which the American political system finds itself today. It is priority No. 1.

Mr. Speaker, at this point I would like to submit Mr. Drummond's observations in the Record:

Watergate Reform No. 1

(By Roscoe Drummond)

Washington.—There is some good news on the Watergate front:

Support is solidifying behind the most needed reform in the political system—federal financing of federal elections.

Approval is already enough in the Senate to virtually assure passage. 31 Senators, including both the Republican and Democratic leaders, have already endorsed public financing of presidential and congressional campaigns and the momentum is clearly on the side of favorable action.

There are three reasons why federal financing of federal elections is a crucial reform and why it is the only reform which can prevent some of the worst abuses which took place in the 1972 campaigns. It isn't just a little new gimmick thought up under the pressure of Watergate. Its origin goes back to 1907 when it was first advocated by President Theodore Roosevelt. Its foremost merits are these:

1. It is an "equal opportunity" measure. It will enable the candidates—presidential and congressional—to have equal financial resources with which to present themselves to their constituents. Lack of wealthy donors will no longer play a major role in election results. Public financing will enhance the democratic process by making campaigns more fairy competitive in resources.

The need for this corrective was more evident in 1972 than ever before. Corporations and other big-money contributors, enabled the Republicans to put nearly twice as much into the presidential campaign. In the congressional contests the money advantage was twice as great for incumbent candidates of both parties as for nonincumbents. Such disparity of financing serves to perpetuate in office the congressmen and senators who are already there and this is the byproduct of private financing elections.

2. Federal financing of federal elections will take purposeful money—special-interest donations often designed to buy a piece of the government—out of the electoral process. For many years wealthy donors—individuals or businesses—have sought to buy favors, including ambassadorships, by big contributions. But last year it was evident that there were instances of Republican fund raisers seeking to pressure companies which were in some way dependent upon favorable government action and in the end seven blue-chip corporations admitted they contributed illegally out of corporate funds.

"The image of the businessman," remarks Herbert Alexander, director of the Citizens Research Foundation of Princeton, N.J., and a leading expert on political financing, "is no longer the corrupter of politicians. The businessman is now seen as the victim of extortion."

Federal financing of federal elections would take dirty money, whether volunteered or coerced, out of campaigns.

3. It would do something else. It would open elective office equally to candidates regardless of their financial resources. When Averell Harriman and Nelson Rokefeller were running against each other for governor of New York, one writer described the race as between "two millionaires looking for a job." Able political candidates are in short supply and sky-rocketing campaign costs have tended to bar candidates who do not themselves have large fortunes or political friends of large means.

It shouldn't be overlooked that there will be partisan resistance to this reform. In the Senate only five Republicans joined the 26 Democrats advocating public financing of campaigns. Some Republicans may dream along in the comfortable view that they will continue to have a big advantage if private financing of campaigns is continued. It is doubtful. Business Week finds that big business is stepping back from loading the coffers of the politicians and even if federal financing is not forthcoming—as I believe it will be—new laws will cut donations to $25,000 or less.

In the House the incumbents will have a built-in resistance to giving up their 2-to-1 advantage in raising money and it will take voter pressure to give "equal opportunity" to challengers.

There will be related reforms needed to require fuller reporting of campaign spending and stronger enforcement, but the place to begin is with federal financing of federal elections. This is Watergate reform No. 1.

AMERICAN FORCES IN EUROPE

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, October 2, 1973

Mr. THURMOND. Mr. President, last week, the Senate engaged in a very unusual debate of vital importance to the free world concerning our national security in relation to American forces committed to the North Atlantic Treaty Organization—NATO. This debate generated exceptional world-wide attention of friend and adversary alike, as well as extensive coverage by the press throughout the world.

In my judgment, the Senate performed its function well in highlighting the significant factors of this critical issue. It is important now to reflect on this discussion and the resulting votes on the amendments to the military authorization bill. It is essential now that my distinguished colleagues assess the pros and cons of this debate very carefully before further discussions of the issue are held by the joint Senate-House conference of whether or not to impose the unilateral cut of 110,000 troops from the U.S. forces stationed overseas.

In reflecting on this great debate and this critical issue, I would like to bring to the attention of my colleagues a very succinct assessment of this amendment contained in an editorial which was published recently by a Washington newspaper.

Mr. President, I ask unanimous consent for the Washington Star-News editorial, entitled "U.S. Troop Cuts," published on Monday, October 1, 1973, to be printed in the Extensions of Remarks of the Congressional Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

U.S. Troop Cuts

Senate endorsement of a one-sided cut in American forces overseas comes at the worst possible time. The House should certainly back President Nixon's lobbying effort against this onslaught on his diplomacy. The first real talks with the Soviet Union on mutual troop withdrawals from the heart of Europe are to open October 30. For Congress now to dictate an overall 110,000-man cut by the end of 1975, which would be bound to touch the 300,000 troops in West Europe, scarcely gives the Kremlin incentive seriously to offer cuts of its own.

This is not to say there is anything sacred about the current level of American forces in Europe or elsewhere around the world. Our European allies have become far too accustomed to relying on these forces as a substitute for their own defense efforts. At a time of American economic travail, when West Europe is fully recovered—and more—from the disasters of World War II, no reason exists for European dilly-dallying over paying a large share of the foreign exchange costs of these U.S. forces. Worried West Europeans would do well to take the Senate voting as potent evidence for the need to work out that much-talked about "defense burden-sharing" scheme with the administration. Furthermore, good arguments can probably be made for slimming American forces in Europe to increase efficiency and update tactics within the alliance structure.

But it is not the duty of Congress now to dictate when and how these reductions should take place, if at all. The focus of argument should not be whether Senator Mike Mansfield's 40 percent cut is less desirable than Senator Hubert Humphrey's 23 percent, or whether the President can make the enforced cuts entirely from U.S. forces in the Pacific, as Humphrey suggests. Rather, the argument should be whether Congress is right in using troop cuts as a backdoor device for altering postwar foreign policy. There should be no mistake. Were unilateral cuts by Congress to prevail the future role of the United States in the Western alliance would be called in question. European allies, no less than the Russians, would be bound to reassess their whole policy toward this side of the Atlantic.

Certainly the coming troop reduction talks with the Russians should not be used simply as a disguise for perpetuating the status quo. They cannot drag on indefinitely. But before getting into a radical shift in Atlantic policy, and the great debate which should accompany it, Congress must wait to see what emerges in these troop bargaining talks in Vienna.

BLUNT MEANY BLUNTS KISSINGER PLOY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. DERWINSKI. Mr. Speaker, few men in this era have received as much publicity, notoriety and PR buildup as our new Secretary of State, Dr. Henry Kissinger. In fact a Kissinger cult has developed in many segments of the communications media, and the good doctor receives far better coverage and personal treatment than many of the most glamorous Hollywood personalities.

However, I believe a column by Bill Anderson in the Chicago Tribune of September 21, 1973, discussing differences of opinion between Dr. Kissinger and George Meany, is a very accurate description of the differences between the two on the subject of relations with Communist countries.

The article follows:

Blunt Meany Blunts Kissinger Ploy

(By Bill Anderson)

Washington.—America's No. 1 highly touted diplomat, Henry Kissinger, has lost round one with the top representative of the working man, George Meany.

Superslick Kissinger, who has had his moments in eyeball-to-eyeball sessions with heads of Communist states, blinked after a private meeting with plain-talking Meany—and then as a result failed to make an appearance before the House Ways and Means Committee.

As reported in this space Monday, Kissinger had been scheduled to appear before the 25-member committee in private session on Tuesday as the centerpiece of an administration all-out effort to sell its most favored nations trade bill—a bill that would give Russia easy credit and would permit free-wheeling trading.

Kissinger's timing was flawed because of in-fighting over a rider to the bill calling for Russia to end its discrimination against the emigration of Jews and other minorities before we grant trade concessions. His suave image was almost wrecked in the administration's all-out effort to water down this amendment and save the bill now pending before the committee. Here's the picture:

Last Friday, Kissinger slipped out of the White House and walked the two blocks to the AFL–CIO headquarters to pay a call on Meany. Prior to leaving, the White House intelligence had it that an administration compromise on the emigration question had picked up support on the committee—and had a fair chance of passage this week.

The purpose of Kissinger's private meeting with Meany was, it was hoped, to soften the labor opposition to the favored nation trade bill and therefore take some of the pressure off harassed committee members. Fierce in-fighting has been going on within the committee for more than a week.

What Kissinger did not know at the time was that a counteroffensive was already under way to save the initial amendment. Jewish leaders from around the nation were working as hard as the administration to bring the wavering congressmen back to their initial position. The amendment, first sponsored in the Senate by Henry Jackson [D., Wash.], has a majority sponsorship in the entire House of 285. There are 77 supporters in the Senate.

Kissinger's love of secrecy then became part of the problem. The administration push within the executive sessions of the committee was to maneuver for the turncoat vote—without it being registered. This would take the individual members off the hook if later questioned on why the emigration question failed in committee.

But the secrecy could not be maintained. Meany knew about the entire plot even as Kissinger tried to sell him on the idea the administration's flexibility would be severely damaged if the Ways and Means Committee passed the Jackson [etc.] amendment. Those privy to the conversation between Kissinger and Meany said that the labor leader did not give an inch.

And by this Monday, Meany pulled the cork on Kissinger. Meany dispatched a telegram to all 25 members of the committee. It blistered the Kissinger concept in every-day language. The lengthy missive said such trade legislation with Communist-bloc nations was contrary to the "best interests of the United States."

The proposal, Meany continued, "will insure massive increases in imports from countries which repress their populations and thwart the formation of free trade unions and stifle legitimate dissent . . . will legitimatize commercial arrangements by countries which use trade for political and military objectives . . . to expand and modernize Soviet industry . . . to further the U.S.S.R.'s ambition on power in the world and only coincidentally to improve its people's lives. . . ."

The acid test of the confrontation was that Kissinger withdrew as the telegram hit home with the committee members. Whether Kissinger will take on heavy slugger Meany again in a direct way remains to be seen. Administration forces fighting for the compromise contend that the door of private hearing room could again be opened to Kissinger next Tuesday or Wednesday.

If Kissinger walks thru it, however, the chances of his being slugged again by Meany are excellent. Meany considers such a proposed visit as a reopening of public hearings on the trade measure. If that door opens, Meany most likely will ask for equal time. This specific fight is a long way from a conclusion, but one thing is certain: The hard-hat clobbered the high flying ex-professor of diplomacy. Kissinger has been forced to go public and the vote inside the committee will be recorded.

SOUTH VIETNAM DESERVES OUR CONTINUED SUPPORT

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. O'NEILL. Mr. Speaker, as relieved as all Americans are at the cessation of our country's role in the hostilities of Indochina, we cannot turn our backs on the problems of that area. South Vietnam especially deserves our continued attention and concern. Thus it is most distressing to see reports that the Thieu government for which we have sacrificed so much is not abiding by the accords of the peace agreement.

Recently the Board of Aldermen of the city of Somerville, Mass., met and adopted a resolution supporting the International Day of Concern for the Prisoners in South Vietnam. In addition, because of their concern for the treatment of "political" prisoners, they urged that all material and technical aid to President Thieu be terminated.

The United States has an obligation to insure that it does not become an unwitting accomplice in the acts which have been attributed to the Thieu regime.

I insert the following resolution in the Record at this point:

Resolution

Whereas, the Agreement on Ending the War and Restoring the Peace in Viet Nam is an accurate expression of the deep aspirations of both the Vietnamese and the American Peoples; and

Whereas, the signing of the Agreement was internationally hailed as the beginning of a just and honorable peace; and

Whereas, Article Eleven (11) of the Agreement prohibits all acts of reprisal and ensures the democratic liberties of the people: Personal Freedom, Freedom of Speech, Freedom of the Press, Freedom of Meeting, Freedom of Ordanization, Freedom of Political Activities, Freedom of Belief, Freedom of Movement, Freedom of Residence, Freedom of Work, Right to Property Ownership, and Right to Free Enterprises; and

Whereas, Article 8(c) of the Agreement asks that the question of Vietnamese civilian personnel captured and detained in south Vietnam be resolved within ninety days after the ceasefire comes into effect; and

Whereas, ninety days have passed and President Thieu's government shows no sign of releasing more than a token few of the over 100,000 political prisoners he holds; and

Whereas, reliable reports have appeared stating that President Thieu has ordered changes in the status of thousands of prisoners from political to common prisoners so as to appear to comply with the Agreement; and

Whereas, very many authoritative reports, including testimony before members of Congress, and photographic evidence in the daily and weekly press, have appeared, testifying to mass and widespread torture and execution in President Thieu's prisons; and

Whereas, the actions for which these prisoners have been arrested are, in the main, an exercising of the democratic liberties guaranteed by the Agreement, and as such, perfectly legal; and

Whereas, the very prisons, commonly known as "Tiger Cages," are by and of themselves objects of shame and scandal; and

Whereas, Article 9(c) of the Agreement states that: "Foreign countries shall not impose any political tendency or personality on the south Vietnamese People:" and

Whereas, the United States government has provided and is providing billions of dollars in material and technical help for the construction of the prisons and their operations; and

Whereas, the International Day of Concern for the Prisoners in Souh Vietnam, which has the support of many religious and civic bodies, has been set for September 23, 1973:

Whereas, the International Day of Concern for the Prisoners in South Vietnam, which has the support of many religious and civic bodies, has been set for September 23, 1973:

Therefore, be it resolved, that we, the Board of Aldermen by our endorsement and support of the International Day of Concern for the Prisoners in South Vietnam, urge the United States Congress and President to cease providing material and technical aid to President Thieu and his prison system.

"TOUGHING IT OUT" FOR 3 MORE YEARS

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. RIEGLE. Mr. Speaker, today's Washington Post carried two outstanding analytical columns; one by Joseph Kraft and the other by Marquis Childs. I commend both articles to my colleagues, and am inserting them at this point in the Record:

"Toughing It Out" for 3 More Years

(By Marquis Childs)

Remember that slogan of only 10 months ago, "Four More Years"? Now, in a nightmare reversal of what happened last November, we are to have three more years of dissension and blurred uncertainty over who governs and how.

Those close to the muddled legal process believe Vice President Spiro Agnew will be in office as his term expires in 1976. If this is proved out, it means that a man subject to indictable offenses of bribery, conspiracy and tax evasion will be one heartbeat away from the presidency of the United States.

The conjecture on Agnew's staying power, following his refusal to resign his office, is based on the following probabilities. Having wrapped himself in the Constitution by calling on the House of Representatives to investigate the charges against him, he, in effect, is challenging that body to impeach him.

Granting the request, which Speaker Carl Albert summarily rejected, the House would take months to carry out a thorough investigation. It would require a special staff as in the Watergate investigation on the Senate side of the Capitol. Merely assembling the relevant material after a committee and a staff have been named would require weeks. Then the fierce glare of the hearings under the television lights could go on for many more weeks.

All this would be preliminary to consideration by the House of a bill of impeachment. Think of the debate with the prospect that each of the 435 members would have something to say. That marathon of labored oratory could be interminable.

In the opinion of this observer the House is unequal to such a challenge. The leadership is fumbling and unsure. While the Democrats have a majority of 150 seats, this includes Southerners who have been repeatedly rallied to the Republic side. The emotional response to the plight of a man caught in a web of campaign money and public favors will cut across party lines, since too many of the members themselves know what that kind of tangle means.

So with the avenue of impeachment closed, assuming these probabilities, prosecution in the courts goes forward. Attorney General Elliot L. Richardson has pledged that the allegations against Agnew will be taken before the grand jury in Baltimore. But the Vice President's attorney has raised the shield of the Constitution and that may be protection, if not in the lower court against the threat of a conviction, certainly on the way to the Supreme Court.

This raises the fantastic outlook of the President—on the issue of the tapes—and the Vice President both refusing the jurisdiction of the courts. Such a defiance of the orderly processes of a government of divided powers can hardly mean less than a breakdown of the system itself.

Sympathy for Agnew has been undoubtedly generated by what has appeared to be a concerted effort through leaks and insinuations of wrongdoing to force him out of office. The widely held belief is that the President wanted to be rid of him so he could name John Connally in his place. Despite repeated denials from the White House and the Justice Department this belief has persisted.

While sympathy for his plight is understandable, the Vice President has done little during the first fours years to enlist support from other than the stalwarts of his own paty. He spent much of the initial two years in a selective attack on the media—an attack believed to have been inspired by the President. In the kind of assignments abroad that have become routine for the No. 2 man he has handled himself capably enough.

After a press conference when the charges against him first surfaced, Agnew went out to stay with his friend Frank Sinatra in Sinatra's luxury empire in Palm Springs, Calif. In light of Sinatra's dubious reputation on several scores this seems a curious retreat. One of his old friends offered this explanation:

"You have to understand that when Nixon tapped him in 1968 in Miami Beach Spiro had never known the big time and the big money. The little money, yes, but not the big. That explains Sinatra and a lot of other things."

It is the bankruptcy not of an administration nor of a man, but of the system itself. The voice of moral leadership to point a way out of the morass is still to be heard.

AGNEW'S PLIGHT

(By Joseph Kraft)

There is reason to feel sorry for Spiro Agnew in his present plight. Not that the Vice President has been unfairly done in by the Justice Department, as he and his supporters seem pleased to believe. The true sadness lies in the circumstances which finds the Vice President of the United States totally unfitted by experience to meet the troubles which beset him.

Two incidents demonstrate the Vice President's incapacity for dealing effectively with his present affairs. One is the bold claim that he will not resign even if indicted by the grand jury in Baltimore. Nobody aware of the realities of life in Washington could advance that claim.

If Mr. Agnew is indicted, the President could be obliged by solemn public commitments to force him out. At a minimum, Mr. Nixon would cut off all the Vice President's delegated functions. There would be no missions abroad, no service on various boards and commissions, no office in the White House complex—not even a telephone in the executive banch.

The Vice President could, of course, go up to Capitol Hill to fulfill his constitutional duty of presiding over the Senate. But Mr. Agnew has few friends in the Senate. He gave up presiding regularly over that body years ago when he was stung by a rash comment made during the debate over the Anti-Ballistics Missile, or ABM.

The hardball players in the Senate are already rubbing their hands over the fun they would have at Mr. Agnew's expense if he came back. Day after day, they would be sarcastically congratulating Mr. Agnew on the floor for having learned his constitutional duties from a grand jury.

It would be the kind of punishment nobody could withstand—least of all a man as personally sensitive as the Vice President. Once that is taken into account, Mr. Agnew's claim that he would stay in office even if indicted is shown up as the merest bravado.

A second revealing incident was the Vice President's request last week that the House of Representatives move in to consider his case before it went to the grand jury. The request was made in extreme haste, without any preparation of Speaker Carl Albert or other Democratic leaders.

But anybody who knows anything about Washington knows one thing. It is that getting congressional approval for a controversial matter requires the most laborious preparation of key figures behind the scene.

Without such careful laying of the ground, the Congress merely follows its natural instinct. The natural instinct is to duck hard cases. If nothing else, Speaker Albert and his men are world champions in rolling down the hill whatever is rolled up to them. Which is precisely what they did, and in a matter of hours, with the Vice President's request.

The reason why the Vice President is so ill-equipped for his present difficulties is clear. Most men in American politics move up gradually from office to office. They acquire knowledge and experience. They come to know instinctively what is possible and not possible in a given circumstance.

But the rise of the Vice President has been by mere fluke. He was handpicked by Mr. Nixon to be Vice President. Before that he had served only two years as governor of the small state of Maryland. He was elected largely thanks to a crazy Democratic primary.

Before becoming governor, Mr. Agnew was for four years chief executive of Baltimore County. But he owed that post also to a freak division in the Democratic Party. Thus the Vice President did not face the crises and problems usual to American politicians. He did not come to political responsibility with even the nominal equipment of the self-made man.

President Nixon could have changed that. He could have trained the Vice President up. He could have given him important diplomatic assignments. He could have given him true domestic responsibilities.

But the President chose to use his Vice President purely as a stump-speaker and fund-raiser. Mr. Agnew has transacted no piece of serious foreign business. He knew and knows nothing of the negotiations with Russia or China.

Nor did he have any serious part in domestic affairs. The making of the budget is a mystery to him. He is blind to the intricacies of legislation, and deaf to the moods of the Congress.

He now finds himself totally unprepared to meet the crisis of his life. He is making wild, demonstrably inaccurate charges about the Department of Justice. He is appealing to a Congress that has almost no sympathy for his case. He is posturing before the press and the public in a way that is going to make him look ridiculous.

It is a sad spectacle. Perhaps the saddest aspect of it is that Mr. Agnew is not alone. Like John Mitchell and John Ehrlichman and Bob Haldeman he is a man not much better or worse than most. Like them, he is in a way over his head, thanks chiefly to Richard Nixon.

BUY AMERICAN BILL

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. WALDIE. Mr. Speaker, I would like to bring attention to a matter which I feel is of the utmost importance. At the present time in America close to 6 percent of our Nation's work force, or almost 6 million workers, are unemployed. Factories in the United States are operating at 70-percent capacity. In the last 2 years our Nation has had a trade deficit of almost $2 billion. Clearly the current remedies which are available and which we recognize within the Government are not adequate. Because of the present state of affairs, Mr. Speaker, I am introducing the "Buy American" bill.

Essentially this Buy American bill sets the cost differential between domestic and foreign bids on all Federal contracts at 50 percent. Under this bill all Federal agencies would be required to purchase American-made products rather than foreign-made products, unless the cost of the American-made product was more than 50 percent higher than the comparable foreign-made product. The present law sets the cost differential governing the purchases of all governmental departments, with the exception of the Defense Department, at only 6 percent.

The Buy American bill will strengthen the preference given to American goods by requiring Federal agencies and departments to "take into consideration the hidden costs of buying goods which are made outside the United States; for example," first, the increase in employment which may result; second, the loss by the United States of corporate and income tax revenue which may result; and third, the increased cost of unemployment compensation or welfare payments to American workers which may result.

Mr. Speaker, for too long America has tolerated policies that favor foreign companies and foreign workers over American companies and American workers. The time has come to start putting the interests of American workers and industry first. The full text of the bill follows:

H.R. —

A bill to amend title III of the Act of March 3, 1933, commonly referred to as the "Buy American Act", with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced, or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of title III of the Act of March 3, 1933 (41 U.S.C. 10a), commonly referred to as the "Buy American Act", is amended by inserting "(a)" immediately after "Sec. 2." and by adding at the end thereof the following new subsections:

"(b) The head of the department or independent establishment concerned shall not deem unreasonable any bid or offer to furnish manufactured or unmanufactured articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States if such bid or offer does not exceed an amount equal to the sum of the lowest bid or offer to furnish such articles, materials, or supplies not mined, produced, or manufactured, as the case may be, in the United States, plus 50 per centum thereof.

"(c) The head of the department or independent establishment concerned shall deem an article, material, or supply to have been mined, produced, or manufactured, as the case may be, in the United States only when the cost of the components mined, produced, or manufactured in the United States exceeds 75 per centum of the cost of all components incorporated into the article, material, or supply."

Sec. 2. That section 4 of title III of the Act of March 3, 1933 (41 U.S.C. 10d), is amended by inserting "(a)" immediately after "Sec. 4." and by adding at the end thereof the following new subsections:

"(b) Any law, regulation, or ordinance enacted by any State, or political subdivision thereof, either before, on, or after the effective date of this section, which provides that preference be given to the acquisition of articles, materials, and supplies of United States manufacture for public use by that State, or any political subdivision thereof, shall constitute a valid exercise of the State's, or political subdivision's, police power and shall not constitute an encroachment or infringement upon the power of the United States to regulate foreign commerce or to conduct foreign affairs. Nothing in this or any other Act shall be deemed to affect, in any manner whatsoever, the right of any State, or political subdivisions thereof, to enact or implement any such law, or regulation, or ordinance. Nothing in this or any other Act shall be deemed to conflict with any executive agreement that exempts from its provisions: laws, regulations, or requirements governing the procurement by governmental agencies of products purchased for governmental purposes and not with a view to commercial resale or with a view to use in the production of goods for commercial resale.

"(c) The provisions of sections 1–3 of this title shall apply to, and be made a part of, any contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof."

ALEXANDER BICKEL ON THE VICE PRESIDENT'S REQUEST FOR THE HOUSE TO ACT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, one of the most respected constitutional experts is Prof. Alexander Bickel, of Yale University. In this week's New Republic, Professor Bickel has written an incisive and thoughtful analysis of the Vice President's situation. I urge my colleagues to carefully consider the persuasive arguments of this distinguished professor of law:

The Constitutional Tangle

A bit of tension in the Agnew case was released last Wednesday, the 26th, but the path along which a resolution can be reached is far from clear as yet. Attorney General Richardson has authorized grand jury proceedings. But this means only that the evidence accumulated by the United States attorney in Baltimore and the witnesses he has interviewed will now be rehearsed and presented before the grand jury. The grand jury, under the guidance of the United States attorney and of Attorney General Richardson, may then dismiss the charges or vote an indictment. The attorney general, however, has not indicated what his course of action would be should an indictment be voted. He must authorize signature of it by the U.S. attorney if the matter is to proceed to trial. Else it cannot and the indictment is a nullity.

Normally, of course, signature of the indictment is authorized, and trial does follow unless there is a plea of guilty. But in this case a major decision lies between indictment and signature. The question for decision is whether a sitting Vice President is subject to criminal indictment or must first be removed by impeachment before he can be indicted and tried. The Vice President takes the position that he is not indictable.

The question is an open one. It has never been authoritatively decided and there are no historical materials that shed any particular light upon it. The text of the constitutional provisions is inconclusive. It is said in Article I, Section 3 that the judgment in case of impeachment shall extend only to removal from office and future disqualification for office, and shall not foreclose subsequent criminal indictment and punishment. This language tends to suggest an assumption on the part of the draftsman that impeachment will normally precede criminal indictment. Yet no more than the suggestion of an assumption can be drawn from the language. It does not remotely say that impeachment must precede criminal indictment. A second provision, in Article II, Section 4, merely lays it down that the President, the Vice President and all civil officers of the United States are removable by impeachment.

Since not all men are angels and the framers of the Constitution had this earthy insight firmly in mind, if it were true that impeachment must in all cases precede criminal indictment, then the conclusion would have to follow that the framers intended Congress to be pretty busy with impeachments. For the impeachment clause applies to thousands of federal officers. It is very unlikely that the framers would have wished Congress to devote a substantial portion of its time regularly to the impeachment process; and it is unlikely that they thought the federal government would long remain small enough so that the impeachment business would constitute only an occasional and minor burden. The more reasonable supposition, therefore, is that in the ordinary case of criminal misconduct by federal officials, impeachment was not viewed as a necessary first step, and indictment prior to impeachment was not foreclosed. Practice has long conformed to this reasonable supposition. Federal officials, including judges, are indicted prior to resignation if necessary and impeachment has been a rarely used procedure.

The case of the President, however, is unique, and it is strongly arguable that the Vice President partakes of the uniqueness of the President. In the presidency is embodied the continuity and indestructibility of the state. It is not possible for the government to function without a President, and the Constitution contemplates and provides for uninterrupted continuity in that office. Obviously the presidency cannot be conducted from jail, nor can it be effectively carried on while an incumbent is defending himself in a criminal trial. And the incumbent cannot be replaced or suspended or deprived of his function as President while he is alive and not declared physically disabled, as he now may be under the 25th Amendment. (That the 25th Amendment applies only to physical disability is clear from its legislative history; the amendment would be a dangerous instrument indeed if it were otherwise.) Hence a sitting President must be impeached before he can be indicted.

The necessary continuity of the presidency depends also on the availability of the Vice President, because upon the death or physical disability of the President the Vice President—if there is one—automatically succeeds. Thus the continuity is never broken; discharge of the function is never interrupted. While the Vice President is alive and still in office, even if he be in jail or in the midst of a criminal trial, there is no way under the Constitution to provide for any other succession to the presidency than the Vice President's. Other successions can be provided, and have been by statute, to take care of the case of there being no Vice President at a time that a vacancy opens in the presidency. But no succession other than the constitutional one by the Vice President can be provided for if a Vice President is in office, which he is so long as he is alive. If the continuity of function in the presidency therefore requires that the President must first be removed through impeachment before he can be indicted, then it follows—or at least it can be strongly argued to follow—that the Vice President must equally first be impeached before indictment. It is not that there is equally a need for continuity in the office of Vice President as in the presidency. It is rather that while he is alive the Vice President cannot be bypassed in arranging the succession to the presidency, and if he is indictable before impeachment, it may turn out that a Vice President who is in the midst of a criminal trial or has been convicted or is serving a sentence, suddenly and unavoidably becomes President. This is not a consummation to be regarded with equanimity.

Since he is taking both the position that he is not subject to indictment and the position that he is innocent, will remain in office and seeks authoritative vindiction, the Vice President has naturally made a request to the speaker of the House that the House, whose function it is to commence impeachment proceedings, if any, begin an investigation of the charges against the Vice President. The speaker has replied he would take no action for the time being. That is highly regrettable. The national interest dictates that the House act, by appointing a select committee to take evidence after the fashion of a grand jury, in private. It will necessarily be a while before the legal question of the Vice President's indictability can be resolved. It may be and it probably ought to be resolved in favor of the Vice President. Should that be the outcome, the House will be required to act. Since in the meantime it is a fact of life that the Vice President could suddenly succeed to the presidency at any moment, an act of commission or omission that tends to prolong the period of uncertainty about the charges against him is inexcusable if at all avoidable. The simple reason, therefore, why it is in the highest national interest that a select committee of the House begin its inquiry immediately is that to do so may in the end save time.

EDWARDS INTRODUCES LEGISLATION TO AMEND FEDERAL EMPLOYEES' COMPENSATION ACT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. EDWARDS of California. Mr. Speaker, today I am introducing in the House of Representatives a bill to amend title 5, U.S.C., relating to compensation for Government employee work injuries through the establishment of medical review boards to review occupational disease and illness claims.

This measure also provides for review of the decisions of the medical review boards in the appropriate district courts of the United States in open hearing by the court, with appearances of members of the board and the cross examination thereof by the persons requesting the review through their legal counsel.

I am aware of many cases where Government employees felt they did not receive a fair decision on a claim for work-related injury or occupational disease, and have expressed the need for a professionally competent board of physicians to review such cases, giving attention to the medical questions involved.

In addition, as stated by Herbert A. Doyle, Jr., Director of the Office of Federal Employees' Compensation, in a letter of December 1, 1972:

> The Federal Employees' Compensation Act, Title 5, U.S.C. 8101, et seq. is the exclusive remedy for Federal employees for injury or disease sustained in the performance of duty. An employee aggrieved by an adverse decision of the Office of Federal Employees' Compensation is entitled to a hearing by an OFEC representative who did not participate in the decision; reconsideration on the basis of new evidence by such a representative or review by the Employees' Compensation Appeals Board, an independent and impartial Board within the Department of Labor. The Board is a three-member quasi-judicial body which was established by Congress in 1946. A decision of the Board is final and not subject to court review.

This legislation would allow these employees access to the courts and an open forum in which to obtain reviews of decisions that are now the exclusive purview of the Department of Labor.

ASTRONAUTS' RETURN

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the New York Times' editorial of Wednesday, September 26, 1973, on the return of the Skylab II astronauts is a most fitting reminder that man and our Nation's first space station has achieved more than our fondest hopes for a productive mission. As this editorial so aptly points out, Skylab has demonstrated the potential, not only for the use of space stations for scientific and technological projects, but also that men of all nations can live and work effectively for long periods of time in such space stations. This editorial clearly points out the significance of Skylab and the continued importance of our national space program to our Nation and the world.

The editorial follows:

ASTRONAUTS' RETURN

> That was a triumphant return of the Skylab 2 astronauts yesterday. The word "triumphant" is entirely appropriate because even at this early point it is evident that their 59-day stay in orbit was not only the longest manned space flight in history but also the most productive.
>
> In every major field of work assigned to the Skylab 2 crew—medical study of human and other organisms' reaction to prolonged weightlessness, telescopic observation of the sun and other objects in space, surveillance of earth for meteorological, geological and other scientific purposes—the experts are exhausting their supply of superlatives in an effort to pay adequate tribute to the achievements of these past two months.
>
> Taken together, the results of Skylab 1 and 2 have made two conclusions incontrovertible:
>
> First, man can live and work effectively for long periods in space, a point particularly emphasized by the astronauts' pleas in the last days of their journey to be allowed to remain longer in orbit.
>
> Second, stations in space are potentially as productive of scientific and technological benefits as the most optimistic predictions had suggested. There is every reason now to suppose that these benefits will range from the discovery of new mineral deposits on earth and early warnings about the formation and movement of storms to new and more effective methods of predicting the turbulence on the sun that interferes seriously with electronic communication on earth.
>
> With the feasibility and benefits of manned stations in space now so convincingly demonstrated, it can be taken for granted that such orbiting laboratories will become permanent fixtures in the heavens before too many years have passed. The main problem now is more political than technological. Space stations may be launched in the future by rival nations or groups of nations and provide foci for competition and even, conceivably, hostile military action in space.
>
> In contrast, space stations could be sent into orbit with multinational crews working for all humanity under the United Nations flag. If Secretary of State Kissinger is looking for an early opportunity to carry out the philosophy he outlined in his United Nations speech the other day, he need look no further than Skylab to place the United States in the vanguard of international cooperation in space.

TESTIMONY OF MAYOR TOM BRADLEY ON THE CLEAN AIR ACT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mrs. BURKE of California. Mr. Speaker, the Los Angeles area has been plagued for too long with an unacceptable quality of air and an inadequate mass transportation system. These two issues, of course, are interrelated, and we have been discussing the problems and possible solutions for many years. It appears that we are finally beginning to act in a constructive way and are now attempting to alleviate these serious problems before they reach the crisis stage.

A major reason for this current action is that it is the direct result of Mayor Tom Bradley's initiative and determination to take positive steps toward the planning, funding, and construction of a much needed mass transportation system for the greater Los Angeles area, an issue the mayor considers of highest priority. Closely related to this effort was the establishment of an interagency task force in Los Angeles whose objective was to comment on the EPA's proposed regulations for the South Coast Air Quality Region. Mayor Bradley has met these two vital issues head-on and emphasizes that transportation control, land use control, and air quality control are procedurally interrelated. In fact, the spirit of interagency cooperation has been the tone set by Mayor Bradley in all his testimony relating to transportation and air quality control plans in Los Angeles.

Due to the considerable importance of these issues, especially as we begin debate on the Urban Mass Transit Assistance Act this week, I would like to take this opportunity to insert into the Congressional Record the testimony of Mayor Tom Bradley, submitted by letter to the chairman of the House Subcommittee on Public Health and Environment during the public hearings on the Clean Air Act:

> City of Los Angeles,
> Office of the Mayor,
> *Los Angeles, Calif., September 19, 1973.*
>
> The Honorable Paul G. Rogers,
> *Chairman, Subcommittee on Public Health and Environment, Committee on Interstate and Foreign Commerce, Rayburn House Office Building, Washington, D.C.*
>
> Dear Congressman Rogers: Because of a conflict in my schedule, I am unable to testify in person, on this important issue being discussed by the Committee, the Clean Air Act. But, I felt it important that the Committee receive the enclosed material to supplement your hearing record.
>
> As you are aware, the Environmental Protection Agency (E.P.A.) promulgated a revised Transportation Control Plan for the South Coast Air Quality Region. In response to the proposed transportation control plan for the S.C.A.Q.R., an Inter-Agency Task Force was established. The principal objective of the task force was to develop comments on the E.P.A. plan. As a result, the inter-agency task force filed a comment document with the Agency, signed by the Chairman, the Los Angeles County Board of Supervisors, President, the Southern California Association of Governments, the California Highway Patrol, California Department of

Transportation, League of California Cities and myself. I believe this comment document represented a positive effort in inter-agency cooperation to meet the E.P.A.'s requirements It is mandatory that the E.P.A. and the Department of Transportation, at the Federal level, duplicate our inter-agency cooperation demonstrated here at the local level.

At the August 9, 1973 hearing conducted by the E.P.A., I provided a detailed statement commenting on the Agency's transportation control plan for the S.C.A.Q.R. This statement along with other supporting material is hereby submitted for the record.

There are a number of issues I believe the Committee should consider when reviewing the Clean Air Act. Above all, it is mandatory that the Congress and the Administration continue to require the auto and oil industries to live up to their environmental responsibilities. We know that automobiles can be manufactured domestically to meet the Clean Air Act requirements. I would submit that if the auto industry does not respond with needed changes to modify their engine design, that the Congress mandate it. I believe the public health of the nation will be better served by imposing stronger controls on the auto industry to the same vigorous standard of review by which control plans for cities have been imposed. It is clear that despite the threat to the public health, the auto industry has benefited from a double standard, and is not subject to the same controls as have been imposed on cities.

Before the Committee questions the existing air quality health standards, I recommend you review the E.P.A.'s health research budget priorities. Recently it was shown that even though the Agency's health research budget is limited, the Agency has continued to provide millions of dollars to the auto industry and oil companies—both regulated by E.P.A.—for health studies upon which E.P.A., in part, bases regulations of those industries.

It is clear that the intent of the proposed transportation control plan will be an immediate reduction in the use of the automobile, accompanied by a marked improvement in the air quality. If this is to be accomplished, the Congress and the Administration dare not fail to recognize that these achievements will require far greater infusion of dollar than at present. For example, to comply with the E.P.A. strategy it is estimated that the Southern California Rapid Transit District would need: an additional 1,400 buses at a capital cost of $104 million, with an annual operating deficit of $31 million. Thus, to make the strategies work, it will necessitate massive federal support for urban mass transit. Clearly the Congress and the Administration currently have the opportunity to meet this need, by supporting legislation now pending on the floor of the House, which would provide mass transit operating resources.

Lastly, it is imperative that the Congress develop a procedure for interrelating transportation control strategies with complex source regulations. The current regulations implemented concurrently, create a situation that encourages increased suburbanization, as workers find central city commuting more difficult by car, with few transit improvements to take up the increased demand—impacting plans for revitalizing the central core. It is important that the issues of transportation control, land use control, and air quality control are procedurally interrelated. Consideration should be given to the procedure contained in land use legislation now pending in the House Interior Committee, which in part, regulates "development of regional impact." Of particular importance is the need for quantitative standards of clear air tolerancy, which can be translated by local jurisdictions in terms of urban growth, in a context of both a permissible rate and location within an air basin.

The task of your Committee, albeit the Congress, is an important one. One which *must balance the environmental, social and economic needs*. I feel strongly that it is imperative that the integrity of the Clean Air Act be maintained. Thus, any changes or modifications must be carefully considered and kept to a minimum. Considerable efforts must be made to strengthen the Act, not weaken it.

I stand ready to assist you in this task.

Sincerely,

TOM BRADLEY,
Mayor.

HUMAN RIGHTS IN CHILE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ROSENTHAL. Mr. Speaker, one of the few remaining constitutionally elected, free governments of South America died a violent death in Chile late last month when the military overthrew President Salvador Allende and dissolved the Congress.

In place of democratic government, the junta instituted a military dictatorship, complete with middle-of-the-night raids on homes, wholesale arrests, mass executions, firing squads, heavy censorship, book burning, the outlawing of political parties and labor unions, and restrictive curfews.

There is widespread international concern over the possible danger to human lives and human rights in Chile in the wake of the coup. Thousands of persons are being held in custody, including former Cabinet-level officials, freely elected members of the Congress, university students and their professors, and non-Chilean nationals who are political refugees from their native countries. This concern is heightened in the wake of the junta's announcement that it intends to apply military justice to these detainees.

The Allende government had attempted to introduce democratic social reforms and redistribute the resources of the nation more equitably among the people. It ran into the bitter opposition not just of the rightwing military but also the giant multinational corporations.

We have seen how at least one of these massive conglomerates, ITT, was willing to put up at least $1 million to prevent the Allende government from taking office 3 years ago despite its fairly won victory at the polls. One cannot help but wonder what the role of these industrial giants was in finally having that freely elected government violently removed.

In view of the widespread abuse of human rights by the military dictatorship in Chile, I am today introducing a concurrent resolution calling on the President of the United States to use his influence with the new Government to see that those rights are protected for all persons, Chilean and foreign, as provided in the Universal Declaration of Human Rights and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and humane treatment. The resolution also seeks early publication of the names of those being detained by the junta and the charges against them.

The text of my concurrent resolution follows:

CONCURRENT RESOLUTION

Whereas in the aftermath of the change of government in Chile there is widespread concern over the possible danger to human lives and human rights in that country;

Whereas thousands of people are being held in custody including former cabinet-level officials, members of both Houses of Congress, students and professors of universities and non-Chilean nationals who are political refugees from their home countries;

Whereas the Government of Chile has stated an intention to apply military justice to those being held in custody: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*), That it is the sense of the Congress that the President should request the Government of Chile to undertake the following:

(a) to insure protection of human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and humane treatment of prisoners as provided in article 3 of the Geneva conventions, article 14 of the Universal Declaration of Human Rights, the United Nations Standard Minimum Rules for the Treatment of Prisoners the Declaration on Territorial Asylum, and the Convention and Protocol Relating to the Status of Refugees; and

(b) to publish as soon as possible the names of those being held in custody and the charges against them.

THE SEVERE EFFECT OF THE INCREASED POSTAL RATES

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mrs. HOLT. Mr. Speaker, increases in mailing rates initiated by the new Postal Service are having a severe effect on the publications of nonprofit organizations. These organizations, including veterans, religious, and fraternal groups, have traditionally been allowed by Congress to have a low cost means of disseminating information to their membership. They are now being subjected to the second highest rate increase for all classes of mail by the Postal Rate Commission.

I am sure that we all share the hope that the Postal Service will be successful in achieving its objective of becoming a break-even operation; however, I maintain that we must exert caution that this objective is not attained at the expense of nonprofit organizations. Their publications perform a valuable public service and I feel that it is incumbent upon Congress to take steps to insure the availability of reasonable mailing rates.

It is for these reasons that I have introduced legislation to mitigate the effects of recent postal increases. This bill would eliminate the per piece surcharge which can be as high as 1.5 cents and it would allow organizations to mail 250,000 copies of their publications at the old second-class rates.

This measure is not intended to subvert the new Rate Commission but rather to maintain the historic mailing privileges for nonprofit organizations. I strongly urge my colleagues to support rate relief for these organizations.

AUTO BUZZER, INTERLOCK OPTIONAL, NOT MANDATORY

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. COLLINS of Texas. Mr. Speaker, when the 1974 new model automobiles hit the road, there is going to be more and more talk about the interlock buzzer system. I ask all of my colleagues for the support of my bill, H.R. 9600, which instructs the Secretary of Transportation to eliminate his requirement that automobiles must have the interlock buzzer system with shoulder harness and seat belts.

This mandatory requirement has already stirred up comments that are very logical and demand attention. Let me quote a businessman from Irving:

> Through the years, I have personally talked with hundreds of professional drivers particularly in the Petroleum industry who refuse to wear safety belts because they've seen their own peers burned to death because they couldn't escape after an accident.
>
> As to buzzer equipment one of our major national clients lost their sales manager who was attempting as he drove, to shut off the buzzer system while driving. He, in attempting to shut the buzzer off, became distracted and ran off the road, hitting a concrete bridge.

Let me give you another example from a man in New Lisbon, Wis.:

> An amendment of the law is vitally necessary to protect the right of the people. A former employee of ours, a truck driver, has only one leg as a result of being pinned in by a seat belt when a tire exploded on his Semi. Seat belts will not stop accidents, a lower speed limit and a severe crackdown on drunks will.
>
> While unpacking my car at a motel in Florida last winter I heard a screech and looked up to see a car coming at me at about fifty miles an hour. I ducked and the car swerved off and hit a fence. What happened? The poor old man that was in the car said he tried to reach down and pull back the gas pedal that was stuck but he couldn't reach it on account of his damn seat belt, as he put it. He could have been killed and I know I came close.

Let me give you one from a man in Dallas, Tex., who wrote in to the Dallas News. Here is part of his comment:

> A personal experience further convinced me of the potential danger of such devices. Through no fault of mine, a speed demon hit my car broadside. Fortunately, my seat belt was not fastened. Had it been, I would have been pinned to the seat. Under the circumstances, the violence of the impact literally threw me out of my shoes and into the back seat. My forehead was cut and the impact caused other damage but a fastened seat belt, much less a harness, would have meant irreparable disfigurement or instant death.

Here is a letter from a fine young lady, 20 years old, in Fort Worth:

> I wholeheartedly support your stand concerning the "big brother" attitude the government has taken. I was in a rather serious automobile wreck a year and a half ago. Had I been wearing my seat belt at the time, I probably would be severely crippled today or even dead. The seat of my 1965 Volkswagen was jammed within 3 inches of the steering wheel. Fortunately, I was flung into the other seat. I realize that this law will apply to American made cars, but I feel that should I buy a car in the future that has this feature, I should have the right to determine whether or not to wear the seat belt.

Last week when I was back in my district I had a long visit with a fine lady from Farmers Branch. She wanted to know what medical research had been done on this shoulder strap harness to determine if it would cause cancer in women. She is convinced that the intermitent pressure from the shoulder strap across a woman's breast will lead to cancer after a period of 5 years or so. She said that this harness pressure pushing in and pushing out on the softer tissues would gradually cause irritation and lead to cancer of the breast. My answer to her was that I know of no cancer research made by the Transportation Department before they issued the mandatory decree.

Safety equipment should be available in all automobiles, but it should be on an optional basis. There is an old proverb that one man's meat is another man's poison. Sometimes the seatbelt will help you, but there will be occasions when it could mean your death.

This buzzer interlock shoulder harness system for automobiles is the greatest straitjacket thrust the bureaucrats in Washington have used to regiment the lives of America.

MARAZITI WELCOMES CARDINAL MINDSZENTY

HON. JOSEPH J. MARAZITI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. MARAZITI. Mr. Speaker, I would like to take this opportunity to welcome to our country and to my State a living symbol of the Hungarian people's unrelenting battle against tyranny.

Josef Cardinal Mindszenty, the 81-year-old Primate of Hungary and Archbishop of Esztergon has been an ardent foe of communism and a champion of freedom in his homeland. He has spent 23 years of his life either in prison or as a refugee, but remained steadfast and unbending.

Further introduction is unnecessary for his name is legend to his own people and to all people everywhere who regard freedom and justice as an individual right.

Cardinal Mindszenty, I salute you. It is with warm admiration and sincerity that I welcome you to the United States and our fair State of New Jersey.

ACT DOOMS LOCAL AUTHORITY

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. CHAMBERLAIN. Mr. Speaker, an editorial in the Ingham County News, Ingham County, Mich., of September 26, 1973, regarding Federal land-use legislation, has come to my attention, and I would ask that it be inserted into the RECORD so that others may know of concerns being expressed at the local level that such legislation might preempt local decisionmaking processes. Certainly any effective development of long-range planning in the field of land-use regulations must encompass input from all levels of government, with emphasis on State and local units, and I would hope that this point would be carefully weighed as we consider land-use proposals.

The editorial follows:

ACT DOOMS LOCAL AUTHORITY

> Local governments in the United States of America began assuming planning and zoning powers late in the 19th Century. In the interests of seeing their towns and cities develop in an orderly way, property owners by and large have accepted this intrusion into their traditional rights to use a piece of land for whatever purpose they chose. We are reaching a point, however, where land use controls are spinning a web around property rights in a way that surely would have appalled our grandfathers.
>
> City and county governments are yielding to pressure to surrender their planning and zoning powers to regional bodies. Many states, California among them, have placed the control of development of at least part of their land in the hands of state agencies. Predictably, the federal government is next. Legislation is moving through the 93rd Congress that will make the question of what happens to the vacant lot at the end of our block an issue of national policy.
>
> The proposed Land Use Policy and Planning Assistance Act, which has bipartisan support, has the innocent outlines of a progressive piece of environmental legislation, with the customary price tag of federal funds. It would distribute $100 million a year to state governments to encourage them to adopt statewide land use policies and see that they are enforced. With that kind of impetus for distant, centralized planning and zoning authority, the historic local responsibility in the field appears doomed, not to mention what might remain of the rights of the individual property owner.
>
> This might be the time for citizens to draw back and consider how far they want to go in creating government agencies to hold sway over the use of land. What exactly is the deed to a piece of property going to mean when there is an environmental policeman on every corner, possibly in a federal uniform? The quesiton is as much a philosophic one as a political one.
>
> The environmentalists argue that land can no longer be considered as only a commodity to be bought, sold and used freely within the framework of a community plan. It must be "managed" in the public interest, the way we manage our water and mineral resources to conserve them and assure they will serve the public good. Granted that pellmell growth and development can be ruinous, are the American people and their local governments really so irresponsible that they must conjure up a presumably wiser Big Brother to decide how they will use their land?

Our towns and cities are already bowing to the dictates of the state and federal governments to clean up their air and water. Those environmental problems are considered too big and too serious—too "regional"—to be left to local action. At the rate we're going, the day will come when we have to apply to Congress for building permits.

A FREE AMERICA IS DEPENDENT UPON A FREE PRESS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. BROWN of California. Mr. Speaker, you may recall some remarks which I made on this floor several months ago, on May 10, regarding one of the many recent incidents in which gun-waving narcotics agents suddenly and without warning broke into the homes of law-abiding citizens by mistake.

The Ontario-Upland Daily Report recently published an editorial concerning this same incident and drew a few conclusions that I believe deserve the attention of every Member of Congress. The editorial, entitled "Just like Nazis," was printed on Sunday, September 23. It reads as follows:

JUST LIKE NAZIS

It's hard enough to believe that in America, narcotics agents, looking and behaving like common hoodlums, can break into decent people's homes without a search warrant and terrorize them at gunpoint.

What is even harder to believe is that when the mistake is publicly acknowledged—and the mistake has been made a distressing number of times around the country—the neighbors of the victims harass them as if they, not the perpetrators of the crime, were the guilty ones.

This at any rate is what happened to Mr. and Mrs. Herbert Giglotto of Collinsville, Ill. After they complained about an illegal drug raid on their home last April they began receiving anonymous late-night telephone calls. Their cars were damaged while parked. Their close relatives also became targets of harassment.

The Giglottos were finally forced to move and to take up new lives in another state.

The people who did the things that were done to them are the same kind of people who threw rocks through Jewish store windows in Germany back in the 1930s after the Nazis gave the go-ahead.

And lest anyone argue that "it can't happen here," we need only remind ourselves that the Watergate burglars acted in the belief that they had the blessing of high authority.

Nevertheless, there have been other stories in the news that restore one's faith and indicate that it will take a lot more than criminals-with-badges or "overzealous" public servants to make it "happen here."

Though the Giglottos and others in their situation may doubt it, and they have all the reason in the world to doubt it, there is still a strong and fundamental residue of belief in fair play in America.

One of the latest proofs of this was a Florida jury's dismissal, almost with disgust, of the government's case against the so-called "Gainesville Eight," a group of anti-war Vietnam veterans charged with plotting to disrupt by violent means the Republican National Convention in Miami in 1972.

The Gainesville acquittal made it eight straight times the government has fallen on its face in trying to win convictions against antiwar activists.

The list includes Dr. Spock, Daniel Ellsberg of the Pentagon Papers and the famed "Chicago Seven."

Now the juries in Gainesville and in the other trials may not have particularly liked the looks, beliefs or life styles of the accused. But they liked even less the spectacle of the United States government, with all its enormous power, building these cases on the testimony of paid informers, undercover infiltrators or an agent provocateur who, in at least one of the eight trials, planned and directed the very crime the defendants were accused of.

No, 'it can't happen here"—not as long as true Americans can still express their will through the jury system and the ballot box.

And that, to use the words of President Nixon in his recent press conference, is really what "the urgent business of America" is all about.

I wish to express my appreciation to John Jopes, edtior, and the other people at the Daily Report for bringing this situation to the attention of their readers on the editorial page. I firmly believe, Mr. Speaker, that one of the major reasons "it can't happen here," as they say, is because we have a free and outspoken press which will not let it happen here. And the day that the press fails us, or the day that we fail the press by allowing a paranoid administration in Washington to mute the press, will be the day that it does happen here.

THOUGHTS ON UNIONS AND INFLATION

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. DICKINSON. Mr. Speaker, a number of very important labor contracts expire in the coming months, and the Nation will watch serious labor-management bargaining with considerable interest. Unquestionably, there will be demands for increased wages and/or benefits by labor and counteroffers by management before a common ground for agreement can be found.

A newspaper in my congressional district, the Union Springs Herald in Union Springs, Ala., had a recent editorial on this subject which is thought provoking, and I would like to share it with other Members of the House. The editorial follows:

THOUGHTS ON UNIONS AND INFLATION

The United Auto Workers Union is striking the Chrysler plant, although it may be settled before press time. We are not against unions per se. But it seems to us that the public needs to distinguish between the rank and file union member who (like the little taxpayer pays the freight) and the fat union bosses.

We wonder what would happen if the little union member said to the big union boss: "Look, we have already priced ourselves out of world markets and one-third of the domestic market. We get a raise and inflation eats it up before our contract runs out. Something is wrong. So, instead of asking for a raise this year, let's hold the line and ask the manufacturer to reduce his prices 10 per cent, and if he does not do it, let's strike!"

Of course this will never happen.

But if steel unions, instead of asking for a raise followed this formula, and auto unions and right on down the line agreed to work for the same wage, provided manufacturers reduced all prices at least 10 per cent, the worker would be a lot better off financially at the end of the year. He would make the same wages, but every item he buys would be selling for less, and his take home pay would purchase more.

If that worked, then maybe he could try the same formula on the politicians, tell them he would vote for them provided they would agree to reduce spending and reduce his taxes, and if this worked the average working man and woman would eventually be able to live on what they are making. The way things are going now, the working man may make $1,000 a day—but it may not buy a pound of steak and a loaf of bread!

PROTEST TO AIR FORCE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ASPIN. Mr. Speaker, several months ago I initiated a protest to the Air Force regarding their intentions to purchase 200 debarked beagle puppies for use in testing poisonous gases. I have now found out that the Army is purchasing 400 beagles for similar experiments. I have written to the Army to protest these actions and I would like to submit their response to my inquiry for the RECORD:

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D.C., September 13, 1973.

Honorable LES ASPIN
House of Representatives.

DEAR MR. ASPIN: In reply to your inquiry concerning the beagle contract at Edgewood Arsenal, Maryland, these animals are being procured on an open end contract. Only those animals actually called for during the year will be supplied. The 400 mentioned in the invitation to bid will be supplied on an on-call basis and will be paid for at the rate of $80.00/animal as they are delivered.

The planned uses of these animals are in a variety of research and testing programs from detecting of toxicity in products of demilitarized chemical munitions (110 animals); detecting toxicity in normal munitions that were damaged by fire (80 animals); testing for toxicity of compound EA–4923, a riot control agent (48 animals); and the toxicology of binary compounds to be used in developing vaccines to chemical agents (110 animals). The remaining animals were originally scheduled for use in a study sponsored by the National Institute of Mental Health, National Institute of Health, but this work was cancelled and the dogs will either not be procured or will be used in an, as of now, undetermined manner.

The beagle dog is a standard laboratory animal. The physiology of this animal is well known and therefore makes base line data, necessary for any biological testing or research, available to the researcher without the necessity of establishing this data himself.

Sincerely,

CHARLES R. SMITH,
Colonel, GS Chief, Plans and Operations Division.

SUPPLEMENTARY HEALTH INSURANCE PROGRAM TO MEDICARE FOR FEDERAL RETIREES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. WALDIE. Mr. Speaker, as chairman of the House subcommittee with jurisdiction over the Federal employees health benefits program, I was most interested last year in section 210 of H.R. 1 which, in effect, mandated that employees of the Federal employee program be provided with coverage supplementary to parts A and B of the medicare program.

At present, Federal retirees eligible for medicare do not have such an option, but must buy either the high- or low-option package that is available to all other Federal employees—who do not have eligibility for medicare.

To implement the intent of H.R. 1, amendments to the Federal Employee Health Benefits Act are necessary. The legislation which I am introducing would effect the necessary changes.

I hope and expect that this legislation will then elicit discussion and debate as to what form of supplementary program can best meet the needs of these retired Federal employees.

Mr. Speaker, the full text of the bill follows:

H.R. —

A bill to provide certain enrollees of Federal health benefit plans coverage supplementary to parts A and B of the Medicare program with appropriate Government contribution thereto

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (f) of section 8902 of title 5, United States Code, is amended by inserting a comma in lieu of the period at the end thereof and adding the words "except that eligibility to enroll in a plan which provides health benefits supplementary to the benefits provided under part A or B of title XVIII of the Social Security Act (or both parts A and B of such title) shall be restricted to employees and annuitants eligible to participate in the program under such part (or parts)."

Sec. 2. Paragraphs (1) and (2) of section 8903 of title 5, United States Code, are amended to read as follows:

"(1) Service benefit plan.—One Government-wide plan, offering two levels of benefits, and in addition, offering to eligible employees and annuitants a choice of benefits supplementary to the protection afforded such employees and annuitants under part A or B, or both parts A and B, of title XVIII of the Social Security Act under which payment is made by a carrier under contracts with physicians, hospitals, or other providers of health services for benefits of the types described by section 8904(1) of this title given to employees or annuitants, or members of their families, or, under certain conditions, payment is made by a carrier to the employee or annuitant or member of his family.

"(2) Indemnity benefit plan.—One Government-wide plan, offering two levels of benefits, and in addition, offering to eligible employees and annuitants a choice of benefits supplementary to the protection afforded such employees and annuitants under part A or B, or both parts A and B, of title XVIII of the Social Security Act under which a carrier agrees to pay certain sums of money, not in excess of the actual expenses incurred, for benefits of the types described by section 8904(2) of this title."

Sec. 3. Paragraphs (1) and (2) of section 8904 of title 5, United States Code, are amended by adding to each such paragraph a new subparagraph (G) as follows:

"(G) Optional benefits supplementary to those benefits offered under part A or B, or both parts A and B, of title XVIII of the Social Security Act, including, but not limited to, any of the types of benefits described in (A) through (F) above."

Sec. 4. Subsection (a) of section 8906 of title 5, United States Code, is amended to read as follows:

"(a) Except as provided by subsections (b) and (c) of this section, the biweekly Government contribution for health benefits for employees or annuitants enrolled in health benefits plans under this chapter shall be adjusted, beginning on the first day of the first pay period of each year, to an amount equal to 40 percent of the average of the subscription charges in effect on the beginning date of the adjustment, with respect to self alone or self and family enrollments, as applicable, for the highest level of benefits offered by—

"(1) the service benefit plan;

"(2) the indemnity benefit plan;

"(3) the two employee organization plans with the largest number of enrollments, as determined by the Commission; and

"(4) the two comprehensive medical plans with the largest number of enrollments, as determined by the Commission."

Sec. 5. Section 8906 of title 5, United States Code, is amended by redesignating subsections (c), (d), (e), (f), (g), and (h) as subsections (d), (e), (f), (g), (h), and (i), respectively, and adding a new subsection (c) as follows:

"(c) The Government contribution for an employee or annuitant who has elected the optional benefits described in section 8904 (1) (G) and 8904(2) (G) of this title shall be in an amount at least equal to the contribution which the Government makes toward the health insurance of any employee or annuitant enrolled for high option coverage under the Government-wide plans authorized under this chapter. Such contribution shall be made in the form of (1) a contribution toward the protection supplementary to part A or B, or parts A and B, of title XVIII of the Social Security Act, (2) a payment to or on behalf of such employee or annuitant to offset the cost to him of his coverage under title XVIII of the Social Security Act, or (3) a combination of such contribution and such payment."

Sec. 6. Subsection (g) (redesignated as subsection (h) by section 5 of this Act) of section 8906 of title 5, United States Code, is amended to read as follows:

"(h) The Government contributions authorized by subsections (a) and (c) of this section for health benefits for an annuitant shall be paid from annual appropriations which are authorized to be made for that purpose."

THE CHILD ABUSERS: THE STORY OF ONE FAMILY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. FRASER. Mr. Speaker, child abuse no longer is a problem known only to professionals dealing with its aftermath. There have been many articles about this tragic problem. One of the better pieces appeared in the October 10, 1972, edition of World magazine. In it, Miriam Muravchik writes poignantly of one family enmeshed in the personal and family problems that often lead to the abuse of children.

We cannot underemphasize the importance of a healthy family environment to the growth and development of physically and emotionally sound children. And we will not alleviate the problem of abusive parents if we simply punish parents for abusing their children and ignore both the causes behind the abuse and the rehabilitation of the family as a unit.

The article follows:

The Child Abusers: The Story of One Family

(By Miriam Muravchik)

(Child abuse—for most people an unimaginable horror—is one of the dark currents of human nature that can be dealt with.)

I remember Lilly when she first came to our storefront law office. She had been named a neglected child on a petition taken out against her mother. Lilly was then ten years old—a pale, green-eyed child, painfully shy, one in a family of six children, all alleged to have been neglected.

I learned that Lilly's mother had come to New York after the birth of her first child, with neither friends nor family, poor and illiterate. She had been a ready victim for landlords, creditors, and men who had little to give her—predators of her slum community. Years later when the Society for the Prevention of Cruelty to Children investigated, they found she was living in badly deteriorated housing, with an older alcoholic man who regularly drank up part of her welfare check and was indifferent to her children. Lilly's mother refused to execute an Order of Protection given her by the court ordering this man out of her home. The court found her to be neglectful. She had come for legal services too late; Lilly and two of her brothers were remanded to temporary city shelters, and then sent on to longer-term residential schools. Our case was closed.

Seven years later Lilly came back to our office. She had given birth to two children. This time she came with a petition alleging child abuse.

As I grew to know her, I learned the story of those intervening years. Lilly had experienced the court-ordered separation from her family and institutional placement and overwhelming rejection by her mother. "My mother put me away." She had returned home when she was twelve—no longer a child. She had felt estranged from her brothers and sisters and from the people in her neighborhood, and although she had clung childishly to her mother, small conflicts upset her and betrayed her rage. At school she had felt that the teachers and the other youngsters looked down on her. She had rarely made it to school, but preferred instead to sit alone on the stoop of her building. She learned that she did have something of value; Men wanted her—especially a young man named Carlos.

Lilly was fourteen when she left home to live with Carlos. He had lived on the block and had known Lilly since she had been a child. Now he held a steady, well-paying job. Nothing is known of the early years of Carlos's life in Santo Domingo. The family who raised him told him that they had taken him as a young child when his parents had died. Had he in fact been neglected, abused, malnourished during his crucial first years? A psychiatrist reported many years later that there was a clue that "removal from his biologic mother signified betrayal and abandonment."

Carlos's foster family immigrated to New York and began the difficult task of acculturation to the new environment. Both parents worked. The child remained home all day—alone—with adequate food and playthings, but frightened and lonely. He described spending the day at the window, experiencing terror in winter as it grew dark. Having lost his first parents, he was afraid to confide his fears to his foster parents. His bed wetting persisted for many years.

His loneliness continued. In school he was described as "too quiet." In high school, however, he acquired a reputation for being "steady, persistent, hardworking." But he was afraid of girls, afraid of sex, afraid to let go of his tightly controlled feelings. He sensed Lilly's need and vulnerability, and so with her he felt less afraid.

Lilly and Carlos set up house together. Carlos's foster parents, ambitious for him, objected to the union, and Lilly quickly became embittered toward them. Carlos in turn resented Lilly's childish dependence on her own mother. After a short period of strife, Lilly and Carlos became effectively isolated from both their families, from the help and support their families might have been able to give them. Their life together became difficult. Lilly did not know how to cook. They had been cheated by a credit company. They had little money for recreation, and they had no friends.

Carlos tried to exercise control by dominating Lilly. He was jealous and would not allow her to go out of the house without him. Lilly accepted this, content to spend most of her days idly in bed, but often when Carlos came home she would tease and provoke him until he struck her.

Carlos dreamed of a career that would liberate him. He enrolled in night classes in a school of engineering. Lilly, with characteristic childishness, resented the cost and the time spent away from her. Carlos begar to falter both in attendance and his studies. The birth of their first child, a son, was for Carlos an affirmation of his masculinity. But by the same token the event stirred up old fears and anxieties. He began to doubt whether the child was really his. Lilly, unable to resist hurting him, responded by smiling and mocking him.

The child cried a lot, and often spat up his food, and came to provide a useful foil for the conflict of his parents. The baby would scream uncontrollably, and Carlos would lash out at him. Gradually, Lilly learned how to deflect Carlo's anger at her onto the baby. Later, Lilly shamefacedly described an occasion on which she had prepared a bottle which was too hot and knowingly handed it to Carlos, who in turn knowingly gave it to the baby. In short, their family life was becoming what one expert has described as a "pressure cooker"—isolated, tense, with no escape hatch. The child had become their scapegoat.

A year later a second child was born, a girl. This child did not scream like her brother Carlitos, but rather cooed and smiled at her parents reassuringly. Carlos did not reexperience the anxiety he had felt at the birth of his first child, and Lilly was able to identify more with the child's small pleasures. However, Lilly felt increasingly anxious about her own feelings and behavior toward Carlitos. She brought the child to the emergency clinic and complained that he "cried a lot, and had a diaper rash." She brought him to her mother, hoping she would keep him in her home and care for him. Neither the resident at the hospital nor her mother recognized the terror behind Lilly's approaches to them, and neither acted to give her and the baby the protection she was asking for.

Lilly felt that she had no one to turn to and used this feeling to justify her behaving more and more irresponsibly. She spent the rent money on clothes and curtains, which brought down on them a dispossess notice from the landlord. Carlos' boss refused to advance him pay for the rent reminding Carlos that he had already taken an advance on his vacation pay for his college tuition. Carlos lost his temper and almost lost his job.

Two days later Lilly and Carlos brought the child to the hospital. The diagnosis was "bematoma of the right side of the skull, ecchymosis of the right side of the face, multiple contusions, "fracture of two ribs." Lilly explained to the doctor that she had lifted the baby from the bath and he had slipped from her arms back into the tub. The doctor observed that Carlos, was left-handed. He told them he thought it unlikely that these injuries had occurred in the manner described by Lilly and that he was required by law to hospitalize the child and file a child abuse report. He advised them to speak with the social worker at the hospital.

The social worker asked them the questions which they would hear over and over again for the next year—"date of birth, marital status, date of birth of children, source of income, family history"—and finally, "how had the injuries to the child occurred?" Their answers, were predictable. But then came a question for which they were not prepared. "Would you be willing to see a psychiatrist?" They understood the hospital staff regarded them as criminals, but to imply in this way that they were crazy! They fled.

A day or so later a young caseworker arrived from the Bureau of Child Welfare, Protective Services, an arm of the welfare department. She had recently graduated from college, majoring in literature, and had landed the hazardous and thankless job of visiting families who allegedly perpetrated crimes against their own small children, many of whom lived, as did Lilly and Carlos, in foul-smelling slum tenements in the ghettos. She hoped, she said, that she could "help" the family. Lilly brought out the disposses notice and asked where they might borrow the money for the rent. The caseworker explained she could not help them with such problems. Her function was to protect the children. She observed the baby girl sleeping peacefully in her crib. She asked the usual questions, but this time the joker was different. She asked Lilly to sign for voluntary placement of *both* children.

Carlos did not go to work the following day. He had several questions he wanted to ask the lady from the Bureau of Child Welfare. He wanted to know where the Bureau of Child Welfare would place his children. "Possibly in a foster home if one is available; if not, in an institution." He asked whether the two children would be placed together. "The Bureau of Child Welfare will try to place the children together, but often siblings are separated and placed with other children of their same age and sex." Lilly asked whether she would be able to see the children. Again the caseworker couldn't be sure: "Usually visiting is permitted for at least one hour on alternate Sundays, sometimes more often; in time some children are permitted to go home for holidays and vacations." The caseworker did not add that visits in the institutions are often conducted in the company of other children, parents, foster parents, and social workers. Carlos wanted to know how long this placement might last. The caseworker had determined to be honest, "Possibly a few months, possibly a year, possibly longer—the children will probably be returned when you are 'ready'."

The Bureau of Child Welfare worker knew that these children would probably go on for years in institutions and successive foster homes. Perhaps they would run away and return to their natural parents in adolescence, but then it would be too late. These early years of shifting and indifferent care would cost the city $4,000–$12,000 per child per year, perhaps $96,000–$300,000 for these two children over the next twelve years. She wished she could help Lilly and Carlos, but she had an unrealistically large caseload and did not know how. Finally, she said the usual, "I would like to help you, but my supervisor is insisting. . . ." When Carlos harshly announced his refusal to sign, the Bureau of Child Welfare worker knew that her agency would give her no alternative. She would be instructed to take out a petition against the parents in Family Court alleging "child abuse and failure to cooperate with the Bureau of Child Welfare."

Several days later a warrant officer arrived with a summons for Lilly and Carlos to appear in Family Court with the baby. They were called before a judge who advised them of their right to counsel, set a date for a hearing, and ordered Carlitos to remain in the hospital and the baby to be placed temporarily pending the outcome of the hearing. The baby was escorted out of the building by the Bureau of Child Welfare worker and into a taxi before the parents were released from the courtroom.

It was then that Lilly and Carlos came to our poverty-law office. For the next fourteen months, while the case dragged on in court, I saw them at least once a week, sometimes daily. It was an experience which led me to seek out the best thinking in the field of child abuse. Dr. Ray Helfer, coauthor with Dr. C. Henry Kempe of the book *The Battered Child* and codirector of the most extensive clinical study and research in the field at the University of Colorado Medical School, consulted with me, answered my questions, and pointed the way for working with the family. He taught me the concept of "surrogate parent therapy": acting as a parent to the parents, using my own feelings of warmth and empathy and concern to build for these parents, as it were, some of the emotional experiences they had missed in childhood. His study concluded that children were generally safe from battering when such a relationship had been established with the parents and the pattern of family isolation had thereby been reversed.

On another level, Dr. Helfer helped me to see clearly the pattern of family interaction. Lilly acting as the passive partner had provoked and then covered for Carlos. Carlos had used Lilly to justify and then to deny his own violent behavior. Dr. Helfer stressed the importance of working with both parents to help each one become more aware of his own feelings and to untangle their ways of relating within the family constellation.

Dr. Viola Bernard, who was at the time director of the Division of Community and Social Psychiatry at Columbia University, listened to the story and referred me to a psychiatrist who was especially knowledgeable in the field of child abuse. This psychiatrist met several times with Lilly and Carlos, examined the Bureau of Child Welfare records, consulted with me and provided the court with a full psychiatric evaluation.

I found that my first task was not with the family, but with myself. I had to face my own feelings of revulsion at the alleged abuse to the child, and then see Lilly and Carlos as two very troubled young people who were trying to tell me their story. I tried to respond to their feelings as they came to be revealed. As I listened to them, I came to feel strongly that I, too, wanted them to have their children back, and I wanted them to be the good parents they wished they could be. It would be a long hard fight. I spent long hours helping them in simple concrete ways: finding a credit union where they could borrow the rent money; asking their attorney to represent them on the dispossess action in Landlord-Tenant Court; accompanying Lilly to the hospital when she visited Carlitos because these visits were painful for her; getting information from the Bureau of Child Welfare about the baby girl; accompanying Lilly to the clinic for treatment for her anemia.

I listened to them tell about their quarrels with their families. I listened to them retrace the sequences of events which had led to their latest quarrels with each other. Often Carlos would see how he had withdrawn from expressing his anger until his feelings had become explosive. He was learning to assert himself sooner and to express his anger rather than swallow it. It was harder for Lilly to face herself. She had many diversions. Only rarely could she trust me enough to express her real feelings. At such times, she usually cried.

The judge at Family Court made a finding of child abuse based on their admission that the condition of the child described in the hospital report was true. The case was assigned to the probation department for "investigation and report" and scheduled to come back to Family Court for a dispositional hearing. Carlos and Lilly came back to court eleven times over a period of fourteen months for a determination on the placement of their children. For ten court hearings the judges had let the case drag on rather than make a decision.

Why was the court unwilling or unable to act? Why did it permit very young children to languish for so long a period of time in placements designed only for temporary use?

The judges knew very well the lesson the young Bureau of Child Welfare worker had learned from observing the families in her own caseload—that children who have been separated from their families for long periods of time usually have severe difficulties in adult life. The judges knew about the major research in child abuse which had been done at Brandeis and at the University of Colorado. Each judge also knew that although he bore the responsibility for the decision as to which course was in the best interest of the family, in reality he would be held accountable by the court and possibly publicly in the press and on the air only if a child were injured subsequent to being returned to the natural parents. If, on the other hand, a judge were to place a child and that child were punished by being kept for long periods of time in solitary, or starved emotionally, or depersonalized and dehumanized by the child-caring agency, as is sometimes the case, the judge who ordered that child's placement would not be held responsible. Furthermore the judge knew that if he ordered placement for the children he would have little control as to which placement agency the children would ultimately be sent. Such determination would be made largely on the basis of religion, sex, age, and, most important, the momentary availability of a place.

At the dispositional hearings I testified as to my work with Lilly and Carlos using the surrogate-mother method of treatment developed at the University of Colorado by Drs. Helfer and Kempe. I had seen Lilly and Carlos weekly, sometimes daily for many months. They had begun to allow me to become emotionally close. They were learning how to talk about some of their feelings and release some of their anger and pain. The family dynamics had changed. They no longer suffered tension and isolation as in a pressure cooker. In addition they had solved some of their practical problems and were working on others. They had matured somewhat.

Their attorney introduced into evidence the evaluations of two independent psychiatrists. Based on these reports he argued that the baby girl, whose presence in the family had never been problematic, be permitted to return to the home. He suggested that as a safeguard a visiting nurse come twice a week to supervise the care of the baby. He further argued that the parents be permitted to take Carlitos out of the foster home for a few hours on Sundays so that the process of family reintegration could begin, and the parents could test their feelings toward this child within the family context. After the visits the parents could talk with me about their feelings and relationship to this child. I would continue my close involvement with the family. After a trial period the family would return to court for a re-evaluation.

Our plan was opposed by the probation officer. She recommended long-term placement for both children. Now the probation officer was not a trained social worker, nor had she been given special training in the field of child abuse. She had taken the job believing that she could perform some useful service for people. In time the demands of the court and her caseload of ninety defeated her. One-third of all probation officers in this court resign each year.

The probation officer had summoned Lilly and Carlos to her office in the court building for several appointments. They had come at her bidding feeling resentful and uncommunicative. She had visited their home only once and had been afraid for her own safety in their slum ghetto. She had learned from experience that the judge would favor placement unless he were given substantial, if not overwhelming, justification for returning the children to their home. Her supervisor would also prefer placement. Our arguments and our reports recommending steps for the return of the children only made her defensive.

The judge heard the various arguments and wavered. The Bureau of Child Welfare attorney who was prosecuting the case recognized the judge's indecision and made his own perfectly familiar move. He argued that the children continue in temporary placement, and that Lilly and Carlos undertake long-term individual psychiatric therapy. He recommended further that the children be continued in placement until such time as the psychiatrist who was treating the parents recommended their return to the court. This plan appeared to be eminently reasonable, and it took the judge off the hook. The problem was that it shifted responsibility from the court to an unnamed and perhaps unwilling or even unobtainable psychiatrist. The family was too poor to pay for psychiatric services, but not poor enough to qualify for Medicaid. Most psychiatric clinics do not provide evening hours, and Carlos could not jeopardize his job by taking time off for therapy sessions.

The case dragged on in court for almost a year, and still the judge failed to make a decision. Both children remained in temporary placements. Lilly became pregnant again and faced the possibility that the unborn child might be taken from her at birth. She had an abortion. She became increasingly depressed. One satisfaction was still readily available to her, made her feel she was a woman and desirable—the looks and remarks of men on the street. She continued to use this against Carlos.

After a year of defeat in court, she no longer believed that I could help her get her baby daughter. Why should she suffer the painful process of revealing her deep hurt to me—when I could do nothing to bring back the child for whom she longed? In her mind I had become one of "them."

I received reports that little Carlitos was considered a fragile child and had not adjusted well in temporary foster care. He had been placed in three successive homes and had presented difficulties. The baby girl had spent most of her first year of life in an institution dormitory, with no single parental figure to whom she could relate. She had also suffered the usual physical diseases to which institutionalized children are likely to be exposed—hepatitis and ringworm, among others.

I explained to the court my fear that the family situation was deteriorating and the ties were eroding with the long passage of time. I begged for some small reversal, for the girl to come home for short visits—on weekends. This was denied. For a day? Denied. For both children to come home for a few hours on Christmas Day? The court agreed to the Christmas Day parole, but the placement agencies refused to comply because this did not coincide with their procedures and the needs of their staffs.

From that time on the situation disintegrated rapidly. Lilly spent more time on the streets—sometimes coming home late at night, sometimes not at all. Carlos clung desperately to her and tried to absorb the humiliation she was causing him. But it almost destroyed him. He lost his job. He made wild plans to return to Santo Domingo, to leave for Miami, for California. He would come alone to see me. Lilly rarely came. And then one day they did not appear at court for a hearing. The fight was over. The judge ordered long-term placement for the children. Lilly and Carlos had gone their separate ways. The family I had known so intimately for fourteen months no longer existed.

Carlos came back from time to time to tell me what had been happening. He was working. He was back in college. He was living with another woman and her children. Lilly did not return. I heard that she was out in the streets—and that she was living with a junkie. Later—that she had gone on drugs herself; and then a year later, the event that could have been predicted. The child of Lilly's junkie boyfriend had been reported "battered." The child's mother was in jail at that time, and the child had been living with the father. Criminal charges had been pressed against the father. Lilly had disappeared. I could see her in my mind's eye—pale, mocking, and deadly.

Had Lilly and Carlos lived in Denver and been treated by the special team at the University of Colorado Medical Center, the likelihood is that within a relatively short period of time the children might have been returned to their parents and remained safe in the home. Lilly and Carlos would have been helped to resolve some of their own problems and reintegrate their own lives and family relationships in such a way that they could have lived together with their children without resorting to abuse. The cycle of child abuse would have been broken the only way that the cycle can be effectively broken, not by separating people from each other or from society, nor by driving the problem deeper underground through punishment, but by treating it where it occurs. University of Colorado studies showed that staff teams could work with more than 80 per cent of the families with a history of abuse to make the homes safe for the children's return. Lilly and Carlos presented no more difficulty than many of these families who had responded favorably.

Lilly's and Carlos' experiences with the Bureau of Child Welfare and Family Court in New York were typical. Popular indignation about the problem of child abuse has resulted in the legislators' taking action in the areas of detection and apprehension of abusive parents. The success of this action is borne out by the statistics. The incidence of reporting in New York City has increased almost twenty times within the past five years, from 316 cases in 1966 to more than 5,000 cases in 1971. The resources for treating these families effectively and on a long-term basis, however, have hardly begun to be developed.

Child abuse is a phenomenon which can be treated. It occurs within a family constellation. If not treated, it reoccurs from generation to generation. Children who have themselves experienced severe neglect or abuse are most likely to be abusive to their own children. Lilly is nineteen. She will, in all likelihood, bear more children. Little Carlitos and the baby have become nobody's children. The seeds of further abuse have been firmly planted.

MONEY DOWN THE DRAIN

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. GROSS. Mr. Speaker, one of the longest gravy trains operated by the Federal bureaucrats takes the form of so-called "research" grants to individual scientists.

Reporter George Anthan, of the Washington Bureau of the Des Moines, Iowa Register, has written a revealing account of abuses that have come to be commonplace in these grant programs.

Interestingly, he quotes a Washington-based newsletter as defending the abuses on the grounds that "researchers" who have virtually appropriated expensive Government-owned scentific equipment are simply using "foresight" rather than a subtle form of larceny. It is this sort of mentality that can blandly justify wanton waste of the taxpayers' money as almost a right of these professors and scientists.

Because of the widespread extent of these grants, I commend Mr. Anthan's article to every Member of Congress and I include it for insertion in the Record at this point:

GAO Reports Millions in Misspent Aid—Cite Duplications in Equipment

(By George Anthan)

Washington, D.C.—Millions of dollars from federal health research grants are being spent annually by scientists for unneeded equipment used in some cases to boost the professional prestige of both the individuals and the universities involved.

The U.S. General Accounting Office (GAO) has reported to Congress that in many cases equipment sits idle while other scentists, sometimes at the same school, apply for and receive more federal money to buy identical items.

Federal officials have acknowledged that some scientists used their stocks of government-financed and highly sophisticated scientific hardware virtually as "personal" property, hoarding it in their laboratories.

This is despite instructions by the Department of Health, Education and Welfare (HEW), which administers the grants, that equipment bought with federal funds must be shared to avoid duplication and to save money.

There also are reliable reports, confirmed privately by government sources, that some scientists actually have taken full possession of equipment purchased with federal money.

According to these reports, some have used such equipment to enhance their prospects of finding a better job at another university or research institution by pledging that they will bring to their new position the equipment involved.

The GAO study is part of a lengthy probe by the congressional investigating agency into over-all management of the government's grants programs.

The GAO said the government's monitoring of its research grants has resulted in considerable waste.

But a respected Washington newsletter, "Science and Government reports," stated, "what the GAO fails to recognize is that foresight rather than wastefulness was at work here, for in today's tight job market, a well-equipped applicant is likely to fare better than a bare-handed competitor."

Health research grants to universities, colleges, medical schools and other institutions are administered directly by the National Institutes of Health (NIH).

An NIH official said there are reports of some cases where individual researchers have taken federally-purchased equipment with them to new jobs, but emphasized, "there's no way for us sitting here to be absolutely sure what entered into a negotiation between a man and an institution."

But the NIH spokeswoman added, "I don't think this plays any role of importance." She said equipment purchased with federal funds in most cases is owned officially by the university or institution involved, and not by an individual researcher.

"The researcher would have to get permission from his employer to take the equipment with him," she said, "and a lot of them now have stiffened their backbones and are insisting they keep the equipment."

NIH provides about $700 million a year for health research grants. It is not known how much of this money has gone for equipment purchases but in 1965, the last year for which figures were compiled, 13 per cent of the total funds were spent on hardware. A total of $60 million was spent for equipment that year. Since then NIH grants have increased substantially.

Also, NIH officials acknowledge they have not complied with federal law by reporting to Congress annually the number and amount of research grants and the names of the institutions and individuals who receive the funds.

The law also requires that Congress be told how much equipment is purchased, and who owns it.

The GAO revealed that HEW, which has jurisdiction over the health institutes, issued a directive in June, insisting that such reports to Congress were not required.

NIH officials said Friday that the policy now has been changed and the reports to Congress on how grant money is spent will be compiled.

The GAO reviewed the use of federally purchased equipment at NIH headquarters in Washington and at six institutions that had received research grants.

Following are some examples of waste listed by the investigative agency:

One recipient of a federal grant purchased a new $10,000 ultracentrifuge even though an identical unit was conveniently located nearby. This researcher told the GAO he wasn't interested in identical equipment located in other departments.

Ten months later this same individual bought another $10,000 ultracentrifuge with NIH money even though the two units on hand were being used only 12 to 14 hours a week. Eventually, the researcher was hired by another institution and he took with him the third ultracentrifuge.

At another institution, a researcher used NIH money to buy a new $5,000 spectrophotometer even though there was a comparable unit on hand that hadn't been used for three years.

This researcher told GAO he didn't know the institution already had the equipment and said it was the responsibility of the purchasing department to inform him.

The purchasing department told GAO auditors it was the responsibility of the researcher to make sure the equipment wasn't already on hand.

Another institution bought five ultracentrifuges costing $7,300 each even though it already had one that was virtually unused for two years. The researcher in charge of the unused machine told the GAO that he agreed it should have been put to use instead of buying the new equipment, but he did not want to relinquish it.

In 1971, another institution purchased three ultramicrotomes at an average cost of $5,300. This institution already had at least 30 ultramicrotomes on hand, 10 of which had low use. In fact, two of these machines were used one hour per week or less, and another had not been used in almost five years.

The scientist who had charge of the ultramicrotome which had not been used for five years told the GAO that he hadn't informed anyone of the availability of the equipment because "the machine was purchased on my own grant for my own use."

The GAO found that universities and other institutions that receive NIH grant funds seldom kept up-to-date records on research equipment and there were virtually no efforts to share or pool the items.

The GAO found that NIH itself had issued no guidelines to carry out its parent agency's instructions that equipment purchased with federal funds should be made available for sharing.

The congressional agency noted that some scientists interviewed agreed that pooling of equipment should be pushed as a way to cut costs and streamline their research programs, and at one medical school doctors on their own had set up an equipment-sharing program.

The GAO auditors say that not only do wasteful practices in administering the federal grants hurt taxpayers, but that scientists themselves lose because money used to buy unneeded equipment isn't available for grants.

TRAGIC REPORT

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. RAILSBACK. Mr. Speaker, the most recent issue of U.S. News & World Report predicts a new record for the number of policemen who are slain in the performance of duty will be set this year. The previous high was in 1971 during which year 126 local, county, and State lawmen were murdered. By September 17 of this year, 96 such individuals have already died—compared to 90 during the same period back in 1971. This is a tragic report, and we must all strive to do what we can to prevent such needless deaths, and, when they do occur, provide for the survivors.

POLL SHOWS PUBLIC OPINION AHEAD OF CONGRESS

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. CONLAN. Mr. Speaker, results of a poll on national issues that I recently conducted in my district show unmistakably that public opinion of Arizona citizens is well ahead of the Congress.

Despite efforts in this body to spend and spend money of hardworking Americans, to increase the scope and size of the Federal Government, to lavishly dole out U.S. dollars and credits to foreign nations, and to make Uncle Sam an all-powerful Big Brother and overseer in our everyday lives, people in my district give a flat "no" to all this paternalism from Washington when given a chance to do so in a district-wide survey of their opinions on key issues.

They declare themselves almost 5-to-1 in favor of lower taxes even if it means less government services.

They declare themselves almost 8-to-1 for elimination of Federal farm controls and supports within 5 years.

They favor applying the same anti-trust laws to labor unions that are applied to businesses by a margin of more than 10-to-1.

While voters indicated by a small margin their feeling that the Environmental Protection Agency is "too tough" in its attempts to fight pollution, they nonetheless express an almost 2½-to-1 willingness to pay more for products and services if their manufacture and use could be made substantially pollution free.

And they oppose almost 3 to 1 Federal legislation restructuring American health care by replacing individual medical practice with large, federally subsidized clinics.

Voters in my district also favor restoration of the death penalty for heinous crimes by more than 10 to 1. They oppose amnesty for draft-dodgers and deserters more than 7 to 1. They oppose busing for school integration almost 7 to 1.

And they overwhelmingly oppose any kind of U.S. aid to North Vietnam, continuing the present level of U.S. support of the United Nations, and "most-favored-nation" trade status for the Soviet Union and Red China.

Certainly not least, people in my district generally support President Nixon and believe he is doing a good job. They even more strongly believe that network television is unfair in its presentation of both sides of issues.

Inflation control, crime control, welfare reform, moral reawakening, tax reduction, defense improvement, pollution control, and education—in that order—are listed by them as priorities they would set for the Nation.

Mr. Speaker, these views are held by people in a geographically large and culturally diverse district comprising 36,000 square miles of urban and rural communities from central Arizona all the way north to the Utah border. It is composed almost equally of Republicans and Democrats.

The district includes northern Phoenix and Scottsdale, 7 central and northeastern Arizona counties including more than 25 small cities and towns, and 6 Indian reservations including almost 70,000 Indians from varied tribes.

Clearly the views expressed in this opinion poll are not those of a provincial group with a narrow cross-section of experience and interests.

The dominant message I get from voters in this survey—one which the Congress would do well to heed—is "Take care of America first."

People are saying "no" to high-minded social schemes and giveaways at public expense. They want to correct domestic problems first and to improve America's economic strength and our overall quality of life. Certainly we could ask for no clearer message from the people.

Mr. Speaker, the results of this opinion poll sent to 182,000 households in my district will obviously be a strong guide for me as I represent Arizona in the Congress. I hope it will be of assistance to other Members of Congress as they also go about their daily business of running our National Government.

Almost 15,000 people took the time to complete and return this August survey, Mr. Speaker. When you consider that this response is many times the size of the average sampling used by professional pollsters, the results take on an added significance that should be seriously weighed by all my colleagues.

I include a complete breakdown of answers to the questions, which were tabulated by computer to insure accuracy:

(Answers in percent)

1. Taxes—Do you favor lower taxes, even if it means reducing government services? Yes: 72.8; No: 15.8; Not Sure: 11.4.

2. Hanoi Aid—Do you favor giving U.S. financial aid to North Vietnam? Yes: 3.9; No: 92.2; Not Sure: 3.9.

3. Death Penalty—Do you favor restoring capital punishment for premeditated murder, kidnapping, skyjacking, and other heinous crimes? Yes: 87.6; No: 8.4; Not Sure: 4.0.

4. Pollution Control—Would you be willing to pay more for products and services if their manufacture and use could be made substantially pollution free? Yes: 58.9; No: 23.1; Not Sure: 18.0.

5. Farm Supports—Federal farm controls and supports should be: a) Phased out within five years (79.0); b) Continued substantially as is (8.2); c) Increased (2.1); Not Sure: (10.7).

6. Amnesty—Do you favor granting amnesty for deserters and draft-dodgers? Yes: 11.5; No: 83.0; Not Sure: 5.4.

7. Environment—Do you believe the Environmental Protection Agency is becoming "too tough"? Yes: 44.3; No: 41.9; Not Sure: 13.8.

8. United Nations—Do you think the U.S. financial contribution to the U.N. should be reduced? Yes: 81.9; No: 11.0; Not Sure 7.1.

9. Busing—Would you favor passage of a Constitutional amendment to prohibit busing to achieve racial balance in public schools? Yes: 81.6; No: 12.5; Not Sure: 5.9.

10. Health Care—Many programs have been introduced to restructure the American health care system by replacing individual medical practice with large, federally-subsidized clinics. Cost estimates range from $12 billion to $77 billion. Do you favor enactment of such legislation? Yes: 22.3; No: 62.1; Not Sure: 15.5.

11. President Nixon—Do you believe Mr. Nixon is doing a good job as President? Yes: 53.4; No: 30.6; Not Sure: 16.0.

12. T.V. Fairness—Do you believe network television fairly presents both sides of the issues? Yes: 27.0; No: 60.1; Not Sure: 13.0.

13. Labor Laws—Do you think anti-trust laws should be applied to labor unions the same as they are to businesses? Yes: 85.5; No: 6.5; Not Sure: 8.0.

14. U.S. Trade—Do you favor the U.S. granting "most-favored-nation" status (trade economics) to the Soviet Union and Communist China? Yes: 15.3; No: 70.2; Not Sure: 14.5.

15. National Priorities—Please number, in order of importance, priorities you would set for our nation: Welfare reform (3); Crime control (2); Inflation control (1); Moral reawakening (4); Foreign aid (9); Tax reduction (5); Pollution control (7); Defense improvement (6); Education (8).

EXECUTIVE PRIVILEGES DEBUNKED

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the issue of executive privilege, long dormant as a matter of congressional debate, is finally being confronted by the Congress and the courts. The spurious doctrine which has been used with increasing frequency by the Chief Executives for the past 20 years is, as we are beginning to learn, unsound in law and reason.

One individual who has been most forceful and eloquent in his support of the legislative prerogative is not a Member of this body, but a distinguished legal scholar. I refer to Raoul Berger of Harvard Law School who has been a frequent witness before congressional committees exploring this matter.

Professor Berger has recently published an excellent condensation of the argument debunkig the myth of "executive privilege." I strongly recommend this article, published in the October issue of Harper's magazine, to all Members of Congress.

The article follows:

THE GRAND INQUEST OF THE NATION

(The President can no more create a constitutional power to withhold information than he can pull himself up by his own bootstraps)

(By Raoul Berger)

"Although remarks made by others in conversations with the President may arguably be part of a criminal plan on their part, the President's participation in these conversations was in accordance with his constitutional duty to see that the laws are faithfully executed: It is the President, not those who may be subject to indictments by this grand jury, who is claiming executive privilege. He is doing so, not to protect those others, but to protect the right of himself and his successors to preserve the confidentiality of discussions in which they participate in the course of their constitutional duties, and thus ultimately to protect the right of the American people to informed and vigorous leadership from their President of a sort for which confidentiality is an essential prerequisite. . . .

"The President has concluded that it would be detrimental to the public interest to make available to the special prosecutor and the grand jury the recordings sought as Item 1 of the subpoena. That decision by the President is in itself sufficient cause for this court to proceed no further to seek to compel production of those records."—from a brief filed August 7, 1973 by attorneys for President Nixon on support of the President's refusal to obey a subpoena from Watergate special prosecutor Archibald Cox.

Executive privilege is the shorthand for the Presidential claim of constitutional authority to withhold information from Congress. Richard Nixon's deployment of this claim to protect his documents and aides against inquiry by Congress and the courts poses an issue that transcends a jurisdictional squabble among the branches of government—it goes to the heart of our democratic system. He who controls the flow of information controls our destinies.

The fact is that executive privilege—root and branch—is a myth, without constitutional basis, and the best evidence that can be mustered for it is a series of self-serving Presidential assertions of a power to withhold information. On this issue, in fact, we have the testimony of Mr. Nixon himself. When Congressman Nixon was riding to glory on the trial of "fellow travelers," the FBI, on instructions from President Truman, refused to deliver an FBI report to a Congressional investigating committee. On the House floor, Mr. Nixon rejected the proposition that "the Congress has no right to question the judgment of the President. I say that the proposition cannot stand from a constitutional standpoint, or on the basis of the merits." History demonstrates that Congressman Nixon was right and President Nixon is wrong.

Since the Supreme Court has traditionally looked to English history for the meaning of common-law terms and practices embodied in the Constitution, in particular for the inquisitorial function as an "inherent attribute" of the "legislative power" given to Congress, it is quite relevant to note that the power of parliamentary inquiry begins as an auxiliary not to the power to legislate, but to the power to impeach—on the common sense ground that one does not first indict and then inquire whether there was just cause. In a random sampling of parliamentary debates at different periods, stretching from 1621 to 1742, I found that legislative oversight of administration had been exercised across the board: inquiries into corruption, the basis for legislation, the conduct of war, execution of the laws, disbursement of appropriations—in short, into every aspect of executive conduct. Foreign Affairs, about which American presidents have traditionally drawn a curtain of secrecy, were not excepted.

It is striking that no member of the Nixon and Eisenhower administrations, when executive privilege reached its most extravagant proportions, has advanced a single pre-1787 precedent in English history for executive refusal to turn over information to the legislature. I found none. Thus, whereas Congress's power of inquiry is solidly based on the precedents of Parliament, there is no pre-Convention historical basis for the claim that the power to withhold information from the legislature was an attribute of the Executive. All inferences are to the contrary.

That the Founding Fathers were aware of this inquisitorial attribute of "legislative power" is demonstrated by four or five references in the Constitutional Convention and the several ratifying conventions to the function of the House as the "grand inquest of the nation." There is not the slightest intimation that the Founding Fathers intended to curb the functions of the grand inquest in any way. We need to recall that Madison stated: "In a republican government the legislative necessarily predominates." This minimally carries overtones of the traditional parliamentary oversight about about which James Wilson, second only to Madison as an architect of the Constitution, rejoiced in 1774: "The proudest ministers of the proudest monarchs have **trembled at their [the legislators'] censure;** and have appeared at the bar of the house to give an account of their conduct and ask pardon for their faults."

Taking no notice of this history, the thirty-seventh President of the United States has chosen to build his right to withhold information from Congress on the doctrine of separation of powers. But resort to the separation of powers assumes that the Executive was given a withholding power upon which legislative inquiry encroaches. The separation of powers does not grant power; it merely protects power elsewhere conferred. And since the Convention did not confer on the Executive the power to refuse information to the legislature, a Congressional requirement of information from the Executive does not encroach on powers confided to the Executive; it does not violate the separation of powers.

The Act of 1789 confirms that the separation of powers was not designed to reduce the grand inquest function. The made it:

"the duty of the Secretary of the Treasury . . . to make report, and give information to either branch of the legislature in person or in writing (as he may be required), respecting all matters referred to him by the Senate or the House of Representatives, or which shall appertain to his office."

The Act contains no provision for executive discretion to withhold information, and there is no reference whatsoever to such discretion in the legislative history of the Act. It was drafted by Alexander Hamilton, who, as a member of the Convention and co-author of *The Federalist,* knew well enough whether an unqualified duty could be imposed on the executive branch to furnish information to Congress. Adopted by the First Congress, in which sat some twenty Framers and Ratifiers of the Constitution, and signed by President Washington, who had presided over the Convention, this Act can hardly be deemed in violation of the separation of powers. It constitutes a vitally important legislative-executive recognition that, under the Constitution, the separation of powers had no application to Congressional inquiry.

Let me now return to the right and duty of Congressional inquiry as a prelude to impeachment, bearing in mind that the Constitution makes express provision for impeachment of "The President, Vice President and all civil officers." The President, we should remember, was not looked at with awe in 1787 but with apprehension. As if cognizant of parliamentary history, Congressman Lyman stated in the House in 1796 that the "power of impeachment . . . certainly implied the right to inspect every paper and transaction in any department, otherwise the power of impeachment could never be exercised with any effect." And in 1843, a committee of the House stated:

"The President himself, in the discharge of his most independent functions, is subject to the exercise of this power—a power which implies the right of inquiry on the part of the House to the fullest and most unlimited extent."

Given that, historically, inquiry could precede impeachment, and that the Constitution expressly provides for impeachment of the President, this statement seems to be incontrovertible. It was confirmed by President Polk in 1846:

"If the House of Representatives, as the grand inquest of the nation, should at any time have reason to believe that there has been malversation in office by an improper use of application of public money by a public officer, and should think it proper to institute an inquiry into the matter, *all the archives and papers* of the Executive Department, public or private, would be subject to inspection and control of a committee of their body and *every facility* in the power of the Executive be *afforded* to enable them to prosecute the investigation" [my emphasis].

This corresponded to parliamentary history and the incorporation of that history by the Founding Fathers. Clearly, the claim of an implied power to withhold information cannot be allowed to defeat the express power to impeach, or to take such measures as will make impeachment effective.

Consequently, President Nixon errs in asserting that "the manner in which the President exercises his assigned executive powers is not subject to questioning by another branch of the Government." Mr. Nixon needs to be reminded that Chief Justice Marshall rejected the notion that the President was immune from subpoena in the trial of Aaron Burr and held that President Jefferson could be required to deliver to Burr a letter written to Jefferson by Gen. James Wilkinson, who was implicated in the Burr conspiracy. In consequence, there is no Presidential immunity that can be shared with the Nixon aides. Furthermore, since "all civil officers" are impeachable by the terms of the Constitution, they are subject to inquiry without the leave of the President. Impeachment, said Elias Boudinot in the First Congress, enables the House "to pull down an improper officer, although he should be supported by all the power of the Executive." The point was made again and again by, among others, Abraham Baldwin, who had been a member of the Convention.

My search of the several Convention records, let me repeat, turned up not a shred of evidence that the President was empowered to withhold *any* information from Congress. Nor was such a power secreted in the interstices of the "Executive power," which the Framers conceived largely as a power to execute the laws. The lawmaking body, as Parliament showed and Montesquieu recognized, has a legitimate interest in examining how its laws are being executed. Since the Framers were at pains *expressly* to authorize the President to "require the opinions in writing of the principal officers in each of the executive Departments," they were hardly likely *sub silentio* to give him carte blanche to cripple the recognized functions of the grand inquest.

The commander-in-chief power, described by Hamilton merely as that of a "first General," at best authorizes severely limited withholding from Congress; for example, the time and place of an attack on, say, Normandy Beach. And it was on Congress, we must recall, that the vast bulk of the power to initiate and wage war was conferred. In the treaty-making provision, the President was joined to the Senate; and discussion of this provision in the several Conventions shows that the Senate was meant to participate in the *making* of treaties at every stage. Withholding of information in these areas attests arrogant usurpation rather than constitutional authorization.

On this score, finally, there is a notable constitutional provision, the force of which has not been sufficiently appreciated—the Framers authorized secrecy in only one case, and then by Congress, not the President. Article I, Section 5(3) requires Congress to keep and publish journals except "such part as may in their judgment require secrecy." This provision encountered rough going, being harshly criticized by Wilson, George Mason, Elbridge Gerry, Patrick Henry, and also by Jefferson. To allay the fear of this secrecy provision, its proponents explained that it had very restricted scope. John Marshall stated in the Virginia Convention that the debates "on the propriety of declaring war" and the like could not be conducted "in the open fields," and said, "In this plan, secrecy is *only to be used* when it would be fatal and pernicious to publish the schemes of government."

In light of the denial to Congress of a limitless power to conceal, how can one derive an *implied* grant of such a power to the Executive? On the contrary, as the Supreme Court held in analogous circumstances, the *express* authorization for limited discretionary secrecy by Congress and the omission of a similar provision for the President indicates an intention to withhold such authority from him. What might momentarily be concealed from the *public* by Congress had to be divulged by the President *to Congress* if the senior partner in government was to participate in making those momentous decisions which were temporarily to be kept secret

In sum, parliamentary practice (which the Supreme Court has held lies at the root of the legislative power of inquiry) and the intention of the Framers establish a comprehensive power of inquiry, an anti-secrecy tradition, which leaves no room for an "uncontrolled" Presidential discretion to withhold information from Congress.

President Nixon tells us that "executive privilege" was first invoked by Washington. There were two incidents which can be briefly recounted. First, there was the 1792 House inquiry into the disastrous St. Clair expedition against the Indians. Washington turned over all the documents; "not even the ugliest line," stated his biographer Douglas Freeman, "on the flight of the beaten troops was eliminated."

Mr. Nixon's reliance on St. Clair is based, *not on refusal of the documents*, but on Jefferson's notes of a Cabinet meeting at which it was agreed that the "House was a grand inquest, therefore might institute inquiries," but that the President had discretion to refuse papers "the disclosure of which would injure the public." These notes, however, are hardly reconcilable with the 1789 Act that Washington had signed earlier, and that permitted unqualified inquiry. What little value as precedent may attach to the notes vanishes when it is considered that only four years later Washington himself did not think to invoke the St. Clair "precedent" in the Jay Treaty episode—the precedent upon which Mr. Nixon next relies—and instead stated his readiness to supply information to which either House had a "right," such as the Senate had to treaty documents.

Jefferson's notes did not find their way into the government files, and there is no evidence that the meditations of the Cabinet were ever disclosed to Congress. The notes were found among Jefferson's papers after his death and published many years later, among his *ana*, which he described as "loose scraps" and "unofficial notes." There this "precedent" slumbered until it was exhumed by Deputy Attorney General William P. Rogers in 1957! It is a dispiriting testimonial to the effectiveness of executive propaganda that *Time* magazine could say of this incident, "Washington released the documents but he warned that never again would he turn over papers that might reveal secrets or otherwise would be 'injurious' to the public."

The first authentic assertion of power to withhold information from Congress was made by Andrew Jackson in 1835. Jackson refused a request by the Senate, which wanted to investigate frauds in the sale of public lands, that he turn over the charges that had led to his removal of Gordon Pitz, his Surveyor General. He acted on the ground that the inquiry "would be applied in secret session" and therefore deprive a citizen of a "basic right," that of a "public investigation. "Measured against historical precedents, Jackson was plainly wrong. The Supreme Court has held in *Watkins* v. *United States* (1957) that the "inherent power of Congress to conduct investigations [comprehends] probes into the departments of the Federal Government to expose corruption, inefficiency or waste." It would be insufferable if the President were able to shield documents revealing the corruption by removing the official.

Jackson's strictures failed to sway his successors. Buchanan and Polk, for both expressly recognized the plenary power of Congress to investigate suspected executive misconduct. Polk's unqualified recognition of a Congressional power that could "penetrate into the most secret recesses of the Executive Departments" is a far cry from President Nixon's "sanctity" of the FBI files, and from his attempt to immunize members of his staff from an investigation into their knowledge of a criminal conspiracy. It would be stale and unprofitable to rehearse subsequent Presidential assertions of a right to withhold information from Congress, for the last assertion stands no better than the first—repetition does not legitimate usurpation. In the words of the Supreme Court in the 1952 "Steel Seizure Case": "That an unconstitutional action has been taken before surely does not render that same action any less unconstitutional at a later date."

Let us focus, rather, on that branch of executive privilege which, according to President Nixon, was "designed to protect communications within the executive branch" and is allegedly "rooted in the Constitution." What the President conceives to be "rooted in the Constitution" was in fact first born in 1954, when President Eisenhower sought to fend off Senator McCarthy's savage assaults on Army personnel by a directive that communications between employees of the Executive Branch must be withheld from Congress so that they may "be completely candid in advising with each other." Overnight, this "doctrine" was expanded to shelter mismanagement, conflicts of interest such as led the Supreme Court to set aside the Dixon-Yates contract, the inexplicable selection of high bidders, and so forth.

It is novel doctrine that the acknowledged power to probe "corruption, inefficiency or waste" does not extend to "candid communications" which are often at the core of such misconduct. Had that doctrine prevailed many an investigation of corruption and maladministration—Teapot Dome, for example—would have been stopped in its tracks. Indeed, this was precisely the objection made by Congressman Nixon in criticizing President Truman's withholding of an FBI report: "That would mean that the President could have arbitrarily issued an executive order in the . . . Teapot Dome case . . . denying the Congress . . . information it needed to conduct an investigation of the executive department." Congress, declared the Supreme Court in *McGrain* v. *Daugherty* (1927), may investigate "the administration of the Department of Justice . . . and particularly whether the Attorney General and his assistants were performing or neglecting their duties . . ." To shield communications between suspected malefactors would go far to abort investigation.

Eisenhower's claim that "candid interchange" among subordinates is an indispensable precondition of good government is an unproven assumption. Indeed, it is disproved by the fact that government functioned well enough from 1789 to 1954 without the benefit of this doctrine, and by the further fact that Eisenhower's withholding (under the umbrella of "candid interchange") of information respecting alleged maladministration of foreign aid in Peru was immediately countermanded by President Kennedy, with the salutary result that exposure lead to correction, not to the toppling of administration. In England, "candid interchange" was laughed out of court by the House of Lords in *Conway* v. *Rimmer* (1968). Against the debatable assumption that fear of disclosure may inhibit "candid interchange," there is the proven fact that such interchanges have time and again served as a vehicle of corruption and malversation—the latest example being the "interchanges" about Watergate wihin the White House—so that, to borrow from Lord Morris, "a greater measure of prejudice to the public interest would result from their non-production."

Even if there were an "established" doctrine of executive privilege, it is hard to imagine a sorrier occasion for its invocation than as a shield for White House aides, files, and recorded tapes of White House conversations from inquiry into the Watergate affair. Here is a criminal conspiracy to corrupt the election process that has already resulted in the conviction of two former White House aides, G. Gordon Liddy and E. Howard Hunt, and has ever-widening ramifications. Following the break-in was a massive cover-up designed to obstruct justice—in which former White House counsel John Dean confessedly participated and by his testimony implicated his superiors. These charges have been denied, and justice requires that the conflicting testimony be resolved by resort to documentary evidence contained in the White House files or in recorded conversations with the President. The invocation of executive privilege to shield these records thwarts justice and feeds suspicion that the President himself is implicated.

Were executive privilege, even though without constitutional roots, deemed a necessity of government, it should at most shield official action, not unofficial acts of a candidate campaigning for reelection, and certainly not criminal acts. It is a perversion of the separation of powers to convert it into a shield for crimes that would subvert the Constitution. George Washington, upon whose precedent Mr. Nixon heavily relies, took a quite different view. Upon hearing rumors of an inquiry into the conduct of Alexander Hamilton, his Secretary of the Treasury, Washington said, "No one . . . wishes more devoutly than I do that [the allocations] may be probed to the bottom, be the result what it will." He would have welcomed, not blocked, public exposure of "executive" tapes and papers.

"Executive privilege won't kill you," reassuringly states Roger Cramton, recently Assistant Attorney General. Those who insist that Congress needs more information, he says, labor under a "staggering misconception. The practical fact is that Congress gets most of the information that it wants from the executive branch. Except," says Cramton, "possibly in the foreign and military areas, Congress is not hindered in making legislative judgments by the failure of the Executive to provide relevant information." That is a tremendous "except." The supply of information about imports of nuts and bolts does not compensate for the suppression of the Pentagon Papers, or the deliberate falsification of bombing raids over a neutral Cambodia. It does not make up for ten years of agonized escalation in Vietnam while Congress and the people were kept in the dark as to dismal expert evaluations and our shifting goals; for secret executive agreements with the foreign powers for bases, troops commitments, and projected military aid running into the hundreds of millions. Nor does the supply of innocuous information in bulk balance the shrouding of evidence respecting White House participation in an unparalleled conspiracy. At the heart of "executive privilege" and the "candor" theory of immunity is the view that Congress and the people are the enemy, whereas the truth is that every officer is, or should be, more truly a servant of the people than of the President. Overriding loyalty to the President, as Watergate shows, produces its own chamber of horrors.

"Executive privilege" is not therefore "rooted in the Constitution," but owes its being to the reluctance of Congress to assert its right and duty, in no small part because the President, through patronage, withholding of fat defense contracts, and other means of retaliation exercises great leverage on Congress. Even though executive refusals of information have often met with stinging protests by Congress, more often, that body has shrunk from confrontation. Nevertheless, if Congress was given a plenary power of inquiry—and it was—it cannot abdicate that power; it cannot divest itself of powers conferred upon it by the Constitution. If powers, said Justice Jackson, are granted, they are not lost by being allowed to lie dormant." Congressional tolerance of Presidential infringement does not transform it into a constitutional right.

HOW THE ADMINISTRATION IS IMPEDING ENERGY RESEARCH

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. RONCALIO of Wyoming. Mr. Speaker, Congress has been receiving some undeserved blows from the President for failing to meet what he considers top priority needs. Of these needs, surely energy research must occupy a paramount position, yet in this area it is the administration, not Congress, which is dragging its feet.

In a letter dated September 19, the Office of Management and Budget informed the Atomic Energy Commission that operating funds totaling $16.9 million were not apportioned and are being impounded.

Those impounded funds include: $2 million for molten salt; $4.7 million for geothermal; $600,000 for solar; $800,000 for hydro fracturing; $4.5 for controlled thermonuclear research—fusion, and $4.3 million in goods and services on order.

At a time when the administration purports to be gearing up for a major energy research and development program, it is failing to utilize even these modest sums. Nowhere is the misguided sense of priorities more evident than in holding up money on two most promising areas: Geothermal research and research on nuclear fusion.

If energy research, too, must endure some reductions in interests of fiscal responsibility, I suggest the administration look to the $3.8 million for the Atomic Energy Commission's plowshare program to use nuclear stimulation to free natural gas trapped in tight rock formations.

With all of the serious questions surrounding this program, including economics, environmental impact and energy tradeoffs, plowshare continues, while the infinitely more promising areas of fusion and geothermal research go begging.

The most optimistic estimate ever given for the gas recoverable through nuclear stimulation is 300 trillion cubic feet.

Nine times that amount is believed to be recoverable on the gulf coast, dissolved in geopressured gulf coast geothermal waters. This estimate of 2,700 trillion cubic feet was made by Dr. Robert W. Rex, president of Republic Geothermal, Inc., of California, during recent testimony before the House Science and Astronautics Subcommittee on Energy.

This gives added force to the argument that the plowshare money should be withheld and the search for a means to develop geothermal waters should be begun.

The energy needs of the Nation cannot continue to endure the indifference toward research work in geothermal, hydro fracturing, and fusion which the administration is thus far evidencing.

THE AMAZING METS OF 1973

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. BINGHAM. Mr. Speaker, sport, both participatory and spectator, has become an inseparable part of the American scene today. The antics and exploits of the New York Mets caught the attention of the sport's world when they captured a berth in the divisional playoffs of the National League. As the headlines in today's New York Times aptly state, the "Mets Are Again the Darlings of Gotham." I congratulate the Mets on their fine achievement and wish them luck in the playoff games ahead. The reputation of the Mets and their special endearment to the people of New York City comes not solely from the knowledge of their athletic prowess but from the spirit that guides them.

The fans of New York respond not only to the spectacular catches of Cleon Jones or the superb pitching of Tom Seaver, but to the esprit de corps that the Mets exhibited in winning the division title and that will hopefully carry them to another world championship. Jon Matlack of the Mets put it this way—"You gotta believe means you gotta believe in yourself." The example of the Mets, regardless of the outcome of the National League playoffs and the World Series, is surely one which New Yorkers can be proud to follow.

An article by Leonard Koppett in today's New York Times reflects the feelings inspired by the feats of the Mets and the faith inherent in their success. The article follows:

"I NEVER GAVE UP, AND NEITHER DID THE PLAYERS," SAYS BERRA ABOUT HOW THE METS WON THE EASTERN TITLE

(By Leonard Koppett)

CHICAGO, Oct. 1.—The tortoise had done it again, to a whole bunch of hares this time, and the fact that they had come from last place to first in the final month of the season was the central satisfaction expressed by the New York Mets as they celebrated winning the National League's Eastern Division race.

First the Chicago Cubs had raced to a big lead, then the St. Louis Cardinals spread-eagled the field, and in early September the Pittsburgh Pirates and Montreal Expos seemed to be closing with a rush.

But the Mets, plodding along at a .500 pace after an epidemic of losses had dropped them to last place by July, found themselves in position to move toward the ever-sinking top when all their regulars were finally healthy in September.

"The butterflies are gone now, I'm glad it's over," said Yogi Berra, the manager so widely written off two months ago. "But I never gave up, and neither did the players. We had to go over five clubs to get here, and that makes you proud."

HAPPY AFTER GAME IS CALLED

When the Mets first reached their clubhouse after their 6-4 victory, they were cheering and shaking hands with one another, but conscious that another game was scheduled to be played—meaningless but inescapable. Five minutes later, word came that the second game was called off—and the shouts that greeted that news were much louder than the shouts that were reactions to the victory.

Only then did real celebration start, with the usual crush of photographers adding to the mess created by those players who would rather spill champagne than drink it. The most boisterous were Tom Seaver and Tug McGraw, the two men who had pitched today, and McGraw, the noisiest, led a series of cheers that went:

"One, two, three—you've got to bee-lieve."

The direct reference was to a sign recently produced at Shea Stadium by two nuns, who had become friends of McGraw and his family when he first reached the major leagues eight years ago.

In theme, however, the slogan related to a clubhouse talk given in July by Donald Grant, the chairman of the board. He had told the players then that management had faith in them and that they must continue to have faith in themselves.

Faith was a subject quite pertinent to Berra, who won a pennant in 1964 in his only year as manager of the Yankees, and was dismissed after losing the World Series. Did he feel vindicated by finishing first in his second year as manager of the Mets?

"I just like baseball, I'm happy how it turned out," he said, smiling. "Yes, I guess I do—I haven't thought about it much. I just do my best. I know the fans got on me, but they gotta pick on someone and it's always the manager, that's just the way baseball is. It's up to the owners, and when things go wrong, a manager goes—and I don't blame them. But I'm proud of the way we came back. For instance, when we lost that first game in Pittsburgh and seemed to be out of it, and then won the next four from them—that makes you feel good."

He confessed that at one point he almost felt beaten.

"Maybe in July when we were 12 behind with all those injuries," he said. "You just didn't know when the injuries would end. But when we came back from that Western trip in August and were still only 6½ out, and there was a story about us loafing in San Diego, I told all the fellows that it looked like nobody else wanted to take it and that we were still in it and should keep trying."

That was when the rainout was announced.

"Hey, the game's off—get the champagne out," shouted the manager, and serious celebrating began.

Bud Harrelson, whose absence from shortstop was one of the persistent Met problems during the summer, elaborated on the "don't give up" theme.

"In 1969," he said, making the inevitable comparison, "it was just some sort of miracle that happened to us. We started out just hoping to do better than the year before, and we weren't expected to win, and we didn't know that much about anything. This year though, we were so frustrated we knew—knew [tapping his heart] that we should win. We had the talent, and when everybody got down on us, we knew they were wrong to come back and win, once we were all able to play—I think of it as a much more mature victory, a more mature feeling."

"Nothing will ever be like 1969," said Seaver. "We were all so young then. Anyhow, we've only taken one step of the three. We still have to win a playoff and World Series to match 1969. But in a way this was more earned."

"Suddenly," said Wayne Garrett, one of the hottest bats in the stretch drive, "you looked around during a game and saw all the faces that you were supposed to see out there playing. Harrelson, Jerry Grote, Cleon Jones, Rusty Staub—the regulars. It made a tremendous difference. We knew we had a good team if only we could get it out on the field."

"It was just like 1969 in that it was a team thing," said Grote. In July his broken wrist healed. "All the pitchers, Harrelson, Cleon, Garrett—everybody did something. But it was wilder then, and we expected more of ourselves ever since 1969."

Ed Kranepool, who played 100 games but was used mostly to pinch hit in recent weeks, was chortling over his record.

"I hit .239 and we finished the season in Chicago," he said. "In 1969 I hit .239 and we finished in Chicago, too. Next year I'm going to hit .239 again. In between I've hit .270 or .260 and we haven't won. I can make us all more money hitting .239."

And there was Bob Miller—the same Robert Lane Miller who was an original Met and who scored his one and only victory of the 1962 season (after 12 defeats) here in Wrigley Field. He had pitched for Los Angeles, Minnesota, San Diego, Chicago and Pittsburgh since, and he returned to the Mets only a couple of weeks ago as an emergency reliever. He worked a total of one inning.

"I've been on seven pennant or division winners since I left here," he said, "and I've only been here 10 days, but I found myself rooting harder in the dugout today than I ever had in my life. I can't really explain it."

DEAR COLLEAGUE: A COURTESY VISIT TO YOUR ARMY RECRUITER MAY BE MUCH APPRECIATED

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, this past weekend the Washington Post carried an unusually perceptive column about the Army's alleged problem of attaining sufficient volunteers.

George F. Will, the Post's contributor, displays an insight few writers possess on the subject of military manpower. Briefly, he explains that the feasibility of the volunteer Army is no longer a question. The volunteer force is well within our ability to manage. Moreover, Mr. Will suggests a few simple steps to insure its successful management.

I would like to add a further suggestion. As one who has paid a visit to an Army recruiting station in recent months, I want to suggest that such a courtesy visit is one easy step Members of Congress can take to help insure the success of the volunteer Army.

In discussing my field visit with the Deputy Commander of the Army's Recruiting Command, Gen. Robert Montague, I have learned that our colleague—the Honorable RICHARD P. ICHORD—has made a similar field visit to his recruiting station in Missouri's 8th Congressional District. General Montague reports that Mr. ICHORD's visit has served as an important morale booster to his recruiters.

Given this positive contribution we can make—in 15 or 20 minutes of our time—it seems to me the men and women who serve in Congress should do what we can to help our local recruiting effort.

I commend your attention to the column by Mr. Will. The only observation I would add is that, in my experience, Secretary Howard Calloway is fully supportive of the volunteer Army program, and I simply want to note his active help for the RECORD.

[From the Washington Post, Sept. 28, 1973]

THE ARMY'S "PROBLEM"

(By George F. Will)

Some people in our "action Army"—the one that "wants to join you"—have swung into action to discredit the idea of an all-volunteer force. Spokesmen are saying the Army is having trouble attaining sufficient volunteers even though it has lowered standards.

Actually, the Army, in spite of itself, is getting almost as many new male recruits as it says it needs.

It does not need as many new male recruits as it says it needs.

And it has not lowered standards.

Many months ago the Army said it needed 181,000 new male recruits this year. Last year it got 167,000, including 140,000 "true volunteers" who were not draft-induced. It is reasonable to assume that 140,000 is a yearly attainable minimum. Moreover, the Army can reduce the number of 181,000 recruits it needs while also enlarging the number of eligible recruits. Thus the "problem" 41,000 evaporates.

The Senate Armed Services Committee has mandated a 156,000 cut of total Defense Department manpower. This probably will be compromised to a 70,000 cut, and probably will mean a *minimum* of 15,000 fewer Army recruits needed.

Women are 2 per cent of the Army and are supposed to be 4 per cent by 1978. The Army plans to recruit 12,000 women this year. Of course not all Army jobs can be filled by women, but 89 per cent of the kinds of Army jobs can. (Only 30 percent of Army jobs are combat jobs.) It would be duck soup to increase women recruits 50 per cent, or 6,000.

Between 80,000 and 100,000 military jobs could be filled by civilians. *At least* 10,000 of those jobs are in the Army.

The Army is turning away men with prior service who want back in. The Air Force will meet 9 per cent of its new manpower needs this year from such men. The Army says it will take around 5 per cent of its manpower needs this year from such men. By matching the Air Force percentages, the Army could reduce its needs for new male recruits by a *minimum* of 2,000.

Every month since January the Army has failed to use its authorized number of recruiters. It is authorized to have 4,725 "production" recruiters—those who actually talk to potential recruits. It was short 54 in February and 870 by July. In July, a good recruiting month, recruiters averaged 3.4 enlistments. Extrapolating from that, it is reasonable to infer that recruiters authorized, but not on station, cost the Army 2.958 enlistments in July alone.

In August the Army acted to get all authorized recruiters on station, but it will take until February for all of them to be found, trained, moved, settled and acquainted with the high school counselors and others essential to a good recruiting program. Lackadaisical recruiting probably cost the Army 5,000 recruits in the six month February–July period. If it recruits vigorously for the remainder of fiscal 1974, it should get a *minimum* of 8,000 unanticipated recruits.

If you are counting, we have just eliminated the so called "problem" of 41,000 recruits. But there is more to be done.

Army standards regarding aptitude and motivation are arbitrary and unnecessarily impede recruiting.

The Army has five aptitude categories. Categories one and two are "college material," three is average, five is well below average and unacceptable. Category four—"below average" but trainable—is what the Army does not want to be too large.

But what is "too large"? The Army doesn't know how many "category fours" it can absorb because it has not graded the performance demands of its various jobs. Only 19 per cent of Army enlistments this year will be "category fours," up slightly from 16.3 per cent last year, but down from the 20–25 per cent during the last five years of conscription. The Army is not taking as many "category fours" as it could get, and there is no conclusive evidence that it is taking as many as it could use.

In addition, the Army overemphasizes the importance of a high school diploma. The fact is that 19 of 20 high school graduates make good soldiers, 16 of 20 non-graduates do, too. Because of this small differential the Army, in February, imposed an arbitrary limit of 30 per cent on non-graduate enlistments. The Army wisely abandoned this limit in July. Unfortunately, abandonment was accomplished by a lot of misleading Army talk (by Army Secretary Howard Calloway, among others) about how the Army was lowering standards.

The Army was doing no such thing.

Rather, it was adopting a more sensible way of enforcing standards. As a result, it is now a function of trainers to screen out unsuitable recruits for honorable discharges. In addition, to help keep standards high, recruiters are warned they will not get credit against their quotas for recruits who do not make it through training. Thus trainers and recruiters are required to be discriminating without being dogmatic about diplomas.

So the facts reveal that enlistment numbers need not be a problem. But one more thing must be said.

The Constitution will not permit the racial "mix" of recruits to be treated as a "problem." The percentage of black recruits in August (29.7), as in other months, was higher than the percentage of blacks in the population. But so what? Anyway, the Fourteenth Amendment forbids "doing something" about that putative "problem." And civil rights organizations should be watchful lest the Army try an end run around the Constitution by (say) imposing regional quotas on the South or overspending for recruiting in white areas.

There have been too many Army words and deeds this year designed to complicate, sabotage or misrepresent the transition to an all-volunteer force. Current Army talk about recruits being "too few" or "inferior" or "too black" is devious and corrupt nonsense designed either to get conscription reinstated or to justify a massive budget shift among the services, in favor of the Army, to help the Army cope with its "plight" in an all-volunteer environment.

But not even the Army can be dumb enough to think Congress will resurrect conscription, and Congress certainly is not dumb enough to reward the Army for its sloppy—and in some cases, cynical—nonperformance of its duty to make volunteerism a success.

THE HORSE SLAUGHTER INCREASES

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. HOWARD. Mr. Speaker, as some of my colleagues may recall, last spring I introduced legislation to prohibit the sale or purchase of pregnant mares or mares with foals, for the purpose of slaughter for human consumption. This was done in the face of an enormous drain on the equine stock in this country.

Now, we find that the number of horses being purchased for slaughter has continued to rise—from some 20,000 per month in the early spring up to about 27,000 per month currently. Estimates at this time indicate that as many as 80 percent of the horses being sold at auction are purchased by slaughter house representatives.

Mr. Wendall Rawles, of the Philadelphia Inquirer, has written a very interesting and perceptive article on this subject, which I would like to commend to my colleagues at this point in the RECORD:

[From the Philadelphia Inquirer, Aug. 26, 1973]

THE HORSE SLAUGHTER INCREASES

AUCTION PRICES, EXPORTS GO UP WITH DEMAND

(By Wendell Rawls, Jr.)

The Amish of central Pennsylvania don't bid for horses any more. They can't afford them.

By next summer, a good number of children's camps probably won't have horses for the kids to ride. The camps won't be able to afford them.

The reason: The price of horses has gone up more than 38 percent in the past four months as the worldwide demand for red meat grows.

Horse meat packing houses in the United States, Canada and Europe are prepared to pay more per pound—25 cents now, compared to 18 cents in April—than anyone else. They are driving the price beyond the means of most users of horses for conventional needs.

The number of horses being slaughtered has soared from more than 20,000 a month, as disclosed in an Inquirer series in April, to at least 27,000 a month now.

And that business is so lively that the number of horse packing plants in the United States has climbed from six to 12 in the past four months. A 13th, with plans to kill 3,000 horses a week, is planned.

Finally, there is one more strain on the horse population. More than 3,000 horses since April have been exported alive from Richmond, Va., to Europe, where most of them are believed to have been slaughtered for human food.

"There are getting to be too many slaughterhouses," said David Harman, a Christiansburg, Va., horse dealer who supplied the largest single shipment (760 horses) ever to sail from Richmond.

"I can see that if things keep going like they are, there could get to be a crisis—not in the next few months, but in a couple of years."

Bob (Wishbone) Roche, a horse dealer in Colchester, Conn., put it a bit stronger:

"You just wait until the camps in this country start trying to buy horses next year. There won't be any for them to buy. The horse they paid $80 for last summer will cost them at least $400 next summer."

Harman said the horse market is the "highest priced" in history, while horses being offered at auctions are of "less and less quality."

At the long-standing auction at New Holland, Pa., the higher prices and the lower quality discourage Amish farmers from even attending the sales, much less bidding.

At one time, solemn, boarded, black-hatted Amish farmers crowded the bleachers on either side of the almost-square arena where horses were led or ridden before the machine-gun voice of an auctioneer.

In recent sessions, with the Amish missing, the auction has become known unofficially as the "New Holland Meat Market."

The Amish have for centuries relied on horses as part of their religious beliefs for both transportation and farm work.

"If this (slaughter) keeps up, maybe the Amish will start using tractors like they should have been doing anyway," says Effingham Embree Jr., an international trade specialist with the Virginia Department of Agriculture, which has supported and encouraged the export of horses from Richmond's Deepwater Port.

The horses being bought for slaughter generally come from auctions like the ones in New Holland and Iselin, N.J.; Rushville, Ind., Johnson City, Tenn., Morris, Ala. and Front Royal, Va.

At some of the auctions, as many as six "killer" buyers are competing for the horses. Frequently, other potential buyers do not realize they are bidding against a "killer," who almost imperceptably lifts an eyebrow or flicks a finger to indicate a new bidding.

The "killers" purchase horses as agents for slaughterhouses. They seek in fleshy horses, weighing 1,000 pounds or more—horses that will provide ample meat.

The "killer" bids on the basis of the probable weight of a horse. In other words, if he knows he will get 18 cents a pound for a 1,000-pound horse, $180 is the break-even point. At 25 cents a pound, he can bid up to $250.

In April, dealers claimed that as many as 60 percent of the horses at auctions went to "killers." In recent weeks, the estimates have climbed to as high as 80 percent.

"The better riding horses are now commanding higher prices," Harman said. "The lower grade horses are being eliminated. This naturally causes a decrease in horse numbers, but it uprades the breeds."

Harmon said he often notices a horse herded to slaughter that "looks too good" for that.

"I put it in a separate pasture and, when I get a chance, I give it a ride," he said. "If it rides good, I keep it for resale. If it doesn't ride good, I give it a free trip to Italy."

Embree calls the slaughter a "culling process."

"The horses that need to go are leaving," he said in an interview. "The price of horses should increase and people who cannot afford to pay at least $1,000 for a horse should not have one. They can't afford to take care of a horse properly."

The "culling process" is beginning to cause problems for more than the Amish and the owners of summer camps.

"It is getting harder to find horses for the slaughterhouses," said Dennis Crowley, a horse trader from Agawam, Mass., who supplied many of the 750-odd horses in the most recent shipment from Richmond to Livorno, Italy.

"A plant in Milwaukee (Smith-Wilson Meat Products, Inc.) called recently and said they were desperate for horses and wanted me to find 200 of them. I had a helluva time rounding them up.

"There just ain't enough horses left for all these slaughterhouses."

Horses are shipped live from Richmond because the port is the only one on the Atlantic seaboard with a live stock-handling facility.

The most recent shipment was purchased by the Nabocarni Company in Italy. The officially listed shipper was Jean Guy Trudeau, who also operates slaughterhouses in Yamachiche and Charlemaign in Quebec, but other shippers shared space on the boat. Trudeau plans another shipment in September, as does Harman.

While the horses are inspected, the ship, most recently one of Monrovian (Liberia) registry, is fumigated and loaded with hay and 260 tons of water for the 12-day trip across the Atlantic.

The horses are placed in any of the 191 iron pipe holding pens aboard the ship. En route, they are fed and watered twice daily. The air inside the ship's hold is changed every two minutes by a blower system.

But horses are surprisingly fragile, and even with proper care some invariably die before reaching Italy.

Dr. Richard Harden, a young Richmond veterinarian who helped inspect horses last week, maintained that for some horses, slaughtered for human food may be "more humane" than the treatment they received beforehand.

He insisted there are more horses in America today than ever before.

"That shows just how out-of-touch veterinarians are with the saddle horse industry," said Dennis Crowley, the Massachusetts trader.

"If I thought the horse population would hold out, I would start a slaughter plant myself," he said. "I have enough connections to find whatever horses are available and the Europeans will send over men to train butchers if you will agree to sell them the meat. But we are going to run out of horses in the average man's price range, the kind of horse we are now killing."

The USDA estimates there were between 6 million and 8 million horses, mules and ponies in the nation at the start of the year. Many of the horses are registered as show animals. Mules cannot be killed for human food.

"There will always be plenty of registered horses and thoroughbreds," said Bob (Wishbone) Roche, the Colchester, Conn., dealer, "but nobody is actively breeding the average kid's horse and soon there will not be any for them to ride."

Dr. Calvin Pals, of the USDA in Washington, perhaps best summed up the fate of the pet riding horse.

"It will become the same as buying a car," he said.

But Embree put it differently:

"The slaughter of horses is like picking up a handful of sand from a pailful. When you pull out a handful, the sand just fills in behind it.

"If one horse slaughter operation went out of business, 10 would step in. It is just a matter of economics."

PENSION PLANS TO GET STABILITY

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. CHAMBERLAIN. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives an editorial with respect to pension plans that appeared September 18, 1973. in the Jackson Citizen Patriot, Jackson, Mich. This editorial reflects the deep interest in pension reform which prevails throughout the Nation and cogently points up the need for prompt action by the Congress. For these reasons I feel that it is well that the House will soon be considering pension reform legislation and I commend this pertinent commentary on the subject.

The editorial follows:

PENSION PLANS TO GET STABILITY

Pension plans are much in the news these days, from Jackson and similar cities to debate in the United States Congress.

In Jackson, it is the continuing lack of full funding of the city's pension plan for firemen and policemen that is the point of focus.

The bright spot for those city employes, however, is the fact their plan, while lacking the proper bank balance is nevertheless quite secure. For practical purposes, it is guaranteed by the faith and credit of city's taxpayers.

Not so secure are a whole lot of private pension plans, and it is toward these that both houses of Congress are now showing interest.

Hearings are underway in both the federal House and Senate on several versions of legislation that would guarantee the solvency of private pension plans, and members of both bodies are optimistic legislation will be adopted this fall and sent to the President.

The lawmakers haven't jumped into the matter headlong. Pressure has been building for a decade or more as firms failed or were merged into others with a resultant loss of pension benefits to employes or retirees.

When Studebaker failed in 1964, about 4,000 workers realized 15 cents on the dollar of accrued pension benefits, a fact still being discussed in Congress.

Sen. Robert P. Griffin cited figures from the Department of Labor and the Treasury Monday showing that in 1972 a total of 1,227 pension plans were terminated, resulting in losses of pension benefits covering 19,000 workers.

Support for federal legislation requiring minimum performance standards for pension plans has come from all sectors of the nation, as an estimated 40 million Americans are now offered some form of pension plan.

The final result will undoubtedly come out of a House-Senate conference committee charged with ironing out the differences between the two versions—which vary little or a lot, depending on which ones win final passage in the two houses of Congress.

Most pension plans are designed to work hand-in-glove with Social Security to provide a minimum income for retirees.

Another plan being talked about would increase Social Security benefits so that, combined with other forms of income—such as pensions, savings, investments—a retiree would be guaranteed 50 per cent of his preretirement income.

That one's off in the future, and while it may sound good at first blush, it would be funded in the usual Social Security tax manner—via payroll deductions.

There's an increase in payments for Social Security due again next Jan. 1, not a higher rate of taxation, just figured over the first $12,600 earned instead of this year's $10,800. That will bring the Social Security tax to or near a year-round thing for a major part of the working population.

Whatever happens to Social Security in the future it seems certain there will be some kind of basic legislation on the books by year-end governing private pension plans.

While it's another bond for free enterprise, it is obviously required because of the failure of so many plans to perform when retirement day rolls around.

Having studied the idea for so many years, Congress should be in a position to do a proper, bang-up job the first time around, so that there'll be no need to amend their efforts at every drop of the hat.

If pension plans have to be regulated, as they unquestionably do, nothing could be worse than enacting a slap-dash law to start with.

NORTH CAROLINA'S THINK TRIANGLE

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ANDREWS of North Carolina. Mr. Speaker, I am especially proud that North Carolina's Fourth Congressional District, which I am privileged to represent, embodies the unique Research Triangle Park.

Nestled snugly but resolutely in North Carolina's wooded heartland contiguous to the pacemaking Piedmont towns of Raleigh, Durham, and Chapel Hill, the Research Triangle Park encompasses the most comprehensive combination of talent, brainpower, and technical skill ever to be found in 5,400 acres.

I would like to share with my colleagues an article from the August issue of Delta Air Lines' Sky magazine in which the author, Jean Sedillos, captures the spirit, purpose, and success of the Research Triangle Park:

NORTH CAROLINA'S THINK TRIANGLE

(By Jean Sedillos)

In the Piedmont region of North Carolina, among piney woods and rolling meadows, civilization is alive and well.

Raleigh, seat of state government for 200 years, houses an $8 million art collection including works of Rembrandt, Raphael, Rubens, Gainsborough and Gilbert Stuart. The city offers theater, a concert series, chamber music, ballet, children's theater, opera and symphony. And there are no fewer than six colleges, among them North Carolina State University.

Fifteen miles west in Chapel Hill, a state of peaceful coexistence exists between blue-jeaned Berkeley types, retired capitalists and everyone in between. Morehead Planetarium serves as celestial navigation training ground for U.S. astronauts, and the University of North Carolina adds its concerts, museums, lectures and libraries to the cultural offerings of the city. In addition, a 500-bed teaching and research hospital, the Carolina Playmakers and the North Carolina Botanical Garden add to the variety of scientific and cultural stimulus.

Seven miles northeast in Durham, home of the industry which first brought prosperity to the area, the delicate Gothic towers add charm to the well-manicured gardens of Duke University. The South's foremost medical research and hospital center reside in Durham. A national nucleus of black capitalism and home of the nation's largest black-owned corporation, the city also has North Carolina College, a nationally respected school for blacks.

It is no wonder that within the triangle formed by these three cities lies one of the most exclusive, well-designed and successful research parks in the country, the Research Triangle Park. Here in a bucolic 5400 acres, eighteen governmental and industrial groups profit from—and add to—the resources of the three Triangle cities.

The Research Triangle Park is known as a "restrictive research park," as opposed to an ordinary industrial park. Approximately 1000 acres have been zoned exclusively for research; no product may be manufactured for sale. The remaining sites are zoned for research-oriented manufacturing.

Although research activities at the park cover a wide spectrum of disciplines, over half of the 8500 work force is involved with computer, textile or environmental research.

IBM is by far the largest employer, with a staff of 3300 developing and manufacturing tele-processing terminals and components for the System/360 and System/370.

Monsanto Company's Chemstrand Research Center employes about 300 people in research and development of synthetic fibers and other products. Beaunit Corporation, also a fiber and textile producer, employs 350 in research and development and administration and data processing.

The National Institute of Environmental Health Sciences and the National Environmental Research Center identify and study chemical, physical and biological factors in the environment that can adversely affect man. At present the combined staffs number about 500, but when the NIEHS' permanent facilities are completed, 750 more scientists and support personnel will move into the Research Triangle.

A sampling of the park's other tenants: the Forestry Sciences Laboratory, Hercules Incorporated (makers of the olefin fiber, Herculon) the National Center for Health Statistics, Becton, Dickinson and Company (biological and biomedical services and research), Burroughs Wellcome Company (pharmaceuticals) and the National Laboratory for Higher Education.

The park places no specific restrictions on what type of research is conducted by its tenants, as long as it's non-polluting. However, the Foundation has turned down some companies' applications because the universities and the Institute did not have expertise in the companies' fields of study. To be accepted in the park, organizations must be able to profit from the Triangle's resources as well as contribute to them.

Two organizations form the nucleus of the Research Triangle Park: the Research Triangle Foundation and the Research Triangle Institute. The Foundation, originally financed by donations of over $2 million from North Carolina corporations and private citizens, serves as a trustee for the park. The Foundation's main function is to attract desirable tenants to the park, in addition to supporting research-related activities at the Triangle universities and promoting industrial development throughout the state.

Established through a $500,000 grant from the Foundation, the Research Triangle Institute is a non-profit corporation affiliated with the three universities. The RTI provides scientific research services to other organizations in the park, government and industrial clients. Any revenues from commercial contracts are used to expand the RTI staff or its facilities.

The RTI employs approximately 450 specialists in a variety of disciplines which seem to have set the tone for the entire park: population, education, statistics, state and regional planning, social behavior, health services, chemistry and life sciences, engineering, environmental studies, technological applications and polymer science.

The RTI staff works closely with university faculty members on many projects; over half the RTI's Board of Governors are representatives of the three schools and several RTI staff members are also professors at the universities. This day-to-day working relationship with three excellent schools is one of the main reasons for the Research Triangle Park's success.

Another significant area of cooperation is the Triangle Universities Computation Center, one of the largest educational computer networks in the world. An IBM System/370 Model 165 is linked to the Triangle schools by high-speed transmission lines and to some forty other North Carolina colleges by telephone. This facility is maintained for the use of the park's tenants as well as the universities.

The Triangle universities' libraries have been cross-catalogued and made available to the park. Deliveries arrive twice daily. Companies in the park recruit university graduates, while universities recruit the park's scientists as faculty members. Many scientists and technicians take advanced classes at the universities, either in their fields of specialization or in management.

The park is unique, even among other nonindustrial research parks, because of its woodsy, rural setting. Even when it is fully occupied, it will still look like a park. Each tenant must take a site of at least six acres and build on no more than fifteen percent of it.

Strict restrictions guard against excess noise, vibrations and smoke, and a Board of Design must approve all new buildings, including their signs. The place even has tree requirements!

From the beginning the man behind the park's development has been Luther Hodges, former governor of North Carolina and U.S. Secretary of Commerce. Until recently he served as Chairman of the Board of the Research Triangle Foundation. In his words, "the Research Triangle is the marriage of North Carolina's ideals for higher education and its hopes for material progress."

The park was founded in 1959 on the principle that research and education are necessary forerunners to industrial and economic growth. And each year the park's impact on the region's economy continues to prove the principle's validity. The annual payroll, now around $100 million, has been the prime force in the area's 28 percent increase in annual income. Chapel Hill has the highest median income of any city in the state.

Growth in the park naturally stimulates growth in the surrounding area, especially since most of the park's positions are filled by people new to the area. Planners estimate that every new job in the park generates a new job in one of the Triangle cities or at the park's own service center, the Park Plaza.

The Plaza, a 100-acre tract set aside in the center of the park, makes the region an even closer community. The Plaza now contains a major hotel, a restaurant, a conference center and several retail stores.

The park has also attracted new industry to other parts of the state. For example, when Burroughs Wellcome moved its corporate headquarters to the Research Triangle, the company also built a manufacturing plant at Greenville.

And perhaps most important of all, the development of the park has enabled North Carolina to retain much of its brainpower, as well as the out-of-state brainpower, which was developed at the Triangle universities.

So Raleigh, Chapel Hill, Durham and the Research Triangle Park have fused in a way that definitely results in a whole greater than the sum of its parts. And if past success is any indication of the future, this type of mathematic equation may not only help to improve the quality of American products, but also inspire more such projects in other parts of the country.

BIAGGI TESTIFIES ON NEED FOR CHILD ABUSE TREATMENT, PREVENTION PROGRAMS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. BINGHAM. Mr. Speaker, my good friend and colleague from New York (Mr. BIAGGI) testified yesterday before the House Select Subcommittee on Education in support of his bill to provide comprehensive programs for the treatment and prevention of child abuse.

Congressman BIAGGI has been working in this area for many years and introduced the first major legislation dealing with child abuse in the 91st Congress. Due to his efforts and those of other leaders in the field, including Senator MONDALE—whose bill has passed the Senate—and Congresswoman SCHROEDER, the problem has been brought to the fore and there is hope that a national attack on the problem of child abuse and neglect may be launched during this Congress.

For the benefit of my colleagues, I would like to include his testimony and that of Dr. Vincent Fontana, a specialist in the field of child abuse treatment and prevention, who testified with Mr. BIAGGI yesterday morning. I hope all will read these statements and work together to enact legislation that will offer new hope that the horrible abuse and battering of thousands of children in this Nation—and the killing of many—can at last be brought to an end.

The testimony follows:

TESTIMONY OF THE HONORABLE MARIO BIAGGI BEFORE THE SELECT SUBCOMMITTEE ON EDUCATION ON CHILD ABUSE PREVENTION

OCTOBER 1, 1973.

Mr. Chairman, let me first express my appreciation to you and the members of this committee for the opportunity to testify on the critical problem of child abuse.

Last year over 700 children died in these United States as a result of abuse and neglect. Over 200 of them were in New York City alone. Child abuse is the leading cause of death among infants and young children. We are talking about an epidemic—an epidemic of such proportions that if it were the plague or some other communicable disease, vast emergency measures would already have been taken by the City, the State and the Federal Government. As it is, we are doing almost nothing today to control child abuse. While we stand idle in the face of this slaughter, an increasing number of our children are dying every day.

This problem has been closeted away for too long. Now at last, through the efforts of many people in the pediatric and psychiatric field, through attention by the news media and through action here in Congress, the problem is being faced forthrightly. There is now a recognition that government has an obligation to protect the rights of those too young to protect themselves even if the threat to these children comes from their own parents.

My own interest in this legislation dates back to my first term in Congress. Since then I have introduced numerous bills with many cosponsors in hopes of having legislation enacted that would reduce the ever increasing incidence of child maltreatment.

I am very pleased that others in Congress now share my interest and have introduced valuable legislation on their own. I commend the Senate for their passage of the Mondale bill on child abuse prevention this past summer. It is significant first step toward the resolution of the problem.

I am pleased to see that the bill incorporates one of the basic approaches in my own legislation, that is, a national clearinghouse and data bank to collect information on research efforts and programs concerned with child abuse.

The Mondale bill has many other valuable features, particularly in the area of treatment and further studies. We must recognize, however, that the problem of child abuse is not merely one of prevention and treatment; it is also one of law enforcement.

During my 23 years as a member of the New York City Police Department I saw too many instances of child abuse. The lack of adequate reporting laws, the absence of mechanisms to remove children from the home of a known abuser, the failure of medical personnel and social workers to recognize a child abuser and treat him were evidenced over and over again by the many cases I and other police officers handled.

When first coming to Congress, one of my first priorities was and continues to be, the enactment of legislation to provide better law enforcement in this area, encourage treatment programs and focus national research efforts on resolving and reducing the incidence of child abuse.

We cannot afford to wait any longer . . .

Not while in my own City of New York, thousands of children are beaten each year and hundreds actually die of neglect and maltreatment—over 200 died last year alone;

Not while there are one thousand heroin addicted babies born in New York City each year;

Not while the dimension of the problem is increasing even while our birth rate is decreasing. In short, the problem has reached epidemic proportions.

This year, over 15,000 children will be reported as victims of child abuse. Many thousands more will be abused who will never come to our attention. In short, the problem has reached epidemic proportions.

Therefore, it is not enough to merely study the problem, not enough to collect information on what is being done, not enough to establish demonstration projects. As commendable as these objectives are, the children of New York City, and of the nation, cannot wait for these measures to lead to some comprehensive effort next year or the year after. They need help today.

That is why my bill offers large amounts of money now for those states that will form comprehensive plans to fight the horror of child abuse. These plans will have to meet specific standards calling for reporting laws designed to make certain we can find the child abuser and then treat him. These plans will allow the courts to take emergency custody of the child immediately to insure his physical safety. These plans will call for mandatory psychiatric testing of the abusing parent so we can avoid the terrible mistake of returning a child to a battering parent.

I urge you to consider seriously these proposals and I am anxious to work with other members of the committee and interested parties on developing the best legislation possible. My staff and I in conjunction with Dr. Vincent Fontana, who is with me today, will be preparing a series of amendments to the Mondale bill which I feel will strengthen and improve the legislation. It will give this Congress the opportunity to truly face head on the problem of child abuse in this country and to bring it under control.

I would like to now introduce Dr. Vincent J. Fontana, who is director of Pediatrics at St. Vincent's Hospital and Medical Center of New York, Medical Director of the New York Foundling Hospital and Professor of Clinical Pediatrics at New York University Medical Center. He has also been chairman of the Mayor's Task Force on Child Abuse and Neglect for the City of New York for the past four years. A pioneer in the field of child abuse, having published the first book on the subject in 1964, he has directed extensive research programs in the treatment and prevention of child abuse and has long been the spokesman in fighting the plight of the maltreated child in this country.

Dr. Fontana's efforts have also been responsible for the enactment of child abuse laws in every state of this country. The establishment of the Central Registry for reporting child abuse and neglect in New York

City resulted from his efforts as Chairman of the Mayor's Task Force.

Dr. Milton Helpern, Chief Medical Examiner of the City of New York, has said,

"Vincent J. Fontana, is without doubt the most knowledgeable, articulate and effective spokesman on the shocking subject of child abuse, maltreatment and neglect."

Gentleman, Dr. Fontana.

STATEMENT OF VINCENT J. FONTANA, M.D.

It is difficult to accept the fact that in our society today inhuman cruelty to children appears to be rapidly increasing and that the perpetrators of these crimes are for the most part not strangers, but the parents themselves.

A conservative estimate emphasizes the seriousness of the problem—at least 700 children are killed every year in this country by their parents or surrogates. In 1972 in New York City alone approximately 200 children died as a result of abuse and neglect. Of these 54 children were reported to the Central registry. The Medical Examiner's Office reported 48 child homicides; and 150 children's deaths were directly attributed to a party other than the parent.

The National Center for the Prevention and Treatment of Child Abuse and Neglect in Denver has estimated that 60,000 children in this country require protection each year. I think this is an ultra conservative figure when one considers the fact that in New York City alone this year there will be over 15,000 cases reported to the Central Registry—15,000 abused and neglected children in need of protection and assistance. Mr. Douglas J. Besharov, Assistant Professor of Law at New York University and Executive Director of the New York State Assembly Select Committee on Child Abuse, has projected that an estimated 40,000 children will be reported as maltreated in New York State in 1974. These statistics strongly indicate that child battering is probably the most common cause of death in children; outnumbering those caused by any of the infectious diseases, leukemia, and automobile accidents. These figures indicate clearly that child maltreatment in this country has reached epidemic proportions and it has become commonplace to read almost daily in our newspapers of child abuse, battering and death. For every case that receives public attention there are dozens of others that go undetected and unreported.

Thousands of children are being maltreated throughout these United States ranging from gross neglect including starvation to cruelty resulting in physical and emotional damage to the child. Child abuse has become a widespread disease and a violent child rearing pattern which is becoming more entrenched in our population. Child abuse is a symptom of the violence running rampant in our society today and we as a society are unable to accept its existence.

This generation's battered children, if they survive, will become the next generation's battering parents, the disturbed and troubled adolescents, the drug addicts, the hard core criminals and murderers responsible for the violence in our cities today. Child abuse, therefore, is not only a time-limited phenomenon, but rather the cause and effect of a cyclical pattern of violence that is reflected in all our statistics on crime. The most important aspect of this disease is that these maltreated children who survive suffer emotional and psychological crippling which is passed on to succeeding generations leading to further crime and violence. This disease is perpetuated from generation to generation with violence breeding violence.

In 1962, Dr. Henry Kemp reported in the Journal of the American Medical Association a group of children that were battered by their parents. He coined the term "battered child syndrome" to bring attention to his findings.

In 1963, we reported our observations on a large number of children who presented with no obvious signs of being "battered" but who had multiple minor physical evidences of parental neglect and abuse. We reported our findings in the New England Journal of Medicine and suggested the term "maltreatment syndrome" be applied to describe this all encompassing picture of child abuse and neglect ranging from the undernourished infant reported as "failure to thrive" to the "battered child" which is often the last phase of the spectrum. In 1964, I wrote the first medical text on the maltreatment of children published by Charles C. Thomas.

Medical, social, and legal recognition of this syndrome over the past decade has resulted in the passage of child abuse laws in every state of the Union. These child abuse laws mandate the medical profession and other responsible individuals involved in child care to report all cases of suspected child maltreatment. Unfortunately, many of these child abuse laws are nothing more than "window dressing". All of the "bill of rights" for children that are passed by our lawmakers in an attempt to protect children become a mockery and are useless without the necessary funding and trained personnel required for their realistic implementation. There must be a more intensive effort by our legislators in setting up a system of facilities that will afford true protection to the maltreated child and make available preventive and treatment programs for rehabilitating the abusing parents. We must find methods of preventing and treating the underlying social pathology that is responsible for child abuse. This demands Federal intervention which in turn is dependent upon the moral and ethical value systems evident in the power structures of our government.

Human apathy and indifference in the face of cruelty to others, especially children, is hardly a new phenomenon. The great majority of our people have not recognized the rising incidence of child abuse in our society. We are told that one's man doing cannot make a difference. This may or may not be true. Whatever the answer, it does not relieve us, as human beings, of our responsibility to find solutions. Apparently this disease has no miracle solutions. It is a disease that has a great deal to do with all of us. It must be accepted as an ugly symptom of our times, it is linked with unbreakable stress, with impossible living conditions, with material or spiritual poverty, with distorted values, with disrespect for human life and with drug addiction, alcoholism, assaults, armed robberies, murders and the other ills in the midst of which we live and for which we must find massive healing.

We have found that treating and protecting the child is totally inadequate unless it is coupled with a simultaneous concern for the parent who neglects, batters or kills a child. There must be made available adequate rehabilitative and preventive measures that will help eliminate the social and psychological as well as environmental factors that foster the battering parent syndrome. This can only be accomplished by a recognition on the part of government and on the cooperative efforts of all child caring professionals and paraprofessionals.

We are told that the future of our tomorrows is dependent on the children of today. The need, therefore, is clear and urgent. We are in a crisis situation and help is needed if we are to fulfill our responsibility to these children and prevent further deterioration and fragmentation of our society.

There is no doubt that this disease affects more seriously the multitude of poor and impoverished in the large cities of this nation. We know that New York City is the drug addict capitol of the Nation and I believe it is also the area in which child abuse flourishes and is most prevalent. With poverty and ghetto living all the stresses and strains of everyday living are magnified, and with it children suffer.

There is no one approach or one program unique for the prevention and treatment of child abuse. There is no single cause of child maltreatment and certainly no single approach that will be totally effective in its eradication. The federal government through these child abuse bills, whether it be Mondale or Biaggi, must ensure and encourage diversity in this important area. Programs must fit and be tailored to the needs of the particular community and its recipients. What works in New York or Denver may not work in Los Angeles, Chicago or Boston. Each program wherever located must include a high quality multidisciplinary team of experts that can approach the problem and provide the necessary treatment services for the two victims of this disease, namely the child and parent.

The Congress has before it two major bills on child abuse. One is before this Committee today. The Mondale bill provides for the establishment of a National Commission on Child Abuse and for certain grant-in-aid for research and demonstration projects. The Mondale bill passed in the Senate this summer provides over 50 million dollars in aid to the states and localities. I fully support these efforts, however, it sets no standards on how this large amount of money will be spent. The Biaggi bill, on the other hand, contains an explicit set of standards for disbursing of this money. It would require a state to have a child protective service, a Central Register of cases, legal power to take endangered children into protective custody without court orders and a judicial system capable of protecting the child's long term needs. These are essential elements of any child abuse strategy. Any bill that becomes law should contain the child protective standards as set forth in the Biaggi bill.

Both the Mondale and Biaggi bills recognize the need for Federal intervention and the seriousness of this childhood disease. The best elements of both bills must be combined in order to ensure a unified coherent approach to the problem. There is no room for politics when dealing with child abuse. The bill must not only be a noble declaration but a legal instrument that will provide a comprehensive legislative response to this devastating problem. Such a bill must not be just another bit of "window dressing" or another sop to our conscience. There is great need to ensure an even-handed effort in this field—child abuse is no longer any one profession's turf—it is a hurt to all our citizens and is the responsibility of all professions and communities.

I recommend that the Congress defer any action until a bill can be developed that contains all the essentials of an effective federal answer to the grave need of protecting these children. I think this can best be accomplished by combining the best elements of the Mondale and Biaggi bills. My plea to Congress is for their support of these bills in the hope that we can reduce the number of tragedies that have made child abuse a blot on our civilization.

It is time for us to pour some of the natural outrage we seem to have reserved for such questions as Watergate, pollution and conservation into a crusade for the rights of children to live and be cared for. I find it very strange that a nation which professes to care for its children, can spend billions on moon explorations, cancer, lung diseases, heart problems and on the Pentagon, while virutally ignoring the great crippler and killer of our children—child abuse and neglect.

(In summary), if we cannot feel for our children who are now being savaged and scorned, at least let us feel for ourselves and the kind of future we are shaping for ourselves and our own children.

SHEEPMEN THREATEN TO SHUT OFF HUNTING TO FEED AREA PREDATORS

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ABDNOR. Mr. Speaker, this is the time of the year when sportsmen from all over America head toward western South Dakota to take advantage of the wonderful hunting opportunities they find there. This year, however, there is a threat hanging over a fruitful season for hunters; that threat is the possibility that sheepgrowers will be forced to close their land to hunting so that predators which they have been unable to control because of strict governmental regulation will have wildlife to feed on instead of their sheep and lambs. This problem is further described in an article which recently appeared in the Belle Fourche Daily Post. As we in Congress deal with laws that govern environmental protection and predator control it would be well to bear in mind the far-reaching effects of those measures. It is with that thought that I commend this article to the attention of my colleagues.

The article follows:

Sheepmen Threaten to Shut Off Hunting To Feed Area Predators

As much as 6 million acres in western South Dakota could be closed to all hunting this fall because, lacking effective predator control, sheepgrowers want the wildlife to feed the coyotes.

Representatives of seven sheepgrower and predator control associations meeting Thursday in Rapid City agreed to circulate among their 1,200 members petitions stating their lands would be closed to hunters.

The petition reads:

"Due to the lack of effective methods of controlling predators, which are a threat to our livelihood, and in an effort to bring this fact to the attention of the public or until such time as we have effective control, we the undersigned are forced to close our private lands to hunting of all game birds and animals to insure predators a supply of wildlife to feed on."

Drafting the statement were representatives of the Western South Dakota Sheepgrowers Association from throughout the West River area, the Southern Hills Sheepgrowers Association, the Perkins County Farm Bureau, Lodgepole Coyote Association, Harding County Stockgrowers, Tri-County (Haakon, Jackson, Stanley) Predator Control Association and the Faith-Isabel Predator Association (Meade, Perkins, Corson and Ziebach counties).

The plight of the sheepman is desperate, the ranchers declared. Following a federal ban on poisons used in predator control and restrictions of other control programs, sheepmen throughout the West reported sharp increases in predation. Many ranchers went out of business, or went into cattle raising.

Individual South Dakota ranchers report their lamb losses jumped from three per cent last year to as much as 12 per cent this year, primarily because of coyote raids. At least one man in the northwest claimed a 20 per cent lamb loss this year—100 of his 500 lambs being found dead.

An estimated 75 to 100 ranchers have quit sheep production in western South Dakota since the predator control restrictions went into effect.

While these operators may have gone into cattle, their switch from sheep could still represent a considerable economic loss. In many cases, years of effort went into fencing, buildings and other improvements designed for sheep production. Large investments have also been made in gaining knowledge and experience specific to sheep ranching.

In many range area, too, a ranch is economically sounder if it can raise both cattle and sheep. Without sheep, then, it loses part of its base.

LUCK WAS NO LADY: NO PLACE FOR HOUSE

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. RIEGLE. Mr. Speaker, the Flint Journal published a very thoughtful editorial on September 30. I enclose it for the interest of my colleagues. The article follows:

Luck Was No Lady: No Place for House

Seldom has Lady Luck been so blatantly fickle to a major political candidate as she has been to Vice President Spiro T. Agnew.

A few short months ago, he emerged from the usual obscurity of his office (with the exception of a few appearances designed to put the press or some other administration "enemy" in its place) to stand as the anchor for the administration's stormy Watergate turbulence.

The commentators were placing him at the head of the Republican ticket for 1976 without the formalities of a convention and were even speculating upon the chances of unknown rivals for the presidency.

He was seen as the candidate of the middle-class worker, untouched by the Watergate scandals, an articulate spokesman for concerns and judgments of the average man, forthright and candid, unafraid of press or politicians and an asset to his party which could not go unrewarded.

Today he stands beleaguered, suspicious (with reason) that there is nothing the administration would prefer than to have him quietly fade from the picture, and, instead of bravely professing his faith in the judicial system, he is seeking the same cloak of executive immunity that has so injured the President's credibility.

Yet he has been found guilty of nothing and what he is suspected of doing antedates his term in his present office.

Perhaps nothing so highlights the change in fortune as the speech last week by John Connally, Texas Democrat turned Republican and presumed to be a possible successor if Agnew goes. Connally was forcibly and eloquently defending Agnew before an enthusiastic group. But he left his audience gasping when he expressed the fervent hope and belief that Agnew would be found guilty of the offenses he is charged with—unaware until it was over that he had dropped the word "not" before the word "guilty" in his speech. Whatever the outcome of the affair, it is not difficult to appreciate the dilemma of the vice president. If he is guilty and goes before the courts, he cannot expect the same considerations given a more private citizen nor the same degree of clemency. He cannot, although there are good signs it was attempted, rely upon the usual "plea bargaining" that a lesser official or a private citizen might expect to use to lighten his punishment.

If he is not guilty, and under our law one must presume this to be the case, then he is indeed suffering a cruel and unusual penalty for being a prominent official.

Perhaps the most damaging move he has made so far, was what may have appeared to have been an astute legal move to get the House of Representatives to "investigate" the charges, rather than to hold impeachment proceedings. The damage came from the feeling of many of his backers that this was a denial of his proclaimed faith in the courts, an attempt to evade a clear-cut settlement of the issue.

We sincerely believe that Speaker Carl Albert and the House leaders were right when they decided to turn down Agnew's request. (Columnist Charles Bartlett wrote that this investigation proposal was "a tar baby which the House of Representatives will not grasp" if the members are wise).

A number of commentators have concluded that the reason for Agnew's surprise move to throw the case before the House was that he would rather be judged by a group of politicians who might see "mitigating" circumstances and reasons for leniency which would not enter into the judgment of a group of common citizens sitting in a grand jury or a trial jury.

The Flint Journal does not believe that such an evasion of the normal legal channels is wise or proper. The idea of a certain executive privilege and immunity for the presidency—and in our opinion, therefore, for the vice presidency—is not to evade the due processes of law, but to protect the office holder from harassment and politically motivated efforts to force him into the courts.

The Agnew affair is properly before the grand jury, where it appears that now, at least, commendable efforts are being made to ensure the privacy of the investigation. It would be a serious mistake for the House to step in to either help or hinder that process.

If indictments are issued, then will be the proper time for the House to act upon impeachment if the vice president refuses to resign.

ILLEGAL ALIENS

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. KETCHUM. Mr. Speaker, in spite of the best efforts of our immigration officials, the flood of illegal aliens into the United States continues unabated. Since the Congress terminated the bracero program in 1964, the number of Mexicans coming north to seek employment has hardly dwindled, but the difference is that now they enter and work illegally. Considering that their wages, though meager by American standards, are still far in excess of what can be earned at home, it is understandable that these Mexicans should desire entry into our country. However, it is imperative that our laws be enforced so our American farmworkers and legal aliens may be protected from this unfair labor competition.

Presently, the enforcement of our immigration laws is woefully inadequate. The usual course of events is for illegal aliens to be apprehended and taken to the Mexican border. Once there, the alien simply waits for a time before again sneaking across into the United States. The Border Patrol is thus left spinning in a swinging door of apprehension, deportation, and reapprehension, all of the same individual.

The real sources of this problem are the inadequate staffing of the Border

Patrol and the insufficient penalties now extant for illegal aliens. Today the Border Patrol has only 2,155 men to handle a 1,000-percent increase in illegal alien traffic and a 30-percent increase in legal traffic along the huge Mexican border. It is just unrealistic to think that this force can handle such a flow. Earlier this year I introduced legislation, H.R. 9238, to increase the Border Patrol to at least 3,800. This would give the Patrol a fighting chance to control the entrance of the illegal aliens at their source of entry.

Commonsense dictates that the best way to solve the problem is at this source.

Second, the lightness of the present penalties perpetuates the revolving door syndrome. Knowing that apprehension simply means a trip to the Mexican border, the illegal aliens are undeterred from coming north. Although record numbers are being arrested, the lack of penalties means that the total number of illegal aliens has not been decreasing. Therefore, I have proposed mandatory jail sentences on illegal aliens and those who transport them in the hopes that this will cause the traffic to subside.

An article indicating the seriousness of the problem in the San Joaquin Valley recently appeared in the Bakersfield Californian, and I would like to share the information contained therein with my colleagues. The article follows:

Arrests of Illegal Valley Aliens Up 61 Percent in 6 Months

Fresno.—Lured by higher wages than they can make at home, Mexicans are pouring into California to work the fields where they are being arrested in record numbers.

The U.S. Border Patrol says arrests jumped 24 per cent between Kern County and the Oregon border in the first six months this year.

In the San Joaquin Valley, center of California's farm labor force, the increase was 61 per cent as more than 10,000 illegal aliens were arrested, almost one third of the sector's six month total of 33,000.

Despite the soaring arrests, Cesar Chavez, concerned that illegals take jobs from his United Farm Workers Union members, charges that many more illegal aliens remain in the fields because the Border Patrol doesn't have enough officers to arrest all of them.

"We know there are illegal aliens in the area because we apprehend 300 to 350 a week," replied Herbert Walsh, deputy chief Border Patrol agent here. "We agree that we could use more manpower."

Patrolmen admit they're caught in a revolving door situation in which the larger numbers arrested are returned to Mexico voluntarily without formal deportation hearings, then often head right back, joining the estimated 2,000 who slip across the border each night into California, Arizona, Texas and New Mexico.

"It's like a yo-yo," one patrolman said. "We ship them south and they come right back up the string."

They keep coming in hopes of escaping poverty. Aliens say jobs in rural Mexico, when available, pay 10 to 25 pesos a day—only worth 80 cents to $2 in American dollars.

Aliens say by working long and rapidly in American fields, they can save $60 to $100 to send home every week or so. A small grocery store operator near here said she sells a steady stream of money orders to aliens. "I guess I'm sending $3,000 back to Mexico for them each month."

One unofficial survey estimated 40,000 to 50,000 illegal aliens may have worked in the San Joaquin Valley this season and sent at least $1 million a week back to Mexico.

But their earnings often aren't all profit as some sell livestock and other possessions in Mexico to raise up to $300 for transportation to U.S. farming centers. Others buy counterfeit visas called "chuecas" for $100 to $200.

The federal and state governments have tried, unsuccessfully so far, to make farmers responsible if they hire "wetbacks." The House of Representatives has passed a measure to establish sanctions against employers who knowingly hire illegal aliens.

Many growers admit privately they don't check closely for legal papers of crew members brought to their ranches by labor contractors.

"You know damn good and well we have locals here on welfare that are not going to work," a peach and plum grower said. "So we just as well support them and let the (illegals) come in."

GROWING OPPOSITION TO GENOCIDE CONVENTION

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ROUSSELOT. Mr. Speaker, public opposition to proposed Senate ratification of the Genocide Convention continues to grow.

There are a number of serious questions that have been raised about the effect of this convention on our Constitution and our form of government. These questions have yet to be answered satisfactorily. The dangers of the convention are too serious to be ignored.

At this time, I wish to insert in the Record the text of a resolution opposing the Genocide Convention which was passed by the executive committee of the Republican central committee of Los Angeles County.

Resolution in Opposition to the Genocide Convention

(Passed by the Executive Committee of the Los Angeles County Republican Central Committee on August 13, 1973.)

Whereas, Section 2 of Article VI of the Constitution of the United States provides that all treaties made by the United States shall be the supreme law of the land, equal with the Constitution; and

Whereas, all treaties made by the United States of America should always benefit the citizens of this country; and

Whereas, Articles I and VIII of the Genocide Convention commit the United States to enter into a state of war, if necessary, whether or not declared by Congress, to prevent what is defined as genocide under Article II of that convention in any part of the world where the members of any "national, ethnical, racial or religious group" are allegedly in fear of genocide as so defined; and

Whereas, Articles II and III of the Genocide Convention threaten the American concept of freedom of speech and of press, as guaranteed by our Bill of Rights, by reclassifying these basic rights as acts of so-called genocide; and

Whereas, Articles VI and VII of the Genocide Convention could deny Americans the right to be tried in their own courts and the right to invoke such safeguards as trial by jury and presumption of innocence, as guaranteed by the Bill of Rights;

Now, therefore, be it resolved, that the Executive Committee of the Republican Central Committee of Los Angeles County strongly opposes the ratification of the Genocide Treaty and specifically urges all members of the United States to vote against its ratification and our position be communicated to the President.

EDUCATION ASPECTS OF THE SELF-DETERMINATION LEGISLATION

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. DELLUMS. Mr. Speaker, one basic undergirding of a democratic society is the belief that each individual must be allowed to develop to his fullest potential. This, we have declared, is an inalienable right—one that must be protected and provided for at all cost. An outgrowth of this concept is the basic philosophical premise of American education. The philosophical thrust involved in this concept led to the phrase "universal education."

A strong adherence to this concept prompted the U.S. Supreme Court to state in Brown against Board of Education:

> Today, education is perhaps the most important function of state and local governments. Compulsory school attendance laws and the great expenditures for education both demonstrate our recognition of education to our democratic society. It is required in the performance of our most basic public responsibilities, even service in the Armed Forces. It is the very foundation of good citizenship. Today, it is a principal instrument of awakening the child to cultural values, in preparing him for later professional training, and in helping him to adjust normally to his environment. In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the State has undertaken to provide it, is a right which must be made available to all on equal terms.

In our attempts to pursue this concept and to provide an arena for the educational development of the citizens of the District of Columbia, the pending home rule legislation was developed. Included in this legislation is our intention to grant to the District of Columbia Board of Education flexibility necessary to operate a modern public school system.

What is being proposed in this bill is simply a proposition to bestow upon the District of Columbia Board of Education grants of authority generally enjoyed by most urban public school systems. Because of complexities involved in the operating of a public school system, changing priorities, arrival of unforeseen contingencies, and lately, advent of court decree, it has been and is necessary for the school system to change strategies and redirect resources at a moment's notice.

Under present arrangements, the school system—to a large degree—must solicit support of outside sources; namely, the District of Columbia government and the U.S. Congress, before it can take what otherwise would be characterized as timely and reasonable decision.

A recent dilemma expertly illustrates the problem.

Under requirement of the decree in Peter Mills et al. against District of Columbia Board of Education, the school system is required to provide a suitable and appropriate educational placement for every school-age citizen of District of Columbia—regardless of physical, mental, or emotional disability. The court expressly stated that in those instances where the system could not provide the needed services to meet the child's need within the system, the system must pay cost of the child attending outside facilities and institutions. Due to the fact that the system is not fully certain of the population that will be in need of these services—nor the total cost of providing such services, due to the variation in cost at respective institutions—it is virtually impossible for the system to adequately budget for these services.

Recently, 29 students were enrolled in an institution in Virginia. At this point the system had gone beyond its allotment for these services and was unable to enter a valid contract with the school, mainly because it could not establish a date certain when payment could be made.

The problem is not that the system is without funds—instead, it is that it is locked in by reprograming requirements; any reprograming action involving an excess of $25,000 must ultimately receive congressional approval. And the amount involved in this instance, was well over $25,000 and thus required legislative approval. As a result of delay, the institution issued an ultimatum that if payment was not received or that a date certain could be established for payment, then the 29 students would be expelled immediately.

I am sure that most persons would agree that this is equal to an emergency situation, but unfortunately, the school system did not have the necessary control of its resources to enable it to meet this emergency.

Passage of H.R. 9682 will eliminate this problem and many other administrative management problems associated with the operation of a large urban public school system.

This is characteristic of the myriad problems faced daily by the District of Columbia school system due to this lack of control. As a result, what has developed is a system plagued by a lack of morale, one constantly under attack, and often characterized as a "lousy" school system.

One way of eliminating these criticisms and these problems is simply to remove Congress from operation of a local school system. Such a move would not take from Congress any ultimate legislative power that it has over the District of Columbia. Instead, such action would allow those persons elected by the citizenry to perform those tasks for which they were elected; namely, to establish and design educational policy—and to provide for their complete implementation. Once this happened, it would insure that the elected board could deliver effective and efficient educational services to the citizens of the District of Columbia.

In light of the quote above from Brown against Board of Education, which was cited earlier, dealing with the overpowering importance of education in our present-day society, can we do less?

Should we not be about the business exhibiting to District of Columbia citizens that we are concerned about the overall development of education in the District?

This can be best accomplished by getting out of education in the District, thereby removing unnecessary encumbrances to the development of an excellent educational system—one that both the U.S. Congress and the citizens of the District can be proud of.

DEVELOPMENTS IN CHILE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. DERWINSKI. Mr. Speaker, Alex Seith is a well-known attorney, civic leader, and international commentator. In his column carried in the Suburbanite Economist, published in Chicago, Ill., on September 23, 1973, he directed his attention to the latest developments in Chile.

Since much of the news commentary and, in turn, comments made on the floor by many Members of Congress have been critical of the Chilean junta and have tended to accept the statements made by Allende's supporters now in exile, I believe this objective commentary will be of interest to students of developments in Latin America. Recognizing the tendency for debate to polarize on a development such as the overthrow of the Allende government, I recommend this column as one of the most objective I have seen:

[From the Suburbanite Economist, Sept. 23, 1973]

CHILE FROM RED TO RIGHT

(By Alex R. Seith)

You could almost hear the gnashing of teeth by the faint-hearted this past week as the Chilean government of Marxist Salvador Allende fell before the accumulated outrage of that nation's people.

The "yoke of Communism" had to be broken, said the military leaders who took the lead in toppling Allende. Having lost patience with the dictatorial ideology and rampant inflation engulfing the country, the Army felt compelled to act before what they saw as Chile's final decline into self-destruction.

The coup was neither a pleasant task nor lightly embarked upon. Contrary to many U.S. misconceptions of Latin America. Chile has a long standing tradition of democracy. For decades, its government has been freely chosen in open and fair elections. The losers peacefully abided by the decision and the winners did not abuse the power temporarily vested in them.

At times the temptation to ignore or supersede the results of an election have been nearly irresistible. In 1938 Aquire Cerda, a conscious imitator of U.S. President Franklin D. Roosevelt, led in the popular vote by 4,000 votes—a fraction of 1 per cent of the total. Yet he was allowed to take office without challenge.

In 1958 Jorge Alessandri, a conservative, received only 32 per cent of the popular vote, narrowly defeating the just deposed Salvador Allende, then the candidate of the Socialist-Communist Popular Action Front.

After losing again in 1964, Allende made his third run for the Presidency in September 1970 as the candidate of a Popular Unity coalition chiefly composed of Socialist and Communist parties. In an almost evenly divided three-way race, he lead with a bare 36.7 per cent of the vote.

Despite worries that Allende might try to impose Marxist dictatorship, Chileans put aside their fears for the future in favor of their respect for democracy. In October 1970, Allende was allowed to peacefully take office in what was to be a six-year term.

At first, Allende tread softly, trying to quiet the fears of the nearly two-thirds who voted for his anti-Communist opponents. Faced with solid opposition majorities in the Chilean Congress, he tried to cajole them into passing laws to implement Marxism.

When they refused, Allende gave way to his Socialist-Communist supporters and began imposing by Presidential fiat what he could not achieve constitutionally.

With the country increasingly polarized between a militant Marxist minority and Chile's overwhelming anti-Communist majority, all parties joined in desperate efforts to save the nation from the coup that eventually came.

But Allende's extremist backers did not know the meaning of compromise. By forcing continuation of the most provocative Marxist program, they forced the Army out of the coalition. Then truckers went on strike against Allende, housewives took to the streets to protest an almost unbelievable inflation of 30 per cent per month and the country was forced into a fateful dilemma: Continued communist chaos or military law and order.

It is regrettable that any legitimately elected government, no matter how bad, must be deposed by military men, no matter how noble their purpose. It is also regrettable that in the political paranoia that often prevails, the U.S. government would be suspected of sponsoring the coup.

The suspicious point out that Vice President Richard Nixon praised President Eisenhower for authorizing the CIA to help overthrow a Communist government in Guatemala in 1954. Also, President Lyndon Johnson sent Marines to the Dominican Republic in 1965 to thwart what he believed was an attempted Communist take-over.

But in Chile intervention by America would have been unnecessary, unwise and therefore unlikely. Anyone who knew Chile also knew that Chileans themselves were more than able to defend their democracy in their own way.

The way they chose may not have been the best. But, considering the alternatives, neither was it the worst.

ORPHAN TECHNOLOGY AND OVERKILL

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. FORSYTHE. Mr. Speaker, the Wall Street Journal of September 28 carried an editorial severely questioning the wisdom of auto emission standards contained in the 1970 Clean Air Act.

The editorial, which follows, raises the question of possible overkill by the Congress with respect to its auto emissions restrictions, because of questionable scientific data on which those standards were based.

The editorial also suggests we may be stuck with thousands of "white elephant" automobiles with expensive catalyst exhaust systems that will require unleaded gasoline and frequent, periodic maintenance, and that are less efficient than other less expensive systems now being developed.

Obviously, this Congress cannot retreat from reasonable and responsible standards to clean up our air. However, the points raised in the editorial were suggested by the National Academy of Sciences, and deserve our most serious consideration.

We must remember that our Nation is facing other problems equally pressing—the conservation of fuel, for example. Somehow, these two matters must be reconciled. I wonder whether the catalyst approach will really resolve either one, and whether we ought to take another look at what we have done.

The Journal editorial follows:

The Scientific Method

It's now almost a total certainty that Congress erred in setting the stringent auto emission standards of the 1970 Clean Air Act. And unless it amends the law this session, consumers will have to pay for the mistake for more than a decade.

There's no need for this, as testimony before the House subcommittee on public health and environment revealed last week. Perhaps the only completely independent and objective source that has studied the issue told the panel that the federal emission standards are tougher than necessary. Representing the National Academy of Sciences' Committee on Motor Vehicle Emissions, Prof. Arthur Stern of the University of North Carolina's School of Public Health testified:

"An emission limit for CO [carbon monoxide] approximately three times as high as that promulgated by EPA for 1975 vehicles would give assurance of not exceeding the 8-hour air-quality standard of 9 parts per million CO more than once a year."

And: "Present federal emission requirements of 0.41 grams per mile HC [hydrocarbons] and 0.4 g/mi NOX [oxides of nitrogen] seem more restrictive than need be by a factor of about three. . . . These conclusions suggest that the 90% reduction of CO and NOX specified in Sec. 202 of the Clean Air Act may be more than is required to meet the present national air quality standards for CO, NOX and oxidants."

These conclusions are hardly surprising. Congress picked those numbers without benefit of hearings and voted the act in the hectic closing days of 1970; the only remote scientific justification for the numbers rested on assumptions that have since been proven erroneous. From the first, California scientists and pollution experts who had set that state's emission standards argued that the federal standards represent an overkill.

Only a fractional easing of these standards would permit Detroit to avoid the costly and unproven catalyst approach, which involves fitting cannisters that either oxidize or reduce the three pollutants within the exhaust system instead of cleaning the emissions within the engine by more efficient burning of the fuel. By now, competition with Japan and each other is forcing the U.S. manufacturers into alternate systems that are cleaner and more efficient, systems that may quickly make catalysts obsolete. But unless the standards are eased now, before Detroit is locked into contracts and designs for next year's autos, catalysts will be installed on the 1975 models that go on sale in California late next summer as well as on selected models that are sold nationally.

Even if Congress next year recognized that the National Academy is correct about the numbers, it will by then be extraordinarily expensive to pull back from catalysts. The auto manufacturers and catalyst makers will already have invested hundreds of millions of dollars in the catalyst approach. The petroleum refiners will have spent large sums converting a portion of their capacity to unleaded fuel, because catalysts are destroyed by leaded gasoline. And 70% of the nation's service stations will have had to add pumps to supply unleaded gas if they don't already. At the very least, a midstream switch by Congress would leave the nation with hundreds of thousands of "orphan" autos, for which catalyst maintenance and unleaded gas will have to be supplied as long as they are on the road.

What is really at issue now is whether Congress, having been supplied with reliable analysis from the prestigious National Academy, can act on that information. The chief barrier is that Congress adopted the federal standards as an emotional commitment to the environment. Although they now have no scientific justification at all, they have achieved a symbolic life of their own; to adjust them to reality would be taken as a defeat by the environmentalists.

Senator Muskie is unhappy with catalysts, especially if car owners have to replace them every 25,000 miles at up to $150 a unit. But as author of the Clean Air Act he refuses to believe his numbers are unsupportable. He does his own scientific research by looking out the window. "As I returned from Maine to the Senate," he said recently, "I saw this dirty air mass covering the land, urban and rural areas alike. and darkening the sun."

Congress, though, can't make multibillion-dollar decisions by looking out the window. How will it explain the haze after every auto has a catalyst? Washington now has enough scientific assurance to feel safe in freezing the 1974 standards for a few years, at least until the National Academy can conduct a rigorous analysis of exactly what the air quality standards should be. Otherwise, it's likely the political scientists on Capitol Hill will have fathered an orphan technology and the American consumers will be stuck with the bill.

ISRAEL'S SURVIVAL TRANSCENDS THE OIL SHORTAGE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. KEMP. Mr. Speaker, at a time when Americans are confronted with rising gasoline prices, winter heating fuel shortages, and other effects of the fossil fuel shortage, there is the tendency of some to, simplistically, blame our Mideast policy for the reluctance of oil-producing Arab nations to assure the continuing supply of oil to this country.

It seems to me this propensity does great disservice to the courageous Israeli people.

No group of Americans, no matter how small in number, should so much as contemplate making the Israelis scapegoats for the energy crisis. To do so would smack of the tactics of the brown-shirted Nazis during pre-World War II years when they sought to lay economic and other German afflictions at the doorsteps of the Jewish minority.

I believe the energy crisis is rooted to a considerable extent in our Government's failure to heed the warnings of energy experts years ago and by Government interference in the pricing of some fuel resources at the expense of the development of alternative energy resources.

I do not believe we can allow some Arab States to use their oil as a lubricant for the backsliding of our commitment for Mideast peace. I do not believe we can allow these states to forget that we are their greatest customer, that their viabiliy is tied with our own or that American free enterprise has, and continues to be the most important catalyst for their economic progress. Even today, we are informed that an American firm has won the bid to construct the proposed Suez-Mediterranean oil pipeline for Egypt with the expectation of low cost credit support from the U.S. Export-Import Bank.

Mr. Speaker, if we submit to Arab pressure, we would be dismissing our traditional ability to effectively bargain with the levers available to us. We would be retreating from the forward steps we have taken to achieve a Palestinian settlement and to diffuse the lingering potential of a Mideast explosion.

Congress and our Government must clearly discern our long-range vital interests in dealing with the Arab oil ploy. We cannot accept the erroneous premise that Israel is simply a client state of the United States, subject to abandonment as a knee-jerking response to the energy crisis and other pressures.

We cannot forget we are the most powerful nation on Earth, that our power is based on freedom of choice to do business with whom we choose and on the best terms we can secure.

We cannot ignore Rousseau's observation that "man is born free, yet he is everywhere in chains" nor that those in chains aspire to freedom and look to us to help fulfill that aspiration.

We cannot leave unchallenged the pending foreign trade bill, gutted of any provision which would curb the administration's unconditional power to grant trade credits to the Soviet Union in exchange for a softening of oppression of Jewish and other minorities.

The Soviets are seeking benefits from the fruits of our free economic system, benefits that a controlled state has been unable to provide.

It is not enough to bargain with withholding most-favored-nation status in exchange for a Soviet softening of emigration restrictions without also playing our card of granting trading credits only in return for a sincere display of Soviet humanitarianism.

Mr. Speaker, John P. Roche, the King Features Syndicate columnist, is long on talent when it comes to seeing beyond false and unresponsive predicates applied to complex issues.

And endowed with a deep and accurate understanding of history, he recently addressed himself to "telling it as it is" to those who would equate Israel-Arab problems to the energy crisis.

At this point, I include his incisive perspective on Mideast history, third world illusions, and U.S. Mideast policy in the RECORD, entitled "World Loses Sight of the Real Israel":

WORLD LOSES SIGHT OF THE REAL ISRAEL

A few days ago I overheard a conversation between two college freshwomen. It shook me up.

"I think it's awful," one said, "how those Israelis have caused the energy crisis." "Yes," agreed her companion, "they never should have invaded those Arab countries like that—no wonder the Arabs are mad."

This crazy version of events in 1967 set me to meditating. Neither of these young women struck me as a fool. [They were obviously not Jewish, but that category includes 97 per cent of the population.] Then I realized that in 1967 they were 12 or 13 years old and probably had all the political consciousness of a teddy bear.

The random thoughts of two youngsters hardly constitute a solid reading on the attitude of the American people at large, but the more I thought about the subject, the more convinced I became that the Arab strategy in the Middle East—one of "No war; No peace"—has produced a real psychological payoff, Israel, which went into the war as a small nation under assault by a massive coalition, emerged as a quasi-great power in the area. This was not a matter of calculated design; it was the consequence of a desperate fight for survival. Israel did not want war, but war was forced upon her.

The proper sequence of events, then, was:

The Arab states, as they flatly proclaimed, set out to annihilate Israel.

The Israelis beat hell out of them.

The Arabs announced that they were the innocent victims of "imperialist aggression" and refused to negotiate peace terms with Israel.

Gradually over the last six years this scenario has been obscured. There has been a spectacular orchestration of anti-Israeli propaganda in the "Third World," most recently at the conference of the "non-aligned" powers in Algiers. In the United States an interesting combination of Sen. J. W. Fulbright [D., Ark.], the oil companies, and the New Left has been busy arguing that Israel is no more than a U.S. client state, a potential source of mercenaries in the event of trouble in the Middle East.

Perhaps even more dangerous in a subtle and wholly nonconspiratorial fashion is the growing image of Israel as Miami Beach plus Phantoms. A number of recent stories have featured the "new Israeli affluence."

Lord knows, I don't wish a Spartan existence on anybody, but these narratives overlook two crucial points: First, the average Israeli is not well off in Western terms; and, second, Israel is not an island in the Bahamas. It is a society living in the shadow of the gallows. Pictures of lush young girls in bikinis frolicking on the Elat beach thus undermine the harsh reality and provide fuel, not for anti-Israeli sentiment, but for indifference.

Finally, it seems clear that, under the pretext of the "energy crisis," American Middle Eastern policy is undergoing a revision. Pro-Arab officials in the State Department are reading President Nixon's recent observation that both Israel and the Arabs have to give a little as presaging an end of the "tilt toward Israel." What this overlooks is, as Golda Meir has pointed out time and again, that if the Arabs want Israel to give a little, they should pick up the phone, call Jerusalem, and start negotiations. To ask Israel to turn over the land she won as a precondition for discussing peace is in fact the Hanoi gambit in Viet Nam which President Nixon resolutely rejected. He was right. Let us hope he will stay on the same course.

AMERICAN FRANCHISE MEALS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. DERWINSKI. Mr. Speaker, it is my judgment, which I am sure would be shared by many Members, that we have a natural tendency to become overpreoccupied with issues in a Washingtonian fashion and that it behooves us to maintain a diversity of interest. I use this approach when directing the attention of my colleagues to material which I believe merits inclusion in the RECORD.

In line with this thinking, I insert in today's RECORD a column by Zay N. Smith, a rising young journalist who is a contributing columnist to the Worth-Palos, Ill., Reporter. Mr. Smith just returned from a brief trip abroad, and his column, written in Tokyo on the subject of American franchise meals, should be received with widespread interest by House Members.

RONALD THE GREAT

(By Zay N. Smith)

TOKYO.—In this dutifully exotic city you can dine on bean curd, blowfish, and embryonic egg on a stick.

Or you can save yourself a lot of trouble and ask for a Big Mac.

American franchise foods have swept across Japan in recent months with a fury that brings to mind Mike Nichols' warning: "Beware the Los Angelization of the world." New chain eateries are going up at the rate of one a day. And leading the way, of course, is McDonald's.

In particular there is Ginza McDonald's, located on one of the busiest corners in Tokyo. It is claimed that more burgers pour forth from this spot than from any other spot on earth. Lots of fries, too.

But statistical claims do not tell the whole story. Finally, there should be a taste test.

And thus began a pilgrimage by monorail and subway to the place where American palate and Japanese Big Mac could meet.

The beauty of franchise food (as we all know) is its consistency from place to place. One Colonel Sanders drumstick is like any other in finger lickability. A Whopper is a Whopper is a Whopper. Howard Johnson's always gives you three potato chips per plate and food that is insipid to the point of being interchangeable.

(I once ate at a Howard Johnson's on the Ohio turnpike where I was unable to taste the difference between an egg salad sandwich and a piece of apple pie.)

And so on.

But could McDonald's faithfully recreate its cuisine clear on the other side of the planet? If so, this would mark a new standard in franchise cookery. Here would be the most ruthlessly followed recipe of all, the ultimate in authoritarian soul food.

So it was with trepidation, or at least some sense of occasion, that I bit into a McDonald burger at high noon of a recent business day on the Ginza Strip.

And it is with an uneasy sense of admiration that I can report an exact duplication of taste and texture. The sameness even followed on down my esophagus to my stomach, where the burger sat like a bundle of wet newspapers daring me to digest it.

As is always the case after a true American franchise meal, I felt swollen and reassured, I knew I had been fed. No doubt at all.

Those traveling with me made similar reports. The burgers, the fries, the shakes were all the same as America's. Only the Cokes were different. Foreign Cokes always seem a little less sweet.

A complete test was not possible because the Japanese have yet to attempt the Cheese Quarter-Pounder and the problematical Egg McMuffin.

But a preliminary conclusion is possible: the world is on the verge of having its first authentic universal cuisine.

As you read this, Big Macs are spreading themselves through Japan and France and beyond. Nations are falling in sequence, like Dean Rusk's dominoes, to the inexorable march of the megaburger. Soon enough, humanity will know the same franchise food in Bangkok and Shreveport, in Berlin and Sturgeon Bay.

And we will watch, in the end, as Ronald McDonald weeps because he has no more markets to conquer.

FRANK A. SIEVERTS ACCEPTS AIR FORCE ASSOCIATION HONOR AND REAFFIRMS U.S. COMMITMENT TO MISSING MEN

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. WRIGHT. Mr. Speaker, Mr. Frank A. Sieverts of the Department of State is a man who has dedicated many hours of time and effort to the return of our prisoners of war. Recently I had the privilege of being on hand when the Air Force Association honored him for his diligent and tireless work.

Mr. Sieverts' speech reflected his deep personal concern for these men and sompassio for their families. His speech also pledged a commitment to the continued search for information about the fate of those who have not returned. I want to share his remarks with my colleagues. The text of Mr. Sieverts' speech follows:

REMARKS BY FRANK A. SIEVERTS, SPECIAL ASSISTANT TO THE DEPUTY SECRETARY OF STATE FOR POW/MIA MATTERS

It is a pleasure to be with you this morning and a special privilege to be called on to accept your Certificate of Honor on behalf of so distinguished a group. I would hesitate to do so were it not for the fact that they are all good old friends who have worked long and hard through the years on behalf of our prisoners of war and missing in action personnel in Southeast Asia.

As we think back over the years, to your earlier conventions, we can remember when the return of our POW's seemed almost beyond reach. Those were difficult times—times of misunderstanding and shrinking support for our efforts to achieve an honorable settlement in Indochina. We appreciated the courage of the families of our missing men, the good efforts of private citizens throughout our country and around the world, the support we found among the Members of the Congress, and the actions of the Air Force Association itself in helping to call attention to the plight of our prisoners of war, to obtain information about them, and to achieve their earliest possible release.

And now they are back. One of the most moving moments of my life came at Gia Lam Airport, Hanoi on February 12, when Roger Shields and I joined the Air Force team as the advance party for the first release of our men. We flew from Clark in the Philippines—and landed at Hanoi as soon as the ground fog lifted. There followed two hours of talks to reach final agreement on the specifics of the releases that day and in the weeks to come. It was just at noon when the first bus with our prisoners of war rounded the corner of the hangar. The bus was streaked with ancient camouflage paint—and in the bus we could see the faces of the men for whom we had worked and waited so long. At almost the same time the first of the three C-141 Starlifters landed—the largest planes ever to put down in Hanoi.

At a command from the North Vietnamese our men climbed off the bus, some limping on crutches, for these were the sick and wounded whose release was to come first. Suddenly, the senior officer among that first group gave an order taking command away from the North Vietnamese guards, who fell back. In that moment, as we saw our men setting their own pace as they walked across the airfield to the release point, at that moment we knew their spirit had survived and prevailed.

On board the flights back to Clark there were scenes of jubilation such as one is rarely privileged to share. All of us were struck by the strength and judgment our returning men showed in those first hours after their release. Their thoughts were of others—of their families who had waited and, above all, of the men not yet released. The returnees had already agreed among themselves that they would refrain from comment about their captors until all POW's had been released. They had decided who would be their spokesmen and what they would say. The results were those brief moving comments which we all heard as the men climbed off the planes at Clark.

I think all of us must have been struck by their devotion to their country, and their faith in their government. When I apologized to some of the men that it had taken so long to bring them home, the instant reaction from all sides was that they knew we had done all we could to bring them home as fast as possible.

These men are now home with their families. Many have taken over responsible assignments and commands. They would be the first, I know, to join us now in the commitment to continue to do all we can to obtain information on our missing personnel. As Secretary of State-Designate, Dr. Henry Kissinger said to the Senate Foreign Relations Committee last week, we are extremely dissatisfied with the Communist side's implementation of the missing in action provisions of the Viet-Nam agreement, and we have made clear to North Viet-Nam that we will not be able to proceed with implementation of the economic assistance provisions of the agreement until there is satisfactory compliance with the MIA provisions.

Our delegation to the Four Party Military Talks in Saigon is now in the forefront of the continuing effort to bring North Viet-Nam into compliance with this part of the agreement. In recognizing and honoring some of us who have worked on this subject, I know this association also supports the work of our team now working so hard on this subject in Saigon.

In Vientiane, just last Friday, a new protocol for Laos was signed containing specific new language on accounting for our MIA's. Our senior diplomats in Laos have made clear to the Pathet Lao leaders the importance we attach to obtaining the fullest possible information on our missing men as soon as possible.

In addition, search teams from our Joint Casualty Resolution Center in Thailand are in the process of carrying out their humanitarian mission. Their operations have been limited thus far to government-held areas of South Viet-Nam. We are continuing to press for access to all parts of Indochina where our men were lost. These teams also deserve our recognition and support as they go forward with a tough, frustrating task of searching for information on our men.

In accepting this honor, I assure you our commitment continues, for our missing men, and for their families—who now bear the special anguish of continuing to hope against hope. I'm sure all of us here this morning join in reaffirming our commitment to our missing men, and to their families.

DAIRY IMPORTS GET BY WITH LIMITED INSPECTIONS

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, the American dairy industry has long been governed by strict health and sanitary standards. While these standards have rightfully served to protect the American public, they have resulted in large additional costs to producers and indirectly consumers. So it is not with just a little concern that the dairy industry views the American inspection program of dairy imports, particularly "cheap" dairy imports.

Lynn Stalbaum, a former colleague of ours from Wisconsin and now the Washington representative for the Central America Cooperative Federal, Inc., recently wrote an excellent article for Hoards Dairyman on the state of dairy import inspections. I commend it to your attention.

The article follows:

DAIRY IMPORTS GET BY WITH LIMITED INSPECTIONS

(By Lynn Stalbaum)

No inspection is made of the production or processing facilities of imported dairy products. In fact, Food and Drug Administration officials have no foreign inspection authority. Any checking they do must be limited to the final product and can be done only after the product has entered the U.S.

By contract, the recommended requirements for "milk for manufacturing purposes and its production and processing," which U.S. dairy farmers must meet, required 20 pages of small type when it was published last April 7 in the Federal Register. While they contained nothing new . . . most dairy farmers are familiar with them . . . none of these regulations pertaining to conditions on U.S. farms or in U.S. plants apply to imported products.

There are about six different checks made on imported dairy products, though not all of them are made on all products. For example, spot checks for salmonella are made on nonfat dry milk. Soft-ripened cheeses (Brie, Camembert) are checked for enteropathogenic E. coli. Other cheeses are checked for pesticides, labeling, standards, and, occasionally, for filth.

The Food and Drug Administration has published instructions for their personnel on these points in their Compliance Program Guidance Manual. A review of them indicates that inspection of dairy import items is quite limited, much of it done on a spot-check basis.

While no specific manual has been published on checking for salmonella in nonfat dry milk, we have been assured by FDA that such checks are made. Presumably, such inspections are made along with their control efforts on domestically produced nonfat dry milk.

The problem of enteropathogenic E. coli appears to be more recent. Often, this is indicative of fecal matter contaminating the product. In their manual of instructions, FDA states, "To date, there is insufficient information to assess adequately the level of E. coli or other coliforms that might be expected in these foods. Therefore, there is a need to obtain information on which microbiological compliance criteria for these products can be established."

As a result, an extensive testing program on imported soft-ripened cheeses was conducted between April 16 and June 29, 1973. After evaluating these tests, the FDA intends to develop necessary administrative guidelines for future inspections.

Checking for pesticides in imported dairy products is considered in the same manner as in domestic foods. That imports are spot-checked only is evidenced by the fact that the guidance manual spells out how many import samples of all foods will be checked at each port of entry in fiscal year 1973. At the New York port, for example, 739 samples should be tested; at Chicago, 72; at San Diego, 190; and so forth.

IMPORT QUOTAS EVADED

Labeling and standards require a lot of inspection attention, even though they do not relate directly to product quality. This is necessitated by the various quotas which have been established for cheese imports and the efforts made to evade them. As FDA comments, "It has been determined that some natural cheeses have been imported into the United States under a variety of class names other than that which they actually are in order to bypass established cheese quotas and avoid import tariffs. For example, in 1970, New Zealand attempted to ship us 7.5 million pounds of cheddar cheese identified as Monterey."

A more recent evasion was disclosed early this year, primarily through the efforts of Congressman Vernon W. Thomson (R.-Wis.). A routine sampling of 15 cheese shipments found that 9 were mislabeled. All of these samples, imported from Denmark, showed they actually were "American type" instead of Monterey as they had been designated by the manufacturer.

While it was admitted that the cheese was improperly labeled, it ultimately was decided that there would be a grace period of 30 days during which this cheese could enter. "Thereafter," the Bureau of Customs wrote Congressman Thomson, "all cheeses invoiced and entered as Monterey cheese from Denmark would be subject to intensive examination, as opposed to routine sampling procedures."

Their logic in permitting this grace period, however, points up a weakness in present procedures for checking imported cheese. The Bureau of Customs accepted the explanation of the Danish cheese manufacturers that they "apparently tried to make and thought that they had made Monterey cheese." Congressman Thomson called this explanation "incredible" and said he could not understand how any manufacturer could produce and market a product and not know what it was!

All U.S. dairy farmers must meet some basic production standards to sell milk. It is clearly evident that no such standards are prescribed for dairy products imported into the United States. And, as we have attempted to show here, the inspection of these products as they arrive in the United States is restricted to a few specific factors with much of it apparently done on a spotcheck or limited sample basis.

WELFARE PATERNALISM BREEDS IRRESPONSIBILITY

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, after two serious efforts by the House to revamp our scandalous and ineffective system of public welfare, the House has apparently decided to forget the problem in the hope it will just go away. I can assure you it will not. Many States have decided not to wait for congressional action and have overhauled their welfare systems, tightening up administrative procedures, trimming those who can and should be working, and increasing benefit levels for the truly needy.

Our Nation does not need more welfare programs. It needs better programs. It needs programs that work; programs that move people from dependency to financial independence, from servility to proud self-sufficiency.

Investigations of the operation and effect of the welfare programs in several Wisconsin communities and counties have uncovered significant scandals involving both administrators and recipients. The programs have failed—the local program, the State program, and the Federal program. Despite the abuses uncovered in local investigations, some argue that the State government should completely manage the welfare system, sweeping the problems under the rug. This would have the same disastrous effect of having the Federal Government pick up all local welfare costs, unless there is a complete overhaul of the present welfare program including tightening up of eligibility requirements and administrative procedures.

I am pleased to include in the RECORD at this point a thoughtful and stimulating editorial which appeared in the September 20 edition of the Polk County (Wis.) Ledger. The editor makes the telling point that total reliance on the welfare department, or any government agency, for that matter, sets off a series of problems: paternalism breeds dependency which breeds irresponsibility which leads to crime, social disruption and the destruction of the family. I commend it to the attention of the Members.

The editorial follows:

WELFARE PATERNALISM BREEDS IRRESPONSIBILITY

One of the great crimes committed by the welfare department of Polk county and similar departments the nation over is that of assuming the role of paternalism.

This role is apparent in the public statements and discussions of those who determine policy and those who administer it. It is the false assumption that somehow the people in the welfare department are better equipped to determine how the rest of us should live our lives, that we are not able to handle these problems by ourselves. They offer to help us with everything from marital arrangements to financial worries and the multitude of living complexities that at times plague most of us folks who are not as learned as the people in the welfare departments.

The welfare department here in Polk county advertises "Services for all people" and underscores the all in its advertising. "Where do you turn?" they ask, and then give you the answer: "Turn to the Polk County Department of Social Services."

Isn't it nice that we have reached Utopia here in Polk county? Whenever anything disturbs your neat little world, just trot on down to the welfare department and let them take care of it. Big Papa will take care of everything from emergency aid to finding a new home for your children if your wife gets tired of your slovenly ways and you're tired of working to support the kids.

In some cases the Polk county welfare department has:

Told the mother of an 8-year old boy that she should not work during school hours because it upset her child. The mother quit her new job the morning she was to start on the advice of the welfare department and remained on the welfare role.

Advised an unwed mother that, altho there was space in her parents' home, she should not remain at home with her baby. Instead they set her up in a home of her own and put on welfare. The mother turned down a job training offer and remained on welfare.

Moved a family out of a low-rent house into a lake home saying the low-rent house was not good enough for them. In a few days a working family rented the low-rent house. It was good enough for them.

Took the position that a man holding property and assets other than his home should not dispose of these assets nor use them as security to pay his medical bills but instead should apply for medical assistance from the welfare department.

Takes the position that welfare clients who spend their money for snowmobiles, booze and nonessentials are entitled to have these payments continued.

Granted emergency aid of a considerable sum to a woman who left her husband who was holding down two jobs and could well afford to support her. The principle so angered certain county officials that they contacted the welfare department and in effect were there is a complete overhaul of the pres- told it was none of their business, that they could do nothing about it.

The welfare does many proper functions in granting aid to persons who truly are in need and must have help from the public funds. There are folks who have contributed much to society and now find themselves without assets and no one would deny them sufficient to live comfortably with enough to eat, a warm place to live and a few of the additional luxuries such as a tv, telephone and something for reasonable recreation. There are others who have squandered, loafed and abused themselves and society until they are no longer able to care for themselves. These we have to take care of, too, altho we do it thru compassion and not a sense of obligation.

But there are others who need to be encouraged to get out on their own, who need to learn that if they don't work they go hungry, who need to learn that if they squander their money it may get cold in their house, who need to learn that if they require public aid and spend it on nonessentials they won't get more public aid but will endure hardship they brought on themselves.

Some of these are the folks who have been told that whenever they have problems, just run down to the welfare department and have them solved. Don't worry your own head about it.

It was put quite well by the columnist, Jenkin Lloyd Jones, who said: "We should understand that paternalism breeds dependency, that dependency breeds irresponsibility and that irresponsibility is the father of crime, social chaos, the breakdown of the family and general misery."

The theory that if the government provides for everyone we will have a better society doesn't work. The opposite is true for it deprives people of initiative, robs them of ambition, destroys their hopes of accomplishing something on their own, tromps in the mud the American dream that one can knuckle down and make his own way and perhaps make it well. It puts the welfare department in the position of the patronizing feudal lord providing for his subjects but allowing them no opportunity to rise above the status of peasants.

It's a lousy system, and many social workers will agree, in which the bureaucratic welfare organization owes its very existence and growth to maintaining an ever-increasing number of persons who are dependent upon it either for financial assistance and-or problem solving assistance. It can only make for efforts to subjugate more persons rather than encouraging them to improve themselves.

THE GREAT PROTEIN ROBBERY: NO. 2

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. STUDDS. Mr. Speaker, I would like to call to the attention of my colleagues in the House an excellent article that recently appeared in the Wall Street Journal. This article, written by David Brand, eloquently describes the serious situation of the New England fisheries. Mr. Brand explores the devastating effect enormous foreign fishing fleets are having on the marine resources in our New England coastal waters, and describes the anger and frustration of fishermen in New Bedford, Mass., as they witness the depletion of the fish stocks and the resulting decline in their domestic harvests.

Mr. Speaker, vast amounts of food and protein are being taken from our coastal waters by efficient, modern, government-subsidized foreign fleets. They are destroying a major source of the world's food and protein. This article documents the real need to establish meaningful conservation measures for fish in our coastal waters, to protect this incredibly valuable source of food for all the people of the world. The Studds-Magnuson bill, H.R. 8665—to extend our fisheries jurisdiction to 200 miles from shores—would stop the great protein robbery.

The article follows:

U.S. FISHERMEN FRET AS OTHERS OVERFISH SEAS OFF U.S. COAST

(By David Brand)

NEW BEDFORD, MASS.—Frank Shields, skipper of the Angela W., looks out to sea and ponders his latest fishing trip. "The Russians were everywhere," he says bitterly. "They were scooping up everything in sight like vacuum cleaners."

Mr. Shields and his fellow fishermen in this town of whaling legend are fighting a lonely battle in the seas off the New England coast. It is an uneven struggle that pits their small and often aging 75-foot fishing boats against modern Soviet trawlers more than 400 feet long.

The taciturn fishermen of New Bedford (which is the largest fishing port on the East Coast in economic value and which likes to call itself the fresh-fish capital of the U.S.) are rarely given to hyperbole. But, they say, unless something is done to curb the massive amount of Soviet fishing off the U.S. coast, the 125-boat New Bedford fleet will be put out of business within five years.

The problem is one of overfishing in the Georges Bank, an 18,000-square-mile area of the Atlantic that is one of the world's most fertile fishing grounds and long the preserve of the East Coast fishing industry. But so intense has become the foreign competition for fish in the area that the New Bedford catch has been cut in half since 1968 and last year was the lowest in 30 years.

Although the Russians have the world's largest fishing fleet, they are perhaps unfairly blamed by the New Bedford fishermen for the demise of their catch. The Poles, the East and West Germans, the Japanese and a dozen or so other nations are also competing for a share in the harvest of the sea. Some of these nations' boats can also be found any day of the week off the U.S. Pacific Coast where overfishing has also become acute. In fact, "some species of fish in all areas of the world are suffering from overfishing," according to Dayton Alverson, a Seattle fisheries expert.

DIET OF 1.5 BILLION

At stake is the diet of 1.5 billion people around the world who depend on fish for more than half their average daily supply of animal protein. The present annual harvest from the oceans is more than 145 billion pounds, compared with only 9.8 billion pounds at the turn of the century—or three times the growth rate of the world's population.

Of today's haul, 80% comes from the world's five great fishing regions: the North Pacific, the North Atlantic, the west coast of Africa, the East China Sea and the west coasts of Peru and Chile. All of these regions, Mr. Alverson says, are showing signs of overfishing among the six groups of fish that provide 64% of the world's catch: herring, cod, redfish (which includes ocean perch and bass), mackerel, tuna and flounder.

Nowhere is this plundering of the oceans more visible than off the U.S. coast, where the foreign fleets give all the appearance of slowly pushing U.S. fishermen off the high seas. As the number of American fishing boats and fishermen has declined over the last 20 years, so has their catch. Last year's U.S. haul of 2.3 billion pounds of edible fish (as opposed to fish used for animal feed) was a billion pounds lower than 1950's catch.

Not that this decline can be traced solely to the foreign competition. Fishermen are also critical of what they see as Washington's lack of financial support for their industry. Their privately owned, often obsolete boats, they say, are competing against state-supported fleets made up of massive trawlers outfitted with a new type of fishing gear that makes it possible to catch six times as much fish as 20 years ago.

STILL, A SHORTAGE OF FISH

But even if federal funds were to rebuild the U.S. fishing fleet, it's still a fact, fisheries experts say, that around the U.S. coastline fish no longer exist in the abundance that U.S. fishermen once knew. Mr. Shields, the New Bedford skipper, recalls that only a few years ago the Angela W could bring in 50,000 pounds of fish in only five days at sea. "Now I have to stay out 10 days to get 30,000 pounds," he says.

The foreign fleets can fish at will off the U.S. coast because Washington's authority extends only 12 miles out to sea (the traditional three-mile limit plus an additional nine-mile fishing zone adopted in 1966). But the rich stocks of fish so important to the U.S. economy are up to 200 miles from the coast (except for tuna, which is found in the deep ocean).

The U.S. fishing industry believes that Washington has a simple remedy. The nation, it says, should follow the example of such countries as Chile and Sierra Leone and declare a 200-mile fishing zone.

Bills that would do just this have been introduced in both the House of Representatives and the Senate. But the administration is firmly opposed to giving U.S. fishermen exclusive rights to 200 miles of ocean. Its main fear is that such an action would disrupt the Law of the Sea Conference that opens at the United Nations in November. "We'd get into a passive cold war," asserts one Washington official. The administration is hoping that global agreements to curb overfishing can be reached at the conference by the 10 nations that control 70% of the world's catch.

BY THEN, NO INDUSTRY

But fishing-industry people remain unconvinced that anything short of a 200-mile limit will solve their problems. "The law of the sea won't help us," declares Howard Nickerson, who represents New Bedford's seafood dealers. "Sure they'll do something—but it won't be effective for years and by then we won't have a fishing industry."

Mr. Nickerson's cynicism has some justification. Over the past few years the U.S. has signed several international agreements to limit fishing of certain species off its shores. But fisheries experts agree that they have been largely ineffective because they're difficult to enforce. "It's the nature of the business," says a New Bedford fisherman. "No trawler captain is going to haul in his nets once he's reached his quota—if the fish are there he's going to take them."

Since 1952, for example, the U.S. has had treaties with Canada and Japan to restrict fishing for salmon and halibut in the Bering Sea. But Mr. Alverson, who is with the National Marine Fisheries Service, notes the "absolute impossibility" of monitoring 500 boats in an area of millions of square miles.

In the northwestern Atlantic the situation is even more serious. The U.S. and 14 other nations that fish the region have been meeting for the past 24 years to discuss their fishing problems. In 1969 they set their first restrictions by agreeing to limit their hauls of haddock, which has been so overfished that it's fast disappearing from the region. Since then quotas have been placed on, among other fish, yellowtail flounder and herring, two other species seriously affected by overfishing.

But these quotas are regularly exceeded, says Richard Hennemuth, a marine biologist with the Fisheries Service in Woods Hole, Mass., because it's impossible for fishermen to select the fish they will catch. If a trawler is pulling in pollock, for example, it's likely to capture herring, haddock and many other species in its nets as well.

Thus, the U.S. asked the Atlantic fishing group this year to restrict the total amount of fish that can be caught annually in the northwestern Atlantic (which would have had the effect of reducing the Soviets' annual catch in that area by 45%). The 14 other fishing nations refused to go along with the U.S., and as a result Washington is now considering pulling out of the body.

A quota, however, would be only a temporary answer. As a long-term solution to overfishing, the U.S. wants the UN conference to give coastal nations virtual control over their offshore waters. More than 90% of the world's fish catch is found in these regions because of the nutrients that circulate in shallower waters. The limits of these fish-stocked coastal waters vary, but in the case of the U.S. they extend as far as 200 miles from land. The U.S. proposal would give a coastal nation exclusive fishing rights to all the fish that breed in the waters off its shores as well as to species such as salmon that spawn in rivers and then swim into the deep ocean. The proposal excludes the far-ranging tuna, which would be governed by separate international treaties.

Not that the U.S. is advocating total exclusion of other nations. "Foreign fishermen should be admitted to the area on a reasonable management fee," says John Stevenson, who will head the U.S. delegation to the Law of the Sea Conference. He believes there is "general agreement" among the world's coastal nations that "they must have resource jurisdiction."

NEVER SATURATED

The U.S. is, in fact, proposing a global system of ocean management. Without some such program, fisheries experts say, the world's fish catch will begin to dwindle. Already, "the world catch is at about maximum," says Mr. Hennemuth, the marine biologist.

Mr. Hennemuth says the sea was never "saturated with fish" but in its virgin state supported a table population. As fish died they were replaced almost exactly. When fishing began, an imperfectly understood biological mechanism enabled the fish stocks to be replenished at a great rate. "There are a complex number of possibilities" as to how this mechanism works, says Mr. Hennemuth. Some scientists have attempted to explain it by suggesting that the rate of survival of fish eggs increases with the number of fish caught. Others have suggested that fishing may remove greater numbers of larger fish that prey on smaller fish, enabling the total fish population to increase.

Even when fishing was moderate the fish population still remained stable. "But there's a limit to this productive level," says Mr. Hennemuth. "That's when the fishing becomes so intense that the fish can't keep up with the rate of depletion and the population goes into a gradual decline."

It's generally agreed that heavy fishing began with the development of a new type of fishing trawler that fisheries expert Milan Kravanja calls "the invention of the wheel in fisheries." Until the mid-1950s trawlers fished with nets that were hauled in over the side of the boat. The British revolutionized this with a boat called the M. T. Fairtry that pulled its nets over a low ramp at the stern of the boat.

FLOATING FACTORIES

In this way, says Mr. Kravanja, a boat can use much larger nets and its engines can haul in about six times as much fish at one time as can a side-net trawler, which would become unstable under such a load.

Almost immediately the Soviet Union seized on the idea and ordered 20 stern trawlers from a West German shipyard. The Soviet trawlers had facilities for freezing and canning the fish and processing it into fish meal for animal feed. The trawlers became, in fact, huge floating factories. The Soviet stern trawlers—which now number 500—can stay out at sea for as long as a year at a time (with crews of between 70 and 90 fishermen being changed by helicopter every three months or so).

The first Soviet stern trawlers first appeared off the U.S. coast in the Bearing Sea in 1959. Two years later they were off the coast of New England. They have since been followed by large stern-trawler fleets from Japan, Poland, East Germany and lately Bulgaria and Rumania. (In April alone 240 stern trawlers were sighted off the U.S. coast, of which 147 were from the Soviet Union.)

THE GOURMETS BEAR COST

New England fishermen hate the stern trawler fleets with a passion. They blame them for the demise of the Boston fishing fleet and the decimation of the once-large fleet at Gloucester, Mass.

But New Bedford still manages to hang on. Although its catch has declined from 126.6 million pounds in 1968 to 59.8 million pounds last year, the market price has skyrocketed. In fact the value of last year's catch was only slightly below the nearly $19 million fetched by the much larger catch in 1968.

The reason for this is that New Bedford depends on its "gourmet" catch of yellowtail flounder and deep-sea scallops. Both are much in demand in areas such as New York and Philadelphia. "People continue to be willing to pay the higher price," says Mr. Nickerson, the sea-food dealers' spokesman. But he worries that ultimately yellowtail will price itself off the market.

Already there are signs of such a thing happening. In April, Coastal Fisheries, a New Bedford fish processor and dealer, lost nearly $12,000 because it was unable to get a sufficiently high price from wholesalers for its fish. The company's general manager, Ronald Nanfelt says angrily, "Unless we get the Russians out of here we're going to be forced out of business."

COLD SHOULDER FOR SEAFREEZE

His view is repeated time and again around New Bedford. There are even anti-Russian posters in store windows that seem to hark back to the chilliest days of the cold war. Reads one: "The reason the price of seafood is 'out of sight' is because they're catching everything in sight . . . the Soviet fishing fleet."

In private, New Bedford people are equally critical of what they see as Washington's lack of financial support for the fishing industry. "We admit it—our fleet is decrepit," Mr. Nickerson says. The average age of the boats here is 45 year. Yet we're supposed to compete with modern trawlers from foreign subsidized industries."

Washington has made some attempt in the past to help the U.S. fishing industry. Under the fishboat subsidy program, which lasted from 1960 to 1969, Washington handed out $21.5 million in subsidies to build 45 new boats. Ironically, the funds were nearly exhausted before 1969 by an ill-fated attempt to compete with the foreign fleets by building two American stern trawlers.

The two ships, the Seafreeze Pacific and the Seafreeze Atlantic, were built in the late 1960s for American Export Industries Inc. with Washington providing half of the $10 million cost.

But the two vessels caught next to nothing simply because it was impossible to find trained American fishermen who were willing to stay out at sea for months at a time. No American vocational fishing schools exist where fishermen can be trained and under the law U.S.-subsidized boats can't employ foreign crews.

The Seafreeze Pacific was recently sold to Pan-Alaska Fisheries Inc., and the Seafreeze Atlantic is still in dry dock awaiting an uncertain future.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—NO. 27

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. HARRINGTON. Mr. Speaker, in the September 3, 1973, New York Times:

An unidentified man in his late twenties was found shot to death on a landing of a Harlem tenement at 1909 Seventh Avenue near 107th Street. . . .

Mr. Speaker, until a handgun is used, it is almost impossible to tell whether it is counterfeit, or an authentic model that shoots bullets; injuring or killing its victim. An article by Nathan Cobb in the Boston Globe states that even a police expert on firearms would not be able to tell if a gun were fake if it were pointed at him in a holdup. So how could a layman with little knowledge of guns tell?

When Senator Proxmire was threatened with a cap gun last night in an attempted robbery, he had no indication that the gun was a toy until the would-be thieves fled when the Senator resisted them. And the only way the police knew that the unidentified man on the Harlem tenement landing in the New York Times article was threatened with a real gun was from the autopsy report that revealed the cause of death was the bullet fired from a real gun.

Let us make sure, through immediate gun control legislation, that toy handguns are the only kind criminals can play with.

The article from the July 1 Boston Globe is included below:

Can You Tell Which Guns Are Real?—Victims Cannot Either

(By Nathan Cobb)

The owner of a cleaning establishment in Roxbury looked down the barrel of a semi-automatic pistol.

In a Back Bay apartment, three illegal gun dealers, all narcotics users, discussed the best way to sell a newly acquired .45 caliber pistol.

In Dorchester, a 15-year-old boy startled his neighbors by brandishing a 7.65 mm handgun in the street.

Today, these guns are being held in the Ballistics Unit of the Boston Police Dept.

All three, however, are a kind normally found in hobby shops.

Until he actually examined them, even a seasoned ballistics expert would not know them from what they really are—counterfeits.

Counterfeit handguns?

Such items, referred to as "non-shooting replicas" in the trade, are enjoying healthy US sales completely unhindered by local, state or Federal laws.

They can be legally purchased in Massachusetts and elsewhere by anyone of any age.

The weapons are almost identical in every exterior detail to the guns they duplicate. The color is the same the weight is similar and all the screws and nuts are located in just the right places.

The owner can cock the hammer, causing a loud click which sounds like the real thing. Many models can even be loaded with realistic dummy bullets.

The only thing the models can't do is shoot, which the people they are aimed at do not know.

Their manufacturers claim they are bought by "collectors," but local police feel they are increasingly being purchased by novice criminals for use in street crime.

"Any criminal waving one of those things at me would get what he wanted pretty damn quick," admits one Boston patrolman.

Det. Francis E. Bailey, head of Boston's Ballistics Unit, says. "Ostensibly, they're being made for guys who are going to put them on the walls of a den. But let's face it, a lot of characters are buying them to commit armed robbery."

The law treats the use of counterfeit and real guns equally. Anyone who uses a counterfeit in the commission of a crime is subject to the same penalties he would get if he used a "live" gun.

Prices for counterfeits of modern handguns run from approximately $15 to $35, ranging in style from sidearms favored by World War II German officers to newer US police models. A counterfeit submachine gun can cost as much as $100.

If the local hobby store doesn't carry counterfeits, they can be ordered by mail. US laws treat them as antique firearms, therefore rendering them exempt from any type of Federal restrictions.

In Massachusetts, a firearm is defined as a weapon from which a bullet or shot can be discharged, thus eliminating counterfeits from the state's relatively strict handgun licensing procedures. (New York City is the only place where their sale is prohibited.)

As one manufacturer puts it in his advertising: "They're so real you'll hardly believe your eyes!"

Even gun experts have difficulty telling the real thing from the copy. At the Ballistics Unit, counterfeits are often marked with tags proclaiming them "Not a Firearm!" so the specialists handling them will not be fooled.

Federal undercover agents who purchase real guns illegally in order to make arrests for violation of US gun laws are also discovering the counterfeit market, sometimes to their embarrassment.

"If our men aren't careful, the first thing they know they'll be sold a counterfeit, not the real thing," says Arthur A. Montuori, special agent in charge of the Boston district office of the US Bureau of Alcohol, Tobacco and Firearms.

Most counterfeits are made of zinc, which means that any attempt to convert them to operable guns would probably result in their explosion (replicas which are designed and manufactured to actually shoot, are also big business, but fall under Federal and state restrictions pertaining to gun purchase).

The counterfeit trade is a relatively new one, developing a dozen or so years ago in Japan, where gun laws are strict. In fact, most U.S. firms still manufacture and assemble their products overseas and import them into this country.

The largest manufacturer of counterfeits is Replica Models, Inc. of Alexandria, Va., whose president, Thomas B. Nelson, likes to stress the safety of his product. He points out that he feels his company, which sells counterfeits in 12 countries, is unfairly included in what he calls "the gun controversy."

"We're not in the gun business," he states emphatically.

Nelson claims that the vast majority of the company's U.S. sales are of Civil War and wild west counterfeits, not the military and police models which are turning up on the streets of Boston.

"We sell the police stuff mainly for use in movies and television," he says.

The firm's catalogue, however, shows only ten 19th century counterfeits as opposed to 21 copies of the more modern guns. And most of the counterfeits which are finding their way to Boston's Ballistics Unit were manufactured by Replica Models, Inc. Nelson declines to give sales figures.

"Oh, I suspect they could be used in crime," he admits, but adds quickly. "We've been in the business for six years and had very few complaints. Why should anyone want to use one of our guns in a crime, when the real things are so readily available?"

One answer comes from Boston Police Headquarters, where ballistician Frank Bailey recently explained, "It's the guy who doesn't know where to get a 'live' gun who turns up with one of these. Perhaps he's just starting out in crime, robbing the corner store or that type of thing".

"I mean, look at that," he said, picking up a counterfeit of a hefty .357 magnum. "I'm an experienced ballistician, and I wouldn't know I wasn't looking down the muzzle of the real thing. Would you?"

OBJECTIONS TO SONNENFELDT CONFIRMATION MUST BE ANSWERED—PART IX

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ASHBROOK. Mr. Speaker, as I have explained before, on May 23 I began a series of insertions in the CONGRESSIONAL RECORD concerning the confirmation of Mr. Helmut Sonnenfeldt as Under Secretary of Treasury. Mr. Sonnenfeldt, now holding down a very responsible position at the National Security Council, was the subject of a number of allegations that he had leaked classified information on several occasions to unauthorized recipients. In correspondence with the Civil Service Commission and the Secretary of Treasury Shultz I elicited information that was clearly inconsistent. The CSC listed five investigations of Mr. Sonnenfeldt and the Treasury Department came up with six. CSC listed an investigation in 1966 which Treasury made no mention of. Treasury listed an investigation in 1957 which did not appear in the CSC listing.

More importantly, however, they both omitted two investigations, one during the period of 1958–59 and the other 1960–61. These two investigations were the subject of testimony before the Senate Finance Committee yesterday, October 1, and again this morning, suggesting that, as in my case, the information forthcoming from the executive branch concerning the Sonnenfeldt investigations is incomplete, to put it mildly.

Not many congressional hearings provide the tense drama which accompanied the Monday hearing before the Finance Committee when Stephen A. Koczak stood up in the hearing room and asked to be heard on the Sonnenfeldt case. Mr. Koczak, presently research director for the American Federation of Government Employees—AFL–CIO, was placed under oath and proceeded to charge that Mr. Sonnenfeldt gave highly classified information orally to a foreign power at a cocktail party which they had both attended in 1958. Mr. Sonnenfeldt was again recalled, placed under oath, and proceeded to deny the charge. Chairman RUSSELL LONG, who had checked FBI files in order to arrive at the truth of the allegations, stated that he would check with the State Department concerning the nature of the highly classified telegrams which Mr. Sonnenfledt allegedly discussed with unauthorized parties.

In addition, Mr. Clark Mollenhoff, who was a legal adviser to the Nixon administration several years ago, stated that he had taken the Koczak allegation, along with other alleged leaks by Mr. Sonnenfeldt to Dr. Henry Kissinger and General Haig, who expressed concern but proceeded to do nothing about the allegations while Mr. Mollenhoff was at the White House.

Today the hearings provided another confrontation, this time between Mr. Sonnenfeldt and Mr. Otto Otepka, the former State Department security officer who had been involved in the Sonnenfeldt case while at State. Mr. Otepka claimed that there were other leaks by Mr. Sonnenfeldt and suggested the calling of other persons knowledgeable about the case. Again, Mr. Sonnenfeldt was called and denied the charges.

Mr. Paul Scott, the syndicated columnist, then testified in defense of his own veracity concerning information he had provided via his column to the public. He also mentioned the names of knowledgeable sources who could confirm wiretap evidence of security violations. He also suggested that Chairman LONG also check with CIA, who, he understood, could provide further information on the matter. Chairman LONG indicated that this was new ground which did not turn up in his perusal of the FBI files.

Next to be heard briefly was Mr. John Hemenway, who first appeared in opposition to the Sonnenfeldt confirmation on May 15. He stated that the facts concerning Mr. Sonnenfeldt's involvement in his own case while both were at State were not as stated by Mr. Sonnenfeldt. Chairman LONG invited Mr. Hemenway to state his case in a letter to the chairman.

Mr. Koczak, who had appeared the day before, then raised a point of personal privilege with Senator LONG, complaining that the New York Times report of October 2 written by Mr. David Binder, had misrepresented his testimony of the day before. He asked for the protection by the committee of his own integrity and reputation and also asked Senator LONG to confirm that he had not been campaigning as the New York Times alleged, against Mr. Sonnenfeldt's nomination. Chairman LONG confirmed Mr. Koczak's claim that no member of the Finance Committee or its staff, to his knowledge, had been approached by Mr. Koczak prior to the preceding day's hearing when Senator LONG stated that the FBI reports, when he examined them, were scanty.

Mr. Koczak also took exception to the New York Times report quoting Mr. Koczak as alleging that "the FBI had distorted the record of the case." Mr. Koczak indicated that he expected the New York Times to correct this incorrect reporting.

I have reported the proceedings of the Finance Committee's hearings of the last 2 days in some detail here in the hope that the newspapers which criticized my involvement in this case will consider the information developed as thoroughly as Chairman LONG has sought to do in the Senate Finance Committee's hearings.

GOLDEN STATE WATER CHIEF

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. JOHNSON of California. Mr. Speaker, a short time ago Governor Reagan appointed a new director of the California Water Resources Department. He is an old friend who I have known for many years.

John Teerink has established himself as one of the Nation's leading authorities on water resources and he follows in the footsteps of his father, who served in the water resources field himself.

I am proud to have known John Teerink's dad, who was the resident engineer for the Corps of Engineers on three debris dam projects that were located on the North Fork of the American River, the Rucky-Chuckee project on the Middle Fork of the American River and the Englebright project on the Yuba.

John, I am proud to say, is a product of local schools in Placer County. He graduated from Placer Union High School in 1939 and attended the Junior College in Placer County from that year until 1941, when he went on to obtain his civil engineering degree at Oregon State University.

Aqueduct magazine, the publication of the Metropolitan Water District, featured John Teerink in an article in the current edition. Mr. Speaker, so that my colleagues here in the Congress can become personally acquainted with the background of a man they are going to hear more about in the field of water resources I insert the article on John Teerink in the RECORD at this point.

The article follows:

JOHN TEERINK

In his offices in Sacramento, John R. Teerink, 52, newly appointed director of the California Department of Water Resources, gestures, frowns and smiles, but most of all speaks intensely of the challenge that lies before him.

For nearly seven years, Teerink had been deputy director of DWR under William Gianelli, the man credited by Governor Reagan with overcoming a $300-million deficit to enable completion of the massive first phase of the State Water Project.

Teerink, a civil engineer who guided design of the California Aqueduct, now poses to himself and other water leaders questions on how to operate the system as "efficiently and effectively as possible."

About long-range outflow requirements of fresh water in the Sacramento-San Joaquin Delta, water needs and population growth, environmental considerations, deterioration of groundwater basins in the state and public awareness of benefits of the state project.

"It's one thing to be a deputy director of the department and make recommendations—and another to have the responsibility of making final decisions," Teerink said.

"Bill Gianelli and I are different personalities, but, basically, we have the same philosophies of water needs and management in California. I expect no major changes in the department's operations or research emphasis."

John Teerink was born in the Payette area of Idaho where his father farmed a plot of land that received water from one of the first U.S. Bureau of Reclamation projects in a national program that began in 1902.

When his father gave up farming and became an engineer, the young Teerink found himself living at the Bonneville Dam construction site on the Columbia River in Oregon. He delivered newspapers to the workmen during those depression years at Bonneville.

After spending most of his youth around such major construction projects, Teerink "gravitated naturally" into water supply engineering.

Teerink and his wife, Lillian, have two grown daughters, Mrs. Kathryn Snow, a school teacher in Sacramento, and Ruth, who has been studying psychology at Sacramento State University.

The Teerinks reside along the American River in northeast Sacramento but also have a cabin at Donner Lake, a little more than an hour's drive from Sacramento. Teerink enjoys going there to fish and to start some of his back packing trips into the Sierras.

On those relaxing and relatively rare occasions he won't be found with his brow furrowed about the challenges that lie before him—but probably smiling about what he personally has seen come to pass as the son of a farmer who joined the U.S. Corps of Engineers.

Teerink earned his civil engineering degree at Oregon State University in 1944. He started his career with the Department of Water Resources in 1946 after serving two years in the U.S. Army Air Force, where he attained the rank of captain.

He received his master's degree in public administration from Harvard University in 1965.

He was chief of aqueduct design for four years in the late 1950s and more recently has been overseeing the department's broad range planning and research efforts, including studies of possible new water sources from desalting, waste water reclamation and geothermal energy. Prior to his appointment as deputy director in 1967, he served as assistant chief engineer of the department for six years.

He also had served as district engineer of the department's Southern California District in Los Angeles.

"It gives me a great deal of satisfaction to see the first phase of the project completed and in operation," he said.

"I don't know whether it would be of interest to you, but I was on one of the first trips in 1951 with the late State Engineer A. D. Edmonston in laying out the route of the aqueduct.

"I remember we got a shovel out of the car at the base of the Tehachapi Mountains and posed with it for some pictures in a make-believe groundbreaking . . . just the thought of lifting water up the face of those mountains seemed like kind of a fantastic dream.

"My first work after joining water resources," he said, "was in making studies paid for by the Sacramento River Flood Control Association. Flood prevention was desperately needed on the Feather River to cut its winter-time flow into the Sacramento River.

"At the same time, we were developing the California Water Plan, by direction of the State Legislature, and looking at areas that had surplus supplies and those in need of supplemental water throughout the state.

"Once it became obvious where the needs were, it was a giant logistics problem to get it there."

HIGHWAY SAFETY REPORTING

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. HARRINGTON. Mr. Speaker, Mr. Wendell Coltin, safety columnist of the Boston Herald-American and a friend of mine, is a man who deserves our gratitude.

His "Safety Crusade" column has been appearing in newspapers since 1956 and has been an important force in highway safety in the State of Massachusetts.

Mr. Coltin has recently written an article in the September 1973 issue of Highway User entitled, "The Media and the Safety Message." The article merits the attention of my colleagues in the Congress and of the American public, and I now submit it for the Record. Perhaps if there were more proponents of highway safety like Mr. Coltin, we might begin to eliminate some of the tragic accidents that occur on our Nation's roadways.

The article follows:

The Media and the Safety Message

(By Wendell Coltin)

To the three E's of highway safety—Education, Enforcement, and Engineering—I would add three C's:

Courtesy, Cooperation, and Compliance.

Courtesy on the part of drivers of motor vehicles, and pedestrians; Cooperation with authorities who seek to save lives and prevent injuries through safety measures; and Compliance with the laws would go a long way, I feel, toward making our streets and highways safer.

The news media, of course, can help tremendously in promoting highway safety. This can be accomplished in many ways; and in most instances it doesn't have to be of a spectacular nature.

CONTINUING EFFORTS

Indeed, any success of the Safety Crusade column I have been writing since 1956 can be attributed, I believe, to the fact that it is a continuing column; not a one-shot, or occasional piece prompted by a particular event or tragic happening.

Even though there are persons who have said, "You can talk and write all you want to about highway safety, but it won't do any good. The people who should be listening and reading about it don't," I have long since been convinced that it does pay to talk and write about it.

How to distinguish between those who "should" and those who don't have to heed safety advice? Is anyone really immune to it? Of course not! It is a concern of all men, women, and children—whether they walk or ride.

One of the best programs I have seen doesn't appear to be operating now; but I would like to see it revived and expanded to reach as many people as possible. It was a "Car-Wise Course" for women employees in the traffic department of the telephone company. It was introduced to the New England Telephone and Telegraph Company by an attractive young woman in its New York City offices—Mrs. Marguerite Drum.

The courses were designed to make the women who took them better drivers, better co-pilots when riding with other drivers, and safer pedestrians.

The graduation ceremonies saw the women appearing in lovely gowns at dinners in a hotel, or some other popular dining place—and showing the enthusiasm or animation of high school, or college graduates on their commencement day. Their guests would be officials of the telephone company, state highway safety officials, such as the Commissioner of Public Safety, and the Registrar of Motor Vehicles.

Mrs. Drum and her husband did not own an automobile, nor did she have a driver's license. Yet, her interest in safety and the creation of the Car-Wise Course did much, I know, to help hundreds of women to become more knowledgeable about safe highway travel and the obligations of citizens toward reaching that goal.

DEFENSIVE DRIVING

It has been said that you can't teach an old dog new tricks, yet a program that has been increasing in popularity is the Defensive Driving Course of the five million member American Association of Retired Persons. Many who have taken the course have been able to obtain reductions in their insurance rates (this does not apply in Massachusetts). And they have acquired a new confidence in their driving ability—new safety consciousness.

Driving conditions have changed greatly since these older persons acquired their licenses, notably high-speed expressway driving. Many older persons have never had to be reexamined for licenses since they first obtained their licenses decades ago. Many had become a danger to themselves and others through worsening vision, deterioration of physical condition and other disabilities.

INSPECTION

My Safety Crusade column, from its earliest days, pointed out that in Massachusetts, motorists were required to have their cars inspected twice a year because of the compulsory semiannual inspection; yet were not required to undergo a reexamination to determine their own capabilities to continue operating.

In recent years, Massachusetts has required that drivers have their vision tested upon applying for renewal of their licenses. While some have not been able to pass the test, others have learned of their deficiences and have gone to competent doctors for testing and have obtained corrective lenses, thus enabling them to retain their licenses. It has become quite common now for a person who has not had his eyeglasses changed for some years—or his eyes examined—to go to an eye specialist as license-renewal time approaches.

Some 10 years ago when I went to Detroit with a joint legislative committee on highway safety, led by then Governor Endicott Peabody and then Registrar of Motor Vehicles, James R. Lawton, we were told by Michigan Governor, George Romney, that he was embarrassed that Michigan, the automobile capital of the world, did not have compulsory, periodic inspection of motor vehicles. Massachusetts was a pioneer in compulsory inspections and particularly over recent years has strengthened its inspection program.

IT PAYS

I have seen much evidence to show convincingly that it does pay to talk and write about highway safety.

My column has been credited with playing a significant role in building support for a "no-fix" traffic ticket law in Massachusetts; and eventually one was enacted. There were persons who had said, "The legislature will never vote for a no-fix ticket."

But the legislature did; and one reason my column was able to build support for "no-fix" was to make readers—and legislators—aware that when a person knew he could fix a traffic ticket, he would take liberties with his driving which would lead to accidents. The column quoted public officials who expressed regret that they had fixed tickets for young persons and others who subsequently went out and killed either themselves or other innocent people. They were made to realize that they had not done their constituents, themselves, or others for whom they had "fixed" tickets any favor by interceding in their behalf.

I have frequently been "tipped off" by state and local police of certain cases coming into court—principally alleging drunken driving. Many times I extended myself to be in certain courts, making myself inconspicuous to record testimony for news stories and column material that were later to be posted on police station bulletin boards.

A FAST TRACK

I have ridden with state police on their patrols; and with public safety commissioners, registrars of motor vehicles, state police officers, and motor vehicle inspectors—on holiday weekends, and at other times—and at all hours.

One time Trooper Robert J. Birmingham and I were about to drive onto Route 95 in Boxford, Massachusetts when he remarked, "It's a fast track tonight." Moments later he overtook and halted a car traveling 65 miles an hour [the speed limit was 60]. When he returned to the police cruiser with the license and registration of the vehicle, and revealed the driver's identity—we found his observation about the "fast track" had been most timely. The driver was a prominent jockey, who had ridden that day at Suffolk downs in East Boston.

THE ALCOHOL PROBLEM

My Safety Crusade column was also credited with helping build support for an implied consent law in Massachusetts. Back in 1959 and 1960, my paper sponsored a Traffic Court Conference at Boston College Law School, in cooperation with the Standing Committee on Traffic Courts of the American Bar Association, whose executive director was James Economos, since retired; and the law school, whose dean was the Reverend Robert F. Drinan, now a congressman.

I had arranged for a display of chemical testing equipment—Breathalyzer and Alcometer—and an explanation of their use; and we devoted a session to "wet driving" with a lecture by Attorney Robert Donegan of the ABA staff. We had as a speaker on a panel, which I had lined up, Special Justice Joseph Goldberg of the Worcester District Court, because the Worcester police were then using the Breathalyzer and getting more convictions than formerly for driving under the influence.

Meanwhile, my column told of the missionary work being done by two other district court judges, Lawrence G. Brooks of Malden, and Paul K. Connelly of Waltham, now a Superior Court Judge, urging implied consent legislation, which was to become a reality eventually in Massachusetts. It was "way back then" that another district court judge, Joseph B. Harrington of Salem—father of present Massachusetts Congressman Michael J. Harrington—was advocating weekend jail sentences for persons convicted of drunken driving.

It has not yet become an accepted practice—or law—in Massachusetts, but present Public Safety Secretary Richard E. McLaughlin, a former registrar of motor vehicles, who in 1975 is destined to be elected president of the American Association of Motor Vehicle Administrators, has also advocated weekend jailing of drunken drivers.

The reasoning behind this proposal is that the family of a breadwinner would not suffer economically by his serving a sentence over a period of weekends and at the same time the man would be punished for his violation.

While the Safety Crusade column has followed such proposals closely and elaborated upon them, it has also been familiarizing readers with the purposes of the Alcohol Safety Action Program, now in progress in Boston and 34 other cities.

EFFECTIVENESS CONTINUES

The continuing interest and effectiveness of the Safety Crusade column may, perhaps, be reflected in this letter of congratulations I received from Carl J. Catalano, supervisor of special investigations in the Registry of Motor Vehicles:

"Dear Wendell:

"Congratulations on your Alfred P. Sloan, Jr. Award . . .

"I always knew you as the 'Tops' for the new media as a Safety Crusader. All of these items that had your backing and reporting influence have been major items in highway safety."

Carl's letter recalled the Sunday afternoon I was riding with him on Route 128 for a Safety Crusade column, when we came upon a car being driven by a man accompanied by his family. A pair of booties was dangling and swaying from the rear view mirror above his windshield. They were not supposed to be there, and in this particular instance Catalano could see they could be a distraction to the driver—perhaps interfere with his view at a crucial moment. He beckoned to the man to pull over to the side of the road and instructed him to remove the booties. The man was indignant.

Too bad he couldn't realize someone was trying to make a pleasant Sunday afternoon's ride safer for him and his family. A small thing, perhaps, yet small things can cause big accidents.

NEW YORK AIMS FOR SAFER SCHOOLS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. BINGHAM. Mr. Speaker, the New York City school system is undertaking a major new program utilizing the most up-to-date security techniques to improve the safety of teachers and students from school crime. The following articles from the New York Daily News and the New York Post explain the plans of Chancellor Irving Anker to use $6 million for the purchase of closed circuit television, emergency signaling devices, and the like for some New York City schools. Not all schools and classrooms will be covered by these measures, however, which has led the United Federation of Teachers to call for far more support for the security program.

Unfortunately, the tight city budget will not be able to support a comprehensive security system, which underlines the need for congressional action on the Safe Schools Act, H.R. 2650, which I introduced on January 24, 1973, with 21 cosponsors. This bill would establish a new category of grants under the Elementary and Secondary Education Act to enable local school districts to deal effectively with crime in the schools. I call the attention of my colleagues in the Congress to this legislation and urge their support of this proposal to deal with violence and vandalism in the Nation's schools.

The articles follow:

MORE SCHOOL SECURITY DEVICES SET

(By Keith Moore)

The use of closed-circut television, ultrasonic signaling systems, and other modern security techniques will be expanded to schools throughout the city by the end of this academic year, Schools Chancellor Irving Anker revealed yesterday.

By June 15, city high schools and seven lower schools will supply teachers with emergency signaling devices; 10 lower schools will have closed-circuit TV; 22 high schools will have delayed fire-alarm systems, three high schools and seven lower schools will have door announcing systems, and hundreds of others schools will have walkie-talkies or other intercom devices.

Anker made the disclosure at a hearing on the proposed 1974–75 $564 million capital school budget at board headquarters, 110 Livingston St., Brooklyn, at which a spokesman for the United Federation of Teachers charged the board with failing to go far enough in school security.

Later, Anker disclosed specifics of the plan noting that the money will come from $5 million set aside for security devices under the current Budget.

Under yesterday's proposal, Anker is asking for another $6 million for security devices. If the school system gets that money, said the chancellor, by the end of June 1975 the security-device program will be more than doubled.

BEGAN AS EXPERIMENT

The program to use modern electronic devices to stem the rising tide of school crime began as an experiment last year with two high schools using pen-like ultrasonic signaling systems and two middle schools using closed circuit TV.

Eldridge Waithe, who heads the board's security program, said that the experiment had worked out so well that the decision was made to expand the project.

The teacher's union spokesman who charged the board with poor security measures was Vice President Abe Levine. In his testimony he cited police statistics which show for the first seven months of 1973 the number of reported attacks on pupils, teachers and other personnel was 1,200.

Levine also said police records show 63 reported sexual assaults, 44 incidents involving dangerous weapons, 59 cases of arson and 3,571 complaints involving robbery, burglary and larceny.

The day-long hearing, which focused on all aspects of capital improvements was crammed with speakers who complained of poor or overcrowded school facilities.

The board is now scheduled to act on the budget, which will then be sent to city authorities.

TEACHERS SEEK MINI ALARMS

The United Federation of Teachers said today that every teacher in the city school system should be provided with "a pen-size alarm" to summon help "at the push of a button."

It said the number of assaults and robberies directed at school personnel so far this year justified the use of such a security device.

The UFT proposal was given to the Board of Education at a hearing at board headquarters in Brooklyn on Chancellor Anker's $564 million proposed capital budget for 1974–75.

Anker's request includes $6 million for security installations.

Anker told the UFT that his staff had held a series of meetings at City Hall and had drawn promises from the Mayor's staff "to speed up the funding of these technical devices."

Anker said he was hopeful they would be in the schools by the end ofthe year.

UFT vice president Abe Levine said Anker's recommendations were inadequate in light of "the climate of fear and insecurity in the schools engendered by numerous incidents in recent years, muggings and rape."

Levine produced Police Dept. figures indicating reported attacks on pupils, teachers and other personnel in the first seven months of 1973.

He said there were also 63 sexual assaults, 44 incidents involving "dangerous weapons," 59 instances of arson, and 3,547 complaints of robbery, burglary and larceny.

Alarms on exit doors in order to alert the school office when they are opened.

Equip all security personnel with walkie-talkies.

Repair and replace defective doors and locks.

Levine said "nearly one-half" of the schools had defective doors.

VETERAN NEWSMAN RETIRES AFTER DISTINGUISHED CAREER

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. STEELE. Mr. Speaker, it is my honor to call your attention to the lifetime of outstanding public service rendered by an esteemed newspaper reporter in my own Second Congressional District, James "Red" Currier, who has retired as Willimantic Bureau chief of the Norwich Bulletin, following a distinguished career spanning more than 40 years.

As a member of the press "Red" Currier not only covered the news in the best tradition of a reporter, he also became a valued member of the community giving freely of his time to civic leaders. One of the high points of Mr. Currier's career came on his birthday in 1969 when the Connecticut Board of Education named the athletic complex at Windham Regional Vocational School in his honor in recognition of 18 years of service as chairman of a citizens' group influential in the construction of the school.

"Red" Currier is held in high respect by members of his profession for his thoroughness and fairness in reporting the news and his willingness to give a helping hand to young reporters at both his own newspapers and competing media.

On September 23, 1973, the Norwich Bulletin published a front page tribute to "Red" Currier as follows:

JAMES "RED" CURRIER RETIRES AFTER 43 YEARS WITH BULLETIN

WILLIMANTIC.—A Thread City tradition, spanning more than 30 years, will end Friday when James D "Red" Currier, 65, The Bulletin's bureau chief, retires.

Red steps down with what he calls a little sadness but many fine memories of his part in recording Eastern Connecticut history—a career that kept him in the company of every governor since Wilbur Cross and one that brought him an acquaintanceship with thousands of people.

"It's been a lot of fun, a lot of heartaches. It's been my life and a good education. Through it I have gained something money can't buy, friendship. I've made a lot of friends," Red said of his career.

Red has covered every type of story newspapers print. Most of them were of local interest but many were national news and got some international play. His reporting and citizenship have brought accolades from the state of Connecticut and numerous community organizations.

"There were a lot of gory things, many, many tragedies. I tried to be understanding. I had a job to do, and I didn't want to make things any worse than they were," he commented.

As a bureau chief—one of the most demanding and difficult jobs on any newspaper—the days were long for Red. Frequently he'd have to catch six or seven meetings a night. Twelve-hour days were the rule rather than the exception. In 30 years, he had but two sick days.

"Miles didn't mean a thing. Anything I thought was news and I thought we should have it, I went after it," he remarked.

"Once it gets in your blood, you can't get it out," he added.

PLAYING BASEBALL

Red was playing baseball in Plainfield 43 years ago when he got his first job with The Bulletin.

"I used to send in scores," he explained. "One day they asked me if I wanted to cover the news for them."

The starting salary was two cents an inch for stories as they appeared in the paper. "It wasn't even enough to pay for the gas in my car, but the experience was the important thing," Red remarked. Six months later his salary went to a nickel an inch, and he was on his way with The Bulletin.

Those first months in the newspaper business were tough for Red. He worked full-time at the then Lawton Mills in Plainfield, days, and covered his beat at night.

Red's service with The Bulletin was interrupted during 1943 when he enlisted in the Army. Medically discharged with a hearing problem, he returned to Connecticut and in August he was named Willimantic bureau chief. He followed another Bulletin veteran, Gerald Loiselle, who held the post for 20 years.

Red credits much of his professional success to those who were close to him. First on the list is his wife of 32 years, the former Beulah M. Daw—a woman who spent most of her married nights without her husband. Red described her as "patient and understanding" and a big help on hundreds of stories.

People like James V. Pedace, retired managing editor; Ellsworth "Scoop" Cramer, a retired city editor; and Thomas F. Winters, present editor, along with the Noyes and Oat families, who own The Bulletin, all had a hand in Red's career.

"You never worked for anybody—you worked with them. That's how I always felt," Red observed.

MANY MEMORIES

Red retires with many memories. He can tell about how he knew John N. Dempsey when the former governor was a basketball player many years before he ever thought about politics or ever dreamed he'd be governor.

Or the time during the 1938 hurricane when it took him four hours to drive to Norwich to file his story. His effort netted a mere line and a half in the paper.

Along with his memories, Red leaves with numerous honors. The greatest in his mind is Currier Field. That honor came on his birthday in 1969. The state Board of Education named the athletic complex at Windham Regional Vocational School for him for his 18 years of service as chairman of a citizens' group influential in construction of the school.

In 1969 Red was named Willimantic's outstanding citizen by the Police Benevolent Association. Other groups which have saluted him include the YMCA, Boy Scouts, Civitav, Elks, March of Dimes and the City of Willimantic.

A veteran member of the Plainfield Grange, he served several years as the publicity chairman of the Pomona Granges. Additionally he is a past master of the Eastern Star Lodge No. 44, AF and M, at 32nd degree Mason, past Grand Tall Cedar and past district deputy of the Tall Cedars of Lebanon. He also served ten years as that group's national publicity chairman.

Red's plans for retirement include two things—household chores, described as "neglected for too long" and his friends. Friends are important; he'd have been finished before he started, without them, Red said smiling.

"My friends have been good to me . . ." he said again as he reached in his wallet. Extracting a worn piece of paper, he put it in the desk.

On it was a poem Red said he clipped "years and years ago" and has always carried with him. He didn't remember the author. It goes like this:

I'd like to be the sort of friend that you have been to me;
I'd like to be the help that you, have always been glad to be;
I'd like to mean as much to you, each minute of the day;
As you have meant, good friend of mine, to me along the way.
I'm wishing all the year around, that I could but repay
A portion of the gladness you've strewn along my way
And could I have one wish this night, this only would it be.
I'd like to be the sort of friend, that you have been to me.

Red's reporting days may be ending but they're not over.

Everytime that nose twitches, someone puts a buzz in his ear, or he passes an accident, the odds have it that Red will call the office.

Red's like that. It is in his blood.

NATION'S POLICEMAN HONORED—TWO-MAN TEAM WINS TOP AWARD

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. HOGAN. Mr. Speaker, I want to bring to the attention of my colleagues an article published in Parade magazine, September 23, 1973, which honors two Miami police detectives for their heroic and outstanding deeds in their performance as officers. Amid uproars of alledged police brutality and often biased news coverage of law enforcement offiscals, it is refreshing to see recognition is being given to two dedicated policemen who I am confident exemplify the overwhelming majority of police officers in this Nation.

The article follows:

NATION'S POLICEMEN HONORED—TWO-MAN TEAM WINS TOP AWARD

(By John G. Rogers)

MIAMI, FLA.—When Miami police detectives Gerry Green and Walt Clerke were wounded recently by a crazed gunman, their pretty young wives were first horrified, then philosophical. Says Mary Jo Green: "Can you imagine anything good out of your husband getting shot? But that's the way it was. Ordinarily I work days, and Gerry works nights, and we hardly ever see each other. But when he got wounded, he had to stay home to recover, and we were together every evening. It was great."

And Susan Clerke adds: "I can't say I'd want Walt wounded again, but it's been awful nice to have my man around the House."

Green and Clerke, a pair of handsome 25-year-olds, work as a team. They're tough cops when necessary but they also feel compassion for people they arrest and, if possible, give them a helping hand. They'll find a man a job, get him admitted to a rehabilitation program, even send him back to college. Miami Police Chief Bernard L. Garmire comments: "These two guys are terrific. They can handle any assignment. And first they throw people into jail, then bend over backward to help them."

For their distinctive performance as law enforcers and social workers, Green and Clerke have been awarded the eighth annual

Police Service Award conferred by Parade and the International Association of Chiefs of Police. This tribute and the designation of 10 other peace officers for special honorable mention is a symbolic one designed to salute all of the nation's 425,000 law officers without whose dedication society could not function.

As in other years, the judges faced an extremely difficult challenge in narrowing the selections down to Green, Clerke and the 10 others because the nominations which poured in from all over the U.S. represented a great number of very deserving officers. Their contributions spoke eloquently of the vast variety of police work—from humdrum community service to feats of steel-nerved heroism, from dramatic rescues to organizing ghetto basketball teams, from delivering babies to shooting it out with bank robbers.

TO RECEIVE PLAQUES

Those are only a few of the items in the broad spectrum of police work represented in the 1973 nominations. Plaques honoring the officers and their departments will be presented this week in San Antonio, Tex., at the annual convention of the International Association of Chiefs of Police.

This year's top honor officers, Green and Clerke, contend they have sixth senses that make them an intuitive police team. They are part of a federally funded pilot project aimed at reducing robberies, and Miami's robbery rate has been cut 10 percent in a period when in many communities the rate has increased 15 percent. Both young men are such devoted policemen that neither can imagine himself ever doing any other kind of work.

"We don't think of our job in terms of punishing people who've done wrong," says Green. "When we arrest a guy we think in terms of preventing his next crime, in terms of saving his next potential victim from theft, robbery, injury, even death."

Clerke adds: "And if the fellow has any possibility of rehabilitation, we try to give it to him. Of course, there are some absolutely beyond help. It's depressing to have to admit that a guy is beyond saving, but sometimes you have to do it and concentrate on the ones you might be able to help."

There are several cases that Green and Clerke like to recall. One is that of Connie. They arrested her for armed robbery and prostitution. But they perceived some good qualities in her and convinced her to enter a drug cure program where she achieved success. Now she's engaged to a manager of a restaurant, and the two young cops plan to attend her wedding one of these days.

STUDENT TO ROBBER

Then there's the incident of the Florida State University student who lived with his mother and an aunt and who became ashamed of asking them for money to finance his social life.

Clerke recalls: "This guy, a bright physics major, took to robbing people as they left cafeterias and headed for parking lots to pick up their cars. Once we established his invariable pattern, he was a dead duck. We grabbed him. But we talked things over, showed him how he was simply ruining his life. When he went to court, I went along and got him off—the judge was very understanding. I got him back into Florida State—he's on a scholarship—and now he's working for his master's degree. He's given up his stupid robberies, and he's made two cops very happy for keeping faith with us."

Another case is that of a petty thief named Joe. Green and Clerke got him a job in a hotel kitchen. Trouble is, any time something is stolen, Joe gets blamed because of his record. For example, a side of beef is missing. Joe did it, says the manager. Poor Joe telephones Green or Clerke. They go to the hotel, point out to the manager that Joe doesn't even own a car to transport a side of beef, and their "protege" is permitted to keep his job.

QUARREL IN CAB

Greene and Clerke work so closely as a team that when they were wounded, a fellow officer remarked with grim humor, "These guys believe so much in togetherness that when they get shot they do it together."

Actually, it was their compassionate strain that caused them to stop bullets. They were cruising in their unmarked car when they encountered an incident in the making—a cabdriver was refusing to accept a passenger unless he raised his sports shirt to show that he wasn't carrying a gun. The prospective passenger—he proved to be a robber and rapist—was high on pills and angry. He refused to raise his shirt. Green and Clerke got out of their car to investigate.

Says Green: "Cops' instinct told me this guy was dangerous, but we have restrictions on use of our guns. We were 90 percent convinced that he was armed, but you have to be 100 percent sure—you can't start shooting just because somebody reaches under his shirt. He might just be trying to conceal narcotics. It was this hesitation under the rules that got us wounded. By the time we were sure that he had a gun, we already had bullets in us. Then we returned his fire, and we killed him. It was a very unpleasant thing to do."

Clerke suffered a serious wound in his left thigh. Green was the beneficiary of one of those lucky breaks. In his left shirt pocket, over the heart region, he carried a thick sheaf of pictures of wanted criminals. The bullet first creased his left hand and was deflected toward his chest. However, it first encountered the sheaf of pictures and almost completely spent its force.

"From that night on," says Green, "I've been carrying more wanted pictures than ever in that same pocket. Those guys in the pictures quite possibly saved my life."

In the story of most policemen, there's the quiet heroism of the wives—in this case two lovely women—who sweat out the hours after seeing the husband off to work, living with the dread of knowing that he may run into a situation that could cost him his life. Susan Clerke and Mary Jo Green are close friends and spend a lot of time together—in fact, they were together "the night the boys were shot," as they put it.

"NIGHT LONELINESS"

Says Susan, mother of a 5-year-old daughter, "Oh, sure, I worry about him, quite intensively. But it has become my way of living, and I just try to make sure that I don't communicate any of this worry to my little girl."

And Mary Jo Green, who has a 3-year-old son: "Gerry always tells me that nothing bad can happen to him but now I know that isn't true. It's possible that I can become a widow any night."

If you ask Susan or Mary Jo what makes them such good friends, they say without emotion: "We have so much in common. Night loneliness."

SHARE $1000 REWARD

Still, they have reaped a pleasant communion out of one aspect of police work. When Gerry Green was named Miami's "Policeman of the Year" and received a $1000 check as part of his reward, he insisted on splitting it with Walt Clerke. The money was spent just as young wives would like to spend it—the Greens and the Clerkes went on a Caribbean cruise.

Green and Clerke became cops through different routes. "When I was in college here in Florida," says Green, "I saw so many young guys going down the drain by way of narcotics, I decided to get on the good side of life before anything happened to me." Clerke tells you, "I inherited the job. My dad was on the police force in New York, an inspector, in fact, and when it came time to choose a career, I just followed in his footsteps."

The two cops usually work from 4 p.m. to midnight and in plain clothes. Capt. Phil Doherty, the man who assigned them together because he envisioned how well they would cooperate, says they are great in recognizing criminal patterns. A prime example—a report came in on a barroom robbery in a nearby county. Green and Clerke felt that the method of operation fitted some Miami-based robbers they knew. So they staked out the obvious roadway of return from the robbery scene and, sure enough, the robbers rode right into their hands. Quite surprised, too.

EXPLOSIVE MONEY

In their anti-robbery work, Green and Clerke use some sophisticated weapons. One of these—distributed quite generously to merchants—is what seems to be a package of money. In fact, it does have a real $5 bill on top. But, it is rigged so that five minutes after a robber makes off with it, it explodes with tear gas and red dye.

Says Clerke: "It's quite a shock to these poor guys when they learn what it's like to be caught red-handed."

THE 10 HEROIC POLICE RECEIVING HONORABLE MENTION

Detective Thomas Brown, Waterbury, Conn.: Detective Brown received a citation from President Nixon for an unusual rescue that he performed during a fire. While a wind-swept blaze was turning an old tenement into an inferno, Brown spied a woman screaming from a third-floor window. Since it was apparent she had no escape, Brown positioned himself below the window, called to her to jump, and caught her in his arms, saving her life.

Sgt. Lorraine Owsley, Anne Arundel County, Md.: A 10-year veteran on the force, Sgt. Owsley has performed in many fields of police work, but she's a specialist in child abuse cases, sex offenses against minors, domestic problems and prevention of delinquency. Because of her tact and ability to gain the trust of minors and women, she is frequently called in when off duty to help out in emergencies. She also often lectures on the subject of self-defense for women.

Deputy Sheriff Michael J. Curfman, Riverside County, Calif.: When students at Moreno Valley High School had a run-in with police, Curfman was disturbed both in general and because the school was his alma mater. Since he himself had been "anti-cop" in school, he felt he understood the root of the problem. On his own time, he went back to the campus, organized educational rap sessions, and was given credit for improving the student attitude toward good citizenship.

Officer Gary E. McGaughey, Minneapolis, Minn.: McGaughey was key figure in breaking up a kidnapping-prostitution ring that crossed the state line from Minneapolis to Madison, Wis. His diligence built a case that resulted in numerous arrests and convictions. However, he concentrated equally on rehabilitation, assisted by his wife, Elaine, who befriended many of the girls and helped them to a new start. Fellow officers characterize him as a "concerned cop."

Patrolman Gerald Brindell, St. Louis County, Mo.: A tenacious lawman, Patrolman Brindell encountered three robbers fleeing from a food shop. He pursued one into a drainage ditch. The robber pumped four bullets into him, but still Brindell kept going, even trying to climb a fence. When other police arrived, Brindell was clearheaded enough to give information leading to the capture of the trio. He needed massive blood transfusions to survive.

Patrolman Harry Solomon, Highland Park, Mich.: After tracing a robbery suspect to a house, Patrolman Solomon found the man was holding three small children as hostages, and threatening to kill them unless he was allowed to escape. Solomon kept his cool. He called through the door asking for a conference. The robber agreed on condition that the policeman discard his gun, Solomon agreed, entered unarmed, and was able to talk the man into surrender.

Capt. Lynn Rudolph, Kokomo, Ind.: Capt. Rudolph is a prime example of a specialist many law-enforcement agencies find indispensable these days—the narcotics expert. Widely in demand as a speaker all over his state, Rudolph has increased drug arrests fivefold in four years as head of a special investigation unit. Sometimes he goes underground to develop informants, and frequently poses as an ex-addict who kicked the habit.

Patrolman R. Spence Phillips, Ogden, Utah: Patrolman Phillips didn't have time to think things over when he arrived at the scene of an auto accident. A car had overturned in a drainage ditch. The driver was pinned inside with his head under water. Phillips waded in, squeezed through a partly opened window, supported the man's head until help arrived. As it turned out, the victim was a cop-hater, and afterwards called Phillips "a rotten pig."

Sgt. David H. Upchurch, Kentucky State Police: This dedicated officer has developed Trooper Island, a summer camp for underprivileged boys, from a facility for less than 50 to a point where it provides happy and healthful vacations for over 500 youngsters. The Kentucky State Police maintain it as a non-profit, charitable foundation. Sgt. Upchurch spends much of his own time traveling and speaking to raise funds to keep the camp operating.

Officer Ronald H. Cawthon, Dallas, Tex.: Because of his performance in fire rescues, gun battles, detective work and especially in training other officers, Ron Cawthon is described by his superiors as "head and shoulders above the average policeman." He has won a number of police honors in Dallas. His ability to impart his expertise to young officers has led to words of high praise for his pupils—they're called "Cawthon-trained men."

CAR POOLS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. HARRINGTON. Mr. Speaker, the Environmental Protection Agency estimates that if just 55,000 of the 300,000 Boston commuters formed car pools, the rider-per-car average at rush hour would rise from its current 1.1 persons to 1.5. This action alone would allow Boston to meet the Fedeal pollution rules scheduled to go into effect in 1977. No further action would be needed.

Acting on this idea, Boston radio station WBZ has begun a "commuter computer clubcar" designed to group commuters who live near each other and work the same hours, into a single carpool. Some 25,000 people have responded to WBZ's urgings and picked up "clubcar" applications. The radio station expects to have over a million applications handed out by mid-October.

The Wall Street Journal featured an article on September 19, 1973, concerning WBZ's efforts. I ask that the article be inserted in the RECORD for the information of my colleagues:

HERE'S A TERRIFIC IDEA FOR BEATING TRAFFIC: TRY FORMING CAR POOL—BOSTON RADIO STATION UPDATES AN OLD CONCEPT, MATCHING COMMUTERS WITH COMPUTERS

(By Thomas Ehrich)

BOSTON.—Mary Parker's workdays begin and end in a brutal 58-mile, four-lane, bumper-to-bumper mad rush along Route 128.

So the secretary signed up fast when radio station WBZ told her she could join a "commuter computer clubcar" to share the driving, save money and even have fun on her drive between her home in Plymouth and the Chevron oil office in Waltham where she works. "Maybe I won't be talking to myself all the time," says Mrs. Parker.

WBZ figures there are many, many traffic-weary Mary Parkers among the 300,000 commuters who clog the highways around Boston every rush hour—nearly all of them driving alone. So the station dusted off an old idea, the car pool, jazzed it up a bit and came up with a public-service promotion whose success so far has startled even WBZ and its parent Westinghouse Broadcasting Co.

Some 20,000 motorists have picked up "clubcar" applications at tunnel toll booths in the four weeks since WBZ announcers overcame their initial inability to say "commuter computer clubcar" quickly and began plugging it at least twice an hour. Another 5,800 commuters have written to the station for applications. Stores, restaurants and offices have begun handing out applications, and by mid-October, WBZ expects to have over a million applications in the hands of motorists.

LIKE COMPUTER DATING

The clubcar system works sort of like a computerized dating service. Those who fill out applications will be matched with other commuters who live nearby and work similar hours. Each applicant will receive up to 10 names of others making similar commutes, and it will be up to them to get together and form their own car pools.

Just how many people actually will pool their rush-hour tedium when the match-ups start going into the mail later this month is anyone's guess. But WBZ and its partner in the scheme, the regional ALA Auto & Travel Club (formerly the Automobile Legal Association) have high hopes—as do state and federal pollution agencies.

"We think car pools will become a basic mode of transportation" in the Boston area until planned mass-transit improvements are completed around 1978, says John McGlennon, who heads the regional Environmental Protection Agency office. The federal agency and the Massachusetts Department of Transportation have been toiling for months on a master plan to reduce auto traffic and cut pollution, and they had considered such drastic measures as banning cars from the city one day a week and closing some downtown parking lots. Just this month, Gov. Francis Sergeant unveiled a broad transit plan that relies heavily on car pools and may eventually include such inducements as special expressway lanes reserved for cars with more than one occupant.

The EPA figures that if just 55,000 Boston commuters formed car pools, the average rush-hour ridership woud rise to 1.5 persons a car from 1.1 currently. That alone would enable Boston to meet the federal pollution rules due to go into effect in 1977. We wouldn't have a need for any further transportation strategy," Mr. McGlennon asserts.

"We were there at the right time with the right idea," says Jerry Wishnow, WBZ's 29-year-old "director of creative services." We decided transportation was *the* issue this year." Last year WBZ's public-affairs promotion was a "Shape Up Boston" campaign for dieting, exercise and nutrition.

SYMBOL: A 1938 PONTIAC

Getting commuters into car pools won't be easy, as even the ebullient Mr. Wishnow concedes. "Car pools seem pedestrian," he says. Hence the name clubcar, which WBZ plugs as a "special place for friends to gather on the long ride to work. . . . Part of a forgotten era."

The clubcar symbol is a 1938 Pontiac touring car with a relaxed driver and with six passengers sipping coffee and chatting in the back. "It's a whole new way to get to work," promises a two-page ad in the regional edition of Time magazine. And on the air, personalities ranging from weatherman Don Kent to kiddie show host Rex Trailer hammer away at the theme "the best way to keep up with the Joneses is to ride in the same car."

The clubcar sponsors are working on other inducements, besides the $500 a year they estimate the average motorists can save by riding in a car pool of four persons. WBZ has visions of ultimately arranging free downtown shuttlebus service, reduced parking rates and even cut-rate shopping and free coffee for clubcar riders, plus a free phone service to give them how-to-get around Boston advice anytime of the day or night.

MARKETING AND TRANSPORTATION TRENDS

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. DENHOLM. Mr. Speaker, I recently addressed the Second Annual Convention of the Independent Truckers Association and because of the special order on transportation before the Congress today, I submit for the RECORD portions of my comments expressed on that occasion.

The marketing and transportation systems in America—and around the world, have been subjected to a frustration and stress during the last year unequaled in recorded times of Peace or War.

COMMERCE AND TRADE

A system of marketing can not exist without a viable structure and system of transportation.

Commerce is trade. Transportation is the wheels of trade. Commerce and trade are synonymous terms that are essential to the economy of America—between the States of this Union and in the community of nations of the world.

Never has a culture or society, perfected or primitive, existed without adequate food, fiber and shelter. The acquisition of the essential requirements of life is trade in one form or another—but there can not be trade or commerce without transportation—in one form or another. That is a truism of the past. It is a truism today—and it shall be a truism of tomorrow. Yet, we meet on this occasion with the knowledge that we live in a highly industrialized American society of the final decades of the 20th century—and with the realization that we remain "wedded" to principles of yesterday—that are now wholly inadequate in support of a viable transportation system of the future.

In the beginning 96 percent of the American population lived on the land—at or close to the source of production of essential food and fiber. By the turn of the 20th century about 50 percent of the people in this country were engaged in the great industrial revolution and 50 percent remained on the land, tamed the wilderness and farmed the last frontier.

Today, almost 96 percent of the total American population live in the industrialized urban centers and demand facilities of transportation for the essential delivery of all foods and fibers. Air, railway and water transit systems can not satisfy the current demands for transportation of food and fiber. The independent truckers are the connecting link from the source of production to millions of consumers.

Now, as never before, the motor carrier transport system forms a material part of the foundation of the economy of this Nation. Thousands of independent truckers will terminal before I complete my remarks today—and without the portal-to-portal truck deliveries there would be no bread, no cereal, no coffee, no milk or food of any kind on the breakfast tables of millions of Americans tomorrow morning. The responsibility of the independent truckers is an awesome task as an integral part of the national transportation system.

THE ROLE OF REGULATORY AGENCIES

Each common carrier for hire must qualify in procedural requirements prescribed for an era of the past—and too often each must operate pursuant to a limited authority absent of contemporary wisdom in maximized efficiency of comparative economic advantage because of outmoded principles of administrative policies imposed by regulatory agencies of the Federal and State governments.

The agencies of government, Federal and State, should represent the public interest and assure everyone in need a system of transportation founded upon convenience and necessity at tariff rates just and reasonable to the consignor but equitable and profitable to the carrier. I submit the regulatory agencies of Federal and State governments have substantially failed in every obligation of duty to the carriers, to the Government and to the public.

Rail transit carriers have for years been the backbone of ton-mileage cargo transportation in America. They have enjoyed the most favorable priorities of the long-haul carriers similar to the legal concept of first in time—first in right. As tariff rates have increased—rail service, by and large has decreased. As demand and freight on longhaul ton cargo per mile shipments has increased the solvency of many rail transit systems has deteriorated to economic collapse. The number of available boxcars are short of demand in every consignor station and the system is racked with obsolescence and in many instances total deterioration—but not a single agency of Government has sought a solution in the public interest.

The regulatory agencies have fixed tariff rates, limited authority of carriers and impeded commerce. A recent study of railway cargo movement supports the theory that the average boxcar is in a loaded transit status only 6 percent of the time. Most motor carriers understand the concept of imposed limitations of authority on backhaul freight movement. The motor carriers are far superior in efficiency but they are also subject to limitations of authority and tariff restrictions with many over-the-road carriers operating at 50 percent or less of capacity.

I operated my own class B carrier truck transport business for several years in interstate commerce after World War II. I maintained a record of about 30 percent efficiency—50 percent of the time without a backhaul plus 10 to 20 percent down time for repair, service and time logs.

The impact of Federal and State regulations conceived in the public interest have often resulted in converse consequences—an economic hardship on the carriers and increased freight costs to the shippers. Neither are in the public interest. The current crisis of the railway system is proof thereof. Many rail cargo systems are at the threshold of bankruptcy as shippers pay the costs of increased freight rates and services diminish on abandoned lines. But the real falacy of the "rate makers"—the regulatory agencies, is to equate ton-mileage services of the truck transport portal-to-portal systems, to the economic collapse of the rail transit system. Consequently, the marketing structure of a free competitive society reflects the dollar losses to the same shippers that pay the costs of a "messed-up" transit system across the country.

LEGISLATIVE RECORD

Among bills expected to receive prompt consideration by Congress are three measures that are all related to railroad transportation.

The Senate passed legislation (S. 2060) that is expected to receive early consideration by the House Commerce Committee provides up to $210 million for the continuance of Northeast rail service until a permanent solution can be found.

The Senate Commerce Committee is expected to promptly consider legislation (S. 2188) that provides for a study of the Interstate Commerce Commission with the help of an advisory council to seek a permanent solution to the problem within 12 months thereafter. That pending proposal also establishes a 4-month moratorium on all rail abandonments.

The Senate also passed and sent to the House Commerce Committee legislation (S. 1149) that provides funding to increase the supply of railroad rolling stock and to improve car utilization and maintain vital car ferry service and shore side facilities.

All of the pending legislation before the Congress concerns the inadequacy of the administration of the national rail transportation systems while truckers continue to be unnoticed in the quiet continuation of cargo transportation in the public interest. The United Transportation Union vigorously supports all of the pending legislation in the interest of railroads but it should not be unnoticed that 20 million trucks serving the national transportation need in more than 250 billion miles of cargo deliveries per year for a total of 422 billion ton miles of cargo in 1971 employs over 9 million persons overall with a total annual payroll of $72 billion and more than one-fourth of the Nation's total cargo movement compared to slightly more than one-third of the national share of transportation still retained by the railroads. Yet, there is no organized effort to support legislation in the interest of independent truckers across the country. The impact of the trucking industry on the national economy is vast. The motor vehicle and allied industries account for one-sixth of the gross national product of this country. Truckers paid an estimated $5.8 billion in Federal and State taxes last year. By any standard, the trucking industry as a whole is vigorous and healthy. It is the backbone of the national transportation industry with a prosperous economic future.

Other interesting legislation proposed included the Surface Transportation Act.

The Nation was confronted with the failure and insolvency of the railway industry and three major surface transportation industries, including rail, truck, and water carriers came together in a spirit of effective cooperation and agreed on a number of elements for legislative change and reform. It was significant that these three transportation giants had come together to jointly seek a solution to a growing national problem.

Out of the deliberations came a series of separate legislative reforms. The results of the combined effort were presented to Congress as a legislative proposal to be known as the Surface Transportation Act introduced in the 92d Congress.

The Commerce Committee in the House and Senate held hearings and the House Interstate and Foreign Commerce Committee head many witnesses including William A. Bresnahan, president of the American Trucking Association, who stated that:

> The enactment of the Surface Transportation Act would constitute the greatest bulwark against the most serious threat we have to a sound transportation system-nationalization.

Bresnahan told the committee that:

> The present system of economic regulation of transportation must be strengthened and improved. The different modes of transportation need greater financial stability and to have available to them the financial resources required for continued modernization and expansion.
>
> We believe the provisions of this Act will strengthen the transportation system of the country and place all forms of surface transportation in a better position to make the technological improvement and other capital investments that are vitally necessary if we are to meet the growing transportation needs of our economy.
>
> We have under private ownership the finest transportation system in the world. Groups of foreign representatives come to our shores in droves to study our system to find what makes it superior. The answer is simple; under fair and impartial regulation, in the public interest, we have maintained it within the private enterprise system.

However, the 92d Congress was a very busy one and for one reason or another this measure never became public law.

Mr. Speaker, we all know that under

the rules of the Congress at the close of a 2-year session all proposed legislation that is not enacted must be reintroduced in the next Congress and so, early this year, the Surface Transportation Act of 1973 was introduced again. It was identical to the bill which had been reported out of the Subcommittee on Transportation and Aeronautics of the House Interstate and Foreign Commerce Committee late in 1972.

The bill is intended to help the railroads, in a large degree, regain a viable financial stature but it does have elements for other surface modes of transportation.

The proposed legislation authorizes $3 billion in guaranteed loans—insured loans—for railroad rolling stock to finally do something about the boxcar shortage which has been occurring every year for longer than anyone can remember.

Another $2 billion in loan guarantees are provided for trucking companies and water carriers to help buy new equipment and improve plant facilities—and for railroads to use for capital investment in right-of-way signaling equipment and other facilities except rolling stock.

Some regulatory changes, including a prohibition on carriers from providing service below cost: a requirement that water carriers publish their rates on the transportation of bulk commodities as the railroads are required to do and to require the Interstate Commerce Commission to develop better procedures for determining adequate revenue levels for service carriers of all modes.

Further, the bill would prohibit State or local taxation of carrier property which is discriminatorily high compared to other industrial and commercial property in the tax district. It would also establish a better procedure for acting on abandonments of railroad branch lines including a provision for the State or local government to help make up the deficit for rendering railroad service to any of these branch lines they insist on retaining.

The proposed legislation would allow greater freedom for independent action by truckers as individual members of rate bureaus.

There are impressive provisions included in the proposed legislation. However, the Surface Transportation Act needs the attention of every segment of the transportation industry in the United States to protect the interest of the common carrier because most of the provisions of the proposal are addressed to the crises among railroads and in particular the eastern railroads, including the Penn Central railway system.

CONCLUSIONS AND RECOMMENDATIONS

The free competitive marketing structure in America depends directly upon the capacity of delivery of the national transportation systems. The delivery of commodities sold is an essential link of commerce and trade and without dependable, efficient, and prompt transportation there cannot be a free competitive system of marketing in this country or elsewhere in the world.

Independent truckers are the foundation of a national transportation system and without the motor carrier freight service of our time the national system of transportation would totally collapse. Trains of trucks and truck trailers are moving throughout the United States every hour of every day and every night—and without them there would be no bread, no cereal, no milk and no meat or food of any kind on the tables of millions of Americans tomorrow morning.

However, the independent truckers are the most licensed, the most regulated, the most taxed but yet the least represented in State legislatures and in the U.S. Congress of all interests in the industry of transportation.

Air, rail, and water transportation can not equal the portal-to-portal service rendered by motor carriers and no effective national system of transportation can be accomplished until all of the component parts are considered with equal emphasis on every geographical area of this country.

The Department of Transportation and the Amtrak program will be a failure until there is a total recognition and comprehensive analysis of the national transportation problems. The Amtrak excluded many of the upper midwestern States including South Dakota, and a national transit system must include all modes of transportation and every geographical area.

Too often the Interstate Commerce Commission—ICC—and State regulatory commissions have acted as police agencies of government in defining authority of independent carriers and as rate fixing agencies rather than assuring a total transportation system in the public interest. Future policies of Government must solicit the cooperation of all segments of the transportation industry in achieving uniformity of regulations affecting freight traffic.

Rates and tariffs must be commensurate with service in portal to portal deliveries and motor carrier cargo shipments should not be compared to old standards of rail transit traffic.

Agencies of government, Federal and State, must act in the interest of the people to assure the carriers, the Government and the shippers of a continuity of service at a reasonable cost.

There must be an effort to maximize efficiency of operation and productivity of the transportation system in America. The possibility of quasi-private and public regional warehouses must be evaluated to provide a continuity of a delivery system on a delivery line to allow for peak load and seasonal stress of the capacity for a continuous delivery system in production of a free and competitive marketing system.

The failure of the Federal and State governments to recognize the adverse effects of an inadequate transportation system is an invitation to foreign governments to enter our domestic systems of marketing and transportation. Countries such as Japan are now seeking alternatives to the uncertainty of our present system of marketing and transportation.

The future will demand the best of our combined efforts of private and public minded persons in seeking essential solutions to the problems that we are experiencing today.

I was in Europe and South America during the August recess of the Congress. I attempted to evaluate and study the marketing and transportation systems of other countries. I am convinced that America is first in production, marketing, and transportation of all commodities. I have observed the results of exporting capital and technology to all countries in Western Europe and in some of the countries of South America.

It is a commonly accepted practice for American investment and technology to invade the domestic economy of almost every foreign country in the world. However, it is a new experience for us to anticipate the invasion of foreign countries in our domestic marketing and transportation problems of America. However, if we fail to provide a continuity of service to our own people and between the States—and among the nations of the world, we should expect other countries to enter our systems of marketing and transportation in America. They will do so out of necessity and I have been informed that interested groups from foreign countries are considering that possibility at this time.

Therefore, in my judgment and based upon my experiences, I submit that we consider a total review of the function and performance of regulatory agencies. I am convinced that we must have uniformity of regulations in interstate traffic and a less complex but more reasonable regulatory system. We must recognize the benefits of new technology in cooperation for extensive intermodal transit systems in the national and public interest. We need a standardization of safety requirements, equipment dimensions, limitations of weight facilties and equipment and ever changing road tax consequences imposed upon interstate movement of a national freight transit system. We need regulatory agencies that act and operate in the public interest. That includes the interest of carriers as well as the interest of shippers. We need automated handling equipment, computor routing and radio communications to reduce loading and unloading delays and to insure "full load" efficiency of operation at all times.

There will be a continuing concern for environmental protection and we should recognize the changing economics of transportation as a result of the threshold of the current energy crisis. There will be a recognition of the lessening of competition in favor of cooperation and coordination in the national interest. The average revenue of trucks—that is the cost to the shipper has increased from 43.4 cents per vehicle mile in 1950 to 91.1 cents per mile in 1970. The revenue increases to the shipper are not unduly large in consideration of the increasing costs to the truckers. However, such increases are bound to have an important impact on shippers and the capacity of carriers to continue in business.

Manufacturing, nonmanufactured goods, retail and wholesale business cargo in all sectors of our economy are intimately interrelated and dependent upon a viable transportation system. Any impediment or stoppage seriously distorts the national economy. Recent examples of the disasterous results of monetary paralysis in one or more elements of the transportation system underscore the increasing interdependence of the total national transportation system.

Never since the invention of the wheel has a greater need existed for imaginative programs of marketing and transportation in our time and in the future. The time for action is now. We are at the threshold of a national crisis in transportation. We have the choice of alternatives—action or reaction. Let us act. An adequate and viable transportation system must not fail if a free competitive marketing structure is to prevail.

RESULTS OF LIBRARY OF CONGRESS REPORT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ASPIN. Mr. Speaker, I am publicly releasing today the results of a Library of Congress report which reveals that civilian grade creep since 1964 at the Pentagon is costing taxpayers approximately $430 million annually.

As many of my colleagues know, grade creep refers to the tendency of both the military and civil service to become continuously more topheavy.

This extra $430 million is the direct result of the civilian bureaucracy at the Pentagon becoming constantly more topheavy. The cost of grade creep is yet another example of how less and less of each dollar spent on defense is used to buy simple, austere weapons and more defense dollars are eaten up by topheavy bureaucracies. We can no longer afford to allow the Pentagon's bureaucracy to grow like wildfire—sucking up more and more of our defense dollars.

The Library of Congress report compares the fiscal year 1964 distribution of civil service ranks with the fiscal year 1972 grade structure. The total number of employees working on June 30, 1972, is used to arrive at the Library of Congress' estimate and all pay raises through September 1973 are added. In short, the report demonstrates the cost of a 1964 grade structure at today's employment level with recent pay increases would be nearly half a billion dollars lower.

The study does not include the 4.7 percent pay increase approved by President Nixon last week. This new pay increase would add approximately $16 million to the cost of grade creep for a total of $446 million.

According to the study, the number of DOD employees at the rank of GS-13 and above has increased from 8.19 percent in 1964 to 10.44 percent in 1972.

The Library said in its report that "these figures represent crude averages and only approximately the amount actually spent," but added that "according to our calculations * * * grade creep would account for an increase in the annual DOD civilian payroll of approximately $430 million since fiscal year 1964.

Mr. Speaker, I am not suggesting any decrease in pay for civil service employees, but I am merely protesting the tendency of the civilian bureaucracy to be laden with highly paid civil servants.

I am calling today upon Defense Secretary James Schlesinger to return to the 1964 grade structure. That seems to be one way to squeeze nearly half a billion dollars of fat out of the defense budget.

The Library's report follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 26, 1973.

To: Honorable Les Aspin.

From: Robert L. Goldich, Analyst in National Defense.

Via: Chief, Foreign Affairs Division.

Subject: Impact of "Grade Creep" on Department of Defense Civilian Pay.

This memorandum is provided in response to your request of September 17, 1973, for an analysis of the impact of "grade creep" on Department of Defense civilian pay. Mr. Broydrick indicated that he desired us to isolate the effect of grade creep in the DOD civilian workforce since FY 1964, by determining what total civilian pay would be if the present DOD civilian workforce were graded according to the FY 1964 grade distribution and paid on FY 1973 pay scales.

Using the most recent data, the attached tables contain computations of total pay of the FY 1972 DOD General Schedule (GS) total workforce based on FY 1972 and FY 1964 grade distributions, both according to the FY 1973 pay scale. *It must be emphasized that these figures represent crude averages and only approximate the amounts actually spent.* According to our computations, the FY 1972 DOD GS workforce, graded on FY 1972 scales and paid on FY 1973 scales, would produce a total payroll of $7.54 billion yearly. The same total number of employees, graded on FY 1964 scales and paid on FY 1973 scales, would produce a total annual payroll of $7.11 billion. According to our calculations, therefore, grade creep would account for an increase in the annual DOD civilian payroll of approximately $430 million since FY 1964.

PAY OF DEPARTMENT OF DEFENSE GENERAL SCHEDULE (GS) CIVILIAN EMPLOYEES GRADED ON FISCAL YEAR 1972 GRADE STRUCTURE AND PAID ACCORDING TO FISCAL YEAR 1973 PAY SCALES

Grade	Percentage of total GS employees[1]	Number in grade[2]	Pay[3]	Total pay of individuals in grade[4]
GS-1	0.40	2,427	$5,278	$12,809,706
GS-2	2.22	13,464	5,975	80,447,400
GS-3	8.50	51,643	6,740	348,073,820
GS-4	13.55	82,347	7,569	623,284,443
GS-5	13.25	80,557	8,465	681,915,005
GS-6	5.83	35,447	9,430	334,265,210
GS-7	8.93	54,299	10,471	568,564,829
GS-8	2.08	12,633	11,581	146,302,773
GS-9	11.61	70,599	12,775	901,902,225
GS-10	1.04	6,296	14,053	88,477,688
GS-11	12.08	73,401	15,394	1,129,934,994
GS-12	10.07	61,215	18,350	1,123,295,250
GS-13	6.63	40,323	21,671	873,839,733
GS-14	2.57	15,632	25,398	397,021,536
GS-15	1.08	6,539	29,589	193,482,471
GS-16	.13	815	34,323	27,973,245
GS-17	.02	157	36,000	5,652,000
GS-18	.01	56	36,000	2,016,000
Total				7,539,258,328

[1] As of June 30, 1972, Office of the Assistant Secretary of Defense (Comptroller), Directorate for Information Operations, Sept. 27, 1972.

[2] Ibid.

[3] Pay of 4th step of each grade as of Jan. 8, 1973 (current pay scales), defined by the Civil Service Commission as average step within grade for comparability purposes.

[4] Number in grade multiplied by pay.

PAY OF DEPARTMENT OF DEFENSE GENERAL SCHEDULE (GS) CIVILIAN EMPLOYEES GRADED ON FISCAL YEAR 1964 GRADE STRUCTURE AND PAID ACCORDING TO FISCAL YEAR 1973 PAY SCALES

Grade	Percentage of total GS employees[1]	Number in grade[2]	Pay[3]	Total pay of individuals in grade[4]
GS-1	0.09	547	5,278	$2,887,066
GS-2	1.96	11,913	5,975	71,180,175
GS-3	12.46	75,738	6,740	510,474,120
GS-4	16.99	103,274	7,569	781,680,906
GS-5	13.12	79,750	8,465	675,083,750
GS-6	5.41	32,885	9,430	310,105,550
GS-7	8.62	52,397	10,471	548,648,987
GS-8	1.37	8,328	11,581	96,446,568
GS-9	11.58	70,389	12,775	899,219,475
GS-10	1.09	6,626	14,053	93,115,178
GS-11	11.12	67,593	15,394	1,040,526,642
GS-12	8.00	48,628	18,350	892,323,800
GS-13	4.87	29,602	21,671	641,504,942
GS-14	2.26	13,737	25,398	356,310,306
GS-15	.94	5,714	29,589	169,071,546
GS-16	.09	547	34,323	18,774,681
GS-17	.02	122	36,000	4,392,000
GS-18	.01	61	36,000	2,196,000
Total				7,113,941,692

[1] As of June 30, 1964, Directorate for Statistical Services, Office of the Secretary of Defense, Oct. 22, 1964.

[2] The number of individuals in a DOD GS civilian employee force totaling 607,850—the overall end strength for fiscal year 1972—who would be in the grade noted if the fiscal year 1964 grade distribution was applied to the fiscal year 1972 force level. Numbers may not add to total due to rounding.

[3] Pay of 4th step of each grade as of Jan. 8, 1973 (current pay scales), defined by the Civil Service Commission as the average step within grade for comparability purposes.

[4] Number in grade multiplied by pay.

PUBLIC SECTOR UNIONS AND THE PUBLIC INTEREST

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. ASHBROOK. Mr. Speaker, on October 4 the Special Subcommittee on Labor will begin hearings on H.R, 8677 and H.R. 9730. These two bills would extend collective bargaining privileges to the public sector.

According to the declaration of purpose and policy set forth in H.R. 8677—

> Experience in both private and public employment indicates that the statutory protection of the right of employees to organize and bargain collectively safeguards the public interest and promotes the free and unobstructed flow of commerce among the States by removing certain recognized sources of strife and unrest.

However, it is extremely questionable whether public unions are in the public interest. In a position paper entitled "Public Sector Unions: The New 'Private Government,'" National Labor-Management Foundation, President S. Rayburn Watkins warns that there is a serious of public employee unions becoming a private government. Watkins believes that public sector unions would—

> Deny us government by the people—in effect, turning it over to private organizations unaccountable to the public that, through the mechanism of collective bargaining, are able to influence budgetary policy and government policies generally.

Watkins points out that public payrolls are rapidly increasing, with government expected to employ 20 percent of the Nation's work force within a few years. Unions could tap this vast reservoir of dues-paying members and use the funds for political action. Donald E. Morrison, immediate past president of the National Education Association—which is strongly supporting H.R. 8677—states flatly:

> I don't think our major power is in the strike; it is in political action. Teachers have power because they can elect; organized, they can be major power brokers.

As Watkins notes—

> The political ramifications of a very highly organized public sector work force of both teachers and State, county and municipal workers working hand-in-glove with their private sector counterparts is tremendous.

This danger is intensified by the fact that H.R. 8677 makes mandatory the compulsory "agency shop," whereby a nonunion employee must pay a fee to the union holding the exclusive representation contract for his unit, or lose his job. Compulsory unionism poses a serious danger to the public welfare in that union power and influence would increase both within a given Government agency itself and externally, through the political process.

As Watkins concludes:

> It is perhaps the supreme irony that the "private government" envisioned by union officials deeply immersed in public sector unionism will be financed by the American public itself. For it is the taxpayer who pays the salary from which the dues are deducted—either voluntarily or under some compulsory unionism arrangement—that in turn are used to finance the social, economic, and political schemes of union officialdom.

INTEREST RATES

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. McKINNEY. Mr. Speaker, there is no greater travesty we play on the American people and particularly on businessmen who are concerned by their problems than the passing of legislation which purports to do one thing and in fact, does nothing.

Today, in an emergency and I might say extraordinary session of the Banking and Currency Committee, in less than 5½ minutes with no printed bill before us, under suspension of rules, we passed and sent forth to the House of Representatives a bill which, in fact, does nothing.

This bill states that there will be a ceiling set on wild card savings certificates. In fact, it does just that. It does not state what the ceiling will be, at what level it should be placed, nor whether or not there should be a differential between savings and loan deposit interest rates and wild card certificate deposit interest rates. In other words if this ceiling is set too high, nothing will change for the homebuilding industry in this country. If the ceiling is set too low, then no money will go into the homebuilding in this country.

Therefore, it would seem to me, Mr. Speaker, that we today have played the most cruel of all frauds. The passage of this legislation will lift hopes high in the building and savings and loan industry and then just dash them to the ground because it in effect does nothing.

It would seem to me, Mr. Speaker, that this is one more example of Congress abrogating its responsibility to pass through conclusive legislation which will get to the problem at hand. The problem at hand is one of great simplicity. How do we get people to deposit money in savings and loan and other homebuilding loan instruments? The answer, rests somewhere in a redistribution of the interest rates across the board or in some type of tax incentive which will make this type of savings attractive.

Weeks and weeks of hearings have been held on this subject and what transpired today in committee was a 5-minute consideration of the credit crunch problem without any discussing of proposals presented to the committee to alleviate the causes of the problem.

Mr. Speaker, I personally will vote for this bill. Not because it is going to do anything, but because I am so utterly frustrated at the Banking and Currency Committee's complete abdication of its responsibility. I feel that a positive vote on this bill, no matter how bad it is, will at least express to the administration and to the Federal Reserve Board that homebuilding is one of the most important noninflationary aspects of the American economy. That the people of this country are not yet well housed and that in fact, when put on a proportional basis with the other nations of the world, are very poorly housed.

Mr. Speaker, I would hope that you and the rest of this Congress would not wait until the disillusionment of the response to this bill sets in across the Nation but instead, that we would move ahead to do what is our obvious responsibility, which is to come up with permanent across-the-board solutions to this problem and not delude the American public into believing that what we have done today is anything more than a symbolic action.

FEDERAL BUREAU OF PRISONS AND BEHAVIORAL MODIFICATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. RANGEL. Mr. Speaker, Project START, a behavioral modification program developed by the Federal Bureau of Prisons, has, since its inception in late 1972, come under a great deal of scrutiny and criticism. This program was designed to develop behavioral attitudinal changes in offenders who have not adjusted satisfactorily to the institutional settings and to provide care, custody, and correction of the long-term adult offender.

The goals of this program appear to be most admirable, but in reality, this program and others like it present a serious danger if they are permitted to continue without strict and constant supervision. Participants in Project START and outside observers have severely criticized not only the operation of this program, but the theory of behavioral modification as developed by the Bureau of Prisons. Incidents of cruel and unusual punishment have been reported against prisoners who refuse to cooperate.

But, what is more disturbing are the questions which have arisen as to the types of attitudes which programs such as this are trying to foster. By permitting the Bureau of Prisons, which has control over the present environment of several thousand men and women, not only to decide which attitudes, held by these people, are considered to be acceptable and which are not, but to engage in human experimentation aimed at developing the means to manipulate behavioral patterns, we are placing a great deal of responsibility in an agency whose performance record has proved it to be most undeserving of such trust.

It is imperative, therefore, that Congress be made aware of this situation in order that adequate safeguards be developed to correct abuses which have already been reported. It is with this in mind that I am enclosing an article by Mr. D. Wesley Brown on the Federal Bureau of Prison's trend towards behavior modification:

BEHAVIOR CONTROLS MENACE PRISON DISSENTERS

(By D. Wesley Brown)

A disquieting trend in U.S. prisons today is the accelerating proliferation of "behavior modification" programs. One such program is the START (Special Training and Rehabilitation Therapy) program at the Medical Center for Federal Prisoners, Springfield, Missouri. The program began in late 1972 and is scheduled to end on October 31, 1973, the opening date for the Bureau of Prisons' Behavioral Research Center in Butner, N.C

The Behavioral Research Center will house four behavior modification units of 40 prisoners each. Butner is near three major psychological research centers, and the Center will draw heavily on those resources.

ISOLATION

A primary feature of the START program is isolation. The program is housed in the outer extremity of one wing of the Medical Center. Any prisoner attempting to communicate with a START prisoner can be sent to Springfield's "hole."

The START unit is self-contained: prisoners eat, work, see visitors, and have recreation without ever leaving it. Prison professionals come to START instead of calling prisoners out. The START staff includes educational and recreational specialists, counselors, caseworkers, guards, and industrial supervisors. Thus, START is a little island where "treatment teams" can manipulate a prisoner's world. Fortunately, prisoners have regular correspondence and visiting privileges.

A SKINNER BOX

Within this extreme isolation, the prisoner's environment and privileges are manipulated to shape his behavior. Though his life cannot be controlled as minutely as that of a rate in a Skinner box, the similarities are striking. Dependent on a prisoner's behavior are such matters as how often he may shower and change his clothes, whether he may have reading matter, and whether he eats alone or with others. Every important factor of life is subject to manipulation.

"DO NOT PASS GO . . ."

When a person is placed in START, he spends nearly all his time in a bare cell. He eats there. He can shower and change clothes only twice a week. He has no commissary privileges. He is allowed out for recreation two hours each week. He can have no reading matter other than scriptures. Of the week's 168 hours, the new START prisoner is out of his cell for, at most, ten, and is always cut off from all other inmates. Small wonder that the atmosphere in START is extremely tense and guards fear the prisoners.

That is Level I. If, for a week or more, a prisoner behaves in ways the guards deem acceptable, he can move to Level II. There he may be allowed to eat with other prisoners, shower and change clothes three times weekly, and shave daily. He may also spend $5.00 per month at the commissary and be released for three hours' recreation weekly. He may also have a few books.

In Level II, the prisoner is assigned part-time work in the START industry (making sweeper brushes). In addition, the "treatment team . . . will set educational, social, and attitudinal goals . . . for the inmate and . . . [monitor] these goals" (START Syllabus).

In order to advance, the prisoner must steadily achieve goals the treatment team *sets for him,* and must ever, ever maintain good deportment. Language which a staff member considers abusive or threatening can mean demotion to Level I. "Do not pass GO, do not collect . . ."

If the prisoner "behaves" for six months or so, he may be promoted to Level III and more privileges. Then he may be transferred out of START. But there is no maximum stay in START, and the program is involuntary.

DISSENTERS, RESISTERS THREATENED

Prison officials maintain that behavior modification is used only on dangerous prisoners. The realities are more sinister. Indications are that behavior modification may be used to subdue prisoners who have resisted injustices. Political prisoners, including war resisters, may be its prime "beneficiaries."

The first seven people placed in START came from the hole at Marion, Ill. They had been in the hole for participating in a strike.

Another indication comes from the syllabus for the Butner programs: "The behavior modification units may attempt to develop programs for sub-groups of offenders, such as . . . minority groups [and] overly passive follower types." War resisters are nearly always considered "overly passive."

A third indication is contained in Federal Bureau of Prisons Policy Statement #7300.128, which prescribes criteria for selection of inmates for START: "[Inmates who] will have shown repeated inability to adjust to regular institutional Programs . . . [or are] resistive to authority."

Orientation material for prisoners stresses that START "is designed to assist you in changing your current way of living within the Federal prison system." It seems clear, however, that START is intended to result in smoother administration. The purpose is to reshape members of minority groups (from what to what?) and overly passive follower types (who follow the wrong leaders?). It is to produce people who will adjust to institutional programs (no matter how repressive, unjust, or vacuous?) and who will accept authority (no matter how arbitrary?).

The primary responsibility of prison administrators is to control The START program, into which difficult prisoners are placed involuntarily, is merely a more sophisticated form of control.

Prisoners in START have already made their objections clear. The first three assigned there went on a 65-day hunger strike. Another prisoner has filed suit in federal court, objecting to the involuntary nature of the program. ACLU's National Prison Project has also filed a suit, and the Federal Bureau of Prisons has received many letters of protest.

But START goes on. Butner will open in the fall, and behavior modification programs continue to proliferate in our nation's prisons.

INVENTORY OF MINERAL FUEL RESERVES

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 2, 1973

Mr. FRENZEL. Mr. Speaker, today, with 23 cosponsors I am reintroducing H.R. 9740, which directs the Secretary of the Interior to both compile and maintain an inventory of mineral fuel reserves on public lands. The Secretary is directed to make these reports and inventories available to the public under current law, the Interior Department has the primary responsibility both for administering and regulating the useage of our public lands. Yet the Department lacks both the manpower and the money to determine the extent of our existing mineral fuel reserves.

In attempting to regulate and develop our natural resources Interior must rely on information supplied to it by private corporations. Such data, regarding public lands, may be incomplete or inaccurate. At present these public areas provide one third of our natural gas, one fourth to one half of our future coal reserves and almost half of our uranium ore.

In recent months some serious questions have been raised as to the reliability of industry estimates. Objectives, accurate and complete data is absolutely essential as a foundation for a national energy policy in this time of crisis.

A text of the bill and cosponsors is included.

Cosponsors of H.R. 9740 are Representatives BREAUX, BERGLAND, BROWN of California, EVANS of Colorado, FRELINGHUYSEN, GILMAN, GUDE, HARRINGTON, KEMP, LEN MCKINNEY, NELSEN, OBEY, RANGEL, REES, REGULA, ROE, SCHNEEBELI, SEIBERLING, STARK, VEYSEY, WILLIAMS, and ZWACH.

The text of H.R. 9740 follows:

H.R. 9740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior shall compile, maintain, and keep current on not less than an annual basis an inventory of all mineral fuel reserves containing hydrocarbons (oil, natural gas, coal) and uranium in the public domain lands of the United States (including the Outer Continental Shelf), together with other natural resources determined by the Secretary of the Interior to be an energy source or to have potential as such a source.

(b) Such inventory shall be compiled, maintained, and kept current on the basis of the Secretary's best estimates and, to the utmost extent practicable, on the basis of on-site geological and engineering testing conducted by personnel of the Department of the Interior. Such inventory shall be completed on or before the expiration of the eighteen-month period immediately following the date on which funds are appropriated, by an act of Congress, for this purpose.

(c) On or before the expiration of the twenty-month period immediately following the date on which funds are appropriated, by an act of Congress, for this purpose, the Secretary of the Interior shall submit a report to the Congress concerning the carrying out of his duties under this Act, together with a copy of such initial inventory so compiled, and shall thereafter, on not less than an annual basis, submit a report to the Congress concerning the carrying out of such duties and shall include as a part of each such report a copy of the current such inventory so compiled for the period covered by such report. All such reports and inventories shall be made available to the public by the Secretary of the Interior in accordance with rules and regulations prescribed by the Secretary.

SEC. 2. There are authorized to be appropriated to the Department of the Interior such sums as may be necessary to carry out the provisions of this Act.

CABINET COMMITTEE FOR SPANISH-SPEAKING AMERICANS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 1, 1973

Mr. RAILSBACK. Mr. Speaker, for years members of the Spanish-speaking community in the United States—who now number around 10 million citizens—were without a voice in the Government. Federal agencies and departments remained ignorant of the pressing needs of the Spanish-speaking and Spanish-surnamed Americans. Disadvantaged members of this community, struggling outside the mainstream of economic opportunity, were both unaware of and isolated from existing Government programs which could offer them some measure of relief.

For the past 5 years, fortunately, Spanish-speaking and Spanish-surnamed Americans have had a spokesman within the Federal Government—an articulate and compassionate ombudsman, attuned to the specific problems and frustrations facing our Nation's second largest minority. This voice has come from the Cabinet Committee on Opportunities for Spanish-Speaking People. Since its inception, the committee has made progress in the areas of educational attainment, labor force participation, employment, and median income. However, there is clearly much more that remains to be done.

For those of us who take pride in a responsive and responsible governmental process, we believe in reaffirming our commitment to all American citizens. Yesterday, the House failed—two-thirds of the Members not voting in the affirmative—to suspend the rules and pass H.R. 10397, legislation that provides for an extension of the valuable Cabinet Committee. As a cosponsor of this particular bill, I was very disappointed by the House vote. Hopefully, we will now send the bill through the regular legislative process—that is, the Rules Committee will review it and grant a rule—and it will be again considered by the full House membership. Although a two-thirds vote did not occur yesterday, it is of some encouragement that the majority of my colleagues did vote in support of H.R. 10397. We certainly must reaffirm this Nation's commitment to the full participation of her Spanish-speaking citizens in all aspects of American life, and I hope this can be done immediately.

SENATE—*Wednesday, October 3, 1973*

The Senate met at 10 a.m. and was called to order by Hon. Lawton Chiles, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, our Guard and Guide, we know not what a day may bring, what hurt to the body or what harm to the soul. We only know that none can escape the tests and crisis of life. Some emerge bitter and cynical, crushed and heartless, some more kind, more gentle, more like the Master, crowned with thorns but crowned, made ready for higher service. As we open our minds and hearts to Thee, grant us grace to be ready for every exigency—disappointment or fulfillment, defeat or victory, sorrow or joy. O Thou Ruler of men and nations give us clean hands and pure hearts to walk worthy of our high calling.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., October 3, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Lawton Chiles, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. CHILES thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, October 2, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, will the distinguished majority leader yield for a question?

Mr. MANSFIELD. Yes, indeed.

Mr. HARRY F. BYRD, JR. Is it the intention of the leadership to call up the HEW appropriation bill tomorrow?

Mr. MANSFIELD. Yes.

Mr. HARRY F. BYRD, JR. I should like to point out that the committee report is not yet available and I would hope that Senators would have the opportunity to get the committee report and have some time to study it before the appropriation bill is called up.

Mr. MANSFIELD. We will see to it that the committee report is sent to the Senator's office as soon as possible.

Mr. HARRY F. BYRD, JR. I thank the Senator from Montana very much.

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent to be absent from the Senate on official business beginning at 5 p.m. this afternoon and through the remainder of the week.

The PRESIDING OFFICER (Mr. Helms). Without objection, it is so ordered.

LEGISLATIVE PROGRESS

Mr. HUGH SCOTT. Mr. President, it is the middle of the week, and the Senate is long past the middle of its annual endeavors. The Senate is actually ahead of the other body in the amount of grain we have turned into flour and passed on to the population in the form of pasta.

There are certain important appropriation bills which are not moving with preferred celerity in the other body as yet. I do not say that critically. Nothing I say here is said critically of the other body. Yet I would hope that we could get these things done.

While Congress has not passed a number of measures which the President has asked for and which he still asks for and would like very much to have, the Senate has, nevertheless, passed a number of those measures on its behalf and has passed a good deal of other legislation, much of which is good, some of which is neutral, and we hope and pray that not too much of it will be harmful.

But the country is always the beneficiary and its health is better when Congress is out of session. Our greatest obligation, I think, to the people is to go home, and to go home as soon as it is feasible to do so.

Thus, I would hope that with every kind expression in the world, the other body would enable us to have those critical elements of the legislative process soon enough so that this body can wrap up its affairs and go home to its annual accounting to the people, make our explanations, our advocacy and, if necessary, our apologies and gird ourselves for next year's session.

So I hope these things may be done. We here are ready to dispose of a number of matters if the other body will send them over. That is the reason why I make this comment at this time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. Yes, I yield.

Mr. MANSFIELD. I hope to have an opportunity to discuss this matter further with the distinguished Republican leader this afternoon.

Mr. HUGH SCOTT. I understand.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma is recognized for not to exceed 15 minutes.

(The remarks Senator Bellmon made at this point on the introduction of S. 2522, the Livestock Export Health and Safety Act of 1973, are printed in the Routine Morning Business Section of the Record under Statements on Introduced Bills and Joint Resolutions.)

QUORUM CALL

Mr. BELLMON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 3 minutes.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Chiles) laid before the Senate the following letters, which were referred as indicated:

Report of the National Aeronautics and Space Administration

A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report concerning grants in which title to equipment was vested pursuant to 42 U.S.C. 1892 (with an accompanying report). Referred to the Committee on Aeronautical and Space Sciences.

Report of the Indian Claims Commission

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report on the final determinations in the cases of the Mohave Indians Who Are Members of the Colorado River Indian Tribes, and the Mohave Tribe of Indians of Arizona, California and Nevada (with accompanying papers). Referred to the Committee on Appropriations.

Report of the Director of Selective Service

A letter from the Director of Selective Service transmitting, pursuant to law, his semiannual report covering the period January 1–

June 30, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Report of the Department of Defense

A letter from the Acting Assistant Secretary of Defense transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms for July 1972–June 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation by the Secretary of the Treasury

A letter from the Assistant Secretary of the Treasury transmitting a draft of proposed legislation to provide an exemption from the restrictions of the trademark laws (with accompanying papers. Referring to the Committee on Finance.

Annual Environmental Quality Report

A letter from the Chairman of the Council on Environmental Quality transmitting, pursuant to law, the fourth annual report of the Council on Environmental Quality (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

Report of the Bureau of Land Management

A letter from the Director of the Bureau of Land Management transmitting, pursuant to law, a report of negotiated sales contracts for disposal of materials during the period January 1 through June 30, 1973 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation by the Attorney General

A letter from the Attorney General of the United States transmitting a draft of proposed legislation to establish a working capital fund in the Department of Justice to provide certain service functions on a consolidated basis (with accompanying papers). Referred to the Committee on the Judiciary.

Report of the National Commission on Materials Policy

A letter from the Executive Director of the National Commission on Materials Policy transmitting, pursuant to law, a report entitled "Material Needs and the Environment Today and Tomorrow" (with an accompanying report). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Chiles):

An order from the city council of Gloucester, Mass., in support of S. 1988 relative to the extension of U.S. fisheries jurisdiction to the 200-mile limit. Referred to the Committee on Commerce.

PRESENTATION OF A PETITION

Mr. HUMPHREY. Mr. President, I present a petition from members of the House of Representatives of the State of Minnesota, calling upon Congress to support legislation which will protect the private pension rights of workers.

Recently, it was my privilege to meet with a delegation of these State representatives, when we discussed the vitally important legislation passed by the Senate, the Retirement Income Security for Employees Act. I believe this petition underscores the necessity for enactment of this legislation without delay.

I ask unanimous consent, Mr. President, that this petition be printed in the Record and referred to the Senate Committee on Labor and Public Welfare.

The ACTING PRESIDENT pro tempore (Mr. Chiles). Without objection, it is so ordered.

The petition presented by Mr. Humphrey and referred to the Committee on Labor and Public Welfare, reads as follows:

A House Petition

We, the following members of the House of Representatives of the State of Minnesota, appeal to all members of the United States Congress to support legislation which will protect the private pension rights of workers. Among the measures we see as necessary are:

(1) the establishment of mandatory vesting after a limited number of years,

(2) requiring plans to be fully funded as rapidly as possible,

(3) the protection of employee benefits through re-insuring any unfunded liabilities.

(4) requiring pension plans to transfer employee credits from one fund to another as the employee moves from job to job, thus ensuring the portability of pension credits, and

(5) the expansion of present disclosures requirements and fiduciary standards. In addition, we request that Congress not pre-empt the entire field of pension legislation but rather, that the states be allowed to adopt legislation to complement federal standards.

(Signed by 91 Members).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, without amendment:

S. 2491. A bill to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains (Rept. No. 93–420).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S.J. Res. 99. A joint resolution to authorize the President to designate the period from March 3, 1974, through March 9, 1974, as "National Nutrition Week" (Rept. No. 93–416).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

H.R. 7352. A bill to amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners (Rept. No. 93–418).

By Mr. BURDICK, from the Committee on the Judiciary, with an amendment:

S. 798. A bill to reduce recidivism by providing community-centered programs of supervision and services for persons charged with offenses against the United States, and for other purposes (Rept. No. 93–417).

By Mr. BURDICK, from the Committee on the Judiciary, with amendments:

S. 1064. A bill to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualifications (Rept. No. 93–419).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. 2399. A bill to amend title 44, United States Code, to provide immunity for the Government Printing Office, the Public Printer, and other officers and employees of the Office (Rept. No. 93–421);

S.J. Res. 155. A joint resolution authorizing the securing of storage space for the U.S. Senate, the U.S. House of Representatives, and the Office of the Architect of the Capitol (Rept. No. 93–422);

S. Con. Res. 47. A concurrent resolution authorizing the printing of additional copies of a report of the Senate Special Committee on the Termination of the National Emergency (Rept. No. 93–423);

S. Con. Res. 49. An original concurrent resolution authorizing the printing of the prayers of the Chaplain of the Senate during the 92d Congress as a Senate document (Rept. No. 93–424);

S. Res. 163. A resolution authorizing the printing of the report entitled "The Cost of Clean Air," as a Senate document (Rept. No. 93–425); and

S. Res. 177. An original resolution to pay a gratuity to Nancy O. Vail.

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 7699. A bill to provide for the filing of vacancies in the legislature of the Virgin Islands (Rept. No. 93–427).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1871. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92–597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps, and for other purposes (Rept. No. 93–426).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

John R. Bartels, Jr., of New York, to be Administrator of Drug Enforcement;

William R. Burkett, of Oklahoma, to be U.S. attorney for the western district of Oklahoma;

Frank M. Dulan, of New York, to be U.S. marshal for the northern district of New York;

Floyd Eugene Carrier, of Oklahoma, to be U.S. marshal for the western district of Oklahoma;

Christian Hansen, Jr., of Vermont, to be U.S. marshal for the district of Vermont;

Harold S. Fountain, of Alabama, to be U.S. marshal for the southern district of Alabama;

Charles S. Guy, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania;

Melvin A. Hove, of Iowa, to be U.S. marshal for the northern district of Iowa;

Isaac George Hylton, of Virginia, to be U.S. marshal for the eastern district of Virginia;

Thomas P. McNamara, of North Carolina, to be U.S. attorney for the eastern district of North Carolina;

J. Pat Madrid, of Arizona, to be U.S. marshal for the district of Arizona;

William L. Martin, Jr., of Georgia, to be U.S. marshal for the middle district of Georgia;

Dean C. Smith, of Washington, to be U.S. attorney for the eastern district of Washington;

John W. Stokes, Jr., of Georgia, to be U.S. attorney for the northern district of Georgia;

James M. Sullivan, Jr., of New York, to be U.S. attorney for the northern district of New York;

Richard Van Thomas, of Wyoming, to be U.S. attorney for the district of Wyoming;

Richard L. Thornburgh, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania;

Charles S. White-Spunner, Jr., of Alabama, to be U.S. attorney for the southern district of Alabama;

Marvin G. Washington, of Michigan, to be U.S. marshal for the western district of Michigan;

Robert G. Wagner, of Ohio, to be U.S. marshal for the northern district of Ohio; and

Charles R. Wilcox, of Wyoming, to be U.S. marshal for the district of Wyoming.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Allen Sharp, of Indiana, to be a U.S. district judge for the northern district of Indiana.

By Mr. LONG, from the Committee on Finance:

Meade Whitaker, of Alabama, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service);

James B. Rhinelander, of Virginia, to be General Counsel in the Department of Health, Education, and Welfare;

James B. Cardwell, of Maryland, to be Commissioner of Social Security of the Department of Health, Education, and Welfare;

Goodwin Chase, of Washington, to be a member of the Renegotiation Board.

Norman B. Houston, of Virginia, to be a member of the Renegotiation Board; and

The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, October 3, 1973, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 160) to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BELLMON:

S. 2522. A bill to extend the application of the Act of March 3, 1891, relating to accommodations for the export of animals by vessels, to aircraft and other means of conveyance, and for other purposes. Referred, by unanimous consent, to the Committee on Agriculture and Forestry.

By Mr. STAFFORD:

S. 2523. A bill to amend chapter 34 of title 38, United States Code, to make eligible for educational assistance under such chapter certain persons who serve on active duty a total of more than 180 days in any calendar year. Referred to the Committee on Veterans' Affairs.

By Mr. TUNNEY:

S. 2524. A bill to amend the Economic Stabilization Act of 1970 to provide effective consumer remedies for retail price violations. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 2525. A bill to require the Secretary of Commerce to prepare and transmit to the Congress periodic reports on export levels, domestic supplies, domestic demand, and prices of certain commodities, and to require the Comptroller General of the United States to analyze and evaluate those reports. Referred to the Committee on Commerce.

By Mr. SAXBE:

S. 2526. A bill to provide for the formulation of a plan for the consolidation of all common carriers by railroad in the United States into one private corporation. Referred to the Committee on Commerce.

By Mr. MONTOYA:

S. 2527. A bill to provide for the construction of a Veterans' Administration hospital in the city of Albuquerque, N. Mex. Referred to the Committee on Veterans' Affairs.

By Mr. MONDALE (for himself, Mr. Bentsen, Mr. Javits, Mr. Packwood, Mr. Abourezk, Mr. Bayh, Mr. Burdick, Mr. Case, Mr. Chiles, Mr. Clark, Mr. Cook, Mr. Cranston, Mr. Eagleton, Mr. Hart, Mr. Hatfield, Mr. Huddleston, Mr. Hughes, Mr. Humphrey, Mr. Jackson, Mr. Kennedy, Mr. Mathias, Mr. McGee, Mr. McIntyre, Mr. Metcalf, Mr. Moss, Mr. Nelson, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Roth, Mr. Schweiker, Mr. Hugh Scott, Mr. Stafford, Mr. Stevenson, Mr. Tunney, and Mr. Williams):

S. 2528. A bill to amend the Social Security Act to provide the States with maximum flexibility in their programs of social services under the public assistance titles of that act. Referred to the Committee on Finance.

By Mr. MATHIAS:

S. 2529. A bill for the relief of Angela Rosas Cruz. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. Cook):

S. 2530. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the removal or rendering inoperative of safety related equipment in compliance with motor vehicle safety standards. Referred to the Committee on Commerce.

By Mr. GURNEY (for himself and Mr. Chiles):

S. 2531. A bill to amend title II of the Water Pollution Control Act Amendments of 1972 (Public Law 92,500). Referred to the Committee on Public Works.

By Mr. MOSS:

S. 2532. A bill to amend the Federal Power Act to promote conservation, reduce wastage, and attain greater efficiency in the generation of electrical energy, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BELLMON:

S. 2522. A bill to extend the application of the act of March 3, 1891, relating to accommodations for the export of animals by vessels, to aircraft and other means of conveyance, and for other purposes. Referred, by unanimous consent, to the Committee on Agriculture and Forestry.

LIVESTOCK EXPORT HEALTH AND SAFETY ACT OF 1973

Mr. BELLMON. Mr. President, during recent months, a new appreciation of the Nation's agricultural productive capacity has come into the American conscience. This is due to the fact that for the first time in our Nation's history, American consumers have been faced with shortages of certain food products. At the same time, we have seen our Government officials working actively to encourage production of agriculture commodities for export to help solve our balance of payment problems. This is a dramatic change from previously followed governmental policies which have been generally designed to hold down the production of food and fiber to avoid unwanted surpluses.

Americans now realize that the American farmer, blessed as he is with some of the finest natural agriculture resources in the world, plus the finest agriculture technology anywhere, is able to compete successfully with food producers in any part of the globe.

There is general agreement that American agriculture can earn the foreign exchange the United States of America must have in order to buy oil and gas from abroad to cover the shortfall in energy supplies which we face currently and increasingly in the years ahead. For this reason, the development of export markets for American farm products is a matter of top national priority.

Mr. President, one of the most promising areas for the development of new agricultural exports lies in the area of live animal exports. This is true because of the growing world demand for high-quality protein and because many of the older, more densely populated areas, where protein demand is greatest, do not have available the large amounts of land necessary to support of livestock breeding herds. At the same time, the capacity for expansion of American livestock breeding herds is huge. By use of fertilizer and irrigation, by improving grazing lands with better varieties of grasses, by brush and weed control, and through the use of crop residues for forage, our cattle breeding herds can be enormously increased. However, this increase makes no sense unless markets for the animals can be developed.

In countries like Italy, Greece, and Japan, potential markets for literally millions of American feeder cattle and swine already exist. Similar demand is developing in other countries. The Italians and Japanese prefer to import lightweight feeder cattle to be grown out and fattened by local farmers on domestically produced grain and forage supplemented by certain imported feed stuffs, rather than to import processed beef.

Because of this large demand for American feeder cattle a new industry is rapidly developing. I refer to the air transport of live animals. With the development of larger aircraft with greater ranges, it is now economic to fly planeloads of feeder cattle and feeder pigs from producing areas in the United States to foreign countries where these animals are in demand.

Unfortunately, experiences with the air transport of live animals have not been universally successful. The reason is that under present conditions there exists no authority for the U.S. Department of Agriculture or any other Government agency to set animal health and safety standards or to supervise adequately the air transportation of livestock.

Mr. President, I have before me a report from the USDA dated July 24, 1973, relating to losses incurred in the air transport of livestock. This report cites several cases where a large percentage of animals died or were permanently injured because of improper handling during loading or air transport. I ask unanimous consent that these reports be made a part of the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BELLMON. Mr. President, I rise today to introduce legislation which is intended to avoid these kinds of tragedies in the future. The bill is brief. I ask unanimous consent that it be printed in full in the Record at the end of my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BELLMON. So what the cattle producers face is a very uncertain future. Certainly there is a need to develop new markets in order to avoid a disastrous collapse in cattle prices in the months and years ahead.

Mr. President, I recognize that in this day of high food prices to the American consumer, the subject of exporting U.S. livestock abroad can be questioned as to its timeliness. I would call the attention of the Senate to the fact that cattle prices in this country are down 30–40 percent in the last 4 weeks and that cattle numbers are up 7 percent while beef consumption per capita is down.

The fact is that the export of live feeder animals offers an important new market for American producers as production exceeds domestic needs. However, since this is a relatively new field of commerce, unless the serious problems relating to the health and survival of animals being shipped by air are solved, this potential market can never be fully developed.

Mr. President, it is important to assure the American exporter and the purchaser abroad that livestock being exported from this country will be properly handled, both on the ground and in the air, so that the animals will arrive alive and in good condition at the intended destination.

Yet, Mr. President, at present an alarming rate of death losses due to inadequate transportation practices has caused great concern. Obviously, there is a need for legislation in this area where presently there is little authority for establishment of humane or health standards for live animals.

The incidents covered by the reports I am inserting in the Record are only a few of the cases reported. Many times it seems that pure negligence was involved. I personally participated in and witnessed the handling and transporting of animals by air for shipment abroad and under extreme conditions, and I can attest that if a conscientious effort is made by the exporter and the air carrier, these kinds of death losses and injuries definitely need not occur. I refer to a pilot shipment of feeder calves to Korea. These animals encountered many difficulties en route and were airborne for longer than such shipments should require, yet every animal arrived in excellent condition.

This was due to the fact that the shipment was supervised by the USDA and due to the fact that the animals were handled by an experienced crew that had available the proper equipment and the proper type of aircraft.

The problems relating to air transport of live animals have been discussed with many exporters and carriers. There is general agreement that regulations and standards need to be established by a proper Government agency. Reports from the U.S. Department of Agriculture clearly show the incidence of animal losses have not decreased and perhaps have even accelerated because of a lack of understanding of the problems related to the handling and transportation of live animals by air.

Some may wonder why we use airplanes for shipping animals rather than shipping them by surface. Experience has shown that animals, particularly young animals, do not thrive when they are shipped by surface and that the survival of these animals is much higher when they are properly handled and shipped by air, even though the costs may be slightly greater for air shipment than by surface. The surface shipment of young, live animals has been tried unsuccessfully for many years, and it is only with the development of larger aircraft that can handle these relatively heavy cargoes at relatively less expense that the commerce in live animals between producers in this country and purchasers abroad has begun to take on major proportions.

Mr. President, the Livestock Export Health and Safety Act of 1973 is being introduced as an amendment to the March 3, 1891 act, which will give the authority to the U.S. Department of Agriculture to assure that livestock destined for export will be transported in a humane and safe manner. Since this legislation concerns the USDA and relates to a strictly agricultural problem, I ask unanimous consent that the bill be referred to the Committee on Agriculture and Forestry.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BELLMON. This act broadens USDA jurisdiction to include air transportation and calls for the establishment of regulations and standards for the construction and maintenance of facilities both on the ground and in the air which are utilized in the process of livestock exporting. It also provides for the establishment of Federal export processing centers whereby the Secretary of Agriculture will assure that all necessary functions with regard to health, handling, processing and transporting of livestock will be properly carried out.

Mr. President, it is unfortunate that the dismal performance of recent months has brought about the need for Federal involvement in this problem. Yet, I see no alternative. Aside from the humaneness standpoint, the ever-increasing incidents of death loss and injury to live animals which need not occur places in jeopardy our valuable export markets which are being developed and which can become a major factor in this Nation's agricultural economy.

EXHIBIT 1

U.S. DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 24, 1973.

Hon. HENRY L. BELLMON,
U.S. Senate

DEAR SENATOR BELLMON: This is in response to your telephone request for a short description of several export livestock shipments transported by air where losses occurred.

1. On May 3, 1970, 307 young calves were loaded in Boston, Massachusetts, for export to Greece. Everything went wrong. The export veterinary inspections were made at a facility at Acushnet, Massachusetts, and the calves were trucked to the Boston Airport in double-decked trucks. One of the upper decks gave way, and a number of calves in the lower deck were killed or injured. Loading of the calves into containers (3-calf containers) was made in the open in cold, rainy weather. The airline had promised that loading would take place under cover but did not comply. A delay of 5 hours occurred at Frankfurt, Germany, where the crew left the plane with doors closed and no auxiliary ventilation provided. Upon unloading in Greece, 50 calves were dead and 20 more died in the next few days. The shipment was met by the Greek Minister of Agriculture and our Agricultural Attache. Our Washington office did not hear of this disaster for nearly a year, and while a report was requested from the airline, it has not materialized.

2. On February 7, 1973, 10 bred Holstein-Friesian heifers and 360 Holstein heifer calves, 3 months of age, were loaded on a DC8–63F at O'Hare International Airport, Chicago, Illinois, for export to Italy. Upon arrival in Milan, Italy, 47 of the calves were dead. According to the consignee and an Italian veterinarian, the animals apparently died from suffocation (lack of oxygen).

3. On July 2, 1973, 239 mixed Charolais bull calves, averaging 326 pounds, were loaded at St. Petersburg, Florida, on a Boeing 707 for export to Italy. Ten positions were double decked and three were single-decked pens. Loading the aircraft was not made in accordance with Department recommendations. Upon arrival for refueling at J. F. Kennedy International Airport, 54 head were dead, 2 were blind (thought to be due to brain damage from lack of oxygen), one had a broken leg, and 5 were down and unable to rise. Most of the animals that died were in the upper deck. It was reported (and later confirmed) that the air-conditioning ground unit attached to the aircraft broke down 2 hours before loading was completed. Upon arrival at JFK, the captain was annoyed and reported that something was wrong with the calves and that the temperature had reached 188° F. The balance of the calves was unloaded and placed in a paddock adjacent to the "Animalport" of the ASPCA with feed and water. In the evening, 175 head of calves were loaded and, according to our Agricultural Attache in Rome, arrived in Milan in good condition.

Sincerely,

J. M. HEJL,
Acting Deputy Administrator, Veterinary Services.

LOSSES IN AIR TRANSPORT OF LIVESTOCK

1. On July 2, 1968, 467 breeding swine were loaded at Chicago, Illinois, on an American Airlines 707 for delivery to J. F. Kennedy International Airport (JFK Airport) for transshipment to Romania. These swine were in 29 to 42 individual containers of varying size on each of 13 pallets. The swine were accompanied by a U.S. Department of Agriculture veterinarian and arrived at JFK Airport at about noon. Some heat buildup was noted, and the flight engineer reported that one of the two freon units was not operating. The

animals were unloaded and placed in a cargo building awaiting transshipment. Two swine were found dead after unloading. In the evening, the pallets were loaded on an Air France 707 flight which left the cargo area at midnight. A representative of the exporter accompanied the flight from New York to Romania and upon his return, reported the following: "Take-off was delayed 1 hour during which time the heat in the cockpit was almost unbearable. Upon unloading in Romania, 99 head were dead. Romanian veterinarians, who conducted the post-mortem examinations, reported death from asphyxiation." It seems obvious, although it cannot be confirmed, that the swine died at the JFK Airport during the delay before take-off.

2. On December 10, 1971, a syndicated thoroughbred horse was to be shipped on a DC8–63F from the John F. Kennedy International Airport to Shannon, Ireland for breeding purposes. The horse, "Never Bow," was reported to be valued at $500,000. The horse would not walk into a regular horse stall (open top); so it was backed in. The horse stall was moved to a pallet transporter and loading began. The stall would not clear the cargo door, so it was moved away from the door about 3 feet. The horse then reared up and got both legs out of the container. Two grooms were able to get one leg back into the container before the horse again reared up and got his body half way out of the container and fell to the ground, hitting a ladder on the way down. The horse struggled to get up but could not rise. After a 1½ hour delay, an ambulance from the Aqueduct Race Track and the race track veterinarian arrived, and the horse was moved to the race track hospital. Upon further examination, the horse was found to have a completely shattered right shoulder blade and a puncture wound in his side. A decision was made to have the horse destroyed, and this was completed in the evening.

3. On January 8, 1972, 527 head of swine shipped by Illinois Produce International, Bloomington, Illinois, were loaded aboard a DC8–63F at Chicago, Illinois, for exportation to South Vietnam. Upon arrival at Anchorage, Alaska, about 25 head were dead, and at least 50 more exhibited severe distress. Airline personnel immediately opened all doors, and improvement in the condition of most of the swine was noted. Unloading was not considered as the ramp temperature was below zero. Upon arrival in Saigon, South Viet Nam, 84 head were found dead, and 20 head more died soon after unloading. Cause of losses was thought to be use of calf containers (used previously for a feeder calf shipment to Korea) which did not permit proper air circulation.

4. On January 21, 1972, 77 Hereford heifers and 2 bulls were loaded on a Boeing 707 at San Francisco, California, for export to Japan. The animals were placed 5 to 6 head in a palletized container, the sides of which were 5 feet high. Only the top of each container, which was a foot higher than the heifers loaded, was open for ventilation. When the cargo door was opened for a refueling stop in Anchorage, Alaska, steam rushed out into sub-zero air outside. Water was dripping from the ceiling of the plane. When a rear door was opened, the cattle were perspiring heavily and showing respiratory distress (mouth breathing). Upon arrival in Tokyo, Japan, a number were noted to be in a weak condition. One animal was dead and one died shortly after unloading. Inadequate containers that did not allow good air circulation were thought to be the primary cause of the problem.

5. On March 7, 1972, 167 swine, averaging 230 lbs. each, were transported from Kansas City, Missouri, to Osaka, Japan, on a DC8–63F. The swine were accompanied by a USDA veterinarian who monitored the condition of the animals during the trip. The swine were single decked in a pen arrangement with each pen the size of a pallet. A walkway fore and aft above the pens was provided so that the animals could be monitored in flight. Cabin temperatures during flight were found considerably higher in pallet positions 11 through 14, and the flow of air in these areas was somewhat reduced. The reduced air flow in pallet positions 11 through 14 was due, at least in part, to the failure of the crew to keep the recirculating fans operating at all times during flight (the crew complained that the fans brought bad odors into the cockpit from the cabin area). During a refueling stop at Anchorage, Alaska, the swine in this area of the aircraft showed considerable stress with labored breathing and evidence of heat prostration. The swine were sprayed with cold water and losses were averted. The cause of the stress to the swine was directly attributable to the failure of the airline crew to reduce the cabin temperature sufficiently before landing, taxiing of the airplane, and their failure to provide a ground air conditioning unit during the refueling operation. A new flight crew boarded the aircraft at Anchorage, they were briefed on the environmental needs of the swine, and as a result, the swine arrived in Japan in excellent condition.

EXHIBIT 1

S. 2522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Livestock Export Health and Safety Act of 1973".

SEC. 2. The first section of the Act of March 3, 1891, as amended (46 U.S.C. 466a), is amended by inserting after the word "vessels" each time it appears therein a comma and the following: "aircraft, and other means of conveyance".

SEC. 3. The first section of such Act is further amended by inserting "(a)" immediately after "That" at the beginning of such section and by adding at the end thereof the following new subsections:

"(b) The rules, regulations, or orders issued by the Secretary under subsection (a) shall (1) include minimum standards for the construction and maintenance of any container or enclosure and any conveyance system used for exporting any animal referred to in such subsection, and (2) designate ports of export through which the export of any such animal must be made. The Secretary may require, as a condition to designating any port as a port of export for the purposes of this Act, that such facilities as he determines necessary for the humane treatment of such animals in connection with their exportation, be available in the vicinity of such port, including such facilities as may be necessary to insure the healthy condition of such animals upon arrival at their export destination. Ports of export designated by the Secretary under this subsection shall be known as Federal ports of export.

"(c) The Secretary shall furnish necessary facilities at Federal ports of export to the extent that funds are made available for such purposes.

"(d)(1) The Secretary is authorized to designate other ports as ports of export for purposes of this Act if (A) the Secretary determines the designation of such ports would be administratively sound, (B) facilities are provided at such ports by exporters or other persons, and (C) such facilities are approved by the Secretary as adequate to assure the humane treatment of animals in connection with their exportation and are adequate to ensure the healthy condition of such animals upon arrival at their export destination.

"(2) The Secretary is authorized to assist exporters and other persons in providing facilities at any port he designates as a port of export under paragraph (1). He is authorized to enter into a cost-sharing arrangement under which he may furnish 50 per centum of the cost of any such facility or $125,000, whichever is less.

"(3) The failure of any exporter or other person to make facilities constructed with Federal assistance under paragraph (2) available to all members of the public without discrimination, the assessing of unreasonable charges for the use of such facilities, as determined by the Secretary, or the failure to maintain and operate such facilities in accordance with standards prescribed in regulations issued by the Secretary shall be cause for termination of the approval of such facilities and termination of the designation of the port as a port of export. The approval of facilities or designation of any port for purposes of this Act may also be terminated at any time if the continuation of such approval or designation, as the case may be, is determined by the Secretary to be administratively unsound.

"(4) The administration of this Act, including all required Federal personnel, shall be at the expense of the United States.

"(e) Inspectors of the Department of Agriculture shall have authority to issue orders prohibiting the loading or transporting of any animal referred to in subsection (a) of this Act on any means of conveyance which fails to provide accommodations for such animal in accordance with this Act or any rule, regulation, or order issued thereunder and may require the unloading of any such animal from any such means of conveyance."

SEC. 4. Section 2 of the Act of March 3, 1891, as amended (46 U.S.C. 466b), is amended by inserting "(a)" immediately after "That" at the beginning of such section and by adding at the end of such section the following new subsection:

"(b) It shall be a misdemeanor punishable by a fine of not more than $10,000, or by imprisonment for not more than one year, or both, for any exporter, or for any owner or principal operator of any means of conveyance, or the master, aircraft commander, or other agent in charge of any means of conveyance, knowingly to violate, or cause or permit the violation of, any rule, regulation, or order issued under this Act."

SEC. 5. The Act of March 3, 1891, as amended, is further amended by adding at the end thereof the following new sections:

"SEC. 3. As used in this Act the term 'port of export' includes an airport or any other location designated by the Secretary of Agriculture, under the first section of this Act, as a port from which animals referred to in such section may be exported.

"SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

By Mr. STAFFORD:

S. 2523. A bill to amend chapter 34 of title 38, United States Code, to make eligible for educational assistance under such chapter certain persons who serve on active duty a total of more than 180 days in any calendar year. Referred to the Committee on Veterans' Affairs.

Mr. STAFFORD. Mr. President, today I am introducing a bill that would amend the term "eligible veteran" under title 38 of chapter 34 of the United States Code to make members of the Air National Guard, Army National Guard, Army Reserve, Navy Reserve, and other Reserve forces eligible for the educational assistance provided veterans who serve voluntarily on active duty a total of more than 180 days in any calendar year.

This amendment would allow those Reservists and National Guard personnel who are called to active duty or who serve on active alert eligible for veterans benefits if they serve more than 180 days in a calendar year. The eligibility requirement would be renewable each year.

This amendment would give a benefit to those dedicated National Guard Reservists who voluntarily give their time above and beyond the normal in defense of their country.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2523

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1652(a) of title 38, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"(4) The term 'eligible veteran' also means any member of the Army National Guard, Air National Guard, the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve who serves voluntarily on active duty for an aggregate period of more than 180 days in any calendar year and who otherwise qualifies as an eligible veteran under this subsection."

SEC. 2. (a) The first sentence of subsection (a) of section 1661 of title 38, United States Code, is amended by striking out "subsection (c)" and inserting in lieu thereof "subsections (c) and (d)".

(b) Section 1661 of such title is further amended by adding at the end thereof a new subsection as follows:

"(d) In computing the entitlement of any veteran who is an eligible veteran by virtue of section 1652(a)(4), any period of active duty performed in any calendar year less than 180 days shall be disregarded unless (1) such veteran served voluntarily on active duty for a total of more than 180 days in such calendar year, or (2) such period began in the preceding calendar year and such veteran served on active duty for a total of more than 180 days in such preceding calendar year."

SEC. 3. The amendments made by this Act shall not apply in the case of any period of active duty performed prior to January 1, 1973.

By Mr. TUNNEY:

S. 2524. A bill to amend the Economic Stabilization Act of 1970 to provide effective consumer remedies for retail price violations. Referred to the Committee on Banking, Housing and Urban Affairs.

PRICE CONTROL AND CONSUMER REDRESS ACT OF 1973

Mr. TUNNEY. Mr. President, I rise to introduce the Price Control and Consumer Redress Act of 1973.

This legislation will substantially strengthen consumer protection against illegal price gouging. It makes three critical changes in the current system of retail price control enforcement. It requires that, to the maximum extent practicable, specific retail price ceilings shall be established for every product or service sold at retail and subject to price controls. It provides a reward equal to 25 percent of any fine or penalty to citizens who initiate valid complaints against illegal price increases. Finally, it makes clear and unmistakable that misrepresentation of price ceilings and covert price increases are, like charging prices above ceiling levels, violations of law and subject to penalty.

Mr. President, I regret the fact that mismanagement of farm and general economic policies have made price controls a necessary evil. Since price controls are needed they should be administered equitably and effectively. The controls enforcement system should be open and responsive to consumers. It should provide redress against illegal overcharges. It should be easily comprehensible to the average citizen and should encourage consumers to cooperate in monitoring retail price increases. A system that meets these conditions will require the minimum number of enforcement personnel consistent with comprehensive scrutiny of retail pricing practices.

Mr. President, last August I chaired hearings in California for the Senate Commerce Committee on the responsiveness of the Internal Revenue Service to consumers attempting to obtain redress against illegal price increases.

Witness after witness told of difficulties encountered in their efforts to obtain such redress. Perhaps the most difficult obstacle consumers incurred was the inability to identify specific violations because phase IV regulations have made it impossible to determine if one is being illegally overcharged. Since controls are administered only on broad categories of products and services, rather than on an item-by-item basis, phase IV compliance can be monitored only through a complete IRS audit. Consumers are excluded from participation in the enforcement mechanism and redress is, for all practical purposes, unattainable. The legislation I am introducing today would eliminate this problem by requiring a return to pre-phase IV practices under which there was a clearly definable ceiling price for all items subject to price controls.

Another obstacle to consumer redress and participation arose from the absence of rewards or incentives to cooperate in monitoring retail prices. Under current IRS procedures, the most a complainant can hope for is a rollback of prices to the legal level. No provision is made for financial compensation to people illegally overcharged.

The legislation I am introducing today would remedy this deficiency and encourage reporting of violations by providing a reward equal to 25 percent of the fine assessed against a violator. This incentive can be a powerful stimulus to massive public scrutiny of retail pricing policies. The IRS uses, to great effect, a similar device to encourage reporting of tax fraud. Extension of the bounty system to price control enforcement should have similarly beneficial results.

Finally, Mr. President, this legislation would strengthen consumer protection against price control violations by making unmistakably clear a point that escapes enforcement personnel under the present system—that falsification of price ceilings and hidden price increases in the form of quality, quantity, or service reductions, without corresponding price cuts, are illegal and subject to the same penalties as price gouging. The necessity for this legislation was made clear in testimony before hearings of the Commerce Committee last August. Surveys conducted in numerous southern California communities and presented to the committee revealed widespread evasion of controls through covert price increases. Other testimony reported substantial misrepresentation of ceiling prices during the freeze period. Most disturbing, however, was the indifference of IRS personnel toward these violations. In some instances, the IRS was unaware that such practices are illegal. And, in but a few cases, the IRS did not act against such practices.

Mr. President, in these times of unprecedented increases in the cost of the basic necessities of life, the American people need an effective and responsive system of price control enforcement. This legislation is a major step toward attainment of that objective.

At this point, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Price Controls and Consumer Redress Act of 1973."

RETAIL PRICE CONTROLS

Sec. 2. Section 203 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(k) To the maximum extent practicable, the authority conferred by this section shall be exercised with respect to retail prices in a manner which clearly establishes a retail price ceiling for each product or service of a retailer which is subject to a stabilizing order or regulation."

REWARDS

Sec. 3. Section 208 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsections:

"(c) Twenty-five per centum of the amount of any fine or civil penalty under this section which results from proceedings instituted pursuant to a complaint filed with the agency empowered to enforce price controls shall be paid to the complainant.

"(d) For the purpose of this section and Section 209, a violation of an order or regulation under this title includes any misrepresentation of a price ceiling, any sale at a price in excess of a price ceiling, and any reduction in the quantity or quality of goods or services sold or furnished without corresponding and appropriate reductions in price.

By Mr. TUNNEY:

S. 2525. A bill to require the Secretary of Commerce to prepare and transmit to the Congress periodic reports on export levels, domestic supplies, domestic demand, and prices of certain commodities, and to require the Comptroller General of the United States to analyze and evaluate those reports. Referred to the Committee on Commerce.

THE FOREIGN AND DOMESTIC COMMERCE INFORMATION ACT OF 1973

Mr. TUNNEY. Mr. President, the legislation I introduce is designed to put food on American tables at prices working men and women can afford. Essentially, it will provide Congress the vital information needed to curb the export of agricultural products already in short supply in this country, and it will mean that prices at the corner market are not going to be further skyrocketed by massive foreign purchases. On June 13, 1973, President Nixon made this promise to the American people:

> In allocating the products of America's farms between markets abroad and those in the United States, we must put the American consumers first.

I believe this promise should be fulfilled. To do so, Congress must mandate specific restraints on agricultural exports. Before it can act, however, Congress must determine the specific levels of export restraint needed to protect American consumers and farmers. The bill I am now introducing will give Congress precisely the information it needs to legislate an end to food price inflation and will give the American shopper a fair deal at the supermarket.

Mr. President, we are faced with a food emergency in this country. This year was more inflationary than any in our history. If Congress fails to seize the initiative, 1974 will see Americans paying even more to get even less food on their tables. Last month the farm and food price index shot up at a seasonally adjusted rate of 19.3 percent. In annual terms, food prices increased an incredible 231.6 percent. Food today costs 28 percent more than it did at this time last year, and all indicators suggest the trend remains out of control.

Mr. President, unless Congress acts, the American consumer will have to face more than the prospect of higher and higher food prices. How much longer can anyone expect the workers of this country to accept moderate wage increases on the order of 5.5 percent when, in the month of August alone, the wholesale price index rose by 6.2 percent, more than in any month since World War II?

If food prices are not brought under control, we will see a wage explosion far worse than that which triggered the imposition of wage and price controls in 1971. Demand-pull inflation in the food area combined with cost-push inflation from the labor sector will surely mean unprecedented increases in hunger, malnutrition, brain damage among deprived children, and early death for malnourished elderly. It will condemn low- and moderate-income citizens to a depression diet of beans, bread and self-denial. For many millions of middle-class citizens, a lifetime of savings for children's education, a new home or retirement will be swept away. And with that will go their hopes for the future and their belief in the goodness and promise of this country.

If we do not act soon, the food price and wage explosion first will devastate our standard of living and then plunge us into a depression on a scale such as we have not seen since the 1930's.

Mr. President, the crux of the problem is food prices. It is not excessive Federal spending. It is not overly expansive monetary policy. It is the inability of our agricultural sector to provide Americans with adequate nutrition at reasonable prices and, at the same time, function as the marginal supplier of the world's protein and protein equivalent foodstuffs.

Between the first 7 months of 1972 and the first 7 months of this year, American exports of soybeans increased 23 percent; corn exports rose 75 percent. The increase in foreign shipments of wheat was an almost incredible 109 percent. These trends continue and, barring congressional action, we will be short a minimum of 35 million bushels of wheat as early as March of next year.

Soft winter and durum wheat will be totally unattainable by Americans within a few months. I should emphasize that this dismal outlook is predicated on the most optimistic USDA forecasts and do not take into account the effects of developing shortages of fertilizers, fuel for agricultural equipment and boxcars. No one should be surprised if 1974 brings $1-a-loaf bread, bread rationing, or both.

Mr. President, I recently chaired hearings for the Commerce Committee on the impact of skyrocketing food prices. I wish every Member of Congress could have seen and heard the witnesses describe the devastating food prices inflation causes. Every economic policymaker in the administration who dismisses the problem with assurances that Americans spend only 20 percent of their income for food should have heard Ms. Mary Leonard of the Committee for the Rights of the Disabled testify that:

> Hunger is again becoming a way of life. The hordes of poor people find spiraling food prices shrinking their limited food money more and more. Today, I have seen people scrounging in garbage bins at local markets.

I wonder who, if anyone, in the administration knows or cares that anemia in the pregnant women and small children of east Los Angeles has increased from 11 percent to 33 percent, tripled between December 1972 and June 1973.

Mr. President, some of the most moving testimony ever given before a congressional committee was spoken by Ms. Betty Drevdall, project director of the Hawaiian Gardens Community Action Council in Los Angeles. After she described in general and statistical terms the many hardships caused by rising food prices for the people in the low-income, predominantly white community of Hawaiian Gardens, I asked her if she could describe any individual instances. Her answer was as follows:

> If you have ever been called to the home of a family at five o'clock, with three children, one is a three-month old baby that has starved to death because there are five mouths to feed; there isn't any need to say much more. And that actually happened.
>
> The children were malnourished. The father was malnourished. The mother was malnourished. The baby died in Hawaiian Gardens Hospital one hour after it was admitted.
>
> The Welfare Department gave the parents a large runaround; and they committed murder. . . . That father and that mother were nineteen and eighteen years old.
>
> I have children older than that, Senator Tunney. They don't know, they have no idea . . . they don't know what to do.
>
> Their children are not responsible for what's happening. They have no knowledge of it. The Welfare Department is cold and inhuman. It doesn't care. The President doesn't care. The State doesn't care. Who the hell cares?

Mr. President, the committee heard testimony that the inability to meet rising food prices is increasing premature death among senior citizens. The number of anemic and brain-damaged children is on the increase. As malnutrition and its associated diseases increase, hospitals are forced to curtail services, and some are on the verge of closing under the pressure of ever-rising prices.

Mr. President, I could continue at some length on this subject. Instead, let me invite any who doubt the urgency of remedial action to read the hearings transcripts in their entirety. The case for action, congressional action, has never been more clear.

There are, Mr. President, only two ways to halt or reverse the trend in food prices. One is to increase production. Congress took decisive action in this area when it recently passed the new farm bill and eliminated subsidies for nonproduction. But production increases alone will not end the present crisis. The other solution lies in moderating foreign demand for our scarce food supplies. The Export Administration Act of 1969, as amended, gives the President authority to impose export controls under shortage circumstances such as these we face today. Legislation to expand that authority is currently pending in the Senate. I support that legislation, in principle, but regret to say that I do not believe it will be effective.

Congress can grant the President unlimited authority to curb exports, but will he use it? The administration recently abolished export restraints on soybeans. The Secretary of Agriculture has several times barred the possibility of new export controls unless we experience a monumental harvesting disaster. I think we can assume that if Congress fails to mandate specific export controls, there will be none.

Mr. President, heretofore Congress has responded to the rising demands for export restriction with legislation to increase the President's discretionary authority. Congress has not mandated specific controls because it lacks the information knowledgeably to determine the levels of export restriction needed to balance our domestic and international interests. In view of the food emergency and the administration's deliberate inaction, I am introducing legislation which will enable Congress itself to determine, enact and then change, when necessary, the export restrictions needed to protect American consumers and farmers.

This legislation, "The Foreign and Domestic Commerce Information Act of 1973," requires that, no later than 60 days after enactment and every 90 days thereafter, the Secretary of Commerce report to the Senate and House Commerce Committees on the domestic supply, demand and price situation and outlook for the protein group equivalent products—wheat, rice, barley, corn, rye, oats, grain sorghums, soybeans and soybean products, and cottonseeds and cottonseed products. More importantly, the Secretary is required to provide an analysis of the effect of various alternative levels of exports of the protein group equivalent foodstuffs on the prices of food products at the retail level. No later than 30 days after delivery of the Secretary's report, the General Accounting Office must provide the Commerce Committees with an independent, expert evaluation of the information and analysis contained in the report.

Congress will then have before it the precise information it needs to legislate specific export restraints. Congress can then impose such restraints, promoting an increase in the domestic food supply and consequently lower retail food prices across this country.

Mr. President, if this legislation were enacted today, Congress would be able to mandate informed and rational export restraints early next year and in time to avert what is clearly an impending disaster. There is little time to waste.

I would like to close by quoting from the testimony of another witness at the Commerce Committee hearings in California. I believe she was speaking for the vast majority of Americans when she said:

> The people are angry, and rightfully so. They want action, legislation, and a plan that works. There is a tension in the air; a feeling of revolt; a disenchantment with the American system that no longer comes close to the American dream.
>
> The average American family believed in that dream, and it is failing. When the system fails and when the American people despair, we are in grave trouble.

Mr. President, at this point I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Foreign and Domestic Commerce Information Act of 1973."

PURPOSE

SECTION 1. It is the purpose of this Act to require the Secretary of Commerce to furnish to the Congress periodic reports relating to levels of demand, supply, export and prices of certain products in interstate commerce and to provide for an evaluation and analysis of such reports, in order that the Congress will be kept fully and currently informed of the impact of these levels on interstate commerce.

APPLICABILITY

SEC. 2. The products to which this Act applies are the following:

Group I—Wheat

Wheat—Hard red winter.
Wheat—Soft red winter.
Wheat—Hard red spring.
Wheat—White.
Wheat—Durum.

Group II—Rice

Rice in the husk, unmilled.
Rice, husked, long grain.
Rice, husked, medium grain.
Rice, husked, short grain.
Rice, husked, mixed.
Rice, parboiled, long grain.
Rice, parboiled, medium grain.
Rice, parboiled, short grain.
Rice, parboiled, mixed grain.
Rice, milled, containing 75 percent or more broken kernels.
Rice, milled, long grain, containing less than 75 percent broken kernels.
Rice, milled, medium grain, containing less than 75 percent broken kernels.
Rice, milled, short grain, containing less than 75 percent broken kernels.
Rice, milled, mixed grain, containing less than 75 percent broken kernels.

Group III—Barley

Barley, unmilled.

Group IV—Corn

Corn, except seed, unmilled.

Group V—Rye

Rye, unmilled.

Group VI—Oats

Oats, unmilled.

Group VII—Grain sorghums

Grain sorghums, unmilled.

Group VIII—Soybeans and soybean products

Soybean oil-cake and meal.
Soybeans.

Group IX—Cottonseeds and cottonseed products

Cottonseed oil-cake and meal.
Cottonseed.

REPORTS BY THE SECRETARY OF COMMERCE

SEC. 3. Not later than 60 days after the date of enactment of this Act, and each 90 days thereafter, the Secretary of Commerce shall transmit to the Committee on Interstate and Foreign Commerce of the House of Representatives, to the Committee on Commerce of the Senate and to the Comptroller General of the United States a report setting forth, with respect to the twelve-month period following the date of such report—

(1) the Secretary's estimates of (A) the domestic supply, (B) the domestic demand, and (C) the domestic wholesale and retail prices, of each product to which this Act applies; and

(2) an analysis of the effect various export levels of such commodities would have on domestic supply, demand, and wholesale and retail prices of each such product and on the prices of all other products sold in interstate commerce whose prices are, directly or indirectly, substantially affected by the prices of the products listed in Sec. 2.

REPORTS BY THE COMPTROLLER GENERAL

SEC. 4. (a) Not later than 30 days after the transmittal of a report in accordance with Section 3, the Comptroller General of the United States shall prepare and transmit to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Commerce of the Senate a report containing—

(1) the Comptroller General's analysis and evaluation of the report of the Secretary of Commerce; and

(2) the Comptroller General's recommendations with respect to appropriate export levels of products covered by this Act consistent with alternative levels of increase in the retail prices of food products produced in whole or in part from the products listed in Sec. 2.

(b) For the purpose of carrying out his functions under subsection (a), the Comptroller General of the United States is authorized to procure the temporary or intermittent services of experts and consultants at rates not to exceed the maximum rate payable under section 3109 of title 5, United States Code.

ACCESS TO REPORTS

SEC. 5. The Committee on Interstate and Foreign Commerce of the House of Representatives or the Committee on Commerce of the Senate shall, upon written request, make available to any member of the House of Representatives or the Senate, respectively, a copy of any report received by such committee under this Act.

By Mr. SAXBE:

S. 2526. A bill to provide for the formulation of a plan for the consolidation of all common carriers by railroad in the United States into one private corporation. Referred to the Committee on Commerce.

Mr. SAXBE. Mr. President, the American rail system as it is presently constituted, is faced with a disaster. In the East a great number of roads are in bankruptcy. In the Midwest they are operating without producing the profit necessary to invest in capital improvements. In the Far West the deteriorating situation in the rest of the country has produced chaos in the attempts to effectively schedule the rolling stock.

Earlier this year I introduced a bill to provide for the nationalization of the seven bankrupt railroads in the Midwest and Northeastern corridors. My aim at that time was to provide a stimulus for a detailed analyzation of the American railroad system. Since then I have determined that nationalization in any form would be in our worst interests. For this reason, I am today introducing a bill that might serve as a solution to the cancer which is insidiously consuming an industry which enjoyed robust economic health not too many years ago.

This legislation is the first in a two-step process which provides for the establishment of a plan for the consolidation of all class I common carriers in the United States into a single private corporation similar in structure to the Bell telephone system.

The two bills presently before the Senate Commerce Committee take a typical band-aid type approach that, at best, will only briefly retard this growing cancer which is destroying our rail network. We must develop a plan that will be a workable alternative to the inevitable nationalization of our railroads and cost the Federal Treasury billions of dollars. My proposal, by dealing with the problem in totality, avoids the pitfalls of piecemeal approaches to the current rail crisis in the Midwest and Northeast which are presently being advocated, but will actually accomplish very little and will only serve to delay the day of reckoning for the American rail industry.

The objective of this legislation is to establish an American Railroad Consolidation Commission which will, after investigation and study, formulate a plan for the consolidation of all class I, privately owned common carriers by railroad, including their railroad subsidiaries and affiliated terminal companies in the United States; exclusive of Alaska and Hawaii and excluding lines wholly owned and operated by the Canadian National and the Canadian Pacific Railway, into one private corporation. After 1 year the American Railroad Consolidation Commission will make their legislative recommendations to Congress which will then be able to vote for a well planned solution to not only the problems of a few railroads, but those of the entire Nation.

The commission will assess and determine the value of our domestic rail system as a whole and the value of each individual railroad company and the proper capitalization of the entire system in conjunction with a plan to distribute securities to the holders of debt and equity securities of the component parts.

The deterioration of our railroads is not confined to the seven bankrupt lines that are presently getting so much attention. It is a growing affliction destined to spread throughout the entire rail industry if preventive measures are not taken immediately. The Rock Island line is teetering on bankruptcy, the C. & N.W., the Milwaukee and Katy have been saved by abnormal grain movements and other lines are experiencing difficulties which make their future operation questionable at best. The point is that the malaise of the Northeast and Midwest lines is not local but is only the predecessor of nationwide problems.

Presently all American railroads operate as one system, in the interchange of track usage, cars, tankers, and traffic. Thus, even though there are many separate and distinct lines, they are integrated for operational purposes. The several plans advanced so far have incorporated a core-system theory but there has been no study which could firmly demonstrate whether the core-system could do the job, and more importantly, the effect, which might be disastrous, in its end connections and on the presently solvent lines which would parallel it. If events continue on their present course, we can anticipate a deepening rate of chaos and no solution to the problems of car service, car availability, circuitous and economic routing and a host of other problems which we have been unable to solve. We must also recognize the fact that at a time when this country is in the midst of an energy crisis of the first order, we must further develop the most economic means of transportation possible which is often represented by a fully integrated rail system.

I realize that the lines that are presently prosperous will at first feel that upon consolidation there would be a monetary flow from their railroads to counteract the losses being sustained by the Eastern lines during reorganization. This concern will most assuredly be offset by adequate recognition of the prosperous carriers through security allocations in the private corporation. Therefore, although there may be short-term disadvantages, consolidation, of necessity, will produce a tremendous long-term gain through the enormous economic advantages such as the elimination of duplicate tracks and facilities in the congested East where multiple lines now serve the same communities and shippers. On the other hand, preservation of the status quo most certainly looks toward a long-term loss for even the most prosperous lines as the whole railroad system continues to decay.

The proposed American Railway Consolidation Commission will have 1 year in which to develop a fair and impartial plan to consolidate all U.S. railroads. The Commission's findings and recommendations will be submitted to Congress together with its proposal for legislation necessary to adopt and carry out this proposal. During this time we will have an opportunity to analyze the entire question and what would be the most rational solution for all concerned.

Congress can no longer afford to sit on its hands, or to rely on band-aid programs to keep the railroads operating. Halfhearted solutions will only lead to further complications at a later date. My bill clearly provides a reasonable and practical alternative to disaster on the one hand, or full nationalization on the other. I ask unanimous consent that the text of this bill be printed in the Record at the conclusion of my remarks, as well as a comprehensive article dealing with the railroad crisis as it appeared in Business Week magazine.

There being no objection, the bill and article were ordered to be printed in the Record, as follows:

S. 2526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "American Railroad Consolidation Act of 1973".

ESTABLISHMENT OF COMMISSION

Sec. (a) There is established an American Railroad Consolidation Commission (hereinafter referred to as the "Commission").

(b) The Commission shall consist of nine members appointed and serve at the pleasure of the President, three representing railroad management, three representing railroad labor organizations, and three representing appropriate Government departments and agencies.

(c) The President shall designate a Chairman and a Vice Chairman from among the members of the Commission. Any vacancy in the membership of the Commission shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

(d) Five members of the Commission shall constitute a quorum, but a lesser number shall constitute a quorum for the purpose of conducting hearings.

(e) (1) A member of the Commission who is otherwise an officer or employee of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of duties of the Commission.

(2) A member of the Commission from private life shall receive $100.00 per day when engaged in the actual performance of duties of the Commission, and shall receive reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

FUNCTIONS

Sec. 3. The Commission shall—

(1) After investigation and study, formulate a plan for the consolidation of all Class I, privately owned, common carriers by railroad, including their railroad subsidiaries and affiliated terminal companies, in the United States, exclusive of Alaska and Hawaii, and excluding lines wholly owned and operated by Canadian National and Canadian Pacific Railways, into one private corporation and to assess and determine the value of such railroads as a whole, the value of each separate component and proper capitalization of the entire system and distribution of securities to its components.

(2) after adoption and authorization of such plan by Act of Congress, take such initial steps as are authorized by such Act, to carry out such plan.

POWERS

Sec. 4. (a) The Commission may for the purpose of carrying out this Act—

(1) appoint and fix the compensation of an Executive Director and such additional staff personnel as he deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $—— a day for individuals; and

(3) request and accept from any executive department or agency, or congressional committee, any information and assistance deemed necessary to carry out its functions under this Act, and each such department and agency is authorized, to the extent permitted by law and within the limits of available funds, to furnish information and assistance to the Commission.

(b) (1) The Commission, or at its direction, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member. Subpoenas may be issued under the signature of the Chairman or Vice Chairman and may be served by any person designated by the Chairman or Vice Chairman.

(2) In the case of contumacy or refusal to obey a subpoena issued under paragraph (1) of this subsection by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may by punished by the court as a contempt thereof.

REPORT

Sec. 5. Not later than one year, unless said period is extended by order of the President, the Commission shall report to the President and the Congress the plan formulated pursuant to this Act, together with its recommendations for such legislation as is necessary to adopt and carry out such plan.

AUTHORIZATION

Sec. 6. There is authorized to be appropriated such amount, not to exceed $———, as is necessary to carry out the provisions of this Act.

Problems Building up for Years Have Reached the Crisis Stage—The Railroad Paradox: A Profitless Boom

American railroads in 1972 enjoyed their biggest year in history, handling a record 780-billion ton-miles. So far in 1973, the freight business has been even better: up 8% to 10% over the same period last year. According to all the theories of railroad operation, railroads ought to be enjoying their biggest profits in history.

They are not. American railroads are in bad shape despite dream levels of business. The Rock Island is teetering on the edge of bankruptcy; in the Northeast, six railroads have already fallen. In the first six months of 1973, the largest of them, the Penn Central, continued to lose prodigious amounts of money and threatened to plunge from bankruptcy into liquidation. Even rich railroads, such as the Union Pacific and the Burlington Northern, that are blessed with valuable mineral deposits, have to struggle to earn an adequate return from railroad operations.

This inability to earn money in the industry's finest year is more than a knockdown of traditional wisdom. It raises a serious question about the future viability of the entire railroad industry. Instead of enjoying the most profitable year in history, many railroads are worn out and exhausted. This failure is rooted in problems that have been building up for years.

The railroads cannot earn enough money to renew their facilities, partly because their rate structures are outmoded, partly because their physical assets have deteriorated, and partly because their accounting is as obsolete as their roadbeds.

They have the worst credibility in industry. Neither labor unions nor regulators nor the public believe their arguments. Railroads have been threatening collapse for so long without collapsing that nobody listens to them any more. In spite of the direct threats, they are still plugging along, whining but alive.

They have lost their clout in Washington so that they cannot get the federal help they desperately need. Rather, they are likely to get a cure prescribed by labor leaders, bureaucrats, and congressmen.

The stakes in preserving and rehabilitating the nation's railroads go far beyond the near term. Longer-range, railroads provide the best foreseeable way to keep the economy moving without consuming too much scarce energy or unduly upsetting a fragile environment. In the meantime, more of them are on the verge of dying.

The full depths of the industry's collapse were demonstrated this year when the railroads tried to carry two years' grain crops in one year. The result was bottlenecks on the lines and car shortages. At the worst of the crisis, 10,000 cars were waiting to be unloaded near ports, and the unfilled requests for empties were running as high as 42,500 a day.

NO PERCENTAGE IN MORE VOLUME

Even more significant than what happened in one season's grain movement—or nonmovement—is the problem of profitability.

"I used to think there was nothing the matter with this industry that 10% more volume couldn't cure," says Stephen G. Ailes, president of the Assn. of American Railroads. "But now I'm not so sure. Last year was the biggest in our history. The railroads handled record ton-miles of freight without much dislocation—and by dislocation, I mean car shortages. This year we are handling about 10% more ton-miles with a good deal of dislocation and no prosperity."

In his rude awakening, Ailes is not alone. Just about anyone who ever worked on or studied railroads has taken it as an article of faith that the railroads are a high-leverage industry. The fixed costs are large, but once traffic has been built up to cover these costs, everything over that level is practically gravy. The example forever being cited was that it cost very little to add a 100th car to a 99-car freight train, so most revenue from that car could be carried down to net.

Furthermore, it was always taken for granted that railroads could handle a lot more theoretically incremental and, therefore, high-profit business, because so much of their trackage is idle so much of the time. This theory did prove correct during World War II and the Korean War.

This year the railroads are getting their best peacetime chance ever to prove that theory right. Instead, they are proving it wrong, because the plant is so run-down. All the years when railroads should have been renewing themselves were spent fighting to stay alive. So yards are inadequate, weary locomotives and cars are breaking down, and speed restrictions are being placed on weakened track. Far from seeing extra profits from the extra business, the railroads face extra costs, because the new business requires extra effort. In every case there were special circumstances, mostly weather related, but some earnings declines in the second quarter of 1973 were staggering: Burlington Northern, down 77% from a year ago; Kansas City Southern, down 53%; Seaboard Coastline, down 34%; and the Frisco, down 63%.

In 1972, the industry had total operating revenues of $13.4-billion; a net income, including that from outside sources such as diversified companies and timber and mineral resources, of just about $500-million; and a rate of return on net investment of only 2.95%. Low as the rate of return was last year, it was the highest it has been since 1966.

With numbers like that, the industry faces an impossible task in generating adequate funds for renewal of its plant. It believes it ought to be spending an average of $3.6-billion a year over the next 10 years to get its plant in shape. This year, which is an unusually high one for railroad capital expenditures, it will spend about $2-billion. In other words, what the industry wants additionally is somewhere between $1.6-billion and, say, $2-billion a year. The problem is where and how it will get the money to meet the needs of today's economy, let alone tomorrow's.

IT TAKES A CRISIS TO GET A DECISION

There are, of course, those who think it will not have to meet those needs. "I have friends—we all do—who think of the railroad business as operating passenger trains, and therefore they think railroads will recede into the twilight and disappear," says William B. Johnson, chairman of IC Industries, parent of the Illinois Central Gulf RR. "And yet the industry can probably offer more to the country of what it needs today than at any time in modern history. Take inflation. One sure way to beat inflation is to increase productivity. We have immense capacity to increase the productivity of transportation. I don't mean we have it today. I mean the potential is there."

Just how important railroads are to the economy was amply demonstrated by the one-day shutdown of the Penn Central Transportation Co. on a Thursday last February. If nothing else, that got the attention of Richard C. Gerstenberg, chairman of General Motors, who fired off a telegram to President Nixon. "If it is not resolved immediately, virtually * * *

Actually, it is crises such as the Penn Central, due to come to a head in Congress within the next two weeks, that are giving railroad leaders their best hope. Impending disruptions are getting the attention of chief executives instead of merely the traffic managers, and they are certainly getting the attention of Congress.

The history of this country is that hard decisions are taken only at the last moment to save somebody or something from a fatal plunge. But if crises force hard decisions and create the opportunity to change directions, they also create haste and the chance of making a mistake. And there is always the danger that whatever is done will have the effect of erecting a fence at the edge of the cliff instead of eliminating the reasons that someone is teetering there.

This is the possibility that frightens most railroad officers. "I'm satisfied that there is going to be meaningful activity by Congress and the regulatory bodies to improve the railroad industry," says William J. Quinn, chairman of the Milwaukee Road. "But my concern is that it is going to be done only with respect to each crisis, that there will be an ad hoc solution to the Northeast crisis, for example, instead of a solution that gets at the fundamentals."

NOT MORE CARS BUT USABLE CARS

A proposed solution to the freight car shortage is another case in point. If there is a car shortage, the general reasoning goes, it follows that the industry needs more cars. And if the industry cannot afford more cars, then the obvious solution is for the federal government to step in either with loan guarantees or, if that does not work, with the creation of a quasi-public corporation to buy cars and lease them to the railroads. The Senate has already passed just such a bill.

* * * short of cars as that they are short of empty cars where these are needed. "I saw what was coming," says Benjamin F. Biaggini, president of the highly profitable and well-managed Southern Pacific. "I got authority from our board of directors to go ahead with the biggest capital improvement program that we've ever had. We bought 13% of all freight cars bought last year in the U.S. And when the time came and we really needed them to take advantage of the booming lumber market in the Pacific Northwest, we found our cars tied up in bottlenecks in the Southeast and East. The net result is that we probably lost 15,000 carloads of lumber simply because our cars were not available when our shippers needed them. If I thought I'd get anywhere with it, I'd file a hell of a big damage suit."

"I'm opposed to calling the experience of the first half of 1973 a car shortage," adds Worthington L. Smith, president of the Milwaukee Road, which, like others in its territory, was swamped with grain business this year. "That implies that adding more cars would have solved things. With ports and terminals backed up, twice the number of cars available for loading would have resulted in twice the number of loaded cars with no place to go."

As the AAR's Ailes puts it: "If Jehovah himself had given us 100,000 more cars this year, it would not have solved the problem. The problem is that the whole industry is anemic, not just the car supply. We have to get healthy enough so we can handle the extra business on an ordinary basis instead of on an extraordinary basis."

THE MONEY BIND: WORSE AND WORSE

The answer, besides more cars, is modern terminals where cars do not get jammed up, modern classification yards, better signaling systems, and industrywide computer control of cars. It makes little sense just to buy more cars when the average freight car spends so much time standing still that it moves, both loaded and empty, only 56 mi. a day. The trick is to get more use out of existing cars. But all this requires the very capital that railroads do not have, and find it currently impossible to raise.

Scratch any railroad president and you get a long list of complaints about unfair treatment at the hands of government. The litany is familiar. While railroads have to build, maintain, and pay taxes on their rights of way, the world's most efficient network of highways, airways, and waterways has been provided and is being maintained by federal and state governments. Putting aside all the peripheral arguments that transportation people love to get mad about, such as trust funds, user charges, and land grants, the railroad people are right. The world they live and work in is unfair.

Last month, the Southern Pacific opened a new, automated classification yard costing $39-million. "We have to try to recover that," says Biaggini. "All that the user of highways or airways has to do is in some small way pay for a little bit of what he uses as he uses it. Now that's a system that is obviously slanted in favor of other forms of transportation. There has to be a way to finance improvements in the rail plant so these massive sums of capital are not needed long before you can begin to realize the benefits from them, or so that capital can be recovered quickly once you invest it.

"We have got to find some way to reverse the flow of capital so it will flow into the industry and not out of it," adds Biaggini. (See box.) "And right now the best way to do that, as I see it, is federal loan guarantees for the people that need it."

But IC Industries' Johnson does not think borrowing more is necessarily such a great idea. "In fact," he says, "it might be the greatest disservice the industry could do to itself, to borrow and overinvest. If the fixed charges get to the point where you can't pay the bill, you've got another crisis, and there are plenty of them in the making."

Johnson points to something that is worrying railroad men throughout the country: All the 3% and 4% debt on the books, negotiated in Depression days, will have to be refinanced at 10% if present conditions in the money market continue. The ICG, for example, has $17-million coming due next year. "And when you've got it refinanced, do you have a better railroad?" Johnson asks. "No, it's precisely the same railroad with interest charges two and a half times as high. And that's why you have bankruptcies." In any case, Wall Street will not lend the railroads a dime these days, even at inflated interest rates, unless the roads provide gilt-edged collateral and the most senior status for the debt.

To Johnson, the answer lies in adopting the Canadian approach to railroad problems. In Canada, if a low-density line cannot pay its way, it is discontinued unless shippers that want service on that line have successfully applied to the government for taxpayer subsidies.

ECONOMICS VERSUS POLITICS

Johnson feels that the present trend in dealing with the symptoms of the Northeast problem leaves Congress with a series of hard economic decisions vs. pleasant political ones. He says: "In every one of the issues—low-density branches, excess labor, you name it—there is the same conflict: the logical, economic decision vs. the difficult political one, or the pleasant political decision that becomes difficult in the context of the logic of economics. If the government resolves all these basic questions in the short-term political interest, then there's only one thing for us to do, and that's to get on the nationalization bandwagon. The only fair thing the government can do is buy all the railroads and return the investment the public has made."

Although Senator Vance Hartke (D-Ind.) is making a point that his proposed solution to the Northeast rail crisis is designed to prevent nationalization, railroad presidents disagree. They characterize his status-quo-while-the-problem-is-studied-approach as just the sort of political waffling that will lead to nationalization. They also distrust the Transportation Dept.'s stated position of providing only minimal federal funds.

Most railroad officials still hope that Congress will want to avoid the huge cost of nationalization and will, instead, provide the necessary $1.6-billion to $2-billion a year to restore the industry's plant. Says Frank E. Barnett, chairman of Union Pacific Corp.: "That's not very much when you consider that federal, state, and local governments spend more than $28-billion annually on all other forms of transportation."

Along with government money, men like Barnett and Johnson want a clearly defined national transportation policy that will more equitably subsidize and regulate the various kinds of transportation. Failing that, they would like to rewrite th Interstate Commerce Act for fairer treatment and greater freedom to lower some rates and raise others.

The question of rates is crucial to the survival of the industry. According to a study by the management consulting firm of Temple, Barker & Sloane, Inc.—a study that the Illinois Central Gulf calls "the gloom and doom book"—something more than 20% of the commodities carried by rail are carried at a loss—among them pulpwood, sand, gravel, and even a lot of perishable produce. Much of this is left over from monopoly days, before truck competition, when railroads carried some raw materials at a loss in the expectation of making this up on the finished goods.

Many railroad presidents insist that the industry is no longer strong enough to carry any kind of freight below cost. The problem is to get everyone to agree with each other's cost figures, and then either to raise the rates or tackle the more difficult job of telling customers that some of their business is no longer wanted.

AN ENORMOUS REBUILDING JOB

If rates and regulations can be made more equitable and if capital can be raised, the rebuilding job to be done is still enormous. Some rich railroads such as the Santa Fe, Southern, and Union Pacific have well-maintained properties, but the industry average is dismal.

"We know of Midwestern railroads where 60% of the mainline track is under slow orders," says Barnett. A slow order is a speed restriction placed on a piece of track found to be in disrepair. In some extreme cases this year, the speed is down to 10 mph. A lot of the trouble in the Midwest was caused by weather, notably this year's floods, but a lot was also caused by wear and tear from the industry's high level of business.

A railroad can keep its rail surface smooth when no more than one tie in four is defective. But if tie replacements are deferred beyond this limit, the entire track structure deteriorates rapidly. According to the Temple, Barker & Sloane report, which also looked at the industry's physical shape:

New rail is being installed at a rate that would be adequate only if rail could last more than 150 years instead of about 20.

The rate of tie replacement would be adequate only if ties could last more than 46 years instead of about 20.

Cash generated per car on most railroads is stagnant or declining.

The cost of a new unit of rolling stock has risen rapidly, surpassing cash generation per car for all railroads except the Union Pacific.

Most railroads are not producing enough cash to pay for existing rolling stock, let alone to retire mortgages or pay cash dividends. Capital expenditures and dividends far exceed net income and depreciation.

Among the men closest to the problem, such as an official of the Roadmasters & Maintenance of Way Assn. of America, the outlook is equally grim: "Many of our members say that in these times of comparatively active business conditions, they are barely able to keep their railroads together and are making little or no progress towards correcting deficiencies left over from leaner years. They fear that should a business recession occur, they will go under."

"Our business is just soaring," says an official of a relatively prosperous railroad, "particularly our container and piggyback business. But that kind of traffic requires fast trains, and we are fighting a losing battle keeping this a high-speed railroad. It doesn't cost twice as much to maintain a railroad for 100 mph as 50 mph—the numbers go up geometrically."

LABOR IS LOSING PATIENCE

If massive infusions of capital are necessary, the chances that these will come from the federal government are not good without substantial support from railroad labor unions. And the chances for that, though considerably brighter than a few years ago, are still poor.

Al H. Chesser, president of the key United Transportation Union, is nothing if not blunt in his position. He describes the scene when railroad management came to him, asking for help in getting relief from discriminatory taxation. "I met with management in February, 1972, and I laid down an ultimatum," he declares. "I told them 'Your soft spot is Washington, D.C., because that's where you've got to go to get help, and you don't have the know-how to do it. But don't come to me crying for help. That day is over. She's come to a close. You've had it until you change the industry, until you change your attitude, until you start treating people the way people should be treated. When you've done that, we'll go to Washington together and do something about this industry. We'll save it. If you don't want to change, let's not prolong the industry's death. The hell with it. I'm through with you.' "

Chesser is perfectly frank about not believing the railroad industry's books. "There's something wrong when an industry works at peak capacity and says it is only making 3% return on investments," he says. "I say that's baloney. I don't believe it." The Illinois Central Gulf has a standing offer with Chesser to let him examine the ICG's books to his heart's content, but he says that his union is too poor to hire the necessary auditors.

For all his tough talk, Chesser is just as opposed to nationalization as management is. "When the British Railways were nationalized in 1947, there were about 20,000 miles of track, train service was good, and the operating employees had the best jobs in England," he says. "Today there are 11,000 miles, and our guys have the sorriest jobs in England with half the force. I don't want to buy any of that for the United States."

But for all his bluntness, Chesser does think management is showing better understanding, largely through close attention to railroad management's allegedly "old-fashioned" method of disciplining and suspending employees found guilty of errors of judgment, mistakes, or causing accidents. He cites the Burlington Northern as a railroad that had bad labor relations but where, thanks to joint efforts, grievances have been cut 60%. Now he thinks the BN is the most improved railroad in the industry, from a labor relations point of view.

BN's Chairman Louis W. Menk agrees. "I think we have made enormous progress in labor-management relationships," he says. Chesser and his top aides have been meeting repeatedly with Menk and his staff to discuss and defuse these grievances.

THE NEED FOR FLEXIBLE REGULATION

Labor-management relations must improve if the rail industry is to meet the needs of the U.S. economy. At present, railroad labor is protected by a host of provisions drawn up in the days of steam-engine technology and of less highway and waterway competition. These provisions determine how many men constitute a train crew, what is road work and what is yard work, and at what geographical boundaries the train crews must be changed. Management desperately wants these provisions relaxed, but in the climate of hostility that grew out of management's charges of "featherbedding," progress toward relaxing them is glacial.

"I don't question the rationale under which the work rules were established as reasonable and justified," says Alan S. Boyd, former Secretary of Transportation and now president of the Illinois Central Gulf. "But the thing that we as managers have not gotten across, in addition to credibility, is that our competitive environment is now different. We cannot react to this changed environment if the bulk of our expenses are tied to work rules related to an alien environment."

Boyd admits that the same result would not necessarily be true on every railroad, but he is convinced that a relaxation of work rules on the ICG would lead to more employment, not less, because the railroad could then compete for traffic that is now lost to it.

The tendency on railroads today is to run long trains, since the labor costs are the same for a 10-car train as a 100-car train. But this means holding cars back until a long train can be assembled, and also delaying individual cars through repeated switching in classification yards. To an increasing degree, the U.S. economy requires exactly the opposite kind of transportation service; it is requiring quality transportation, not quantity.

The proliferation of brands, styles, and models of consumer products and the diffusion of places where they are sold are putting a premium on reliability and speeding transportation. These two trends are also decreasing the size of shipments. Carload lots of refrigerators, all white and all one size, are not going to meet the marketing demands of Sears, Roebuck in hundreds of shopping centers.

Moreover, record-high interest rates are making the cost of slow transportation of finished goods prohibitively expensive. "All of that inventory a customer has tied up on a railroad that can't handle it efficiently is costing him real money these days," says Arthur E. Leitherer, vice president for traffic at Allied Mills, Inc., and president of the National Industrial Traffic League. "We need transportation by the clock, not the calendar." Computer-aided management procedures also are leading to tighter controls of the distribution system, again putting a premium on reliability.

Products tend to be more valuable per unit of weight as the standard of living improves. Thus, transportation service becomes more important, and its price less so. Improved technology also has led to more specialization of industrial products and components. Once more this means smaller shipments and higher-quality transportation.

IN THE FUTURE NATIONAL INTEREST

This growing requirement for quality transportation, abetted by continuing governmental investment in highways and airways, causes many economists to believe that the share of freight tonnage hauled by rail will continue to decline, as it has done steadily since the end of World War II, and that railroads will, indeed, recede into the twilight.

But this outlook ignores two things: The U.S. is running short of energy, and it is running short of land where people and industry want to exist.

A truly severe shortage of petroleum fuels would bring soaring prices and possibly government-imposed priorities and restrictions. The most efficient user of fuel, therefore, would probably have a priority in acquiring it and would certainly get more for the dollar. And at speeds above about 6 mph, railroads are the most efficient users of fuel in freight transportation. A Rand Corp. study looked at the problem in terms of energy consumption per ton-mile, expressed in British thermal units. Waterways were the most efficient with 500 Btu, railroads were only slightly less efficient with 750, pipelines had 1,850, trucks had 2,400, and air freight came in at 63,000. Another plus for railroads is that they could be electrified much more easily than other forms of transportation. Indeed, several railroads, such as the Burlington Northern and Illinois Central Gulf, are already giving intensive study to the possibility.

Looking further into the future, the outlook for railroads is even brighter if they can only prepare for it. As the standard of living improves, there is dramatic growth in the ton-miles of freight moved per capita. If this number grows in the next 30 years at the same rate as in the past 30, and if the population by the year 2000 reaches the expected 265-million, there will be a need for as much as 7-trillion ton-miles of intercity freight transportation annually, compared with about 2-trillion ton-miles now.

Given finite amounts of land, air, and water for transportation purposes, the clutter would be unbelievable if the present trends were to continue. In fact, if the assumptions are correct, the magnitude of the job to be done will dictate that railroads will haul an increasing share, instead of a decreasing share, of the nation's commerce.

But first the industry must be rescued. As the IGC's Boyd says: "We have a lot to offer, and we don't know how to get to the place where we can offer it."

How railroad accounting eats up the assets these years while loudly proclaiming its own imminent doom? A large part of the answer is that it has been consuming its own assets—and that is one fact of life it does not like to proclaim.

Railroads practice a kind of accounting that is unique in today's state of the accounting art. They do not, for example, take depreciation on their track. Where any other company would depreciate a capital asset over the economic life of that asset, the effect of railroad accounting is to leave the investors' money forever tied up in track.

Track appears on the left-hand side of a railroad balance sheet as an asset figured at the cost of its installation. If a railroad should improve its line by replacing 115-lb. rail with 130-lb. rail, the cost of the new rail goes onto the balance sheet as a betterment, which is why railroad accounting is called betterment accounting. But the labor of putting it there is an expense item, as is the normal replacement of rail, ties, and ballast of the same quality as the track materials they replace, and such activity has no effect whatever on the balance sheet.

No logic. The useful life of rail differs widely, depending on the speed and weight of trains and the local climate. But if 20 years is a good average for mainline track, logic would dictate that every year a prudent management should replace one-twentieth of its track. And, under railroad accounting, the cost of the new track and the cost of putting it there would be listed as an operating expense. But necessity and logic are often not the same thing on railroads. By not replacing rail, management can make their income statements look better—or less horrible—than they otherwise would be. And for years now, railroads have not been maintaining their property adequately.

It is all perfectly legal under the rules of betterment accounting, but the result is that the balance sheet is wrong. Deferred maintenance means that assets that are listed at original cost are no longer worth anywhere near that much. The investors take the beating in the end; it is a sort of 1970s way for railroad management to play robber baron, and the Penn Central management before bankruptcy was a classic case.

In today's stock market, it is not unusual to find companies in many industries with a market price of their stock lower than the book value. But in the railroad industry, this is standard in any kind of market, good or bad. Leonard Spacek, then the managing partner of Arthur Andersen & Co. and the recognized demon among accountants for his disgust with betterment accounting, studied the situation in 1955. He took all the companies that made up the Dow Jones averages and worked out their market price as a percentage of their book value on Dec. 31 that year. The industrials were 230%, the utilities were 145%, and the 20 relatively high-grade railroads that made up the rail index in those days were 47%. Spacek specifically laid the blame for this on Wall Street's distrust of railroad balance sheets.

An even more dramatic example is provided by the Chicago & North Western Ry. When its holding company, Northwest Industries, sold the railroad in 1972 to its officers and employees, Northwest wrote down the railroad's assets by more than $400-million, thereby giving itself a huge capital tax loss carry-forward. This also wiped out years of accumulated uneconomic results of betterment accounting on the road and made the balance sheet honest. Following the sale, the North Western adopted depreciation accounting for its track, the first major U.S. railroad to do so.

Even though the North Western is only marginally profitable, the fact that it does not have ghost assets on its books has caused the book value of its stock, which is not traded, to "rise substantially," according to Larry S. Provo, North Western president, who is proposing a 60-for-1 stock split.

WORLD WAR I RULES

The history of betterment accounting for railroads goes back to 1914, when the Interstate Commerce Commission first prescribed the rules. At that time, of course, income taxes were low and railroads had a practical monopoly of transportation. The reason railroads embraced betterment accounting so eagerly was that the commission determined the industry's revenue requirement as a percentage of its total investment. By not depreciating its track, the industry kept its rate base high.

In other words, if a hypothetical railroad had $1-million invested in property devoted to public service, if it had $600,000 a year in operating expenses, and if the commission decided that 10%, or $100,000, was a reasonable rate of return, that railroad would have been allowed to set rates to bring it $700,000 annually. If, on the other hand, the railroad were to depreciate its track investment, down would go the allowable rates the railroad could charge its customers.

Technology and income taxes changed the world the railroads lived in. But the accounting rules on track depreciation did not. Today, if railroads tried to charge enough to get 10% of their net investment as a rate of return, the rates would be so high that all their business would go to trucks, barges, pipelines, and air cargo. Now it is too late to get the costs of the track back. More important, by not taking depreciation on their track, they are overstating their income and paying unnecessary taxes. The Andersen firm believes railroads should be allowed to recompute their income taxes back to 1913 based on depreciation accounting. For poor and bankrupt railroads the resulting refunds would be fantastic.

* * * * *

William B. Johnson, chairman, IC Industries: "To borrow and overinvest might be the greatest disservice the industry could do to itself."

B. F. Biaggini, president, Southern Pacific: "All that the user of highways or airways does is pay for a little bit of what he uses."

W. J. Quinn, chairman, Milwaukee Road: "My concern is that action will be taken only with respect to each crisis instead of to fundamentals."

W. L. Smith, president, Milwaukee Road: "I'm opposed to calling it a car shortage. That implies that adding cars would have solved things."

Alan S. Boyd, president, Illinois Central Gulf: "We cannot react to a changed environment if the bulk of our costs are tied to old work rules."

Al H. Chesser, president, U. T. U.: "I told them don't come to me crying for help, you've had it until you change your attitude."

Louis W. Menk, chairman, Burlington Northern: "I think we have made enormous progress in labor-management relationships."

By Mr. MONTOYA:

S. 2527. A bill to provide for the construction of a Veterans' Administration hospital in the city of Albuquerque, N. Mex. Referred to the Committee on Veterans' Affairs.

Mr. MONTOYA. Mr. President. I am introducing a bill today to provide for the construction of a new Veterans' Administration hospital in Albuquerque, N. Mex.

The present veterans' hospital in Albuquerque is the only Veterans' Hospital in New Mexico. It was designed as a chronic, extended care facility and was opened in 1932 as a long-term, tuberculosis hospital. Today, however, we must consider the needs of a facility where the average hospital stay is 15 days. The present facility is in need of major restoration and expansion to bring it up to present needs and standards. Such basic needs as air conditioning, adequate space for outpatient and clinical areas, teaching facilities, upgrading of the electrical support systems, and heating systems are anticipated to cost approximately $14 million. And these changes are only to bring the present facility up to standards to meet today's needs. Tomorrow's needs are left untouched.

Medical science and technology has made amazing advances since 1932, but New Mexico veterans are making do with a 40-year-old, out-of-date facility. I am proud of the mutually beneficial partnership that has developed between the Veterans' Administration hospital and the University of New Mexico Medical School. I am also hopeful that a beneficial partnership will develop between the new Albuquerque Cancer Center and the Veterans' hospital. This Cancer Center, working in conjunction with the Los Alamos Meson Physics Facility, will explore revolutionary modalities for the treatment and cure of cancer. This partnership would prove beneficial not only to New Mexico veterans, but to national veterans as well.

Funding for a replacement center has been discussed since 1966. I feel we can wait no longer. I urge that this matter be given serious consideration at the earliest opportunity possible.

By Mr. MONDALE (for himself, Mr. BENTSEN, Mr. JAVITS, Mr. PACKWOOD, Mr. ABOUREZK, Mr. BAYH, Mr. BURDICK, Mr. CASE, Mr. CHILES, Mr. CLARK, Mr. COOK, Mr. CRANSTON, Mr. EAGLETON, Mr. HART, Mr. HATFIELD, Mr. HUDDLESTON, Mr. HUGHES, Mr. HUMPHREY, Mr. JACKSON, Mr. KENNEDY, Mr. MATHIAS, Mr. MCGEE, Mr. MCINTYRE, Mr. METCALF, Mr. MOSS, Mr. NELSON, Mr. PERCY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. ROTH, Mr. SCHWEIKER, Mr. HUGH SCOTT, Mr. STAFFORD, Mr. STEVENSON, Mr. TUNNEY, and Mr. WILLIAMS):

S. 2528. A bill to amend the Social Security Act to provide the States with maximum flexibility in their programs of social services under the public assistance titles of that act. Referred to the Committee on Finance.

SOCIAL SERVICES AMENDMENTS OF 1973

Mr. MONDALE. Mr. President, I am pleased to introduce this morning—on behalf of myself and Senators BENTSEN, JAVITS, and Packwood, together with Senators JAMES ABOUREZK, Democrat of South Dakota; BIRCH BAYH, Democrat of Indiana; QUENTIN N. BURDICK, Democrat of North Dakota; CLIFFORD P. CASE, Republican of New Jersey; LAWTON CHILES, Democrat of Florida; DICK CLARK, Democrat of Iowa; MARLOW W. COOK, Republican of Kentucky; ALAN CRANSTON, Democrat of California; THOMAS F. EAGLETON, Democrat of Missouri; PHILIP A. HART, Democrat of Michigan; MARK O. HATFIELD, Republican of Oregon; WALTER D. HUDDLESTON, Democrat of Kentucky; HAROLD E. HUGHES, Democrat of Iowa; HUBERT H. HUMPHREY, Democrat of Minnesota; HENRY M. JACKSON, Democrat of Washington; EDWARD M. KENNEDY, Democrat of Massachusetts; CHARLES MCC. MATHIAS, Republican of Maryland; GALE W. MCGEE, Democrat of Wyoming; THOMAS J. MCINTYRE, Democrat of New Hampshire; LEE METCALF, Democrat of Montana; FRANK E. MOSS, Democrat of Utah; GAYLORD NELSON, Democrat of Wisconsin; CHARLES H. PERCY, Republican of Illinois; Mr. RANDOLPH, Democrat of West Virginia; ABRAHAM RIBICOFF, Democrat of Connecticut; WILLIAM V. ROTH, JR., Republican of Delaware; RICHARD S. SCHWEIKER, Republican of Pennsylvania; HUGH SCOTT, Republican of Pennsylvania; ROBERT T. STAFFORD, Republican of Vermont; ADLAI E. STEVENSON III, Democrat of Illinois; JOHN V. TUNNEY, Democrat of California; and HARRISON A. WILLIAMS, Jr., Democrat of New Jersey, the Social Services Amendments of 1973.

Mr. President, our bill has the support of Governor Evans, Chairman of the National Governors Conference. It was unanimously endorsed by the Southern Governors at their meeting last week. It is endorsed by organizations including the AFL–CIO, National Council of State Public Welfare Administrators, Child Welfare League of America, Council on Social Work Education, League of Women Voters, National Council of Community Mental Health Centers, National Association for Retarded Children, National Association of Counties, National Association of Social Workers, United Auto Workers, United Methodist Church, and United Methodist Church Women's Division, Washington Research Project Action Council, American Parents Committee, and the Legislature of the State of Michigan.

Mr. President, this legislation represents an impressive, hopeful, and thoroughly bipartisan effort—on the part of members of the Senate, State, and local government, and interested private groups—to rescue the social services program from regressive regulations scheduled to go into effect next November 1.

This bill does not cost more money; it leaves unchanged the $2½ billion congressional ceiling earlier imposed.

The social services program—first established 17 years ago—is among our oldest human service programs. It is a Federal-State partnership, with Federal matching of State contributions on a 3 to 1 basis. By law, it is directed to past, present, and potential welfare recipients. Through provision of services by the States—such as day care for children of working mothers, help for drug addicts and alcoholics, education and training, hot meals and other services for elderly persons at home—the social services program is designed to reduce and prevent welfare dependency, to strengthen families, and to provide alternatives to institutionalization for the aged, blind, and disabled.

Last year, as part of the Revenue Sharing Act—Public Law 92–512—the Congress, at the request of the administration, adopted a $2.5 billion ceiling and other reforms for the social services program—to prevent abuses and to require States to more carefully order their priorities.

The social services program, with its strong role for decisionmaking and ordering of priorities on the State level, closely resembles the strategy of "revenue sharing" which the administration has advocated in other areas. It is designed to reduce welfare dependency by helping the poor, the elderly, and the disabled to lead more independent, productive lives.

Yet, last January 16 the Department of HEW issued new regulations, which would cut the heart out of the program. The Department proposed to sharply limit the range of services open to the States, and to prohibit the use of privately-contributed funds. Most important, they proposed to limit services to the poorest of the poor, well below the maximum welfare support level.

These new regulations would reverse the basic thrust of the services program. By confining services to those below the welfare level, they would create a positive incentive to get on welfare and stay there.

With great accuracy the Washington Post described these regulations as "impoundment by redtape."

Last June 30, the Congress adopted legislation prohibiting implementation of new social services regulations before November 1 without approval of the Senate Finance and House Ways and Means Committees. No regulations have been submitted to the committees for approval; but DHEW has announced its intention to put revised regulations into effect on November 1.

It is a great disappointment that despite the concern of the Nation's Governors and local officials, an outpouring of mail from concerned persons and organizations throughout the country, days of hearings by the Senate Finance Committee, and formal action by the Congress to suspend the new regulations, the basic problems remain. The proposed regulations have been revised three times since last January, and improvements have been made. Private contributions are allowed, under severe restrictions. Additional services have been added to the laundry list. The "redtape" involved in reporting on individual cases as often as every 3 months has been reduced.

But important services continue to be

excluded. Education is perhaps the single most effective means of rehabilitation. The HELP program at the University of Minnesota now serves 300 welfare mothers. These women, with success rates above their class average, go on to become productive, taxpaying citizens. Yet education would be excluded from the social services program.

Comprehensive foster care home group programs are among the most promising approaches to the care of many emotionally disturbed children. Yet the HEW regulations would prohibit this comprehensive approach.

Day care for mentally retarded children would in many States be limited to children of one-parent families—and would not be available to children who are severely mentally retarded.

The new regulations prohibit recreational and rehabilitative services for the aged in senior citizen centers.

These are only a few of the problems with the latest set of HEW regulations.

Most disappointing of all, the November 1 regulations continue to ignore the goal of reducing and preventing welfare dependency. They limit services to past welfare recipients to 3 months, and services to potential recipients to those likely to be on welfare within 6 months. And for most services, they provide that a family is not likely to be on welfare within 6 months if family income exceeds 150 percent of the welfare payment standard—with a disregard of $60 per month of earned income. In most States this will limit services to families below the maximum welfare level, creating a tremendous disincentive toward leaving welfare. In many States this formula will prohibit any assistance to intact, two-parent families. It will prohibit any aid to elderly persons under 64½ years old.

I find these regulations incredible from an administration that claims to believe in granting more discretion to the States, that claims to be in favor of work, and in favor of reducing the welfare load. I cannot understand why, after the great bipartisan expression of concern from the Congress, the Nation's Governors, and local officials, the administration has refused to modify this callous and counterproductive approach.

Do we want to deny day care services to low-income mothers who find work? What sense does it make to offer an alcoholic help only after he loses his job?

The lines are clearly drawn. In a Finance Committee hearing last May, Chairman LONG expressed the concern of the Congress:

> In these hearings, the committee will want to be sure that the regulations are not pennywise and pound foolish. We don't want to cut off low-income working persons from the day care, family planning or other services they need to stay off welfare.

The legislation which we propose today will resolve the argument.

This bill, which was drafted with the help of State and local officials and others from throughout the country, states in legislative form the four broad goals of the social services program:

First. Self-support goal: To achieve and maintain the maximum feasible level of employment and economic self-sufficiency.

Second. Self-care or family-care goal: To strengthen family life and maintain maximum personal independence, self-determination and security in the home, including, for children, the achievement of maximum potential for eventual independent living, and to prevent or remedy neglect, abuse, or exploitation of children.

Third. Community-based care goal: To secure and maintain community-based care which approximates a home environment, when living at home is not feasible and institutional care is inappropriate.

Fourth. Institutional care goal: To secure appropriate institutional care when other forms of care are not feasible.

It contains a list of 23 specified services, carefully drawn to preserve the full flexibility of the States while preventing abuse, and requires the Secretary to approve any other services consistent with the goals of the program.

It guarantees that private contributions may be included in the State's share for Federal matching, so long as the State is free to choose the provider of services or to provide the services itself.

It assures that hot meals and medical costs not reimbursed under medicaid may be included where appropriate in service programs, and provides for improved reporting and accounting procedures.

It provides additional flexibility to the States to serve potential welfare recipients, and adds child protective services to the list of services available on an unrestricted basis to potential recipients.

Most important, it returns to the approach of the existing regulations, allowing the States to serve past recipients who have been on welfare within 2 years, and potential recipients likely to be on welfare within 5 years. And it provides that the Secretary cannot challenge a State's determination that a person or family is a potential welfare recipient, so long as family or person income is below the Bureau of Labor Statistics' Minimum Living Standard Budget—adjusted regionally and for family size—or, in the case of child care, below 150 percent of the BLS standard.

We are hopeful that our bill will be enacted as an amendment to H.R. 3153, the Welfare Technical Amendments, so that the future of the social services program may be congressionally determined before HEW's proposed regulations go into effect November 1.

Mr. President, I wish to express my special thanks to Alan Jensen of the staff of the National Governors' Conference, whose work in consulting with State officials has added so much to this bill.

I ask unanimous consent that a telegram from Governor Evans of Washington, a telegram from the members of the Conference of Southern Governors, the text of my press release describing our bill, and the text of our bill may appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TO ALL GOVERNORS:

I urge you to immediately contact your Senators to encourage them to join as a co-sponsor to the Social Services Amendments of 1973 to be introduced next Tuesday, October 2.

The bill embodies the essential provisions of a Social Services legislative proposal that all States have had an opportunity to participate in developing through a series of regional meetings initiated by the National Governors' Conference.

Senators Mondale, Bentsen, Packwood and Javits wrote to all their fellow Senators on September 26, seeking co-sponsors for the bill which they intend to introduce on Tuesday, October 2. The bill will be titled the "Social Services Amendments of 1973."

Copies of the bill to be introduced are being distributed to States by those States who were convenors of the regional meetings. A copy is also being sent directly to you by the Washington Office of the National Governors' Conference.

HEW is scheduled to put into effect new regulations affecting the 2.5 billion dollar Social Services program, which will restrict the ability of States to provide Social Services to meet the priority needs in a State on November 1, unless legislation is enacted. These regulations are not responsive to the concerns that we Governors expressed to the Social Services regulations during the annual meeting of the National Governors' Conference at Lake Tahoe. In response to the States' concerns, Congress acted in June to delay until November implementation of the Social Services regulations HEW published on May 1.

Once again, I urge you to contact your Senators to encourage them to join as a co-sponsor of this legislation. It represents the result of a major effort to have States develop and initiate federal legislation which will allow States adequate flexibility to establish priorities to meet the priority needs for Social Services in each State.

Also, you will wish to know that I have talked with Senator Mondale and have telegraphed Senators Long and Bennett offering the assistance of the National Governors' Conference in every way possible. Should hearings be called on this important issue, I shall be in direct communication with some of you to join me in a panel presentation before the Senate Finance Committee.

My warm personal regards.

Sincerely,

DANIEL J. EVANS,
Chairman, National Governors' Conference.

Senator WALTER MONDALE,
Capitol Hill, Washington, D.C.:

We commend you and other members of the Senate Finance Committee for your leadership in obtaining congressional action to delay until November 1, implementations of the social services regulations HEW published on May 1.

However, the social services regulations now scheduled to go into effect on November 1 would still severely restrict the ability of States to meet the priority needs of the people in each State. The regulations are particularly discriminatory against the southern States as to those people who would be eligible for social services.

Because of obvious congressional interests in the State's role in this program and since the HEW regulations are not adequately responsive to our collective concern, the States, through a series of regional conferences, have agreed on a basic legislative proposal. We further commend you for drafting a legislative proposal which embodies the essential provisions of the State's proposal and which would insure that each State have adequate flexibility in the use of their allocation under the 2.5 billion dollar social services program.

We hope that the Senate Finance Committee will approve and report this legislation as soon as possible.

Governor Reuben O'D. Askew, Florida, Governor Christopher S. Bond, Missouri, Governor Dolph Briscoe, Texas, Governor Dale Bumpers, Arkansas, Governor Jimmy Carter, Georgia, Governor Winfield Dunn, Tennessee, Governor Edwin W. Edwards, Louisiana, Governor Wendell H. Ford, Kentucky, Governor David Hall, Oklahoma, Governor James E. Holshouser, Jr., North Carolina, Governor Linwood Holton, Virginia, Governor Marvin Mandel, Maryland, Governor Arch A. Moore, Jr., West Virginia, Governor George C. Wallace, Alabama, Governor William L. Waller, Mississippi, Governor John C. West, South Carolina.

BIPARTISAN GROUP OF SENATORS INTRODUCES SOCIAL SERVICES AMENDMENTS OF 1973

WASHINGTON, D.C., October 3.—Senators Walter F. Mondale (D-Minn.), Lloyd M. Bentsen (D-Tex.), Jacob K. Javits (R-N.Y.), and Bob Packwood (R-Ore.) will introduce legislation today designed "to rescue the Social Services program from regressive regulations scheduled to go into effect next November."

At a news conference today, Mondale, chief sponsor of the legislation—known as the Social Services Amendments of 1973—characterized it as "an impressive, hopeful, and thoroughly bipartisan effort on the part of members of the Senate, State and local government and interested private groups."

The bill has received the support of Washington Governor Daniel J. Evans, Chairman of the National Governors Conference; the Southern Governors; and organizations including, as of 2:30 p.m. yesterday, the AFL–CIO, National Council of State Public Welfare Administrators, Child Welfare League of America, Council on Social Work Education, League of Women Voters, National Council of Community Mental Health Centers, National Association for Retarded Children, National Association of Counties, National Association of Social Workers, United Auto Workers, United Methodist Church and United Methodist Church Women's Division, Washington Research Project Action Council, American Parents Committee and the Legislature of the State of Michigan.

Mondale noted that "improvements have been made" in the HEW Social Services regulations issued January 16, but, he said, "basic problems remain."

To resolve those problems, Mondale said, he has introduced the Social Services Amendments of 1973. The legislation contains the following provisions:

"It guarantees that private contributions may be included in the State's share for federal matching, so long as the State is free to choose the provider of services or to provide the services itself.

"It returns to the approach of the existing regulations, allowing the States to serve past recipients who have been on welfare within two years, and potential recipients likely to be on welfare within five years.

"And it provides that the Secretary cannot challenge a State's determination that a person or family is a potential welfare recipient, so long as family or personal income is below the Bureau of Labor Statistics' Minimum Living Budget or, in the case of child care, below 150% of the BLS standard."

It would provide additional flexibility to serve potential welfare recipients and add child protective services to the list of services including employment-related day care; services for the mentally retarded, alcoholics and drug addicts; family planning; child foster care; and services for the aged, blind and disabled—available to the working poor as well as those on welfare.

The proposed legislation contains a list of statutorily defined services and requires HEW to approve other programs related to four legislatively stated goals. These are, according to Mondale:

(a) "Self-support goal: To achieve and maintain the maximum feasible level of employment and economic self-sufficiency;

(b) "Self-care or family-care goal: To strengthen family life and maintain maximum personal independence, self-determination and security in the home, including, for children, the achievement of maximum potential for eventual independent living, and to prevent or remedy neglect, abuse or exploitation of children;

(c) "Community-based care goal: To secure and maintain community-based care which approximates a home environment, when living at home is not feasible and institutional care is inappropriate;

(d) "Institutional care goal: To secure appropriate institutional care when other forms of care are not feasible."

Along with Mondale, Bentsen, Javits and Packwood, other sponsors of the bill, as of 2:30 p.m. yesteday, are: James Abourezk (D-S.D.), Birch Bayh (D-Ind.), Quentin N. Burdick (D-N.D.), Clifford P. Case (R-N.J.), Dick Clark (D-Iowa), Alan Cranston (D-Cal.), Thomas F. Eagleton (D-Mo.), Philip A. Hart (D-Mich.), Mark O. Hatfield (R-Oreg.), Walter D. Huddleston (D-Ky.), Harold E. Hughes (D-Iowa), Hubert H. Humphrey (D-Minn.), Henry M. Jackson (D-Wash.), Marlow W. Cook (R-Ky.), Edward M. Kennedy (D-Mass.), Charles McC. Mathias, Jr. (R-Md.), Gale W. McGee (D-Wyo.), Thomas J. McIntyre (D-N.H.), Lee Metcalf (D-Mont.), Frank E. Moss (D-Utah), Gaylord Nelson (D-Wis.), Charles H. Percy (R-Ill.), Abraham Ribicoff (D-Conn.), William V. Roth, Jr. (R-Del.), Richard S. Schweiker (R-Pa.), Hugh Scott (R-Pa.), Robert T. Stafford (R-Vt.), Adlai E. Stevenson, III (D-Ill.), John V. Tunney (D-Cal.), and Harrison A. Williams, Jr. (D-N.J.).

S. 2528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Services Amendments of 1973".

PURPOSES AND GOALS

SEC. 2. Title XI of the Social Security Act is amended by the insertion of the following new section 1131.

SEC. 1131 Funds payable to the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam under titles I, IV–A, X, XIV, and XVI of the Social Security Act or under title VI of the Social Security Act effective January 1, 1974, for any fiscal year for services (other than support services for the Work Incentive Program, emergency assistance in the form of services and staff training activities) may be used as provided in section 3 for programs to be directed to the following specific goals, as appropriate for particular families and individuals:

(a) Self-support goal: To achieve and maintain the maximum feasible level of employment and economic self-sufficiency.

(b) Family-care or self-care goal: To strengthen family life and to achieve and maintain maximum personal independence, self-determination and security in the home, including, for children, the achievement of maximum potential for eventual independent living, and to prevent or remedy neglect, abuse, or exploitation of children.

(c) Community-based care goal: To secure and maintain community-based care which approximates a home environment, when living at home is not feasible and institutional care is inappropriate.

(d) Institutional care goal: To secure appropriate institutional care when other forms of care are not feasible.

STATE RESPONSIBILITY

SEC. 3. Title XI of the Social Security Act is amended by the insertion of the following new section 1132.

1132. In implementing the services program established under section 3(a) (4) (A), section 403(a) (3) (A), section 603(a) (1) (A), section 1003(a) (3) (A), section 1403(a) (3) (A), and section 1603(a) (4) (A), the Secretary shall assure maximum freedom for each State to determine which services (beyond mandatory services) it will make available, the persons eligible for such services, the manner in which such services are provided, and any limitations on the receipt of such services. The State, in cooperation with local governments where local funds are used, may delegate determination of eligibility to agencies from whom services are purchased pursuant to written instructions from the State, provided that such determination shall be monitored quarterly by the State.

ELIGIBILITY FOR SERVICES

SEC. 4. (a) (1) Section 3(a) (4) (A) of the Social Security Act is amended by striking out "individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of assistance" in clause (iii), and inserting in lieu thereof: "individuals who within the past two years have been, or within the next five years are likely to become, applicants for or recipients of assistance".

(2) Section 403(a) (3) (A) of the Social Security Act is amended by striking out "who, within such period or periods as the Secretary may prescribe, has been or is likely to become an applicant for or recipient of such aid" in clause (ii), and inserting in lieu thereof: "who within the past two years has been, or within the next five years is likely to become, an applicant for or recipient of such aid".

(3) Section 603(a) (1) (A) is amended by striking out "who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of supplementary security income benefits" in clause (iii) and inserting in lieu thereof: "individuals who within the past two years have been, or within the next five years are likely to become, applicants for or recipients of aid".

(4) Section 1003(a) (3) (A) of the Social Security Act is amended by striking out "individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of aid" in clause (iii) and inserting in lieu thereof: "individuals who within the past two years have been, or within the next five years are likely to become, applicants for or recipients of aid".

(5) Section 1403(a) (3) (A) of the Social Security Act is amended by striking out "individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of aid" in clause (iii), and inserting in lieu thereof: "individuals who within the past two years have been, or within the next five years are likely to become, applicants for or recipients of aid".

(6) Section 1603(a) (4) (A) of the Social Security Act is hereby amended by striking out "individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of aid" in clause (iii) and inserting in lieu thereof: "individuals who within the past two years have been, or within the next five years are likely to become, applicants for or recipients of aid".

(b) Title XI of the Social Security Act is amended by the insertion of the following new Section 1133.

SEC. 1133. (a) For purposes of sections

3(a)(4) and (5), 403(a)(3), 603(a)(1) and (2), 1003(a)(3) and (4), 1403(a)(3), and (4), and 1603(a)(4) and (5), the Secretary shall in no case limit the discretion of the several states to determine those individuals likely to become applicants for or recipients of aid or assistance, except or provided under section 4 of the Social Services Amendments of 1973; and for purposes of section 403(a)(3), the Secretary shall in no case limit the discretion of the several states to determine those individuals likely to become applicants for or recipients of aid or assistance, so long as the incomes of such individuals are at or below the minimum living standard budget determined by the Bureau of Labor Statistics of the Department of Labor, adjusted regionally and for family size, or, with respect to provision of child care services, at or below 150% of such budget.

(b) For the purposes of such sections, group eligibility may be extended, at the discretion of the State, to migrants and Indians and may, with the approval of the Secretary, be extended to other groups defined by the State.

SERVICES

SEC. 5. Title XI of the Social Security Act is amended by the addition of the following new Section 1134.

SEC. 1134. Services designated by the Secretary to be offered at the option of the States to all eligible persons under Sections 3(a)(4)(A), 403(a)(3)(A), 603(a)(1)(A), 1003(a)(3)(A), 1403(a)(3)A), and 1603(a)(4)(A) shall include:

(1) Day Care Services for children, to meet the needs of a child for personal care, protection and supervision but only in the case of a child where the provision of such services is needed (i) in order to enable a member of such child's family to accept or continue in employment, or to participate in education or training to prepare such member for employment or (ii) because of the death, continued absence from the home, incapacity or inability of the child's mother and the inability of any member of such child's family to provide adequate care and supervision for such child;

(2) Day Care Services for Children with Special Needs, including services provided when appropriate, as determined by the State, for eligible children who are mentally retarded or otherwise have special social and developmental needs which parents cannot meet.

(3) Service for Children in Foster Care, including services provided to a child who is under or awaiting foster care and including preventive diagnostic and curative physical and mental health services not furnished under the States' Title XIX plan, provided to or on behalf of the child who is or has within 90 days been receiving maintenance, care and supervision in the form of foster care in the foster family or who is awaiting placement in such a home or institution, or provided to a child in or by a nonresidential diagnostic or treatment facility whether such services are rendered directly by the providers of foster care or by the nonresidential facility, or otherwise provided or obtained for the child by the State when such services are needed in order for the child to return to or remain in his own home, the home of another relative, or an adoptive home, or to continue in foster care as appropriate, and also including services to free children for adoption and to place children in adoptive homes, and activities to develop and recruit, study, approve, and subsequently evaluate out of home care resources for foster care.

(4) Protective Services for Children, including multidisciplinary (medical, legal, social and other) services for the following purposes: identification, investigation, and response to incidents or evidence or neglect, abuse, or exploitation, of a child; helping parents and others to recognize the causes thereof and strengthening the ability of families to provide acceptable care; or, if that is not possible, bringing the situation to the attention of appropriate courts or law enforcement agencies, furnishing relevant data, and providing follow up services as directed by the court;

(5) Family planning services, including social, educational and medical services, provided that individuals must be assured choice of method and that acceptance of any such services must be voluntary on the part of the individual and may not be a prerequisite or impediment to eligibility for any other service;

(6) Protective Services for Adults, including identifying and helping to correct hazardous living conditions or situations of potential or actual neglect or exploitation of an individual who is unable to protect or care for himself;

(7) Services for adults in foster care include services not available under Titles XVI, XVIII, and XIX, for adults in 24 hour foster homes or group care for reasons other than medical, including assessment of need for such care, finding of foster homes and institutional resources, making arrangements for placement, supervision, and periodic review while in placement, counseling services for the adult individuals and their families, services to assist adults in leaving foster care to attain independent living;

(8) Homemaker Services for individuals in their own homes, including helping individuals to overcome specific barriers to maintaining, strengthening, and safeguarding their functioning in the home, through the services of a trained and supervised homemaker;

(9) Chore services including the performance of household tasks, essential shopping, simple household repairs, and other light work necessary to enable an individual to remain in his own home when he is unable to perform such tasks himself and they do not require the services of a trained homemaker or other specialist;

(10) Home Delivered or Congregate Meals, including the preparation and delivery of hot meals to an individual in his home or in a central dining facility, as determined by the State, to assist the individual to remain in his home, and to assure sound nutrition;

(11) Day Care Services for Adults, including meal preparation and serving, companionship, educational and recreational activities and incidental helpfulness including rehabilitation activity when provided for less than a 24 hour period in a group or family setting;

(12) Health Related Services, including helping individuals to identify health (including mental health) needs and assisting individuals to secure diagnostic, preventive, remedial, ameliorative, and other needed health services and helping to expedite return to community living from institutional care when discharge is medically recommended;

(13) Home Management and Other Functional Educational Services, including formal or informal instruction and training in management of household budgets, maintenance and care of the home, preparation of food, nutrition, consumer education, child rearing, and health maintenance;

(14) Housing Improvement Services, including helping families and individuals to obtain or retain adequate housing, and minor repairs necessary for adult protection, provided that housing and relocation costs, including construction, major renovation or repairs, moving of families or individuals, rent, deposits, and home purchase may not be claimed as service costs;

(15) A full range of legal services, at the option of the State, for persons desiring assistance with legal problems, including services to establish paternity and child support and services related to adoption;

(16) Transportation services necessary to travel to and from community facilities or resources for receipt of services;

(17) Educational and Training Services, including the provision of such services for adult family members, where there are special needs not met by the Work Incentive Program or other state and federal programs, and services to assist children to obtain education and training to their fullest capacities;

(18) Employment Services to enable individuals to secure paid employment or training leading to such employment, including vocational, educational, social, and psychological diagnostic assessments to determine potential for job-training or employment; provision of job development, placement and work experience; and provision of vocational rehabilitation services (other than medical or subsistence items except as provided in Section 1135(a)(19) as defined in the Vocational Rehabilitation Act, when provided pursuant to an agreement with the state agency administering the vocational rehabilitation program);

(19) Information, referral, and determination of eligibility and the need for services, without regard to individual eligibility criteria;

(20) Special Services for the Mentally Retarded, or special adaptations of generic services, directed towards alleviating a developmental handicap or towards the social, personal or economic habilitation of an individual of sub-average intellectual functioning associated with impairment of adaptive behavior as defined and determined by the state agency, with such services including but not limited to personal care, day care, training, sheltered employment, recreation, counseling of the retarded individual and his family, protective and other social and socio-legal services, information and referral, follow along services, transportation necessary to deliver such services, and diagnostic and evaluation services;

(21) Special Services for the Blind to alleviate the handicapping effects of blindness through: training in mobility, personal care, home management, and communication skills; special aids and appliances; and special counseling for caretakers of blind children and adults;

(22) Services for Alcoholism and Drug Addiction for an individual who is becoming dependent on or is addicted to alcohol or other drugs as determined by the standards set by the state agency designated by the State under the Comprehensive Alcohol Abuse and Treatment Act of 1970 and the Drug Abuse and Treatment Act of 1972, if such services are needed as part of a program for prevention or treatment of addiction or the conditions arising from misuse of alcohol or other drugs, including but not limited to social and rehabilitative services for resident patients receiving services in a supportive environment (such as a halfway house, hostel, or foster home) and including medical services (such as psychiatric services) incidental to the provision of a social service;

(23) Special Services for the emotionally disturbed as defined by the State;

(24) Special Services for the physically handicapped as defined by the State;

(25) Any other proposed services at the request of a State, which shall be approved by the Secretary, except upon finding that such service is inconsistent with the purposes of the services program.

ADMINISTRATIVE PROVISIONS

SEC. 5. Section 1130 of the Social Security Act is amended by the addition of the following section 1135.

SEC. 1135. (a) States are entitled to Federal financial participation for the delivery of mandatory and optional social services under the State plan to the extent of the appropriations allocated by the Congress, including the following:

(1) Salary, fringe benefits, and travel costs of staff engaged in carrying out service work or service related work;

(2) Costs of related expenses, such as equipment, furniture, supplies, communications, and office space;

(3) Costs of services purchased in accordance with provisions of this Act;

(4) Costs of State, area, and local advisory committees, including expenses of members in attending meetings, supportive staff, and other technical assistance;

(5) Costs of agency staff attendance at meetings pertinent to the development or implementation of Federal and State service policies and programs;

(6) Costs for volunteers;

(7) Costs for operation of agency facilities used solely for the provision of services, except that appropriate distribution of costs is necessary when other agencies also use such facilities in carrying out their functions, as might be the case in comprehensive neighborhood service centers;

(8) Costs of administrative support activities furnished by other public agencies or other units within the single state agency which are allocated to the services program in accordance with an approved cost allocation plan or an approved indirect cost rate as provided in OMB circular A–87;

(9) Costs of obtaining technical assistance, surveys, and studies performed by other public agencies or other units within the single State agency, private organization, or individuals to assist the State agency in developing, planning, monitoring, and evaluating the services program;

(10) Costs of emergency assistance in the form of services;

(11) Costs of public liability and other insurance protection;

(12) Costs of advice and consultation furnished by experts in such matters as medical (including psychiatric), social, legal, educational, psychological, nutritional, and employment problems of individuals, for the purpose of assisting staff in diagnosis and in developing individual service plans;

(13) Additional liability insurance for family foster parents, and agency staff providing direct services;

(14) Costs of recruitment, development and coordination of day care and foster care resources for children and adults;

(15) Costs of staff and technical assistance connected with development, mobilization and consultation to community resources;

(16) Costs connected with coordination and integration of social services with other human services at state and local levels to improve effectiveness of service or achieve administrative efficiencies;

(17) Costs of medical examinations for persons caring for children under agency auspices, when not otherwise available or not included in purchase arrangements;

(18) Costs of medical and mental health diagnosis and consultation when necessary to carry out service responsibilities, e.g. for recipients under consideration for referral to training and employment programs;

(19) Medical costs under the following conditions:

(A) When such items are provided as essential components of a comprehensive program or facility and the services are provided as part of an individual service plan; and

(B) Where the service facility is one of the following types: maternity home for unwed mothers; home for emotionally disturbed or mentally retarded children (which is not a public mental institution); emergency shelter and care facility for abandoned, abused, neglected, homeless, or exploited children; rehabilitation center, residential treatment center (non-hospital) or halfway house for alcoholism or drug addicts; day care facilities; halfway house or group home for persons requiring transitional services to the community from mental or penal institutions, or who require the services of a halfway house or group home as part of a plan to preclude such institutionalization, family planning clinics; and

(C) When such items are provided within the following time limits for each stay of an individual at such service facility:

maternity home for unwed mothers—as needed;

home for emotionally disturbed children and mentally retarded children (which is not a public mental institution)—6 months;

emergency shelter and care facility for abandoned, abused, neglected, homeless, or exploited children—30 days;

rehabilitation center—as specified in the individual's rehabilitation plan;

residential treatment center (non-hospital) or halfway house for alcoholics—60 days; for drug addicts—90 days;

day care facilities—as needed;

other halfway houses—1 year; and

family planning clinics—as needed.

(D) When the service facilities are not a part of a full-time residential mental or penal institution (where the facility is being administered by the same organization that administers a mental or penal institution, complete separation of facilities is required).

(20) Other costs, upon approval by the Secretary.

(b)(1) For purposes of the services program conducted under sections 3(a)(4)(A), 403 (a)(3)(A), 603(a)(1)(A), 1003(a)(3)(A), 1403(a)(3)(A), and 1603(a)(4)(A) of the Social Security Act, donated private funds (including in-kind contributions as defined in OMB circular A–102) for services shall be considered as State funds in claiming Federal reimbursement where such funds are transferred to the State or local agency and under its administrative control and are donated on an unrestricted basis (except that funds donated to support a particular kind of activity in a named community shall be acceptable).

(2) Effective July 1, 1974, Federal financial assistance shall be available for a new purchase of services from a public agency only for services beyond those represented by the expenditures for the previous fiscal year of the provider agency (or its predecessors) for the type of service and type of persons covered by the agreement;

(3) State plans submitted with respect to the services program conducted under sections 3(a)(4)(A), 403(a)(3)(A), 603(a)(1)(A), 1003(a)(3)(A), 1403(a)(3)(A), and 1603 (a)(4)(A) shall contain provision for a fair hearing, under which applicants and recipients may appeal denial of or exclusion from a service program failure to take account of recipient choice of service or a determination that individuals must participate in the service. All applicants and recipients must be advised of their right to appeal and the procedures for such appeal.

(4) State plans submitted with respect to the services program shall provide for the establishment of a Social Services Advisory Committee, which may include the Committee established under section 422(a)(1)(C)(ii), at the State level, and at local levels where programs are locally administered, which shall have adequate opportunity for participation in policy development and program administration. Such Committee shall include representatives of appropriate State agencies, public and private organizations, and interested members of the public; not less than ⅓ of the membership, and not less than ⅓ the membership of committee established under section 422(a)(1)(C)(ii), shall be representative of recipients of services;

(5) Federal financial participation shall be available for costs of subsistence which are essential components of a service program.

(6) Child care services provided under the Social Security Act shall meet the following standards:

(A) In-home care shall meet standards established by the State, reasonably in accord with recommended standards of national standards-setting organizations (such as the Child Welfare League of America and the National Council of Homemaker—Home Health Aid Services).

(B) Out of home day care facilities shall be licensed by the State or approved as meeting the standards for such licensing, and shall comply with the provisions of the Interagency Day Care Standards of 1964 and the requirements of Section 422(a)(1) of the Social Security Act.

SEC. 6. (a) Section 1130 of the Social Security Act is amended by striking out "not more than 10 per centum" in subsection (a) and inserting in lieu thereof "not more than 25 per centum".

(b) Section 1130(a)(2) is amended—

(1) by striking out "and" at the end of subparagraph (D);

(2) by adding "and" at the end of paragraph (E); and

(3) by adding after subparagraph (E) the following new subparagraph (F):

(F) Protective Services for Children, including multidisciplinary (medical, legal, social and other) services for the following purposes: identification, investigation, and response to incidents or evidence of neglect, abuse, or exploitation of a child; helping parents and others to recognize the causes thereof and strengthening the ability of families to provide acceptable care; or, if that is not possible, bringing the situation to the attention of appropriate courts or law enforcement agencies, furnishing relevant data, and providing follow-up services as directed by the court;

Mr. HART. Mr. President, there is no need to reiterate all the developments that have led to our conclusion that legislation is needed to set further guidelines for the public assistance social services programs.

Last year, fears of runaway costs were allayed when a $2.5 billion annual ceiling was placed on the Federal contribution to program costs. Following this, the Department of Health, Education, and Welfare issued a series of regulations which were widely criticized as out of compliance with the law and congressional intent and unresponsive to the needs the programs were designed to meet. In fact many have suggested that, contrary to the purposes of the social services programs, the regulations would actually encourage dependency and expansion of welfare rolls.

By gradually enlarging the list of approved services that could be matched with Federal funds, by permitting continued Federal matching for privately donated funds, and by dropping the assets requirements, the Department has to some degree responded to expressions of public and congressional concern. However, the proposed regulations still do not go far enough in offering the desired flexibility and service options, especially to the marginal and working poor for whom the availability of social services often spells the difference between the opportunity to maintain economic and personal independence and forced reliance on welfare assistance.

This summer Congress postponed implementation of the regulations until November 1. At this point it is clear that further legislation is needed to get an adequate, revised social services program into operation. For this reason, I am pleased to join Senators MONDALE, BENTSEN, JAVITS, PACKWOOD and others today in submitting these social services amendments.

Under this plan, a broad range of services would be available to both welfare and nonwelfare clients, and the States would have the necessary flexibility to continue to provide services to those who might otherwise have no alternative but to seek welfare assistance.

The amendments proposed today would keep the present definitions of former and potential recipients so that an individual who has received welfare assistance within the past 2 years, or who is likely to go on the rolls within 5 years, may be eligible for social services.

Current law mandates, with certain exceptions, that at least 90 percent of the social services funds be spent on services for welfare clients or applicants for assistance. We propose the allocation for nonrecipient services be increased from 10 to 25 percent.

Services for the elderly, blind, disabled, mentally retarded, drug addicts, alcoholics, and family planning and employment-related child care services are exempt from the 90-percent requirement. The bill would, in addition, include protective services for children in the exempt categories.

Briefly, I would point out that direct educational, health-related, nonemployment related day care, and a full range of legal services would also qualify, among others, as approved services. Further, the 1968 Federal Day Care Standards would be retained, a fair hearings and appeal process would be provided, and program participants would be guaranteed representation on State and local advisory committees.

This approach, it seems to me, offers a reasonable and humane solution to the effort to set new ground rules for the social services program.

Mr. JACKSON. Mr. President, today, I am joining as a cosponsor of S. 2528, the Social Services Amendments of 1973, because I believe we must work to eliminate welfare dependency and to encourage self-sufficiency among the aged poor and low-income handicapped citizens of our country.

This legislation is necessary because the administration, in proposing new social services regulations for the States, has once again shown its interest in false fiscal savings at the expense of the less fortunate members of our country. The administration does not want the States to spend the $2.5 billion authorized by the Congress for social services. As many may remember, we in the Congress last year recognized that abuses were apparent in the open-ended social services funds given to the States. Consequently, we established a $2.5 billion ceiling on the fund and adopted several other reform provisions which require the States to more carefully supervise the distribution of their funds and services. We allowed the States to have as much flexibility as possible—while discouraging abuses—in assisting families to leave the welfare rolls and in helping to prevent the institutionalization of aged and handicapped citizens. Three times this year the Department of Health, Education, and Welfare has issued regulations limiting this flexibility provided the States by the Congress. Although the Department claims that the new regulations are designed to further discourage abuses by the States, the real intent of the regulations—to make sure that the States spend under the $1.9 billion provided for social services in the President's budget—is most apparent.

Faced with strong criticism from the Congress, the States, and the public, HEW has each time made token changes in their regulations. But as will be noted in the following analysis of the new regulations issued September 7, 1973, and scheduled to take effect November 1, 1973, the administration's disinterest in the working poor and aged and handicapped citizens of this Nation still comes through very clear.

The HEW regulations forbid the States from providing any social services to persons who have not been on welfare within 3 months or who do not have the potential of going on welfare within 6 months. An additional regulation allows the States to provide services only to persons who have income below 1½ times the State's welfare payment. In many States this amount is well below the current poverty level for a family of four of $4,275. Day care services may be provided only to persons who meet the 3 months to 6 months eligibility requirement and have income up to two and one-third times the welfare payment in each State. In some States working poor citizens with incomes below the $4,275 poverty level will be excluded from receiving day care services even when it is provided on a sliding fee basis. The proposed regulations further limit the type of services to be provided by the States. The HEW list excludes such services as hot meals for the elderly and services for physically and emotionally handicapped children even when such services cannot be provided by other State or Federal programs.

I believe these regulations will have an adverse effect on the States in their efforts to encourage self-sufficiency among low-income citizens. Numerous letters from my constituents have reinforced this belief. One young woman told me of her own personal plight. Ms. X had gotten married young; her husband had left her with two small children to support. Without skills she ended up on public assistance. Through the help of her welfare office, she received training and obtained her first job. After subtracting taxes and a $50 payment for a car, Ms. X had an income of $329 per month. The Department of Public Assistance arranged child care for her children so she could work. With this help, Ms. X was finally able to get on her feet and to contribute to the improvement of her family's economic status. But she told me fearfully:

> If I am forced to pay for child care out of my own pocket, I would have to return to public assistance.

The new HEW regulations would in fact force her to do just that.

What is the incentive for such a young woman and many others like her in this country to seek training and then get a job only to find out that after subtracting the cost of child care and transportation to her new job from her low income, she has less money than she had as a welfare recipient. If day care is provided to her on a sliding fee scale long enough to allow her to assume the full burden for all her expenses, I believe we will not have this young woman rejoining the welfare rolls. In order to encourage self-sufficiency of such persons as Ms. X, I believe adoption of the Social Services Amendments of 1973 is necessary.

The Social Services Amendments of 1973 preserve the essential elements of the existing social services program. Services may be provided to any person who has been on welfare within 2 years or has the potential of going on welfare within 5 years and who also has income below the minimum living standard budget established by the Bureau of Labor Statistics. Child care may be provided on a sliding fee basis to persons who have incomes below 150 percent of the BLS minimum standard and who meet the 2-year to 5-year eligibility test. The States are also allowed to provide whatever services they deem are necessary to help a person become self-supporting and to keep aged and handicapped persons from being institutionalized. This legislation further increases the percentage of the social services fund which is to be used for services for nonwelfare recipients.

I believe that passage of this measure is necessary in order to restore to the States the flexibility to determine and meet the problems of its citizens. With a $2.5 billion ceiling established by Congress, not all services will be able to be provided to all persons who meet the maximum eligibility schedule established by this bill. However, this legislation allows the States to determine on an individual basis the merits of each case, instead of placing stringent restrictions on the States and requiring applicants to fit into boxlike categories.

I urge my colleagues to join in the support of this legislation so that we may continue to help older and disabled citizens live useful lives outside of institutions and may also continue to encourage welfare recipients to become members of the working class.

Mr. PACKWOOD. Mr. President, it is with mixed emotions that I am today, with Senators MONDALE, JAVITS, and BENTSEN, offering for the Senate's consideration our legislation concerning the social services program. I am gratified that we have been able to come up with a proposal, endorsed by the Governor's Conference, which will enable the States to meet the purposes of the social services program as enacted by Congress. I regret, however, that this same purpose could not have been achieved through the departmental regulatory process.

Mr. President, before I get into the details of our bill, and events leading up to it, let me refer back to the early origins of the social services program. Back in 1962, in response to swiftly rising welfare costs, Congress focused on the need to expand and improve supportive and rehabilitative services for welfare recipients and potential recipients. In order to encourage States to provide such services, the Federal matching effort was increased from 50 to 75 percent, with the explanation that the increase—

> Is designed to improve the rehabilitative aspects of the public assistance programs particularly in stimulating constructive services designed to help families and individuals to attain self-sufficiency . . . in an effort to encourage the prevention of dependency . . . the states may receive federal participation in the cost of providing social services to persons who have been or are likely to become recipients." (Senate Finance Committee report on Public Welfare Amendments of 1962, Senate report 87–1589) By way of further explanation of its intent, the Senate Finance Committee specified its hope that the provision of necessary services may avoid the need for cash assistance."

Congress' explicit reference to the need for expanded supportive services called for the drafting of very broad regulations, allowing each State and locality to serve those on welfare, and those in danger of requiring welfare without the necessary services. Congress recognized then, and I believe we still do, that preventing welfare dependency is far preferable—in both human and financial terms—than trying to remedy it. Similarly, welfare recipients, with few exceptions, would far rather be self-sufficient, contributing members of society, given just the little bit of help that is frequently needed to get them on their own two feet, or stay on their own two feet. In the case of our handicapped citizens, supportive services frequently mean the difference between an individual leading a meaningful life—contributing to both his own self-support and society in general—and the individual in abject poverty and despair, entirely dependent upon meager welfare cash assistance, unable without help to contribute either to his own self-support or to society. I believe the choice is clear.

Mr. President, during the decade following expansion of the social services program, millions of Americans were helped off the welfare rolls, and millions more helped in their effort to stay off welfare through the provision of a variety of supportive services. However, two serious problems developed. First, because this was an open-ended program, with mandatory Federal matching of any expenditures at the State level, the Federal Government retained absolutely no control over the program level, and we were suddenly faced last year with the prospect of a $4.7 billion program in fiscal year 1973. A second problem was the failure of HEW officials to enforce prescribed regulations governing the program, so as to insure that dollars planned for social services programs were in fact being spent on legitimate social services consistent with the purpose of helping people get off or stay off welfare. The open-ended feature and lack of regulatory enforcement led to serious and expensive abuses of the program in many areas of the country, with the result that those Congress intended to receive support were receiving in fact only a fraction of the program's thrust. Compounding the problem was the fact that the States had no incentive to set priorities or maximize the effectiveness of social service dollars, since Federal dollars flowed forth virtually without limit.

Responding to this potential fiscal crisis, and to the fact that in spite of the large expenditures, many needy were not receiving services, Congress last year imposed a $2.5 billion spending ceiling on the social services program. Additionally, Congress emphasized five types of services which were felt to be crucially important elements of the social services supportive program: child care services, services provided to a mentally retarded individual, services related to the treatment of drug addicts and alcoholics, services provided a child in foster care, and family planning services.

Following our action imposing the $2.5 billion overall ceiling, HEW published new revised regulations which had the unfortunate effect of virtually strangling the social services program and hobbling our mandate of helping people get off welfare or stay off welfare. In response to a loud public outcry, and intense congressional opposition, HEW revised its regulations in May, and again in September. Although the revisions have met a number of the objections voiced originally, they have failed unfortunately to come into conformity with the congressional intent concerning the social services program. Hence, our bill which is introduced today.

Mr. President, before I get to the details of the bill we are today introducing, let me describe in part the impact of the proposed regulations on social services programs in Oregon. In fiscal 1972, Oregon received $17.5 million in Federal funds for services to children and families, and $4.4 million for supportive services for adults. In addition, Oregon received $2.5 million for services for adults in nursing homes, for a total of $24.4 million Federal dollars. For 1973, Oregon budgeted $30.9 million Federal dollars for these programs, a figure which was cut back to $26.2 million under the $2.5 billion ceiling. Keeping in mind, now, that Oregon was already preparing to make some hard priority decisions, I should mention that the proposed HEW regulations, because of their inflexibility and harsh restrictiveness, would have required Oregon to cut back on the program even further, below our authorized allocation of $26.2 million.

In Oregon, as around the Nation, those who would suffer from the narrowly drawn regulations would be children, the mentally retarded, the handicapped, emotionally disturbed youngsters, the poor aged, blind, and disabled, and others similarly disadvantaged in relation to the rest of society. Regulations which restrict the supportive social services program tend to be counter-productive; whereas broadly drawn regulations tend to maximize the benefits of supportive services to allow a maximum number of individuals to attain or retain a certain degree of self-sufficiency. Since February, when the original HEW regulations were published, thousands of Oregonians have contacted me to relate their personal experiences with various aspects of the social services program, and to point out the weaknesses and pitfalls in the regulations. As has already been mentioned, we have spent months trying to work out with HEW a satisfactory resolution of the specific issues, but for reasons I am unable to understand, HEW has held firm in refusing to allow the individual States greater flexibility to deal with their particular needs and problems. In spite of near unanimous opposition to the 6-month eligibility tests, accompanied by the 150-percent income standard, HEW retains these two strict requirements in the latest published regulations. If we do not wish welfare to be a vicious circle for our lowest income Americans, we must allow greater flexibility at the State and local levels to deal with specific problem areas as they develop. The States must be allowed the discretion to determine which services are most appropriate in any given case, so long as those services are directed toward the self-sufficiency-related goals.

Numerous other aspects of the proposed regulations have been widely discussed, and I need not reiterate those concerns. Let me simply go on to emphasize why I believe our approach to the social services issue is a desirable one, and why it will work to maximize the intent of Congress in authorizing a 75-percent matching program.

The first point to keep in mind is that the social services program is now operating under a $2.5 billion ceiling. We are therefore not talking about levels of authorization or appropriations for this program, we are simply talking about how the $2.5 billion will be spent and where the responsibility shall lie for allocating each State's share of the $2.5 billion.

Second, our bill will firm-up the definitions of services to clarify the kinds of services Congress intends to be furnished, and will further provide for specific goals as appropriate for both families and individuals, as follows:

First. Self-support goal: To achieve and maintain the maximum feasible level of employment and economic self-sufficiency.

Second. Self-care or family-care goal: To achieve and maintain maximum personal independence, self-determination and security in the home, including, for children, the achievement of maximum potential for eventual independent living, and to prevent or remedy neglect, abuse, or exploitation of children.

Third. Community-based care goal: To secure and maintain community-based care which approximates a home environment, when living at home is not feasible and institutional care is inappropriate.

Fourth. Institutional care goal: To secure appropriate institutional care when other forms of care are not feasible.

The States will therefore have clear direction from Congress that their expenditures are designed to meet these four objectives.

Third. Because States have a clear self-interest in keeping welfare budgets at the lowest possible level, it goes without saying that States have a similar clear interest in keeping welfare rolls at the lowest possible level. This can be translated into two objectives, to help people on welfare get off at the earliest possible moment, and to keep those in danger of falling into welfare dependency from actually moving onto the welfare rolls. Both objectives are tied in closely with the provision of social services. Obviously, a State will have a distinct incentive to maximize its social service allowance dollars to help as many people as possible stay off welfare.

What this boils down to, Mr. President, is the same old question, whether we here in Washington, whether the HEW bureaucrats, are superior decisionmakers to those people in our respective States who are themselves having to make some hard priority decisions. My choice is clearly for State responsibility, a choice I believe to be consistent with the administration's revenue-sharing approach in many areas. It seems to me that the social services program is in fact a particularly appropriate one for the revenue-sharing approach, and I am hopeful that Senators on both sides of the aisle will see the advantages of this approach and support our bill.

Mr. JAVITS. Mr. President, I am pleased to join with Senator MONDALE, Senator PACKWOOD, and Senator BENTSEN in introduction of the Social Security Amendments of 1973, a bill to preserve the flexibility of the States in conducting the Social Services programs under the Social Security Act.

We are joined by 31 Senators, including the following Republicans: Senators CASE, COOK, HATFIELD, MATHIAS, PERCY, ROTH, SCHWEIKER, HUGH SCOTT, and STAFFORD.

Mr. President, last February 16, the Department of Health, Education, and Welfare issued new regulations to govern the social services programs. These include: Title I—Old Age and Medical Assistance for the Aged—title IV–A—Aid to Families With Dependent Children—title VI—Aid to Aged, Blind and Disabled—Individuals—title X—Aid to the Blind, title XIV—Aid to the Permanently and Totally Disabled—and title XVI—Aid to the Aged, Blind and Disabled—State. Since they would have so radically changed the provision of such services and contained, in many of our opinions, very counter-productive provisions, they met almost immediately with considerable opposition.

Senator MONDALE and I, joined by 43 other Senators, introduced on March 14, S. 1220, a bill to limit the authority of the Secretary of Health, Education, and Welfare to impose, by regulations, certain additional restrictions upon the programs.

In response to these and other initiatives, the Senate Committee on Finance subsequently reported as a part of the debt ceiling bill, a provision preventing the Secretary of Health, Education, and Welfare from issuing regulations effective prior to January 1, 1974; this was modified to October 31 of this year and included in the Renegotiation Act Amendments of 1973, signed by the President on July 10.

On September 10, the Department of Health, Education and Welfare modified its original proposals—with some concessions—and indicated its intent to make them effective November 1. However, these new regulations are still designed to limit eligibility for families to those below the maximum level at which direct welfare support may be provided: And they continue severely to limit State flexibility to determine the services that may be offered. This approach is contrary to the basic purpose underlying the social services program—to help those who can to leave the welfare rolls, and to help others avoid welfare dependency.

Our bill would preserve the flexibility of State government—within the $2.5 billion ceiling established by the Congress—to serve those likely to become recipients of welfare assistance if help is not furnished and would protect the broad range of services which States may now offer—while preventing abuse.

I am pleased to say that our bill is supported both by Governor Nelson Rockefeller, of New York, and by Administrator Jule Sugarman of the Human Resources Administration for the city of New York, as well as by Governor Evans, chairman of the National Governors Conference and members of the Southern Governors Conference.

The basic elements of our bill and their effect on areas in New York State are as follows:

First. Eligibility. The proposed legislation would follow the current approach permitting States to serve persons who have been on welfare within 2 years, or who are likely to be on welfare within 5 years, as well as those on welfare. Moreover, the Secretary of Health, Education, and Welfare would have no discretion to interfere with State-established eligibility standards below the level of the Bureau of Labor Statistics' minimum living standard budget—$7,841 for a family of four in New York City—adjusted regionally and for family size, or, in the case of child care, below 150 percent of the BLS standard.

In contrast, the HEW regulations would limit eligibility to those actually receiving welfare, those who have been on welfare within 3 months and those likely to be on welfare within 6 months. In addition, the regulations would permit States to offer services only to persons with incomes up to 150 percent of the State's welfare payment standard—with a deduction of $60 a month—under the title IV–A program to families—approximately $6,768 for a family of four in the city of New York—and to persons with incomes of up to 150 percent of the combined Federal and State benefit levels under the services program to the aged, blind, and disabled. In the case of daycare services for children, services could be made available on a sliding fee basis up to 233⅓ percent of the welfare payment standard. The latest regulation revisions provide for an unspecified adjustment to account for the high cost of services to the mentally retarded.

New York State advises that should HEW's latest proposed regulations go into effect without modification, more than 70,000 New York State citizens now benefiting from $38.7 million in services programs, could become ineligible. For example, in New York State the income level established under the pending Federal regulations could deny day care services to about 7,500 children or 15 percent of the current total and force a redirection of $15 million—$11.3 million Federal share—in day care expenditures. Eligibility restrictions could deny services to 5,000 elderly persons.

However, under our bill, New York State and its local governments could continue virtually all current coverage without disruption.

Second. Services. The proposed legislation contains a list of statutorily defined services, carefully designed with the help of State officials from throughout the Nation; in contrast, the proposed HEW regulations would prohibit States from offering education services, services for physically and emotionally handicapped children, hot meals for the elderly and those in day care centers, and would severely limit medically related services and child care.

It is very important that areas like New York City and New York State maintain flexibility to provide these services; for example, hot meals for the elderly are so very key as older persons face inflation generally and rising food costs particularly. New York State advises that program restrictions could deny 30,000 elderly persons of senior citizens programs not meeting services requirements.

Third. Privately Donated Funds. Our proposed legislation would allow States to include any private contributions, including in-kind contributions donated on an unrestricted basis—except that funds may be designated for a particular kind of activity in a named community, as under present regulations—the modified HEW regulations would permit privately donated funds to be used in forming the State matching share; however, in-kind private contributions may not be included; while this would permit donations from larger groups such as the United Way, the regulations may prohibit donations from smaller groups.

Of course, the utilization of such a change will depend largely on whether or not the $2.5 billion ceiling on Federal expenditures continues. New York City advises that if additional Federal funds for matching were made available, as much as $10 million in contributed funds "in-kind" could be solicited.

Fourth. The "90–10" formula. The proposed legislation would modify the "90–10" formula to "75–25" and add an additional exempt category: Protective services for children. Present law requires that 90 percent of funds be used for services to present welfare recipients except for the following services: Employment-related day care, services for the mentally retarded, alcoholics, and drug addicts, foster care, and self-support services for the aged, blind, and disabled.

At the present time, in New York City, most protective services—such as those dealing with child abuse—are funded on a matching basis between the social services. By including protective services for children as an exempted service, the city and State could move to increase these essential services for families other than those on welfare. Actually, there were 55,000 incidents of child abuse reported in New York City last year, and these involved children from all socioeconomic levels.

Fifth. Additional Provisions. In addition the bill would provide guidelines for administrative provisions for advisory committees and continued minimum Federal standards for child care services.

Each of these is very important as a matter of continued Federal concern; in New York City the use of advisory committees is extensive and necessary to ensure the relevancy of programs to those served.

In the case of child care, while the States should have general flexibility in basic types, certain standards should pertain and the standards maintained by our legislation follow those established for all Federal programs generally.

Mr. President, in light of the substantial support given to this measure, we hope very much that the Subcommittee on Finance, which is about to go into markup—perhaps today—will seek to provide for the future of social services programs through legislation, rather than by the disrupting administrative actions of the administration alone. In my opinion, this is another situation where the Congress should be fully heard.

Mr. President, in closing, I register my continued objections to the $2.5 billion ceiling, which has had the effect of reducing New York State social services funds from approximately $800 million annually to $220 million and I hope to develop separate legislation to deal with that problem.

By Mr. HARTKE (for himself and Mr. Cook):

S. 2530. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the removal or rendering inoperative of safety related equipment in compliance with motor vehicle safety standards. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, the legislation which I am introducing today and cosponsoring with my colleague from Kentucky (Mr. Cook) is designed to increase the effectiveness of the National Traffic and Motor Vehicle Safety Act of 1966. It would prohibit the removal or rendering inoperative of safety-related equipment or designs mandated by the Department of Transportation pursuant to authority delegated by Congress in the Motor Vehicle Safety Act.

Mr. President, it makes little sense to me for the Federal Government to invest millions of dollars to mandate safety standards, for manufacturers to design and equip vehicles to comply with those standards and for consumers to pay for the safety devices only to have the device rendered inoperative. They are designed to save lives and prevent injuries: Not only for the benefit of the owner of the vehicle, but also for the other passengers of the vehicle and other motorists on the highways. We must now insure that the Department of Transportation has the enforcement powers necessary to prevent the circumventing of the intent and spirit of the law.

Each year, over 55,000 Americans are killed on the highway and 2,000,000 are injured. At least 20 percent of those lost in traffic accidents could be saved if only they would wear their seat belts. In a major effort to increase belt usage, the Department has mandated the use of a sequential ignition interlock system in all 1974 cars. We must act quickly on this legislation in order to discourage motorists from defeating this life-saving device.

The legislation which I am proposing is not unique. In fact, it is modeled after a similar provision in the Clean Air Act which prohibits the modification of emission control devices. The House is also considering a similar proposal. I urge quick action on this proposal.

By Mr. GURNEY (for himself and Mr. Chiles):

S. 2531. A bill to amend title II of the Water Pollution Control Act amendments of 1972 (Public Law 92-500). Referred to the Committee on Public Works.

Mr. GURNEY. Mr. President, today, along with Florida's distinguished junior Senator (Mr. Chiles), I wish to introduce a bill which would amend the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500.

Mr. President, as presently written, section 206(f)(1) of Public Law 92-500 specifically states that:

> The administrator may not approve an application under this subsection unless an authorization is in effect for the future fiscal year for which the application requests payment, which authorization will insure such payment without exceeding the State's expected allotment from such authorization.

I am sure that all of my colleagues agree that Public Law 92-500 has been a significant advancement in our fight to clean up rivers, lakes, and oceans. However, the present language of this act has caused many communities to delay their efforts in this direction for fear that, should they proceed on their own initiative, their efforts would not be eligible for subsequent Federal reimbursement.

Senator Chiles and I have both received numerous letters from local officials in Florida stating their desire to begin immediate construction of waste treatment facilities. However, they stress their reluctance to do so unless they are assured of eligibility for future Federal reimbursement.

To highlight the importance of their fears, the State of Florida Pollution Control Board has contacted both Senator Chiles and myself urging that legislation be introduced to correct this problem. I would like to ask that the resolution of the Florida Pollution Control Board be printed in the Record at the conclusion of my remarks.

Mr. President, the House of Representatives has already entertained such a bill introduced by Congressman Parris. It is our understanding that Congressman Parris has received endorsement of this proposal from over 20 State legislatures. It is a companion measure to Congressman Parris' bill that Senator Chiles and I are introducing at this time.

At this point I would like to briefly state what this bill would do. Mr. President, as you know, the State presently sets up the priority list for these projects and, as a consequence, there are dealings on the State level to determine which projects will get funded first. This bill would allow the cities to proceed with the construction of the waste facilities after their plans have been approved by the State and the EPA without sacrificing their eligibility for reimbursement at a later date. However, this bill states clearly that approval of such projects does not constitute a commitment or obligation on the part of the United States to provide funds.

Mr. President, I hope that favorable action on this proposal will be forthcoming in the near future.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

State of Florida,
Department of Pollution Control,
Tallahassee, Fla., September 27, 1973.
Hon. Edward J. Gurney,
U.S. Senator, Senate Office Building,
Washington, D.C.

Dear Senator Gurney: Pursuant to the direction of the State of Florida Pollution Control Board, I am transmitting to all members of the Florida Congressional Delegation a copy of Resolution No. 73-57 which was adopted by the Pollution Control Board on September 25, 1973.

I hereby certify that the enclosed Resolution is a true and correct copy of the original Resolution contained in the official records of the State of Florida Department of Pollution Control.

Thank you for your immediate and careful consideration of this matter.

Sincerely,

Hamilton S. Oven, Jr.,
(For Peter P. Baljet, Executive Director.)

Before the State of Florida Pollution Control Board—Resolution No. 73-57

Whereas it is the view of the Department, on the basis of legal opinions of its staff, that passage of House Bill 8602 in the House of Representatives, 93rd Congress, would further the continuing fight against pollution in Florida and the nation by expediting the construction of publicly owned wastewater treatment facilities through federal reimbursement grants, and

Whereas present federal law does not permit reimbursement for construction begun prior to receipt of a grant offer, which tends to discourage such construction, and House Bill 8602 would authorize such reimbursement, and

Whereas the Department is desirous that the Florida Congressional delegation be apprised of the Department's view and assist in such passage,

Now, therefore, be it resolved by the Department of Pollution Control of the State of Florida that a certified copy of this resolution with a copy of House Bill 8602 attached to it be sent to each member of the Florida Congressional delegation urging him to work for the early passage of House Bill 8602 or one substantially the same.

Mr. CHILES. Mr. President, I am delighted to join with the distinguished senior Senator from Florida, Senator Gurney in introducing this bill to help expedite the construction of publicly owned wastewater treatment facilities through Federal reimbursement grants.

The 1972 amendments, by increasing water quality goals, increased the need for construction of these waste treatment facilities. However the language of these amendments, as Senator Gurney has pointed out, failed to provide eligibility for future Federal reimbursement to any project in which construction was initiated after January 1, 1973, and which did not receive Federal grant support as authorized by section 202(a).

The language of our bill would provide that any such projects approved by the appropriate State water pollution control agency and by the administration as meeting all applicable requirements of the law would not insure a commitment of the Federal Government to provide funds to reimburse, but would merely insure that eligibility for reimbursement funds was extended.

Senator Gurney and I have sent a joint letter to the Chairman of the Public Works Committee, Senator Randolph, and the ranking minority Member, Senator Baker, urging early action on this proposal.

We believe, as we are sure our colleagues will agree, that we must do everything possible to expedite construction and encourage local communities to take initiative in this matter.

Mr. President, I ask that at this point in our remarks that following the resolution adopted by the Florida State Legislature, that our letter be printed, as well as the text of our bill.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

U.S. Senate, Committee on Government Operations,
Washington, D.C., October 3, 1973.

Senator Jennings Randolph,
Chairman, Senate Committee on Public Works.

Dear Mr. Chairman: On October 3, 1973 we introduced a bill to help expedite the construction of publicly owned wastewater treatment facilities through federal reimbursement grants.

As you know the 1972 amendments, by increasing water quality goals, also increased the need for the construction of treatment facilities. But the amendment language failed to provide eligibility for future Federal Reimbursement to any project in which construction was initiated after January 1, 1973 and which did not receive federal grant support as authorized by section 202(a).

Our proposal would provide that any such projects approved by the appropriate State water pollution control agency and by the Administration as meeting all applicable requirements of the law would not ensure a commitment of the Federal government to provide funds to reimburse, but would merely ensure that eligibility for reimbursement funds was extended.

The purpose of our letter is to urge your Committee's early consideration of this much needed legislation.

Sincerely,

Edward Gurney,
Lawton Chiles.

S. 2531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 206 of "TITLE II—GRANTS FOR CONSTRUCTION OF TREATMENT WORKS" of the Water Pollution Control Act Amendments of 1972 (Public Law 92-500) is hereby amended by adding a new subsection as follows:

(g)(1) Any project in which construction was initiated after January 1, 1973, and which did not receive Federal grant support as authorized by section 202(a) shall be eligible for future reimbursement to the same extent that could have been provided under section 202(a) if all funds authorized by section 207 had been appropriated and allotted to the States in accordance with the provisions of section 205(a): *Provided, however,* That such projects must be approved by the appropriate State water pollution control agency and by the Administration as meeting all applicable requirements of this title. A finding by the Administrator that a project meets the requirements of this title shall not be construed to constitute a commitment or obligation of the United States to provide funds to make or pay any grant for such a project except to the extent that such funds were appropriated by the Congress pursuant to the provisions of section 207.

Sec. 2. Section 212 of title II of the Water Pollution Control Act Amendments of 1972 (Public Law 92-500) is amended to read as follows:

"(2)(A) The term 'treatment works' means any devices and systems or elements and components thereof including foundations and excavations, used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement section 201 of this Act, or necessary to recycle or reuse water at the most economical cost over the estimated life of the works, including intercepting sewers, outfall sewers, sewage collection systems, pumping, power, and other equipment, and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works, including site acquisition of the land that will be an integral part of the treatment process or is used for ultimate disposal of residents resulting from such treatment.

"(B) In addition to the definition contained in subparagraph (A) of this paragraph, 'treatment works' means any other method or system, or elements and components thereof including foundations and excavations, for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste, including storm water runoff, or industrial waste, including waste in combined storm water and sanitary sewer systems. Any application for construction grants which includes wholly or in part such methods or systems shall, in accordance with guidelines published by the Administrator pursuant to subparagraph (C) of this paragraph, contain adequate data and analysis demonstrating such proposal to be, over the life of such works, the most cost efficient alternative to comply with sections 301 or 302 of this Act, or the requirements of section 201 of this Act.

By Mr. MOSS:

S. 2532. A bill to amend the Federal Power Act to promote conservation, reduce wastage, and attain greater efficiency in the generation of electrical energy, and for other purposes. Referred to the Committee on Commerce.

ELECTRICAL ENERGY CONSERVATION ACT

Mr. MOSS. Mr. President, I introduce for appropriate reference, a bill to amend the Federal Power Act to promote conservation, reduce wastage, and promote greater efficiency in the generation of electrical energy.

The energy crisis facing the Nation manifests itself in every walk of life. In the past few years, several regions of the Nation have suffered power blackouts or brownouts. Last winter, the scarcity of diesel oil forced the curtailment of bus operations in several major cities, and schools had to be closed because of a lack of heating fuel. This summer, we have witnessed shortages of gasoline for automobiles and of fuel for farm equipment.

We hear many proposals from the energy-producing industries that the way to relieve the energy crisis is to increase energy supply by measures such as deregulation of natural gas, increasing the oil depletion allowance, or relaxation of environmental safeguards. These are not completely convincing, for increasing the supply by raising cost is not the only solution. There are other options available.

Several governmental analyses and numerous private investigations have demonstrated that a significant easing of the energy shortage can be achieved by elimination of shamefully wasteful uses of energy. Improvement in efficiency of certain other uses can reduce substantially our energy requirements with no decrease in the standard of living. Perhaps through an energy conservation program, the possibilities of continuous energy shortages for the next 20 years will be greatly diminished, while the environment and the quality of life are improved at the same time.

There are many potential areas in which Congress might act in creating a national policy of energy conservation. But most of our attention has not been focused on the possibilities for reducing the future demand for energy. The projections for continued increase in energy consumption of 4.5 percent annually—with electricity usage projected to increase at an annual rate of 7 percent—have caused a few experts to examine seriously energy conservation measures as a means of reducing the growth rate of energy consumption in this country.

Dr. S. David Freeman, former White House Energy Adviser and currently director of the Ford Foundation energy policy project, stated:

> If the existing trend of accelerated growth in energy use is not turned off, then the existing projections may even understate the future rates of growth. But such a course of action is most likely to place society on a collision course with itself.

Former Secretary of the Interior Stewart Udall recently wrote—

> The era of "cheap power" is over; a new era of energy thrift must be inaugurated. I am convinced that we can combine conservation and technology to redefine progress—and produce lifestyles that are cleaner and more fulfilling.

In an expanding industrial society, the objective of providing low-cost power to stimulate growth and development is a rational policy. This has been the trademark of the utility industry in this country. However, with the onset of the energy crisis, these policies are no longer appropriate. We must institute conservation measures in the operations of utilities and encourage utility customers to do likewise.

Historically, advertisements of utility companies have focused on the theme of the good life that the customer could enjoy if he only would use more electricity. Because of the availability of different forms of energy for uses such as space heating, the competition between the various suppliers has intensified the advertising of the specific advantages to the consumer of choosing the "right" way to heat his home.

In 1970, however, the utility industry spent 2 percent of its gross revenues on advertising and sales, more than eight times the amount spent on research and development. That is not a very good track record. In a period of short supply of energy, continued advertising to increase use is counterproductive.

Government must bear some of the responsibility. The manner in which the Federal Power Commission and the State utility commissions calculate the allowable financial return for a utility company encourages the utility to continue to expand its facilities; and in order to justify this expansion the utility must continue to stimulate demand through advertising.

Let us look at the utility rate system—particularly the declining block rate structure. This is the system under which the more electricity used, the less the price per unit. Rate structures such as these were justified on the basis of economy of scale, and savings in distribution costs, and were instituted in an era in which the public policy was to promote the use of energy. However, recent analysis has questioned whether the "scale" factor in powerplants has gone past the point of providing economy in the sense that it is the large centralized powerplants and the enormous transmission line requirements that cause the greatest environmental costs. This fact, coupled with the results of studies which show that the biggest users are the ones most sensitive to price changes, dictate that reducing the slope of the declining block rate structure is an important energy conservation measure. Suffice it to say, at this point, that at a period of power shortages and increasingly more brownouts and blackouts, advertisements which try to sell more electricity can only aggravate the problem.

A startling example of the effect of certain advertising practices in the utility industry is a request by the Los Angeles Water and Power Department to obtain a variance from the local emissions standards in order to build an additional powerplant. The California Superior Court denied the petition on the grounds that the high local growth rate of electricity consumption was—"due primarily to the aggressive advertising of the department, urging a greater use of electricity by every resident."

The court also found, "there will be no danger of blackouts, total or partial, for the city of Los Angeles if the department of water and power will stop its advertising programs and cease urging customers and potential customers to use more electricity."

Fortunately, in some places, electric companies have adopted energy conservation advertising campaigns. Utah Power and Light, Boston Edison, and Georgia Power have stopped promotional advertising.

In 1971, America Electric Power, Virginia Electric Power, and Baltimore Gas and Electric announced temporary halts to consumer advertising. Consolidated Edison, the butt of Johnny Carson's monolog nightly through the late sixties, converted its entire advertising budget to a "save-a-watt" energy conservation program in 1971. In addition to media advertising, the program included brochures on energy conservation mailed with electric bills to all customers. If advertising can sell consumption, it can also sell conservation, and I believe that the Con Edison program contributed to the 2.5 percent drop in consumption which New York City experienced in 1971. There were only 6 days of voltage cuts in 1971, compared with 23 in 1970, although some may suggest that milder weather played an important factor.

The New York State Public Service Commission policy requiring utilities to justify promotional advertising expenditures, and disallowing as operating expenses to be charged against profits, promotional advertising expenditures which cannot be justified, should be a damper on promotional advertising practices. Admittedly, this is rather drastic, but is definitely justified in view of a deepening energy crisis.

Other promotional practices undertaken by the utility industry aimed at large institutional and corporate users, foster increased energy consumption. These must be restricted. Practices such as installation allowances, service and merchandising subsidies, financing assistance, cash payments, and other similar practices would be unlawful in many other businesses. In today's energy crunch, it is unethical. The report of the House of Representatives entitled, "Promotional Practices by Public Utilities and Their Effect on Small Business," demonstrates some of these efforts.

One example cited is that in which discriminatory pricing is used as a promotional practice for those customers who utilize electricity for heating purposes. Let us face it; electric space heating has to be less efficient than with gas or fuel oil. Even more shocking is the complicity of Government agencies. Con Edison offered $150,000 bonus payment to New York State to insure the installation of electric heat in a new public housing development.

Vepco ads in 1970 read:

> We'll do everything in our power to help industry find a home here. We'll survey potential sites, prepare topographical maps . . . compile dossiers on local taxes, labor supply, and zoning laws; arrange for soil and water analysis; even set up free job training.

The National Association of Regulatory Utility Commissioners studies of promotional practices issued in March 1970, and a more recent one of which I have seen the June 5, 1973 draft, document many promotional practices which are unconscionable in a period of energy shortage.

Mr. President, the Electrical Energy Conservation Act, which I introduce today, will be an important step in insuring that regulations are issued covering advertising, and promotional practices which lead to wasteful uses of energy. The bill would also have the FPC report back to us on the impact of rate structures on consumption and conservation.

I ask unanimous consent that the text of the "Electrical Energy Conservation Act" be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be cited as the "Electrical Energy Conservation Act."

DECLARATION OF POLICY

Sec. 2. (a) Findings.—The Congress hereby finds and declares that—

(1) An abundance of low-cost electrical energy has helped produce the present high standard of living in the United States.

(2) Continued availability of abundant low-cost electrical energy and minimization of power failures and brownouts are essential to the future of the economy and the public welfare of the Nation,

(3) Such continued availability is jeopardized today by inefficiency, profligate usage, and uneconomic wastage of electrical energy.

(b) Purposes.—It is therefore declared to be the purpose of the Congress in this Act to—

(1) declare that henceforth it shall be the policy of the Nation to conserve electrical energy, reduce wastage of electrical energy, and maximize efficiency in the generation, distribution, and use of electrical energy; and

(2) direct the Federal Power Commission to study and implement better ways and more efficient methods of electric power generation and electrical energy conservation.

INFORMATION DISCLOSURE

Sec. 3. (a) Section 4(a) of the Federal Power Act (16 U.S.C. 797(a)) is amended by adding the following new sentence at the end thereof: "The Commission shall allow responsible members of the public reasonable access to investigations, collections of data, and any reports thereon proposed under this subsection".

(b) Section 4(d) of the Federal Power Act (16 U.S.C. 797(d)) is amended by striking out in the first sentence thereof the phrase "from time to time" and inserting in lieu thereof the phrase "as soon as practicable".

(c) Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by adding the following new sentence at the end thereof: "Such information shall be made public as soon as practicable.".

(d) The first sentence of section 209(c) of the Federal Power Act (16 U.S.C. 824h(c)) is amended to read as follows:

"The Commission shall make available to the several State commissions such information and reports as may be of assistance in State regulation of public utilities; the commission shall also make available all information and reports, other than that material which it has for good cause classified, to responsible members of the public except persons specifically excluded under this Act.".

ENERGY CONSERVATION

Sec. 4. (a) Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding the following new subsection at the end thereof:

"(c) Within six months after the date of enactment of this subsection, the commission shall by rule, in accordance with the provisions of section 553 of title 5, United States Code, issue regulations governing the promotional practices of all electric and gas public utilities. Such regulations shall disallow as part of the rate base and may further restrict any public utility expenditures for advertising and promotional practices which the commission determines are likely to promote unnecessary or wasteful energy consumption. In the course of preparing such regulations, the commission shall consult the Model State Commission Rules and Regulations Governing Promotional Practices of Electric and Gas Utilities promulgated by the National Association of Regulatory Utility Commissioners.".

(b) Section 209 of the Federal Power Act (16 U.S.C. 824h) is amended by adding the following new subsection at the end thereof:

"(d) The commission may confer with any State commission regarding the relationship between rate structures, costs, accounts, charges, practices, classifications, and regulations of public utilities subject to the jurisdiction of such State commission and of those subject to the jurisdiction of the commission. The commission shall confer with the State commissions regarding the relationship between such subjects and the conservation of electrical energy. The commission is authorized to consult and work with the State commissions to develop methods and procedures with respect to rate structures, costs, accounts, charges, practices, classifications, and regulations of public utilities which will promote and create economic and other incentives for the conservation of electrical energy. The commission, or any member or duly designated employee of the commission, may hold joint hearings with any State commission on any subject as to which the commission is authorized to act. In the administration of this Act, the commission shall avail itself of such cooperation, services, records, and facilities as may be afforded by any State commission.".

(c) Section 311 of the Federal Power Act (16 U.S.C. 825j) is amended to read as follows:

"(a) In order to secure information necessary or appropriate as a basis for legislative recommendations, the commission is authorized and directed to conduct investigations regarding the generation, transmission, distribution, promotion, sale and use of electrical energy, however produced, throughout the United States, whether or not otherwise subject to the jurisdiction of the commission, including such generation, transmission, distribution, promotion, sale and use by any agency, authority, or instrumentality of Federal, State, or local government. So far as practicable, the commission shall obtain and maintain complete and current information regarding—

"(1) the ownership, operation, management, and control of all facilities for generation, transmission, distribution, and sale of electrical energy, however produced, in the United States;

"(2) the capacity and output of each such facility and the relationship between the two;

"(3) the costs of generation, transmission, and distribution at each such facility;

"(4) the rates, charges, rate structures, accounts, practices, classifications, and contracts regarding the sale of electrical energy to residential, rural, commercial, and industrial consumers and other purchasers by private and public suppliers of electrical energy;

"(5) methods of more efficient generation, distribution, and conservation of electrical energy; and

"(6) the relation of any and all such facts to the development of navigation, industry, commerce, environmental quality, and national security. The commission shall report to Congress on September 15 of each year on the results of investigations made and information obtained under this section. Such reports shall be submitted to Congress without any prior submission, review, or clearance by any other agency or officer of the United States.

"(b) The commission, the Bonneville Power Administration, the Tennessee Valley Authority, and any other instrumentality of the Federal Government which produces or sells electrical energy shall prepare and submit to the Congress, not more than eighteen months after the date of enactment of this subsection, a comprehensive report detailing the results of a study and investigation conducted by it of the impact of rate structures on the efficiency of generation and on consumption and conservation of electrical energy. Such studies shall evaluate all relevant factors, including but not limited to—

"(1) an identification of subsidies and other incentives which promote inefficient generation and unnecessary and wasteful energy consumption;

"(2) an indication of how various rate structures and methods of pricing might affect the efficiency of generation and consumption within the regions studied. Such methods shall include fuel cost adjustments, marginal cost pricing, and other pricing measures which may encourage increased efficiency of generation or decreased consumption of electrical energy;

"(3) an exploration of the price elasticity of electrical energy consumption within each region studies;

"(4) an analysis of the rate structure within each region studied, including its effect on design and use of less efficient power generation equipment;

"(5) an indication of whether metering or other measures might be improved or instituted to inform purchasers of electrical energy of their cost and of peak demand responsibilities;

"(6) an estimate of the impact various rate changes might have on regional consumption and efficiency of generation; and

"(7) recommendations for legislative, executive, and administrative actions in furtherance of the national policy declared in the Electrical Energy Conservation Act."

JURISDICTION

Sec. 5. Section 19 of the Federal Power Act (16 U.S.C. 812) is amended by adding the following new sentence at the end thereof: "Nothing in this section shall be construed as negating any specific authority given the commission in any other section of this Act.".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1147

At the request of Mr. Dominick, the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bartlett), the Senator from Nevada (Mr. Bible), the Senator from New Hampshire (Mr. Cotton), the Senator from South Carolina (Mr. Hollings), and the Senator from Georgia (Mr. Nunn) were added as cosponsors of S. 1147, a bill to amend the Occupational Safety and Health Act of 1970.

S. 1687

At the request of Mr. Proxmire, the Senator from Michigan (Mr. Hart) was added as a cosponsor of S. 1687, a bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin.

S. 1708

At the request of Mr. Cranston, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 1708, a bill to amend title X of the Public Health Service Act to extend appropriations authorizations for 3 fiscal years and to revise and improve authorities in such title for family planning services programs, planning, training and public information activities, and population research.

S. 2400

At the request of Mr. Bellmon, the Senator from Wyoming (Mr. Hansen) was added as a cosponsor of S. 2400, a bill to amend section 202 of the Clean Air Act with respect to motor vehicle emission standards.

S. 2420

At the request of Mr. Bayh, the Senator from Minnesota (Mr. Mondale) was added as a cosponsor of S. 2420, a bill to amend the Economic Stabilization Act of 1970 to adjust ceiling prices applicable to certain petroleum products and to permit retailers of such products to pass through increased costs.

S. 2422

At the request of Mr. Mathias, the Senator from Maryland (Mr. Beall) and the Senator from Oregon (Mr. Hatfield) were added as a cosponsor of S. 2422, a bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program, into the causes, consequences, prevention, treatment, and control of rape.

SENATE CONCURRENT RESOLUTION 49—ORIGINAL CONCURRENT RESOLUTION REPORTED AUTHORIZING THE PRINTING OF PRAYERS OF THE CHAPLAIN OF THE SENATE

Mr. CANNON, from the Committee on Rules and Administration, reported the following original concurrent resolution:

S. Con. Res. 49

Resolved by the Senate (the House of Representatives concurring), That there be printed with an illustration as a Senate document, the prayers by the Reverend Edward L. R. Elson, S.T.D., the Chaplain of the Senate, at the opening of the daily sessions of the Senate during the Ninety-second Congress, together with any other prayers offered by him during that period in his official capacity as Chaplain of the Senate; and that there be printed two thousand additional copies of such document, of which one thousand and thirty would be for the use of the Senate and nine hundred and seventy would be for the use of the Joint Committee on Printing.

Sec. 2. The copy for the document authorized in section 1 shall be prepared under the direction of the Joint Committee on Printing.

SENATE RESOLUTION 177—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO NANCY O. VAIL

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. Res. 177

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to

Nancy O. Vail, widow of Thomas L. C. Vail, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

AMENDMENT OF THE SOCIAL SECURITY ACT—AMENDMENT

AMENDMENT NO. 599

(Ordered to be printed and referred to the Committee on Finance.)

Mr. BENTSEN. Mr. President, I am today introducing an amendment to the Social Security Act which will allow occupational therapists to receive equal treatment with other health specialists in regard to having their services covered under medicare.

Occupational therapists have long filled a vital role in the health field. They have a wide range of tasks, including training amputees in the use of new muscles and prosthetic devices, providing rheumatoid arthritics with splinting devices, and helping the blind compensate for loss of sight.

Occupational therapy is also frequently required in the treatment of spinal cord injuries, cerebral palsy, kidney disorders, and in assisting persons weakened by the aging process.

In fact, occupational therapists are highly trained to do tasks that physical and speech therapists cannot perform, such as helping newly handicapped persons adjust to their new environments. The Nation's 14,000 occupational therapists are performing services frequently critical for newly discharged patients either in an outpatient department or in his home.

Yet under the present medicare law, occupational therapists suffer from discrimination. While speech therapy or physical therapy can be considered primary health care services under part A of medicare and can, therefore, be covered unconditionally, occupational therapy can be covered under part A only if the patient is receiving either skilled nursing care, physical, or speech therapy at the same time. I believe that the conditions imposed on this coverage are unwarranted.

Under medicare part B, occupational therapy suffers from a similar downgrading of its importance. Occupational therapy services are covered only if they are "incident to physician services." And that phrase has been defined to mean that when the services are performed on an outpatient basis, direct personal supervision of a physician must be rendered. Thus, if an occupational therapist goes from the hospital to a patient's home to give treatment, and no physician accompanies him, the therapist's services are not covered under medicare.

In my view, these restrictions are unfair and unrealistic.

My amendment would accomplish two purposes: first, it would include occupational therapy along with skilled nursing care, physical therapy, or speech pathology as a primary health care service under parts A and B of medicare. That means that occupational therapy would stand on its own; it would not be tied to physical or speech therapy.

Second, it would cover occupational therapy in the home or other outpatient facilities for patients receiving care from approved providers. It would not, then, be necessary for a physician to accompany the therapist.

Mr. President, I believe it is time we recognized occupational therapy as an equal among the health professions. I shall work for the passage of this amendment this year.

At this point, I ask unanimous consent to insert a copy of my amendment in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 599

On page 9, line 6, insert the following: "the preceding provisions of" immediately after "made by".

On page 9, after line 10, insert the following new section:

SEC. 6. (a) Section 1814 (a) (2) (D) of the Social Security Act is amended by inserting ", occupational," immediately after "physical."

(b) Section 1835 (a) (2) (A) (i) of such Act is amended by inserting ", occupational," immediately after "physical".

(c) Section 1835(a)(2) of such Act is amended——

(1) by striking out the period at the end of clause (D) and inserting in lieu thereof "; and ", and

(2) by adding after clause (D) the following new clause:

"(E) In the case of outpatient occupational therapy services, (i) such services are or were required because the individual needed occupational therapy services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician."

(d) The last sentence of section 1861 (p) of such Act is amended by inserting "and occupational therapy services" after "speech pathology services".

(e) The amendment made by the preceding provisions of this section shall be applicable in the case of services furnished on and after the first day of the first month which begins not less than 30 days after the date of enactment of this Act.

FAIR CREDIT REPORTING ACT—AMENDMENT

AMENDMENT NO. 600

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. KENNEDY. Mr. President, I am submitting today amendments that will help safeguard the privacy and fair treatment of Americans in the area of medical information. S. 2360 takes a major step toward this end by requiring that medical information be disclosed along with other data from an individual's credit record. My amendments would go further, by requiring that medical data stored by central reporting agencies be disclosed by insurers who make any use whatever of that data in their consideration of an applicant for insurance, and by requiring insurers to obtain the applicant's specific permission before giving access to any third party to the patient's medical records.

Last year, I participated in hearings before the Judiciary Committee, where it was brought out that there are private agencies that stockpile medical information on Americans for the use by hundreds of insurance companies. Mr. Wilburding, president of the Medical Information Bureau, indicated that his organization stored medical and other data on over 12½ million Americans for use by over 700 life and accident and health insurance companies. The file grows by almost 400,000 persons each year as the member companies send in data they acquire from applicants for life or health insurance.

The data are obtained from physicians, hospitals, diagnostic laboratories, and other health care providers. An applicant for insurance signs an authorization for the insurer to obtain medical data on him, and this data in turn is sent by the insurer to the Medical Information Bureau for all 700 member companies to use.

How do they use it? When a person applies for life or health insurance, the company sends his name to the Medical Information Bureau. Then the computer goes to work, spewing forth the relevant details of the applicant's medical record. For if the person has ever had an insurance examination by a member company, there will be a magnetic tape record containing medical information obtained in that examination.

If there is data indicating important health or other problems, even if the condition was temporary or misdiagnosed, the company is alerted to proceed with caution—and may ultimately deny the application for insurance.

The Medical Information Bureau was started by life insurance companies and its members all sell life insurance. There are no members that sell health insurance alone, but 87 percent of all the health and accident insurance coverage in the country is sold by life insurance companies. So it becomes clear that the companies that sell most of the health insurance in America are in a position to use the Medical Information Bureau to check up on applicants for health insurance.

Medical information is particularly sensitive in several ways. First, most Americans consider it a private matter that they may currently suffer a disease or disability or may have suffered it in the past. Some illnesses, such as emotional disorders, carry an unfortunate social stigma, and many diseases or disorders, for various reasons, are very private matters known only to a person's physician, or most intimate associates. In deference to this fact, there are strong legal protections of the doctor-patient relationship, and clear principles of professional ethics among health care providers against revealing medical information on a patient. Medical information is simply a very personal and private matter.

Second, medical information is used by institutions in our society to make decisions about people that affect their entire lives. Indeed, if you are among 50 million Americans who rely on non-group or individual policies, your medical problems can keep you from getting health insurance or can result in excluded or waived benefits in the policy you do get.

During hearings before the Health Subcommittee over the last few years, I have heard cases where people without insurance have had to make large deposits before they are treated and cases where the cost of the treatment has bankrupted families because their insurance had limitations or waivers.

I recall the case of a Los Angeles insurance executive, Mr. Sumner Cotton. He was covered by a group health policy in his company for 12 years, then he decided to go into business for himself. That meant that he had to apply for an individual health insurance policy for himself and his wife.

Unfortunately, despite his contacts and knowledge of the insurance business, Mr. Cotton could not get a policy from anyone. It seems his wife had had an episode of unexplained illness that was never diagnosed. He was told to wait several years to apply, then if she had no further problems he could get insurance. Unfortunately, she was stricken with a cerebral aneurysm a year later. Mr. Cotton's wife survived, but he is now in debt $13,000.

I recall another case of Mrs. Grace Bartlett in West Virginia, who had Addison's disease. She, of course, cannot obtain any insurance. In fact, an official with one of the leading companies told her, and I am quoting Mrs. Bartlett:

> Do not make an application. You may get well enough someday. If you have been turned down once, then you will not be acceptable for insurance. So do not make an application. Make an inquiry, but not an application, because once you do, it is on the record and you will no longer be considered at any time.

It is a catastrophe if a person does not have health insurance in America, and yet many Americans are excluded totally from health insurance coverage, and innumerable others have waivers or exclusions in their policies that preclude them from being treated for precisely the health problem for which they need it the most.

The point is this: Medical information is used to make decisions that are so important to a person's life and health that it deserves special safeguards to assure the accuracy and currency of the information, and the fair treatment of the consumer.

Medical information is particularly sensitive in yet another respect—namely, people have little control over whether they are stricken with illness or injury—yet they can be penalized for their problems by being denied insurance, and even the health care it helps to purchase.

I believe most Americans feel that health care is a right. The insurance industry claims to share this belief. One reason for this belief is that blind chance usually determines whether a person is stricken with illness—and Americans generally believe that blind chance should not keep anyone from pursuing a full life if health care can help them.

Yet, in our current system of providing health insurance, Americans are denied insurance because they are or have been sick.

I believe we need to take extraordinary care to protect those who are accused of being sick. Because indeed, many insurance carriers seem to see it as a crime, and treat those who are sick, or have been, as cheaters if they try to get insurance.

I am on record as opposing our existing system of health insurance which leads to this mentality. I deplore the competition among insurers to skim off the good risks from the insurance market—and exclude the bad risks. And of course the agencies which store medical information ultimately are helping keep the so-called "bad risks" out of insurance programs.

I believe insurance should be provided to every American at a cost proportionate to their ability to pay. The cost of including those unlucky enough to be "bad risks" is really very low when they are included in an insurance group that includes the entire population. As you know, I advocate a program of national health insurance, the health security program, that would do exactly this—and I believe our Nation will only solve our problems in the area of health insurance when we enact such a program.

In the meantime, however, as long as Americans are dependent on the private insurance industry, I believe we must take extraordinary measures to assure their privacy and fair treatment.

If medical information can result in a person's being refused health insurance it should be accurate, current, and complete. If this information is to be pooled in permanent data banks of consumer reporting agencies, it is even more critical that it be accurate, current, and complete.

Moreover, since this is extraordinary personal information, the applicant and his physician should know exactly who will see the data, how it will be used, and should give their permission for its use by anyone other than the company to which application is being made.

The amendments I propose—which I have introduced today and appended to my testimony—would do the following:

First. An applicant who is denied credit or insurance would have to be shown all data relevant to that denial even if that data only served as an "alert" following which the consumer conducted an investigation of its own.

Second. Insurance carriers would be required to obtain the authorization of the applicant to forward his medical records or information from them to any third party, including consumer reporting agencies. In addition, every doctor or other provider from whom the insurance carrier obtains medical data would have to be informed of the carrier's intent to forward any of the data to any third party.

The purpose of the disclosure of all medical data is to allow the applicant to examine what is in the record and make corrections. It is possible that a suspicious condition noted in the record has been diagnosed and cured, or that the applicant can produce medical opinion that contests data stored in the record. The applicant has the right to know what is in the record and to challenge its accuracy or currency.

Last year, Mr. Wilburding, who will testify later today, argued that insurers are motivated by two things to check for themselves the accuracy and currency of data in the reporting agency's files.

First. They want to sell insurance, and

Second. They promise the Medical Information Bureau they will do their own investigation, and use the reporting agency's data only as an "alert."

I suggest these are weak and inadequate assurances. There is no way to guarantee that the insurance company makes its own check, and when one individual health policy is involved it may not seem worth the cost of an independent investigation. The consumer is the only party highly motivated enough to assure the currency and accuracy of the data and he should have that right to review that data.

The purpose of requiring insurers to obtain authorization before sharing data with third parties is to protect the right to privacy of the individual in this area.

I do not think Americans understand that when they sign an authorization for a life or health insurance company to look at their medical records, they may be making medical data available to over 700 life and health insurers in the Nation. I do not believe they intend to authorize such a thing. If offends their sense of privacy and it seems very risky. The applicant has business after all with only the company in question—not the entire insurance industry.

I believe the applicant has the right to refuse use of his medical data to anyone but the company he is applying to without jeopardizing his chances of being insured. My amendment protects this right, and also insures that the physician is informed of what use is made of the data.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 600

On page 1, line 6, immediately after "ACT" insert "; DEFINITIONS".

On page 1, line 7, after "Sec. 2.", insert "(a)".

On page 2, between lines 7 and 8, insert the following:

(b) Section 603 (1) of such Act is amended—

(1) by inserting "(1)" after "means"; and

(2) by inserting between the period at the end thereof a comma and the following: "and (2) any other information or records which are available to a consumer reporting agency from any source, and which cause such an agency to obtain or seek to obtain additional information or records referred to in clause (1)".

On page 2, line 12, after "reports" insert "; disclosures with respect to medical information".

On page 2, line 13, before "A person" insert "(a)".

On page 2, line 24, strike out the quotation marks and the period at the end of the line.

On page 2, after line 24, insert the following:

"(b) In the event that an investigative consumer report authorized in accordance with subsection (a) contains medical information relating to a consumer, the person who procures or causes to be prepared that report may not furnish any such medical information to any other person unless the consumer to whom such information relates has given a specific, dated, and separately signed affirmative written indication of his authorization of such action after receiving clear and conspicuous written disclosure of the name of any other person to whom, and any other purpose for which, such information may be furnished. Such disclosure shall clearly inform the consumer that his authorization is optional and that his refusal to give such authorization is not grounds for denial of credit or insurance.

"(c) A consumer reporting agency may not request medical information relating to a consumer from a licensed physician, medical practitioner, hospital, clinic, or other medical or medically related facility, or other person, unless that agency first discloses to the physician, practitioner, hospital, clinic, or other facility, or other person, as the case may be, the purpose for which and person to whom such information will be furnished and the possible other purposes for which and other persons to whom such information may be furnished.".

CONGRESSIONAL BUDGET CONTROL AND REFORM ACT OF 1973—AMENDMENT

AMENDMENT NO. 601

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. MONDALE. Mr. President, I am pleased to submit today, on behalf of myself and the Senator from New York (Mr. JAVITS) the Congressional Budget Control and Reform Act of 1973.

There will be few questions before the 93d Congress as important to the Nation as the question of congressional control of the budget process.

This is not because the Congress has proven irresponsible with the taxpayer's dollar. In fact, the opposite is true. As the report of the Joint Committee on Budget Control observes, over the past 5 years the Congress has cut the administration's requests for appropriated funds by approximately 30 percent, and has increased funding for so-called "back door" spending by only a little more.

And a major share of these back door increases have come in the social security and medicare programs which are self-funded through the payroll tax and which, therefore, do not contribute to the growth of the Federal deficit. Congress has had a dampening effect on the growth of the Federal deficits, proposed by the executive branch largely in order to finance spending for a war in Southeast Asia without a wartime tax.

But strengthened congressional participation in the budget process is crucial to the health of our system of government because it goes to the heart of the relationship between Congress and the executive branch.

It is becoming increasingly clear that, in both domestic and foreign policy, the commitment of our Government to traditional American values—and above all its ability to respond to the wishes and hopes of the American people—depend on a strong congressional voice in public policymaking.

Yet, through the device of impoundment, the executive branch has moved to assume the same power to decide questions affecting the domestic health of our society that it has assumed in the area of foreign affairs.

A report prepared at my request by the Legislative Reference Service of the Library of Congress indicates that during the last fiscal year, the executive branch has impounded an incredible 29 percent of controllable nondefense expenditures. And this figure does not include other executive actions which do not amount to impoundment in the technical sense—such as the withholding of $6 billion provided by the Congress for water pollution control.

We are rapidly moving toward a domestic system under which the Congress proposes and the President disposes—precisely the opposite of the system proposed in our Constitution. The administration strategy is unlawful. But, except where lawsuits have been brought—an expensive, time-consuming procedure—they are getting away with it.

Only full congressional participation in both domestic and foreign policy decisionmaking can assure the complete and open public debate which is necessary if the American people, through the electoral process, are to make the basic decisions about the future of this country.

The Congress has recognized the danger. Last May 10, the Senate adopted S. 373, the Federal Impoundment Control Procedure Act, to establish congressional control over Executive impoundments.

This measure was accompanied by a procedure to reduce spending approval by the Congress—on a pro rata basis—to the level of $268 billion. The Impoundment Control Procedures Act guarantees that priorities established through the appropriation process—and signed into law by the President—will be maintained for the next year within a noninflationary spending ceiling.

Similar legislation was adopted by the House last July 25.

No legislation which we enact this year will be more important than this bill, developed through the leadership of the distinguished senior Senator from North Carolina (Mr. ERVIN). I hope very much that the President will reconsider his opposition and support this landmark proposal.

The Congress is taking responsible short-term action with respect to the crucial problem of budget control.

But the Congress now faces legislation designed to establish a permanent procedure, S. 1541 and H.R. 7130, modeled after the recommendations of the Joint Committee on Budget Control, which issued its final report last April 18.

Both the Government Operations Committee of the Senate and the Rules Committee in the House are considering these bills, and variations on their general approach.

In my view, enactment of this legislation would be a tragic mistake. Far from increasing the effectiveness of the Congress, these bills would place unprecedented authority in the hands of a single committee, weaken the appropriations process, and in so doing severely weaken the opportunity of individual Senators and Congressmen to represent their constituents on the floor of the House and Senate.

I strongly support the development of sound congressional budget control procedures. We need to take a clear look at questions of fiscal policy—the size of overall expenditures, appropriate revenue levels, the appropriate level of surplus or deficit. These are questions which the Congress as a whole has never considered. Yet, they have a tremendous impact on inflation and employment, on the lives and on the pocketbooks of all Americans. And I believe we can improve our procedures for weighing national priorities against one another.

But I cannot and will not support legislation which, in the name of reform, would fundamentally disenfranchise individual Members of Congress and through them, the people they represent.

These proposals would virtually replace the appropriations procedure with a single complex budget bill, early in the year, placing ceilings on appropriations subcommittees and—at the option of the budget committees—on individual programs and projects, before detailed hearings could be held.

They would create a complicated procedure, limiting the participation of individual Congressmen and Senators. And so they would deliver immense influence on the most important questions of national policy to powerful budget committees in the House and Senate.

Any proposal which calls for adoption of a detailed, binding congressional budget in advance of the appropriations process—with its hearings and consideration of individual items—will inevitably weaken, not strengthen, the debate over national priorities.

We are proposing an alternative approach, which will preserve the establishment of a strong and binding spending ceiling without weakening the appropriations process.

Our bill contains the proposal of the distinguished Senator from Washington (Mr. MAGNUSON) for conversion of the Federal Government to a calendar year fiscal year, to permit more detailed consideration of the President's budget, and to permit appropriations to be complete before the fiscal year begins.

It would establish budget committees in the House and Senate, but with rotating membership, on which no Member would serve more than a 6-year term, to assure full participation and responsiveness to the wishes of the Congress as a whole.

It would provide for the enactment of an overall congressional ceiling, with recommended subceilings before July 1 of each year. This would create the great fiscal debate over the appropriate expenditure and deficit, in view of the condition of the economy, that the Congress now lacks.

Our amendment would provide that the appropriations process may proceed as at present, but that in case appropriations exceed the ceiling, all appropriations items should be reduced pro rata, so that congressionally established priorities would be preserved. It would provide for a second budget resolution, before the end of each session, to make any departures from the impact of pro rata cuts of changes in the overall spending limit. This would permit a reasoned debate over priorities, against the backdrop of appropriations actions and after full hearings.

It would provide for the establishment of a Congressional Office of the Budget, both to assist the Budget Committees and Members of Congress in dealing with budget questions and to provide assistance in assessing the social impact of the budget and the success of social programs.

And it would provide for conversion to congressional adoption of budgets on a 2-year basis so that the long-term consequences of initial commitments may be better understood and debated.

Mr. President, establishment of procedures for improved congressional budget control is a complex task. It involves fundamental changes in congressional procedures developed over nearly 200 years.

Other thoughtful proposals—such as amendment No. 559 sponsored by Senators MUSKIE, MAGNUSON, and BROCK—deserve the close attention of the Senate. And many worthwhile features are included in the bill now before the Government Operations Committee.

It is my profound hope that the committees charged with this task will look long and hard at the impact of their proposals on the ability of individual Congressmen and Senators to effectively represent their States and districts, and the national interest.

Mr. President, I ask unanimous consent that the text of our amendment may appear at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 601 (IN THE NATURE OF A SUBSTITUTE)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Budget Control and Reform Act of 1973".

DEFINITIONS

SEC. 2. For purposes of this Act—

(1) The terms "budget outlays" and "outlays" mean, with respect to any fiscal year, expenditures of funds under budget authority during the fiscal year.

(2) The term "budget authority" means authority provided by law to enter into obligations which will result in immediate or future outlays.

(3) The term "permanent budget authority" means budget authority which becomes available from time to time without further action by the Congress.

TITLE I—ESTABLISHMENT OF SENATE AND HOUSE BUDGET COMMITTEES

BUDGET COMMITTEE OF THE SENATE

SEC. 101. (a) Paragraph 1 of Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new subparagraph:

"(r)(1) Committee on the Budget, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"(A) The establishment of limitations on the total amount of outlays to be made during each fiscal year and on the total amount of new budget authority which is to be available for each fiscal year.

"(B) If any reservations of outlays or new budget authority are necessary in order to meet the limitation on the total amount of outlays or the total amount of new budget authority for a fiscal year, the determination of the programs or activities from which such reservations should be made.

"(C) The determination of the amount, if any, by which budget outlays should exceed revenues, or revenues should exceed budget outlays, for each fiscal year considering economic conditions and such other factors as may be relevant to such determination.

"(2) Such committee shall have the duty—

"(A) to report during each regular session of Congress at least two bills dealing with the matters specified in subparagraph (1), and

"(B) to make continuing studies of the effect on budget outlays of existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis.".

(b) Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) The Committee on the Budget shall consist of fifteen members.

"(b) For purposes of paragraph 6, service of a Senator as a member of the Committee on the Budget shall not be taken into account.

"(c) (1) Membership on the Committee on the Budget shall be divided into three classes with five seats in each class. The members first elected to the committee shall, by lot, determine the class to which their seats are assigned. Thereafter, members elected to the committee shall be elected to a seat in one of the three classes.

"(2) A member serving on the committee in a seat of the first class during the 95th Congress, or during any third Congress following the 95th Congress, shall not be eligible to serve on the committee during the Congress following such 95th Congress or following any such third Congress, as the case may be.

"(3) A member serving on the committee in a seat of the second class during the 96th Congress, or during any third Congress following the 96th Congress, shall not be eligible to serve on the committee during the Congress following such 96th Congress or following any such third Congress, as the case may be.

"(4) A member serving on the committee in a seat of the third class during the 97th Congress, or during any third Congress following the 97th Congress, shall not be eligible to serve on the committee during the Congress following such 97th Congress or following any such third Congress, as the case may be."

BUDGET COMMITTEE OF THE HOUSE OF REPRESENTATIVES

SEC. 102. (a) Clause 1 of Rule X of the Rules of the House of Representatives is amended by redesignating paragraphs (e) through (u), inclusive, as paragraphs (f) through (v), respectively, and by inserting after paragraph (d) the following new paragraph:

"(e) Committee on the Budget, to consist of twenty-five members."

(b) Rule X of the Rules of the House of Representatives is amended by adding at the end thereof the following new clause:

"6. (a) Membership on the Committee on the Budget shall not be taken into account in applying any rule or policy prohibiting a Member from serving on more than one major committee.

"(b) (1) Membership on the Committee on the Budget shall be divided into three classes with five seats in each class. The members first elected to the committee shall, by lot, determine the class to which their seats are assigned. Thereafter, members elected to the committee shall be elected to a seat in one of the three classes.

"(2) A member serving on the committee in a seat of the first class during the 95th Congress, or during any third Congress following the 95th Congress, shall not be eligible to serve on the committee during the Congress following such 95th Congress or following any such third Congress, as the case may be.

"(3) A member serving on the committee in a seat of the second class during the 96th Congress, or during any third Congress following the 96th Congress, shall not be eligible to serve on the committee during the Congress following such 96th Congress or following any such third Congress, as the case may be.

"(4) A member serving on the committee in a seat of the third class during the 97th Congress, or during any third Congress following such 97th Congress, shall not be eligible to serve on the committee during the Congress following such 97th Congress or following any such third Congress, as the case may be.

"(c) For carrying out the purposes set forth in clause 5 of rule XI, the Committee on the Budget or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books or papers or documents or vouchers by subpena or otherwise, and to take such testimony and records, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or of any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee, or any member thereof, may administer oaths to witnesses."

(c) Rule XI of the Rules of the House of Representatives is amended by redesignating clauses 5 through 33, inclusive, as clauses 6 through 34, respectively, and by inserting after clause 4 the following new clause:

"5. Committee on the Budget

"(a) The establishment of limitations on the total amount of outlays to be made during each fiscal year and on the total amount of new budget authority which is to be available for each fiscal year.

"(b) If any reservations of outlays or new budget authority are necessary in order to meet the limitation on the total amount of outlays or the total amount of new budget authority for a fiscal year, the determination of the programs or activities from which such reservations should be made.

"(c) The determination of the amount, if any, by which budget outlays should exceed revenues, or revenues should exceed budget outlays, for each fiscal year considering economic conditions and such other factors as may be relevant to such determination.

"(d) The committee shall have the duty—

"(1) to report during each regular session of Congress at least two bills dealing with the matters specified in paragraphs (a), (b), and (c), and

"(2) to make continuing studies of the effect on budget outlays of existing and proposed legislation and to report the results of such studies to the House on a recurring basis."

CONFORMING AMENDMENTS TO STANDING RULES OF THE SENATE

SEC. 103. Paragraph 1 of rule XXV of the Standing Rules of the Senate is amended—

(1) by inserting after "Government" in subparagraph (c) ", except as provided in subparagraph (r)(1),";

(2) by striking out "Revenue" in sub-

paragraph (h)(1) and inserting in lieu thereof "Except as provided in subparagraph (r)(1), revenue";

(3) by striking out "The" in subparagraph (h) 2 and inserting in lieu thereof "Except as provided in subparagraph (r)(1), the"; and

(4) by striking out "Budget" in subparagraph (j)(1)(A) and inserting in lieu thereof "Except as provided in subparagraph (r)(1), budget".

CONFORMING AMENDMENTS TO HOUSE RULES

SEC. 104. (a) Rule XI of the Rules of the House of Representatives is amended by inserting immediately below clause 21 thereof the following new clause:

"21A. The respective areas of legislative jurisdiction under this rule are modified by title I of the Congressional Budget Control and Reform Act of 1973."

(b) Subparagraph (6) of paragraph (f) of clause 27 of Rule XI of the Rules of the House of Representatives is amended by inserting immediately before the period at the end thereof the following: "or to hearings by the Committee on the Budget on the congressional budget, matters listed in this rule under such committee, or the operation of the Congressional Budget Control and Reform Act of 1973".

(c) Paragraph (g) of clause 27 of Rule XI of the Rules of the House of Representatives is amended by adding at the end thereof the following new subparagraph:

"(5) The preceding provisions of this paragraph concerning hearings on the budget by the Committee on Appropriations shall have similar application, insofar as relevant and practicable, to hearings of the Committee on the Budget described in paragraph (f)(6) of this clause.".

(d) Paragraph (c) of clause 28 of Rule XI of the Rules of the House of Representatives is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(e) Clause 31 of Rule XI of the Rules of the House of Representatives is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(f) Paragraph (a) of clause 32 of Rule XI of the Rules of the House of Representatives is amended by inserting "and the Committee on the Budget" immediately after "the Committee on Appropriations".

AMENDMENTS TO LEGISLATIVE REORGANIZATION ACT OF 1946

SEC. 105. (a) Section 133 of the Legislative Reorganization Act of 1946 (2 U.S.C. 190a) is amended—

(1) by inserting "and the Committee on the Budget" after "Appropriations" in subsections (d) and (f), and

(2) by inserting "or the Committee on the Budget" after "Appropriations" in subsection (h).

(c) Section 134(c) of such Act (2 U.S.C. 190a–1) is amended by inserting "and the Committee on the Budget" after "Appropriations" each place it appears in such section.

(c) Section 134(c) of such Act (2 U.S.C 190b) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(d) Section 136(c) of such Act (2 U.S.C. 190d) is amended by striking out "Committee on Appropriations of the Senate and the Committees on Appropriations," and inserting in lieu thereof "Committees on Appropriations and the Budget of the Senate and the Committees on Appropriations, the Budget,'.

AMENDMENTS TO LEGISLATIVE REORGANIZATION ACT OF 1970

SEC. 106. (a) Section 232 of the Legislative Reorganization Act of 1970 (31 U.S.C. 1172) is amended by renumbering paragraphs (2) and (3) as (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) the Committees on the Budget of the Senate and House,".

(b) Section 236 of such Act (31 U.S.C. 1176) is amended by inserting "and the Budget" after "Appropriations" in paragraph (2).

(c) Section 242(a) of such Act (2 U.S.C. 190h) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(d) Section 243 of such Act (2 U.S.C. 190i) is amended by inserting "(a)" immediately after "243" and by adding at the end thereof the following new subsection:

"(b) The provisions of subsection (a) shall also apply to the Committee on the Budget of the Senate."

TITLE II—CONGRESSIONAL OFFICE OF THE BUDGET

ESTABLISHMENT OF OFFICE

SEC. 201. (a) IN GENERAL.—There is hereby established an office of the Congress to be known as the Congressional Office of the Budget (hereinafter in this title referred to as the "Office").

(b) DIRECTOR.—The Office shall be headed by a Director who shall be appointed jointly by the Majority Leader of the Senate and the Speaker of the House of Representatives and confirmed by a majority vote of each House. The Director shall be appointed without regard to political affiliation and solely on the basis of his fitness to perform his duties, and shall receive the same compensation as the Comptroller General of the United States. The terms of office of the Director first appointed shall expire on January 31, 1977. The term of office of Directors subsequently appointed shall expire on January 31 every four years thereafter. The Director may be removed at any time by a resolution of the Senate or the House of Representatives. A vacancy occurring during the term of the Director shall be filled by appointment, as provided in this section. Except in the case of his removal under the provisions of this paragraph, a Director may serve until his successor is appointed.

(c) PERSONNEL.—The Director shall appoint and fix the compensation of such professional, technical, clerical, and other personnel as may be necessary to carry out the duties and functions of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties.

(d) UTILIZATION OF SERVICES, ETC.—In carrying out its duties and functions, the Office may utilize the services, information, facilities, and personnel of the General Accounting Office and the Library of Congress and of the departments and establishments of the Government, and may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or in the case of individual experts or consultants by employment at rates of pay not in excess of the daily-equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code.

(e) APPROPRIATIONS.—There are hereby authorized to be appropriated to the Office for each fiscal year such sums as may be necessary to enable it to carry out its duties and functions. Until sums are first appropriated to the Office pursuant to the preceding sentence, the expenses of the Office shall be paid, upon vouchers approved by the Director, one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives.

DUTIES AND FUNCTIONS

SEC. 202. (a) ASSISTANCE TO COMMITTEES AND MEMBERS OF THE TWO HOUSES.—It shall be the duty and function of the Office to provide information to the Committees on the Budget of both Houses with respect to the budget, appropriation bills, other bills authorizing or providing budget authority, revenues, receipts, and estimated future revenues and receipts, and changing revenue conditions and such other information as may be deemed appropriate by the Committee on the Budget of either House. At the request of any other committee of either House, any joint committee of the Congress, or any Member of the Senate or House, the Office shall provide to such committee, joint committee, or Member any information compiled by the Office in carrying out the preceding sentence. At the request of the Committee on the Budget of either House, the Director shall assign, on a temporary basis, personnel of the Office to assist such committee.

(b) NATIONAL GOALS AND PRIORITIES REPORT.—The Office shall submit to the Congress on March 1 of each year a national goals and priorities report and copies of such report shall be furnished to the Committee on the Budget of the Senate and of the House of Representatives, the Joint Economic Committee, and other interested committees. The report shall include, but not be limited to—

(1) an analysis, in terms of national goals and priorities, of the programs in the annual budget submitted by the President, the Economic Report of the President, and the Social Report of the President;

(2) an examination of resources available to the Nation, the foreseeable costs and expected benefits of existing and proposed Federal programs, and the resources and cost implications of alternative sets of national priorities; and

(3) recommendations concerning spending priorities among Federal programs and courses of action, including the identification of those programs and courses of action which should be given greatest priority and those which could more properly be deferred.

In addition to the national goals and priorities report and other reports and studies which the Office submits to the Congress, the Office shall provide upon request to any Member of the Congress further information, data, or analysis relevant to an informed determination of national goals and priorities.

(b) TRANSFER OF FUNCTIONS OF JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES.—The duties and functions of the Joint Committee on Reduction of Federal Expenditures are transferred to the Office, and the Joint Committee is hereby abolished.

(A) REVENUE ESTIMATES.—The Office shall make estimates of the tax revenues and other revenues expected to be received by the United States Government with respect to each fiscal year, including an itemization by major revenue sources. The Office may thereafter revise such estimates from time to time as it considers appropriate. Such estimates, and revisions thereof, shall be made available to the Committees on the Budget of both Houses.

(e) ECONOMIC CONDITIONS.—Not later than May 1 preceding the beginning of each fiscal year, and, based on the estimate of the Office of revenues expected to be received by the United States Government during such fiscal year, the Office shall report to the Committees on the Budget of both Houses on the condition of the economy and considerations with respect to the amount, if any, by which budget outlays of the United States Government should exceed revenues expected to be received, or the amount, if any, by which such revenues should exceed such budget outlays, in order to provide for appropriate growth and stability of the economy of the United States.

(f) PROJECTIONS OF BUDGET OUTLAYS.—The Office shall develop information with respect to existing and proposed legislation which will form the basis of estimating the effect of such legislation on budget outlays during the current fiscal year and the ensuing four fiscal years.

USE OF COMPUTERS AND OTHER TECHNIQUES

SEC. 203. The Director may equip the Office with up-to-date computer capability, obtain the services of experts and consultants in computer technology, and develop techniques for the evaluation of budgetary requirements.

ADDITIONAL POWERS TO OBTAIN DATA

SEC. 204. (a) SECURING OF DATA.—The Director, with the approval of the chairman of the Committee on the Budget of either House, is authorized to secure directly from any executive department, office, board, bureau, agency, independent establishment, or instrumentality of the Government, information, data, estimates, and statistics relating to the functions of the Office.

(b) FURNISHING OF DATA.—Executive departments, offices, boards, bureaus, agencies, independent establishments, and instrumentalities are authorized and directed to furnish such information, data, estimates, and statistics directly to the Director, upon request made pursuant to this section.

TITLE III—CHANGE OF FISCAL YEAR

CALENDAR YEAR AS NEW FISCAL YEAR

SEC. 301. Section 237 of the Revised Statutes (31 U.S.C. 1020) is amended to read as follows:

"SEC. 237. (a) The fiscal year of the Treasury of the United States, in all matters of accounts, receipts, expenditures, estimates, and appropriations—

"(1) shall, through June 30, 1974, commence on July 1 of each year and end on June 30 of the following year;

"(2) shall for the period commencing July 1, 1974, and ending on December 31, 1974, be for such period; and

"(3) shall, beginning on January 1, 1975, commence on January 1 of each year and end on December 31 of that same year.

"(b) All accounts of receipts and expenditures required by law to be published annually shall be prepared and published for each fiscal year as established by subsection (a)."

SPECIAL APPROPRIATION

SEC. 302. For the fiscal year commencing July 1, 1974, and ending December 31, 1974, there are appropriated, out of any money in the Treasury not otherwise appropriated, for any projects or activities conducted in the fiscal year ending June 30, 1974, for which authority to conduct such project or activity did not expire prior to June 30, 1974, an amount equal to 50 per centum of the amount appropriated for that project or activity for such fiscal year ending on June 30, 1974. Appropriations made under this section shall be available to the extent and in the manner appropriations were made available for that project or activity during the fiscal year ending on June 30, 1974.

TRANSMITTAL OF BUDGET AND EXPENDITURE MESSAGES

SEC. 303. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by striking out of that matter of subsection (a) preceding clause (1) the phrase "during the first fifteen days of each regular session" and inserting in lieu thereof "at the time specified in subsection (e) (1)";

(2) by striking out in subsection (a) (5) "on or before October 15 of each year," and inserting in lieu thereof ", at the time specified in subsection (e) (2),";

(3) by striking out in subsection (b) "on or before June 1 of each year, beginning with 1972," and inserting in lieu thereof "at the time specified in subsection (e) (3)";

(4) by striking out in subsection (c) "on or before June 1 of each year, beginning with 1972," and inserting in lieu thereof "at the time specified in subsection (e) (4)"; and

(5) by adding at the end thereof the following new subsections:

"(d) In addition to the information required by subsection (a), the budget shall contain a statement, in such form and detail as the President may determine, of the capital assets of the Government, and their value, as of the end of the last completed fiscal year.

"(e) (1) In accordance with subsection (a) the President shall transmit each budget to the Congress as follows:

"(A) for the fiscal year ending on June 30, 1974, during the first fifteen days of that regular session of the Congress which assembles under section 2 of article XX of the articles of amendment to the Constitution prior to the commencement of the fiscal year; and

"(B) for each fiscal year beginning on or after January 1, 1975, on or before April 15 of the year preceding the commencement of that fiscal year.

"(2) In accordance with subsection (a) (5), estimated expenditures and proposed appropriations for such legislative branch and Supreme Court shall be transmitted to the President, for each fiscal year commencing on and after January 1, 1975, not later than January 15 of the year preceding that fiscal year.

"(3) In accordance with subsection (b), the President shall transmit each supplementary summary of the budget to the Congress, for each fiscal year beginning on or after January 1, 1975, on or before October 1 of the year preceding that fiscal year.

"(4) In accordance with subsection (c), the President shall transmit summaries of estimated expenditures on June 1, 1974, and November 1 of each year thereafter.

"(f) No budget, supplementary summary of the budget, or estimated expenditures and proposed appropriations for such legislative branch and Supreme Court shall be transmitted for the fiscal year commencing July 1, 1974, and ending on December 31, 1974. For purposes of subsection (a) (7), the phrase "last completed fiscal year" shall mean for the budget to be transmitted to the Congress on or before April 15, 1975, for the fiscal year commencing on January 1, 1976, those fiscal years ending on June 30, 1974, and December 31, 1974. The fiscal year ending on December 31, 1974, shall not be considered a fiscal year for purposes of subsection (c).

"(g) If the Congress is not in session on the day on which the President submits a budget, a supplementary summary of the budget, or a summary of estimated expenditures, such budget or summary shall be transmitted to the Clerk of the House of Representatives and shall be printed as a document of the House of Representatives."

ACCOUNTING PROCEDURES

SEC. 304. (a) Subsection (a) (1) of the first section of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes," approved July 25, 1956 (as amended (31 U.S.C. 701), is amended to read as follows:

"(1) The obligated balance shall be transferred, at the time specified in subsection (b) (1) of this section, to an appropriation account of the agency or subdivision thereof responsible for the liquidation of the obligations, in which account shall be merged the amounts so transferred from all appropriation accounts for the same general purposes; and".

(b) Subsection (b) of such section is amended to read as follows:

"(b) (1) Any obligated balance referred to in subsection (a) (1) of this section shall be transferred as follows:

"(A) for any fiscal year or years ending on or before June 30, 1974, on that June 30 which falls in the first month of June which occurs twenty-four months after the end of such fiscal year or years; and

"(B) for any fiscal year commencing on or after July 1, 1974, on December 31 of the second fiscal year following the fiscal year or years for which the appropriation is available for obligation.

"(2) The withdrawals required by subsection (a) (2) of this section shall be made—

"(A) for any fiscal year ending on or before June 30, 1974, not later than September 30 of the fiscal year immediately following the fiscal year in which the period of availability for obligation expires; and

"(B) for any fiscal year commencing on or after July 1, 1974, not later than March 1 following the fiscal year in which the period of availability for obligation expires."

ECONOMIC REPORTS

SEC. 305. (a) Section 3 of the Employment Act of 1946 (15 U.S.C. 1022), is amended by striking out "The President shall transmit to the Congress not later than January 20 of each year" and inserting in lieu thereof the following: "Not later than January 20 of each year before 1975, and not later than April 15 of each year after 1974, the President shall transmit to the Congress".

(b) Section 5(b) (3) of such Act (15 U.S.C. 1024) is amended by striking out "(beginning with the year 1947)" and inserting in lieu thereof "before 1975 and not later than June 1 of each year after 1974,".

CONVERSION OF AUTHORIZATION OF APPROPRIATIONS

SEC. 306. Any law providing for an authorization of appropriations commencing on July 1 of a year shall, if that year is any year after 1973, be considered as meaning January 1 of the year following that year. Any law providing for an authorization of appropriations ending on June 30 of a year shall, if that year is any year after 1974, be considered as meaning December 31 of that same year. Any law providing for an authorization of appropriations for the fiscal year 1975 or any fiscal year thereafter shall be construed as referring to that fiscal year commencing on January 1 and ending on December 31 of the calendar year having the same calendar year number as the fiscal year number.

REPEALS

SEC. 307. The following provisions of law are repealed:

(1) the ninth paragraph under the headings "Legislative Establishment", "Senate", of the Deficiency Appropriation Act, fiscal year 1934 (48 Stat. 1022; 2 U.S.C. 66); and

(2) the proviso to the second paragraph under the headings "House of Representatives", "Salaries, Mileage, and Expenses of Members", of the Legislative-Judiciary Appropriation Act, 1955 (68 Stat. 400; 2 U.S.C. 81).

TECHNICAL AMENDMENT

SEC. 308. (a) Section 105 of title 1, United States Code, is amended by striking out "June 30" and inserting in lieu thereof "December 31".

(b) The provisions of this section shall be effective with respect to Acts making appropriations for the support of the Government for any fiscal year commencing on or after January 1, 1975.

TITLE IV—ANNUAL CEILINGS ON OUTLAYS AND NEW BUDGET AUTHORITY

CEILINGS ESTABLISHED BY LAW

SEC. 401. (a) CONGRESSIONAL ACTION BY JULY 1.—After the President submits the budget for a fiscal year pursuant to section 201 of the Budget and Accounting Act, 1921, the Congress shall, by law, prescribe—

(1) a limitation on the total amount of outlays to be made during that fiscal year, and

(2) a limitation on the total amount of new budget authority which is to be available for that fiscal year. A bill prescribing such limitations shall be passed by the Congress and submitted to the President not later than July 1 preceding the beginning of the fiscal year.

(b) Additional Provisisons.—A law described in subsection (a) may also contain provisions—

(1) setting forth the amount, if any, by which revenues should exceed outlays or outlays should exceed revenues for the fiscal year in order to promote the general welfare and to provide maximum employment, production, and purchasing power consistent with national economic stability, and

(2) specifying the manner in which the President may exercise the authority conferred by sections 501(a) and 502(a) with respect to outlays and new budget authority authorized for the fiscal year, and the extent to which the provisions of sections 501(b) and 502(b) shall or shall not apply to programs or activities for the fiscal year.

(c) Views and Recommndations of Other Committees.—Before May 15 of each year, the Committees on Appropriations and Finance of the Senate shall submit their views and recommendations to the Committee on the Budget of the Senate, the Committees on Appropriations and Ways and Means of the House of Representatives shall submit their views and recommendations to the Committee on the Budget of the House, and the Joint Economic Committee and the Joint Committee on Internal Revenue Taxation shall submit their views and recommendations to the Committees on the Budget of the Senate and House, with respect to all matters set forth in subsections (a) and (b) which relate to matters within the respective jurisdictions or functions of such committees and joint committees. Any other standing, joint, or special committee of the Congress may submit its views on the matters enumerated.

REVISION OF CEILINGS

Sec. 402. Any of the provisions described in subsections (a) and (b) of section 401 of a law enacted for a fiscal year may be changed by one or more subsequent laws, enacted before the close of the fiscal year, which amend or supersede any of such provisions contained in any prior law enacted for such fiscal year or which enact any of the provisions described in subsection (b) of section 401 not contained in any such prior law.

TIME FOR REPORTING AND ACTING IN EACH HOUSE OF FIRST BILL ESTABLISHING CEILINGS FOR A FISCAL YEAR

Sec. 403. (a) Reporting.—On or before June 1 of each year, the Committee on the Budget of each House shall report to its House a bill containing the provisions described in section 401(a) (and which may contain the provisions described in section 401(b)) for the fiscal year beginning on January 1 of the following year. The report accompanying such bill shall include, but not be limited to, a comparison of the limits on total budget authority and total budget outlays established in such bill with total budget authority requested and total budget outlays estimated in the budget submitted by the President.

(b) Floor Action.—On or before June 15 of each year, each House shall complete action on a bill described in subsection (a) for the fiscal year beginning on January 1 of the following year (except for action on any conference report on such bill).

(c) Extension Where Specified Date Falls on Saturday, Sunday, or Holiday.—For purposes of subsections (a) and (b), when June 1 or June 15 falls on a Saturday, Sunday, or legal holiday in the District of Columbia in any year, there shall be substituted for that date the next succeeding date which is not a Saturday, Sunday, or legal holiday in the District of Columbia.

RULES FOR CONSIDERATION OF BILLS ESTABLISHING OR REVISING CEILINGS

Sec. 404. (a) Budget Limitation Bill.—For purposes of this section, the term "budget limitation bill" means only a bill described in section 401 or 402.

(b) Reference of Bills to Committee.—All budget limitation bills shall be referred to the Committee on the Budget of the Senate by the President of the Senate, or shall be referred to the Committee on the Budget of the House of Representatives by the Speaker, as the case may be.

(c) Procedure After Report of Committee.—

(1) A budget limitation bill reported in either House shall be highly privileged. It shall be in order at any time after the third day following the day on which such a bill is reported to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on any budget limitation bill, and all amendments thereto, shall be limited to not more than 60 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the bill is not in order, and it is not in order to move to reconsider the vote by which the bill is passed or not passed.

(d) Decisions Without Debate on Motion To Postpone or Proceed.—

(1) Motions to postpone, made with respect to the consideration of any budget limitation bill, and motions to proceed to the consideration of other business, shall be decided without debate.

(2) Appeals from the decisions of the Chair relating to the application of the Rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to any budget limitation bill shall be decided without debate.

(e) Procedure After Passage by One House.—If, prior to the passage by one House of a budget limitation bill of that House, that House receives from the other House a budget limitation bill of such other House, then—

(1) the procedure with respect to the bill of the first House shall be the same as if no bill from the other House had been received; but

(2) on any vote on final passage of the bill of the first House the bill from the other House shall be automatically substituted.

(f) Action on Conference Reports.—

(1) The conference report on any budget limitation bill shall be highly privileged in each House. It shall be in order at any time after the third day following the day on which such a conference report is reported to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on the conference report shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the conference report. A motion to recommit the conference report shall not be in order and it shall not be in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(3) Motions to postpone, made with respect to the consideration of such conference report and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to such conference report shall be decided without debate.

BUDGET LIMITATION BILL MUST BE ENACTED BEFORE APPROPRIATIONS AND CHANGES IN REVENUES AND PUBLIC DEBT LIMIT ARE MADE

Sec. 405. It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution (or amendment thereto) which provides—

(1) new budget authority for a fiscal year,

(2) an increase or decrease in revenues to become effective during a fiscal year, or

(3) an increase or decrease in the public debt limit to become effective during a fiscal year, until the law for such fiscal year referred to in section 401(a) has been enacted.

EXCLUSIVE JURISDICTION OF BUDGET COMMITTEES

Sec. 406. No bill or resolution, and no amendment to any bill or resolution, dealing with any matter which is within the jurisdiction of the Committee on the Budget of either House shall be considered in that House unless it is a bill which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to a bill so reported or discharged.

TITLE V—IMPLEMENTATION OF CEILINGS

RESERVATION OF OUTLAYS

Sec. 501. (a) Presidential Action.—The President shall reserve from outlay, from new budget authority or any other available budget authority, such amounts as may be necessary to keep outlays during a fiscal year within the limitation on total outlays in effect for such fiscal year under laws enacted pursuant to sections 401 and 402.

(b) Procedure.—In carrying out the provisions of subsection (a) during a fiscal year, the President shall reserve amounts proportionately from budget authority available for each functional category (and to the extent practicable, within each functional category, from each subfunctional category) as set forth in the budget for the fiscal year, except that no reservation shall be made from budget authority for—

(A) interest,

(B) veterans' benefits and services,

(C) payments from social insurance trust funds,

(D) public assistance maintenance grants under title IV of the Social Security Act,

(E) food stamps,

(F) military retirement pay,

(G) medicaid, and

(H) judicial salaries.

(c) Exception.—Subsection (b) shall not apply to the extent the applicable provisions of any law enacted pursuant to sections 401 and 402 otherwise provide.

RESERVATION OF NEW BUDGET AUTHORITY

Sec. 502. (a) Presidential Action.—The President shall reserve from new budget authority such amounts as may be necessary to keep new budget authority for a fiscal year within the limitation on total new budget authority in effect for such fiscal year under laws enacted pursuant to sections 401 and 402.

(b) Procedure.—In carrying out the provisions of subsection (a) for a fiscal year, the President shall reserve amounts proportionately from new budget authority for each functional category (and to the extent practicable, within each functional category, for each subfunctional category) as set forth in the budget for the fiscal year, except that no reservation shall be made from new budget authority for—

(A) interest,

(B) veterans' benefits and services,

(C) payments from social insurance trust funds,

(D) public assistance maintenance grants under title IV of the Social Security Act,

(E) food stamps,

(F) military retirement pay,

(G) medicaid, and

(H) judicial salaries.

The amounts so reserved (other than any amounts reserved from trust funds) are hereby rescinded as of the close of such fiscal year.

(c) EXCEPTION.—Subsection (b) shall not apply to the extent the applicable provisions of any law enacted pursuant to sections 401 and 402 otherwise provide.

APPLICATION OF CERTAIN FORMULAS

SEC. 503. In the administration of any program as to which—

(1) the amount of outlays or obligations is limited pursuant to section 501 or 502, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution,

the amount available for outlay or obligation (as determined by the President in accordance with such sections) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

TITLE VI—RULES TO IMPROVE CONGRESSIONAL PROCEDURES ON BUDGET AUTHORITY LEGISLATION

NEW BUDGET AUTHORITY LEGISLATION TO LIMIT OUTLAYS

SEC. 601. (a) GENERAL RULE.—Beginning with the fiscal year beginning on January 1, 1975—

(1) bills and resolutions providing new budget authority for the fiscal year reported in each House shall also specify the amount of outlays which may be made during that fiscal year (both pursuant to the new budget authority provided by the bill or resolution and to any other available budget authority) for the purposes for which the new budget authority is provided,

(2) legislation shall be reported in each House for the fiscal year specifying the amount of outlays which may be made during the fiscal year under permanent budget authority or budget authority of indefinite duration, and

(3) amendments proposed in each House to bills or resolutions providing new budget authority for that fiscal year which increase or decrease the amount of any budget authority shall also specify the amount of outlays which may be made during that fiscal year pursuant to the budget authority as so increased or decreased.

(b) LEGISLATION FAILING TO COMPLY SUBJECT TO POINT OF ORDER.—It shall not be in order to consider in either House any bill, resolution, or amendment which does not comply with the provisions of subsection (a).

(c) STUDIES AND ASSISTANCE BY CONGRESSIONAL OFFICE OF THE BUDGET.—The Director of the Congressional Office of the Budget shall undertake studies and provide assistance to the committees of both Houses which have jurisdiction over legislation providing budget authority to enable such committees to comply with the provisions of subsection (a).

LIMITATION ON NEW ADVANCE BUDGET AUTHORITY

SEC. 602. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution which provides new advance budget authority (or any amendment which provides new advance budget authority) unless such bill or resolution, or such amendment, also provides that the new advance budget authority is to be exercised for any fiscal year only to such extent or in such amounts as are provided for such fiscal year in appropriation Acts enacted after the enactment of such bill or resolution.

(b) NEW ADVANCE BUDGET AUTHORITY DEFINED.—For purposes of subsection (a)—

(1) NEW ADVANCE BUDGET AUTHORITY.—The term "new advance budget authority" means advance budget authority provided by law enacted after December 31, 1973, including any increase in, or addition to, any advance budget authority provided by law in effect on December 31, 1973.

(2) ADVANCE BUDGET AUTHORITY.—The term "advance budget authority" means authority provided by law, whether on a temporary or permanent basis—

(A) to enter into contracts, under which the United States is obligated to make outlays, which have not been provided for in advance by appropriation Acts,

(B) to incur indebtedness, for the repayment of which the United States is liable (other than indebtedness incurred under the Second Liberty Bond Act), which has not been provided for in advance by appropriation Acts,

(C) to guarantee on behalf of the United States the repayment of indebtedness (other than indebtedness described in subparagraph (B)), which has not been provided for in advance by appropriation Acts,

(D) to make payments (including loans and grants), which have not been provided for in advance by appropriation Acts, to any person or government if, under the provisions of the law containing such authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by such law, and

(E) to obligate the United States to make outlays by any other means which has not been provided for in advance by appropriation Acts.

LIMITATION ON NEW PERMANENT BUDGET AUTHORITY

SEC. 603. Beginning with the second session of the Ninety-third Congress, it shall not be in order in either House to consider any bill, resolution, or amendment which provides new permanent budget authority unless such bill, resolution, or amendment has been reported or proposed by the Committee on Appropriations of that House.

REQUIREMENT OF ADVANCE AUTHORIZATIONS BY LEGISLATIVE COMMITTEES

SEC. 604. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—Except as provided in subsection (b), it shall not be in order to consider any bill or resolution (or conference report thereon) authorizing the enactment of new budget authority for any fiscal year after the beginning of such fiscal year.

(b) EMERGENCY WAIVER.—A motion to waive or suspend the application of subsection (a) to any bill, resolution, or conference report may be made pursuant to section 701(b), only if the report accompanying such bill or resolution, or the joint statement accompanying such conference report, sets forth the existence of an emergency or other unusual circumstance which requires its consideration.

JURISDICTION TO RESCIND BUDGET AUTHORITY

SEC. 605. (a) AMENDMENT OF SENATE RULES.—Subparagraph (c) of paragraph 1 of rule XXV of the Standing Rules of the Senate is amended by inserting immediately before the period at the end thereof "and the rescission of appropriations".

(b) AMENDMENT OF HOUSE RULES.—Paragraph (a) of clause 2 of rule XI of the Rules of the House of Representatives is amended by inserting immediately before the period at the end thereof "and the rescission of appropriations".

TITLE VII—TWO-YEAR BUDGET

SEC. 701. Commencing with the fiscal year beginning January 1, 1975, the President's budget shall also contain his budget estimates for the next succeeding fiscal year; and the legislation reported by the Committees on the Budget pursuant to section 101(a)(2) and section 102(d) shall establish limitations on outlays and budget authority for both fiscal years included in the President's budget submission.

TITLE VIII—RULEMAKING POWER; EFFECTIVE DATES

EXERCISE OF RULEMAKING POWER

SEC. 701. (a) The provisions of titles I, IV, and VI and of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(b) Any rule provided in this Act may be waived or suspended by the Senate or the House of Representatives only by a vote of two-thirds of the Members voting, a quorum being present.

(c) If a point of order is made in either the Senate or the House of Representatives, and sustained by the Presiding Officer of that House, that any bill, resolution, amendment, motion, or other matter is not in order by reason of any rule provided in this Act, the decision of the Presiding Officer may be overruled only by a vote of two-thirds of the Members voting, a quorum being present.

EFFECTIVE DATES

SEC. 702. Except as otherwise specifically provided therein—

(1) titles I, II, and III shall take effect on the date of the enactment of this Act, and

(2) titles IV, V, and VI shall apply with respect to the fiscal year beginning January 1, 1975, and succeeding fiscal years.

Mr. JAVITS. Mr. President, I am pleased to join with the distinguished Senator from Minnesota (Mr. MONDALE) in introducing the "Congressional Budget Control and Reform Act of 1973," an amendment in the nature of a substitute to S. 1541.

We are all aware of the extraordinary impact which Federal spending has upon our economy and upon the daily lives of all Americans. Indeed the exercise of our constitutional spending power is the most pervasive power which is vested in the Congress. Levels of employment, rates of inflation and productivity, and balance of payments are all key issues in economic policy which are addressed in the congressional budget process.

The nature, extent, and direction of just about all Federal activities is determined by the aggregate impact of this process. During the last year, both Houses of Congress have devoted great efforts to analyzing and reforming the process by which Congress makes its annual decisions relating to our Federal budget. Extensive hearings on the practice and effects of Executive impoundment and upon the appropriations and legislative revenue raising processes have been held. Both Houses have passed anti-impoundment legislation.

The Senate Government Operations Committee under the leadership of Senator ERVIN is presently considering a variety of approaches to the problem of congressional budget reform. As a member of the committee who has examined this difficult issue most carefully, I am convinced that effective control by the Congress over the funds it makes available to Federal, State, and local agencies requires:

First. An informed congressional determination of the desirable volume, range and direction of program activity;

Second. Congressional exercise of independent judgment concerning the financial resources, required by Federal departments and agencies to support effectively such volume, range and direction of program activity;

Third. Availability of congressional sources of information and analysis as a basis for the exercise of independent and informed judgments;

Fourth. Some reasonable and practical procedures to integrate the spending decisions process;

Fifth. The reform of the timing of the appropriations process to require more ordered consideration of spending;

Sixth. An effective spending ceiling but one which does not emasculate the appropriations process; and

Seventh. A workable procedure to implement and effectuate that ceiling should spending authority exceed the ceiling.

Many Senators have given substantial attention to the broad problem of congressional budget reform. I respect the approach of the subcommittee and of Senators ERVIN, PERCY, and METCALF; however, I found a more congenial approach, sponsored jointly by Senators MUSKIE, BROCK, and MAGNUSON.

Mr. President, as an added contribution to this thinking, I believe that the amendment which Senator MONDALE and I introduce today deals with the problem of setting budget priorities consistent with economic reality, while preserving the capability to involve Members of Congress in the setting of national priorities on an informed basis. There is discipline in our bill. There is genuine reform of a process which has long cried out for reform. In summary, that reform is found in the following objectives:

First. Establishment of budget committees in the House and Senate, with rotating membership, including members of legislative committees, on which no member would serve more than 6-year term;

Second. Provision for enactment of an overall congressional ceiling, with recommended subceilings, before July 1 of each year;

Third. Provision for completion of appropriations by July 1, and when appropriations exceed the ceiling, for prorata reduction of all appropriations items;

Fourth. Provision for a second budget resolution, before the end of each session to make any adjustments in the impact of prorata cuts or in the overall spending limit;

Fifth. Establishment of a congressional Office of the Budget, Goals and Priorities, both to assist the budget committees and Members of Congress in dealing with budget questions and to provide assistance in assessing the social impact of the budget and the success of the social programs;

Sixth. Provision for congressional adoption of budgets on a 2-year basis so that the long-term consequences of initial commitments may be better understood and debated; and

Seventh. Provision for the placement of the Federal Government on a calendar year basis to permit more detailed consideration of the President's budget, and to permit appropriations to be complete before the fiscal year begins.

Mr. President, this amendment provides a workable way for Congress to undertake its examination of the needs and program alternatives, and the allocation of limited dollars to diverse human needs. It will establish a means for a responsible and disciplined execution by Congress of its responsibilities in the budget policy field.

It will allow Congress to acquire the means for the gathering of interpretive and analytical data on spending and related program matters. Most importantly, it will facilitate the use of objective expenditures analyses to help it form independent judgments on appropriations matters. I trust that some of the solutions which will begin to resolve these problems are found in this amendment.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 113

At the request of Mr. STEVENSON, the Senator from Washington (Mr. MAGNUSON), the Senator from Utah (Mr. Moss), and the Senator from Rhode Island (Mr. PASTORE) were added as cosponsors of Senate Resolution 113, a resolution to establish a Select Committee on the Senate Committee Systems.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Leonard F. Chapman, Jr., of Virginia, to be Commissioner of Immigration and Naturalization, vice Raymond F. Farrell, retired

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, October 10, 1973, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF HEARINGS ON NOMINATIONS BY DISTRICT OF COLUMBIA COMMITTEE

Mr. EAGLETON. Mr. President, the Senate Committee on the District of Columbia will hold a public hearing on the nomination of Fred B. Ugast to be an Associate Judge of the Superior Court of the District of Columbia, and on the nomination of William R. Stratton to be a member of the Public Service Commission of the District of Columbia on Wednesday, October 17, 1973, at 9:30 a.m. in room 6226, New Senate Office Building. Persons wishing to present testimony at this hearing should contact Mr. Robert Harris, staff director of the District Committee, room 6222, New Senate Office Building, by noon on Friday, October 12, 1973.

ANNOUNCEMENT OF HEARING ON RETAIL PETROLEUM PRICES

Mr. SPARKMAN. Mr. President, the Committee on Banking, Housing and Urban Affairs will hold a hearing to receive testimony from Mr. John T. Dunlop, Executive Director, Cost of Living Council, on regulations concerning the retail price of petroleum products at 1:30 p.m., October 9, 1973, room 5302, Dirksen Senate Office Building.

NOTICE OF HEARING ON PHASE IV PETROLEUM REGULATIONS

Mr. STEVENSON. Mr. President, under the phase IV regulations of the Cost of Living Council as they relate to petroleum products, major oil company producers and refiners have been allowed to automatically pass through their increased product costs to the retailer. But the retailer, typically a small businessman, has not in turn been allowed to automatically pass through his costs.

This discrimination prompted me, along with Senator MCINTYRE and 17 other cosponsors, to introduce S. 2453, a bill to amend the Economic Stabilization Act to correct inequities in the phase IV petroleum regulations. This bill was referred to the Senate Committee on Banking, Housing and Urban Affairs, as were several other bills on this same subject introduced by other Senators.

After threats of station shutdowns and a growing concern in Congress and elsewhere about the injustice of the regulations, the CLC acted Friday to amend the regulations. The Council changed the computation date of the margin per gallon for retailers, helping to correct one of the problems the Council had artificially created. The Council also allowed a pass-through of costs incurred by retailers through September 28.

But the Council's action on Friday did not address the fundamental inequity caused by its regulations—the fact that major oil producers and refiners could increase and pass their costs through, but the small retailer could not. Since last Friday, seven major oil companies have announced price increases ranging from 0.2 cents to 3.6 cents per gallon for gasoline, heating oil, and other refined petroleum products. These new costs cannot be passed on by the retailers.

Legislation may, therefore, be necessary, and the Council should at least be called upon to explain its continued policies favoring the major producers and refiners at the expense of small petroleum retailers.

The Senate Banking Committee, therefore, will hold hearings next Tuesday afternoon, October 9, on the subject of phase IV petroleum regulations. Dr. John Dunlop is scheduled to testify, and he will be called upon to explain the Council's policies. A main focus of the hearing is to determine whether congressional action is needed to correct the regulations before the end of the first session.

It is my hope that the Council will take definitive action to end the discrimination and hardship caused by its regulations. If not, it may be incumbent upon the Congress to act.

ADDITIONAL STATEMENTS

A SPECIAL VISIT TO DISNEY WORLD

Mr. HUMPHREY. Mr. President, a press release was brought to my attention recently, describing an unforgettable trip for 46 mentally retarded and emotionally disturbed children from the Washington, D.C., area, to Disney World in Florida.

I want to share this human interest story with my colleagues, because it is the type of event that ought to make the headlines more often in our daily newspapers. Instead of a constant fare of stories of man's unhumanity to man, we need to hear more often of such genuine examples of human concern voluntarily expressed by Americans.

The Disney World excursion for these children from St. Gertrude's School in Washington was arranged last spring by Mrs. Ruby Gibson of the American Travel Association. Such efforts merit public attention and deserve our sincere commendation.

Mr. President, I ask unanimous consent that the press release describing this tour by Amtrak train and bus, be printed in the Record.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Press Release

Ask anyone who's been there and they'll tell you that Disney World *is* entertainment. Donald Ducks and Mickey Mouses dance through the streets, brass bands pop up out of nowhere for impromptu serenades, rides and spectacular sights abound.

All the magic of Disney World was shared in a special way recently by 46 mentally retarded and emotionally disturbed children from St. Gertrude's School in Washington, D.C.

Benedictine Sister Luanne Monckton was one of ten adults who accompanied the group. "It was just a wonderful experience. Perfect! If we had it to do over again, we wouldn't change a thing," Sister said.

The trip, including motels, transportation to Orlando, Fla., and local transportation, meals and other side trips were arranged by Mrs. Ruby Gibson of the American Travel Association (ATA).

The ATA is a Cooperative and was founded by a number of national and regional organizations to provide travel and recreational services for members.

ATA has provided years of service to members and non-members alike from round-the-world group tours to short bus trips.

Several cooperative organizations, including The Cooperative League of the USA, Credit Union National Association, the Foundation for Cooperative Housing, United Housing Foundation and others are owners of the ATA.

Sister Luanne said the ATA had planned several trips for St. Gertrude's in the past and went to them again for this Disney World excursion.

The trip lasted six days and began with an overnight train ride from Washington to Orlando via Amtrak. In addition to the Disney World outings, there were side trips to Cypress Gardens and Busch Gardens. The return trip was again aboard an Amtrak train.

The train ride, incidentally, was something of a sign of the times. Sister said it was chosen because most of the children had experienced a plane flight but almost none of them had ever traveled by train.

"It was an educational-fun trip," Sister explained, since it afforded the children both entertainment and learning experiences like ordering food in restaurants and traveling by bus and train.

The children's parents report the youngsters talked about nothing but the trip for days afterward. "They'd go back next week if they could," Sister Luanne said. "It's one of the nicest places I've ever been. It's the cleanest, most fabulous place—and everybody was smiling, I didn't see one crabby face there." Everyone was helpful, she added, in showing the children a good time.

St. Gertrude's hopes to make regular annual trips but it probably won't be on the scale of the Disney World adventure. This year's trip was the first in some time since the school's funds have been used in a building program the past few years.

St. Gertrude's has been in operation since 1926. Resident students from Eastern states make up most of its enrollment along with nine day students.

The trip—all six days of it—came off without mishap. "No accidents," Sister Luanne said, "but wouldn't you know it. We got back on Sunday safe and sound and on Tuesday morning our youngest girl came down with chicken pox."

PRIVATE PENSION PLAN REFORM

Mr. DOMINICK. Mr. President, I recently received a memorandum containing a thoughtful analysis of the pension bill passed by the Senate last month. It contains several innovative recommendations, including one regarding integration of the private pension system with social security in a way which would result in considerable savings to the social security program. The memorandum was prepared by Robert H. Pickering and John C. Stoltz, of Robert H. Pickering & Associates, Ltd., in Denver.

Unfortunately, the memorandum was not available to me until after S. 4 and S. 1179 had already been reported out of committee, which made full consideration of these proposals impossible in the Senate. The memorandum has been brought to the attention of the Ways and Means Committee, where I hope it will get the careful consideration it warrants. Although the Senate has already acted on S. 4, I think the new ideas contained in this memorandum will be of interest to the Senate conferees after the House has acted on a pension bill.

I therefore ask unanimous consent, Mr. President, that this excellent memorandum be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Memo Regarding Private Pension Plan Reform

(By Robert H. Pickering & Associates, Ltd.)

In regard to inequities concerning private pension plans, it is our belief that the Congress has the opportunity to propose and pass legislation which may serve to cure several ills at one time. While we do agree with the report of the Committee on Finance of the Senate in regard to funding, portability, and trustee and fiduciary responsibility, we were somewhat concerned at the final version of the bill as approved by the Senate.

SUMMARY

Eligibility: We would agree with Senator Hartke that the maximum eligibility age should be 25, or two years of service—whichever comes later.

Deductible contributions: While we did not agree with the committee proposal limiting deductible contributions to $7,500 per year, we also cannot agree with the final version as passed, allowing for 75% of salary (up to a maximum of $75,000) as a retirement benefit for owner-employees without some further limitations.

We would propose that a limit of $20,000 contribution per year per any employee be used as a *pivot point* in computing retirement benefits. Our proposal in this area would tie-in with the existing allowable spread for Covered and Excess Compensation as defined by Social Security.

Double integration: For qualified plans where retirement benefits exceed $18,000 per year, we propose that a new Social Security integration schedule be adopted, thereby saving the Social Security Administration as much as $26,000,000,000 per year by 1986.

Death benefits of qualified retirement plans: We are opposed to the inclusion of Pre-Retirement death benefits in the estate of the deceased worker.

Treasury bills—special issue: A special class of Treasury Bill to be issued to the Social Security Administration only—for investment by the portability trust would provide additional monies to the General Fund at far more reasonable rates than it now enjoys and, at the same time, reduce costs of administration of the fund.

Reasoning for proposed changes—eligibility: The proposed legislation does not take into account that younger people build up experience as they mature in their jobs. While National statistics indicate that an employee changes his job three times between the ages of 21 and 30, we feel that these employees do provide reasonable production, based on compensation. Where consideration of this point involves a *profit sharing* plan, these employees should not be excluded.

Deductible contributions: The proposal would call for a pivot point of $20,000 per year contribution for any one employee. If the contribution exceeds $20,000, then a reduction in the allowable integration spread would result:

The maximum spread allowable under Revenue Ruling 71–446 in a fixed benefit plan is 37.5%. If the plan carries insurance, it is 33.3%. The present social security base is $10,800 per year or $900 per month. Therefore, if a fixed benefit plan calls for 10% of the first $900, up to 47.5% of the difference between $900 and the actual Monthly Compensation may be added to produce the retirement benefit. In the case of a partially or fully insured plan, 10% of the original $900 will then allow a maximum of 43.3% in excess of the Covered Compensation to be computed for retirement. In the case of a profit sharing or money purchase plan, a 10% coverage of the first $900 per month will allow a contribution of 17% on the excess, since the allowable spread for these plans is 7%.

No cost or contribution limits would be set for fixed benefit plans, but retirement benefits could not exceed 100% of compensation for the three years producing the highest average in the five years immediately preceding retirement. Contributions under money purchase, profit sharing, or Keogh plans would be limited to 15% of compensation, per covered employee.

Under our proposal, if the $20,000 contribution limit is exceeded (per any employee), on a cumulative basis, the allowable integration spread would be reduced by 5% for each $1,000 or fraction thereof in excess contribution for a fixed benefit plan, up to a maximum of 20%. A one percent reduction would occur in a money purchase or profit sharing plan for each $1,000 of excess contribution, up to a maximum of 4%. This reduction would be based on a cumulative factor, therefore, the reductions in the allowable spread would occur in both a pension and a profit sharing plan if the company sponsored a multiple plan program.

Example:

Employee A: contribution	$21,000
Employee B: contribution	23,000
Total contribution	44,000
Allowable contribution	44,000
Excess	4,000

Fixed benefit reduction in spread, 20 percent.

Money purchase reduction in spread, 4 percent.

Profiit sharing reduction in spread, 4 percent.

That is, the base covered compensation percentage would be increased as follows: In a fixed benefit plan 10% of base compensation plus 43.3% of excess compensation would be changed to 30% of base compensation plus 43.3% of excess compensation, thereby increasing benefits to lower paid employees. In the case of money purchase, or profit sharing plans, the 7% allowable spread would be reduced by 3%.

NOTE: 1. We do not recommend that covered salary be limited to $100,000, as corporate contributions which are based on excess of the $25,000 pivot point per employee will face additional deposits on behalf of lower paid employees.

2. Alternate method: We would suggest an alternate method be allowed in the computation of allowable contributions.

A. A corporation would have the option of deducting contributions of up to the $25,000 per person pivot without regard to the reduction of the spread.

B. Contributions would be allowed up to 20% of the total contribution made by a corporation to any qualified plan or plans, per employee, subject to individual plan provisions.

C. Non-Integrated plans would not be affected by either the basic computation limits, or the limits of the Alternate Method. However, in the case of overlapping Pension and Profit Sharing plans, integration of either plan will subject both plans to limits imposed under the basic computation, or alternate method. Both plans must be administered under the same method limit, i.e. basic computation or alternate method.

D. If a change is made from the basic computation method to the alternate method, reversion to the basic method will not be allowed for a period of five years from the date of change, and then only with the approval of the Internal Revenue Service.

We also feel that this format should be extended under HR–10, thereby allowing greater retirement contributions. However, under HR–10 we feel the owner-employee should not be limited to an upper amount but by the same token, should be required to contribute the same percentage of salary for every employee, as he contributes for himself. We further propose that an additional limit be set to provide an equitable retirement for all.

Double integration: 2nd phase: We propose that a $1,500 pivot point be established as a basis for the reception of social security retirement benefits since the Social Security Administration will be appraised of pension benefits received by employees. If the proposed legislation is enacted, the Administration has basis for control.

We would suggest that retirement benefits as provided by private pension plans, cause a reduction of 10% of the social security retirement benefit to an employee; up to 50%, for each $100 increment or fraction, thereof in excess of $1,500 per month.

Example: Private plan retirement benefit (monthly), $1,670.00.

Pivot point, $1,500.00.

Excess, $170.00.

Reduction social security benefit 20%.

Reduction in dollars based on maximum 1973,

Retirement: worker, $276.00.

Reduction of monthly benefit, $55.26.

As the wage base, and the social security base increase, the dollar reduction, of course, will go proportionately higher, and as the cost of living increases, the basic $1,500 could also be raised!

Based on the 1958 CSO mortality table and on statistics of births and deaths concerning the years 1912–1925, we estimate the savings to Social Security as high as $26,000,000,000 per year by 1990. The mortality tables indicate that the average life span of the retirement worker in 1973 will be 12.9 years. Therefore, in order to arrive at our figure of $26,000,000,000, we use a 12.9 year cycle assuming that 40,000 families per year (2% of the working population for each year) will be effected by the $1,500 pivot. We multiply by $55.26 per month (1973 figures only for social security) and find that each worker in the 12.9 year cycle has a basic reduction of $8,044.96. Multiply that by 40,000 and the savings to the Social Security Administration becomes $341,798,400 per year. This figure, compounded after 12.9 years, produces a savings of $26,916,624,000 after the first 12.9 year cycle has been completed.

The above figures are based on a 20% reduction. A 10% reduction produces approximately $1.4 billion dollars reduction in social security pay-outs in a 12.9 year cycle (based on 40,000 qualifying workers).

The retiring worker who is to be reduced in benefit would receive a lump sum from Social Security in an amount of one year's contribution (employee's only) for each 10% reduction, non-taxable, thereby causing a $25,056,000 pay-out per year for a total during the cycle of $323,222,400 for each 10% reduction. Applying that figure to the 20% reduction instituted above, it creates a $646,444,800 pay-out by Social Security to retired workers. Subtract this from the $26,916,624,000 normally anticipated during the 12 year cycle and you still have $26,270,179,200 in projected savings based on the 1973 figure. We have additional figures to support the aforementioned theorem. By adopting a program of coordination of private plans and Social Security retirement benefits, we could possibly put the Social Security Administration on a sound financial footing by the year 1990 without unduly raising social security taxes.

In analyzing this situation from a broad view, we look at three major advantages to "Double Integration:"

1. Employers and employees will maintain, or reduce Social Security contributions thereby allowing for additional profits to be taxed—to the benefit of the General Fund.

2. The Social Security Administration could be put on a sound financial basis, if emphasis were placed on providing benefits for those people who are unable to provide fully for themselves.

3. This concept would force corporations to include greater numbers of employees, and virtually eliminate excess plans.

Death benefits: The committee has also proposed that death benefits provided by retirement plans be included for Federal Estate tax purposes. We feel that a modification of this proposal is absolutely necessary in order to protect the worker and his family. While this area has been subject to some abuse, we propose a slight change to the committee recommendation which will eliminate the problem.

We suggest that the final bill be amended to allow exclusion of death benefits from Federal Estate tax if the death of a worker occurs before normal retirement. We feel that pre-retirement death benefits are designed to provide for the family of a deceased worker. To tax such monies, which might be better used by that family for on-going support, would be an undue hardship.

Treasury bills-special issue: We would propose that a treasury bill be created especially for the portability trust fund. These bills would carry an interest rate of 6½% per annum. Six percent would be credited to the account of the participant, with ½% being retained to cover administration costs. The bills could be varied in interest rate-upward, but not down, below the 6½% level. The base level would prevent an attack by the General Fund, of funds in the portability account as has happened in the past to social security funds.

As we see it, there are four main advantages to this proposal:

1. The portability fund has a ready made money market for investment.

2. The General Fund has an additional money source at lower rates than it might otherwise enjoy.

3. The Federal Government becomes the guarantor for fund investment at a savings to itself.

4. The employee enjoys a fair rate of return without fear of negative results.

In our opinion, the adoption of the above proposals in conjunction with those other areas covered by the Senate Finance Committee constitutes a major shift in the philosophy concerning retirement benefits. The Administration proposed in 1966 that more responsibility for retirement benefits be shifted to the private sector; thereby relieving the Social Security Administrtaion of some of its responsibility.

Obviously, there have been many discussions regarding this matter in the past. However, for some reason, little or no thought has been given to this particular concept. This legislation is important both from the standpoint of protection of the retiring worker and ultimately, to the stability of our economy. Government economists are in agreement that private pension plans do not contribute to our inflationary spiral. We should encourage contributions, and indeed, the expansion of the private pension program in future years. We feel that additional provisions should be made to encourage the inclusion of a greater number of workers under the private pension plans. In this way, we can insure that the working man or woman receives reasonable funds with which to support himself during retirement.

PHARMACISTS FIGHT AGAINST DRUG ABUSE

Mr. BAYH. Mr. President, during my 3 years as chairman of the Juvenile Delinquency Subcommittee, I have conducted an intensive investigation into the diversion, traffic and abuse of legitimately produced narcotic and nonnarcotic drugs.

Not drugs illicitly grown in Turkey and refined in France. Not drugs grown and refined in Asia's Golden Triangle. But dangerous drugs produced legitimately within our own borders.

We have found that far too many people hold to the traditional, but archiac "hard" drug—heroin cocaine—"soft" drug—produced for legitimate medical purposes—rationale. This unfortunate distinction has served to perpetuate the belief that so-called "soft" drugs, such as amphetamines, barbiturates and methaqualone, involve little risk to the abuser.

As many subcommittee witnesses, particularly the former abusers, made abundantly clear, nothing could be further from the truth.

Casual attitudes, the failure of all concerned to put polydrug abuse in proper perspective—they outnumber heroin abusers 17 to 1—and a readily available supply are intimately linked with the current abuse and extent to which persons, particularly our youth, are becoming dependent on these drugs.

Diversion from legitimate channels occurs at all levels of distribution. This includes thefts, employee pilferage, unauthorized sales and in some instances excessive and even unlawful prescribing and dispensing. Quite often the feared and despised "pusher" is a family's own medicine cabinet.

Our earlier success with the amphetamines, the recent decision on methaqualone and what I hope will be prompt action on the short-acting barbiturates are important steps in limiting the diversion of legitimately manufactured drugs to illicit purposes.

Yet before we truly "turn the corner on drug abuse" we must enlist the support of all concerned, from Federal officials to school teachers, from doctors to prosecutors, from drug companies to former addicts, to do their part to combat a major health and criminal problem reaching its tragic tenacles into all corners of American life.

Pharmacists have a special role to fill in the battle against drug traffic and abuse.

As officials crack down on illegitimate drugs, abusers direct their efforts at the legitimate sources of abusable medicines, in particular pharmacies. During fiscal year 1973 thefts of controlled substances stolen from distribution channels rose by 15 percent—from 2,974 in the first half of the year to 3,408 in the second half. During the same year thefts from pharmacies rose from 57 percent of the total during the first half of the year to 77 percent during the second half. Night break-ins accounted for 70 percent of the total thefts reported, with armed robbery being the second most utilized method at 17 percent of the total.

A far less visible, but apparently equally important source of diversion is prescription fraud. Concern with the alleged ease with which prescription frauds can be perpetrated provided the impetus for the recent Bureau of Narcotics and Dangerous Drugs study "Project Script—A Study of Prescription Fraud Vulnerability." To acquire an estimate of the vulnerability, 256-prescription frauds were attempted over a 2-month period. The attempts were evenly divided among retail pharmacies and mail-order prescription firms. Among the variables involved were modes of fraud, drugs, geographic area, urban location, prescription volume and perpetrator dress mode. Detailed reports were made by the trained criminal investigators who acted as fraud perpetrators. The results indicated that if a fraud perpetrator attempts common prescription fraud involving representative drugs from Controlled Substances Act schedules II through V, the retail pharmacy will honor the prescription 56 percent of the time.

Fraudulent prescriptions for schedule II methamphetamine tablets were honored significantly less than were the drugs in schedule III, IV, and V, but one has a fairly even chance of obtaining secobarbital—"reds"—and phenobarbital through a forged prescription or even by use of a bogus prescription. Few of these diversions are detected and reported as thefts.

Another common practice involves an abuser who visits numerous physicians and complains of the same relevant ailment. From each doctor, the abuser requests and receives a prescription. These prescriptions are then filled and refilled at numerous pharmacies. Thus the abuser or dealer is often able to obtain large quantities of prescription drugs without being detected or the diversion reported.

Pharmacists, indeed, have a special role to play in the fight against drug traffic and abuse. Through educational efforts they can help to promote the legitimate use of medicine which when abused presents a danger to the abuser and the community. Through efforts to self-police careless or unethical colleagues and physicians who are sources of diversions they can combat the illegitimate use of these drugs.

The September 1973 issue of Pharmacy Times entitled "The Pharmacists Drug Abuse Manual," reflects a commitment to fight against drug abuse and a recognition of the vital role that these practitioners can play in that fight. This type of voluntary effort is a credit to the professional and a service to the public. I recommend it to my colleagues and others concerned with drug abuse.

Mr. President, I ask unanimous consent for the text of Dr. Irving Rubin's editorial and accompanying advice for pharmacists, physicians, and patients to be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Let's Wipe Out the Illegitimate Use of Drugs!

Today, drug abuse (with its crime-related side effects) is probably the nation's No. 1 problem. Unlike skyrocketing prices, you can't put a "freeze" on drug abuse in an attempt to solve its complexities.

And that's why the editors of Pharmacy Times are highly pleased that this issue is cosponsored by the U.S. Drug Enforcement Administration. This new federal agency is gathering momentum in its attack on the drug abuse problem. In doing so, DEA seeks the active help of the nation's pharmacists.

Essentially, the drug abuse problem entails the following 2 areas:

(1) The illegitimate use of *legitimate* medicinal products;

(2) The illegitimate use of *illegitimate* drugs.

These 2 areas are related as follows: A drug abuse officials crack down on illegitimate drugs, abusers direct their efforts at the legitimate sources of abusable medicines—*pharmacies*.

As a pharmacist, you can help in *both* of these areas. To do so, admittedly, takes time. However, your help is *urgently* needed. Moreover, the illegitimate use of *any* drug *re-emphasizes* your responsibility to see to it that medicines are used *properly*.

This issue of Pharmacy Times provides the ammunition to help you help our nation in its battle against drug abuse. Won't you help—*now*?

Irving Rubin, R. Ph.,
Editor, Pharmacy Times.

Twenty Ways To Improve Security in Your Pharmacy

Improvement in the physical security of the community pharmacy occurs at several different levels. The cost and effectiveness of this security increase—as the means become more sophisticated. Some security methods can be as simple as eliminating the weak spots in physical security which invite illegal entry (i.e., broken windows, door panels, or poor locks). Cluttered counters, aisles, and drug storage areas also invite the loss of drugs by customers pilferage. Caution in employee hiring practices can help to eliminate theft and illegal activities by unscrupulous personnel.

The pharmacist is encouraged to take those steps that are within his means to improve the security of his (or her) community pharmacy. He may receive additional help by contacting the nearest Regional Office of the Drug Enforcement Administration.

A GUIDE TO SECURITY

The following 20 methods are offered as a guide to help the community pharmacist improve the physical security of his establishment:

(1) Stock minimal quantities of controlled drug substances.

(2) Limit access to drug storage areas.

(3) Leave lights on within the pharmacy after hours. Light up the store exterior at night in order to discourage robberies.

(4) Provide windows and doors with intrusion detection devices (contact switches, electrical lacing).

(5) Install tamper-proof locks.

(6) Install silent (hold-up) alarms for use during operating hours.

(7) Install space protection alarm devices within the pharmacy—for use after operating hours.

(8) Install bars, break-resistant glazing materials, metal shields, metal gates, or screens over exterior openings.

(9) Connect the alarm systems to a central protective agency station by means of a supervised line.

(10) Alarm interior "party" or common walls (with an adjacent establishment).

(11) Use mirrors or closed circuit television for surveillance of aisles and drug storage areas.

(12) Practice proper control of the keys to the pharmacy.

(13) Don't accumulate large sums of money or large quantities of controlled substances.

(14) Request a police escort for after-hour prescription calls.

(15) Practice the "buddy system" at opening or closing times.

(16) Make sure that the pharmacy is free of customers *before* it is locked up at night.

(17) Be cautious of last-minute customers.

(18) Don't become a "soft touch" for dispensing questionable prescriptions.

(19) Don't resist an armed hold-up.

(20) Invite frequent police patrols of the area at irregular intervals.

Twelve Tips for Prescribers of Controlled Drugs

(1) Keep your prescription blanks in a safe place where they can't be stolen easily. Minimize the number of Rx pads in use.

(2) Write Rxs for Schedule II drugs in ink or indelible pencil or use a typewriter. They must be *signed* by the physician.

(3) Write out the actual amount prescribed *in addition* to giving an arabic number or roman numeral—in order to discourage alterations in written prescriptions.

(4) Avoid writing prescriptions for large quantities of controlled drug products un-

less you *absolutely* determine that such quantities are necessary.

(5) Maintain only a minimum stock of controlled drugs in your medical bag.

(6) Take your medical bag with you when you're away from your automobile or lock it in the trunk.

(7) Be cautious when a patient tells you that another physician had been prescribing a controlled drug product for him. Consult the physician or the hospital records—or else examine the patient thoroughly and decide for yourself if a controlled drug product should be prescribed.

(8) Prescription blanks should only be used for writing prescriptions—and not for notes or memos. A drug abuser could easily erase the message, and use the blank to forge a prescription.

(9) Never sign Rx blanks in advance.

(10) Maintain an accurate record of controlled drug products you have dispensed—as required by the Controlled Substances Act of 1970 and its regulations. However, you may administer medication to a patient in the course of your normal professional practice without maintaining any record.

(11) Assist the pharmacist when he telephones you to verify information about a prescription you may have written. A corresponding responsibility rests with the pharmacist who dispenses the prescription.

(12) Phone the nearest office of the Drug Enforcement Administration to obtain or to furnish information. Your call will be held in the strictest confidence.

EIGHT IMPORTANT SUGGESTIONS FOR PATIENTS ABOUT PROPER DRUG USAGE

Patients should be advised to consult their family physician and pharmacist with respect to proper drug usage.

As a further help, here are 8 suggestions—directed at the patient.

Do not use anyone's prescription medication, except your own (i.e., those prescribed for you by your physician).

Do not haphazardly use or combine nonprescription drug products with prescription medications.

Store all medicines out of the reach of children—as a safety measure.

Do not again use prescription medication for a condition which you feel is similar to the one for which it was originally prescribed by your physician.

Take your prescription medication only as directed by your physician. It is just as important not to underdose yourself as it is not to overdose yourself.

Flush down the toilet all prescription medication not in current use.

Keep your prescription medication in its original container. Do not transfer it to other bottles or mix it together with other medications in one bottle.

Read the directions and precautions which accompany non-prescription products.

(Pharmacists can reprint or mimeograph these suggestions, and provide the information to their patrons—as a professional and public service.)

APPROPRIATIONS FOR TITLE IV OF THE OLDER AMERICANS ACT

Mr. CHILES. Mr. President, earlier this year I testified before the Subcommittee on Labor-HEW Appropriations and requested that funding for title IV, training and research, of the Older Americans Act be included in the Labor-HEW appropriations bill for fiscal year 1974. My request was based upon the fact that the administration had failed to include funding for training in aging studies in its budget. After conducting hearings on this proposal, I became even more convinced that there exists a severe need for persons trained in the field of gerontology.

Senator FONG, presiding over the Appropriations Subcommittee's hearing, was very receptive and attentive to my request, as was the entire committee. I applaud the committee for recognizing the importance of this need and for including a total of $19 million—$7 million for research and $12 million for training—for title IV.

Mr. President, the vast growing number of elderly in this country are in need of services and aid to enable them to live in comfort and security in their own homes. It is essential for this country to establish and maintain programs which are sound and effective in meeting the needs of our elderly. This can be accomplished only by providing sufficient manpower to staff the many services our Congress creates.

Therefore, I strongly urge the passage of the Labor-HEW appropriations bill with the provision for funding for title IV of the Older Americans Act. Personnel in the field of gerontology is very scarce today. I strongly support the funding for these training programs so that the gerontological studies that have been so productive in the past, may continue to motivate and educate in the field of gerontology.

INCLUSIVE TOUR CHARTERS

Mr. CANNON. Mr. President, in recent days my colleagues and I have been the targets of one of the most massive lobbying campaigns in memory in regard to S. 1739, a bill recently reported by the Commerce Committee that would authorize airlines to sell low-cost package vacations to the American public.

This is a bill that I and the majority of the committee take great pride in as it represents a very important breakthrough for the consumer who wants and is entitled to low-cost vacation tours at rates far below what are possible today. This bill will make it possible for the average American to utilize air transportation in conjunction with holiday vacations at prices that he can afford to pay. I do not have to remind my colleagues of what it costs to fly a family of four across the United States today, as many of us do it regularly and at great expense. And yet there is another way, a way that is cheaper because it takes advantage of the marvelous productivity of high-performance, high-density aircraft operating with a full load so as to enormously cut the cost of the air transportation portion of the vacation.

Mr. President, the benefits of this bill are so obvious that virtually every consumer-interest group in the United States has endorsed it. The administration has endorsed it and has urged its passage. The U.S. Travel Service is enthusiastic about it and many large labor organizations such as the United Auto Workers, the United Steel Workers, the National Farmers Union, and the Industrial Union Department of the AFL–CIO are actively seeking to see that it is enacted. With such broad support from the American public one would think that this bill would have been approved by the Senate months ago. Unfortunately, however, that is not the case.

A group of 10 scheduled, trunk airlines, assisted by North Central, a local service carrier, have mounted a shrill and deceitful campaign to beat this bill in the Senate by sending it back to committee. A few days ago I made a speech here in the Senate detailing some of the outrageous charges—charges without any foundation in fact whatsoever—that are being made in an emotional attempt to defeat this bill. Since I have discussed those charges earlier, I will not dwell on them today.

However, I would like to point out to my colleagues how the scheduled airlines and their trade association, the ATA, are telling us one thing while doing quite another. As recently noted by our esteemed colleague in the House, Congressman JOHN MOSS, it appears that the airlines are bent on destroying their reputations for credibility here in Congress.

You have heard the airlines tell you that if S. 1739 is enacted it will result in loss of scheduled air service to the smaller communities and on the thinner routes that the carriers serve. They reason that service of these marginal routes is supported by the profits from the lucrative, heavily traveled, long-haul routes, and that, if those routes are subject to competition from ITC's, revenue and profits will slide, thus necessitating a cutback in service or even elimination of service to the smaller communities.

Now, Mr. President, this, on its face, may appear to be a very cogent and appealing argument against allowing single destination ITC services in the American air transport system. But however appealing it may seem, I ask each of my colleagues to demand facts from the airlines that would buttress this argument. We in the committee have tried to obtain such facts for months. The airlines have not provided them. It is my opinion that they cannot because facts to support this claim do not exist.

Let me summarize the facts that are available. There is only one significant air transportation market in which charters have provided a vigorous alternative to the scheduled services of the scheduled airlines. It is the one between North America and Europe. Many of my colleagues may be surprised to learn that in that market about 30 percent of the travelers now use charter flights. One might think that this charter competition would reflect itself in reduced loads, less frequent flights, and a reduction in volume of scheduled passengers. The opposite, however, is true. As charter traffic has grown at enormous rates over the North Atlantic, scheduled traffic has also turned in impressive gains.

Using the first 6 months of 1973 as an example, let us look at the figures. Charter operations of the scheduled carriers alone in this market increased by 30.6 percent. Obviously, the airline marketing people—those responsible for selling transportation service to the public—do not believe that charter flights are going to divert passengers from their scheduled flights. On the contrary, the marketing managers of both Pan Am and Trans-World Airlines have publicly stated that their charter operations are attracting new passengers into the market—people who would not have traveled in scheduled service. Now let us take a look at what happened to the scheduled traffic during the same period. It was up over the previous year by 11.4 percent—a rate of growth that is about twice as large as that of the scheduled system within the United States. Such facts hardly suggest that the scheduled airlines really believe that charter operations are going to "skim the cream" of the scheduled system. Again, while you are told one thing here in Washington by the airline lobby, the sales people are doing the opposite in the marketplace.

Mr. President, undoubtedly my colleagues have heard the charge that the airlines' lucrative domestic markets—especially the long-haul, coast-to-coast markets—will be jeopardized by single-stop ITC operations.

They do not tell you, however, that they really do not believe that either. Let us take a look at what they are doing.

Trans-World Airlines, one of the three carriers who enjoy coast-to-coast authority, has recently invented a new—and let me add—an ingenious form of charter. They call it "demand scheduling." Here is how it works. The passenger decides at least 90 days in advance that he wants to take a trip to the west coast or vice versa. He puts down a deposit with TWA of $40 and is given a reservation for a specific date on which the travel will occur but the departure time is left to the convenience of the carrier. On the date of departure the passenger pays the balance, boards the flight, and is off on TWA's special charter. What a bargain for the passenger. Instead of paying the coach round-trip air fare of $336, he makes the trip on the TWA charter for $179, a savings of a whopping $157. That is a real bargain for the passenger and TWA should be commended for this innovative and attractive service on which the company has told the CAB it can earn a profit. Now if there really is a "cream skimming" problem inherent in charter travel, it appears that TWA is skimming its own cream; that is it is undercutting its own scheduled service. But I for one do not believe that TWA is going to go out in the market and cut its own throat in its most lucrative routes and that is why I believe the "cream skimming" charge is a blatantly false issue.

TWA is not alone in creating new charter-type travel opportunities. United is in their fighting for the low-cost bargain seeker, too. Here is what United offers in its long-haul markets in competition with TWA's "demand scheduling" charter. United calls its program the midweek excursion fare but it is much akin to charter transportation. The passenger must make a reservation, purchase a ticket, and pick it up at least 7 days in advance of the travel. He is restricted to traveling on Tuesdays, Wednesdays, and Thursdays and he must stay at least 7 days and no more than 9 and return to the city of origin on Tuesday, Wednesday, or Thursday. Again, the passenger electing to take advantage of this type of service gets a remarkable saving on his trip. For example, to fly from New York to San Francisco the coach fare is $336 but the midweek excursion fare for the traveler willing to put up with charter-type restrictions is only $179.95.

Well, if cream is being skimmed, United is skimming it too.

So, Mr. President, it seems apparent that all this talk of cream skimming as a result of single-stop ITC's is an attempt to confuse the Senate on the real issues. If the scheduled carriers' long-haul markets are not vulnerable to competition from their own charter operations, they certainly will not be harmed by ITC operations. But again if any threat does appear to exist, the CAB is directed, under S. 1739, to impose whatever controls it believes necessary to preserve the necessary levels of essential scheduled services.

Mr. President, each Member of the Senate should ask himself the question: If the public is entitled to the type of innovative service and price transportation programs being offered by the scheduled airlines, are they not also entitled to purchase low-cost vacation tour packages which combine all the features of a vacation trip into one package at one price?

I think that if my colleagues will closely examine the issue, keeping in mind that the opponents have not presented a single fact to support their claims, and analyze the type of charter competition that the scheduled airlines themselves are offering to the public, each Senator will come to the conclusion that S. 1739 is truly in the public interest and will not in any way harm, diminish, or threaten the scheduled airline system of the United States.

I urge all my colleagues to vote for S. 1739.

CONFRONTATION AT THE WATERGATE

Mr. ERVIN. Mr. President, a confrontation has arisen between the Senate Select Committee on Presidential Campaign Activities and President Nixon.

In commenting upon it, I do not undertake to speak for the select committee or as its chairman. I merely speak for myself individually.

The confrontation results from the endeavor of the Senate Select Committee to determine by investigation for legislative purposes the truth in respect to the tragic events known collectively as the Watergate affair, and the refusal of the President to submit to the committee in compliance with its requests and subpenas information, papers and taped recordings under his control relevant to the matters the committee is authorized to investigate

A somewhat similar confrontation has arisen between the Special Prosecutor named by the Department of Justice to prosecute criminal cases arising out of the Watergate affair and the President.

Let me make one thing clear. Nothing I say should be construed to intimate any opinion on my part on a question which disturbs many Americans at this moment, that is, whether the President was personally implicated in any stage of the Watergate affair or its alleged coverup.

My experience of 15 years in judicial offices precludes me from forming or entertaining any opinion on this point at this time. This is true because my experience as a judge has inculcated in me these abiding convictions: First, the most sacred and solemn task devolving upon any human being is that of judging aright the conduct of one of his fellow travelers to the tomb; and, second, anyone cast in this role does a grave disservice to truth and justice if he finalizes his judgment respecting another's conduct before he has received and weighed all the evidence relating to it which is available to him.

I am acting upon the presumption that the President is morally and legally blameless in respect to any stage of the Watergate affair, and will continue to do so unless competent and credible evidence received by the select committee compels me ultimately to reach a contrary conclusion.

The validity of my assertion to this effect is not impaired by the fact that I may have interrogated with vigor some of the witnesses who have testified before the select committee. Long experience as a trial lawyer has taught me that vigorous interrogation is oftentimes the only way in which truth can be extracted from an evasive or reluctant witness, or a witness who professes a high degree of forgetfulness.

I wish to discuss the constitutional and pragmatic aspects of the confrontation between the Senate select committee and the President.

In discussions of its constitutional aspect, much mention is made of the doctrine of the separation of the powers of Government, and its offspring, executive privilege.

At first blush the doctrine of the separation of the powers of Government may seem to be a nebulous constitutional ambiguity.

It is, however, simply an embodiment of a fundamental characteristic of the American constitutional system.

The Constitution of the United States divides the powers of Government among the Congress, the President, and the Federal judiciary for this twofold purpose: First, to preserve liberty by preventing the concentration in the hands of a single public official or group of public officials of the fundamental powers of Government; and second, to enable the Congress, the President, and the Federal judiciary to perform their respective constitutional duties and functions without interference from each other.

To these ends, the Constitution vests in the Congress the power to make the laws; in the President the power to execute the laws; and in the Federal judiciary the power to interpret the laws.

Each of them is forbidden to encroach upon the powers of the others, or to obstruct the others in the exercise of their powers.

Executive privilege is an incident of the doctrine of the separation of the powers of Government. Under it, the President cannot be made to divulge certain confidential communications of an extremely limited nature.

Executive privilege is not an arbitrary power which confers upon the President something in the nature of a divine right to withhold from grand juries, courts, or authorized congressional committees whatever information, papers, or taped recordings he pleases.

The antiquated notion that the rulers of men possess and may exercise divine rights and arbitrary powers perished in America with the Revolution. The Constitution of the United States is a law for rulers and people alike at all times and under all circumstances. The President and all other public officers in our land are bound by oath or affirmation to respect and obey it.

When it is properly understood and applied, executive privilege serves a useful purpose. The Constitution and the laws impose upon the President certain official duties.

The President is entitled to receive from his aides in confidence full and uninhibited advice as to how they think he can best discharge those official duties. His aides might be deterred from giving such advice to him if they know that its confidentiality would not be protected.

On the basis of these considerations, executive privilege permits the President to keep secret confidential communications between him and his aides and even confidential communications among his aides which are had for the purpose of aiding the President to perform in a lawful manner his lawful duties.

Further than this, executive privilege does not go. Since the official duties of the President as defined by the Constitution and the laws do not encompass illegal or unethical or political activities, executive privilege does not confer upon the President the arbitrary power to withhold information, papers, or taped recordings, which are relevant to alleged crimes being investigated by a grand jury or undergoing trial before a court, or which are relevant to illegal, unethical, or political activities being investigated by an authorized congressional committee.

The converse is true. Section 3 of article II of the Constitution expressly declares that the President "shall take care that the laws be faithfully executed."

These words plainly impose upon the President a constitutional obligation to submit to grand juries, courts, and authorized congressional committees, any information, papers, or taped recordings controlled by him, which relate to illegal or unethical or political activities, and which are necessary to enable them to discharge their respective responsibilities as agencies of the Federal judiciary and the Congress.

If this is not true, the President is above the Constitution, and his oath to support that instrument is a meaningless mockery.

Congress has the power to obtain by compulsory process information necessary to enable it to exercise its legislative powers wisely and effectively. To this end, either House of Congress may conduct hearings through the agency of an investigating committee and by that method investigate any matter within the scope of the legislative power of Congress. The breadth of the investigatory power is revealed by the last clause of section 8 of article I of the Constitution.

This clause confers upon Congress in express terms the power "to make all laws which shall be necessary and proper for carrying into execution" the specific legislative powers vested in Congress by the preceding clauses of the section "and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

Under the Constitution, a congressional investigating committee may conduct an investigation for these legislative purposes: First, to ascertain whether or not conditions or events make it necessary or desirable to enact new laws, or to amend or repeal existing laws; second, to determine whether or not officers or employees of the executive branch are faithfully executing existing laws; and, third, to inform the people on matters of national or international concern.

For these reasons, a congressional committee is able to investigate thoroughly any matter of national concern. This is not so in respect to a court. A court cannot investigate anything except the allegations of an indictment or pleading that specified persons have violated existing laws, and in so doing it cannot receive any evidence whatever except evidence which tends to prove or disprove the allegations.

In the darkness of the early morning of June 17, 1972, James W. McCord and four residents of Miami, Fla., were caught in an act of burglary in the headquarters of the Democratic National Committee in the Watergate complex in Washington with money derived from contributions to President Nixon's campaign for reelection in their possession. A few days later G. Gordon Liddy and E. Howard Hunt were arrested and charged with masterminding the burglary.

At these times McCord was employed by the Committee To Re-elect the President as its chief of security; Liddy was employed by the Finance Committee To Re-elect the President as its chief legal adviser, and Hunt was employed by the White House as a consultant and had an office in the Executive Office Building.

On September 15, 1972, a grand jury sitting in the U.S. District Court for the District of Columbia returned as true bills indictments charging McCord, Liddy, Hunt and the four residents of Miami with the crimes of burglary and illegal electronic surveillance, and conspiracy to commit those crimes. They were placed on trial upon these indictments before Judge Sirica and a petit jury in the district court in January 1973. All of them except McCord and Liddy pleaded guilty to all charges at an early stage of the trial, and McCord and Liddy were adjudged guilty of all charges by the petit jury. None of them testified at the trial.

During the days, weeks, and months following June 17, 1972, the press and the broadcast media published news dispatches asserting in ever-increasing intensity and detail that President Nixon entrusted the management of his campaign for reelection to the Presidency in 1972 to a Committee to Re-Elect the President, headed by former Attorney General Mitchell and a Finance Committee To Re-elect the President headed by former Secretary of Commerce Stans; that prior to the discovery of the five burglars in the Watergate, various officers of the committees for the reelection of the President and various White House aides concocted and executed through agents unethical schemes to sabotage the campaigns of Democrats who aspired to run against President Nixon in 1972 by spying upon them, defaming their reputations, and playing "dirty tricks" upon them and their organizations; that various officers of the committees for the reelection of the President and various White House aides planned and procured the bugging and burglary of the headquarters of the Democratic National Committee in the Watergate to obtain intelligence concerning the Democratic Committee and its plans; and that after the five burglars were caught in the Watergate various officers of the committees for the reelection of the President and various White House aides engaged in devious coverup operations to hide from law enforcement officers, the news media, and the public the identities and activities of the officers and aides who had been involved in the bugging and burglary of the Watergate and the unethical schemes to sabotage the campaigns of Democrats.

On February 7, 1973, the Senate was prompted by these assertions of the news media to adopt by the unanimous vote of all Senators present Senate Resolution No. 60, which established the Senate Select Committee on Presidential Campaign Activities and directed it "to conduct an investigation and study of the extent, if any, to which illegal, improper, or unethical activities were engaged in by any persons, acting either individually or in combination with others, in the Presidential election of 1972, or in any related campaign or canvass conducted by or in behalf of any person seeking nomination or election as the candidate of any political party for the office of President of the United States in such election, and to determine whether in its judgment any occurrences which may be revealed by the investigation and study indicate the necessity or desirability of the enactment of new congressional legislation to safeguard the electoral process by which the President of the United States is chosen."

The resolution confers upon the Senate select committee specific power to investigate all aspects of the Presidential election in 1972 and the various activities related to it. Moreover, it empowers the committee to obtain by subpena any testimony, documentary or oral, which tends to prove the truth in respect to any matter the committee is authorized to investigate.

The select committee has thus far limited its investigation to the bugging and burglary of the Watergate, and to allegations that various persons undertook to hide the truth relating to those events from law enforcement officers, the news media, and the public.

With the exception of two career public servants, Richard Helms, of the Central Intelligence Agency, and Henry E. Petersen, of the Department of Justice, all of the important witnesses testifying before the committee have been men who derived the governmental and political power they exercised from President Nixon and who had virtually no experience in government or politics apart from their association with him.

While it may be conflicting or unclear in respect to the degree of complicity of one or two of the persons allegedly involved in the Watergate affair, the testimony thus far received by the Senate Select Committee makes these things manifest:

First. Some of the men aiding the President in his governmental or political affairs denied the validity of the principle enunciated by the Supreme Court in *Ex Parte Milligan,* 4 Wall. 1, 18 L. ed. 281, that:

> The Constitution of the United States is a law for rulers and people, equally in war and peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances and that no doctrine, involving more pernicious consequences, was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government.

In keeping with their denial, they entertained the notion that the President is above the Constitution and possesses the arbitrary and unreviewable power to authorize burglary and bugging without court order whenever he thinks that such action may reveal the activities or thoughts of any persons or groups suspected of vaguely defined subversive proclivities.

Second. Others of the men aiding the President in his governmental and political activities believed that although illegal, bugging and burglary constituted effective ways in which to gather information concerning the programs and thoughts of political opponents and persons suspected of undefined subversive tendencies: that as aides to the President they were privileged to pervert the true functions of the Federal Bureau of Investigation, the Central Intelligence Agency, the Internal Revenue Service, the Department of Justice, and other governmental agencies to serve their political ends; and that representatives of the news media who published or broadcast news or views adverse to the President or his policies were enemies of the Government.

Third. In consequence of these attitudes and views, some officers of the committees for the reelection of the President participated in one way or another in planning, or procuring, or financing the bugging and burglary of the headquarters of the Democratic National Committee in Watergate. After the bugging and burglary became known, these officers and some other officers of the committees for the reelection of the President and some White House aides, acting either individually or in combination with others, undertook in various ways to conceal from law enforcement officers, the news media, and the public the involvement of officers of the committees for the reelection of the President in the bugging and the burglary of the Watergate. To effect such concealment, some of these persons undertook to limit the FBI's investigation of the scope of the affair, others willfully withheld from prosecuting and investigating officials important evidence relevant to the affair, or deliberately destroyed cogent documentary evidence relating to it, others suborned or committed perjury before the grand jury investigating the affair and before the petit jury trying McCord, Liddy, Hunt, and the four Miami residents, others participated in one way or another in secret payments in cash of thousands of dollars collected for political purposes to McCord, Liddy, Hunt, and the four Miami residents or their representatives as "hush money" to induce them to keep silent, and others undertook to persuade McCord to withhold what he knew from law enforcement and prosecuting authorities by assuring him that silence on his part would be ultimately rewarded by Presidential clemency. By these means, the truth relating to the Watergate affair was substantially suppressed for many months. While the hearings of the Senate select committee have been underway, Jeb Stuart Magruder, deputy director of the Committee To Re-elect the President, and Frederick La Rue, one of John Mitchell's chief assistants, entered pleas before Judge Sirica in the district court admitting their guilt of the felony of conspiring with others to obstruct justice because of their participation in the coverup operations.

Fourth. The bugging and burglary of Watergate and the ensuing coverup operations cost at least $450,000, and were financed out of moneys collected to advance the political fortunes of President Nixon, most of which had been secretly stored in safes in the offices of the Finance Committee To Re-elect the President.

Fifth. President Nixon has in his possession or under his control taped recordings and memorandums which contain evidence crucial to the ascertainment of the full truth in respect to the Watergate affair. The tapes record the conversations, both personal and telephonic, that the President had while in his offices in the White House and the Executive Office Building with officers of the committees for his reelection, White House aides, and others in respect to political activities connected with his quest for reelection and the Watergate affair and its alleged coverup. Tapes of September 15, 1972, and February 28, March 13, and March 21, 1973, record conversations had by the President and the White House counsel, John W. Dean III, and in an unaltered state these tapes will clearly reveal whether Dean testified truthfully or falsely before the select committee when he declared that on these occasions he gave the President detailed information about the Watergate affair and the ensuing coverup efforts and was commended by the President for his coverup operations. The memorandums contain information exchanged between officers of the committees for the reelection of the President and White House aides and among White House aides in respect to the Watergate affair and ensuing coverup operations. The four tapes specified and the memorandums contain highly important evidence tending to show what happened in connection with the Watergate affair, who participated in the ensuing coverup operations, and who was without legal or moral responsibility in the premises.

In an effort to secure the cooperation of the President in its search for the truth, the select committee respectfully requested the President to make the four specified tapes and the memorandums available to it. The President denied the request, and the select committee thereupon sought to obtain them from him by subpenas duces tecum.

The President refused to obey the subpenas, and the select committee instituted a suit against him in the U.S. District Court for the District of Columbia to obtain access to the tapes and memorandums.

Fortunately there has been no prior necessity for a suit of this nature, and I will make no prediction in respect to its outcome.

The President undertakes to justify his refusal to make available to the select committee evidence it needs to perform its constitutional function by asserting, in substance, that the doctrine of the separation of the powers of Government confers upon him an absolute power to withhold the tapes and memorandums from the committee and that he would seriously impair his capacity and that of his successors to discharge the duties of the Presidency if he should make the specified tapes and memorandums available to the committee.

I submit the President's position is, in reality, incompatible with the doctrine of the separation of powers of Government. This is so because the select committee is exercising the constitutional power of the Senate to conduct the investigation, and the doctrine of the separation of the powers of Government requires the President to recognize this and to refrain from obstructing the committee.

But even if the President is vested with the autocratic power he claims and is exempt from the obligation resting upon all other Americans to produce evidence relevant to a congressional investigation, the Constitution assuredly does not obligate him to hinder the search for truth or forbid him voluntarily to make the tapes and memorandums available to the committee.

His predecessors in the Presidency—Thomas Jefferson, Abraham Lincoln, Ulysses S. Grant, and Theodore Roosevelt—did not construe the Constitution to require them to hide the truth from grand juries, courts, and congressional committees.

When Chief Justice John Marshall as circuit justice was presiding at the trial of Aaron Burr for treason in Richmond, Va., in 1807, counsel for Aaron Burr applied to him for a subpena duces tecum requiring Thomas Jefferson, the President of the United States, to make available for use as evidence a letter written to him by a military adviser, Gen. James Wilkenson, and certain official papers. When he granted the application, Chief Justice Marshall observed that it is the character of the testimony sought and not the character of the person possessing it which determines whether a subpena will issue.

Jefferson made the letter and other papers available to the court in obedience to the subpena, and in addition offered to testify by deposition in respect to any other information desired.

During the Civil War one congressional committee investigated the publication by The New York Tribune of a speech prepared by Abraham Lincoln before the speech was delivered or released, and another congressional committee investigated a rumor that Mrs. Lincoln was disloyal to the Union. On both of these occasions Abraham Lincoln, President of the United States, voluntarily appeared and testified before these congressional committees in respect to the matters under investigation.

President Ulysses S. Grant voluntarily testified by deposition when one of his former aides was being tried in court upon a criminal charge, and several years after he had left the Presidency Theodore Roosevelt demanded and was accorded the opportunity to testify before a congressional committee, which was investigating the manner in which campaign contributions were obtained for his benefit when he was running for reelection against Alton B. Parker.

The Constitution did not collapse, the Powers of the Presidency were not impaired, and the heavens did not fall when Thomas Jefferson, Abraham Lincoln, Ulysses S. Grant and Thoedore Roosevelt voluntarily cooperated with courts and congressional committees, in their search for truth, and such dire consequences would not ensue if President Nixon should voluntarily make the four specified tapes and the memoranda available to the Select Committee.

To be sure President Nixon invokes as a precedent for his refusal to make the tapes and memorandums available the action of President Truman in declining to appear in person and testify before the Un-American Activities Committee of the House concerning the manner in which he had performed his constitutional and legal duties during his Presidency.

Former President Truman's action does not afford any support for President Nixon's position.

The select committee does not seek to require President Nixon to furnish to it testimony concerning his official acts. It is merely asking him to make available to it documentary evidence relating to illegal and unethical and political activities—matters not covered by executive privilege.

I deeply deplore President Nixon's action. It obstructs the select committee in the performance of its constitutional task, and, in addition, is calculated to induce multitudes of people to believe that he withholds the tapes and memorandums because their contents are adverse to him.

In closing, I make this pledge to the people of our land: As long as I have a mind to think, a tongue to speak, and a heart to love my country, I shall deny that the Constitution confers any arbitrary power on any President or empowers any President to convert George Washington's America into Caesar's Rome.

RUSSIAN JEWISH EMIGREES IN AUSTRIA

Mr. BENTSEN. Mr. President, if there is one principle of international relations which has been underscored by the events of this century—it certainly has to be the fact that appeasement of those who resort to violence for political purposes is no assurance of peace. And that those who clear to the forces of violence and terrorism are most often the victims of the very tragedy they seek to avoid.

As President Kennedy remarked in his inaugural address:

> Those who foolishly sought power by riding the back of the tiger ended up inside.

It is especially disturbing, Mr. President, to read this morning that the Government of Austria has refused to change its decision to close the transit station for Jewish emigrees at Schoenau Castle. This decision was made under the blackmail threat of Arab terrorists who hijacked an Austria bound train last week. Chancellor Kreisky is quoted this morning as saying that on that day he was faced with a choice between life and death of the hostages being held. The hostages were certainly important but the choice, I believe, involved even more.

The choice involved the question of whether or not a sovereign government was to be cowered by a band of terrorist rabble or whether it would insist upon maintaining its authority and dealing with these terrorists as the criminals they are.

The choice involved not just the safety of the hostages on that train but the safety of all travelers who will now be even further threatened by the emboldened terrorists of the Arab underworld.

The choice involved the freedom and rights of Russian emigrees who in attempting to flee from a totalitarian state where they have no rights find that they have arrived in a supposedly free nation which has bartered their rights away at gun point.

We have no easy choices in this difficult world today and it is facile to second guess the choices made by those who are faced with tough decisions. There can be no doubt, however, that the cause of world peace and human rights suffered a severe setback by the choice of the Austrian Government. I can only urge the officials of that government to reconsider their judgment and to take their place once again among those nations who chart their course on the basis of national principle rather than international terrorist duress.

EDWARD STEICHEN

Mr. RIBICOFF. Mr. President, most of us remember Edward Steichen as one of the world's pioneering photographers. When he was not roaming the world in search of subjects, Captain Steichen lived in the small, beautiful rural town of Redding, Conn. There he was not only the world famous photographer, but also a concerned environmentalist.

On August 25, 1973, the Edward Steichen Memorial Wildlife Reserve was dedicated in Redding. At the ceremony Stuart Chase, a longtime friend and neighbor of Steichen, spoke of Steichen's love of his fellow men and commitment to saving our endangered natural resources as evidenced by his photographs and environmental work in Redding.

I ask unanimous consent that Mr. Chase's remarks, as published in the August 3, 1973, Redding Pilot, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAPTAIN STEICHEN

(By Stuart Chase)

(EDITORS' NOTE: Following is the text of Mr. Chase's talk, made at the dedication of the Edward Steichen Memorial Wild Life Preserve last Saturday, Aug. 25.)

My first vivid memory of Captain Steichen, as friend and neighbor, was when we were both in the fight to save the Redding Glen from being submerged by the new reservoir for Bridgeport. We lost that fight but the Glen was not completely drowned, and the Saugatuck Reservoir, when full, one must admit is a handsome body of water—and not susceptible to subdivision. That bruising battle, however, left no doubt as to where the Captain stood on protecting the environment, especially in Redding.

Another early memory was driving over from Umpawaug on Topstone Road, and suddenly coming upon what surely was the Caribbean Sea off St. John's, spread out before our eyes! It was the Captain's special summer crop of delphiniums, acres of them in every shade of blue, on both sides of the road, breathlessly beautiful!

The Captain will be remembered not only as a great artist—perhaps the world's greatest in the realm of photography—but for his book The Family of Man, which showed a deep philosophical grasp of the unity of the human race—"the essential oneness of mankind throughout the world." He will be remembered, too, for his abiding interest in growing things, in nature and the environment.

The little rural town of Redding can be proud to have claimed within its borders for a time at least Edward Steichen, along with Mark Twain and Charles Ives—three giants of artistic creation. Steichen's brother-in-law, Carl Sandburg, another giant, did not live in Redding but he wrote a poem about Topstone Mountain, over there above the lake. And I quote:

> Sometimes old men sitting near the exits of life say: "There were giants in those days."
> They wanted stones to sit on, stones to throw at each other, great stones for companions, for loneliness. All giants being lonely.

As you know, it would not have been possible to get the Steichen land with its stoney sentinel without the help of ROLI, Redding Open Lands Incorporated, the non-profit corporation, which has now sold enough supersized lots to pay off the bank loan in due course; to hold inviolate many acres of open space; and to make possible the gift of the Steichen Wild Life Preserve to the Connecticut Audubon Society.

This, I am sure, would please the Captain, were he with us today. It will certainly please the Audubon Society and Mrs. Barnes. It will please the town as a substantial addition to its open space program. And, if I may say so, it pleases the guarantors of ROLI who will have no more restless nights now that the bank loan can be retired without a painful personal assessment.

Altogether Redding has 10 methods for holding open space, of which ROLI is but one, and more than 2,000 acres now seem to be secure. Some day we hope to hold 5,000 acres, a full quarter of the town, forever open. You will find the basis for that hope in the recent Plan of Development, as prepared by the Planning Commission; with the help of the Conservation Commission.

I once wrote a column for our local paper about Redding's 20,000 acres. With your permission, and in line with the present popular vogue for recycling, I will quote the final two paragraphs:

TWENTY THOUSAND ACRES

"Redding is one of Connecticut's larger towns in area, one of the smaller in population. I see these acres in the snowy blanket of January, the new green of April, the blaze of October. I see the high ridges, the rushing streams, the quiet pools, the old stone walls, the gracious architecture of a simpler age. That age has gone forever, but the land is here, almost as comely as when we were a town of farmers, and Joel Barlow was riding north to join the Hartford Wits before the Revolution.

"Our task on the Planning Commission is not to return 20,000 acres to 1775, certainly not to return them to a state of primeval nature. Our task is to protect these acres as vital living space for people—not just the people who are here now, but the people who will be living here a decade, a generation hence. Our task is to improve the relation between people and the land—which, when you come to think of it, is one of the timeless tasks of mankind."

The Captain was a valiant worker in support of that timeless task.

Thank you.

BOXCAR SHORTAGE SEVERE AS BUMPER CROP HARVESTED

Mr. HUMPHREY. Mr. President, rising food prices are a serious concern to all Americans today. This problem is in part the result of inadequacies in our rural transportation system, in general, and a critical shortage of boxcars or hopper cars, in particular. Unless immediate action is taken on this problem, we can expect even more transportation induced in inflation the months ahead. If we are to keep up with the growing demand of domestic and foreign buyers for our grain, steps must be taken now to solve this problem.

This year the grain crop is a big one and prices are the highest in years. What would seem to be a banner year for our farmers, however, may turn into a disaster instead. Farmers who want to sell right now are unable to because there are insufficient boxcars available to ship and deliver the grain. Not only are farmers affected, but the middle man—the elevator operator—is hard pressed to find storage for the grain awaiting shipment. Although other methods of transportation are being used to alleviate this problem, the high cost and limited haul capacity of trucks, and the inadequacy of farm-to-market roads, make this remedy inadequate and costly to the farmer and consumer. A solution to the boxcar shortage is thus being made more urgent.

Unless something is done soon, the problem is likely to worsen. On July 19, Secretary of Agriculture Earl L. Butz announced a measure which would free approximately 19 million additional acres available for production in 1974. This expanded acreage will compound the overload presently experienced unless the boxcar shortage is somehow alleviated.

This summer, the Senate passed the Rolling Stock Utilization and Financing Act of 1973, a bill which I strongly supported. This measure, if approved by the House and signed by the President, would be an important step in the right direction.

However, more immediate action must be taken by the executive branch to facilitate the movement of boxcars to distribute the bumper grain crop that we are harvesting. I urge the Department of Agriculture to work closely with the Department of Transportation in proposing some immediate relief for our overloaded rural transportation system and to begin now to work on the longer term actions that are required.

Mr. President, because of the severity of this problem and its impact on rural producers and urban consumers alike, and the need for immediate action, I ask unanimous consent that an article published in the Wheaton Gazette, entitled "Boxcar Shortage Severe in This Area" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wheaton (Minn.) Gazette, Sept. 6, 1973]

ELEVATOR MEN WONDER IF RAIL SERVICE IS DISAPPEARING—BOXCAR SHORTAGE SEVERE IN THIS AREA

"Locked up Monday. Amen!"

That was on a sign posted in a neighboring grain elevator last week in anticipation of the Labor Day holiday. And the sign seemed to express pretty much what is on the minds of elevator operators all up and down the Milwaukee Road rail spur between Ortonville and Fargo as these grain handlers are caught in a monumental mental squeeze of too much grain and no way to handle it.

If nothing else, the national holiday gave them a chance to shut down for a brief period of time and get out from under the bombardment of phone calls and personal requests from farmers seeking to sell their product.

The Gazette took a tour of this Milwaukee Road spur during the past week, visiting with elevator operators, trying to determine if the problem of a boxcar shortage is really as bad as is frequently reported. Conclusion: The boxcar shortage not only does exist, but is indeed a good deal more intensive and far-reaching than most people even in this rural area seem to realize.

One elevator operator told us that he figures on being out of the business next year. He says that another year of this sort of pressure will send him to his grave or a mental institution—and he's not anxious for either. So he plans on getting out.

All of the elevator operators are caught in the same predicament. They are trying to handle the grain for area farmers—the people who have been their customers for years, the people who have made the elevators successful in good times and bad times over the past years.

The elevators are stymied. For the most part, they are constantly plugged—that is, filled with grain. They can only buy an amount equal to what they can ship out. And they can't ship very much out.

The farmers don't like—and with a good deal of justification. For the first time since anybody can remember, wheat has gone up to $4.00 per bushel. The price on all grains is the best it has been in years. Added to that, this area has produced a bumper crop. It should add up to one banner year for farmers—but they can't spend the money for their grain if they can't sell the grain. And much of it they can't. Right now every available storage space is being used. Dryers have been converted to grain bins. Some grain is even being stacked on the ground.

Elevator operators are trying desperately to handle this big new crop, and are being doubly hampered by the requirement that they continue to ship our government stored grain which has been called in. The latter really doesn't add to the farmers' problems because elevators can fill the space taken up by government grain with new grain—so farmers can get rid of that much. But this puts the elevators in a real financial pinch because they know they'll have to sit on that much more cash grain—and pay the high cost of handling to do so. Eventually, this does get back to the farmers because somewhere along the line he's going to have to take less for his product to cover the added cost of overhead; either that, or a lot of elevators are going to go broke.

The aggravating, frustrating problem for elevators keeps boiling down to the same old thing in this area—the boxcar shortage. And elevator operators are really not satisfied that this can simply be written off as a "general nationwide problem." Some of them along the Milwaukee spur between Ortonville and Fargo—in fact, most of them—express the gut feeling that the railroad company serving this area has a plan to try to get this line closed off entirely in the years ahead. They don't like it; they can't see any justification in it.

The elevator men know that the railroad is their lifeblood. Without it, a good many elevators in this area would simply be out of business. Every town along the 125 mile spur would be badly hurt. And farmers themselves would wind up with a much higher overhead if they are eventually required to find some other means to transport their product.

Operators of the elevators along this line are not readily willing to make pointed accusations against the railroad company in most cases. They do, however, suggest that something is "fishy". While reports from other areas seem to indicate that more grain than ever is being handled by railroads this year, elevator men along this M-R run claim that they are getting clobbered—that they are getting far less boxcars this year than they got a year ago. In nearly all cases, the elevator men say that their supply of cars this year is less than half what it was a year ago.

The various elevator managers along the Milwaukee Road spur running thru here are trying to serve the area's farmers—and trying to maintain something of a sense of humor in the process. But they find the going tough. In talking with them, you can vividly see their concern for the farmer, realizing that he needs to take advantage of the current situation of high prices on his grain. They want, more than anything else, to help him get it. But when elevators become plugged and when there is no way to get the grain hauled out, there simply isn't a thing these elevator operators can do. Perhaps the feeling of helplessness more than anything else is driving them up a wall.

All elevators are using trucks more than ever before. But they say this is not any real answer for grain movement. The trucks are capable of hauling far less, cost of transportation is a good deal more expensive, and most elevator managers say that trucks are not as reliable in that they are never certain when they'll be available. If a truck happens to wheel in, it has to be loaded "right now". With boxcars, they say, they can better handle their workload and at a sizeable saving.

A good idea of the problem confronting elevators in the area is provided in a composite of opinions voiced by the various elevator operators along the Ortonville to Fargo spur of the Milwaukee Road. Following is a summary of an interview with each of them:

CLINTON FARMERS CO-OPERATIVE ELEVATOR

Owen Tate, manager

The Clinton Farmers Co-operative Elevator is getting "way less than half the cars of last year," according to manager Owen Tate. In addition to the problem of lack of means to transport grain, the elevator is faced with a situation of being plugged, mostly with cash grain. With a total capacity of 300,000 bushels, the elevator has only about 60,000 bushels of government stored grain still on hand—and nearly a quarter of a million bushels of cash grain that Tate would like to sell on the favorable market.

Tate said that he is currently getting about five boxcars a week; that he would very much like to have at least 15 cars a week. "I could take 15 cars a week and keep loading them and shipping out steadily all winter long," Tate said.

Tate, like many other elevator operators, wonders why the major cutback in service on the spur through here. "Seems like they're (the Milwaukee Road) trying to abandon the road," he said. "They're not doing any fixing, just patch work here and there." And he said that even the big grain hopper cars wouldn't help the situation much in this area because the condition of the railroad bed makes it impossible to load them to capacity anyway.

GRACEVILLE CARGILL ELEVATOR

Jack Montonye, manager

Without taking in any more new grain, Jack Montonye of the Cargill Elevator in Graceville figures that he will have to load out at least 28 cars of already stored grain to get his "house in halfway decent shape" before the start of row crop harvesting. And he really doesn't believe it's possible—but he's going to make a run at it.

Right now Montonye is getting only a small fraction of the number of boxcars he would like—despite the fact that he is receiving cars from two different railroad companies. The Milwaukee Road runs north and south through Graceville and has a sidetrack to his elevator. The Burlington-Northern does the same off its east-west run.

Montonye said that he gets only about a boxcar a week from the Milwaukee Road and from 3 to 5 cars a week from the Burlington-Northern. That figures out to less than a boxcar a day—and Montonye says that he could load out 10 cars everyday.

The manager of the Graceville Cargill plant is running his business as best he can under the situation, dealing almost entirely in cash grain. He said that he has never had much in the way of government stored grain, so moving that out is no problem for him. But he is perhaps even harder hit than the average because his cost of overhead is there for all that cash grain and he just can't move it out.

Montonye said that a year ago he had little trouble with boxcars. But that he attributes to a poor crop in that immediate area. Montonye got caught in the squeeze when prices began rising sharply last December. He had one boxcar on his sidetrack and didn't know what to do with it. So he decided to start contracting for oats—since cars were available. He did—he contracted for 300,000 bushels. That's about 100 boxcars' worth. He loaded the single car he had, and wham—the boxcar shortage caught him, too. He finally filled the contract, but admits it was quite a struggle. Now he's like everybody else along the line—trying to get every boxcar he can.

GRACEVILLE

PEEVEY ELEVATOR

Paul Kositzky, manager

Like Cargill, the Peevey Elevator in Graceville is served by two railroads—the Milwaukee and the B-N. And like every elevator along the line, the Peevey Elevator is aching for more boxcars.

Paul Kositzky, manager of the Graceville plant, is not happy with what has been happening. He maintains that a new system of allocating cars by the Burlington-Northern on the basis of past usage is penalizing the small elevators and catering to the large ones. He says the system is designed to push the little guy out of business.

Whether that's true or not is questionable—but Kositzky does know for a fact that he is getting fewer boxcars this year from both railroads serving his elevator. He gets only one car in three from the Milwaukee Road, he says, and only about three cars a week total from both railroads. He figures he could use 20 cars a week.

Kositzky injects some philosophical opinion on the entire shape of things when he talks about his situation. He isn't happy with the priorities apparently given by government. "Watergate means nothing to the average person out here, but $4.00 wheat to the farmer means money in the community," he said. He pointed out that the farmer, when he makes money, spends money and that as such, his well-being is the greatest thing that can happen to the rural community.

Kositzky, like other elevator managers, is using more trucking this year than ever before. But he points out the farmer is really being penalized by not being able to get adequate numbers of railroad cars. He said that transportation costs are higher with trucks and that in addition there is a "truck discount" which comes off the grain price. "I feel I could pay the farmer 30 cents a bushel more for wheat with sufficient boxcars."

DUMONT

FARMERS COOPERATIVE

ELEVATOR

Herb Frisch, manager

The Farmers Co-operative Elevator in Dumont has been as hard-hit as any elevator along the M-R spur this year. Manager Herb Frisch said that during all of August he got only 14 boxcars this year. In the same month of 1972—when the grain supply was less and the price lower—he got 40 cars, nearly three times as many. Last Saturday he stated that he had received only three boxcars from the Milwaukee Road in the preceding week. "I could use all they could haul in here," he said.

Frisch claims that there is more grain in the country in this area now than there was before the government call-in last December. He says that despite the call-in of stored grain which was supposed to keep an outflow throughout the winter months, the shipment of grain this year has not even been able to keep up with the supply of the new crop.

Frisch, too, is not pleased with the service his elevator has been receiving from the Milwaukee Road. "What gets me," he said, "is that two or three years from now they'll say this line isn't paying, and they'll try to close it."

He noted that some farmers are trying to meet the problem of handling grain by buying their own transport trucks. But Frisch doesn't think that will provide them with an answer. He says that they are already having trouble getting unloaded at the terminals, and suspects that when there are a number of privately owned rigs making the run, the unions might well move to cut them off entirely, making it impossible for them to get unloaded at the terminals.

In an effort to work with area farmers, Frisch is having them sign up now for bringing in their corn crop. And then there's the beans. "We'll have to worry about beans when the time comes," he says, as he tackles his problems on a day-to-day basis.

DUMONT

DUMONT GRAIN CO.

Alex Wilson, manager

One of the stickiest problems facing elevators in this area was brought to light by Dumont Grain manager Alex Wilson when he talked about the increasing cost of operation for elevators. It costs about five cents per month just to cover interest and insurance when an elevator buys and stores cash wheat, Wilson said. And this does not include labor, depreciation and other costs of operating overhead.

Yet this is a problem that is being confronted by every elevator in this area where the boxcar shortage is making it impossible to haul out the grain. "We'd be better off not to even buy grain for storage," Wilson says. But he's quick to add that this is impossible and certainly not what is being done. He said that every effort is being made to serve the farmers of the area by taking all the grain they can store or ship. But the lack of boxcars makes this a minimal effort.

While the Dumont Grain Company is getting only one or two cars a week, they could easily use ten, Wilson said. From 10 to 15 calls a day are coming into the elevator from area farmers, asking if there is room to take grain. The usual answer has been negative.

WHEATON FARMERS CO-OPERATIVE ELEVATOR

Al Hennen, manager

The Farmers Co-operative Elevator in Wheaton is another example of an elevator along this spur of the Milwaukee Road which has gotten far fewer boxcars this year than was the case a year earlier.

Last year was what has to be considered a "normal" year around here. The crop was average; the price on grain was average in comparison with prices over the past few years; and there was still the normal amount of government grain sealed. Yet during that year the Wheaton elevator received and shipped out grain in 342 boxcars during the first eight months.

This year, 1973, is, however, another story entirely. The crop is a big one; prices are the highest in years, meaning that farmers want to sell right now; there is no more government storage; and there still remains a huge amount of previously stored government grain which must be delivered. Yet in spite of this vastly increased need for transportation facilities, the elevator in Wheaton has received, during the first eight months of the year only 169 boxcars—less than half their supply in 1972.

Elevator manager Al Hennen claims that there are still about 6½ million bushels of old grain around the county yet to come in, besides the big new crop. Right now he says that there are some farmers in the area piling grain on the ground because there simply isn't anyplace else to put it. The elevator had a list ten pages long of farmers who were to bring in government stored grain when the harvest season began. Hennen said that the list was set aside in an effort to handle the new crop for farmers in the area. "We're doing everything we can to take care of the new grain," he said.

Hennen isn't happy with the railroad situation. He pointed out that the train only makes two trips through here a week—at least trips from which he can expect boxcars.

The train goes from Ortonville to Fargo on Monday; returns on Tuesday. It goes up again on Thursday, returning on Friday. And Hennen says that he can look for cars only from the south—and then far fewer than he needs.

TYLER, N. DAK.

TYLER FARMERS ELEVATOR COMPANY

Gus Unruh, manager

With a need for anywhere from 15 to 25 boxcars a week, the Tyler Elevator is getting about four a week—20 percent of what they need. And that's just to handle the small grain crop, according to manager Gus Unruh. They could use even more boxcars to take care of what looks like a big soybean and corn harvest coming up.

Unruh estimates that he is getting only about half the number of boxcars this year that he got a year ago.

While the Tyler manager doesn't know it for a fact he feels that the railroad situation is hurting his business in that it is giving an edge to competition. He said that he thinks the Burlington eight miles north and the Soo Line seven miles south are both providing elevators along those lines with greater numbers of boxcars, thus taking at least some of the business of farmers who used to sell to the Tyler Elevator. Unruh admits that's a guess—but at worst it's an educated guess by one who's living with the situation.

ABERCROMBIE

ABERCROMBIE GRAIN CO.

Wesley Berg, manager

The squeeze of the boxcar shortage has prompted Abercrombie Grain Company manager Wesley Berg to place heavy reliance on trucks to move grain out of his elevator—but he has had to pay dearly for it.

Berg said that with only two boxcars a week coming in he really hasn't had much choice—not if he wants to stay in business. In order to move grain he has had to go to trucking. And he has found the price on truck hauling skyrocketing upwards.

One day last week Berg says that a number of trucks were parked outside his elevator ready to haul. But the drivers got together and demanded better hauling rates or they would not haul. In order to move the grain, Berg gave in to the demands.

Abercrombie is perhaps in as serious a situation as any elevator along the M–R spur. With the elevator plugged tight, Berg has been forced to dump grain on the ground alongside the railroad tracks. He has already stacked up some 100,000 bushels of grain on the ground—including about 20,000 bushels of good wheat. He is now desperately worried about where he is going to put the soybean and corn crop.

Berg is convinced that the only answer to his problem is more boxcars—not trucks.

CHRISTINE

KENT DORAN GRAIN CO.

Ron Olthoff, manager

The Kent Doran Grain Company manager Ron Olthoff says that he is getting from three to four boxcars per week during a time when he could use at least 15 a week. So far this year he has loaded out 110 cars, compared with 107 in the same period in 1972. But Olthoff says that the comparison between the two years is not a fair one, because, one, the increased crop yield this year, and more particularly because of the transport of grain that has been required throughout the year because of the haul-in of government stored grain.

The Christine elevator is operating two of its own trucks and has one independent hired on a steady basis, but Olthoff says that trucks are not the answer to his dilemma. The only answer, he says, is more boxcars.

Like all managers along the Milwaukee spur, Olthoff worries about the upcoming corn and bean crops. He now has no place either in the elevator or in storage bins for any part of that crop—and won't have unless he can get the grain moving out.

HICKSON

HICKSON GRAIN ELEVATOR

Marshall Tangen, manager

With every square inch of storage space filled to capacity, both elevator and on-farm storage, Marshall Tangen of the Hickson Grain Elevator is really hurting for boxcars. He had been getting about two cars per week, he said, until the second week in August, and since then has been getting only a car a week. Tangen, too, is using more trucking than ever in an effort to move the grain.

"Every time a semi-truck leaves the elevator with a load of grain, a new line of farmers' trucks appears to maintain the elevator's status as packed solid," he said.

Tangen said that he has been relying heavily on trucks, but added that this means is unreliable because many independent truckers cannot be counted on to return to haul more loads from the same elevator. And he readily understands that the situation is no picnic for the truckers, either. He said that they sometimes must wait up to 24 hours before being unloaded after hauling grain to the Twin Cities or Duluth.

Tangen is averaging about three semi-truck loads of grain going out every day of the week—but he's still very concerned because he doesn't know how he'll be able to make room for the soybean crop, a crop which he believes will be harvested earlier than usual this year.

In general, it can be stated that the elevator operators along the Milwaukee Road spur between Ortonville and Fargo all claim to be receiving far fewer boxcars this year than last year, despite the fact that all needed more cars than ever before—and despite the fact that they keep reading about other railroad companies providing more hauling capacity for elevators.

The elevator managers, for the most part, express questions about the railroad serving them. Some believe they are being frozen out and that an effort will be made to shut down the spur line.

As a rule, the elevator men claim to be getting less than half the number of cars this year that they got in 1972. And all claim a greater need because of heavier yields of small grains and because of the call-in of government stored grain.

All of the elevator operators are using trucks substantially more than ever before. While all are thankful for the trucks they do get now, they are not happy with the higher costs of transporting that way, and all express the belief that trucking will never replace the railroad for efficient grain movement.

Most of all, the elevator men, to a man, are concerned about the farmers who are their customers. They want to see these farmers able to sell this big new crop at the highly favorable current prices and are doing everything they can to make this happen.

But in order to get the job done, they all claim that they must have more boxcars. The big question is—How do you get them?

DR. WILLIAM J. SANDERS

Mr. RIBICOFF. Mr. President, in 1956, while I was serving as Governor of Connecticut, the position of State Commissioner of Education became vacant. I set out on a nationwide search to find a preeminent educator and administrator. I finally chose Dr. William J. Sanders and his accomplishments proved his ability.

For 17 years Bill Sanders has offered the Connecticut Department of Education dynamic, imaginative, and dedicated leadership. During his years of service he expanded the educational programs and facilities in the State and made Connecticut schools among the best in the Nation.

Dr. Sanders retired last month. He is going to be missed by the people of Connecticut. He leaves behind a record of accomplishments and spirit of progress that will challenge his successors for years to come.

The Hartford Courant and Waterbury Republican recently paid tribute to Dr. Sanders. I ask unanimous consent that the editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Hartford-Courant, Sept. 28, 1973]

WILLIAM J. SANDERS: AN UNCOMMON MAN RETIRES

This is the last official work day for William J. Sanders as commissioner of education for the State, a job he assumed in 1956. If it is at all like the others Dr. Sanders has spent during the last 17 years, he will be a busy man.

Which is not surprising. For during his tenure Connecticut's educational horizon has widened to include innovative programs developed under his leadership to include the preschool child and adults, the disadvantaged, the gifted and talented, non-English-speaking persons of all ages and senior citizen projects.

Four new state technical colleges have been built. In the younger grades, 60 communities with less than 2,000 students were grouped in units for greater efficiency. Project Concern became a reality in Hartford to share resources of mostly white schools with inner city youngsters.

A statewide educational needs study and a survey of reading achievement added foundations on which to build the future.

Another measure of growth is the administering of grants. When Dr. Sanders came to Connecticut from the presidency of Fitchburg State Teachers College in Massachusetts, his department worked with about $38 million a year in grants. Now it spends about $1 million every day.

Yet, despite its bigness, Dr. Sanders has tried to keep education in this state a personalized service. He believes schools should have a warm, human environment and rejects their being run like factories. Surely that attitude has helped the Commissioner maintain what he terms "very good relationships" with town and city school districts and those in their charge.

And Nutmeggers are not alone in their admiration of this patient, scholarly man whose intellectual curiosity and wit add to his charm.

Calls to serve have come from the Department of Health, Education and Welfare to help plot the course of vocational and technical education in the nation through 1975 and to determine the role of government, civic and community groups in the field. He has been a director and is president of the Council of Chief State School Officers and a member of the President's Special Project on School Finance. Recently, Connecticut was named one of three states that have managed federal grants most effectively. And he was a leader in a national conference on reading among numerous other occasions when Dr. Sanders' perceptive opinions and knowledge have been sought.

Indeed, a busy man. Yet, as an associate wrote in September's Connecticut Education edition, he takes time for people, "He calls you Mister and invariably rises when you enter his office . . . listens with a concentration that is undivided and a little overwhelming.

"And regardless of the merits of your proposal, he hears you out—questioning, probing, trying to help you develop your ideas—and then he thanks you. He always thanks you, as though you have done an uncommonly gracious thing in sharing with him your ideas."

Surely Connecticut education loses an uncommon man with the retirement of Dr. Sanders.

[From the Waterbury Republican, Sept. 29, 1973]

Dr. Sanders Retires

Connecticut has been fortunate in the men who have guided the State Department of Education over its 135 years of existence. Certainly so during the past 17 years when this arm of the state government was directed by Dr. William J. Sanders. Friday was his last day at work; the state now has an acting director, Dr. Maurice J. Ross, who has likewise complimented the exemplary services of his superior.

Starting in 1956, Dr. Sanders served under such governors as Abraham Ribicoff, John N. Dempsey, and Thomas J. Meskill—thus holding his most important post under both Democratic and Republican auspices, no mean feat in this day and age—and in Connecticut.

During his tenure many changes have occurred at all levels of education in the State of Connecticut. It is to Dr. Sanders' credit that so much has been accomplished and that a department so subject to the whims of the public and the educator and the officeholder has earned as much respect and commendation as has Connecticut's Department of Education under Cmsr. Sanders. He well deserves all of the laudatory expressions voiced in his behalf.

JAMES B. CAREY

Mr. HUMPHREY. Mr. President, it was with deep sadness that I learned of the death of James B. Carey on September 11, 1973, at the age of 62. Jim Carey was one of the hardest working, most determined leaders that it has been the great fortune of the American labor movement to call its own.

Founder and first president of the International Union of Electrical Workers, vice president of the AFL–CIO, and labor representative of the United Nations Association, Jim Carey was a dedicated fighter for free trade unionism. His capabilities acknowledged in Presidential appointments and in his presence at international meetings, he had known also the harsh realities of poverty and of strike barricades. Known to some as a man of blunt words and singleminded dedication, Jim was also a man who could accept defeat with dignity and exhibit a wry humor.

I shall miss this vital man, and I take this opportunity to express my deep sympathy to his wife, Margaret, and his children, James and Patricia.

Mr. President, I ask unanimous consent that an article in the New York Times of September 12, 1973, describing the career of James B. Carey, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

James B. Carey Dies at 62; Labor Leader Founded IUE—Former CIO Treasurer and AFL–CIO Vice President Fought Union Communists

Washington, September 11.—James B. Carey, founder and first president of the 285,000-member International Union of Electrical Workers, died today, apparently of a heart attack, at his home in suburban Silver Spring, Md. He was 62 years old.

Mr. Carey was defeated for re-election as president of the I.U.E. in 1965 by Paul Jennings, who today mourned his death as "a loss to working people everywhere."

A funeral mass for Mr. Carey will be celebrated at 9:30 A.M. Thursday in St. Michael's Roman Catholic Church in Silver Spring.

FIERY AND TRUCULENT LEADER

(By Emanuel Perlmutter)

James B. Carey used to boast that at the age of 10 in Philadephia he led his schoolmates in a classroom strike against excessive homework. Although the story may be apocryphal, his whole career as a labor leader was fiery and truculent.

He held major positions in trade unionism and the Federal Government. Besides founding the I.U.E., he was the first and only secretary-treasurer of the Congress of Industrial Relations (C.I.R.) and vice president of the merged American Federation of Labor-Congress of Industrial Organizations. After his defeat for re-election as president of the I.U.E., he became labor representative of the United Nations Association—a position he held until his retirement last year.

Cocky and bantam-size, Mr. Carey took on tough opponents during his stormy career. He fought Communists in the labor movement as well as miserly and reactionary employers and had bristling policy quarrels with John L. Lewis, powerful leader of the United Mine Workers.

ALWAYS ON THE MOVE

He had an enormous capacity for hard work and a willingness to handle detail and assiduous study of administration. He was rarely stationary, constantly negotiating, traveling to conventions, making speeches and taking on extracurricular tasks.

A socially committed New Dealer, Mr. Carey served President Franklin Delano Roosevelt in World War II as a member of the Office of Production Management, the National Mediation Board and the National War Labor Board.

Under President Harry S. Truman, from 1946 to 1951, he was a member of the Presidential Commission on Civil Rights, the Presidential Non-Partisan Commission on Foreign Aid and the labor advisory committees of the Office of Defense Mobilization and the Department of Labor.

He was a familiar figure at international gatherings, particularly those dedicated to free trade unionism. He fought Communist influence in the World Federation of Trade Unions and helped to form the more democratic World Confederation of Trade Unions.

Mr. Carey was born in Philadelphia on Aug. 12, 1911, one of the 11 children of John S. Carey, a paymaster in the United States Mint, and his wife, Margaret. He began working after school hours in a local factory at the age of 14.

He began his trade-union career in 1929, when he was 18 years old. As an employee of the Philco Radio Corporation in Philadelphia he was dismayed by growing unemployment in that city and the replacement of men by machines in its factories. He organized the "Phil-Rod Fishing Club," ostensibly as a fishing club, but actually to serve as the nucleus of a union. Its members eventually joined what was intended to be a company union in the Philco plant, but wound up leading a strike of its 3,800 workers.

Mr. Carey helped to negotiate a favorable settlement of the strike for the employees in October, 1933. Two months later, when representatives of a dozen A.F.L. and independent unions established the Radio and Allied Trades National Labor Council, Mr. Carey—then 22 years old—was elected president. In 1934 he became a general organizer for the A.F.L.

The United Electrical, Radio and Machine Workers of America, now the U.E.W., was formed in 1936 as a new independent and industrial union. Mr. Carey was elected president and six months later led the 30,000-member union into the newly formed C.I.O. With the backing of Mr. Lewis, who had almost singlehandedly formed the C.I.O., Mr. Carey was elected its secretary-treasurer.

BROKE WITH LEWIS

Mr. Carey broke with Mr. Lewis in 1940 because the mine leader backed Wendell L. Willkie, the Republican candidate, in the Presidential election while Mr. Carey supported President Roosevelt.

The U. E. W. continued to grow under Mr. Carey's leadership and reached 300,000 members in 1941. However, Mr. Carey was growing continually concerned by the Communist sympathies of some of the union leaders. With communism as an issue, he was defeated for re-election in 1941 by Albert J. Fitzgerald. Eventually, he took most of the union away from leftist domination when he formed the rival I.U.E.

In the last years of his leadership of the I.U.E., Mr. Carey grew increasingly irascible and inflexible in his dealings both with employers and with his fellow union leaders. By 1965, he was no longer the infant prodigy of the American trade union movement and was defeated for president of his union by Mr. Jennings.

Mr. Carey is survived by his widow, the former Margaret McCormick, whom he married in 1938; a son, James, and a daughter, Patricia.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in 1968 President Johnson appointed a Commission for the Observance of Human Rights Year. A subcommittee of that Commission, under the chairmanship of Justice Tom Clark, retired, examined the legal and constitutional questions regarding U.S. participation in human rights treaties. In his letter of transmittal accompanying the final report, Justice Clark stated:

> I would like to reiterate, however, our finding, after a thorough review of judicial, Congressional and diplomatic precedents, that human rights are matters of international concern; and that the President, with the United States Senate concurring, may, on behalf of the United States, ratify or adhere to any international human rights convention that does not contravene a specific Constitutional provision.

Mr. President, the Genocide Convention meets this criterion. Its intent is in accord with our most noble traditions. The United States, as the Members of this Chamber well know, was among the first to advocate a treaty of this nature. Let us hope that we are not among the last to ratify it.

The 93d Congress is still young, Mr. President. It is my sincere hope that we will ratify this convention before the end of this first session. I trust that I will have my colleagues' support.

NEEDED: A NATIONAL MENTAL HEALTH POLICY FOR THE ELDERLY

Mr. MUSKIE. Mr. President, the Senate Special Committee on Aging, on which I serve as chairman of the Subcommittee on Health of the Elderly, has long been concerned about mental health problems of older Americans.

Part of our concern arises from the fact that geriatric patients now occupy one of every five beds in our Nation's mental hospitals. In addition, perhaps 15 to 25 percent of elderly persons living in their own homes have some degree of mental impairment.

Furthermore, we have received reports of "warehousing" of the elderly in institutions of some States while from other States we hear of "dumping" of the elderly from institutions into the community without any real regard for their well-being.

At the heart of such problems are negative attitudes toward the elderly. As an official of the National Association of State Mental Health Program Directors recently stated:

> The mental and emotional well-being of the aged has been particularly neglected probably because "senility" is so often believed to be an inevitable and irreversible consequence of aging.

Another consequence of such attitudes is that older persons are drastically underrepresented in community mental health programs.

The Senate Committee on Aging, in November 1971, issued a report summing up problems related to mental health of the elderly. Since that time I have introduced legislation calling for a bill to estabish a Commission on Mental Health and Illnesses of the Elderly. My arguments for that bill are stated in the May 9, 1973, issue of the CONGRESSIONAL RECORD.

A Commission, however, much as it may be needed, is only one element in a truly national effort needed in this area.

For that reason I was much impressed by a farsighted, challenging address made by Bertram S. Brown, M.D., Director of the National Institute of Mental Health, at the Governor's Conference on Aging in Nashville, Tenn., on September 26.

Dr. Brown provided an admirable summary of the scene today, saying:

> We see resources that are scattered and often used inappropriately. Coordination at the service or consumer level remains a goal rather than a reality.

Dr. Brown, recognizing the difficulties that could block the way for constructive action, nevertheless asks for a long-needed, "a national mental health strategy for the elderly," and he provides 10 program goals.

Mr. President, Dr. Brown has long been recognized as a resourceful and highly informed advocate for the well-being of all Americans. His statement on older Americans is a significant and timely message.

I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHERE DO WE GO FROM HERE?

(By Bertram S. Brown, M.D.)

This has been a very stimulating session. To present summary reports on two days of workshop discussions is no small task but really quite a challenge in linguistic logistics. The Group Reporters have succeeded commendably in conveying, I am sure, the representative interests, impressions, ideas, and concerns of all the discussants.

My task now seems at least equally challenging. To assimilate and comment on the information-laden Group Reports is not only a logistic problem but a political one as well. Transportation, mental health, health and nutrition are indeed inseparable issues in any comprehensive program designed to meet the consumer needs of the Nation's and, specifically, Tennessee's elderly. While I acknowledge the significance of the entire spectrum of topics you have covered throughout this Conference, my politics now will be local, and as Director of the National Institute of Mental Health I will focus on concerns most pertinent to that aspect of the Conference.

The issues and opportunities so well spelled out in the discussion reports are high profile reminders of the urgency and wisdom of a national mental health policy for the elderly.

The need is pressing: psychopathology in general and depression in particular rise sharply with age. Suicide reaches a desolate peak among white, elderly males. Loneliness, anxiety, and boredom too often characterize the lives of the old. Many feel isolated, useless, and unwanted. These are mental health concerns. Too often, the loss of and changes in work and social status cause older persons to lose confidence in themselves, and this is a mental health concern. When through the death of or separation from contemporaries the older person withdraws socially, it is a mental health concern. The contingencies of diminished income and financial dependency become mental health concerns.

In short, we see a vulnerability induced in the old by society's failure to meet their elementary needs for socialization, good health care, special housing arrangements, or adequate income—this becomes a mental health concern, and through our effort, a concern that can be remedied.

In recent years, increased national exposure has been given to this problem. The President's Task Force on the Aging, in 1970, expressed concern regarding "the use of State mental hospitals as custodial facilities for large numbers of chronically ill or disabled older persons who are not in need of active psychiatric care because alternative living arrangements with psychiatric consultation or support do not exist . . ."

At that time, the Senate Special Committee on Aging, in anticipation of the White House Conference on Aging in 1971, issued a report entitled: *Mental Health Care and the Elderly: Shortcomings in Public Policy*, which referred to the "widespread confusions and contradictions in public health policy on mental health of the elderly (which) are causing heavy economic, social and psychological costs among older Americans and their offspring." These costs are paid by some elderly misplaced in institutions when they could—with appropriate services—return to the community. Others pay that cost by remaining in their own homes, "in confusion or despair, denied access to services which help others but not them."

Outside the Federal sphere, the Group for the Advancement of Psychiatry in its publication "Toward a Public Policy on Mental Health Care of the Elderly" stated that "the elderly suffer disproportionately from our non-system of non-care, characterized by insufficiently financing for both health and sickness and by fragmented delivery of services."

In 1971, the Special Concerns Session on Mental Health Care Strategies and Aging of the White House Conference recommended the establishment of a Presidential Commission on Mental Illness and the Elderly. This Session further proposed that there be recognition and support of the individual's right to care and treatment within the full range of mental health services, that adequately staffed and programmed comprehensive local mental health services be developed for the elderly, and that greater efforts be made to develop options to institutional care.

On a third front, a critical front in the drive for greater equity in resource allocation, are the organized senior citizen groups whose membership has multiplied tenfold during the past decade.

These individuals recognize that a most crippling loss of old age has been that of choice. Today, the older consumer is no longer satisfied to be at the mercy of the providers of service. He expects to bargain with dignity and freedom in the marketplace as does any other consumer. But he can do this only when services are available so that options are assured.

One of our primary responsibilities, from the Federal to the community level, is to look critically at the services and service options currently available to the elderly.

When we do, we see an accumulation of untreated illness. We see resources that are scattered and often used inappropriately. Coordination at the service or consumer level remains a goal rather than a reality.

Citing nationwide statistics, congregate care facilities provide 85 percent of the mental health care received by the elderly. One million older persons live in these facilities—in State mental hospitals and nursing homes—throughout the country, and often through no choice of their own. We estimate that 300,000 to 500,000 of these million persons are not primarily in need of such services and could better be provided for in more appropriate facilities and through alternate service systems.

In part, a scarcity of more suitable community resources, including mental health services, limits the range of choice. Also, program restrictions frequently limit the potential of family and community contributions. Strengthening these programs lessens the pressure on more expensive institutional care, permits facilities to better serve those who most need their services, and helps correct an imbalance as damaging to society as to the elderly.

A hopeful sign is the growth of community based mental health facilities. In 1955, 77 percent of all psychiatric patient care episodes were provided inpatient services and 23 percent treated in outpatient facilities. By 1971 only 42 percent of all psychiatric patient care episodes were provided inpatient services, and 58 percent outpatient.

In 1973, this trend is unmistakable. The reversal parallels the phenomenal reduction in State mental hospital population. To impede it will inevitably limit the range of quality choices to institutional care, with consequent impact on the mental health of the older person served.

Tempering our program aspirations with the hard, cold logic of events we must recognize the emerging framework for workable strategies as we develop responses to mental health needs of the elderly. That framework includes: budget austerity, national health insurance, augmentation of third party payments, revenue sharing services, integration of services, decentralization, institutional reform, and cost-accounting.

Realistic program support will require a blend of strategies based on principles acepted by taxpayers, consumers, providers, and professionals.

A delicate recipe, this blend calls for working coalitions and incentives that will make it possible. Just as we cannot achieve a socially desired goal such as reducing a hospital population at the expense of its staff, neither should we allow the depopulation of hospitals to the detriment of patients and their families. Nor should one agency be obligated to operate in default of another's responsibility.

A working collaboration, or mutual aid in behalf of the elderly, is essential in responding to the wholeness of their needs.

In addition to working coalitions differentially responsive to older consumers and their families, effective strategy relies on program accountability. Accountability is linked to program survival. Necessarily, that accountability will be measured by its impact on people.

Looking to our own house first, the NIMH has intensified activities to implement its focus on aging as an Institute priority within existing resources:

Extramural research grants affecting the elderly have been increased;

Training activities have been augmented, particularly affecting nursing home manpower;

Collaborative activity with other groups and agencies such as HEW's Administration on Aging and the Department of Housing and Urban Development (HUD) was increased;

A series of interrelated planning and evaluation activities were initiated to provide a firm data base for expanded programs for the elderly;

In the NIMH State Program Development office, where aging is a high priority, several publications were issued that are enjoying wide acceptance.

Still, a significant expansion of NIMH programs requires additional resources.

Research during the past decade has provided added impetus to our efforts. Recent findings suggest that functional mental impairment in older persons is as responsive to treatment as with younger persons. Such studies indicate that apathy, isolation and regressed behavior can be reduced by adequate assessment of the improvement potential and the specific modes of intervention.

As a psychiatrist and science administrator, I would be uneasy if geriatrics research promised magic formulas or elixirs. I would be equally uneasy if NIMH financial and human investments in research on problems of the aged did not promise significant improvements in treatment, service systems, and manpower qualified to meet the psychosocial needs of older Americans.

Armed with such research findings and supported by a growing community of experienced professionals in the field; provided with political mandates at the Federal, State, and local levels of government, and spurred on by both the needs and assistance of citizen groups across the country, where do we go from here? What must be done to insure the continued day-to-day success in the field of this conference and others like it?

Communication of new information represents one challenge. There is mounting evidence of the rehabilitation potential of the elderly by practitioners in the field. Yet somehow this has not been translated into practice.

Considerable research has dealt with negtive attitudes that permeate the area of geriatrics. It was found that both administrative and treatment staff inappropriately fear that the elderly are unresponsive and unrehabilitatable. Popular misconceptions about treatability often delay seeking help until a crisis develops.

As health and welfare professionals, we must appreciate that treatment goals for the elderly often serve different needs than for the young. They do not always imply recovery. Slowing the progress of the disease may be called for, whereas a return to productivity might not be practical.

Any effort to develop a national mental health strategy for the elderly must need criteria set by diverse interest groups. It must be goal-centered, visible, workable, and provide good returns for the dollars expended. While it would require a budget and problems inherent in equitable allocation of resources, it would emphasize program results which could be supported by all. The strategy must be responsive to the needs of our citizens and not just geared to the convenience of our desks.

With Federal agencies serving as a national spearhead working in collaboration with state and local departments and citizen consumer groups, a national policy might reasonably move toward achievement of the following program goals:

(1) Reduce inappropriate institutional care of the elderly by at least 10 percent per year through phasing out the use of congregate, custodial care facilities and phasing in small, individualized social, protective, and health care settings of quality service in the community.

(2) Support community projects having mental health relevance and make available to the elderly in their own neighborhoods and with their participation a broad range of community services.

(3) Foster collaboration in service delivery at the consumer level through political, financial, and personal support of coalition planning.

(4) Work toward elimination of exclusion and discrimination against the mentally impaired aged in existing and proposed financing mechanisms including Medicare, Medicaid, health maintenance organizations, the categorical aids, revenue sharing, and the proposed third party payment plans.

(5) Contribute to the establishment and achievement of humane standards of care for older patients through support of nursing home training and ombudsman programs.

(6) Work toward recognition and support of the right to care and treatment for the aged mentally impaired.

(7) Study the barriers to quality care and the obstacles to compliance with standards for dissemination and use in a nationwide program development.

(8) Encourage initiation of additional geriatric programs through mental health centers or other community mental health related facilities.

(9) Expand the existing number of training places for mental health manpower serving the elderly.

(10) Augment existing support for a broad range of basic and applied research to increase knowledge of the cause, prevention and treatment of mental disorders in later life and to provide a better knowledge base for policy decisions affecting the mental health of the elderly.

While it seems most efficient to retain the primary research planning and support function at a coordinated Federal level, in local governance we should be attuned to the profitable opportunities for Federal-private collaboration in research support.

For our own part in furtherance of these objectives, the National Institute of Mental Health can focus its resources and leadership to keep program objectives clearly visible, hold program units accountable for program targets, vigorously assess the impact of what we do, encourage collaborative efforts, support regions and States financially and through technical assistance, speed the dissemination of information about successful projects, help maintain standards, and prompt constituent groups involvement in program development.

These program goals are, I believe, a balanced and, more importantly, a feasible blend of group interests. They seem to represent what most people want.

The citizen impact of such goals are measurable. They are dignifying and humane. Means for their achievement have been demonstrated. Payoff is high, Supporters can be found across the country. And leadership is able and willing.

With your assistance, backing, and good will, perhaps we can begin.

ENERGY WASTE—LET US KICK THE HABIT

Mr. HUMPHREY. Mr. President, yesterday, for the first time since World War II, a limited form of fuel rationing was imposed in the United States. This is but a reflection of the severity of the energy crisis facing us at this time. Our ability to influence supply to meet our energy needs may be limited, but we certainly can take more aggressive action to reduce the unfortunate energy waste in America. This waste occurs from the time the fuel comes out of the ground until it is consumed—waste in schools, in factories, in homes, and on our highways. Figures as high as 40 percent have been cited for the amount of fuel wasted in a given year.

This situation is inexcusable. Measures can and must be taken to reduce the waste of our energy resources. Solutions for eliminating waste are not necessarily complex or costly. A study sponsored by the Treasury Department found that 2 to 3 million barrels of oil a day, about 20 percent of current daily consumption, could be saved through eight relatively easy, uncostly, and quick conservation measures. The emphasis must be placed on public participation in a program of energy conservation. It is in the home and on the road that much of the waste occurs. The Government should sponsor a program which will increase public awareness of measures which they can take to reduce the waste of our valuable energy resources.

An article by Tim O'Brien in today's Washington Post, "Americans Might Be Squandering 40 Percent of Energy Resources," provides a fascinating and highly informative commentary on this subject. I ask that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Oct. 3, 1973]

Americans Might Be Squandering 40 Percent of Energy Resources

(By Tim O'Brien)

The American energy crisis, experts say, is shorthand for the convergence of many negative variables—dwindling domestic supplies, pressure from those who want to breathe clean air, population increases, the insatiable appetites of new machines, political tensions with nations that produce the raw materials of energy.

In the complex statistical manipulations and forecasts, however, one variable remains almost an afterthought: Simple waste. Extravagance. Inefficiency. Squandering. Unnecessary guzzling of what fuel there is.

While it is not fair to say the waste of energy is overlooked—environmentalists have been screaming about it for years—it is true that energy conservation is viewed by most observers as a mere palliative. A drop in the bucket of remedies.

It is virtually impossible to measure with even rough accuracy the amount of fuel wasted in a given year. But that has not kept people from guessing. Sen. Jennings Randolph (D-W. Va.) estimates that the nation is squandering from 30 to 40 per cent of its basic energy resources.

Another estimate puts the waste at 25 per cent a year.

John Muller, a researcher in the Interior Department's Office of Energy Conservation, says that "if this were a dictatorship and we could somehow control how people waste energy, we could save from two to three million barrels of oil a day." That would be a fifth of the 15 million barrels Americans consume each day.

There are anecdotes aplenty to illustrate the wastes. The New York City World Trade Center, for example, uses more energy for its heating, lighting and cooling than is needed for the entire upstate city of Schenectady, with 100,000 residents.

Beyond anecdotes, however, there is little in the way of official data to suggest what the magnitude of the waste is or where fuels are being wasted. The President's new Office of Energy Policy, created to coordinate the nation's response to the crisis, has no comprehensive numbers on the subject. The Office of Energy Conservation, where prime responsibility in the area resides, has only an admittedly tentative set of estimates.

Perhaps the single best index of where and how much fuel is being unnecessarily burned is a recent study conducted by an independent energy consultant for the Treasury Department. The department requested a list of emergency actions that could be quickly taken to reduce significantly fuel consumption.

The study found that through eight relatively easy, uncostly and quick conservation measures, about 2 million barrels of oil a day could be saved.

The eight emergency measures are:

Reducing speed limits to 50 miles per hour for passenger cars—150,000 barrels a day.

Increasing load factors on commercial aircraft from 50 per cent to 70 per cent—80,000 barrels a day.

Setting home thermostats two degrees lower than average—50,000 barrels a day.

Conservation measures in industry—500,000 barrels a day.

Cease hot water laundering of clothes—300,000 barrels a day.

Mandatory car tune-ups every six months—200,000 barrels a day.

Conservation measures in commercial buildings (fans off at night, air conditioning only during office hours, installation of proper window insulation)—200,000 barrels a day.

Increasing car pools for job commuting (from 1.3 to 2.3 persons per car)—200,000 barrels a day.

The figures attached to each of the conservation measures are the lowest estimated savings. In fact, the study found that about 2 million barrels a day could be saved and, possibly, another million barrels a day beyond that.

These eight steps are but the tip of the potential conservation iceberg, according to energy researcher Muller. He keeps a notebook filled with some 250 energy conservation measures, which he says are the "product of just one man's thinking. If five or six of us sat down, we could come up with a much larger list."

In the field of agriculture, he suggests slowing down the speed of tractor engines when they are not running and requiring farmers to adopt reduced tillage farming. In industry, where over 41 per cent of America's energy is consumed, he thinks energy consumption can be reduced by 10 per cent through "improved operating practices and minor changes in plants, involving little or no cost."

Dr. Jack Rafuse, a staffer in the new Office of Energy Policy, considers that estimate conservative. He says energy conservation teams have found that "though almost zero-cost kinds of things, industries can save 40 per cent of their plant fuel without affecting energy output at all."

If the 40 per cent savings could be taken as an industry-wide average and if every industry in the nation were to undertake similar measures, simple mathematics would show an astounding result: About 16 per cent of all the energy expended in America each year could be saved. This is in the industrial sector alone—and at "almost zero-cost."

If one were to list the villains of energy waste, three would probably stand out as most notorious: Automobiles, commercial America and the homes we live in.

Today's standard American car travels between 11 and 12 miles on a gallon of gasoline, not as far as it did 50 years ago. The nation's 1974 model autos average about 4,400 pounds—35 per cent more than the foreign makes tested in a recent Environmental Protection Agency (EPA) study.

Weight, the EPA says, is the single best index of expected miles per gallon, and it is not surprising that foreign makes averaged about six miles per gallon or nearly 37 per cent more than American autos tested by the EPA.

One study, conducted for the U.S. Army Tank-Automotive Command last year, estimated a 30 per cent potential fuel savings through a shift to smaller cars.

Although the law of diminishing returns begins to set in at a certain point, energy watchers say that by requiring tune-ups, imposing 50 or 55 mile-per-hour speed limits, putting fewer horses under the hoods and eliminating gas-eating extras like air conditioners, we could cut gasoline consumption in half.

Aside from these savings, a panel of General Motors, Ford and International Harvester engineers has reported that by requiring radial tires on all autos, fuel consumption could be cut by 10 per cent; by installing engine turbo-chargers it could drop another 10 to 15 per cent.

Conservation hurts most when it hits a person's home. And it is in the home where much of the waste is happening.

Energy specialist Muller estimates, for example, that if we threw away our dishwashers—or were required to wash dishes by hand—we could save 35,000 barrels of fuel a day. If during the summer we were to dry clothes on a line instead of in an automatic dryer, the savings would amount to 130,000 barrels a day.

"The little things," he says, "add up. But the little things hurt most."

A big drop in the conservation bucket, he says, would be to insulate the attics of those existing homes that are without it—Savings of perhaps 250,000 barrels of fuel a day.

The Michigan Consolidated Gas Co., in an effort to promote conservation of natural gas, has offered its customers loans to insulate their homes. The result, said President Hugh C. Daly, could be a savings of six billion cubic feet of gas annually if 200,000 customers sign up. "That's $9 million . . . that our customers won't have to pay," he said.

Other home energy savings in the Muller conservation notebook: Get rid of decorative outside lighting; weather strip and caulk all houses; service inefficient burners and furnaces; promote cold water washing of clothes; shut off furnace pilots in the summer.

"These are things that ought to be done as course," an environmentalist says. "They save money, they save fuel. Americans, unfortunately, are energy hogs."

Aside from hoggishness, however, is the problem of outright inefficiency. Six per cent of electricity produced in the United States in 1970, for example, was used to heat homes, despite the fact that electric heat is half as productive as oil or gas heat. Still, electric heat is a growing trend. About 25 per cent of the 40,000 buildings constructed in 1959 were heated electrically. It is cheap to install, it is clean, it is considered modern and esthetically pleasing—but it is wasteful.

Commercial America, with its glittering neon billboards and lighted shop windows, is a third major waster of now-precious energy. Muller's notebook lists some 28 methods of conservation that could be applied at low cost to the nation's commerce:

Rescheduling night sporting events for daylight hours; installation of a second set of doors at lobby entrances to help keep out outside air; shutting down 24-hour-a-day electric advertising signs; turning off air-conditioners at 3 p.m.; putting an immediate stop to the construction of glass walled skyscrapers that lose heat nearly as fast as it can be pumped in.

Yet in the end, what is waste and what is "necessary luxury" is the key to conservation. What an energy conservationist sees as waste, housewife with a stack of dishes and a crying baby and a new dishwasher sees as a necessity. Until these attitudes change—until the fuel crisis leaves a gash on the American consciousness—the potential savings are likely to remain largely theoretical.

ARCHIE BUNKER HAS PROBLEMS WITH OLDER AMERICANS

Mr. CHURCH. Mr. President, with an audience of perhaps 45 million persons, the "All in the Family" television series has made a powerful statement on problems of older Americans.

In the episode of September 29, Archie Bunker reacted negatively—as he does toward so many other groups—toward the elderly citizens of this Nation.

Mr. Bunker was confronted by an 82-year-old man who had "busted out" of an old person's home because he was so thoroughly bored. Archie's wife, Edith, saw the old man through a grocery store window and, what else, invited him home.

Archie could not understand such hospitality. What is more, he did not like to be reminded that someday, almost before he knew it, he would become old, too.

Within less than half an hour the "All in the Family" show commented on such matters as the special impact of high food costs upon the elderly, the fact that medicare covers only 42 percent of the health care costs of older Americans, and the fact that the average social security benefit is less than the official poverty level.

In addition, the program depicted the old man's daughter as a complete ingrate who would not even answer the telephone when she heard her father wanted to speak to her. Many sons and daughters unfortunately feel that way about parents, even though many others undergo severe financial hardship to help their mothers and fathers through difficult periods, including the illness costs that medicare does not pay for.

At any rate, the "All in the Family" show made many of the points which the Senate Committee on Aging and I, as its chairman, attempt to make in reports and speeches.

Furthermore, in spite of all the problems it dealt with, the show presented the old man as a lively, bright, and attractive person. He was as much an individual in old age as he was throughout his earlier life. It reminded us, or should remind us, that the elderly of our Nation cannot be forgotten or patronized.

That kind of message is well worth delivering. To producer Norman Lear and all his associates—and in particular to Mr. Carroll O'Connor for his consistently fine performance as Archie—I would like to extend heartfelt appreciation for helping us to see the world through Archie Bunker's eyes and for helping understand why he is so often wrong.

INTERSTATE LAND SALES

Mr. HARTKE. Mr. President, my attention has recently been focused on the apparent failure of the Interstate Land Sales Act of 1968 to halt the grave misuse of the public trust by certain salesmen in the interstate land sales industry. An article by Paul Friggens which appeared in the Reader's Digest brings the problem into a clearer perspective. It points out the need for my bill, S. 1753, the Interstate Lands Sales Act amendments.

Mr. President, I ask unanimous consent that this article be printed in the Record for the purpose of informing the Senate about this problem.

There being no objection, the article was ordered to be printed in the Record, as follows:

Land Swindles: A Con Game To Beware Of

(By Paul Friggens)

(Note.—From coast to coast, dishonest land developers have made a fine art—and a billion-dollar business—out of promising paradise. The result, all too often, is shattered dreams and empty bank accounts.)

Have you ever received a phone call from a mysterious female whose mellifluous voice invites you and your spouse to free drinks, a gala dinner, a movie—and "a chance to show you our wonderful new way of life, where you can get away from it all in the recreation community of tomorrow"?

Is your mail flooded with fancy color brochures, pressing you to invest in a vacation or retirement home where you can enjoy "country-club living"?

Have you been tempted by full-page newspaper and magazine ads offering an "all-expense flight" to tour the latest multimillion-dollar development "out where the fun begins"?

Chances are you've been approached in some such manner; it happens, every week, to thousands of Americans. We are witnessing a national phenomenon—the biggest, brashest real-estate boom in recent U.S. history. From coast to coast, enterprising developers are cashing in on a ready-made market in four major areas: recreation sites, second homes, retirement homes and raw-land investment. Authorities estimate that the current boom involves as many as 10,000 developments, and that each year undeveloped land is being sold for upward of $6 billion.

Much of this phenomenal development is legitimate. Sadly, much of it also thrives on massive misrepresentation, if not on outright fraud. Says George K. Bernstein, Administrator of the Office of Interstate Land Sales Registration (OILSR) in Washington, D.C.: "Thousands of people are misled or cheated every week, and the abuses extend to every part of the country."

Tragic Testimony. In order to register and ride herd on the growing horde of developers, Congress established OILSR in 1968. In public hearings held by this agency in cities around the country, the testimony of honest, if gullible, victims has often been appalling. Some examples:

A retired machine-shop worker told reporters after testifying at a Seattle hearing that he and his wife had sunk $6,000 into Texas and New Mexico properties after being wined and dined at a Renton, Wash., sales dinner. "We really couldn't afford to buy," he recalled. "But they kept saying, 'You want to make money, don't you?' Finally, we made a deal for six lots. They said they would lease the lots to apartment builders for $225 a month each, and that the income would help pay off our loan. But they never came through." Added the man's wife, "We still owe an additonal $10,000, and the company warns us to keep on paying or we'll lose everything."

An elderly widow at a packed Phoenix, Ariz., hearing told of paying $2,900 for a desert lot on the promise of quick profits. Only days after the sale was made, the salesman was back pushing a second deal. "But I can't invest any more," the woman pleaded. "I've exhausted my savings and, besides, I need $900 to buy a used car."

"That's easy," said the fast-talking salesman. "Buy two more lots. Within six months, I guarantee you a profit of $300 on each of your three lots—and there's the price of your car." Convinced, the woman borrowed $3,500 to purchase the additional lots. Six months later, she learned that the salesman had vanished and that she was stuck with a patch of desert—and a fat debt.

Vacationing two summers ago in New Orleans, the William F. Fraccos of Clarendon Hills, Ill., were buttonholed in the French Quarter by a slick salesman. They were offered a free lunch and a tour of the city if they would listen to a land-sales presentation. Quite a presentation it was.

Some months before the Fraccaros' visit to New Orleans, the multimillion-dollar McCulloch Corporation had bought England's famed London Bridge and rebuilt it with great publicity at Lake Havasu City in western Arizona. Carved out of the desert, the city of 10,000 beside the Colorado River was a developer's dream, and wholly legitimate. But almost simultaneously, on 12,800 barren acres about 40 miles away, another development had sprung up with an almost identical name—Lake Havasu Estates. After erecting a portable sales office and bulldozing a few dirt "streets" through a cactus-covered area where utilities, water-supply and sewage disposal systems are not generally available, the promoters of Lake Havasu Estates had begun selling lots sight unseen all over the United States—including New Orleans.

"Salesmen led us to believe," testified the Fraccaros, "that we were dealing with the McCulloch Corporation, and that Lake Havasu Estates was responsible for bringing London Bridge to Arizona." For only $3395, plus finance charges, the Fraccaros were told, they could own 1¼ acres. Convinced, they put $165 down and agreed to pay $57.29 a month for seven years after which they would acquire a deed.

Returning home, the couple read a bona-fide McCulloch ad in a Chicago newspaper, and recognized their mistake. Too late. They are now out $500 for their Arizona inspection trip, plus sizable lawyer fees at $40 per hour, and thus far have failed to recover the $738 they had invested before stopping payment.

Unhappily, such brazen misrepresentation is common throughout the country. Some purchasers find their land under water, as did the Detroit couple who discovered that their Florida lot was located in the Everglades and infested with cotton-mouth snakes. Still others, badly, misled, buy in a flood plain, landslide area or location prone to forest fires. "The fact is," Arizona Congressman Morris K. Udall testified at Phoenix, "that without such things as high-pressure salesmanship, cocktail parties and free toasters, nobody in his right mind would buy one of these lots." Bitter and disillusioned, many buyers kiss the money they have already paid—maybe their life savings—good-by. Frequenty, their lots are then resold—"some as many as eight times," it was testified at the federal hearings.

Out in the Cold. The high-pressure salesmen usually work on commission only—they don't eat if they don't sell—so they're apt to exaggerate the facts about a subdivision or lot. *Orally*, they will promise anything, and then rely on the fine print to cover them. For instance, they may speak glowingly of "immediate" improvements—streets, water, power, etc.—or even of refunds for buyers who aren't satisfied. What they don't say is that developers may not be required to provide the improvements for ten years after purchase, by which time they may have gone bankrupt or fled the country. And unless refunds are promised in print, they are almost never paid.

Another frequent practice, which some buyers may not fully comprehend, is selling on a "contract for deed." One of the industry's major attractions is that the little fellow can pay for his land in installments. However, the average purchaser may not be aware that he acquires an actual, recordable title only after he has made his *final* payment—perhaps five or ten years after purchase. He can make installment payments for years, but if he has no clear title, and if the promoter disappears or goes bankrupt, he loses everything. And in many deals the buyer is *never* given a recordable deed or clear title, even after he has completed his payments.

Says Keith Koske, director of the Colorado Real Estate Commission: "I have seen retired couples come to Colorado to locate their homesite, only to discover that, in place of a clear title to a specific lot, they actually owned *one six-thousandth* of an undivided interest in an entire section—640 acres—of land. Still others have found that their interest in the land had been foreclosed by the owner of a blanket mortgage."

Some spurious promoters acquire land with a small down payment, then mortgage the whole development and appropriate the income from land sales instead of making interest payments. By the time they are foreclosed, the promoters have disappeared. The innocent buyer is, of course, left out in the cold.

When real-estate con men can't get their way by subtle misrepresentation, they often turn to outright fraud. For example, a phony New England developer, Charles Geotis, alias Endicott, sold off at public auctions—and at fancy prices—hundreds of acres of "lovely Maine woodland." But the land simply never existed! At a Geotis real-estate auction in a posh New York City hotel, land-registration and state officials walked in, sent 400 prospects packing and stopped the sale. Convicted of postal fraud, credit-card fraud and failure to register with OILSR, Geotis was sentenced to two years in prison and jailed in September 1972. Authorities estimate that he had swindled over $1 million, and that his conviction probably saved the public several millions more.

Needed: Action. What is being done about these shameless swindles? Not much. To date, the government has registered some 4800 developments out of an estimated 10,000. It has prosecuted a handful of dishonest developers, has been directly responsible for the recovery of about $1 million for unhappy purchasers, and has warned some 450 operators that they are violating the Interstate Land Sales Full Disclosure Act. But OILSR is simply too small to cope with the problem. With only 16 investigators, it must handle more than 1000 consumer inquiries and complaints per month, involving millions of acres in all 50 states. Not surprisingly, the agency is currently six to eight weeks behind merely in acknowledging complaints, let alone investigating them. OILSR is and will likely remain primarily a registration and disclosure agency, not a regulatory arm of the federal government.

How then can the naked investor be protected? Says administrator Bernstein: "The federal act can never be fully effective, and the consumer canot be considered adequately protected, until the states play a more effective role in the regulation of interstate land sales."

Speaking recently before a meeting of real-estate licensing officials in Las Vegas, Bernstein called for greater uniformity and simplification of state laws regulating interstate land sales. Among specific proposals, he urged that the states strengthen subdivision controls by initiating mandatory inspection and approval of plots, roads, water supply, utilities and other improvements at the county or state level; that developers be required by the states to show financial ability to complete facilities as promised, either by posting a performance bond or by setting up escrow funds; that state licensing and strict regulation of salesmen be established.

Meanwhile, what can you do as an *individual* to protect yourself? According to John R. McDowell, OILSR's deputy administrator, you should take the following steps before you buy:

First, ask the salesman to show you a federal property report, which is required of all developers by law. Take it home and *study* it. This report should disclose every important factor affecting the offered land: such things as title, nature of the land and surroundings, kinds of facilities to be provided, liens, water and sewer restrictions. Under federal law, a buyer may void his purchase *and* get his money back if he is not given a copy of the property report. And remember that the law also provides a 48-hour "cooling-off" period during which you may cancel your agreement. Be on the lookout for a *waiver* of this right, which is frequently—and legally—included in contracts for on-site sales.

Second, show your lawyer the sales contract before you sign *anything*. If you still have questions after obtaining legal advice, write to OILSR for a free bulletin which defines your legal rights.

Third, never buy sight unseen. Go to the land. Better to pay travel expenses, and know what you are buying, than to lose your life savings.

BRAZIL: 9 YEARS OF MILITARY TUTELAGE AND AMERICAN AID

Mr. CHURCH. Mr. President, the U.S. foreign aid program has distorted our foreign policy and committed us to ruling regimes totally contrary to our traditional values of civil liberties and human rights.

Brazil, since 1964, has frequently been cited by American AID proponents as an example of the kind of "progress" a country can achieve when it puts its economic house in order, assisted by the U.S. Government. Brazil, since 1964, is, for sure, an example of the willing support the U.S. Government stands ready to give a governing elite that offers "a favorable investment climate" at the expense of human rights. Even Brazil's President, General Medici made this point in 1970 when he said:

> Brazil is doing very well, but the people are doing poorly.

Prof. Brady Tyson, of American University, has written a thoughtful analysis on the result of 9 years of Brazil under the tutelage of the military junta, aided by American assistance. I ask unanimous consent that his article in the July 1973 Worldview be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRAZIL: 9 YEARS OF MILITARY TUTELAGE

(By Brady Tyson)

The "Brazilian Model of Development" has been the subject of a good deal of comment and analysis during the past few years. Some of those who once looked with hope upon the experiments of the "democratic left" of the fifties as a potential viable and dynamic alternative to Communist and totalitarian models for less developed countries have now begun to consider that the "modernizing military managers" might offer a more relevant model. Indeed, current interest seems to be in comparing the Chilean and Brazilian models in terms of social and human cost and benefit, though it is certainly too early for any conclusive judgments of net results in either case.

This is an interim, summary and provisional judgment on the Brazilian experiment of the past nine years, that is, since the military took power on April 1, 1964. To try to give an impression of the results of the interaction among the values of political democracy, equality and economic growth, and the present levels compared with those of 1964, as well as what appear to be the trends, I have chosen six "indicators":

1. The autonomy and integrity of the legal system
2. Torture and police brutality
3. Freedom of the mass media
4. Income distribution patterns
5. Education distribution patterns
6. The quality of life of the people of the city of greater São Paulo.

Many of the results and trends are not entirely the result or the intention of the military regime, and conclusions as to cause and effect in some fields are necessarily very tentative. By way of conclusions I have offered four questions that are of general concern and are also important in considering the Brazilian case in particular.

THE AUTONOMY AND INTEGRITY OF THE LEGAL SYSTEM

Through the legal system many areas of "human rights" are defined and, to some degree, "operationalized." A legal system that could offer an orderly and equitable process for resolving disputes, that could protect society from persistent antisocial behavior and protect the legal rights of individuals and groups against intrusions by public and private groups has never been even a near reality in Brazil. Recourse to law and the courts has always in effect been denied the great majority of the poor and illiterate, not only because of their lack of resources, but through informal systems of intimidation and social control. Nonetheless, granting all the weaknesses of the pre-1964 legal system in Brazil, there did exist a vigorous tradition of law, a popular belief that the legal system did exist to promote the general welfare and to protect human rights and dignity, and a belief that this legal system could and should be respected and strengthened. This legal system, which was overthrown by the military in 1964—and its remnants steadily eroded since then—was rooted in the same political philosophy and values as those of most of the rest of Western nations.

From the first week of military rule the Brazilian army declared itself not only above the law but the source of law, and has in practice been the interpreter of law and the only official expression of the sovereign will of the nation. The Prologue to the First Institutional Act of April 9, 1964, declares: "The victorious revolution vests the constitutive power in the Army. This is the most expressive and radical form of the constitutive power. The victorious revolution as the constitutive power legitimizes itself. . . . This Institutional Act can be issued only by the victorious revolution as represented by the Commanders in Chief of the Armed Forces. . . . [Only the revolution] is empowered to establish the ways and means of constituting the new government and vesting in it the power and judicial instruments necessary. . . ."

More than eight years later, in July 1972, President-General Medici gave an important speech in which be tried to lay to rest certian rumors of an impending liberalization of the regime. He said, among other things: "The current regime will modify and correct, in a permanent process of institutionalization, the guidelines of our juridical order in order that they will faithfully carry out the objectives of the political decision of March 31, 1964." *Visão,* a Brazilian newsweekly, commented on the speech: "The insistence on the extraordinary powers [of the executive] is not being made now in the face of some crisis, in which representative democracy is seen as threatened by its enemies of the extreme left. It is made in the name of an antiliberal doctrine of the role of the State. For this reason, the speech of the President, of a known ideological inspiration, ought to please those groups that, in other times, sought to replace representative democracy with a corporatist regime."

In an unpublished paper on "The Role and Rule of Law in Post-1964 Brazil," Professors Trubek and Henry Steiner conclude that "The politicization of legal institutions and processes has surely lessened the 'legitimacy' of law in the public eye. 'Law' must be perceived by many Brazilians ever more clearly as an instrument of state planning and state power, hardly as a structure of norms and institutions that are designed to afford a degree of predictability and security in private life, and to protect areas of private life from governmental interference. Law at once structures the evolving regulatory and administrative state, and loses its identity into administration." Professors Trubek and Steiner also conclude that ". . . a decline in the autonomy, integrity and thus inherent legitimacy of the legal system has been one of the prices paid by the regime for economic growth within a closed society," and that the purpose of the legal system has been radically changed so that, coupled with the activities of the police and military security agencies, law has become an integral part of a system designed to "make potential opponents of the regime fearful of acting in any way that might lead to midnight arrest, etc."

Since 1964, then, an authoritarian government has tended to rule more and more by administrative fiat, in arbitrary and even secret ways. The legal system has thus largely ceased to be a system designed to promote and protect human rights and welfare and has become an instrument of national policy, as arbitrarily decided by the President or his appointees.

TORTURE AND POLICE BRUTALITY IN BRAZIL SINCE 1964

Like most nations with a history of small but prosperous minorities profiting from the misery of the poor majority, Brazil has traditionally used police repression and brutality as a means of social control. Peasants and poor and illiterate or semi-literate people in general have always been subject to arbitrary and brutal behavior on the part of the police. However, except for a few highly repressive years of the *Estado Novo* of Getulio Vargas, political dissenters or those of the middle and upper classes were rarely treated harshly.

Since 1964, however, two important changes from traditional Brazilian practice have been institutionalized. First, political dissent, if coupled with anything that appears to be clandestine or mobilization, has become the instant object of police brutality, regardless of the social class, reputation or profession of the persons suspected. For instance, according to the best information available, the well-known ex-Federal Deputy, Rubem Paiva, was literally beaten to death by police in January, 1971. Secondly, as distinguished from mere police brutality systematic, officially sanctioned scientific torture has become a common and regular practice in Brazil, especially since late 1968. It is almost totally limited now to several military security agencies.

In spite of the absence of certainty, given the nature of the problem, we can with reasonable assurance give some statistical dimentions. Probably between 40 and 120 people have been beaten to death, tortured to death or died in prison from some such treatment since 1964, the great majority of them since 1968. The practice has continued into this very year. If anything, though the rate of torture probably began to decline last year, the number of deaths is increasing. This number does not include the estimated 200 to 300 people killed by the so-called "Death Squads," usually off-duty policemen, during the past ten years. There have probably been over 20,000 people detained at one time or another for political reasons since 1964. There are probably about 1,000 political prisoners in Brazilian jails at this time, and the high was probably in November, 1970, when there were perhaps near to 12,000. About 2,000 have been the victims of what is usually called "police brutality," but which I am distinguishing from systematic torture.

The number of people tortured and beaten is not large compared with other, recent epidemics of state savagery. What is significant is that the Brazilian army has institutionalized and protected torture and brutality as instruments of social control and that such methods have, and are intended to have, far-reaching consequences of intimidation.

FREEDOM OF THE MASS MEDIA SINCE 1964

Censorship is important because it is a means of social control for governments that are governing against the will of the majority of the nation in question, and the presence and degree of censorship, along with police repression, present at least the presumption that the government is afraid of the consequences of the free press and media and has something to hide. Given the narrow literacy base compared to most nations its size, the Brazilian media have in times past exercised a considerable influence and have been the means of communicating most political information, at least about the national political system. With the exception of the most difficult days of the Estado Novo, the Brazilian press was remarkably free and uninhibited.

Beginning in 1964 a process of steadily increasing pressure, both formal and informal, has continually narrowed the scope of permissible subjects for discussion in the media. This process has had its periods of greater and less pressure, but the general tendency is clear. As Professor Beverly May Carl has written in a recent article on "The Erosion of Constitutional Rights of Political Offenders in Brazil," "A review of the rights still available to the common criminal . . . shows that, technically at least, an armed robber in Brazil today is in a better position than an editorial writer." What has emerged is a code of rules promulgated by the government that give it some sort of "legal" justification for almost any act of prepublication or postpublication censorship imaginable. The Brazilian press is not completely muzzled: far from it. But it is closely watched, and there are no more than five or six newspapers or magazines in Brazil today that dare to use the remaining freedom to criticize. The rule of thumb seems to be that subjects that irritate the generals or that might excite large numbers of people are proscribed.

INCOME DISTRIBUTION PATTERNS AND TRENDS IN BRAZIL SINCE 1964

Though income distribution patterns are certainly not entirely susceptible to government planning and policy, the Brazilian government has attempted to realize a conscious mode. The level of income and share of national income various groups receive tell much about their welfare, opportunities, status and self-esteem. Furthermore, the nature of the "Brazilian economic miracle" is vitally linked with the patterns of income reconcentration that have become characteristic of Brazil since 1967.

In 1960 Brazilian income was distributed much like that of the United States in about 1929, except that the per capita GNP of the U.S. was about five or six times that of Brazil. But whereas the United States has shown a slow tendency toward more equal distribution, the rapid economic growth that has been characteristic of Brazil since 1967 (averaging about 7 per cent per year, after discounting for the growth in population) has been accompanied by a "reconcentration" of wealth in the upper strata of society. For instance, in 1960 the poorest 40 per cent of the Brazilian population received about 11.57 per cent of the national income, but according to the statistics of the most recent research, this fell to 10 per cent by 1970. On the other hand, the richest 10 per cent had received 39.66 per cent of the national income in 1960, but had increased its share to 47.79 per cent by 1970.

Though the interpretation and adequacy of the statistics is always open to some doubts, it seems reasonable to assume that the real purchasing power of only 30 to 40 per cent of the population has actually increased during the past ten years and that the bulk of the increase in consumer purchasing power has been concentrated in the upper 10 per cent of the population. Likewise, it is reasonable to assert that the proportionate share of the national income has actually decreased for all but the upper 10 per cent. When all is taken into account—and there are many contradictory indicators—probably less than 30 per cent of the Brazilian people have profited from the economic growth, about 20 to 25 per cent have suffered some decline in their real wages, and the rest of the population (perhaps 50 per cent) remain in the level of "absolute poverty." Almost all analysts agree that the real minimum salary in 1970 was about 30 to 38 per cent lower than it was in 1960. There are some indicators that the drift downward of the real wages of the urban workers may have been slowed or even, in some areas, stopped during the past two years, but the data are still too tentative to draw firm conclusions.

The process of economic growth that has characterized the Brazilian economy, especially since 1967, and that has been so warmly received by the multinational corporations, has tended to increase rather than decrease the distance between the "two Brazils": the poor majority of about 70,000,000 people and the relatively prosperous, modernizing sector of 30,000,000 or less people. It is difficult to know exactly whether this decline in proportionate share of national income has been accompanied by an absolute decline in living standard, or whether the living standard has remained essentially the same, or whether there has been a small increase for some of the lower 70 per cent of the population.

Two other aspects of the process of economic growth in Brazil must be at least mentioned. First, the emphasis of this growth has been on durable consumer goods (which must be considered "luxury goods" in a nation such as Brazil—goods such as refrigerators, private automobiles, electric toasters, TV sets, etc.) and manufactured goods for export. In other words, the increase in domestic consumption has been very largely limited to the upper 20 to 30 per cent of the population, and there has not been a significant increase in the production of perishable consumer goods (clothes, processed foods, etc), goods that might have improved the quality of life of the lower 70 per cent of the Brazilian population. Secondly, the Brazilian government has affirmed (at the Stockholm Conference) that industrial pollution is not a significant concern for developing nations at this time, and, in truth, there are no stringent pollution regulations in Brazil as yet. This means that the rapid expansion of industrial production in the city of São Paulo, for instance, has been accompanied by a consequent decline in the quality of the environment.

EDUCATION DISTRIBUTION PATTERNS AND TRENDS IN BRAZIL SINCE 1964

Educational opportunities are generally regarded as an indication of general equality of opportunity and social equality. The Brazilian army has always shown an interest in education, albeit in particular kinds of education, and has placed some emphasis on improving and expanding the educational system. Almost since the founding of the republic (in 1889) Brazil has entertained two strong but basically incompatible theories of education: First, a traditional, Iberian élitist concept that only an aristocratic élite really needs much education and that the system should be presided over by a few traditional intellectuals in the small universities that maintain and transmit the values and civilization of the past; second, a positivist concept of education and training for everyone, reenforced by North American liberal (John Dewey) concepts of popular education for citizenship. The Brazilian army, building on its traditional positivist attitudes, has adapted for the purposes of national development (as it understands what development is) the concept that an educational system should be designed to provide the number and types of skills and knowledge needed at a particular time for the process of national modernization.

There has been a steady decline of illiteracy in Brazil each year for over twenty-five years, from 47.4 per cent literate in 1946 to 61.5 per cent literate in 1970. It is not possible at this time to evaluate the impact of the present government's adult literacy program, *Mobral*, on the educational profile of Brazil, except to comment that in content it represents what Paulo Freire would call a "domesticating" approach, inculcating in a catechetical way a simple but rigid concept of patriotism and citizenship. In other words, it is not designed to create a critical citizenry, whatever its technical competence or final impact in teaching literacy on Brazilian society.

In keeping with the kind of economic system sought, priorities in education have been assigned to training those workers, managers and technicians who can operate a technically sophisticated, capital and technology intensive modern industrial plant designed to produce the diverse and sophisticated products of a middle- and upper-class market. At the same time that the number of Brazilians who are economically active has dropped and the productivity per worker has increased, the average level of education has increased, especially among those in the industrial sector. Again, some tendency toward a modernized version of a dual society is evident.

According to recently released statistics of the Ministry of Planning, there has been a 56 per cent increase in enrollment in primary schools since 1964 (but there has also been an increase of probably 20 to 25 per cent in the age group). But during the same period enrollment in secondary schools increased 208 per cent, with approximately the same increase in the age group, and, most significantly, enrollments in institutions of higher education have increased an amazing 460 per cent (from 124,000 university students in 1963 to 694,000 in 1972). In other words, the concentration of income in the upper 20 to 30 per cent of the population has been accompanied by the concentration of years-of-education in the same group, and the distance between the educated minority and the uneducated majority has been increased, not decreased, by the government's application of resources.

THE QUALITY OF LIFE OF THE PEOPLE OF THE CITY OF GREATER SÃO PAULO SINCE 1964

There are probably more and better statistics on this area than on Brazil as a whole, and the analysis of this data provides some sort of check on national accounts. The city of São Paulo and the south of Brazil in general are often looked upon as the chief beneficiary of the process of economic growth in Brazil. This economic growth is often used to justify the imposition of a repressive and authoritarian regime and to justify the claims that the present government is very popular with the Brazilian people, who are supposedly sharing in the largesse of economic growth. It ought to be possible to verify these claims to some degree by looking at this "fastest growing city" in the world, the heart of the Brazilian industrial boom and the center of the richest part of Brazil.

Far less than any of the other indicators in this series can the present situation of the city of São Paulo be considered an intentional outcome of government plans and programs. The problems of urban sprawl, decay and inadequate human support systems are worldwide and are bound to be more acute in a city as large and as fast growing as São Paulo. Nonetheless, the policies of the present government have had the effect of exacerbating all the problems of this city. Such policies as the priority given (though this is to be modified this year) to middle-class housing at the expense of low-cost housing, the tremendous investment in freeway construction in a ctiy that already has more automobiles than any other city in the world except Los Angeles, in encouraging the rapid expansion of the industrial plant without any significant regulations against pollution (thus creating a smog problem already worse than Chicgao's), and, most importantly, the wage-and-price policies and controls that have been designed to concentrate wealth in the upper strata of society and to extract the savings necessary for industrial expansion from the urban workers—such policies have all contributed significantly to a quite obvious situation, even though it appears to contradict somewhat some of the statistics above. That fact is that the majority of the people of São Paulo have suffered a significant decline in the quality and standard of life during the past ten years, even though statistics show that their average purchasing power has risen.

Because the channels of expression, such as labor unions, the press, free elections, etc., of popular dissatisfaction—never very satisfactory—have been silenced, the decline in welfare of the majority of the people of São Paulo has not been adequately noticed. Last October, when the newspapers published studies showing that the rate of infant mortality in the city of São Paulo was continuing to rise and that for the first time since records have been kept was about 90 infant deaths per 1,000 live births in 1972, many people were shocked. Such an infant mortality rate should not be surprising in a city of about 9,000,000 people, growing at the rate of nearly 500,000 people per year, in which 48.5 per cent of the people live in substandard housing, 60 per cent of the people are not served by a sewage system and 35 per cent do not have running water.

Even though the per capita monthly income of the city of São Paulo is about $70, which is considerably higher than the average for the whole of Brazil (which is between $40 and $45), almost half (49.1 per cent) of the people of São Paulo have a per capita monthly income of $35 or less, or about $175 or less per family. Sixteen and nine-tenths per cent of the families of São Paulo have a monthly income of $70 or less, or $14 per capita per month, or about $170 per year. Real wages in São Paulo for industrial workers dropped over 30 per cent from 1965 until 1971, though there has been a small recovery since. In 1971 it took a worker on minimum salary 113 hours and 26 minutes to earn sufficient buying power to buy his own minimum diet for a month, as determined by the official standards of minimum nutrition, whereas in 1965 it took a worker on minimum salary only 87 hours and 20 minutes to do the same.

São Paulo is a "sick city," according to the newspaper *O Estado de São Paulo*. The Archbishop of São Paulo, Cardinal Arns, said last year that the people of the city live "in distress, full of tension and increasing neurosis because of the crime rate." There were 3,750 robberies and assaults in 1968, 7,750 in 1970 and 11,400 in 1971. These are not indications of a rising standard of living. So, in spite of the aggregate statistics and their per capita averages, there are significant indications that the majority of the people of São Paulo have probably experienced a decline in their standard of living, their purchasing power, a deterioration in the urban support systems and environment—in sum, a deterioration in the quality of life during the past ten years. Even though, given its growth rates and the low estate of urban planning and administration all over the world, some decline might have happened under any government, the question before us is whether or not the policies of the present government and its encouragement of the expansion of the consumer market of the middle and upper classes has not contributed substantially to this decline.

São Paulo is a booming city, with perhaps up to 40 per cent of its population enjoying a rapidly rising standard of living, but with the rest of its population participating only marginally in this expansion and paying a high cost as a result of a policy of not-so-benign neglect. The city of São Paulo is a Westchester County set in the middle of a Calcutta. High-rise, luxury apartment house buildings, with built-in mini-quarters for two or three domestic servants, expansive urban freeways, luxury boutiques, its own jet set, its own jockey clubs, country clubs, private and very expensive luncheon clubs for executives, coexist peacefully—given the extensive repressive system—with the quiet misery of over half of the population. And the pattern repeats itself, the gap between the two São Paulos widens.

SUMMARY

Slowly and haltingly at first, and recently more rapidly and with more certainty, the Brazilian army has moved to remake the nation over in its own self-image. This has involved a flexible and complicated series of steps and phases, like a prolonged military campaign, with changes of allies now and then and different immediate objectives and tactics for different phases. In the long run the Brazilian army (if we can imagine it has a composite will and attitude) desires a modern, efficient, harmonious, unified, tranquil, prosperous, as nearly autonomous as possible, productive, strong, internationally respected Brazil. To achieve these goals they have over the first nine years of their rule chosen policies designed to stimulate the concentration of capital in the middle and upper classes, promoted the production of goods for export and luxury items for domestic consumption and the attraction of foreign capital.

Because the social and human costs of these policies have been, and remain, high, as well as because the army probably has some built-in antipathy to the untidiness and tensions of public, free debate of national policies and is distrustful of initiatives from below, the army has had to become increasingly repressive and to assume more and more power during the same period in order to maintain the stability that it values and avoid the aggregation of the dissenting groups that it fears. Though a minority of about 20 to 30 per cent of the Brazilian people have profited materially from this process, the great majority of the nation has either been relatively unaffected (because their situation was, and remains, marginal to modernizing Brazil) or, in the case of the great majority of the urban poor and industrial workers, their situation has tended to deteriorate, certainly in terms of their proportionate share of the national income, and almost certainly in terms of their standard of living and quality of life.

Though there have been some signs during the past two years that the deterioration of real wages has been slowed, or perhaps in some cases stabilized at a considerably lower level than in 1965, it is too early for any definitive conclusions on this. The benefits of the economic growth of the past few years have accrued almost entirely to the top 20 to 30 per cent of the population, and this in terms of a greatly expanded and more sophisticated consumer market of durable goods and luxury items.

But even if the Brazilian government can reverse the trend and begin again the tortuous process of redistributing income more equitably rather than reconcentrating it as is now occurring, and thus achieve what has happened to a limited degree in Spain in the past ten years, Brazil still has another massive problem that will not necessarily be affected by even such a radical reversal of present policy. Even if the benefits of economic growth could be more evenly distributed among those already active in the money economy, there remains the nearly 50 per cent of the population who live at best only on the fringes of the money economy at a near-absolute poverty level. The present trend of reconcentration of wealth through the development of a capitalist, consumer economy seems hardly a wise first step toward an adequate standard of living for all Brazilians.

Furthermore, the steadily increasing use of repression and censorship, the utilization of torture and brutality against political dissenters, the debasement of the legal system through the arbitrary use of its channels for administrative purposes, all seem illogical steps if the goal is truly the "redemocratization" of Brazil. It is much more likely that a new form of what might be called a "modernizing, corporate state" dominated by a managerial and social-engineering mentality is beginning to emerge. But until some degree of law and freedom is restored, the government must remain repressive, and may tend to become even more so, and must remain arbitrary and very closed within a very small group because the social tensions generated by the so-called "economic miracle," as well as those generated by political repression and military and police brutality and torture and arbitrariness, cannot be otherwise contained.

President Medici summed up well the situation of human rights and economic growth in Brazil today when he said in 1970. "Brazil is doing very well, but the people are doing poorly." Indeed, the present economic policies of the military government may be far more cruel and far-reaching than the systematic torture of political prisoners it uses to repress and intimidate dissent. The results of the first nine years show clearly that, in the words of Celso Furtado, policies "geared to satisfy the high levels of consumption of a small minority of the population because the social cost of an economic system." The results of this policy are to leave, Furtado continues, ". . . a large majority of the population living at a physiological subsistence level, increasing masses of underemployed people in the urban zones, etc."

The concentration of wealth in the hands of 20 to 30 per cent of the people, and the concentration of political power in the hands of less than 1 per cent of the people, continues, and the maintenance of the pauperism of the great majority of the Brazilian people has become state policy. Though the population is expanding, there is no equivalent increase of Brazilians actively sharing in the market of consumer goods.

Consequently, it would seem that the denial of political liberty and constitutional government has produced no significant gain for the overwhelming majority of the Brazilian people and that the Brazilian army has, perhaps unwittingly and unknowingly, been made the guardian for a dynamic but highly exploitive economic system, favoring a small minority of the nation. Political repression and economic exploitation thus go hand in hand. Brazil is creating a Scandinavian-size consumer economy superimposed on an Indonesian-size pauperized mass, presided over by a cruel and increasingly isolated army.

I would like to pose four questions for consideration, against the backdrop of the past nine years of deterioration of human rights and welfare in Brazil:

First, were the Bishops of the Roman Catholic Church, meeting in their world synod of 1971, correct when they said:

"Unless combatted and overcome by social and political action, the influence of the new industrial and technological order favors the concentration of wealth, power and decision-making in the hands of a small public or private controlling group."

Second, was Radomiro Tomic, former Chilean Ambassador to the United States, correct when he said in a speech in this country in January of this year:

"There is no room for illusions. It is already too late for any Latin American country to emerge from underdevelopment through a production system simultaneously based on capitalism and democracy. . . . It is more than likely that the dilemma imposed by history on the Latin American countries for the remainder of this century will no longer be between capitalism and socialism, but between totalitarian, dictatorial and oppressive socialism, or communitarian, pluralistic and self-managing socialism. Whoever fails to understand this will be working against history and against the essential interests of democracy in Latin America."

Third, was Professor Albert Fishlow correct last March when, referring specifically to the present situation in Brazil, he said in Santiago:

"In the absence of effective and far-reaching alteration in governmental attitudes, there is likely to be little progress and, quite possibly, retrogression in the distribution of income. It is mistaken to view such a result as an unfortunate but inevitable consequence of rapid growth. There is no necessary inconsistency between greater equity and expanding output."

And *lastly,* in their message to President Medici of last December, was the Order of Brazilian Lawyers correct in saying:

"There is not any reason why it is necessary to sacrifice the principles of law upon the altar of development, because the legitimate social and economic progress of the country can only be realized if it is consonant with the principle of a government of law and respect for the fundamental rights of man. If it is true that peace and security are indispensable for development, it is not less true that tranquility and peace do not exist when there is no liberty and no justice."

EEC CHALLENGES THE MULTINATIONAL FIRM

Mr. HARTKE. Mr. President, of the many problems that face governments throughout the world, one of the most important is how to tax multinational corporations. No single state can handle the problem; the power of the multinational corporations lies in the fact that they go beyond the realm of individual states. International cooperation is necessary for any effective control of these giants.

The European Economic Community is now considering various group efforts at solving the problem of taxing the multinational firms. They have recently pointed out that, because most countries have different tax procedures, the international company can easily exploit the differences by concentrating funds in low-tax areas. A recent working paper of the Common Market calls for a "world profit" system of taxation be created to avoid such abuses.

I ask unanimous consent that a recent article from the New York Times be printed in the RECORD. The article deals with new proposals for a European tax strategy for multinational firms.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MULTINATIONAL COMPANIES FACING A TAX CHALLENGE

(By Clyde H. Farnsworth)

PARIS, July 23.—Authorities of the Common Market are seeking to put multinational companies under tighter surveillance to narrow their scope for avoiding or reducing taxation in Europe.

A working paper of the European Economic Community's commission (its policy-initiating body of civil servants) singles out taxation as an area where multinational companies are in sharpest conflict with host states. The confidential 45-page document, which was obtained by The New York Times, is considered by many experts to have a good chance of being approved formally by the commission.

PROPOSALS MADE

There could, however, be a long fight among the member nations before any policy finally becomes effective. If adopted, the plan would mean substantially higher tax payments for American-based multinational concerns.

The commission, in its working paper, has urged establishment by member states of a two-tier foreign-exchange market—one controlled for business transactions and the other free. It also declared that "an effort must be made to confront the multinational undertakings with political and trade union counterweights at international level."

"Even leaving aside any problems with tax evasion, it is undoubtedly true that domiciliation in various countries, each with its own methods and rates and with independently conducted audits, . . . provides openings for tax avoidance," the document said.

"The prices charged in a group's intercompany transactions and fees for industrial property or management can be used as a means of reducting the tax assessment basis or of consistently moving profits to countries with favorable tax systems."

A TAX STRATEGY

While conceding that there are no quantitative data available on these problems, the commission's paper said: "Heads of multinational undertakings freely admit, however, that if tax avoidance is not their raison d'être or their main source of profit, nevertheless they do logically operate a tax strategy that best serves the interests of their firm.

"Merely by being true to themselves, the multinationals thus come into conflict with the [host] states."

The document called on the member states to provide international assistance and cooperation in information and tax collection; greater powers of inspection at the national level; cooperation with countries, with low taxes outside the European Economic Community and intensified cooperation within the community.

The paper recommended the so-called "world profit" system as the most effective and most neutral for assuring a "standard" rate of tax. This method consists of adding together all the profits of the parent company and taxing them at the rate applicable in its home country after deduction of the taxes paid abroad.

Examining another possible abuse, the document observed that "a major impact on monetary speculation is often attributed to the multinationals."

It said that, while multinationals "are acting perfectly normal in trying to provide against foreign-exchange losses or even to make a profit by moving their liquid assets about, nevertheless the possibilities open to the multinationals, which they do not deny using, have accentuated the speculative monetary movements of recent years."

A TWO-TIER MARKET

Pending a reform of the monetary system, the Common Market recommendation is to urge member states to set up a two-tier foreign-exchange market—one controlled for business transactions and one free.

To be effective, as the commission's paper notes, this method would require tougher accounting and tax inspection machinery.

Under the two-tier system, foreign exchange needed to finance trade is obtained at a controlled rate while all other transfers are at the free rate. France, Belgium and Italy, of the Common Market states, already have such a system in operation.

In assessing the strength and flexibility of multinational companies, the document suggested that the essential objective of any new Common Market policy "must be to restore equilibrium between the parties concerned."

REGULATION OF LEGISLATIVE ACTIVITIES BY TAX-EXEMPT ORGANIZATIONS: A CONSTITUTIONAL QUESTION

Mr. MUSKIE. Mr. President, for some years many of us in Congress have been concerned about Federal regulation of legislative activities of tax-exempt organizations. Currently, the tax code restricts tax-exempt publicly supported charities from engaging in "substantial" legislative activities. This standard is vague and subject to abuse. To correct it, I have introduced legislation each year since 1971 to substitute a more certain standard. The bill I introduced this year on February 28, together with Senators HUGH SCOTT, NELSON, and DOLE, now has a total of 34 cosponsors. Congressman SYMINGTON has introduced identical bills in the House, H.R. 4994 and H.R. 5095; these bills now have a total of 45 cosponsors. I understand that the House Ways and Means Committee has been considering these proposals as part of its work on tax reform legislation.

But in the past few months, a new question has been raised about these restrictions in the tax code: whether or not they violate the Constitution. This question has been thoroughly explored in an article by Thomas Troyer in the journal of the New York University's Institute of Federal Taxation. In typically brilliant style, Mr. Troyer sets out in detail "three lines of attack on the constitutionality of the legislative restriction:"

(1) The "doctrine of unconstitutional con-

ditions," which in this case argues that the federal government cannot indirectly regulate First Amendment activities by tax exempt organizations, since it cannot do so directly;

(2) The equal protection standards of the due process clause of the Fifth Amendment, which arguably invalidates current restrictions because they discriminate among different kinds of charities; and

(3) The void-for-vagueness doctrine.

Mr. Troyer's analysis suggests that, on each of these grounds, restrictions in current law may well be unconstitutional. He also suggests that sections of the tax code penalizing legislative activities by private foundations may be unconstitutional. Mr. Troyer's fine article deserves study, and I ask unanimous consent that it be inserted in the RECORD at the conclusion of my remarks.

These constitutional questions are now being brought before the courts by two tax exempt organizations. Tax Analysts and Advocates, and Taxation With Representation, in a suit for a declaratory judgment to invalidate the restrictions. The outcome of this suit may have important consequences for the future conduct of tax exempt organizations, and for our first amendment freedoms. Congressman SYMINGTON has already inserted several documents relating to this suit in the CONGRESSIONAL RECORD of August 1. I ask unanimous consent that additional materials concerning this suit—two descriptive articles and a supplemental statement filed in court—also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHARITIES, LAW-MAKING, AND THE CONSTITUTION: THE VALIDITY OF THE RESTRICTIONS ON INFLUENCING LEGISLATION

(By Thomas A. Troyer*)

Attorney (Colorado, District of Columbia); Vice-Chairman, Committee on Exempt Organizations, Section of Taxation, American Bar Association; Formerly Associate Tax Legislative Counsel, United States Treasury Department; Associate Professorial Lecturer, George Washington University School of Law; Adjunct Professor, Georgetown University Law Center; Contributor to Legal Periodicals; Firm; Caplin & Drysdale, Washington, D.C.

SYNOPSIS

Criticism and proposals for modification.
Hearing on proposed liberalizations.
Constitutionality of Restriction.
Legislative history.
Dependence of restrictions on 1934 amendments.
What constitutes "charitable".
Cases under pre-1934 law.
Constitutional case against restrictions.

Unconstitutional Conditions

Application of doctrine to legislative restrictions.
Possession of First Amendment rights by corporations.
Is First Amendment protection absolute here?
Balancing of government interest and burden to charities.
Cammarano descriptions of government interest.
Post-Cammarano congressional action.
Policy of 1962 Revenue Act.
Grass roots lobbying.
Application of deductibility to much grass roots business lobbying.
Difference in impact of tax rules on business and charities.
Not nondeductibility: death sentence.
Section 501(c)(4) alternative.
In sum: Cammarano and Section 162(e)(2) not controlling here.
Unconstitutional Conditions: Tax Support for Other Lobbying.
Veterans' organizations.
Number of organizations affected.
Fraternal beneficiary societies.
Number of organizations affected.
Ability of large charities to lobby.
Lobbying by funded charities.
Lobbying for social welfare organizations.
Lobbying by labor organizations and trade associations.
Number of organizations affected.
Conclusion: Slee does not state compelling government interest.
Another possible government interest.
Limitation upon lobbying by rich.
Effect for lobbying same as for other charitable activities.
Conclusion: strength of unconstitutional conditions attack.
Equal Protection.
Americans United case.
Difference of equal protection argument in Americans United.
Concurring opinion in Americans United.
Vagueness.
Sources of uncertainty.
Vagueness of I.R.S. explanation.
Applicability of Freund classification.
Consequences for organizations with rulings.
Advance rulings difficulties.
Consequences for new organizations.
Practical necessity of advance ruling.
Delegation of authority to I.R.S. personnel.
Assessment of vagueness attack.
Recent court action.
Private Foundation Restrictions: Direct Regulation of Speech.
Burden on foundations.
Termination tax.
Effect for foundations.
Government interest in restrictions.
Size and legislative involvement of foundations.
Amount of foundation expenditures.
Most foundation expenditures for nonlegislative purposes.
Comparison with legislative expenditures of businesses and labor groups.
Evidence presented to Congress in 1969.
Committee report rationale.
A look ahead: the courts and Congress.

By its terms, the exemption from federal income tax which Section 501(c)(3) establishes for charities extends only to organizations "no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation. . . ." [1] The qualification of charities to receive contributions which their donors may deduct for federal income tax purposes is limited by an identical statutory provision.[2] The statutes governing the estate and gift tax deductions for charitable contributions contain the same limitation.[3]

CRITICISM AND PROPOSALS FOR MODIFICATION

In recent years, these limitations have become the subject of mounting criticism from a variety of sources

A well-known article in 1960 by Professor Clark of Yale Law School opened the barrage.[4] In 1969 the American Bar Association joined the attack, proposing liberalization of Section 501(c)(3) and the related charitable deduction sections to permit direct communications by publicly supported charities with legislative bodies.[5] In 1971 Senator Muskie introduced a bill modeled upon the American Bar Association recommendation, arguing:

"The groups which suffer most under these limitations of the Internal Revenue Code are civil rights organizations, consumer and environmental groups, and the recently established public interest law firms. The outstanding characteristic of these groups has been their advocacy of the views of those who are under-represented before governmental agencies, in the courts, and Congress. It is fundamental to our constitutional system that they should have equal access along with business groups and others in presenting views to Congress. This is so not because the views of the public interest groups are necessarily correct, but because in considering the increasingly complex matters which come before it, the Congress should hear and weigh all views to the fullest extent possible.[6]

Early in 1972 Senator Muskie and Senator Scott together introduced a somewhat modified form of this bill.[7] Later that year Congressman Ullman and several other members of the House Ways and Means Committee introduced a bill with the same objectives but with further modifications.[8]

HEARING ON PROPOSED LIBERALIZATIONS

At a hearing held by the House Ways and Means Committee on the Ullman bill in May of 1972, representatives of a large and diverse group of charitable institutions supported elimination or relaxation of the present restrictions on charities' legislative activities.[9] The Administration was ambivalent. Speaking for the Council on Environmental Quality, Russell Train argued for liberalization:

"Public charitable groups represent deeply felt concerns of many of our citizens in many important areas—including health, education, and the environment. Many of these groups have much to contribute in the way of information and a wide range of views that can make a valuable contribution to the legislative process. At the same time, these very groups have avoided legislative appearances for fear of jeopardizing their tax-exempt and tax-deductible status.

"I can think of no more useful and practical step available to us right now than to clarify the authority of our citizens' many charitable associations to speak on their behalf to the legislature. It should be our purpose to encourage in every way we can the responsible participation by citizen groups in the process of government. The present law constitutes a roadblock to such participation and it should be remedied as rapidly as possible." [10]

The Treasury Department, on the other hand, while expressing sympathy with "the objectives" of the Ullman bill, elaborated concern about a number of its provisions.[11]

After the hearing, the Ways and Means Committee considered the Ullman bill in two executive sessions but, with the press of other business, took no further action on it.

The substance of the various proposals to relax the present constraints on charities' legislative activities, and the points of difference among the proposals, have been well summarized elsewhere.[12] At present it is a matter of conjecture whether the Ways and Means Committee will take action on the subject this year. If it does, it seems likely that the action will depart in significant respects from all of the prior bills. The process of legislative compromise being what it is, it also seems likely that any liberalization adopted by Congress this year will leave at least much of the bite of the present restrictions intact.

CONSTITUTIONALITY OF RESTRICTIONS

That being the case, it seems worth asking a question which, until recently, has seldom been raised, and, so far as I know, has never been exhaustively examined. Are the restrictions constitutional? Analysis suggests that the answer may well be negative.[12.1]

Preliminary to assessment of the constitutional issues, one must first determine whether the restrictions on influencing legislation are inherent in the fundamental Congressional judgment to continue the Section 501(c)(3) and related tax benefits to "charitable" organizations or whether the restrictions depend upon the special statutory mandates against substantial legislative efforts. If entities which attempt to influence legislation are naturally beyond the group meant to be assisted by the tax benefits provided

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Footnotes at end of article.

charities, the constitutionality of withholding those benefits from them would stand upon essentially different footing than if, qualifying as charities under applicable standards, they are denied the tax benefits only by reason of a separate and special Congressional decision to forceclose such organizations from substantial legislative efforts.

To resolve this threshold question, we must review briefly the legislative history of the present statutory provisions against substantial influencing of legislation and the authorities bearing on the dependence of the restrictions on those provisions.

LEGISLATIVE HISTORY

The limitations on the legislative activities of charities first appeared in the language of the statute in 1934.[13] The legislative history of the 1934 amendments is sparse and unclear. It suggests that the primary focus of the proponents of the amendments was on a single organization (the National Economy League); that their *objective was to rule out charitable deductions for selfishly motivated gifts,* designed to advance the *personal interests of the giver* through legislative agitation; and that the language selected by the drafters of the amendments was thought to be unfortunately broad, likely to sweep within the restrictions more than their proponents intended to include.[14] Nowhere does the legislative history indicate that Congress was aware of the prior case law on this subject. Nowhere do the published materials suggest that Congress thought the amendments simply a clarification of restrictions already inherent in the statutory term "charitable," or in other language of the exemption and deduction statutes as they then stood. Indeed, to the extent that the limited legislative history permits one to draw a conclusion on the point, the *implication is strong that Congress thought it was adding restrictions* not previously included in these provisions.

DEPENDENCE OF RESTRICTIONS ON 1934 AMENDMENTS

Several cases decided under pre-1934 law grounded *denial* of charities' *exemptions* or qualification to receive deductible charitable contributions on *efforts by the* organizations *to influence legislation.*[15] A review of the authorities, however, indicates strongly that, absent the 1934 amendment, the doctrine of those cases would long since have passed from the federal tax law.

WHAT CONSTITUTES "CHARITABLE"

Although it was far from evident as a matter of American tax law before 1934, it is settled by now that "charitable" is the most comprehensive of the terms designating exempt purposes in Section 501(c) (3), including each of the other purposes in the enumeration except "testing for public safety," and extending to activities which lie beyond any of the others.[16] It was also far from evident before 1934—but has by now been decided by the Supreme Court and accepted by the Internal Revenue Service—that the construction of "charitable" for federal tax purposes is governed by the general, non-tax law of charitable trusts.[17]

The United States decisions in the non-tax area are now overwhelmingly to the effect that an otherwise charitable trust remains charitable even though the attainment of its purpose entails influencing legislation. Scott says:

"In the United States the notion that a trust for a purpose otherwise charitable is not charitable if the accomplishment of its purposes involves a change in existing laws has been pretty thoroughly rejected. Many reforms can be accomplished only by a change in the law, and there seems to be no good reason why the mere fact that they can be accomplished only through legislation should prevent them from being valid charitable purposes." [18]

The Restatement is to the same effect.[19] The cases amply support the proposition.[20] It flows naturally from the general trust law principle that "if . . . the purposes of the trust . . . are charitable, they are no less charitable because of the means authorized to effectuate them, when . . . these means are legal and not against public policy. . ." [21]

If, then, the law of charitable trusts governs the definition of "charitable" for purposes of the tax law, and the relevant law of trusts treats influencing legislation as a permissible means of carrying out a charitable purpose, it seems clear that, (but for the statutory amendments in 1934) charities could now without adverse tax consequence make use of legislative activities to advance their purposes and they could do so upon precisely the same basis as they make use of any other acceptable means to those ends. The rule preventing them from doing so must, in the first instance, be laid at the door of the 1934 Congress.

CASES UNDER PRE-1934 LAW

Slee v. *Commissioner* [22] and the other decisions denying charitable exemptions or deductions under the pre-1934 law on the basis of the charities' legislative activities uniformly failed to recognize the relevance of the general law of charitable trusts to the definitional issue. They also failed to recognize that "charitable" is a broader term than "educational"—comprehending all that is "educational" and much else besides—and, proceeding from 1919 Treasury Regulations which excluded controversial communications from the "educational" category,[23] they assumed that whatever was not educational could not be charitable. *Slee* itself suffers from both failures.

The subsequent development of the tax law makes it clear that, on both points, the courts were simply wrong. On the key issue, the Supreme Court has now held, and Treasury Regulations provide, that the general law of charitable trusts governs the tax definitions. With this evolution of the law, the legislative restrictions created by the early decisions in disregard of now-settled principles would necessarily have died, had not Congress created the 1934 restrictions on the legislative activities of charities.

One cannot establish the subsistence of the *Slee* rule by arguing that the permissibility of legislative efforts was less clear in the law of charitable trusts in 1913, or 1930, and that the doctrine developed by Judge Hand and his brethren, representing a plausible extrapolation from divided authorities in the non-tax area to the tax definition, remains good tax law. It is true that an 1867 Massachusetts case,[24] followed in 1922,[25] denied charitable status on the basis of legislative activities, as did the English authority, though none of the tax cases under pre-1934 law founded their decisions on these authorities.

It is a settled facet of the law of charitable trusts, made applicable to the tax law by the courts' and the Regulations' adoption of the general law of charities for purposes of the tax definition of "charitable," that "charity" is a continually changing concept, developing and adjusting as the needs of society change.[26] Hence, in determining whether in 1973 the tax restrictions on charities' legislative activities stem from the definition of "charitable" or must stand on the special language added to the statute in 1934, the state of the trust law in 1913 or 1930 is irrelevant. The issue is the state of the American trust law in 1973. As the authorities cited above disclose, on that issue there can be little question.

CONSTITUTIONAL CASE AGAINST RESTRICTIONS

With this background, there would appear to be three lines of attack on the constitutionality of the legislative restrictions. One is founded upon the doctrine of unconstitutional conditions. The second derives from equal protection standards which the due process clause of the Fifth Amendment imposes on the Federal Government. The third is based on the void-for-vagueness doctrine.

Each of these attacks is, if sound, by itself sufficient to invalidate the legislative restrictions. Hence, if any of the three is valid, the restrictions must fall.

UNCONSTITUTIONAL CONDITIONS

The restrictions on substantial legislative efforts seem, first, a classic situation for the application of the doctrine of unconstitutional conditions. The doctrine has been described as follows:

"Essentially, this doctrine declares that whatever an express constitutional provision forbids government to do directly it equally forbids government to do indirectly. As a consequence, it seems to follow that the first amendment forbids the government to condition its largess upon the willingness of the petitioner to surrender a right which he would otherwise be entitled to exercise as a private citizen. The net effect is to enable an individual to challenge certain conditions imposed upon [a governmental benefit] without disturbing the presupposition that he has no 'right' to that [benefit]." [27]

The Supreme Court has applied the rule, for example, to hold that unemployment benefits cannot be denied to a person who refuses to work on Saturday because of his religious principles;[28] that public employment cannot be conditioned upon the employee's refraining from constitutionally protected speech activities;[29] that a public school teacher cannot be discharged for invoking the privilege against self-incrimination;[30] and that an attorney cannot be disbarred for invoking that privilege.[31]

Most closely in point for present purposes is the Supreme Court decision in *Speiser v. Randall.*[32] The Court there held that the State of California could not condition a veteran's property tax exemption upon the veteran's taking an oath not to advocate the overthrow of the government. The language of the decision is instructive:

"It is settled that speech can be effectively limited by the exercise of the taxing power. Grosjean v. American Press Co., 297 U.S. 233, 56 S. Ct. 444, 80 L.Ed. 660. To deny an exemption to claimants who engage in certain forms of speech is in effect to penalize them for such speech. The appellees are plainly mistaken in their argument that, because a tax exemption is a 'privilege' or 'bounty,' its denial may not infringe speech." [33]

APPLICATION OF DOCTRINE TO LEGISLATIVE RESTRICTIONS

On its face, the doctrine of unconstitutional conditions appears plainly and directly applicable to the specification of the charitable exemption and deduction statutes that their privileges shall not extend to organizations having substantial activities aimed at the influencing of legislation. Much of the activity proscribed is within the First Amendment right to petition the Government,[34] and all seems well within the broader first amendment protection of free speech. The effect of the restrictions, therefore, is to withhold or withdraw the privileges of tax exemption and qualification to receive deductible contributions from charities which engage in specified first amendment activities of more than an insubstantial amount. Justice Sutherland's description of the unconstitutional conditions rule in a leading early case seems clearly in point:

"It would be a palpable incongruity to strike down an act of state legislation which, by words of express divestment, seeks to strip the citizen of rights guaranteed by the

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federal Constitution, but to uphold an act by which the same result is accomplished under the guise of a surrender of a right in exchange for a valuable privilege which the state threatens otherwise to withhold. . . . If the state may compel the surrender of one constitutional right as a condition of its favor, it may, in like manner, compel a surrender of all. It is inconceivable that guarantees embedded in the Constitution of the United States may thus be manipulated out of existence." [35]

Initial measurement of the unconstitutional conditions doctrine against the charitable exemption and deductions' legislative restrictions, then, suggests a natural fit. Let us look more closely at the details of the application of the doctrine to evaluate the strength of the constitutional attack.

POSSESSION OF FIRST AMENDMENT RIGHTS BY CORPORATIONS

There is no direct Supreme Court decision that the First Amendment rights of free speech and to petition the Government are held in undiluted form by corporations. However, the Court has held squarely that the first amendment protection of freedom of the press extends to corporations as well as to natural persons.[36] Several of the Court's other decisions appear to assume that the protection of speech and petition apply with undiminished force to corporations.[37] The language of the amendment itself—"Congress shall make no law . . ."—suggests that its prohibitions apply without regard to the legal character of the person whose speech or petition Congress seeks to restrain.

Hence, while the issue cannot be regarded as conclusively resolved, it seems likely that the first amendment rights of free speech and petition would be held to afford the legislative efforts of charitable corporations and trusts a protection equivalent to that which they provide the same efforts of individuals.

IS FIRST AMENDMENT PROTECTION ABSOLUTE HERE?

It may be that, having said this much, we have said enough. Describing Alexander Meiklejohn's view that the core of the first amendment is the protection of expressions which bear upon the governing process, broadly construed, Justice Brennan has said: "It is these activities of 'governing importance' in all their diversity that fall within the scope of the first amendment, and for such activities the amendment gives *unqualified protection.*" [38]

Justice Brennan proceeds to suggest that the cases of *New York Times* v. *Sullivan* [39] and *Garrison* v. *Louisiana* [40] adopt this approach to the application of the first amendment.[41] Subsequent cases have cast no doubt upon the Justice's 1965 evaluation. If it is correct, it would seem to apply directly to the subject with which we are concerned; for the expressions of charitable institutions on legislative policy are plainly within the "governing importance" class.

Professor Van Alstyne has stated essentially the same view in slightly different terms. He argues that, where a government conditions a benefit upon desistence from the exercise of an explicit constitutional right, the unconstitutional conditions rule strikes down the condition without the necessity of any further inquiry into the strength of the government interest in imposing the condition, or the weight of the burden which it places on the party contesting it.[42] The view seems supported by the approach of the Supreme Court in at least some of the cases applying the doctrine.[43]

If these views are correct, and the relevant First Amendment protections extend to charitable corporations and trusts, the legislative restrictions of the charitable exemption and deduction statutes should fall, entirely and without further analysis or argument.

BALANCING OF GOVERNMENT INTEREST AND BURDEN TO CHARITIES

Let us not, however, leave the matter at that. While they antedate the Supreme Court decisions in the *Times* and *Garrison* cases, a number of holdings on the unconstitutional conditions doctrine have included inquiries by the Supreme Court into the character and strength of the government interest in establishing the condition in issue and the nature of the burden which it entails.[44] Let us make similar inquiries concerning the legislative restrictions in the charitable exemption and deduction statutes.

CAMMARANO DESCRIPTION OF GOVERNMENT INTEREST

Where a condition impinges upon an explicit constitutional right—as is the case with the first amendment rights of free speech and petition—even the cases which approach the first amendment protections without the strictness suggested by Justice Brennan and Professor Van Alstyne sustain a condition on a government benefit only upon a showing that the Government has a "compelling" or "overriding" interest in the condition.[45] The government interest in the restrictions on charities' legislative activities has been stated by the Supreme Court [46] to be that described by Judge Hand in *Slee*: "Controversies of that sort [i.e., legislative] must be conducted without public subvention; the Treasury stands aside from them." [47] Indeed, after quoting Judge Hand, the *Cammarano* opinion goes on to describe this as "sharply defined policy" of the Federal Government.[48] Is it?

POST-CAMMARANO CONGRESSIONAL ACTION

Cammarano upheld a Treasury Regulation denying business expense deductions for the costs of attempts to influence legislation. In at least one important part of the area dealt with by that decision, federal policy, so far from being "sharply defined" against tax support for the legislative activities of private parties, now specifically provides such support.

Three years after the *Cammarano* case, Congress reversed its result for most business expenses of direct communication with legislative bodies.[49] With certain limitations, where a business incurs such expenses in an effort to influence legislation, the expenses are now specifically made deductible by Section 162(e). Thus, in legislative controversies involving such expenses, the Treasury—and the general taxpayer—no longer stand aside. Through the mechanism of tax deductions, the Federal Government provides financial support for the lobbying efforts of private parties.

POLICY OF 1962 REVENUE ACT

The policy grounds for the 1962 Congressional action are significant. Congress reversed the rule of prior law only partly from a belief that proper computation of businesses' net income requires deduction of direct lobbying expenses. The Senate Finance Committee Report relies more heavily upon several quite different arguments in favor of the amendment—and all of them would apply with equal force to the elimination of the restrictions on charities' legislative activities.[50] In particular, the Finance Committee observed: "The presentation of such information to the legislators is necessary to a proper evaluation on their part of the impact of present or proposed legislation." [51]

With this policy underpinning, in the area of direct communication with legislative bodies the 1962 Congressional action would seem at least very largely to erode the *Cammarano* finding of a "sharply defined" government interest against tax support for the legislative conduct of private parties.

GRASS ROOTS LOBBYING

The 1962 Act did not extend deductibility to business expenses of grass roots lobbying. Section 162(e)(2) specifies that the statutory provisions for direct lobbying "shall not be construed as allowing the deductibility of any amount paid or incurred . . . in connection with any attempt to influence the general public, or segments thereof, with respect to legislative matters. . . ." It does not, however, follow that the failure to revise prior law on this point constitutes a Congressional finding of a compelling governmental interest sufficient to sustain the exemption and deduction restrictions on grass roots legislative efforts by charities.

APPLICATION OF DEDUCTIBILITY TO MUCH GRASS ROOTS BUSINESS LOBBYING

As a practical matter, businesses are in fact able to deduct much of the costs of communications with the general public which bear on legislative matters. The line between deductible institutional advertising and non-deductible grass roots lobbying is sufficiently blurred—and the audit resources of the Internal Revenue Service sufficiently limited—to permit the deduction of considerable costs of business advertising designed to affect the views of the general public on issues which are present or will surface in legislative bodies. The fact has been noted by a former Commissioner of Internal Revenue,[52] has been explored in more detail by Professor George Cooper of Columbia Law School,[53] and was recently admitted by the Assistant Secretary of the Treasury for Tax Policy to the Ways and Means Committee.[54]

Illustrations of grass roots legislative appeals by businesses abound. During the debate about tax reform in the 1972 Presidential campaign, Bethlehem Steel Corporation placed full-page advertisements, intended to demonstrate the absence of need for tax reform affecting it, in Newsweek, Time, U.S. News and World Report, Business Week, The Saturday Review, Industry Week, Forbes, The Harvard Business Review, Editor & Publisher, and nineteen newspapers.

A Washington Post article of February 4, 1973, describes a current $3 million advertising campaign by the petroleum industry, designed to focus public attention on the energy crisis and, among other things, develop support for pending legislation to remove the Federal Power Commission's ability to regulate the price of natural gas. The campaign included television advertising estimated by the American Petroleum Institute to have reached 95 percent of all American homes with television sets. Senator Muskie has described the grass roots efforts of business groups interested in legislation on the Supersonic Transport.[54.1]

The comments of the witnesses noted above at the Ways and Means Committee hearing on the Ullman Bill makes clear that disallowance of business expense deductions for such advertising "is probably not a realistic expectation." [54.2]

In this state of affairs, the failure of Congress to tighten the restriction on business expense of deductions for grass roots lobbying, or to adopt more distinct standards for the disallowance of such deductions, by itself would seem to cast doubt on the presence of a compelling government interest here.

DIFFERENCE IN IMPACT ON TAX RULES ON BUSINESSES AND CHARITIES

Even if one takes the limitation of the 1962 amendment to direct lobbying as indicative of the existence of a governmental interest in the grass roots lobbying area, the interest is not one which justifies the exemption and deduction restrictions on charities' lobbying. To the argument that *Speiser v. Randall* [55] and the unconstitutional conditions doctrine required the allowance of business deductions for the costs of grass roots lobbying, the Supreme Court in *Cammarano* responded:

"Petitioners are not being denied a tax deduction because they engage in constitutionally protected activities, but are simply

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being required to pay for those activities entirely out of their own pockets."[56]

The Congressional action in 1962 did no more than leave that rule in effect for businesses' grass roots lobbying. Consequently, to the extent that the action can be deemed to manifest Congress' perception of a governmental interest, the interest cannot have been one in preventing grass roots legislative appeals—for businesses could make such appeals without limit before, and they continue to be able to do so now, so long as they do not deduct the attendant costs. Insofar as the Section 162(e)(2) limitation is effective at all, it amounts to no more than a Congressional statement that businesses which wish to appeal to the public on legislative issues must use their own funds to do so.

NOT NONDEDUCTIBILITY: DEATH SENTENCE

Charities which depend upon the charitable contribution deduction for their financial support, however, do not have that option.[57] The effect of the legislative restrictions on their qualification to receive deductible contributions is altogether to preclude them from engaging in legislative efforts beyond the insubstantial level. If their legislative activities exceed that level, they cannot simply pay tax on the funds which finance the activities; they must surrender entirely their ability to receive deductible contributions for all periods after the Internal Revenue Service announces their fall from grace to the public—and until their legislative activities subside to insubstantiality.

The threat is of a wholly different scale than the prospect of nondeductibility for a business. The impact which loss of Section 170 qualification will have on the charity's capacity to raise funds from the general public and from foundations is in no way limited to, or measured by, the cost of the charity's legislative activities, or the taxes which might have been paid on that amount by the charity or its donors. Describing the practical effect of denial of contribution qualifications, a recent Court of Appeals decision has said:

"Because of the 'tax breaks' attendant to contributions to corporations qualifying under § 170(c) of the Code, qualifications thereunder is a precious possession and removal from the *Cumulative List, Organizations Described in Section 170(c) of the Internal Revenue Code of 1954* is a damaging—sometimes fatal—injury to the financial status of any 'charitable' organization. Potential contributors with a minimum of business acumen are careful to get the most for their contributed dollar, and one certain way not to do so is to contribute to non-§ 170 corporations. Appellant, therefore, [is] presented with the dollar dilemma of finding prospective contributors closing their wallets. . . .[58]"

SECTION 501(C)(4) ALTERNATIVE

It is no answer to say that personnel of a charity which wishes to express legislative views may establish a separate organization exempt under Section 501(c)(4), attempt to obtain non-deductible funding for it, and proceed to do their best to influence legislation through the new organization.

An established charitable institution with an on-going program in any of a great variety of areas—mental health, or conservation, or educational psychology, or public interest law—will work extensively under and with the existing laws which apply in its area. It will develop familiarity with those laws, expertise in their practical operation, and knowledge of their defects. Its charitable work will, thus, produce an institutional fund of knowledge and experience from which proposals for improvement of existing law naturally flow.

If those connected with the charity form a Section 501(c)(4) organization, the Internal Revenue Service will quite properly insist that none of the operations and resources of the charity be employed to support activities of the Section 501(c)(4) organization which the charity could not itself have carried on directly. The Service takes the position that research and study exploited by legislative efforts may themselves be treated as "attempts to influence legislation."[59] In fact, it scrutinizes relationships between charities and Section 501(c)(4) organizations carefully to make certain that no impermissible support of the Section 501(c)(4) organizations' activities is occurring.

As a consequence, the legislative views and proposals developing from the work of the charity will be subject to essentially the same restraint flowing from the legislative restrictions of the charitable deduction statutes even where those interested in the charity form a separate Section 501(c)(4) organization to carry on legislative efforts.[59.1]

In Sum: Cammarano and Section 162(e)(2), Not Controlling Here

The restraint which the legislative restrictions of the charitable deduction statutes impose on the expression of legislative views by charities, thus, is real. In foreclosing such expressions altogether where they are more than insubstantial, the restrictions create for charities a burden which is both far greater, and different in kind, than the effect for businesses of the denial of deductions for the expenses of lobbying. Consequently, it does not follow, from Cammarano's holding of the constitutionality of the business deduction limit, that the legislative restrictions on charities are also constitutional. Similarly, it does not follow, from the 1962 Congressional preservation of the rule that busineses must pay for their own grass roots lobbying, that there is a compelling government interest in foreclosing charities altogether from substantial legislative activities.

UNCONSTITUTIONAL CONDITIONS: TAX SUPPORT FOR OTHER LOBBYING

Aspects of the tax laws beyond Section 162(e) shed further light on the question whether the Federal Government has a compelling interest in denying exemption and qualification to receive deductible contributions to charities which carry on substantial legislative activities.

VETERANS' ORGANIZATIONS

Since 1924 Section 170(c)(3) and its predecessors have granted charitable contribution deductions for donations to "A post or organization of war veterans or an auxiliary or society of, or trust or foundation for, any such post or organization" if they are domestically organized and their earnings do not inure to private parties.[60] Similar provisions extend gift tax deductions to donors to such organizations; [61] a more limited provision for some such organizations grants estate tax deductions for bequests to them.[62]

Before 1972, most veterans' organizations were exempt from federal income tax under Section 501(c)(4).[63] Some were exempt under Section 501(c)(7).[64] A 1972 amendment established special exemption for them under Section 501(c)(19).[65]

None of these statutes conditions its benefit upon veterans' organizations' refraining from efforts to influence legislation. On the contrary, it has been clear for many years that Section 501(c)(4) organizations may engage in an unlimited amount of legislative activity without jeopardizing their exemption.[66] The legislative history of Section 501(c)(19) gives one no reason to believe that a different rule will obtain under the new exemption provision.[67] No published authority indicates that the Internal Revenue Service has ever asserted that a veterans' organization loses its qualification to receive deductible charitable contributions by reason of legislative activity.

NUMBER OF ORGANIZATIONS AFFECTED

The tax benefits for veterans' organizations are not merely of theoretical interest. They have very broad practical application. They affect such large and affluent national organizations as the American Legion and the Veterans of Foreign Wars, and the multitude of local posts and other subsidiary units of such organizations.[68] The American Legion and its affiliates have historically been among the most active lobbying organizations on the national scene. By reason of the tax rules which govern such organizations, they may, without quantitative limit, employ tax-deductible and tax-exempt funds to influence the views of the general public on legislative matters, to influence the positions which executive bodies take on legislative issues, and to influence legislative bodies themselves.

Here, too, then, the Treasury does not stand aside. By means of both contribution deductions and tax exemption, it provides the support of the tax system for the expression of legislative views by veterans' organizations.

FRATERNAL BENEFICIARY SOCIETIES

With only minor variations, the same observations are true of fraternal beneficiary societies. Here, also, the charitable contribution provisions of the income and gift tax statutes extend deductibility to donations to such organizations for charitable purposes, without imposing any limitation on a qualifying organization's legislative activity.[69] Here, also, the statutes providing income tax exemption for such organizations do not condition their benefits upon the organization's refraining from legislative activity.[70]

To be permissible under the charitable deduction sections, of course, the legislative activity of fraternal beneficiary societies must be in pursuance of charitable purposes. Within that limit, however, no authority suggests that the Internal Revenue Service asserts the existence of a restriction on the legislative efforts of fraternal beneficiary societies. The fact that the chapter of the Internal Revenue Service Exempt Organization Handbook dealing with fraternal beneficiary organizations does not mention the matter—in contrast to the Handbook's detailed discussion of the legislative limitations on charitable organizations—affords persuasive evidence that the Service does not take such a position. In any event, absent specific statutory authority for it, the Service would have to derive such a restriction from the definition of the term "charitable." It is clear, from what has been said on that subject above, that if the Service were to adopt this approach it would be wrong.

NUMBER OF ORGANIZATIONS AFFECTED

As with veterans' organizations, the tax rules relating to fraternal beneficiary societies are of more than theoretical interest. They apply to many thousands of organizations throughout the country, a considerable number of which are possessed of very substantial resources. The Elks, the Moose, the Eagles, the Masons, the Shriners, the Knights of Columbus, and their plethora of local chapters and affiliates qualify for these tax benefits. An Internal Revenue Service study in 1965 found that fraternal beneficiary societies were deriving premiums in the range of $500 million a year from their insurance business. The same study showed very large real estate investments by many of these societies.

That organizations of this magnitude, with resources so extensive, may express their views on legislative issues without losing their federal tax privileges [71] constitutes persuasive evidence of the absence of a "sharply defined" national policy against tax support of private legislative activities.

ABILITY OF LARGE CHARITIES TO LOBBY

One finds further evidence to the same effect in Section 501(c)(3) itself.

The vagueness of the substantiality test has frequently been remarked,[72] and we shall consider it in greater detail hereafter. However fuzzy its boundaries, the test seems

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clearly to require comparison of the legislative activities of a charity with its total program of exempt operations. The result is that a large organization with an extensive exempt program, can carry on more legislative activity without losing its tax privileges than can a small one. Congress itself has pointed out this aspect of the rule.[73]

For very large charities the consequence is that a considerable amount of lobbying can be carried on with tax-exempt and tax-deductible funds. Professor Clark noted the activities of the Roman Catholic Church in preventing modification of the Connecticut criminal statute on contraceptive devices.[74] Since the time of his article, the Roman Catholic Church has taken active part in the controversy over abortion legislation, apparently without adverse tax consequences.[75] Large universities and colleges lobby on issues which affect them, both in Congress and in state legislatures, and none appears to have lost its tax privileges for doing so.[76]

Here, too, one finds ground for questioning the presence of a "sharply defined" national policy against tax support of efforts to influence legislation.

LOBBYING BY FUNDED CHARITIES

Still another facet of the tax law is relevant. Because of the broad correspondence of the requirements of Section 501(c) (3) and those of Section 501(c) (4), and the absence of a limitation on legislative activities in Section 501(c) (4), charities which lose their qualification under Section 501(c) (3) by reason of legislative activity commonly establish exemption under Section 501(c) (4). The Senate Finance Committee specifically noted that fact in 1969:

"In addition, a well-endowed organization may engage in lobbying and, if it loses its exempt educational or charitable status, may avoid tax on its investment income by becoming exempt under another provision of the law." [77]

The staff of the Joint Committee on Internal Revenue Taxation recently reported to the Ways and Means Committee that:

"It should be pointed out that loss of exemption under Section 501(c) (3) because of legislative activities rarely, if ever, results in conversion of the organization's status from nontaxable to taxable. Rather, the organization usually retains its exempt status by reclassification under some other section of the Code, such as Section 501(c) (4)." [78]

After conversion to Section 501(c) (4) status, an organization may apply itself without limit to legislative endeavors—and it may use the endowment which it originally received in deductible contributions to support those efforts.[79] Once again, we find tax dollars supporting attempts to influence legislation. While the total amount is probably not great in this instance, the fact that the tax-writing committees of Congress are specifically aware of situations like this—and are willing to tolerate them for publicly supported charitable organizations [80]—is another item of evidence that one must tot up against the existence of a compelling government interest against tax support of legislative activities.

LOBBYING BY SOCIAL WELFARE ORGANIZATIONS

We have so far confined our attention to the legislative activities of organizations qualifying to receive deductible charitable contributions. The federal tax laws support the legislative efforts of private parties in two additional ways which deserve mention.

Beyond veterans' groups, which I have discussed separately because of their entitlement to deductible charitable contributions, Section 501(c) (4) has long conferred the valuable privilege of tax exemption upon a broad and heterogeneous potpourri of "social welfare" organizations, a number of which participate extensively in attempting to influence legislation. Included here, for example, are such organizations as the National Rifle Association, Common Cause, Ralph Nader's Public Citizen, and Taxation With Representation.

To the extent of the amounts which these organizations realize from dealings with their members, it is arguable that their exemption constitutes a statutory recognition that membership receipts of mutual organizations are not properly "income." [81] Absent the specific exemption, nonetheless, it seems clear that most such receipts would be treated as income and taxed accordingly.[82]

More broadly, the Section 501(c) (4) exemption also shelters important items as investment income and income from businesses treated as "related" to exempt purposes. These would be considered "income" by anyone's definition, and are generally applied by the exempt organization to pursuits that would be non-deductible to the members if carried on directly by them. Permitting the tax-free realization of income for such pursuits, the Section 501(c) (4) exemption represents a clear departure from general income tax principles and, therefore, required a special act of legislative grace.

For social welfare organizations which derive income from investments or related businesses, the result of that act of legislative grace is a direct increase in the funds available for influencing of legislation. Here again, far from standing demurely aside, the Treasury pitches—or, rather, is pitched, willy-nilly—into the legislative melee.

LOBBYING BY LABOR ORGANIZATIONS AND TRADE ASSOCIATIONS

Two other classes of organizations which engage in extensive legislative activities also have federal tax exemption. Labor and agricultural organizations are exempt under Section 501(c) (5). Trade associations, chambers of commerce, and similar business organizations are exempt under section 501(c) (6).

These organizations are species of mutual institutions, and most of the activities which they conduct could be carried on by their members with deductible funds.[83] It can, hence, be argued that the Section 501(c) (5) and (6) exemptions do not depart as far from otherwise applicable tax principles as, for example, do the exemptions of Sections 501(c) (3) and 501(c) (4).

Nonetheless, it is quite clear that, absent the specific grant of the Section 501(c) (5) and (6) exemptions, the organizations to which they apply would be subject to the federal income tax.[84] Moreover, where Congress has encountered compelling policy ground for withdrawing these exemptions, it has done so. Confronted by the prospect of competition between unrelated businesses conducted by organizations in these categories (and certain others) with taxable businesses, Congress in 1950 applied the income tax to the profits which Section 501 (c) (5) and (6) organizations derive from such businesses.[85] Again, when Congress became concerned about tax-exempt organizations' acquisition of income-producing property with borrowed funds, its remedy was *pro tanto* restriction of the exemption—for Section 501(c) (5) and (6) organizations, as well as for other classes of exempt organizations.[86]

NUMBER OF ORGANIZATIONS AFFECTED

The tax rules which apply to Section 501 (c) (5) and (6) organizations permit them great latitude to attempt to influence legislation in carrying out their exempt purposes.[87] Many of them make broad use of that ability. One need only name some of the organizations exempt under these provisions to suggest the dimensions of the legislative efforts.

The Section 501(c) (5) exemption applies to the AFL–CIO, the United Auto Workers, the American Farm Bureau, and the National Farmers Union.

The Section 501(c) (6) exemption applies to the American Medical Association, the National Chamber of Commerce, the American Petroleum Institute, the American Bankers Association, and a host of less well-known trade associations a considerable part of whose functions consist of attempting to influence legislation.

The legislative activities of organizations in both categories include both direct lobbying and grass roots appeals. Congress is not unaware of these organizations; it sees their representatives every day. That it has not responded to their legislative activities as it did to their unrelated business activities and their debt-financed property acquisitions—by restriction of their tax exemptions—would seem further persuasive evidence of the absence of any sharply defined national policy against tax support for the legislative activities of private parties.

SLEE DOES NOT STATE COMPELLING GOVERNMENT INTEREST

Reviewing the relevant federal tax law, then, we find tax benefits for a considerable variety of organizations which do—or may—engage in legislative efforts. Businesses may now deduct the expenses of direct lobbying. Veterans' organizations qualify for deductible charitable contributions and income tax exemption, and neither benefit is conditioned on their refraining from attempts to influence legislation. Fraternal beneficiary societies receive substantially the same tax benefits, and have the same freedom to influence legislation. Large charities may conduct a considerable amount of legislative activity with tax-deductible and tax-exempt funds. As a practical matter, funded charities may do the same thing—and Congress, manifesting specific awareness of both of these facts, has done nothing about them. The (tax exemptions) for social welfare organizations, labor organizations, and trade associations also provide federal support for a great number of institutions which participate in legislative controversies.

On this record, it is difficult to escape the contention that the policy stated in *Slee* and referred to in *Cammarano* is not a compelling government interest such as to justify the exemption and deduction restrictions on charities' first amendment rights to express themselves on legislative matters. The federal tax laws support the legislative efforts of a considerable number and variety of organizations, in several different ways. As we have seen with the Section 501(c) (5) and (6) exemptions, not all of those ways are precisely analogous to the support which the Section 501(c) (3) exemption and the related charitable contribution deduction provisions extend to charities. But all afford real assistance, through the mechanism of the federal tax system, for the legislative efforts of private parties.

Singly, no one of these provisions might indicate the absence of a compelling government interest in tax neutrality in this area. Together, however, they can not be viewed as consistent with the presence of any such interest.

ANOTHER POSSIBLE GOVERNMENT INTEREST

To make certain that we have given full weight to the constitutional case which can be made in favor of the restrictions on charities' legislative activities, another policy ground which might be asserted for the restrictions must be examined.

LIMITATION UPON LOBBYING BY RICH

Because it operates in a progressive tax rate structure, the charitable deduction provides larger benefits in high tax brackets than it does in low ones. The fact has been characteristic of the charitable deduction, pointed out repeatedly.[88] On the basis of this

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one might argue that the legislative restriction incorporated in the deduction provision constitutes a device for preventing disproportionate participation by the rich in legislative decisions.

One difficulty with the use of this argument to make out a compelling government interest in the legislative restrictions is simply that neither Congress nor the courts have ever recognized this principle to be the foundation or the justification for those restrictions.

Secondly, a number of the tax provisions which we have examined in evaluating the *Slee* statement are equally inconsistent with treatment of this principle as a compelling government interest. While the Section 170 (c) (2) deduction gives maximum advantage to high-bracket taxpayers, the deductions for gifts to veterans' organizations and fraternal beneficiary societies have exactly the same effect; and the advantage of the Section 170(c) (2) deduction itself extends to upper-bracket taxpayers supporting the legislative efforts of large public charities, or funded public charities. The business deduction for direct lobbying has a similar differential advantage for high-income corporations and individuals. In none of these situations has Congress found the advantage to upper-bracket taxpayers sufficient cause for restricting legislative activity.

EFFECT FOR LOBBYING SAME AS FOR OTHER CHARITABLE ACTIVITIES

The effect which the charitable deduction has for the upper-bracket taxpayer in this area is simply one limited facet of the impact of the deduction throughout the entire range of its operation. Because of the fact that it works in a progressive rate structure, the deduction affords the upper-bracket taxpayer an advantage in supporting education, religion, conservation, research, public interest law, and all of the other activities carried on by charitable organizations. Undoubtedly, that advantage, coupled with the greater resources which this group of taxpayers already has, gives them greater influence than the poor have on the subjects which our children are taught, the methods by which they are taught, the activities which our religious organizations undertake, the kinds of research done by our educational and other institutions, and the very large range of other activities of charities which shape, inform, influence, and direct our society.

With these ramifications of the charitable deduction throughout the area of its operation, it is difficult to make out a case for the existence of a compelling government interest in singling out legislative expression from the panorama of charitable activity and imposing special restraints on it to prevent undue influence by taxpayers in higher tax brackets.

CONCLUSION: STRENGTH OF CONSTITUTIONAL CONDITIONS ATTACK

In sum, the unconstitutional conditions challenge to the legislative restrictions on charities seems quite strong. The activities upon which those restrictions impinge—comment by charities on matters of legislative policy—are expressions of a kind which lie within the core of the first amendment protections. What authority there is suggests that those protections apply with undiminished force to corporations and trusts.

It may be that these propositions by themselves would be sufficient for the Supreme Court to hold the legislative restrictions unconstitutional. The analyses of Justice Brennan and Professor Van Alstyne seem to suggest so.

If not, the Supreme Court would have to embark upon an examination of the government interest supporting the restrictions and the burden which the restrictions impose on first amendment expression. A review of other provisions of the federal tax laws reveals a multitude of tax benefits for private legislative activities and, therefore, strongly suggests that there is no compelling government interest in the Section 501 (c) (3) and related restrictions.

On the other hand, the burden on charities—making substantial legislative activity cause for denial of the vital right to receive deductible contributions—is real, considerable, and of far greater magnitude than the burden to businesses of denying deductions for lobbying expenses. For those reasons, the *Cammanaro* decision would seem not to support the constitutionality of the restrictions.

In light of these facts, the case for application of the doctrine of unconstitutional conditions to Section 501(c) (3) and related legislative restrictions on charities appears imposing.[88.1]

EQUAL PROTECTION

A second ground exists for constitutional attack on the legislative restrictions.

The restrictions discriminate between charities with substantial legislative activities and those without them. Ordinarily, to satisfy equal protection standards which the due process clause of the fifth amendment applies to the Federal Government, a discriminatory legislative classification need only be supported by a showing that it rests upon a rational basis. However, where the classification bears on constitutional or other fundamental rights, considerably stricter scrutiny obtains.[89] Specifically, where the classification extends preferential treatment to those refraining from the exercise of first amendment rights, it will be sustained only if it guards a compelling governmental interest.[90]

If the equal protection argument is made in these terms, the critical issue becomes the one upon which we have focused in our analysis of the unconstitutional conditions doctrine. From what has been said here, it seems clear that, on the basis of the considerable number of other federal tax provisions supporting organizations which attempt to influence legislation, a strong case can be made for the proposition that the Section 501(c) (3) and related legislative restrictions do not stand upon a compelling government interest. If that case is sound, the due process clause of the fifth amendment should invalidate the restrictions; but in doing so, it will only duplicate the impact of the unconstitutional conditions doctrine.

AMERICANS UNITED CASE

In a case recently decided by the Court of Appeals for the District of Columbia, a charity placed the equal protection argument in somewhat different terms.[91] The Internal Revenue Service had revoked a ruling holding Protestants and Other Americans for Separation of Church and State ("Americans United") exempt under Section 501(c) (3) and qualified to receive deductible contributions under Section 170(c) (2), basing the revocation on the organization's legislative activity. To the Court of Appeals, Americans United argued that the Service's action constituted unconstitutional discrimination against it because larger charities, with more extensive programs of exempt activities, could carry on the same quantum of legislative activity without loss of their entitlement to receive deductible contributions. The court held that the contention presented "substantial constitutional questions" and remanded the case to the District Court with instructions to convene a three-judge panel to consider them.

In the course of the proceeding, the Government asserted the absence of constitutional issues, citing *Cammarano*.[92] Americans United responded by referring to the sentence of the *Cammarano* opinion confining the holding to "nondiscriminatory" denial of tax benefits. The court described the organization's arguments as follows:

"Americans United, on the other hand, alleges just that the discriminatory conduct found lacking in Cammarano. This discrimination relates solely to the "size" of the organization, which appellants allege is directly related to its wealth and power structure, and comes into play during, and because of the exercise of first amendment protected liberties. By allowing larger, richer organizations more "dollar punch" in terms of "propagandizing" and "influencing legislation" before their respective activities are considered "substantial," the Commissioner is accused of following the mandate of § 501(c) (3) and treating identical activity differently, solely on the basis of the size, or wealth, of the acting party." [93]

DIFFERENCE OF EQUAL PROTECTION ARGUMENT IN AMERICANS UNITED

This argument, plainly differs from the equal protection argument outlined in the preceding section. Here the contention is not that organizations identical in all respects but for their exercise of first amendment rights should be accorded equal tax treatment. Rather, the argument requires comparison of organizations which differ in characteristics beyond their exercise of first amendment rights. Without varying its principle, the argument could be extended to assert that the availability of deductions for contributions to veterans' organizations and fraternal beneficiary societies—without regard to the quantity of legislative activities which these organizations carry on—presents unconstitutional discrimination against charities.

Placed in these terms, the equal protection argument has the advantage of enabling the charity relying on it to compare itself with other organizations which are capable of using tax-deductible funds to support legislative activities on the same issues in which the charity itself is interested. In the *Americans United* case, for example, the argument makes it possible for Americans United to assert that the Section 170(c) (2) (D) rule allows churches to use tax-deductible funds on one side of a legislative controversy, but prevents Americans United from using such funds on the other side. Although equal protection is not, strictly speaking, a question of fairness of treatment, this phrasing of the argument plainly has litigating appeal.

CONCURRING OPINION IN AMERICANS UNITED

On the other hand, when one puts the equal protection argument in terms which require comparison of organizations differing in respects other than their exercise of first amendment rights, one opens the possibility of justification of the differential tax treatment on the basis of these other differences. The difficulty is illustrated by the concurring opinion in the *Americans United* case:

"In short, it is certainly arguable that small groups are not being treated differently by § 501(c) (3) because they are small, but because they are obviously operating for a different purpose if they devote their comparatively small funds on a much different proportionate basis to propaganda for legislation." [94]

The analysis suggested by the concurring opinion seems wrong. It fails to distinguish between purposes and means of carrying out those purposes. In fact, legislative activities are only a means of accomplishing an independent purpose. Where the purpose is charitable—as where it relates to the promotion of health, protection of the environment, or the like—under the law of charitable trusts the legislative activity would be permissible to the charity if it is reasonably related to the purpose.

Determining whether the purpose is charitable requires precisely the same analytic

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task whether the organization is small or large. Once the purpose is found to be charitable, the scale of the charity's legislative activities in pursuance of the purpose is not relevant to the question whether the organization is "charitable."

Nonetheless, the willingness of the concurring judge to inquire into the differences of large charities from small ones indicates the direction of possible response to the equal protection argument once it is couched in the terms used by Americans United. This is not to say that the equal protection argument may not ultimately be successfully cast in these terms. It may be that the courts will find no adequate justification for the discrimination challenged in the other characteristics of the organizations with which the charity compares itself. That result would seem particularly likely where the charity does not rest its entire case on the comparison with large Section 501(c)(3) organizations, but also includes reference to the treatment of veterans' organizations and fraternal beneficiary societies. The substantiality test of Section 501(c)(3) and its consequences for large charities may be argued to have justification in administrative considerations or the prevention of excessive Internal Revenue Service involvement in the affairs of churches and other large charities. However, it is very difficult to see what compelling government interest can be said to support withholding qualification to receive deductible contributions from charities which lobby but, at the same time, permit granting such qualification to veterans' groups and fraternal societies which lobby.

VAGUENESS

A third and independent attack can be made on the legislative restrictions of Section 501(e)(3) and the related charitable contribution provisions on the ground of their vagueness. A number of Supreme Court decisions hold that statutes which impinge upon first amendment conduct must be drafted with precision and clarity. The Supreme Court has summarized the law as follows:

> "We emphasize once again that "[p]recision of regulation must be the touchstone in an area so closely touching our most precious freedoms. . . . [f]or standards of permissible statutory vagueness are strict in the area of free expression.* * * Because First Amendment freedoms need breathing space to survive, government may regulate in the area only with narrow specificity. * * * When one must guess what conduct or utterance may lose him his position, one necessarily will 'steer far wider of the unlawful zone. . . .' For '[t]he threat of sanctions may deter . . . almost as potently as the actual application of sanctions.' . . . The danger of that chilling effect upon the exercise of vital First Amendment rights must be guarded against by sensitive tools which clearly inform [those subject to the limitations] what is being proscribed." [95]

The uncertainties of the legislative restrictions of Section 501(e)(3) and the related charitable contribution provisions have been pointed out frequently. The Senate Finance Committee itself observed in 1969 that:

> ". . . the standards as to the permissible level of activities under present law are so vague as to encourage subjective application of the sanction. . . ." [96]

In the 1972 Ways and Means Committee hearings on the Ullman bill, members of the committee repeatedly expressed their concern about the vagueness of the present standards.[97] Former Commissioner Caplin has made the same point.[98]

SOURCES OF UNCERTAINTY

The ambiguity of the legislative restrictions stems in part from the presence of the term "substantial," but it extends well beyond that portion of the statutory language. A key problem is to distinguish between "attempting to influence legislation" and permissible discussion of controversial topics. Further, where an attempt to influence legislation is found, one must determine what other conduct of the organization, perfectly permissible if no attempt to influence legislation were present—for example, research—must be included with the end product in assessing the substantiality of the organization's legislative activity. On none of these critical points do the Regulations under Section 501(c)(3) provide any significant assistance. Other authorities are of little more help.

VAGUENESS OF IRS EXPLANATION

Several sentences from the Internal Revenue Service's own exposition of the legislative restrictions indicate the vagueness of the restrictions, and their possible breadth:

> ". . . This includes all appeals to the general public, not merely those that contain a request to contact a legislator or take other specific action. * * * If the underlying purpose is the advocacy of particular legislation, then there has been an attempt to influence legislation within the meaning of the Code. * * * In determining substantiality, it is sometimes difficult to determine what supporting activities should be included with the proscribed attempts to influence legislation. * * * Attempting to influence legislation does not necessarily begin at the moment the organization first addresses itself to the public or to the legislature. * * * There is no simple rule as to what amount of activities is substantial. The one case on this subject is of very limited help." [99]

APPLICABILITY OF FREUND CLASSIFICATION

Professor Freund has found "three grades of certainty" in the language of statutes of general operation.[100] As a leading Pennsylvania Law Review article on the subject has pointed out, statutes unconstitutional for vagueness are largely those containing language which falls within Professor Freund's third category: "terms involving an appeal to judgment or a question of degree." [101] On all of the grounds noted above, the Section 501(c)(3) and related legislative restrictions seem well within that class.

CONSEQUENCES FOR ORGANIZATIONS WITH RULINGS

For a charity which has received a ruling from the Internal Revenue Service that it is exempt under Section 501(c)(8) and qualified to receive deductible charitable contributions under Section 170, the ambiguity of the legislative restrictions presents serious problems. The organization, first, will commonly be unable to determine whether proposed conduct is an attempt to influence legislation. It will, also, be unable to determine what other activities and expenditures will be lumped with the attempt to influence legislation if one is found. Finally, it will have no means of determining in advance whether proposed legislative activity comprises a "substantial" part of its program.

ADVANCE RULINGS DIFFICULTIES

The charity will not be able to obtain an advance ruling from the Internal Revenue Service on any of the difficult interpretative questions here. The *Americans United* case opens the possibility of obtaining declaratory judgments in certain instances.[102] But on some key issues here—as, for example, substantiality—the courts would be no better able to give an advance determination than the Internal Revenue Service. In any event, the charity with a continuing program possessing possible legislative overtones would find it impractical to have each of the questions facing it presented to a court before proceeding with the proposed conduct.

Under the legislative restrictions, hence, the charity must make a variety of difficult and uncertain judgments for itself—and it must be correct, or surrender its tax exemption for all of its income and its entitlement to receive deductible contributions. It would be difficult to think of a clearer instance of the chilling effect of statutory vagueness on first amendment activity.

CONSEQUENCES FOR NEW ORGANIZATIONS

Unless the Americans United holding very materially broadens the access of newly formed charitable organizations to the courts, the consequences of the vagueness of the legislative restrictions will continue to be even more severe for such organizations.

PRACTICAL NECESSITY OF ADVANCE RULING

Confronted by the need to have advance Internal Revenue Service assurance of its Section 501(c)(3) and Section 170 qualification if it is to secure funding, the new organization will have to steer entirely clear of doubtful areas. While court review of an adverse Internal Revenue Service determination is theoretically available by the usual procedures of tax litigation, the process ordinarily proves longer than the organization is able to survive. The effect, generally, is the death of the organization. Unable to obtain funding for staff salaries and other expenses, those who wish to form the organization are compelled by the pressure of economic circumstances to abandon the idea, and the organization, and to turn to other endeavors.

The consequence is a strong incentive for the organization to avoid, at all costs, any proposed activity which might be thought to bring the legislative restrictions into play. Even if one is satisfied that the activity is permissible, its presence may delay the issuance of the ruling—and, therefore, the organization's initial funding—for longer than the creators of the organization can afford to wait. Here again, the chilling effect of the vague statutory standards on First Amendment expression is plain and considerable.

DELEGATION OF AUTHORITY TO IRS PERSONNEL

These circumstances give staff personnel at the Internal Revenue Service a broad area of practical control over the application of the legislative restrictions to newly formed organizations. In somewhat different circumstances, the Supreme Court has held that the delegation of judgments under vague statutory standards to lower level administrative officials is not permissible under the first amendment.[103] The principle of that holding seems directly in point.

ASSESSMENT OF VAGUENESS ATTACK

The private interest controlled by the legislative restrictions—freedom of expression—is one which the Supreme Court has been most willing to protect under the vagueness doctrine.[104] The ambiguities of the restrictions are broad and unresolved by the regulations or other authority. The likelihood that many of the important decisions under these standards will be relegated to the administrative level would seem to increase suitability of the issue for resolution by application of the vagueness doctrine. The absence of a compelling government interest supporting the restrictions should also be influential.[105]

Overall, consequently, the attack on the legislative restrictions for vagueness would seem to have considerable strength.

RECENT COURT ACTION

The Court of Appeals for the Tenth Circuit recently declined to hold the legislative restrictions unconstitutional. However, because of the focus of the case on the power of the Federal Government to restrict the free exercise of religion, the decision would seem to afford no reliable guide to the ultimate development of the law on the constitutional issues which we have been discussing.

In Christian Echoes National Ministry, Inc. v. United States,[106] a non-profit religious organization sought a refund of social security taxes, asserting that it was entitled to its Section 501(c)(3) exemption despite a rather

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considerable program of appeals to the general public to take action upon legislative and political issues. Not questioning the District Court finding that the activities were a part of the religion represented by the organization, the Court of Appeals held that the Section 501(c) (3) and related legislative and political restrictions were not an abridgement of the free exercise of that religion. Although the Government had not commented on the point in its brief, the court held that these limitations did not invade the plaintiff's freedom of speech.

Over the years the Supreme Court has sustained a variety of government restrictions upon religious activities under the free exercise clause of the first amendment.[107] Thus, the Tenth Circuit's holding on the free exercise issue is hardly surprising. While an unconstitutional conditions argument can be made out on this issue, paralleling the argument outlined here on the free speech issue, such an analysis does not appear to have been presented to the Tenth Circuit.

The freedom of speech issue was not briefed by either party. The court's discussion of it is short and includes no evaluation of the real force of the government interest in the restrictions, along the lines suggested here. The holding on the issue is arrived at without recognition of either the equal protection or vagueness argument.

At this writing, it is not clear whether Christian Echos will seek certiorari, and, of course whether certiorari will be granted if sought. In any event, the brevity and summary character of the court's analysis of the free speech issue would seem to make the holding of limited utility in predicting the ultimate course of the law on the constitutionality of the legislative restrictions.

PRIVATE FOUNDATION RESTRICTIONS: DIRECT REGULATION OF SPEECH

Private foundations are subject to special additional limitations on their ability to attempt to influence legislation. With certain exceptions, Section 4945, added to the Internal Revenue Code by the Tax Reform Act of 1969, imposes an initial ten percent excise tax on expenditures for the influencing of legislation, an additional 100 percent tax where the expenditures are not "corrected" within a "correction period," and further excise taxes where such expenditures are repeated.[108] Under certain circumstances, excise taxes are also imposed personally on foundation managers who agree to the making of expenditures to influence legislation.[108 1]

These special restrictions on private foundations constitute a clear effort by Congress to prohibit certain classes of legislative commentary by foundations. From what has been said about the application of first amendment protections to entities other than natural persons, it seems likely that the first amendment protection of free speech would be held applicable to private foundations, as well as to other classes of charitable corporations and trusts. Hence, if New York Times v. Sullivan[109] and Garrison v. Louisiana[110] establish unqualified protection for speech of "governing importance," the Section 4945 restrictions are unconstitutional.

If, on the other hand, the protection is not found to be prima facie unqualified, a court presented with the constitutional issue would have to evaluate the burden which the 1969 Act restrictions impose on foundations and the strength of the government interest in those restrictions.

BURDEN ON FOUNDATIONS

The burden of the restrictions, where they apply, is considerable. The pattern of penalty taxes established by the 1969 Act is designed not merely to chill, but to freeze altogether, the foundation legislative activities to which they apply. The first time a foundation makes an expenditure of the proscribed kind, it is subject to a modest tax measured by the amount of the expenditure. If the foundation does not "correct" the expenditure within the prescribed time—generally, by recovering the full amount expended—it is subject to an additional 100 percent excise tax. The second time the foundation steps across the line, there is an additional statutory provision doubling the penalty taxes for repeated violations.[111]

TERMINATION TAX

Further, where a foundation makes several expenditures contravening the restrictions—perhaps over an extended period of time—it would seem to fall within the termination tax provisions of Section 507, under which a tax may be levied on the organization equal to the lesser of (a) the aggregate amount of the federal tax benefits which it and its donors have received over the entire period of its existence, plus interest, or (b) the foundation's net assets.

So long as the organization expending the prohibited sums is a "private foundation," these taxes apply whether or not it continues to be tax-exempt under Section 501(c) (3) and qualified to receive deductible charitable contributions under Section 170. In addition, "foundation managers" become subject to additional, personal penalty taxes for breach of the legislative restrictions under certain circumstances.

EFFECT FOR FOUNDATIONS

To term the impact of this many-layered structure of penalty taxes on foundation legislative communications "chilling" is much to understate the case. The purpose—and, undoubtedly, very largely the effect—is simply, directly, and entirely to rule out the proscribed sorts of foundation expressions on legislative matters.

GOVERNMENT INTEREST IN RESTRICTIONS

Is this regulatory scheme supported by a compelling government interest in preventing foundations from expressing legislative views? It is difficult to see that it is.

So far as I am aware, private foundations are the only class of institutions in the United States which the Federal Government attempts directly and entirely to prevent from stating views on legislative issues. Many categories of organizations, far from being foreclosed from legislative activity, are permitted to use tax-free funds to carry it on. Businesses, labor unions, trade associations, veterans organizations, fraternal beneficiary societies, social welfare organizations, and large charities which are not private foundations—all are in that class.

Moreover, even where they are not allowed tax-free resources to conduct legislative activities, businesses, labor groups, and individuals are not prevented from stating their views on legislation; they are merely required to use their own funds for the purpose.

SIZE AND LEGISLATIVE INVOLVEMENT OF FOUNDATIONS

Are the special, direct regulatory measures for foundations justified because foundations have particularly extensive resources, or a demonstrated proclivity to legislative involvement? Hardly.

While there is no completely accurate estimate of the total current value of private foundation assets, the amount is generally thought to fall in the range of $23 to $25 billion. Any reliable estimate places the total of assets at less than the annual budget of expenditures of the Department of Health, Education, and Welfare.

AMOUNT OF FOUNDATION EXPENDITURES

Even when the payout requirements of the 1969 foundation legislation become fully effective,[112] annual foundation expenditures for exempt purposes will be required to total only about six percent of foundation investment asset value. If the $25 billion figure is an accurate approximation of investment asset value, the required level of expenditures would be $1.5 billion.

MOST FOUNDATION EXPENDITURES FOR NON-LEGISLATIVE PURPOSES

Of total annual foundation expenditures, the great bulk are for purposes no more ideological than putting college students through school, carrying on medical research, providing disaster relief, and supporting drama and the arts. Data collected by the Peterson Commission in 1969 showed that, among about 200 foundations surveyed for the period 1966–1968, only three-tenths of one percent of total grants were for the study of public policy issues and publication of the results.[113]

COMPARISON WITH LEGISLATIVE EXPENDITURES OF BUSINESSES AND LABOR GROUPS

It seems probable that the Peterson Commission classification is substantially broader than the legislative restrictions of Section 4945.[114] Even if not, it seems clear that the aggregate annual amount which foundations expended on legislative subjects before the 1969 Act rules became effective is very small indeed when one compares it with the amounts which businesses and labor groups devote to the direct pursuit of legislative goals.

The petroleum industry's current advertising campaign on the energy crisis—reported by the Washington Post to cost $3 million—is by itself probably sufficient to match all foundation expenditures which would have been taxable under the Section 4945 rule had it applied in 1969. When one adds the legislative expenditures of other extractive industries, the aerospace industry, the defense industry, automobile manufacturers, railroads, medical groups and others concerned with health care, labor unions, farm groups, and the multitude of other industries and organizations which participate freely, regularly, and extensively in attempting to influence legislation—and which together possess resources many times as large as those of foundations—one can only conclude that neither the quantitative level of foundation funds nor the extent of their legislative involvement makes out the presence of a compelling government interest in singling them out, from all other U.S. institutions, for the special Section 4945 restrictions.

EVIDENCE PRESENTED TO CONGRESS IN 1969

The evidence upon which the Ways and Means Committee acted in 1969 in framing the Section 4945 rule is not contrary to this conclusion. No more than a dozen cases of legislative activity by private foundations were presented to the Committee. The total of the expenditures involved in all was not large. The Committee had before it no overall data on the extent of foundation participation in legislative matters. One searches the record of the Committee's hearings, and its report accompanying the legislation, in vain for any factual demonstration of a compelling government interest in prohibiting legislative expressions by foundations.

COMMITTEE REPORT RATIONALE

The Committee Reports disclose that the Section 4945 rule sprang from Congressional unwillingness to rely upon the Section 501 (c) (3) legislative restriction—and its tolerance of some legislative activity—for charitable organizations which are not subject to the discipline of public support.[115] Congress devised the new, stringent restrictions for charities deriving their funds from one donor, or a small group of donors. A critic has recently placed essentially the same ground for concern about foundations in slightly different terms, arguing that they are the proper subject of special scrutiny because they "lack constituencies."[116]

Footnotes at end of article.

One may agree or disagree with this point; but it is difficult to find in it a constitutionally acceptable government interest in restricting foundations' freedom of expression. Surely a key aim of the First Amendment was to protect the expression of views by minorities. The application of special restrictions to the First Amendment activity of narrowly based organizations—because they are narrowly based—would seem squarely contrary to that purpose.

The Supreme Court decision in *Grosjean* v. *American Press*[117] struck down a tax on newspaper advertising as an unconstitutional burden on First Amendment activity. The taxes flowing from contravention of Section 4945(d)(1) are a more direct, and much more stringent, effort to foreclose such activity. Because of the apparent absence of a constitutionally acceptable government interest supporting these restrictions, there would seem at least substantial possibility of their falling when they come under constitutional attack.

A LOOK AHEAD: THE COURTS AND CONGRESS

As the courts are presented with the question of the constitutionality of the exemption and deduction limitations on charities' legislative activities, they will undoubtedly be influenced by the fact that those restrictions have been in effect for a number of years. They may also be influenced by the size of the class of organizations to which the restrictions apply. While neither consideration is directly relevant to the legal issues presented by the constitutional attack, both can be expected to make the courts reluctant to hold the legislative restrictions invalid.

On the other hand, one must recognize that the restrictions deal with activities which do not lie on the periphery of the First Amendment. They have the direct effect of constricting the speech of institutions which, by their very nature, are necessarily concerned with matters of public interest and public importance; and they limit the ability of those institutions to express their views upon the laws which govern our society. It would be difficult to imagine a class of expression more clearly within the center of the first amendment.

Consequently, the next step in the development of the law here may be invalidation of the legislative restrictions. Such a result would not necessarily mean the end of all restrictions on tax support for organizations involved in legislative activities. It would, however, return to Congress the task of developing restrictions on such activities which are consistent with first amendment protections. In light of the importance and constitutional sensitivity of the interests with which the restrictions deal, refinement of the rules, accommodating them to constitutional protections seems highly desirable.

FOOTNOTES

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[1] The terms "charity," "charities," and "charitable" are used in their generic sense throughout, including all organizations to which Section 501(c)(3) grants exemption except those "testing for public safety."

[2] I.R.C. § 170(c)(2)(D).

[3] I.R.C. §§ 2055(a)(2); 2106(a)(2)(A)(ii); 2522(a)(2).

[4] Clark, "The Limitation on Political Activities: A Discordant Note in the Law of Charities," 46 Va. L. Rev. 439 (1960).

[5] XXI Tax Lawyer No. 4 at 969.

[6] S. 1408, 92d Cong. 1st Sess. (1971), reprinted at 117 Cong. Rec. 4070 (3/30/1971).

[7] S. 3063, 92d Cong. 2d Sess. (1972), reprinted at 118 Cong. Rec. 287 (1/24/1972).

[8] H.R. 13720, 92d Cong. 2d Sess. (1972), reprinted at 118 Cong. Rec. 1954 (3/9/1972).

[9] See generally, Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong. 2d Sess. (1972).

[10] See statement of Russell E. Train, Chairman of the President's Council on Environmental Quality, at Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong. 2d Sess. (1972), p. 27.

[11] See statement of Edwin S. Cohen, Assistant Secretary for Tax Policy, Department of the Treasury, *Id.* at 5.

[12] See Geske, "Direct Lobbying Activities of Public Charities," XXVI Tax Lawyer No. 2 at 305.

[12.1] The statement on behalf of the American Civil Liberties Union to the Ways and Means Committee on the Ullman bill is a brief, but excellent, discussion of the constitutional issues. See statement of Hope Eastman, Acting Director, American Civil Liberties Union, at Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong., 2d Sess. (1972). See also "David Meets Goliath in the Legislative Arena: A Losing Battle for an Equitable Charitable Voice?" 9 San Diego L. Rev. 944 (1972); "Regulating the Political Activity of Foundations," 83 Harv. L. Rev. 1843 (1970).

[13] 48 Stat. 690, 700, 755, 760 (1934).

[14] See remarks by Senator Reed, 78 Cong. Rec. 5861 (1934).

[15] The leading case is Slee v. Comm'r, 42 F.2d 184 (2d Cir. 1930). Several other early cases were to the same effect. Sophia G. Coxe, 5 B.T.A. 261 (1926), (A, C.B., VI–1, 2 (1927)); Herbert E. Fales, 9 B.T.A. 828 (1927); Joseph M. Price, 12 B.T.A. 1186 (1928).

[16] Reg. § 1.501(c)(3)–1(d)(2).

[17] Helvering v. Bliss, 293 U.S. 144 (1934). The present Regulations under Section 501 (c)(3) provide that "[t]he term 'charitable' is used in section 501(c)(3) in its generally accepted legal sense and is, therefore, not to be construed as limited by the separate enumeration in section 501(c)(3) of other tax-exempt purposes which may fall within the broad outlines of 'charity' as developed by judical decisions."

[18] 4 Scott, *Trusts* § 374.4 at 2912 (3d ed. 1967).

[19] ALI: 2 Restatement of the Law of Trusts 2d., § 374, pp. 257, 260 (1959).

[20] See, e.g., Garrison v. Little, 75 Ill. App. 402 (1898); Taylor v. Hoag, 273 Pa. 194, 116 Atl. 826 (1922); Collier v. Lindley, 203 Cal. 641, 266 P. 526 (1928).

As recently as 1948, the English view was to the contrary, National Anti-Vivisection Society v. Inland Revenue Commissioners, (1948) A.C. 31, noted in 10 Camb. L.J. 104, 63 L.Q. Rev. 403. While the Section 501(c) (3) Regluations do not deal with problems arising from divisions of authority in the non-tax decisions, it sems clear that, at least where there is a well-developed body of United States authority enunciating a settled rule, that rule should prevail over a contrary English view. The ultimate issue is, after all, one of construction of a United States tax statue.

[21] Register of Wills of Baltimore County v. Cook, 241 Md. 264, 216 A.2d. 542 (1966). See also, Manners v. Philadelphia Library Co., 93 Pa. 165, 172 (1880); In re Murphey's Estate, 62 P.2d 374 (Calif. 1936); Krause v. Peoria Housing Authority, 370 Ill. 356, 19 N.E. 2d 193 (1939).

[22] 42 F.2d 184 (2d Cir. 1930).

[23] Reg. 45, Art. 517 (1919), in T.D. 2831, 21 Treas. Decs. Int. Rev. 285 (1920).

[24] Jackson v. Phillips, 96 Mass. 539 (1867).

[25] Bowditch v. Attorney General, 241 Mass. 168, 134 N.E. 796 (1922).

[26] 4 Scott, *Trusts*, § 368, pp. 2855–56 (3d ed. 1967).

[27] Van Alstyne, "The Demise of the Right-Privilege Distinction in Constitutional Law," 81 Harv. L. Rev. 1439 at 1445 (1967–68).

[28] Sherbert v. Verner, 374 U.S. 398 (1963).

[29] Keyishian v. Board of Regents, 385 U.S. 589 (1967).

[30] Slochower v. Board of Education, 350 U.S. 551 (1956).

[31] Spevack v. Klein, 385 U.S. 511 (1967).

[32] 357 U.S. 513 (1958).

[33] *Id.* at 518.

[34] Liberty Lobby v. Pearson, 390 F.2d 489 (D.C. Cir. 1968).

[35] Frost & Frost Trucking Co. v. Railroad Comm'n, 271 U.S. 583, 593–94 (1926).

[36] New York Times Co. v. Sullivan, 376 U.S. 254 (1964); Grosjean v. American Press Co., Inc., 297 U.S. 233 (1936).

[37] See Cammarano v. United States, 358 U.S. 498 (1959); United States v. Auto Workers, 352 U.S. 567 (1957); United States v. CIO, 335 U.S. 106 (1948).

[38] See Brennan, "The Supreme Court and the Meiklejohn Interpretation of the First Amendment," 79 Harv. L. Rev. 1, 13 (1965). (Emphasis added.)

[39] 376 U.S. 254 (1964).

[40] 379 U.S. 64 (1964).

[41] See also, Kalven, "The New York Times Case: A Note on 'The Central Meaning of the First Amendment'," in 1964 Supreme Court Review 191 (Kurland ed.)

[42] "A court need not 'weigh' or 'balance'; it need simply apply the literal mandate of a given constitutional provision flatly to forbid government from conditioning its largess on any waiver of such a provision regardless of the circumstances." Van Alstyne, "The Demise of the Right-Privilege Distinction in Constitutional Law," 81 Harv. L. Rev. 1439, 1447 (1967–68).

[43] Spevack v. Klein, 385 U.S. 511 (1967); Frost & Frost Trucking Co. v. Railroad Comm'n, 271 U.S. 583 (1926).

[44] Sherbert v. Verner, 374 U.S. 398 (1963); Speiser v. Randall, 357 U.S. 513 (1958); United Public Workers v. Mitchell, 330 U.S. 75 (1947).

[45] *Id.*

[46] Cammarano v. United States, 358 U.S. 498, 512 (1959).

[47] Slee v. Comm'r, 42 F.2d 184, 185 (2d Cir. 1930).

[48] Cammarano v. United States, 358 U.S. 498, at 513 (1959).

[49] Rev. Act. of 1962, § 3(a), P.L. 87–834 (Oct. 16, 1962).

[50] S. Rep. No. 1881, 87th Cong. 2d Sess. (1962), pp. 21–24.

[51] *Id.* at 22. Two other reasons were mentioned by the Finance Committee: the administrative problem of separating expenses disqualified under the Regulations and *Cammarano* from deductible business expenses; and the anomoly of permitting deductions for the expenses of attempting to influence administrative and judicial bodies, but denying them for the expenses of attempting to influence legislative bodies.

As was pointed out in connection with the subsequent American Bar Association legislative recommendation for liberalization of the Section 170 and 501(c)(3) restrictions, these reasons—and that stated in the text quotation—appear equally to support the removal of the exemption and deduction limitations on direct lobbying by charities. See XXI Tax Lawyer No. 4 at 969.

[52] See statement of Mortimer M. Caplin at Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong. 2d Sess. (1972), pp. 35–36.

[53] See statement of George Cooper, *id.* at 259–620.

[54] See statement of Edwin S. Cohen, *id.* at 17-20.

[54.1] 117 Cong. Rec. 4070 (3/30/71).

[54.2] See Geske, "Direct Lobbying Activities of Public Charities," 26 Tax Lawyer No. 2, at 305, 316.

[55] 357 U.S. 513 (1958).

[56] Commarano v. United States, 358 U.S. 498, 513 (1959).

[57] Charities to which the deduction is not important may be able to convert to exempt status under Section 501(c) (4) without adverse tax consequences.

[58] "Americans United, et al. v. Comm'r, — F.2d —, 73—, U.S.T.C. ¶ 9165 (D.C. Cir. 1/11/73).

[59] I.R.S. Exempt Organizations Handbook, IRM (11) 671, April 19, 1972, § 762(4).

[59.1] There is an additional and independently sufficent answer to the argument that the Section 501(c) (4) alternative resolves the constitutional problems of the legislative restrictions in the charitable exemption and deduction provisions. If a charity has rights protected by the First Amendment, the constitutional objection to restraint of those rights is not answered by pointing out that another person might be created to exercise similar rights. That course of action would not protect the charity's rights. Beyond reasonable regulation of time, place, and manner, restraint upon a particular mode of First Amendment expression cannot be justified even by the fact that the same person could have expressed his views in a different mode. Schneider v. State, 308 U.S. 147 (1939); Amalgamated Food Employees Local 590, et al. v. Logan Valley Plaza,. Inc., 391 U.S. 308 (1968); Police Dept. of Chicago v. Mosley, 408 U.S. 92 (1972); Grayned v. City of Rockford, 408 U.S. 104 (1972). Where the alternative expression would have to be by a different person, the principle would seem to apply *a fortiori*.

[60] I.R.C. § 170(c) (3); originally enacted Revenue Act of 1924, Ch. 234, § 214(a) (10) (D), 43 Stat. 253.

[61] I.R.C. § 2522(a) (4), (b) (5).

[62] I.R.C. § 2055(a) (4). The provision is not present, however, in the charitable bequest section of the statute covering the estate taxation of non-residents who are not citizens. I.R.C. § 2106(a) (2).

[63] See I.R.S. Exempt Organization Handbook, IRM (11) 671, April 19, 1972, § 822.3.

[64] S. Rep. No. 1082, 92d Cong. 2d Sess. (1972), pp. 1, 2.

[65] P.L. 92–418, § 1(a), 92d Cong. 2d Sess.; S. Rep. No. 1082, 92d Cong. 2d Sess. (1972), p. 1.

[66] So long, of course, as the activity is in furtherance of their exempt purpose under Section 501(c) (4). Treas. Reg. § 1.501(c) (4)–1(a) (2) (ii); see I.R.S. Exempt Organization Handbook § 824.22 and rulings cited there.

[67] Indeed, the implication is to the contrary. In addition to creating Section 501(c) (19), the 1972 amendment made the unrelated business income tax inapplicable to certain insurance income of veterans' organizations. Although it states that this special rule will not apply to insurance income used for lobbying, the Finance Committee Report does not suggest that lobbying will jeopardize the status of an organization under Section 501(c) (19). S. Rep. No. 1082, 92d Cong. 2d Sess. (1972), pp. 1, 4.

[68] I.R.S. Exempt Organization Handbook § 822.3.

[69] I.R.C. §§ 170(c) (4), 2522(a) (3). An amendment to insert legislative restrictions patterned upon the Section 501(c) (3) language in the income tax deduction and exemption provisions relating to fraternal beneficiary societies passed the House in 1948, but was not enacted. § 113(b) (2), H.R. 6712, 80th Cong. 2d Sess. (1948). The estate tax provisions for the deduction of charitable bequests to such organizations do contain legislative limitations on the Section 501 (c) (3) model. I.R.C. §§ 2055(a) (3), 2106(a) (2) (A) (iii).

[70] I.R.C. § 501(c) (8), (10).

[71] Other than qualification to receive bequests deductible for estate tax purposes.

[72] See, e.g., statement of Mortimer M. Caplin at Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong., 2d Sess., 32–33 (1972); Clark, "The Limitation on Political Activities: A Discordant Note in the Law of Charities," 56 Va. L. Rev. 439, 451–452 (1960).

[73] See S. Rep. 91–552, 91st Cong., 1st Sess., 47 (1969).

[74] See, Clark, "The Limitation on Political Activities: A Discordant Note in the Law of Charities," 56 Va. L. Rev. 439, 459 (1960).

[75] A letter of May 15, 1972, from Laurence Woodworth, Chief of Staff of the Joint Committee on Internal Revenue Taxation, to Chairman Mills of the House Ways and Means Committee, based on information received from the Internal Revenue Service and reprinted on pages 228–229 of Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong., 2d Sess. (1972), lists seven organizations whose Section 501(c) (3) determination letters were revoked by the Internal Revenue Service in the period from 1965 through 1970 on the basis of legislative activity. No Roman Catholic Church is included.

[76] *Id.*

[77] S. Rep. 91–552, 91st Cong. 1st Sess. 47 (1969).

[78] See letter cited N. 75. The letter disclosed that, of 293 cases in which the Internal Revenue Service revoked Section 501(c) (3) determination letters during the period from 1965 through 1970, there were "at least twenty" instances in which the organization was reclassified as tax exempt under some other provision, "substantially all" of which were conversions to Section 501(c) (4) status.

[79] If the Service could show that the conversion was intended at the time of the charitable contributions, and that the contributors knew of the plan, it would presumably be able to attack the charitable contribution deductions (if the contributors' years were still open). But in the usual case of conversion to Section 501(C) (4) status, there will have been no such plan when the endowment was contributed.

[80] The Tax Reform Act of 1969 added special, stricter, limitations for private foundations. See I.R.C. § 4945(d) (1) and (e).

[81] See McGlotten v. Connally, 338 F. Supp. 448 (D.D.C. 1972).

[82] Bittker and Kaufman, "Taxes and Civil Rights: 'Constitutionalizing' the Internal Revenue Code," 82 Yale L.J. 51, 66–67 (1972).

[83] But not all. Organizations of these kinds may carry on grass roots legislative activities, for which deductions would be denied their members by Section 162(e) (2) (B).

[84] They are either corporations or associations taxable as corporations and, without specific statutory exclusions, their receipts from most dealings with members, from investment income, and from business income would, hence, be included in gross income.

[85] The unrelated business income tax is now imposed by I.R.C. §§ 511–513.

[86] The Tax Reform Act of 1969 imposed tax on the "unrelated debt-financed income" of such organization. I.R.C. §§ 511, 514.

[87] I.R.S. Exempt Organization Handbook § 942 (I.R.C. § 501(c) (5)); Revenue Ruling 61–177 (C.B. 1961–2, 117) and I.R.S. Exempt Organization Handbook § (10)51(2) (I.R.C. § 501(c) (6)).

[88] See, e.g., Surrey, "Federal Income Tax Reform: The Varied Approaches Necessary to Replace Tax Expenditures with Direct Governmental Assistance," 84 Harv. L. Rev. 352, 381 *et seq.* (1970); McDaniel, "Federal Matching Grants for Charitable Contributions: A Substitute for the Income Tax Deduction," 27 Tax L. Rev. 377 (1972).

[88.1] The constitutionality of the Section 501 (c) (3) and related prohibitions on participation in political campaigns is a separate question, not addressed here. To answer that question, one would, first, have to determine the effect of campaign participation on charitable status under the general law of charitable trusts. The authorities relied upon here for the conclusion that attempts to influence legislation for a charitable purpose are consistent with status as a charity do not reach this independent issue. Further, unless the Brennan and Van Alstyne views of first amendment protections are adopted, one would have to make a separate analysis of the nature and force of the government interest in the prohibitions against charities' entrance into political campaigns. With the rule of the Federal Corrupt Practices against corporate contributions to political candidates and the recurrent Congressional consideration of the general question of campaign financing, it seems clear that the analysis outlined here does not serve that additional purpose.

[89] Shapiro v. Thompson, 394 U.S. 618 (1968); Williams v. Rhodes, 393 U.S. 23 (1968); Bolling v. Sharpe, 347 U.S. 497 (1954).

[90] Dunn v. Blumstein, 92 S. Ct. 995 (1972); Bullock v. Carter, 92 S. Ct. 849 (1972).

[91] "Americans United," Inc., et al. v. Comm'r, — F.2d —, 73–1 U.S.T.C. § 9165 (D.C. Cir. 1/11/73).

[92] Cammarano v. United States, 358 U.S. 498 (1959).

[93] "Americans United," et al. v. Comm'r, N. 91, *supra.*

[94] "Americans United," et al. v. Comm'r N. 91, *supra,* concurring opinion of Judge Wilkey, pp. 80, 224.

[95] Keyishian v. Board of Regents of University of State of New York, 385 U.S. 589, 604 (1967). See generally, Note, "The Void-For-Vagueness Doctrine in the Supreme Court," 109 Pa. L. Rev. 67 (1960).

[96] S. Rep. No. 91–552, 91st Cong. 1st Sess. 47 (1969).

[97] See Hearings before the House Committee on Ways and Means on H.R. 13720, 92d Cong. 2d Sess. (1972), pp. 14, 23, 24.

[98] *Id.* at 32, 33.

[99] I.R.S. Exempt Organizations Handbook, §§ 762, 764.

[100] Freund, "The Use of Indefinite Terms in Statutes," 30 Yale L.J. 437 (1921).

[101] Note, "The Void-For-Vagueness Doctrine in the Supreme Court," 109 Pa. L. Rev. 67, 92–93 (1960).

[102] There appears to be conflict among the Courts of Appeals on the access of charities to the judicial process under such circumstances. Compare Americans United v. Comm'r, N. 91, *supra*, with Bob Jones University v. Connally—F.2d—, 73–1 U.S.T.C. ¶ 9185 (4th Cir. 1/19/73) and Liberty Amendment Committee v. United States, 9th Cir. Docket No. 26,507 (7/7/72), *cert. denied* 12/18/72. Because of the conflict, the issue may find its way to the Supreme Court shortly.

[103] Cox v. Louisiana, 379 U.S. 536 (1965).

[104] "The Void-For-Vagueness Doctrine in the Supreme Court," 109 Pa. L. Rev. 67 at 94 (1960).

[105] *Id.*, at 94.

[106] Christian Echoes National Ministry, Inc. v. United States—F.2d—, 73–1 U.S.T. ¶ 9129 (10th Cir. 1972).

[107] E.g., Reynolds v. United States, 98 U.S. 145 (1878); Hamilton v. Regents of the University of California, 293 U.S. 245 (1934).

[108] I.R.C. §§ 4945(a) (1); 4945(b) (1); 6684.

[108.1] I.R.C. §§ 4945(a) (2), 4945(b) (2).

[109] 376 U.S. 254 (1964).

[110] 379 U.S. 64 (1964).

[111] I.R.C. § 6684.

[112] I.R.C. § 4942. The provision requiring foundations to pay a percentage of their investment asset value for charitable purposes becomes fully effective for tax years beginning in 1975.

[113] Peterson Commission Report, pp. 83, 49.

[114] Among other things, the Section 4945

restrictions do not apply to making available the results of non-partisan analysis, study, or research. I.R.C. § 4945(e).

[115] S. Rep. No. 91–552, 91st Cong. 1st Sess. 47 (1969).

[116] See Hart, "Foundations and Social Activism: A Critical View," The Future of Foundations 43 (1973).

[117] 297 U.S. 233 (1936).

[From the Evening Star and Daily News, Apr. 30, 1973]

Lobbying Tax Plan Sought

(By Ross Evans)

A public-interest law firm and its lobbying arm, in a suit to be filed today, are seeking the right to lobby Congress despite the fact they are supported by tax-deductible contributions.

The suit, to be filed in U.S. District Court here by Tax Analysts and Advocates (TAA) and its affiliated lobby, Taxation With Representation (TWR), hopes to invalidate on 1st- and 5th-Amendment grounds a law which prohibits "substantial" lobbying by organizations supported by deductible contributions.

In order to receive deductible contributions, TAA spun off its lobbying activities in 1970 to separately incorporated TWR, which has the same nondeductible tax status as other public-interest lobbies, such as Common Cause. Both TAA and TWR are exempt from paying taxes themselves.

The suit would enable public-interest lobbies to claim the advantages of deductible charity status which would include currently prohibited support from foundations, reduced postal rates and a "governmental seal of approval" popularly attached to deductible grass-roots contributions, according to Thomas F. Field, executive director of both TAA and TWR.

Field said he used to be a "purist" who did not back use of tax advantages by public-interest groups, particularly tax-reform groups like his own. But he said he changed his mind because TAA "would not have survived financially" without its deductible status.

Former Sen. Fred R. Harris, D-Okla., is an admitted "purist." His new Populist Action lobby does not claim tax exemption for itself or deductions for its contributors, and his long-range goal is to eliminate tax breaks for all lobbies, public and private. But Harris acknowledged recently that he is "sympathetic in the short run" to efforts by public-interest groups to claim the advantages currently enjoyed by business lobbies whom they often oppose.

Business contributions to trade lobbies have been deductible as a business expense since 1962. The Internal Revenue Service does not know the amount of these deductions, since they are lumped together with miscellaneous items on corporate income tax forms. Field said the figure may run as high as $1 billion a year, almost half of it absorbed by the Treasury.

The House Ways and Means Committee killed a bill last year which would have defined as "substantial" lobbying by $213,000 charitable groups such as TAA the spending of more than 20 percent of their funds for this purpose. The Nixon administration objected to the provision, while endorsing the effort to set a standard in principle.

[From the Philanthropy Monthly, May 1973]

The Ullman Bill—Trying an End Run

Tax Analysts v. *Shultz* represents an effort by a group of Washington lawyers to void existing restrictions on legislative activity by tax exempt charitable and educational groups. It also seeks to establish tax deductibility for dues and contributions paid to "public interest lobbies" such as Common Cause and Taxation with Representation.

The group, Tax Analysts and Advocates, already boasts a handsome record of accomplishments. In part through their efforts the IRS has made public the sections of the Internal Revenue Manual dealing with Operating Instructions for Rulings Personnel in connection with Exempt Organizations.

The current effort relates to the problems of non-profit organizations which may wish to engage in lobbying. The present statute says only that such activity for public charities may not be "substantial", a term that has never been defined. The Ullman bill, introduced in 1972, at which time public hearings were held (See May, 1972 REPORT) seeks to remedy such problems by clarifying legislation. However the Ullman bill is not moving perceptibly and in the present antiphilanthropic climate awaits a dubious fate in any case.

Therefore Tax Analysts and Advocates is seeking a solution in the courts. This is not necessarily a matter of deliberate choice. Were they to wait for legislative clarification, they face the possibility of liquidation first. This crucial dependence on tax deductibility for support is one of the points of the suit.

Thomas F. Field, executive director of the organization, pointed out when filing the complaint on April 30th that tax exempt business leagues, trade associations, labor unions, agricultural groups, chambers of commerce, fraternal societies, and veteran organizations are all free to lobby as much as they wish—and they can use tax deductible funds for that purpose.

"The result" according to Mr. Field, "is to muzzle charitable and educational groups when they seek to speak out on legislative matters in the public interest, while giving free rein to lobbying efforts by groups serving narrower pocketbook interests. In our view, this is not just bad policy, but a clear violation of the First Amendment's guarantees of freedom of speech and association and the Fifth Amendment's guarantee of equal protection of the laws".

Tax Analysts and Advocates are especially interested to hear from other groups which have been particularly damaged by not being able to lobby. Such organizations might want to make contact with Tax Analysts and Advocates, at 732 Seventeenth Street, N.W., Washington, D.C. 20006.

[In the U.S. District Court for the District of Columbia]

Complaint for Declaratory and Injunctive Relief Three Judge Court Requested

Tax Analysts and Advocates, 732 Seventeenth Street, N.W., Washington, D.C. 20006 (202) 298–5556 and Taxation With Representation, 2369 North Taylor Street, Arlington, Virginia 22207 (703) 527–2605, v. George P. Shultz, Secretary of the Treasury, 15th Street at Pennsylvania Ave. N.W., Washington, D.C. 20220 (202) 964–2533 and Johnnie M. Walters, Commissioner of Internal Revenue, 1111 Constitution Avenue, NW., Washington, D.C. 20224 (202) 964–4115: Civil Action No. —.

1. This is an action to declare unconstitutional, null and void and unenforceable, portions of Secs. 501(c)(3) and 170(c)(2) of the Internal Revenue Code (the Code), and the related estate and gift tax provisions of Secs. 2055, 2106, and 2522 of the Code, as violative of Article I, Section 1 of, and the First and Fifth Amendments to the Constitution of the United States; to enjoin defendants from continued enforcement of these provisions and of all applicable regulations and rulings promulgated thereunder; and to obtain listing for plaintiff Taxation with Representation (TWR) in defendants' publication *Cumulative List, Organizations Described in Section 170(c) of the Internal Revenue Code* (the *Cumulative List*).

Supplemental Statement of Points and Authorities in Support of Plaintiffs' Application for Convening of a Three-Judge Court[1]

(In the U.S. District Court for the District of Columbia: Tax Analysts and Advocates, et al., Plaintiffs, v. George P. Shultz, Secretary of the Treasury, et al., Defendants; Civil Action No. 833–73)

STATEMENT

This case challenges the constitutionality of those portions of the Internal Revenue Code ("the Code") (26 U.S.C.), which abridge the rights of speech, petition, press, and due process of charitable and educational organizations.

In general, the Code requires tax-exempt charitable and educational organizations to refrain from any "substantial" legislative activity.[2] Charitable and educational organizations which seek to influence legislation lose their tax-exempt status and their qualification to receive tax-deductible contributions In practice, loss of these tax privileges is usually fatal to the organization. By contrast, tax-exempt business leagues, chambers of commerce, trade associations, labor unions, fraternal and veterans groups and others may lobby without restriction, while remaining tax-exempt and fully eligible to receive tax-deductible payments and contributions.

The question of the validity of the existing statutory restrictions on legislative activity by charitable and educational organizations presents a substantial constitutional issue. Accordingly, a three-judge court should be convened.

THE STATUTORY FRAMEWORK

Sec. 501(c) of the Code exempts the following groups, among others, from income tax:

Section 501(c)(3): "Corporations * * * organized and operated exclusively for * * * charitable * * * or educational purposes, * * * no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation * * *." (Emphasis added)

Section 501(c)(4): Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare * * * "

Section 501(c)(5): Labor, agricultural, or horticultural organizations."

Section 501(c)(6): Business leagues, chambers of commerce, real-estate boards, boards of trade, or professional football leagues * * *."

Section 501(c)(8): Fraternal beneficiary societies, orders, or associations * * *."

Section 501(c)(10): Domestic fraternal societies, orders, or associations * * *."

Section 501(c)(19): A post or organization of war veterans * * *."

Other provisions of the Code (and the pertinent Internal Revenue Service administrative rulings) allow the organizations described above, and others, to receive funds which are tax-deductible by the payor or donor even though the funds are used for lobbying. For example, Sec. 162(a) of the Code, and the administrative rulings thereunder, grant taxpayers a trade or business expense deduction for dues payments made to labor unions and similar groups which are tax-exempt under Sec. 501(c)(5), even though all or some portion of the payments may be used for attempts to influence legislation. And Sec. 162(e) of the Code, as added by the Revenue Act of 1962, grants individual and corporate taxpayers a trade or business expense deduction for payments to business leagues, chambers of commerce, trade associations, and similar groups which are tax exempt under Sec. 501(c)(6), provided that the payment is used to influence legislation directly related to the taxpayer's trade or business. As a final example, Sec. 170 (c) (3) and (4) of the Code grants taxpayers a charitable deduction for payments to veterans organizations and fraternal societies, even though all or some portion of the payment may be used in attempts to influence legislation.

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[1] Submitted in accordance with the Rules 5(f) and 9(b) of the United States District Court for the District of Columbia

[2] See Sections 170(c)(2) and 501(c)(3) of the Code. Theoretically, an insubstantial amount of legislative activity is permissible. However, as developed more fully below, the inherent vagueness of the statutory language and the dire consequences for its violation, have the practical effect of prohibiting all legislative activity.

By contrast, Sec. 170(c)(2) of the Code, and the related estate and gift tax provisions of Secs. 2055, 2106, and 2522,[3] deny taxpayers a deduction for payments made to charitable and educational groups such as Tax Analysts and Advocates, unless the group insures that "no substantial part" of the activities of the organization consists of "carrying on propaganda, or otherwise attempting, to influence legislation." No section of the Code grants taxpayers a deduction for payments made to social welfare organizations like Taxation with Representation which seek to influence legislation in the public interest.

PLAINTIFFS

Tax Analysts and Advocates (TAA) is a charitable and educational group incorporated in 1970 under the District of Columbia Nonprofit Corporation Act. The Internal Revenue Service (IRS) has ruled that TAA is exempt from all federal taxes under Sec. 501 (c) (3) of the Code and is qualified to receive tax-deductible contributions. TAA educates the public and the news media on tax issues, principally by publishing a weekly tax news magazine, called *Tax Notes*, for financial journalists throughout the United States. It also conducts a public interest law practice, which includes participation on behalf of the general public in IRS administrative hearings on tax matters.

Taxation with Representation (TWR) is a charitable and educational organization also incorporated in 1970 under the District of Columbia Nonprofit Corporation Act. The IRS has ruled that TWR is exempt from income tax, but not social security and unemployment taxes, as a Sec. 501(c)(4) "social welfare" organization. The IRS has also ruled that TWR is *not* eligible to receive tax-deductible donations. Revenue Ruling 71-530, 1971-2 Cum. Bull. 237. TWR's charitable and educational purposes are to serve the common good and social welfare of the people of the United States by assisting teachers of economics and tax law in presenting their views to Congress regarding tax legislation. In general, TWR performs the same charitable and educational activities with respect to Congress as TAA performs in the courts and the Executive Branch.

ARGUMENT: THE REQUIREMENTS FOR CONVENING THREE-JUDGE COURT

The tests to be employed when deciding whether a case is appropriate for a three-judge court have been formulated in the following way by the Supreme Court:

"When an application for a three-judge court is addressed to a district court, the court's inquiry is appropriately limited to determining whether the constitutional question is substantial, whether the complaint at least formally alleges a basis for equitable relief, and whether the case presented comes within the requirements of the three-judge statute." *Idlewild Bon Voyage Liquor Corp.* v. *Epstein*, 370 U.S. 713, 715 (1962).[4]

Judged by these standards, a three-judge court is clearly required in the present case. The remainder of this memorandum will show why each of the tests established by the Supreme Court is fully satisfied. The discussion will focus initially on the two procedural points, and will conclude by showing the substantially of the Constitutional questions presented by this action.

(1) The Complaint in This Action Alleges a Basis for Equitable Relief.

Paragraphs 13 through 26 of the complaint state the injuries suffered by plaintiffs in consequence of enforcement of the challenged statutes. TAA is prevented from performing its role as an effective advocate of the public interest in tax reform because it cannot carry on legislative activities. TWR may be forced out of existence because of the unavailability of tax-deductible donations.

Paragraphs 27 through 32 state the claims for relief of the plaintiffs, followed by the specific equitable relief requested. Paragraph 32 of the complaint affirms that plaintiffs are suffering irreparable injury and have no adequate legal remedy.

The absence of a legal remedy in the present case contrasts with the normal situation in a tax dispute. In the usual case, a taxpayer can contest a deficiency assessment in the Tax Court, or he can pay the tax and sue for a refund in the District Court or in the Court of Claims. These normal routes for tax litigation are designed for situations in which the taxpayer differs with the government over his liability for tax or the amount of tax owed.

This is not the situation here. TAA is not required to pay any kind of Federal tax, and does not. TAA is therefore unable to contest a deficiency assessment in the Tax Court or to sue for a tax refund. TWR pays social security and unemployment taxes, as it is required to do by the rules relating to social welfare organizations, but it is not resisting the collection or payment of those taxes; TWR intends to continue to pay them as required by law. Therefore, TWR is not in a position to take the Tax Court, District Court, or Court of Claims routes to obtain resolution of the questions presented by this case. Indeed, it would be strange if taxpayers were forced to raise arguments about the payment of taxes which they do not owe—or to whose payment they do not object—in order to obtain adjudication of Constitutional questions which have no relationship to the challenged taxes.[5]

In *Protestants and Other Americans United for Separation of Church and State, Inc.* v. *Walters*, C.A. No. 71-1299, Jan. 11, 1973, — U.S. App. DC, — F2d —, reported by Commerce Clearing House, 73-1 United States Tax Cases (U.S.T.C.), par. 9165, p. 80,215, the Court of Appeals for the District of Columbia adopted the view that Constitutional questions such as those involved in the present case should be presented directly to a three-judge court. The Court of Appeals also held that it is not necessary to attempt to cast such questions in the form of a refund suit or Tax Court contest. Americans United therefore disposes of any claim that 28 U.S.C. Sec. 2201 and Sec. 7421(a) of the Code bar the present suit on the ground that a legal remedy is available. Accordingly, the District Court need not reach those statutory issues here. As Americans United makes clear, the plaintiffs in the present case simply do not have a legal remedy for the injuries suffered by them as a result of the unconstitutional restrictions imposed on their activities. Their only remedy is to obtain equitable relief.

Thus the first requirement for convening a three-judge court is fully satisfied here.

(2) This Action Complies with the Other Procedural Requirements for Convening a Three-Judge Court

The purpose of the three-judge court provision (28 U.S.C. 2282) is to prevent a single United States District Court judge "from being able to paralyze totally the operation of an entire regulatory scheme. . . ." *Kennedy* v. *Mendoza-Martinez*, 372 U.S. 144, 154 (1963). In interpreting the predecessor to Sec. 2282, the Supreme Court held that the decision as to whether a three-judge court is necessary depends upon the presentation of an application for an injunction which would operate totally to restrain the enforcement of a federal statute and not on the mere drawing into question the constitutionality of an enactment. *International Ladies' Garment Workers' Union* v. *Donnelly Garment Co.*, 304 U.S. 243, 250 (1938). As the Court said in *Flemming* v. *Nestor*, 363 U.S. 603, at 607 (1960):

"[A three-judge court action must] seek affirmatively to interdict the operation of a statutory scheme. [It must] put the operation of a federal statute under the restraint of an equity decree . . . "(brackets added.)

This case complies fully with this requirement. The complaint in this action seeks totally to restrain the enforcement of a restrictive statutory scheme which is embodied in the income, estate and gift tax provisions of the Internal Revenue Code. This complaint requests a "permanent injunction restraining the enforcement, operation [and] execution of [an] Act of Congress for repugnance to the Constitution of the United States" (28 U.S.C. 2282). Judgment for plaintiffs on the merits of this case would require such an injunction. This relief may not be granted until the case is heard and determined by a three-judge court.

The restrictive provisions of the Code, which are being enforced by the defendants, are the object of the injunction sought in the instant case. But plaintiffs seek to do more than merely enjoin the defendants' enforcement of the law as to the specific plaintiffs here. It is not merely the result, the effect, or the execution of the statutes which is being challenged. The statute itself is under attack. Consequently, the instant complaint fully fulfills the requirements of *Krebs* v. *Ashbrook*, 275 F. Supp. 111, 118 (D.D.C.) (1967), aff'd 132 U.S. App. D.C. 176, 407 F.2d 306, *cert. den.* 393 U.S 1026, which held that "To come under Sec. 2282, the Act of Congress or operations under it must be the direct object of the injunction sought." See also *Flemming* v. *Nestor*, 363 U.S. 603, 607.

The second of the three tests for convening a three-judge court is therefore fully satisfied.

(3) The Constitutional Questions Presented by this Case are Substantial and of the

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[3] These four sections, and Sec. 501(c)(3), all use the "no substantial part" language quoted more fully on page 2, *supra*. Subsequent references to this language will refer to its appearance in Sec. 501(c)(3); this reference is intended, however, to include all the sections where this restrictive language appears.

[4] It is useful to distinguish between the use of "substantial" in Idlewild, and its meaning in the challenged Internal Revenue Code sections, especially in view of plaintiffs' contention that the Code is impermissibly vague. The usage of "substantial" in Idlewild refers to the quality of the argument; the same language in the Revenue Code refers to quantity of the activity. The Idlewild meaning is that of "real; actual; true; not imaginary" (Webster's New World Dictionary, College Edition, World Publishing Co., Cleveland and New York, 1958, p. 1454). The Revenue Code meaning refers to an amount, perhaps a percentage, of organization activity.

[5] It is of course true that TAA and TWR could perhaps make themselves liable for tax deficiencies by refusing in the case of TWR to pay social security taxes or, in the case of TAA, by carrying on a "substantial" amount of legislative activity. But it is well settled that a plaintiff need not violate the law to test a First Amendment restriction.

Kind Requiring the Convening of a Three-Judge Court.

In determining whether a question is substantial, the Supreme Court has articulated the following criteria: A question may be insubstantial "either because it is 'obviously without merit' or because 'its unsoundness so clearly results from the previous decisions of this Court as to foreclose the subject and leave no room for the inference that the question sought to be raised can be the subject of controversy.'" *Ex parte Poresky*, 290 U.S. 30, 32 (1933) (challenge to Massachusetts compulsory automobile liability insurance law held insubstantial in view of prior decisions of the Court). And see *California Water Service Co.* v. *City of Redding*, 304 U.S. 252 (1938). The *Poresky* Court also stated that "the complainant should not be denied opportunity to be heard in the prescribed manner upon a question that is fairly open to debate. . . ." 290 U.S. at 32. *And see Harrell* v. *Board of Commissioners*, 269 F. Supp. 919 (D.D.C. 1967) (the question presented was not "reasonably debatable" and the three-judge court application was therefore denied).

All of the issues presented in the plaintiffs' case are constitutional in nature. The issues are set out as claims for relief in the complaint, paragraphs 27 through 32.

Stripped to its barest essentials, the constitutional problem is that the law forbids attempts by the plaintiffs to influence legislation with tax-deductible payments and contributions, and permits other tax-exempt organizations, including business groups, labor unions, and fraternal and veterans groups, to do just that. The several claims for relief present various aspects of this basic problem. This constitutional problem has recently been explored in detail in Troyer, "Charities, Law-Making, and the Constitution: The Validity of the Restrictions on Influencing Legislation", 31 *New York University Institute on Federal Taxation* 1415 (1973).

This problem clearly is of the degree of substantiality as to require the convening of a three-judge court. In *Americans United, supra*, the Court of Appeals held that the portion of Section 501(c)(3) of the Code which prohibits legislative activity is subject to a substantial constitutional challenge based upon the legal theory that it discriminates against one group of charities and in favor of another group of charities. In that case the discrimination complained of by plaintiff, a small charity, was that larger charities appear to be allowed more legislative activity under the "substantiality" test of Section 501(c)(3) than are smaller groups. Here the discrimination if even grosser, because the favored business, labor and other groups are allowed unlimited legislative activity, while the present plaintiffs—who are in all relevant respects similarly situated to the favored groups—are effectively prohibited from engaging in any legislative activity, while the present plaintiffs—who are in all relevant respects similarly situated to the favored groups—are effectively prohibited from engaging in any legislative activity.

Plaintiffs believe that *Americans United* is a controlling precedent which clearly demonstrates that the constitutional issues involved here are so substantial as to warrant the convening of a three-judge court. However, to demonstrate that this is so, we will briefly relew the constitutional issues present in this case.

(a) The challenged statutes improperly require Tax Analysts and Advocates to relinquish First Amendment rights in order to be eligible for favored tax status.

This problem, relating to paragraph 27 of the complaint, is an example of the doctrine of unconstitutional conditions. This doctrine has been summarized in the following way in a recent Harvard Law Review article:

"Essentially, this doctrine declares that whatever an express constitutional provision forbids government to do directly it equally forbids government to do indirectly. As a consequence, it seems to follow that the first amendment forbids the government to condition its largess upon the willingness of the petitioner to surrender a right which he would otherwise be entitled to exercise as a private citizen. The net effect is to enable an individual to challenge certain conditions imposed upon [a governmental benefit] without disturbing the presuppostion that he has no 'right' to that [benefit]." Van Alystyne, "The Demise of the Right-Privilege Distinction in Constitutional Law," 81 *Harv. L. Rev.* 1439, 1445 (1967–68).

The Supreme Court has applied this rule in a wide variety of cases during the past two decades. For example, it has been held that unemployment benefits cannot be denied to a person who refuses to work on Saturday because his religion designates Saturday as the sabbath (*Sherbert* v. *Verner*, 374 U.S. 398 (1963)). It has also held that public employment cannot be denied in cases in which an employee refuses to refrain from exercising his constitutionally protected right of free speech (*Keyishian* v. *Board of Regents*, 385 U.S. 589 (1967)). Nor can a public school teacher be discharged for invoking the privilege against self-incrimination (*Slochower* v. *Board of Education*, 350 U.S. 551 (1956)) or an attorney be disbarred for invoking that privilege (*Spevack* v. *Klein*, 385 U.S. 511 (1967)). In each of these cases it has been held to be unconstitutional to condition enjoyment of a government benefit on a surrender of Constitutionally protected rights.

Even more closely in point for present purposes is the Supreme Court decision in *Speiser* v. *Randall*, 357 U.S. 513 (1958). In that case, the Court held that California could not condition a veteran's property tax exemption on the veteran's agreement to take an oath not to advocate overthrow of government. The language of the decision (*Id.* at 518) is instructive:

"It is settled that speech can be effectively limited by the exercise of the taxing power. *Grosjean* v. *American Press Co.*, 297 U.S. 233, 56 S. Ct. 444, 80 L.Ed. 660. To deny an exemption to claimants who engage in certain forms of speech is in effect to penalize them for such speech. The appellees are plainly mistaken in their argument that, because a tax exemption is a 'privilege' or 'bounty', its denial may not infringe speech."

So, here, it is a mistake to argue that because tax exemption is a privilege, Tax Analysts and Advocates may therefore be required to give up its rights of speech, press, and petition. The numerous Supreme Court opinions just cited render that argument highly suspect and raise a substantial constitutional question, requiring convening a three-judge court.

(b) The challenged statutory restrictions are impermissibly vague; the vague language is particularly objectionable because it chills the exercise of First Amendment rights.

This issue relates to paragraphs 28 and 29 of the complaint which set forth the plaintiff's second and third claims for relief.

It is firmly established that due process requires certainty in statutes. *Dombrowski* v. *Pfister*, 380 U.S. 479 (1965); *Cramp* v. *Board of Public Instruction*, 368 U.S. 278 (1961); *Baggett* v. *Bullitt*, 377 U.S. 360 (1964); *Champlin Ref. Co.* v. *Corporation Comm'n.*, 286 U.S. 210 (1932); *Cline* v. *Frink Dairy Co.*, 274 U.S. 445 (1927); *Connally* v. *General Const. Co.*, 269 U.S. 385 (1926); *U.S.* v. *L. Cohen Grocery Co.*, 255 U.S. 81 (1921). Likewise it is firmly established that "[even] stricter standards of permissible statutory vagueness may be applied to a state having a potentially inhibiting effect on speech; a man may the less be required to act at his peril here, because the free dissemination of ideas may be the loser." *Smith* v. *California*, 361 U.S. 147, 151 (1959). See also *Interstate Circuit* v. *Dallas*, 390 U.S. 676 (1968); *Ashton* v. *Kentucky*, 384 U.S. 195 (1966); *Baggett* v. *Bullitt, supra.*

Vagueness impinging on speech is suspect not only because it prevents a statute from giving notice of its meaning, but also because the vagueness itself chills the exercise of First Amendment rights. A current formulation holds that "where a vague statute abut[s] upon sensitive areas of First Amendment freedoms, it operates to inhibit the exercise of [those] freedoms. Uncertain meanings inevitably lead citizens to steer far wider of the unlawful zone . . . than if the boundaries of the forbidden areas were clearly marked." *Grayned* v. *City of Rockford*, 408 U.S. 104 (1972) (Justice Marshall, writing for Justices Brennan, Stewart, White, Powell and Rehnquist, and Chief Justice Burger) (brackets in original; quotation marks and footnotes omitted).

This case presents a classic example of the chilling effect that a vague statute can have on the exercise of First Amendment freedoms. As the complaint in this case indicates, Section 501(c)(3) of the Code prohibits any "substantial . . . activities . . . which [consist of] carrying on propaganda or otherwise attempting, to influence legislation . . ." (brackets added). That statute, both on its face and as interpreted administratively by the IRS, is impermissibly vague under the strict First Amendment standards as well as under due process standards. As the complaint in this case indicates, the vagueness of Section 501(c)(3) is having the undesirable effect feared by the Supreme Court. This is true not only in the case of the plaintiffs themselves but also in the case of many other charitable and educational organizations which are subject to the same statutory scheme.

Defendants' regulations, promulgated pursuant to the statutes challenged, have done nothing to lessen the vagueness of the law. While the regulations spell out with some particularity what constitutes propaganda and other legislative activity, there is no regulation which attempts to explain what is meant by "substantial". See 26 C.F.R. 1.501(c)(3)–1(b) and (c), *passim*. Nor is there any judicial decision which has been acquiesced in by the defendants that clarifies the statutory language. In fact, the IRS itself has conceded the difficulty of interpreting the law; its own *Exempt Organizations Handbook*, prepared to give official guidance to IRS employees, states:

"In determining substantiality, it is sometimes difficult to determine what supporting activities shall be included with the proscribed attempts to influence legislation. . . There is no simple rule as to what amount of activities is substantial. The one case on this subject is of very limited help.[4] *Exempt Organizations Handbook*, Part XI, Internal Revenue Manual (11)671, Sec. 764.

The vagueness issue by itself presents a substantial constitutional question which makes a three-judge court necessary to hear the merits of this action.

(c) The challenged statutes subject both plaintiffs to an arbitrary classification which improperly burdens their First Amendment rights, in violation of the equal protection standards of the Fifth Amendment.

This issue is raised by the fourth and fifth claims for relief which are set forth in paragraphs 30 and 31 of the complaint.

As noted earlier, the tax laws distinguish sharply between two groups of organizations, both of which are exempt from tax. One group, consisting of business leagues, trade associations, chambers of commerce, labor unions, agricultural groups, veterans and fraternal organizations, and others, is eligible to receive payments and donations which qualify the payor or donor for a tax deduction. The organizations in this group are also free to engage in lobbying activities without restriction.

In the second group, to which both plaintiffs belong, are organizations that are forced to make a difficult and undesirable choice. They can, like TAA, receive deductible donations, but they must then refrain from all but insubstantial efforts to influence legislation. Or, like TWR, they can carry on legislative activities, but they must then support their activities with donations which are *not* tax-deductible by the donors. As a result, it is very difficult—and sometimes impossible—to raise the funds that these groups need to represent the public interest in competition with business, labor, and other groups that enjoy both tax-exemption and tax-deductibility for their receipts. This clearly discriminatory treatment is only sustainable if the government can establish a compelling governmental interest to warrant this burdening of plantiffs' exercise of their fundamental constitutional rights of free speech, press and petition. *Dunn* v. *Blumstein*, 405 U.S. 330 (1972); *Bullock* v. *Carter*, 92 S. Ct. 849 (1972) (Chief Justice Burger, writing for a unanimous court); *Shapiro* v. *Thompson*, 394 U.S. 618 (1969); *U.S.* v. *O'Brien*, 391 U.S. 367 (1968); *Harper* v. *Va. Bd. of Elections*, 383 U.S. 663 (1965); *Sherbert* v. *Verner, supra; NAACP* v. *Button*, 371 U.S. 415 (1963); *Bates* v. *Little Rock*, 361 U.S. 516 (1960); *Thomas* v. *Collins*, 323 U.S. 516 (1945); *Korematsu* v. *U.S.*, 323 U.S. 214 (1944); *Skinner* v. *Oklahoma*, 316 U.S. 535 (1942).

On its face the discrimination between business, labor and other groups, on the one hand, and charitable and educational groups, on the other, is arbitrary and unjustifiable. The charters and stated purposes of plaintiffs, and of many other charitable and educational organizations, give them a legitimate interest in expressing their opinion to the legislatures. But they are prevented from doing so, while other tax-exempt groups can. Business and labor groups have similar legislative interests, although their legislative activities are liable to be more narrowly focused than the plaintiffs' and to be mainly concerned with promoting the immediate pocketbook interests of their members.

For example, chambers of commerce and trade associations (which are tax-exempt under Section 501(c)(6) of the Code) often lobby with tax-deductible funds in favor of proposed legislation which would lower the tax burden on their members, thus shifting a portion of the overall tax burden to others. Plaintiff TAA is prevented by the Code's restrictions on legislative activity from opposing this shifting of tax burdens. Plaintiff TWR is free to represent the public interest in such cases, but, without the availability of tax-deductible contributions, it does not have the resources to carry on its work.

A thorough search of the legislative history of the lobbying prohibition in Section 501(c)(3) of the Code fails to disclose any compelling governmental interest in this discriminatory classification of tax-exempt groups. And where, as here, no overriding government interest exists to justify a statutory discrimination, the statute cannot stand.

The arbitrariness of the Internal Revenue Code's classification of tax-exempt groups with respect to their legislative activity raises a substantial constitutional question, requiring resolution by a three-judge court.

(d) The challenged statutes are unconstitutionally overbroad; their sweeping language imposes restrictions on First Amendment freedoms far beyond the range of any compelling governmental interest.

Even if the government were to carry its burden of demonstrating the necessary compelling interest to justify the statutory scheme here attacked, it must nevertheless refrain from regulating broadly in areas beyond the range of such interest. *United States* v. *Robel*, 389 U.S. 258 (1967); *Keyishian* v. *Board of Regents, supra; Elfbrandt* v. *Russell*, 384 U.S. 11 (1966); *Baggett* v. *Bullitt*, 377 U.S. 360 (1964); *NAACP* v. *Button*, 371 U.S. 415 (1963); *Shelton* v. *Tucker*, 364 U.S. 479 (1960). And whenever First Amendment freedoms are regulated, the government must be able to demonstrate that no less restrictive alternative would be sufficient to accomplish its legitimate end. *Sherbert* v. *Verner, supra*.

It is difficult to imagine any compelling interest which the government might have in prohibiting all but insubstantial lobbying by charitable and educational organizations. It is true that there is a governmental interest in prohibiting illegal, unethical or improper conduct by lobbyists. But that interest has nothing to do with the present case. A separate statutory framework has been designed to serve this important but narrow interest. See, for example, 2 U.S.C. Secs. 261–270, which requires registration of lobbying organizations.

In contrast to necessary registration and regulation statutes, the statutory scheme under attack in the present case serves no legitimate government interest. Indeed, it undermines sound public policy by stripping large numbers of charitable and educational groups of their fundamental freedoms of speech, press, petition, to the public detriment.

CONCLUSION

Accordingly, plaintiffs request the Court to approve their motion for appointment of a three-judge court.

THE NEED FOR PAYROLL TAX REFORM AS PART OF COMPREHENSIVE TAX REFORM BY CONGRESS

Mr. KENNEDY. Mr. President, perhaps the most welcome piece of news to come out of the Department of Health, Education, and Welfare in recent weeks is the current report that Secretary Caspar Weinberger is now considering various options for reform in the social security payroll tax.

My own view is that Congress itself should go on record too, by serving notice now that payroll tax reform must be a part of the comprehensive tax reform package already scheduled to be taken up as our first priority when the new session of Congress begins next January.

For too long, the payroll tax has been the forgotten cousin in the movement for tax reform. Yet, as we know, the recent increases in the payroll tax have had a heavy and regressive impact on those who can least afford it—tens of millions of ordinary American working men and women at the bottom and middle of the national wage scale.

In part, the long neglect of the payroll tax in the drive for tax reform is the product of the dramatic recent growth in the payroll tax. From a relatively modest and unassuming tax in its early and middle years, the payroll tax has mushroomed dramatically in recent years, to the point where it now has an excessively heavy and unfair impact on the vast majority of those who bear its burden. The figures tell the story:

For the first 13 years of social security, 1937 to 1949, the payroll tax rate on the employee was only 1 percent, applied only to the first $3,000 of earnings.

By 1960, the rate had climbed to 3 percent, and the wage base had risen to $4,800.

During the decade of the sixties, the growth in both the tax rate and wage base rose in more rapid steps. By 1970, the rate was 4.8 percent and the base was $7,800.

But in the past 3 years, the accelerations in the rate and wage base have been more substantial. Today, in 1973, the rate is now a sizable 5.85 percent; the base is $10,800, and in January 1974, it will rise to $12,600.

And the increasing rate and base have been matched by enormous increases in the revenue yield of the payroll tax. As recently as 1960, the payroll tax was a relatively sleepy tax, generating Federal revenues of "only" $22 billion a year, or 20 percent of all Federal revenues. Today, it is estimated that the payroll tax is generating $78 billion a year or 30 percent of Federal revenues—a 50 percent increase in the percentage share and an absolute increase of nearly $60 billion a year in the short span of a single decade.

The steady upward march in the rate and base of the payroll tax reflects the pressure of many factors in recent years—principally the soaring inflation that has required substantial increases in social security benefits to enable 20 million senior citizens to maintain a decent standard of living; but also the historic expansion of the payroll tax to include medicare and to cover the continuously rising costs of health care for the elderly.

Because of its flat rate and the relatively low cut off on earnings subject to the tax, the payroll tax today is heavily regresive in its impact. The truly surprising thing about the payroll tax is the absence of substantial efforts for reform as its burden has accelerated in recent years.

Now, however, thanks in part to the impetus of Secretary Weinberger's initiative in HEW, the sleeping giant phase of payroll tax reform may well be over, and the effort for reform can now begin in earnest. And, thanks as well to the recent studies of private groups, like the outstanding work of the Brookings Institution, there is no absence of well-thought-out proposals for reform, designed to keep the payroll tax but to make it fairer and more progressive.

A single table—derived from a current Brookings study—demonstrates the substantial benefits that payroll tax reform can bring to millions of wage earners in the low- and middle-income classes. It also demonstrates the immense free ride that upper income taxpayers now enjoy at the expense of the average worker, as a result of the severely regressive nature of the payroll tax. The figures are based on a simple, two-part package of reforms that would, first, provide a $750 personal exemption and a $1,300 minimum standard deduction under the payroll tax—the same exemption and deduction now allowed under the income tax; and second, remove the ceiling on the wage base. These reforms would be a "balanced" package in the sense that they would involve little or no revenue gain or loss to the Federal Treasury, in the early years. But the benefits to low- and middle-income working men and women would be substantial, as indicated by the following figures:

Income class (thousands of dollars)	Effective rate (percent)		Changes in effective rate as result of reform package	Approximate annual dollar savings
	Current law[1]	Reform package		
0 to 3	4.6	0.9	−3.7	0-111
3 to 5	4.8	1.3	−3.5	105-175
5 to 10	7.4	3.7	−3.7	185-370
10 to 15	8.7	6.0	−2.7	270-405
15 to 20	7.8	7.3	−.5	75-100
20 to 25	6.7	7.8	1.1	220-275 (−)
25 to 50	5.3	7.7	2.4	600-1,200 (−)
50 to 100	2.4	6.2	3.8	1,900-3,800 (−)
100 to 500	.6	3.6	3.0	3,000-15,000 (−)
500 to 1,000	.1	1.4	1.3	6,500-13,000 (−)
1,000 and over	(2)	.5	.5	5,000- (−)
All classes	6.3	6.2	−.1	

[1] Effective tax rates include the total of employee and employer contributions.
[2] Less than 0.05 percent.

Thus, this simple package of reforms would bring welcome, obvious, and immediate payroll tax relief to all those earning $20,000 a year or less, including the overwhelming majority of American working men and women.

My hope is that in the coming weeks, Congress will make its intention clear to give payroll tax reform the same high priority already reserved for income tax reform, and that we will include payroll tax reform as part of the comprehensive tax reform legislation planned for early next year. Only in this way can we bring real tax justice to every citizen, and end the unjust reign of the payroll tax.

One final comment—5 years ago, the movement for income tax reform began in earnest when Joseph Barr, the Secretary of the Treasury in the Johnson administration, announced that 155 taxpayers with incomes of more than $200,000 a year had paid no income tax at all. My hope is that Health, Education, and Welfare Secretary Weinberger's recently quoted statement:

> This year, for the first time, more than half the nation's taxpayers will pay more Social Security tax than federal income tax.

Will have a similar impact, and will launch an equally vigorous national movement for payroll tax reform.

IMPACT AID AND SCHOOL EQUALIZATION

Mr. FANNIN. Mr. President, we have all become aware of the inequities that have existed in the financing of our public school system. The historic reliance on the local property tax by the Nation's school districts to finance educational endeavors has resulted in glaring dollar disparities among our schools. As the evidence of these disparities became more apparent the pressure for reform grew intense. Efforts were made to eliminate the inequities, but the basic system of relying on the local property tax remained. Then, numerous cases were filed challenging the constitutionality of an educational finance system based on the local property tax. The Serrano decision in California, which in effect invalidated the application of the local property tax in supporting local schools, sent a shock wave throughout the country with the result that countless States began reassessing their system of school finance.

During this period of reassessment, however, other courts were hearing and deciding similar cases as that in California. The spirit for reform received further encouragement when a Federal district court in Texas found the Texas school finance system unconstitutional under the equal protection clause of the 14th amendment. This case, known as Rodriguez, set the stage for a review by the Supreme Court. And on March 21, the Court in an historic opinion decided that the issue of educational discrimination through local school financing was not a constitutional one. It determined instead that while inequities were clearly apparent, the issue was one which State and local governments were responsible for resolving.

Even though the Court decided not to involve itself in the thicket of school finance the Court was nevertheless clearly distressed by the present system and issued a clear challenge to State and local lawmakers. It was Justice Powell who wrote:

> We hardly need add that this Court's action today is not to be viewed as placing its judicial imprimatur on the status quo. The need is apparent for reform in tax systems which may well have relied too long and too heavily on the local property tax. And certainly innovative new thinking as to public education, its methods and its funding, is necessary to assure both a higher level of quality and greater uniformity of opportunity. These matters merit the continued attention of the scholars who already have contributed much by their challenges. But the ultimate solutions must come from the lawmakers and from the democratic pressures of those who elect them.

Under the conditions of court review and increasing public concern many States accepted the challenge issued by Justice Powell and put into motion efforts to reform their school finance systems. In many States, the basic form for change was the establishment of a State equalization program whereby the State would provide additional funds to equalize educational costs and by doing so, hopefully eliminate existing disparities between school districts. In other States where an equalization program was already in existence, efforts were directed toward increasing State funds. But some States in either developing a State equalization program or expanding an established one are finding it difficult to do so, because of Federal law. It is this aspect of the Federal-State partnership that concerns me.

In computing the amount of State aid that a local school district could receive, many States would take into account impact aid funds as being a local tax resource. The effect of such action was to reduce the funds that would otherwise be available to impacted districts and to reduce by a corresponding amount the costs of the State aid program. As might be expected, reductions in State assistance as a result of Federal assistance were opposed by impact aid school districts. In Virginia, for example, the impact aid school districts sued the State and won. Others sought relief through legislation and Congress responded by enacting as a part of Public Law 90–576 a prohibition preventing a State from taking into account impact aid funds as a local tax resource. This legislation provided that—

> No payments may be made during any fiscal year to any local educational agency in any State which has taken into consideration payments under this subchapter in determining the eligibility of any local educational agency in that State for State aid (as defined by regulation), or the amount of that aid, with respect to free public education during that year or the preceding fiscal year, or which makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this subchapter than such local educational agency would receive if it were not so eligible.

But, according to the Battelle Institute study of impact aid, this prohibition tends to "reduce the effectiveness of attempts by States to provide relatively equal educational opportunities with limited State funds and to discourage States without equalization formulas from adopting them."

The Education Commission of the States in recent testimony also registered their concern with this prohibition by arguing that this "constraint has the definite effect of impeding the efforts of many States in developing equitable school finance structures."

In more practical terms, the effect of the current prohibition is to force a state not to treat all districts alike under its equalization formula. To compute financial need under an equalization program, a State would want to take into account local resources, but current Federal law prevents the inclusion of 874 funds in that calculation, with the result that an impact aid district will receive more State aid than it really deserves. This is clearly an inequity since the basis of equalization is need and the realization of that objective is thwarted by Federal law. So, instead of closing the gap between educational need and financial resources, Federal law widens it.

In my opinion, this legislative prohibition is no longer relevant to the changing needs of school finance. Where there was once a need for a Federal policy to prevent abuses in calculating the presence of impact aid funds in school finance formulas there is now a need for a policy which will encourage, not discourage, increased State aid to eliminate financial disparities. States are desirous of increasing State aid, not of reducing it and the elimination or modification of this prohibition will facilitate that objective.

Mr. President, by changing this provision, the Congress will assure greater State efforts on behalf of equal educational opportunity. But in a larger sense repeal will strengthen the Federal-State partnership in education in a far more positive way than the law does presently. We have a choice, either we increase Federal funds, and Federal involvement to achieve equalization or we assist the States to achieve equalization on their own terms. I prefer the latter as being the better policy since it supports the value of local and State control of education. The States deserve encouragement and the Congress, by changing current law, will do much to help achieve that objective.

EXPORT PRIORITIES ACT

Mr. WEICKER. Mr. President, I am pleased to join with Senators Javits and Stevenson in cosponsoring legislation which mandates a necessary balance between our interests in foreign trade and the needs of our domestic economy. This proposal, S. 2411, institutes a system that requires the Secretary of Agriculture, at the beginning of each crop year, to estimate crop production for raw agricultural products and determine the amounts necessary for domestic use, including a reasonable carryover to build up U.S. stock. Through this process, the amount of various commodities available for export will be known in advance, and foreign buyers can react accordingly.

This Nation has begun to suffer the effects of uncontrolled market action in all agricultural commodities, especially in corn, wheat, and soybean futures. This reckless speculation has raised the issue of imposition of export controls. Such stopgap measures applied at short notice this summer to soybeans and cotton seed oil, for example, have seriously disturbed and disrupted the system of international trade. With an adequate advance assessment of our domestic needs and production, such disruptive action would have been avoided.

With the devaluation of the dollar making our commodities more competitive and a food crisis gripping many nations of the world, the American market has experienced an unprecedented foreign demand and sudden, upward pressure on prices of American agricultural commodities. The administration has sorely failed to develop a logical and comprehensive policy to stem this tide of inflation at home. No one can escape the spiraling cost of food. In August alone, food prices skyrocketed by an astounding 20 percent, while the critical Wholesale Price Index increased by 6.2 percent.

I strongly believe the United States will continue to play a vital role as a supplier of foodstuffs for the rest of the world. By increasing our productivity to meet increasing demands, we can secure our position as the major supplier of agricultural commodities for world consumption. As one who is committed to a free and open market system, I am fully aware of the benefits of agricultural exports on both our balance of payments and our international relations. However, while playing this vital supplier role on the international level, we must institute a system that assures adequate supplies are available to meet our domestic needs.

In a recent report on the Russian wheat deal by the General Accounting Office, the nature of the issue confronting the Congress was capsuled in the following GAO statement:

> U.S. agriculture's productive capacity has traditionally resulted in surplus stocks which were stored at great expense or exported with subsidy. Although exports are important to achieving U.S. trade objectives, they can have an adverse effect. Recent dramatic changes in the world supply demand situation surfaced a need for assessing agricultural exports in a broader national context.
>
> Congress should consider requiring that agencies develop definitive ground rules so that expected benefits from exports can be appropriately weighed against their impact on various segments of the domestic economy.

Given the present conditions in the world market, it is this balanced perspective that is called for in the legislation which I am cosponsoring today. The weaknesses in our present system are exemplified by a close analysis of the wheat export situation. As of August 3, 1973, the Department of Agriculture reported export commitments aggregating 1.2 billion bushels. Including carryover, the total supply of wheat available for domestic consumption and export is 2.125 billion bushels. Assuming a domestic need of 800 million bushels and a need to maintain a minimum carryover of 250 million bushels, it becomes increasingly evident that despite a bumper crop of wheat we could face domestic shortages by early spring.

This overselling has resulted in huge increases in future prices of wheat. Within the past year, the cost of flour has soared by over 300 percent. Despite slow increases in the price of bread during that time, in August, a loaf of bread increased by 7 cents in New York and other major cities.

There is little excuse for this present situation, and certainly no excuse for such bungling of agricultural policy in the future. Therefore, in cosponsoring the Javits-Stevenson legislation, I urge Congress to act to assure that rational assessment of domestic food needs and reasonable regulation of the commodity markets are the policy rule rather than the exception.

WAGE INCENTIVES EFFECTIVELY INCREASE PRODUCTIVITY

Mr. PERCY. Mr. President, earlier this month I brought to the attention of my colleagues an example of the way one hose manufacturing plant in Missouri had successfully increased its productivity growth rate. Today I would like to mention the Darlington, S.C., steel mill of the Nucor Corp., where a substantial incentive pay plan has permitted weekly bonuses averaging 29 percent for millworkers who increase their production.

In the August 9, 1973, Wall Street Journal, Jim Montgomery described the success of the Nucor incentive pay plan and profitsharing plan in his article, "Raking It In: Steelmaker Raises Output and Productivity With Incentives That Make Everybody Hustle." Mr. Montgomery relates the story of Nucor worker, James Samuel, Sr., an exsharecropper, who did not go beyond grade school and made less than $4,000 a year before 1969. At his job with Nucor, Mr. Samuel last year earned $12,110 plus $807 in profitsharing through his increased production rate.

The bonus system at Nucor extends to all employees—production line workers as well as department heads. Nucor's profitsharing plan also covers all employees, except eight top officials, with 6 months or more of service. The success of this plant in expanding productivity growth through these means is a most interesting story and an encouragement to all of us involved in seeking increased growth in the U.S. productivity rate. Mr. President, I ask unanimous consent that Mr. Montgomery's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Raking It in: Steelmaker Raises Output and Productivity With Incentives That Make Everybody Hustle

(By Jim Montgomery)

Darlington, S.C.—South Carolina's 300,000 hourly paid factory workers earned an average of $6,049 each last year. James Samuel Sr. is one of the 300,000, but he got a lot more than that—$12,110 plus $807 in profit sharing. And that isn't bad for a 47-year-old black ex-sharecropper who never reached high school and never made more than $4,000 a year before 1969.

It was in 1969 that Mr. Samuel and most of his 240 fellow hard-hats, a third of them black, signed on as $1.90-an-hour trainees at Nucor Corp.'s new mini steel mill in this town of 6,990 people. "Fewer than 20 of them had ever been in a steel mill before," an executive recalls, and they were so startled by the fireworks of the first heat that "they all ran out of the mill."

Now they run up fat paychecks for producing some of the lowest-cost steel in the world. Their secret is productivity; they turn out some 150,000 tons a year at a cost per ton of less than four man-hours—only 3.48 in one recent week—in contrast to a national average of more than eight man-hours and an average of six in Japan, one of the most efficient foreign producers.

THE $20,000 MILLHANDS

Nucor is as new to steelmaking as most of its employes are, though the company previously fabricated steel joists from steel made by others. But it has found a quick route to success in the form of its lavish incentive-pay plan. Officials say the plan has made real hustlers out of everybody in the place from the billet molds to the executive office. Weekly bonuses for exceeding production goals often run 30% to 40%, and sometimes more than 60%, of employes' base pay. Last year, bonuses averaged 29% in the mill here and five joist plants elsewhere in the U.S., accounting for $2 million.

(It was just 10 years ago that Kaiser Steel Corp. and the United Steelworkers Union launched the industry's first big incentive-type pay plan. While it's "not exactly a pay incentive plan," a spokesman says, it has added $28.3 million since the start to the normal paychecks of hourly employes. It's paid monthly and represents a share in cost savings on labor, material and supplies. But it didn't keep employes from staging a 44-day strike at Kaiser's big Fontana mill during contract negotiations last year.)

On the average, hourly-paid workers at Nucor earned just over $10,000 last year, not counting profit sharing, about the same as the $10,771 that the Bureau of Labor Statistics figures was earned by hourly paid production workers in the industry as a whole. (But $10,000 goes further here in Darlington than it does in Pittsburgh.) But some of Nucor's hourly paid millhands cleared more than $20,000 and several melters topped $25,000. There were "a bunch of folks," according to the company, who made more than $12,000.

One of them was Mr. Samuel, who quit a $1.65-an-hour job in a local veneer plant to work at the mill at a base that has risen to $3.35 an hour. Mr. Samuel, a strand tender, controls the level of molten steel poured into a casting machine that spits out more than 20 tons of steel billets an hour.

It's a hot job, peering down from a grillwork platform at the white-hot metal filling the molds below, and Mr. Samuel and two other strand tenders must spell each other often to rest their eyes. But Mr. Samuel says he has no complaints. In four years he has been able to buy a sporty Plymouth Duster and a $15,500 home far more comfortable than his seven-member family ever could have dreamed of owning previously. He used to share his crops with his landlord to pay his rent. And he says it still seems unreal to get a bonus of more than $4,000 in cash each year for producing bumper crops of steel billets.

ENVY DOWN THE ROAD

The production quota in the melting and casting operation is 10 tons of billets an hour. Each ton over that brings a 4% bonus for crew members. So far this year, actual output has exceeded 20 tons an hour on every work turn, and so every worker in the operation has collected bonus pay of at least 40% every week. One crew recently turned out 31 tons an hour in a day. Had they kept up the pace for a week, it would have got them an 84% bonus.

Even 40% bonuses "used to scare" Nucor's 47-year-old president, F. Kenneth Iverson. Now, he says, he worries only when bonuses are small, "If a man produces a great deal," he says," you'd be amazed at how much you can pay him."

The pay at Nucor amazes a lot of people. It's a big topic of conversation on paydays at nearby beer parlors. After one session of beer guzzling and check comparing, union employees (Nucor is nonunion) at a metalworking plant down the road, reportedly in sheer envy, staged a wildcat strike. There isn't much chance of their going to work for Nucor, however. The backlog of applicants numbers 100 or so, and only some eight jobs a year open up.

Everybody at Nucor has an extra incentive to produce. Bonuses for department heads, such as plant controllers and rolling-mill superintendents, depend on whether they meet their plant budgets. Their bonuses normally don't exceed 20%, although last year a superintendent and a controller got 42%.

NO CORPORATE FRILLS

One profit-sharing plan covers all employes, except eight top officials, with six months or more of service. The company contributes nearly 10% of its pretax earnings to the plan. The eight senior officials share in another incentive-compensation plan. Last year, they got 10% of pretax earnings above $2 million. Nucor actually earned $8.9 million before taxes. Mr. Iverson, the president, picked up $176,824 in incentive pay, half of it deferred, on top of his $60,000 salary. To give the same incentive pay this year, however, the company's pre-tax earnings will have to rise by $3 million, because the incentive-pay base has been increased to $5 million from $2 million.

Nucor partly offsets this generosity by enforcing a bare-bones policy on corporate overhead. All executives—and there aren't many—fly economy class. The closest thing to an executive dining room is the cafeteria of a shopping center across the street from the company's modest, rented corporate headquarters in Charlotte, N.C. Only nine people work there, five of them secretarial and clerical employes. Mr. Iverson shares a secretary with Samuel Siegel, financial vice president, treasurer and corporate secretary. Marvin A. Pohlman, vice president and a director and general manager of the Darlington mill, has no secretary. "We run very lean," Mr. Iverson observes.

This philosophy has paid off for shareholders as well as for employees. The first cash dividend, a quarterly of five cents a share, is to be paid Aug. 15. Eight years ago, Nucor was running in the red. Sales had stagnated at $20 million a year. Since the present management took over in 1966, sales have risen by an average of 25% a year. Operating earnings have increased by an average of 35% a year. In 1972, net income hit a record $4.7 million, or $2.35 a share, on record sales of $83.6 million. For this year, Mr. Iverson expects per-share earnings in the neighborhood of $2.60 on sales of $95 million to $100 million. Next year, he expects profits to be enhanced by a second mill now nearing completion at Norfolk, Neb.

Still, it hasn't always been just one big happy family at Nucor. The Steelworkers Union attempted to organize the Darlington plant "a couple of years ago," says M. C. Weston Jr., director of the USW district based in Atlanta, and "got around 50% (of employes) signed up." Mr. Weston says, however, that "the drive just stalled there" because 'the company and the area where it's located are extremely anti-union." During the organization drive, at least, Mr. Weston adds, Nucor workers were reporting to the union earnings "anywhere from 30% to 35% less" than industry levels.

STATEMENT OF SENATOR CHARLES H. PERCY: THE CAPITAL CRUNCH FOR SMALL BUSINESS

Mr. PERCY. Mr. President, every aspect of our economy is presently affected with the problems of inflation, but there is one area of the economy where a specific crisis endangers the vitality of the American competitive market system. Today, small and medium-sized corporations are facing a "capital crunch" which could seriously damage their ability to compete with the larger corporations and conglomerates. If the present trend of record high-interest rates continues and the smaller businesses are pushed out of the capital markets, the long-term effect could be the increased consolidation of economic power into fewer and fewer hands.

The three traditional sources of capital for smaller corporations are rapidly disappearing. First, the issuance of stock by these businesses has ceased to provide a flow of capital because individuals are no longer investing heavily in the stock market. The large banking institutions, which make the majority of investments in the market, hold portfolios containing higher price securities rather than stocks of smaller businesses. The second and third methods of raising capital are short- and long-term loans. However, the unprecedentedly high-interest rates make the cost of servicing debt an unbearable burden for the smaller corporations. All of this is occurring at a time when the projected need for equity capital for American business will double in the next 10 years.

I call to the attention of my colleagues the work of our distinguished colleague Senator LLOYD BENTSEN, JR., Democrat, of Texas, on the subject of the "capital crunch" as described in an article in the September 22, 1973, issue of Business Week. The article presents the complex problems of current corporate investment, along with some possible solutions. The four solutions proposed by the article are: First, setting formal limitations on the percentage of a corporation that any one institution can hold; second, encouraging both institutions and individuals to invest in smaller corporations; third, increasing the market participation of individuals by making capital gains taxes more flexible; and, finally, making foreign investment more attractive by reducing the Federal withholding tax on foreign capital. There is another possible solution to the investment problems of small business which we should also consider a higher investment tax credit for these smaller corporations. All of these solutions require further study in order to find a viable answer to the capital crunch on American small business.

Mr. President, I ask unanimous consent that the article referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAN U.S. INDUSTRY FIND THE MONEY IT NEEDS?

"A great deal of American capitalism will be dead," warns Senator Lloyd M. Bentsen, Jr. (D-Tex.), if institutional concentration in a few "religion" stocks eliminates the ability of U.S. markets to provide capital for thousands of other corporations.

As Bentsen's subcommittee on financial markets resumes hearings next week, it is clear that his concern is well founded. Institutional dominance of trading has combined with historically high interest rates to drive most individual investors out of the marketplace. Institutional concentration in a tiny handful of high-priced, high-visibility securities has driven most stocks down to historically low p/e ratios. Unable to raise new equity, companies are contracting ever-increasing interest costs that cut down their existing equity's attractiveness. Except for the benefit of a few famous institutional favorites, the equity markets have ceased to fulfill their primary purpose. Stock issues have effectively ceased. In just the first six months of 1973, more than 300 offerings were withdrawn as unsalable. The stream of equity capital to U.S. industry has run dry.

In the view of James M. Roche, until recently chief executive of General Motors Corp., such a situation could scarcely have come about at a less appropriate point in time. "In the next few years," he stated recently, "the American economy faces an unprecedented need for capital." The domestic oil industry, according to the economists at Chase Manhattan, will require some $200 billion by 1985. Power utilities will want about $70 billion in outside capital in just the next five years. Just one company, American Telephone & Telegraph Co., will, according to executive vice-president and treasurer John J. Scanlon, need $40-billion to $50-billion for itself and its subsidiaries in the next decade. And Stewart S. Cort, chairman of Bethlehem Steel Corp., says his industry needs $3 billion to $4 billion a year between now and 1980 to replace obsolete facilities, install pollution control equipment, and expand capacity by the additional 20-million to 25-million tons it expects to need.

"Our competitive free enterprise system," Roche emphasizes, "has succeeded in large part because of the success of our capital-raising mechanism." When this mechanism falters, as it is faltering today, it rapidly affects thousands of American companies. They drop into debt. They cut back. They get taken over—sometimes by companies whose institutional sponsorship has provided or preserved a higher p/e multiple, and sometimes by foreigners.

THE DANGERS OF EQUITY SHORTAGE

If the short-term effect of the equity shortage is painful for individual American corporations, the long-term effect on the American economy could be agonizing.

This is why some thoughtful securities industry leaders see the Bentsen committee as among the most significant on Capitol Hill today. Whereas other important—and more celebrated—Congressional committees are considering problems vital to the securities industry, Bentsen is examining questions vital to all industry. Among them: the possibility he raises that "the current two-tier market system may be stimulating the takeover of U.S. companies by foreign entities," and "the effect of institutional investors on the ability of new or small and medium-size firms to acquire the capital they need to survive and compete with U.S. corporate giants and foreign producers."

Institutional dominance of the markets has, of course, impaired the equity-raising ability of many U.S. corporate giants too, unless they're lucky enough to be numbered among the institutions' "sacred cows." Donald T. Regan, chairman of Merrill, Lynch, Fenner & Smith, has noted that "it's just as essential, from an economic viewpoint, that an established corporation should be able to raise capital as that capital should be available to emerging companies." Other early witnesses before Bentsen's committee, which first met for three days in July, left no doubt of the urgency or the global nature of the problem. C. V. Wood, Jr., chairman of the Committee of Publicly Owned Companies (BW–June 2), asked: "Can small and medium-sized—and even a large number of very big companies—survive? Can they have access to equity capital?" Wood's group now claims as members nearly 600 corporations, and he testified. "They feel keenly that they are being starved out of the capital markets."

Among his preliminary ideas, Bentsen told BUSINESS WEEK, he is leaning toward limitations on institutional holdings. Such legislation could have two highly desirable effects. On the one hand, a reduction of institutional concentration in a few stocks would eventually spread an enormous amount of wealth among hundreds of others. The top 10 U.S. banks alone have concentrated about $27-billion in just 10 sacred cows. This huge equity represents 3% of the value of all 2,700 stocks listed on both New York and American stock exchanges. At the same time, limitations on institutional concentration would do much to eliminate the violent sell-offs in fallen institutional favorites—the plunge by Levitz Furniture Corp. from $60 to $6 being a prime example—that have done so much to destroy individual investors' confidence in the market.

A restoration of such confidence, it is clear today, is essential if the market is to recommence its function as a provider of equity capital, a function it has ceased to perform (tables). Merrill Lynch's Regan, the first witness before Bentsen's committee, testified that the value of new industrial equity issues had tumbled from $4.8-billion in the first half of 1972 to $1.2-billion in the first half of 1973. And James W. Davant, chairman of Paine, Webber, Jackson & Curtis, says: "Whatever the situation in the first six months, you can bet it's a lot worse in the last three."

Last year Davant's firm brought to market eight companies offering stock to the public for the first time; this year, there was one. "The use of equity financings for emerging companies," says Davant, "has not just diminished; it's ceased." The figures bear him out. In July and August last year, according to *New Issue Outlook*, there were 78 new issues; in July and August this year, 7.

THE TREMORS ARE INDUSTRYWIDE

The result is grim for literally thousands of companies, large and small, established as well as emerging. The problems of Reliance Steel & Aluminium Co. (box) are typical of those plaguing medium-sized corporations in the sort of basic industries in which sophisticated financial institutions have lost interest. So are those of Franzia Winery, Stouffer Foods, and American Metal Climax.

Franzia, California's fifth largest winery, has increased sales from $16-million two years ago to an estimated $30-million in fiscal 1973. Earnings, too, are expected to double the 1971 figure of $542,000. But when Franzia planned an equity offering to help finance 1973 capital expenditures of $3-million, "the market was a disaster," and the issue was abandoned. In its place came an acquisition offer from bibulous Coca-Cola Bottling Co. of New York (BW—July 7), which also took over Mogen David wines in 1970. Like that institutional darling and more famous relative, "Coke" of Atlanta, Coca Cola of New York has managed to maintain the reasonably high multiple essential to takeovers.

Stouffer Foods also was taken over when a public share offering was seen as unlikely to produce a satisfactory price for its owners, Litton Industries. In its place, Litton accepted a bid from Switzerland's Nestlé, and ownership of the familiar household brand passed into foreign hands. So did much of the aluminum business of American Metals Climax, the fourth-largest U.S. fabricator of aluminum, Eager to expand capacity, but strapped for equity and burdened with a debt that had tripled since 1967, Amax (BW–Aug. 25) sold a half-interest in its aluminum operations to Japan's Mitsui for $125-million.

While a handful of banks (such as California's Security National) and famous retailers (such as Gimbel's) are among the U.S. corporations whose control has passed to foreigners since the establishment of the two-tier market, power over even more of them seems rapidly to be passing to creditors—particularly to bankers.

Reginald Jones, chairman of the General Electric Co., recently fretted that the volume of corporate long-term debt issues had virtually "exploded," with debt-to-equity ratios for the S&P Industrials leaping from 26% to 41% in just 10 years. And Thomas I. Unterberg of Unterberg, Towbin, a New York investment firm with a respected record in the underwriting of smaller companies, answers the question of what happens to such companies when they cannot raise equity cash: "They merge. They reduce expansion. They pay the banks 1½% over prime, plus 20% compensating balances. They go out of business."

The list of companies forced by the two-tier market to cut back on expansion or fall back on their bankers would stretch from coast to coast—and from Florida to Minnesota.

In Miami last month, diversified Pershing Industries withdrew an offering of 200,000 shares at $7 a share and, says President Maurice Revitz: "This has caused us to approach any sort of expansion with a lot more caution." To acquire additional cars for Pershing's leasing division, he would have to pay "2% to 2½% over prime, which means the customer would pay $30 to $40 a month more for his car."

In Minneapolis, Wilson Learning Laboratories, manufacturers of video educational programs, had seen sales soar 90% last year and was seeking $1-million in equity to finance further expansion. Instead, they were obliged to turn to banks—"a hard route," says founder and chairman Larry Wilson, "because you never get as much money as you really need." Wilson emphasizes that "not getting the money from the stock offering has hurt. We are running from month to month, project to project—with a real cash flow crunch."

Among the young, thriving electronics companies in the San Francisco peninsula's "silicon valley," Advanced Memory Systems withdrew a 460,000 share offering in May, and added $2.5-million to its $6.5-million in short-term bank borrowings. Said a spokesman: "It would have been nice to sell these additional shares, rather than borrow more from the bank with interest rates so high."

In Fayettsville, N.C., the building business of American Classic Industries dropped a series of expansion and development projects when its public offering was withdrawn. Says Barry Barnard, vice-president for finance: "We've leveraged ourselves a little more highly than before. We are pretty much trapped between high interest rates and not being able to go public."

A bottling firm in Baltimore withdrew an offering of common stock intended to replace high-cost indebtedness. Instead, worries its treasurer, "our interest cost is bearing on our earnings." His lament points up a problem like an exposed nerve in a tooth cavity—a cavity which, left unfilled, could rapidly deteriorate into the general decay of profitability. As C. V. Wood told the Bentsen committee:

"When we can't raise [equity] money for expansion, replacement of facilities, or pollution control, we have to go to the banks and saddle our companies with very high interest rates and fixed charges." Salomon Bros.' chief economist, Henry Kaufman, recently noted that bank loans to business had expanded, in the first seven months of this year, nearly four times as fast as even in 1969. The result of consistent debt financing, as GE's Jones makes clear, is to "exacerbate the compression of profit margins." Jones quotes statistics showing that in the early 1950s, nonfinancial corporations earned a pretax 23% on total capital. "Ten years ago it had dropped to about 18%, and in 1971 was down to 13%."

LITTLE ROOM FOR OPTIMISM

With short-term interest rates at their historic highs, and long-term rates nearing them, there is no reason to suppose that this situation has improved since 1971. Nor are there grounds for optimism that it will—miraculously or otherwise—get better in the foreseeable future. In 1946, AAA bonds yielded an average 2.5%, but those days are gone forever. With an "inflation expectations component" (BW—Sept. 8) of 4% to 5% to be added to the "real" rate of interest of another 4% to 5% that is normal for a period of economic expansion, the cost of servicing debt can only bear down more heavily on corporate profits. Economist Kaufman warns that "Many corporations face refinancing requirements. There's $37.9-billion in corporate bonds maturing by 1985 that needs to be refunded."

In debt financing, as Paine Webber's Davant points out, "The government pays half." Interest, for corporations as for individuals, is deductible dollar for dollar against taxes, so its net effect on the earnings per share of most companies is only 50% of its actual cost. Furthermore, Davant says, "companies that borrow are expecting their return on new investment will be higher than their normal return." Take a steel company with

$1-billion in debt outstanding and a return on investment of 8%. Suppose it borrows an additional $100-million. At 10%, its interest cost is $10-million. If it can make 12%—half as much again as its normal return—it can add $1-million post-tax to earnings. But if the economy goes into a recession, or even just a dip, and return on the new investment drops to the level of the old, it represents a drain of $1-million on post-tax earnings. Unfortunately, in practice, corporate results frequently fail to live up to corporate expectations. Speaking of the performance of the S&P Industrials in the five years from 1966-71, GE's Jones notes that "many a company didn't earn the equivalent of interest charges on newly added funds."

David Healy, vice-president and director of research at Drexel, Burnham, who has specialized in analysis of the steel industry, notes that steel's earnings coverage (of interest costs) got "really bad" at the beginning of this decade "because of deteriorating profits and increasing debt."

This combination, it should be noted, is what pushed the Penn Central into bankruptcy. On the eve of its collapse, moreover, the Penn Central was planning a further massive increase in its debt burden. But if added debt financing is undesirable for the majority of U.S. companies—and all evidence suggests that most of them should be decreasing rather than increasing their borrowings—where is the capital they need to come from?

This is the central problem confronting Bentsen and his committee, and it is a vital as well as a thorny one. Unless corporations can obtain large infusions of equity, they will be obliged either to stop expending, or to expand via debt.

In taking on more debt, at inevitably high interest cost, they increase what Healy calls the reverse leverage on their equity. Their expansion reduces, rather than improves, their per-share earnings—as does the necessity of refinancing old debt on which interest costs represented substantially less of an earnings drain. The "embedded" cost on AT&T's total debt has risen 1.15% since the beginning of this decade. This, Scanlon notes wryly, "costs us $250-million extra a year."

THREE SOURCES OF EQUITY CAPITAL

The high cost of new debt will trap most corporations in a tightening noose from which they can escape only by selling off operations or going out of business—unless they can obtain equity, and obtain it soon. Apart from retained earnings, there are for U.S. corporations today essentially three sources of equity capital for plant and equipment: institutional investors, individual investors, and venture capitalists.

Of these, the richest and the most reluctant are the institutions. Largely because of the banks' traditional policy of concealing the scope and size of their holdings, there is much confusion as to exactly how much of American industry they now effectively control. It is a common practice of bankers to pooh-pooh the notion that institutions now dominate the markets. Thus Samuel R. Callaway, executive vice-president of Morgan Guaranty, cites SEC figures showing that, at the end of 1972, individuals owned 63% of all equities, and claimed this as "impressive evidence that the individual is not out of the market." SEC figures cited by another banker (C. Roderick O'Neill, executive vice-president of Manufacturers Hanover) show, however, that individual ownership at the end of 1971 had been 66.8%. The rapid decline, 3.8% in one year, appears to indicate that the individual is quitting the market in a hurry. In terms of dollars, the 3.8% shift means that individuals own some $40-billion less of the equity of U.S. corporations, and institutions own some $40-billion more—in one single year.

Furthermore, such figures do not by any means tell the whole story of the new institutional dominance. This was well illustrated when James J. Needham, chairman of the New York Stock Exchange, told the Bentsen committee that institutions owned approximately 30% of Big Board-listed equities by the end of 1972. But he emphasized that this figure specifically excluded the banks' personal trust holdings He said that were these and other smaller institutional groups to be included, the figure would probably total 45%. Figures released last week by the FDIC reveal that just 300 U.S. banks control trust assets of $365-billion. Institutional holdings of equities now total half a trillion dollars, give or take a billion or two.

By restricting their sponsorship to what Needham calls an "ever-narrowing circle" of investments, the institutions have created a self-perpetuating downward spiral for other stocks. According to the Economic Report of the President for 1973, individuals have been selling more of their holdings of equities than they have bought since 1962—and the stocks they have been selling have been those not favored by the institutions. Since the institutions control the pension money that provides virtually the only fresh flow of funds into the market, there has been no way for these stocks to go but down. The result, as expressed in Securities Industry Assn. (SIA) testimony before Bentsen: "When the valuation mechanism is distorted, the whole capital formation process—and the nation—suffers."

HERD PSYCHOLOGY AND STARVATION

While one product of the institutional philosophy of concentration (less politely known as "herd psychology") is equity undernourishment for nonglamour companies of any size, another is equity starvation for small and emerging companies of almost every type. Few big banks—and the top 20 U.S. banks control 48% of all America's trust and pension assets—will consider investments in companies capitalized at less than $5-million. Chalkley J. Hambleton, president of the Harris Trust & Savings Bank in Chicago, a forward-looking bank that is the nation's 12th largest in terms of trust assets, says the $5-million worth of stock in the hands of the public is the smallest situation in which Harris Trust would invest—"but we would much prefer a minimum of $50-million."

Morgan Guaranty is unquestionably the most progressive of the really big banks in its seeking out of smaller companies as potential investments: Whereas First National City Bank and Bankers Trust are invested in about 400 companies each, and Manufacturers Hanover in around 250, Morgan is invested in 569. Callaway told the Bentsen committee that the bank had established two funds: one specializing in "smaller companies, defined as those with market capitalizations of up to $100-million," and another specializing in "small to medium companies," which Morgan defines as from $100-million to $500-million. Although the bank invests, through these funds, in some 268 companies, Callaway allows that they do not represent a very large proportion of Morgan's equity investments. Of the bank's $21.4-billion in common stocks, well over $19-billion is in the shares of "larger" companies, those with capitalizations of more than $500-million. Moreover, Callaway says that "while I'm sure we have invested in companies with capitalizations of as little as $5-million, we'd have to be really interested to do so."

If institutions are limiting themselves to corporations worth $5-million—or, as in most cases, a great deal more—it is evident that equity capital for emerging companies is going to have to come from somewhere else. The same is true of nonglamour companies—that overwhelming majority of small, medium, and large companies whose industries just do not interest the institutions. The major potential source, because of his propensity to save 6% to 8% ($50-billion a year) of his disposable income, is the individual investor.

Just as Bentsen's prime concern in establishing his committee was the new institutional dominance of the markets, so one of his primary objectives is to bring the individual investor back. Several witnesses, however, raised questions about his absence. Morgan Guaranty's Callaway, as noted, questioned whether the individual had ever gone. And Merrill Lynch's Regan suggested that he might be coming back already. Regan pointed to the fact that Merrill Lynch is opening new accounts at "the highest rate in our history"—a sentiment echoed by Paine Webber's Davant and (with some exceptions) by brokers all over the U.S., in a survey conducted by Business Week.

One explanation was provided by Stan West, research director of the New York Stock Exchange: "Given the well-publicized problems of the Street, a lot of shareholders may be switching to well-capitalized firms as a matter of self-protection. These people show up as new accounts at Merrill Lynch, even though they're not new shareowners. And when a firm like Reynolds takes over Courts in Atlanta, the people that go with Courts' registered representatives to Reynolds won't show up as new account openings. But, if Courts' R. R.s take them to Robinson-Humphrey [another Atlanta firm] they'll show up as new."

Just as consolidations produce new accounts for some firms without actually bringing new investors into the market, so do liquidations. The 48,000 investors who had accounts at Weis Securities will show up as new accounts somewhere, even if all they do is liquidate what is left of their holdings.

WHERE IS THE INDIVIDUAL?

In any case, however many accounts are opened, individual business in the equities market is off sharply. Through Aug. 10, business on the Annex—which is dominated more than 70% by individuals' trading—was off 32%, in relation to the same period last year; business on the Big Board—which is dominated to about the same extent by institutions—was by contrast off only 7%. If the individual was indeed coming back he was doing so very slowly.

Furthermore, Business Week's survey showed that many erstwhile investors had grave doubts about coming back to the market at all:

Gary A. Daum, administrative vice-president of General Nutrition Corp., a Pittsburgh food supplements retailer, says: "I'm a gambler by instinct, and I still have a yearning to play the market. But not now. There's too much risk involved, because the worth of a company no longer determines the value of its stock. Stocks move to the pressures of big investors."

Other investors find the interest rates on fixed income securities too tempting for equities to appear attractive. Says Barry E. Tague, an investor who is vice-chairman of the Philadelphia-Baltimore-Washington Stock Exchange: "It's that time now when you should be content with 9% on your money, and go fishing for a while."

And others, of course, are indeed girding their loins and preparing to reenter the fray. For example, David W. Eaton, a Los Angeles management consultant, is anxious to get back—despite punishing losses in 1968–69:

"I bought companies at $35 that are going for 7¢," he says.

It is perhaps investors like Fred Torres, general sales manager of Cleveland's Woodhill Chemical Co., who represent the biggest challenge to the Bentsen committee. Torres says he has "definitely lost confidence in the stock market," and he has cut his investments to perhaps 20% of what they were a few years ago. For one thing, he has bought a house. For another, he has put some of the money into bonds. And he has been "shaken by what has been happening to the brokerage industry." Torres had money in an account with Dempsey-Tegeler, another brokerage firm that went under, and he says "I almost never did get that thing straightened out."

If many people feel as do Torres and most of the ex-investors in Business Week's sample, Bentsen faces a severe struggle to get them back in the equity market.

One additional difficulty in doing so is noted by former SEC chairman G. Bradford Cook. He feels that, in these days of increased Social Security and improved pension possibilities, many of the sort of people who once invested in the stock market to build up a nest egg no longer do so. Instead, feeling that their nest egg needs will be taken care of, and disillusioned by market gyrations and manipulations, they look to other outlets for spare money and savings. Among the most important, Cook suggests, may be second homes.

The present prospects for raising large amounts of fresh equity capital from these investors appear bleak. Indeed, these prospects appear downright forbidding when the third basic source of equity is also considered—for the venture capitalists are not able to provide more than a tiny percentage of what is needed.

No exact figure exists on how much the equity venture capitalists do provide, but the generally accepted figure is $100-million a year.

HOW U.S. INDUSTRY'S CASH NEEDS SOAR

[In billions of dollars]

	Planned capital expenditures 1973	Projected capital expenditures 1985
Selected manufacturing groups:		
Steel	$2.0	$4.5
Machinery	4.1	9.6
Electrical machinery	2.7	7.7
Instruments	.9	4.2
Chemicals	4.5	8.9
Paper and pulp	1.9	6.3
Rubber and plastics	1.6	4.0
Petroleum	5.7	12.6
Food and beverages	3.0	7.5
Selected nonmanufacturing groups:		
Airlines	2.7	15.2
Communications	13.9	37.1
Electric utilities	17.0	41.1
All business (including other industry groups not shown above)	106.0	233.0

Source: McGraw-Hill.

Obviously, this is a drop in the bucket of equity capital that U.S. companies require. Obviously, too, although some venture capitalists are now taking advantage of low p/e multiples to move in on relatively large businesses, they only invest, in principle, in a rather restrictive type of company: the type that can provide them, as Leroy W. Sinclair of Technimetrics says, "with at least 40% on their investment, compounded annually."

STARTUP CAPITAL IS TIGHT

Venture capitalists are now able to make investments on terms that attract them, says Stanley M. Rubel, who runs his own venture capital consulting firm in Chicago, "because a lot of companies are desperate for capital." Despite this demand, and despite the fact that as much money is available for venturing as ever, an anomalous situation has developed. "Startup capital is tight," Rubel says. "More venture capital money is flowing into secondary financing, because venture capitalists are waiting to see how companies perform before they invest."

This impression is confirmed by venture capitalists themselves—such as Edgar F. Heizer, of Chicago's Heizer Co. Because of low multiples in the stock market, he says "startup investors don't see their stock being tradeable for five or six years, and they're backing off from startup investing."

The multiples that venturists are looking for moreover are clearly very different from those being paid these days on most emerging companies. It is evident, too, that while there is equity ready, waiting, and to spare for a new Polaroid, an Itek, or a Digital Equipment, venture capitalists are not going to solve the equity problems of stodgier, more basic, less spectacular companies.

Here, in fact, is one of the most exasperating examples of the waste that is a byproduct of the two-tier market. Venture capitalists have plenty of money available for the right deal. Indeed, they are scrambling over each other to get into the deals that offer some prospect of venture capital-sized returns. In the same way among the few established companies that qualify for institutional interest, there is no practical limit on the amount of equity available. This is, says Paine Webber's Davant, an effect of the institutionalization of savings. Says Davant: "Where decisions are made by a handful of money managers, instead of by a large number of individuals, only the institutional darlings are able to sell equity."

An excellent example is Digital Equipment, A "religion" stock as far as institutions are concerned, it recently sold 750,000 shares to bring in some $66-million. Digital's p/e was then 40, and it is interesting to note the primary object of its offering: the repayment of Digital's bank debt. By paying off the debt with capital obtained at 40 times its earnings, the company would be able to improve these earnings still further, thus, conceivably, justifying the institution's putting an even loftier multiple on its stock.

THE EUROPEAN PATTERN

Digital Equipment illustrates another problem put by C. V. Wood to the Bentsen committee: "Will America follow the pattern of Europe—where the economy is controlled by a few great banking houses?" While the concept is utterly foreign to the U.S., it no longer appears altogether implausible. The economist Richard Scott-Ram says: "Unless we can get the stock market back on course, many companies won't be able to raise equity capital. The banks are going to be called on to provide most financing—just as they do in Germany."

As part of the "Universalbank" or total financial services concept that characterizes the German banking system, the banks there function as the only underwriters. They are heavy purchasers of the issues they sell, with the result that they maintain absolute authority over a large part of German industry. Bentsen says some observers estimate that 60% of German business is now effectively controlled by banks.

Woodrow Wilson noted in 1911 that, "The great monopoly in this country is the monopoly of money." The investment policies of banks are now preventing most companies from raising equity capital and obliging them to come back to their bankers for borrowings. One of Miami's leading bank officials says frankly that the kind of companies that generally go to the public for risk capital, and are currently stymied, now have to pay 2% to 2½% above prime for expansion money—plus compensation balances. At that rate, companies are effectively paying 14% to 16%.

Although few companies relish the idea of paying this sort of short-term interest cost, they may find the thought of locking themselves into today's levels of long-term interest rates even more distasteful. Economist Paul Markowski, a vice-president of Laidlaw-Coggeshall, reckons that any company with a credit rating lower than BAA would have to pay 10½% or more on long-term money today. This means in effect, that smaller companies, and those of medium or lower quality, have nowhere to turn but their banks. The reason is that public marketing of debt at 10½%, as the Penn Central discovered three years ago, is just not feasible.

As for private placements, volume in the first half of this year soared to an all-time high, with lenders expanding from the traditional small band of huge "life" companies to include more than a thousand varied institutions; among them are savings and loans, insurance companies of all sorts and sizes, and pension plans. However, the "letter stock" fiascos of 1969–70 have dulled institutional taste for private equity deals, and—with the exception of some convertible preferred—private placements now consist almost entirely of debt. In any case, as Markowski observes, smaller and non-blue chip companies find it extremely difficult to tap the institutions in the private market—"unless they're willing to give up control."

INTERNAL SOURCES ARE DRYING UP

This points up the crucial problem that is about to confront the management of almost every U.S. company outside the institutions' "favorite 50"—if indeed it is not already staring them in the face.

Corporate capital expenditures are now running at around $100-billion a year. Between now and 1985 (box), they are expected to total well over a trillion dollars. In the last two years, corporations have been able to rely more heavily than usual on retained earnings, partly because profits have been so high, partly because—owing to dividend restrictions—they have been limited in the amount they could pay out to stockholders. Now this situation has changed in two key ways. First, shareholders are allowed higher dividends, and indications from Wall Street are that they are going to demand them. Second, as Salomon Bros.' Kaufman points out: "Corporate profits are going to come down, and internal cash generation is going to slow." For equity capital, in other words, corporations must look much more to external sources.

When they do, their welcome is likely to be more frigid than many of them would imagine in nightmares. Jim Davant stresses that many of the hundreds of equity offerings that have been withdrawn this year could have been sold—"if the managements had been willing to accept 5 or 10 times earnings, where they had been expecting 15." Economists confirm such gloomy predictions. Kaufman says: "It's a question of price. If companies have the earnings, they can probably get the equity money—if they're willing to pay the price." Scott-Ram feels most companies will be forced to sell equity at eight or nine times earnings, or less.

The question immediately arises, is this worth it? A. Gary Shilling, the chief economist of investment bankers White, Weld, points out that, already, the height of some companies' debt-equity ratios may force them to sell equity "at multiples they won't like." The electric utilities, says AT&T's Scanlon "are being obliged to sell equity at or below book value. They don't want to erode any further the interest coverage on their debt."

But for thousands of companies selling "below book," this option is hardly practicable. Tom Killefer, vice-president for finance at Chrysler Corp., whose stock is selling at $24 against a book value of nearly $50, says: "We just couldn't do an issue of equity in these circumstances. It doesn't make sense, and the stockholders would never tolerate the dilution." Chrysler, happily, can finance expansion internally: but what happens to a less fortunate company—such as a steelmaker with less cash flow and a lower rate of return? "You have a heart-breaking decision," Killefer suggests. "You pay the money, or you put off your plans." W. B. Boyer, chairman of Republic Steel Corp., leaves little doubt of what his company's answer would be. "We're not interested in maintaining a share of industry," Boyer says. "We're interested in profits. If that means we have to contract the company, we'll do it."

QUESTIONS AND ANSWERS

Unless Bentsen and his committee can come up with some solutions to U.S. corporations' capital crunch, it is clear that choices and prospects for many of these companies are less than brilliant. Like Republic, they can cut down or cut back. They can go deeper into debt. They can, if their earnings are presently high enough, raise equity capital by selling stock at ridiculously low multiples—a process eventually as harmful, since it cuts down earnings per share, as an excessive reliance on debt.

There are basically four ways Bentsen can move to solve the problem:

1. By placing limits on the dominance of institutions. Almost everyone who has examined the question feels that some sort of action is essential. The exchanges agree. The SIA agrees. Don Regan agrees. Wood agrees, vehemently. Even some institutions agree by implication—since they say they self-impose certain limits, in theory, already.

Bentsen favors formalizing such limitations, to the extent of setting a limit on how much of a company any one institution can hold. He also favors the bill recently introduced by Senator Harrison A. Williams (D-N.J.), under which institutions would be obliged to stop concealing their holdings and their trading, through prompt, regular disclosure of both.

The advantages of such measures are evident. Surveys by the NYSE, and SIA, and Arthur D. Little, Inc., all reveal one fundamental reason for the individual's absence from the market. As GM's Roche puts it: "More than seven out of 10 believe the market is manipulated."

2. By encouraging both institutions and individuals to invest in "noninstitutional" stocks. Regan, who would like to see institutions make public all their transactions monthly or even weekly, says: "I can see no logical objection to the point that the new power of institutions puts on them a new responsibility to disclose quickly." Were they to do so, and were each institution to be limited to, say, 3% of any company, the benefits to the market would certainly be at least twofold.

First, there would be a steady inflow of institutional cash into the stocks of hundreds of sound corporations that, despite steady and even startling earnings growth, have not benefited from this inflow, simply because they were not numbered among the institutions' favored few. Second, the fact that this process was taking place, and that because of disclosure it was seen to be taking place, would also encourage individuals to invest again. Some authorities, such as Charles F. O'Hay, senior vice-president and director of research at the Provident National Bank in Philadelphia, believe that the mere existence of the Bentsen committee and its leanings are exerting a healthy effect on securities prices. In the last few weeks, hundreds of low p/e stocks have advanced while a series of "superglamors" such as IBM, Avon, Merck, and Polaroid have hit or approached new 1973 lows. This at least suggests that the movement is under way.

Regan would also like to see a greater effort by the banks to assist the development of emerging companies. "They're the ones that can afford it," he says with emphasis.

But whatever the banks can be encouraged to do, the main burden of financing emerging companies with equity will still fall on the individual. Nashville broker J. C. Bradford says: "The institutions always want the hot issues but are usually unwilling to buy the ordinary ones. I'd say 90% of an average issue goes to our retail customers." The Philadelphia firm of Suplee-Mosley, Inc., is typical of the underwriters who normally bring half a dozen new companies public each year, and who depend on the individual investor to do so. "This year," says Senior Vice-President William Z. Suplee III, "we'll be lucky to do one."

3. By increasing the market participation of individuals. Bentsen is leaning toward some sort of relief on tax treatment of gains—and everyone concerned with the health of the equity-raising markets seems to agree that it is essential. GE's Jones admits that this may be contrary to "the rhetoric of loopholes" but stresses: "Our present tax structure has a vigorous bias against private saving and capital attraction." Equity would seem to demand some adjustment. Morgan Guaranty's Callaway makes the point that taxes put the individual investor at a considerable disadvantage in competition with the institutions, and Bentsen notes that the "indirect tax subsidy" from the Treasury to private pensions alone is estimated at $3 billion to $4 billion a year. Even on long-term capital gains, the SIA points out, the individual can wind up losing very nearly half of any profit when state and city taxes, and a basic federal tax rate, which now reaches 36½%, are factored into the whole equation.

Regan proposes replacing this with a sliding scale to provide a taxbite graduated according to the length of time an asset is held. His range: 30% after six months, descending to 10% after five to seven years. He makes the point that a large factor in most assets' appreciation is inflation, and he does not see why investors should be taxed on this unwanted ingredient of their profit.

SIA Chairman John C. Whitehead also proposes a sliding scale and demonstrates that the present level of capital gains taxation is actually keeping large amounts of revenue from the government. At least $200-billion of capital gains are "locked in," Whitehead explains. If just half of these were unlocked, and if they were taxed at 20%, they would produce a bonus of $20-billion for the Treasury. The market can also benefit: By their nature, holdings of high-flyers such as IBM and Xerox account for a preponderance of locked-in gains; were these gains to be unleashed, economists believe, a hefty proportion would gravitate into "value" securities with lower multiples.

In the view of Regan, Whitehead, and the NYSE's Needham, equity would seem to call for some revision of the tax treatment of losses, particularly if individuals are to invest again in the relatively high-risk situations represented by most emerging companies. Regan and Whitehead suggest, simply, that the tax treatment of losses should match that of gains. Needham proposes raising investors' loss deduction from its present $1,000 to $5,000. He also favors treating brokerage commissions as "investment expenses," deductible against ordinary income. Bentsen says he is "very sympathetic" to that idea.

4. By making foreigners and their surplus dollars more welcome. "Foreigners," says Merrill Lynch's Regan, "find it difficult to understand why we seem to want to make it hard for them to invest in our securities." One particular bugbear is the tax (generally 30%) the U.S. withholds from dividends and interest due foreign investors. Regan told the Bentsen committee that Merrill Lynch could sell an estimated 15% to 30% more U.S. common stock abroad if withholding were ended. He said: "There is lots of money out there looking for a happy home."

Indeed there is. John Scanlon spent last week with AT&T Chairman John D. deButts talking with investors in London, Paris, Zurich, Geneva, and Amsterdam. Says Scanlon: "There are those vast pools of dollars accumulated abroad, maybe $100-billion. I think it would be good to eliminate this [withholding tax] deterrent."

If foreigners can be encouraged to increase their investment, if individual U.S. investors' confidence can be repaired, much of the erstwhile robust health of America's capital-raising process may be restored, Most important, as Whitehead told the Bentsen committee: "Distortions caused by institutional dominance must be corrected if national markets are again to do their job of allocating resources, and attracting new capital to risk situations popular and unpopular, large and small."

Bentsen recently told Business Week: "We don't want a situation in this country like you have in Germany." As he said in the Senate: "Mr. President, unless changes are made in the current investment picture, I am concerned we will see many of our companies acquired by foreign interests, while those which retain U.S. ownership will be subject to the control of a few institutions."

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills in which it requests the concurrence of the Senate:

H.R. 1353. An act for the relief of Toy Louie Lin Heong;

H.R. 1356. An act for the relief of Ann E. Shepherd;

H.R. 1367. An act for the relief of Bertha Alicia Sierra;

H.R. 1376. An act for the relief of J. B. Riddle;

H.R. 1463. An act for the relief of Emilia Majowicz;

H.R. 1696. An act for the relief of Sun Hwa Koo Kim;

H.R. 1955. An act for the relief of Rosa Ines D'Elia;

H.R. 2513. An act for the relief of Jose Carlos Recalde Martorella;

H.R. 2514. An act for the relief of Mrs. Gavina A. Palacay;

H.R. 2628. An act for the relief of Anka Kosanovic;

H.R. 3043. An act for the relief of Mrs.

Nguong Thi tran (formerly Nguyen Thi Nguong, A13707-473D/3);

H.R. 3207. An act for the relief of Mrs. Enid R. Pope;

H.R. 3334. An act for the relief of Maria Lourdes Rios;

H.R. 3754. An act for the relief of Mrs. Bruna Turni, Graziella Turni, and Antonello Turni;

H.R. 6829. An act for the relief of Mr. Jose Antonio Trias; and

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971.

The message also announced that the House had passed the bill (S. 278) for the relief of Manuela C. Bonito with amendments in which it requests the concurrence of the Senate.

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 84. An act for the relief of Mrs. Naoyo Campbell;

S. 89. An act for the relief of Kuay Ten Chang (Kuay Hong Chang);

S. 396. An act for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.;

S. 1914. An act to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes; and

S. 2419. An act to correct typographical and clerical errors in Public Law 93-86.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 1353. An act for the relief of Toy Louie Lin Heong;

H.R. 1356. An act for the relief of Ann E. Shepherd;

H.R. 1367. An act for the relief of Bertha Alicia Sierra;

H.R. 1376. An act for the relief of J. B. Riddle;

H.R. 1463. An act for the relief of Emilia Majowicz;

H.R. 1696. An act for the relief of Sun Hwa Koo Kim;

H.R. 1955. An act for the relief of Rose Ines D'Elia;

H.R. 2513. An act for the relief of Jose Carlos Recalde Martorella;

H.R. 2514. An act for the relief of Mrs. Gavina A. Palacay;

H.R. 2628. An act for the relief of Anka Kosanovic;

H.R. 3043. An act for the relief of Mrs. Nguong Thi tran (formerly Nguyen Thi Nguong, A13707-473D/3);

H.R. 3207. An act for the relief of Mrs. Enid R. Pope;

H.R. 3334. An act for the relief of Maria Lourdes Rios;

H.R. 3754. An act for the relief of Mrs. Bruna Turni, Graziella Turni, and Antonello Turni; and

H.R. 6829. An act for the relief of Mr. Jose Antonio Trias; to the Committee on the Judiciary.

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971; to the Committee on Finance.

FURTHER CONTINUING APPROPRIATIONS, 1974

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will proceed to the consideration of House Joint Resolution 727, which the clerk will state.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 727) making continuing appropriations for the fiscal year 1974, and for other purposes.

The Senate proceeded to consider the joint resolution which had been reported from the Committee on Appropriations with an amendment.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will state the committee amendment.

The assistant legislative clerk read as follows:

On page 1, after line 7, strike out:

SEC. 2. The third proviso of section 101 (a)(4) of such joint resolution is amended to read as follows: ": *Provided further*, That the aggregate amount made available to each local educational agency under title I-A of the Elementary and Secondary Education Act of 1965 shall not be less than 85 per centum of the amount made available for that purpose for 1973;".

SEC. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

Mr. McCLELLAN. Mr. President, at a meeting of the full Appropriations Committee on October 1, 1973, the committee approved House Joint Resolution 727 with an amendment, and voted the resolution reported to the Senate.

As my colleagues are aware, the purpose of this resolution is to provide continuing appropriations for fiscal year 1974 for those programs and activities of the government for which regular appropriation bills have not yet been enacted.

The original continuing resolution for fiscal year 1974 was enacted on July 1, 1973, and became Public Law 93-52. It contained a termination date of September 30, 1973. The pending resolution would extend that date to the sine die adjournment of this session of Congress.

Of the 13 regular appropriation bills that Congress will consider this year, 3 have been signed by the President, 1 is awaiting the President's signature, 5 have been passed by both the House of Representatives and the Senate and are either awaiting conference or in some stage of the conference process, 1 has been passed by the House but has not yet passed the Senate, and 3—the bills for foreign operations, the Defense Department, and military construction—lack necessary authorizing legislation.

Mr. President, the terms of House Joint Resolution 727 are explained in the committee report. The committee recommends the same version of the continuing resolution that was reported by the House Committee on Appropriations. In so doing, the committee has deleted section 2 and section 3 of the resolution as it came over from the House of Representatives. Those two sections were added to the resolution on the House floor.

Section 2 and section 3 are as follows:

SEC. 2. The third proviso of section 101(a) (4) of such joint resolution is amended to read as follows: ": *Provided further*, That the aggregate amount made available to each local educational agency under title I-A of the Elementary and Secondary Education Act of 1965 shall not be less than 85 per centum of the amount made available for that purpose for 1973;".

SEC. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

Mr. President, it was the consensus of the Committee on Appropriations that a continuing resolution is not the proper vehicle for amendments of this nature, but the passage of this resolution is necessary to insure orderly continuation of those functions of the Government for which appropriations have not yet been enacted, and I urge its early adoption, because the date of the original continuing resolution has already expired.

Mr. President, I request that the two sections of the amendment be regarded as separate amendments and so considered during the processing of this bill.

The PRESIDING OFFICER (Mr. McGOVERN). Under rule XVIII, the Senator has the right to divide the amendment, and since the Senator from Arkansas has made that request, the Senate will consider section 2 and section 3 of the joint resolution separately.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I yield.

Mr. CURTIS. As I understand the request of the distinguished chairman of the Appropriations Committee, it is that there be a division of the two parts of the committee amendment; is that correct?

Mr. McCLELLAN. That is correct.

Mr. CURTIS. And the first part he wishes to consider is the portion from line 8 on page 1 to line 3 on page 2?

Mr. McCLELLAN. That would be line 8 on page 1 through line 3 on page 2, which would be the first amendment, and the second amendment would be all of section 3, from line 4 through line 8 on page 2.

Mr. CURTIS. I might say to my distinguished friend that I favor the division of the question, and I wish to be heard on the second portion which deals with lines 4 through 8 on page 2.

Mr. McCLELLAN. Very well.

The PRESIDING OFFICER. The question, then, is on agreeing to the first part of the committee amendment.

Mr. BEALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the first part of the committee amendment.

Mr. JAVITS. Mr. President, what is the pending business?

The PRESIDING OFFICER (Mr. McGOVERN). The pending business is the committee amendment, which has been divided. The pending question is on the first part of the committee amendment, beginning on line 8, page 1, and continuing through line 3 on page 2.

Mr. JAVITS. Mr. President, I intend to address myself to that amendment.

CALL OF THE ROLL

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 454 Leg.]

Aiken
Allen
Baker
Beall
Bentsen
Cotton
Curtis
Fulbright
Gurney
Hatfield
Inouye
Javits
Mathias
McClellan
McGovern
Montoya
Ribicoff
Schweiker
Talmadge
Young

The PRESIDING OFFICER. A quorum is not present.

Mr. INOUYE. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Hawaii.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Bartlett
Bellmon
Bennett
Bible
Biden
Brock
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Johnston
Long
Magnuson
Mansfield
McClure
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Roth
Saxbe
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Tower
Tunney
Weicker
Williams

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. STENNIS), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Indiana (Mr. BAYH) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from New York (Mr. BUCKLEY) are necessarily absent.

I further announce that the Senator from South Carolina (Mr. THURMOND), is absent to attend the funeral of a friend.

I also announce that the Senator from Kansas (Mr. PEARSON), is absent because of illness.

The PRESIDING OFFICER. A quorum is present.

Mr. JAVITS and Mr. McCLELLAN addressed the Chair.

Mr. JAVITS. Mr. President, of course I yield to the chairman of the committee.

Mr. McCLELLAN. Mr. President, I wanted to observe, just for a moment, that I was waiting for someone else to come to the floor.

Very well, let us proceed.

Mr. JAVITS. Mr. President, I ask unanimous consent that Mr. Roy Millenson, of the minority staff, may have the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that Mr. Emon Mahoney, of my staff, may have floor privileges during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Mr. Colbert King and Mr. Michael Smith may have privileges of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I ask unanimous consent that Mr. Roy Katz, of my staff, may have privileges of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I ask unanimous consent that Mr. Joe Carter, of my staff, may have privileges of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I rise in opposition to the first part of the committee amendment, which strikes out section 2 of the House measure.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? There are about a dozen conversations around the floor, and gatherings. Could we have order?

The PRESIDING OFFICER. The Senate will be in order so the Senator from New York may be heard.

Mr. JAVITS. The basis——

Mr. ROBERT C. BYRD. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. Will the Senators suspend momentarily until we can get order in the Senate?

The Senator from New York is recognized.

Mr. JAVITS. Mr. President, the basis for my opposition is as follows:

Before I go into the details, may I say to the chairman and the ranking minority member of the committee that, having lived with this problem for some months now I yield to no one in my appreciation of its complexities. We are all discussing a most difficult and complex problem. I wish to affirm that I am sure the chairman and the ranking minority member and all members of the committee did everything they could to try to resolve it in what they thought was the best prescription for all. The reason that we disagree does not denigrate in any way their good work and efforts for all of us to try to resolve this matter.

The continuing resolution extends the last enacted continuing resolution, now Public Law 93-52. And the particular matter to which I voice my opposition—and by the way, it could have been done by an amendment, but as long as the issue was raised by the committee amendment, it might as well be argued on that score—relates to that provision which stipulates that no State will receive less under title 1 (a) of the Elementary and Secondary Education Act than it received 2 years ago, in fiscal year 1972.

The reason stated for this proviso was to forestall diminution in these title 1 funds, which aggregate in round figures about $1,800 million, so that no State is to receive less than it received 2 years ago, in fiscal year 1972. And it is used to forestall the diminution in those title 1 funds received by a State because of the use of the 1970 census in counting eligible students instead of the 1960 census which had been used in prior years. The authorizing legislation, the Elementary and Secondary Education Act of 1965, requires that the latest available census figures be used.

Here is the situation which affects this matter. Normally we hold harmless on the basis of the preceding year's allocation and not based on the allocation of 2 years ago or on an outdated census. Thus, using the fiscal 1972 base, we find that some States which were reduced in fiscal 1973 from the fiscal 1972 figure are now being increased in fiscal 1974 based solely on this proviso which employs the hold harmless base of 2 years ago. There is an unfortunate precedent that could encourage "shopping trips" for a "good year" in future legislation, a precedent which we will very much regret.

The amendment agreed to in the other body—the so-called Quie amendment—made a fair resolution of the difficulties of putting the money where the children are, to use an expression of the Senator from New Hampshire. It is a very vivid and proper expression to use. At the same time it not so seriously reduces the share of each particular district, as title I funds are allocated, in effect, by local educational districts. It is an effort to limit to 85 percent, the amount which such local areas might lose because of the diminution in their eligible child population, carrying it through a transition period.

We respond to the 85 percent hold harmless provision agreed to in the other body with the proposition which was, quite understandably, that the local school budget adopted for the current fiscal year would be very seriously embarrassed by some of the reductions imposed on the local school districts if we did not have some kind of hold harmless clause.

We feel that the 100 percent State hold harmless provision, if we were to follow the recommendation of our committee, would be more prejudicial than it would be to the basic pirnciple of putting the money where the children are.

We are told that the Appropriations Committee has endeavored to work out a compromise in respect to this problem which will be incorporated in the Labor-HEW appropriations bill. That compromise, from what we know about it, as far as my State is concerned, would mean that we would be worse off with that compromise than if we took the appropriations bill as it passed the House. However, be that as it may, right now, the important thing is that the HEW appropriations bill will take some little while to pass, and when passed it has an excellent chance of being vetoed. If it is vetoed—and there is a good chance that it will be—we are really locked in with a continuing resolution perhaps until the end of the fiscal year. The administration's lawyers say that when a bill is vetoed, that the veto wipes it out and it does not qualify under that provision of the continuing resolution. We are taking the previous continuing resolution and just extending the time. It says the standard of the House or Senate in the continuing resolution shall obtain. We have had that struggle with the administration lawyers.

Then the continuing resolution just continues still further. And we are all stuck with the 100 percent State hold harmless provision which works out very inequitably, as I have described.

Mr. President, I have had printed in the RECORD a tabulation which is found on page 32504 in this morning's RECORD, a reprint of which is on everyone's desk. I include in my remarks at this point tables based upon an appropriation of roughly $1.8 billion for title I of the ESEA, and with 100 percent of the hold harmless provision at the 1972 level, which is the first column. Then the second table compares that with what would happen in fiscal year 1974; that is, in fiscal year 1974 if we applied this particular formula, this would be the result. Also we analyze what happens with an 85-percent hold harmless provision which shows that a majority of the States do better than they would with a 100-percent hold harmless provision.

I ask unanimous consent to have two tables printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE A

State	Fiscal year 1974 ESEA I, part A estimated allotments with 1972 floor	Fiscal year 1974 ESEA I, part A estimated allotments without 1972 floor	Loss or gain under hold harmless	Percent of formula allotment with fiscal year 1972 floor
Alabama	$42, 202, 992	$22, 685, 091	+$19, 517, 901	186. 04
Alaska	4, 108, 676	4, 745, 528	−636, 852	86. 58
Arizona	11, 523, 805	13, 047, 637	−1, 523, 832	88. 32
Arkansas	26, 470, 169	13, 383, 963	+13, 086, 200	197. 78
California	151, 796, 957	183, 335, 748	−31, 538, 791	88. 80
Colorado	14, 061, 868	16, 598, 162	+2, 536, 294	84. 72
Connecticut	17, 099, 599	20, 457, 938	−3, 358, 339	83. 58
Delaware	8, 649, 464	4, 212, 224	−562, 760	86. 64
Florida	39, 837, 839	40, 721, 904	−884, 065	97. 83
Georgia	42, 188, 006	32, 050, 692	+10, 137, 314	139. 63
Hawaii	4, 636, 313	5, 594, 705	−958, 392	82. 87
Idaho	3, 977, 755	4, 307, 637	−329, 882	92. 34
Illinois	82, 549, 907	100, 027, 048	−17, 477, 141	82. 53
Indiana	20, 487, 387	24, 353, 714	−3, 866, 327	84. 12
Iowa	16, 645, 654	12, 594, 561	+4, 051, 093	132. 17
Kansas	12, 478, 897	11, 930, 161	+548, 736	104. 60
Kentucky	38, 302, 224	23, 014, 304	+15, 287, 920	166. 43
Louisiana	37, 989, 922	31, 943, 897	+6, 046, 025	118. 93
Maine	6, 549, 274	7, 617, 589	−1, 068, 315	85. 98
Maryland	24, 621, 223	29, 564, 565	−4, 943, 342	83. 28
Massachusetts	33, 505, 700	40, 254, 091	−6, 748, 391	83. 24
Michigan	65, 576, 522	78, 255, 320	−12, 678, 798	83. 80
Minnesota	23, 183, 881	22, 160, 878	+1, 023, 003	104. 66
Mississippi	44, 154, 990	22, 829, 237	+21, 325, 753	193. 41
Missouri	28, 547, 584	24, 025, 663	+4, 521, 921	118. 82
Montana	4, 379, 638	4, 425, 127	−45, 489	98. 97
Nebraska	$8, 461, 135	$7, 789, 028	+$672, 107	108. 63
Nevada	1, 666, 084	1, 950, 597	−284, 513	85. 41
New Hampshire	2, 801, 095	3, 304, 210	−503, 115	84. 77
New Jersey	60, 773, 155	73, 044, 917	−12, 271, 762	83. 20
New Mexico	11, 203, 896	10, 614, 276	+589, 620	105. 56
New York	255, 282, 719	309, 962, 830	−54, 680, 111	82. 36
North Carolina	61, 621, 074	35, 255, 652	+26, 365, 422	174. 78
North Dakota	5, 447, 877	4, 140, 123	+1, 307, 754	131. 59
Ohio	51, 107, 359	61, 063, 079	−9, 955, 720	83. 70
Oklahoma	20, 300, 817	17, 010, 041	+3, 290, 776	119. 35
Oregon	12, 858, 310	15, 009, 650	−2, 151, 340	85. 67
Pennsylvania	74, 583, 599	88, 482, 429	−13, 918, 830	84. 27
Rhode Island	6, 041, 948	7, 252, 309	−1, 210, 361	83. 31
South Carolina	37, 107, 533	18, 991, 562	+18, 115, 971	195. 39
South Dakota	6, 870, 494	4, 632, 141	+2, 238, 353	148. 32
Tennessee	38, 712, 613	20, 021, 999	+18, 690, 611	193. 35
Texas	93, 439, 492	81, 923, 055	+11. 516, 437	114. 06
Utah	5, 302, 785	6, 304, 179	−1, 001, 374	84. 12
Vermont	3, 014, 806	3, 268, 002	−253, 196	92. 25
Virginia	37, 084, 416	29, 347, 081	+7, 737, 335	126. 36
Washington	19, 676, 262	23, 307, 758	−3, 631, 496	84. 42
West Virginia	21, 681, 593	12, 118, 337	+9, 563, 256	178. 92
Wisconsin	19, 931, 228	23, 752, 279	−3, 821, 051	83. 91
Wyoming	1, 821, 060	1, 891, 064	−7, 004	101. 59
District of Columbia	13, 478, 984	16, 197, 598	−2, 718, 614	83. 22

TABLE B

State	Fiscal year 1973[1] actual allotments	Fiscal year 1974[2] ESEA 1, pt. A, estimated allotment with 85 percent of 1973 floor
Alabama	$36, 401, 903	$31, 524, 245
Alaska	3, 733, 423	4, 673, 262
Arizona	10, 996, 734	12, 698, 616
Arkansas	23, 079, 131	20, 428, 998
California	125, 654, 918	170, 843, 900
Colorado	13, 203, 916	15, 962, 163
Connecticut	14, 082, 445	19, 322, 569
Delaware	3, 493, 086	4, 148, 008
Florida	37, 021, 551	40, 952, 113
Georgia	42, 634, 436	37, 055, 629
Hawaii	4, 137, 759	5, 183, 201
Idaho	3, 943, 640	4, 253, 677
Illinois	75, 824, 607	92, 778, 336
Indiana	22, 141, 108	23, 156, 157
Iowa	15, 708, 515	13, 788, 634
Kansas	11, 130, 264	11, 438, 319
Kentucky	33, 227, 526	28, 619, 608
Louisiana	34, 566, 397	30, 464, 800
Maine	6, 513, 282	7, 181, 685
Maryland	22, 269, 455	27, 777, 141
Massachusetts	28, 935, 270	37, 794, 665
Michigan	61, 674, 584	74, 181, 276
Minnesota	22, 830, 751	20, 727, 689
Mississippi	37, 905, 476	32, 844, 431
Missouri	26, 213, 359	23, 336, 876
Montana	4, 228, 832	4, 395, 566
Nebraska	8, 041, 771	7, 338, 379
Nevada	1, 313, 805	1, 862, 867
New Hampshire	2, 584, 343	3, 147, 063
New Jersey	$51, 464, 849	$68, 540, 040
New Mexico	8, 944, 790	10, 099, 386
New York	212, 916, 666	286, 662, 020
North Carolina	56, 460, 652	50, 055, 178
North Dakota	5, 265, 065	4, 875, 990
Ohio	49, 873, 001	57, 783, 899
Oklahoma	18, 554, 868	16, 610, 786
Oregon	11, 776, 238	14, 647, 518
Pennsylvania	72, 188, 475	82, 577, 993
Rhode Island	5, 572, 597	6, 782, 218
South Carolina	32, 163, 595	28, 589, 346
South Dakota	6, 065, 968	5, 348, 790
Tennessee	33, 551, 724	29, 337, 452
Texas	91, 309, 880	86, 089, 986
Utah	4, 785, 278	5, 971, 062
Vermont	2, 987, 323	3, 206, 751
Virginia	34, 407, 313	30, 616, 220
Washington	17, 234, 129	22, 326, 879
West Virginia	18, 328, 333	16, 018, 586
Wisconsin	20, 489, 168	22, 559, 486
Wyoming	1, 739, 326	1, 858, 127
District of Columbia	11, 571, 059	15, 176, 036

[1] 1973 allotment based on $1,585,000.

[2] 1974 allotment based on $1,810,000.

Mr. JAVITS. Mr. President, there is one other thing that is critically important in this matter is in title 1 of the ESEA. The law indicates the payments which a particular county is entitled to receive according to the formula set out in the basic law and not on a State basis. Thus, the 100 percent hold harmless provision works out, as I have said, quite unfairly because that hold harmless is on a State basis. That means that local districts in that State may have to absorb a loss. However, the district which has an increase may get a very much larger part of their increase because of the State hold harmless.

That is why I favor and I believe many other Senators do—the 85 percent hold harmless standard incorporated in the House bill as it comes to us and which is applicable on the basis of local educational agencies. That gives some minimal protection to the local educational agencies in each State. It does not inhibit other educational agencies which have had material increases in their child population and would therefore be entitled to a great deal more.

The fund of $1,800,000,000 is a pot of money which is available. And they would not get full entitlement either, because of the inadequacy of the appropriation. However, it is a reasonable accommodation as between the problems in adjusting a school budget and the material shifts in population and between the two Censuses. And again I repeat that it is only fair to see that the money should go where the children are.

Mr. President, that constitutes, as I see it, our case for adopting the House standard rather than riding along on the proposition, which our own Appropriations Committee wishes us to do, "Well, leave it at the old basis here, continue the old inequity here; you will be bailed out of it, hopefully, by the appropriation bill for HEW."

Again I repeat what I have emphasized before, that an HEW appropriation bill is going to be a little while in coming, and could easily fall on its face.

So, Mr. President, for all of those reasons I would urge the Senate to reject the first amendment of the Appropriations Committee.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. YOUNG. As the Senator knows, the Senate Appropriations Committee wrestled with this problem all day long. No matter what formula you come up with, someone seems to get hurt. The Quie amendment, even for the State of Minnesota, reduces their payment about $3 million. He has a more rural district, so he is probably better off.

My State would be better off with the committee amendment, in the HEW appropriation bill because so much of the population has shifted to the cities. Many of the rural districts have no schools at all; they send the children to other school districts.

Under the Senate proposal, the money would not go directly to the districts, as I understand the Senate proposal and this bill; it would go to the States to allocate where most needed. This is in accord with Federal provisions.

Mr. JAVITS. Mr. President, there is a real problem here, and I hope our experts can help us. The Senator says, "Under the Quie amendment." He means under the 90–110?

Mr. YOUNG. Yes.

Mr. JAVITS. That is what is going to be rolled into the Labor-HEW appropriations bill?

Mr. YOUNG. Yes.

Mr. JAVITS. I do not pretend to be an expert, though I have tried to be thoroughly briefed—as the Senator knows, I do my utmost not to speak unless I am briefed—but let me describe to the Senator the situation as I understand it, and see if he tracks me on it.

As I understand it, the difficulty which we face is that if a State gets more, that does not necessarily mean that it can distribute more to districts as it chooses. Further, as I understand it, the State is really only a transmission belt. What is calculated in terms of the formula is the individual district, so that an individual district which has lost children therefore would get less money under the law—of course, that individual district, by the 100 percent hold harmless provision, is raised up to where it was in 1972. If that individual has gained or lost many more children, the State cannot distribute beyond its allowable allotment. It cannot balance it out beyond its allowable allocation. It can only transmit to it what is its allowable.

Now, of course, that particular State which has gained is going to get something out of the gain conditioned by the fact that the whole pot of money has a drain on it of 100 percent hold harmless for individual States which substracts so much money from the pot, even though it is not justified by the number of children.

As I understand, the Quie amendment tries to say, "We have got to go along with some of this, but we are not going along with 100 percent of it. We will go along with 85 percent at the local level and not at the State level."

Mr. YOUNG. I am no authority on this type of legislation. The Senator understands it as well as I do. As I understand, under the HEW appropriations bill the State distributes it, but they would have to follow a formula, a formula set by the Federal Government.

Mr. JAVITS. That is true; the formula is set by the Federal Government. Really it is academic to argue about the Labor-HEW appropriation bill; we do not know whether it will pass. It is not here. Our very distinguished colleague the Senator from New Hampshire (Mr. Cotton) will be handling it on this side. We have a record of veto in respect to it. That was one of my arguments for the Quie amendment: At least there is enough of a chance that we will not have the HEW appropriations bill to repair to, but will be bound by this continuing resolution until the end of the current fiscal year, that we have to give it the kind of finite attention which we normally do not give to a short extension on a continuing resolution. That is why I am here arguing against this committee amendment which deletes the Quie amendment.

Mr. MATHIAS. Mr. President, will the Senator yield for just a brief observation?

Mr. JAVITS. I yield.

Mr. MATHIAS. The Senator from North Dakota is exactly right. In the determination by formula, the determining question, as the Senator from New Hampshire has so aptly put it, is where the children are. The formula is based on an outdated definition of what a poor child is, and to that formula we apply a census figure. That census figure is altering and changing, and because the change is being reflected in decisions of the Department of Health, Education, and Welfare, which were not announced to local school boards until September of this year, we are having the difficulty in the application of the formula, and so the Senator is exactly right, we are bound by a formula, and that is the origin of our problem this morning.

Mr. JAVITS. I think that is true. I think the real point is that we are bound by a formula in the authorizing act as to districts. Therefore what we do for the State is not necessarily transmitted to the individual district, in that the State may have the best good will and intentions in the world, but it could not do anything for the districts, because all of the districts are bound by a Federal law. We would have to go back to title I of the ESEA to change that, and I doubt very much that we would do that in this particular area.

Mr. YOUNG. Under the Quie amendment, or most any other proposal, someone seems to get hurt. Under the Quie amendment, Minnesota gets $18,233,236; but under the Senate Health, Education, and Welfare appropriations provision Minnesota would get $23,332,047.

Mr. JAVITS. Mr. President, if the Senator will yield, I am not "fronting" for Representative Quie, but I think he has come through with a good formula. Sure, some States lose and some gain. My State gains; a majority of the States gain. But at least what Quie is trying to track is the basic principle of the ESEA, a lot better than what we have in the joint resolution before us. Sure, he is giving some bonus to the districts which, on the figures, have lost and lost very materially, but he is not giving as much of a bonus as the Appropriations Committee does and it goes where it is needed.

So we say, "OK, we have to take a loss, but at least let us limit our loss, and we believe that the fair way is the best way to limit it."

I am not God. Maybe 86 percent is fair; maybe 90 percent is fair. I do not know. Maybe 89 percent is fair. But this is a shot at it. The House passed it, and we believe what we ought to do is try to pursue the settlement—which is what it is, an arbitrary settlement—which the House legislated.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. YOUNG. Would the Senator not think that under the Senate proposal, under which no district would lose more than 10 percent and no district would gain more than 10 percent, would be a fair solution until new legislation can be enacted?

Mr. JAVITS. We do not think it is a fair solution, because many States, including my State, would lose overall on that, because they have gained much more eligible population in a given area than the 10 percent. Therefore, the floor is not of particular importance to them but the ceiling is, which costs them in balance more than the floor gives them. But that is a battle we will fight on the HEW appropriations bill and there is no use struggling with that here. Here, what I am contending for—and I hope that a majority at least of the Senate will feel that way, is that the House has adopted a reasonable compromise in a very difficult situation on an ad interim basis. I would hope that enough Senators would feel that that is a fairer way to handle the matter than to continue the State hold harmless 100 percent on a 1972 base.

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the Record a table entitled "Estimated Comparative Distributions for Local Educational Agency Grants." This table was by the Department of Education.

There being no objection, the table was ordered to be printed in the Record, as follows:

ESTIMATED COMPARATIVE DISTRIBUTIONS FOR LOCAL EDUCATIONAL AGENCY GRANTS—PT. A OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

			1974 continuing resolution		1974 regular bill	
	1972 actual	1973 actual	House 85 percent 1973 LEA floor (Quie)	Senate 100 percent 1972 State floor (cont. res.)	House 100 percent 1972 State floor	Senate committee 1972 90/110 State
Total amount for all parts of title I	$1, 597, 000, 000	$1, 585, 185, 000	$1, 810, 000, 000	$1, 810, 000, 000	$1, 810, 000, 000	$1, 810, 000, 000
Total for States and District of Columbia part A, local grants	1, 364, 707, 215	1, 316, 037, 468	1, 444, 083, 033	1, 444, 076, 531	1, 444, 076, 531	1, 444, 267, 379
Alabama	40, 257, 134	34, 549, 166	29, 366, 791	40, 257, 134	40, 257, 134	36, 231, 421
Alaska	2, 054, 974	2, 415, 064	3, 112, 266	2, 655, 487	2, 655, 487	2, 260, 471
Arizona	8, 648, 415	8, 134, 242	9, 257, 236	8, 648, 415	8, 648, 415	9, 513, 256
Arkansas	24, 214, 456	20, 963, 618	17, 819, 075	24, 214, 456	24, 214, 456	21, 793, 010
California	122, 028, 439	111, 618, 375	153, 404, 740	130, 967, 857	130, 967, 857	134, 231, 283
Colorado	10, 100, 532	10, 237, 378	12, 368, 915	10, 556, 709	10, 556, 709	11, 110, 585
Connecticut	11, 813, 005	11, 747, 931	16, 324, 230	13, 935, 021	13, 935, 021	12, 994, 306
Delaware	2, 242, 296	2, 323, 748	2, 749, 533	2, 345, 989	2, 345, 989	2, 466, 526
Florida	26, 445, 029	24, 111, 072	24, 848, 859	26, 445, 029	26, 445, 029	29, 089, 532
Georgia	39, 947, 788	40, 573, 812	34, 487, 740	39, 947, 788	39, 947, 788	43, 942, 567
Hawaii	3, 250, 669	3, 715, 263	4, 704, 115	4, 016, 317	4, 016, 317	3, 575, 736
Idaho	2, 730, 118	2, 719, 220	2, 778, 090	2, 730, 118	2, 730, 118	3, 003, 130
Illinois	63, 243, 090	69, 554, 901	85, 026, 804	72, 593, 588	72, 593, 588	69, 567, 399
Indiana	16, 999, 801	18, 773, 439	18, 959, 995	16, 999, 801	16, 999, 801	18, 699, 781
Iowa	15, 464, 659	14, 601, 661	12, 411, 412	15, 464, 659	15, 464, 659	17, 011, 125
Kansas	10, 427, 273	9, 147, 430	8, 991, 779	10, 427, 273	10, 427, 273	11, 470, 000
Kentucky	37, 131, 906	32, 212, 788	27, 380, 870	37, 131, 906	37, 131, 906	35, 180, 193
Louisiana	34, 683, 312	31, 322, 489	26, 624, 116	34, 683, 312	34, 683, 312	38, 151, 643
Maine	5, 607, 754	5, 633, 673	6, 075, 788	5, 607, 754	5, 607, 754	6, 168, 529
Maryland	19, 423, 141	19, 380, 669	24, 059, 507	20, 539, 171	20, 539, 171	21, 365, 455
Massachusetts	23, 858, 101	24, 893, 505	32, 812, 419	28, 011, 501	28, 011, 501	26, 243, 911
Michigan	47, 703, 517	51, 768, 916	61, 617, 453	52, 597, 354	52, 597, 354	52, 479, 369
Minnesota	21, 120, 043	20, 897, 155	18, 307, 236	21, 120, 043	21, 120, 043	23, 232, 047
Mississippi	42, 074, 152	35, 922, 629	30, 534, 235	42, 074, 152	42, 074, 152	37, 866, 737
Missouri	25, 579, 100	23, 367, 302	19, 862, 207	25, 579, 100	25, 579, 100	28, 137, 010
Montana	3, 013, 338	2, 865, 542	2, 776, 673	3, 013, 338	3, 013, 338	3, 314, 672
Nebraska	7, 523, 056	7, 187, 530	6, 236, 637	7, 523, 056	7, 523, 056	8, 275, 362
Nevada	883, 771	923, 899	1, 390, 428	1, 186, 804	1, 186, 804	972, 148
New Hampshire	+1, 908, 409	+2, 007, 413	+2, 463, 298	+2, 102, 611	+2, 102, 611	+2, 099, 250
New Jersey	44, 860, 594	44, 232, 287	59, 670, 251	50, 939, 928	50, 939, 928	49, 346, 653
New Mexico	9, 629, 504	7, 393, 185	8, 229, 186	9, 629, 504	9, 629, 504	10, 592, 454
New York	−193, 459, 929	−196, 835, 764	−266, 054, 680	−227, 155, 522	−227, 155, 522	−212, 805, 922
North Carolina	56, 260, 988	51, 556, 663	43, 823, 164	56, 260, 988	56, 260, 988	50, 634, 889
North Dakota	4, 271, 181	4, 101, 267	3, 386, 077	4, 271, 181	4, 271, 181	4, 698, 299
Ohio	41, 269, 978	42, 248, 122	48, 388, 037	41, 305, 249	41, 305, 249	45, 396, 976
Oklahoma	18, 199, 914	16, 649, 246	14, 151, 859	18, 199, 914	18, 199, 914	20, 019, 905
Oregon	9, 382, 231	8, 421, 321	10, 541, 490	9, 382, 231	9, 382, 231	10, 320, 454
Pennsylvania	67, 113, 702	64, 998, 125	73, 654, 917	67, 113, 702	67, 113, 702	73, 825, 072
Rhode Island	5, 189, 238	4, 873, 849	5, 940, 772	5, 189, 238	5, 189, 238	5, 708, 162
South Carolina	34, 313, 120	29, 853, 231	25, 375, 246	34, 313, 120	34, 313, 120	30, 881, 808
South Dakota	6, 266, 048	5, 470, 551	4, 649, 968	6, 266, 048	6, 266, 048	6, 433, 549
Tennessee	36, 288, 395	31, 273, 191	26, 582, 212	36, 288, 395	36, 288, 395	32, 659, 556
Texas	69, 566, 731	67, 675, 754	57, 524, 391	69, 566, 732	69, 566, 732	76, 523, 404
Utah	3, 593, 198	3, 894, 921	4, 909, 818	4, 191, 122	4, 191, 122	3, 952, 518
Vermont	2, 107, 682	2, 093, 957	2, 142, 393	2, 107, 682	2, 107, 682	2, 318, 450
Virginia	33, 803, 541	31, 522, 692	26, 794, 288	33, 803, 541	33, 803, 541	37, 183, 895
Washington	12, 255, 022	13, 445, 639	17, 638, 391	15, 054, 763	15, 054, 763	13, 480, 524
West Virginia	20, 524, 496	17, 319, 813	14, 721, 841	20, 524, 496	20, 524, 496	18, 472, 046
Wisconsin	16, 546, 374	17, 340, 875	18, 567, 927	16, 546, 374	16, 546, 374	18, 201, 011
Wyoming	1, 235, 793	1, 170, 817	1, 182, 467	1, 235, 793	1, 235, 793	1, 359, 372
District of Columbia	8, 187, 278	10, 096, 368	13, 301, 211	11, 355, 265	11, 355, 265	9, 006, 006

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD some tables comparing the 85 percent hold harmless with the 100 percent hold harmless.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1974, ESEA, TITLE I, $1,478,000,000 LEVEL,* LOCAL AGENCIES ONLY, VARIOUS HOLD HARMLESS PROVISIONS

State	No hold harmless	Quie, 85 percent of fiscal year 1973	Continuing resolution, 100 percent of fiscal year 1972	Loss or gain with 85 percent	Loss or gain with 100 percent
Alabama	$21.0	$29.4	$40.3	+$8.4	$+19.3
Alaska	3.3	3.1	2.7	−.2	−.6
Arizona	11.1	10.5	9.6	−.6	−1.5
Arkansas	11.2	17.9	24.2	+6.7	+13.0
California	168.2	157.9	137.2	−10.3	−31.0
Colorado	13.5	12.7	11.0	−.8	−2.5
Connecticut	18.0	17.0	14.7	−1.0	−3.3
Delaware	3.1	2.9	2.5	−.2	−.6
District of Columbia	14.1	13.3	11.4	−.8	−2.7
Florida	27.0	25.5	26.4	−1.5	−.6
Georgia	29.8	34.1	39.9	+4.3	+10.1
Hawaii	5.1	4.8	4.1	−.3	−1.0
Idaho	3.1	2.9	2.8	−.2	−.3
Illinois	93.2	87.5	75.9	−5.7	−17.3
Indiana	20.9	19.7	17.0	−1.2	−3.9
Iowa	11.5	12.4	15.5	+.9	+4.0
Kansas	9.8	9.2	10.4	−.6	+.6
Kentucky	21.9	27.5	37.1	+5.6	+15.2
Louisiana	28.7	27.0	34.7	−1.7	+6.0
Maine	6.8	6.4	5.7	−.4	−1.1
Maryland	26.6	25.1	21.6	−1.5	−5.0
Massachusetts	36.3	34.2	29.6	−2.1	−6.7
Michigan	68.0	63.9	55.4	−4.1	−12.6
Minnesota	20.1	18.9	21.1	−1.2	+1.0
Mississippi	21.0	30.5	42.1	+9.5	+21.1
Missouri	21.2	20.0	25.6	−1.2	+4.4
Montana	$3.0	$2.8	$3.0	−$0.2	0
Nebraska	6.8	6.4	7.5	−.4	+$0.7
Nevada	1.6	1.5	1.3	−.1	−.3
New Hampshire	2.7	2.5	2.2	−.2	−.5
New Jersey	65.2	61.2	53.1	−4.0	−12.1
New Mexico	9.0	8.5	9.6	−.5	+.6
New York	292.6	274.3	238.5	−18.3	−54.1
North Carolina	30.4	43.9	56.3	+13.5	+25.9
North Dakota	3.0	3.5	4.3	+.5	+1.3
Ohio	52.9	49.9	43.0	−3.0	−9.9
Oklahoma	14.9	14.2	18.2	−.7	+3.3
Oregon	11.5	10.8	9.4	−.7	−2.1
Pennsylvania	80.9	76.2	67.1	−4.7	−13.8
Rhode Island	6.6	6.2	5.3	−.4	−1.3
South Carolina	16.5	25.4	34.3	+8.9	+17.8
South Dakota	4.0	4.7	6.3	+.7	+2.3
Tennessee	17.8	26.6	36.3	+8.8	+18.5
Texas	58.2	57.6	69.6	−.6	+11.4
Utah	5.4	5.1	4.4	−.3	−1.0
Vermont	2.5	2.4	2.2	−.1	−.3
Virginia	26.1	26.8	33.8	+.7	+7.7
Washington	19.3	18.2	15.7	−1.1	−3.6
West Virginia	11.0	14.7	20.5	+3.7	+9.5
Wisconsin	20.5	19.3	16.6	−1.2	−3.9
Wyoming	1.4	1.3	1.3	−.1	−.1

*Based on $1,800,000,000 appropriation for title I of which total amount shown here goes to part A of title I.

Note: Figures in millions of dollars, to the nearest 10th.

Mr. COTTON. Mr. President, I personally want to compliment the Senator from New York on his, as usual, firm grasp of the problems in this situation and on which he has expounded so lucidly. As I understand it, and I hope correctly, from all that we have been informed about it in the past few days in the committee, by the staff, and the assistance of the Senator from New York and his staff, there is no way on Earth that we can, as of the present time, do anything to achieve real equity in the distribution of these funds. This is because of the fact that the formula is such that it has gone to the local agencies and the State is only the conduit to pass that money on to them. So that there is no way for a local school district, unless and until some time in the future the legislative committee changes the fundamental act. If school district A in a certain State has a doubling of its school population and school district B has a loss of half of its school population, whether we have the 85 percent made whole or whether it is 100 percent, there still will be the inequity between the two school districts. The one that lost will get more than it deserves, and the one that has gained will get less.

Mr. JAVITS. Senator Cotton, I wish I could say that you are wrong, but you are right. That is what I tried to point out. We are in a difficult situation for the reasons the Senator has very properly stated—to wit, that is the best we can do unless we eliminate the hold harmless provisions. That would be a question of equity. The difficulty there is that—and I would be foolish to argue for it, but as a purist, that is what we should do—is that the school districts have just commenced the school year. They have already had their first quarter allocation on the basis of the 100 percent State hold harmless provision. Now they are up to their second quarter, and HEW is not letting them know what that will be receiving either by States or school districts, until they see what we do on this continuing resolution.

We cannot overturn the whole applecart and say that we are not going to follow the rule book absolutely and strictly, when one-quarter of the school year is over and there are three-quarters to go. We cannot well do it. The best we can do is to work out some compromise.

All I am pleading for with the Senate is that this compromise, which was worked out in the House, appeals to this one Senator, and I hope to many others, as a reasonable compromise, considering the dilema in which we find ourselves—nothing more.

Mr. COTTON. But if we held harmless all the school districts within every State in the Union and provided the money to cover all that, there still would be frozen in the inequity between the districts whether we give them more or less; is that not correct?

Mr. JAVITS. That is correct, and I quoted the Senator. The principle we should follow, and I hope we will get to do it, if we have to, in the next fiscal year, is that the money should go where the children are.

Mr. COTTON. That is right.

Mr. JAVITS. I have quoted the Senator from New Hampshire. It is an axiom and no one can disagree with that.

Mr. COTTON. But we cannot accomplish that until the legislative committee has an opportunity to act for next year, or as soon as it can, to accomplish that.

Mr. JAVITS. No, the legislation is on the books, but it is really until the Appropriations Committee says the time has come to wipe out these inequities and we are going back to the law as it is—to wit, that the money shall go where the children are. But all we are doing now is to find some way to get through the school year when people had certain ideas about what they would get without causing too much pain and anguish. So it is a transmittal position, really, that we are working on, to get the school districts through until the time when the authorizing law can again be applied.

There does not seem to be anything wrong with the law in its substantive aspects. It is the adjective—to use a lawyer's word—aspect; to wit, where the money goes to the district on a formula basis, which represents the greatest problem, and that is what has got us into this rigid state now.

Mr. COTTON. But the formula, that is in the law.

Mr. JAVITS. All I was saying was that the law is right but the method of distribution may have to be reconsidered by the Labor and Public Welfare Committee, of which I am the ranking minority member. I can promise the Senator that I am taking this deeply to heart.

Mr. COTTON. Now the Senator brings me back—and I must have misunderstood his previous statement—that the Appropriations Committee could not possibly bring about the complete, ultimate and fair play of the money to go where the children are.

Mr. JAVITS. It could, if it appropriated——

Mr. COTTON. It could not, until we changed the formula.

Mr. JAVITS. It could, Senator Cotton, if it appropriated the money which was required to meet the test of the ESEA. As long as it is underfunded—and it is—we get into this rigidity because of the difficulty that the individual school districts find themselves very unhappy about when they lose as much as they do by the shifts in population. Senators do not like to stand by and see their individual school districts precipitously reduced.

In other words, with complete funding, if it were fully funded, to eliminate the hold harmless provisions, we could get equity, but in the absence of that, we get into conflicts.

Mr. MAGNUSON. Mr. President, will the Senator from New York yield?

Mr. JAVITS. May I finish first?

Mr. COTTON. That would be a matter of an additional half million dollars.

Mr. JAVITS. I am not pleading for that, Senator Cotton. I have joined the Senator in agreeing that we are in a box here, and what do we do about it.

Mr. COTTON. The difference between the continuing resolution as reported by the Senate and the House resolution would be 85 percent——

Mr. MAGNUSON. Eighty-five percent.

Mr. COTTON (continuing). Hold harmless which is, in one sense, that it just juggles somewhat which States gain and which States lose. It is still under either formula. There is no great marked difference in the distribution of funds; is that not correct?

Mr. JAVITS. We think there is a marked difference in the equity. There is difference enough in the distribution of the funds to make it worth fighting for.

Mr. COTTON. We are taking funds away from the school districts, but by the 85 percent we are taking some from 28 States and giving to 22 States.

Mr. JAVITS. About the same; that is correct. As to the aggregate amount—what goes to each district in the 28 States—there will be some reduction in what the hold harmless operation gives to individual districts, and that will work in favor of where population of the children has shifted.

Mr. COTTON. In any event, whichever takes place, there still will be the inequity as between the districts both in the 28 States and the 22 States.

Mr. JAVITS. That is correct.

Mr. COTTON. Whether or not the State on paper gains a total, that total is gained by certain districts in the States that are frozen in and may have lost population.

Mr. JAVITS. That is correct.

Mr. COTTON. So we cannot possibly have absolute justice in this case.

Mr. JAVITS. No.

Mr. COTTON. It can be done in two ways: One is when the Senator's legislative committee acts, and the other is for the Appropriations Committee to dip into the Treasury and fund the whole thing clear up to its authorization, in which case, of course, the bill would be vetoed, the veto would be sustained, and nobody would get anything.

Mr. JAVITS. Another way would be if all hold harmless provisions were eliminated. Then the money would go where the children are. Whatever was in the pot would go where the children are.

The hold harmless provisions are creating the difficulty we are in. If they are all wiped out, the money will go to where the children are; and whatever States would benefit, would benefit, and whatever States would lose, would lose.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MAGNUSON. What we are trying to do—Senator Cotton, Senator Javits, and I agree—we have a phaseout period in which the legislative committee will either have to change the formula or leave it as it is. I am not sure that is an equitable formula. It goes where the children go. In the meantime, 44 Senators are going to say they do not want to lose the money, and the other Senators will say that they need a little more.

We are trying to figure out a sensible

way—which we hope we did—of making it 90 in the appropriation bill which will come up tomorrow—90, 100, and 10. No one will lose more than 10 percent and no one can go over 10 percent.

I would just as soon leave it alone and have no formula. But Senator COTTON and I are dealing with a bill we have to get signed at the White House. I think some people would rather have less and know what they can do than have all this confusion about continuing resolutions. If this bill is vetoed, we will have to have a continuing resolution to continue the continuing resolution. I do not know whether the formula will be helped that way at all, I think 90, 100, and 10 is not bad for the phase-in period. That will be in the appropriation bill.

I do not think I agree with the Senator from Arkansas that 85 percent belongs on this continuing resolution. It should not be there, because we are going to discuss the HEW bill here tomorrow, and we will finish it by tomorrow or Friday, and then we will have established some kind of formula. If a Senator does not like the formula, he can submit an amendment.

This is the only way we can figure out to phase in and do some sort of equity to everyone concerned.

Mr. JAVITS. There are two points: One, the 90–110 is applied to States. It is not applied to districts, and that is one of its defects.

Mr. MAGNUSON. Yes.

Mr. JAVITS. That is a very serious defect, it so happens, in the case of my State.

Mr. MAGNUSON. Because a State may do the wrong thing with the districts.

Mr. JAVITS. It cannot do anything with the additional, because it is nothing but a passthrough agency. It simply adds to the rigidity to confine the 90–110 to the State.

The other point, which I think is important is the Labor-HEW appropriation bill of the Senator from Washington—we all honor him; he is one of the most loved Senators on this floor—is that we know that even his bill may take awhile before it is enacted. But let us assume that it will move fairly quickly, even with this struggle, which we will resolve somehow. Then we will have the problem of a veto of an HEW bill. If it is vetoed, the President's lawyers—we had this fight with them last year—hold that where a bill is vetoed, it wipes out both the House and the Senate bills, and then we go back to the continuing resolution, just perpetuating the inequity.

So we are in a position where we have to try to protect ourselves in the continuing resolution, which may very well remain the law until the end of the fiscal year.

Mr. MAGNUSON. But I do not think the approach of the Senator from New York is going to help. A continuing resolution means just what it says—it continues what has been going on. This bill will be passed, signed, sealed, and delivered, and sent to the White House in the next 10 days. That is when the Senator ought to make his motion.

Mr. JAVITS. I feel that the continuing resolution originally had a short-term interim 100 percent hold harmless provision.

Mr. MAGNUSON. The continuing resolution would be for only 20 days, anyway.

Mr. JAVITS. We hoped before that it would be only for 30 days or some short period of time. Here it is October, and what we see down the road is a rather long stretch for continuing resolutions. So we decided to seize the situation by the forelock, as they did in the House, and try to deal with it.

Mr. MAGNUSON. They went to the 85 percent.

Mr. JAVITS. And that is what I am pleading for here.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BEALL. I agree with the Senator from New York. I suggest that not only should action be taken in the continuing resolution, but also, it probably should be taken in the general appropriations bill for HEW, so that we can have a solution to this problem.

I suggest that the problem is not one of the formula. The formula is based on the census, and the census measures children where they are. The problem arises from the applicability and the effective date.

For example, if we did nothing, the State of Maryland would make money; however, since under title I, a State only channels funds to the local educational agencies as directed by the formula, the State has no ability to provide relief in hardship cases.

Whether the formula is right or wrong is not the issue in my judgment. The issue is do we allow the change to take place after the school year has begun and the local districts budgeted on the assumptions such funds would be forthcoming.

This announcement was made to the State of Maryland after the school year had begun, so that our school districts found themselves in a quandary. On the one hand, we have large school districts which were told that they would receive more money. School had started, and their problem was how they would spend the additional money. On the other hand, we have smaller counties in our State.

For example, one of them was receiving $142,075 a year, had budgeted on the basis of $142,075; and, lo and behold, a week after the school year began, HEW told them they were not going to get $142,000, but $51,000—a cut of over 60 percent. This is a county with a small population and all of a sudden it has a cut of over 60 percent in its title I funds. As a result, they will have to lay off schoolteachers, which will damage the educational process there. We cannot allow this kind of situation to occur.

Because of that situation, as one whose State would gain, I think it is only fair that the gain be postponed or reduced temporarily and try to make an accommodation so that the school districts would not be penalized to the extent that it would do irreparable harm to their educational system.

Mr. MAGNUSON. What has been suggested here on the continuing resolution—that we go with the House on the 85 percent?

Mr. BEALL. I hope we are going to suggest that we go with 85 percent.

Mr. MAGNUSON. We have recommended a 90-percent floor provision in the HEW appropriation bill.

Mr. BEALL. That is fine if it were extended to local districts. But I am concerned about getting something on the books as soon as possible, and the continuing resolution is going to get on the books very rapidly. With respect to the HEW appropriation, I am afraid, in spite of the fact that the House and the Senate may act favorably on a bill, that it may suffer the same fate as HEW bills of recent years. I fear at best its enactment will be delayed over an extended period of time.

Mr. MAGNUSON. We certainly hope it is not vetoed.

Mr. BEALL. I do not want to take that chance.

Mr. MAGNUSON. The Senator from New Hampshire and I can give the Senator from Maryland some guarantee that action will be taken within the next 2 weeks.

Mr. BEALL. I hope the Senator is right.

Mr. COTTON. The President's signature is necessary.

Mr. MAGNUSON. What I mean is that the bill will be sent to the White House by then.

Mr. BEALL. It is the White House that concerns me in the situation.

But it seems to me that some sort of action is absolutely mandatory on the continuing resolution to guarantee that these school districts will be able to continue operations in this school year. I agree with the Senator from New York.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BENTSEN. Mr. President, reference has been made to the fact that we ought to put the money where the children are. That is a persuasive argument, but it is deceptive. What the Senator from New York is saying is that that is where the children are under a very complicated formula that really provides that States that have more affluence, with more money. In no way does that correlate to where the children of the disadvantaged are located. I think the Senate will change this very inequitable and unfair formula.

The problem is that many States in the South and many States in the North do not have much in the way of AFDC payments, that is, much over $2,000 per family, whereas there are States like New York, New Jersey, and California, where there is a great increase in children that qualify under that kind of complicated formula.

The other point made is that 28 States would benefit under the formula. That depends on the tables we are using and the expenditures being considered. If we are talking about current expenditures, which run about $1.6 billion, then under the Quie amendment, 32 States are disadvantaged in this regard. If we are talking about $1.8 billion, the authorization level, it is an entirely different story. But we should be talking about what is being spent, $1.6 billion. Under those conditions we find 32 States disadvantaged.

Mr. JAVITS. Mr. President, will the Senator yield to me briefly?

Mr. BENTSEN. I yield.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. I yield to the Senator from Texas.

Mr. BENTSEN. I thank the distinguished Senator. I share the Senator's concern in trying to find an equitable resolution of a very difficult problem. I agree the committee labored long and hard on this matter to find an equitable answer.

However, I ask that we look at the census figures for 1960 and 1970 when we talk about putting the money where the children are. Those figures show that of the total population of this country from 1960 to 1970, the State of New York went from 9.4 percent of that population in 1960 to 9 percent in 1970. The State of Texas had a population of 5.3 percent in 1960 and that increased to 5.5 percent of the total population in 1970.

Let us put the money where the kids are, and not proceed under an archaic and complicated formula that does not do justice to the disadvantaged, but rather provides for the State which is most affluent, and with the higher welfare payments to make this kind of payment.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MATHIAS. Mr. President, I appreciate the Senator yielding.

The Senator from Washington made a very interesting point. He said a continuing resolution is merely designed to continue what is being done, and that is exactly the problem we have. We cannot continue what is being done because HEW changed the rules the first of September. The Senator from New Hampshire very rightly stated, and he has been quoted this morning, that we should put the money where the children are. There is not a Member of the Senate who is going to disagree that we should put the money where the children are. Our problem is that as a result of the HEW action, 10 years of population shifts, 10 years of the gradual moving of people from one place to another, from one house to another, from one town to another, from one school district to another, from one State to another, 10 years of population shift were telescoped into one quick decision and that decision was announced in the same week when classes began this year.

So under the decision that HEW announced the week classes began, the school districts cannot continue as before. The only way the continuing resolution can continue what was done before is by placing a provision in it.

Mr. MAGNUSON. Tomorrow the Senator can present an amendment to take care of this matter in the regular appropriation bill.

Mr. MATHIAS. Ah, but the distinguished Senator from Washington has more confidence than many of us in the legislative process. We do not know when that will be completed and be on the President's desk and will actually take place. That is the difficulty with that.

Mr. MAGNUSON. If the bill is vetoed, then subsequently, in the next 20 days, there will be another continuing resolution. The Senator can then support what he is talking about. This continuing resolution is a temporary matter.

Mr. MATHIAS. But in the meantime there might be more months in which inequities would occur, and I am going to address myself to that.

Mr. MAGNUSON. If every Senator will vote to override a veto, we will not have any problem at all. On the other side of the aisle is where we do not get the votes to override a veto. But there will be no trouble at all—absolutely none—if the regular appropriation bill is enacted.

Mr. JAVITS. Mr. President, would the Senator from Maryland note that this proposal extends the whole situation to the sine die adjournment of the first session of the 93d Congress? And we do not know when that is going to be. It may be months.

Mr. MATHIAS. The Senator from New York is absolutely correct. This is one of the many problems which make our dilemma so very difficult.

The Senator from New Hampshire (Mr. COTTON) has again rightly pointed out the new situation in which we find ourselves. Some States get more; some States get less; shifting figures are ultimately coming to a balance. The Senator is right: the problem is really not one of equity. We are not addressing ourselves to equity as among the States or equity as among school districts. We are addressing ourselves, rather, to the question of stability. How are the school districts going to continue to operate in a prudent, businesslike way if, in the first week in which the analysis is being conducted, their budget is suddenly decreased by a substantial amount?

Mr. President, I ask unanimous consent to have printed in the RECORD a very simple table showing the amounts that will be lost by school districts under the simple continuing resolution.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Amounts which will be lost (by losing school districts) in each state under the original Continuing Resolution (P.L. 93–52)

[*In millions of dollars*]

Alabama	2.95
Alaska	.35
Arizona	.16
Arkansas	1.29
California	1.62
Colorado	.87
Connecticut	.20
Delaware	.15
Florida	2.11
Georgia	7.19
Hawaii	.45
Idaho	.34
Illinois	6.79
Indiana	2.82
Iowa	2.69
Kansas	1.46
Kentucky	3.47
Louisiana	3.04
Maine	.36
Maryland	1.82
Massachusetts	1.17
Michigan	4.11
Minnesota	4.28
Mississippi	1.77
Missouri	4.06
Montana	.34
Nebraska	1.18
Nevada	.14
New Hampshire	.17
New Jersey	.72
New Mexico	.24
New York	10.46
North Carolina	5.34
North Dakota	.525
Ohio	4.27
Oklahoma	1.68
Oregon	.16
Pennsylvania	6.02
Rhode Island	.04
South Carolina	2.01
South Dakota	.96
Tennessee	3.42
Texas	10.08
Utah	.35
Vermont	.18
Virginia	6.25
Washington	1.25
West Virginia	.61
Wisconsin	2.80
Wyoming	.13
District of Columbia	1.85

Mr. MATHIAS. Mr. President, I point out to the Senate, and caution the Senate, that the table does not reflect what, in effect, some school districts are going to gain and what some will lose. But it is a table which illustrates the fact that there are school districts that are going to lose, and it is those school districts we have to think about today. It is the stability of those school districts which is in jeopardy in the Senate this morning.

It is a very simple proposal. It has nothing to do with equity or with who wins or who loses. We are thinking about the difficulty in which such school districts find themselves.

Mr. COTTON. Mr. President, will the Senator yield me 1 minute?

Mr. JAVITS. I yield 1 minute to the Senator from New Hampshire.

Mr. COTTON. I think we should have, first, an understanding of the situation. The situation we are facing today is a continuing resolution which extends only to the end of this Congress—when we adjourn sine die. Immediately following the disposition of the continuing resolution, or very shortly thereafter, we are going to be threshing out what goes into the appropriation bill for fiscal year 1974 on this point.

There is in the bill something which may be changed and we will undoubtedly have to grapple with that problem, and it will be no small task. Whatever we write into that bill, if it is vetoed we do not get a bill, and then, before adjournment, we must have another continuing resolution, then it becomes very important whether we have an 85-percent hold on this provision or 100 percent.

I would support the Senator's amendment if this were going to last over until next wear, but we may have something entirely different put into the main bill, and we again will have to thresh the thing out before adjournment if a bill does not go through with the President's signature.

For that reason, it seems to me we are not gaining much by writing that provision into this bill.

Mr. JAVITS. I thank my colleague.

Mr. President, I really have made my argument with respect to the HEW bill, including the question as to its passage, and the even more important question as to its veto, thus causing us to revert to the continuing resolution.

We have already had experience, in the first quarter, with a continuing resolution which operates very unfairly. The House saw fit to try to ameliorate that unfairness, and those pursuing my position wish to join in asking us to do the same.

I yield the floor.

Mr. ALLEN. Mr. President, first I want to commend the distinguished chairman of the Appropriations Committee (Mr. McClellan) and the distinguished Senator from Washington (Mr. Magnuson) for their statements with respect to this measure, and I want to commend the Appropriations Committee for the action that it has taken wih respect to the continuing resolution, and also the promptness with which it has reported to the Senate the HEW appropriation bill, which will come up before the Senate starting in the morning, according to the distinguished majority leader.

Mr. President, up until Monday of this week our public schools throughout the country were operating under provisions of Public Law 93–52. That provided that aggregate amounts made available to each State under title 1–A of the Elementary Secondary Education Act to educational agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972.

The school districts throughout the United States have been operating under the assumption that the amounts they received in 1972 would be continued under this continuing resolution.

Mr. President, you cannot budget a school system overnight. Most public school systems start in August or September. They had to make contracts many months before. They had to make obligations and commitments to carry out the school program. And they were looking to this continuing resolution, which expired on October 1, as the amount of money that they would receive under this program.

The Appropriations Committee, in studying the question of the continuing resolution, has reported to the Senate a clean resolution, a resolution which has eliminated any effort to legislate as to particular programs.

Mr. President, I assume we have literally dozens of Federal programs that are based upon formulas of population for distribution of money, based on the Federal census in some way, but the continuing resolution which came to us from the House, had the Quie amendment, which the Senator from New York would like to keep in the resolution, which is the only program that they have sought to limit in the continuing resolution.

Why should we try to legislate a change of the formulas in a continuing resolution, especially when the HEW appropriation bill is coming up in the morning and this whole matter can be threshed out at that time?

So the continuing resolution, as the distinguished Senator from Washington pointed out, and as the Appropriations Committee thought wise, and as the distinguished Senator from Arkansas pointed out, should merely continue the status quo until a new bill can be passed.

Under the continuing resolution, under which we were operating until Monday, and which will be put into effect again with the extension of the continuing resolution that we are now considering, House Joint Resolution 727, the original resolution, 93–52 provides that the appropriation as provided in the House bill shall control, but that as soon as the Senate acts, if it puts in a more restrictive provision or appropriation or a lesser figure, that would control.

So there is no need of adding an entirely new dimension to the problem of resolving the differences on this measure, because as soon as the Senate acts—and I assume it will close out the HEW bill probably Monday, as I gathered from the colloquy that took place on the floor yesterday between the distinguished Senator from New Hampshire and the distinguished majority leader—whatever the Senate does, if it is less than the House bid or if it is more restrictive than the House action, that would be the rate at which the appropriation would be made.

So the continuing resolution is not the vehicle where any differences should be ironed out. All we need to do is pass a clean continuing resolution. It is very simple. It should not be weighted down. It contains just five lines. That is all it takes as it came to us from the committee and as introduced in the House.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. MONTOYA. I would like to say that we considered this matter very thoroughly in the Appropriations Committee yesterday. And when we evaluated the impact of the amendment placed by the House in the continuing resolution with respect to the allocation of title I–A funds, we felt that many school districts throughout the United States would be penalized and their budgets would be brought into imbalance because they had relied on the previous continuing resolution in preparing their budgets for this fiscal year.

To meet this provision known as the Quie amendment, which the House put in the continuing resolution, would merely mean that it would prejudice many of the school districts throughout this country. In fact, there are approximately 22 States that would have their budgets put into imbalance by virtue of this particular provision.

So the Appropriations Committee wisely thought that it should not interfere with this strange situation and especially at this point in the fiscal year.

Naturally, and perhaps properly—although I do not agree with it—we have the HEW bill coming before the Senate tomorrow. And I am not in agreement with the Quie amendment. I am not in agreement with any amendment that would do away with the hold harmless provision we had in the bill last year and that we should have in the bill this year because it would prejudice the fiscal integrity of the school budgets for this particular year in 22 States.

I commend the Senator from Alabama for bringing this matter to the attention of the Senate. I do hope that the Senate will agree with the full Appropriations Committee which, in its wisdom, removed the so-called Quie amendment from the continuing resolution.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from New Mexico for his very splendid comments. The distinguished Senator from New Mexico has mentioned the continuing resolution as it comes to us from the House with the Quie amendment.

If the Senate knocks out the Quie amendment—and that is not the final determination of this question—it goes back to the House. I assume that a conference committee will be set up to iron out the differences between the Senate and the House. The Quie amendment is not altogether lost. Some area of agreement might be found between the Senate and House position. Frankly, I would hope they would not legislate in the continuing resolution and change one formula. We have literally dozens of formulae in the Government for the distribution of funds. However, if the thought still exists that some limitation ought to be placed on the funds available to the district based on the 1972 year, that change could then be made by a conference committee.

I have been somewhat amused by the statements of some of the Senators from some of the larger States bragging—I assume—about the distinction their States have of having more poor people. They have argued that they have more poor people than we have and that they therefore need more money. They say, "Let us provide for the children where we find them."

If that were the case I would agree, and I do agree with that. However, as the distinguished Senator from Texas (Mr. Bentsen) pointed out, the formula under which these funds are allocated is not based just on where the poor children are. It it based that on per capita income, I would say that the children of the South would certainly come from poorer families than those children who live in the affluent States.

As I understand this formula, it provides that the distribution is based on an allocation consisting of two factors. Under one factor, it is the children who come from families making $2,000 or less from any source. That is one factor.

The second factor consists of the children who come from families that are receiving assistance, the families with dependent children.

Some of those rich States are able to provide money to families that have a higher income than the families in some of the other areas of the United States. So, in States like Arkansas, Alabama, or Mississippi, we find that those States are able to qualify only under one of those factors, under the factor providing for children who come from families who make $2,000 or less. We have practically no one in the other half of the formula that provides for an enumeration of those children who come from families that receive more than $2,000 from the States. So, we do not have the money in our area of the country to put people on aid to families that have dependent children, as they do in the more affluent States.

This formula does not actually single out where the poor children are. It singles them out, yes, on one-half of the formula, where the poor children are. However, in the other factor, it bases that on a basis of which States are rich enough to provide more than $2,000 per family in aid under this program.

So, far from merely being a case of allocating the money where the poor children are, it does not do that.

I think it is only fair that we continue the appropriations as provided in the House bill as it comes to us. Or, if we are dissatisfied with that, let the Senate work its will on that provision. However, let us not hold up the continuing resolution. This does not pertain just to HEW. This continuing resolution applies to every single one of the appropriations bills that have not been passed by the Congress and signed by the President.

So, while we are arguing about which formula is under which program, we will have an opportunity to work on it in the bill itself. The agencies covered by some 10 appropriations bills have their money cut off. How is the Government going to operate if it does not have a continuing resolution? It cannot spend the money unless it has been appropriated by the Congress. We have only passed about four appropriations bills—I think that three have been signed into law and one is awaiting signature—out of some 14 or 15 major bills.

Let us not hassle over this matter in the continuing resolution. Let us continue the status quo until, and if the Senate sees fit to do so, it changes it when we take up the HEW bill tomorrow.

We should not change the formula in the middle of the school year and create a tremendous hardship on our school system. It would result in a reduction of some $11 million to the State of Alabama if the Quie amendment is agreed to. In other words, if the committee amendment does not carry, it would cost the State of Alabama some $11 million. Our school districts cannot stand this loss in the middle of the school year.

So I am hopeful that the Senate will go along with the Appropriations Committee. I believe, if I am not mistaken, the action by the Appropriations Committee was unanimous. Senators coming from all sections of the country recognized the wisdom of this action and the merit of continuing the appropriation at the present level, and not injecting a brand new formula into the appropriations process.

Let us do that by the bill itself, if we are going to do it. Let us not seek to do it by the continuing resolution. I hope that the Senate will vote in favor of the committee amendment striking out the Quie amendment.

Mr. President, I yield the floor.

Mr. HOLLINGS. Mr. President, I am not playing a role like some of my distinguished friends. I expect the Senator from New York and the Senator from California to outvote me, and I do not mind that, but I hate, while they are doing it, to be called unfair.

Let us find out exactly what they are talking about, and see who really is unfair. I am referring to the population of the United States, according to the census changes, between 1960 and 1970.

Tht Northeast sector of the United States, including the great State of New York, increased some 9.7 percent. The Western part of the United States increased some 12.7 percent. But the Southland, Mr. President, increased 24.1 percent.

If Senators want to be fair and use the census, let us do just that. Let us take the money they are getting now, give New York 9.7 percent more, give California 12.7 percent more, and then give me 24.1 percent more. That would be the fair thing. But, of course, obviously that is not what the Senator from New York proposes. He proposes that he get his 9.7 percent, but that I be deducted, rather than increased, by this 24.1 percent, because that is what would result if we took the actual census figures.

They say, "Well, you know, more people." Now, what about that? More people moving in? Are we to assume the poor children all rushed to New York and California and left their parents behind? Anyone with any commonsense knows the parents rushed to New York and left the children behind. That is what we have got in South Carolina and Alabama. Anyone who knows anything about welfare knows it involves runaway parents.

What we are trying to do is help poor children.

In 1950, when we started under title I, we used the measurement of $2,000, but then these whiz kids—and they are smarter—started changing the regulations and the guidelines. You ought to see how it works. I have been to New York. They have a slogan in downtown New York City, "One billion for one million." That is a billion dollars for a million people on welfare.

They won. They succeeded in getting the formula to work for their 1,125,000 on welfare, and it costs over a billion dollars. And who is in this formula? The aid to dependent children families, with incomes up to $7,100 in New York. I ask the Senator from Alabama, "What about that? Your State balances off at $3,000, and we are slightly below $3,000."

We are low in the per capita income figures. We are not low on effort. The State of South Carolina, on a per capita basis, on money spent for education, is fourth in the United States. But we have the children left behind. We have a greater burden, and that is who we are trying to help.

How are we going to do it? By providing a formula that designates poor children in South Carolina the same way they do it in Rhode Island, New York, Alabama, or anywhere else. We are waiting for the distinguished Senator from New Hampshire to come in with a fair formula, the Oshansky formula or any other, so that we will have a reasonable measurement of need.

That is why we are knocking out the Quie amendment, because in 1965 they started using the AFDC, and now the tail is wagging the dog.

You do not measure reasonably by finding the rich States with rich formulas, and reward them for being richer. But that is what the Senator from New York proposes. That is why we are in favor of holding the line until the authorizing committee can come up with a formula which designates poor children as poor wherever they are in America, and does not let States like New York come in with a formula pretending that the poor do not exist where they are. Then they are leading demonstrations down in my backyard, saying, "How cruel you are, and how cold, with no heart for the poor."

Why do they not go have a demonstration in Brownsville or Harlem, and get fair in their own backyard, and quit berating us about who is fair and unfair?

Yet we have the implication that the action of the Appropriations Committee is an unfair one. Mr. President, it is a wholesome one, in the light of the bad formula which has developed over the last decade in favor of the rich States.

I got a call from my Governor one day about a year ago. He said, "Man, they really got something going. Rockefeller has found out how to take all of his deficits and put it on social services."

I said, "You don't say."

He said, "Yes, and he has given it to Reagan, and Reagan is getting to work on it in California."

Social services jumped from $750 million to $1.5 billion to $2 billion.

And in 18 months they topped it off at $2.5 billion; by the time we poor per-capita-incomers from the Southland found out what the gimmick was, they cut us off. We did not get on in time. We tried our best; we tried to duplicate Rockefeller, turning all his deficit financing to the Federal Government.

I can give you example after example about the unfair tactics of New York and the rest of those whiz-kids coming up here, when we are trying to hold the line for public education, and saying they are being denied what they deserve. We can prove accurately that they have far less of a burden in poor children in 1970 than what they had in 1960, but they are using a gimmick. I do not mind them trying that, but I say to them, "Don't call us unfair at the same time."

I hope the Senate will support the committee's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. DOMINICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McINTYRE). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I gather that the Senate is ready to vote. I wanted to be sure, if there are additional Members in the Chamber, that we understood the situation clearly.

One, this is a vote up or down on the first amendment of the committee as reported in the continuing resolution. That amendment would strike out a provision inserted by the House which gives an 85 percent hold harmless at the 1973 level to individual school districts under title I of the Elementary and Secondary Education Act. That differs from existing law and from the continuing resolution provision which gives 100 percent hold harmless to the States at the 1972 level. Therefore, those who wish to vote with the House provision will be required to vote "nay" as that turns down the committee amendment and results in leaving the House provision.

The main argument for our side of the case is that there is an inequity. It continues. We are using the 1960 census instead of the 1970 census. Many school districts are not entitled to what they are getting under the State 100 percent hold harmless and the others who gain children are paying that price. So we are trying at least to moderate that inequity by reducing the State 100 percent to a local 85 percent. We are not waiting for the HEW appropriation bill because the HEW bill may take some time to go through and it may be vetoed.

In the meantime, the continuing resolution carries us until adjournment of this session, which might very well be the end of November or December—no one knows.

Finally, the school districts have had their first quarter allocations and now they are waiting for their second quarter allocations. We feel, in all justice, that the second quarter should give some greater element of equity to the school districts which are hurt by the hold harmless formula than they would otherwise get under the 100 percent State hold harmless formula.

I would simply like to close by stating what has been stated here time and time again that there is inequity, and there will be inequity in the 85 percent just as there is in the 100 percent. But we are trying to moderate the inequity—that is what the House did in the transition period—until we can get back again to using the most current census and compensating each school district according to where the children are.

In the meantime, people have made their budgets and plans, and so forth, so that I do not feel we can go whole hog on the substantive basis prescribed by the authorizing law. We who are being hurt are trying to come forward with a somewhat fairer compromise.

Mr. ALLEN. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. ALLEN. Is it not correct that half of this formula for the allocation of these funds is based on the number of children who are members of families who receive from the State under the AFDC program more than $2,000; and it is not true that only the rich States that can make these payments, whereas the poorer States cannot?

Mr. JAVITS. I do not think that that is fair because there are many other Federal programs. This one does not live in a vacuum. This particular program is based on poor children, so it should be administered fairly to those poor children wherever they are. If the Senator was right, then every program would be lumped in one gob and do it by the original formula we dreamed up. I know of lots of agricultural funds and I know of lots of other funds—public works, and so forth—which go very different ways, but this particular pot of money, roughly somewhere between $1.6 billion and $1.8 billion, being destined for children who are considered disadvantaged, it should be divided according to where the children are.

Mr. ALLEN. That is quite true, but is it not also true, though, that the children in the State of New York who are in families receiving more than $2,000 from the State are counted, whereas in a poorer State, inasmuch as they cannot receive the $2,000 from the State, they are not counted in this formula?

Mr. JAVITS. As I understand it, the eligible population is half the formula.

Mr. ALLEN. That is correct.

Mr. JAVITS. So that is an ameliorating factor.

Mr. ALLEN. In other words, the Senator from New York can do more for his poor children than a poor State can. New York's children are counted in this formula, whereas those in the poorer States are counted for half the formula.

Mr. JAVITS. However, that formula also has a compensating factor to make up for what the Senator names, with respect to the average expenditure of the State for education. With respect to that factor, the kind of States the Senator mentions get an advantage. So we do not believe the total formula is unfair even to those States, because to the extent of one-half it emphasizes what the Senator has described; but to the extent of the other half, it does better by the individual States who are outside the first group, and one considers also the quotient per pupil expenditure.

Mr. ALLEN. Is that not based on the families receiving less than $2,000 from any source?

Mr. JAVITS. Let us just notice this. The State of Alabama, the Senator's own State, gets as a Federal contribution 88 percent of the State's per pupil expenditure. If we went with New York—and New York seems to be paraded around here—of course it is a mighty big State but entitled to the same consideration as every other State, even New York State—but if we want to point to New York, it gets only 50 percent Federal contributions of what it spends per pupil. So all I say is that one half the formula makes up and obviously is making up, because that is the net result, for the first half of the formula which the Senator has described.

Mr. ALLEN. Still, though, inasmuch as Alabama is not able to carry families getting more than $2,000 in many instances, they are not counted under the formula; is that not correct?

Mr. JAVITS. Yes, but they are counted with respect to the pupil expenditure. They are collecting infinitely more than we are, in those terms.

Mr. ALLEN. I thank the Senator. I understand.

Mr. JAVITS. I thank my colleague from Alabama.

Mr. BENTSEN. Mr. President, the statement is made time and time again that we want to send the money where the children are. I agree with that. But the distinguished Senator from New York is talking about AFDC children under a distorted, complicated formula that says, in effect, that in a more affluent State that can make these payments to these families and their children, where a substantial number are receiving more than $2,000 per family for AFDC payments, is where we are going to send the money.

Let me refer to the census figures between 1960 and 1970. The State of New York, as a percentage of the total population of this country, lost in its relative standing. The State of Texas, between 1960 and 1970, went up with respect to a percentage of the total population. Yet, under the Quie formula, New York is going to get more money and we are going to get less. The formula they have derived is one that needs revision, and I think most of us would say that, but in no way does it reflect where most of the people who are disadvantaged are located in this country.

The statement has been made that the Quie formula benefits 28 States. I am saying that it hurts 32 States. Where is the difference in these tables? We have various tables floating around. The reason is that they are presently spending at a level of approximately $1.6 billion a year. If one wishes to go with the authorization level, which is $1.8 billion, and no one knows that they are going to spend at those levels, then one can come up with figures such as this.

Considering the amount of money States have as compared with what they will receive if the Quie amendment goes into effect, 32 of those States will be receiving less money.

I hope very much that the committee's position will be sustained on this amendment.

Mr. COOK. Mr. President, I associate myself with the remarks of the Senator from Texas. To substantiate his statement, I should like to put in the RECORD several items that I think will make the situation clear not only now but also in the future, in the debate on the HEW bill.

For example, under the 1960 Census and up to 1973, the number of children under the $2,000 level stood at 4.9 million, and under the AFDC level it stood at 3.2 million. Under the 1970 Census, when we finally received the figures, the number of children under the $2,000 level dropped to 2.6 million, but the AFDC children, because of the payments from the respective States, went up to 3.6 million.

I ask unanimous consent to have this chart printed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Children counted under title I

[In millions]

1960 CENSUS	
1966:	
A[1]	4.9
B[2]	.6
Total	5.5
1967:	
A[1]	4.9
B[2]	.8
Total	5.7
1968:	
A[1]	4.9
B[2]	1.2
Total	6.1
1969:	
A[1]	4.9
B[2]	1.5
Total	6.4
1970:	
A[1]	4.9
B[2]	1.8
Total	6.7
1971:	
A[1]	4.9
B[2]	2.2
Total	7.1
1972:	
A[1]	4.9
B[2]	2.9
Total	7.8
1973:	
A[1]	4.9
B[2]	3.2
Total	8.1
1970 CENSUS	
1974:	
A[1]	2.6
B[2]	3.6
Total	[3]6.2

[1] Children from families with incomes less than $2,000 according to the Census.

[2] Children from families with income in excess of $2,000 from AFDC payments.

[3] Includes projected number of AFDC children, based on average yearly increase.

Mr. COOK. To make the point clear, relative to what the Senator from Texas said, I also should like to put into the RECORD the percentage distribution of total population by States in the 1970 Census as compared to the 1960 census. The Senator is correct. The State of New York went down from representing 9.4 percent of the Nation to 9 percent of the Nation.

But let us look at the chart and see what they have done from 1960 to 1970 with respect to the number of pupils under AFDC in the State of New York. The table shows that they went from 99,890 pupils to 565,968 pupils.

So we can see the difference, and we can see that the percentage of dollars allocated is not based on where the children are but on the children that are put under a particular program.

I ask unanimous consent to have these tables printed in the RECORD

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

INCREASE IN AFDC CHILDREN COUNTED UNDER TITLE I

States	AFDC children fiscal year 1966		AFDC children fiscal year 1973		Increase from fiscal year 1966 to fiscal 1973
	Actual number	Percentage of total[1]	Actual number	Percentage of total[1]	
Alabama	0	0	1,074	0.4	1,074
Alaska	795	14.9	4,723	46.6	3,928
Arizona	5,603	12.6	17,624	30.3	12,021
Arkansas	0	0	0	0	0
California	102,073	33.1	560,993	70.4	458,920
Colorado	7,303	17.9	37,295	51.0	29,992
Connecticut	7,595	26.8	47,116	65.9	39,521
Delaware	0	0	5,711	40.2	5,711
Florida	0	0	25,472	14.8	25,472
Georgia	0	0	45,995	15.9	45,995
Hawaii	2,413	21.5	13,902	60.2	11,489
Idaho	2,403	16.4	6,570	34.0	4,167
Illinois	82,499	35.9	270,392	62.9	187,893
Indiana	3,515	4.4	51,115	38.1	47,600
Iowa	9,265	11.4	29,074	28.1	19,809
Kansas	5,400	12.0	23,011	35.2	17,611
Kentucky	0	0	32,334	14.1	32,334
Louisiana	192	0.1	18,778	8.4	18,586
Maine	2,725	12.9	19,730	49.1	17,005
Maryland	9,420	14.9	59,407	49.2	49,987
Massachusetts	16,817	26.3	118,674	69.4	101,857
Michigan	21,029	14.4	194,106	59.4	173,077
Minnesota	11,678	13.1	45,154	35.4	33,476
Mississippi	0	0	0	0	0
Missouri	11,297	8.3	37,152	22.3	25,855
Montana	1,477	9.6	5,575	27.4	4,098
Nebraska	664	1.9	15,821	30.8	14,911
Nevada	675	17.0	2,427	38.4	1,752
New Hampshire	1,052	15.1	6,698	47.4	5,646
New Jersey	25,496	29.9	170,877	71.4	145,381
New Mexico	4,315	10.3	13,975	26.5	9,660
New York	99,890	33.3	565,968	69.7	466,078
North Carolina	3,515	1.1	39,056	10.6	35,541
North Dakota	1,775	7.1	5,150	17.6	3,375
Ohio	25,472	14.4	137,774	45.7	112,302
Oklahoma	11,168	11.6	30,372	25.6	19,204
Oregon	6,288	20.8	26,326	48.7	20,038
Pennsylvania	60,258	25.6	246,945	56.3	186,687
Rhode Island	4,007	24.9	18,308	58.3	14,301
South Carolina	0	0	4,561	2.2	4,561
South Dakota	1,528	4.8	6,537	16.8	5,009
Tennessee	0	0	0	0	0
Texas	0	0	79,326	16.4	79,326
Utah	2,088	15.3	15,058	54.2	12,970
Vermont	580	7.5	6,325	42.8	5,745
Virginia	3,088	1.8	50,142	22.3	47,054
Washington	9,842	23.0	53,427	57.9	43,585
West Virginia	82	.1	14,553	11.8	14,471
Wisconsin	10,444	15.2	46,691	41.7	36,247
Wyoming	661	10.9	2,213	28.0	1,552
District of Columbia	5,900	28.4	39,640	71.4	33,740
Total	582,288	10.5	3,269,192	38.6	2,686,904

[1] Percentage of total title I children within the State which are in families with an income above $2,000 from AFDC.

Percentage distribution of total population by State in the 1970 census as compared to the 1960 census

	1970	1960
New England:		
Maine	0.5	0.5
New Hampshire	0.4	0.3
Vermont	0.2	0.2
Massachusetts	2.8	2.9
Rhode Island	0.5	0.5
Connecticut	1.5	1.4
Middle Atlantic:		
New York	9.0	9.4
New Jersey	3.5	3.4
Pennsylvania	5.8	6.3
East North Central:		
Ohio	5.2	5.4
Indiana	2.6	2.6
Illinois	5.5	5.6
Michigan	4.4	4.4
Wisconsin	2.2	2.2
West North Central:		
Minnesota	1.9	1.9
Iowa	1.4	1.5
Missouri	2.3	2.4
North Dakota	0.3	0.4
South Dakota	0.3	0.4
Nebraska	0.7	0.8
Kansas	1.1	1.2
South Atlantic:		
Delaware	0.3	0.2
Maryland	1.9	1.7
District of Columbia	0.4	0.4
Virginia	2.3	2.2
West Virginia	0.9	1.0
North Carolina	2.5	2.5
South Carolina	1.3	1.3
Georgia	2.3	2.2
Florida	3.3	2.8
East South Central:		
Kentucky	1.6	1.7
Tennessee	1.9	2.0
Alabama	1.7	1.8
Mississippi	1.1	1.2
West South Central:		
Arkansas	0.9	1.0
Louisiana	1.8	1.8
Oklahoma	1.3	1.3
Texas	5.5	5.3
Mountain:		
Montana	0.3	0.4
Idaho	0.4	0.4
Wyoming	0.2	0.2
Colorado	1.1	1.0
New Mexico	0.5	0.5
Arizona	0.9	0.7
Utah	0.5	0.5
Nevada	0.2	0.2
Pacific:		
Washington	1.7	1.6
Oregon	1.0	1.0
California	9.8	8.8
Alaska	0.1	0.1
Hawaii	0.4	0.4

Source: Bureau of the Census.

Mr. COOK. Mr. President, if we are to say that my State lost one-tenth of 1 percent from 1960 to 1970 in its total population in relation to the population of the United States and that the State of Kentucky is going to lose almost $10 million of what it received previously, and the State of New York, which lost four-tenths of 1 percent in relation to my one-tenth of 1 percent, is going to be increased by some $37 million—almost exactly the total amount of title I funds received by Kentucky in 1972—then I must say that the equity has to be cured.

By virtue of deficiencies inherent in the formula for distributing title I funds, these totals do not accurately reflect the number of "disadvantaged" students presently attending school in the various States, and I suggest that the Senate agree to at least a hold harmless provision for each State at the 1972 funding level, where funds for this school year have already been budgeted, until the Congress can come up with a formula which will insure that these funds go specifically to those areas most in need of funds for the education of disadvantaged children.

Mr. JAVITS. Mr. President, I shall not detain the Senate, but I do want to utter one word of rebuttal.

Deeds always speak louder than words. I offer right now, so far as I am concerned, to cast my vote for any proposition which eliminates the hold harmless. Let us actually go ahead and put the money where the children are—just literally. I promise to vote and fight for that to the limit of my power, and I have in hand an amendment to that effect, which I will gladly submit.

The fact is that we are trying to be understanding of the problems of school districts, including the school districts of States such as Texas and Kentucky. But I will take my chances. That is what the end is of the argument that Senator BENTSEN and Senator COOK make. They say we should put the money where the children are. Fine. Join me in this amendment—no hold harmless of any kind. But that takes the 1970 census instead of the 1960 census, and many other little gimmicks like that, because this money is going to school districts, according to what each is, not the States. The States are only a transmission belt, a passthrough. So even within their own States, there are many inequities, because this hold harmless is a State hold harmless, not a district hold harmless.

The virtue of the Quie amendment is that an educational district is held harmless to the extent of 85 percent instead of 100 percent State hold harmless.

Finally, not only have there been population shifts in this country but also enormous income shifts. I will talk about my State; I ought to know it pretty well. What has happened to my State is that New York City has lost roughly 2 to 3 million high-rate taxpayers and has gained 2 to 3 million, of whom a large proportion are welfare cases. That is not just in my State. Some people still have the 19th century idea that New York is a plush den of iniquity. What about Dallas and Chicago and Indianapolis and Wilmington and San Francisco and Los Angeles and Philadelphia and Boston, and every other large city in the country which has had exactly the same problem?

Sure, there are more poor, and this program is directed toward the poor. Many other programs are dipped into by these very States, and they should be, and we pay the most.

I attended a town meeting in my district, in Rochester, on Monday which, by the way, resulted in my missing 11 votes. I do not know how constituents figure that out. At the town meeting, a fellow got up and said:

> We pay $20 billion taxes, and I figure we only get back $1.9 billion. What are you doing about that, Mr. Big Senator?

That is a logical gripe. His figures do not have to be right, but they certainly are very high—4, 5, or 6 to 1.

So if a program is designed to help us deal with our problems, you are going to knock that one on the head. It is all a one-way street. I do not think that is fair. We will find some way to rebel with big taxpayers. One way to do it is the progressive income tax as contrasted with indirect taxation. Some say that we would be better off in that case with a national sales tax. Let everyone pay his tab, and then it will be much fairer. But I do not think that is good for our country.

We, as Senators—we are sent here to use our heads—have to find some way out of it. I think the fair way out of it is to say that where we have a particular problem and a particular Federal fund toward which that problem can be helped, we are not going to stand in the way. But that is what is attempted here—to stand in the way.

Mr. PASTORE. Mr. President, there seems to be considerable merit on all sides of this issue, depending upon just what the situation is in one's State. I think there is tremendous logic in the comments of the Senator from Texas, the Senator from South Carolina, the Senator from Kentucky, and the Senator from New York.

But I think there is one thing we forget when we talk about per capita income. It is usually found that where the per capita income is higher in one State as against another State, one must realize that the cost of education per pupil is also higher. This is so in my State of Rhode Island. We cannot accept a minimum of $2,000 for the simple reason that it costs a little more to live in Rhode Island and the education cost is more in Rhode Island than in another State. I guess that was the reason for this formula.

I think it is fair to argue that some States cannot afford to pay aid to dependent children in excess of $2,000 because they do not have that kind of money, and they are correct because their per capita income is not as large as Rhode Island. In my State we pay our teachers more than in some other States and more for classroom construction. That is why they adopted this formula.

It is true that depending on where one comes from inequities can be argued, and everyone has a sound argument for his position, but the only way to cure this situation is to appropriate more money.

The one mistake we made when we passed the continuing resolution last time is that we left it to the State to predicate their budget on what they had received. That money is already pledged. Now, we are saying, "You have to take a little less." That is a hard burden to sustain, but in the long run this has to be placed in proper perspective.

This year, in view of the fact that many of these school districts have been misled because of that continuing resolution, the only cure, if we have the courage to stand up and do equity, is to add additional funds and take the position that 28 States will get the money and the other 32 will be saved harmless.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. BENTSEN. Mr. President, the Senator from Rhode Island has made the argument for an amendment I am going to offer, and he has done so eloquently.

The amendment I propose would provide that school districts would be held harmless 100 percent; those who get the increase would be allowed to keep it. It will cost $117 million. That is the proposal I am going to offer.

I have a long list of school districts that were notified late in July, and some in August. They had locked in budgets, and it is tough to raise that money. They are going to have a difficult time and they are going to have to fire a substantial number of teachers in my State.

Mr. PASTORE. Is that not what the Quie amendment suggests, an increase of $117 million?

Mr. BENTSEN. I would hold them at 85 percent.

Mr. PASTORE. But the argument is that to place it on an equitable basis there $117 million is needed. That is the figure we heard in committee yesterday.

Mr. BENTSEN. My amendment would provide for $117 million to hold the school districts harmless and to let those who received it keep the increase.

Mr. PASTORE. That is the way the matter should be resolved. I realize we are fighting against ceilings on expenditures. The only way to take care of the inequity is to appropriate additional funds. In this case some people have been misled by the former continuing resolution that we passed. We told them they were going to get a certain amount of money and budgets have been formulated on that basis. The only way to cure it is to pay the additional money to them. The money will not be wasted because it is for education.

Mr. BENTSEN. Mr. President, the distinguished Senator from Rhode Island has convinced me. I am going to vote for my amendment.

Several Senators addressed the Chair.

Mr. JAVITS. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. JAVITS. I yield to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. COTTON. I agree with my dear friend, the Senator from Rhode Island, but there is going to be an inequitable distribution of these funds under the present formula unless we are prepared to pay the piper and give the full authorization, and add nearly a half billion dollars to the bill that is coming in. It will be around $400 million. Then, we might get into a situation, if the bill is going up high enough, where the President's veto would probably be sustained and we would be in the position we were in last year.

I am not completely upset by the amendment of the distinguished Senator from New York but with or without his amendment there has to be some adjustment; some get more and some get less. Whatever the situation is until the basic and fundamental law is changed, and I am sure the situation will be corrected as soon as the committee of which the Senator from New York is an able member, we will not be able to take care of these inequities because on the one hand it will cost us all outdoors to do it because we have no money; and on the other hand we cannot change the formula. We cannot give to the State of Texas, the State of Rhode Island, and the State of Massachusetts and let them distribute more equitably where one school district has lost in child population and another has gained. It has to stick to the formula, so we will be up against that impossible situation.

I would hate to see us adopt the first expedient suggested by the Senator from Rhode Island that we pay the full bill of the authorization. That means over $400 million in the aggregate. Just this situation with the amendment of the Senator from New York is going to cost $170 million. I believe it is the Bentsen amendment that would cost $117 million.

I thank the Senator for yielding.

Mr. JAVITS. My amendment would cost nothing.

Mr. COTTON. That is correct.

Mr. JAVITS. Mr. President, I know the Senate wants to vote. I shall not delay but I do wish to point out that those who favor my position will vote no. I do not want any confusion.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Rhode Island made a very persuasive argument in support of the formula for 50 percent of the State and national average per pupil expenditure.

Rhode Island spends more than South Carolina, and Rhode Island gets more through a higher amount in the multiplier. We have had hearings on this score and all the evidence shows that.

The fact is that South Carolina spends 46 percent of its budget for public education, yet that fact does not go into the formula.

What our distinguished friend from New York has not mentioned, and what others gloss over but what has been covered by the Senator from Kentucky and the Senator from Alabama is that the AFDC factor in the formula creates the inequity. Our distinguished friend from New York, as the ranking minority member of the Committee on Labor and Public Welfare knows that is what really put this out of kilter and caused the inequity, as used in New York, it means the formula finds more poor children than there are.

The fact of the matter is, if we take the census count of population one more time and we look, not just at New York, but at various areas, while the Northeast increased by 9.7 percent between 1960 and 1970, and the West, for example, increased by 12.7 percent, the South, our section, increased by 24.1 percent.

If we wanted to write in an equitable formula, we would take what we had and distribute it on the basis of these figures—9.7 percent increase for the North, and give me a 24.1 percent increase down South. But they do not want to do that. They want to put in this unnatural multiplier that does not even figure. And Arkansas, Alabama, and South Carolina, because we are way below in the per capita income, can not include the children of those making $7,000 a year in our AFDC. If a family in New York made $7,000 a year, they would come under this formula, because New York has designated it that way. But not in South Carolina. Anyone making $7,000 a year in South Carolina is not counted. In fact, those making $3500, half of that $7,000, are not counted. It affects only 2 percent of my population. I am talking about this particular AFDC multiplier.

The distinguished Senator from New York knows about this inequity and where it is to be cured. His is the authorizing committee, which is holding a meeting, to consider the Orshansky formula, and other approaches to a new formula, so the same measure will be applied in Texas, New York, South Carolina, and Washington. That is the equity about it. What is the inequity of the amendment of the Senator from Texas? He talks about $117 million or a hold-harmless argument of our distinguished friend from New York, which, as the Senator from New Hampshire says, is going to cost almost half a billion dollars.

What we are really writing into law is not finding poor children where they are really, but, on the contrary, solving a political problem here on the floor of the Senate, so one can call the superintendent of schools and say, "You know all that money I told you about we were going to get? I got it." It costs $117 million to do that. That is why we did not adopt it in the Appropriations Committee. That is why we adopted the hold-the-line situation until the authorizing committee, which the distinguished Senator from New York helps lead, is going to give us a formula we can all agree on and find a poor person in South Carolina and New York to be the same.

The truth of the matter is that if you supported the Senator from New York's argument, the population increase of poor children that he talks about, under his way of measurement on the census, came about because the children all left their parents and went up to New York. The fact is they did not do that, because the Census shows we got an increase of 24.1 percent and the North got only a 9.7-percent increase. It would be reasonable to assume that the Northeast would have a 9.7-percent increase in poor children as well as rich and middle, and the same down South; we would have a 24.1-percent increase in rich, poor, and middle.

But if we adopt his argument—and he uses the word "unfairness"—what has happened is that the children left their families and went to New York. You and I know the exact opposite is true. The parents leave their children in South Carolina, Alabama, and Mississippi and go to New York. Then the Senator from New York and the Senator from Minnesota come down in a demonstration in Alabama saying, "Look, you are not looking after your poor children down here. We want to demonstrate. You do not have a heart. You are cold." Then when we try to equalize it here and say here is where the poor children are, here is where the money ought to go, they give us the hocus-pocus of what it costs based on an agricultural formula. He knows formulas. He is an intelligent and articulate Senator. He knows. The aid for dependent children factor, that multiplier that the Senator has in New York and we cannot have down South, is not in the continuing resolution. The poor children are being penalized as a result. That is why we ought to vote for the committee amendment and not for a temporary formula with $117 million or half a billion, and go off thinking we have done something. Because we would not have sat down and analyzed and realized that this particular program is for poor children and not for poor politicians. That is exactly what we are trying to do.

Mr. President, I will be glad to yield for a question if anyone has a question. We have studied this thing, as we always do in committee, but we have not had hearings, and we know about the Orshansky formula and many others, that we have yet to get into here. But Senators from the Northeast should not tell us that they have more poor children. That is absolutely false.

Mr. JAVITS. Mr. President, I think we have made our argument very clear except for one fact. There is no increase whatever in the committee amendment. I do not want to have that proposition confused with the amendment, which does cost money. But this costs no money.

The only thing that the Senator from New Hampshire (Mr. COTTON) was saying was that we wanted to satisfy everybody and not have all these wrangles. He says that we would have to provide half a billion more, and we cannot afford it.

I have made our argument. The Senator from South Carolina (Mr. HOLLINGS) and other Senators have eloquently made theirs. I am ready to vote.

Mr. McCLELLAN. Mr. President, I have listened with great interest to the debate. I think there is still some confusion. I am convinced, as we frequently hear, that whatever we do here will not result in equity among poor children throughout the country. We are not going to achieve this until a formula is enacted that will give guidance and guidelines for the proper allocation of these funds.

I call attention to the consequence of the Quie amendment and also to what the results will be if the committee amendment and the regular appropriation bill should be adopted.

I am basing my statement upon and referring to the table of comparison which the distinguished Senator from North Dakota (Mr. YOUNG) earlier placed in the RECORD, entitled "Estimated Comparative Distribution for Regular Educational Agency Grants, Part A of Title I, Elementary and Secondary Education Act." I am making these comparisons based upon that table, which is in the RECORD. I call attention to this: Under the present continuing resolution, if the Quie amendment should prevail, the 24 States that have operated for a third of the year on the premise of the continuing resolution that they would be held harmless, would get the same amount as last year. Twenty-four States will suffer losses.

Twenty-six States will make gains, as will the District of Columbia.

Under the formula in the amendment that was agreed to in the Appropriations Committee on the regular appropriations bill, using the same standard of what the States are getting now, there is a floor placed in that amendment of 90 percent as being the least that any State can receive and 110 percent as being the most that any State can receive of its 1972 allotments. Here is what the results will be. Forty-two States will make gains. Eight States will continue to lose. And, incidentally, that includes my State. However, realizing that we are in the situation where some are going to get hurt some and some are to be given a great advantage and trying to equalize the position to make it as fair and equitable as possible without increasing the funds in this bill, this formula seems to be as fair as we could make it.

I will name the States that still lose money under the 90-percent floor and the 110-percent ceiling. The States that will still lose money are Alabama, Arkansas, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, and West Virginia. Those States would still take some loss. All of the others would make some gains.

There is no way of equitably treating all the States unless there is a change in the authorizing legislation. However, in order to make some adjustment and be as equitable as we could, this is what the committee came out with in the bill that will be pending before the Senate tomorrow. If we adopt the Quie amendment today, I assume that we will want to adopt the same thing in the bill tomorrow.

If we do that, we must remember that we take away money from 24 States that have been assured to them under the continuing resolution—money upon which they have predicated their programs. Do we want to do that? There are eight States that will lose something even under the other formula. However, there are 24 States for which Congress will repudiate what it has already done and has authorized them to do. I do not think we want to do that.

Certainly we want to find equity and we want to find justice. However, we will not find that in the Quie amendment. We would be perpetuating an inequity.

The thing to do is to eliminate it as much as possible. Hopefully the proper legislative committees of this Congress will come in with legislation containing a formula that provides equity for the poor children of this land.

Let us not condemn and let us not penalize 24 States by this Quie amendment. These people have relied upon what has been promised them.

Some will say, "Well, they did not have any absolute assurance that it would go on all year." That may be true. However, one does not make contracts with teachers or set up a school program for 2 months out of a year or for 3 or 4 months out of the year. They have their contracts and the teachers are there.

If we want to drag the rug out from under them, we will have an opportunity to do it.

I hope that the Senate will sustain the committee and let this matter be worked out as equitably as possible.

Twenty-four States will suffer, and the others will gain. I do not say that it is a gain which they do not deserve. But on the overall basis, other States do not deserve to lose what we are taking away from them.

Mr. JAVITS. Mr. President, I am ready to vote. However, I might say that the figures which we have are different. It would be 29 States and 21 States. Twenty-nine States should vote no.

I might point out that no second quarter allocations have been made to these school districts. They are all waiting to see what we will do in this continuing resolution.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD again the tabulation which the distinguished Senator from North Dakota (Mr. YOUNG) had previously put in the RECORD with the notations on it of the States that would gain and the States that would lose under the formulas to which I have referred. The plus signs indicate the States that would gain, and the minus signs indicate the States that would lose.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

ESTIMATED COMPARATIVE DISTRIBUTIONS FOR LOCAL EDUCATIONAL AGENCY GRANTS, PT. A OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

			1974 continuing resolution		1974 regular bill	
	1972 actual	1973 actual	House 85 percent 1973 LEA floor	Senate 100 percent 1972 State floor	House 100 percent 1972 State floor	Senate Committee 1972 90/110 State
Total amount for all parts of title I	$1,597,000,000	$1,585,185,000	$1,810,000,000	$1,810,000,000	$1,810,000,000	$1,810,000,000
Total for States and District of Columbia part A, local grants	1,364,707,215	1,316,037,468	1,444,083,033	1,444,076,531	1,444,076,531	1,444,267,379
Alabama	−40,257,134	34,549,166	29,366,791	40,257,134	40,257,134	−36,231,421
Alaska	+2,054,974	2,415,064	3,112,266	2,655,487	2,655,487	+2,260,471
Arizona	+8,648,415	8,134,242	9,257,236	8,648,415	8,648,415	+9,513,256
Arkansas	−24,214,456	20,963,618	17,819,075	24,214,456	24,214,456	−21,793,010
California	+122,028,439	111,618,375	153,404,740	130,967,857	130,967,857	+134,231,283
Colorado	+10,100,532	10,237,378	12,368,915	10,556,709	10,556,709	+11,110,585
Connecticut	+11,813,005	11,747,931	16,324,230	13,935,021	13,935,021	+12,994,306
Delaware	+2,242,296	2,323,748	2,749,533	2,345,989	2,345,989	+2,466,526
Florida	−26,445,029	24,111,072	24,848,859	26,445,029	26,445,029	+29,089,532
Georgia	−39,947,788	40,573,812	34,487,740	39,947,788	39,947,788	+43,942,567
Hawaii	+3,250,669	3,715,263	4,704,115	4,016,317	4,016,317	+3,575,736
Idaho	+2,730,118	2,719,220	2,778,090	2,730,118	2,730,118	+3,003,130
Illinois	+63,243,090	69,554,901	85,026,804	72,593,588	72,593,588	+69,567,399
Indiana	+16,999,801	18,773,439	18,959,995	16,999,801	16,999,801	+18,699,781
Iowa	−15,464,659	14,601,661	12,411,412	15,464,659	15,464,659	+17,011,125
Kansas	−10,427,273	9,147,430	8,991,779	10,427,273	10,427,273	+11,470,000
Kentucky	−37,131,906	32,212,788	27,380,870	37,131,906	37,131,906	+35,180,193
Louisiana	−34,683,312	31,322,489	26,624,116	34,683,312	34,683,312	−38,151,643
Maine	+5,607,754	5,633,673	6,075,788	5,607,754	5,607,754	+ 6,168,529
Maryland	+19,423,141	19,380,669	24,059,507	20,539,171	20,539,171	+21,365,455
Massachusetts	+23,858,101	24,893,505	32,812,419	28,011,501	28,011,501	+26,243,911
Michigan	+47,708,517	51,768,916	61,617,453	52,597,354	52,597,354	+52,479,369
Minnesota	−21,120,043	20,897,155	18,307,236	21,120,043	21,120,043	+23,232,047
Mississippi	−42,074,152	35,922,629	30,534,235	42,074,152	42,074,152	−37,866,737
Missouri	−25,579,100	23,367,302	19,862,207	25,579,100	25,579,100	+28,137,010
Montana	−3,013,338	2,865,542	2,776,673	3,013,338	3,013,338	+3,314,672
Nebraska	−7,523,056	7,187,530	6,236,637	7,523,056	7,523,056	+8,275,362
Nevada	+883,771	923,899	1,390,428	1,186,804	1,186,804	+972,148
New Hampshire	+1,908,409	2,007,413	2,463,298	2,102,611	2,102,611	+2,099,250
New Jersey	+44,860,594	44,232,287	59,670,251	50,939,928	50,939,928	+49,346,653
New Mexico	−9,629,504	7,393,185	8,229,186	9,629,504	9,629,504	+10,592,454
New York	+193,459,929	196,835,764	266,054,680	227,155,522	227,155,522	+212,805,922
North Carolina	−56,260,988	51,556,663	43,823,164	56,260,988	56,260,988	−50,634,889
North Dakota	−4,271,181	4,101,267	3,386,077	4,271,181	4,271,181	+4,698,299
Ohio	+41,269,978	42,248,122	48,388,037	41,305,249	41,305,249	+45,396,976

ESTIMATED COMPARATIVE DISTRIBUTIONS FOR LOCAL EDUCATIONAL AGENCY GRANTS, PT. A OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT—Continued

			1974 continuing resolution		1974 regular bill	
	1972 actual	1973 actual	House 85 percent 1973 LEA floor	Senate 100 percent 1972 State floor	House 100 percent 1972 State floor	Senate Committee 1972 90/110 State
Oklahoma	−$18, 199, 914	$16, 649, 246	$14, 151, 859	$18, 199, 914	$18, 199, 914	+$20, 019, 905
Oregon	+9, 382, 231	8, 421, 321	10, 541, 490	9, 382, 231	9, 382, 231	+10, 320, 454
Pennsylvania	+67, 113, 702	64, 998, 125	73, 654, 917	67, 113, 702	67, 113, 702	+73, 825, 072
Rhode Island	+5, 189, 238	4, 873, 849	5, 940, 772	5, 189, 238	5, 189, 238	+5, 708, 162
South Carolina	−34, 313, 120	29, 853, 231	25, 375, 246	34, 313, 120	34, 313, 120	−30, 881, 808
South Dakota	−6, 266, 048	5, 470, 551	4, 649, 968	6, 266, 048	6, 266, 048	+6, 433, 549
Tennessee	−36, 288, 395	31, 273, 191	26, 582, 212	36, 288, 395	36, 288, 395	−32, 659, 556
Texas	−69, 566, 731	67, 675, 754	57, 524, 391	69, 566, 732	69, 566, 732	+76, 523, 404
Utah	+3, 593, 198	3, 894, 921	4, 909, 818	4, 191, 122	4, 191, 122	+3, 952, 518
Vermont	+2, 107, 682	2, 093, 957	2, 142, 393	2, 107, 682	2, 107, 682	+2, 318, 450
Virginia	−33, 803, 541	31, 522, 692	26, 794, 288	33, 803, 541	33, 803, 541	+37, 183. 895
Washington	+12, 255, 022	13, 445, 639	17, 638, 391	15, 054, 763	15, 054, 763	+13, 480, 524
West Virginia	−20, 524, 496	17, 319, 813	14, 721, 841	20, 524, 496	20, 524, 496	−18, 472, 046
Wisconsin	+16, 546, 374	17, 340, 875	18, 567, 927	16, 546, 374	16, 546, 374	+18, 201, 011
Wyoming	−1, 235, 793	1, 170, 817	1, 182, 467	1, 235, 793	1, 235, 793	+1, 359, 372
District of Columbia	+8, 187, 278	10, 096, 368	13, 301, 211	11, 355, 265	11, 355, 265	+9, 006, 006

Mr. YOUNG. Mr. President, that tabulation has been prepared by the Office of Education for the Appropriations Committee.

Mr. McCLELLAN. The Senator is correct. It is a tabulation that has been prepared for the Appropriations Committee by the Office of Education. I assume that we can rely upon it as being accurate.

The PRESIDING OFFICER (Mr. McINTYRE). The question is on the first part of the amendment to strike sections 2 and 3. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Maine (Mr. HATHAWAY), the Senator from South Dakota (Mr. McGOVERN), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

I further announce that, if present and voting, the Senator from Maine (Mr. HATHAWAY), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I further announce that the Senator from South Carolina (Mr. THURMOND), is absent to attend the funeral of a friend.

I also announce that the Senator from Kansas (Mr. PEARSON), is absent because of illness.

I further announce that the Senator from Utah (Mr. BENNETT), is detained on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND), would vote "yea."

The result was announced—yeas 52, nays 41, as follows:

[No. 455 Leg.]

YEAS—52

Abourezk
Allen
Baker
Bartlett
Bellmon
Bentsen
Brock
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Chiles
Church
Clark
Cook
Cotton
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gurney
Hansen
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGee
Metcalf
Mondale
Montoya
Nunn
Randolph
Scott,
William L.
Sparkman
Symington
Talmadge
Tower
Young

NAYS—41

Aiken
Bayh
Beall
Bible
Biden
Buckley
Cannon
Case
Cranston
Dominick
Goldwater
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Javits
Kennedy
Mathias
McIntyre
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Taft
Tunney
Weicker
Williams

NOT VOTING—7

Bennett
Brooke
Hathaway
McGovern
Pearson
Stennis
Thurmond

So part 1 of the committee amendment was agreed to.

Mr. McCLELLAN. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. FULBRIGHT and Mr. MANSFIELD moved to lay the motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HELMS). The clerk will state the second part of the committee amendment.

The assistant legislative clerk read as follows:

> SEC. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

Mr. CURTIS. Mr. President, I rise in opposition to the committee amendment. It would strike out certain language put in by the House of Representatives. The House of Representatives had an amendment to the continuing resolution that would guarantee nondiscriminatory treatment for independent petroleum marketers. The committee amendment would eliminate that.

This is a short amendment. Dollarwise, it does not add or detract from the continuing resolution.

Here is the language in question:

> None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates against petroleum marketers in the method establishing prices for petroleum products.

This amendment was necessary for two reasons: In establishing a date to freeze prices for the independents, the Cost of Living Council chose January 10, a time of depressed prices and close margins. They did not choose January 10 for those marketers that were also also refiners or, in other words, the majors. They chose May 15, a time which the record shows is one of high prices and higher profits.

Also in the regulation of the Cost of Living Council, it turned out that the independents could not pass through to the consumer their increased costs. No such provision existed for the retailer who was also the refiner.

The House passed this amendment on September 25. Last Friday, the Cost of Living Council moved to correct part of it. They did make the dates coincide.

But it still is true that someone engaged in both refining and marketing can pass through the costs and the independents cannot.

Let me read what the distingiushed Representative FINDLEY of Illinois had to say about this:

> The announcement by COLC Friday which seems to respond thoroughly to the House demand that discrimination end. COLC issued new price regulations under phase IV which permit passthrough of costs to all but gasoline retailers, and bases pricing for independent retailers on the same May 15 date as earlier accorded the major oil companies, which are both retailers and refiners.
>
> The principal complaints which led to the amendment were that the independent retailer was required to stick with a profitless January 10 price base and denied passthrough of cost increases, while the majors were given a more profitable May 15 base and permitted passthrough.
>
> The failure of COLC to allow passthrough for gasoline dealers will still cause serious problems. After COLC announced its decision, several major oil refiners announced price increases which will now have to be eaten by the independent service stations. For example, this weekend, Shell increased its prices 0.2 cent, Union hiked its price 0.3 cent, and Arco raised its price a whopping 1.5 cents. None of these costs can be passed through even under the amended regulations.

Mr. President, I am not critical of the Senate committee. I was told by them that this was no longer needed. But it is needed. As a matter of fact, the Cost of Living Council argued to the Appropriations Committee against any amendment. They argued against fixing a ceiling date as the same date.

Yet, when the House adopted this amendment, they did administratively what they said could not be done before.

Whenever we place our trust in a bureau in Government, elected by no one, we are placing our trust on a mighty weak reed. They have corrected part of it. The Cost of Living Council is opposing this amendment today on the theory that they have corrected in part. But they still have a regulation that denies a passthrough of increased costs to the independents and allows it for those marketers who are in refining.

I also am aware that no committee likes to have its handiwork interfered with, whether it is the Committee on Finance, on which I serve, or the Committee on Agriculture and Forestry, or any other committee. We work a long time and come out with a bill and say, "Don't put any amendments on it. We will do it some other time, some other way." Many times, I think that is true.

As to this amendment, I ask this question in all sincerity: How can this language hurt a continuing resolution:

> None of the funds made available by this Act shall be used by the Cost of Living Counsel to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

How on earth can that interfere with any plan of the committee, any of the other features of the continuing resolution?

Mr. President, it is my hope that the Senate committee, if it can, will withdraw its amendment. I think that as it stands, it is a direct blow and a rebuff to the independent petroleum dealers. If the committte cannot do that, it will be the purpose of the Senator from Nebraska to insist on a rollcall vote.

Mr. YOUNG. Mr. President, it is very difficult for me to oppose almost anything offered on the Senate floor by the distinguished Senator from Nebraska. But if we are going to have wage and price controls at all, we have to keep something that is workable.

I, for one, doubt the wisdom of any wage and price controls, particularly as to their workability. But according to the economic stabilization program of the Cost of Living Council, if we adopt this amendment, there will be serious trouble. In a letter to the Appropriations Committee, dated September 26, they state the vast price increases that have been allowed in petroleum commodities this year, and since our committee took this action, they have permitted gasoline to go up ranging from 1 to 2½ cents a gallon.

Since the committee took its action the other day, I received a letter from Dr. Dunlop in which he said:

> We were very much gratified at the Appropriations Committee action of yesterday in removing from the appropriations bill the amendment which would have rendered ineffective the Phase IV petroleum regulations.

Mr. President, I think that says a great deal. If we are going to have an effective program, one that will work, why adopt an amendment offered on the floor of the House or on the floor of the Senate that, according to the Cost of Living Council will make price controls unworkable?

The Committee on Banking, Housing and Urban Affairs, I understand, is going to hold a hearing next Tuesday, at which Dr. Dunlop, the head of the economic stabilization program of the Cost of Living Council, will appear. I believe we should wait until then to take further action.

If the committee action is sustained, the entire matter will still be in conference. The conferees could well accept the House provision. We would have a chance to learn a little more about it. The conferees, of which I will be one, could well agree to keep the Findley amendment. This amendment, like many Findley amendments, was offered on the floor of the House, not before the committee. There have been no hearings on it, to my knowledge.

I have not heard of any oil companies being hurt. Some service stations have been hurt, but their problem has been largely corrected by the increase in the price of gasoline of 1 to 2½ cents a gallon. If they can justify a further increase, I think the situation will be corrected. There is no assurance that the problem of the retailers will be solved if this amendment is approved.

My main argument is that this proposal was submitted on the floor of the House, without any hearing, and it was struck out of our bill. If the position of the committee is retained, the whole matter will be in conference with the House. If they can justify this provision, it can be kept in then. That would be a better legislative procedure.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SPARKMAN. Mr. President, I am in sympathy with the oil dealers. I do not want any of them discriminated against or any of them hurt. But I believe that the orderly way to handle this matter is through hearings before a committee.

It happens that the committee of which I am chairman has jurisdiction in this field. Two bills have been introduced and are pending before our committee, and hearings have been scheduled for next Tuesday. Dr. Dunlop has been asked to appear before our committee, and notice of the hearing has been published in the RECORD.

Not only would the amendment interfere with what the Appropriations Committee has done, but also, it would completely block—if it were written into the bill—anything that the legislative committee which has jurisdiction over it can do about it.

Mr. YOUNG. The Senator's committee would have no further jurisdiction.

Mr. SPARKMAN. We have this subject before us, and hearings have been set, and notice has been published in the RECORD.

Mr. YOUNG. The Senator makes a good case.

Mr. HANSEN and Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, without losing my right to the floor, I am happy to yield to the distinguished Senator from Louisiana.

Mr. JOHNSTON. I thank the distinguished Senator from Wyoming.

Mr. President, it is with a great deal of reluctance that I differ with the distinguished chairman of the Committee on Banking, Housing and Urban Affairs, whose leadership I almost always follow and whose judgment is almost always correct.

I must say in this instance, however, that this is one of the rare cases in which he is wrong. Our distinguished chairman has stated that we are going to have hearings next week. He did not say—and of course no one can say—when any legislation would come out of the Senate or the House.

In the meantime, the service station owners, little people, whom we in the Senate always proclaim to protect, are perhaps going to be in dire peril of losing their businesses, their investments, their livelihoods.

The U.S. district court, which considered this matter prior to the action of September 28 by the COLC, ruled that petroleum retailers were being discriminated against—that they were the victims of legal discrimination. The court stated in its decision that the Cost of Living Council may make any price control regulations it wishes relative to price control, but there must be some reasonable relationship between those regulations and the end sought to be accomplished. As the district court pointed out the COLC regulations for petroleum retailers were so totally unrelated to the objective of even-handed price control as to be violative of the Constitution, lacking in due process, and contrary as well to the Economic Stabilization Act, which requires price controls to be "generally fair and equitable."

The District Court has already declared that, and the only reason why that is not now the law of the land is that an appeal has been effected. The only decision on the case says that the COLC's petroleum regulations are not only unfair but illegal as well.

What the committee is asking for, what the distinguished chairman is asking for, is that we continue a practice which has already been declared illegal, unfair, and unconstitutional, while we have hearings first in the Committee on Banking, Housing and Urban Affairs, while we try to get the bill through here on the floor of the Senate at a time when we are getting close, hopefully, to adjournment, and at a time when we have absolutely no idea whether the bill could get to the House and be passed.

In the meantime, the service station owners would be subject to the whim and caprice of the Cost of Living Council, and we have seen already that they are willing to act in a capricious way.

The matter was decided in the Committee on Appropriations; there was an overwhelming vote in the House for keeping this amendment. It seems to me it is very urgent for this Senate to vote at this time to restore the amendment adopted so overwhelmingly by the House.

The only justification I have heard for discrimination against petroleum retailers, is that hopefully they will put pressure on the large oil companies, in other words to use these smaller enterprises as a tool or a wedge against the large oil companies. In the first place, I think that is morally indefensible, and worse than that, it does not work. If it truly held down the cost of living and the cost of gas to them perhaps one could say, "Let us ignore the fairness and the equity of it." But it does not work.

Already we have seen that the cost pass throughs which were previously allowed by the COLC after a tremendous amount of complaint by many Members of the Senate, are not allowed for any increased costs after September 28, and yet already there have been increased prices since September 28.

It is an urgent matter for service station owners that we pass this legislation. If we pass this legislation and continue to examine the matter in hearings before the Committee on Banking, Housing and Urban Affairs, we can take whatever steps are necessary to reconcile the two pieces of legislation. But the burden of waiting should not be on the little man, on the service station retailers. Let us have the hearings and hear from Dr. Dunlop once again, but in the meantime let us not put the burden on the little man.

Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON. How should Senators vote if they wish to restore the House amendment?

The PRESIDING OFFICER. The Chair is advised that the question is simply on the second part of the amendment.

Mr. JOHNSTON. The question is on restoring the House language or deleting the House language?

Mr. McCLELLAN. Mr. President, if the Senator will yield, a vote at this time would be the same as before; if Senators favor the elimination of the amendment from the resolution, the vote would be "yea." If Senators oppose the elimination of it, they would vote "no." It is the committee amendment that is before the Senate, to be voted up or down.

Mr. JOHNSTON. I thank the distinguished chairman.

Mr. President, to put it in layman's language, if Senators wish to help the service station owners, they will vote "no."

Mr. McCLELLAN. That is the Senator's language, not mine.

Mr. JOHNSTON. I thank the chairman and I thank my good friend from Wyoming for yielding.

Mr. HANSEN. Mr. President, first, I wish to associate myself with the very lucid observations made by the distinguished Senator from Louisiana. In addition I wish to call attention to the fact that despite the best intentioned efforts of the Cost of Living Council neither it nor the Congress of the United States has been able to hold in abeyance or suspend the workings of the law of supply and demand. It is just that simple.

We are being asked to support a position that becomes increasingly untenable day by day. We are flying in the face of the fact that oil prices have risen not only in the United States, but also they have risen throughout the world; and whereas a year or two ago there were many people in this country saying, "Forget about domestic production; let us benefit from the economies that would result from cheap foreign oil," today they are turning around and passing an energy allocation plan that will guarantee each part of this country its fair share, according to that section, of those energy supplies that come from only a part of the country. That is quite a switch.

What was predicted a number of years ago by people in the oil companies, by economists, and by objective appraisers of the situation has come to pass: We are going to force out of business these independent operators who sell name brand gasoline because there is no way that they can keep where it is now that margin that is essential for their staying in business. They are frozen on the one hand by action taken by the Cost of Living Council, and they are squeezed on the other hand with these price increases announced by the major companies.

I am not arguing a bit for the major companies; I will let them state their proposition. But I think every American needs to know and understand this fact and that is no matter how thick or thin we slice it, there is not going to be enough fuel in this country today to take care of all the needs of the people as they might wish to express them.

Recognizing that fact, yesterday or the day before it was announced by Governor Love that there would be imposed on this country a mandatory fuel allocation program. In addition to that, we cannot afford to wait; we cannot afford to go through the expensive luxury of holding hearings on whether we should permit small independents to survive throughout the United States. I do not think it is right or moral, and I think it is morally indefensible to say, "Let them go down the drain" while hearings are in progress and while Congress takes its own good time in deciding whether or not to respond to the appeal for fairness that has been made by these companies.

But the issue goes even deeper than that. It gets down to something else. I call attention to that fact because here again the Cost of Living Council has arbitrarily made a determination that is not in the public interest. I can understand why the Cost of Living Council seemingly justifies what it does in support of the contention that we want to control inflation. Of course, we all want to control inflation. But as Secretary Butz pointed out several weeks ago, if there is one thing we should have learned from past experience it is this fact: We never get more of anything by paying less for it.

Because the Cost of Living Council has arbitrarily told the small independent oil operators in this country what they can get for the oil that comes from stripper wells, this country, this America, this Nation of ours will not have more oil tomorrow; it will have less oil. I would like to tell Senators why.

In America today there are about 350,000 stripper wells. By definition, a stripper well is any well that produces fewer than 10 barrels per day.

No matter how good a well may be when it is first brought in, the history of the oil business is that, sooner or later, production starts falling off, and finally it reaches a marginal point where the cost of operating that well, of lifting the oil above ground, and getting it into a pipeline, approaches the value of the oil. And when any oil well reaches that point or drops below, you can be certain of one thing, and that is that the owner of that well, despite his awareness of the fact that the United States is in a critical energy supply situation, is not going to continue to put his dollars into a well in an amount greater than that oil delivers dollars back to him.

That is exactly where we are today. We have about 350,000 stripper wells, and the average production for those wells is about 3.5 barrels per day. Roughly, we can say we have about a million and a quarter barrels of oil per day that comes from those stripper wells. But because the Cost of Living Council seems to be more concerned in preserving the image that it is trying to keep a handle on inflation than it is concerned in being realistic in deciding what is best for America, it made a very bad decision. That decision is that the price level of the oil is going to be so much.

It is a fine thing for oil or gasoline to sell at 15 cents a gallon, but if there is no oil or gasoline to sell at 15 cents a gallon, it does not do much good. It reminds me of a story that the distinguished chairman of the Finance Committee tells about the fellow who had a little grocery store and he was selling eggs for 45 cents a dozen—this was a few years ago—and one of his customers came in and looked at the stock on the shelves, but did not buy anything. He came back and said, "I want some eggs, but you are charging too much for them." He said, "They are selling them down the street for 30 cents a dozen." The owner of the store said, "Why didn't you buy them down there?" He said "They are out of eggs."

That is the way the oil business is going. It is all right to say what the price of oil is going to be, but if there is not any oil for sale, it is not going to keep people warm this winter. It is not going to run the factories. It is not going to keep people working. It is not going to keep the schools operating.

I say it is high time this amendment is adopted, to make certain, first, that we keep these small, independent filling station operators in business, that we deal with them in an even-handed manner, that we give them the same consideration that we have given other elements. Maybe they are not all that important. I do not know. I happen to think that anyone who works hard and is honest ought to be given an opportunity to stay in business.

That is all this amendment is going to do. But more important than that, I think it is of very great significance that we recognize now that if we want to have oil for this winter, we have got to take steps to encourage greater oil production.

First, we cannot afford to cap a single well, even though it will be producing only 3.5 barrels per day, because I would rather have those 3.5 barrels a day available to me this winter, even at double the cost that the Cost of Living Council says it may sell for now, than I would to be cold this winter—to have the price down, but be out of oil.

So I appeal to Members of the Senate, Mr. President, to give serious consideration to the end result that surely will follow if we turn back this amendment and turn our backs on the economic facts of life; if we try, further, to invalidate the law of supply and demand and say "We are going to keep a handle on inflation, and if you get cold this winter, put more clothes on and thank God we have held a heavy hand on inflation. So wrap up in another blanket and pretend that it has not happened." Here is a Council that is possessed with the best of motives. It wants to do the right thing. It wants to portray an image of concern for all the people. But it just does not take a look at the facts.

Mr. STEVENSON. Mr. President, I am completely in sympathy with the purpose of this amendment, as has been eloquently expressed by the Senator from Nebraska, the Senator from Wyoming, and the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, would the Senator yield so I could ask for the yeas and nays?

Mr. STEVENSON. I yield.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. STEVENSON. In fact, Mr. President, I have introduced legislation that would accomplish this purpose. It would permit a dollar for dollar pass-through by the gasoline-petroleum retailers of their costs. That legislation will be heard in the Banking, Housing and Urban Affairs Committee in hearings on October 9, and could, very shortly afterward, be reported for action on the floor.

I just want to point out that this amendment as drawn does not accomplish its purpose. It prohibits discrimination among petroleum marketers, but the Senator from Nebraska has pointed out eloquently that the inoffensive discrimination in the cost-of-living guidelines is not among marketers; it is in favor of producers and refiners against marketers. I think it is discrimination that permits increased costs to be passed on by producers and refiners, while the marketers cannot pass their costs along. The cost-of-living guidelines do not discriminate among the class of marketers who are retailers.

Recognizing that this amendment would not accomplish its purpose, Representative FINDLEY in the other body attempted to substitute the effective language along the lines contained in my bill. He failed only as a result of parliamentary objections in that body.

So while this is an inoffensive amendment and its purpose is very sound, I want to point out that it will not accomplish anything and it would be unfortunate and destructive of this purpose if the Senate, in approving this amendment, thought that it was getting the job done.

I thank the Chair.

Mr. BAYH. Mr. President, I have asked that my name be added in opposition to the committee amendment which is presently before us, and I rise with some concern because of the position I find myself in as a member of the Appropriations Committee and sitting here at arm's length from our distinguished friend and colleague, the hard-working chairman of that committee.

I did vote against the committee position in committee, so I feel that I can, in good conscience now, proceed to follow a course of action that I have been committed to for quite some time.

I heartily favor the effort to retain the Findley language and to try to find some way to bring a modicum of relief to the gasoline retailers of our country.

I was out in my State in the early stages of concern over this matter, and on short notice at a meeting of some 600 service station operators from all over the State, meeting in Indianapolis, I had a chance to listen to them express their concerns over the hardships involved in the phase IV price rules. If one does not believe that this particular effort, the effort to retain the House language, is a panacea to the problem facing gasoline retailers, it is certainly a very important first step.

What this would do would be to remove the inequity of applying two standards or a multitude of standards to various elements of the petroleum industry. And although some would say that the effort we are making here today is anticonsumer and that we should let the small businessman who happens to be a service station operator rise or fall under the free enterprise system which has served so well in this country, I think it is important to point out that although I advocate the free enterprise system, there is a difference between the service station operators who are going to go bankrupt today and manufacturers or farmers. The true test is no longer one's ability to survive longer and get the most out of himself and those he employs, nor his ability to do more business. His ability to survive or go into the red is determined by an administrative ruling by an administrative agency. It seems to me that we have to intervene and say that the Cost of Living Council's phase IV ruling is discriminatory and thwarts the free enterprise system.

We are establishing here a more equitable base period to be applied in controlling the price of retail petroleum products. And we will require the Cost of Living Council to do something which is patently and obviously equitable, namely, to apply the same guidelines to everyone.

I listened with great concern, and with agreement, to the comments of the distinguished Senator from Wyoming. I particularly concur in his assessment as to the role to be played by fuel allocation.

None of us like to get involved in this kind of rationing, allocation, or whatever we may call it. However, here again is it not incumbent upon us if we do have a shortage of supply, which we obviously have, to do something about it? I might respectfully disagree at some length with my friend on some aspects of the supply shortage. However, the fact is that we have a shortage.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. HANSEN. Mr. President, let me say first of all that I am very delighted with what my distinguished friend from Indiana, who is generally right, has had to say. I want to make this one observation. The one thing that I would hope we might keep in mind today as we talk about fuel allocation is the position of some States in this country, the Eastern States and the States that have generally opposed the siting of new powerplants. That has been true in New York. They have not sited one new powerplant because they want to keep clean their consignment of power.

It is all right to ship it in on the wire. They do not want any coastal refineries because they might dirty their seashore. It is all right to produce oil in Louisiana, in Texas, and in Mississippi, and the rest of the coastal areas. It is all right to do it in Alaska and California; but do not mess up the eastern region. They say they want oil brought in; but they do not want any deep water ports because sometimes oil is spilled.

I mention these things because it seems a little unfair and a little unrealistic to me that even in the Northeastern part of the United States we find opposition to the steps we have to take to help to alleviate the oil shortage and bring in more adequate fuel supplies.

Dr. Pecora, formerly head of the U.S. Geological Survey and later Under Secretary of the Interior, has said there is yet to be discovered within the United States and within the Outer Continental Shelf more oil and gas than we can dream of. All I can say to my good friend from Indiana is that Dr. Pecora went on to point out that he believes there is probably 100 times as much oil and gas yet to be discovered in those areas of the United States as was used in 1971.

When the price of oil goes even higher than it is now—and I have no doubt that it will—and when the temperatures go lower than they are now, I would hope the Eastern States would recognize the wisdom and the broad national public purpose that would be served by getting on with the job of drilling on the Outer Continental Shelf, and not look to the rest of the country, not look to the coal fields of Montana and Wyoming for coal to be put on the wire, and not look to the Gulf States for all the oil they can produce.

I have taken a lot of time to say this, and I thank the distinguished Senator from Indiana for permitting me to say it.

Mr. BAYH. I am always glad to have the thoughts of the distinguished Senator from Wyoming. As I mentioned a moment ago, the whole business of solving the shortage of supply is a subject for a separate, prolonged debate.

I would hope that we would not lose sight of the great ingenuity in this country. Although there may be a requirement for some necessary give and take, in the long run I have full confidence in our ability to get on top of the situation. I do not want to see us let the horse get out of the barn before we can lock the barn door. I think we are going to get on top of the situation.

In fact, the chairman of the Committee on Appropriations was very cooperative when we added $20 million to get more research into removing sulfur from soft coal. I would hope that we could get sulfur-free, clean coal which will give us enough power to put on the lines for hundreds of years. I think we can open up the supplies that will give us power well into the next century. But that is going to take a while. I think it can be done without spoiling the beauties of our country, and I think we should have that dual purpose in mind.

I think we should try to maintain the language of the House bill which would provide some degree of relief for the service station operators around the country by requiring equitable treatment by the Cost of Living Council.

Also, we are in a position to hold hearings and should have greater success in dealing with the problem of petroleum supplies.

S. 2420 is another piece of proposed legislation, in addition to that suggested by the distinguished Senator from Illinois, which I have introduced for myself and a number of cosponsors.

I would have expected the Cost of Living Council to have approached the problem more forcefully. But this bill would roll back wholesale oil price increases put into effect during phase 4 and require any subsequent increase in the wholesale price of oil products to be subject to prior review and approval by the Cost of Living Council.

I just think that if a part of our oil economy is going to have increased costs approved, then all of them should, and if the Cost of Living Council should determine that increased costs were justified at the wholesale level, then the retailers, in turn, should be able to charge their customers for their actual cost increase. Retailers would be held to the price in effect during the summer price freeze plus any additional actual increases in the cost of their product or increases in other expenses such as rent, labor, utilities, and so forth.

Mr. President, I know there are a number of different ways to handle this. I think this particular bill—I hope Senators will continue to study it—goes a long way toward doing both things, providing immediate equity to retailers and at the same time minimizing the increased costs which are passed on to the citizen who has to pull up out there at the gasoline pump.

I ask unanimous consent to have printed in the RECORD at this point the text of S. 2420, together with a letter which the Senator from Nebraska, the Senator from Louisiana, the Senator from Missouri, and I together with other Senators, sent to the Cost of Living Council and to our colleagues relative to our early concern on this matter.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 2420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(k) (1) Not later than 30 days following the date of enactment of this subsection, the President or his delegate shall issue an order—

"(A) stabilizing the wholesale prices of petroleum fuels at the September 7, 1973, levels;

"(B) requiring wholesalers of such fuels to notify the President or his delegate of any increase in the wholesale price for any such fuel at least 15 days prior to the date on which such increase is put into effect;

"(C) establishing base prices for retail sales of each such fuel at the freeze price levels; and

"(D) permitting a passthrough of any cost increase incurred by retailers of such fuels.

"(2) As used in paragraph (1)—

"(A) 'freeze price' means the highest lawful price charged by a retailer of a petroleum fuel for such fuel during the period June 1, 1973, to June 8, 1973, or in the case of a retailer who had no transactions during such period, during the nearest preceding 7-day period in which he had a transaction; and

"(B) 'petroleum fuel' means gasoline, diesel fuel grade number 2-D, and heating oil grade number 2."

SEPTEMBER 17, 1973.

Dr. JOHN T. DUNLOP,
Director, Cost of Living Council,
Washington, D.C.

DEAR DR. DUNLOP: We are persuaded that the Cost of Living Council's Phase Four regulations governing the oil industry have placed the nation's gasoline and home heating oil retailers in a totally unreasonable position. The combination of reduced markups and curtailment in supplies will likely force many of these small businessmen out of business in a matter of weeks.

We did note that the Council has agreed to review these regulations. In this regard, we want to urge strongly that the Cost of Living Council immediately use its authority, granted by Congress in the Economic Stabilization Act, to revise those Phase Four regulations in a fashion that will ensure retailers of an adequate price mark-up. We recognize the desirability of holding down the price of fuel to consumers and will welcome anything that can be accomplished toward that goal within the framework of revised regulations protecting the legitimate interests of retailers.

Because of the urgency of this matter we request an immediate response.

Mr. BAYH. The letter was signed by Senators Birch Bayh, Thomas Eagleton, Carl Curtis, J. Bennett Johnston, Mike Mansfield, Hugh Scott, J. Glenn Beall, Henry Bellmon, Lloyd Bentsen, Quentin Burdick, Howard Cannon, Lawton Chiles, Dick Clark, Norris Cotton, Alan Cranston, Robert Dole, Pete Domenici, Peter Dominick, Mike Gravel, Edward Gurney, Clifford Hansen, Floyd Haskell, Ernest Hollings, Hubert Humphrey, Charles Mathias, Gale McGee, George McGovern, Thomas McIntyre, Walter Mondale, Frank Moss, Gaylord Nelson, Jennings Randolph, Abraham Ribicoff, Richard Schweiker, Ted Stevens, Adlai Stevenson, Stuart Symington, Robert Taft, Herman Talmadge, Strom Thurmond, John Tunney, and Lowell Weicker.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, the distinguished Senator from Illinois suggested that the language of this amendment is something less than perfect, and does not give adequate guidance and direction to the Cost of Living Council as to what to do.

I should like to reply very briefly to that statement, to make the RECORD quite clear on this language and what it is directed at.

First of all, the term "petroleum marketer" contained in the House language—and this is House language we are talking about—applies to wholesalers as well as retailers, and prohibits discrimination between the two.

And by discrimination, we mean either constitutional discrimination, or violation of the fair and equitable requirement of the Economic Stabilization Act—in short, regulation without reasonable basis.

Mr. President, there is an abundance of evidence in the House record and now in the Senate record about what we are intending, what the evil is that we are intending to get at by this amendment. I do not think there is any doubt in anyone's mind as to what this amendment means and what it is intended to accomplish. I believe everyone knows that, and if there is any lingering doubt, then I would invite the attention of all, particularly the Cost of Living Council, to the record in the U.S. district court where this very measure was considered.

The record makes it absolutely clear what we are talking about. There is simply no reasonable basis for allowing petroleum wholesalers to increase their prices to retailers while blocking dealers from increasing their prices in return. Moreover, there is no reasonable basis for allowing some retailers to mark-up prices at the level of one date when another class is fixed at a different level determined by a different date.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. McCLELLAN. Would the Senator mind, in a concise statement, making the RECORD very clear at this point as to just what he is talking about?

Mr. JOHNSTON. Yes; first of all, I ask unanimous consent to have printed in the RECORD an opinion from the Congressional Research Service, as well as a letter from the Comptroller General of the United States, which further clarify this matter.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 27, 1973.

To: Hon. PAUL FINDLEY; Attention: Mr. Wixer.

From: American Law Division.

Subject: The Sponsor's Intent in Constructing the Meaning of a Statute.

This memorandum is submitted in response to your request for an analysis of the meaning of the following amendment to H.J. Res. 727 (Further Continuing Appropriations, 1974) which you offered and was agreed to by a yea-and-nay vote of the House of Representatives on September 25, 1973.

SEC. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

Aimed at preventing a future repetition of the type of double standard established by the Cost of Living Council in setting up

Phase IV retail prices for gasoline, one for the independent retailer and one for the refiner which also markets its own products at retail, you stated the amendment's purpose as: "It requires that the Cost of Living Council treat all retailers alike, whether they be independent merchants; whether they also own their own refining operation." (119 Cong. Rec., p. 31353, Sept 25, 1973). In response to Rep. Moss' assertion that the amendment is ambiguous since "marketer" is not defined therein, and therefore would affect all marketing levels within the industry thereby disallowing historic markup standards, you replied, in part:

"If there is any ambiguity in this language, the legislative history today will certainly help to clear it up. A marketer, of course, can cooperate at the refining level. He can operate at the jobbing level. He can operate at the retail level.

"This amendment says that in establishing prices for petroleum products, the Cost of Living Council cannot discriminate within whatever level of marketing is at issue at this particular point. If it does not say that clearly to the gentleman's satisfaction, let my words in the RECORD clarify it for purposes of legislative history."

(119 Cong. Rec., p. 31354, Sept. 25, 1973).

In construing a statute, a court of law "must consider the purpose of its enactment, the evil to be eradicated, the object to be obtained and recognize the construction that would best effectuate those standards." *Gartner* v. *Soloner*, 384 F. 2d 348, 355 (3rd Cir. 1976), cert. den. 390 U.S. 1040 (1968).

A court faced with this problem of interpretation, or another problem like it, can well begin with an inquiry into the purpose of the provision that requires interpretation. The language of the provision that is to be interpreted is, of course, highly relevant to this inquiry but it should never become a "verbal prison." [citation omitted] Other considerations, such as the court's sense of the conditions that existed when the language of the provision was adopted, its awareness of the mischief the provision was meant to remedy, and the legislative history available to it, are also relevant as the court attempts to discern and articulate the provision's purpose. *Eck* v. *United Arab Airlines, Inc.*, 360 F. 2d 804, 812 (2d Cir. 1966).

The Supreme Court has held that when the issue is simply the interpretation of legislation, it will look to the statements by legislators for guidance as to the purpose of the legislature. *United States* v. *O'Brien,* 391 U.S. 367 (1968).

But we have often cautioned against the danger, when interpreting a statute, of reliance upon the views of its legislative opponents. In their zeal to defeat a bill, they understandably tend to overstate its reach. "The fears and doubts of the opposition are no authoritative guide to the construction of legislation. It is the sponsors that we look to when the meaning of the statutory words is in doubt."

National Labor Relations Board v. *Fruit & Vegetable Packers & Warehousemen, Local 760*, 377 U.S. 58, 66 (1964).

In fact, in a recent case the Supreme Court stated that an interpretation placed by the sponsor of a bill on the very language subsequently enacted by Congress was appropriately part of the legislative history of the bill enacted, though the interpretation was given two years prior to the enactment with respect to a previous bill, the operative language of which was substantially carried forward into the Act. *United States* v. *Enmons,* 410 U.S. 396 (1973).

DANIEL HILL ZAFREN,
Legislative Attorney.

COMPTROLLER GENERAL OF THE U.S.,
Washington, D.C., September 27, 1973.

Hon. PAUL FINDLEY,
House of Representatives.

DEAR MR. FINDLEY: You informally requested our interpretation of the following amendment offered by you to the joint resolution (H.J. Res. 727) making continuing appropriations for the fiscal year 1974, which amendment was adopted by the House of Representatives on September 25:

"Sec. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products."

The amendment prohibits the Cost of Living Council from using funds made available by the joint resolution for the purpose of formulating or carrying out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products. The amendment is thus stated in fairly broad terms and it is difficult to state specifically what problems may arise which would be affected by the amendment or just how the amendment would be applied except on a case-by-case basis. It is clear, however, from your statements on the floor of the House (Congressional Record, September 25, 1973, 31353–31356) that the House of Representatives intended that the amendment would preclude the Cost of Living Council from basing prices for one segment of petroleum marketers on January 10 prices and basing prices for another segment of petroleum marketers on May 15 prices; and that the amendment would prevent discrimination at each level of marketing, that is, the producer, refiner, reseller, or retailer level and would not require the identical percentage of markup for all levels of marketing.

In the absence of anything to the contrary in the complete legislative history of the amendment as finally enacted by the Congress, we would construe the amendment in accordance with the foregoing intent of the House of Representatives.

Sincerely yours,

PAUL G. DEMBLING,
Acting Comptroller General of the United States.

Mr. JOHNSTON. Mr. President, what this amendment is aimed at is discrimination between the petroleum retailer and the petroleum wholesaler or producer.

In other words, the petroleum wholesaler can pass on all of his cost increases. He can increase his price without any restriction whatsoever. On the other hand, the petroleum retailer can pass on none of his increased cost, or he can pass it on only if it occurred prior to September 28. So, in effect, his profit can be squeezed when everyone else, either in the petroleum industry or in any other segment of the economy, is entitled to pass on his cost increases.

This does not challenge the COLC's right to establish different markup levels for different levels of the petroleum market. It does mean that cost passthroughs may not be granted or withheld at different market levels if the result is to aggravate historic markup differences at those levels, or if the different treatment of different petroleum marketers lacks reasonable basis.

Mr. McCLELLAN. I am trying to make a record here, and want to make it clear that we are trying to make a record. I might say that when this resolution first came over from the House of Representatives, my office was contacted by a number of retailers in my State, a number of service station operators, and they were very strongly in favor of this provision which the amendment contains.

Then after the order was entered, on September 28, I believe, by the Cost of Living Council, the information I received from the people in my State was that they were satisfied, that this action took care of the problem.

If the Senator will indulge me for a moment while I am on this point, I would like to say that when we acted in the full Appropriations Committee on this matter yesterday I was under the impression that generally—not everyone, necessarily, had been satisfied about it, but generally the order was satisfactory, at least among the retailers in my State. I thought that if it was, there was no need for the amendment. I was, of course, trying to get a clean bill.

I would point out one other thing, and I suggest that all Senators who are interested in this matter be thinking about this: If this amendment is defeated, then we keep in the bill exactly the same language that is in the House bill, and if that is true and nothing else is added to it, no other change made in it, then there will be nothing in conference, and any imperfection that may be discovered in this House provision we would not be able to correct in conference.

I point out, however, that if the resolution is passed as it is now, with the Senate amendment in it striking that out, then all of the resolution will be in conference and, therefore, would be subject to any agreement that might be reached with respect to modifications of it, or anything necessary to perfect it.

The PRESIDING OFFICER. The Senator will suspend while we receive a message from the President of the United States.

Mr. McCLELLAN. Mr. President, if the Senator will indulge me just one moment further——

Mr. JOHNSTON. Certainly.

Mr. McCLELLAN. I have no personal interest or feeling in this matter, other than that I share with every Senator on this floor the desire, and would want to support whatever amendment or legislation or action is necessary, to do equity among the parties who are involved. We all regret, of course, the necessity for any ceilings or any controls, but obviously there is some need for them, and we have them, and it is our desire and our responsibility to try to see that they are applied and administered impartially.

I was called today by representatives of the Cost of Living Council, and they assured me again that if their order was properly understood, as I understood it, and properly interpreted, it would be realized that the problem had been substantially taken care of.

I ask unanimous consent—and I do not do this to take up an unnecessary amount of time—to have printed in the Record at this point a letter from Chairman Dunlop to me as chairman of the Appropriations Committee, dated September 26—I believe the distinguished Senator from North Dakota has already referred to this letter—together with the order or the release that was made at 5 p.m., September 28 by the Cost of Living Council.

There being no objection, the material was ordered to be printed in the Record, as follows:

[Cost of Living Council News]

Petroleum Ceiling Price Adjustments

The Cost of Living Council announced today that gasoline, diesel fuel and home heating oil retailers may make an upward adjustment in their ceiling prices, effective immediately for most retailers. This increase comes as a direct result of higher costs of imported and domestic petroleum products.

Council Director John T. Dunlop stated: "This action carries out the Council's previously announced policy of making periodic reviews and appropriate adjustments in ceiling prices that may be charged by petroleum retailers for these products. The policy of periodic revision of ceiling prices is designed to allow a pass-through of increased product costs due to higher world prices for crude petroleum and petroleum products. At the same time the policy seeks to restrain price increases so that Americans will not have to pay unnecessarily high prices for petroleum products.

"In addition, the procedure being implemented at this time considerably simplifies ceiling price calculations to be made by all retailers by basing these adjustments on May 15 selling prices.

"The use of the May 15 selling price as the base to which increased product costs may be added should permit the nation's independent gasoline station operators, the small businessmen of the petroleum industry, larger markups than allowed under the earlier formula. This larger markup should provide a 'cushion' against the impact of future product cost increases that may be incurred between October 1 and the Council's next periodic review of petroleum ceiling prices. The Council will continue to monitor the situation carefully."

The relief provided by this amendment, coupled with the existing small business exemption on non-petroleum product sales that normally account for up to fifty percent of the dealers' profits, minimizes the anti-inflationary burden placed on these retailers.

The Council also announced that future monthly adjustments in heating oil ceilings may reflect increased costs of both imported and domestic petroleum. The automatic monthly heating oil adjustment should encourage the shipment of as much heating oil as available from domestic and foreign sources to those areas of the nation most in need.

The Council recognizes that today's action will result in higher petroleum retail prices to the consumer. However, this periodic adjustment is designed to minimize the increase while permitting a fair return to small petroleum retailers.

It is anticipated that the range of gasoline retail price increases could be between 1 and 2.5¢ per gallon, depending on individual retailer situations. Ceiling price/octane stickers must continue to be posted and must show the previous ceiling price plus the amount of the increase permitted by today's action. Similarly, heating oil prices could increase 1 to 2¢ per gallon at the retail level. However, the Council expects that competitive pressures in many gasoline markets will continue to keep some retailers selling below the ceiling price levels.

The amendment to the Council's petroleum regulations is effective immediately for all retailers, except those owned and operated by refiners. Refiner-retailers may not raise the ceiling price until October 1.

Attached is a fact sheet with specifics on the new price determining procedures for retailers in the petroleum industry.

Petroleum Fact Sheet

GASOLINE AND NO. 2-D DIESEL FUEL

Retail sales of gasoline and No. 2-diesel fuel sold by a retailer or reseller-retailer will have revised ceiling prices effective at 5:00 p.m., EST, September 28, 1973. Revised ceiling prices of refiner-retailers for the same products are effective 11:59 p.m., local time, September 30, 1973.

Refiner-retailer

When a refiner is acting as a retailer, the revised ceiling prices for retail sales of gasoline and No. 2-D diesel fuel are the prices charged to each class of purchasers concerned on May 15, 1973, plus the increased cost of imports, domestic crude and purchased products between May 1973 and September 1973.

Actual May 15 selling price plus increased costs of imports, domestic crude, and purchased product from May 1973 to September 1973, equals new ceiling price.

Retailer and reseller-retailer

For retailer and reseller-retailers, the revised ceiling prices for retail sales of gasoline and No. 2-D diesel fuel are the prices charged to each class of customer on May 15, 1973, plus the increased costs of products incurred between May 15, 1973, and September 28, 1973.

Actual May 15 selling price plus increased costs of products purchased from May 15, 1974 to September 28, 1973 equals new ceiling price.

Future adjustments in gasoline and 2-D diesel fuel

The CLC will continue its policy of monitoring the petroleum situation, making periodic reviews and making adjustments in retail ceiling prices of gasoline and 2-D diesel fuel.

Posted ceiling price/octane stickers

Ceiling price/octane stickers currently posted on gasoline and diesel fuel pumps will remain on the pumps. Dealers will calculate the amount of increase in their ceiling prices permitted by today's action and will write a plus (+) and the amount of the adjustment next to their currently posted ceiling prices, e.g., 38.9¢ + 1.3¢. The ceiling price adjustment must be posted no later than October 5, 1973.

NO. 2 HEATING OIL

Retail sales of No. 2 heating oil sold by a retailer or reseller-retailer will have revised ceiling prices effective 5:00 p.m., EST, September 28, 1973. Revised ceiling prices of refiner-retailers for No. 2 heating oil are effective 11:59 p.m. local time, September 30, 1973.

Refiner-retailer

When a refiner is acting as a retailer, the ceiling prices for retail sales of No. 2 heating oil are the prices charged to each class of purchasers concerned on May 15, 1973, plus the increased cost of imports, domestic crude and purchased products between May 1973 and September 1973.

Actual May 15 selling price plus increased costs of imports, domestic crude and purchased product from May 1973 to September 1973 equals new ceiling price.

Retailer and reseller-retailer

For retailer and reseller-retailer, the revised ceiling prices for retail sales of No. 2 heating oil are the prices charged to each class of customer on May 15, 1973, plus the increased costs of product incurred between May 15, 1973 and September 28, 1973.

Actual May 15 selling price plus increased costs of products purchased from May 15, 1973 to September 28, 1973 equals new ceiling price.

Future adjustment in heating oil ceiling price

On November 1, 1973 and on the first day of each month thereafter, the monthly retail ceiling price for sales of No. 2 heating oil may be adjusted to reflect the increases in the cost of imported and domestic No. 2 heating oil incurred by the retailer during the previous month. The adjustment in ceiling price must be reported to CLC by the fifth day of the month in which the adjustment is made.

Sales by resellers

The price resellers will be allowed to charge for covered products will be limited to the May 15, 1973 selling price to each class of purchasers plus the increased product costs incurred since that date.

Cost of Living Council News

Attached is a letter written to Senator John L. McClellan, Chairman, Senate Committee on Appropriations, from John T. Dunlop, Cost of Living Director. It addresses the amendment to H.J. Res. 727, which would, in effect, dismantle the Council's ceiling price system for gasoline, home heating oil and diesel fuel.

Cost of Living Council,
Washington, D.C., September 26, 1973.

Hon. John L. McClellan,
Chairman, Senate Committee on Appropriations, Washington, D.C.

Dear Mr. Chairman: I am writing to express serious concern over the amendment to H.J. Res. 727, adopted by the House September 25, 1973, and now before your Committee, which would have the effect of dismantling the ceiling price system for gasoline, home heating oil and diesel fuel established by the Cost of Living Council. The amendment reflects a serious lack of understanding of the Council's petroleum regulations, ignores fundamental differences between the pricing structures of refiner-retailers and other retailers, and fails to recognize the need to protect American consumers from inflationary increases in the prices they must pay for petroleum products.

The amendment is ill-advised and I want to express in this letter my reasons for opposing it.

First, the Committee should be aware of the magnitude of the increases which have been experienced in petroleum prices this year. From January through August 1973, the fuel oil component of the wholesale price index increased at an annualized rate of 72.5%. For gasoline, the annualized rate of increase has been 63.6%. For all refined petroleum products, it has been 56.6%. These figures contrast sharply with the figure for all industrial commodities, which increased at a rate of 10.8%, and are significantly higher than the figures for the processed foods and feed component—about which there has been so much public concern—which has increased at a rate of 47.7% over the same period.

The same picture appears in the consumer price index. Gasoline at retail has increased at an annualized rate of 12.7%, fuel oil has increased at a rate of 22%, while the overall CPI has increased at an annualized rate of 9.3%. So the first point to be made is that petroleum products have contributed disproportionately to inflation. It is for this reason that the Cost of Living Council designed specialized regulations for the petroleum industry in Phase IV.

The Council gathered extensive dealer markup data as the basis for its decision to establish ceiling prices at retail for the sale of gasoline. It is important to emphasize, in this connection, that while the markups themselves deal in pennies per gallon, their aggregate impact upon the economy is substantial. Approximately 100 billion gallons of gasoline will be sold at retail in 1973. Thus, an increase in markup which is reflected in a price increase of a penny per gallon represents, in the aggregate, a price increase of $1 billion per year which must be paid by American motorists.

Information derived from industry and other sources collected by the Council in planning Phase IV showed that during the period of the feared gasoline shortage this Spring, retail gasoline dealers substantially hiked their prices and obtained significantly increased markups. These markups were, on the average, far above what dealers had previously obtained and were, in the Council's view, inflationary. Dealer markups on retail sales of gasoline during 1972 averaged 6.74 cents per gallon. However, by July 1973, the average markup increased to 7.60 cents per gallon, an increase of 13%. The Council determined to reduce these markups to the levels which they occupied on January 10, 1973, the last day of Phase II, and which are more consistent with historic markup levels. At the same time, the Council took note of the fact that in some areas price wars were being waged in January, with the result that dealer markups were depressed on January 10. Consequently, it established a minimum markup of 7 cents per gallon which is above the average markup retailers were able to apply in all of 1972.

Under the Council's rules, dealers may add this markup (the January 10, 1973 markup or 7 cents, whichever is higher) to the actual cost of their products on August 1, 1973. Thus, the ceiling price is not the January 10, 1973, price. It is the actual cost of the product on August 1 plus the January 10 or 7 cents markup. This rule applies to the approximately 90% of the Nation's retail gasoline outlets which are not directly owned and operated by refiners.

Different ceiling price rules apply to retail sales made directly by refiners because products sold through these outlets reach the retail market through a series of intra-corporate transfers, rather than arms-length transactions establishing costs and markups. The structure of these refiner-retailers and their pricing mechanisms simply do not lend themselves to price control on the same basis as other retailers and artificial symmetry cannot produce an effective or equitable price control mechanism.

Most refiners are vertically integrated firms which engage in the production, manufacture and distribution of an array of petroleum products. Phase IV rules respond to this reality by establishing a comprehensive system of different rules applicable to the particular characteristics of the petroleum industry at all levels—from the oil that is pumped out of the ground to the gasoline sold to motorists and the heating oil sold to home owners. The benchmark date for control of refiners prices is May 15, 1973. That is the date for establishing ceiling prices on domestic crude oil; it is the date for establishing base prices of the array of petroleum products manufactured and sold by refiners; and it is the date for establishing ceiling prices for retail sales of gasoline, home heating oil and diesel fuel by refiners.

Specifically, the ceiling price for retail sales of these three products by refiner-retailers is the May 15, 1973, selling price plus the increased costs of imports incurred between May 15 and August 1, 1973. It is important to note that this ceiling price is based upon the refiner-retailers May 15 selling price adjusted for increased costs of imports incurred before August 1, as distinct from the rule for other retailers which establishes a ceiling price based upon the August 1 cost of the product plus its January 10 markup or 7 cents whichever is higher.

Moreover, the May 15 selling price for refiner-retailers is generally no higher than the prices they were charging in August 1971 which were frozen in the first freeze of the Economic Stabiliation Program and remained unchanged during all of Phase II, unlike the prices of other retailers, which in most cases, were not controlled during most of Phase II because of the small business exemption. In both cases, however, the ceiling prices for refiner-retailers as well as other retailers are fixed and may not be increased until authorized by the Council.

It should also be pointed out that the Council regulates only the sale of petroleum products by most independent retail dealers. The remainder, and more profitable part of their sales (tires, batteries, accessories and repairs), are exempt from controls under the small business exemption. Such sales by refiner-retailers, however, are controlled by the Phase IV rules since they do not qualify for the small firm exemption. Sales of non-petroleum items generally account for larger profits to independent dealers than the sale of gasoline. Markups on non-petroleum products range from 33% to 50%.

The point I would make, therefore, is that while there are differences in the ceiling price rules that apply to refiner-retailers on the one hand and to other retailers on the other hand, these differences are premised upon vital differences in the particular economic characteristics of the firms being regulated and fairly reflect the different price behavior which the firms have experienced under the stabilization program. The charge that the differences in treatment were motivated by a desire to favor refiner-retailers or to discriminate against other retailers—or that the differences have this effect—is wholly without foundation and does not consider the practical economic need to treat different customary operating practices differently in a comprehensive price controls system.

The thrust of the House amendment is to require the Cost of Living Council to ignore economic conditions as they exist in the marketplace and to tie the Council's hands in implementing a system to control rapidly escalating prices in the petroleum sector. As the Committee knows, the Council is now conducting its first periodic review of the ceiling prices established under the regulations, and I am committed publicly to increasing those ceilings in the next few days to reflect the increased costs which the rules permit to be passed through the distribution system on a dollar-for-dollar basis. This is in fulfillment of a commitment which the Council made in August when the regulations were originally issued.

To require the Council now, in addition, to perform major surgery on the regulatory framework is to invite serious inflationary consequences. It would also add greatly to public confusion. That is particularly true in the case of gasoline where the Council has required the posting of ceiling prices and minimum octane ratings by all gasoline retailers, to enable members of the public to assist in the enforcement and administration of these price ceilings.

It may well be that changes are warranted in the Council's regulations. The petroleum industry is complex and requires complicated regulations if it is to be effectively controlled. My colleagues and I are, of course, prepared to meet with appropriate Committees of the Congress to discuss the desirability of suggested changes and to do so in an orderly and responsible manner. But I am unalterably opposed to hasty and ill-conceived action which has not been thoughtfully examined, which is clearly premised upon misconceptions and which threatens to unravel the existing controls program in a highly inflationary sector of the economy.

I, therefore, strongly urge the Committee to eliminate the House amendment from the Bill which it reports to the floor.

Sincerely,

JOHN T. DUNLOP
Director.

Mr. McCLELLAN. Mr. President, if this resolution goes to conference with the amendment in it, if the provision is restored, then there is nothing for the conferees to be concerned about. It will remain as is. If it does not, if it goes to conference with it in the House resolution and not in the Senate resolution, the conferees would try to come out with a provision which is adequate to protect all interests. That would be my purpose and desire, but if the Senate feels it would be better to go ahead and put it in as it is now, and have no conference with even the suggestion of some imperfections in it, and that is what the Senate wills, of course, the committee will be glad to comply.

Mr. JOHNSTON. I thank the distinguished chairman of the committee. He has put his finger on the real problem and has highlighted what the problem is and that is what we are complaining about. Frankly, I thought that when the September 28 action of the Cost of Living Council was taken, indeed we had cured the plight of the retail service stations. However, they soon found and I soon found, when we read the small print of the Cost of Living Council's order, that it did not include any price relief or any cost passthroughs for any increased prices after September 28.

Yet we found almost immediately, after the September 28 order, that prices had in fact been increased. What we are concerned about are two things: First, what happens in the meantime before the conference committee can meet, or if we are unable to agree on what is happening, or if we are unable to agree in the Banking Committees of both House and Senate.

What the bill does is simply to prohibit discrimination. If the language is less than perfect, it can be cleared up later on. But while we deliberate we cannot afford to take the risk with the lives, the fortunes, and the businesses of an important, large segment of the American community.

Mr. CURTIS. Mr. President, will the Senator from Louisiana yield?

Mr. JOHNSTON. I yield.

Mr. CURTIS. I thank my distinguished friend. There is no Senator on this floor for whom I have a higher regard than the distinguished chairman of the Appropriations Committee, the Senator from Arkansas (Mr. McClellan). I do disagree with him, however, on one point he just stressed. It is very true that if we are dealing with complicated language, intricate formulas, tax legislation, technical language, and many other things, sometimes it is the better part of wisdom to refrain from doing what the House has done so that the matter can be further looked at in conference. Surely no such situation prevails at the present time.

Mr. McCLELLAN. If the Senator from Nebraska will yield at that point, I only referred to what the distinguished Senator from Illinois said about its being imperfect. I was not making that contention myself. I simply said that it was contended by the Senator from Illinois this language was not adequate to cover the problems as it should be.

Mr. CURTIS. It will not cure it, no.

Mr. McCLELLAN. So I made the point that if we do take it this way, we cannot change it in conference any way at all. I just thought we should consider that.

Mr. CURTIS. Yes. All this does is to come out flatly for a nondiscriminatory program. This is not injecting language in here that if it goes to the conference they are locked in and there is nothing to do about an unwise course taken.

Does anyone question the principle that there should not be a prohibition against nondiscrimination?

Another thing, the Cost of Living Council's letter of July 26 was placed in the Record several days ago. In that letter, they defended their previous action of fixing the January 10 date for retailers and May 15 for retailers who were also refiners as the date in which the price was frozen. Yet what did they do last Friday? They reversed themselves, so that we cannot rely on them.

Mr. EAGLETON. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. EAGLETON. I have a couple of questions on that very point with respect to the conference. Would this not be the case: Suppose the committee position is sustained and the House language is stricken from our version of the bill and we go into conference and sit down, and Chairman Mahon announces as the first order of business that the House recedes from its language. What, then, is in conference insofar as the Senate is concerned?

Mr. McCLELLAN. Mr. President, if I may answer that, I have never known that to happen where the chairman of a committee walked right in and repudiated the chamber that he represents. I doubt that that would happen.

Mr. EAGLETON. Could I not refresh the memory of the Senator from Arkansas on the Cambodian bombing amendment. It was the first order of business of Chairman Mahon when he wanted to recede on the House language to cut off the bombing.

Mr. McCLELLAN. It is immaterial to me, but I know what the general procedure is and I could not anticipate such a thing happening. But the Senator may be right.

Mr. EAGLETON. My second question to the Senator from Nebraska (Mr. Curtis) concerns the September 28 order: Was the Senator aware that within a few hours, not more than several hours after the announcement of the Cost of Living Council order on September 28, five of the largest oil companies in the United States announced a new round of price increases?

Mr. CURTIS. I am well aware of that. I read into the Record three oil companies which had done that, even in light of the recent corrective order of the Cost of Living Council.

Mr. EAGLETON. Let me say, if I may, that even with this marvelous order of September 28 from the Cost of Living Council, which took months and months to extract—almost like pulling teeth—retailers were not permitted to pass on any increases subsequent to the September 28 date; is that not correct?

Mr. CURTIS. That is correct.

Mr. EAGLETON. I fully and completely support the position of the Senator from Nebraska and I salute him on his leadership in bringing this before the Senate.

Mr. President, I am opposed to the committee amendment which strikes the House-passed language requiring the Cost of Living Council to end its discrimination against gasoline retailers.

Discrimination is perhaps the kindest word to describe the Council's existing program. On the one hand, its regulations permit major oil companies to increase the price of their products at wholesale with few restrictions other than prenotification of the Council.

On the other hand, the Council has ruled that petroleum marketers cannot pass along those increased costs to their customers except with specific approval of the Council and, as experience has shown, that approval is only grudgingly given.

No policy could be better designed to assure the elimination of the small, independent retailer from the petroleum market. He cannot be asked to absorb the full brunt of the Council's effort to hold down prices in the petroleum field and be expected to survive.

Last Friday, the Council took note of the protests of the retailers and the demands of Congress and the White House to permit a pass-through of increased costs incurred between August and September 28. Only a few hours later, however, a second round of increases was announced by major oil companies putting the retailers right back where they were before the Council's action.

Mr. President, I believe the Council should take forceful steps to hold down the price of petroleum products, but I believe the action must be applied evenhandedly and across-the-board. That is all the House language requires and I urge the Senate to vote to restore that principle.

Mr. CURTIS. I thank the Senator from Missouri very much.

Mr. President, I hope that we can wind up this colloquy before long, but we should keep in mind that a vote of "No" is a vote in support of what the independent petroleum marketers want and that, regardless of any niceties as to whether we want to amend the bill in conference or anything else, a vote of "yes" will be disappointing to all the independent petroleum marketers.

Mr. DOLE. Mr. President, economic control policy is always difficult to administer with equal fairness to all interests in our complex national system. This difficulty is one of the major arguments against imposing any restrictions on the functioning of our free market system and the laws of supply and demand. Someone is always bound to be unfairly penalized or subjected to discrimination—no matter how hard the controllers attempt to be fair and impartial.

But perhaps one of the most glaring examples of unfairness inflicted by artificial controls has grown out of the efforts to regulate the price level on gasoline.

Briefly stated, the Cost of Living Council has chosen to make the retail gasoline dealer the last—and only—line of defense against consumer cost increases for automobile fuels. On the one hand the service station operator has had his prices frozen, but at the same time the major gasoline companies have been allowed to raise the wholesale cost he must pay for the products he sells.

The result has been a completely untenable and unbearable situation for these thousands of independent businessmen, for they are helpless in the face of uncontrolled cost increases and frozen price ceilings. In many cases these dealers—also squeezed by rising costs for wages, utilities and rents—are losing money on every gallon of gas they pump. These are small operators. They cannot absorb these losses, and I fail to understand the reasoning of the Cost of Living Council in forcing them to do business under such conditions.

It would seem obvious to even a noneconomist that continuation of such a shortsighted policy will drive thousands of these individuals out of business. It will cost thousands of jobs and affect still more thousands of families in every part of the country.

Therefore, I am pleased to support the amendment of the Senator from Nebraska (Mr. Curtis) in seeking to retain the provision which prohibits the Cost of Living Council from carrying out such a discriminatory and unsound policy. There is no reason that any discrimination should exist between the different types of petroleum marketers. In my view the major companies should be called upon to an equal—if not a greater—extent if the Cost of Living Council wishes to control petroleum prices. It makes no sense to me that the smallest, least financially able sector of the petroleum marketing system—that is the retail dealers—should be required to bear the whole burden of this effort and to suffer irreparable harm in the process.

We will not solve any problems by bringing about the ruin of thousands of small businesses. The Cost of Living Council should know this, and the action proposed by Senator Curtis will certainly be a major step in assuring that such a result does not come to pass.

I join the statement of the Senator from Nebraska and I should like to be listed as a cosponsor of his amendment.

Mr. Curtis. Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. Dole) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, economic control policy is always difficult to administer with equal fairness to all interests in our complex national system. This difficulty is one of the major arguments against imposing any restrictions on the functioning of our free market system and the laws of supply and demand. Someone is always bound to be unfairly penalized or subjected to discrimination—no matter how hard the controllers attempt to be fair and impartial.

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Mr. CURTIS. May I say to the Senator from Kansas that I thank him for his support very much. However, the way the issue has developed now, it is a vote for or against the committee amendment, and a vote of "no" supports the position we have espoused.

Mr. DOLE. That is correct, and I understand the parliamentary situation. This is one time I can support the Senator from Nebraska by voting "no."

Mr. CURTIS. That is right.

Mr. DOMENICI. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. DOMENICI. As the Senator knows, from the very outset of the problem that has arisen, by virtue of the fact that the Cost of Living Council has expected the independent gasoline dealer to bear the burden of keeping the price of petroleum products in line, I have been one of those saying that the burden is put on the phase of the petroleum economy that can least afford it.

These are small, independent businessmen who cannot afford to have their price go up without passing on the increase. Yet, we are permitting Gulf and Exxon and the others to raise the price to the little independents and say, "Until we find a better way, we are going to let you assume this."

I understand that it is the Senator's intention to say clearly to the Cost of Living Council, "You cannot spend any American tax dollars to enforce that kind of rule." Is that correct?

Mr. CURTIS. That there must be no discrimination.

Mr. DOMENICI. No discrimination would mean that Exxon cannot raise the price of gasoline at the refinery without the independent gas dealer also being permitted to raise his price.

Mr. CURTIS. In other words, it must be nondiscriminatory at every level of the operation. If one can have a pass-through, the others must have it.

Mr. DOMENICI. At the same level of distribution?

Mr. CURTIS. That is correct.

Mr. DOMENICI. So that if Exxon owns a filling station and they pass on an increase, the independent who owns his gas station must be permitted to pass it through, if they are selling it, say, across the street, in the same city.

Mr. CURTIS. Yes.

Mr. DOMENICI. That is not the situation today. The Cost of Living Council discriminates there. The Senator is saying that they shall not do so with our tax dollars.

Mr. CURTIS. That is correct.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. THURMOND. Mr. President, I commend the able Senator from Nebraska for his leadership in this important matter. The filling station operators in our State are terribly upset. I feel that something must be done, and I hope that the procedure here which the Senator is following will bring results.

H.R. 8877, LABOR-HEW APPROPRIATIONS — UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, by direction of the distinguished majority leader, and after consultation with the distinguished Republican leader, Mr. Hugh Scott; the distinguished ranking member of the Committee on Appropriations, Mr. Young; the distinguished manager of the Labor-HEW appropriation bill, Mr. Magnuson; the distinguished ranking member of that subcommittee, Mr. Cotton; and other Senators, I pose the following unanimous-consent request:

I ask unanimous consent that on H.R. 8877, the Labor-HEW appropriation bill, the time be limited to 10 hours, to be equally divided between and controlled by the distinguished Senator from Washington (Mr. Magnuson) and the distinguished Senator from New Hampshire (Mr. Cotton); that time on any amendment thereto be limited to 1 hour, with time on any amendment to an amendment limited to 30 minutes; that time on any debatable motion or appeal be limited to 20 minutes, with the division and control of all time to be in accordance with the usual form.

It is the understanding reached between the aforementioned Senators and the distinguished majority leader and the distinguished minority leader that if this agreement is secured, there will be work on the HEW appropriation bill tomorrow, the Senate will not be in session on Friday, and work will resume on the appropriation bill on Monday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I thank all Senators.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of H.R. 8877, the Labor-HEW Appropriation Bill, 1974, debate on any amendment in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, debate on any amendment in the second degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the author of the amendment in the first degree, and that debate on any debatable motions or appeals shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 10 hours, to be equally divided and controlled, respectively, by the Senator from Washington (Mr. Magnuson) and the Senator from New Hampshire (Mr. Cotton): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on October 1, 1973, the President had approved and signed the following acts:

S. 155. An act for the relief of Rosita E. Hodas;

S. 666. An act for the relief of Slobodan Babic;

S. 776. An act to authorize the striking of medals in commemoration of the 100th anniversary of the cable car in San Francisco;

S. 902. An act to amend section 607(k) (8) of the Merchant Marine Act, 1936, as amended;

S. 1148. An act to provide for the operation of programs by the ACTION Agency, to establish certain new such programs, and for other purposes; and

S. 1352. An act to require loadlines on U.S. vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and for other purposes.

FISCAL YEAR 1974 ADJUSTMENT IN FEDERAL PAY—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Chiles) laid before the Senate the following message from the President, which, with the accompanying reports, was referred to the Committee on Post Office and Civil Service. The message reads as follows:

To the Congress of the United States:

In accordance with the provisions of section 5305 of title 5, United States Code, I hereby report on the comparability adjustment I am ordering for the Federal statutory pay systems in October 1973.

The Director of the Office of Management and Budget and the Chairman of the United States Civil Service Commission, who serve jointly as my agent for Federal pay, have recommended a 4.77 percent average increase in Federal statutory pay rates—a figure arrived at by computing comparability using a new computation method which will be phased in over the next three years. The new method compares actual average salaries in the private and Federal sectors instead of assuming, as the former system did, that the 4th rate of each grade represented the Federal average. This change follows recommendations made last year by the Advisory Committee on Federal Pay.

Since the effect of the new method is to reduce somewhat the size of the pay adjustment from the 5.47 percent that would have taken effect under the old computation method, the Federal Employee Pay Council and other Federal employee organizations are understandably opposed to its introduction at this time. The Advisory Committee on Federal Pay, however, agrees with my agent that a change is necessary and has endorsed the new method, although the committee did recommend that it be introduced next year.

In reaching a final decision on the appropriate comparability adjustment, I have given careful consideration to all of these views. My agent and the Advisory Committee are not in disagreement on *whether* to adopt the more precise way of determining comparability, only on *when*. The Advisory Committee's recommendation to begin the change in 1974 was based on the assumption that the current increase would not occur until the final month of 1973. This assumption no longer holds, and I have decided that we should move now in the direction of the more accurate method, making the transition gradually over a three-year period to avoid undue hardship to employees by an abrupt change in the system. Based on that decision, I have concluded that an average increase of 4.77 percent in the pay rates of the statutory pay systems is the appropriate comparability adjustment.

I am transmitting herewith the reports of my agent and the Advisory Committee, as well as a copy of the Executive Order I have promulgated to put this pay increase into effect. Also enclosed is an Executive order adjusting basic pay for members of the uniformed services, as required by section 8 of Public Law 90-207 (81 Stat. 654).

RICHARD NIXON.

THE WHITE HOUSE, *October 3, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. MCINTYRE) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Commerce.

(For nominations received today, see the end of Senate proceedings.)

FURTHER CONTINUING APPROPRIATIONS, 1974

The Senate continued with the consideration of the joint resolution (H.J. Res. 727) making continuing appropriations for the fiscal year 1974, and for other purposes.

Mr. CHURCH. Mr. President, on June 14 of this year I furnished the Senate statistics showing that the Nation's large oil companies were enjoying record first-quarter profits in the midst of the gasoline shortage. Now, 3½ months later, we have had some time to judge the effects of not only the gasoline shortage, but also the administration's phase IV regulations governing the sale of petroleum products.

On June 14, I said that it was incredible to me that in the face of the gigantic profits the major oil companies were enjoying, the administration would want to put the burden of higher taxes on ordinary motorists—at that time the proposal was to raise the gasoline tax. Now, the administration has selected yet a smaller segment of the economy for discrimination—the independent gasoline retailer.

Mr. President, 90 percent of the Nation's gasoline stations are independently operated by small businessmen who rent or lease their stations and buy their products from major oil companies. They must market their products, perform maintenance and other services, and oversee all of the aspects of their business in order to—they hope—make a profit.

The Cost of Living Council has, however, made it virtually impossible for many small dealers to make a profit—no matter how long and how hard they work. Under phase IV regulations, the price of petroleum products is frozen at the retail level, using a system which is supposed to apply equitably to all dealers, large and small, nationwide. Unfortunately, these regulations cannot possibly fit all dealers in all situations.

The average service station owner in Idaho sells 17,000 gallons of gasoline a month. Even before the Cost of Living Council imposed its regulations, his average monthly profit, after expenses, was just a little over $500. Hardly what one could call exorbitant.

Yet, in formulating the phase IV regulations, the Cost of Living Council decided to put the burden of holding the gasoline price line on the retailer, who is at the end of the marketing of a very large and complex industry. Under the regulations, major oil companies are allowed to raise their prices without need for prior justification, or even notification, but the retailer cannot raise his price. He must absorb the cost increases until, when and if, the Cost of Living Council decides to grant him relief.

It is true that, last Friday, the Cost of Living Council made an upward adjustment in the ceiling price of retail gasoline. But now, right on the heels of that announcement, the major oil companies are again raising their prices and the small retailer is again caught in the squeeze.

Using the example of that average service station owner in Idaho, a 1-cent raise from his supplier, which he cannot pass on, would reduce his $500 of profit to $330 per month. The Cost of Living Council may be holding the line on the cost of petroleum products, but they are taking it out of the hides of small businessmen.

There are other problems with the Cost of Living Council's petroleum regulations. They tell us that there are exception procedures for dealers who are put into "undue hardship" by their regulations. Yet, by the Council's own admission, the forms used to apply for this exception are beyond comprehension, and the Council is still debating how to revise them. Many dealers are refusing to comply with the regulations, causing those that do comply more hardship. Local Internal Revenue Service offices, charged with enforcement of the regulations, lack the capacity to carry out their assignment.

The Cost of Living Council maintains that major oil companies have to be allowed to raise their prices to reflect the growing costs of both domestic and foreign crude petroleum. If this is so, and if prices are destined to rise, then why squeeze the retailer until the administration decides the public is in the mood to accept another increase?

Meanwhile, the major oil companies are still increasing their profits. During the second quarter of this year, their profits were even larger than during the first quarter. I ask unanimous consent that statistics taken from a recent issue of Business Week magazine, showing the profits of the Nation's 10 largest oil companies during the second quarter be entered into the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

2D QUARTER PROFITS OF THE NATION'S 10 LARGEST OIL COMPANIES

[Dollar amounts in millions]

Company	Sales	Profits	Percent change from 1972
Exxon[1]	$5,830.0	$510.0	+54
Mobil[2]	2,880.0	184.2	+41
Texaco[3]	2,727.0	267.5	+44
Gulf[2]	2,397.0	195.0	+82
Standard (California)	1,817.2	181.7	+42
Standard (Indiana)[2]	1,527.2	121.3	+37
Shell[3]	1,211.9	89.5	+54
Atlantic Richfield[4]	1,069.8	68.4	+50
Continental[2]	1,029.9	51.7	+24
Occidental	810.3	26.9	+566

[1] Ranking based on 2d quarter sales in dollars.
[2] Sales include excise taxes and other income.
[3] Sales include other income.
[4] Sales include excise taxes.

Source: Business Week; Aug. 11, 1973, p. 79.

Mr. CHURCH. Mr. President, for these reasons I shall vote against striking from this bill the provision which seeks to prevent the Cost of Living Council from imposing controls which discriminate against the gasoline retail dealers.

The PRESIDING OFFICER. The question is on agreeing to the second part of the committee amendment, which would strike section 3 of the joint resolution.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Stennis) and the Senator from Maine (Mr. Hathaway) are necessarily absent.

I further announce that, if present and voting, the Senator from Maine (Mr. Hathaway) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 6, nays 90, as follows:

[No. 456 Leg.]

YEAS—6

Fong
Fulbright
McClellan
Moss
Proxmire
Young

NAYS—90

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cock
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NOT VOTING—4

Brooke
Hathaway
Pearson
Stennis

So part 2 of the committee amendment was rejected.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 568

Mr. BENTSEN. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the appropriate place in the bill, insert the following: "*Provided further*, That the aggregate amount made available under title I–A of the Elementary and Secondary Education Act to any local educational agency which has been allocated amounts prior to September 30, 1973, pursuant to this Act in excess of the rate for operations in fiscal year 1973 shall not be less than the amount necessary to maintain the rate for which allocations were made pursuant to this Act, prior to September 30, 1973: *And provided further*, That each local educational agency which has been allocated funds under title I–A of the Elementary and Secondary Education Act, prior to September 30, 1973, pursuant to this Act at a rate for operations less than the rate for operations in fiscal year 1973, shall be allocated, consistent with the amounts previously provided by the Act, no less than the amount necessary to maintain the rate for operation for which allocations were made to each such agency in fiscal year 1973.".

Mr. BENTSEN. Mr. President, I ask unanimous consent that the following Senators be shown as cosponsors of the amendment: Senators Cook, Saxbe, Tower, Mondale, Humphrey, Chiles, Biden, and Randolph.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BENTSEN. I yield.

Mr. DOLE. Will the Senator add my name as a cosponsor?

Mr. BENTSEN. Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. Dole) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I yield myself such time as I may use.

The essence of my amendment is that it would assure that no local school district receives less money under title I–A of the Elementary and Secondary Education Act than it received in fiscal 1973. In addition, it assures that any school district which has been given allocated funds at increased levels as a result of the previous continuing resolution would be able to maintain its rate of operation at those levels.

Mr. President, I have to offer this amendment on the continuing resolution, and I do not take pleasure in it. I have not offered such an amendment before on a continuing resolution. I know the tough job the committee had in trying to resolve the problems. It made much progress. I think there has been an improvement over the Quie amendment. But the fact is that the House-passed HEW bill is $1.5 billion over the President's budget. The bill that will be reported out of the Senate committee is $1.9 billion over the budget. Somewhere between those two figures there is going to be a compromise, but whatever that compromise is, it is going to be substantially over the President's budget, and the odds are that it is going to be vetoed, and that means we are going to have this continuing resolution for some time. That is the situation we are going to have to live under. That is why we have to act on this resolution.

My amendment is a serious effort to bring equity to rural, urban, and suburban school districts throughout the country. One thing I want to stress is that this is not a southern solution, and it is not a northern solution.

It has been said that it is going to cost $117 million more. That is correct. Those are the figures we received from the Office of Education. But the facts are that the Office of Education was supposed to have given reports to these school districts over a year ago as to what levels of funding to expect; and, as late as August, the school districts across the country were getting notices that they were going to have substantial curtailments in the amounts of money they were going to get.

The resolution before us will not take care of those school districts, most of them rural districts.

I have a letter, for example, from the Palacios school district in which they state:

> I have several serious concerns about the above situation.
>
> 1. The extremely short notice of such a decrease in funding makes it extremely difficult to develop a comprehensive, long-range effective program. It is not as if this example were an exception; rather, it has been the rule since the inception of this type of federal assistance to public schools.
>
> 2. We were given no advance notice of a potential reapportionment and a possible reduction in funds. This seems incredible since the agencies at HEW apparently have known for some time that the 1970 census information would be the basis for apportionment as soon as it was compiled. They, not we, had some idea when such compilation would be completed.
>
> 3. Such hasty decision-making will benefit no one and will be harmful to everyone. Our teachers report for duty August 20, 1973, twenty-one days after the receipt of this notice of decrease in funds. To staff any federal program, school districts have consistently had to make the decision whether to take a chance by offering a contract that might have to be absorbed at the local level, or waiting to staff such programs until notice of approved funding is received, in which case the best teachers must already be assigned. Such late notice is harmful to even those districts which receive an increase. Prior planning is disrupted and sometimes even negated. Programs must be hastily devised and submitted, quite often at the expense of quality. Because of the myriad restrictions by which such money can be utilized, planning quite often takes a disproportionate share of time, effort, and energy of regular staff personnel, to the neglect and disruption of regular programs.

Many of these schools have made their contracts with their teachers. They set up their budgets in May and June. As the distinguished Senator from Rhode Island said earlier in the day, it is time we give equity. It is time we show that we do not renege on commitments we made in the continuing resolution; that we bite the bullet. I would rather spend this $117 million we are talking about for schoolchildren across the country, for school districts to which we owe equity, than to spend money on foreign aid such as in the bill we passed recently.

I heard it said by my friend the Senator from South Carolina that, as politicians, we are trying to call up these politicians and say we got the funds for them. That is absolutely right. I do not apologize for that at all. I will call up a school board, if I know the members of it, and I will be delighted—and that includes the Harper Valley PTA—to tell them about it. I was hired out to represent these people and to try to see that they get equity. I would call them and say the U.S. Government was living up to its commitment, was fulfilling its obligations, and when we gave them a continuing resolution earlier in the year and told them what they would have, that we did not come up here and renege on that promise in July, August, and again in October.

That is what I am asking for. This proposal does not carry on into the next fiscal year. We will resolve the problem before then. We will take care of this complex and complicated formula they have faced that is an inequitable one, and we will see that disadvantaged children, wherever they may be, will have proper consideration, rather than just give the principal consideration to the more affluent States which are in a better position to take care of this situation.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. BENTSEN. I am delighted to yield to the Senator from South Carolina, who has done a magnificent job on the bill and the continuing resolution. I have sympathy for the complexities of the problem that he faced.

Mr. HOLLINGS. What proportion of the $117 million the Senator is about to add on is going to the cities and what proportion is going to the rural areas?

Mr. BENTSEN. We do not have those numbers.

Mr. HOLLINGS. Oh, yes, the Senator can look it up.

Mr. BENTSEN. I do not have those numbers with me, I will say to my distinguished friend, but I will give to the Senator some examples to show him what happens to some of the rural school districts in my State. Let me show the Senator how deep these cuts are:

In Swisher County, the 1973 allocation was $14,536. The 1974 tentative allocation is $245.

Wolfe City School District received $24,900. This year it will receive one-fourth of that.

Schulenberg School District went from $56,000 to $15,000.

I have other cases that are as severe. Those are specific cases.

Mr. HOLLINGS. Those are specific cases written into the new formula, conveyed by the Senator from New York relative to the census. We tried to bring them back on a save-harmless basis, realizing that really the census was not the only factor that put it out of kilter. The multiplier we do not have, and that has really been taken from the rural areas, as written by the amendment to the tune of $117 million, is money for Houston and the big cities. Is that not a fact?

Mr. BENTSEN. My formula would do this, or my amendment, as it is stated, would see that those who have received increases would be able to keep them.

Let me say to the distinguished Senator that we run into the same kind of planning problems in the very large school districts that we run into in the very small, rural districts. So what I might say is, let us keep our commitment to the small and large and rural school districts.

Absolutely, the Houston School District would get a substantial increase. The Dallas School District would get a substantial increase. I would assume there are those in the Senator's State which would also get substantial increases. What I am saying is, do not cut those back.

Mr. HOLLINGS. The Senator's first statement was that they would get the increases promised them. The AFDC districts promised it to themselves. That is what the Appropriations Committee tried to avoid writing into law until we got an equitable formula.

What the Senator's amendment does is write into law the inequity that we are talking about. That is why we agreed to an approach, which in effect cut my own districts somewhat. We agreed on 90 percent and 10 percent until the Committee on Labor and Public Welfare could come up with an equitable formula. However, the Senator says that the increases they promised themselves were for aid to the children, and that is why the Senator gets over 95 percent of what he is talking about.

Mr. BENTSEN. Mr. President, we are both in agreement on the inequity of the formula. I totally concur. However, the problem we run into is that that is the rule of the game. That is the way it is played. That is why they budgeted it this year. Let us not cut it this year. They have contracted to get able teachers so that they can make their plans for the coming year.

Mr. HOLLINGS. The Senator asks for $117 million to write in this inequity, the very thing that we have been talking about this year.

Mr. BENTSEN. Mr. President, I am talking about writing this into law this year so that they can get able teachers and do the proper planning and $117 million is a lot of money. However, when I look at some of the things written into law for foreign aid to people across the seas, I am compelled to say that when it comes to our own schoolchildren, we ought to write into law a provision so that they can hire their teachers and make their plans.

We are not talking about going over the authorization. The authorization is $1.8 billion. The current spending is $1.6 billion. We are talking about $117 million which is still within the authorization level.

Mr. HOLLINGS. The distinguished Senator mentions the problem of school districts counting on money to take care of their financing, with which I agree. The distinguished Senator also mentioned foreign aid, with which I totally agree. I voted against the foreign aid bill. However, the commitment made was so that they could plan on their financing for the education of poor children in the rich districts. People move from the rural areas into the city. It was shown here that through the multiplier factor they have jumped from 90 percent to a higher figure. It is a multiplier that Alabama and South Carolina do not have.

The Senator is speaking to the Senate on the basis of being for the rural areas. However, he is really giving 90 percent of that money to fix in that inequity. And that is where the objection comes in.

Mr. BENTSEN. Mr. President, one of the problems we will have——

The PRESIDING OFFICER. The Senator will please suspend. The Chair asks the staff members to take their conversations to the cloakroom so that we can have order. The Senator may proceed.

Mr. BENTSEN. Mr. President, I would say to the distinguished Senator from South Carolina, as I have said repeatedly, that we both agree on the inequities in the formula. However, these are figures school districts have been counting on. They have to have some guidelines in this matter so that they can plan their budgets and hire teachers.

I agree that I would like to see some changes in the formula. However, let us not disrupt the budgets and the plans of the districts at this late hour.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BENTSEN. Mr. President, I yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I thank the distinguished Senator from Texas. I want to confess to the distinguished Senator from South Carolina and the distinguished Senator from Texas that I do not understand the multiplier factors and the bases used which require the meticulous consideration of the people on the committees.

However, I understand that had the Quie amendment been adopted, the State of Minnesota would have lost $4 million. I understand that. I did not like it. So I voted with the commitee. I know that the committee would have provided for the State of Minnesota $21,120,043. And I know that the Bentsen amendment, which I support, will provide for the State of Minnesota $25,401,570.

I know that we have had inflation and that we have to pay our teachers more. I know that fuel oil has gone up in the State of Minnesota. I know that everything that we have to have to run those schools with has gone up.

I know that what the Senator from Texas is proposing is that each school district will receive the same amount they received in 1973, and if a school district received increased funding under the previous State hold harmless provision, it would be allowed to keep that increased funding. We are coming up to date with 1973 and will do what we did last year and when we put this with the multiplying factor or whatever factor it may be, it means that my State would get over $3 million more than under the committee bill and $8 million more than it would under the Quie amendment, which I consider to be an abomination.

I want to say furthermore that wherever the child is, rural or urban, it is still a child.

I am concerned about the rural areas. It has been one of my concerns all of my life. Many of our rural areas today have these fine consolidated schools.

I am interested in my State and in our schools. I want to say to the Senator from Texas that we are not being extravagant. We are not running wild. It is within reason. It represents pretty much what we did in the continuing resolution a year ago, with the exception that if we have the hold harmless provision under the continuing resolution of a year ago carried up to date, we get an additional factor.

That means that the State of Alabama would receive $43 million under the Bentsen amendment as compared with $40 million under the committee amendment, as compared with $29 million under the Quie amendment.

The State of Arkansas is very similar to the State of Minnesota. The State of Arkansas would receive $24 million under the committee amendment, $17 million under the Quie amendment, and $25 million under the Bentsen amendment.

The State of South Carolina would receive $25 million under the Quie amendment, $34 million under the committee amendment, and $36 million under the Bentsen amendment.

So, we agree on one thing, that the Quie amendment on which the committee expressed its opinion was something that we did not need in this body.

The committee has a basic proposition. It just so happens that there is a better one. I, like the Senator from Texas, have some constituents who expect me to fight for what is good for our State and for our people. And this is good for our State and for our schools. We have to put good, hard money, and lots of it, into running our schools. We need the money.

Mr. President, I do not think this will break the budget.

When the Senate passed the foreign aid bill, it took $300 million from the budget request. So, we can just take this $117 million, and it will still leave us with about $200 million.

Mr. BENTSEN. Mr. President, I thank my friend, the Senator from Minnesota, and my good friend, the Senator from South Carolina whom I very much admire and who has spent a great deal of time on this matter.

Mr. HOLLINGS. Mr. President, does the Senator propose to submit the same amendment to the HEW bill that will be debated tomorrow and Friday?

Mr. BENTSEN. I would assume so.

Mr. HOLLINGS. Does the Senator recommend it?

Mr. BENTSEN. I assume that I would. And the problem we run into there is, as I have said previously, that because of the budgetary considerations, we may assume that the bill is going to be vetoed. We will probably have to approach it on both sides, in the continuing resolution and in the bill itself.

Mr. HOLLINGS. Mr. President, on that basis I would like to make a statement. I do not have a question. However, I would be delighted to answer any question.

Mr. BENTSEN. Mr. President, I am happy to yield to the distinguished Senator from South Carolina.

Mr. HOLLINGS. What our distinguished friend is proposing is $117 million this afternoon and then he says that he thinks it would be proper under the Labor and HEW bill to appropriate more money, which could mean an additional $360 million.

So, what we are really considering is half a billion dollars to be applicable to education.

We went over the amendment of the Senator from Texas within the committee; we went over it at length, and that is exactly what I tried to do. The wording sounded grand. It says "save everybody harmless." But the cost of it could go up half a billion dollars, and we are copper-fastening in an inequity. The people that we would be hurting are not exactly in the State of Texas or the State of South Carolina, but poor people wherever they are.

How do we define poor people? I thought we were through with this when we voted last. But I can give you the exact date. We started on title I in the early 1950's, and it went along with a $2,000 level, Mr. President, and that is where the poor people were, whether it was below $2,000 in South Carolina, North Carolina, New York, or Texas.

However, in the late 1950's, the smart educators coming along with the smart administrators in the metropolitan areas started saying, "Let us adjust this. We have aid to dependent children; why do we not just take those as poor people?"

Ah; that jumped the poor people into an income level of $7,000 in New York City, but in Greensboro, N.C., it stayed still at $2,000. Then when we get to the multiplier, North Carolina and South Carolina do not have that multiplier, but it is the city of Houston, the city of New York, and all those cities that have those big multipliers. Then we come to take care of these big cities, because we are told that rurally they have moved out.

I hate to see the thing sold on the basis of helping rural America, when it is going to penalize rural America. They picked them up in those big cities, where they were up to $7,000 a year, and they jumped from 90,000 to 135,000, as the Senator pointed out.

Now, coming in under the innocent language of saving everybody harmless, nobody going to lose anything, and after all, we cut off foreign aid and eliminated some military programs we have adopted half a billion dollars of fiscal irresponsibility; that is what we on the Appropriations Committee have today to bring before our colleagues this afternoon, and that is the way to break down the budget on the floor of Congress.

But that is what it says, that this money is going to the cities because they have that formula gimmick.

Mr. President, what is the solution to the problem? The Appropriations Commitee, after going into this thoroughly, said their recommendation is the only way we could really do it and try to stay in line without breaking the budget, without having the bill vetoed. No one knows, whether the bill will be vetoed but if we jump it up another half-billion dollars, the President is bound to veto it, and he is bound to get the support of the distinguished ranking minority leader and the Republican side of the committee.

We tried to say, "Let us save them harmless and keep them as stable as we possibly can; we are just temporarily going to have to penalize them, but no school district would receive less than 90 percent or over 110 percent of what they previously received," and with that particular formula in the Labor and HEW Committee fiscally we have a line, and we will cut South Carolina about $3 million, about what the Senator from Minnesota says he is going to pick up for rich Minnesota. When you look at the per capita income of Minnesota and the per capita income of South Carolina, and see the two together, who can stand to lose $3 million?

But we said yes, we talked to our superintendent, and if we could get the 90 percent, they could hold on. We are putting on taxes down there; we have every tax in the world you can think of, and we are trying to pay our way, but we will momentarily lose money in South Carolina to make certain we are not gobbled up by this false multiplier they put in under AFDC.

Everybody connected with the Labor and Public Welfare Committee says, to a man, that it is an unfair and inequitable formula. This amendment is very appealing and will save everybody harmless, but what we will have is another total of almost half a billion. That is what you would be paying.

We took the West, and we took the Northeast, and we took the South. The Northeastern section of the United States, on a census basis, had an increase in population, from 1960 to 1970, of 9.7 percent. The South had an increase of 24.1 percent.

I said to the Senator from New York, "You give me my 24.1 percent increase, and you take your 9.7 increase," and his answer was, "No, I want my 9.7."

I wish that population figure was inaccurate. The truth of the matter is that if we take these figures in their concept, we have an increase in population down South. Under the Senator from New York's concept, we have more people, but the children left us and left their parents behind. We got an increase of 24 percent, with all the children, all of a sudden, carried out the backdoor, slamming the screen, running up to New York. The truth is that we all know that is exactly the opposite of what happened. They say the children left the parents down South. But that is where the children are.

So they are flying around with formulas. The superintendents are fighting it. We could keep on calling the superintendents and saying that that money is for them. We did not get it for them; it is allocated to the poor children.

I would rather deny the States part of what, may be their due in order to keep the budget in balance and knowing that we will have a new, and fair, formula next year. I would rather see an equitable formula come in here next year and then do all we can to fund it as generously as we can afford.

I will yield for a question.

Mr. BENTSEN. I thought I had the floor and had yielded to the Senator from South Carolina for a comment. It was quite a comment.

Let me answer him, because my great friend from South Carolian usually has a better comprehension of the facts, and I know he would not intentionally mislead this great body. When he states that the other bill reported by the Appropriations Committee is one that holds a school district to 90 percent or 110 percent, that is not a correct statement, as I understand the bill.

When the Senator talks about paying 90 or 110 percent, he is talking about a State-based formula. That is not the same as a local school disrict formula. The multiplier effect still occurs among the school districts, and Houston and Dallas are going to get the big increase, and the rural districts are going to be hurt. That is the way this came out of committee. That is what I am trying to correct.

Now, Mr. President, I am delighted to yield to the Senator from New Hampshire.

Mr. COTTON. I thank the Senator from Texas. On the points raised by my good friend from South Carolina (Mr. HOLLINGS), let me make one or two comments. One is, even though I do not find myself able to support the amendment of the Senator from Texas, it is not my understanding that he intends for his amendment to carry over into the HEW bill or that it doubles and goes up to the half a billion dollars. It would be the same amount involved.

The other point is that I understood my good friend from South Carolina to say that if this amendment was agreed to, the Senator from New Hampshire would be obliged to support the President in sustaining the veto.

I do not think that I am stealing away the theme of the Senator from Texas if he will let me make this brief statement, that as a member of the Appropriations Committee who has worked long and hard, as has to an even greater extent the chairman, the Senator from Washington, in walking a tight line in trying our best to be liberal in the fields of health, education, and welfare. In trying to do so, however, we have avoided crossing the line that would cause a veto that would be sustained.

Let me say that I am interested because I happen to be the ranking Republican member on the HEW Committee, but I do not consider myself under any obligation to vote to sustain a Presidential veto if I think that a bill is reasonable and should not be vetoed. I am not afraid of a Presidential veto. I am afraid of a presidential veto that would be sustained so that we end up with nothing.

It has been my position that early in this session, the distinguished chairman of the Appropriations Committee, the Senator from Arkansas, conferred with the chairmen of his subcommittees, in this case the Senator from Washington, and they set a goal or a ceiling, rather, beyond which those two gentlemen, both Democrats, belonging to the majority party in Congress, the chairman of the full committee and the chairman of the subcommittee — the Republicans had nothing to do with this—set a ceiling on HEW of $2.2 billion over the budget. They stated they would not go beyond that and that they would try to hold that amount and not go further than that above the budget.

In my opinion, that is a fair goal and I said so to the Secretary of HEW. If we could hold this whole bill within the goal set by the chairman of the full committee and the chairman of the subcommittee, I would not consider it necessary to vote to sustain the President's veto. The House went over by $1.2 billion, and we are up so that now we are nearly $2 billion—$1.8 billion—over the budget.

What worries me about the amendment of the Senator from Texas is that here we are, before we even take up HEW, facing the first amendment to blow up this bill on the floor of the Senate. Once we have breached that, then the bars are down and the cows are out. There are some 150 amendments which have been filed that would add between $4.5 billion to $5 billion on top of the House bill, which was more than $1 billion over the budget.

So once we break that, what I fear is, there will be no end to it. That is why I am apprehensive of a vote to support the proposal of the Senator from Texas because if it carries this afternoon and if it is written into the continuing resolution, then sure as shooting, it would go into the bill that we will take up tomorrow. There we are, taking up the slack, and on we go.

If that happens—with all due respect to the Senator from Texas whom I admire very much and who has made a very fair presentation here—those children in Texas will not get the benefits. If that happens, we will send out a bill that will be vetoed, and that veto will be sustained either in the House or here, once we have broken the ceiling and run wild.

So that the $117 million will not go to Texas. It will not go to any State. Every Senator in this Chamber is deeply interested in health causes and other causes. We are all deeply interested in the problems of education. We are all deeply interested in trying to find a breakthrough on cancer, heart disease, and other afflictions.

I would hate to see this bill, the most important appropriation bill of the entire bunch, thrown out the window because this afternoon we will be voting on the first raise in that appropriation.

A few minutes ago, I voted against the proposal of the Senator from New York on the 85 percent. My State would have gotten a little more if that amendment had been agreed to. My State might get a little more if the proposal of the Senator from Texas is agreed to. But if this bill goes out the window and we go back to what happened last year, my State will lose. The people of this country will lose. That is why I am constrained and compelled to oppose the amendment of the Senator from Texas.

Mr. BENTSEN. Mr. President, I thank the Senator from New Hampshire for his comments. I have great admiration for him because he always brings great knowledge to any debate before this body in which he engages.

I appreciate the fact that we are talking about only one $117 million and not two times that amount in the continuing resolution. That remains in effect until the bill itself is passed. So it is one item. It is not a half a billion dollars.

I must say that I share the distinguished Senator's concern about the budget and the fact that we would be adding $117 million to it. I also share concern for the entire budget. When I was bringing in the highway bill to the floor, we brought it in at a figure of approximately $6 billion less than the House bill. We went to conference with the bill and we cut the House bill by over $5 billion, because I was concerned about the budget and because I was concerned about the administration's opinion of the budget. So I share that concern.

This is a matter of priorities where we put our money.

I have been handed a chart that indicates that in this particular amendment, every bit of this money will go to the losing rural school districts and not for increasing the money for urban areas. That is where the $117 million comes from, from adding up what it would take to bring the losing rural areas up to last year's level.

I yield to the distinguished Senator from Maryland.

Mr. MATHIAS. I thank the Senator from Texas for yielding to me.

First, I should like to associate myself with that part of the remarks of the Senator from South Carolina in which he said that the issue before us is one of fiscal responsibility. I agree wholeheartedly with him that it is an issue of fiscal responsibility—fiscal responsibility in the sense that we have to behave responsibly toward school districts which were allowed to recruit their faculty, to enroll their pupils, to start school under the preconception, in which the Federal Government was responsible, that title I funds would be available in roughly the proportion they had been available. The week classes began in most States, HEW announced that there was going to be a radical change and that this change would affect the budget process in practically every one of these school districts.

I submit—and I believe the Senator from South Carolina would agree—that this is not a responsible way for HEW or the Federal Government or Congress to act.

What the Senator from Texas is proposing to do in this school cycle is merely to allow these school districts to make the necessary adjustments over the period from now until the end of this academic year.

I should like to address myself further to the part of the remarks of the Senator from South Carolina with which I do not agree, and that is the question of whether or not this is going to balloon the HEW account beyond the point that the authorizing committee and the Appropriations Committees of both houses consider to be the proper level.

H.R. 8877, as reported, contains an appropriation for title I in the amount of $1.8 billion. I submit that the amendment of the Senator from Texas does not increase that by 1 cent. The cost of title I, as proposed to be administered under the Bentsen amendment, would, I am advised, cost somewhere in the neighborhood of $1.746 billion, which is well below the appropriated amount. So this is not a budget-busting amendment. This does not have anything to do with budget busting. The amendment contemplates operation well within the limits that are prescribed by the Appropriations Committee.

The Senator from New Hampshire was exactly right when he said we had set our own ceiling and we had proposed that we should live within that ceiling. As always, he is accurate in his recounting of his conversation with the distinguished Secretary of HEW, at which time I was privileged to be present. The Senator from New Hampshire did tell him that he thought if we lived within our ceiling, the appropriations bill ought to be approved by the President, or, if not approved by the President, I believe he said that he would help to override a veto.

This amendment does not carry it beyond that ceiling. This is still within the appropriation limit of $1.8 billion which the Appropriations Committee provided. In view of the fact that this amendment would not add 1 cent to the budget crunch of the Labor-HEW appropriation, I think we have to look at what it would do otherwise.

Again I say, as I said this morning when we were debating the committee amendment, that the crux of it has to be what we do to the stability of school districts which will suffer if they do not get the money on which they counted.

I submitted for the record this morning a detailed list of the aggregate losses in each of those school districts. This amendment adds an elements which was not before the Senate at the time we were discussing the committee amendment this morning, and that is the question of saving the States harmless, which is a matter of great interest to those States, such as Texas, where there would have been a substantial loss under the Quie amendment—admittedly, a substantial loss. This amendment would save Texas harmless from that type of loss.

I intend to support the Bentsen amendment. I think its purpose is desirable. I believe it can be defended as being responsible. I do not think it increases the outlays to a degree that was not contemplated by the Appropriations Committee. Therefore, I think it should be supported by the full Senate.

However, I say to the Senate—I have already said to the Senator from Texas—that if this amendment is rejected, this is a matter of such importance to individual school districts, to poor school districts, to rural school districts, that it is one we simply cannot dismiss. It would be my intention, if the Bentsen amendment should not prevail, to try once more to bring some equity and stability into this situation by proposing an 85–100 amendment—that is, to hold the States harmless 100 percent, as proposed in the Bentsen amendment, and to hold individual districts harmless to the extent of 85 percent, as considered in the Quie language that was adopted in the other body. The merit of that proposal would be that we would save approximately $35 million under the terms of the Bentsen amendment. As I say, I will support the Bentsen amendment, although I am prepared to go the other route if it does not prevail.

Mr. President, I yield to the distinguished Senator from Delaware.

Mr. ROTH. Mr. President, I ask unanimous consent that a member of my staff, Gary Peterson, have the privilege of the floor during the vote on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I think the Senate should be on notice that this issue is not necessarily going to be resolved by the decision on the Bentsen proposal. I ask unanimous consent to have printed in the RECORD the text of the amendment that I will offer if necessary, together with certain supporting tables.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

At the appropriate place in the bill, insert the following:

"*Provided further*, That the aggregate amount made available under Title I–A of the Elementary and Secondary Education Act to any local educational agency which has been allocated amounts prior to September 30, 1973, pursuant to this Act in excess of the rate for operations in fiscal year 1973, shall not be less than the amount necessary to maintain the rate for which allocations were made pursuant to this Act, prior to September 30, 1973, and

Provided further, That each local educational agency which has been allocated funds under Title I–A of the Elementary and Secondary Education Act, prior to September 30, 1973, pursuant to this Act at a rate for operations less than the rate for operations in fiscal year 1973, shall be allocated, consistent with the amounts previously provided by the Act, no less than 85% of the amount necessary to maintain the rate for operation for which allocations were made to each such agency in fiscal year 1973."

MATHIAS AMENDMENT—STATE TITLE I–A DISTRIBUTIONS TO LOCAL EDUCATION AGENCIES UNDER ESEA

State	Funds actually received under previous continuing resolution	Minimum level of funds States would receive under Mathias amendment
Alabama	$40, 257, 134	$42, 324, 822
Alaska	2, 054, 974	2, 291, 128
Arizona	8, 648, 415	8, 763, 790
Arkansas	24, 214, 456	25, 120, 379
California	122, 028, 439	123, 165, 560
Colorado	10, 100, 532	10, 707, 187
Connecticut	11, 813, 005	11, 950, 011
Delaware	2, 242, 296	2, 346, 224
Florida	26, 445, 029	27, 926, 502
Georgia	39, 947, 788	44, 983, 114
Hawaii	3, 250, 669	3, 562, 240
Idaho	3, 730, 118	2, 971, 155
Illinois	63, 243, 090	67, 997, 247
Indiana	16, 999, 801	18, 972, 679
Iowa	15, 464, 659	17, 345, 841
Kansas	10, 427, 273	11, 453, 180
Kentucky	37, 131, 906	39, 561, 570
Louisiana	34, 683, 512	36, 807, 474
Maine	5, 607, 754	5, 861, 477
Maryland	19, 423, 141	20, 534, 521
Massachusetts	23, 858, 101	24, 678, 153
Michigan	47, 708, 517	50, 589, 133
Minnesota	21, 120, 043	24, 117, 111
Mississippi	42, 074, 152	43, 312, 854
Missouri	25, 579, 100	28, 421, 836
Montana	3, 013, 338	3, 253, 307
Nebraska	7, 523, 056	8, 350, 868
Nevada	883, 771	979, 539
New Hampshire	1, 908, 409	2, 030, 791
New Jersey	44, 860, 594	45, 362, 925
New Mexico	9, 629, 504	9, 800, 412
New York	193, 459, 929	200, 785, 550
North Carolina	56, 260, 988	59, 999, 846
North Dakota	4, 271, 181	4, 639, 366
Ohio	41, 269, 978	44, 260, 952
Oklahoma	18, 199, 914	19, 374, 660
Oregon	9, 382, 231	9, 495, 647
Pennsylvania	67, 113, 702	71, 324, 972
Rhode Island	5, 189, 238	5, 214, 364
South Carolina	34, 313, 120	35, 721, 180
South Dakota	6, 266, 048	6, 898, 022
Tennessee	36, 288, 395	38, 681, 564
Texas	69, 566, 731	76, 625, 152
Utah	3, 593, 198	3, 834, 135
Vermont	2, 107, 682	2, 233, 296
Virginia	33, 803, 541	38, 175, 274
Washington	12, 255, 022	13, 135, 362
West Virginia	20, 524, 496	20, 948, 047
Wisconsin	16, 546, 374	18, 505, 773
Wyoming	1, 235, 793	1, 328, 337
District of Columbia	8, 187, 278	9, 486, 056

Mr. HOLLINGS. Mr. President, I will cite the figures involved. As I said earlier, I did not have the figures before me.

I made the motion for this amendment within the Appropriations Committee yesterday. I am fully aware that the language says "State educational agency," and I was talking about the State of South Carolina losing $3 million. If I referred to "district," then, as they say on Capitol Hill, I misspoke, and that statement is inoperative. I would be delighted to say that the half-billion-dollar figure was inoperative, but let us look at the figures.

At present, as the Senator from Maryland just said, it is at $1.8 billion. The confusion lies in the fact that they are spending at the rate of $1.6 billion.

This year, the actual expenditure is $1,364,707,215. If the expenditure was at the level as reported by the Appropriations Committee, it would be $1,444,076,531.

Tomorrow or the next day the distinguished Senator from Washington will bring in the bill relating to HEW. As I understood the proposal of the Senator from Texas I thought it would be a good idea.

I shall tell Senators how much it would cost. If the figure went from $1.4 billion to save harmless, according to the exact wording of the amendment of the Senator from Texas, the amount would jump to $1.6 billion. There is $200 million there and $117 million now, which is $317 million. However, if the administration, under the bill, spends at the level of $1.810 billion, then we would go from $1.4 billion to $1.8 billion, and that would be an additional $400 million, and that $400 million is added to the present $117 million under consideration and the figure is a half billion dollars, or namely $517 million. That is where that figure came from.

I started out as a supporter of the Bentsen amendment. I wanted to get there and to do exactly as he did, to save harmless. Then, I found the choice was between dilemmas. If I saved harmless my rural districts with a little tiny bit of this budget, then 85 to 95 percent would go into downtown Houston and downtown New York City, and I do not have a downtown Houston or a downtown New York City in my State, and I do not believe there are many poor children there. We know where the poor children are.

How do we rectify that? We can do it with an appropriate formula written by the Committee on Labor and Public Welfare which is meeting next Tuesday to try to get us out of this chaotic situation. That is the place to work on the formula, not here. For now, trying to get equity back into the formula we have, I want to put the money where the poor children are, but I do not want these rich, metropolitan areas using this unnatural AFDC figure, a figure I cannot use. In the name of helping poor children, it is said, "We have to keep it up; you know, everybody back home is for schools." We have heaped one inequity on top of another. Why do we have the poor? It is because of this kind of poor treatment. We really do not get to the heart of the matter.

With respect to the plea that poor children are involved, we know where they are. We do not want to finance an inequitable formula. We are trying to respond to the concerns of the distinguished Senator from Texas, of having to run school districts.

Therefore, Mr. President, I oppose the amendment.

Mr. BENTSEN. Mr. President, we are still talking about $117 million. The difference between $1.8 billion and $1.6 billion involves the amounts going to States for administration.

When the distinguished Senator says he does not want to lock an inequity to the multiplier factor, by law, we are both in total agreement on that. It is inequitable, but it gets locked in.

In the bill they are going to report to the floor this week or next week on the 90–110 there is still the multiplying factor. That means that some school districts in his State and in my State, and in the State of Minnesota and many other States are the ones that are going to pay the price. The multiplier effect will take effect within the boundaries of that State. I agree it should not be there, but under this resolution, as it stands now, that factor is still there.

Mr. President, we are talking about doing it for a year and that is going to give us time to correct this factor. I agree it should be done.

I say to the distinguished chairman of the committee that I am ready to vote on this matter and I think most Senators are.

Mr. TOWER. Mr. President, I am pleased to cosponsor the amendment offered by my colleague from Texas (Mr. Bentsen) concerning title I funding under the Elementary and Secondary Education Act.

The language suggested by the amendment seems to me to be the only manner to bring equitable relief to all local educational agencies. This whole problem has been caused by major changes in title I entitlements allocated to local school districts by the Office of Education. The changes were caused by the Government's application of 1970 census data for the first time. School district officials, primarily in rural parts of Texas, have contacted both Senator Bentsen and myself, complaining about the arbitrary method by which these allocations were made. These complaints are justified, particularly when one considers the late date which school districts were notified of their entitlements.

When the Congress passed the first continuing resolution, it adopted a State "hold harmless" provision. Unfortunately, due to the use of the 1970 census data, many counties in Texas were not protected, and their reductions became effective.

The amendment proposed by Senator Bentsen, myself, and others will protect the school districts who received more funds due to increases in eligible students caused by utilization of the 1970 census data. In Texas, these school districts are primarily urban.

These school districts made plans to receive these funds after passage of the first continuing resolution. Additionally, by providing a local "hold harmless" in relation to 1973 allocations, the amendment is intended to provide some equity to those school districts, primary rural, who face an unreasonable burden because of the arbitrary method by which the Office of Education handled the title I allocations.

I would like to insert in the Record at this time a table provided me by the Texas Education Agency listing the title I allocations to a representative number of these counties. As can be seen from this chart, some of these school districts' entitlements have been reduced by 80 to 90 percent. Being notified of this decrease in August just prior to the beginning of the school year is certainly unreasonable. Unless this amendment is approved, these reductions will remain in effect. The timing of HEW's action is, in my mind, contrary to the intent of title I which is to provide Federal assistance to school districts with low-income students.

There being no objection, the table was ordered to be printed in the Record, as follows:

County	District	1973 allocation	1974 tentative allocation
Swisher	Happy	$14, 548	$245
Hunt	Wolfe City	24, 059	6, 370
Fayette	Schulenburg	56, 651	15, 680
Wise	Bridgeport	31, 193	9, 800
Harrison	Hallsville	58, 750	20, 090
Travis	Manor	37, 208	12, 985
Tyler	Warren	38, 047	14, 455
Falls	Rosebud-Lott	110, 505	42, 875
Hopkins	Sulphur Springs	101, 133	41, 895
Castro	Dimmitt	58, 470	24, 255
Delta	Cooper	52, 175	23, 275
Van Zandt	Wills Point	34, 830	16, 170
Hays	San Marcos	195, 272	98, 000
Bowie	De Kalb	98, 056	50, 225
Zavalla	Crystal City	200, 308	107, 065
McLennan	McGregor	38, 887	21, 805
Bee	Beeville	229, 263	137, 200
Dallas	Sunnyvale	4, 057	2, 450
Hale	Hale Center	43, 782	26, 460
McLennan	Mart	53, 294	32, 585
Bowie	Texarkana	234, 439	150, 920
Harris	Cypress-Fairbanks	73, 997	48, 020
Do	Humble	20, 702	13, 475
Do	Channelview	30, 354	20, 335
Hale	Plainview	128, 550	86, 485
Brazoria	Angleton	89, 383	61, 005
Nueces	Robstown	383, 271	262, 150
Lubbock	Frenship	33, 571	23, 275
Starr	Rio Grande City	313, 331	242, 060
Hidalgo	Edinburg	545, 532	421, 645

Mr. TOWER. Furthermore, Mr. President, it seems only reasonable to maintain a "hold harmless" for all local educational agencies for this year, while the Congress works to reform what is admittedly an outmoded and unrealistic title I formula. Hopefully, at this time next year either a revenue sharing formula will resolve this problem, or at least if the categorical method is retained, it will emphasize educational attainment rather than AFDC-welfare dependency. It seems both appropriate and fair, therefore, to provide the kind of "hold harmless" provided by the pending amendment and allow the 1970 census data to have a full effect next year when a more rational formula is adopted as part of the Elementary and Secondary Education Act extension bill which is now being considered in committee.

Mr. President, I urge the Senate to approve the amendment.

FUNDING FOR TITLE I–A OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

Mr. McGOVERN. Mr. President, today, as we discuss House Joint Resolution 727, the continuing resolution which contains funding for title I–A of the Elementary and Secondary Education Act, I want to urge careful consideration of the opportunities that adequate support will mean to those students who are educationally disadvantaged.

This Nation is dedicated to equality of opportunity and this funding as modified by an amendment introduced by Senator Bentsen, can provide it in this very important area.

I stress the necessity for amendment, because the resolution states that each State will receive, or be held harmless, to the total number of dollars it received in fiscal 1972. Since then, we have learned the effects of the 1970 census and have discovered great shifts in children entitled to title I funds. There has been as much as a doubling in numbers in some areas. Others have had a decrease. But we have had to wait until 1974 to apply these new census statistics, and changes which took place over 10 years are being imposed all at once.

Congressman Quie of Minnesota introduced an amendment in the House which would have required that no school district receive less than 85 percent of the amount made available to it in 1973.

That amendment, while giving some districts a gain in funds, did so at the expense of others. In fact, under it, in my own State of South Dakota, 39 projects currently programed for 9 months would be shortened to 7 or 8, involving 4,000 children, 275 staff positions would have to be eliminated entirely, of which 180 are teachers aides. Fifteen summer programs would be eliminated, involving 2,000 students and 200 summer staff.

I ask careful consideration instead of Senator Bentsen's amendment, No. 568. It assures that no school district which had counted on more title I–A funds as a result of the previous continuing resolution will have its fund expectation cut back in midyear. It affects primarily rural school districts which suffered severe cuts as the result of the 1970 census because it showed so many children moving to the city. It makes sense, of course, for money to follow the poor children, but the late use of the 1970 census, almost a year beyond the deadline set by Congress for a study of this problem, caused rural districts to have sharp cuts on very short notice. Senator Bentsen's amendment would tide them over at least this year.

There will soon be changes considered in the authorizing legislation for the ESEA. Let us provide the time needed to establish an equitable formula for the distribution of title I–A funds, and let us also give assurances of support in the meantime. The Senator's amendment assures that all States would receive increases under title I–A, and its projected cost of $117 million can be absorbed without increasing the authorization levels. Approximately $200 million of the amounts already authorized for this program have been withheld from allocation.

I urge careful consideration of this beneficial legislation. It is mandatory if we are to provide to the disadvantaged the equality of opportunity we hold as a basic tenet of our society.

Mr. COTTON. Mr. President, I send to the desk an amendment in the nature of a substitute for the amendment offered by the Senator from Texas. The substitute is offered by me and by the Senator from North Dakota (Mr. YOUNG).

The PRESIDING OFFICER. The amendment will be stated.

The amendment in the nature of a substitute was read as follows:

> In lieu of the language proposed by the Senator from Texas (Mr. BENTSEN), insert the following:
>
> *Provided further*, That the amounts made available to each State under title I–A for grants to local education agencies within that State shall not be less than 90 per centum nor more than 110 per centum of such amounts as were made available for that purpose for fiscal year 1972.

Mr. COTTON. Mr. President, this is simply offering as a substitute the exact language and provision that is in the bill we take up tomorrow, as recommended by the Committee on Appropriations.

The amendment of the distinguished Senator from Texas would restore to all districts fully what they had in 1973 and at the same time give to all districts getting more now, their raise. If this substitute is adopted, it will mean that the district about which the Senator from Texas is concerned and to which his amendment is directed could not suffer a loss of more than 10 percent. They are assured of 90 percent of what they had in 1972, and districts that gain by the change of census figures could not be more. The limit is near 110 percent.

This was adopted as a compromise to hold our appropriations within reason and at the same time soften the blow of this transition. In addition, it would pave the way in another year to bring to focus the new formula that would carefully put the money where the kids are.

Mr. President, if this is adopted, we, of course, will take it to conference. It will be taken to conference with the House. The House has 85 percent. It might well be rejected by the House, but it does give Senators the opportunity to vote tonight, unless everything goes apart, on exactly the same arrangement formula that was adopted—and I want to be honest, adopted not unanimously, but adopted by a strong vote in the full Appropriations Committee. It will not do what I fear so much the amendment of the Senator from Texas might do—open the floodgates. This would remove the logjam and get the bill going.

Mr. YOUNG. Mr. President, this question was considered by the Appropriations Committee, for many hours. Every possible compromise was discussed. The committee was unanimous that this was the best possible resolution.

If we adopt the Senator from Texas amendment in the continuing resolution, we will have this to do it all over again tomorrow when we consider the HEW bill. I think it might as well be settled now as later. That is why the distinguished Senator from New Hampshire and I have now introduced this substitute to the Bentsen amendment.

As the bill now stands, there is a void. We struck out the Quie amendment. Something should be put in the bill, and I believe this represents the best possible compromise. I believe if everyone understood it, it would receive a sizable majority vote in the Senate.

Mr. BENTSEN. Mr. President, the amendment in the nature of a substitute which is offered by the distinguished Senator from New Hampshire is one that, in effect, we have been debating this afternoon because we knew it would be forthcoming tomorrow, but what it does is prevail at the State level, and that means that the multiplier effect that has been discussed all afternoon still affects the individual school districts in the State. Let me say that a city like Houston and a city like Dallas are probably going to be helped, with that multiplier effect, even under the resolution as we have it here.

Mr. COTTON. Mr. President, will the Senator yield 1 second?

Mr. BENTSEN. I yield.

Mr. COTTON. I want to say it was an oversight on the part of the Senator from North Dakota (Mr. YOUNG) and myself. We had to hastily draw this proposal. We intended to make that change tomorrow and certainly would want to change it and offer it that way now.

No rollcall having been requested on our amendment, and with the permission of the Senator from North Dakota (Mr. YOUNG), I ask unanimous consent to be allowed to change it so it would apply to the local education agencies.

Mr. McCLELLAN. State and local?

Mr. COTTON. State and local agencies.

Mr. McCLELLAN. Mr. President, will the Senator yield me a moment?

Mr. BENTSEN. I yield.

Mr. McCLELLAN. I was going to suggest some modification.

Mr. COTTON. We intended to put that in. It was an oversight. The Senator from Texas was absolutely right.

I hope that it makes it a little more palatable. I do not think it is going to make it sweet.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BENTSEN. I yield.

Mr. McCLELLAN. I was going to suggest that possibly the solution to this situation, to substantially take care of all interest, was to modify the substitute amendment as offered by the distinguished Senator from New Hampshire, to provide that not less than 90 percent, nor more than 110 percent, also go to the school district. Make it State and school districts; then we protect both.

Mr. BENTSEN. No. Let me tell the Senator what happens—

Mr. McCLELLAN. We are attempting to find a solution. That is what we were trying to do with the present amendment.

Mr. BENTSEN. Let me tell the Senator what happens if we go to 110 percent. The Senate has increased it 175 percent.

Mr. McCLELLAN. Who receives that?

Mr. BENTSEN. The city of Houston.

Mr. McCLELLAN. Under what?

Mr. BENTSEN. Under the multiplier, under the AFDC formula.

Mr. McCLELLAN. How could it get that?

Mr. BENTSEN. They were getting 175 percent, and they already budgeted on that basis.

Mr. McCLELLAN. On the basis of 175 percent?

Mr. BENTSEN. Yes, because that is what they were facing here.

Mr. MAGNUSON. We cut it down to 110.

Mr. BENTSEN. I am telling the Senator what they got. If it is cut down, it is going to cause a very chaotic condition. They based it on that percentage under the guidelines they faced. Can they trust the Government or not? They set up the budget and hired the teachers. If we put them under that limitation, we will cut the ground out from under them. I ask that we do hold these people harmless, that we carry on with this amendment, and that we give this distinguished committee time to work it out for next year, so that they have time to set up their budgets.

Mr. MAGNUSON. Mr. President, if the Senator will yield, the fault is with HEW, but part of the fault is with the Senator's State.

Mr. BENTSEN. No, not under this.

Mr. MAGNUSON. Whether they distribute it equitably to the districts.

Mr. BENTSEN. That is the national formula, not the State formula.

Mr. MAGNUSON. That is not HEW. They are not going to spend any money we put in a continuing resolution until they get the regular appropriation bill. They will have that in 2 weeks, so we will know what they are going to do. They are not going to spend any additional money because of this resolution. They are going to spend at the same rate they have been spending at since the beginning of the fiscal year. There is not much we can do about it.

I do not quite understand the Texas situation. In 1972 the allocation to Texas was $69 million. In 1973, under the formula, it was $67 million.

Mr. BENTSEN. The Senator is absolutely correct.

Mr. MAGNUSON. Just a minute. The Department's proposal would have cut it down to $57 million, and we voted against that. Under the continuing resolution, there is provided $69,566,000. It holds Texas harmless. It gets the same amount it received in 1972 and 1973. Texas is not down and it is not up.

Under the regular House bill, they hold Texas down to $69 million, but under the Senate bill, the regular bill that we are going to take up tomorrow, Texas will get $76 million. Texas is one of the "up" States. I happen to be from one of the "down" States.

I do not know how we can do this. We have to have some formula to work this out. If anybody thinks that if we add some money to a continuing resolution that will go on for about 30 days they are going to spend it any differently than they have been spending it under the present continuing resolution, he is mistaken. HEW is not going to change its spending rate. I hope they are going to pay attention to the regular bill. Under it, Texas will go up to $76 million. If

Houston has 175 percent, we have cut it down. That is the way the Senator from South Carolina said it could easily work, without a formula. The Senator says he would have only 110 percent, but it has been increased to $76 million, and in 1972 and 1973 Texas had only $69 million. The present resolution keeps it there for that month. The House gave Texas only $69 million.

It seems to me the Senator would want the regular Senate bill. If he wants to make it 85 to 115 and have a vote on the floor, we will have to meet on that and talk about it. The House sent over a flat 85 percent with no ceiling. Then I would guess Houston would get 175 percent and New York would get 300 percent. There is no ceiling at all.

We were trying to be a little more sensible about it. Looking at it, we made it 90 and 110. The House has 85 percent, with no ceiling.

We talk about a veto. There is no ceiling in this bill. I suppose that we would have to go up to $500 million with no ceiling. I do not think that we will accept that or that the House would accept that. Those are the Texas figures. These are the figures I got this morning.

Mr. BENTSEN. Mr. President, I would not quarrel with those figures. I am sure that if the Senator says that, they are right. But the question is not the total amount the State receives. It is the national formula put on the individual school districts. This is true in Minnesota.

Mr. MAGNUSON. It may be true in my State.

Mr. BENTSEN. I think it is. So, we get a disparity within a State from one school district to another.

The problem is that the Senate itself by its continuing resolution has said to the cities and to the school districts that these are the figures. They are now looking at their budgets. If we now put on the 110 percent for cities like Dallas, Houston—I do not have the figures on the other cities that have grown all across the country—we would change the rules of the game. We would be saying that it does not make any difference how many schoolteachers they have hired, that we do not care. We will cut them back.

Mr. MAGNUSON. That is under the HEW bill.

Mr. BENTSEN. It is under the continuing resolution passed by the Congress.

Mr. MAGNUSON. This is only the continuing resolution. If the President vetoes the regular bill and we do not override, we will have another continuing resolution.

I might agree with the Senator from Texas that this is our last chance. I do not think that a temporary continuing resolution is a proper vehicle for all this, with the committee bill coming up tomorrow and with the House having passed their bill. This is not quite the place to have it. And I think that most States would be satisfied with the 90 percent and 110 percent.

Mr. BENTSEN. Mr. President, I agree. This normally is not the place in which to add it.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have this tabulation printed at this point in the Record, since this is where we are discussing it.

There being no objection, the tabulation was ordered to be printed in the Record, as follows:

ESTIMATED COMPARATIVE DISTRIBUTIONS FOR LOCAL EDUCATIONAL AGENCY GRANTS, PART A OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

			1974 continuing resolution		1974 regular bill	
	1972 actual	1973 actual	House bill (Quie)/ Javits proposal	Senate committee	House	Senate committee
Total amount for all parts of title I	$1,597,000,000	$1,585,185,000	$1,810,000,000	$1,810,000,000	$1,810,000,000	$1,810,000,
Total for States and District of Columbia part A, local grants	1,364,707,215	1,316,037,468	1,444,083,033	1,444,076,531	1,444,076,531	1,444,267,379
Alabama	40,257,134	34,549,166	29,366,791	40,257,134	40,257,134	36,231,421
Alaska	2,054,974	2,415,064	3,112,266	2,655,487	2,655,487	2,260,471
Arizona	8,648,415	8,134,242	9,257,236	8,648,415	8,648,415	9,513,256
Arkansas	24,214,456	20,963,618	17,819,075	24,214,456	24,214,456	21,793,010
California	122,028,439	111,618,375	153,404,740	130,967,857	130,967,857	134,231,283
Colorado	10,100,532	10,237,378	12,368,915	10,556,709	10,556,709	11,110,585
Connecticut	11,813,005	11,747,931	16,324,230	13,935,021	13,935,021	12,994,306
Delaware	2,242,296	2,323,748	2,749,533	2,345,989	2,345,989	2,466,526
Florida	26,445,029	24,111,072	24,848,859	26,445,029	26,445,029	29,089,532
Georgia	39,947,788	40,573,812	34,487,740	39,947,788	39,947,788	43,942,567
Hawaii	3,250,669	3,715,263	4,704,115	4,016,317	4,016,317	3,575,736
Idaho	2,730,118	2,719,220	2,778,090	2,730,118	2,730,118	3,003,130
Illinois	63,243,090	69,554,901	85,026,804	72,593,588	72,593,588	69,567,399
Indiana	16,999,801	18,773,439	18,959,995	16,999,801	16,999,801	18,699,781
Iowa	15,464,659	14,601,661	12,411,412	15,464,659	15,464,659	17,011,125
Kansas	10,427,273	9,147,430	8,991,779	10,427,273	10,427,273	11,470,000
Kentucky	37,131,906	32,212,788	27,380,870	37,131,906	37,131,906	35,180,193
Louisiana	34,683,312	31,322,489	26,624,116	34,683,312	34,683,312	38,151,643
Maine	5,607,754	5,633,673	6,075,788	5,607,754	5,607,754	6,168,529
Maryland	19,423,141	19,380,669	24,059,507	20,539,171	20,539,171	21,365,455
Massachusetts	23,858,101	24,893,505	32,812,419	28,011,501	28,011,501	26,243,911
Michigan	47,708,517	51,768,916	61,617,453	52,597,354	52,597,354	52,479,369
Minnesota	21,120,043	20,897,155	18,307,236	21,120,043	21,120,043	23,232,047
Mississippi	42,074,152	35,922,629	30,534,235	42,074,152	42,074,152	37,866,737
Missouri	25,579,100	23,367,302	19,862,207	25,579,100	25,579,100	28,137,010
Montana	3,013,338	2,865,542	2,776,673	3,013,338	3,013,338	3,314,672
Nebraska	7,523,056	7,187,530	6,236,637	7,523,056	7,523,056	8,275,362
Nevada	883,771	923,899	1,390,428	1,186,804	1,186,804	972,148
New Hampshire	1,908,409	2,007,413	2,463,298	2,102,611	2,102,611	2,099,250
New Jersey	44,860,594	44,232,287	59,670,251	50,939,928	50,939,928	49,346,653
New Mexico	9,629,504	7,393,185	8,229,186	9,629,504	9,629,504	10,592,454
New York	193,459,929	196,835,764	266,054,680	227,155,522	227,155,522	212,805,922
North Carolina	56,260,988	51,556,663	43,823,164	56,260,988	56,260,988	50,634,889
North Dakota	4,271,181	4,101,267	3,486,077	4,271,181	4,271,181	4,698,299
Ohio	41,269,978	42,248,122	48,388,037	41,305,249	41,305,249	45,396,976
Oklahoma	18,199,914	16,649,246	14,151,859	18,199,914	18,199,914	20,019,905
Oregon	9,382,231	8,421,321	10,541,490	9,382,231	9,382,231	10,320,454
Pennsylvania	67,113,702	64,998,125	73,654,917	67,113,702	67,113,702	73,825,072
Rhode Island	5,189,238	4,873,849	5,940,772	5,189,238	5,189,238	5,708,162
South Carolina	34,313,120	29,853,231	25,375,246	34,313,120	34,313,120	30,881,808
South Dakota	6,266,048	5,470,551	4,649,968	6,266,048	6,266,048	6,433,549
Tennessee	36,288,395	31,273,191	26,582,212	36,288,395	36,288,395	32,659,556
Texas	69,566,731	67,675,754	57,524,391	69,566,732	69,566,732	76,523,404
Utah	3,593,198	3,894,921	4,909,818	4,191,122	4,191,122	3,952,518
Vermont	2,107,682	2,093,957	2,142,393	2,107,682	2,107,682	2,318,450
Virginia	33,803,541	31,522,692	26,794,288	33,803,541	33,803,541	37,183,895
Washington	12,255,022	13,445,639	17,638,391	15,054,763	15,054,763	13,480,524
West Virginia	20,524,496	17,319,813	14,721,841	20,524,496	20,524,496	18,472,046
Wisconsin	16,546,374	17,340,875	18,567,927	16,546,374	16,546,374	18,201,011
Wyoming	1,235,793	1,170,817	1,182,467	1,235,793	1,235,793	1,359,372
District of Columbia	8,187,278	10,096,368	13,301,211	11,355,265	11,355,265	9,006,006

Mr. BENTSEN. Mr. President, I would not normally put this in a continuing resolution. I have never done it before. However, I am totally convinced from what we have heard here that we will get the bill vetoed on the bill itself. Most Members have already pretty well made up their minds.

Mr. MAGNUSON. Mr. President, if he vetoes it, we will have another one.

Mr. BENTSEN. Mr. President, I am ready to proceed to vote.

Mr. HOLLINGS. Mr. President, is not the quickest way to get it vetoed to appropriate this money to Houston, Tex.?

Mr. BENTSEN. Mr. President, I do not see how that figure enters into the total picture at all. The Senator referred to the figure for the city of Houston out of the total amount of money to be appropriated. I am telling the Senator how the national formula is allocated within his State, within my State, and within every State in the Union.

We are not responsible for that. I do not like the national formula. However, we are stuck with it and will have to stick with it for this year.

When the authorizing committee comes up with another formula that is better, I would be delighted to go along with it.

Mr. COTTON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. McCLELLAN. Mr. President, has the amendment been modified?

The PRESIDING OFFICER. The amendment has been modified.

Mr. McCLELLAN. Mr. President, how does the amendment read now?

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

> *Provided further,* That the amounts made available to each State and local education agency, under title I–A for grants to local education agencies within that State shall not be less than 90 per centum nor more than 110 per centum of such amounts as were made available for that purpose for fiscal year 1972.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from New Hampshire in the nature of a substitute for the amendment of the Senator from Texas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I further announce that the Senator from Montana (Mr. Mansfield) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 52, nays 43, as follows:

[No. 457 Leg.]

YEAS—52

Aiken
Bartlett
Beall
Bellmon
Bennett
Bible
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cotton
Curtis
Dominick
Eagleton
Eastland
Fannin
Fong
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Inouye
Jackson
Long
Magnuson
McClellan
McIntyre
Muskie
Nelson
Packwood
Pastore
Pell
Proxmire
Ribicoff
Roth
Scott, Hugh
Scott,
  William L.
Stafford
Stevens
Symington
Thurmond
Weicker
Young

NAYS—43

Abourezk
Allen
Baker
Bentsen
Biden
Brock
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Ervin
Hartke
Huddleston
Hughes
Humphrey
Javits
Johnston
Kennedy
Mathias
McClure
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Nunn
Percy
Randolph
Saxbe
Schweiker
Sparkman
Stevenson
Taft
Talmadge
Tower
Tunney
Williams

NOT VOTING—5

Bayh
Brooke
Mansfield
Pearson
Stennis

So Mr. Cotton's substitute amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. YOUNG and Mr. MOSS moved to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COTTON. Mr. President, I ask unanimous consent that these words be put in ahead of the substitute just voted on:

> The third proviso of section 101(a)(4) of such joint resolution is amended to read as follows:

The PRESIDING OFFICER (Mr. Biden). Without objection, it is so ordered.

The question now recurs on agreeing to the amendment of the Senator from Texas (Mr. Bentsen) as amended.

Mr. JAVITS. Mr. President, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas (Mr. Bentsen) as amended.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), and the Senator from Mississippi (Mr. Stennis), are necessarily absent.

I further announce that the Senator from Montana (Mr. Mansfield) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke) is necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 84, nays 11, as follows:

[No. 458 Leg.]

YEAS—84

Abourezk
Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fannin
Fong
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—11

Allen
Church
Cook
Cranston
Ervin
Javits
Kennedy
Roth
Sparkman
Stevenson
Tunney

NOT VOTING—5

Bayh
Brooke
Mansfield
Pearson
Stennis

So Mr. Bentsen's amendment, as amended, was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. INOUYE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Insert at the appropriate place the following:

> Sec. . The fourth unnumbered clause of Section 101(b) of such joint resolution is amended by inserting immediately before the semicolon at the end thereof a comma and the following:
>
> "except for the Export-Import Bank of the United States"

Mr. INOUYE. Mr. President, the provision in the continuing resolution under which the Export-Import Bank operated during the first quarter of this fiscal year, and which is continued for the second quarter of fiscal year 1974 under the pending resolution as reported, restricts Eximbank's operations to a level equal to one quarter of the Bank's levels for fiscal year 1973. This quarterly pro rata restriction has limited severely the authorizations which the Bank has been able to make in support of U.S. export sales during the first quarter and if continued would have an even more serious effect during the second quarter.

I do not believe that it was the intent of Congress to so cripple the Eximbank, particularly at a time when this Nation's trade balance is looking favorable for the first time in many months. In fact, U.S. exports are almost one-third higher than a year ago, requiring proportionately additional financing.

The problem of applying a quarterly restriction to Eximbank operations results from the fact that the Bank does not have a constant level of operations throughout the year. Requests for financing assistance in support of U.S. exports are not received by the Bank in equal amounts for any given time period, whether monthly, quarterly, or whatever period; there are peaks and valleys in the Bank's authorizations pattern.

Moreover, during July and August of this year, the Bank received an unusually large number of requests for support of U.S. export sales as compared with the volume generally received during the first quarter of prior fiscal years. The result was that because the Bank was limited to authorization levels of only one-quarter of its fiscal year 1973 levels, it had to defer action until October 1—or the start of the next quarter—on almost $350 million in applications otherwise ready for approval.

Congress places an overall limitation on the Bank's program authorizations for each fiscal year, and within that overall program authority a sublimitation on so-called equipment and services loans. Under the quarterly restriction, the Bank had available only $668,750,000 for equipment and services authorizations from July through September. They were able to stay within that limit only by deferring approval of the $350 million in pending applications until October 1. However, by authorizing close to that amount on the first day of the next quarter, they have already utilized almost one-half of the level for equipment and services loans which would be available under the pending resolution in its present form for the entire quarter. As a result of this carryover, the Bank will be even more restricted in the second quarter than it was during the first. It already knows of one loan application alone amounting to about $255 million which it expects to receive within the next few weeks which when approved, and added to the carryover, would leave only about $64 million for equipment and services loans during the remainder of the second quarter. I am advised that at the Bank's current loan approval rate, this would last about 2 weeks.

Similarly, the Bank is also squeezed by the pro rata formula applying to its limitation on administrative expenses. Over 85 percent of the Bank's administrative expenses are fixed over the short run—such as personnel costs and rent.

Mr. President, I do not believe we should continue to restrict the support for U.S. export sales which would result if Eximbank is forced to operate during the second quarter of this fiscal year—or until such time as Congress approves the Bank's regular fiscal year 1974 program—at one-quarter of their fiscal year 1973 levels. In adding this restriction to the original fiscal year 1974 continuing resolution, I do not believe it was realized how it would affect the operations of this Bank. My amendment, therefore, simply would remove the Bank from the pro rata quarterly restriction and would permit it to operate under the limitations approved by Congress for its operations during fiscal year 1973.

Mr. McCLELLAN. Mr. President, I think this is a good amendment, one which serves and benefits the country as a whole, because it aids and stimulates the exportation of products that America has for sale. It is my disposition, as chairman of the Committee on Appropriations, unless there is objection on the part of another member of the committee, to accept the amendment. I think the entire country will be served by it. This relief is essential, and it would be a mistake not to adopt it.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Hawaii yield for a question?

Mr. INOUYE. I am happy to yield.

Mr. HARRY F. BYRD, JR. In the current budget are new requests for authorization and/or appropriations concerning the Export-Import Bank totaling almost $8 billion. I am doing this roughly in my head.

What sums would be involved in the amendment offered by the Senator?

Mr. INOUYE. The amendment does not affect the annual rate for operations which is established by the fiscal year 1973 rate. It removes only the quarterly limitation.

Mr. McCLELLAN. Just the rate of spending.

Mr. HARRY F. BYRD, JR. I am not clear whether the amendment deals with long-term credits or regular operations or short-term credits.

Mr. INOUYE. This continuing resolution will still bind overall Export-Import Bank operations to the 1973 level.

Mr. HARRY F. BYRD, JR. But it will confine it to the fiscal year 1973 level?

Mr. INOUYE. Yes.

Mr. McCLELLAN. This deals only with the rate at which they can expend it.

Mr. HARRY F. BYRD, JR. The rate of expenditures.

Mr. McCLELLAN. Yes. It adds to this provision in the present continuing resolution. The present provision states:

> *Provided further,* That none of the activities contained in this paragraph should be funded at a rate exceeding one-fourth of the annual rate as provided by this joint resolution.

This language simply adds to that the words:

> Except for the Export-Import Bank of the United States.

This excepts it from the quarterly rate.

Mr. HARRY F. BYRD, JR. It can spend at a greater quarterly rate.

Mr. McCLELLAN. That is right.

Mr. President, I hope the amendment is accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The result was announced—yeas 95, nays 0, as follows:

[No. 459 Leg.]

YEAS—95

Abourezk
Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Bayh
Brooke
Mansfield
Pearson
Stennis

So the joint resolution (H.J. Res. 727) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McClellan, Mr. Magnuson, Mr. Stennis, Mr. Pastore, Mr. Bible, Mr. Inouye, Mr. Young, Mr. Hruska, Mr. Cotton, and Mr. Case conferees on the part of the Senate.

APPOINTMENT BY THE VICE PRESIDENT—NORTH ATLANTIC ASSEMBLY

The PRESIDING OFFICER (Mr. Biden). The Chair, on behalf of the Vice President, and in accordance with Public Law 84-689, appoints the Senator from Georgia (Mr. Nunn) to be a delegate to the North Atlantic Assembly to be held at Ankara, Turkey, October 21-27, 1973.

AMATEUR ATHLETIC ACT OF 1973

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that Mr. Tunney, the author of the bill, S. 2365, Mr. Cook, and other Senators who are interested in that bill one way or the other, have reached a resolution of certain problems in connection therewith.

I, therefore, announce that there will be no more rollcall votes today, and I ask unanimous consent that the Senate proceed now to the consideration of S. 2365, Calendar Order No. 359.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read the bill (S. 2365) by title, as follows:

A bill to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. TUNNEY. Mr. President, I ask unanimous consent that, during consideration of S. 2365, a bill to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition, amendment No. 459 be agreed to, and that, as agreed to, it be treated as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, how does that differ from the bill?

Mr. TUNNEY. The amendment represents a substitute for the original legislation as introduced.

And there are a number of differences, a considerable number of differences, between the bill as it was originally introduced and amendment No. 459.

Mr. DOLE. Mr. President, further reserving the right to object, it is my understanding that some effort will be made to recommit S. 2365 for further consideration by the committee.

Mr. TUNNEY. That would in no way affect the recommittal.

Mr. President, I would like to ask for a ruling of the Chair on that matter.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TUNNEY. Mr. President, if there was a recommittal motion, would the fact that we are considering amendment No. 459 as original text in any way impede the ability of any sponsor of such a motion to recommit the legislation?

The PRESIDING OFFICER. It would simply have the substitute considered as original text for the purpose of further amendment. Of course, the substitute would be agreed to, and, if recommitted, the entire matter would go back to the committee.

Mr. TUNNEY. Mr. President, I had a unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California? The Chair hears none, and it is so ordered.

The amendment in the nature of a substitute is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

"That this Act may be cited as the 'Amateur Athletic Act of 1973'.

"TITLE I—GENERAL PROVISIONS

"DECLARATIONS OF POLICY

"Sec. 101. (a) Findings.—The Congress hereby finds and declares that—

"(1) Amateur athletic activity, including competition, and physical fitness are valuable in the development of individuals and the strengthening of the Nation.

"(2) International competition between amateur athletes contributes to international peace and understanding.

"(3) The full potential benefits of amateur athletic competition have not been realized because various private organizations in the United States have not been able to coordinate their efforts.

"(4) Organized amateur athletic competition is conducted through the use of facilities of interstate commerce or its activity which affects interstate commerce. International amateur athletic competition involving American citizens is conducted through the use of facilities of foreign commerce.

"(b) Purposes.—Therefore, it is hereby declared to be the purpose of the Congress to establish an Amateur Sports Board to coordinate amateur athletic competition and a National Sports Development Foundation to support and encourage athletic activity and physical fitness.

"DEFINITIONS

"Sec. 102. As used in this Act—

"(1) 'Amateur athlete' means an individual who trains for and participates in an amateur athletic competition, in accordance with such guidelines of amateurism as the Board, with due regard for international standards, may promulgate.

"(2) 'Amateur athletic competition' means a contest, event, game, meet, match, tournament, or other program in which only amateur athletes are permitted to compete.

"(3) 'Board' means the Amateur Sports Board established pursuant to section 201 of this Act.

"(4) 'Chairman' means the Chairman of the Board.

"(5) 'Chartered sports association' means a not-for-profit corporation which holds a charter granted by the Board in accordance with this Act.

"(6) 'Commission' means the United States Olympic Commission established pursuant to section 205 of this Act.

"(7) 'Foundation' means the National Sports Development Foundation established pursuant to section 301 of this Act.

"(8) 'International competition' means any organized amateur athletic competition in which individuals or teams, all of whom officially represent the United States as determined by a chartered sports organization, compete against individuals or teams of any other nation, all of whom officially represent such other nation as determined by the appropriate sports governing body of such nation.

"(9) 'President' means the president of the Foundation.

"(10) 'Restricted competition' means amateur athletic competition which is restricted to a specific class of amateur athletes, including, but not limited to, high school or collegiate athletes, members of the Armed Forces, or any other specific category of amateur athletes.

"(11) 'Sanction' means a certification of approval.

"(12) 'Sport', as used in sections 201, 202, 203, and 204 of this Act, means a category of amateur athletic competition which is a part of the program at the Olympic games including archery, athletics (track and field), basketball, boxing, canoe and kayak, cycling, fencing, soccer-football, equestrian sports, gymnastics, team handball, field hockey, judo, rowing, shooting, volleyball, weightlifting, wrestling, yachting, swimming-diving and water polo, modern pentathlon and biathlon, bobsledding, ice hockey, figure skating, speed skating, skiing, and luge, and such other categories as may subsequently be included in such program, or as might be defined by the Board as appropriate for a charter under the provisions of this Act.

"(13) 'Sports organization' means a club, federation, union, institution, association, or other group, except a chartered sports association, which sponsors or organizes any amateur athletic competition in which amateur athletes may compete if they are members of or affiliated with an institution which is a member of such group.

"(14) 'Trustees' means the board of trustees of the Foundation.

"(15) 'Unrestricted competition' means any amateur athletic competition, including international competition, in which all eligible amateur athletes may participate, but does not include restricted competition.

"TITLE II—COORDINATION OF AMATEUR ATHLETIC ACTIVITY

"AMATEUR SPORTS BOARD

"Sec. 201. (a) Establishment.—There is hereby established an independent agency of the United States to be known as the 'Amateur Sports Board'.

"(b) Members.—(1) The Board shall be composed of five members including a Chairman. The President of the United States shall appoint five qualified individuals to be members of the Board, by and with the advice and consent of the Senate. It is the sense of the Congress that initial appointments under this title should be made within sixty days after the date of enactment of this Act.

"(2) As used in this subsection, 'qualified individual' means an individual who is distinguished for his dedication to the highest ideals of amateur athletic competition, his freedom from bias, and his knowledge and experience in sports development in its broadest sense and who is equipped by experience, known talents, and interests to further the policy of this Act effectively, positively, and independently if appointed to be a member of the Board.

"(3) The President of the United States shall make appointments in such a way that at no time shall there be less than one member who is an amateur athlete who has engaged, within three years prior to such nomination, in international competition, and so that at no time will there be more than one member who is or has been an officer, director, or employee of the same sports organization. Due regard shall be given, in the appointment of members of the Board, to reflecting the diversity of those who engage in sports and amateur athletics, with appropriate weight given to such factors as race, age, and sex.

"(c) CHAIRMAN.—The members of the Board shall select one member to be the Chairman.

"(d) TERMS OF OFFICE.—The terms of office of the members first taking office shall expire as designated by the President at the time of nomination, one at the end of the first year, one at the end of the second year, one at the end of the third year, and two at the end of the fourth year. The member selected as Chairman shall serve as Chairman until his term of office as a member expires and a successor is duly appointed. A successor to a member of the Board shall be appointed in the same manner as the original member and shall have a term of office which shall expire four years from the date of expiration of the term for which his predecessor was appointed. No member of the Board or former member of the Board, upon the expiration of his term of office, may be reappointed to another term of office as a member of the Board, except the original member who sits for a one-year term.

"(e) STAFF.—The Chairman, with the concurrence of at least three other members of the Board, is authorized to—

"(1) appoint, fix the compensation, and assign the duties of an executive director, attorneys, researchers, and such other employees as the Board deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, provided such compensation is not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code; and

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for an individual.

In making appointments under this subsection, the Chairman and Board shall include among the appointments persons determined by the Chairman to be competent in such fields of endeavor as financial management; business, corporate, or athletic management; research and development; communication and public relations; sports medicine; architectural engineering; sports education; physical education; the humanities; or the social sciences.

"(f) COMPENSATION OF MEMBERS.—A member of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties of the Board and shall receive $150 per diem when engaged in the actual performance of his duties as a member.

"(g) MISCELLANEOUS.—(1) The General Services Administration shall furnish the Board with such offices, equipment, supplies, and services as it is authorized to furnish to any other agency or instrumentality of the United States.

"(2) The Board shall have a seal which shall be judicially recognized.

"(3) The members of the Board shall constitute a quorum for the conduct of business, except as otherwise provided by the Board by regulation.

"(4) Each office of the Board shall be open to convenient access by members of the public.

"(h) GENERAL POWERS.—(1) The Board, or any duly authorized member of the Board, may for the purpose of carrying out any of the provisions of this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such evidence as the Board or such member deems advisable. Any member of the Board may administer oaths to witnesses appearing before the Board or any member. Subpenas shall be issued under the signature of the Chairman, and may be served by any person designated by the Chairman. Witnesses summoned before the Board shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. Such attendance of witnesses and production of evidence may be required from any place in the United States to any designated place of such hearing.

"(2) The Board, or any duly authorized member of the Board, may—

"(A) conduct an inquiry to secure data and expressions of opinion with respect to any matter pertinent to amateur athletic activity and physical fitness, upon publication of notice of such inquiry in the Federal Register: *Provided*, That a reasonable opportunity is granted to all interested persons to present oral or written testimony and data, subject to reasonable rules and limitations promulgated by the Board; and

"(B) require, by special or general orders, sports organizations, chartered sports associations, and individuals to submit written reports and answers to such requests and questions as are propounded with respect to any matter pertinent to the jurisdiction of the Board. Each chartered sports association which undertakes any international activity shall report in detail to the Board on such activity, and shall make such reports available for inspection by the public at any office of the Board. Reports and answers required under this subparagraph shall be submitted to the Board or such duly authorized member within such reasonable period of time and in such form as the Board may determine.

"(3) In case of contumacy or refusal to obey a subpena or an order of the Board by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such district court shall, upon the request of the Chairman, have jurisdiction to issue to such person an order requiring such person to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

"CHARTERED SPORTS ASSOCIATION

"SEC. 202. (a) GENERAL.—The Board is authorized, pursuant to the provisions of this section, to issue charters with respect to each sport for which application is made for a charter, to a corporation which meets the requirements of this section and any applicable regulations under this section.

"(b) PREREQUISITES.—(1) No person is eligible to receive a charter under this section unless—

"(A) it is a group that has not less than twenty-five individuals as members;

"(B) it incorporates under the laws of any State or the District of Columbia as a not-for-profit corporation having as its purpose the advancement of amateur athletic competition in the United States or in international competition involving citizens of the United States or both, with respect to not more than three named sports;

"(C) in accordance with regulations issued by the Board, it submits an application to the Board requesting a charter under this section and submits therewith a copy of the corporate charter and bylaws; the names, addresses, and occupations of all members and other persons having any financial interest in such corporation; the sport or sports in which it seeks to advance amateur athletic competition; and such additional information as the Board may request;

"(D) in accordance with regulations issued by the Board, it demonstrates to the satisfaction of the Board that—

"(i) its board of directors, executive committee, or other governing body will at all times include among its voting members not less than two individuals who are actively engaged in amateur athletic competition in the United States in the sport or sports designated in the association's charter, and that the voting power held by such individuals will not be less than 20 per centum of the total voting power held in that board, committee, or other body,

"(ii) it will at all times, to the extent consistent with rules and regulations promulgated by the Board, operate under procedures reasonably calculated to inform amateur athletes under its jurisdiction of policy matters under consideration by the corporation, and reasonably calculated to reflect in its policies the views of such athletes, and

"(iii) it will undertake to develop interest and participation in its particular sport or sports throughout the United States;

"(E) the Board makes a finding in writing that less than 40 per centum of the voting power in such corporation is controlled or subject to control, directly or indirectly, by any person which holds or controls, directly or indirectly, by itself or with an affiliate, more than 40 per centum of the voting power in any other corporation which holds, or is applying to hold, a charter under this section as a chartered sports association. An affiliate is a corporation which controls or is controlled by another corporation, or which is controlled by the same person as such other corporation, or which has any officers, directors, or executive committees in common with such corporation; and

"(F) in the case of an applicant for a charter under this section with respect to more than one sport, the Board makes a finding in writing after a hearing that—

"(i) the sports with respect to which it wishes to receive a charter are closely related and would benefit by common administration, and

"(ii) it is capable of functioning as a chartered sports association, with respect to each such sport, in the best interests of that sport and of the amateur athletes participating in such sport.

"(2) The Board may deny the application for a charter under this section of any person which is a sports organization, or which was formed out of a sports organization, if the Board determines that—

"(A) the sports organization has denied amateur athletes who were members of, or affiliated with members of, that sports organization the right to compete in any unrestricted sports competition conducted by that sports organization or any other sports organization or which was sanctioned by a chartered sports association (unless the applicant satisfies the Board that such denial was based on evidence that the person conducting such unrestricted competition did not meet the requirements of section 204 of this Act notwithstanding the sanction by such association, or was based on the application of a reasonable rule or regulation of an educational institution as provided in section 204 of this Act.); or

"(B) the sports organization violated any directive issued by the Board as a result of its mediation of a dispute pursuant to section 203 of this Act.

"(c) PROCEDURE REGARDING ISSUANCE.—(1) Prior to the issuance of any charter under this section, the Board shall hold a public hearing on the application for such charter in accordance with the provisions of section 554 of title 5, United States Code. The burden of persuasion at such hearing shall be on the applicant to establish to the satisfaction of the Board that it is fairly representative of athletes in the sport or sports for which the charter is sought and of sports organizations conducting national programs involving regularly scheduled practice and competition throughout the usual competitive season in the sport or sports concerned and that is otherwise capable of carrying out the duties of a character sports association. The applicant shall provide evidence that it is qualified to receive recognition by the appropriate international sports association as the United States organization responsible for certifying the amateur status of United States athletes and approving United States teams for international and related competition in its sport or sports.

"(2) The Board may at any time on its own motion or on the application of an interested party review all matters related to the activities of a chartered sports association and may take such action as it deems appropriate including, but not limited to, placing conditions upon the continuation of the association's charter or revoking the charter.

"(d) Authority of Board.—The Board is authorized—

"(1) to issue regulations in accordance with the provisions of section 553 of title 5, United States Code, with respect to applications for a charter under this section; the terms and conditions upon which the Council will issue, modify, suspend, or revoke such a charter; the operation of a chartered sports association; and such other matters as the Board deems necessary;

"(2) to take such action as the Board deems necessary, with due regard to international standards, to insure that each chartered sports association complies with the terms and limitations of its charter under this section; and

"(3) to take such action as the Board deems appropriate to advance amateur athletic competition in the United States and in international competition involving citizens of the United States.

"(e) Functions of Chartered Sports Associations.—A charter issued pursuant to this title shall grant authority to the holders of such charters to—

"(1) act as the representative of the United States to the appropriate international governing body or bodies for the sport or sports over which it has jurisdiction;

"(2) act as the representative of athletes competing in international competition in its sport or sports;

"(3) designate individuals and teams to participate in international competition and certify in accordance with international rules the amateur status of such individuals and teams;

"(4) conduct domestic competition, including but not limited to Olympic trials or national championships;

"(5) conduct domestic exhibitions with representatives of foreign nations, the purpose of which is to promote interest in its sport or sports;

"(6) to take whatever actions, consistent with rules and regulations promulgated by the Board pursuant to this Act, as may be necessary to insure the safety and well-being of athletes representing the United States in international competition in its sport or sports; and

"(7) such other authority as the Board deems appropriate to carry out the purposes of this Act.

"(f) Revocation.—(1) The Board is authorized to revoke any charter granted under this section if the chartered sports association is not recognized, within a reasonable period of time after such issuance, by the appropriate international sports governing body or bodies, for the sport or sports for which it has jurisdiction, as the single United States authority responsible for certifying the amateur status of United States athletes and for approving teams representing the United States for international competition in the sport or sports as to which it has been granted such charter. The authority of the Board to revoke a charter under this paragraph is distinct from its authority to revoke a charter for cause pursuant to subsection (d) of this section.

"(2) In addition to any other ground for revocation or suspension of a charter granted under this section, the Board is authorized to revoke or suspend the charter of a chartered sports association if such association denies any amateur athlete the right to compete in any unrestricted competition sanctioned by such association or any other chartered sports association (unless such association satisfies the Board that such denial was based on evidence that the person conducting such unrestricted competition did not meet the requirements of section 204 of this Act notwithstanding the sanction by such association, or was based on the application of a reasonable rule or regulation of an educational institution as provided in section 204 of this Act) or if such association violates any directive issued by the Board as a result of its mediation of a dispute pursuant to section 203 of this Act.

"(g) Procedure.—(1) Any hearing or other proceeding with respect to the issuance, modification, revocation, or suspension of a charter issued under this section or with respect to the mediation of a dispute pursuant to section 203 of this Act shall be conducted in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code. Such hearing, proceeding, or mediation shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.

"(2) Notwithstanding paragraph (1) of this subsection, the Board is authorized, upon forty-eight hours' notice to the parties, to hear and decide a matter under such procedures as the Board deems appropriate if the Board determines that it is necessary to expedite such hearing, proceeding, or mediation in order to resolve a matter relating to an amateur athletic competition which is so scheduled that compliance with regular procedures would not be likely to produce a sufficiently early decision by the Board to do justice to the affected parties.

"(h) Expiration.—(1) Each charter issued under this section shall expire, with respect to a sport or sports which is part of the program at the Olympic winter games, on June 30 of the year in which such games are held.

"(2) Each charter issued under this section shall expire, with respect to a sport or sports which is part of the program at the Olympic summer games, on December 31 of the year in which such summer games are held.

"MEDIATION

"Sec. 203. (a) General.—In case of any dispute which involves a chartered sports association and—

"(1) another chartered sports association;

"(2) a sports organization; or

"(3) an amateur athlete,

the Board or any duly authorized member of the Board shall act as mediator to conciliate and resolve such dispute. With the consent of the affected parties, the Board shall determine the issues in such dispute, and in such case the decision of the Board shall be final.

"(b) Enforcement.—Upon application of (1) the Board through its own attorneys, (2) the Attorney General, or (3) any aggrieved person, the district courts of the United States shall have jurisdiction to enjoin the Commission of any acts committed in violation of any directive issued by the Board as a result of its mediation of a dispute pursuant to subsection (a) of this section.

"SANCTIONING OF UNRESTRICTED COMPETITION

"Sec. 204. (a) General.—Except as otherwise provided in this section, no unrestricted competition shall be conducted in the United States unless such competition has been sanctioned by a chartered sports association prior to such competition and a copy of such sanction in writing was transmitted to the Board. This provision shall be effective two years after the date of enactment of this Act.

"(b) Waiver.—By unanimous vote of all of the members of the Board, the Board may waive the requirement of subsection (a) of this section upon a finding that there is no chartered sports association which can sanction such unrestricted competition in view of the time necessarily involved in planning such competition.

"(c) Requirements for Sanctioning.—A chartered sports association shall grant a request made by a sports organization or other person for its sanction for an unrestricted competition, unless such chartered sports association determines that—

"(1) appropriate steps have not been taken to protect the amateur status of athletes who will compete in such event and to protect their eligibility to compete in amateur athletic competition in the United States and in international amateur athletic competition;

"(2) appropriate provisions have not been made for validation of records which may be established during such event;

"(3) due regard is not given to any international amateur athletic requirements applicable to such event;

"(4) the event will not be conducted by competent officials and proper medical supervision will not be provided; or

"(5) the sports organization or other person conducting the event refuses to submit an audited or notarized financial report of the immediate past event.

"(d) Educational Institution.—No eligible amateur athlete may be denied the right to compete in any unrestricted amateur athletic competition which is sanctioned by a chartered sports association pursuant to the provisions of this section nor may any such athlete be subsequently censured or otherwise penalized for participation in any such competition: *Provided,* That a university, high school, or other educational institution may, upon written request to the Board and after a hearing at which evidence is submitted, show, to the satisfaction of the Board, that any such denial was made after notice to the affected athlete and the Board upon application of a published institutional rule which was—

"(1) adopted by such institution prior to such denial;

"(2) reasonable; and

"(3) based upon the academic interests and policy of such institution with respect to the educational development of amateur athletes who are students at such institution.

"(e) Enforcement.—Upon application of (1) the Board through its own attorneys, (2) the Attorney General, or (3) any aggrieved person, the district courts of the United States shall have jurisdiction to enjoin the Commission of any acts in violation of this section.

"UNITED STATES OLYMPIC COMMISSION

"Sec. 205. (a) Establishment.—Not later than sixty days after all five members of the Board have been appointed, the Board shall establish and designate the members of the United States Olympic Commission. The Commission, in accordance with the provisions of this section, shall review and make recommendations regarding the participation of the United States in the Olympic games.

"(b) Members.—The Commission shall be composed of nine members, including not less than two amateur athletes who competed in the 1972 Olympic games as representatives of the United States. In designating the members, the Board shall give appropriate consideration to the representation of women and minority groups within the United States. No more than two members of the Commission may be or at any time have been officers or directors of the

United States Olympic Committee, or of any national sports organization.

"(c) CHAIRMAN AND COMPENSATION OF MEMBERS.—(1) The Board shall designate one of the members of the Commission to serve as Chairman at the pleasure of the Board.

"(2) The members of the Commission shall be entitled to compensation and reimbursement on the same terms and at the same rates as members of the Board.

"(d) DUTIES.—The Commission shall review the participation of the United States in the Olympic games, and, if it recommends that such participation should be continued, shall also recommend the form of organization by means of which the United States should participate in the Olympic movement and shall present specific proposals for any legislation required to implement its recommendations. In formulating its legislative recommendations, the Commission shall take into account—

"(1) the objectives of the modern Olympic movement and the extent to which those objectives are being met;

"(2) the manner in which the Olympic games are administered, with particular attention to the views of those who participate in those games as athletes, coaches, officials, or otherwise, or who have attended such games in any other capacity;

"(3) the role which the United States Olympic Committee has played in international sports and the manner in which the United States participation in the Olympic games has been organized and administered by that Committee;

"(4) the policies which would assure the selection on a fair and equitable basis of the best qualified athletes, coaches, managers, trainers, and other officials and which would provide the maximum opportunity for persons to develop their athletic skills and participate in international athletic competition; and

"(5) the arrangements which will best protect the interests of the individual amateur athletes during the period of their training for, travel to, and participation in the Olympic games.

"(e) REPORT.—The Commission shall submit to the President, Congress, and the Board a final report of its findings and recommendations not later than March 15, 1974, or one hundred and eighty days after all of the members of the Commission have been designated by the Board, whichever is earlier.

"(f) AUTHORITY OF BOARD.—The Board may review the activities of the United States Olympic Committee from time to time and may make such recommendations to the Congress, including legislative recommendations, as it deems appropriate with respect to the Olympic program for the United States.

"(g) POWERS OF COMMISSION.—The Chairman of the Commission, subject to such rules and regulations as may be adopted by the Commission and the Board, is authorized to—

"(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 of subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals; and

"(3) hold such hearings, sit and act at such times and places, and administer such oaths, as the Commission or any subcommittee or a majority of the members thereof may deem advisable.

"(h) TERMINATION.—The Commission shall cease to exist thirty days after submission of its final report.

"(i) CONFORMING AMENDMENT.—Section 12 of the Act entitled 'An Act to incorporate the United States Olympic Association', approved September 21, 1950 (64 Stat. 902; 36 U.S.C. 382), is amended by inserting after 'to Congress' the following: 'and to the Amateur Sports Board'.

"OTHER DUTIES OF BOARD

"SEC. 206. (a) DIVISION OF ATHLETIC FACILITIES.—The Board shall establish within its organization a Division of Athletic Facilities and shall appoint a Director and such other officers and employees as are necessary to carry out the functions of such division. The Division of Athletic Facilities shall, pursuant to the direction of the Board—

"(1) gather, analyze, and make available information relating to existing and potential procedures for the financing, construction, maintenance, and use of athletic facilities;

"(2) consider methods for the economical renovation, expansion, beautification, alteration, and conversion of existing athletic facilities in order to best meet the requirements of the communities in which they are located, and such methods should be directed toward the goal of developing facilities which will meet the optimum degree of flexibility, so as to provide the most economical usage within a community;

"(3) study the relationship between athletic facilities and the neighborhoods and communities in which they are located, and to recommend methods of minimizing any adverse impact of the facility on the neighborhood or community, with particular emphasis placed upon the impact of the facilities on traffic patterns, law enforcement, and adjacent or nearby housing, and commercial activities; and

"(4) provide consultant services to private interests and State or local governments which may require such assistance.

"(b) DIVISION OF SAFETY AND HEALTH.—The Board shall establish within its organization a Division of Safety and Health and shall appoint a Director and such other officers and employees as are necessary to carry out the functions of such division. The Division of Safety and Health shall, pursuant to the direction of the Board—

"(1) gather, analyze, and make available information relating to safety in athletics, and make recommendations for promoting greater safety in athletic activity;

"(2) study the use of drugs and other medications in treating the injuries of athletes, and the effects of such use of drugs and other medications on the athlete during and subsequent to his athletic career;

"(3) study the techniques of physical therapy currently used for the treatment of the injuries of athletes, and encourage and promote the development of better techniques;

"(4) study the effects of athletic competition on the mental health of amateur athletes and the psychological ramifications of athletic competition, during and subsequent to their careers as amateur athletes; and

"(5) study the effectiveness of existing athletic equipment in preventing and reducing injuries resulting from athletic activities, and to make recommendations for improving the effectiveness of such equipment. Such studies shall include the safety and health factors of the facilities in and on which athletic activity is conducted, such as playing surfaces, restraining devices, and so forth. The Director of the Division of Safety and Health of the Board shall maintain continuing liaison with the Consumer Product Safety Commission and, to the extent practicable, shall utilize the resources of such Commission to the extent consistent with the discharge of his responsibilities under this subsection. The Consumer Product Safety Commission is hereby authorized and directed to provide such information and assistance to the Board as is consistent with its own duties and responsibilities.

"(c) FOUNDATION COSTS.—The Board shall pay the costs, including salaries, incurred by the Foundation in carrying out its functions under title III of this Act. No moneys furnished by the Board to the Foundation may be transferred by the Foundation to any other person as financial assistance.

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 207. There are hereby authorized to be appropriated to the Board for the purpose of this Act, other than section 204 of this Act, such sums as are necessary not to exceed $1,100,000 for this fiscal year ending June 30, 1974; not to exceed $1,100,000 for the fiscal year ending June 30, 1975; and not to exceed $1,100,000 for the fiscal year ending June 30, 1976. The sum of $750,000 for the fiscal year ending June 30, 1974, is authorized to be appropriated to the Board for the use of the Commission in carrying out the provisions of section 204 of this Act.

"TITLE III—SUPPORT AND ENCOURAGEMENT OF SPORTS AND PHYSICAL FITNESS

"NATIONAL SPORTS DEVELOPMENT FOUNDATION

"SEC. 301. (a) ESTABLISHMENT.—There is hereby established, as a nongovernmental corporation of the District of Columbia, the 'National Sports Development Foundation'. The Foundation shall be under the direction of a board of trustees. To the extent not inconsistent with this title, the Foundation shall be subject to the District of Columbia Nonprofit Corporation Act (D.C. Code 29-1001 et seq.).

"(b) GENERAL AUTHORITY.—The Foundation shall have the authority to do all things necessary to carry out the provisions of this title including, but not limited to, the authority to—

"(1) make such bylaws, rules, and regulations as may be necessary for the administration of its functions under this title;

"(2) adopt an official seal which shall be judicially noticed;

"(3) sue and be sued, complain, and defend in any court of competent jurisdiction;

"(4) provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purposes of this title;

"(5) contract and be contracted with; and

"(6) acquire, control, hold, lease, and dispose of such real, personal, or mixed property as may be necessary to carry out the purpose of the Foundation.

"(c) OFFICES.—The principal office of the Foundation shall be maintained in the District of Columbia or such other place as may later be determined by the Trustees, but the activities of the Foundation shall not be confined to such place but may be conducted throughout the United States. The Foundation may maintain offices at such locations as may be necessary to carry out its purposes. At all times, the Foundation shall maintain in the District of Columbia a designated agent authorized to accept service of process on behalf of the Foundation. Service upon, or notice mailed to the business address of, such agent shall be deemed service upon or notice to the Foundation.

"(d) RESTRICTIONS.—(1) No part of the assets or income of the Foundation may inure to any officer, employee, or member of the Trustees nor may any such asset or income be paid or distributed to any such person during the life of the Foundation or upon its dissolution or final liquidation. This provision shall not be construed to prohibit the payment of reasonable compensation to officers, employees, or members of the Trustees or to prohibit payment of reimbursement for actual and necessary expenditures, subject to the approval of the Trustees, from funds provided for such purposes by the Board.

"(2) The Foundation shall not make any loans to its officers, employees, or members of the Trustees.

"(3) The Foundation shall have no power to issue any shares of stock or to declare or pay any dividend to any persons.

"(4) Upon the dissolution or final liquidation of the Foundation, upon discharge or satisfaction of obligations and liabilities, the remaining assets may be distributed in accordance with the determination of the Trustees and in compliance with this title, the bylaws of the Foundation, and any applicable Federal and State laws. Any remaining assets resulting from appropriations pursuant to this Act shall revert to the Treasury of the United States.

"(e) Duties.—To the extent practicable, the Foundation shall—

"(1) promote equal opportunity for and encourage participation and excellence in athletic activity and physical fitness programs for individuals of all ages;

"(2) foster, support, and advise organizations, groups, and individuals concerned with sports and coordinate their activities voluntarily with educational and recreational programs conducted by Federal, State, and local governments;

"(3) develop and make available technical, financial, and training assistance to not-for-profit organizations and to individuals concerned with sports and physical fitness education;

"(4) promote increased athletic exchanges with foreign nations;

"(5) study and make recommendations with respect to athletic activity, including competition, and physical fitness;

"(6) to extend knowledge and facilities and the practice of sports by establishing and maintaining a data bank for the compilation, analysis, and dissemination of information pertaining to all significant aspects of sports;

"(7) to sponsor or solicit useful research in such areas as sports medicine, equipment design, and performance analysis; and

"(8) sponsoring and stimulating the establishment of advanced or improved coaching, physical training, and physical education programs.

"TRUSTEES

"Sec. 302. (a) General.—The Trustees shall direct the Foundation in accordance with the provisions of this title and the policy of this Act, shall maintain and administer the Foundation, and shall execute or direct the execution of such other functions as are vested in it or the Foundation by statute or regulation under a statute.

"(b) Members.—(1) The Trustees shall consist of sixteen qualified individuals who shall be appointed by the Board.

"(2) As used in this subsection, 'qualified individual' means an individual who is distinguished for his dedication to the highest ideals of athletic competition, his freedom from bias, and his knowledge and experience in sports development and physical fitness in its broadest sense and who is equipped by experience, known talents, and interests to further the policy of this Act effectively, positively, and independently if appointed to be a member of the Trustees. Members of the Trustees shall be selected from among individuals who shall have distinguished themselves and achieved recognition by their peers in their respective fields. The Board shall select members of the Trustees in such a way that at no time shall there be less than three members who are presently or who were in the recent past participating athletes, and in such a way that the following fields shall be represented on the Trustees: financial management, business, corporate, or athletic management; research and development; the humanities; fundraising; adolescent development; sports medicine; sports education; physical education; communications and public relations; and the social sciences. In selecting members of the Trustees, due regard shall be given to reflecting the diversity of those engaged in sports with appropriate weight given to such factors as race, age, and sex.

"(c) Terms of Office.—The terms of office of the members of the Trustees first taking office shall expire as designated by the Board at the time of appointment, two at the end of the first year, three at the end of the second year, three at the end of the third year, three at the end of the fourth year, three at the end of the fifth year, and three at the end of the sixth year. Successors to members of the Trustees shall be appointed in the same manner as the original members and shall have a term of office expiring six years from the date of expiration of the term for which their predecessors were appointed. Any member appointed to fill a vacancy on the Trustees occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. No member may be reappointed upon the expiration of his term.

"(d) Chairman.—The members of the Trustees shall select one of their members to serve as chairman of the Trustees for a period of one year.

"(e) Organization.—The Trustees appointed initially shall take whatever steps are necessary to establish the Foundation, including the filing of articles of incorporation.

"(f) Meetings.—(1) The Trustees shall meet at least once each quarter at such place and at such time as shall be determined by the chairman. The chairman shall also call a meeting at any time upon the request in writing of six or more members. Each member shall receive a notice of the call of each meeting, by certified mail return receipt requested not less than fifteen days prior to the date of such meeting.

"(2) Each meeting of the Trustees shall be open to the public. Minutes shall be kept of each such meeting and made available for public inspection at the office of the Foundation in the District of Columbia and at such other offices as it may maintain. Such copies shall be available for reproduction, upon request and at reasonable charge.

"(g) Quorum.—Eight members of the Trustees shall constitute a quorum for the transaction of affairs.

"(h) Compensation.—Each member of the Trustees shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Trustees and $100 per diem when engaged in the actual performance of such duties.

"(i) President.—The Trustees shall appoint a qualified individual to be the President of the Foundation. The President shall serve at the pleasure of the Trustees and shall be the chief administrative officer of the Foundation. Subject to the supervision of the Trustees, the President shall manage and supervise the business of the Foundation, appoint, fix the compensation, and assign the duties of such officers, attorneys, specialists, agents, and other employees, and consultants as he deems necessary, who are qualified to further the policy of this Act.

"(j) General Powers.—The Trustees may solicit, accept, hold, and administer gifts, bequests, or devises of money, securities, or other property in any form or of whatever character for the benefit of the Foundation. Unless restricted by the terms of such gift, bequest, or devise, the Trustees may sell or exchange and invest or reinvest in any lawful investment such money, securities, or other property, for the benefit of the Foundation. Such moneys, securities, and other properties shall constitute a fund to be held by the Trustees in trust, and the corpus of such trust shall not be invaded by the Trustees for expenditure or transfer other than for purposes of investment so long as the total amount in such fund together with any amounts appropriated to the Trustees for such fund under section 305 of this Act does not exceed $100,000,000: *Provided*, That the Trustees may expend up to $1,000,000 each year from such fund out of such amounts not appropriated under section 305 of this Act to carry out the purposes of the Foundation until such time as the aggregate sum of all moneys, securities, and other properties received by the Trustees equals or exceeds $15,000,000. Income from such fund may be expended in the discretion of the Trustees.

"AUDIT OF TRANSACTIONS

"Sec. 303. The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by the government of the District of Columbia. The audit shall be conducted at the place or places where the accounts of the Foundation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Foundation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit. Full facilities for verifying transactions with the balances or securities held by depositories fiscal agents, and custodians shall be afforded to such person or persons by the Foundation. A report of such audit shall be submitted to the Congress by the Board not later than six months following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and shall include such statements as are necessary to present fairly the assets and liabilities of the Foundation; its surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the income and expenses of the Foundation during the year; and the independent auditor's opinion of those statements. Such report shall be printed as a public document.

"REPORTS

"Sec. 304. The Foundation shall submit to the Congress, the Board, and the President of the United States, in January of each year, a report on its activities, including a comprehensive description of the activities and accomplishments of the Foundation during the preceding calendar year together with an evaluation of such activities and accomplishments in terms of the attainment of the policy of this Act and the duties of the Foundation. Such report may include recommendations for additional legislative or other action which the trustees may consider necessary or desirable for attaining such objectives. Such report shall not be reviewed by any officer or agency of the United States prior to submission. Such report shall be made available to interested persons and printed as a public document.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 305. For each fiscal year following the fiscal year ending June 30, 1975, there is authorized to be appropriated to the trustees for use by it in carrying out the provisions of this title an amount equal to the amount of donations, bequests, and devises of money, securities, and other property received by the trustees during the fiscal year preceding the fiscal year for which such appropriation is made, except that the total aggregate amount appropriated pursuant to this subsection shall not exceed $50,000,000."

Amend the title so as to read: "A bill to encourage and coordinate amateur athletic activity and promote physical fitness in the United States and in international competition in which American citizens participate, and for other purposes."

Mr. TUNNEY. Mr. President, internecine warfare has marred amateur athletics for more than 60 years. All of us are aware of the bickering, power struggles, and mismanagement that too often has characterized the rule or ruin policies of the bureaucratic baronies that control amateur sports.

The Congress over the years has been very patient despite this severe provocation in trying to resolve these conflicts voluntarily. Twice within the last decade we have enlisted the aid of such distinguished Americans as Douglas MacArthur, Archibald Cox, Theodore Kheel and Congressman RALPH METCALFE in efforts to arbitrate these disputes. Yet the sport baronies have resolutely refused to accept the solutions offered by these well-intentioned individuals.

The situation, unfortunately, has continued to rapidly deteriorate. No one for example, can forget the Munich Games, where the Olympic ideal of peace and friendship through sporting competition was permanently bloodstained by the assassination of 11 Israeli athletes. Yet the entire Olympiad was a chaos of bungling and inefficiency which hamstrung our competitors. Clearly the time, energy and efforts of the individual competitors, in many cases amounting to a virtual lifetime of work, should not be wasted, corrupted and overshadowed by events irrelevant to the competition itself. Clearly we cannot afford another Munich or our future participation in the Olympics will be severely jeopardized.

But wishing will not make it so. Already the National Collegiate Athletic Association has pulled out of the U.S. Olympic Committee blasting the AAU's monopolistic control of amateur sports through the aegis of the U.S. Olympic organization and charging the AAU is utilizing "cronyism" to maintain its control.

The Amateur Athletic Act will go far finally to resolve these issues. It will set up a nine-member Commission that will thoroughly investigate our participation in the Olympics and report quickly back to Congress with legislative recommendations for reform. Thus it will help the Congress to develop the information necessary to assure that our participation in future games will more nearly approach the Olympic ideal, and that the U.S. effort will be the best we can attain both as a country and individually.

Last session, when the tragedy and travesty of Munich was still fresh in our minds, the Senate passed an amendment which I introduced to require such a review of the Olympics, but unfortunately the bill was never acted upon by the House. While 1976 may still seem distant, if the Congress fails to act quickly and affirmatively any chance to reform our participation in the next Olympic Games will be lost irrevocably.

But the malaise affecting amateur sports goes far beyond the problems that were manifested at the last Olympics. After 8 months of preparation and 3 days of intensive hearings last May it became clear that Government action is crucial to end the interminable sanctioning wars between the AAU and the NCAA, to reform our participation in the Olympics, and to protect the rights of our athletes and provide a firm foundation for training, coaching, and better facilities for millions of Americans who participate in amateur sports.

It should be remembered that every effort over the years has been made to resolve these issues voluntarily—yet the conflicts have only become more bitter and intractable. Those who control amateur athletics in this country have demonstrated over and over again that they cannot or will not help themselves. Thus the issue facing us is whether to allow the continuation of a status quo which has proven disastrous for the proper development of amateur sports or to act decisively to resolve these problems once and for all.

The Amateur Athletic Act of 1973, I believe will resolve these problems, through its provisions concerning the chartering of sports associations, the sanctioning of athletic events, the reviewing of our Olympic programs and the establishment of a sports development foundation.

The first of these important provisions sets up the U.S. Sports Board comprising of five members appointed by the President with the advice and consent of the Senate. The primary function of this Board is to charter national sports associations. The control over the chartering authority will allow the Board to break through the bureaucratic walls that have surrounded many of these sports associations and insure that any group holding the U.S. charter for a sport is truly representative of those active in that sport.

Charters will lapse every 4 years after the Olympic games and an association will only be rechartered if it can demonstrate its continued effectiveness and concern for the welfare of athletes.

Also, under this act the Board of each chartered association must have at least 20 percent of its votes controlled by athletes. Thus, we will for the first time insure that athletes will have a strong voice in the making of the rules under which they must compete.

The second major provision of this act relates to sanctioning. In the past, sports associations have often used the sanctioning power arbitrarily to further entrench their own position. We have witnessed constant "sanctioning wars" between the various sports associations where the major casualties have been the athletes.

Our bill states that the chartered associations will have sole sanctioning authority for unrestricted meets. But it must be noted that unrestricted meets do not include purely interscholastic, intercollegiate, municipal, or local club meets. Furthermore, sanctioning authority can only be exercised under the strict rules spelled out in the act. Under these provisions the association cannot refuse to sanction a meet if the following basic conditions have been met:

First. Appropriate steps have been taken to protect athletes' eligibility and amateur standing.

Second. Appropriate provisions have been made to validate records.

Third. Due regard has been given to applicable international rules.

Fourth. Competent officials and proper medical supervision has been provided.

Under our bill a sanction may no longer be refused, as has constantly happened in the past, simply because the event is sponsored by an organization that a particular association considers a rival. We can no longer tolerate arbitrary refusals to sanction events and the serious damage this has caused to the careers of our athletes.

The third major provision of this act is the establishment of the U.S. Olympic Commission. This is a temporary commission which will study our country's participation in the Olympics and quickly report back its findings and recommendations to the Board, the President, and the Congress. I believe all those who are aware of the events at Munich will agree that there is a desperate need for this commission.

Lastly, title III of the act establishes the National Sports Development Foundation. This Foundation will seek private donations on a matching grant basis. During our hearings the committee received extensive and persuasive testimony concerning the need for such a Foundation. Many aspects of amateur sports in this country cannot be adequately funded under the present system. It is essential that we develop the athletic potential of this country at all levels. I feel that the Foundation will go a long way toward ensuring that this potential is met.

Mr. President, since introduction of this legislation, a blizzard of misinformation has been unleased by the warring sports groups in order to try to maintain their absolute hegemony over amateur sports by fooling and frightening the Congress and the American people. Phillip Krumm, president of the U.S. Olympic Committee, for example, has charged that this legislation "is a most dictatorial assault on the freedom and civil rights of the American people" and concluded "without any question this is the most dangerous legislation ever put forward for passage in the history of our country."

Such charges are obviously ludicrous. To charge that this legislation will lead to Federal domination of amateur sports is more than a wild exaggeration, it is in a word a lie.

However, whenever legitimate concerns have been raised by the affected parties we have tried diligently to respond to them. Therefore, though we have felt that this legislation dealt fairly with the concerns of the college and high school community we yesterday introduced a series of amendments suggested by their representatives, in order to try to clear up once and for all any lingering apprehensions they may have had about the effects of the bill. Any fair reading of the bill now must clearly show that the legitimate interests of the colleges and high schools are more than adequately covered.

In conclusion, this legislation will assure that athletes who wish to compete in international meets will no longer be helpless pawns in jurisdictional disputes between warring athletic bureaucracies. In will assure that we will no longer have to get 58 Members of the U.S. Senate to sign a letter to qualify college basketball players for an international competition against the Soviet Union. And it will go far in assuring that needed sports facilities will be developed to aid the public at large.

The sponsors of this legislation—Senators Pearson, Cook, Magnuson, Gravel, Thurmond, Humphrey, Cranston and Mondale—join me in the belief that this bill will usher in a new era of athletic freedom and reason and that it will lessen rather than increase the political aspect of sport by returning the focus of amateur sports to its proper place—the sacrifice and dedication of the individual athlete striving to exceed his personal goal.

Mr. BEALL. Mr. President, how much time do we have?

The PRESIDING OFFICER. The minority side has 60 minutes.

Mr. BEALL. Mr. President, the distinguished Senator from California very accurately stated the problem that exists with this legislation.

Last Spring the Commerce Committee had before it several pieces of legislation dealing with different facets of amateur athletics. We held hearings on the general subject area, concentrating on the problems of our athletes in international competition, the need to provide support for amateur athletics in our Nation and the continuing disputes between organizations that have caused so many problems. From the testimony that we received then, it was obvious that problems existed and that as a result of those problems, some of our best athletes were not able to participate in international competition, or at least could not participate in a way that allowed them to demonstrate their full potential.

I was impressed then with the need to take some kind of action to spur reform in these problem areas.

At the time of the hearings I was undecided as to the form of this action—and was hesitant about committing the Federal Government to a substantial role in bringing about the needed changes.

Mr. President, I think there is no disagreement as to the nature of the problem, but there is disagreement as to the nature of the solution being offered for these problems.

As we are all aware now, the four major proposals before the committee last spring have now been wrapped up into one new package now known as the Amateur Athletic Act of 1973. When that bill was voted out of committee, I noted some misgivings about it and the direction that it would take us. I also noted in committee at the time of consideration that I did not believe we had given enough attention to the details of the subject matter.

Mr. President, I would like to stand here this day and tell you that the Tunney substitute for S. 2365 has done away with my original objections and that I can now support this proposal—but I cannot. I must still object to the proposal as it now stands, although my concern about the problem has not diminished.

Let me detail some of my objections.

First, I am reluctant to believe that the only way to attack this problem is to set up still another broad Federal instrument, a National Amateur Sports Board. I am not convinced that it is necessary to establish a new Board, a new staff, a new special interest if you will—that will inevitably grow even bigger in coming years—and which we will find consuming ever more tax dollars—which concerns me even if the cost is only a proverbial drop in the bucket.

I also object to the feature of this legislation that puts the Federal Government in the position of determining one sole "charter" holder for each sport in this country. In the report that was filed, I indicated my objections to what appears to me to be the establishment of monopolies in each sport—not just condoned by the Federal Government but actually placed into existence by this new Sports Board. I do not believe we should be in the business of creating monopolies—we have enough already.

Additionally, the bill as it presently stands does not, in my opinion, provide enough protection to high schools and colleges—and their organizations—in the area of the rules and regulations that have been established over the years to protect students at these institutions of learning. There are in existence today rules and regulations that are reasonable and are necessary for the orderly conduct of amateur athletics on a domestic level. Such reasonable rules should be maintained, particularly where they pertain to the academic status of an athlete. I do want to say that the changes made in the substitute bill in this area are steps in the right direction but unfortunately they do not go far enough.

Finally, Mr. President, I am afraid that we have, in this bill, engaged in legislative overkill. I will not deny that there is a problem—but I remain unconvinced that we need legislation this sweeping to deal with it.

I believe there may be alternatives to this approach that have not been adequately explored. When this matter was discussed in committee, I suggested that since the most serious problems seemed to arise from disputes between organizations what we needed was some way to settle these disputes. I suggested that some mechanism—patterned after the NLRA—or other dispute resolving agency would be a proper mechanism. Such a mechanism continues to seem like an avenue that should be fully explored before we go off the deep end.

There are other objections that I could make to this legislation. For instance, it appears now that the Justice Department fears it will hamper our international standing—but I do not think a complete rendention is in order at the moment.

Let me make myself clear so no one mistakes my position. I do believe there is a problem—and I have been appalled at some of the false statements and misrepresentation that have been distributed about this legislation in some quarters. I am not impressed with their arguments and hope they find no solace in my position because my attitude toward their shortcomings has not changed. Yet I do not want to approve what is bad legislation and thereby quite possibly create new problems.

I have nothing but respect for those Members of the Senate who have worked so hard for this bill and who I know are quite sincere in their approval of it. It is my understanding that some amendments may be offered to take care of some of my objections as well as the objections of others. I will attempt to maintain an open mind toward these amendments if they are forthcoming—perhaps they can change this legislation enough to merit support on final passage—though at this time I rather doubt it.

I hope so. But again, Mr. President, I do think this is a problem that deserves our attention. I do not think the people who have been misleading the public with regard to the legislation should take comfort from the fact that maybe final action will not be taken today, because action is needed, and I hope whatever the outcome of the legislation may be, there will be action very shortly to bring a solution to bear on this problem, which has denied American athletes the opportunity of participating in both domestic and international competition.

Mr. COOK. Mr. President, will the Senator from California yield me some time?

Mr. TUNNEY. Yes, I yield the Senator from Kentucky such time as he may require.

Mr. COOK. Mr. President, I am most pleased to rise today in support of S. 2365, the Amateur Athletic Act of 1973. I have been actively involved in the development of this legislation and am one of the three primary sponsors. As my colleagues may know, S. 2365 represents the combined efforts of six Senators and includes what we consider to be the best elements of four separate pieces of legislation previously introduced during this session of Congress.

In May of this year, the Senate Commerce Committee conducted 3 days of hearings on the amateur sports situation as it exists today. Testimony was taken from a number of active and retired amateur athletes, as well as from representatives of the major governing bodies of amateur sports in the United States.

The problems became so readily evident, so blatantly obvious that the Senators involved in the hearings resolved to work together to find a solution to the many serious problems facing the development of amateur athletics in this country. As a result of the hearings, Senators Pearson, Tunney, Thurmond, Gravel and myself decided that it would be in the best interests of the thousands of young athletes in America to join forces and attempt to develop comprehensive legislative reform in this area.

The result of those efforts is S. 2365, the first serious attempt to revitalize the amateur athletic structure in the United States, and the first step in committing the U.S. Government to a program for the development of athletic opportunities for all of our citizens who desire to pursue athletic excellence. This, in the last analysis, is the end result that all of us are seeking to accomplish.

The legislation before us today is probably one of the most misunderstood and misinterpreted pieces of legislation that has passed through this process in a long time. If some of the statements made about this bill are to be believed, the sponsors of S. 2365 are setting out to effectuate a coup d'etat of the U.S. Olympic Committee, the National Collegiate Athletic Association and the Amateur Athletic Union. According to many of those assertions, we are trying to extend Federal control over every highschool basketball game, the New Year's day bowl extravaganzas, and even little league baseball. Furthermore, those groups, which are watching their long lived dictatorships over amateur athletics dissolve are claiming that S. 2365 would establish a massive bureacracy that would thrust its tentacles into every aspect of amateur athletics in America. If this bill creates a bureaucracy of massive proportions, then most every one of us is functioning with such an octopus in our offices. The maximum staff permitted by this legislation is 27.

I think the Senator from California has more employees than that on his staff, and I do not think that means he has a massive bureaucracy over there in the New Senate Office Building. And I might say, Mr. President, to digress just temporarily, that if every coach and every responsible athletic director who has come out against this bill and totally misunderstood it, if they are the people who are teaching our athletes today, if they are the people who are supposed to act as instructors, when we in our offices have not even received a request for a copy of the bill and the report, the only thing I can say is that, like the county executive in my own county who, after the University of Louisville and its group of professors decided to vote out football, came to the rescue of that university and came to their aid and assistance, and that football team played in a bowl game last year, this Senator somehow just cannot get that matter into perspective.

Mr. TUNNEY. Mr. President, will the Senator yield for a moment?

Mr. COOK. I yield.

Mr. TUNNEY. One of the things that I have noticed since this legislation came out of the Committee on Commerce is that we have one man, Mr. Walter Myers, who is executive director of the NCAA, who sends letters, apparently, to every college that is a member of the NCAA and every coach is a member of the NCAA, indicating that this represents a Federal takeover of the collegiate sports program in this country.

We have seen lobbying of Senators by athletic directors, by coaches, and by the presidents of universities across the country, saying that the bill is bad. I have talked personally to at least 50 Senators about the bill and every one has said that they received communications from their coaches and their athletic directors. Some of them said they would have to be against the bill not because they knew something about the bill and opposed it on its merits but because the athletic directors were against it. I would point out to Senators that under the bill, we exempt intercollegiate sports and interscholastic sports, so how could they be opposed to the legislation when they are not even covered by the legislation?

Mr. COOK. I can only say to the Senator that with the intelligence and the knowledge that Walter Byers exhibited to the coaches that elected him to his position, they should realize what an absolute idiot Walter Byers is and they should summarily fire him from his position.

Not only that, I would suggest to the Senator, and perhaps to some of my colleagues, that they remember it was this Senator who circulated a letter one weekend. We started on a Friday and circulated that letter to as many Senators as we could, to get their signatures on it, so that we could present it to Walter Byers who was testifying on Monday in the House, that he allow athletes under the NCAA rules to play against the Russian teams so that we could have a competitive basketball series in the United States.

He has summarily refused because it was under the sanction of the Amateur Athletic Union and he would not let any ballplayers play. It was not until we hand-delivered to him a letter, signed by some 58 Members of the Senate, that he relented so that the people of the United States could see a decent basketball series between the Russian nation and the United States in which we were victorious. If he had not done so, we would have lost every game they competed for in the United States.

Mr. DOLE. Mr. President, will the Senator from Kentucky yield?

Mr. COOK. I yield.

Mr. DOLE. Mr. President, Mr. Byers is a constituent of mine. I hope the distinguished Senator from Kentucky does not refer to everyone with whom he disagrees as being an idiot.

Mr. COOK. Senator DOLE, I would only state to you, whether he is a constituent of yours or not, that if he wrote a letter to all the coaches and said that this is what the bill was going to do, he not only misrepresented it to the people he represents, but he knew he was misrepresenting it because he was aware of the import of this bill, obviously.

Mr. DOLE. Mr. President, the Senator from California has been talking about a letter received from Mr. Byers. I would like to see such a letter since I have never had such a communication.

Mr. TUNNEY. I am talking about the letter from the NCAA, to all member coaches, to presidents of universities, asking them to lobby their Senators in opposition to the bill. I will tell you, Mr. President, it was one of the most massive propaganda campaigns, because every Senator I talked to said he had heard from his coaches, his local coaches, even high school coaches and from university presidents, that this legislation was going to be a Federal stranglehold on collegiate and high school sports in this country, when the bill specifically exempts interscholastic sports from its purview.

Mr. DOLE. It may come closer to that now, since the Senator has introduced the substitute. I do not believe that S. 2365 exempted them without this change.

Mr. TUNNEY. The bill we passed out of the Commerce Committee exempted colleges and high schools from its purview. What we are attempting to do in the legislation as it was amended and, in some of the amendments we will be offering as committee amendments, is to try to make it absolutely clear—even though it is clear in the legislation—absolutely clear that we have no intention formally to regulate or informally to regulate interscholastic or intercollegiate sports in this country.

I might say that when this legislation was passed out of the Commerce Committee, there was a propaganda campaign against it by the NCAA and the AAU, in which they called this the most dangerous Federal legislation to come out in this century, that it would be a takeover of amateur athletics by a Federal bureaucracy, and that it was going perhaps to involve billions of dollars in which the Federal Government was going to control and manipulate individuals.

It just so happens that this legislation is supported by every amateur athlete I ever talked to. It is probably supported by 99 percent of the amateur athletes in this country. It is supported by 90 percent of the sports writers in this country, those who have familiarity with the Olympic games and international competition in the sports that would be covered by the legislation.

This is a bill designed to ventilate a system which has been closed for too long. It is unfortunate that the coaches and the college presidents would not read the legislation themselves but that they would take a handout from NCAA headquarters which is controlled by Walter Byers and accept that as gospel.

That is what we are faced with. I wonder if the NCAA controls the Senate? From the conversations I have had, it controls the attitudes of a number of Senators.

Mr. COOK. Mr. President, may I say to the distinguished Senator from Kansas (Mr. DOLE) that I used unfortunate language in relation to Mr. Byers. I will not take it out of the RECORD. Since I have been here, I have never taken anything out of the RECORD. But if I owe Mr. Byers an apology, I will give it to him.

But I wish to say to you, in all fairness, having dealt with this subject for quite some time that at the same time we were sending a representative to the NCAA or to the university to participate, we had a situation in Louisville which we commonly referred to as the "dirt bowl" and that was a program in the summertime put on by the city and county recreation department whereby young athletes from the University of Louisville, or if they lived in Louisville, from Moorhead and other places, or the University of Kentucky or the Indiana University, where they could go down and play basketball, and where they were teaching young children in that community and they were working with young children in that community.

Because a court was set aside by the city and county board of recreation, the NCAA considered that—through Mr. Byers—as a sponsored function and would not let those young men participate in that program, and prohibited it, and said that if they did, they would not be qualified to compete with their collegiate basketball teams that fall in regular NCAA competition.

This, I would say to you, Mr. President, was just at the same time that Mr. Byers and his great association were going to the State Department to get money to send athletes to other countries so that they could exhibit their athletes to other countries throughout the world. Just like the amendment the other day to get $15 million so that we did not send the Blue Angels all over the world but kept them in the United States for recruiting purposes.

Mr. DOLE. I do not know how many times the Senator has had them in his State, but I have not been able to have them in my State. That is a good analysis.

Mr. COOK. I would like to give it to you because that is the kind of situation we have been contending with.

Mr. DOLE. I do not take any offense to——

Mr. COOK. I would apologize to him. I honestly would.

Mr. DOLE. I only met Mr. Byers one or two times, but he appears to hold the respect of many Kansans.

Mr. COOK. If you had seen example after example as I have, the way young athletes in this country have been treated as a result of the hierarchy of that organization, then the Senator could make a better analysis of that operation.

Let us be very fair about it, because it gets rather disturbing when athletes come in and testify before the committee—and I would suggest to members of the committee that they read that report because it gets rather unfortunate when we read about institutions that are more interested in having 85,000 seats at 8 bucks apiece than they are in having decent athletic facilities on their very own campuses. And when we have the situation with the Olympics where they asked every candidate who wanted to participate in the U.S. Olympics to come all the way to the State of Washington, and they did not give them one dime to get there, they did not give them one dime to eat while they were there. But the U.S. Olympic Committee, sure in the world, charged everyone to come into the stadium to see those young American athletics compete in sports with the Olympic teams, while they were eating peanut butter sandwiches or maybe a hot dog, and Lord only knows where they were sleeping. But the U.S. Olympic Committee made money and the University of Washington made a lot of money, but the kids did not get one penny to go all the way to the west coast to compete. A member of the NCAA in good standing, the University of Michigan, got $60,000 for its athletic fund as a result of the Olympics being out there, and not one candidate for the U.S. Olympic track and field events got so much as a hot dog from the university or the U.S. Olympic Committee.

Rather than refute the specific charges and exaggerations which have characterized the lobbying effort against this bill, I will outline briefly the constructive manner in which S. 2365 approaches the problems plaguing amateur athletics, and the reasons why it received such broad based support in the Commerce Committee, where not one vote was cast against it.

One of the factors which has retarded progress in amateur development is a paucity of athletic representation on the governing bodies of sport. S. 2365 remedies this situation by requiring that any sports organization which holds an international franchise must vest at least 20 percent of its voting power in athletes. This will insure that all athletes have a say in the selection of coaches and other policy matters concerning international competition.

The bill also provides for a comprehensive review of the participation of the United States in the Olympic games. We certainly need this, after the last fiasco the United States went through at the world Olympic games. This study will include the structure and operation of the U.S. Olympic Committee, the selection of coaches and athletes to represent the United States, and any other factors which bear on our Olympic effort.

Mr. President, it may come as a surprise to some of my colleagues that members of the U.S. Olympic Committee, under the statute, have tenure in perpetuity. It means they are never called to task; they are never reviewed relative to their activities. They are appointed, and they stay forever.

The record we have seen regarding members of the U.S. Olympic Committee indicates that they do, in fact, stay forever.

In light of the many well-documented mistakes and tragedies of the 20th Olympiad in Munich, such a timely review is essential if our effort in Montreal in 1976 is to do justice to the potential of our athletes.

One of the truly deplorable aspects of amateur athletics in the United States has been the eternal feud between the Amateur Athletic Union and the National Collegiate Athletic Association. These two monoliths have fought for supremacy over amateur sports in America for nearly 50 years. Efforts at arbitration and mediation have all met similar fates. The last attempt at resolving this conflict was made at the insistence of the Commerce Committee in 1965. Vice President Humphrey established the Kheel Commission, headed by Theodore Kheel, one of the Nation's finest labor mediators. After 2 years of hard work, the commission issued recommendations which were ignored by the NCAA. And the feud continues to this day.

It seriously jeopardized the series of basketball games against the Russians national team this summer, and probably was responsible for the U.S. track loss to the Soviets in Richmond, Va., earlier this year. S. 2365 resolves the problem of sanctioning wars by prescribing the conditions under which any sporting event subject to the act must be sanctioned or certified. The terms essentially follow those of the Kheel Commission report of 1968.

S. 2365 also provides for research into certain areas of athletics which is now seriously deficient. These are the areas of safety and health and athletic facilities.

When the young women athletes of the United States had to compete against each other before they went to Europe to compete in the Olympics, they were placed in a facility in one of the boroughs in New York. That track had such a short off-run that when they got through running the hundred yards, or whatever it was, the young ladies had to crash up against a brick wall.

They finally had to get some pads and put them against the wall so that the young women who were trying to break the world records did not have to break an arm, a shoulder, or a leg by banging up against a solid brick wall at the end of the track.

The bill imposes no regulatory authority, but would, is hoped, assist the entire sports spectrum in lessening the physical and mental risks inherent in athletic competition, and also provide new methods for constructing and utilizing athletic facilities.

Finally, the Amateur Athletic Act of 1973 establishes a National Sports Development Foundation. The foundation would use private contributions, matched by Federal funds, to extend the opportunity for athletic participation to those Americans for whom such participation has heretofore been impossible. It would also provide assistance in encouraging the growth and development of the minor sports in America.

These positive aspects of S. 2365 have somehow been overlooked by most of the sports establishment, which always resents any trespass on its private estate. Yet the very athletes who are the focal points of this entire question are in nearly unanimous support of the proposal. No one should be deceived as to the diligence and caution which went into the drafting of this bill. The public outcry now being heard from the sports hierarchies is only the last gasp of an era which can no longer serve our Nation and our athletes. S. 2365 will provide new life for amateur sports in America, and I urge its passage.

Mr. BEALL. Mr. President, I yield such time as he may desire to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, I appreciate the efforts of the distinguished Senator from Kentucky (Mr. COOK), the distinguished Senator from California (Mr. TUNNEY), and other sponsors of S. 2365, as well as the efforts of the distinguished junior Senator from Maryland (Mr. BEALL) and the distinguished junior Senator from Michigan (Mr. GRIFFIN), who filed additional views in the committee report.

I do not think anybody quarrels with the basic objective which the committee bill was intended to achieve. As I understand, the first objective is a fundamental reform of the U.S. Olympic Committee. Certainly everyone agrees that that should be done.

The second objective is to end disputes among organizations which govern amateur sports in this country. I think it has been demonstrated from the statements already made that that needs to be done.

The third objective to encourage the development of amateur athletic and physical fitness programs is also laudable. There is no question about that.

There are many things that need to be done. Yet there may also be differences, as there are in almost all controversial matters, in how we should go about doing them.

It is my understanding that there will be a motion to recommit this bill. Perhaps some of us, as we take the responsibility of not being so vigilant, so diligent, as we should have been, of not paying enough heed to the pending legislation, will have an opportunity to appear before the committee and make statements and propose other amendments. That is what some of us intend to do.

Mr. President, yesterday I offered an amendment in the nature of a substitute. I ask unanimous consent that the amendment be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, the committee report on S. 2365, the Amateur Athletic Act of 1973, lists three basic goals which the committee bill was intended to achieve. The three goals are: First, fundamental reform of the U.S. Olympic Committee; second, an end to disputes among organizations which govern amateur sports in this country, and third, Federal assistance for the development of amateur sports and physical fitness. I also support the accomplishment of these ends but feel they can be reached through less complicated legislation and with much less Federal involvement.

AMATEUR SPORTS ASSOCIATION BOARD

The amendment I now offer would create an Amateur Sports Association Board which through its chartering powers would be able to restructure the membership of the U.S. Olmypic Committee and insure that our national sports federations are responsive to and representative of the U.S. athletes involved in the sport they represent in international competition. The amendment also includes an amateur athletes bill of rights which assures that no U.S. Sports Association, amateur sport group, or operator can unreasonably deny him the opportunity to compete in events sanctioned or organized by another association or group. This provision is intended to help resolve the disputes whch have surfaced among organizations which govern amateur athletics and is intended to insure that the association always act in the best interest of the athletic membership. In this same vein the amendment includes within its chartering provisions language which would require that any applicant requesting a charter as a U.S. sports association must demonstrate that its board of directors or governing body will at all times include among its voting members not less than two individuals who are actively engaged in amateur athletic competition as competitors in the sport of the association, and that the voting power held by such individuals is not less than 20 percent of the total voting power of the board or governing body. In this way the associations are required to have more direct representation of its active amateur athletic participants, a factor which should encourage the associations to be more responsive to the athletes' needs and less concerned with organizational disputes and power struggles.

The third provision of the amendment would establish a National Commission on the Olympic Games to review our participation in the Olympic games and determine how our participation in the program might be enhanced. A similar provision is included in the bill reported by the committee.

The fourth major section of my amendment would establish within the Department of Health, Education, and Welfare a National Amateur Athletic Sports Information Center which in conjunction with the President's Council on Physical Fitness and Sports would locate, collect, review, organize, publish, and disseminate information and data related to amateur athletics. A tremendous amount of research has been done and is being done in both the public and private sector on issues of importance to amateur athletics. In addition, much of the work we are doing within the United States is being duplicated in other countries. The Amateur Athletic Information Center would be charged with locating relevant information, both domestically and on an international basis, regarding issues of importance to amateur athletics.

The Center could then serve as a single source which someone might contact in order to tap the wealth of information that has already been developed on any single topic.

COORDINATE EXISTING INFORMATION

The committee bill reflects specific interest in two special areas of amateur athletics by authorizing the creation of a Division of Facilities and a Division of Sports Health and Safety under the Board. The Information Center also emphasizes these topics but rather than authorizing new studies, would coordinate existing efforts in these areas; and there are many efforts underway in these areas. For example:

First. Executive Order 11562—September 29, 1970—charges the President's Council on Physical Fitness and Sports responsibilities to develop and coordinate "a national program for physical fitness and sports," including responsibilities to coordinate related Federal services and programs, to stimulate and encourage research in the areas of physical fitness and sports performance, to improve school health and physical education programs and to enhance opportunities for participation in physical fitness and sports activities.

Second. The Consumer Product Safety Act—Public Law 92-573—established a Federal regulatory commission with power to investigate and regulate the safety of "consumer products" sold or distributed to a consumer, for use in or around a home or school, in recreation or otherwise. The Commission is presently considering a petition to develop a consumer product safety standard with regard to artificial turf used on athletic fields and it can be anticipated that it will consider the development of standards for other athletic equipment, such as helmets, in the discharge of its responsibilities.

Third. The National Electronic Injury Surveillance System—NEISS—operating under the Consumer Product Safety Commission, reports product-related injury cases treated in a representative, nationwide sample of hospitals. Under product category P1200, injuries related to sports and recreational equipment—for example, product description 1245: Ice skates—are detailed.

Fourth. The National Operating Committee on Safety and Athletic Equipment—NOCSAE—the NCAA Committee on Competitive Safeguards and Medical Aspects of Sports, the National Federation of State High School Associations' Subcommittee on Safety and its Subcommittee on Equipment, and the Joint Committee on Medical Aspects of Sports—which includes representatives of all school-college athletic administrative organizations—are private organizations regularly engaged in developing improved athletic safety standards, practices and equipment. As one aspect of this work, the NFSHSA and the Committee on Medical Aspects of Sports of the American Medical Association publish ten monthly comments annually on the work of the NFSHSA's Safety and Equipment Subcommittees.

Fifth. The Health Services and Mental Health Administration, and in particular the National Institute for Mental Health, is charged with responsibility for the conduct and support of mental health programs, including research programs in the areas of mental health. This same agency has responsibilities regarding programs directed at drug abuse. The Institute's National Clearinghouse for Drug Abuse Information collects and distributes published information regarding drug abuse.

Sixth. The Subcommittee on Juvenile Delinquency of the Senate Judiciary Committee is presently conducting hearings and developing a record regarding the use and abuse of drugs by athletes.

Seventh. Athletic facilities are annually cataloged in several private publications, such as the Bluebook of College Athletics published by the Rohrich Corporation.

Eighth. The National Association of Collegiate Athletic Directors each year conducts workshops in the planning, financing and construction of athletic facilities.

The Information Center incorporates the basic concepts included in the two divisions which the committee bill would establish under the U.S. Amateur Sports Board. However, the center I am proposing would be totally oriented toward locating and making available information in which amateur athletics has a definite interest. It would not have the staff or resources to initiate its own studies or develop reports on specific issues, but instead is intended to locate information which has already been developed so that it might be readily available for those in need of this information.

The Information Center under my amendment would be situated in the Department of HEW rather than under the Amateur Sports Board. In HEW, it could coordinate its activities with the President's Council on Physical Fitness and Sports, which is already working to promote physical fitness and disseminate information which will encourage better utilization of athletic facilities and improve safety in athletic competition. In fact, a seminar on these very topics is being conducted at Kansas State University in Manhattan, Kans., by the President's Council this weekend.

FUND AND UTILIZE EXISTING PROGRAMS

A major provision included in the committee bill which is lacking in the amendment I propose is the section which would establish a National Sports Development Foundation. As proposed by the committee, the Foundation would gather a $100 million trust corpus—50 percent Federal funds and 50 percent private funds—and the interest from this corpus which would amount to some $8 to $10 million annually would be available to promote the development of amateur athletics across the country. I would definitely agree with the the basic purpose of the Foundation proposal, but it would appear that the administrative costs of establishing and operating an additional program as well as the fact that the proposal ties up $50 million in Federal money over an extended period of time might lead one to conclude that these additional moneys might better be spent on an on-going Federal program which helps serve the needs of amateur athletics. There are many programs currently functioning which provide assistance for both the construction of facilities and the operation of sports programs. The Bureau of Outdoor Recreation budgets over $180 million annually for the construction of outdoor recreational facilities across the country. Community indoor sports facilities would be eligible for funding under the Better Communities Act. For the operation of sports programs, every community in the country receives general revenue sharing funds which are available for this purpose. In addition, private funds are also available to meet the costs of operating sports programs across the country. The Kennedy Foundation assisted and promoted the handicapped Olympics program. It is estimated that NCAA colleges alone annually subsidize their sports programs at a cost of $49.5 million. The National Summer Youth Program which received a $3 million Federal grant as well as private funding and donated facilities provided by some 105 colleges operated a health, recreation, and education program for disadvantaged youth in some 70 cities and 35 States across the country.

I would agree that there may be a need for further development of programs along these lines, but it would seem that we can get the best utilization of the Federal dollar if we expand existing programs or provide information to communities so they can better use existing facilities and resources rather than establish a new Federal program and bureaucratic and administrative structures that go along with it. Thus, while I would support the purposes of the Sports Foundation, I feel the ends can best be accomplished in other ways.

LIMITED FEDERAL INVOLVEMENT

The substitute amendment contains the elements necessary to deal with basic structural problems which have plagued U.S. participation in international amateur sports, without excessively imposing the Federal Government on amateur sports. It would establish a Federal board with specific authority only to preside over a reorganization of unrepresentative holders of franchises from international federations, and which, after this reorganization had been accomplished and in effect for a reasonable period of time, would be dissolved. Thus, there would be effective action but no permanent Federal amateur sports establishment.

LIMIT POWERS OF THE BOARD

In contrast, the present text of S. 2365 would establish a permanent Federal amateur sports bureacracy, including an Amateur Sports Board with authority not only to reorganize the international sports franchise holders, but with many additional authorities, the total effect of which is pervasive Federal Government involvement in and regulation of amateur athletics in this country. The authority of the Board is expanded by two Divisions with responsibilities in the areas of athletic facilities and athletic health and safety. It would be given broad powers to make inquiries regarding athletics and physical fitness generally, to impose any condition on organizations chartered to hold international franchises, to take any action necessary to advance amateur athletic competition and rulemaking powers to issue any regulations it may find appropriate in connection with these responsibilities. Such provisions would charter an agency to occupy the entire field of amateur athletics.

The substitute would not grant the Board these additional broad powers, which have nothing to do with its supposed principal function. It would not expand the Board's staff with two large operating Divisions. Nor would it establish still another Federal body, the National Sports Development Foundation, proposed by S. 2365.

NATIONAL COMMISSION ON OLYMPIC GAMES

The substitute would set up a commission, appointed by the President to study the Olympics and the manner in which U.S. participation is organized, and to make specific recommendations, including recommendations for legislation, if necessary, regarding appropriate reforms. After discharging these responsibilities the Olympic Commission would go out of existence. These provisions are basically the same as the present text of S. 2365, with the exception that S. 2365 would authorize the Amateur Sports Board to appoint the members of the study commission.

ATHLETES' BILL OF RIGHTS

Finally, the substitute contains an "Amateur Athletes' Bill of Rights" provision which would ensure that amateur athletes would not arbitrarily be prevented from competing in international competition. No sports group would be able under this provision to withhold athletes from major international competition for the purposes of organizational aggrandizement. On the other hand, this provision would permit high schools, colleges, and other educational institutions to have and enforce reasonable rules for the protection of student-athletes. Surely such policies which do in fact promote the physical or educational welfare of student-athletes should be permitted to stand.

In contrast, the present language in comparable provisions of S. 2365 would endanger rules, such as playing and practice limitations and provisions for approval of outside competitions in high-pressure sports, which have operated to protect student-athletes and institutions from exploitation by outside promoters. The schools and colleges have expressed great concern that these provisions will erode or destroy systems of regulation which they have developed over the years in response to various abuses, abuses which were bad for amateur athletes and for the high school-college athletic programs which provide athletic instruction and competition for so many of this country's youth. They have also been concerned that the bill's provisions would make substantial inroads into the autonomy of higher education institutions by giving a Federal board authority to review their athletic rules and policies and determine whether they are reasonable and educational. The substitute would leave these issues to the courts rather than a Federal regulatory agency. By providing that actions may be brought not only by the athlete personally, but also on his behalf by any sports club or association to which he, his institution, or his coach belongs and by specifying that attorney's fees may be awarded, it ensures that there will be ready access to the courts.

In sum, the substitute proposes a minimum of intervention by the Federal Government in amateur sports, while at the same time promising effective action directed to the real problem areas which have affected this country's international sports effort.

Mr. President, I wish to conclude by saying that I share the desire of the sponsors of this legislation and I would hope that if some agreement can be reached and the bill goes back to committee, it will come back to the Senate in a form that can be passed and given broad support. I do not mind saying I have been contacted by college coaches, high school coaches, and athletic directors. I do not dismiss their comments out of hand. I do not describe them as a special interest group. I do not believe in the time I have been in Congress I have had much contact with this group of men. For the most part they are outstanding men. They are concerned about the young men they coach. So I am perfectly willing to listen to their views. I do not ascribe to them any evil intent, nor do I believe they have been taken in by some letter sent by someone.

I believe the coaches of America are intelligent men and I do not believe they can be used by any group or groups in an effort to foster some legislation that would be against the best interest of the American athlete.

I reserve the remainder of the time on this side.

EXHIBIT 1

AMENDMENT (IN THE NATURE OF A SUBSTITUTE)

(Intended to be proposed by Mr. Dole to S. 2365, a bill to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition)

Strike all after the enacting clause and insert in lieu thereof the following:

"That this Act may be cited as the 'Amateur Athletic Act of 1973'.

FINDINGS

SEC. 2. The Congress finds that—

(a) it is necessary and desirable for the United States to maintain a rigorous amateur athletic program that will field the best possible teams, with the assistance of the most competent administration and coaching available, in Olympic games and other international competition in which the United States is represented and which will achieve broad participation by amateur athletes in Olympic games and other international competition;

(b) it is necessary and desirable that the United States be effectively represented in international federations governing amateur athletic competitions by organizations which represent the athletes and organizations in the United States conducting active national programs in the sports concerned;

(c) it is appropriate to ensure that participation on amateur athletic teams representing the United States in international competition is not restricted by sports groups and operators through agreements, practices, and procedures not reasonably necessary to promote the physical, moral, and educational welfare of amateur athletes;

(d) the Act of Congress by which the United States Olympic Committee was created as a federally chartered corporation expressly reserves to the Congress the right to alter or amend the charter; and

(e) an evaluation is required of the form of organization and means by which the United States can participate most effectively in the Olympic games and provide leadership in accomplishing action to assure that future games will be organized and conducted in a manner which will contribute to the achievement of the high ideals of the games and promote international friendship and good will through athletic competition between individuals.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(a) "amateur athlete" means a person who participates in athletics for physical, mental, social, or educational benefits he derives therefrom, to whom athletics is an avocation, and who has not accepted compensation or the promise of compensation for such participation. The term "compensation" shall not include scholarships or grants in aid consistent with the rules of any secondary school, or college or other institution of higher learning, or the payment or reimbursement of actual expenses of an amateur athlete;

(b) "athletics" means physical sports following prescribed rules in which amateur athletes participate;

(c) "Board" means the United States Amateur Sports Association Board;

(d) "coach" means a person who teaches, trains, or supervises amateur athletes or athletics, whether or not he receives remuneration therefor;

(e) "commerce" means commerce, transportation, transmission, or communication between any place in any State and any place outside thereof, or between places in the same State through any place outside thereof, or wholly within the District of Columbia;

(f) "institution" means any secondary school, college, or other institution of higher learning, club, or similar body, which organizes or supervises amateur athletes or employs coaches;

(g) "international competition" means the Olympic games, the pan-American games, and other amateur competition in which individuals or teams, officially representing the United States, compete with or against individuals or teams officially representing any foreign nation or political subdivisions thereof;

(h) "operator" means a person, organization, association, federation, or other private entity, whether or not incorporated, which conducts, sponsors, or promotes any amateur athletic contest, meet, or tournament, whether or not such entity receives remuneration therefor, but such term does not include any State or political subdivision of any State, or any institution specified in subsection (f);

(i) "sport group" means a private organization, association, or federation, whether or not incorporated, whose members or affiliates are amateur athletes, coaches, institutions, or operators, and the primary purpose of which is to approve or sanction, or supervise under established rules, the conduct of amateur athletic contests, meets, or tournaments;

(j) "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa; and

(k) "United States Sports Association" means a corporation not for profit which holds a charter granted under section 102 by the Board.

TITLE I—UNITED STATES AMATEUR SPORTS ASSOCIATION BOARD

ESTABLISHMENT OF BOARD

SEC. 101. (a) There is established in the executive branch of the Government an independent agency to be known as the United States Amateur Sports Association Board. The Board shall consist of five members, selected for their demonstrated excellence, ability, knowledge, and experience in the field of amateur sports, who shall be appointed by the President, by and with the advice and consent of the Senate. Not more than three members shall be affiliated with the same political party. One member shall be an amateur athlete who has, within the preceding fifteen years, engaged in international amateur athletic competition sanctioned by the appropriate organization. No member shall have been, nor serve during his term of office as, an officer or employee of the United States Olympic Committee or any national or international athletic sports-governing body. No individual shall be eligible for appointment who has previously served as a member of the Board. A member may be removed from office by the President for neglect of duty or malfeasance in office, but for no other cause.

(b) (1) Each member shall be appointed for a term of three years, except that—

(A) of the members first appointed, two shall be appointed for terms ending one year after the date of enactment of this Act, two shall be appointed for terms ending two years after such date, and one shall be appointed for a term ending three years after such date;

(B) no member appointed to serve for the remainder of the unexpired term of his predecessor shall serve under such appointment beyond the end of such unexpired term (except as provided in subparagraph (C)); and

(C) a member shall continue to serve after the expiration of his term until his successor has been appointed and qualified, but such post term service shall not be for a period greater than ninety days.

(2) The Board shall elect a Chairman and a Vice Chairman from among its members for a concurrent term of one year. No member who serves as Chairman may succeed himself as Chairman. The Vice Chairman shall act as Chairman whenever the Chairman is absent or disabled from performing his duties as a member.

(3) Three members of the Board constitute a quorum for the conduct of business.

(4) The Board shall have a seal which shall be judicially recognized.

(c) The Board shall first meet within thirty days after the date on which the fifth member is appointed and thereafter shall meet on call of the Chairman or upon written demand of not less than three members, but not less frequently than once each year.

(d) With the consent of at least three other members, the Chairman may appoint an Executive Director and such additional employees as the Board determines are necessary to carry out its duties. The Executive Director shall serve at the pleasure of the Board and shall be compensated at a rate to be determined by the Board, but not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code. The Board shall maintain an office in Washington, District of Columbia.

(e) Members of the Board shall be compensated at the maximum daily rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) spent in the active performance of their duties under this Act, and shall receive reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(f) The Board shall cease to exist as at the close of December 31, 1978.

FUNCTION OF THE BOARD

SEC. 102. (a) Upon application made by any corporation meeting the requirements of section 103, including any requirements imposed by the Board through regulations, the Board may issue a charter to that corporation designating it a United States Sports Association with authority regarding United States participation in international competition for that sport or sports.

(b) In carrying out its function under subsection (a), the Board is authorized—

(1) to promulgate rules and regulations governing applications for charters, the terms and conditions under which it will issue, amend, suspend, or revoke a charter, operation under a charter, and such other matters as may be necessary, and

(2) to take whatever other action may be necessary in order to insure compliance with the terms of charters granted by it and in order to further amateur athletic competition by United States citizens in international competition having due regard for international amateur sports rules.

Actions of the Board pursuant to this subsection shall be consistent with the requirements of the Administrative Procedure Act (5 U.S.C., ch. 5).

(c) (1) Prior to granting any charter the Board shall hold a hearing thereon pursuant to section 554 of title 5, United States Code. The burden shall be on the applicant sports association to establish to the satisfaction of the Board that it is fairly representative of the athletes and of sports groups and institutions conducting national programs involving regularly scheduled practice and competition throughout the usual competitive season in the sport concerned and that it is otherwise capable of carrying out the duties of a United States Sports Association. The applicant sports association shall be requested to provide evidence that it is qualified to receive recognition by the appropriate international sports association as the United States organization responsible for certifying the amateur status of United States athletes and approving United States teams for international competition in its sport. The appropriate international sports association shall be requested by the Board to submit its views regarding the qualifications of the applicant association, but the failure of an international sports association to recognize or state it will recognize the applicant association shall not be cause for withholding a charter.

(2) The Board may at any time on its own motion or on the application of an interested party review all matters related to the activities of an association and shall take such action as it deems appropriate including, but not limited to, placing conditions upon the continuation of the association's charter or withdrawing the charter.

(3) Section 3(3) of the Act of September 21, 1950 (64 Stat. 900, 36 U.S.C. 373(3)), is amended by inserting the following language at the end thereof: *"Provided, however,* That nothing contained in this Act shall limit the jurisdiction of the United States Amateur Sports Association Board or of any United States Sports Association chartered by the said Board;".

UNITED STATES SPORTS ASSOCIATIONS

SEC. 103. (a) In order to be eligible to receive a charter under section 102 as a United States Sports Association, a group of not less than three individuals shall, in accordance with regulations promulgated by the Board—

(1) incorporate under the laws of any State or the District of Columbia as a corporation not for profit for the purpose of furthering amateur athletic competition within the United States and by United States citizens or residents in international competition with respect to a single sport,

(2) submit an application to the board setting forth a request for a charter, a copy of the corporate charter and bylaws, the names, addresses, and occupations of all incorporators, shareholders, or members and other persons having any financial interest in the corporation together with details of such person's affiliation with any sports group, the sport in which it seeks to further competition, and such additional information as the Board may request,

(3) demonstrate to the satisfaction of the Board that—

(A) its board of directors, executive committee, or other governing body will at all times include among its voting members not less than two individuals who are actively engaged in amateur athletic competition in the United States as competitors in the sport of the association, and that the voting power held by such individuals is not less than 20 per centum of the total voting power held in that board, committee, or other body.

(B) it will at all times, to the extent consistent with rules and regulations promulgated by the Board, operate under procedures reasonably calculated to inform amateur athletes under its jurisdiction of policy matters under consideration by the corporation, and reasonably calculated to reflect in its policies the views of such athletes.

(C) it will undertake to develop interest and participation in its particular sport throughout the United States,

(D) it is reasonably representative of the athletes and of the sports groups and institutions in the United States actively engaged in the conduct of a national program involving regularly scheduled practice and competition throughout the usual competition throughout the usual competitive season in the sport concerned, with particular emphasis on those programs which produce world-class competitors in such sport,

(E) the terms of office, and the maximum period which any person may serve in any capacity, of its officers and of the members of its Board of Directors, executive committee, or other governing body are expressly limited to a reasonable period, and

(F) it has established and will follow procedures which assure that the nomination and selection of coaches, administrators, trainers, and athletes will be conducted without regard to organizational affiliations and so that the selection will fall upon the most highly qualified individuals.

(b) No corporation shall be eligible to receive or hold a charter under section 102: (1) if more than 40 per centum of the voting power in such corporation is held or controlled, directly, indirectly, or in common with affiliates, by any person, corporation, partnership, or association which, directly, indirectly, or in common with affiliates, holds or controls more than 40 per centum of the voting power in any United States Sports Association; or (2) if any officer or director of such corporation is also an officer or director of any United States Sports Association. An "affiliate" of an organization shall mean any organization which controls, is controlled by, or is controlled in common with, or which has officers, directors, or executive committee members in common with such organization.

(c) No United States Sports Association shall receive a charter for more than one sport on the Olympic or pan-American games program, unless the Board makes a finding in writing after a hearing that—

(i) the sports with respect to which it wishes to receive a charter are closely related and would benefit by common administration, and

(ii) it is capable of functioning as a chartered sports association, with respect to each such sport, in the best interests of that sport and of the amateur athlete participating in such sport.

UNITED STATES SPORTS ASSOCIATION EXCLUSIVE AUTHORITY

SEC. 104. (a) Except as provided in subsection (b), commencing on the earlier of the date a United States Sports Association for the sport concerned is chartered by the Board or the date which is two years after the date of enactment of this Act, a United States Sports Association for the sport concerned shall in the case of each sport on the Olympic or pan-American games program have exclusive authority: (1) to certify to appropriate foreign or international amateur sports bodies regarding the amateur status of United States athletes for the purposes of international competition; and (2) to approve the participation of individuals or teams officially representing the United States in international competition.

(b) The Board may waive the requirement of subsection (a) only by unanimous vote and only if there is no United States Sports Association which can exercise the required certification or approval authority.

(c) The district courts of the United States shall have jurisdiction to enjoin the commission of acts in violation of subsection (a). The Board or any association chartered by it may bring to the attention of the Attorney General any alleged violation of subsection (a) and the Attorney General shall thereupon cause an investigation to be made and if appropriate shall initiate injunctive proceedings in the United States district court for the district where such violation shall have occurred or at the residence or principal place of business of any defendant.

PROHIBITION

SEC. 105. (a) Except in the case of a violation of reasonable rules and regulations, including those requiring approval of the conditions of competition, duly adopted to promote the physical, moral, or educational welfare of amateur athletes, no United States Sports Association or other amateur sport group or operator engaged in commerce or in any activity affecting commerce which is a member of a United States Sports Association shall, directly or indirectly—

(1) deny or threaten to deny any amateur athlete the opportunity to compete in any amateur athletic event conducted, supervised, sanctioned, promoted, or organized by such United States Sports Association or sport group or operator on the ground that such amateur athlete competed or intends to compete in any international amateur athletic event conducted, supervised, sanctioned, promoted, or organized by any other United States Sports Association, or otherwise to take or threaten to take any disciplinary action against any amateur athlete on such ground; or

(2) otherwise impose or threaten to impose any unreasonable requirement or condition which results in the denial of or interference with the freedom of any amateur athlete to compete in any international amateur athletic event to be conducted, supervised, sanctioned, promoted, or organized by such United States Sports Association, including, but not limited to, unreasonable requirements or conditions for granting its sanction to any such event conducted by or under the supervision of any other United States Sports Association.

(b) Whenever any United States Sports Association or any amateur sport group or operator which is a member of a United States Sports Association has engaged, or there are reasonable grounds to believe that it is about to engage, in any act in violation of subsection (a) hereof, a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other appropriate order, may be instituted by any amateur athlete claiming to be aggrieved, or on his behalf, by any sport group of which he, his coach, or his institution is a member or is affiliated.

(c) The district courts of the United States shall have jurisdiction of actions brought under subsection (b) hereof. Such actions shall be commenced in the United States district court for any judicial district in which the violation is alleged to have occurred or be threatened, or in which the defendant United States Sports Association or sport group or operator is incorporated or has its principal office, or in which any person resides who, being a member of the board of directors or other governing body of, or a principal officer of, or a person controlling the affairs of, such defendant United States Sports Association or sport group or operator, has taken affirmative action to adopt or carry out any order or decision of such United States Sports Association or sport group or operator alleged to be in violation of subsection (b).

(d) In any action commenced pursuant to subsection (b) the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 106. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

TITLE II—OVERSIGHT OF OLYMPIC COMPETITION

SEC. 201. There is hereby established a National Commission on the Olympic Games (hereinafter referred to as "the Commission").

SEC. 202. The Commission shall be composed of nine members who shall be appointed by the President of the United States. Such members shall be selected with the purpose of assuring objective consideration of all viewpoints. No more than two members of the Commission at any one time shall be an officer or director, past or present, of the United States Olympic Committee, or of any other national athletic association or federation.

Sec. 203. The President shall designate a Chairman from among the members of the Commission. Any vacancy on the Commission shall not affect its powers and shall be promptly filled.

Sec. 204. The Commission shall review the participation of the United States in the Olympic games, and, if it recommends that such participation should be continued, shall also recommend the form of organization by means of which the United States should participate in the Olympic movement and shall present specific proposals for any legislation required to implement its recommendations. In formulating its legislative recommendations, the Commission shall take into account—

(1) the objectives of the modern Olympic movement and the extent to which those objectives are being met;

(2) the manner in which the Olympic games are administered, with particular attention to the views of those who participate in those games as athletes, coaches, officials, or otherwise, or who have attended such games in any other category;

(3) the role which the United States Olympic Committee has played in international sports and the manner in which the United States participation in the Olympic games has been organized and administered by that committee;

(4) the policies which would assure the selection on a fair and equitable basis of the best qualified athletes, coaches, managers, trainers, and other officials and which would provide the maximum opportunity for persons to develop their athletic skills and participate in international athletic competition; and

(5) the arrangements which will best protect the interests of the individual athletes during the period of their training for, travel to, and participation in the games.

Sec. 205. The Commission shall submit to the President and to the Congress a final report of its findings and recommendations on the earlier of—

(a) the one hundred and eightieth day after the date on which the ninth member of the Commission is appointed, or

(b) March 15, 1974.

Sec. 206. Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals; and

(3) hold such hearings, sit and act at such times and places, and administer such oaths, as the Commission or any subcommittee or any three of the members thereof may deem advisable.

Sec. 207. Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to * * *

TITLE III—AMATEUR ATHLETIC INFORMATION CENTER

Sec. 301. (a) Establishment—There is hereby established within the Department of Health, Education, and Welfare an Amateur Athletics Information Center.

(b) The Center shall have a director and such other personnel as may be necessary to enable the Center to carry out its duties and functions under this Act and shall coordinate its functions with those of the President's Council on Physical Fitness and Sports.

Sec. 302. (a) Functions—It shall be the duty and function of the Center to locate, collect, review, organize, publish, and disseminate information and data related to Amateur Athletics.

(b) The information and data with respect to which the Center shall carry out its duties shall include but not be limited to information and data with respect to the following—

(1) Existing and potential procedures for the financing, construction, maintenance, and better utilization of athletic facilities.

(2) Facts, studies, and experiments relating to improved safety in athletic completion including innovative changes in equipment and facilities.

(3) Facts, studies and experiments relating to the health of athletes including but not limited to the use of drugs and other medications by athletes and innovative techniques in physical therapy used to treat athletic injury.

(4) Information related to potential sources of financial assistance, both public and private, which are available to communities, institutions, and individuals to promote Amateur Athletic competition and improve athletic facilities.

Sec. 303. (a) Administration—The Secretary of Health, Education, and Welfare shall make available to the Center all information and data within the Department of Health, Education, and Welfare which may be beneficial in carrying out the duties and functions of the Center.

(b) Each department or agency of the Federal Government is authorized to make available to the Secretary for use by the Center, any information or data which the Secretary may request for such use.

(c) The Secretary of Health, Education, and Welfare shall, to the maximum extent feasible, enter into arrangements whereby State and other public and private agencies and institutions having information or data which is useful to the Center in carrying out its duties and functions will make such information and data known and where possible available for use by the Center.

Sec. 304. Authorization—There is authorized to be appropriated such funds as are necessary to carry out the objective of this Act.

Mr. TUNNEY. Mr. President, I would like to ask my good friend if he has had an opportunity to read the legislation that is before the Senate, and particularly the portion that appears in amendment 459, subsection (10) which states:

> (10) "Restricted competition" means amateur athletic competition which is restricted to a specific class of amateur athletes, including, but not limited to, high school or collegiate athletes, members of the Armed Forces, or any other specific category of amateur athletes.

This bill relates to unrestricted competition, not restricted competition.

In other words, what we do by that definition is to take out from under the legislation that classification of athletic events. Therefore, college events, high school events, and events restricted to members of the Armed Forces are exempted from coverage; and all it takes is a simple reading of the legislation to know that.

I am saying that the coaches and the university presidents did not read the legislation; they just followed the dictates of a letter put out by the NCAA.

I talked to a Senator who said he received a letter from one of the colleges in his State saying the bill would strangle intercollegiate athletes. That indicates the person who wrote the letter did not have any understanding of the legislation whatever. That is the kind of misinformation and obfuscation of fact we are faced with in connection with the passage of this bill.

I wish that in the case of amateur athletics a substantial price tag were involved so that Senators would read the legislation and know themselves what it provides.

Special lobbying groups are interested in one thing, and that is protecting their monopoly, the domain that they have had for years and years. Douglas MacArthur tried to do something about it and he gave up; Archibald Cox tried to do something about it and he gave up; the Kheel Commission tried to do something about it and it gave up. At last we have an opportunity to do something to eliminate this warfare which only hurts amateur athletes and unfortunately, because of the propaganda, many Senators do not understand what the bill is about and would vote against it.

Mr. DOLE. The Senator asked a question. If I can recall the question, I wish to answer. I think the question was whether or not I have read the bill. I have, and I have read the committee report.

I read some rather broad language in the bill including a section on page 17, sort of blanket authority which gave the board any authority they deemed necessary to carry out the act, together with other broad powers which are granted to the Board throughout the bill.

As I indicated earlier, I am not opposed to the concept of the legislation and I do not wish to get into a quarrel with the two Senators who are the principal sponsors of the bill. I do not want to oppose the purpose of the legislation. I am only suggesting that a number of Senators have been contacted by their constituents and I think perhaps at times the Senator from California and the Senator from Kentucky respond to calls from their constituents, and normally find there is some merit to their complaints.

We need now to get the matter back to the committee to—I do not wish to say improve it, but at least to perfect it, because there is room for reasonable objection.

Mr. TUNNEY. Mr. President, I think the suggestion made by my good friend yesterday was a good one, that perhaps if the bill received more consideration we would be able to give an opportunity for coaches to come and testify, as well as athletic directors and presidents of universities, and that perhaps some of the fog that surrounds the bill could be eliminated.

I must say, however, that there is one aspect of the propaganda campaign that very deeply disturbs me. I was talking to a basketball coach of a major college recently. I asked him why it was that the NCAA opposed the bill so much and why the coaches were coming forward and opposing the bill. This particular coach was for the legislation. He said:

> Well, the NCAA has a rule book. There are literally thousands of rules. There is no coach in the country who is a member of the NCAA who is not in violation of at least one of the rules. If the NCAA should send a team down to investigate the coach they could always find some violation of the rules which would mean they would be able to suspend the coach of the college from intercollegiate sports.

Thus when the NCAA blows the whistle, all the coaches steps in line.

I do not know whether that is true or not true, but this was a distinguished coach at a distinguished university telling me privately what the situation was, and I have no reason to disbelieve his observations.

I think that explains why it is that we have coaches writing in and university presidents calling in saying we have to defeat this legislation, without having read the bill. I think that is a tragic situation.

I yield to the Senator from Kentucky.

Mr. COOK. Mr. President, under the circumstances, in view of the discussion we have had, I would like to now move that S. 2365 be recommitted to the Commitee on Commerce, to be reported back to the Senate on or before November 8.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, I think it should be reported fairly soon, but I would point out that we are going to have a 2-week recess for the House to catch up, and that would give us only about 2 weeks to consider the bill.

Mr. COOK. I am giving us 2 weeks on this end and 2 weeks at the latter end.

Mr. DOLE. We come back the 29th.

Mr. COOK. It is the rest of that week and the following week.

Mr. DOLE. When does the Senator propose to hold hearings?

Mr. COOK. We can have hearings during the first 2 weeks in November.

Mr. TUNNEY. Mr. President, if I could proceed here, I do not see any reason at all why we could not hold hearings, if Senators would be prepared to sit in on the hearings, and I for one would be prepared, at the end of next week or to hold hearings the first few days of the recess, and then, if there was any need to have any further hearings, hold hearings the first few days in the month of November. I am willing to do this despite the fact that I have already sat through very extensive hearings on this issue, and even though these additional hearings are necessary only because of the confusion caused by the deliberate misstatements of the opponents of this bill. These hearings would give the Commerce Committee plenty of opportunity to listen to witnesses and mark up the bill.

I think the Commerce Committee is completely familiar with the legislation, having considered it originally and having passed the bill out of committee.

I recognize what my very dear friend from Kentucky has said—that the facts are that there is so much misunderstanding regarding the legislation that we really ought to have an opportunity to clarify the issues and to give people who disagree an opportunity to come forward.

So I wholeheartedly concur with my friend's suggestion that this bill be recommitted to the Commerce Committee.

Mr. ALLEN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Did I understand that the Senator is making this in the form of a unanimous consent request?

Mr. COOK. Would the Senator repeat that?

Mr. ALLEN. Is the Senator making a motion or a unanimous-consent request?

Mr. COOK. Well, it does not have to be in the nature of a unanimous-consent request.

Mr. ALLEN. That being true, it would be subject to amendment, and if the Senator would file his motion, it would be subject to amendment, and I would like to suggest a different time.

On the other hand, if it is a unanimous-consent request, I would interpose no objection if he would amend his unanimous-consent request by stipulating that when the bill comes back to the floor of the Senate, or the time limitation agreement heretofore entered into by unanimous consent would be rescinded. There was 1 hour to the side stipulated. We have already been debating this measure for an hour or more, so the time is just about up.

I would have no objection to the bill's going back to committee if, when it comes back to us, we find ourselves in the position we would find ourselves in with respect to any bill freshly reported from a committee.

So if the Senator would make that agreement or couple that with his request, I would interpose no objection.

Mr. COOK. May I say to the Senator from Alabama that this bill was on the calendar for quite some time. It really was not a newly reported bill out of the Commerce Committee as it came out of the committee in its original form. It has been on the calendar now for 3 weeks or longer, perhaps a month.

I may say that when the unanimous consent agreement was reached, at the request of the distinguished Senator from West Virginia, obviously there was no objection to it at that time.

Mr. ALLEN. Probably with no one on the floor.

Mr. COOK. I do not really know. I would say to the Senator from Alabama, he covers the floor quite extensively. Is the Senator saying he wishes a longer time for debate on the bill?

Mr. ALLEN. An unlimited time, yes, like any other bill coming before us.

Mr. COOK. I must say, as the Senator who handles a number of bills out of the Agriculture and Forestry Committee, he agrees to time limitations on such bills. I cannot see how he would say this should be on another basis.

Mr. ALLEN. When they come out of committee, they come on an unlimited basis.

Mr. COOK. If the Senator is saying when it comes back we will have to work out a new agreement, is it my understanding the Senator from Alabama will not, under any circumstances, agree on a time limitation, whatever bill comes out of the Commerce Committee?

Mr. ALLEN. No; I do not say that, but I want to have the option of agreeing to it, because as it is now each side has an hour.

Mr. President, how much time remains to each side under the agreement?

The PRESIDING OFFICER. There are 20 minutes for the Senator from California and 47 minutes for the minority.

Mr. ALLEN. Approximately 1 hour of the 2 has been used.

So, I would interpose an objection to the unanimous consent request unless the Senator agrees that the previous unanimous consent agreement be rescinded.

Mr. COOK. Mr. President, I suggest the absence of a quorum so that I might prepare a motion in writing.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that suggestion regarding the suggestion of the absence of a quorum and allow me to take up a resolution which has been cleared on both sides in the meantime, while he is preparing it, with the understanding that no time will be charged against either side?

Mr. COOK. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the message from the House that I had expected has not yet reached the Senate, so I will proceed to something else.

ADDITIONAL CONFEREES TO S. 1983, ENDANGERED SPECIES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the names of Senators Moss and Cook be added as additional conferees on S. 1983, endangered species.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECORD HELD OPEN FOR FURTHER EULOGIES TO TOM VAIL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Record be held open for 10 additional days to allow Senators who wish to express eulogies for the late Tom Vail, who was the chief counsel of the Committee on Finance, to have an opportunity to express such eulogies for the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BARTLETT AND PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow, the distinguished Senator from Oklahoma (Mr. Bartlett) be recognized for not to exceed 10 minutes, after which there be a period for the transaction of routine morning business of not to exceed 20 minutes, with a limitation on statements therein of 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of Mr. Bartlett on tomorrow for a period of not to exceed 10 minutes be changed to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, under the previous order, is it not correct that at the conclusion of routine morning business tomorrow, the Senate will proceed to the consideration of the HEW appropriation bill?

The PRESIDING OFFICER. The Senator is correct.

AMATEUR ATHLETIC ACT OF 1973

The Senate continued with the consideration of the bill (S. 2365) to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition.

Mr. COOK. Mr. President, my motion for recommittal is at the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

> I move that S. 2365 be recommitted to the Committee on Commerce and that same be reported to the Senate on or before November 8, 1972.

The PRESIDING OFFICER. There are 20 minutes on the motion to be equally divided. Who yields time?

Mr. COOK. Mr. President, I reserve the remainder of my time.

Mr. TUNNEY. Mr. President, I would suggest if possible that we get a vote immediately if both sides are willing to yield back the remainder of their time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. TUNNEY. Mr. President, is that agreeable with the Senator from Maryland?

Mr. BEALL. Mr. President, I do not have control of the time. The sponsor of the bill, I suppose, would control the time in opposition.

The PRESIDING OFFICER. The Senator from California controls the opposition time.

Mr. TUNNEY. Mr. President, I yield back the remainder of my time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry one of its reading clerks, announced that the House had passed the joint resolution (H.J. Res. 753) making further continuing appropriations for the fiscal year 1974, and for other purposes, in which it requests the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 6628) to amend section 101(b) of the Micronesian Claims Act of 1971 to enlarge the class of persons eligible to receive benefits under the claims program established by that act.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 6768) to provide for participation by the United States in the United Nations environment program; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Fraser, Mr. Morgan, Mr. Fascell, Mr. Frelinghuysen, and Mr. Gross were appointed managers on the part of the House at the conference.

QUORUM CALL

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered

HOUSE JOINT RESOLUTION 753—CONTINUING APPROPRIATIONS, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 3 minutes without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 753.

The PRESIDING OFFICER (Mr. Haskell). The Chair lays before the Senate, House Joint Resolution 753 which will be read the first time by title, as follows:

> A joint resolution (H.J. Res. 753) making further continuing appropriations for the fiscal year 1974, and for other purposes.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time.

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the distinguished chairman of the Appropriations Committee, the Senator from Arkansas (Mr. McClellan), and at his request I have talked with the Senator from North Dakota (Mr. Young) and with the Senator from New Hampshire (Mr. Cotton). The request has been cleared with both of those Senators. It has been discussed with the distinguished assistant Republican leader, who is present on the floor.

This is another continuing resolution granting authority for the operation of the Government through the period ending October 11, 1973. The Senate earlier today passed House Joint Resolution 727, a continuing resolution providing authority for the operation of the Government from October 1, 1973, through the sine die adjournment date of the 93d Congress, 2d session. House Joint Resolution 727 as it passed the Senate today has amendments which must be dealt with in conference with the House. Some of the language is highly controversial and it may take a few days to reach full agreement with the House of Representatives.

In addition, the House intends to adjourn until Tuesday, October 9, 1973, over the Columbus Day holiday. Since the original continuing resolution adopted July 1, 1973, expired at midnight September 30, and since only three of the regular appropriation bills have been signed into law, it is necessary that authority be granted for the operation of the Government. This resolution is only for a few days. It passed the House about 6:20 this evening, and I am hopeful that the Senate will agree to it.

Mr. GRIFFIN. Mr. President, I concur in what the distinguished majority whip has said. He stated the facts exactly as they are. This resolution is for a very brief time. It is necessary in order to recognize the practical realities of the situation we face.

There will have to be a conference concerning the different positions of the two Houses on the continuing resolution passed earlier today by the Senate. During this interim this continuing resolution for a brief period of time is necessary. It has been cleared with the ranking minority member, the Senator from North Dakota (Mr. Young).

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 753) was ordered to a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished assistant Republican leader and I think the Senators who have been discussing the amateur athletic bill for their kindness in yielding.

ORDER FOR ADJOURNMENT FROM TOMORROW TO MONDAY, OCTOBER 8, 1973, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business tomorrow, Thursday, it stand in adjournment until the hour of 10 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMATEUR ATHLETIC ACT OF 1973

The Senate continued with the consideration of the bill (S. 2365) to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition.

Mr. COOK. Mr. President, I hope we have worked out an agreement. I will explain it and hope that it will be satisfactory. It meets with the approval of the Senator from Alabama.

Mr. President, I move that in the proposal I submitted to the desk that where it says "reported to the Senate on or before November 8," it read "reported to the Senate not before November 8, 1973."

Then, after that, I ask unanimous consent that the original unanimous-consent agreement for a time limitation on the bill, which is 2 hours, be extended to 3 hours on the bill, and ask that the same agreement relative to amendments as was in the original proposal remain intact.

Mr. BEALL. Mr. President, reserving the right to object, does the Senator from Kentucky make any change in the original agreement relative to amendments?

Mr. COOK. I do not.

Mr. BEALL. Mr. President, might I suggest that it would be more suitable if there was 1 hour rather than one-half hour as in the original unanimous-consent agreement.

Mr. COOK. Mr. President, I have no objection if it meets with the approval of the leadership.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I shall not object, I want to thank the Senators for working out what I think will prove to be a resolution of the problem.

Would the distinguished Senator from Kentucky include in his request debatable motions or appeals and place a time limitation thereon of 30 minutes on such debatable motions or appeals, and also a proviso that the agreement be in the usual form.

Mr. COOK. Mr. President, I say to the Senator from West Virginia that I thank him very much. All I was doing was amending the original unanimous-consent agreement which contained that language, and the only amendment I was making to the unanimous-consent agreement was that rather than 2 hours, it be 3 hours on the bill and rather than 30 minutes on amendments, it be 1 hour on amendments. The original proposal by the majority whip stays in its original form otherwise.

Mr. ROBERT C. BYRD. Mr. President, and the time to begin to run ab initio once it is before the Senate.

Mr. TUNNEY. Mr. President, reserving the right to object, and I shall not object, I thank the distinguished Senator from Alabama for agreeing to the unanimous-consent request, and also thank the Senator from Kentucky for proposing it.

As the floor manager, I feel this is a very good arrangement.

Mr. COOK. Mr. President, I ask unanimous consent that I be permitted to amend my original motion pursuant to the language that I have just extended, and I ask unanimous consent that the original order for the time limitation on the bill and the time limitation on amendments be amended in relation to the remarks I have just made.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? Without objection, it is so ordered.

Mr. COOK. I now ask for the vote on the motion.

The PRESIDING OFFICER (Mr. HASKELL). The question is on agreeing to the motion of the Senator from Kentucky as amended.

The motion was agreed to.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1974—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, merely for the purpose of laying it before the Senate, without any action to be taken thereon today, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 390, H.R. 8877.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no time be charged against this bill today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that the agreement entered into previously with respect to this bill be modified in the following manner:

That there be a time limitation on the bill of 12 hours instead of 10 hours, as originally agreed, and that there be a time limitation on any amendment to of 30 minutes, rather than 1 hour, as originally agreed to.

These requests have been cleared with the distinguished Senator from New Hampshire (Mr. COTTON), the ranking Republican member of the Subcommittee on Appropriations for Labor and HEW, with the distinguished Senator from North Dakota (Mr. YOUNG), and with the distinguished manager of the bill, the Senator from Washington (Mr. MAGNUSON).

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING THE ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until 10 o'clock a.m. tomorrow, the Vice President, the President pro tempore, and the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE HOUSE OF REPRESENTATIVES DURING THE ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until 10 a.m. tomorrow, the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON SURFACE MINING BILL

Mr. ROBERT C. BYRD. Mr. President, I have unanimous consent—I have not cleared this with the other side of the aisle, but it was understood in discussions with the Republican leadership and with other Senators today—that upon the disposition of the Labor-HEW appropriation bill, the Senate proceed to take up S. 425, the bill on surface mining.

Therefore, in order that all Senators may know that will be the next measure once the HEW appropriation bill is disposed of, and surface mining would in any event not come before the Senate until Monday of next week and possibly not before Tuesday, depending on whether or not the HEW appropriation bill is disposed of tommorow or on Monday or Tuesday, or whenever, I ask unanimous consent that upon the disposition of the Labor-HEW appropriation bill, the Senate then take up S. 425, the bill on surface mining.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 10 o'clock a.m.

After the Senator from Oklahoma (Mr. BARTLETT) has been recognized for not to exceed 15 minutes under the order previously entered, there will be a period for the transaction of routine morning business of not to exceed 20 minutes, with statements therein limited to 3 minutes.

On the conclusion of morning business, the Senate will resume the consideration of Calendar Order No. 390, H.R. 8877, the Labor-HEW appropriation bill, under a time limitation.

Yea-and-nay votes will occur tomorrow on amendments to the bill, and possibly—at least that is the hope of the distinguished manager of the bill (Mr. MAGNUSON)—final action could occur tomorrow on that bill. In any event, there will be yea-and-nay votes tomorrow.

At the conclusion of business tomorrow, the Senate will go over until Monday, October 8, on which day the Senate will resume the consideration of the Labor-HEW appropriation bill, if not disposed of tomorrow.

If the aforementioned bills are completed, together with other measures on the calendar cleared for action, and if several conference reports can be agreed upon, all by the close of business next Friday, October 12, or Saturday, October 13—hopefully Friday—the Senate will then recess for 2 weeks, to reconvene at 12 o'clock noon on Monday, October 29.

So there is that condition, Mr. President, that the Senate complete its business on the HEW appropriations, also on surface mining, and any other measures that have been cleared on the calendar, and on as many conference reports as can possibly be agreed to; and the leadership would urge Senate committee chairmen who have measures pending in conference with the House of Representatives to act as expeditiously as possible to wrap up conferences and present conference reports to the Senate floor for action next week if at all possible, before the aforementioned recess begins.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and at 6:57 p.m., the Senate adjourned until tomorrow, Thursday, October 4, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate October 3, 1973:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be lieutenants

Joseph A. Sowers
Larry A. New
Andrew N. Bodnar, Jr.

To be lieutenants (junior grade)

Christopher B. Lawrence
James E. Newcomer
Robert B. Zider
Larry L. Minter
Frank B. Arbusto, Jr.
Stephen D. Whitaker
Stephen A. Young
Bruce L. Crumley
Richard P. Moore
Robert C. Hoge
Richard A. Zachariason
James A. Wexler
Charles L. Kureth
Joseph D. Wilson
Patrick L. Wehling, Jr.
Thomas W. Ruszala
Thomas R. Crane
Bobby J. Taylor
Kenneth H. Underwood
Joseph M. Kunches
Steven J. Hollinshead
Michael J. Eisenstat
Robert E. Karlin
James A. Watkins
Steven R. Birkey
Craig S. Nelson
Stephen H. Manzo
Alan J. Pickrell
Craig B. Christensen
Dan E. Tracy
Neil P. Gloier
Thomas W. Jackson III
Bruce E. Shimano
Hugh H. Sprunt, Jr.
Kent J. Stong

To be ensigns

David Pasciuti
Craig P. Berg
Francesca M. Cava
Donald A. Dossett
Joanne Gulley
Bruce B. Johnson
Charles D. Mason
Bryan K. Mezger
William D. Otto
Kenneth W. Perrin
Thomas G. Russel

HOUSE OF REPRESENTATIVES—*Wednesday, October 3, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Trust ye in the Lord forever: for in the Lord God is everlasting strength.—Isaiah 26: 4.

O Thou whose love will not let us go and whose light follows us all our way, make us responsive to Thy spirit as we open our hearts unto Thee. Help us to meet the challenge of these times with courage, to carry our responsibilities with confidence, and to solve our ever-present problems with creative wisdom.

We pray for our President, our Vice President, our Speaker, Members of Congress and all who work with them. They have pressures which tax their resources to the limit, duties which demand their attention and abort their time, criticisms which often make their lives miserable. Grant that our people may begin to think of our leaders more and more with sympathetic hearts and understanding minds and less and less with provincial prejudice and fruitless faultfinding.

Bowing before the altar of prayer give to us all a greatness of spirit, a purity of heart, and a willingness to serve Thee and our country with all our being.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

PROPOSED AMENDMENT TO URBAN MASS TRANSPORTATION ASSISTANCE ACT

(Mr. WOLFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLFF. Mr. Speaker, I would like to alert my colleagues to the fact that this afternoon I will be offering an amendment to the Urban Mass Transportation Assistance Act. The amendment directs the Secretary of Transportation to conduct a full and complete safety investigation of rail facilities in New York that are supervised or leased by the Metropolitan Transportation Authority.

Over the summer, New York City has experienced six major accidents on its rail system. Local officials have called upon Secretary Brinegar to conduct a systemwide safety investigation in an effort to prevent similar catastrophes from occurring in the future. Because the Secretary has declined to do such a study, I will be offering my amendment in the interests of protecting New York's 4 million daily transit riders.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS TO FILE REPORT ON H.R. 10203, WATER RESOURCES DEVELOPMENT ACT OF 1973

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a committee report on H.R. 10203, the Water Resources Development Act of 1973.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROSPECTIVE WHEAT SHORTAGES

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. JONES of Oklahoma. Mr. Speaker, for the past 2 months I have conducted a mobile congressional office which visited all parts of my congressional district. One of the dominant and recurring themes in my district is the shortage of critical products and, in particular, the shortage of wheat which may occur because of an increase in wheat exports in the coming year.

The Department of Agriculture says that we have a bumper crop of 1.8 billion bushels of wheat, of which 1.1 billion bushels are already committed to export sales.

Because of the great interest in my district, in early September I wrote to Secretary of Agriculture Butz and asked for an explanation of the shortage and asked what the Department was doing to insure a domestic supply in the coming year. About 2½ weeks later, I received a response, not from the Secretary of Agriculture, but from the Assistant Sales Manager of the Commodity Exports Division of the Export Marketing System of the USDA, who answers to the Associate Sales Manager, who answers to the Deputy Associate Secretary, who answers to the Assistant Secretary for International Affairs and Commodities Programs.

None of the questions which I raised was answered. It was a bunch of bureaucratic "bushwa" that simply could not be explained or understood.

Mr. Speaker, this afternoon I am taking a special order to explore the prospective shortage of wheat in the coming year, and I encourage the other Members of this body to join me in calling the attention of the Nation to this critical problem. If there is one thing that consumers in this country cannot understand, it is that there is not enough wheat to insure bread on the table at a reasonable price in the coming year. It is going to be a very serious situation which we are all going to be called upon to explain.

INVESTIGATION OF THE VICE PRESIDENT

(Mr. HUBER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBER. Mr. Speaker, it is now common knowledge that the majority leadership of this body has elected to reject the request of the Vice President that the House initiate an impeachment investigation.

Are those of us who are committed to country above party and justice above partisanship to understand that the majority party may, at a private meeting, repeal a portion of the Constitution? Does political convenience control the application of this body to its duty? Are there those who feel that article I, section 2, clause 5 of the Constitution imposes a rule only when it is convenient?

Members have been free with hints and rumors and leaks that threatened just what the Vice President has demanded. It is now obvious that the leaks meant not a lust for justice but a ploy for political advantage.

We are now spectators at the comedy of the courts being inappropriate in January but untouchable in September. Archibald Cox is unleashed without legal sanction while the House must not exercise even its constitutional mandate. Will the public long credit the respect for law, the need for justice or the commitment of this House to either, if a small coterie of House leaders from the opposition party is permitted to amend the Constitution unilaterally?

PROPOSED ELECTION REFORM

(Mr. DENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, this morning's Post carries a story that was completely out of thin air, and without any fabric of truth in it at all. It relates to a young lady who crudely invaded the private office of the chairman of the Committee on House Administration, where we were holding a conference trying to work out some strategy to move the post card registration bill from the table where it had been laid by the subcommittee, and to move the reform hearings up a little.

In this young lady's story she said that she was booted out of the office, I believe, by the gentleman from Ohio (Mr. HAYS) and myself. Well, I do not swing my feet and miss, so she was not booted. But I want to say that it is about time that we stand up to these private-interest organizations that take one little item of our agenda and ride it to death.

Common Cause has only one common cause, and that is to collect $20 from 250,000 people, and to report to them the activities of the House. They do not report anything except events and incidents that can be twisted into a condemnation of House Members. I have never heard anything from Common Cause on any subject except election reform. Common Cause wrote the major part of the bill that is now on the books, which was the base for the greatest election scandal in the history of the United States.

I, for one, as chairman of the subcommittee, am not going to be stampeded into writing any piece of legislation in this body that will compound the felony as it were following Common Cause approved ceilings for spending sums of money for campaigns for Congress that are far beyond at least 85 percent of citizens ability to put into a campaign.

We are going to write a reform proposal, but it is the Congress that will write it, and not Common Cause.

I hope it will do at least the following:

A. Limited expenditures based upon a reasonable relationship between salary and campaign costs.

B. A single reporting committee for which the candidate is personally responsible.

C. Limit the amount an individual can contribute.

D. Open reporting available upon request by any citizen.

E. Pre-empt Congressional reporting with copies of Federal reports filed with proper State and/or local government.

F. Will not raid the public treasury and increase taxes to give candidates a free ride to force TV time and other items.

G. Will not deny any citizen the right and priviledge to stand for election by setting up unreasonable barriers to third party or minority parties or individuals.

PROPOSED ELECTION REFORM

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, in line with what the gentleman from Pennsylvania (Mr. DENT) said, may I say that the committee is holding hearings on election reform.

The gentleman from Pennsylvania is exactly right. It was Common Cause and some of their henchmen who tore up the election reform bill that we had and substituted their version, which made it possible for Watergate to happen.

Common Cause exists, as far as I can find out, only to promote the Presidential aspirations of John Gardner, which is probably the most ridiculous promotion since P. T. Barnum tried to promote his circus midget for that office.

John Gardner, as I have said before, has won hands down the accolade of being the worst Secretary of Health, Education, and Welfare the country ever had—and he had no mean competition in that contest, he was running against the likes of Oveta Culp Hobby. And you know, when you can beat her for being the worst Secretary there is, you really have to work at it.

If there are, as Common Cause alleges, 250,000 people in this affluent society who are stupid enough to send John Gardner 20 bucks, that just goes to show that the country is a lot more affluent than a lot of us thought it was.

APPOINTMENT OF CONFEREES ON H.R. 6768, PARTICIPATION BY THE UNITED STATES IN U.N. ENVIRONMENT PROGRAM

Mr. FRASER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6768) to provide for participation by the United States in the U.N. environment program, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota? The Chair hears none, and appoints the following conferees: Messrs. FRASER, MORGAN, FASCELL, FRELINGHUYSEN, and GROSS.

MICRONESIAN CLAIMS ACT OF 1971

Mr. FRASER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6628) to amend section 101(b) of the Micronesian Claims Act of 1971 to enlarge the class of persons eligible to receive benefits under the claims program established by that act, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 5, strike out "1974" and insert "1947".

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

URBAN MASS TRANSPORTATION ASSISTANCE ACT OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 372 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 372

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6452) to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes, and all points of order against said bill for failure to comply with the provisions of clause 4, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five minute rule. It shall be in order to consider the amendment recommended by the Committee on Banking and Currency now printed on page 9, lines 1 through 17 of the bill notwithstanding the provision of clause 4, rule XXI. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 372 provides for an open rule with 2 hours of general debate on H.R. 6452, a bill to amend the Urban Mass Transportation Act of 1964 to provide an increase in the amount authorized for assistance and to increase the portion of project cost which may be covered by a Federal grant.

House Resolution 372 provides that all points of order against the bill and the committee amendment for failure to comply with the provisions of clause 4, rule XXI of the rules of the House—prohibiting reappropriations in a legislative bill—are waived.

House Resolution 372 also provides that it shall be in order to consider the amendment recommended by the Committee on Banking and Currency now printed on page 9, lines 1 through 17 of the bill as an original bill for the purposes of amendment.

H.R. 6452 directs the Secretary of Transportation to allocate operating subsidies under a formula based on three factors: Population of the area served by the mass transit system; the total number of revenue passengers carried by the system; and the total revenue vehicle miles traveled by the system. The bill prohibits the allocation of subsidies unless the Secretary receives from the State or local body a comprehensive mass transportation service improvement program.

The bill authorizes $400 million for each of fiscal years 1974 and 1975 for the operating subsidy program. Section 3 of the bill provides for an increase in the capital grant ratio from a two-thirds Federal one-third local contribution to an 80 percent Federal 20 percent local contribution.

Mr. Speaker, I urge adoption of House Resolution 372 in order that we may discuss and debate H.R. 6452.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 490]

Ashley
Barrett
Blatnik
Brown, Ohio
Burke, Calif.
Chisholm
Clark
Clay
Conyers
Dingell
Edwards, Ala.
Esch
Fraser
Gubser
Gude
Hanna
Harsha
Hébert
Johnson, Colo.
Jones, Ala.
Kluczynski
Leggett
Lott
Melcher
Mills, Ark.
Myers
Nichols
Peyser
Pike
Powell, Ohio
Reid
Rooney, N.Y.
Rosenthal
Runnels
Sandman
Vander Jagt
White
Whitten

The SPEAKER. On this rollcall 396 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

URBAN MASS TRANSPORTATION ASSISTANCE ACT OF 1973

The SPEAKER. The Chair recognizes the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. HORTON).

(Mr. HORTON asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. HORTON. Mr. Speaker, I rise in support of H.R. 6452, the Urban Mass Transportation Assistance Act of 1973. This legislation would extend Federal operating assistance to the Nation's mass transit systems at a modest authorization level of $800 million for fiscal year 1974 and fiscal year 1975.

While our communities contemplate drastic steps to curtail the use of the private automobile and to comply with air quality standards, this year's budget would make only 6 cents of each transportation dollar available for mass transit, compared to 57½ cents for highways. Better mass transit is the key to mobile, less polluted and less congested cities, but we will not succeed as long as rising fares send riders back to their cars.

Congress began responding to these realities earlier this year when we finally succeeded in freeing a portion of highway trust fund money for the capital needs of mass transit systems. Our action on the bill before us today will signal whether we want to progress further toward an enlightened transportation policy.

Mr. Speaker, I would like to use my time to commend the Banking and Currency Committee for including in H.R. 6452 specific provisions to aid the elderly and the handicapped, provisions which are absent from the measure passed by the Senate. H.R. 6452 requires that any transportation system receiving operating subsidies must provide the handicapped and the elderly—age 62 and over—half-fares or less during nonpeak hours.

The transportation needs of our Nation's elderly were brought to my attention through a major conference on senior mobility held in my district. That conference centered on a simple point. While much needs to be done to improve mass transit routes and accessibility, those improvements will be futile if the elderly individual cannot afford the fare. It is for this reason that the White House Conference on Aging, the National Council of Senior Citizens, the National Council on Aging, and the American Association of Retired Persons have all called for the Federal Government to improve senior citizen mobility through Federal operating subsidies. H.R. 6452 not only accomplishes that goal but makes such support contingent upon reduced fares for the elderly.

The importance of H.R. 6452 to our handicapped and senior citizens is evident in the communications I have received from the National Rehabilitation Association and the American Association of Retired Persons. I include at this point the comments of those associations for the review of my colleagues:

AMERICAN ASSOCIATION OF RETIRED PERSONS,
NATIONAL RETIRED TEACHERS ASSOCIATION,
Washington, D.C., October 2, 1973.

Hon. FRANK HORTON,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HORTON: The American Association of Retired Persons and the National Retired Teachers Association urge your support for H.R. 6452, authorizing operating subsidies for urban mass transit systems.

Transportation problems experienced by older persons fall into three major categories: design, economics and availability. In an analysis made by the Bureau of Labor Statistics, transportation ranked as one of the largest expenditures in the average retired couple's budget. It accounted for 8.9 cents out of every dollar. The only categories with larger expenditures were food, housing and medical care. However, the true importance of the transportation role is not its relative cost but the dependence of many other activities on transportation services. Without adequate transportation a tremendous obstacle is imposed on the elderly, making it difficult for them to confront the simple tasks of living which they previously had taken for granted. Because of the serious lack of adequate intercity transportation, the elderly frequently abandon shopping, seeing physicians, visiting relatives, going to senior citizen centers, or attending other social activities.

Confronting the issue of transportation, the 1971 White House Conference on Aging declared that it should be federal policy to increase transportation services for the elderly. The delegates to this aging forum urged the federal government to provide financial support for operating subsidies to maintain and develop mass transit systems and declared that such support should be contingent upon efforts to reduce transit fares for the elderly. Both of these priority recommendations are encompassed in H.R. 6452.

Our Associations, with a combined membership of over 5½ million older Americans strongly favor any step aimed at improving public transportation, and we believe H.R. 6452 establishes the basic framework for a realistic program of upgrading our intercity transportation systems, thereby making them more available and accessible to older Americans.

Sincerely,

CYRIL F. BRICKFIELD,
Legislative Counsel.

National Rehabilitation Association,
Washington, D.C., October 2, 1973.
Hon. Frank Horton,
Member of House of Representatives, Washington, D.C.

Dear Congressman Horton: The National Rehabilitation Association strongly supports H.R. 6452 entitled "Urban Mass Transportation Assistance Act of 1973".

The National Rehabilitation Association regards the legislation as basically sound. It is especially interested, however, in that section that has to do with benefits that may accrue to elderly people and handicapped individuals by ensuring that they will have reduced fares during nonpeak hours. As you know, one of the most difficult problems severely handicapped people have is getting to and from work with reasonable facility and at reasonable cost. In addition, there are great difficulties in conducting the normal affairs of life outside of the work situation. We recognize that some jurisdictions have already tried experiments along the line you are suggesting in this legislation, and they have been found to be quite productive. I am sure that many thousands of handicapped individuals and elderly persons will be able to benefit substantially from this legislation. You are to be congratulated upon sponsoring it.

With best wishes, I am
Sincerely yours,

E. B. Whitten,
Executive Director.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 372 is the rule for the consideration of H.R. 6452, the Urban Mass Transit Assistance Act of 1973. This rule is an open rule with 2 hours of general debate. It also waives points of order against the bill for failure to comply with clause 4, rule XXI, which is appropriation in a legislative bill. Additionally, the same waiver of points of order is included against the committee amendment on page 9.

Mr. Speaker, I am opposed to the passage of this rule. It makes in order a bill which will merely cause us to go over much of the same ground that we have already covered in our consideration of the Federal-Aid Highway Act. The Highway Act authorized an additional $3 billion exclusively for mass transit capital grants and also a sum of $2.5 billion for urban transportation programs which can be used for highway construction or mass transit investments. For the first time, it permitted transit projects to be substituted for controversial interstate routes. In addition, the Highway Act included a provision calling for the Secretary of Transportation to evaluate that portion of the 1972 National Transportation Report pertaining to public mass transportation. Among other things the evaluation must include an analysis of the funding capabilities of Federal, State, and local governments for meeting mass transit needs. It makes no sense to spend additional large sums without waiting for the results of this evaluation.

The administration is strongly opposed to the enactment of this bill, at a time when it is essential to control Federal spending. If inflation is to be controlled, we cannot continue to increase Federal spending.

Mr. Speaker, in order that the House may not waste its time fighting over again the battles that were recently fought on the Federal aid to highway bill, I will ask for a no vote on passage of this rule. Let us defeat this rule and not waste our time plowing the same ground twice.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. Latta) a member of the Committee on Rules.

Mr. LATTA. Mr. Speaker, like the gentleman from Tennessee (Mr. Quillen), I am opposed to the passage of this rule and the passage of this legislation.

The President recently signed into law the Federal Aid to Highways Act of 1973, this act authorized an additional $3 billion exclusively for mass transit capital grants and also a sum of almost $2.5 billion for urban transportation programs which can be used for highway construction or mass transit investments.

I do not know why we should now be asked to pass this legislation for operating subsidies. I stress the words "operating subsidies."

I say, Mr. Speaker, how much more do a few large cities want from the taxpayers of this country? If we pass this legislation, the bulk of this $800 million is going to go to five or six of the largest cities in the Nation.

I do not think this is fair to the other taxpayers, Mr. Speaker. I do not think this Congress ought to be considering this legislation.

Certainly I agree with the gentleman from Tennessee, this legislation is not going to become law. The President is not going to sign it. Why should we be bothering with it today? We ought to be dealing with necessary legislation which can become law rather than taking up the time of this House on legislation that is not going to become law.

So I urge that we defeat this rule and get on with other business of this House so that perhaps next month we can adjourn this Congress and save the taxpayers of this country still more money.

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New Jersey (Mr. Widnall).

Mr. WIDNALL. Mr. Speaker, in 1964, I played a part in getting the first mass transit act adopted. I have continued to advocate mass transit legislation ever since, supporting increased authorizations and appropriations for what I regard as basic to the needs of our time and this country.

While I am quite sure that what I have done has had the backing of my constituents and that of other citizens of my native State of New Jersey, I also believe that my activity has not been narrow and parochial. I believe that the transportation problems of my district are common to all parts of the country and are becoming even more troublesome as our population builds.

In expressing this firm conviction, I am not without misgivings. Funds for mass transit are essential. I have taken this position again and again. Beyond that, I am searching for innovative ideas, not just a larger slice of the mass transit "pie" for the interests directly concerned. My principal concern is for the people who ride mass transit of necessity. They should receive the best possible service, and not be charged an outrageous price for it.

I mentioned, however, my misgivings. I do not want to see us subsidize to the point that the subsidized operations gain an unfair advantage over the unsubsidized. Neither do I want advisory bodies that, coming from hundreds of communities within the area served, bog down in local, multivoiced, parochial disputes that have only a peripheral relation, if any, to mass transit.

I will not bore you with a reiteration of my objections, but I would like to make one point. We are still short of essential knowledge concerning mass transit. The only solution offered in this bill is the typical one of throwing money at it in hopes the problems will go away.

The House has already defeated an amendment offered to the Federal-Aid Highway Act of 1973, which would have put the Federal Government in the business of paying operating subsidies for mass transit systems. It seems wasteful that we must now consider the same provision in the form of a separate bill.

This is especially true when one remembers that as part of the Federal-Aid Highway Act of 1973 we included a provision calling for the Secretary of Transportation to evaluate that portion of the 1972 national transportation report pertaining to public mass transportation. Among other things, the evaluation must include:

First. Analyzing the existing funding capabilities of Federal, State, and local governments for meeting mass transit needs;

Second. Analyzing other funding capabilities of Federal, State, and local governments for meeting such needs;

Third. Determining the operating and maintenance costs relating to public mass transit systems; and

Fourth. Determining and comparing fare structures of all such systems.

Also included in the new law is a requirement to study tax sources as revenue mechanisms to assist mass transit.

Surely, it makes sense to await the results of the reports before embarking on such an expensive and possibly never-ending drain on the Federal Treasury.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Speaker, when the decision was made 3 weeks ago to postpone consideration of this transit operating subsidies bill, I cheered, and hoped we had seen the last of the bill. Unfortunately it is back again, so I believe it is necessary to vote down the rule today.

There are numerous objections to this bill that I cannot detail in the limited time available, but I can list some of the worst features.

The worst flaw is that the concept of

operating subsidies is inherently deficient. Operating subsidies turn transit spending priorities upside down. They will perpetuate absolute systems. They will divert limited transit dollars from more needed and more promising capital grant and research programs.

Worse, this bill will set an unwise precedent of Federal liability for operating losses in all systems, even future ones. If this bill passes, we will be accepting unfunded future liabilities amounting to billions of dollars. And how difficult will it be to get a capital grant if DOT and OMB have to consider also the operating loss cost of each new system?

Not only is the $400 million squandered on the wrong systems, but also is spent in the wrong places. Under the bill's allocation formula, a handful of large cities, with traditional—and obsolete systems would get the lion's share of the money. DOT figures show that five cities would receive over 40 percent of the funds each year. New York alone will receive nearly one quarter of the $400 million. The figures for the five largest recipients are as follows:

	Annual subsidy	*Percent of total*
New York	$89.4	22.3
Chicago	26.9	6.7
Los Angeles	18.2	4.6
Philadelphia	16.3	4.1
Boston	11.4	2.8

If, as it appears, our purpose is to bail a few obsolete transit systems out of serious difficulties, we ought to say so rather than cloak that limited objective in the garb of a national transportation program.

The residents in my area already tax themselves to overcome the transit losses in their areas. So do other areas throughout the country. Our transit system is mostly in the planning stage now, but we are prepared to support our system with tax dollars. But I have a lot of trouble explaining why my area should be asked to support inefficient systems in other cities which are not making similar efforts.

We are far better advised to use our limited transit dollars to continue the essential business of developing new technologies and helping cities to pay for them. These programs offer the best hope of reversing the continuing decline of transit patronage. Operating subsidies can only delay the development and deployment of the kinds of systems that people will want to ride.

So let us not waste scarce transit dollars on obsolete systems; let us not accept future liabilities of billions of dollars of future transit operating losses; let us not tolerate a big-city money grab; let us put those scarce transit dollars where they will do the most good. Let us vote down this rule.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, it is my intention, and I think it is the intention of many on this side of the aisle, to fight the rule because it is evident that many are very strongly opposed to the enactment of H.R. 6452. We believe that it would be an academic exercise to pass the rule, consider the bill, and perhaps pass the bill, because it is inevitable that this legislation would not get the approval of the administration.

I have in my hand here a letter dated October 1, 1973, from the Secretary of Transportation, the Honorable Claude S. Brinegar, indicating that the administration is unequivocally opposed to this legislation. I will quote in part from that letter:

> The most important feature of H.R. 6452 would be the establishment of a new categorical grant program making funds available exclusively for operating subsidies. This bill would authorize $800 million for these grants and distribute the money by formula among only the largest urban centers.

On the basis of that fact alone the administration has indicated without reservation that it opposes this legislation.

Mr. Speaker, I therefore urge that we defeat the rule and, if unsuccessful, defeat the legislation.

Mr. QUILLEN. Mr. Speaker, I reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. Mr. Speaker, it has been charged here that this is a "big city" bill. Under any program that has been enacted into law by the Congress of the United States, we apply whatever money is appropriated where the need is.

I might say to the gentleman from Minnesota, my good friend (Mr. FRENZEL), that when he talks about the "big city," he also ought to consider what a State like New York pays in income taxes. They happen to pay $30 billion. Where the population is, that is where the problem is.

I do not know what the gentlemen on the other side think about Secretary Brinegar. I have great faith in him. I have great faith that none of this money will be wasted. We have safeguards in the bill. I will read what section 2 says:

> In order to receive these operating funds, a mass transit system would be required to submit to the Secretary of Transportation for his approval a plan for comprehensive improvement of operations and services. The required plan would set forth a program for providing more efficient, economical, and convenient mass transit service and for placing mass transit operations on a sound financial basis. The Secretary is further empowered by this section of the legislation to issue such regulations as he deems necessary to administer the operating assistance program in an equitable manner, and to develop criteria for evaluating applications for assistance under this new program comparable to criteria presently employed by the Department in the awarding of capital grants.
>
> Another safeguard in the bill is the formula under which the funds would be distributed. The simple device of basing payments in part on the number of passengers carried by a system provides a built in incentive to increase ridership by providing better service.

So what are we concerned about?

As President Nixon said in his 1973 Message on Transportation:

> Nothing can do more to lift the face of our cities and the spirit of our city dwellers, than truly adequate systems of modern transportation . . . Good public transportation is essential not only to assure adequate transportation for all citizens, but to forward the common goal of less congested, cleaner, and safer communities . . . effective mass transit systems that relieve urban congestion will also reduce pollution and the waste of our limited resources.

Mr. Speaker, that is all we are trying to do.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, a statement has been made by one of my colleagues in opposition to the rule that this is a "big city" grab. In my judgment, it is just a response to a need that has been universally recognized as critical. It may seem parochial, but its span of concern and impact is vast.

I have been in the Congress some 5½ years now, and during that period we have dealt with many parochial events and issues much more narrow in scope. It was not too long ago we were considering legislation relative to eucalyptus trees. Most people in America do not even know what a eucalyptus tree is and yet millions of dollars were involved in this proposal.

The legislative agenda this week contains an item concerning the Big Cyprus. It has little or no effect on the 200 million people in the cities in these United States. I heard my friend, the gentleman from Iowa (Mr. GROSS), make reference a couple of years ago to the study of the sex life of the tsetse fly. These matters are not of general universal interest and application.

In my opinion the adversaries of this bill offer poor arguments. They say that perhaps if we pass the rule and if we pass the bill the President will veto it. We should permit the President to review the findings of the Congress and then if he sees fit he will either sign or veto a bill which we feel will provide a great deal of assistance to millions of people in these United States. I harbor a hope that he will recognize the need and sign the bill into law.

We have a crisis in the mass transportation area. We look to Government to respond. The cities have tried and failed. The States have tried similarly and have not done as well, so we look to the ultimate refuge, the Federal Government, for the solution to a problem that concerns millions of people and industry in these United States.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. BRASCO).

Mr. BRASCO. Mr. Speaker, I rise in support of this rule. I have heard during the course of the debate this afternoon that this issue had been decided in the passing of the highway trust fund bill. All of us know that this issue had not been decided because the "guts" of the bill that would come under this rule concerns $800 million over 2 fiscal years to be used for operating subsidies. Public transportation services cannot depend solely on the fare box revenue for their support. Well over $400 million in local taxes are now used to pay for part of the operating costs of public transportation systems in some 123 cities. Nevertheless in the absence of sufficient revenue, the fares necessarily rise, the ridership concurrently decreases, and the services decline. This is a vicious cycle in the cities of this country which they know too well.

I say to my friend who indicates that this was a big money grab on the part of the cities, that it is a known fact that more than 70 percent of the population of this country reside in the cities and they pay most of the taxes. All they are asking in this bill are some little crumbs to operate mass transit facilities.

The condition we find in the cities is a worsening situation. A recent study by the special Commission on Financing of Mass Transit found that in the period 1972 to 1985 the New York metropolitan region will need $13.6 billion to finance mass transit operating deficits. That is approximately $100 million per year and even that is underestimated.

Furthermore, these costs are computed on the assumption of constant ridership, which is unrealistic in the absence of Federal operating subsidies and the resulting need for fare increases. Keeping mass transit fares down must be seen for what it is. It is an essential part of our permanent policy aimed at balancing our urban transit systems; and, although also it is not the sole culprit, rising fares is a culprit in driving people off mass transit into automobiles and thus further crowding our streets and polluting our air.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Speaker, I can understand why our friend, the gentleman from New York, who has been an ardent advocate of this bill would be for the subsidies in this bill because so much of the operating subsidies will go to help bail out the New York system and because all of his constituents travel on that system. The New York system has been in desperate trouble and it has been mismanaged. I can understand why he would be here in the well asking the Federal Government to bail out the bad system, but is it not a bad precedent for this Congress to start bailing out every single transportation system in the Nation that cannot make a go of it because of bad management?

Mr. BRASCO. Let me say to my good friend that New York City has been helping itself. We have been putting up millions of dollars to subsidize our mass transit system and other cities across the face of this land are doing the same. But we can't continue.

What I think my friend fails to understand is that when we build a highway, repairs from time to time may occur, but when we are talking about mass transit, not only are we talking about the buses and trains, but we are talking about the repair shops the mechanics needed to repair the equipment; the operators of those systems; we are talking about conductors, train stations, and bus stops that must be maintained.

Mr. ROUSSELOT. Are policemen in on this subsidy?

Mr. BRASCO. No, but as part of operating a transit system, they are involved in the New York City Transit Authority.

Mr. ROUSSELOT. Mr. Speaker, I want to ask this question: Why should the rest of the Nation's taxpayers bail out New York City because it has not been able to manage its transportation system in a responsible way?

Mr. BRASCO. Mr. Speaker, I do not believe we are bailing out New York City, because every city in the Nation is faced with the same problem. Up to date, we put more than $50 billion into the highway system and we are only asking for $800 million over 2 fiscal years for operating subsidies. I suggest to my friend and to all those who appeared in the well and appeared on behalf of the highways, they ought to remember the commitments they made; that they would vote to assist mass transit. I suggest this is the only way we can help them.

Mr. ROUSSELOT. Mr. Speaker, there is $3 billion in the highway bill for mass transportation. The gentleman still has not answered my question. Why should the taxpayers over the country bail out New York City?

The SPEAKER. The time of the gentleman from New York has expired.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 1 additional minute to the gentleman from New York.

Mr. BRASCO. Mr. Speaker, I suggest to my good friend that what we ought to start is swimming together on all of our diverse interests, or we are going to sink separately.

Let me say what happens as a result of fares going down. In San Diego, the fare was reduced to 25 cents from a previous base of 40 cents, plus additional fractions of a cent for additional zones. Ridership increased by 46 percent in the first month. Similar results have occurred in Seattle, where there was a substantial increase in suburban and urban ridership due solely to reduced fares. In Atlanta, they have reduced their fare and there was an increase in ridership.

Mr. Speaker, I fear we do not understand what the problem is. This is not a big city grab, but an effort on the part of the cities of this Nation to make a mass transit system work in conjunction with other programs that are designed to reduce air pollution, unclog our highways and conserve energy.

I urge my friends to support this rule.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Speaker, I would like to take head-on this question of whether or not this is a big city bill, and also the other question of whether or not the Federal highway bill we passed disposed of this problem.

With respect to the last question, it did not dispose of it, because the Federal highway transportation bill we passed relates only to construction. It does not relate in any way at all to operating subsidies for the commuter lines, bus lines, and subway lines, of the country. Most important this bill relates to the entire country, because every single mass transit line, private or public, will be eligible for assistance subject to a plan submitted to DOT by the appropriate agency in that State.

The Members ought to know this: That almost every single transit line in this country, whether it be private or public, is operating in the red. They are not able to make a go of it.

Going back now to the first question, whether or not this is a big city bill, let us be very honest in our discussion. This bill will apply where the existing transit lines are. It will not be providing an operating subsidy to a transit system that does not exist. Therefore, obviously, where the subway riders are, or where commuters are, or where bus riders are, that is where the money will go.

Is that any different from what we have done, for example, with highways? There is no limitation as to where we will put our highway money. It goes where the highways are. The highways are in the more rural and suburban parts of our country.

I accept that principle, I accept it because it makes sense to put the money where the need is.

Let us consider what we do in other areas of need. We have title I, under our education legislation. We do not have a limit saying how much we shall give to a particular area but rather we base the appropriation upon the number of children in that area in need. It is an allocation based on the number of needy children. That is surely a reasoned rational approach.

Let us consider another area of subsidy legislation that everybody knows about. In 1970 we spent $5.2 billion in subsidies for farmers. I do not know anyone who came here and said, "Let us limit the amount per State." I do not know if New York or New Jersey or any of the Northeastern States gets very much out of that farm subsidy. The fact is they do not. But the Congress made a decision that we shall put the money where the need is.

Now we have before us legislation to help mass transit. Again I want to caution the Members that this is not just for big city subways. This is for bus lines, for bus lines in any town in this country, and there is not a town that does not have a bus line that I know of. They will be eligible also.

I am urging the Members to look at this not from a parochial point of view, that is to object that the Northeast is going to get a major share of the money, or California is going to get a large amount, because this is after all one country.

I know that Members from the heart of our country, the Midwest, come before us in this very well and say, "We have to assist the farmers." They are right. The farmers are citizens of this country who deserves assistance.

When we in the more urban areas of this country come in and say, "We have a need; the need is to keep our cities great because if our cities go down the rest of the country will suffer," we also should be heard.

What I am urging all the Members to do is to look at this from the point of view of what is good for our country. Is it good for this country that our subways, commuter lines and bus lines operate in a way that more people will use them? Who can dispute that?

In 1945, 23 billion people annually used the commuter lines, subway lines and bus lines. It is true that they used those to a greater extent then because cars were not available to the same degree as today, but it is also true today that the number has fallen to about 6.5 billion, or one-quarter of the number use subways and commuter lines and bus lines. We must change that and revitalize mass transit. This bill will do that.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. REID. Mr. Speaker, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from New York.

Mr. REID. I commend the gentleman in the well for his statement.

There is one additional point in terms of thinking about the importance of this legislation which I believe should be mentioned. That is, this legislation is critically important for our senior citizens and our handicapped. As the American Association of Retired Persons and the National Retired Teachers Association point out, the average retirement couple spends about 8.9 cents out of every dollar on transportation. This may mean the difference as to whether they are able to visit a senior citizens center or to see a doctor.

I believe in terms of the elderly and the handicapped this is something critically important.

I urge passage of this bill to provide and improve transportation facilities throughout the Nation, including in New York where high bus and subway fares threaten reduced use of the lines and at least indirectly impede construction of new vitally needed ones. Operating subsidies authorized in this bill would do much to increase passenger use of the lines and in the long run generate new revenues.

Mr. BLACKBURN. Mr. Speaker, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Georgia.

Mr. BLACKBURN. I appreciate the gentleman yielding.

I believe the gentleman made the statement that the operating subsidies would go to private firms as well as public firms. Is that correct?

Mr. KOCH. That is correct, subject to a plan——

Mr. BLACKBURN. The gentleman answered my question.

Mr. KOCH. Let me answer more fully. I control the time, and I would like to answer more fully.

The response to that question is that it is subject to plan approved by the local agency having jurisdiction and further approved by the DOT.

Mr. THORNTON. Mr. Speaker, as a representative from a large district which has little need for urban mass transit and great need for new highways, it might seem unusual that I rise in support of this rule. There is, however, an overriding concern which is felt in the agricultural and rural district which I represent. That concern is whether we will continue to have sufficient energy resources to provide fuel for our tractors, the drying and processing of grain, heating broiler houses, and other energy needs which are vital to the health and well-being of all our people.

For many years our Nation has subsidized the most luxurious form of mass transit which has yet been devised. That is, of course, the system by which each individual drives his own car over public highways to his place of employment. This system has been subsidized by inadequate recognition of real costs associated with this form of transportation. People little realize how much their Government pays for highways and the many facilities which are required to handle this volume of traffic. Many costs have been understated. Motor fuels have been priced as though the supply was inexhaustible rather than limited. No provision has been made for the cost of replacing these fuels with alternate and permanent energy sources.

Other very real costs have not been considered at all. These include the cost to all of us of maintaining acceptable levels of clean air, and the cost to our environment of massive urban traffic interchanges, parking lots and acres of concrete which make life less livable. Nor has a computation been made of the human costs of accidents and injuries associated with our present luxurious transit system.

Mr. Speaker, I am very concerned that the program of mandatory allocations of heating fuels which were announced yesterday may lead steadily to a destruction of the free market for energy to supply our Nation's needs.

This step may call for another and another, leading to a pervasive governmental control over energy resources. Such controls would provide all the leverage required to move our country toward a completely planned society in which everyone's use of energy is based upon governmentally assigned priorities. Because I believe that such a society is most undesirable, I believe that we have a responsibility to meet the energy problem by encouraging conservation of our resources within a free market system.

The bill which is before us represents an effort to do this. It may contain imperfections, but they should be debated and resolved. It seems to me that we must recognize a high national priority to develop subsidized mass transit systems which would conserve scarce fuels and provide economical, if not free, transportation for those who use such systems.

I urge each of my colleagues to join with me in supporting this rule and in further efforts to insure that we use wisely the great resources with which our country is blessed.

Mr. ANDERSON of Illinois. Mr. Speaker, as one who represents an urban State in which the mass transportation system of our largest city is in dire need of operating assistance, and which will soon face very stringent curbs on downtown auto travel, I strongly believe that some kind of Federal aid must be forthcoming.

At the same time, I do not discount for a moment the arguments we have heard about the potential fiscal quicksand that the establishment of an operating subsidy program could lead to. However great the need for operating assistance may be, this bill carries few safeguards protecting the already overstrained Federal budget and provides no assurance that the funds made available will encourage more efficient and improved operation of the systems being aided.

As has been stated a number of times this afternoon, the basic fact about the plight of mass transportation in our urban areas is this: Due to inefficient, archaic management and unattractive services, and the various incentives and subsidies provided alternative modes of travel, especially passenger autos, mass transit in our urban areas is simply a losing financial proposition. Therefore, unless we provide some very strong incentives for modernized management of these systems and a better balance of Government policies between the competing transportation modes, the enactment of operating subsidies is indeed tantamount to pouring money down a rathole. I want no part of dissipating taxpayer money on such a counterproductive endeavor.

To be sure, the authors of this legislation have included a requirement that applicants develop a "comprehensive service improvement plan" which is designed to deal with the problems I have just mentioned. But I think we have all dealt with enough programs and legislation of this type to recognize that such comprehensive plans will be just that: reams of statistics, proposed improvements, and projected blueprints which will never be meaningfully implemented.

In my view, if the committee had been serious about providing incentives and requirements for service improvement and operating efficiencies, it would have put these requirements in the distribution formula so they would have some teeth. Therefore, I have prepared an amendment which I believe would correct a major defect in this legislation as reported to us.

It earmarks one-fourth of the total amount appropriated for the program to be distributed among the eligible areas solely on the basis of increases in ridership. This increase in ridership would be computed as the difference between revenue passengers in the last calendar year and the average level for the 5 years previous to that. In order to balance out the formula, the three factors now in the bill—population, passengers and vehicle miles—would each be given one-fourth of the weight rather than one-third as at present.

Mr. Speaker, I believe adoption of this simple but important change in the distribution formula would go a long way toward making this bill more acceptable. Mass transit systems will never become financially viable until we provide a strong incentive for them to upgrade their operations. The amendment that I am offering would do far more than anything else that has been proposed to accomplish this objective.

Mr. Speaker, I include with these remarks, a copy of the amendment which I propose to offer if the opportunity to do so arises during our consideration of the bill.

AMENDMENT TO BE OFFERED BY MR. ANDERSON OF ILLINOIS TO H.R. 6542

Page 3, line 22: Strike "one-third" and insert in lieu thereof "one-fourth"

Page 4, line 3: Strike "one-third" and insert in lieu thereof "one-fourth"

Page 4, line 11: Strike "one-third" and insert in lieu thereof "one-fourth"

Page 4, line 18: After the word "States" strike everything which follows and insert in lieu thereof "; and"

Page 4, line 19: Between the end of Section (c) as amended above and the beginning of Section (d) insert a new subsection to read as follows:

"(4)(a) one-fourth of the total amount so allocated multiplied by a fraction the numerator of which is the total number of additional revenue passengers, computed pursuant to subsection (b) below, carried by mass transportation systems in urbanized areas of eligible applicants in that particular State and the denominator of which is the total number of such additional revenue passengers, computed pursuant to subsection (b) below, carried by mass transportation systems in the urbanized areas of eligible applicants in all the States.

"(b) For the purposes of subsection (a) of this section the term 'additional' passengers means the number of revenue passengers carried by mass transportation systems in each eligible urbanized area that is certified by the Secretary to be equal to the difference between the average number of such revenue passengers carried in the 'base period' and the number of such passengers carried during the calendar year next previous to the current fiscal year.

"(c) for the purposes of subsection (b) of this section 'base period' means the second through the sixth calendar years next previous to the current fiscal year.

"(d) in making the certification required in subsection (b) of this section the Secretary shall consider only those eligible urbanized areas in which the number of revenue passengers carried during the next previous calendar year is greater than the average number of such passengers carried during the base period.

"(e) In the case of an urbanized area where there are not eligible applicants operating mass transportation systems during part or all of the 'base period', the Secretary may, at his discretion, reduce the amount that would otherwise be available to such area pursuant to subsection (d) by up to 50 percent if, in his judgement, such funds could not be used effectively in such area. Any allocation reduced subject to this subsection shall be reallocated among other eligible urban areas by the Secretary pursuant to subsection (d).

"(f) The sum allocated to any urbanized area pursuant to subsection (4) shall not exceed 100 percent of the amount allocated to such area pursuant to subsections (1) through (3) of this section. All such sums in excess of 100 percent shall be reallocated by the Secretary among the remaining eligible urbanized areas pursuant to the provisions of subsections (1) through (3)."

Mr. ROSTENKOWSKI. Mr. Speaker, the concept of operating subsidies for urban mass transportation is certainly not a concept that is being contemplated for the first time, here, in the 93d Congress. It was advocated by many in both Houses of Congress in the two Congresses that have preceeded this one. Its proponents warned that failure to act on such a proposal would only lead to higher transit costs and thus lower ridership, a cycle once begun that is hard to break. Those advocates of Federal intervention warned that lower ridership would only lead to further deterioration of the center cities, cities that could not tolerate a further exodus from their economic cores.

If anything, the passing of time has only shown how right they were. For, if the cities had a certain need for Federal support to mass transit 4 years ago, then they have many times that need today. I think it is time that Members of this body accept the fact that transportation systems are too vital a part of the continued healthy growth of urban centers for their future operations to be governed solely by their ability to show a profit. Return on investment cannot and must not outweigh the social dividends which all of our citizens receive from good public transportation.

The passage of this bill is especially important at this time, since any further increase in transit fares or curtailment of needed commuter services works undue hardships on citizens earning less than $4,000 a year. As industry and businesses move to the suburbs, the tragic isolation of the inner-city ghetto increases, resulting in the most pressing need for low cost, efficient mass transit systems to take the people to the jobs they so desperately need to survive.

If existing commuter lines are allowed to collapse from financial weakness, severe hardships will result. The thousands of commuters who depend on these services to get them to and from work will be left stranded. And, in addition, these commuter lines will be far more costly to rebuild in the future than they would be to preserve today.

Finally, this is not a case where, because of urgent needs in cities like Chicago, urban dwellers are looking to the Federal Government because their local communities are not doing their part. For, up until now, the burden of maintaining these essential commuter services has fallen entirely upon the State and local government and their inadequate tax sources. The cities, already pressed to financial limits, cannot afford to carry the burden alone. I believe they are now doing more than their fair share.

Mr. Speaker, the issues involved in this legislation are too important to be avoided by use of a parlimentary tactics. Acceptance of the rule on H.R. 6452 will allow us to consider legislation that has for too long been kept from consideration by the full House. The problems of the cities are truly the prblems of the Nation. I urge my colleagues to vote yes on the resolution providing for debate on this important bill.

GENERAL LEAVE

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. Annunzio).

Mr. ANNUNZIO. I appreciate the gentleman yielding to me.

Mr. Speaker, I should like to point out to the Members of the House that I do not like the tone of the debate today on the rule—cities versus rural areas.

Mr. Speaker, I know that we already have had two or three rules defeated this session in this House. I believe we are creating a bad precedent. I believe we should vote for this rule. Let us give the proponents of this legislation an opportunity to debate this legislation and carry it to the floor of this House. This is the only place where we can debate the legislation: On the floor of this House.

This bill has passed the subcommittee of the Committee on Banking and Currency, it has passed the full committee, it has met with their approval, and I think it would be tragic if the Members of this House voted down this rule so that we could not fully debate the merits as to whether or not the people of our cities should have operating subsidies granted for mass transit.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. Parris).

Mr. PARRIS. Mr. Speaker, I would like to take this opportunity to make a few comments in support of the legislation which we now have under consideration.

The essence of the controversy surrounding the Urban Mass Transportation Assistance Act of 1973 concerns the wisdom of providing Federal assistance for local transit systems in the form of operating subsidies. Much of what is otherwise contained in the bill—particularly the overall increase of $3 billion in new contract authority for UMTA's capital grant program—has already been enacted into law through the vehicle of the Federal-Aid Highway Act of 1973.

As my colleagues know only too well, urban mass transit systems across the Nation have not in the past enjoyed what is commonly termed a "booming business." Since the close of the Second World War, the number of patrons utilizing local systems has steadily declined, prices and wages have soared, and accordingly, more than 230 local systems have been financially forced to cease operations. Service in many large cities has been maintained only because State and local revenues have been allotted to supplement patron fares.

With this in mind, it is extremely encouraging to review the recently issued report of the American Transit Association, which indicates that the long decline of nationwide transit patronage may be ending, and indeed may be ready for an upswing. This is, of course, based on the assumption that existing transit system will continue to remain fully operational, and has much to do with State and local efforts to assist transit systems both by subsidizing fares, and in creating innovations such as exclusive bus lanes to make mass transit more attractive to the general public. I believe it is imperative to foster this new trend, and am certain that the operating subsidies contained in H.R. 6452 will do much to accomplish this purpose.

The total amount provided in H.R. 6452 for operating subsidies is $400 million for fiscal years 1974 and 1975. Let me stress that these funds are not a handout; on the contrary, the moneys are intended as an incentive for local systems to increase patronage—and the only known ways to accomplish that purpose are to keep fares down and to improve transit services.

We in northern Virginia, as in many other major metropolitan areas, are faced with critical problems of traffic congestion and air pollution. Public transit services can at best be termed inadequate, although this year's institution of the Metrobus service and the promise of future fixed rail facilities does brighten the picture somewhat for our daily commuters and visitors to our Nation's Capital.

However, by 1975, we will be required to comply with a stringent EPA transportation control strategy, which may although I oppose such requirements—impose parking surcharges and eliminate on-street parking in the District of Columbia. Without an established convenient and economical mass transit system, such a strategy will have a direct financial impact upon those least likely to afford it. Therefore, I believe it is imperative that we act now to assure our citizens that fares will remain within reason, and I believe the only way we can do this is through Federal operating subsidies to mass transit systems.

I urge my colleagues to join with me in supporting H.R. 6452.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Speaker, I rise in support of this rule and of this legislation.

Let me call to the attention of the Members the fact that this bill was referred to the committee on April 2, 1973, and was reported out with amendments in order to be printed on April 16, 1973. This was before we ever considered the Federal Highway Aid Act, so the money for capital improvements in this bill, which appears on page 5, is unnecessary. That can be stricken from the bill during the consideration of amendments.

Let me tell the Members this: I have been listening to Members here today talk about mass transit, who I am absolutely certain have had no experience with mass transit. I served on the Southeastern Pennsylvania Transit Authority from the time it was formed until the time I came to Congress.

We improved systems, we built bigger parking lots, we inaugurated an express bus system for the suburbs directly into the center city, and all of this was ineffective because we could not get the people out of their automobiles. They want to stay behind that wheel where they feel like a king.

Mr. Speaker, what we must do, after we spend these billions of dollars in building new transit systems, not just trying to preserve broken down transit systems, is to give to the new transit system an operating subsidy so that they can offer a lower fare and advertise and get the people out of their cars and get them into the mass transit system.

This bill provides for exactly that. The bill is for a 2-year period only, and any grants for mass transit subsidies must be approved by the Secretary of Transportation.

I can tell the Members that it is going to be pretty embarrassing for any city or State to build a mass transit system, or build it in cooperation with each other, and then find a brand new facility giving excellent service and running with a deficit.

We must give them help in getting the people out of their automobiles and onto the mass transit. I have seen the necessity for this for a period of something like 5 years.

So I urge that we pass this rule and then debate the bill, first taking the capital improvement money out which has already been provided for in the Federal Highway Aid Act, and we can come up with better mass transit systems.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I respectfully register my strong objections to this legislation now before us. For a program which was not in the budget, for a program which was not in an appropriations bill, $800 million in Federal operating subsidies is too high a price to pay.

We are dealing here with the proposed underwriting of an estimated 1,000 local transit systems throughout the land. What a mind-boggling proposal it is to now propose that the Secretary of Transportation take it upon himself to get involved directly in the local administration decisions of those systems, when the responsibility ought to rest where it has always been—with the local urban planners. I, for one, must opt for initiatives on the part of State and community agencies rather than see the direction of these systems steered by Washington, as would most certainly happen if we made the Federal Government accountable for moneys it would spend in this effort.

The champions of this bill would claim that a dole on the part of the Federal Government to subsidize local mass transit operating deficits would necessarily lower the fares and get the commuter out of his car and onto the bus. I question this logic and fail to see any concrete evidence of a mass exodus from the car to the bus as a result of lower fares. Whether those fares are reduced 5 or 50 cents, we still miss the target if we fail to address the problem of the suburbanite who would rather use his own personal conveyance rather than risk the generally poor service of a mass transit system. The only way we can possibly get the automobile off the road, rid ourselves of interminable traffic jams and clean the air in the process, is to make passenger service so attractive that the commuter will want to take advantage of it. Only a strong effort to combine excellent transit service with local regulatory actions will alleviate our problems.

If improved service is then wanted and needed, where do we go from here? Why do we not give the funds now available in the Federal Highway Act a chance? Remember, there are $3 billion in new transit capital assistance funds now available plus a new flexible program for the use of urban highway funds. Capital improvements will get the automobile off the road. There must come a time for that commuter to be sitting in his car, stacked up in a traffic jam, when along comes a brand new bus, speeding past him in a new exclusive express bus lane, following a new route and schedule which taken altogether spells nothing but convenience to him and his companion commuters.

My distinguished colleagues, I am frankly fearful that, should this measure pass, we are going to lose sight of the capital improvements goal. I am fearful of the creation of a bottomless pit in subsidies, one which would be constantly pressured for increased aid to bail out the local beleaguered transit systems which are suffering under ever-increasing deficits. Money cannot alone cure the ills of operating deficits: It can, however, go a long way toward making improvements in transit service only if the local authorities are permitted to take the lead in overseeing specific measures tailor-made for that community by that community. Let us not make the grave mistake of allowing these very special needs and aspirations to be dictated through a set of national standards promulgated in Washington.

We have billions in Federal subsidies—subsidies for dead bees, subsidies for farmers not to plant crops, and now subsidies for inefficiency in operating mass transit will be like pouring corn down a rat hole. I say no.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I rise in opposition to the rule on this bill. The bill in its present form is not worthy of consideration by this House. It really ought to be referred to as the Fun City subsidy bill, because much of the $800 million provided for in operating subsidies one-fourth to one-third could by the formula in the bill be given to New York City.

Let us see what the formula provides. It provides for a new categorical grant-in-aid, and we are providing for a new categorical grant-in-aid at a time when we are trying to get out of the categorical grant-in-aid business.

The formula is based on population, passenger miles, and vehicular miles traveled. It has no relationship to the efficiency of the operation of the system. It has no incentive in it to institute good management practices. It will encourage the continuation of the same inefficient practices now in effect and which have caused many systems to operate at a deficit.

There is also an obvious inconsistency in the bill. There is an inconsistency in that the distribution of operating subsidies is based on a formula in one place and in another place in the bill—I refer to section 11. It says:

> SEC. 11. The Secretary of Transportation shall conduct a full and complete study and investigation of the public transportation needs of rural and other nonurban areas in the United States, giving particular attention to the needs of cities, towns, and other political subdivisions (outside urban areas) having a population of 50,000 or less.

First, the bill provides that the money shall be distributed on a formula basis while, at the same time, providing standards which should be established by the local subdivision, and not by Washington in the first instance. So, which is it? Is money to be distributed on a formal basis or based on standards set by Washington?

I think the rule should be defeated.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio, (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Speaker, it is with regret that I rise in opposition to H.R. 6452, the Urban Mass Transportation Assistance Act of 1973.

I say it is with regret because this legislation is the first official legislation of the newly created Mass Transportation Subcommittee of our Banking and Currency Committee. The members of this subcommittee, under the excellent leadership of Congressman MINISH of New Jersey, have done their best to bring to the House a bill that would help solve the problems of mass transportation. All of us can agree that, indeed, there are problems in this particular field.

However, Mr. Speaker, it is regrettable that this bill goes far beyond what the Federal Government can accomplish at this time in history and also meet the many other high priorities that we are faced with this year and still act prudently and fiscally sound in distributing the amount of moneys available.

I find myself in full agreement with the views expressed by Congressman WILLIAM B. WIDNALL in the committee report. Congressman WIDNALL played a vital part in getting the first Mass Transit Act adopted here in Congress in 1964. I, too, voted for this first Mass Transit Act and for all extensions thereto. However, H.R. 6452 presents more problems than it solves.

I do not see how the Federal Government can begin to subsidize some transit systems to the point that the subsidized operations gain an unfair advantage over the unsubsidized systems. The present formula proposed does more than favor the few large transit systems in our country. It gives only minor encouragement for improvement and expansion.

For example, the New York City Transit System operates with a deficit greater than the combined deficits of Boston, Philadelphia, and Chicago, the three cities with the next largest deficits. Approximately one-third of the $400 million per year authorized in this bill would be required to satisfy last year's deficit for New York City alone.

There are two additional points about this legislation that I would like to make.

First, if enacted into law with its present provisions for subsidies, it welcomes a sure Presidential veto. With this in mind, I think the prudent solution would be to return this legislation to the Subcommittee on Mass Transportation with the understanding that the subcommittee will work with the Secretary of Transportation to accomplish the goal that we all want.

Those of us who support Government grants for mass transit systems think that the goal that we should attain is better service and increased ridership at equitable fares. These incentives must be present.

Second, before the Federal Government enters the subsidized field, stronger support should be shown by local and State governmental agencies in this field. As recently as last week, the Governor of our State of Ohio and a Member of this body, explained the facts of life to the leaders of the city of Cleveland. Eighty percent Federal grants now available to the city transit system may be lost because of the lack of local initiative to provide 20 percent local funding. If this turns out to be the case and local governments and State governments do not wish to participate in any matching programs whatsoever, then I do not think it is the full responsibility of the Federal Government.

To subsidize some systems and not subsidize others, seems morally wrong to me. Any legislation from the Federal level should encourage local governments to adopt revenue raising measures.

H.R. 6452 fails to give these incentives.

Mr. QUILLEN. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The Chair will state that the gentleman from Tennessee has 6 minutes remaining.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The Chair will state that the gentleman from Illinois has 9 minutes remaining.

Mr. MURPHY of Illinois. Mr. Speaker, I would hope that the minority side would use up their time so that we can finish the debate.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Speaker, as a member of the Committee on Public Works I would like to point out that the capital grant money which is provided under the Federal Aid Highway Act of 1973 would provide new buses for many small cities and small areas throughout the country, as well as new buses and subway cars for New York and other large cities. That legislation was a transportation milestone for all of our people.

Many people, from small areas and small cities, testified before our committee that they needed more buses for their mass transit systems, but that their systems are in financial trouble. In this regard, they were no different than the city of New York, whose mass transit system, like those of other large cities, are running at a deficit. We think that if we fail to recognize and understand this, mass transit will just be going to the poorhouse in a newer bus.

I do not think that any Member of the House would want to overlook the very important fact that under the subsidy program people all over this Nation will greatly benefit—the small areas in upstate New York, the large urban areas, the suburbs and the more rurally oriented small cities.

There are also some very important overriding national questions to be considered. When we talk about mass transportation by bus, subway, rail or otherwise, we are speaking of the ways in which we can find solutions to some important national problems—the problems of pollution, the fuel crisis and the unclogging of our suburban and rural highways and highway interconnections, as well as the highways and streets of urban America.

We are talking about mobility for the handicapped, the poor and the elderly. We are talking about bringing the suburban matron back to see the downtown merchant, and both of them watching new faces and activity in the central business districts. For too many years, businesses in the central business districts throughout the country have lost customers to suburban shopping centers. This situation has led to severe deteriorations of center cities as many establishments were forced out of business, leaving empty stores and fewer people entering the areas. Adequate mass transportation can help to reverse this situation and improve the economic conditions of our cities, both large and small.

We are also talking about alleviating the energy crisis by getting people out of their cars and onto mass transit and at the same time relieving the very serious automobile caused noise and air pollution which affects every single part of our country—urban, suburban, and rural. It is preposterous to think that we can clean up our environment without addressing ourselves to the problem of the overuse of the auto and its concomitant ill effects. Recent Environmental Protection Agency decisions, implementing the Clean Air Act, would ban cars from central business districts of a number of our major cities. This situation is further exacerbated by the fuel crisis and our need to conserve our energy supplies. Unless we act quickly to decrease our fuel consumption we may find ourselves at the mercy of some Middle Eastern dictator. Mass transportation is the most logical step in resolving these problems.

So when we speak about granting subsidies, it is not just for the guy or gal who goes into the subway in New York; it is a subsidy for all the American people with some hope for the future that we can create a decent society, economically as well as environmentally. That is what is inherent in this kind of subsidy bill.

Mr. Speaker, I urge that we pass the rule and support the measure.

Mr. MURPHY of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, the main provision of this bill would authorize Federal grants to subsidize operating expenses of urban mass transit systems. This would be done on a formula basis regardless of the financial condition of the applicant. It would thus appear that the dominant need factor so commonly looked for in determining the extent of a subsidy in the various programs is conspicuously absent here.

It is often claimed that only the Federal Government can fund this program. Local governments no longer have any resources left to do so. However, during the hearings on this bill, witnesses admitted that referendums to aid mass transit systems were voted down in their States. They claimed the referendums were rejected because too much of the money was earmarked for highway projects rather than mass transit. In their opinion, bond issues relating primarily to mass transit, would be approved.

If what they say is true, the answer is simple; limit the referendums and eliminate the need for this legislation. If they are in error, we must then ask why Federal taxpayers should have to pay for programs local taxpayers have rejected? The people in Atlanta have imposed a 1 cent sales tax upon themselves to provide for reduced fares and improved equipment. San Diego has sought to correct its problems with State aid. It is obvious that these citizens are willing and capable of solving their transit problems at the State or local level which is the government closest to the problem.

Mr. Speaker, I also want to express my concern over the Federal supervision and control created by this proposal. The urban mass transit administrator, Frank C. Herringer, noted that this bill requires:

> "The Secretary to make a determination that the local plan provides 'efficient, economical, and convenient mass transportation service' and that it would place mass transit operations on a 'sound financial basis' ". He also acknowledged that "to carry out this charge could immerse the Federal Government in myriad local issues relating to such matters as fare levels and structures, maintenance standards, management practices, labor work rules and practices, and the like."

In summation he outlined the departments dilemma in this way. He said:

> The paradox we are faced with is that on the one hand for the Federal Government to allocate operating subsidies without setting standards and controls would provide absolutely no assurance that the moneys were being used effectively—while on the other hand to establish controls and standards at the Federal level would require that we involve ourselves in making local decisions that we are not competent to make.

It appears to me, that providing for the Federal Government to subsidize the operations of virtually every mass transit system in the country will drain tremendous amounts of Federal revenue without assuring a corresponding benefit to the taxpayers.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from Connecticut (Mr. SARASIN).

Mr. SARASIN. Mr. Speaker, I rise at this time to voice my support of the rule and H.R. 6452, the Urban Mass Transportation Assistance Act of 1973, with certain amendments.

The need for this legislation, which would provide funds to communities for assistance in implementing mass transit system, is becoming more obvious daily.

Reports of increasing deficits by the companies engaged in mass transit, the effects of automobile emissions on the quality of the air we breathe, the unavailability of adequate parking in our major cities, and the gasoline shortage, make congressional support of mass transit programs imperative.

The day of total dependence on the individual automobile, frequently using 300 to 400 horsepower to move one person, is no longer practical, particularly in urbanized areas such as my district in Connecticut. My own questionnaire, representing the views of thousands of my constituents, demonstrates a growing interest in improved mass transit.

To the question "Would you use mass transportation to travel to and from work if it were convenient and economical?" An overwhelming three out of four respondents answered in the affirmative. This bill before us would be a first step toward making "convenient and economical" mass transit available for these people who desire it.

Another factor that is directly related to this is the fallacy that one must be either for mass transit or for highways and the automobile and that there is no shared ground. This is patently false and another look at the preferences reported by my constituents makes this clear.

If we provide mass transit for those desiring it and willing to use it regularly, we will automatically improve our highway transportation system by removing from the road a significant share of the traffic. Obviously, this would improve the efficiency, convenience, and pleasure of highway use for those preferring this form of movement.

The ultimate result would be to alleviate the congestion and pollution of our cities, conserve our rapid diminishing sources of energy and remove traffic from our overcrowded highways for the benefit of the motorist. With all these advantages, we should not fail to adopt this legislation.

I fully agree with those who would amend this measure to gradually reduce the Federal commitment and encourage and require local initiative. These amendments will encourage higher levels of operating efficiency and safety, for the benefit of all concerned.

Mr. QUILLEN. Mr. Speaker, I yield to the distinguished gentleman from Georgia (Mr. BLACKBURN) 1 minute.

Mr. BLACKBURN. Mr. Speaker, during the debate reference has been made to the experience of the city of Atlanta which has enjoyed a considerable increase in ridership due to a reduction in fares. I think that the experience in Atlanta is one of the strongest arguments against this bill, because the people in the area served by the mass transit systems voted voluntarily to assume an additional 1 percent sales tax on everything they bought in order to subsidize the operation of their local mass transit system.

The suggestion that the people in my district should tax themselves to subsidize their own mass transit system, while at the same time they should be taxed to subsidize mass transit systems all over the United States is grossly inconsistent and contrary to commonsense.

There is one other aspect of this matter that has not really been fully explored. I believe the gentleman from New York (Mr. KOCH), touched upon it. That is the question of whether or not private firms can obtain this subsidy.

Am I right in understanding that?

The SPEAKER. The time of the gentleman has expired.

Mr. BLACKBURN. I am against it.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, there is one point that ought to be made in this discussion inasmuch as the Committee on Public Works has been referred to by previous Members. By advancing or adopting the operating subsidies concept included in this bill, we would find ourselves in direct competition with the funds already authorized in the Federal-aid highway and mass transit legislation, to meet the contract obligation requirements for construction of the mass transit systems. With the fiscal and budgetary limitation we have, this must be taken into consideration if we are to move toward accelerating the construction timetable of our mass transit system. Also, we should move in the direction of creating a third trust fund, an Urban Mass Transportation Trust Fund, that would help the communities develop a more positive and dependable method of finance. In this way, we can coordinate, integrate, and balance our total transportation systems by coordinating the Urban Mass Transportation Trust Fund with the Highway Trust Fund and the Airport-Airways Trust Fund.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, at this time I yield to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I recall when the Congress was a great debating society. We had not reached the system we have now, where I believe this year 10 rules have been defeated by Members getting up on the floor and saying, "I am opposed to the bill, and I want to extend my remarks," and then sitting down, and later putting something in the RECORD for home consumption. We have already seen that happen about 10 or 12 times today.

Yet the members of the Banking and Currency Committee voted 22 to 3 to favorably report out this bill. They are the ones that know the merits of the bill.

The gentleman from Atlanta (Mr. BLACKBURN) has asked two or three times if private firms get any money from this bill.

Let us go into the debate of the bill and argue its merits. Then we will learn whether private firms get any money or do not get any money, or whether they are entitled to the money or are not entitled to it.

I have been in this Congress many years and I can remember one or two people getting up on the floor ridiculing and degrading the farm program or the soil bank program or the conservation program or the water system program. But there was a greater sense of fairness in the House in those days. Instead of voting down the rule we would listen to the arguments. We admired and respected the men on the committee who had spent 2 or 3 months faithfully attending to their duties and reporting out the legislation.

In 1972, the Department of Transportation's national transportation report supported the concept of operating subsidies to State and local governments—I think 39 of these governments are in favor of this concept—but do we want to shut off the debate by voting down the rule? I do not think it is fair to the Banking and Currency Committee or to Mr. MINISH's subcommittee which worked so hard on this bill.

When a gentleman gets up and says we know the arguments and we know it is bad legislation, I have to reply I do not know whether it is bad legislation nor does the gentleman, because we have not heard the arguments and we do not know the merits. The opponents claim that only the large cities will get the money from the urban mass transit bill. Let me say if it were not for the taxpayers of the large cities there would be no cities with middle-sized populations and with these large beautiful highways running through and around them, so I think it is only fair that we should consider the work and the research the committee has done, and I think it is high time for this rule to be adopted so we can listen to the debate on the legislation itself.

Mr. Speaker, I urge adoption of the rule.

Mr. MURPHY of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, with respect to the unusual number of rules that have been defeated in the House thus far in this session of the Congress, and I hope this will be another the House spoke its will on those rules. A majority of the Members of the House said that the Rules Committee was wrong in bringing those rules and the bills they made in order to the House floor. There is nothing wrong with that. That is the democratic process at work on the floor of the House.

This legislation represents a special-privilege bill for a few large cities, and especially the city of New York which it has been stated will get a quarter of the hundreds of millions of dollars to be authorized by this bill. It ought to be defeated.

I suggest that if the bill is approved we should take the torch from the hand of the Statue of Liberty and replace it with a tin cup.

Mr. QUILLEN. Mr. Speaker, in closing the debate on this side I would like to say that this bill was reported out of the fine House Committee on Banking and Currency prior to the action on this floor on the Federal aid to highways bill. When the proponents brought this bill to the Rules Committee for a rule, I remember distinctly the conversations of some of the Members stating that this bill would not be necessary if mass transit was included in the Federal aid to highways bill.

So, Mr. Speaker, we ought to vote down this rule. It is a bad bill.

Mr. Speaker, I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Indiana (Mr. MADDEN).

Mr. MADDEN. Mr. Speaker, yesterday afternoon I left Washington to go out to speak at a banquet convention of the savings and loans in my Indiana congressional district. This morning, I tried to get a 9 o'clock plane, and I had to drive through Chicago. I could not drive through the so-called big freeway, the Dan Ryan, because it was congested with trucks and automobiles, bumper to bumper on the main streets and city freeways on the north side of Chicago. It is the same way on all the streets of Chicago. Similar congestion existed on the streets and highways in the industrial Calumet region of Indiana.

In my district, there are employees in the industries—steel mills, oil refineries, and about 100 other industries—who arrive late to work in the morning and home in the evening on account of congested traffic. That traffic is caused by people locally and people driving transcontinentally through that Chicago area.

Seventy-one percent of the population of this country live in urban areas. We are going to hear from some of these people in urban areas if this mass transit bill is defeated. We will hear from them at the election in November 1974. Traffic congestion in San Francisco, Los Angeles, Chicago, Des Moines, Indianapolis, Miami, Seattle, New Orleans, New York, Washington and other urban areas is one of the great problems that we are facing in this country today.

Believe me, my colleagues, funds set out in this bill should have been tripled or quadrupled to help urban centers' transportation problems.

Drastic traffic conditions exist in every metropolitan city in this country, so it is time for the Federal Government to aid cities where this condition is caused by transcontinental as well as local traffic.

Some Member over there threatened a veto if this small subsidy is passed to help relieve this situation. When I was home during the August recess I spent many days in my district offices listening to people coming in and complaining about Presidential vetoes over the last 4 years. I attended a hospital gathering where there were 30 people representing all the local hospitals. They were cussing the vetoes, the vetoes of hospital expansion bills back in 1970 and 1971. They were criticizing the President for those vetoes and for the impoundments.

We defeated the highway bill here before we adjourned last November. Had that passed, we would be on our way probably to relieving this traffic congestion situation.

But, bear this in mind: Some of the people opposing this bill have been voting for years for a $3½ billion bonanza subsidy for the farming area, and we discovered that about 90 percent of the $3½ billion going in six figures to about

400 or 500 large farm operations; and they will not spend $400 million a year for 2 years to help the cities to relieve the congestion in the traffic.

Why, my good friend, Congressman GROSS of Iowa just spoke against this mass transit bill. Two years ago I drove from Chicago out to Omaha, and I went through Congressman GROSS' area, and congressional district. You can shoot a cannon down any highway out there and it would be a miracle if you hit an automobile or a truck.

We in the traffic congested area of the Nation need this small subsidy to get at least some help on our transportation troubles.

I hope this mass transit rule is passed by a large majority.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MINISH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—ayes 282, noes 131, not voting 21, as follows:

[Roll No. 491]

AYES—282

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chappell
Chisholm
Clark
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Diggs
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Haley
Hamilton
Hanley
Hanrahan
Harrington
Harvey
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hogan
Holifield
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Koch
Kyros
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mailliard
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Railsback
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Teague, Tex.
Thompson, N.J.
Thone
Thornton
Tiernan
Treen
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NOES—131

Abdnor
Andrews, N. Dak.
Arends
Ashbrook
Bafalis
Baker
Bauman
Beard
Blackburn
Bowen
Bray
Breaux
Brinkley
Broomfield
Broyhill, N.C.
Burgener
Burke, Fla.
Burleson, Tex.
Camp
Carter
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cohen
Collins, Tex.
Conable
Conlan
Conte
Crane
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Findley
Flowers
Flynt
Ford, Gerald R.
Frenzel
Frey
Froehlich
Goldwater
Goodling
Gross
Guyer
Hammerschmidt
Hansen, Idaho
Harsha
Hastings
Hillis
Hinshaw
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jones, N.C.
Keating
Ketchum
King
Kuykendall
Landgrebe
Landrum
Latta
Lujan
McEwen
Madigan
Mallary
Martin, Nebr.
Mayne
Michel
Milford
Miller
Mitchell, N.Y.
Mizell
Moorhead, Calif.
Nelsen
O'Brien
Passman
Pettis
Powell, Ohio
Quie
Quillen
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rousselot
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Snyder
Spence
Stanton, J. William
Steiger, Ariz.
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Towell, Nev.
Veysey
Waggonner
Whitten
Widnall
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—21

Blatnik
Conyers
Dent
Dingell
Esch
Gude
Hanna
Hansen, Wash.
Hébert
Johnson, Colo.
Jones, Ala.
Kluczynski
Leggett
Melcher
Mills, Ark.
Roy
Runnels
Sandman
Stokes
Vander Jagt
White

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Dent with Mr. Conyers.
Mr. Hébert with Mr. Mills of Arkansas.
Mr. Dingell with Mr. Roy.
Mrs. Hansen of Washington with Mr. White.
Mr. Blatnik with Mr. Jones of Alabama.
Mr. Esch with Mr. Runnels.
Mr. Hanna with Mr. Vander Jagt.
Mr. Kluczynski with Mr. Melcher.
Mr. Leggett with Mr. Stokes.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6452) to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. PATMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6452, with Mr. MCFALL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. PATMAN) will be recognized for 1 hour, and the gentleman from Michigan (Mr. BROWN) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 6452, the Urban Mass Transportation Assistance Act of 1973, represents the effort on the part of the Committee on Banking and Currency to provide the much needed assistance for our urban mass transportation systems if this Nation is going to meet its commitments to provide the adequate transportation for its citizens who live in our urban communities. In all our past mass transportation legislation, we have always cited the need for the Congress to provide the financial assistance to permit urban mass transportation to meet its capital requirements in order to purchase new rolling stock, transportation rights of way, and other new equipment and funds for new research and demonstration of new transportation techniques. We were, in most cases, providing the financial assistance to modernize and update the urban mass transportation needs of mainly our larger cities. Now, Mr. Chairman, the situation has changed. Most smaller medium-sized cities face a public transportation crisis today. Private bus companies are fast becoming few and far between and the smaller medium-sized cities are being forced to run these bus companies by their own means. Private companies could not afford continuing deficits which result in the decline of ridership and the managerial neglect of the various companies. We are now faced with a greater problem with the emerging energy crisis and the strict Environmental Protection Agency air quality guidelines which in many of our cities are either forcing the private automobile out of use or will severely curtail the use of the private automobile in many of our cities. H.R. 6452 in particular would redress the problems that are emerging from the energy crisis and the EPA air quality guidelines. This bill would provide, for the first time, operating assistance to the urban mass transportation systems. It would authorize $800 million over the next 2 fiscal years to urban mass transportation systems. These grants would be made on a formula based on the system's population, revenue passengers carried and vehicle miles travelled in relation to the overall population of the country, revenue passengers carried by the mass transportation systems and vehicle miles travelled by the mass transportation systems. This proposal to provide operating assistance has been before the Congress for the past 3 years and has not been considered on the floor of the House until this moment. It is urgently needed.

I am sure that most Members have heard from their districts and the various communities served by urban mass transportation systems on the need for a Federal operating subsidy.

Mr. Chairman, there are a number of other provisions in this bill, some of which were contained in the Federal Aid to Highways Act, and a number of provisions that will be explained by the distinguished chairman of the Urban Mass Transportation Subcommittee, Mr. MINISH of New Jersey.

Mr. Chairman, I urge all Members to support this bill and I reserve the balance of my time.

Mr. Chairman, I yield to the gentleman from New Jersey (Mr. MINISH) such time as he may consume.

Mr. MINISH. Mr. Chairman, the percentage of Americans living in large cities and their surrounding suburbs has grown dramatically in recent years to the point where today more than 70 percent of our citizens reside in urban areas.

Despite this continually growing urbanization of our society, mass transit patronage today is less than a third what it was 25 years ago, and the mass transit industry serves 10 billion fewer riders annually than it did 20 years ago. Bus ridership in my own State, the most densely populated of all our States, is down 25 percent in the last 10 years.

These passengers are not lost. Rather, they are riding in cars, most one to a car.

They must be attracted to mass transit if we are to have any hope of dealing effectively with the problems of pollution, land use, congestion, and the energy crisis. They can be attracted to mass transit if the Federal Government will assume a partnership role with the States and localities in working for convenient, cheap, attractive mass transportation.

Fortunately, the one-man one-car concept of transportation is now recognized by all reasonable persons as the most expensive and the most environmentally damaging means of moving people to and from their homes, places of employment, and the marketplace. Yet in spite of the tremendous cost and the social damage, billions of dollars have been spent to facilitate auto traffic, while a relative handful of dollars have been directed to meaningful alternative systems of transport.

While it is true that the Federal commitment to mass transit has increased in recent years and under the recently enacted highway law will increase further in the future, it is also true that even under this year's budget only 6 cents of each transportation dollar would go to mass transit, while 57½ cents would be spent for highways. Keep in mind also that all the mass transit money, including that which will be freed from the trust fund in the future, is for capital needs, not for operating assistance.

We must recognize here in the Congress, as so many of our mayors, councils, Governors, and State legislatures have, that the age of the farebox paying for the total operating costs of public transportation has passed.

We must come to see transit as a vital public need and we must support it in the same manner as we support education, police, fire, and other essential public services.

The heart of the legislation we bring before you today is section 2, Federal operating assistance for mass transit. The Congress recognized the possibility of Federal operating subsidies for mass transit when, in the Urban Mass Transit Act of 1970, it directed a study of the matter by the Department of Transportation.

The Secretary of Transportation in the 1972 National Transportation Report stated that—

> The Department supports making funds available to States and local governments for general public purposes or for general transportation purposes, including operating subsidies, so that a State or local government could determine locally how the funds would be used.

H.R. 6452 authorizes $400 million in each of the next 2 fiscal years for operating assistance grants to the Nation's mass transit systems.

In order to receive these operating funds, a mass transit system would be required to submit to the Secretary of Transportation for his approval a plan for comprehensive improvement of operations and services.

The required plan would set forth a program for providing more efficient, economical, and convenient mass transit service and for placing mass transit operations on a sound financial basis. The Secretary is further empowered by this section of the legislation to issue such regulations as he deems necessary to administer the operating assistance program in an equitable manner, and to develop criteria for evaluating applications for assistance under this new program comparable to criteria presently employed by the Department in the awarding of capital grants.

In addition, in order to receive an operating grant, a mass transit system would have to provide half fares for the elderly and the handicapped during off-peak hours.

Operating assistance would be distributed according to a formula with the following three criteria assigned equal weight: population of the area in which the mass transit system operates, the number of passengers carried by the system, and the number of miles covered by the system. The formula is designed to serve all transit systems and all areas of the country in an equitable manner. It would prevent the undue concentration of operating funds in any one section, State, or urban area.

The simple device of basing payments for operating assistance partially on the number of revenue passengers carried by a mass transit system provides an incentive that would help insure improved management and improved service to patrons.

The funding authorization in H.R. 6452 is at an extremely reasonable, even modest, level in view of the demonstrated need for assistance to this country's mass transit systems. The bill, as I stated, authorizes $400 million for each of two fiscal years, 1974 and 1975, for operating aid to mass transit systems. However, last year in the United States mass transit accumulated a total deficit of some $513 million and it is estimated that this year's operating deficit will run to perhaps $650 million.

Some may disagree with my description of the money authorized in this legislation as prudent. But, I cannot emphasize too strongly that these costs are as nothing compared to the heavy economic and social costs of continued overreliance on the automobile and continued neglect of mass transit.

Moreover, the Federal funds authorized to be appropriated under this legislation represent an investment which will be returned many times over in energy savings, pollution elimination, and the easing of traffic congestion.

Mr. Chairman, to meet the recently issued clean air standards, a great number of metropolitan areas throughout the country will be compelled to restrict, in various ways, automobile travel. In a very real sense, the Environmental Protection Agency's pollution control regulations present mass transit systems with a unique opportunity to improve and to expand their operations. However, without substantially greater government aid, including Federal operating subsidies, mass transit will be unable to take advantage of this opportunity.

Nationwide, cars contribute 50 percent of all air pollution, with the figure going as high as 90 percent in some cities. The health effects of this pollution have been demonstrated. Persons with heart disease and respiratory ailments are affected most severely, but even the healthiest of individuals suffer some ill effects from air pollution.

In my own State of New Jersey, there exists one of the most serious problems of air pollution in the country. New Jersey is home to 7 million people and over 3 million cars, making it the most densely populated State for both categories. The auto causes almost 70 percent of our State's pollution problem.

Consequently, the EPA plan for New Jersey calls for a reduction of up to 68 percent in private auto travel by 1977 to meet the national ambient air standards set by the Clean Air Act. To make these demands on motorists in New Jersey and other areas, a viable alternative means of transportation must be made available to them.

Compared to the automobile, mass transit enjoys an enormous advantage in terms of pollution levels. When the various pollutants emitted are scaled according to volume and toxicity, the diesel bus enjoys a 25 to 1 advantage over the auto, while for electric transit cars the advantage is nearly 40 to 1.

Improved transit therefore is, as it must be, a major component of the air quality plans prepared to meet the Clean Air Act Standards.

In fact, improved mass transit service is vitally needed if the required reduction in private auto traffic is not to result in a breakdown of mobility in our urban areas—a breakdown which would have severe economic consequences for the Nation as a whole.

As Mr. John Quarles, Acting Administrator of the Environmental Protection Agency, stated in an appearance before the Mass Transit Subcommittee on July 30 of this year:

> If we are going to maintain our economic and social well-being, we are going to need relatively non-polluting alternative modes of transportation to provide us mobility comparable to what the automobile has offered us. In this regard, mass transit is the ideal surrogate.

It is significant to note that EPA representatives, in a number of recent cases, have formally opposed requests for fare increases by mass transit operators. They have been saying, correctly I believe, that our national goal of cleaner air demands that mass transit fares not rise to the point where ridership declines. It seems to me, however, that the Federal Government in this instance has a moral responsibility to do more than simply tell mass transit "do not raise the fare." We must be willing to back up this rhetoric with Federal operating subsidies to help mass transit stabilize and even lower fares in order to attract people out of their cars and on to mass transit.

The American Transit Association has determined that, in order to comply with EPA standards, 9,015 additional buses and 500 rail vehicles will be required by 1975 at a cost of $509 million. In addition, it has been estimated that the EPA pollution standards will result in an increase in operating costs of $347 million annually. These figures, I should point out, do not include the projected impact for New York City or Chicago which were not available when the survey was completed.

When you take into account that the transit operating deficit was $513 million in 1972, that it is projected to be close to $650 million in 1973, it becomes evident that compliance with EPA standards will push the mass transit operating deficit well over the three quarters of a billion dollar mark each year.

In terms of energy consumption, mass transit once again is greatly preferable to the private auto. Buses, for example, are four times more energy efficient, based on passenger miles per gallon, than cars. Today, about 75 percent of all gasoline is consumed by the automobile. Yet the average occupancy of cars during rush hours is less than 1½ passengers per car. In some urban areas the private auto is responsible for 83 percent of all transportation energy requirements.

Overall, passenger cars today use nearly 4.3 million barrels of oil daily or 30 percent of our total consumption. By 1985, if present trends continue, automobiles will consume 7.4 million barrels of oil daily.

Bear in mind that cars effectively utilize only a small percentage of the potential energy from the fuel they burn—the rest is wasted. Rather than continue this waste of energy, we should offer commuters and other travelers an efficient, safe, and economical alternative to the automobile.

Fuel is the second largest component of mass transit operating costs, constituting approximately 3 to 4 percent of total operating costs. Mr. Frank Herringer, Urban Mass Transit Administrator, conceded in testimony before the Mass Transit Subcommittee on July 26, 1973 that:

> It can be said that the net effect of the fuel supply problem is that higher prices must be paid for diesel fuel when contracts are negotiated.

According to the National League of Cities—United States Conference of Mayors:

> Cities and their transit authorities have been refused bids on diesel fuel contracts, have had deliveries curtailed or cut off and have had to enter contracts at a dramatic increase in price. Some cities have been unable to contract for an assured supply, quantity, or price for their fuel needs. The irony of the situation is that mass transit is faced with a crisis situation already, yet cities are now being called upon to provide additional alternatives to the automobile.

Beyond the energy and environmental issues, mass transit improvements through the extension of Federal operating aid will have beneficial results in reducing congestion, contributing to more efficient land-use patterns, and meeting the mobility needs of all elements of our society.

With regard to land utilization, already some of our cities have had half their land area concreted over for roads and parking lots. We are losing nearly 130,000 acres annually to new highways and airports. Mass transit can alleviate this situation by eliminating some of the need for additional roads and parking facilities and by checking the sprawl which has developed around so many of our cities.

In this connection, I should mention section 6 of our bill which authorizes financial assistance under the Urban Mass Transportation Act for the establishment of public or quasi public transit corridor development corporations and expands the definition of facilities and equipment eligible for financial assistance to include the area within the entire zone affected by the construction and operation of transit improvements including station sites.

The purpose of this section is to encourage more socially, economically, and environmentally sound patterns of land use in the areas immediately adjacent to transit corridors and station sites. This section, I believe, will help to prevent hodgepodge development and environmentally unsound land speculation along transit corridors and near stations.

Mr. Chairman, we should not overlook the fact that, for millions of Americans, mass transit is not an alternative mode of transportation—it is the only mode. High fares caused by high operating deficits work the greatest hardship on persons with low and moderate incomes—the very persons who are most dependent on public transportation to get to work and back home again.

Lack of mobility is an especially critical problem for the elderly and the handicapped who too often live a life of solitary confinement, segregated from their family and friends, community activities, and employment opportunities.

I am pleased therefore that H.R. 6452 contains a provision requiring any urban mass transportation system receiving assistance under the operating subsidy program to provide the elderly and the handicapped with half fares during nonpeak hours. For the purposes of this provision elderly are defined as individuals 62 years of age or over.

Contrary to the popular belief that subsidies would put the public purse in severe danger of falling into a "bottomless pit," experience shows that subsidies in fact can produce increased ridership, lower fares, stable or declining deficits, and improved service.

Atlanta passed a regional sales tax to subsidize mass transit.

Fares were lowered from 40 cents to 15 cents and patronage increased by 30 percent. More than 32,000 former auto drivers and passengers in the Atlanta area are now riding public transit each workday.

Tulsa's transit system, with a subsidy from the city, reduced its transit fares this year from 55 cents to 25 cents and ridership has increased by 13 percent so far.

For several years, the city of San Diego has subsidized their bus company from levy on the property tax. When the State of California enacted a mass transit operating subsidy, the city reduced its fare from 40 cents to 25 cents, resulting in a 72 percent increase in patronage.

As a dramatic example of how subsidies may be successfully employed, we would point to the Shirley Highway project right here in the Washington area. This exclusive busway provides an average travel time of 14 minutes by bus in comparison with a 37-minute auto travel time on the normal lanes. As a result of this higher quality of service, the market share of bus passengers has increased from 20 percent of all passengers before the exclusive busway to over 50 percent at the present time. There has been a decline of about 5,000 cars each weekday on the road, mostly during rush hours.

At this point, Mr. Chairman, let me briefly outline the other provisions of H.R. 6452 which I have not yet touched upon.

First, I should point out that certain sections of H.R. 6452 were enacted into law as part of the highway bill Public Law 93-87. Therefore, I shall move to strike these sections from the bill in the Committee of the Whole.

Section 5 requires an applicant for Federal mass transit assistance to establish a Mass Transportation Advisory Council.

I am opposed to this section because it will result in needless delay in the delivery of vital mass transit aid. I expect that an amendment will be offered to delete section 5.

Section 7 requires model cities transit programs to comply with the labor provisions of the mass transit law.

Section 10 would strike the existing loan provision in the capital grant program of the Urban Mass Transportation Act. This is merely an effort to "clean up" the law as the loan provision has fallen into almost complete disuse in recent years. In the few cases where loans have been extended, they have been subsequently paid off with a grant.

Section 11 requires the Secretary of Transportation to conduct a full and complete study of the public transit needs of rural and other nonurban areas of the United States. The Secretary is directed to give particular attention to the needs of communities of 50,000 or less in population.

In connection with section 11, it must be emphasized that the crisis in mass transit today extends beyond the borders of big cities and large metropolitan areas. In recent years, there has been an almost total breakdown of private bus companies in small and medium size communities. These small localities, in many cases, do not have the financial ability to purchase and run a bus company.

Those which have assumed the operations of the private transportation system simply are unable to meet the increasing cost of subsidizing operating deficits.

Although deficits are greatest in large cities, it is in the small and medium size cities where the problem is greatest. The number of these smaller cities trying to continue to operate a public transportation system with no future assurance of the needed local funds to continue subsidizing public transit systems is growing. The issue of Federal operating assistance, therefore, is most critical for these communities. While the deficits of cities like New York are indeed large the operating aid provisions of H.R. 6452 would by no means meet that city's total deficit.

On the other hand, smaller cities would have much of their total annual deficits covered by operating grants.

State and local governments have, in recent years, strongly indicated their willingness to meet the costs necessary to build, improve, and operate mass transit.

During the past decade, voters in Atlanta, Des Moines, New Orleans, Columbus, Salt Lake City, Duluth, San Diego, Oakland, Dayton, Miami, and other cities have approved proposals for self-taxation to meet both the capital and the operating costs of mass transit. All told, over 140 communities are already providing operating assistance enabling transit systems to continue their operations.

It is apparent, however, that this present contribution by already overtaxed localities in no way guarantees a stemming of the tide of financial difficulties besetting transit operations.

States and local governments are providing to their maximum financial capacity the money necessary to subsidize transit operating deficits. They cannot be expected to bear the burden of mass transit operating aid alone. The Federal Government must assume a partnership role with the other levels of government if we are to achieve a quality, low-cost system of mass transit in the United States.

As President Nixon said in his 1973 message on transportation:

> Nothing can do more to lift the face of our cities and the spirit of our city dwellers, than truly adequate systems of modern transportation. . . Good public transportation is essential not only to assure adequate transportation for all citizens, but to forward the common goal of less congested, cleaner, and safer communities . . . effective mass transit systems that relieve urban congestion will also reduce pollution and the waste of our limited resources.

Mr. Chairman, transportation systems are too vital a part of the continued healthy growth of urban centers for their future to be governed solely by balance sheet considerations.

We should face the fact that good urban transit service is a matter of public responsibility like education or police protection which provides benefits not just to the individual consumer, but to the well-being of the entire economy.

A realistic appraisal of our Nation's current transit needs leads inevitably to the conclusions that the farebox alone cannot support the operation of transit, that the States and localities are already doing their part to subsidize these operations, that improved public transport is essential to deal with the national problems of congestion, pollution, land use, and the energy crisis.

Mr. BROWN of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in view of the debate that has been held on the rule, I question whether any great purpose would be served by using the full 2 hours of general debate. I likewise would suggest, and I am sure most would agree, that probably the minds of most have already been made up on the whole question of operating subsidies. By and large Members are either 100 percent for or 100 percent against the whole concept of operating subsidies.

The administration is opposed to another grant-in-aid category program of operational subsidies.

I will be offering, when we commence reading the bill for amendment, an amendment which I think cuts a fairly decent balance and which requires local communities if they are to receive Federal assistance to make an effort on their own to subsidize the operations of their mass transit systems. It will incorporate some other changes.

I think probably an approach such as I will suggest in my amendment has a better chance of receiving the necessary Executive approval, should the legislation pass, than the bill as it is presently drafted.

Without belaboring the whole question of operating subsidies, since that is the real meat of this bill, any further, I yield at this time 5 minutes to the gentleman from Connecticut (Mr. McKINNEY).

Mr. McKINNEY. Mr. Chairman, I do not think after the debate we have had on the rule that there is much time that has to be spent discussing the need for mass transportation.

This bill and the whole concept of foundation for mass transportation is an argumentative issue. We have heard from both sides, that this would open a tremendous Pandora's Box that we would be continually filling with larger and larger appropriations as time goes by. But, I would suggest that in this day and age of an energy crisis, with a purported 200,000 gallon shortfall of fuel each day this winter; with the pollution problems we are faced with across the country, we do have to face up to the problem of mass transportation and the equally difficult problem of getting the American out of his car and into some mass transportation method.

Therefore, when this bill comes before us and is read, I will offer two amendments. The first amendment will take the subsidy program and put it into the form of a declining subsidy. My reason for doing this is very simple. I think we suffer in mass transportation from a "chicken and egg concept". In other words, we cannot get people to ride buses if the buses are no good. We cannot get them to ride trains if they are still the trains we were riding in 1925. We cannot get them to ride buses if they remain stuck in the same traffic their cars were.

When the Shirley Highway experiment was authorized by the Department of Transportation running from Virginia to this city, a declining subsidy basis was used by this very administration, under the basis that the product had to be there and the load or the financial problems of the product had to be taken care of until such time that enough people would decide it paid them to ride the bus rather than drive their cars.

The other part of my amendment will demand local participation, but local participation in a very specific way. Local participation that cannot take into account any local money, State or local, that is already appropriated; nor can it take into account any revenue that is now presently received from the fare box.

In other words, it will require a matching local contribution from new sources that will grow from one-ninth of the Federal allocation in the first year, to one-third of the Federal allocation in the second year, to one-half of it in the third year and three times the allocation in the fourth year. That will be the end of the Federal allocation of operating subsidies.

This would give the hard-pressed cities, in particular, the chance to take advantage of what Federal funds there are for capital equipment to start their runs; to be helped with the financial burden until such time as the ridership should come along and support it on its own merits, and the communities will be able to then carry on with their part of the bargain from that point.

The second amendment I am going to offer somewhat disturbs me. This would be an amendment to strike the clause in the bill on the advisory councils. This seems a little strange for me to be putting in this amendment, because I was the sponsor of the advisory council amendment in the State of Connecticut for the Connecticut Transport Authority, to which I belong. But it seems to me that in this particular bill what we are problematically setting up within any community, particularly in the case of the departments that run transit districts, is a tremendously argumentative local process.

We are going to end up in a continual argumentative process as to whether a bus runs down Broad Street, down Seaview Avenue, or out Stratford Avenue, a continual process of local argumentations where local citizens come up to fight basically on a subject about which we, and particularly they, know little about.

We already require full participation under Federal law and in this bill, through distribution of money specifically. Within 4 years the localities are going to have to support the system themselves. It seems to me that they are far better qualified and in far better position to set forth through any type of a mayor's council or transportation organization that the State may have, the type of routes that are in a position to sustain a bus system that will not only not cost the Federal taxpayer unnecessary money, but which they realize they will have to support upon their own within a period of 4 years.

I believe we are way past the point of where we can further confuse the mass transportation system.

Even where we have roads, should we have gasoline to drive down them, our roads, particularly in the crowded Northeast, do not work properly. It is getting to the point now that it almost takes as long as it took 20 years ago to get from point "a" to point "b" in our crowded cities.

It seems to me we have to help our cities by a declining subsidy program. This is a program which will give them an incentive to get started, but will phase down to the point of zero in 4 years; they will have to come forward with a reasonable plan, a positive plan of approach, because they will know the city or governmental unit will have the burden of the entire project in a period of 4 years.

In other words, the Federal Government will be doing what it so often does, which is helping to get a project started by saying to the community, "If you really want the money, if you really want the project, design it so that it can become self-sustaining and so that you can afford it yourselves in the future."

Mr. PATMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. Barrett).

Mr. BARRETT. Mr. Chairman, I rise in support of the bill, H.R. 6452, the Urban Mass Transportation Assistance Act of 1973. This bill represents an effort by the Committee on Banking and Currency to assist urban mass transportation by providing for the first time operating assistance so that our urban mass transportation systems around the country may obtain much needed Federal financial assistance to meet their operating deficits. Similar provisions were contained in last year's housing and urban development bill which failed to get a rule last October. Operating assistance was needed last year and is now needed by our cities today more than ever.

Mr. Chairman, the issue that the House must resolve today is the question whether the Federal Government for the first time should provide a subsidy for the operations of urban mass transportation. Urban mass transportation today is no longer an alternative means of transportation in most of our communities, but the only real means of transportation in most of our communities. Urban mass transportation is today a public utility for all practicable purposes. The day of the private mass transportation companies have long since gone. Urban mass transportation today is a publicly run and publicly financed operation. If our communities are to continue to provide public transportation and if they are to meet the air quality standards that the Congress set forth in 1970, then it is my opinion that the Federal Government must provide the subsidies so that public transportation may be permitted to continue and to expand.

Last year I traveled to a number of European countries studying the urban mass transportation systems in those countries, and in every city and country that I visited I found that the national governments have been for many years providing direct subsidy for the operation of their mass transit systems. It is a simple decision for me today in supporting this bill. If we do not have some kind of subsidy for mass transportation then we will be unable to continue public transportation in most of our communities throughout the country, we will not be able to meet the air quality standards, and we will only further the fuel crisis that confronts this country today.

Mr. Chairman, I urge the Members of this House to pass this bill.

Mr. PATMAN. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia (Mr. Young).

Mr. YOUNG of Georgia. Mr. Chairman, I should like to speak to the suggestions made by my colleague from Connecticut, in regard to the Citizens Advisory Councils.

We have in Atlanta, as my colleague from the other county has said, a very good rapid transit system, but it took us 2 additional years and some $600,000 in law suits to get it. The reason why it took that length of time was, essentially, a group of businessmen and engineers who rightly should construct a rapid transit system made the decisions without considering the needs of the community.

In any city now, anywhere we put new lines, we are faced with tremendous environmental considerations, and problems of relocation.

The intent of this amendment is to give citizens an opportunity to participate as the decisions are being made, and it is an effort to facilitate the process rather than to slow it down.

Whether we like it or not, I believe the whole concept of citizen participation is here to stay, and citizens are going to participate in their Government whether it be disruptively or through legal means and injunctions or through proper channels that we provide.

From the gentleman's own State of Connecticut there is a striking example of the effectiveness of local and independent participation in rapid transit routes, because for several months the buses in the New Haven area were on strike. One of the amazing things that occurred in the State was that the small, independent neighborhood bus services were able to operate on a profit. They were able to do that because they were much more in touch with the needs of those communities than perhaps the larger central planning bodies.

So the whole purpose of the Citizens Advisory Council, I would think, is to make it possible for people to participate and for things to move as smoothly as possible toward meeting some of our transportation needs.

Mr. BROWN of Michigan. Mr. Chairman, I yield 8 minutes to the gentleman from Illinois (Mr. Crane).

Mr. CRANE. Mr. Chairman, when the House and the Senate took the action in their respective committees on this question of providing subsidy money, this marked a radical departure from previous urban mass transportation funding, as every Member in this body is well aware. Since the Federal Government became involved in this field with the passage of the Urban Mass Transit Act of 1964, Federal money has been channeled into four areas.

The first of these is capital grants.

Capital grants were designed to enable transit systems to build new lines or purchase new equipment. The Dan Ryan and Kennedy rapid transit extensions of the Chicago Transit Authority were funded with two-thirds Federal participation under this program. Likewise, the new cars for operating these lines were similarly financed.

Currently, the CTA is seeking Federal help for the purchase of more than 500 new buses, and has a long-range capital grant application for a variety of projects—including elevated system modernization—for many millions of dollars.

The second category was Research, Development, and Demonstrations. Work on new technology or new transit concepts is carried out through this program. The Skokie Swift, in my former district, was funded under this title. More recent R.D. & D. projects have been 100 percent federally funded, whereas the Swift had some local participation.

The third category is technical studies. This is money invested in transportation planning.

And, finally, university grants. This money is to enable universities to sponsor transit-oriented programs for credit.

These four parts of the Urban Mass Transit program will cost in the neighborhood of $1 billion at the present time.

The Urban Mass Transportation Act of 1970 made it possible for private carriers, with the cooperation of Government agencies, to receive transit aid for equipment. Prior to that time Federal money went only to publicly owned carriers. In the Chicago area, the Illinois Central Railroad put up the local matching funds for its new bi-level electric commuter cars, but the actual transaction was handled by a transit district which is a paper organization set up just to handle grants of this sort. The paper district received the Federal money and the money from the Illinois Central, purchased the cars, and now "leases" them to the railroad.

In any case, up to this point, no Federal money has been used for operating subsidies. Indeed, the original legislation specifically prohibited such use.

The money for operating subsidies differs in several ways from money for equipment. Equipment costs can be accurately predicted, whereas operating costs are not predictable. Equipment once purchased may be used for many years. Some elevated cars built in 1926 are still used on the Linden Avenue line during rush hour. That is the route from Wilmette and Evanston in the northern suburbs of Chicago to the Loop.

The CTA is only now applying to replace buses which are more than 20 years old. Operating costs, and especially deficits, recur every year, and the experience since the end of World War II has shown that these costs have been increasing year by year without exception.

The operating subsidies may be opposed on purely philosophical grounds as well.

There are, however, several technical arguments which may be made against the bill, some of which may be persuasive in dealing with Members in this Chamber unimpressed with philosophical arguments.

First, the measure as drafted sets no formula for disbursing the operating subsidies that is equitable and which could be provided by the Secretary of Transportation in any way so as to guarantee that all areas with mass transit problems would receive their fair share. Second, the Congress is once again abdicating its responsibilities in the legislative field to the executive branch with such language as that inserted in this bill, to wit:

> The Secretary is also authorized, on such terms and conditions as he may prescribe, to make grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of mass transportation service in urban areas.

We have heard a great deal of discussion not only in this Chamber but in the other body on the so-called constitutional crisis, and once more I would suggest that anyone who truly believes there is some kind of constitutional crisis between the executive and the legislative branch ought to reexamine the merits of conferring this degree of further power transfer from the legislative branch to the executive branch.

Third, a formula will be very difficult to devise in such a way as to treat all areas of the Nation equitably. In New York, a transit vehicle operator may earn $7 per hour. The same kind of operator, driving the same kind of bus in Pueblo, Colo., may earn $2.50. In Chicago the fare is 50 cents with transfers costing 10 cents, and travel outside the city limits costing more than the 50 cents base fare. In New Orleans, the fare is 20 cents and transfers are free. In one city, a bus company may carry 20,000 riders per day and run a deficit of $100,000 per year. In another city of the same size, the bus company may carry 5,000 passengers per day, but because of school bus and charter contracts, the company may earn $50,000.

All of these points raise the difficulty of writing a formula which takes into account fares, labor costs, type of service offered by the transit company, route and passenger miles served, and so forth.

At the present time, the Department of Transportation if forced to devise the formula, is leaning toward a formula based on the number of passengers carried. In that case, New York, Philadelphia and Boston will be eligible for most of the funds, and small cities where the continuation of bus service may be just as vital, may be eligible for virtually nothing.

Some proponents of transit operating subsidies contend that the Federal Government should absorb the deficits of major transit operations. Of course, large properties in the East account for over 60 percent of all deficits of all transit companies in the United States. So the bill would again benefit the cities at the expense of many of the suburbs and less populated areas. More importantly, the Federal Government, by subsidizing deficit-ridden operations would be encouraging the operations with the worst efficiency. In Boston, with all due respect to my colleagues from that area, for example, the deficit is due, in part, to the large number of patronage—and useless—employees inflicted on the system. This has been an accepted fact up there for years. It is one thing for the citizens of Boston to pick up the tab for their political patronage, but it becomes quite another thing when the Federal Government pays the bill, thus permitting more and more of this sort of political patronage.

In New York, the subway fare has always been kept artificially low for political reasons. The city and State of New York annually make up the deficit caused by this artificially low fare structure. The operating subsidies, then, would amount to a reelection fund for the incumbent mayor. He could pass off the additional cost to the Federal Government, while promising to keep the subway fare at present levels.

I might note, parenthetically, that there is nothing partisan about this observation, because both parties have engaged in this practice in New York City.

Many local communities are in the process of deciding what kind of rapid transit system should be built for their area. The Federal Government, even with its limited program of capital grant subsidies, is putting subtle pressure on local communities attempting to influence them to choose busways over rail rapid transit. With the leverage given to the Federal Government through operating subsidies, the local communities will, for all practical purposes, be dictated to by the Federal Government concerning what kind of transportation system they should choose—a decision which can only be practically made at the local level, taking into account local conditions and preferences.

As indicated before, this program will be open-ended. One of the grave considerations facing Members of Congress today is the fact that 70 percent of our Federal budget is in the area of uncontrolled spending, and that percentage is a steadily increasing figure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Michigan. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. CRANE. I thank the gentleman for yielding.

As I mentioned, 70 percent of our budget at the present time is in the category of uncontrolled spending, and this category of uncontrolled spending is increasing at a faster rate than the GNP in our society. If this trend is not reversed—and clearly this bill will not reverse the trend but, rather, will aggravate it—we can anticipate at some point in the not-too-distant future when those of us who are concerned about economy in Government are going to be coming down to

Congress and finding that we are locked into ever-increasing deficit spending with no ability to be responsive to our constituents in trying to stop that spending.

Once a formula is drawn, DOT will of necessity be back asking for supplemental appropriations because the $400 million will never cover all transit systems in the United States. Further, transit deficits are growing at a fast rate. The deficit in Boston was $30 million in 1967, but is estimated at $71 million for fiscal year 1973.

Further, since Federal money will be involved, local transit operations will be subject to equal protection arguments which can lead to complete disruption of local operations. The Federal Government can be expected to put pressure on cities to operate service for certain special groups.

We already have that now in the bill, as the Members know, to the extent that the Secretary of Transportation shall not provide operating subsidy assistance to local communities unless the rates charged to elderly and handicapped persons during the nonpeak hours will not exceed one-half of the rates charged to other persons. But it need not stop there, and probably will not.

Let us look at some examples where such special provisions have been tried.

In Baltimore, bus runs to poverty areas were running every day with no passengers with the expense being picked up by the Federal taxpayer under a "demonstration grant." Enough money was spent on the Watts poverty area bus demonstration in Los Angles that each passenger could have been given a used Volkswagen to drive for the amount of money spent to pay the deficit. And the Watts project was considered the most successful project of its kind by the Government.

In short, the Federal Government will be telling Chicago to lower its fare, or New Orleans to raise its fare. It may compel the CTA to cut off service on Diversey Avenue after 9 p.m. because the bus route passes too many hospitals or homes for the elderly. In any case, we can expect Federal dictation on every facet of transit operation. And if the Federal Government will restrain itself, OEO-funded "representatives of the poor" certainly will try to force service changes, and can do so easier when there is Federal money involved.

Mr. Chairman, I would like to read a letter that I received from Mr. Frank C. Herringer, the Director of the Urban Mass Transportation Administration, on this particular subject, in which he said:

> We are strongly opposed to enactment of any program of Federal operating assistance for mass transit. No one can question the seriousness of the status of the Nation's urban transportation systems as they struggle to cope with rising operating costs, falling ridership, and other ills. This is a problem that must be dealt with, both on the Federal and local level. However, we do not believe that the proper Federal role is to provide operating subsidies.
>
> The dilemma we are faced with is that on the one hand for the Federal Government to allocate operating subsidies without setting standards and controls would provide absolutely no assurance that the monies were being used effectively—while on the other hand, to establish controls and standards at the Federal level would require that we involve ourselves in making local decisions that we are not competent to make.
>
> The determination of fares, routes, wages, and other characteristics of the transit system can best be made at the local level, where local knowledge and responsibility exists. Introducing a new factor—Federal subsidies—into this local equation will not provide answers. In fact, it may allow local authorities to avoid taking tough, non-monetary steps, such as traffic regulation, pricing of parking facilities, and the like. Instead, what we would probably be faced with is a continually accelerating demand for greater and greater subsidies, while the basic problems remained untouched.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. BROWN of Michigan. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, I thank the gentleman for yielding me the additional time.

There is one final observation that I would like to make that came out of the hearings. We had testimony by Representatives from the States of New York and New Jersey, two of the chief beneficiaries of the proposed legislation before us, and I asked those gentlemen when they were testifying before our committee if they had not contemplated the possibility of submitting referendums in their respective States to raise money to cover the operating deficits coming out of the Newark and New York City transit operations. In both instances these gentlemen answered that yes, indeed, they had submitted referendums to the taxpayers to cover the operating deficits, but they were voted down in both States.

I asked them why they thought they were voted down, and they both said because there was money in there for highway construction as well as operating subsidies.

I asked them if they were to remove the provision for highway moneys and go back to the people and ask them to support the operating subsidies would they be approved? Both of them indicated that they were convinced they would.

In the State of Illinois the Chicago Transit Authority ran a $19 million deficit last year, and the Illinois State Legislature voted on a 70–30 matching basis to raise 70 percent of the Chicago Transit Authority's operating deficit statewide if the city of Chicago would produce the other 30 percent.

Since in the State of Illinois we pay out approximately $2 of our tax money to get a Federal dollar back in our State, I have no desire to bail out the politics and inefficiencies of such States as New Jersey and New York at the expense of Illinois taxpayers. We in Illinois are willing to deal with our problems at home whereas the voters in New York and New Jersey either are not, or are attempting to deliver a message to the managers of their local mass transit systems that they feel their administration of those systems must be reformed before they will have popular support by the taxpayers in those States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PATMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. Brasco).

Mr. BRASCO. Mr. Chairman, I rise in strong support of H.R. 6452, the Urban Mass Transportation Act of 1973. This legislation, which has now passed the Senate a total of five times, is vitally needed if the cities of our country and the people are not to strangle in traffic and choke on polluted air.

I should point out that I am proud to be a member of the newly created Mass Transit Subcommittee of the Banking and Currency Committee which developed this far-sighted legislation. I want to commend the chairman of our subcommittee, Joe Minish of New Jersey, for his outstanding leadership in shepherding the bill through the subcommittee and the full committee.

Since a number of the provisions of the legislation before us today were already enacted into law as part of the Highway Act, the major part of the bill and the most significant part remaining has to do with Federal operating assistance to mass transit systems.

Basically, the legislation authorizes $400 million in each of the next 2 fiscal years for Federal grants to mass transit to cover operating costs. The extension of these grants would be contingent upon a mass transit system meeting two requirements. First, the system would have to provide half fares for the elderly and the handicapped during offpeak hours. Second, the applicant for a grant would be required to submit a comprehensive plan for improved transit service to the Secretary of Transportation for his approval.

The funds would be distributed according to a formula based upon three criteria: the population of the metropolitan area in which the transit system operates; the number of passengers which the system carries; and the number of miles which the system covers. The second of these factors, that is, the number of passengers, will provide a built-in incentive for the transit system to improve its service because the more passengers a system carries the more Federal operating assistance it will receive.

Mr. Chairman, it is true that the Federal Government provides some assistance to mass transit and that the level of this assistance has increased somewhat in recent years. But all of the Federal dollars now going to transit and scheduled to go to transit in the future under the recently enacted highway law are for capital needs and for capital needs only.

The most immediate need of transit in the United States is for operating assistance. It does a transit system no good if it can purchase a beautiful modern bus through the capital grants program and then cannot afford to pay the busdriver or to buy gas to power the bus.

Mr. Chairman, this Nation should do no less for mass transit than it did for highways over the past 20 years. We have invested more than $50 billion dollars in our highway system, yet we come here today asking for less than a billion for mass transit. Personally, I would have liked to see more money in this bill, but I do recognize this legislation as a start toward redressing the balance in this country between what we in the Congress have done for highways and what we have done for transit.

Mr. PATMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. PATTEN).

Mr. PATTEN. Mr. Chairman, I rise in support of the Urban Mass Transportation Act of 1973, and I applaud my colleague from New Jersey (Mr. MINISH) for the time and effort that he and his subcommittee have committed to the development of this sound legislation.

H.R. 6452 has as its major thrust the authorization of operating subsidies that would provide urgently needed help to transit systems. This is not a giveaway bill. In order to qualify for these funds, the transit systems would have to submit details of an improvement plan of the systems' operation and services.

Now, we might hear, "Congress recently passed mass transit funding in the form of the Federal Aid Highway Act, so why authorize more?" Mr. Chairman, what we did by including mass transit provisions in the highway bill was to buy the carriage; but the carriage is not going to move without the horse.

The bill before us provides operating assistance; and this assistance has proven itself worthwhile in a number of systems throughout this country. The fine new buses that were purchased with highway money are nice, but they might remain idle without the funds to operate them. H.R. 6452 would complement the highway act by making a sound effort to assist and improve mass transit systems.

Mr. Chairman, New Jersey is the Nation's most urbanized State situated between major metropolitan areas. It is also a patchwork quilt of highways and railroad tracks which serve to transport people from city to city and State to State. New Jersey's citizens depend greatly upon bus and rail systems to get them where they want to go. During the past decades, I have witnessed railroads die and bus lines disappear. It is no wonder that automobiles have clogged our highways. It is about time that the Congress of the United States takes action to assist our ailing transit systems. Along with the assistance is the incentive for systems to improve themselves and to develop into efficient and inexpensive avenues of transit. I urge the Members to support H.R. 6452.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I thank the chairman of the committee for yielding this time to me.

Mr. Chairman, I should first like to pay my respects to the chairman of the subcommittee, the gentleman from New Jersey (Mr. MINISH), who has worked so hard with the subcommittee and who has brought us to this point where I hope we are going to pass a mass transit operating subsidy bill within the next hour or two.

I should also like to pay the same compliment and respect to the leadership of this House who have worked so hard with so many Members to point out the need for this bill.

Mr. Chairman, the bill we are considering today is important to mass transportation systems, large and small, urban and rural. It provides a means for breaking the cycle of deteriorating service and declining ridership in which public transportation has been spinning for the past 3 decades.

In 1945, the peak year for transit ridership in this country, mass transit carried 23 billion passengers. Ever since then, despite the increased urbanization of our country, transit ridership has declined annually to the 1972 low of 6½ billion passengers. This is an astounding reduction, but one which suggests the potential of mass transit as a means of transportation for millions of people in all parts of the country.

Some argue that if a mass transportation operating assistance program is enacted, the demands for funding will only grow. But this is in fact what would not happen. Indeed, the committee sees this bill as providing emergency assistance to stem the tide of deficits now plaguing most systems. In the long run, the bill should save money at all levels of government.

H.R. 6452 is designed to salvage and revive existing transit systems, make better use of transit capital resources, and return systems to a more sound financial basis. Just as this country subsidized trunkline airline operations for a number of years until they were able to operate independently, we now need to invest money in transit service so that it can be updated to better meet today's needs and become more financially viable. This cannot be done through capital grants alone.

The alternative is to increase fares and/or allow further reduction in service. Statistics have shown that as fares for an average subway or bus ride rise beyond the 35-cent level, a precipitous decline in ridership results. This is something we do not want, particularly today when our cities are struggling to improve their air quality, as mandated by the 1970 Clean Air Act. Most States, in developing air pollution control strategies, are turning to increased transit use and reduced automobile traffic.

Subsidies that have reduced transit fares have been shown to increase ridership. With a subsidy, Atlanta reduced its fare from 40 cents to 14 cents and patronage increased by approximately 11 million passengers. In San Diego, a subsidy has lowered fares from 40 cents to 25 cents and ridership has surged 72 percent.

The mayor of San Diego came before our subcommittee. I asked him, not knowing that he was a Republican, what his party affiliation was, and he said he was a Republican. And then I asked why it is that the Republican leadership in Congress and the Republican administration are opposed to operating subsidies for mass transit. He said he did not know. He thought they were wrong and he said he would do what he could to make them change, because he pointed to the fact that in San Diego as a result of the reduction in fare the ridership in one year went up by 72 percent.

Why should the concept of mass transit operating subsidies be so untenable for some?

We subsidize the operations of Amtrak. Why should it be more reasonable to subsidize the operations of railroads carrying people between cities than mass transit transporting men and women to and from work in our cities? The purpose of Amtrak is to save and modernize railroads in our country and enable them to fill their proper role in the country's total transportation system. The purpose of H.R. 6452 is similar: to update mass transit and make it more viable so it can fulfill its proper role in the transportation of people in this country.

This country also authorizes subsidies for the maintenance and operation of the U.S. merchant marine. In 1972 we subsidized the operation of U.S. flagships with $224 million, in addition to the $238 million subsidy for the construction of new ships, to be operated by private owners, in U.S. shipyards. We do this so we will continue to have a U.S.-flag-flying fleet. Similarly, we need mass transit operating subsidies so we can be assured that we will have the capability of moving large concentrations of people at an efficient pace within our cities. Furthermore, we need it to ensure that the poor and the elderly who do not have cars have a means of getting around and getting to jobs at a reasonable cost.

Some argue that the money authorized under this bill will go only to the large cities. But, this is not true. One of the things that recommends this bill over others that have been introduced is that every transit system—private and public, urban and rural—can get assistance through H.R. 6452. The Secretary is directed to allocate funds on the basis of a formula prescribed by the bill. The formula assures every transit system of some assistance upon submission, and approval by the Secretary, of a comprehensive transit service improvement plan. In short, the Secretary of Transportation has not been left the discretion of picking and choosing what systems he will assist.

Some complain that a lot of the money will go to the large cities. But, is this so unreasonable that because transit systems and transit passengers are concentrated in certain parts of the country, these areas will get large portions of the funding? This bill is designed to revive existing transit systems. Thus, the money has to go where the systems, the passengers, and the potential passengers are. We have other programs that help the farmers. In 1970 we spent $5.2 billion in agriculture subsidies. $1.6 billion of this went to farmers to stabilize feed grain production. Necessarily, a large percentage of the $5.2 billion and the $1.6 billion went to the farm States.

Finally, just this year our country subsidized the wheat deal with the Soviet Union to the tune of over $300 million. If we can reduce the price of bread for the citizens of the Soviet Union, is it so untenable to subsidize transit fares for our own citizens so they can get to work at a reasonable cost?—So we can get more people to ride buses and subways?—transit systems that can move people more efficiently and with less toll on the environment than the automobile?—So we can reduce air pollution and make our cities mobile once again?

Yes, the large cities will get large sums of money, but all systems will get some assistance, whereas they aren't getting any operating assistance from the Federal Government now—and most transit systems, large and small are in a state of financial crisis. The assistance rendered under H.R. 6452 will be in proportion to the systems' needs. In fact, it has been shown that the bill will more closely meet the deficits of the smaller systems than the larger systems.

Mass transit is the lifeblood of many of our cities. Its success affects millions of people. An infusion of Federal assistance now will be less costly in the long run than building new systems tomorrow because we have let today's systems die. It will also be less costly than rebuilding city blocks destroyed by those rioting, as they did in Watts, because they were locked in the ghetto with no way to get jobs in other parts of the city.

There are few Members in this body that do not have at least one transit system in their district—and most of these systems are probably in the need of financial help. H.R. 6452 will provide this emergency aid.

The transit crisis is a crisis of national proportions affecting all of us. I urge our colleagues to support H.R. 6452 which is designed to turn mass transit systems around so as to reduce the long-term need for operating assistance from the Federal, State and local governments.

Finally, I would submit that this is not only a mass transit bill, it is also a pollution abatement bill, an energy conservation bill, and a workingman's bill. It should be enacted into law.

Mr. PATMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise in support of this legislation and hope that my colleagues will share my view and support this bill. With the approval of the use of a portion of the highway trust fund for mass transit purposes that was approved during the summer, this Congress has at its door the opportunity to go down in history as the starting point of a new era in American transportation.

Mass transit services in America has been the sorry dog of our transportation system. Other nations have elaborate systems of rail and bus transportation that attract thousands upon thousands of their citizens every year. But America has driven away its citizens from mass transit through neglect and abuse. Most systems are so dilapidated and antiquated that users enter them at their own risk. Others are new and models of efficiency and are finding increased passenger usage and profits.

Mass transit can work, but it needs help; and help must come in the form of money. The problem is twofold: increasing fares have decreased ridership. Decreasing revenues have led to less and less investment in new capital equipment. The Urban Mass Transportation Act is providing a new infusion of funds into the Nation's existing mass transit systems and helping build new ones. Amtrak is developing greater use of intercity rail travel. Using highway trust fund money for mass transit capital improvements—particularly for the purchase of buses—will further expand our commitment to mass transit facilities.

Now today, we have the opportunity to provide the infusion in our systems to help reverse the trend of higher transit fares. Let us make no mistake about it; the billions of dollars poured into highways and related facilities by the Federal, State, and local governments do not come from user taxes exclusively. There are sizable amounts for maintenance repair, ancillary facilities, traffic control systems, highway personnel, police patrols, and so on, that are not covered by user taxes.

What we will do here today is put mass transit service—the service that so many Americans, particularly our elderly, our poor, and our handicapped must rely on—on an equal footing with highway services. The operating subsidies section will benefit many millions of Americans. For the New York mass transit systems, some $84 million would be available to keep the transit fare at its current 35-cent level. With these new moneys, it may be possible to eliminate the need for a massive bond issue in New York State that could be ruinous to our State's fiscal position. Other States face similar unfavorable options.

The course of American population is changing. More and more people are moving into urban areas. The time is now to change our focus from a rural, farm nation to an urban nation. The Congress must react to the needs of the people where they are—not where we might like them to be.

The challenge of the seventies and the eighties will be in the urban corridors of this Nation. Let us move the Congress forward with the people. Passage of this bill will help bring about the balanced transportation system this country needs to serve the people of the world's greatest nation. I urge my colleagues to support it wholeheartedly and defeat any crippling amendments.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Chairman, when we first began working on mass transit legislation in the Housing subcommittee more than 10 years ago, we recognized that we were dealing with a vital public resource which was rapidly being destroyed by a recurring cycle of rising operating costs requiring rising fares which led to reduced patronage and poorer service. We tried in every way short of operating subsidies to help the urban mass transit systems to survive, but it has become clear that without operating subsidies this is a losing battle.

In my city of St. Louis, we have encountered one crisis after another in keeping our mass transit system from being abandoned. The Missouri legislature and our St. Louis Board of Aldermen have recently enacted a ½ percent increase in our sales tax, applying in the metropolitan area served by our mass transit system, with this money earmarked entirely for mass transit.

But the urban systems do need and must also have operating subsidies from the Federal Government. The entire Nation has a real stake in the quality of urban environment, and must share in the cost of keeping our mass transit systems going.

We are not going to get the choking mass of automobiles off our city streets until we have better urban transit facilities for the public to use, and at fares that will encourage people to take the bus instead of the family car.

This issue has been studied for enough years for us to know that unless we act with courage to meet this problem now, we will face a far greater problem in the future.

OFF-PEAK-HOUR FARE REDUCTIONS FOR HANDICAPPED AND ELDERLY

One of the important provisions of H.R. 6452 requires that mass transit systems receiving operating subsidies must provide half-fare arrangements for the elderly and the handicapped during off-peak hours of operation. Many of our urban transit systems are already providing special fare arrangements for the elderly and the handicapped during hours of the day when facilities are not heavily used, and this provision of the bill will spread the same plan to all systems which want to participate in the subsidy program.

Not only will this encourage wider use of equipment during the off-peak hours but, more importantly, will make it far easier for citizens getting along on social security or disability benefits to participate more actively in the affairs of the community, in the enjoyment of recreational facilities, and in the use of health clinics set up for their benefit.

BILL DESERVES SUPPORT

Mr. Chairman, it is true that Federal funds alone cannot solve every problem, but it is also true that the problems of maintaining adequate and effective public transportation systems in our cities cannot be solved without Federal funds, including operating funds.

Considering some of the ways in which Federal funds have been used in huge amounts for limited purposes benefiting comparatively few people or industries, the rescue of our mass transit systems from further deterioration and eventual abandonment is a high priority need which fully justifies the comparatively moderate amount provided for in this bill for operating subsidies.

Those of us on the Housing Subcommittee who were responsible for initiating and developing over the past dozen years the legislation which authorized the present program of Federal assistance to mass transit turned over this legislative responsibility at the start of the 93d Congress to a newly created Subcommittee on Urban Mass Transportation, on which none of the Democratic members of the Housing Subcommittee serve. Nevertheless, after long exposure to the problems of mass transit, I think all of the majority members of the Housing Subcommittee recognize fully the urgency of passing H.R. 6452 with its provisions for operating subsidies. I hope our colleagues on the Republican side who worked with us in the past on transit legislation in the Housing Subcommittee will remember the many, many hours we devoted to this issue and the extensive information we developed on this matter—all of which points to the need for Federal operating subsidies.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 6452, the Urban Mass Transportation Act.

This measure represents the second step in the Federal Government's belated but very welcome recognition of the critical importance of urban mass transit. The Federal-Aid Highway Act opened up the highway trust fund for use in mass transit construction projects, making available approximately $800 million for such purposes. This bill provides $400 million for actual operating subsidies, and as such, serves as the logical companion measure to the House action liberating the trust fund.

In the past, Federal neglect has condemned mass transportation to a vicious cycle. Fares had to be kept low to attract riders, and did not meet operating costs for labor, equipment, maintenance, and improvement of existing facilities. Low revenues also caused the system to become neglected in such areas as station and equipment maintenance. The resulting inefficiency led to even less ridership and compounded financial problems.

With the aid of trust fund revenues and this act, we have begun the process of reversing the declining cycle, and the prospects for future economic stability are much brighter.

Another crucial product of this bill and of improved urban transportation in general is the set of benefits that will be made available to urban residents. City dwellers, especially those with low incomes, would have the mobility to enable them to take advantage of the employment opportunities outside the central city in the suburban locations. For these citizens, bus and rail alternatives are needed desperately.

In general, it seems to me that the answer to the traffic congestion problem and its related effects does not lie in the expansion of existing highways, but rather in an increased emphasis on urban mass transit, both surface and underground, which will provide an efficient and convenient means of transportation. Urban automobile traffic will always be heavier because of the constant movement of goods and services through our cities. If, however, urban mass transit is made as appealing as possible, the transportation problems in the city can be alleviated.

The act provides critically needed help in yet another regard—the pollution of air in the cities, which reduces the quality of urban life and, even more seriously, threatens the health of city inhabitants over the long term. The Clean Air Act of 1970 was enacted by Congress to curb the pollution problem, but goes no further than setting the standards for decent air. The Urban Mass Transit Act provides the cities with the means for meeting the standards—money for low-polluting mass transit systems.

In Boston, alternative means for meeting the Clean Air Act standards by 1975, the statutory deadline, have triggered considerable objection and opposition. Boosting the cost of downtown parking, curtailing the number of available parking spaces, and installing extremely expensive antipollution devices may very well be reasonable prices to pay to reduce air pollution within the next 2 years, but mass transit is a long-term solution which is also more compatible with the need to preserve and enhance the economic viability of the city.

In summary, Mr. Chairman, this act is a major step forward in focusing national resources and attention on the entire complex of problems generated by our present outmoded transportation policies in the cities. I urge the House to give the act its support.

Mr. ANNUNZIO. Mr. Chairman, I rise to express my vigorous support for H.R. 6452, which is the Urban Mass Transportation Assistance Act of 1973. I consider this urgent, almost emergency, legislation which must be enacted without delay.

For mass transit, the period since the close of World War II marks one of the grimmest chapters of our economic, and I might add, social history. It is a history of steady decline in one of our most vital public services—urban mass transportation.

Back in 1950, well after the Second World War had ended, the transit lines of the United States carried a total of 13.8 billion revenue passengers. By 1960 this total had dropped to 7.5 billion, and in 1970 it was reported at 5.9 billion. The 1972 total will be a further drop to about 5.3 billion.

This trend is clearly reflected in the profit and loss data. The American Transit Association reported that the operating income for U.S. transit companies, after taxes, in 1950 amounted to $66.4 million. By 1960 this had dropped by more than half to $30.7 million. The year 1962 was the last year that the transit industry operated in the black, earning $19.7 million. This meager surplus turned into a deficit in 1963 of $880,000. By 1965, the deficit was $10.6 million, and by 1970 it was $288 million.

To indicate how it is escalating, the deficit has nearly doubled in just 2 years to $513 million. Let me reemphasize—that is a $513 million deficit for the Nation's transit industry, or what is left of it. In many of our urban centers, transit service has ceased to exist.

The Urban Mass Transportation Assistance Act of 1970 was enacted to help relieve this growing problem of transportation in our cities. However, the 1970 act provided $3.1 billion to fill a $10 billion need—obviously an inadequate amount.

The bill before us, H.R. 6452, will go a long way in strengthening our present program. Perhaps its most outstanding feature is its provision for Federal financial assistance at the transit operating level—which is where help is needed most in my estimation. It authorizes $400 million in grants for each of the two subsequent fiscal years in specific operating subsidies. This, of course, marks a departure from past practice, but it is essential if we are to preserve our remaining transit systems.

Incidentally, H.R. 6452, requires that in order to take advantage of the operating assistance program, the respective transit system must permit reduced fares during off-peak hours for the aged and handicapped. This feature has my strong support, and it is with pride that I bring to the attention of my colleagues the fact that the Chicago Transit Authority has set a national example with its reduced fares for older citizens on a 24-hour basis.

As a member of the Banking and Currency Committee, where this bill originated last year, I was successful in adding an amendment to the housing bill which would have lowered fares on public transportation for senior citizens, an amendment to provide Federal operating subsidies to mass transit, as well as one to authorize $3 billion in new capital grant funds to local systems.

Although the bill was favorably reported by the Banking and Currency Committee, it died in the Rules Committee during the rush toward adjournment. However, some parts of the bill were salvaged, such as the capital grant provision, which was included in the highway bill and was signed into law several weeks ago. Now the bill before us today includes some of the other provisions from last year's bill—operating subsidies as well as the vitally needed provision for the elderly and the handicapped.

This measure also provides for a safeguard in that it requires that State or local governments establish a Mass Transportation Advisory Council in order to continue to participate in the Federal assistance program. Members of the Council are to be drawn from the general public, business, labor, and community organizations, plus the State or local government. Its responsibilities would include policymaking, planning, contracting, purchasing, hiring, and training, and location of routes and stations.

Mr. Chairman, these are the essentials of H.R. 6452. They are badly needed and long overdue. I support this bill wholeheartedly and urge my fellow Congressmen to act favorably on it.

Mr. PODELL. Mr. Chairman, I wish to express my full support for H.R. 6452, which is intended to help relieve one of our worst transportation problems—mass transit for our urban populations. Without a doubt, urban transportation is a sector of our everyday life which reflects a degree of inadequacy not equalled in any other field.

The bill, H.R. 6452, gets right to the

heart of the problem. Section 2 of the proposal provides for payment of grants to States and local authorities for operating expenses of transit systems. After all, it is at the fare box where we have been losing the battle to retain viable transportation systems in our urban centers. It must be accepted as a well-demonstrated fact of life that fare levels cannot keep pace with constantly rising costs, and still retain load factors sufficient to meet all costs.

The bill places an authorized annual limit of $400 million, and a time limit of 2 years, for operating assistance. The amounts appropriated, however, are to remain available until spent.

The bill has other provisions worthy of mention, which have long been needed. One is a provision that in order to participate in the operating grant program, the transit system must permit the elderly and handicapped to travel at half fare during nonpeak hours of service. Another worthwhile provision is the one which raises the ratio in the existing program from the present two-thirds Federal, one third local share to a level of 80 percent Federal, 20 percent local.

The $3.1 billion authorization for the existing program is strengthened by an additional $3 billion.

All of these provisions are of enormous importance to our metropolitan transportation systems. Certainly this is true of my own district in New York City. New York has one of the most substantial movements of people in the world every work day. Its a tremendous operation, and it will not lessen. Rather it will continue to grow. So, New York, like other cities, needs, and will increasingly need, all the financial help it can get.

Operating assistance is a case in point. It has been estimated that the New York metropolitan transit system might get financial aid, of about $130 million if the program is adopted and placed on a passenger volume basis.

While I fully acknowledge that the emphasis of my concern in speaking for this legislation comes from the plight of my immediate constituents in urban mass transit, there is a broader public benefit at work here as well. More than perhaps any other city, New York has an enormous flow of transient visitors from all over the United States—and indeed the world. Upgrading the mass transit system for New York City will markedly ease the problem of the millions of visitors who annually struggle to get around this great city of the world.

The point which I make is that New York and other cities need help for their transit problems, and H.R. 6452 will go a long way toward supplying that help. I urge my colleagues in the House to approve this legislation without delay.

Mr. BURKE of Massachusetts. Mr. Chairman, I can think of no better example of what a major city would be like if there were no urban mass transportation than Washington a few weeks ago. The wildcat strike which crippled Northern Virginia's commuting residents also created a tremendous hardship for the entire city of Washington. Since the District is a commuter city in which most people work but do not reside. the added influx of private automobiles to the already crowded and congested streets just made a poor situation worse. Commuting time from the Northern Virginia area more than doubled in most cases as traffic stretched for miles and moved at a rate of less than a snail's pace, and parking in the District, which is normally hard to find, was almost nonexistant. Gentlemen, this is an extreme example I know, yet this is a vision of what could—and does—happen to a city when its public transportation fails.

Before us today is the Urban Mass Transportation Act of 1973, H.R. 6452, whose sponsors call for passage to help alleviate a national problem, which can only compound in the next few years without solution. At another time a far-sighted Congress saw the growth of the automobile as necessary to our society and they aided its growth by mandating the Interstate Highway System. Today it is time again for another, hopefully, more farsighted House to approve aid to transit systems which will serve as alternatives to the automobile with its attendant problems of pollution, noise, congestion, and land requirements.

In the mid-1950's when Congress initiated the interstate highway project America was primarily a rural, small-town country and the idea of Congress was to connect major cities by the most advanced road network at the time. Today with that vision almost complete the emphasis should be upon improving mass transportation within the urban and suburban areas because today more than 70 percent of our population live in these urban-suburban areas. America is no longer the rural society it once was, gentlemen.

With the greater shift toward this urban lifestyle the need for a strong public mass transportation system has grown and the local and State governments have responded with operating subsidies to floundering transit systems. It is time now for the Federal Government to assume a partnership role with its sister governments and make a major commitment to mass transit.

Hopefully, H.R. 6452 is the beginning of a major commitment. The sum of $400 million will be authorized for fiscal year 1974 and fiscal year 1975 in the bill, yet mass transit deficits for this year alone approach the $650 million level with State and local governments subsidizing some of this deficit. Most of the Federal money already allotted for mass transit, including the trust fund money, is for capital expenditures—not operating subsidies.

Operating subsidies are necessary for the remaining transit companies to improve their service and operate on a sound financial basis. Yet, contained within H.R. 6452 are safeguards to just throwing money into what some people call a bottomless pit.

Before a mass transit system could receive any operating funds, it would be required to submit a comprehensive plan for improvement of operations and services to the Secretary of Transportation for approval. Such a plan would necessarily include a provision providing half-fare rates for the elderly and the handicapped during nonpeak hours, at the least, and, hopefully, during all hours of operation. These people, especially, and the poor are the ones to whom safe, dependable, and efficient mass transportation is essential. Either physically or economically unable to own or drive their own automobile, these citizens are dependent upon mass transit for their mobility.

Assistance to any mass transit system would be based on a formula which incorporates: First, the population of the area served by the system; second, the total number of the revenue population carried by the system and third, the total vehicle miles traveled by the system. This formula is based in part on the number of riders because it is felt that this would provide an ongoing incentive for the transit systems to improve service and attract new passengers and, thereby, receive greater Federal assistance in the future.

The time has come for the Federal Government to mandate these operating subsidies. Already we have given impetus to mass transit improvement by mandating stronger EPA pollution regulations which directly and severely restrict automobile use in the downtown areas of our cities. And with reduced automobile use comes the need for the greater implementation of wider bus service with its added expenses.

Increased ridership and reduced fares alone will not pay the increased operating expenses engendered by broader service. If the Federal Government will alter travel patterns for millions, it must also be willing and able to subsidize the operating expenses for efficient, economical, and convenient transit systems, which will be the alternatives in the future to the automobile.

Local and State authorities already have granted operating subsidies with success measured by dramatic fare reductions, increased ridership, and broader service in such places as San Diego, Atlanta, and even here in northern Virginia, with the Shirley highway bus project.

In my own State, Boston's Massachusetts Bay Transit Authority has been improving its service and facilities with the aid of Federal capital grants. The grants have been used to renovate the old and purchase new rolling stock, and to upgrade its safety, maintenance, and electrification equipment.

With the newer, more efficient, and more attractive cars the MBTA is attempting to substantially increase daily ridership. The authority has even implemented an elderly reduced fare card which can be used between 10 a.m. and 2 p.m. by the senior citizen. Also, the "dime time" innovation has made use of the MBTA more attractive to commuters with the result being that many more use the system than had previously.

No longer is urban mass transportation a local problem. Instead it now is national in scope, and Congress must deal with the problem directly—in the form of operating subsidies.

The House must pass this bill. It is generally agreed that inevitably there will be an overall forced reduction of auto usage in metropolitan regions. This will result in severe economic consequences due to breakdown of mobility in the cities. If there is a viable alternative—a clean, convenient, efficient urban mass transit system, which can be brought about by Federal operating subsidies, then the transition will not be as as bleak as I have painted it.

Mr. MOAKLEY. Mr. Chairman, 1 year ago this House voted against allowing cities like Boston to choose how best to spend its share of highway trust fund money. At that same time, September 21, 1972, as a candidate in Massachusetts' Ninth Congressional District, I pledged that if elected to Congress, my first priority would be to try to change your mind.

Boston, as you know, wants to spend Federal money on rail transit. If you give Boston the green light on rail transit, over 5 billion transportation and transportation-related dollars will be generated in metropolitan Boston during the next decade—and most of that money will be spent in my district.

Governor Sargent's plans call for $1.5 billion in transportation expenditures in metropolitan Boston. The economic multiplier effect is threefold. Add in inflation, and $5 billion is just the beginning. Besides being prejudiced, I am also desperate.

With all due respect, regardless of your decision, the odds are great that no more highways will ever be built in Boston. One good lawyer could keep away the cement trucks from Boston for at least 15 years.

All the roadbuilders in America would not stand a chance against one Boston lawyer clad in the armor of the Department of Transportation Act, The National Environmental Policy Act, and the Clean Air Act.

Mr. Chairman, I could testify about a Boston-wide epidemic of carsickness; I could tell you how, in the metropolitan Boston area, 160,000 cars now vie for 28,000 offstreet parking spaces, how over 56 percent of the city of Boston is now devoted to servicing, parking, and driving cars; how half of all Bostonians over 65, half of all Boston blacks, and 67 percent of Bostonians with incomes under $3,000 do not have cars; I could tell you about rush-hour parking lots, drive-in streets, and whole neighborhoods that are only a drawing board away from being paved over by concrete and painted over with soot.

The choice before the House today is whether to allow mass transit systems like those we have in Boston to have the necessary Federal funds that are so urgently needed to provide for operating assistance. The citizens of Boston and its surrounding communities have been subsidizing the operations of the metropolitan transit authority for many years now out of real estate taxes. Mass transit needs of our area are so great that we are asking the Federal Government to help us operate our mass transit systems. Capital grant funds alone cannot help our mass transit system survive, and if the Boston area does not have a functional and operational mass transit system, then the whole community will be in danger.

Rail transit is 23 times safer than autos, uses 7 times less fuel, gives off no pollutants, and can move up to 50,000 people an hour compared to 4,000 an hour for the auto. A double-tracked rail transit line can carry as many commuters as 20 lanes of freeway at existing average rates of passengers per vehicle.

The Commonwealth of Massachusetts and the city of Boston have already made the commitment that all future transportation needs of the State and the city will be devoted to urban mass transportation. Having made that decision and having provided some of our resources the funds to subsidize the operations of our mass transit systems, we have reached the point where we need Federal subsidy assistance since our communities can no longer bear the full cost of operating subsidies.

Let me warn the Members of this House that many of our communities will in the near future face the same pressing need we in Massachusetts are currently facing. Most of you can dismiss operating subsidies at this time as wasteful use of Federal funds, but in the foreseeable future most of you will come to the realization that I have, that there is a vital necessity for this Federal subsidy assistance. Our experience in my State shows that operating assistance is not a wasteful use of taxpayer funds, but an important use of our tax resources to keep public transportation systems functioning.

Give us in Boston this necessary operating assistance and we can meet the clean air standards by 1985 that the Congress set forth in the 1970 Clean Air Act.

Mr. Chairman, by providing our Nation's transit systems with operating subsidies most of our American cities will be able to meet the clean air standards. Mass transit can assist America's worst polluted cities in meeting its clean air standards, if not by the deadlines set by the Environmental Protection Agency.

Mr. Chairman, I urge the Members to vote favorably on this rule so that we might have the opportunity to discuss and vote on the issues raised in this bill.

Mr. ROE. Mr. Chairman, I rise in support of the Urban Mass Transportation Assistance Act of 1973 (H.R. 6452) now before us and particularly the operating subsidies provisions of this legislation.

As a member of the Public Works Committee and active participant in the committee's public hearings on the Federal Aid to Highway Act signed into law on August 13, 1973, I am compelled to speak on behalf of the many responsible witnesses and highly reputable representatives of the public and private sectors throughout our Nation who took the time to come to Washington and share their views and experience with us on the enormity of the problems and the challenge of the solutions in order to provide an adequate coordinated mass transportation system for the people of our Nation.

There were several poignant and succinct facts that evolved from these hearings substantiated by the findings and results of feasibility studies, planning, constructing and operating some of the most sophisticated mass transit systems in the world. One basic conclusion that was unanimous in our deliberations is that a national commitment for the development of a coordinated integrated mass transportation system is absolutely essential. Priority considerations that unfolded during our discussions were that we must use the tools of the 21st century, dispense with the archaic paste and glue methods of aiding crisis situations in the mass transit industry and make a substantive national investment to cure the ills of the present haphazard, makeshift operation of the rail and bus line services throughout our Nation.

We can keep pouring money into capital improvements but if we do not aid these transportation lines at the farebox to permit mass transportation for our citizens at a reasonable cost to their individual pocketbooks we are not going to get the people out of the convenience of their automobiles and at the rail gate and bus stops in sufficient numbers to secure an adequate return on our capital investments and provide a self-sustaining mass transportation system for the people of America.

During our Public Works Committee hearings Mr. B. R. Stokes, general manager of BART, the rapid rail system in the San Francisco bay area which began its operations in September 1972, testified that the people voted for a general obligation bond issue of $792 million; these funds plus the use of $180 million in bay bridge tolls plus the sale of revenue bonds for the purchase of rolling stock for a total of approximately $1 billion were necessary to help build this first phase of the BART rapid rail transit system in this nine-county area.

He advised that it has taken since 1953 to arrive at the point they are today. Their master plan calls for an additional 210 miles of the BART system by 1990 and they have capital costs for the next 15 years of at least $2 or $3 billion—but when the question was asked what they would do if farebox revenues were not adequate to pay for the maintenance and operation—what reserves or projections have been made to accommodate such a situation? They said that they had not made any provisions or projections on this issue because they had no way to ascertain the continuing operating and maintenance costs.

The expensive burden of peripheral services alone—for example, they had to have a 105-man police force because they could not get the cities and counties to provide security for BART patrons—and so-called start-up costs of operating a system cannot be met by the farebox per se. They require additional financial support to do the job properly. So, if we are trying to get people out of cars and into mass transit, there simply is just not enough revenue available from the farebox to liquidate capital bond redemptions and meet the ever-increasing maintenance and operating costs without pricing mass transit out of the market.

Dr. William J. Ronan, vice chairman of the Port Authority of New York and New Jersey testified that the State of New Jersey and the State of New York are now putting in at least $60 million or more a year to keep the railroads that serve the port's area of responsibility operating. In a recent communique I received from New Jersey Gov. Bill Cahill on the crisis proportions of the bankrupt railroads serving our State, he advised me that the State has struggled within the limits of its financial and constitutional capacities to seek solutions but the dimension to today's crisis in mass transportation now goes far beyond the fiscal resources of our State—and for that matter, any State—to cope with. Federal assistance is a must.

You cannot solve the air pollution problem unless we do something on mass transit in this country. It has gotten to the point where it appears that the administration is going in a direction that in order to solve our environmental problems the Environmental Protection Agency is literally considering and has recommended a plan for different urban areas of our country which would prohibit and limit the use of the private passenger car in these urban centers. Will they soon be regulating—because of air pollution, et cetera—that a person will be relegated to having one car for riding in the city and another car for riding in the country? This assuredly is fuzzy thinking at best and it seems to me that in today's era of time and space when the wonders of man's greatest achievements are still on the drawing board—and not a fait accompli that we certainly ought to be capable of resolving our people's transportation dilemma. The straightout truth of the matter is that the present administration and, yes, the Congress refuses to establish a national transportation system as a major national goal.

When we talked about the realities of the new BART system in San Francisco, we talked about and debated the point of view of operating subsidies. The minute you mention subsidy everybody runs and hides. But everybody testified to the point that the States simply cannot carry the cost of the mass transportation system themselves. They have to have additional financial aid, particularly until they reach a revenue-producing level from fares collected. We must evolve a system that is going to work without the continual bankruptcy situations that are taking place throughout our country and, most particularly at present, the crisis facing the Northeastern region of our country, including my State of New Jersey. If we do not do something right now in this Congress to make the investment in mass transportation, the need for which is so obvious, we literally are courting economic disaster.

Have we deteriorated to a point in this country where we refuse to make the investment that is needed, not out of emotion, but out of essential necessity? The whole economy, the flow of capital, the environment, people's jobs, all of the factors we are talking about that make America great, are intertwined and based upon decisions we make today. Let us not resort to running for paste and glue and fighting with the fact that we have to deal with this issue. There is no question in my mind that we cannot continue to rely on the private automobile alone for our transportation needs.

We must face up to the fundamental basic problem and essential need to establish an integrated transportation system throughout our country, and particularly to provide the desperately needed adquate Federal funds to be able to achieve this goal, which includes subsidization of operating and maintenance costs of rail and bus lines which is vital to the solution of the problem.

Mr. EDWARDS of California. Mr. Chairman, today the House is faced with an important choice regarding our Nation's future urban transportation systems. H.R. 6452 represents an important step forward in improving the quality of mass transit in our country with the resulting benefits of cleaner air, less highway congestion, and decreased energy consumption.

The main innovation contained in this bill is the first authorization ever of operating subsidies to public bodies which run transit systems. Contrary to what many people believe, such subsidies will not bankrupt the public treasury but will increase ridership and revenues because of lower fares and improved service.

Another very important provision of the bill increases the Federal share of the mass transit capital grants program. This increase, from two-thirds to 80 percent, will greatly aid many transit systems by helping them purchase more of the necessary equipment to further improve their service.

Both of these provisions will undoubtedly help the transit agencies in my own district. The Santa Clara County Transit District with a $4.9 million Federal grant is purchasing 90 new buses and in other ways vastly improving service while keeping the average fare at a very low 23 cents. The Bay Area Rapid Transit District is building up an extensive network of rapid rail transit for the entire Bay area, including southern Alameda County. With the help of a comparatively modest amount of Federal funds BART has created an innovative example to other regions of how our vast urban transit problems can be solved. The increased capital grants and operating subsidies provided by this bill will be of great assistance to these agencies and others in providing the Bay area with one of the best transit systems in the Nation.

I would like to commend my colleagues on the Banking and Currency Committee for the tremendous amount of effort they have put into this subject and the fine bill they have reported out. I urge my colleagues to support this bill and help mass transit in our country provide the viable alternative to the automobile that is so desperately needed.

Mr. DOMINICK V. DANIELS. Mr. Chairman, urban transportation represents one of the most troubled areas of our national economy and every day life. It is beset by numerous problems, so universal in their occurrence as to be of national concern.

Seventy percent of America lives in urban areas with the concentration becoming greater each decade. The effective metropolitan areas of cities are being extended farther and farther, and, as a result of the auto, in every direction as people move to the suburbs. These great and growing masses of people have correspondingly large demands for intraurban transportation for travel to and from work, for the conduct of business and commerce, for shopping, and for recreation and other special needs.

However, the large and growing demands for transportation have not been matched with the overall means of providing such services. Mass transit, which should be expected to provide most of the transportation, has in the past two decades been victim of a vicious cycle of increasing costs, declining profits, declining patronage, decreasing quality; increasing fare levels and further declining patronage.

Between World War II and 1971 average fares have tripled, going from 8 cents to 24 cents; total passengers have dropped from 23 billion to 8 billion; and annual operating income of $149 million has reversed to a deficit of $130 million. This relentless spiral has seen the demise of over 100 transit companies during this period, and has placed many others in a position of near insolvency.

Mass transit as a national policy is obviously far more desireable than the current mess on the highways, in the tunnels and over the bridges. Moreover, it is cheaper for each of us as consumers as well as taxpayers.

It costs taxpayers far less to construct necessary mass transit facilities to provide fast transportation to and from work than it does to construct massive lanes of highways, tunnels and bridges. Consumers could probably do without or use less a second car, saving money on gasoline, taxes, insurance and upkeep. In addition, there would be fuel savings in an era of scarcity.

There is no question but that the automobile is the cause of massive pollution in urban areas. In addition to causing severe lung problems, a study in Washington, D.C. suggests that auto traffic is the cause of abnormally high lead levels in the blood and is associated with brain damage over a period of years.

The long and nerve-racking drive to work, the health and pollution problems, the massive amounts of fuel consumed merely in the New York—New Jersey metropolitan area, and wasteful costs are the benchmarks of our failure to move people from home to work and back.

We cannot afford as a national policy to perceive mass transit as a luxury or even as a mere alternative. It is in fact an absolute economic necessity around which all other transportation policy must revolve. In an hour, a lane of highway can accommodate only 1,200 cars provided they maintain an average speed of 70 miles per hour, which they cannot. Even if every auto carried five passengers, which they do not, only 6,000 persons an hour could move over a single lane.

Mass transit can carry 8 times as many people in the same time period, 120 50-seat buses can carry 6,720 riders one way each hour. On special bus lanes they can almost guarantee a speed of 70 miles per hour. Merely 40 rapid transit cars can accommodate as many as 48,000 patrons. Even the old 3-car streetcar units could carry 14,400 passengers one way.

To carry the same number of people as mass transit is capable of carrying in an hour, we would have to design 21 one-way highway lanes that could accommodate 32,000 automobiles every 60 minutes.

It is absolutely essential that there be a national policy favoring mass transit over the private automobile as the predominant means of regular commuter traffic. This does not mean that the private automobile has no place in our lives. But its use should be confined to filling in the gaps in our ability to move about from one central area to another, as a means of converging from outlying areas, or for recreation.

Mr. Chairman, this country needs the new breakthrough in transportation that this bill offers in the form of operating subsidies. Our urban areas are at a standstill. Each new commuter highway we build becomes a rush hour parking lot. On the other hand, in every city that has experimented with subsidized transportation, the number of mass-transit users as well as total public acceptance has increased along with service and efficiency.

In Atlanta, the decline in mass transit use was reduced when the private transit company was purchased by the local government, fares were cut, and service and equipment improved. Moreover, pollution decreased and those persons who actually required the use of an automobile were able to get around without traffic jams. The number of passengers increased among the very group that had earlier abandoned mass transit as a means of getting to and from work—businessmen with incomes over $20,000.

Similarly in Iowa City, Iowa; Commerce, Calif.; Rome, Italy and Toronto, Canada, experiments with free and subsidized transit have proven that if service is inexpensive, efficient, and comfortable, ridership will show a substantial increase and everyone will get about easier and faster.

While this bill doesn't go that far, many transportation experts advocate no-fare transit systems. They view urban transportation as any other public service such as police, fire and education. The Atlanta transportation chief likened urban transportation to elevator service:

> In an office building elevators are provided regardless of cost so people can get to the upper floors. Public transit must be considered a horizontal elevator (providing) the fifth freedom——

I think we ought to stop thinking about public transportation as a local business—as a department store or a grocery. We do not expect to pay the police every time they answer a cry for help, the fire department when they put out a fire, or teachers for each lesson. A community depends upon its transportation system to maintain its economic and social life. Where people, ideas, and products can converge and move about freely, there will be economic well being. Where they cannot there will be stagnation, mistrust, and deprivation.

Mr. Chairman, transportation has value only to the extent that it contributes to the quality of the human life it serves. The automobile was acclaimed as a new means of extending freedom of mobility. We mistakenly placed our total reliance on it, and we ended up deprived of that mobility. Whatever value the automobile once promised, has been lost by poor planning and imbalanced priorities. This legislation would serve as a beginning of those new priorities.

Mrs. HOLT. Mr. Chairman, I rise to express my opposition to the utilization of Federal funds to subsidize operating expenses of mass transit systems.

Historically, the role of the Federal Government has been confined to assist State and local governments in funding capital expenditures associated with mass transportation facilities. Section 2 of the bill before us will alter this role and authorize the Secretary of Transportation to provide operating subsidies for State and local governments according to a formula based on total population, number of passengers, and total vehicle miles.

The central question before us is not the level of authorizations for such subsidies or the fairness of the formula but whether the Federal Government should venture into this uncharted area. I strongly oppose such subsidies for several reasons. First, there is no question in my mind that the provision of operating subsidies will eventually lead to complete control of local transit systems by the Department of Transportation. Second, the costs of this proposal will continually skyrocket and reduce the incentive or need for local governments to run an efficient system. And, finally, this proposal would result in all of the taxpayers being forced to contribute to the mass transit systems of a few large, urban areas.

Mr. Chairman, America needs more mass transit facilities and I support a continuing Federal commitment to meeting this need. However, I see few benefits and many problems associated with Federal aid to cover operating deficits of these systems.

I strongly urge my colleagues to reject these subsidies and stick to programs which will solve rather than compound transportation problems.

Mr. RANGEL. Mr. Chairman, as a citizen and Representative from the great city of New York I know the importance of urban mass transportation systems. New York could not exist without its subways and its buslines. It barely survives with them. Yet increasingly New York is being forced to subsidize by itself its mass transportation system while other important citywide services continue to be under funded. Why should New York City alone pay for a mass transportation system that serves 1 out of every 12 Americans? Such massive financial burdens should not fall on only our city. Just as the benefits are regional and national, the responsibility is a regional and national one. A city is not the appropriate unit to have to provide such subsidies, even if it could raise the necessary revenues.

In 1972, New York's mass transportation cost over $1 billion to operate while fare box revenues amounted to only $640 million. The operation cost deficit will continue to increase but the city's heavy subsidy to the system can not.

Fare increases are not the answer to the problems of subsidizing urban mass transit. Along with every fare increase comes a substantial decline in ridership. This pattern is being experienced throughout the Nation. Declining ridership leads to the familiar cycle of greater automobile use, falling revenues, and deteriorating service. With the greater use of cars, a city experiences increasing air and noise pollution, traffic congestion, and pressures for land use planning to take care of the greater usage of cars.

In order to maintain a cheap and efficient mass transportation system outside help is needed now. And the answer is not a revenue sharing provision which would in effect deprive or tieup desperately needed funds for New York's system.

Neither are grants that force the city to match a certain percentage of Federal funds practical. It is ridiculous to have cities matching Federal grants when cities cannot even pay for their own safety, sanitary, and maintenance services.

What we have before us in this bill is a very reasonable and fair set of solutions to the many problems that plague mass transportation. Operating subsidies in the form of non-matching grants would enable transportation authorities to maintain or possibly even lower current fares while increasing the number of services that could be provided by the system.

This bill does not solve only city problems, but regional ones as well. By strongly emphasizing regional transportation systems and agencies, Federal operating grants serve the outlying suburbs by subsidizing cheap and efficient means of getting into and out of the central city.

The establishment of the Mass Transportation Advisory Councils takes care of all planning functions and helps coordinate policy between city, State and Federal agencies.

There must be some form of assistance for mass transit in our cities. Fair and adequate assistance can only come from the Federal Government—specifically in the form of H.R. 6452.

Mr. VANIK. Mr. Chairman, every Member of this body is aware of the need for less reliance on automobiles in urban transportation. The need to diminish our dependence on automobiles is obvious to us each day—in a continuing gasoline crisis, in smog and air pollution levels unprecedented in our experience, in sorrowful traffic fatality rates, in urban congestion that makes our cities nearly impassable and consumes valuable space in superhighways and parking lots. Congestion encourages the flight of jobs and businesses to other places; the final result is urban decay.

The bill H.R. 6452, which amends the Urban Mass Transportation Act of 1964, helps us to offer alternatives to our unfortunate addiction to automobiles. It helps sustain the beginning of what I believe must be a growing Federal involvement in the problems of American transportation and its related issues of pollution, energy consumption, and excessive land use.

The benefits of urban mass transit in a typical major American city can be seen in a study released this summer for use in transportation planning in northeast Ohio. Prepared for the Urban Transportation Task Force five-county transist study and entitled "Interim Report: Five-Year Transit Development Program," the study provides some useful insight into urban transit problems and needs in a highly urbanized area. In one part of the study, it was found that the net benefits of the present Greater Cleveland area public transit systems were $6.15 million annually. The report noted that:

> One way of describing [the benefits] is to say that one might justify expending up to that amount annually in subsidy payments if they were needed at present fare levels and it was desired to retain these benefits for their present recipients.

The benefits are broken down as follows:

TABLE II–2

Summary of economic benefits of present transit services—itemized changes method

(In millions)	*Benefits to existing users No system change*
1. Time savings	$4.09
2. Operating cost savings	−10.44
3. Parking cost savings	3.75
4. Insurance cost savings	2.70
5. Additional vehicle ownership savings	3.32
6. Accident cost savings	2.73
Total annual economic benefits	6.15

The reason for the very large benefits from urban mass transit and the importance of the system in the Cleveland area can be seen from the following quote from the five county study:

> "As a result of this concentration, public transportation serves an area transport function far more important than the number of trips served would suggest. On an annual basis, only about *four percent* of person-trips in the study area are made by means of public transportation. Over half of all transit trips, however, are made during the weekday peak periods, and two-thirds of peak period trips are to or from the central business district of Cleveland. The use of transit is so much concentrated in this way that over 40 percent of the Cleveland CBD labor force travel to and from work via bus or rapid. At peak rates, transit riders generated an estimated 200,000 person-miles of travel, mostly over congested radial routes near the center of the region. This is equivalent to about 150,000 vehicle-miles, which would require road capacity of 100 to 150 lane miles. Thus the public transportation system, even at its current much-reduced scale, provides valuable and substantial transport capacity that would be difficult or impossible to provide by expansion of the highway system, particularly when the requirements for added parking and circulatory facilities are included."

Despite the tremendous benefits from mass transit systems, both public and private transit systems are currently dying a slow death all over the United States. Rising fares necessary to pay operating costs unfortunately result in a downward spiral of decreasing ridership levels and continuing decreasing revenue as well. Often, once those riders are lost, they will never return; they seek jobs away from the city or resort to autos further clogging the city streets. This pattern has certainly proven true in Cleveland. In 1967, the base fare on the Cleveland Transit System was 25 cents. By April of 1973, it had increased to 50 cents, certainly one of the highest in the Nation at that time. This 100-percent increase in fare is a particularly severe hardship on a major proportion of the system's ridership, many of whom are on fixed or low incomes. Naturally, this has led to reduced ridership—with the result that there has been further downward pressure on passenger revenue.

But despite a poor record recently, municipal trains and buses and rapids have a tremendous potential for alleviating the problems of auto transportation. A single bus, for example, can displace from 30 to 60 automobiles at almost twice the energy efficiency of a car per passenger mile. Of course, municipal rail transit can be even more efficient than bus transport.

Mr. Chairman, the bill before the House today, which provides operating and equipment purchase assistance, is vital if the decline of our urban transportation systems is to be reversed. It is important to note that it is simply not good enough to freeze the service of our present bus and transit systems at their present level. Ridership has been declining not only because of increased fares but because of poor, uneven, and slow service. Service has to be improved, not just restored. Innovative, imaginative, creative thinking must be employed to provide truly fast, efficient and convenient systems. Only then will we find ridership returning; only then will we receive the full beneficial potential of urban mass transportation systems. The Five County Report made the following observations concerning a "freeze policy:"

> "Four causes of ridership loss were identified. These are auto ownership growth, spreading land use patterns, fare increases, and transit service cuts. The two causes that are of transit origin, fare increases and service cuts, could be avoided if public funds were used to subsidize operating costs, so that both fares and service could be held constant year by year. The probable results of this "freeze service and fares" policy are examined in this section.
>
> "Because two of the four causes of ridership loss would be unaffected by this "freeze", a projection of transit riders for the five-year period shows an annual loss, although the rate of decline would be much less than under the "do nothing" assumptions. Annual ridership is projected to decline from 61.2 million in 1973 to 51.1 million in 1978, a drop of 16 percent.
>
> "During the same period, the escalation of operating cost rates would cause total operating cost to increase rapidly, from $34.7 million in 1973 to $45.2 million in 1978, despite a projected five percent drop in service from 1973 until the assumed "freeze" would begin in 1974.
>
> "While operating costs would rise each year, fare revenues would drop due to the annual shrinkage of ridership. Fare revenues would fall from $34.6 million in 1973 to $28.6 million in 1978. Consequently the operating deficit, paid by subsidy, would grow rapidly from a near break-even position in 1973 to a loss of $16.7 million in 1978. Over the five forecast years, 1974 through 1978, operating losses would total $45.9 million or an average of $9.2 million per year.
>
> "In addition to operating subsidies, equipment replacement costs would be incurred. Replacement of over-age buses and rail transit cars would require local matching funds of $6.5 million, or an average of $1.3 million per year through 1978."

PROJECTED RESULTS OF A "FREEZE SERVICE AND FARES' POLICY FOR PUBLIC TRANSPORTATION

	Projected annual amounts [1]					
	1973	1974	1975	1976	1977	1978
Riders [2]	61.2	57.5	55.9	54.3	52.6	51.1
Operating cost (dollars) [3]	34.7	34.5	36.8	39.2	41.9	45.2
Fare revenue (dollars) [4]	34.6	32.2	31.3	30.4	29.4	28.5
Operating subsidy (dollars)	.1	2.3	5.5	8.8	12.5	16.7
Local share, capital (dollars) [5]			3.4	.6	.5	2.1
Total local costs (dollars)	.1	2.3	8.9	9.2	13.0	18.8

[1] All amounts are in millions annually.

[2] Person-trips rather than transit rides.

[3] Based on freezing service at 28,700,000 bus and rail vehicle miles annually (projected 1974 level).

[4] Based on freezing fares at present and anticipated 1974 level (average 56 cents per trip).

[5] Based on replacing all over-age vehicles. A regional replacement program started in mid-1974 would see first deliveries in 1975.

Of course, the cost—both to individuals and to society as a whole—would be much more severe if we provide no assistance, if we "do nothing."

As the five-county study concluded:

> "The results shown, however, are indicative of the problem that is faced if a permanent solution to public transportation service is to be found. Even a "freeze" on service and fares will produce ever increasing operating subsidies but still not arrest the decline in ridership. If both the amount of service provided and the number of trips served are to be stabilized or made to grow, substantial public transportation improvement must be achieved."

Only by providing Federal assistance, through the bill before the House today and through an opening up of the highway trust fund, can we provide our Nation's mass transit systems with the financial breathing room to recover and restore service to a level that can really serve to counteract our urban problems of congestion, pollution, and energy consumption.

In addition, the funds provided by this bill could—with local support—result in significant expansions of mass and rapid transit systems. The communities which I represent in the eastern Cuyahoga County, Lake County, and Geauga County, Ohio, offer a remarkable example of areas in which rapid and mass transit lines could be extended. The Five County Study described at least three major extensions in this area that could service tens of thousands of commuters each day. For example, while there is some debate on the priority of an extension of the Shaker Heights Transit System, the Five County Study concluded that it has a high priority and is justified in light of:

> The opportunity for improved economic viability of transit;

> The growing need for traffic relief in the corridor;
>
> Removal of the Clark Freeway from highway plans, placing increased emphasis on transit improvement;
>
> Ease and low cost of construction;
>
> Tendency to balance passenger loadings between the two Shaker branches.
>
> Review of ridership potential for this alternative shows plainly that little gain can be achieved unless park-ride connections with I–271 are provided. The extension would little expand walk-to-transit potential due to the low residential densities, and surface street access already is adequate to the Green Road park-ride facility, which is not quite fully utilized. Direct linkage with the freeway, on the other hand, would provide convenient access from points near or beyond the next interchanges in each direction and permit attraction of significant new ridership.
>
> While the connection between rapid and I–271 is seen as vital to the extension, it also is recognized that local area residents, particularly those living west of I–271 along Shaker Boulevard, may oppose establishment of a general traffic interchange between the freeway and Shaker Boulevard. Such a highway traffic interchange is by no means required as part of the transit facility; consequently this alternative is shown in the preliminary engineering, which follows, as a plan providing ramps connecting *only* to transit parking.
>
> ### PRELIMINARY ENGINEERING
>
> An extension of the Shaker Heights Rapid Transit, Shaker Boulevard Branch, easterly to I–271 will enable transit riders to reach a station directly from I–271.
>
> Under this proposal, marked E–1 on the drawings, the Shaker Branch will be extended in the median of Shaker Boulevard from the existing terminal at Green Road, to a station and 1,500-space parking area located within the median of Shaker Boulevard, immediately west of I–271.

Ramps will be provided to allow both northbound and southbound I–271 traffic to exit directly into the parking facility and permit motorists to return to either northbound or southbound I–271.

With this interchange configuration, motorists could enter and exit into the transit parking facility only; the interchange would not serve Shaker Boulevard. A possible plan for the interchange-station area would relocate the eastbound Shaker Boulevard roadway past the site, as shown on the drawings.

A station, without parking, will also be provided between Sulgrave Road and Shakercrest Road, providing access to both.

Further possible extensions of the transit line from I–271 could be located along Gates Mills Boulevard, north or south along I–271, or into future developments in the vicinity of I–271 and Shaker Boulevard.

In addition to the right-of-way and construction, $3,600,000 for additional rolling stock is required. Thus total capital cost is approximately $12.9 million.

An extension of the Cleveland Transit System East Side Rapid Transit line through Euclid and toward Lake County is described by the five-county study as follows:

> The present east side terminal of the CTS rapid, at Windermere, is well inside the extent of peak-hour congestion and not an attractive site for park-ride or other major access. Easterly extension could provide expanded park-ride capacity, improved travel times and direct no-transfer service to additional significant destinations. Extension as far as I–90 would offer potentially excellent intermodal exchange. Assumption of termination there would permit uniform evaluation in comparison with the Lakeland Freeway Busway alternative. Further extension may be warranted.
>
> Right-of-way for such an extension appears readily available, and construction problems should be sufficiently minimal as to permit completion within the five-year TDP period.

Finally, Mr. Chairman, I want to commend the committee for its action in including provisions in this legislation for "quasipublic development corporations." As the committee report indicates, this section seeks to encourage—

> More socially, economically, and environmentally sound patterns of land use in the areas immediately adjacent to transit corridors and station sites. Your committee believes this section will help prevent hodgepodge development and environmentally unsound land speculation along transit corridors and near transit stations.

In 1970, I testified before the committee on the need to tie our transit development plans to our plans for rural development. A rapid transit route, carefully planned and supported by adequate land use zoning, would be the best way to insure orderly industrial, commercial, and residential development of our expanding suburbs, while also guaranteeing the preservation of necessary green space and recreation land. I am hopeful that numerous communities take advantage of this provision incorporated in this urban mass transit bill, so as to bring about a greater degree of rational urban development.

Mr. HELSTOSKI. Mr. Chairman, I rise in support of H.R. 6452, the Urban Mass Transportation Act of 1973.

We must use foresight in passing this legislation today if we are to avoid the accelerating problems we face tomorrow in terms of growth of population, congestion, pollution, a looming energy shortage, and increasing deaths by automobiles.

The district which I represent is a microcosm of all these problems and more. It will not be too long before my district has the highest density of population in the country, comparable only to Hong Kong. Many communities across the United States are in a similar position, and it is therefore necessary that Congress enacts legislation which will provide our citizens with alternative forms of mass transit facilities.

In many areas, work has already begun in attacking the problem. In the southern part of my State, for example, the Lindenwold-Philadelphia high-speed line has proven a huge success, and has demonstrated the fact that if people are offered an alternate form of transportation, they will make use of it. Southern New Jersey commuters can drive to the high-speed line, park their cars and ride quickly and comfortably to Philadelphia. They save themselves time and money, as well as wear and tear on their cars. By comparison, the city of Philadelphia is relieved of additional congestion, pollution, and a strain on limited parking facilities.

When the metro subway is completed in Washington and surrounding areas, the situation will be similar. Maryland and Virginia commuters will find it more advantageous to leave their cars at home and take the subway. The San Francisco Bay area has recently inaugurated a high-speed line to encourage commuters to leave their autos at home.

I want to add that the Europeans, and most particularly the Japanese, have long ago begun providing mass transit facilities for their people. We can do no less for our own citizens.

I want to compliment the House Banking and Currency Committee, and the work of Congressman JOSEPH MINISH, for including a provision that the handicapped and the elderly will pay half fares or less during nonpeak hours. The needs of these citizens are oftentimes neglected, and this provision will assure not only the assistance they need, but help to defray operating costs during nonpeak hours.

Mr. Chairman, I strongly urge my colleagues to pass the Urban Mass Transportation Act of 1973. To delay this legislation any longer will present us with insurmountable problems in the very near future.

Mr. BINGHAM. Mr. Chairman, I rise in enthusiastic support for the Urban Mass Transportation Assistance Act of 1973 (H.R. 6452). This legislation and a similar Senate measure demonstrate congressional recognition of the need for a balanced transportation policy and the importance of the Federal Government in encouraging that balance. Up until now our Federal transportation policies have favored auto use through massive aid for highways and tax breaks for auto owners not available to mass transit riders. These tax breaks alone cost the Federal Government an estimated $1.4 billion in lost revenue in 1973. This encouragement for auto transportation has been immensely successful, except for the fact that we now find ourselves facing three resulting crises; pollution, energy, and urban transportation.

With the enactment of the Urban Mass Transportation Act of 1964 and its 1970 amendments, Congress indicated its awareness of the need to assist our Nation's mass transit systems. As in the past when Congress recognizes its responsibility to support and encourage the healthy development of an industry which is so vital to the public good. Funds were committed in these acts for capital improvements, research, and planning in mass transit, but at a relatively low level compared to highway aid.

Since I first came to Congress in 1965, I have been working vigorously to help redress this imbalance through opening up the Highway Trust Fund for mass transit purposes at local option. Finally this year, Congress enacted legislation accepting this approach in principle but phasing it in slowing over the next 3 fiscal years and limiting the aid to capital improvements only. Unfortunately, it did not go as far as I had proposed, but its adoption represents an important victory in the cause of balancing highway needs against mass transit requirements.

Despite this past and promised Federal assistance, mass transit systems in large and small cities across the Nation are in dire financial difficulty. This is an industry with a serious problem: Those who use its services are those who can least afford to pay through the fare box the kinds of increasing operating costs which the industry is experiencing. Many persons on medicare have a similar problem in regard to their premiums and the Government's answer is to subsidize such health care costs. But the Federal Government up until now has resisted operating subsidies for mass transit thus leaving it up to State and local governments to fill the void in order to keep transit fares at reasonable levels.

The alternatives for these governments are not attractive: Raise fares, decrease service and safety, which result in diminishing financial returns as more and more riders opt for automobile transportation. Cities facing a deadline for compliance with air quality standards, gasoline shortages, and traffic tieups can ill afford such results. State and local government operating subsidies for mass transit in 150 communities reached $513 million last year. Of these cities, those which have provided funds to lower fares and thereby encourage people to use the transit facilities have been rewarded by massive increases in ridership and a certain financial stability in their systems.

This is what happened in Atlanta which dropped its fares from 40 cents to 15 cents and increased patronage by approximately 11 million passengers. San Diego had a similar experience. Its subsidy dropped fares from 40 cents to 25 cents which resulted in a 36-percent increase in ridership. However, State and local governments are reaching the limit of their ability to take over and subsidize their mass transit systems. The problem is especially critical in small communities where private transit companies are failing at an alarming rate. While in large urban areas like New York City, part of which I represent, the deterioration of the existing mass transit system, and the specter of a 50-to-55-cent fare in spite of a State-city commitment of millions in operating subsidies are indications of a growing crisis with severe national consequences which mandate Federal cooperation and support to save this public service industry.

So I believe Federal help in the form of operating subsidies as provided in H.R. 6453 is clearly necessary and justified. If we can accept the responsibility of assisting mass transit for the good of the Nation as a whole and redressing the imbalance of our transportation policies which have existed for years, then how can we reject the most necessary kind of aid—operating subsidies? One Member of Congress noted that our present policy of providing capital and planning assistance without operating aid is like helping someone buy a car but leaving him without the necessary funds to pay for gas. A relatively small Federal investment in the operation of mass transit systems will bring a large return, as Atlanta and San Diego have discovered, in stabilizing an industry which is a cornerstone of the solutions to our energy, pollution and transportation problems.

H.R. 6452 as reported by the House Banking and Currency Committee for the first time offers Federal operating assistance, but at a modest level of $400 million in 1974 and a like amount in 1975. Capital assistance and planning programs are also provided for in this legislation, but they have already been enacted into law with my vigorous support in the Federal Aid to Highway Act of 1973—Public Law 93-83. There are safeguards in H.R. 6452 designed to insure that this subsidy money will produce the desired results: A healthy mass transit industry as well as service for the public good. To see to it that all communities in need receive their fair share of subsidy money, the allocation of grants is based on a three-part formula: Population of the area served, number of passengers carried, and total revenue vehicle miles traveled.

The formula, the committee has noted, will encourage progressive and responsible management since improving service and increasing ridership will bring grantees more Federal aid. State and local bodies eligible for grants under this program would be required to submit to the Secretary of Transportation a comprehensive mass transportation service improvement program designed to enhance service, and place the grantees operations on a sound business and financial basis. They would also be encouraged to include plans to provide disincentives for the use of the automobile in heavily congested urban centers. Thus H.R. 6452 seeks to work hand in hand with the Clear Air Act of 1970.

To further emphasize the Government interest in the public service aspect of this industry, grantees must allow the elderly—those 62 and over—and the handicapped to travel on half-fares during nonpeak hours. This requirement is of immense importance to our urban elderly and disabled poor.

H.R. 6452 also recognizes the need for participation by the public and interested local parties in mass transit planning. The bill provides for the establishment of mass transportation advisory councils made up of representatives of the general public, the business and professional community, the labor force, community organizations, and affected local governments. These councils will review mass transit policies and decisions and provide a vitally necessary input into transportation planning.

In conclusion, H.R. 6452 offers an intelligent approach to a critical problem and deserves the support of all of us who are concerned about maintaining the health of our urban areas, fighting pollution, relieving the energy crisis, and insuring the mobility of our society, especially the poor, the old, and the handicapped. I urge passage of H.R. 6452 as a vital step toward a balanced Federal transportation policy.

Mr. BADILLO. Mr. Chairman, I rise to register my enthusiastic support of the Urban Mass Transportation Assistance Act of 1973 and to urge my colleagues to resist attempts to limit or weaken this vital and long-overdue legislation.

It is significant that today marks the first occasion on which the House has had an opportunity to vote on legislation specifically designed to provide operating assistance for urban mass transportation. Just this week, the Senate for the fifth time in the last 4 years voted approval of such a program. Further delay or inaction by this body would be deplorable.

In its report last February, the Joint Economic Committee asserted:

> The arguments for restricting direct mass transportation aid to capital expenses are without basis. Furthermore, a grant to subsidize capital but not operating expenses encourages wasteful, premature replacement, overcapitalization of technology and inadequate maintenance, which are likely to be extremely costly.

No one argues the fact that more and more bus and rail transit systems throughout the Nation are threatened with bankruptcy. As these systems go under, more and more automobiles are added to the steady stream that is already choking our cities. Those systems which remain in operation are forced to raise their fares time and again, resulting in a decline in total riders and higher daily transportation costs for lower income workers, who already are being cruelly hit with the penalties of inflation.

Opponents of this legislation argue, however, that the plight of urban mass transportation is a local problem that must be met with local resources. That is tantamount to saying that the Federal Government has no obligation to help save the Nation's cities and I reject that assertion totally.

Modern, safe, convenient, and economical mass transit is the lifeline of our urban centers. A viable metropolitan economy depends on it. No effort to improve the quality of our air can succeed without it. And the costs involved just are too great for the States and localities to bear alone.

The funding levels authorized in the bill before us are modest, perhaps too modest, and I will support efforts to increase them. At the same time, I realize that the political situation is such that the figures contained in the bill—$400 million in each fiscal year 1974 and fiscal year 1975—may be the best we can achieve. The key accomplishment, in my judgment, is to get the principle of Federal support for operating expenses enacted into law.

This legislation will provide valuable and timely assistance to New York City, which is faced with raising its transit fares just to maintain the admittedly inadequate levels of mass transit service. The voters of New York are also being asked to approve a State $3.5 billion transportation bond issue, which includes mass transit funds. The bill before us today represents just one element in what must be a total commitment involving government at all levels and if the administration believes in its own rhetoric about forging new partnerships with the States and localities, it should be behind this bill.

At the appropriate time, Mr. Chairman, I intend to offer amendments to add emphasis on safety to the criteria for local mass transit plans as required by this legislation. I urge support for those amendments and for the bill.

Mr. DONOHUE. Mr. Chairman, I intend to support and I very earnestly hope that this pending bill, H.R. 6452, the Urban Mass Transit Assistance Act of 1973, is overwhelmingly adopted, in the public interest, by the House this afternoon.

The basic purpose of this measure is to attempt to deal, as effectively as possible with the very critical problems of pollution, congestion, and the energy crisis.

This purpose is to be achieved by extending Federal assistance to our Nation's mass transit systems for the operation of these systems and not for their capital needs. The evidence presented here today emphatically shows that the crisis in mass transit extends beyond the borders of big cities and large metropolitan areas into smaller and more medium size cities, like my own home community in Worcester, Mass. In these comparatively smaller cities, the operating deficits are greatest and the transit problem is therefore the more urgent.

It is quite clear, from all the available facts and testimony, that improved mass transit is absolutely essential to the accomplishment of our local and countrywide objective of reducing private auto traffic and its accompanying congestion and pollution. If that objective is not attained, it is obvious that there will result the most severe economic consequences for the Nation as a whole.

Mr. Chairman, I think it is very pertinent, in our deliberations here, to point out that experience and the record demonstrate that operating aid to mass transit systems does, in fact, result in increased ridership, lower fares, stable or declining deficits, and improved service. Many examples of the success of transit operating subsidies, such as those in San Diego, Tulsa, Atlanta, and other places have been recited here this afternoon.

It should also be noted, Mr. Chairman, that this bill contains provisions of safeguard against any misuse of this Federal aid because of the formula that is involved and the performance requirements of increased ridership, improved scheduling, equipment upgrading, and substantially improved service.

Another very important feature of this measure is the section that responds to the 1971 White House Conference on Aging declaration that it should be Federal policy to increase transportation services for the elderly and the handicapped. Because of the serious lack of currently adequate intercity transportation, the elderly and the handicapped are too often practically forced to forgo necessary shopping, seeing their doctors, visiting relatives, going to senior citizen centers, and attending other social activities that enlarge and enrich their later years.

Therefore, by the adoption of this bill, with its provision of reduced rates during nonpeak hours, very great numbers of elderly and handicapped persons in this country will be substantially benefited and enabled to more fully participate in the activities and programs that make their special time of life more bearable and productive, as it ought to be.

In substance, Mr. Chairman, the proposed funding in this bill is modest, indeed, in view of its objectives and the urgency involved is imperative. The projected plan will undoubtedly provide more efficient, economical, and convenient mass transit service and eventually it will place mass transit on a stable financial basis. Therefore, I most earnestly urge the House to resoundingly approve this bill in the national interest.

Mr. ASHBROOK. Mr. Chairman, there are several major problems with H.R. 6452, the Urban Mass Transportation Assistance Act of 1973. First, why should taxpayers of the 17th Congressional District of Ohio help subsidize the staggering urban mass transit deficits of New York, Boston, and Philadelphia? This bill would do just that. New York City would need one-third of the bill's authorization of $400 million for operating subsidies to cover last year's deficit alone. I can see this program easily mushrooming into a billion-dollar-a-year program. We cannot afford programs like these if we are serious about cutting Government spending and putting a stop to inflation.

Second, is this the best way to help develop better urban mass transportation systems? This bill would appear to benefit the huge cities such as New York and Chicago while smaller municipalities would not benefit proportionately. Additionally, the bill would give more power and responsibility to Washington by giving the Secretary of Transportation powers to design criteria for evaluating local transportation systems. Many of the problems that a local transportation system faces are unique to that system. A more sensible approach to alleviating the mass transportation problem may be to return some of the Federal Government's taxing power to the States in order that they may find their own solutions. Sending a problem to Washington, D.C., often leads to further problems, more bureaucracy, and higher taxes.

Mr. WOLFF. Mr. Chairman, I rise in support of the Urban Mass Transportation Assistance Act of 1973. As one who has actively worked on similar legislation to provide Federal support for urban transit facilities, I sincerely appreciate the work of the committee in getting this legislation onto the floor for a vote.

As a New Yorker, I am vitally aware of the importance of this legislation to our Nation's cities. For some time, many of us in the Congress have been trying to get through legislation like this to provide Federal operating subsidies for mass transit facilities on the grounds that improved mass transportation will benefit all the people, not only transit users. Fortunately, more and more people in and out of Congress are beginning to realize that an effective mass transit system will help to combat some of the problems that beset all of our people, problems like pollution, the energy crisis, and congestion and accidents on our highways.

The Urban Mass Transit Act which we are considering authorizes $800 million over a 2-year period in transit operating subsidies. This provision represents a breakthrough which will unquestionably help to lower transit fares, improve services, and thus encourage expanded use of transit facilities. Since 1950, there has been a steady decline in virtually every American city in transit ridership. If this decline continues—and I feel it will without Federal operating subsidies—our cities are headed for real disaster, not only environmentally, but in terms of meeting their everyday needs through an effective intraurban transportation mode. For a very long time, we have been concerned with moving goods and people between urban and rural areas, and our present transportation systems effectively deal with this need. However, we have seriously neglected a problem equally as important, and that is, moving goods and people within our urban and suburban areas, where the majority of our populace now resides. It is time that we revised our transportation policies to recognize this need, and I feel that the bill we are considering today makes a significant step forward in that direction.

Over the past months, we have all been made acutely aware of the energy crisis that exists in our country today. Undeniably, our energy shortage has been aggravated by the enormous amounts of fuel wasted by the overuse of the automobile. Encouraged use of mass transit facilities, made possible by the operating subsidies in this bill, will help us to cut down on gasoline consumption and conserve energy for other pressing demands, like heating our homes this winter. This is a concern which faces not only urban areas, but the country as a whole.

I would like to stress that the operating subsidies in this bill are not a mere handout. They represent an incentive for systems to increase their patronage; grants would be made available only if a system produces a comprehensive plan for improved service.

It is imperative that the House pass this measure by a margin significant enough to convince the President that a veto would be overridden. It is no secret that the administration opposes this bill and would like to fall back on its own 1974 budget proposals for funding mass transit. It should be noted, however, that the administration's proposal would allocate only 6 cents of every transportation dollar for mass transit, with 57½ cents going to our highways. In view of our current energy, environmental, and highway congestion problems, the Congress must act to reorder our transportation priorities. I urge my colleagues to join with me in supporting the Urban Mass Transportation Assistance Act of 1973 if we are to truly balance our transportation policy and meet this country's transportation needs.

Mr. DRINAN. Mr. Chairman, I rise in support of the Urban Mass Transportation Assistance Act (H.R. 6452). I believe the authorization of $400 million in each of the next 2 fiscal years for operating assistance grants to State and local public transportation bodies and agencies to be in the best interests of our cities and our Nation.

The operating subsidy provision of this bill will be made available to applicants who have submitted to the Secretary of Transportation a comprehensive mass transportation service improvement plan. These 100 percent grants would be awarded according to a formula based on a population of the area served by the mass transit system, the number of revenue passengers carried, and the number of revenue vehicle miles traveled. The Banking and Currency Committee report points out that dwindling revenues in passengers, coupled with rising costs and fares have made "the public transit crisis national in scope."

Particularly important in this bill is an increase in the special mass transit services available to the elderly and handicapped. The bill will require that mass transit systems receiving funds provide half-fares for such persons during nonpeak hours. The American Association of Retired Persons and the National Retired Teachers Association support this legislation. They cite an analysis prepared by the Bureau of Labor Statistics ranking transportation as one of the largest expenditures in the average retired couple's budget, accounting for 8.9 cents out of every dollar. The only categories with larger expenditures were food, housing, and medical care. Transportation, however, is important not only because of its expense, but also because of the dependence of so many other activities on transportation services. The elderly, in particular, are faced with the great burden of inadequate intercity transportation.

Mass transportation in urban areas can provide relief from the energy crisis, from automobile-caused air pollution, and from the congestion of the cities. Automobiles, whose manufacture and operation account for more than a fifth of all the energy consumed in the United States, are a luxury we can no longer afford. The Highway Action Coalition states that if we could shift one-fourth of urban travel in major mertopolitan areas from private automobiles to public transportation, we could expect to save nearly a million barrels of petroleum a day by 1980.

Automobile-caused air pollution has become a major health hazard in many cities. The Environmental Protection Agency issued a report stating that in order to meet the Federal Clean Air Act air quality standards by 1977 at least 26 metropolitan areas in 22 States would have to reduce automobile usage in order to meet the minimum standards required under the law and for human health.

This is not the time to defer the vigorous pursuit of an effective public transportation system. Accordingly, I urge my colleagues to support this important measure.

Ms. **HOLTZMAN**. Mr. Chairman, I rise in wholehearted support of H.R. 6452—a bill that would provide Federal subsidies to help to defray the operating costs of mass transit systems.

There is no question that this bill would be of enormous assistance to New York City and would provide us approximately $100,000 for the next 2 years. We have a desperate need in our city for improved subway services—a need felt not only by those who have to contend daily with hot, crowded, and inconvenient service, but those who have to contend with the effects of car use prompted by poor subway service. Reducing traffic would cut down on air pollution and noise pollution and the cost of keeping our roads and highways in good repair.

The significance of this bill is not, however, restricted to New York City alone. It is clear that we as a nation must make a commitment to mass transit and this bill is the first substantial step in that regard.

We cannot seriously deal with the energy crisis affecting us as a country unless we can substantially reduce the use of cars—and the only way to do this is to provide as an alternative convenient, prompt, and pleasant mass transit facilities. Our failure to make such a national commitment to mass transit would be in effect to bury our heads in the sand and ignore the disastrous consequences that will follow from the failure to reduce the use of gasoline and oil and the generation of air pollution by automobiles.

In addition, we as a nation must make a commitment to the well-being of our city. Over 70 percent of our population resides in urban areas. Failure to address the needs of our urban population would lead to a deterioration of these areas. I hardly need to remind my colleagues of the tax dollars contributed by the largest cities of this country and other urban areas, and the very small return that they receive in the national budget. This bill is not a money grab by cities, but simply a recognition of the national need to support mass transit as well as fairness to the taxpayers of the cities of this Nation.

I do, however, have a minor reservation about H.R. 6452. It makes no provision for public hearings by mass transit agencies or local governments when they seek to change routes or mass transit service in such a way as to affect substantially the users of the facilities. We have recognized the importance of public hearings in the Urban Mass Transportation Act of 1964 as well as in the Federal Highway Act. Congress has understood in those acts that the public is entitled a voice in decisions affecting them directly. Clearly those people who use mass transit facilities on a daily basis would be affected by fare increases and major changes in routes or service. I regret indeed that there is no provision in this bill that takes this matter into account. In every other respect, however, it is an exceedingly important bill and I urge my colleagues to support it.

Mr. **BROWN** of Michigan. Mr. Chairman, I have no further requests for time.

Mr. **PATMAN**. Mr. Chairman, we have no further requests for time.

The **CHAIRMAN**. Pursuant to the rule, the Clerk will now read the bill by sections.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Urban Mass Transportation Assistance Act of 1973".

ASSISTANCE FOR OPERATING EXPENSES

SEC. 2. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting immediately after the second sentence the following new sentence: "The Secretary is also authorized, on such terms and conditions as he may prescribe, to make grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of mass transportation service in urban areas, allocating any funds made available for assistance under this sentence among the various State and local public bodies and agencies thereof in the manner provided in subsection (g): *Provided,* That no assistance shall be provided under this sentence to any State or local public body or agency thereof unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged elderly and handicapped persons during nonpeak hours for transportation utilizing or involving the facilities and equipment financed with such assistance will not exceed one-half of the rates generally applicable to other persons, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise."

(b) Section 3(c)(2) of such Act is amended by inserting "(including grants for payment of operating expenses)" after "project grants".

(c) Section 3 of such Act is futher amended by adding at the end thereof the following new subsections:

"(f) No financial assistance shall be provided to any State or local public body or agency thereof for payment of operating expenses incurred in connection with the provision of mass transportation service unless the applicant State or public body or agency has submitted to the Secretary a comprehensive mass transportation service improvement plan which is approved by him and which sets forth a program meeting criteria established by the Secretary for capital or service improvements to be undertaken for the purpose of providing more efficient, economical, and convenient mass transportation service in the urban area or areas involved, and for placing mass transportations operations in such area or areas on a sound financial basis.

"(g) The funds made available for assistance in the payment of operating expenses under the third sentence of subsection (a) for any fiscal year shall be allocated by the Secretary among the various States and local public bodies and agencies thereof (without regard to section 15) on the basis of a formula under which the urbanized areas of eligible applicants in any State will be entitled to receive an amount equal to the sum of—

"(1) one-third of the total amount so allocated multiplied by a fraction the numerator of which is the total population of the urbanized areas of eligible applicants in that particular State, and the denominator of which is the total population of the urbanized areas of eligible applicants in all the States;

"(2) one-third of the total amount so allocated multiplied by a fraction the numerator of which is the total number of revenue passengers carried by mass transportation systems in the urbanized areas of eligible applicants in that particular State and the denominator of which is the total number of such passengers carried by mass transportation systems in the urbanized areas of eligible applicants in all the States; and

"(3) one-third of the total amount so allocated multiplied by a fraction the numerator of which is the total mass transportation revenue vehicle miles traveled in the urbanized areas of eligible applicants in that particular State and the denominator of which is the total mass transportation revenue vehicle miles traveled in the urbanized areas of eligible applicants in all the States."

(d) (1) Section 4 of such Act is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) To finance grants to assist States and local public bodies and agencies thereof in the payment of operating expenses under the third sentence of section 3(a), there is authorized to be appropriated not to exceed $400,000,000 for the fiscal year ending June 30, 1974, and $400,000,000 for the fiscal year ending June 30, 1975. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for either such fiscal year may be appropriated for any succeeding fiscal year."

(2) The first sentence of section 4(c) of such Act is amended by inserting after "under sections 3, 7(b), and 9 of this Act" the following: "(other than grants made under the third sentence of section 3(a))".

(e) Section 12 of such Act is amended by adding at the end thereof the following new subsection:

"(f) The provision of assistance for the payment of operating expenses under the third sentence of section 3(a) shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable."

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that section 2 of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. WYLIE: Page 1, strike out line 5 and all that follows thereafter through page 5, line 18.
>
> Redesignate the succeeding sections accordingly.

Mr. WYLIE. Mr. Chairman, this amendment is obvious on the face of it, and I think we have probably debated it sufficiently during the debate on the rule so that I do not believe I will need to take the full 5 minutes.

What my amendment would do, of course, is to strike the section dealing with operating subsidies. It is not fair to say that there is not any money provided for urban mass transportation over and beyond operating subsidies. It is not accurate to suggest that if the operating subsidies section is knocked out, there will be nothing left for urban mass transportation.

There will still be Federal assistance for urban mass transportation for capital grants. The amount of subsidy for urban mass transportation other than for operating subsidies is increased from $3.1 billion to $6.1 billion. That is a substantial amount of money. By the same token, there is added to this bill an operating subsidies provision which would provide another $800 million in subsidies to local subdivisions. There is some inconsistency in that we have already provided an additional $3.1 billion for capital grants and now we add an additional $800 million for operating subsidies.

I think the amendments are counterproductive because the money for each program will be coming out of the same pocket: the general revenue fund, and there is only so much to go around.

I think what we need to do is provide the system first and then say to cities and municipalities, "It is up to you to operate it efficiently. We will try to help you with your capital grant program, since this will be your first major outlay as far as urban mass transportation is concerned." Besides, the $800 million has never been budgeted.

I pointed out during the course of the debate on the rule that there is an inconsistency as to how the operating subsidy money is going to be distributed. It is allocated according to a formula in one place, and then in the last section of the bill there is a suggestion that the Secretary of Transportation provide some sort of criterion on his own with only a general suggestion as to how that criterion is to be established.

The fact is that the Government ought to be getting out of the categorical grant-in-aid program and there have been moves in that direction, which is another reason why we should not have another categorical grant-in-aid program through the urban mass transportation bill.

As I said earlier, I am a strong supporter of urban mass transportation, and I supported the increase in the capital grant program to 80 percent Federal money and 20 percent local contribution. I believe this is the right approach to the problem, and I favored opening highway trust funds for that purpose.

By the formula in this bill we are encouraging inefficiency of operation, it seems to me, of urban mass transportation systems. We will not be saying, "It is up to you to provide some sort of efficient method of operating your transit system. If people need to provide funds at the local level they will more likely provide that they be used more efficiently."

The gentleman from Georgia (Mr. BLACKBURN) mentioned Atlanta and the fact that the local citizens voted a levy for operating subsidies. We did the same thing in Columbus, Ohio. We provided a local tax levy, which the people voted on themselves for the purchase of the Columbus Transit System and for the operation of that system.

I believe that by section 2 we would penalize cities which have gone ahead on their own to try to provide their own operating subsidies. I would respectfully suggest that Members should support this amendment I have offered as a responsible vote with reference to operating subsidies.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I am glad to yield to the genteman from Georgia.

Mr. YOUNG of Georgia. I should like to read very briefly from a telegram I received from the Metropolitan Atlanta Rapid Transit Authority, which says:

> We understand that the House of Representatives will consider later this week a transit operating aid bill designed to provide operating funds to transit agencies incurring an operating deficit. Under the formula in the bill as introduced, over the 2-year life of the bill, MARTA would receive approximately $3.9 million per year or a total of $7.8 million, which could be applied against the annual deficit of $12 million.

The telegram goes on. I just use this to illustrate that in spite of the fact that we voted in a 1-cent sales tax and in spite of the fact that there has been a tremendous increase in ridership there is still a need for some kind of Federal operating subsidy.

Mr. MINISH. Mr. Chairman, I rise in opposition to the amendment.

This amendment plainly would gut the bill. We went through this during the debate on the rule.

The amendment would strike out the operating subsidy and there would be nothing left in the bill.

Let me say that it seems the people on this side of the aisle have more faith in the administration than the Members on the other side. There are plenty of safeguards in the bill. The Secretary of Transportation has the authority to deal with subsidies any way he wants. If transit systems do not measure up to what he thinks ought to be done they will not get any money. So it is a fallacy to say that this money is going to be wasted.

I hope the amendment will be defeated.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. MINISH. I am happy to yield to the gentleman from Ohio.

Mr. WYLIE. The gentleman indicates in his opinion this amendment would completely gut the bill. There is a provision in the bill for $6.1 billion in subsidies for capital grants, is there not?

Mr. MINISH. That has been taken care of in the highway bill.

Mr. WYLIE. I do not understand. What does the gentleman mean when he says that has been taken care of in the highway bill? Is this in lieu of what has already been authorized in the highway bill?

Mr. WYLIE. Mr. Chairman, will the gentleman yield so that I may ask the gentleman from Texas another question?

Mr. MINISH. I yield to the gentleman.

Mr. WYLIE. Mr. Chairman, I was referring to page 6 of this bill which says:

> INCREASE IN BASIC ASSISTANCE AUTHORITY
>
> The Urban Mass Transportation Act of 1964 is amended by striking out $3,100,000,000" * * * and inserting in lieu thereof "$6,100,000,000."

What is authorized by that language?

Mr. WRIGHT. Mr. Chairman, if I may be recognized to respond to the question, that already has been done in the highway bill enacted by this House. That basic authorization for UMTA was increased in that highway bill by $3 billion, as mentioned by the gentleman.

Mr. WYLIE. Then why is this section in this bill? Is the gentleman going to offer an amendment to strike it out?

Mr. MINISH. Mr. Chairman, this bill was reported out before the highway bill was completed. The gentleman is on the subcommittee.

Mr. WYLIE. Is the gentleman going to offer an amendment to strike the $6.1 billion language on page 6?

Mr. MINISH. The gentleman is correct.

Mr. CRANE. Mr. Chairman, I rise in support of the amendment.

Mr. CRANE. Mr. Chairman, I would like to make a couple of observations beyond my earlier remarks in connection with the amendment offered by the gentleman from Ohio.

It has been argued that the question of capital grants or assistance for capital improvements of mass transit systems has been provided for in the highway trust fund bill. I voted against the diversion of the highway trust fund moneys on the grounds that in my estimation it was an inappropriate way to provide assistance to communities that were suffering escalating costs under their various urban mass transit programs.

Under the highway trust fund bill, it struck me that we created that trust fund with moneys raised from the users for a clearly stated objective and that the word "trust" meant what I was brought up to believe it meant. If there were surplus moneys there, the taxes should have been reduced.

To contemplate subsidizing the deficits in our mass transit systems by diverting money from the highway trust fund seems to me to place a disproportionate burden of taxation on many people who can ill afford it, including many people who are dependent upon the utilization of their automobiles to get to and from work.

I believe that since we cannot raise moneys for our urban mass transit systems through the user tax approach, then the appropriate alternative is to contemplate raising those moneys from general revenue, and in that connection I submitted to the Subcommittee on Mass Transit of the Committee on Banking and Currency a bill entitled H.R. 6432, which would have done exactly that.

Mr. Chairman, I believe anyone at the local level who has had any experience in dealing with the Federal Government will readily testify to the fact that they would like to be free from many of the regulations, guidelines, and controls that go with the acceptance of many of our Federal programs in the categorical grants-in-aid category.

I believe, in addition to that, that they will tell us that the idea of block grants for capital improvements is something which they can live with and, in fact, would prefer themselves, at least most of them. Major exceptions are those peculiar areas touched upon earlier in debate, where they are running major deficits through inefficiencies, political considerations, or to preserve patronage havens.

Under these circumstances, I would urge my colleagues to join in support of the responsible amendment offered by the gentleman from Ohio.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the distinguished chairman of the Subcommittee on Transit indicated that the bill had some safeguards in it. I wonder if the gentleman would answer a question concerning the bill.

Can the gentleman tell me what those safeguards are or what discretion we can give to the Secretary of Transportation with respect to paying the $400 million in operating subsidies?

At the top of page 3 it states:

> (f) No financial assistance shall be provided to any State or local public body or agency thereof for payment of operating expenses incurred in connection with the provision of mass transportation service unless the applicant State or public body or agency has submitted to the Secretary a comprehensive mass transportation service improvement plan which is approved by him . . .

I can go on, but I think the gentleman can read it. It sets forth the criteria quite clearly, and I think it is a proper safeguard.

So your position is that the submission of a plan is some sort of guarantee of good service?

Mr. MINISH. Well, it is up to the Secretary of Transportation to decide whether it is good service or not. He would make the final decision.

Mr. FRENZEL. Is the gentleman aware that the Secretary said that this was a fairly difficult thing for him to do and that he was on record before our subcommittee and in writing and to other Members that this placed a burden on him that seemed to be difficult.

Mr. MINISH. Will the gentleman yield?

Mr. FRENZEL. I do yield.

Mr. MINISH. I am not privy to conversations with the Secretary that the gentleman may have; but let me say this for myself, I have complete faith in the Secretary, and I am sure he can handle the problem.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the distinguished gentleman from New York (Mr. Wolff).

Mr. WOLFF. I thank the gentleman for yielding.

According to the statement the gentleman made, the Secretary says that he is unable to handle this work himself. I think we ought to get a Secretary who can.

Mr. YOUNG of Georgia. Will the gentleman yield?

Mr. FRENZEL. I will be glad to yield to the distinguished gentleman from Georgia.

Mr. YOUNG of Georgia. In yesterday's Wall Street Journal there was an article on the growing clamor for transit subsidies which says:

> It is understood that the new Secretary, Claude S. Brinegar and other department officials recently sought White House backing for some kind of transit aid program, too, but without success.

What we are getting here is political considerations and not those of the Department of Transportation or of the needs of the American people.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. Chairman, I think the point I am trying to make is we are loading onto the Administrator of the UMTA, and ultimately the Secretary of the Department of Transportation, a determination as to whether our local transit plans are all right or not all right. That, of course, is counter to the theory of the advisory council.

There is nothing in the operating subsidy portion that guarantees that service will be improved one bit and that routes will be improved 1 inch.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I will not yield. I have yielded all afternoon.

I support the amendment offered by the gentleman from Ohio, because the operating subsidy obviously gives nothing. If we want something for our transit dollar, we ought to improve the facilities through the capital grant program or we ought to spend more money on research and develop viable alternatives which the public will choose in a clear choice against the other alternatives. This section does nothing except subsidize systems which are losers today and which are obsolete in their facilities and which are likely to be losers tomorrow.

Mr. GROSS. Will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, earlier in this season the Democrats were bleeding all over the House floor in protest to the delegation of congressional powers to the executive branch of the Government. Now you are castigating executive branch officials because they do not want to make interpretations and take actions that are not clear under the law. You want to pile on the executive branch of the Government the power to do anything. When are you Democrats going to stop bleeding at every pore over delegations of power to the executive branch and erosion of powers of Congress? You cannot have it both ways.

Mr. FRENZEL. I thank the distinguished gentleman from Iowa for his contribution.

Mr. Chairman, I urge support of the amendment offered by the gentleman from Ohio (Mr. Wylie) and because I believe, as the distinguished subcommittee chairman says, it does gut the bill and I believe the bill richly deserves to be gutted.

Mr. WRIGHT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. WYLIE).

Mr. Chairman, there may have been some understandable confusion with respect to this bill and the extent to which it does or does not duplicate matters already contained in the Highway Act which Congress passed earlier this year.

Like the gentleman from Illinois, I opposed any large diversions from the highway trust fund for the purpose of subsidizing mass transit operations. I did so for a very simple reason. I do not believe that there are sufficient moneys in the highway trust fund to care adequately for both our highway needs and our mass transit needs. And yet I supported mass transit assistance. We included in that highway legislation a provision of $3 billion in additional authorization out of the general revenues to assist in matching grants for mass transit capital investments. We did not include in that legislation any provision for operating subsidies. And if operating subsidies were to be stricken from this bill, as the gentleman from Ohio proposes in his amendment, then it does seem to me that this bill would be rendered meaningless. So that is the question to decide.

It occurs to me that we can decide it right now with regard to the amendment offered by the gentleman from Ohio.

I oppose that amendment, Mr. Chairman, for several reasons which I consider very valid. First of all, because of the energy shortage in this country. There are known domestic petroleum reserves to last us for less than 20 years in the United States, at our present rate of consumption. And that rate is increasing daily. We practically double our energy consumption in the United States every 10 years. The private automobile is among the most conspicuous reasons. One generation ago, less than half of America's families owned automobiles. Today more than half own two or more. Our 200 million people today possess 114 million automobile vehicles. That is more than one for each two Americans.

Unless we provide some viable and attractive alternative to induce people in the larger cities to leave their automobiles at home and utilize public transportation, we face a severe energy crisis which within a very few years may place this country at the economic mercy of the governments of the Middle East.

The second reason which I think augers very strongly for our enactment of this bill, and against the amendment offered by the gentleman from Ohio, is that, unless we do provide some attractive alternative to induce and entice the American city dweller to utilize mass transit facilities, not only the ambient air quality of our cities but the quality of life itself in our cities will continue to deteriorate very rapidly.

So, as one who supported the highway bill, and as one who opposed the diversion of highway trust funds for mass transit, I just want to go on record as saying that I think we do need to support mass transit. We face the necessity, if public transportation is to be viable, of finding some way to assist in making its rates attractive enough for people to ride it. Obviously, it cannot pay for itself on the basis of the present ridership in most American cities. Apparently it will not in the future unless we make service more attractive and/or reduce rates. Evidently we cannot do that unless there is some sort of operating subsidy from some source.

Every major nation in Europe subsidizes public mass transportation in its large cities. I know of only one big metropolitan system on the North American continent that is reported to be paying for itself on its current operations out of the fare box, and that is the one in Montreal.

The magnificent system that has been created in the bay area of California is providing excellent service, but it is not paying for itself.

Now, if this is a national need and if there is a national imperative to try to attract people to utilize public transportation in the cities to relieve those cities of the glut, the fumes, and the noise of traffic, and the debilitation to human life that occurs therefrom, then I suppose we should just as well face up to it today and support this bill. And if the Members have a tendency to support the bill then it occurs to me that the Members must vote against the amendment offered by the gentleman from Ohio. If that amendment should be adopted, then there would be little, if anything, left in the bill in the way of new initiative.

Under leave to extend my remarks, I include a copy of a letter which I have received from the National League of Cities and the U.S. Conference of Mayors which further elaborates upon these facts:

NATIONAL LEAGUE OF CITIES,
U.S. CONFERENCE OF MAYORS,
Washington, D.C., October 2, 1973.

Hon. JAMES C. WRIGHT,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WRIGHT: The National League of Cities and the U.S. Conference of Mayors, on behalf of more than 15,000 municipalities throughout the nation, commend your continued support for an immediate program of federal operating assistance for mass transit. As you know, state and local governments are subsidizing mass transit systems by more than $500 million annually.

The financial crisis in operating costs comes at a time when cities are now confronted with significant new demands for expanded and improved mass transit service. For example, the proposed EPA regulations mandating transportation controls in 36 metropolitan areas will force major reductions in automobile usage. Because these controls are aimed at commuters, this will increase peak hour demand. Capital and operating costs will rise, as cities bear the burden of meeting the federal clean air requirements. The energy crisis is another factor leading to greater demands for mass transit. One-half of every barrel of domestic crude oil goes for gasoline to power autos and trucks. Each conventional bus can carry enough passengers to replace twenty or more automobiles.

The demands for mass transit will increase, and the resultant operating costs will soar. Federal operating assistance is needed immediately to assure that mass transit, an essential public service, will be able to meet the demands and assist in the achievement of the national goals of energy conservation and a quality environment.

We agree with you that federal operating assistance is absolutely necessary to attain these objectives. Cities cannot continue to meet these responsibilities alone. We hope that your support of operating subsidies will serve as an example to other Members, and that the Congress will adopt, and the President sign, a program of federal operating assistance for mass transit.

Sincerely,
JOHN J. GUNTHER,
Executive Director.
ALLEN E. PRITCHARD, Jr.,
Executive Vice President.

The CHAIRMAN. The time of the gentleman has expired.

The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER resumed the chair.

The SPEAKER. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on October 2, 1973, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 719. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes.

The SPEAKER. The Committee will resume its sitting.

URBAN MASS TRANSPORTATION ASSISTANCE ACT OF 1973

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. KOCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to take a few moments to ask my good friend and colleague on the full committee, the gentleman from Minnesota (Mr. FRENZEL), whether he might respond to a question.

I know, having discussed this with the gentleman from Minnesota in the past, that he supported mass transit operating subsidies for Amtrak. I heard the gentleman a few moments ago make a very eloquent speech about why we ought not to have subsidies for buses and subways and commuter lines, and because I know the gentleman is a very reasonable, logical person, I should like to have him share with me the reasons that permit him to vote subsidies for Amtrak and no subsidies for buses and subways and commuter lines.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

I do not think that that is some kind of terrible inconsistency. I think I have tried to explain in my debate on the rule that we have a fixed number of dollars to employ in each of these areas. They are scarce dollars. In my judgment, the subsidies should go to capital and research. I have said that as many times as I can. I have been on the floor pleading for a doubling and a tripling of our research and development and for our capital drain, and this bill is drawing away money from those worthy subsidies.

Mr. KOCH. Let me interrupt the gentleman, if I may. Last year when the gentleman voted $170 million for subsidies for Amtrak, did he think we were throwing away the money, and if he did, why did he vote for it?

Mr. FRENZEL. I thought that it was a good vote, that it was useful, and that it was something that was needed. I did not have any alternative. I had a "yes" or "no." On this we have an alternative. We have two other ways that we can stimulate transit development and employment in this country, and the gentleman from New York is taking the wrong one if he votes for a subsidy.

Mr. KOCH. I thank the gentleman, but I do not think it is a very logical response to the question, although the gentleman is usually very logical and reasonable.

Mr. FRENZEL. I thank the gentleman.

Mr. WYLIE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 492]

Alexander
Broyhill, Va.
Burke, Calif.
Clark
Conyers
Coughlin
de la Garza
Diggs
Dingell
Edwards, Calif.
Eilberg
Esch
Ford, William D.
Fraser
Gray
Gude
Hanna
Heckler, Mass.
Holifield
Johnson, Colo.
Jones, Ala.
Kastenmeier
Kluczynski
Landrum
Leggett
Melcher
Mills, Ark.
Moorhead, Calif
Morgan
Pepper
Railsback
Rosenthal
Runnels
Sandman
Taylor, N.C.
Vander Jagt
White
Wilson, Charles H., Calif.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. McFALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 6452, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 396 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. WILLIAMS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I made the point during the debate on the rule that it is most difficult to get Americans commuting in their automobiles out of their automobiles and into mass transit. I have had personal experience with this, because I was one of the original members of the board of directors of the Southeastern Pennsylvania Transit Authority.

We took over the Philadelphia Transportation Co., the Philadelphia Suburban Transportation Co. and worked out leases with the railroads, and then we improved service, built bigger parking lots, and inaugurated an express bus operating on a link of the interstate route right into Philadelphia.

Let me talk just for a moment about this express bus traveling from the Philadelphia suburbs into Philadelphia.

When we started that service, we thought it was going to be a great success. The fact of the matter is that during the rush hours, the peak hours, the buses were running at about 50 percent capacity.

We lowered the fares and advertised and finally got the buses filled to a point where there was standing room only at peak traffic hours, and during the day women were taking the bus into town to do their shopping. The fares were then raised, and this became a profitable operation.

Now, right here in Washington, D.C., in this entire area, we are spending billions of dollars on the Metro system, and I believe we will all have pretty red faces if we get sections of this system finished and then we find we cannot get enough people to ride on those sections, so that we have to subsidize Metro.

Mr. Chairman, I am not in favor of simply subsidizing an outmoded transit system, but I am in favor of doing what in effect would be "priming the pump" to get people to use the mass transit facilities which we are now building and upon which we are spending billions of dollars. To simply say that operating subsidies are totally unnecessary is not in keeping with the facts. Anything that is new has to get off the ground, and it must be properly operated and give good service, and it has to get enough money so it is not operating at a loss.

For a temporary period of time in order to build up the ridership, as a result you are going to have less congestion on our highways, fewer accidents, and more people riding mass transit.

I do not know any other way one could do it except giving that mass transit system an operating subsidy for a limited period of time.

So I would hope that the amendment would be defeated.

Mr. PATMAN. Mr. Chairman, we have had some pretty full debates on this amendment. I wonder if we could not have a vote by now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. WYLIE) there were—ayes 79, noes 62.

RECORDED VOTE

Mr. PATMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 206, noes 203, not voting 26, as follows:

[Roll No. 493]

AYES—206

Abdnor
Alexander
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evans, Colo.
Findley
Fish
Fisher
Flowers
Flynt
Ford, Gerald R.
Fountain
Frenzel
Frey
Froehlich
Fuqua
Goodling
Griffiths
Gross
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Heinz
Hillis
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Keating
Kemp
Ketchum
King
Kuykendall
Landgrebe
Landrum
Latta
Long, Md.
Lott
Lujan
McClory
McCollister
McEwen
McKay
McSpadden
Madigan
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mitchell, N.Y.
Mollohan
Montgomery
Moorhead, Calif.
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Hara
Passman
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rousselot
Roy
Ruppe
Ruth
Ryan
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Slack
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Winn
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOES—203

Abzug
Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chisholm
Clay
Collins, Ill.

Corman
Cotter
Coughlin
Cronin
Culver
Daniels,
  Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Denholm
Dent
Derwinski
Diggs
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Fascell
Flood
Foley
Ford,
  William D.
Forsythe
Fraser
Frelinghuysen
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gunter
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Holtzman
Horton
Howard

Hungate
Hunt
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Lehman
Lent
Litton
Long, La.
McCloskey
McCormack
McDade
McFall
McKinney
Macdonald
Madden
Mahon
Mailliard
Maraziti
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Neill
Owens
Parris
Patman
Patten
Perkins
Peyser
Pike
Podell
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Reuss
Riegle

Rinaldo
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Smith, Iowa
Staggers
Stanton,
  James V.
Stark
Steele
Steelman
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
Williams
Wilson,
  Charles H.,
  Calif.
Wilson,
  Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—26

Burke, Calif.
Conyers
Dingell
Eilberg
Esch
Evins, Tenn.
Fulton
Goldwater
Gude

Hanna
Johnson, Colo.
Jones, Ala.
Kluczynski
Leggett
Melcher
Mills, Ark.
Mizell
Morgan

Pepper
Railsback
Runnels
Sandman
Skubitz
Taylor, N.C.
Vander Jagt
White

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BROWN of Michigan. Mr. Chairman, the action just taken by the Committee in adopting the amendment of the gentleman from Ohio (Mr. WYLIE), the amendment which I had proposed to offer cannot now be offered. Since I believe the issues raised and better resolved by my amendment should be before the Committee for its consideration despite its inability to receive formal action, I wish to offer the remarks I would have made on my amendment and submit a copy of the amendment for the RECORD.

Let me say at the outset, Mr. Chairman, that I am not fully persuaded as to the wisdom of operating subsidies for urban mass transportation systems. However, if it should be the judgment of this body, as it was the judgment of the Banking and Currency Committee, that operating assistance is to come to pass, then I would urge a more reasonable approach to the concept than that contained in the committee bill. The proposal incorporated in the committee bill, that is, 100 percent Federal subsidy, I would point out has already been acted upon and defeated by the House when it considered the highway bill.

The amendment that I have offered would make the following constructive changes in the provisions for operating assistance. First, my substitute will change the allocation formula for distribution of the funds appropriated for operating assistance. The committee formula would allocate the moneys on the basis of three factors, evenly weighted: Population of an area, the number of revenue passengers carried by a system, and the number of mass transportation revenue vehicle miles traveled in an urbanized area.

This allocation formula gives a clear, and in my opinion, unwarranted, advantage to those urban areas which have existing and well developed mass transit systems. My amendment would change that formula so that the population of an area would be assigned a weight of 50 percent, and vehicle miles and revenue passengers 25 percent each. This modification would, I think, provide for a more equitable distribution of the money and give a larger share to those urban areas which have relatively undeveloped mass transit systems, and yet have a pressing need for operating assistance.

Second, my amendment would add the requirement that any Federal funds received for operating assistance be matched on a dollar-for-dollar basis with locally derived funds. I think that in this area especially, with all the controversy that exists over the question of subsidizing the operation of local transit systems, any solution must be undertaken on a partnership basis with the local units of government—100 percent Federal funding could well result in disincentives to the units of urban government to improve operations so that their mass transportation systems can become self-supporting. Testimony was received by the subcommittee that substantial effort in this direction has been expended by local governments. A Federal program of operating assistance on a 50–50 basis should keep the pressure to perform on the local units of government, without smothering taxpayers with additional burdens.

In addition, to insure that real local effort takes place, the source of local share could not, under the language of my amendment, be derived either from the current revenues of urban mass transportation systems or from funds used to provide the local matching share for any other Federal grant.

Third, consistent with the emphasis on local initiative that the cost-sharing provision of my amendment would provide, my amendment would permit localities to expend moneys received under this section for equipment needs as well as for operating assistance. There is no compelling reason to require that this money be spent solely for operating assistance, and the local unit of government should be given flexibility in this area.

Fourth, my amendment would directly encourage the development of regional authorities to direct the operations of mass transit systems. It would do this by providing that operating assistance would not be distributed as a matter of right to a locality unless a governmental entity had adequate powers of control over mass transit projects and activities for jurisdictions containing at least 75 percent of the population of an urbanized area.

If no such regional authority existed, the funds shall be retained by the Governor of each State to be used in accordance with the general purposes of the act. Such a requirement would, in my opinion, cure one of the administration's objections to operating assistance—namely that under this program it would be distributing money to over 1,000 local transit systems and would, consequently, become involved in a multitude of strictly local matters. By encouraging consolidation and "regionalization" of mass transit systems, the number of systems with which the Federal Government would be even arguably involved would be substantially reduced. In addition, by directing the remainder of the money to the Governors of the respective States, the feared burden of local payment involvement is virtually eliminated.

Finally, the amendment I am offering would extend the time period for completion of the comprehensive urban transportation studies authorized in the Federal Aid Highway Act of 1973 from July 1, 1974, until July 1, 1975. That date will coincide with the expiration of the authorization for operating assistance contained in this bill, and will permit the Department of Transportation to collect and evaluate the experience under this program.

What better way to develop meaningful data on mass transportation needs and possible methods of meeting those needs—information which at this point we do not have—than to consider this 2-year program of operating subsidies as a "test" program, the results of which can be evaluated so that rational decisions as to the necessity of such assistance in the future can be made.

A final word regarding a problem which some of my colleagues have found with existing section 2 concerning the possibility of operating assistance being given to privately owned transportation companies.

The language of the amendment that I am proposing expressly avoids this possibility. First, assistance under my amendment would be limited to expenses incurred "in connection with the provision of mass transportation service provided directly by the State or local public body or agency thereof." Second, the revised funding formula employed in the language of the amendment limits the data of revenue vehicle miles and revenue passengers to those "of the eligible applicant"—that is, of the State or local public body or agency thereof. It is the intent of this language to limit operating assistance provided under this program to mass transportation systems that are both owned and operated by the "eligible applicant."

Thus, the possibility of a private subsidy is eliminated with the amendment I am offering.

In conclusion, just let me say that if we are to have operating subsidies, the amendment I am here proposing offers both less risk to the Federal Government and a more flexible program of assistance to more communities than does the committee bill. I urge its favorable consideration.

The amendment follows:

AMENDMENT TO H.R. 6452

Beginning on Page 1, Line 5, strike out all that appears through Page 5, Line 18, and insert in lieu thereof the following:

"Additional Assistance for Project Grants and Operating Expenses".

SEC. 2. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting immediately after the second sentence the following new sentence "The Secretary is also authorized, on such terms and conditions as he may prescribe, to make grants to further assist States and Local public bodies and agencies thereof in financing the activities described in the first sentence of this subsection, or to assist them in the payment of operating expenses incurred in connection with the provision of mass transportation service, provided directly by the State or Local public body or agency thereof, or both, in urbanized areas as designated by the Bureau of the Census, allocating any funds made available for assistance under this sentence among the Governors of the various States in the manner provided in subsection (g): *Provided,* That no assistance shall be provided under this sentence with respect to any State or local public body or agency thereof unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged elderly and handicapped persons during nonpeak hours for transportation utilizing or involving the facilities and equipment financed with such assistance will not exceed one-half of the rates generally applicable to other persons, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise."

(b) Section 3(c)(2) of such Act is amended by inserting "(including grants for payment of operating expenses)" after "Project grants".

(c) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(f) No financial assistance shall be provided with respect to any State or local public body or agency thereof under the third sentence of subsection (a) unless the applicant has submitted to the Secretary a comprehensive mass transportation service improvement plan which is approved by him and which sets forth a program meeting criteria established by the Secretary for capital or service improvements to be undertaken for the purpose of providing more efficient, economical, and convenient mass transportation service in the urban area or areas involved (including the exercise of such governmental powers by appropriate State and local jurisdictions as may be necessary to assure that maximum benefits will be achieved from the assistance so provided), and for placing mass transportation operations in such area or areas on a sound financial basis.

"(g) The funds made available for assistance under the third sentence of subsection (a) for any fiscal year shall be allocated by the Secretary among the Governors of the various States (without regard to section 15) on the basis of a formula under which the urbanized areas of eligible applicants in any State will be entitled to receive an amount equal to the sum of—

"(1) one-half of the total amount so allocated multiplied by a fraction the numerator of which is the total population of the urbanized areas (or parts thereof) of eligible applicants in that particular State and the denominator of which is the total population of the urbanized areas of eligible applicants in all the States;

"(2) one-fourth of the total amount so allocated multiplied by a fraction the numerator of which is the total number of revenue passengers carried by mass transportation systems of the eligible applicant in the urbanized areas (or parts thereof) served by such eligible applicants in that particular State and the denominator of which is the total number of such passengers carried by mass transportation systems of eligible applicants in the urbanized areas served by such eligible applicants in all the States; and

"(3) one-fourth of the total amount so allocated multiplied by a fraction the numerator of which is the total mass transportation revenue vehicle miles of eligible applicants traveled in the urbanized areas or parts thereof served by such eligible applicants in that particular State and the denominator of which is the total mass transportation revenue vehicle miles of eligible applicants traveled in the urbanized areas of eligible applicants in all the States.

If a governmental entity having adequate powers and capacity to plan and cause to be implemented urban mass transportation projects and activities for jurisdictions containing at least 75 per centum of the population of an urbanized area in any State exists, the Governor of such State shall make available to that entity, for its use in providing assistance in that urbanized area as authorized by the third sentence of subsection (a), the funds allocated to him pursuant to this subsection which are attributable to that urbanized area. All other funds allocated to a Governor pursuant to this subsection shall be retained by him for use as authorized by the third sentence of subsection (a) in the urbanized areas to which such funds are attributable. The amount of any assistance received in an urbanized area in a year pursuant to this subsection shall not exceed the amount of financial assistance provided in that year from non-Federal sources other than (A) current revenues of urban mass transportation systems, and (B) funds used to provide the local matching share for any other Federal grant. The Federal Government shall not be contractually obligated to pay to a State (or to any public body or agency within a State) the funds allocated to the Governor of such State pursuant to this subsection until the Secretary has determined that all requirements of law and any other applicable terms and conditions established by him have been satisfactorily complied with."

(d)(1) Section 4 of such Act is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) To finance grants under the third sentence of section 3(a), there is authorized to be appropriated not to exceed $400,000,000 for the fiscal year ending June 30, 1974, and $400,000,000 for the fiscal year ending June 30, 1975. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for either such fiscal year may be appropriated for any succeeding fiscal year."

(2) The first sentence of section 4(c) of such Act is amended by inserting after "under sections 3, 7(b), and 9 of this Act" the following: "(other than grants made under the third sentence of section 3(a))".

(e) Section 12 of such Act is amended by adding at the end thereof the following new subsection:

"(f) The provision of assistance under the third sentence of section 3(a) shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable."

"(g) The Congress hereby gives its consent to the States to enter into such agreements as may be necessary to realize the full benefits of this section."

Strike out "July 1, 1974" in section 138(a) of the Federal-Aid Highway Act of 1973, P.L. 93-87, and insert in lieu thereof: "July 1, 1975".

Strike out "by no later than the 180th day after the date of enactment of this section," in section 138(b) of the Federal-Aid Highway Act of 1973, P.L. 93-87, and insert in lieu thereof: "no later than July 1, 1975."

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INCREASE IN GRANT RATIO

SEC. 3. (a) The fifth sentence of section 4(a) of the Urban Mass Transportation Act of 1964 is amended to read as follows: "The Federal grant for any such project to be assisted under section 3 (other than a project for payment of operating expenses) shall be in an amount equal to 80 per centum of the net project cost."

(b) The amendment made by subsection (a) shall apply only with respect to projects which were not subject to administrative reservation on or before July 1, 1973.

INCREASE IN BASIC ASSISTANCE AUTHORITY

SEC. 4. (a) Section 4(e) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "$3,100,000,000" in the first sentence and inserting in lieu thereof $6,100,000,000"; and

(2) by striking out all that follows "which amount may be increased" in the third sentence and inserting in lieu thereof "to not to exceed an aggregate of $310,000,000 prior to July 1, 1972, not to exceed an aggregate of $1,000,000,000 prior to July 1, 1973, not to exceed an aggregate of $3,000,000,000 prior to July 1, 1974, not to exceed an aggregate of $3,000,000,000 prior to July 1, 1975, not to exceed an aggregate of $4,500,000,000 prior to July 1, 1976, not to exceed an aggregate of $5,500,000,000 prior to July 1, 1977, and not to exceed an aggregate of $6,100,000,000 thereafter."

(b) The first sentence of section 4(c) of such Act is amended by inserting immediately before the period at the end thereof the following: "to the extent that such amounts are or were appropriated to finance such grants and loans and have not been reserved or made available for any other purpose".

STATE AND LOCAL MASS TRANSPORTATION ADVISORY COUNCILS

SEC. 5. (a) Section 4 of the Urban Mass Transportation Act of 1964 (as amended by the preceding provisions of this Act) is further amended by adding at the end thereof the following new subsection:

"(f)(1) No financial assistance shall be provided under this Act to any State or local body or agency thereof, with respect to any project, unless (A) there has been established by the State or locality involved, as provided in paragraph (2), a Mass Transportation Advisory Council to advise and assist such State or local public body or agency as provided in paragraph (3), and (B) the application for such assistance has been reviewed by such Council.

"(2) The Mass Transportation Advisory Council established with respect to any State or local public body or agency thereof shall include one or more members representing each of the political subdivisions to be served by the project; and each such member shall be elected, or appointed by the chief executive officer of the locality involved, unless applicable State or local law specifically provides another method for the selection or designation of such member. The Council shall consist of representatives of the general public in the area to be served by the project and representatives of the business and professional community, the labor force, community organizations, and local government in such area; but in any event the membership of the Council shall reasonably reflect the composition of the ridership of the mass transportation facilities to be included in the project.

"(3) It shall be the function of the Mass Transportation Advisory Council established with respect to any State or local public body or agency thereof to advise and assist such State or local public body or agency in the establishment of policies and the making of decisions involving mass transportation service in the area involved. All policies and decisions affecting the provision of such service in that area shall be subject to the review of the Council, specifically including policies and decisions with respect to planning, design, and architecture; construction contracts and subcontracts; the purchase of equipment and supplies; maintenance; related services (such as concessions); hiring and training (managerial, technical, and professional) by local agencies having responsibility for mass transportation service in the area and their contractors and subcontractors; the location of routes and stations; and fares."

(b) The amendment made by subsection (a) of this section shall apply with respect to any project not yet approved for assistance (under the Urban Mass Transportation Act of 1964) on the date of the enactment of this Act.

COORDINATION OF URBAN MASS TRANSIT PROGRAMS WITH MODEL CITIES PROGRAMS

Sec. 6. Section 103(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) any program which includes a transportation component as a project or activity to be undertaken meets the requirements of section 3(e) of the Urban Mass Transportation Act of 1964;".

GRANTS FOR TECHNICAL STUDIES

Sec. 7. Section 9 of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "to make grants" in the first sentence and inserting in lieu thereof "to contract for and make grants";

(2) by striking out "and designing" in the first sentence and inserting in lieu thereof "designing, and evaluation";

(3) by striking out "and (3)" in the second sentence and inserting in lieu thereof "(3) evaluation of previously funded projects; and (4)";

(4) by inserting "or contract" after "A grant" in the third sentence; and

(5) by striking out all that follows "Secretary" in the third sentence and inserting in lieu thereof a period.

LIMITATION ON MASS TRANSIT FUNDING RELATED TO PUPIL TRANSPORTATION

Sec. 8. (a) Section 3(e) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(1)" after "(e)";

(2) by redesignating clauses (1) through (4) as clauses (A) through (D), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(2) No financial assistance shall be provided under this section to any State or local public body or agency thereof which engages directly or indirectly in the transporting of schoolchildren and school personnel to and from school and school-authorized functions, or proposes to expand present routes, schedules, service, or facilities for the purpose of providing transportation for schoolchildren and school personnel to and from school and school-authorized functions, in competition with or supplementary to the service currently provided by a private transportation company, or other person, engaged in so transporting such schoolchildren and school personnel; except that this paragraph shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting such schoolchildren and school personnel along with facilities to be used therefor) was so engaged at any time during the twelve-month period immediately prior to the date of the enactment of this paragraph."

(b) Section 12(e) of such Act is amended by inserting before the period at the end thereof the following: ", or from enforcing the limitation described in section 3(e) (2)".

ELIMINATION OF ASSISTANCE IN FORM OF LOANS

Sec. 9. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 (as amended by section 2(a) of this Act) is amended—

(1) by striking out "or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise)" in the first sentence;

(2) by striking out "or loan" in the fourth sentence;

(3) by striking out the fifth sentence; and

(4) by striking out "or loan" in the sixth sentence.

(b) Section 3(b) of such Act is amended—

(1) by striking out the first six sentences;

(2) by striking out "the loan then outstanding" in the seventh sentence and inserting in lieu thereof "any loan then outstanding (under the provisions of this section as in effect before the enactment of the Urban Mass Transportation Assistance Act of 1973)"; and

(3) by striking out the eighth and ninth sentences.

(c) Section 3(c) of such Act is repealed.

(d) Section 3(d) of such Act is amended by striking out "or loan".

(e) Section 4(c) of such Act is amended by striking out "and loans" in the first sentence.

(f) Section 12(b) of such Act is amended by striking out "loan or".

(g) Section 13(a) of such Act is amended by striking out "loans or" and "loan or".

(h) Section 16(b) of such Act is amended by striking out "and loans" each place it appears, and by striking out "or loan".

STUDY OF RURAL TRANSPORTATION NEEDS

Sec. 10. The Secretary of Transportation shall conduct a full and complete study and investigation of the public transportation needs of rural and other nonurban areas in the United States, giving particular attention to the needs of cities, towns, and other political subdivisions (outside urban areas) having a population of 50,000 or less, and of any changes in the Federal law which would be required in order to meet such needs. The Secretary shall report his findings and recommendations to the Congress within one year after the date of the enactment of this Act.

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 3, strike out "1972" and insert in lieu thereof "1973".

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee Amendment:

Page 9, line 1, insert the following new section:

ELIGIBILITY OF QUASI-PUBLIC DEVELOPMENT CORPORATIONS

Sec. 6. (a) The first sentence of section 3 (a) of the Urban Mass Transportation Act of 1964 is amended by inserting "(1)" after "financing", and by inserting before the period at the end thereof the following: ", and (2) the establishment and organization of public or quasi-public transit corridor development corporations or entities".

(b) The second sentence of section 3(a) of such Act is amended to read as follows: "Eligible facilities and equipment may include personal property including buses and other rolling stock and real property including land (but not public highways), within the entire zone affected by the construction and operation of transit improvements, including station sites, needed for an efficient and coordinated mass transportation system which is compatible with socially, economically, and environmentally sound patterns of land use."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 9, line 20, strike out "Sec. 6," and insert in lieu thereof "Sec. 7.".

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 10, line 6, strike out "Sec. 7." and insert in lieu thereof "Sec. 8.".

The CHAIRMAN. The question is on the commmittee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 10, line 24, strike out "Sec. 8" and insert in lieu thereof "Sec. 9."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 12, strike out line 3 and all that follows down through page 13, line 9, and insert in lieu thereof the following:

ELIMINATION OF ASSISTANCE IN FORM OF PROJECT LOANS

SEC. 10. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 (as amended by section 2(a) of this Act) is amended—

(1) by striking out "or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise)" in the first sentence;

(2) by striking out "or loan" in the fourth sentence; and

(3) by striking out "The Secretary may make" in the fifth sentence and inserting in lieu thereof "The Secretary is also authorized to make".

(b) Section 3(c) of such Act (as amended by section 2(b) of this Act) is amended by striking out "No loans" in the first sentence and all that follows down through "this section" in the second sentence, and insert in lieu thereof "Interest on loans made under subsection (b)".

(c) Section 3(d) of such Act is amended by striking out "or loan".

(d) Section 12(b) of such Act is amended by striking out "loan or".

(e) Section 13(a) of such Act is amended by striking out "loans or" and "loan or".

(f) Section 16(b) of such Act is amended by striking out "and loans" each place it appears, and by striking out "or loans".

And on page 14, line 13, strike out "Sec. 10." and insert in lieu thereof "Sec. 11.".

The CHAIRMAN. The question is on the committee amendment.

AMENDMENT OFFERED BY MR. MINISH TO THE COMMITTEE AMENDMENT

Mr. MINISH. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. MINISH to the committee amendment: Page 14, strike "and" in line 10 and all that follows down through "loans" in line 11.

Mr. MINISH. Mr. Chairman, this is a technical amendment to the committee amendment. This amendment would strike a provision, since it is already taken care of in the Federal Aid to Highways Act, 93 to 87.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I should like to ask the author of the amendment a question.

Would this take out the $6.1 billion to be found on page 6 of the bill?

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. MINISH. I am going to offer that in the next series of amendments.

Mr. GROSS. What does this amendment do?

Mr. MINISH. This is a provision that is taken care of in the highway bill. This section already appears in the Federal Highway Act.

Mr. GROSS. What page and what line?

Mr. MINISH. Page 14, section (f).

Mr. GROSS. Page 14 of the bill?

Mr. MINISH. Section (f).

Mr. GROSS. What line?

Mr. MINISH. Lines 9 to 11.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. MINISH) to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended was agreed to.

AMENDMENTS OFFERED BY MR. MINISH

Mr. MINISH. Mr. Chairman, I have a series of technical and conforming amendments, and I ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. MINISH: Page 5, line 12, strike out "(f)" and insert in lieu thereof "(g)".

Page 6, strike out lines 7 through 11 and insert in lieu thereof the following:

(1) by striking out all that follows "which amount may be increased" in the third sentence; and

(2) by inserting

Page 10, strike out lines 5 through 21; and redesignate the succeeding sections accordingly.

Page 14, strike out ", and" in line 10 and all that follows down through "loans'" in line 11.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MINISH. Mr. Chairman, these amendments would conform the provisions of the bill under consideration, H.R. 6452, with the provisions of the Federal Aid to Highways Act (Public Law 93-87). As the Members will recall, there were a number of provisions contained in the Federal Aid to Highways Act that were added during the consideration of that bill that amend the Urban Mass Transportation Act. Some of these mass transit provisions in the highway bill are contained in H.R. 6452 and these amendments would simply strike the provisions in this bill which are already law.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

What is now left of the bill, besides the Advisory Board?

Mr. MINISH. I would have to agree with my friend. There is not much left to this bill.

Mr. GROSS. I thank the gentleman for informing the House that there is not much left to this bill as it presently stands. Apparently it can safely be voted against.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey (Mr. MINISH).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. BRASCO

Mr. BRASCO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRASCO: Page 7, after line 2, insert the following new section (and redesignate the succeeding sections accordingly):

PROHIBITION AGAINST CHARGING OF EXTRA FARES ON ASSISTED TRANSIT FACILITIES

SEC. 5. Section 3 of the Urban Mass Transportation Act of 1964 (as amended by section 2(c) of this Act) is further amended by adding at the end thereof the following new subsection:

"(h) No financial assistance shall be provided under this Act to any State or local public body or agency thereof unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged for transportation utilizing or involving the facilities and equipment financed with such assistance will be uniform (subject to any reasonable charges which may be made for transfers), and will not vary on the basis of length of route or distance traveled except in accordance with a zone system or other uniform system which is in effect throughout the area served by such facilities and equipment, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise."

Mr. BRASCO. Mr. Chairman, the language of the amendment is rather long, as the Members have heard it read, but it really is a very simple amendment. The reason why the language is so lengthy is because I did not want to interfere with any other system of charging fares in the country.

What the amendment says, very simply, is that in order for any local body to qualify for assistance under this act, it would have to charge a uniform set of fares for all of the people in a region.

I do not know how many people face the problem that I face in a particular section in my own district, but, very simply, we have a situation where in 1956, the purchase of the Rockaway Division of the Long Island Railroad was effected by the New York City Transit Authority, and they concluded that a higher fare was necessary on this line. This was based on studies and, supposedly, opinion that revenue passengers would account for less than what the operational cost would be for this route. So in 1956, when the fare in New York City for the New York City Rapid Lines was 15 cents for everybody else in the city, it was 30 cents for the people of Rockaway and Broad Channel, an area that I represent.

Today people are paying 35 cents. For those people and only those people in the city of New York, it is 70 cents, which means that a working man and woman have to pay $1.40 a day or $7 a week to go from Rockaway or Broad Channel to Manhattan or downtown Brooklyn, to get to and from work.

Mr. Chairman, this is highly discriminatory. There is no reason why it should exist.

Dr. Ronan, who is the head of the MTA of the city, said that it is unconscionable that we would think of raising the fare from 35 cents to 70 cents. Yet these people now are paying 70 cents.

Mr. Chairman, I have discussed this amendment with the distinguished chairman of the subcommittee, the gentleman from New Jersey (Mr. MINISH) and the ranking minority member, the gentleman from Michigan (Mr. BROWN), and I would hope that since I have discussed it with them personally and discussed it with them in committee, it would be accepted. I do not seek to tamper with any other system in the country, but I would only direct myself to the discriminatory tactics I have described.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, we have discussed the amendment offered by the gentleman with members of the subcommittee and other committee members, and we are willing to accept the amendment on this side.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, do I understand that this amendment would provide for a situation where a person is charged two fares for one ride to Rockaway Hills in your district?

Mr. BRASCO. The gentleman is correct.

Mr. WYLIE. From Rockaway to New York and nothing else?

Mr. BRASCO. That is right, nothing else.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Florida.

Mr. BENNETT. Mr. Chairman, I am not sure I heard accurately what the gentleman said, but it seems to me, as the gentleman described this, that the rates that are set up for old people and disabled persons on the bus system might be ruled out. By this amendment we might rule out the possibility of having different rates for old or disabled persons.

Mr. BRASCO. No.

Mr. BENNETT. It would not rule that out?

Mr. BRASCO. This does not touch that in any way.

Mr. BENNETT. Thank you.

Mr. BRASCO. I yield to my good friend from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding.

I concur with the gentleman. He has discussed this with us on this side of the aisle, and we have no objection to the amendment.

Mr. BRASCO. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BRASCO).

The amendment was agreed to.

AMENDMENTS OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I have several amendments that I offer and ask unanimous consent that they may be considered en bloc.

The Clerk read as follows:

Amendments offered by Ms. HOLTZMAN: Page 8, line 16, after "architecture;" insert "safety measures;".

Page 14, after line 22, add the following new section:

INVESTIGATION OF SAFETY HAZARDS IN URBAN MASS TRANSPORTATION SYSTEMS

SEC. 12. The Secretary of Transportation shall investigate unsafe conditions in any facility, equipment, or manner of operation financed under this Act which creates a serious hazard of death or injury for the purpose of determining its nature and extent and the means which might best be employed to eliminate or correct it. If the Secretary determines that such facility, equipment, or manner of operation is unsafe, he shall require the State or local public body or agency to submit to the Secretary a plan for correcting the unsafe facility, equipment, or manner of opertaion, and the Secretary may withhold further financial assistance to the applicant until such plan is approved or implemented.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. HOLTZMAN. Mr. Chairman, these amendments concern safety of mass transit facilities. They are being offered by me and by my distinguished colleagues from New York: Representatives BADILLO, BIAGGI, and WOLFF. They reflect a joint effort by the four of us.

These amendments to the Urban Mass Transit Act of 1973 would help insure the safety of federally supported mass transit systems.

All of us would certainly agree that Federal funds should not be spent on unsafe mass transit equipment or facilities hazardous to the lives or limbs of those who use them. These amendments simply and effectively address the problem.

These amendments would require the Secretary of Transportation to investigate hazardous conditions on federally supported mass transit facilities. If the Secretary finds an unsafe condition, he can then require the State, locality, or relevant agency to submit a plan to correct the hazardous condition. The Secretary, if he deems it appropriate, may insure prompt corrective action by the State or locality by withholding further Federal funds until appropriate corrective action is undertaken.

These amendments apply not only to new forms of assistance provided under this year's act but to assistance provided pursuant to the terms of the 1964 Mass Transit Act. The amendments also require mass transit advisory councils to review and consider safety factors.

All of us are well aware of the tragedies that have resulted in various parts of the country as a result of hazardous mass transit facilities.

Just over a month ago, in New York City, we saw a tragic subway accident attributable to inadequate safety precautions. As a result of the collapse of an archiac duct structure, 1 man died and over 1,000 passengers were trapped in heavy smoke and 115-degree heat for over an hour. This was the latest of five similar accidents this year.

In Boston earlier this year, another subway nightmare occurred when a fire between stops trapped 400 riders in darkness and smoke until they were led out by rescue workers. Serious accidents have also occurred in San Francisco and Chicago.

Fortunately, many of the other mass transit accidents that have occurred have not resulted in substantial injury. But I do not think we can afford to wait for another tragedy before we take action. Good planning and adequate safety inspection can alleviate most hazardous situations. But we need enforcement power as well, which these amendments would accomplish.

These amendments are important for another reason. Despite the multiplicity of accidents on the New York City subways, the Secretary of the Department of Transportation has refused to make any investigation. This amendment would mandate his investigation of the safety of the New York situation.

My colleagues and I initially intended to require planning for safety as a condition for obtaining operating subsidies. Unfortunately, because section 2 of the act dealing with planning was stricken, we were prevented from improving the act in that regard.

I wish to compliment and thank my colleagues from New York—HERMAN BADILLO, MARIO BIAGGI, and LESTER WOLFF—for their diligent efforts and cooperation in offering these amendments.

Safety, I am told, ranks with apple pie among noncontroversial issues. We must not allow it to become so noncontroversial that it is ignored.

I urge the adoption of these amendments.

Mr. MINISH. Will the gentlewoman yield?

Ms. HOLTZMAN. I would be happy to yield.

Mr. MINISH. Mr. Chairman, there is no objection on this side of the aisle.

Ms. HOLTZMAN. I understand also that there are no objections to these amendments from the Republican side with whom the amendments have previously been discussed.

I yield back the balance of my time.

Mr. BIAGGI. Mr. Chairman, I urge my colleagues to support the Biaggi-Holtzman-Wolff-Badillo amendments on safety being offered en bloc by the gentlewoman from New York (Ms. HOLTZMAN). Since the amendments that we originally planned to offer independently are so closely related, we felt it would be better to offer them together for consideration jointly by the committee.

The existing legislation says nothing about building and supporting safe systems. New York has seen numerous accidents in the past year and the situation is deteriorating fast. I do not see any reason to pour millions of dollars into transit systems unless the people can use them safely.

The amendments will require the Secretary of Transportation to investigate unsafe conditions in these systems and require the State or local public body or agency to submit a plan for correcting any deficiencies. What happened in New York is that the Department of Transportation refused to undertake such a study recently. This is wrong. These studies should be automatic if dictated by evidence of unsafe conditions such as was the case in my city. They will not be carried out, however, unless mandated by law.

They will also call upon the State or

local government to submit to the newly established mass transportation advisory councils plans for improvement of mass transit facilities, including specific safety measures.

I cannot emphasize enough the importance of these amendments. Americans today enter many of our transit systems at their own peril. So many of the mass transit users are elderly or handicapped people who must rely on public transportation because they cannot afford or are unable to operate a car. They deserve to know they are using a safe system.

Mr. Chairman, I would like to add that I am pleased that my colleagues and I were able to get together and offer this joint package of amendments. We did not want to give the impression that these amendments are aimed at solving a problem peculiar to New York. Just as we are concerned about the efficiency of a transportation system, so too should we be concerned about its safety. I urge adoption of these amendments.

Mr. WOLFF. Mr. Chairman, I am happy to join my colleagues in offering this amendment to the Urban Mass Transportation Act of 1973. There is no question in my mind that safety considerations must be an integral part in both the planning and continued operation of rail facilities, and that the Secretary of Transportation must take the initiative for insuring that the highest safety standards are maintained by local officials responsible for supervising local rail systems.

As you may be aware, since the beginning of this summer, there have been six major accidents on New York City's rail system—two derailments, two fires, a collision, and the collapse of a subway tunnel entrapping a thousand persons for more than an hour. Many New Yorkers were injured as a result of these accidents, one man died and there were insupportable resulting delays to commuters.

Secretary Brinegar has been contacted by local officials and urged to conduct a systemwide safety investigation on behalf of New York's millions of subway and train riders with a view toward preventing similar catastrophes from occurring in the future. The Secretary has declined to conduct such an investigation on the grounds that these were unrelated accidents. However, I would like to point out to my colleagues that each of these six major accidents occurred on rail facilities supervised or leased by the Metropolitan Transportation Authority; in addition, the very fact that these were widespread incidents occurring on lines throughout the city, and not concentrated in one specific area or on one line, seem to indicate that there are safety problems connected with the entire rail systems as a whole.

While the amendment we are offering seeks to insure safety considerations with regard to every rail facility in the country, I would like to make clear, that in offering the amendment with my colleagues, it is my intent that the amendment would require a systemwide safety investigation by the Secretary of Transportation of New York's rail facilities in particular. The amendment in part directs the Secretary to investigate any unsafe condition which creates a hazard of injury or death; as evidenced by the rash of accidents this summer, unsafe conditions decidedly obtain with regard to New York's rail system and an investigation by the Secretary of Transportation is therefore mandated under this amendment.

Mr. Chairman, I am sure there are many rail systems across the country which do not operate at a safety level adequate to minimize the hazard of injury or death to their riders. I do not want to see the safety and well-being of this Nation's millions of subway riders placed in jeopardy because the Secretary of Transportation is currently not required by law to investigate safety features of the rail systems on which they are dependent. I urge my colleagues to act favorably on our amendment in order to insure the American people the safe transportation to which they are entitled as taxpayers and fare-paying commuters.

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, I shall not take the 5 minutes. I just want to point out that with respect to the second amendment of the amendments offered en bloc the Secretary presently has the authority under the Motor Carrier Safety Act, the Motor Vehicle Safety Act and the Federal Rail Act to do that which the amendment proposes. I do not think it is a mischievous or harmful amendment, but I think it is unnecessary.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from New York (Ms. HOLTZMAN).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. M'KINNEY

Mr. McKINNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKINNEY: Page 7, line 3, strike section 5 and redesignate the succeeding sections accordingly.

Mr. McKINNEY. Mr. Chairman, section 5 of this bill requires that a Mass Transportation Advisory Council be established to oversee policies and services of the transit system before such system would be eligible for assistance.

This provision is cumbersome and unrealistic. It asks more questions than it answers, and ties a millstone about the neck of transit systems—which according to proponents of this bill—are drowning in a sea of red ink. They already are in so much difficulty that they feel they must seek federal operating subsidies.

Specifically, section 5 provides that no financial assistance shall be provided unless a Mass Transportation Advisory Council has been established and that Council must review each application for assistance made by the transit system. It further states that each Council shall consist of one or more members representing each of the political subdivisions served. It does not say whether such representation is to be proportional on the basis of the population of the subdivision, investment in the system, passenger use or miles traveled, or whether one representative from each subdivision will suffice regardless of other factors.

The section also adds a requirement that representatives of the general public, plus virtually all other interested groups be a part of the Council. It also insists that the membership "reflect the composition of the ridership" of the facilities, whatever that means. Mr. Chairman, the imposition of such an ill-defined and massive counseling body will inevitably delay, confuse, hamper and constrain the constructive improvement of transit systems. And, we all know that, as far as Washington, D.C., is concerned, George Allen would never let them meet in RFK Stadium during football season.

The Council will be expected to "advise and assist" in all policies and decisions which will then be subject to review of the Council. This review specifically includes:

Planning, design and architecture; construction contracts and subcontracts; the purchase of equipment and supplies; maintenance; related services such as concessions; hiring and training—managerial, technical, and professional—by local agencies having responsibility for mass transportation service in the area and their contractors and subcontractors; the location of routes and stations; and fares.

I submit that these functions are tantamount to full management of operations.

Possibly, if other more realistic safeguards of community interests were not present, it would make sense to try and establish a form of advisory council. But, even a cursory review of the statutes pertaining to Federal assistance for mass transportation activities shows there are ample safeguards available.

Surely we do not need the mass transportation advisory council.

First, all applications of Federal assistance must be submitted for review of an areawide planning organization which is composed of representatives of a unit of areawide government or general local governments. Demonstration Cities and Metropolitan Develepment Act, 1966; and

Second, all viewpoints—national, regional, State, and local are required to be considered and taken into account for all federally assisted development programs and projects—Intergovernmental Cooperation Act 1968.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from New Jersey.

Mr. MINISH. Mr. Chairman, I thank the gentleman for yielding.

I would say to the gentleman from Connecticut that we on this side are willing to accept the amendment offered by the gentleman from Connecticut in view of the fact that the section is superfluous, and duplicative of an already existing function, and would further delay, through the creation of additional redtape, the delivery of much-needed mass transportation.

Mr. McKINNEY. Mr. Chairman, I thank the gentleman from New Jersey for supporting my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. McKinney).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BRADEMAS

Mr. BRADEMAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Brademas: Page 14, line 23, add a new Section 12: "Section 12. Section 3(a) of the Urban Mass Transportation Act of 1964 is further amended by adding after the word "expenses", and before the period in the fifth sentence, the following: ", nor shall any grant or loan funds be used to support sole source procurements (except in unusual, justifiable circumstances) or procurements utilizing exclusionary or discriminatory specifications".

Mr. BRADEMAS. Mr. Chairman, the purpose of my amendment is to insure that Federal funds made available to local mass transit agencies for capital acquisitions be expended in a manner that is fair, and gives the Federal taxpayer the greatest return for his dollar.

With enactment of the highway aid bill earlier this summer, the Federal share in mass transit projects has been increased to 80 percent.

Under present law, however, Federal grantees under the mass transit program are not bound by the competitive requirements of Federal procurement regulations. This view has been upheld by the Federal courts, notably the U.S. District Court for the Eastern District of Pennsylvania which held in Pullman, Inc. against Volpe that Federal procurement regulations do not apply with respect to procurements by local agencies receiving aid under the Urban Mass Transportation Act of 1964. In the same case the court further held that the Urban Mass Transportation Act of 1964 itself—

> Does not establish standards for competitive bidding procedures which must be satisfied before a grant may be awarded toward a contract for transportation equipment.

I should note that my amendment does not attempt to apply the full panoply of Federal procurement regulations to these purchases. Rather, the amendment simply requires that the spirit of the Federal regulations—fairness and economy in making purchases—be made applicable to these transactions.

This is not a novel idea. In requiring that the rule of competition govern these contracts, the amendment is analogous to the policy Congress adopted in the Federal Water Pollution Control Act Amendments of 1972, where grantee agencies were prohibited from utilizing proprietary, exclusionary, and discretionary specifications in construction contracts.

I think the same principles—fairness and economy in spending Federal tax dollars—should apply here, and hope the amendment will be accepted.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the distinguished chairman.

Mr. PATMAN. Mr. Chairman, we have discussed the amendment on this side of the aisle, and are willing to accept the amendment.

Mr. BRADEMAS. Mr. Chairman, I am grateful for the support of my amendment by the distinguished chairman, the gentleman from Texas (Mr. Patman).

PREFERENTIAL MOTION OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Frenzel moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. FRENZEL. Mr. Chairman, by action of the Committee of the Whole House on the State of the Union today we have stricken from this bill section 2 and section 5, and that almost guts the bill. As a matter of fact, when we discussed the amendment which ultimately eliminated section 2, the chairman of the subcommittee, the distinguished gentleman from New Jersey (Mr. Minish) indicated that that amendment in itself gutted the bill.

Later on when the gentleman was queried by the gentleman from Iowa (Mr. Gross) the gentleman indicated that there was not much left in the bill.

Subsequent to that statement we removed section 5 which took out the advisory councils. Because of the action of the Highway Conference Report which extended and expanded the capital grant authority and increased the proportion of the Federal share of the capital grant, and made other provisions for mass transit assistance, it seems to me that there is no longer any reason for us to be dealing with the piece of legislation in front of us.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the Chairman.

Mr. PATMAN. I thank the gentleman for yielding. Supposing a separate vote is taken on the amendment to strike out section 2 and the vote is the other way; would the gentleman still insist on striking out the enacting clause?

Mr. FRENZEL. Mr. Chairman, if my motion is adopted, we will not need to have a separate vote and we will be able to dispatch this bill.

Mr. PATMAN. Does the gentleman not think that in fairness anyone should have a right to ask for a separate vote on any amendment and leave it up to the House?

Mr. FRENZEL. Mr. Chairman, I have no way of rewriting the rules. All I should like to do is get a vote on my preferential motion, and I think the House has already spoken on this subject. I believe the issue is quite clear. We have really a skeleton before us which has little meaning. We can congratulate the Committee on Public Works for its work on the highway bill.

Mr. Chairman, I would hope that we would adopt this motion to strike the enacting clause, and then the transit subcommittee can go back to work and try to produce something that makes a little more sense to all the Members.

Mr. Chairman, I yield back the remainder of my time.

Mr. WILLIAMS. Mr. Chairman, I rise in opposition to the proposal just made.

Mr. Chairman, during the debate on the rule, I carefully pointed out today that this bill was referred to the Committee on Banking and Currency and the Mass Transit Subcommittee on April 2, 1973. The committee did have hearings and finally reported out by a vote of 22 to 3 this bill on April 16, 1973. The Committee on Public Works did bring out the Federal Highway Act, and much of what they had in their Federal Highway Act was duplicated in this bill.

If anybody tries to tell us we have only a skeleton left, that is not true. This bill should have been considered long before the recess. It should have been considered before the Federal Highway Aid Act. Instead of that, it was put off, taken off the calendar once in order to meet a recess schedule, I believe, and finally taken up by the Committee on Rules most recently.

The only thing that has been taken out of this bill is that which is duplicated in the Federal Highway Act which was acted upon long after this bill was reported out by the Committee on Banking and Currency. There are some extremely important features in this bill that are important to mass transit, and to strike the enacting clause and put this whole bill down the drain would be a total mistake.

I mentioned awhile back that I was one of the original members of the board of directors of the Southeastern Pennsylvania Transit Authority. That Authority took in five counties: the County of Philadelphia and the Counties of Delaware, Montgomery, Bucks, and Chester. Living in that area are approximately 25 percent of the people of Pennsylvania, so I was not talking from any provincial standpoint.

What remains in this bill is good, and we should have it, and if anybody says all we have left is a skeleton, he fails to point out to the Members that all we have taken out is what was really passed into law by the Federal Highway Act which was reported out long after this bill was reported out.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Minnesota (Mr. Frenzel).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 143, noes 268, not voting 23, as follows:

[Roll No. 494]

AYES—143

Abdnor
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bevill
Blackburn
Bray
Brown, Mich.
Broyhill, N.C.
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Camp
Carter
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Duncan
Edwards, Ala.
Erlenborn
Fisher
Flowers
Flynt
Ford, Gerald R.
Fountain
Frenzel
Frey
Froehlich
Goodling
Gross
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hébert
Hillis
Hinshaw
Hosmer
Huber
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Keating
Ketchum
King
Landgrebe
Latta
Lott
Lujan
McCollister
McEwen
McKinney
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Michel
Miller
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Myers
Nichols
O'Brien
Passman
Pettis
Powell, Ohio
Price, Tex.
Quie
Quillen
Rarick
Regula
Robinson, Va.
Robison, N.Y.
Rousselot
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Smith, N.Y.
Snyder
Spence
Staggers
Steiger, Ariz.
Stuckey
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Veysey
Waggonner
Wampler
Ware
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, S.C.
Zion
Zwach

NOES—268

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Buchanan
Burleson, Tex.
Burton
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chappell
Chisholm
Clark
Clay
Cohen
Collier
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Denholm
Dent
Diggs
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Haley
Hamilton
Hanley
Hansen, Wash.
Harrington
Harvey
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Hudnut
Hungate
Hunt
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Koch
Kuykendall
Kyros
Landrum
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCloskey
McCormack
McDade
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mann
Maraziti
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Milford
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Waldie
Walsh
Whalen
Whitehurst
Whitten
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Yates
Yatron
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NOT VOTING—23

Burke, Calif.
Conyers
Dingell
Esch
Gude
Hanna
Johnson, Colo.
Jones, Ala.
Kluczynski
Leggett
Melcher
Mills, Ark.
Mizell
Morgan
Nelsen
Railsback
Runnels
Sandman
Skubitz
Taylor, N.C.
Vander Jagt
Vigorito
White

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BRADEMAS).

The amendment was agreed to.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 6452, the Urban Mass Transportation Act of 1963.

Passage of this legislation is vital if we are to deal effectively with the critical problems of pollution, urban congestion, and the energy crisis. Dwindling revenues and passengers coupled with rising costs and fares have brought about a crisis in the mass transit field. In many of our larger cities, transit fares are threatening to rise to 50 cents. Yet statistics show that as fares rise above 35 cents, revenue drops and people again turn to the automobile.

A single mass transit vehicle can take 30 to 60 automobiles off our crowded roads. Mass transit must become a viable commuter alternative if we are not to aggravate our pollution and congestion problems. I am particularly concerned about the chaos that could result from the implementation of air quality plans under the Clean Air Act without adequate alternatives for persons now commuting in the Trenton-Philadelphia metropolitan area by auto. Environmental Protection Agency plans call for increases in the cost of downtown parking, outright prohibition of vehicles from downtown areas, prohibitions on construction of parking areas and imposition of auto-use taxes.

In light of the severe operating problems of mass transit as outlined in the committee's report, I strongly support the Federal operating assistance provisions of H.R. 6452. It provides $400 million for each of the fiscal years 1974 and 1975 to help State and local public transportation bodies meet operating expenses. Only about 6 cents of each transportation dollar in this year's budget will go to mass transit, and all of this Federal money is for capital needs—not operating expenses.

A major cause of the crisis in urban transportation today lies in the breakdown of private bus companies in small cities, like my home city of Trenton in Mercer County. Studies by the Committee show that more than 100 bus companies have ceased operations in small cities. Local governments, in most cases, do not have the financial and taxing ability to purchase and run a bus company. Those, like Mercer County, which have assumed the operation of the private transportation system are simply unable to meet the increasing cost of subsidized operating deficits.

Under a provision of this year's Federal aid to highway act, local governments are barred from receiving Federal funds for buying buses or other transit equipment if they operate charter buses in competition with private operators. This seriously affects Mercer County, whose Mercer County metro bus system operates 10 charter buses and wants to replace them with new vehicles and add five more to expand service. Charter operations are the only part of the metro operation which operates at a profit. The net revenues from these charter buses have enabled the local bus system to reduce the annual deficit by approximately $175,000. The Mercer County improvement authority, which operates the metro system, estimates that a 15-bus operation could raise $313,000 in the first year. Without charter operations, the total operating deficit—which was about $800,000 last year—would be much higher and would have to be made up by the taxpayers.

Private charter operators are unwilling and unable to provide the money-losing but essential everyday service which Mercer Metro provides. It is unfair that the Federal Government should suddenly cut off local transit company charter rights without providing any replacement for the lost revenues. Local transportation authorities are being asked to decide between continuing their charter operations and sacrificing future Federal aid for capital purchases or giving up charters and trying to find new revenue sources to make up deficits. For most local governments, this is an impossible situation.

H.R. 6452 would provide the assistance for operating subsidies that is critically needed by smaller cities and towns as well as large metropolitan areas. The bill would base distribution of funds, in part, on the number of passengers carried. This is a sensible approach that would encourage operators to improve patronage by stabilizing fares and improving service. It would benefit systems like Mercer Metro, which has shown a steady increase in patronage. The passage of H.R. 6452 will signify the Federal Government's commitment to mass transportation as an answer to the growing problems of air pollution, congestion, and gasoline scarcity. I urge my colleagues to support this legislation.

AMENDMENT OFFERED BY MR. MATSUNAGA

Mr. MATSUNAGA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATSUNAGA: On page 14 add a new section, appropriately numbered, to read as follows:

"Nothing contained in this Act shall require the charging of fares to elderly and handicapped persons."

Mr. MATSUNAGA. Mr. Chairman, the amendment which I offer is in effect an amendment which I had proposed to offer to section 2, which was stricken in toto by the Wylie amendment. In the event that on a separate vote in the House, section 2 is restored, this amendment will take the place of the amendment which I was proscribed from offering by the parliamentary situation. Both the majority and the minority members of the committee have agreed to accept this amendment.

Mr. Chairman, the amendment which I offer is simple and straightforward. It contains the provision in the bill which will require any system receiving assistance under the bill's provisions to permit elderly and disabled persons to ride for no more than half fare during nonpeak hours.

That is a commendable provision, and the committee is to be congratulated on its inclusion. My amendment would merely assure that the committee's intent would be carried out in certain unusual cases.

In Honolulu, Hawaii, elderly residents, 65 years and older, may ride city buses free of charge at any time of the day. Under this policy nearly 4 million free bus rides were taken by elderly citizens in Honolulu during 1972, a dramatic increase over earlier figures. In a typical month in 1971, when elderly passengers could ride free only between 9 a.m. and 2 p.m., about 8,000 free riders used Honolulu's buses. In October of last year, after the elderly were permitted to ride without charge at any time of day, 330,000 riders took advantage of the service. My amendment would simply clarify the language in section 2 of H.R. 6452, to assure that the bus transit systems in Honolulu and elsewhere will not be required to begin charging their elderly passengers up to half fare where none is now charged.

Also, since the bill bases its apportionment of funds in part on the number of revenue passengers and revenue passenger miles provided by the system, doubt might exist over whether the systems would receive full credit for free rides provided to the elderly or handicapped. Coupled with language in the committee report, my amendment would erase any such doubt. To do otherwise would be to penalize those systems which respond most faithfully to the committee's mandate to make public transportation more accessible to the elderly and disabled.

The important feature of my amendment, Mr. Chairman, is its limited scope. The present language might well require charging the elderly and handicapped fares which "will not exceed one-half" of the normal fare. My amendment would merely make it clear that that provision is intended to lower fares for the elderly and handicapped, not to increase them or initiate them where none is now charged.

Mr. Chairman, I trust that my colleagues will support my amendment, and I urge its adoption.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman.

Mr. PATMAN. Mr. Chairman, we are acquainted with the amendment on this side, and we are willing to accept it on our part.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for yielding. The gentleman has discussed this amendment with the Members on this side of the aisle, and the amendment is acceptable to us.

Mr. MATSUNAGA. I thank both the gentleman from Texas (Mr. PATMAN) and the gentleman from Michigan (Mr. BROWN).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Hawaii.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. MCFALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6452) to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes, pursuant to House Resolution 372, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. PATMAN. Mr. Speaker, I demand a separate vote on the so-called Wylie amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 1, strike out line 5 and all that follows thereafter through page 5, line 18.

Redesignate the succeeding sections accordingly.

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. WYLIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 205, nays 210, not voting 20, as follows:

[Roll No. 495]

YEAS—205

Abdnor
Alexander
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evans, Colo.
Findley
Fish
Fisher
Flowers
Flynt
Ford, Gerald R.
Fountain
Frenzel
Frey
Froehlich
Fuqua
Goldwater
Goodling
Gross
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Heinz
Hillis
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Keating
Kemp
Ketchum
King
Kuykendall
Landgrebe
Landrum
Latta
Lott
Lujan
McClory
McCollister
McEwen
McKay
Madigan
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Myers
Natcher
Nichols
O'Brien
O'Hara
Passman
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rousselot
Roy
Ruppe
Ruth
Ryan
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Slack
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Veysey
Waggonner

Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins

Wilson, Bob
Winn
Wylie
Wyman
Young, Alaska
Young, Fla.

Young, Ill.
Young, S.C.
Zion
Zwach

NAYS—210

Abzug
Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chisholm
Clark
Clay
Collins, Ill.
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Dent
Diggs
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Evins, Tenn.
Fascell
Flood
Foley
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman

Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gunter
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Holtzman
Horton
Howard
Hungate
Hunt
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Lehman
Lent
Litton
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McFall
McKinney
McSpadden
Macdonald
Madden
Mahon
Mailliard
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Neill
Owens
Parris
Patman
Patten

Pepper
Perkins
Peyser
Pike
Podell
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steele
Steelman
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—20

Conyers
Dingell
Esch
Gude
Hanna
Johnson, Colo.
Jones, Ala.

Kluczynski
Leggett
Mills, Ark.
Mizell
Morgan
Nelsen
Railsback

Runnels
Sandman
Skubitz
Taylor, N.C.
Vander Jagt
White

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Taylor of North Carolina for, with Mr. Dingell against.

Mr. Skubitz for, with Mr. Esch against.

Mr. Mizell for, with Mr. Gude against.

Until further notice:

Mr. Hanna with Mr. Conyers.

Mr. Jones of Alabama with Mr. Vander Jagt.

Mr. Kluczynski with Mr. Railsback.

Mr. Leggett with Mr. Nelsen.

Mr. Morgan with Mr. White.

Mr. Mills of Arkansas with Mr. Runnels.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 219, nays 195, not voting 20, as follows:

[Roll No. 496]

YEAS—219

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chisholm
Clark
Clay
Collins, Ill.
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Dent
Diggs
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Flood
Foley
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Fuqua
Gaydos
Gettys

Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gunter
Haley
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hogan
Holifield
Holtzman
Horton
Howard
Hungate
Hunt
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Lehman
Lent
Litton
Long, La.
McCloskey
McCormack
McDade
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey

O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pike
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
Whitehurst
Widnall

Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

Wolff
Wright
Wyatt
Wydler
Yates
Yatron

Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NAYS—195

Abdnor
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn

Findley
Fish
Fisher
Flowers
Flynt
Ford, Gerald R.
Fountain
Frenzel
Frey
Froehlich
Fulton
Goldwater
Goodling
Griffiths
Gross
Gubser
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Heinz
Henderson
Hicks
Hillis
Hinshaw
Holt
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Keating
Kemp
Ketchum
King
Kuykendall
Landgrebe
Landrum
Latta
Long, Md.
Lott
Lujan
McClory
McCollister
McEwen
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Miller

Minshall, Ohio
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Myers
Nichols
O'Brien
Passman
Pettis
Pickle
Poage
Powell, Ohio
Price, Tex.
Quie
Quillen
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rousselot
Ruppe
Ruth
Ryan
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Veysey
Waggonner
Wampler
Ware
Whitten
Wiggins
Wilson, Bob
Winn
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—20

Conyers
Dingell
Esch
Gude
Hanna
Johnson, Colo.
Jones, Ala.

Kluczynski
Leggett
Mills, Ark.
Mizell
Morgan
Nelsen
Railsback

Runnels
Sandman
Skubitz
Taylor, N.C.
Vander Jagt
White

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Morgan for, with Mr. Taylor of North Carolina against.

Mr. Esch for, with Mr. Mizell against.

Mr. Sandman for, with Mr. Skubitz against.

Until further notice:

Mr. Kluczynski with Mr. Runnels.

Mr. Conyers with Mr. Hanna.

Mr. Leggett with Mr. White.

Mr. Mills of Arkansas with Mr. Vander Jagt.

Mr. Dingell with Mr. Nelsen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the Senate of the following title in which concurrence of the House is requested:

S. 2335. An act to amend the Foreign Assistance Act of 1961, and for other purposes.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN H.R. 6452

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill just passed, the Clerk shall have authority to make any necessary corrections in punctuation and section numbers, including cross references.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 386) to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—EMERGENCY COMMUTER RELIEF

FINDINGS

Sec. 101. The Congress finds—

(1) that over 70 per centum of the Nation's population lives in urban areas;

(2) that transportation is the lifeblood of an urbanized society and the health and welfare of that society depends upon the provision of efficient economical and convenient transportation within and between its urban areas;

(3) that for many years the mass transportation industry satisfied the transportation needs of the urban areas of the country capably and profitably;

(4) that in recent years the maintenance of even minimal mass transportation service in urban areas has become so financially burdensome as to threaten the continuation of this essential public service;

(5) that the termination of such service or the continued increase in its cost to the user is undesirable, and may have a particularly serious adverse effect upon the welfare of a substantial number of lower income persons;

(6) that some urban areas are now engaged in developing preliminary plans for, or are actually carrying out, comprehensive projects to revitalize their mass transportation operations; and

(7) that immediate substantial Federal assistance is needed to enable many mass transportation systems to continue to provide vital service.

Sec. 102. (a) Section 3 of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "No" in the fifth sentence of subsection (a) and inserting in lieu thereof "Except as provided in subsection (f), no"; and

(2) by adding at the end thereof a new subsection as follows:

"(f) The Secretary is also authorized, on such terms and conditions as he may prescribe, to make grants or loans to any State or local public body to enable it to assist any mass transportation system which maintains mass transportation service in an urban area to pay operating expenses incurred as a result of providing such service. No financial assistance shall be provided under this subsection unless (1) the Secretary determines that the mass transportation services provided by the system involved are needed to carry out a program referred to in section 4(a), and (2) the applicant State or public body has submitted to the Secretary a comprehensive mass transportation service improvement plan which is approved by him and which sets forth a program, meeting criteria established by the Secretary, for capital or service improvements to be undertaken for the purpose of providing more efficient, economical, and convenient mass transportation service in an urban area, and for placing the mass transportation operations of such system on a sound financial basis (including a reasonable fare structure), and (3) the Secretary determines that the mass transportation service provided by each system involved is being provided by an efficient operation of such system in accordance with regulations promulgated by the Secretary.

"Notwithstanding the provisions of the fifth sentence of section 4(a), the amount of any grant under this subsection to a State or local public body to enable it to assist any mass transportation system to pay operating expenses shall not exceed twice the amount of financial assistance provided from State or local sources for that purpose. The Secretary shall issue such regulations as he deems necessary to administer this subsection in an equitable manner. Such regulations shall include appropriate definitions of (A) operating expenses, and (B) the sources or types of State or local financial assistance which may be considered in computing the maximum allowable Federal grant.

"The Secretary shall require, as a condition of assistance under this subsection, each State or local public body to submit an annual report describing the implementation of its mass transportation service improvement plan. If the Secretary finds, after receiving any such report and after opportunity for a hearing on the record, that a State or local public body receiving assistance under this subsection has not made reasonable progress in the implementation of its plan, he shall suspend further assistance under this subsection until such time as he determines that reasonable progress is being made."

(b) The fourth sentence of section 4(a) of such Act is amended by striking out "section 3" and inserting in lieu thereof "section 3 (other than subsection (f))".

(c) Section 4(c) of such Act is amended—

(1) by inserting "(1)" after "(c)";

(2) by striking out "sections 3, 7(b), and 9" and inserting in lieu thereof "section 3 (except subsection (f)), and sections 7(b) and 9";

(3) by striking out "this subsection" wherever it appears and inserting in lieu thereof "this paragraph"; and

(4) by adding at the end thereof a new paragraph as follows:

"(2) To finance grants and loans under section 3(f) of this Act, the Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise in amounts aggregating not to exceed $800,000,000. This amount shall become available for obligation upon the date of enactment of this paragraph and shall remain available until obligated. There are authorized to be appropriated for liquidation of the obligations incurred under this paragraph not to exceed $400,000,000 prior to July 1, 1974, which amount may be increased to not to exceed an aggregate of $800,000,000 prior to July 1, 1975. Sums so appropriated shall remain available until expended."

(d)(1) Section 12(c) of such Act is amended—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and";

(C) by adding after paragraph (5) a new paragraph as follows:

"(6) the term 'mass transportation system' means any private company or public authority or agency providing mass transportation service.".

(2) Section 12 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) The provision of assistance for the payment of operating expenses under section 3(f) shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

TITLE II—FARE-FREE MASS TRANSPORTATION DEMONSTRATIONS

Sec. 201. The Secretary of Transportation (hereinafter referred to as the "Secretary") shall enter into such contracts or other arrangements as may be necessary for research and the development, establishment, and operation of demonstration projects to determine the feasibility of fare-free urban mass transportation systems.

Sec. 202. Federal grants or payments for the purpose of assisting such projects shall cover not to exceed 80 per centum of the cost of the project involved, including operating costs and the amortization of capital costs for any fiscal year for which such contract or other arrangement is in effect.

Sec. 203. The Secretary shall select cities or metropolitan areas for such projects in accordance with the following:

(1) to the extent practicable, such cities or metropolitan areas shall have a failing or nonexistent or marginally profitable transit system, a decaying central city, automobile-caused air pollution problems, and an immobile central city population;

(2) several projects should be selected from cities or metropolitan areas of differing sizes and populations;

(3) a high level of innovative service must be provided including the provisions of cross-town and other transportation service to the extent necessary for central city residents and others to reach employment, shopping, and recreation; and

(4) to the extent practicable, projects utilizing different modes of mass transportation shall be approved.

Sec. 204. The Secretary shall study fare-free systems assisted pursuant to this title, and other financially assisted urban mass transportation systems providing reduced fares for the purpose of determining the following:

(1) the effects of such systems on (i) vehicle traffic and attendant air pollution, congestion, and noise, (ii) the mobility of urban residents, and (iii) the economic viability of central city business;

(2) the mode of mass transportation that can best meet the desired objectives;

(3) the extent to which frivolous ridership increases as a result of reduced fare or fare-free systems;

(4) the extent to which the need for urban highways might be reduced as a result of reduced fare or fare-free systems; and

(5) the best means of financing reduced

fare or fare-free transportation on a continuing basis.

SEC. 205. The Secretary shall make annual reports to the Congress on the information gathered pursuant to section 204 of this title and shall make a final report of his findings, including any recommendations he might have to implement such findings, not later than June 30, 1975.

SEC. 206. In carrying out the provisions of this title, the Secretary shall provide advisory participation by interested State and local government authorities, mass transportation systems management personnel, employee representatives, mass transportation riders, and any other persons that he may deem necessary or appropriate.

SEC. 207. There is hereby authorized to be appropriated not to exceed $20,000,000 for each of the fiscal years ending on June 30, 1974, and June 30, 1975, respectively, to carry out the provisions of this title.

MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PATMAN moves to strike out all after the enacting clause of S. 386 and insert in lieu thereof the provisions of H.R. 6452 as passed, as follows:

That this Act may be cited as the "Urban Mass Transportation Assistance Act of 1973".

ASSISTANCE FOR OPERATING EXPENSES

SEC. 2. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting immediately after the second sentence the following new sentence: "The Secretary is also authorized, on such terms and conditions as he may prescribe, to make grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of mass transportation service in urban areas, allocating any funds made available for assistance under this sentence among the various State and local public bodies and agencies thereof in the manner provided in subsection (g): *Provided,* That no assistance shall be provided under this sentence to any State or local public body or agency thereof unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged elderly and handicapped persons during nonpeak hours for transportation utilizing or involving the facilities and equipment financed with such assistance will not exceed one-half of the rates generally applicable to other persons, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise."

(b) Section 3(c)(2) of such Act is amended by inserting "(including grants for payment of operating expenses)" after "project grants".

(c) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(f) No financial assistance shall be provided to any State or local public body or agency thereof for payment of operating expenses incurred in connection with the provision of mass transportation service unless the applicant State or public body or agency has submitted to the Secretary a comprehensive mass transportation service improvement plan which is approved by him and which sets forth a program meeting criteria established by the Secretary for capital or service improvements to be undertaken for the purpose of providing more efficient, economical, and convenient mass transportation service in the urban area or areas involved, and for placing mass transportation operations in such area or areas on a sound financial basis.

"(g) The funds made available for assistance in the payment of operating expenses under the third sentence of subsection (a) for any fiscal year shall be allocated by the Secretary among the various States and local public bodies and agencies thereof (without regard to section 15) on the basis of a formula under which the urbanized areas of eligible applicants in any State will be entitled to receive an amount equal to the sum of—

"(1) one-third of the total amount so allocated multiplied by a fraction the numerator of which is the total population of the urbanized areas of eligible applicants in that particular State, and the denominator of which is the total population of the urbanized areas of eligible applicants in all the States;

"(2) one-third of the total amount so allocated multiplied by a fraction the numerator of which is the total number of revenue passengers carried by mass transportation systems in the urbanized areas of eligible applicants in that particular State and the denominator of which is the total number of such passengers carried by mass transportation systems in the urbanized areas of eligible applicants in all the States; and

"(3) one-third of the total amount so allocated multiplied by a fraction the numerator of which is the total mass transportation revenue vehicle miles traveled in the urbanized areas of eligible applicants in that particular State and the denominator of which is the total mass transportation revenue vehicle miles traveled in the urbanized areas of eligible applicants in all the States."

(d)(1) Section 4 of such Act is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) To finance grants to assist States and local public bodies and agencies thereof in the payment of operating expenses under the third sentence of section 3(a), there is authorized to be appropriated not to exceed $400,000,000 for the fiscal year ending June 30, 1974, and $400,000,000 for the fiscal year ending June 30, 1975. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for either such fiscal year may be appropriated for any succeeding fiscal year."

(2) The first sentence of section 4(c) of such Act is amended by inserting after "under sections 3, 7(b), and 9 of this Act" the following: "(other than grants made under the third sentence of section 3(a))".

(e) Section 12 of such Act is amended by adding at the end thereof the following new subsection:

"(f) The provision of assistance for the payment of operating expenses under the third sentence of section 3(a) shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable."

INCREASE IN GRANT RATIO

SEC. 3. (a) The fifth sentence of section 4(a) of the Urban Mass Transportation Act of 1964 is amended to read as follows: "The Federal grant for any such project to be assisted under section 3 (other than a project for payment of operating expenses) shall be in an amount equal to 80 per centum of the net project cost."

(b) The amendment made by subsection (a) shall apply only with respect to projects which were not subject to administrative reesrvation on or before July 1, 1973.

INCREASE IN BASIC ASSISTANCE AUTHORITY

SEC. 4. (a) Section 4(c) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out all that follows "which amount may be increased" in the third sentence; and

(2) by inserting in lieu thereof "to not to exceed an aggregate of $310,000,000 prior to July 1, 1972, not to exceed an aggregate of $1,000,000,000 prior to July 1, 1973, not to exceed an aggregate of $2,000,000,000 prior to July 1, 1974, not to exceed an aggregate of $3,000,000,000 prior to July 1, 1975, not to exceed an aggregate of $4,500,000,000 prior to July 1, 1976, not to exceed an aggregate of $5,500,000,000 prior to July 1, 1977, and not to exceed an aggregate of $6,100,000,000 thereafter."

(b) The first sentence of section 4(c) of such Act is amended by inserting immediately before the period at the end thereof the following: "to the extent that such amounts are or were appropriated to finance such grants and loans and have not been reserved or made available for any other purpose".

PROHIBITION AGAINST CHARGING OF EXTRA FARES ON ASSISTED TRANSIT FACILITIES

SEC. 5. Section 3 of the Urban Mass Transportation Act of 1964 (as amended by section 2(c) of this Act) is further amended by adding at the end thereof the following new subsection:

"(h) No financial assistance shall be provided under this Act to any State or local public body or agency thereof unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged for transportation utilizing or involving the facilities and equipment financed with such assistance will be uniform (subject to any reasonable charges which may be made for transfers), and will not vary on the basis of length of route or distance traveled except in accordance with a zone system or other uniform system which is in effect throughout the area served by such facilities and equipment, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise."

ELIGIBILITY OF QUASI-PUBLIC DEVELOPMENT CORPORATIONS

SEC. 6. (a) The first sentence of section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting "(1)" after "financing", and by inserting before the period at the end thereof the following: ", and (2) the establishment and organization of public or quasi-public transit corridor development corporations or entities".

(b) The second sentence of section 3(a) of such Act is amended to read as follows: "Eligible facilities and equipment may include personal property including buses and other rolling stock and real property including land (but not public highways), within the entire zone affected by the construction and operation of transit improvements, including station sites, needed for an efficient and coordinated mass transportation system which is compatible with socially, economicaly, and environmentally sound patterns of land use."

COORDINATION OF URBAN MASS TRANSIT PROGRAMS WITH MODEL CITIES PROGRAMS

SEC. 7. Section 103(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) any program which includes a transportation component as a project or activity to be undertaken meets the requirements of section 3(e) of the Urban Mass Transportation Act of 1964;".

LIMITATION ON MASS TRANSIT FUNDING RELATED TO PUPIL TRANSPORTATION

SEC. 8. (a) Section 3(e) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(1)" after "(e)";

(2) by redesignating clauses (1) through (4) as clauses (A) through (D), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(2) No financial assistance shall be provided under this section to any State or local public body or agency thereof which engages directly or indirectly in the transporting of schoolchildren and school personnel to and from school and school-authorized functions, or proposes to expand present routes, schedules, service, or facilities for the purpose of providing transportation for schoolchildren and school personnel to and from school and school-authorized functions, in competition with or supplementary to the service currently provided by a private transportation company, or other person, engaged in so transporting such schoolchildren and school personnel; except that this paragraph shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting such schoolchildren and school personnel along with facilities to be used therefor) was so engaged at any time during the twelve-month period immediately prior to the date of the enactment of this paragraph."

(b) Section 12(e) of such Act is amended by inserting before the period at the end thereof the following: ", or from enforcing the limitation described in section 3(e)(2)".

ELIMINATION OF ASSISTANCE IN FORM OF PROJECT LOANS

Sec. 9. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 (as amended by section 2(a) of this Act) is amended—

(1) by striking out "or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise)" in the first sentence;

(2) by striking out "or loan" in the fourth sentence; and

(3) by striking out "The Secretary may make" in the fifth sentence and inserting in lieu thereof "The Secretary is also authorized to make".

(b) Section 3(c) of such Act (as amended by section 2(b) of this Act) is amended by striking out "No loans" in the first sentence and all that follows down through "this section" in the second sentence, and insert in lieu thereof "Interest on loans made under subsection (b)".

(c) Section 3(d) of such Act is amended by striking out "or loan".

(d) Section 12(b) of such Act is amended by striking out "loan or".

(e) Section 13(a) of such Act is amended by striking out "loans or" and "loan or".

(f) Section 16(b) of such Act is amended by striking out "and loans" each place it appears.

STUDY OF RURAL TRANSPORTATION NEEDS

Sec. 10. The Secretary of Transportation shall conduct a full and complete study and investigation of the public transportation needs of rural and other nonurban areas in the United States, giving particular attention to the needs of cities, towns, and other political subdivisions (outside urban areas) having a population of 50,000 or less, and of any changes in the Federal law which would be required in order to meet such needs. The Secretary shall report his findings and recommendations to the Congress within one year after the date of the enactment of this Act.

INVESTIGATION OF SAFETY HAZARDS IN URBAN MASS TRANSPORTATION SYSTEMS

Sec. 11. The Secretary of Transportation shall investigate unsafe conditions in any facility, equipment, or manner of operation financed under this Act which creates a serious hazard of death or injury for the purpose of determining its nature and extent and the means which might best be employed to eliminate or correct it. If the Secretary determines that such facility, equipment, or manner of operation is unsafe, he shall require the State or local public body or agency to submit to the Secretary, a plan for correcting the unsafe facility, equipment, or manner of operation, and the Secretary may withhold further financial assistance to the applicant until such plan is approved or implemented.

Sec. 12. Section 3(a) of the Urban Mass Transportation Act of 1964 is further amended by adding after the word "expenses", and before the period in the fifth sentence, the following:

", nor shall any grant or loan funds be used to support sole source procurements (except in unusual, justifiable circumstances) or procurements utilizing exclusionary or discriminatory specifications".

Sec. 13. Nothing contained in this Act shall require the changing of fares to elderly and handicapped persons.

Amend the title so as to read: "An Act to amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes."

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend the Urban Mass Transportation Act of 1964 to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, to authorize assistance for operating expenses, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 6452) was laid on the table.

PERSONAL STATEMENT

Mr. BURKE of Massachusetts. Mr. Speaker, on rollcall No. 494 I am recorded as voting "yea." I inadvertently pushed the wrong button, I intended to vote "no," and I ask unanimous consent my statement appear in the Record immediately following the rollcall.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include relevant and extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON H.R. 9639 TO AMEND THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs:

Conference Report (H. Rept. No. 93–540)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 6, and 7.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 10, and 11, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In the matter proposed to be inserted by Senate amendment numbered 12, insert *June 30,* before *1974*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 9, 13, and 14.

Carl D. Perkins,
Lloyd Meeds,
Albert H. Quie,
Managers on the Part of the House.
James B. Allen,
George McGovern,
Hubert H. Humphrey,
Milton R. Young,
Robert Dole,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment Numbered 1: The bill, as passed by the House, amends section 4 of the National School Lunch Act by increasing the national average payment per lunch used in determining food assistance payments from eight cents to ten cents per lunch.

Senate amendment numbered 1 increases the national average payment per lunch used in determining food assistance payments to twelve cents per lunch. The Senate recedes.

Amendments Numbered 2, 3, 4, 6, and 7: These amendments offered by Senator Stevens provided that funds which would otherwise be paid to Alaska under sections 4, 5, and 10 of the National School Lunch Act in any fiscal year, and under sections 4 and 4(f) of the Child Nutrition Act of 1966 in any fiscal year shall be increased by 25 percent. The Senate recedes. The managers on the part of the House will offer a motion to recede from their disagreement to the Senate amendment numbered 13, and concur therein with an amendment which provides, in part, that the study conducted under Senate amendment numbered 13 will include a study of differences among regions, including Alaska, in the cost of preparing lunches and breakfasts.

Amendment Numbered 5: Senate amendment numbered 5 amends section 11 of the National School Lunch Act by providing that for fiscal years subsequent to fiscal year 1975, the national average payment per lunch under section 4 of the National School Lunch Act, the special-assistance factors for lunches under section 11 of such Act, and the national average breakfast payments under section 4 of the Child Nutrition Act of 1966 shall reflect changes in the cost of operating a school lunch and a school breakfast program. Senate amendment numbered 5 also provides that, in determining such changes, the Secretary of Agriculture must give equal weight to changes in the wholesale prices of all foods and in hourly wage rates for employees of eating establishments.

The bill as passed by the House contains no such provision.

This amendment is reported in technical disagreement. The managers on the part of the House will offer a motion to recede from their disagreement to the Senate amendment numbered 5, and concur therein with an amendment described and set forth below, and the managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment of the House, referred to above, would provide (a) that changes in the cost of operating a school lunch and a school breakfast program shall be reflected in the reimbursement rates listed in Senate amendment numbered 5, (b) that the Secretary shall make an adjustment of such reimbursement rates on January 1, 1974, and semiannually thereafter, (c) that such adjustments shall reflect changes in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor, and (d) that such adjustments shall be computed to the nearest one-quarter cent. The adjustment for January 1, 1974, shall reflect the change in the series for food away from home during the period September 1973 through November 1973.

The text of the amendment follows:

In lieu of the matter proposed to be inserted by Senate amendment numbered 5, insert the following: The Secretary shall prescribe on July 1 of each fiscal year, and on January 1, of each fiscal year, semiannual adjustments in the national average rates for lunches served under section 4 of the National School Lunch Act and the special assistance factor for the lunches served under section 11 of the National School Lunch Act, and the national average rates for breakfasts served under section 4 of the Child Nutrition Act of 1966, as amended, that shall reflect changes in the cost of operating a school lunch and breakfast program under these Acts, as indicated by the change in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor: *Provided*, That the initial such adjustment shall reflect the change in the series for food away from home during the period September 1973, through November 1973: *Provided further*, That each subsequent adjustment shall reflect the changes in the series for food away from home for the most recent six-month period for which such data are available: *Provided further*, That such adjustments shall be computed to the nearest one-fourth cent.

Amendment Numbered 8: Under Senate amendment numbered 8, the Secretary of Agriculture shall make grants under section 17 of the Child Nutrition Act of 1966 (the Special Supplemental Food Program for pregnant or lactating women, infants, and children determined to be at nutritional risk) to agencies of Indian tribes, bands, or groups, or the Indian Health Service of the Department of Health, Education, and Welfare, as well as to State agencies as provided under existing law. The bill as passed by the House contains no such provision. The House recedes.

Amendment Numbered 9: The bill as passed by the House amends section 17 of the Child Nutrition Act of 1966 by extending the authorization and expenditure level (section 32 of the Act of 1935) of the Special Supplemental Food Program for pregnant or lactating women and children determined to be at nutritional risk for one additional fiscal year (the fiscal year ending June 30, 1975) at the same level.

Senate amendment numbered 9 also extends such authorization for such additional year, but increases the level of authorization and expenditure from $20,000,000 as contained in the bill as passed by the House, to a level of $40,000,000.

Senate amendment numbered 9 is reported in technical disagreement. The managers on the part of the House will offer a motion to recede from their disagreement to the Senate amendment numbered 5 and concur therein.

Amendment Numbered 10: Senate amendment numbered 10 amends section 3 of the Child Nutrition Act of 1966 by adding to the requirements of that section a mandate that any school or nonprofit child care institution shall receive the special milk program on its request, and a mandate that children who qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk.

The bill as passed by the House contains no comparable provision.

The House recedes.

Amendment Numbered 11: Senate amendment numbered 11 amends section 14 of the National School Lunch Act—

(a) by increasing the number of members on the National Advisory Council from 13, as in existing law, to 15, and

(b) by requiring that one of the members of such Council shall be a school lunch program supervisor from an urban school system and one member of such Council shall be a school lunch program supervisor from a rural school system.

The bill as passed by the House contains no comparable provision.

The House recedes.

Amendment Numbered 12: Senate amendment numbered 12 amends that part of section 9(b) of the National School Lunch Act which directs each State educational agency to prescribe, each fiscal year, income guidelines to be used during such fiscal year to determine eligibility for reduced-price lunches. Existing law provides that such income guidelines shall not be more than 50 percent above the applicable income levels in the income poverty guideline prescribed by the Secretary of Agriculture. Senate amendment numbered 12 provides that, for fiscal year 1974, such income guidelines may be established at not more than 75 percent above the applicable income levels in the income poverty guideline prescribed by the Secretary of Agriculture.

The bill as passed by the House contains no comparable provision.

The House recedes from its disagreement to the Senate amendment and concurs therein with a technical amendment which inserts "June 30," before "1974" where it occurs in the Senate amendment.

Amendment Numbered 13: Senate amendment numbered 13 directs the Secretary of Agriculture to carry out a comprehensive study to determine if the benefits of the school lunch and child nutrition programs accrue to those who are most in need. The Secretary must report his findings and any recommendations to Congress by June 30, 1974.

The bill as passed by the House contains no comparable provision.

This amendment is reported in technical disagreement. The managers on the part of the House will offer a motion to recede from their disagreement to the Senate amendment numbered 13 and concur therein, with an amendment and the managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment is as follows:

In lieu of the matter proposed to be inserted by Senate amendment numbered 13, insert the following:

COMPREHENSIVE STUDY OF BENEFITS OF PROGRAMS

SEC. 9. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study to determine if the benefits of programs carried out under the National School Lunch Act and Child Nutrition Act are accruing to the maximum extent possible to all of the nation's school children, including a study to determine if those most in need are receiving free lunches, and to determine if significant regional cost differentials exist in Alaska and other States so as to require additional reimbursement. The Secretary shall report his findings, together with any recommendations he may have with respect to additional legislation, to the Congress no later than June 30, 1974. The Secretary shall consider any recommendations made by the Department of Health, Education, and Welfare, the General Accounting Office, the National Advisory Council on Child Nutrition, and interested professional organizations or individuals in the field of child care and nutrition. Alternatives to the present structure, including but not limited to the universal feeding program, shall be included in the study.

It is the intent of the conferees with respect to the amendment of the House, referred to above, that this study would determine (a) whether the benefits under the National School Lunch and Child Nutrition Acts are accruing to the maximum extent possible to all of the Nation's school children, (b) whether those children who are most in need are receiving the benefits under these programs, (c) the general efficiency of operating these programs and how waste that might be occurring in these programs might be eliminated or minimized, and (d) the need to recognize differences among regions, including Alaska, in the costs of operating a school lunch and breakfast program in determining the Federal reimbursement rates for such programs in such regions. The conferees also intend that, in carrying out such study, the Secretary of Agriculture shall consider any recommendations made by the Department of Health, Education, and Welfare, the General Accounting Office, the National Advisory Council on Child Nutrition, and interested professional organizations or individuals in the field of child care and nutrition, and shall consider alternatives to the present structure, including the universal feeding program.

Amendment Numbered 14: Senate amendment numbered 14 suspends for fiscal year 1974 the application of section 5(d)(2) of Public Law 81–874 in determining the eligibility of a local educational agency to receive impact aid funds, if such agency is located in a State which has adopted an education equalization program after June 30, 1972.

The bill as passed by the House contains no comparable provision.

Amendment numbered 14 is reported in technical disagreement. The managers on the part of the House will offer a motion to recede from the disagreement to the Senate amendment numbered 14, and concur therein, with a technical amendment to strike out "as" from the first sentence thereof, and the managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CARL D. PERKINS,
LLOYD MEEDS,
ALBERT H. QUIE,
Managers on the Part of the House.

JAMES B. ALLEN,
GEORGE MCGOVERN,
HUBERT H. HUMPHREY,
MILTON R. YOUNG,
ROBERT DOLE,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT OCTOBER 10, 1973, TO FILE REPORT ON H.R. 10710, TRADE REFORM ACT OF 1973

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Wednesday, October 10, 1973, to file a report on the bill, H.R. 10710, the "Trade Reform Act of 1973," along with any separate and/or minority views, if any.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

TRADE REFORM ACT OF 1973

(Mr. ULLMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I requested this time to address the House in order to announce to the House that the Committee on Ways and Means this afternoon ordered favorably reported H.R. 10710, the "Trade Reform Act of 1973." This bill has been developed after the most extensive and careful consideration by the Committee on Ways and Means over a period of many months. It was ordered reported by a very large majority vote of the committee of 20 to 5. We expect to file the committee report on the bill not later than midnight next Wednesday, October 10, and it is our hope that we will be heard by the Rules Committee early in the following week.

I would like to advise the Membership of the House that I have been authorized and directed by the Committee on Ways and Means to request from the Rules Committee a rule which would be closed except for a separate motion to strike title IV of the bill, which relates to trade relations with countries not enjoying most-favored-nation treatment, and a separate motion to strike title V of the bill, which provides for a generalized system of preferences. It was the feeling of the Committee on Ways and Means that the House would want to work its will separately with reference to those two titles, which could be separable from the balance of the bill.

Mr. Speaker, since I do not wish to further delay the House at this point, I do not wish to go into detail with reference to the bill but I will simply make one statement, and that is that the bill is a good bill, it differs vastly from the bill which was sent to us by the administration, and it is a bill which I feel confident is in the best interest of the United States. I intend at a later point tomorrow to explain in more detail the nature of the contents of the bill.

Mr. Speaker, I include in the RECORD at this point a brief summary of the bill:

SUMMARY OF THE TRADE REFORM ACT OF 1973

This major legislation, as it is being drafted, would provide the foundation for the United States' future trade relations with other industrialized countries, with developing countries and with communist countries. The thrust of the Committee's effort has been, on the one hand, to provide the President adequate trade agreement authority to achieve reciprocal reductions of both tariff and non-tariff barriers, within Constitutional limits and subject to closer Congressional surveillance, and on the other hand, to provide adequate safeguards for the rights of workers, industries, farmers, consumers and others, including provision to assure that their views will be heard and fully considered in all government decision-making machinery on trade matters.

A new bill, embodying the Committee's decisions, will be introduced later this week when the Committee will meet to consider ordering it reported.

The major points of each of the five titles are summarized below.

TITLE I—NEGOTIATING AND OTHER AUTHORITY

Title I contains the basic authorities, subject to clearly defined limitations, for the President to enter into both tariff and non-tariff barrier negotiations. The President is provided authority for a period of five years to change tariffs, within certain limits, pursuant to mutually beneficial trade agreements. The President would be authorized (a) to eliminate tariffs completely where existing duties are 5 percent or less; (b) to reduce tariffs by 60 percent where existing rates of duty are between 5 and 25 percent; and (c) to reduce duties by 75 percent where existing duties exceed 25 percent. In the last case, duties cannot be reduced below 10 percent. In general, duty reductions will be phased over a period of not less than five years, but not more than 15 years after the initial proclamation date.

The bill provides a mechanism for implementing international trade agreements which may affect domestic laws. It establishes a new procedure under which the President can implement international agreements on non-tariff barriers and other distortions of international trade if he notifies the Congress 90 days before entering into such an agreement, and if neither House of Congress by privileged resolution disapproves by a simple majority the agreement within another 90 days after submission.

The President is directed to promote the development of an open, non-discriminatory fair world trading system through the revision and reform of international trading rules including the revision of specific rules in the GATT.

The President is given a carefully defined authority to deal with balance of payments deficits on an emergency basis whereby he can impose import surcharges up to 15 percent ad valorem for a period not to exceed 150 days. Any extension of such action beyond that time must be legislated by the Congress.

The President is also authorized to reduce tariffs and other import restrictions within defined limits in the case of a persistent balance of payments surplus. These balance of payments authorities are to be exercised in a manner consistent with relevant international monetary reform agreements to which the United States becomes a party.

To assist in meeting the problem of inflation, the President would be authorized, under certain guidelines, to temporarily reduce or suspend the rates of duty as well as temporarily liberalize quantitative import restrictions on articles whose supplies are inadequate to meet domestic demand at reasonable prices.

Limited trade agreement authority also is provided to enable the President to grant tariff compensation when actions are taken to increase United States' duties or impose other import restrictions. Further limited authority is provided the President to renegotiate duties, terminate trade agreement proclamations, and withdraw concessions.

Tighter procedures on reporting by the President in regard to national security determinations and closer Congressional monitoring in national security trade matters are established.

Detailed procedures are established for hearings and advice concerning the preparation for and conduct of trade negotiations, assuring participation by all sectors of the economy, including consumers and producing interests.

The bill would establish the Office of the Special Representative for Trade Negotiations and specify its functions and responsibilities to both the President and the Congress with respect to trade matters.

Finally in this title, provision is made for close and continuing oversight by and consultations with the Congress during the negotiations. Congressional advisors to the negotiations and other trade conferences are provided.

TITLE II—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

Title II makes major changes providing greater accessibility of industries and workers seriously injured by import competition to either temporary protection from imports or adjustment assistance, or a combination of both. In the future it will be sufficient for those affected to establish before the Tariff Commission that imports are a substantial cause of serious injury in order to obtain a Commission finding on the basis of which the President may grant temporary import relief. The bill establishes an order of preferences which encourages the President to use tariff increases rather than quantitative restrictions when he grants import relief. Tighter time limits are imposed in order to assume efficient and timely decisions.

Access to adjustment assistance is made easier through more liberal criteria and simplified and quicker procedures.

Workers would be entitled to up to 52 weeks of cash allowances. Weekly cash allowances are increased to 70 percent of a worker's average weekly wage for the first 26 weeks of entitlement. For the second 26 weeks of entitlement, a worker would receive a benefit equal to 65 percent of his average weekly wage as under present law. Maximum weekly cash allowances are increased from 65 percent to 100 percent of the average weekly wage in manufacturing (from an estimated $111 to $170 in 1974). Older workers may receive up to 13 additional weeks and workers in training may receive up to 26 additional weeks if needed to complete an approved training program. In addition, workers may receive training on a priority basis, employment placement, counseling, testing, and other supportive services and relocation benefits. For the first time, trade-impacted workers may receive expenses to assist them search for a job when suitable local employment is not readily available. The program will be financed through a trust fund out of customs revenues.

The legislation also establishes a program of adjustment assistance for import-affected firms which do not have reasonable access to the capital market. This program includes both technical assistance and, when the adjustment program of a particular firm is determined to be eligible, financial assistance up to $1 million in direct loans and $3 million in government-guaranteed loans.

The legislation establishes machinery for coordinating within the different parts of the executive branch programs that would contribute to effective adjustment assistance as well as insuring that studies of the Tariff Commission in regard to import relief and studies by the Secretary of Commerce on the feasibility of adjustment assistance become available to the President so that he can decide on actions which will assist the import impacted industries and workers effectively but with a minimum cost to the economy as a whole.

TITLE III—RELIEF FROM UNFAIR TRADE PRACTICES

Title III revises three provisions dealing with unfair trade practices.

Chapter 1 revises and expands the President's authority to take action against foreign countries which maintain unjustifiable or unreasonable import restrictions and other policies which burden, restrict or discriminate against United States' exports. However, the President is required to give prior notice to the public of the foreign action and the products on which he intends to retaliate and hold hearings in which all interested parties may present their views before he uses his authority.

Further, the President is authorized, under certain defined conditions, to act against countries subsidizing their exports into the United States. All actions by the President under this authority are subject to a congressional veto.

Chapter 2 amends the Antidumping Act of 1921 by placing time limitations on investigations and withholding of appraisement as well as providing for hearings. Criteria for handling complaints on imports from state-controlled economies are also provided.

Chapter 3 contains major amendments to the countervailing duty law including a requirement that the Secretary of the Treasury must reach a final determination within 12 months after the question as to whether exports to the United States are subject to foreign bounty or grant. Duty-free imports will become subject to countervailing duties for the first time, subject to the finding of a bounty or grant by the Secretary of the Treasury and a subsequent finding by the Tariff Commission that such imports are causing injury to domestic industry. The provisions will assure that domestic producers have the right to judicial review of negative determinations by the Secretary of the Treasury. Finally, the bill will provide that the Secretary of the Treasury may choose not to impose countervailing duties if he finds that such action would seriously jeopardize the trade negotiations contemplated under the bill.

TITLE IV—TRADE RELATIONS WITH COUNTRIES NOT ENJOYING NONDISCRIMINATORY TREATMENT

Title IV responds to the President's request for authority to extend non-discriminatory (most-favored-nation) tariff treatment to imports from countries which currently are subject to the higher statutory rates of duty, as distinguished from the lower trade agreement rates conferred on imports from all other countries. These higher rates apply to all the communist countries except Poland and Yugoslavia. As agreed to by the Committee, however, the President can use his authority in the context of negotiated bilateral commercial agreements only if certain conditions are met, including safeguards against market-disrupting imports and safeguards and assurances for the protection of industrial rights and processes, including patent and copyright matters. Finally, the President's action is subject to his finding that such countries recognize the right of emigration. These commercial agreements will be for no longer than 3 years but in regard to the freedom of emigration condition, there must be periodic reports by the President to the Congress, and the Congress retains the right for either House to veto a grant (or continuation) of non-discriminatory tariff treatment. In addition, there are other considerations that the President may take into account in using this authority and in negotiating the bilateral commercial agreements.

TITLE V—GENERALIZED SYSTEM OF PREFERENCES

Title V provides authority to the President for 10 years to participate with other developed countries in granting generalized tariff preferences on imports of semi-manufactures, manufactures and selected other products from developing countries. Those duty-free preferences would terminate on imports of an article from a particular developing country which supplies more than 50 percent of the total value of the United States imports or $25 million of the article to the United States during a representative annual period. Preferential treatment will not apply to an article on which import relief measures are in effect. Developing countries which do not undertake to eliminate preferences that discriminate against United States' exports (that is, preferences to other developed countries) before January 1, 1976, and developing countries which do not receive non-discriminatory (most-favored-nation) treatment are not eligible for preferences.

REPORT ON COMPARABILITY ADJUSTMENT FOR FEDERAL STATUTORY PAY SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–162)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

In accordance with the provisions of section 5305 of title 5, United States Code, I hereby report on the comparability adjustment I am ordering for the Federal statutory pay systems in October 1973.

The Director of the Office of Management and Budget and the Chairman of the United States Civil Service Commission, who serve jointly as my agent for Federal pay, have recommended a 4.77 percent average increase in Federal statutory pay rates—a figure arrived at by computing comparability using a new computation method which will be phased in over the next 3 years. The new method compares actual average salaries in the private and Federal sectors instead of assuming, as the former system did, that the 4th rate of each grade represented the Federal average. This change follows recommendations made last year by the Advisory Committee on Federal Pay.

Since the effect of the new method is to reduce somewhat the size of the pay adjustment from the 5.47 percent that would have taken effect under the old computation method, the Federal Employee Pay Council and other Federal employee organizations are understandably opposed to its introduction at this time. The Advisory Committee on Federal Pay, however, agrees with my agent that a change is necessary and has endorsed the new method, although the committee did recommend that it be introduced next year.

In reaching a final decision on the appropriate comparability adjustment, I have given careful consideration to all of these views. My agent and the Advisory Committee are not in disagreement on *whether* to adopt the more precise way of determining comparability, only on *when*. The Advisory Committee's recommendation to begin the change in 1974 was based on the assumption that the current increase would not occur until the final month of 1973. This assumption no longer holds, and I have decided that we should move now in the direction of the more accurate method, making the transition gradually over a 3-year period to avoid undue hardship to employees by an abrupt change in the system. Based on that decision, I have concluded that an average increase of 4.77 percent in the pay rates of the statutory pay systems is the appropriate comparability adjustment.

I am transmitting herewith the reports of my agent and the Advisory Committee, as well as a copy of the Executive order I have promulgated to put this pay increase into effect. Also enclosed is an Executive order adjusting basic pay for members of the uniformed services, as required by section 8 of Public Law 90–207 (81 Stat. 654).

RICHARD NIXON.

THE WHITE HOUSE, *October 3, 1973.*

BIG CYPRESS NATIONAL RESERVE, FLA.

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 565 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 565

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10088) to establish the Big Cypress National Preserve in the State of Florida, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 565 provides for an open rule with 1 hour of general debate on H.R. 10088, a bill to establish the Big Cypress National Preserve in the State of Florida.

H.R. 10088 defines the area of the preserve as to include 570,000 acres of land and water—approximately 522,000 of privately owned lands and 48,000 acres of publicly held lands. The bill allows the Secretary of the Interior to permit hunting, fishing, and trapping within the preserve in accordance with State and Federal laws.

H.R. 10088 authorizes the appropriation of $116,000,000 for land acquisition. I am very much pleased to announce that the State of Florida has agreed to donate lands and/or funds equivalent to $40 million toward this great project. The bill also provides for $900,000 for development costs.

Mr. Speaker, the establishment of the preserve will protect a significant portion of the Big Cypress watershed, which is one of the unique watersheds in all the Nation, and indeed in all the world, and which is critical to the survival of the Everglades National Park, the only tropical national park in the United States, and of course one of Florida's and one of America's greatest natural resources.

Mr. Speaker, I do not wish to conclude my remarks without deserved words of commendation and appreciation for my distinguished colleague, the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Florida (Mr. Haley) and his committee, for having laboriously and painstakingly and wisely worked out this rather complicated bill in such a way as to promote immensely the national interest, and at the same time to be fair to the private interests that are involved in the ownership of lands in the area. This is a great project, and one that will make possible some significant advances in national conservation in which the people of our country are very much concerned.

Mr. Speaker, I urge the adoption of House Resolution 565 in order that the House may consider and I hope favorably adopt H.R. 10088.

Mr. Speaker, I now yield to the gentleman from California (Mr. Del Clawson).

Mr. DEL CLAWSON. I thank the gentleman for yielding.

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 565 provides for the consideration of H.R. 10088, establishing the Big Cypress National Preserve in the State of Florida, under an open rule with 1 hour of general debate.

The primary purpose of H.R. 10088 is to establish the Big Cypress National Preserve in southern Florida. The proposed preserve includes 570,000 acres of land, 522,000 of which is privately owned and 48,000 of which is publicly owned.

The committee report indicates the Big Cypress watershed is important to the survival of a large portion of the Everglades National Park. The Big Cypress Swamp accounts for about 56 percent of the water entering the Everglades National Park from the outside. In addition, the Big Cypress Swamp is important as a wildlife sanctuary and as a botanical preserve. It is envisioned that the area will also offer many outdoor recreation opportunities to the visiting public.

The total land acquisition cost of this project is estimated at $156,000,000 of which the State of Florida has agreed to donate $40,000,000 in land and funds. This leaves a total land acquisition cost to the Federal Government of $116,000,000. Since land values are rising in the area, it is anticipated that delay will increase the cost. Development costs will be nominal and are limited by the terms of the bill to no more than $900,000.

The committee report contains two letters from the Department of the Interior, recommending acquisition of the Big Cypress Preserve.

Mr. Speaker, I urge the adoption of this rule.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no other requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HALEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10088) to establish the Big Cypress National Preserve in the State of Florida, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. Haley).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10088, with Mr. Dent in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Florida (Mr. Haley) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. Saylor) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida.

Mr. HALEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it is a pleasure for me to come before the House in support of H.R. 10088—a bill to establish the Big Cypress National Preserve in the State of Florida.

BACKGROUND

As everyone knows much of the Big Cypress Watershed is located along the northern boundary of the Everglades National Park. During the wet season, much of this massive area is flooded, but as the drier months approach the water drains slowly toward the sea. This natural process controls the ecology of the entire region and anything that alters the flow results in significant changes in the environment.

Naturally, this water is important to the Everglades National Park, since 56 percent of the water entering the park from outside its boundaries comes from the Big Cypress Swamp. Not only is the volume of water important, but the quality and method of delivery are equally critical to the survival of the Nation's most famous subtropical environment.

I could speak at some length about the importance of preserving a substantial portion of the Big Cypress Watershed, but to conserve time I will say only that this area is critically important to all of southern Florida. In addition, the inherent natural values of the flora and fauna of the proposed Big Cypress Preserve merit national recognition and protection.

PROVISIONS OF THE LEGISLATION

If enacted as recommended by the Committee on Interior and Insular Affairs, H.R. 10088 provides for the establishment of a national preserve containing 570,000 acres of the most important remaining undeveloped portion of the Big Cypress Watershed.

Under the terms of this bill, title to all of the privately owned property in the preserve, except residential properties of 3 acres or less, would be transferred to the United States. The members of the committee feel that it is in the best interest of the Nation to acquire control over this area immediately and we also feel it is only fair to assure the landowners that they will receive prompt, full, and fair compensation for any interests taken. One of the major concerns expressed by landowners is that their property will be effectively taken, but that they might not be compensated for 10 or 20 years. As written, H.R. 10088 gives them a right to secure just compensation through the judicial process.

Mr. Chairman, H.R. 10088 contains many of the usual safeguards for areas of this kind. It explicitly provides that the area shall be managed in perpetuity as a unit of the national park system. Like recreational units, it provides for continued hunting, fishing, and trapping in the preserve subject to State and Federal laws and reasonable regulations to be established by the Secretary. The bill protects the rights of the Indian tribes who have used portions of this area over the years to continue to hunt and fish in the area and to continue providing the visitor services which they now provide.

Finally, the bill provides for a review of the entire area for possible future designation as "wilderness" by the Congress and it contains the usual limitation on appropriations.

COST

Mr. Chairman, it has been estimated by the Department of the Interior that the land acquisition costs in this area could require an investment of $156 million if the program is spread over a 10-year period. Naturally, this is a tremendous undertaking, and it is one which the National Parks Subcommittee and the full Interior Committee reviewed carefully. Before recommending the legislation, we attempted to develop the legislation to assure the protection of this area at the least possible cost to the U.S. Government. The provisions of the bill absolutely require the complete donation of the State lands and any portion of the $40 million which it has dedicated to this project, before any Federal funds can be expended. This immediately reduces the land acquisition costs to $116 million—the amount authorized by the bill.

Other State actions which declared the preserve as an "area of critical State concern" and suggest that the routing of a limited access highway along the northern edge of the preserve should reduce speculation in lands in the area while this legislation is under consideration. In addition, the bill contains several provisions, including a legislative taking similar to the one used in the Redwoods legislation, which are designed to cut Federal land acquisition costs. While we cannot predict what the homeowners might do, some savings could be effected if they retain a right of use and occupancy of their residential properties under the provisions of the bill and other landowners may reach an agreement with the Secretary to utilize their lands in a manner compatible with the preserve so that title can be revested in them; thus, further reducing the costs.

In short, the bill contains many innovations which are designed to reduce the cost for the acquisition of lands so that I personally believe that the actual outlays will be for less than $116 million which the bill authorizes.

I do want to emphasize that all of the land acquisition costs will be paid from the land and water conservation fund—the fund created by Congress to underwrite projects of this kind. The present level of the fund is adequate to absorb this cost and still meet many of the other commitments which we have undertaken if it is fully utilized.

CONCLUSION

Mr. Chairman, few States have been as cooperative in preserving their natural heritage as the State of Florida. In 1934, it donated 900,000 acres of land to the United States for the creation of the Everglades National Park. In addition it gave $2 million to acquire lands in the park and was instrumental in securing the donation of an additional 35,000 acres of land in the park. While some Federal funds have been utilized at the Everglades National Park, I think that it is fair to say that the value Florida's contribution far exceeds the cost of this outstanding area to the United States.

Now, the State of Florida has again assumed a significant share of the responsibility for preserving a substantial portion of the Big Cyprus watershed. By an act of the legislature, approved by the Governor, it has placed the area under strict environmental controls by declaring it an "area of critical State concern." In addition, it has authorized and made available $40 million in cash to acquire lands within the preserve. Under the terms of the State legislation, the State lands, together with any acquired lands, may be donated to the United States for inclusion in the national preserve and any portion of the $40 million that remains unencumbered may also be donated if the national preserve is authorized.

Mr. Chairman, I know of no other State that has made a commitment of this magnitude to preserve an area of this kind. Naturally, I am proud that Florida has taken this action and I am pleased to advise the Members of the House of this great interest on the part of the State which I help to represent in this Chamber.

In conclusion, let me say that I support the enactment of H.R. 10088 which I, along with the entire Florida delegation and many members of the Committee on Interior and Insular Affairs cosponsored. This proposal represents the combined efforts of many people, but I want to thank my subcommittee chairman (Mr. TAYLOR), and his ranking counterpart (Mr. SKUBITZ), and my ranking minority counterpart (Mr. SAYLOR) for their interest in, and attention to, this legislation. Each of these gentlemen contributed to the development of this legislation which I believe will assure the preservation of one of the Nation's most unique ecosystems.

Mr. Chairman, Mr. TAYLOR, the chairman of the Subcommittee on National Parks and Recreation worked very hard on this legislation and wanted to be here to support it on the House floor. Due to a death in his family, he is necessarily absent at this time, but he asked me to advise the House of his strong support for the enactment of H.R. 10088 and to ask to have his statement for the bill inserted in the RECORD following mine, and at the appropriate time in the House I will seek that permission.

Mr. TAYLOR of North Carolina. Mr. Chairman, I am pleased to have this opportunity to come before your committee in support of H.R. 10088—a bill providing for the establishment of the Big Cypress National Preserve in the State of Florida.

PROVISIONS OF H.R. 10088

In the interest of time, I will avoid repeating what the chairman of the full committee has already told you and concentrate on explaining the basic provisions of the legislation.

Under the terms of the bill, a new unit of the National Park System—to be known as the Big Cypress National Reserve—will be established. As presently conceived, it will include a total of 570,000 acres of land—including 522,000 acres of privately owned property. The remaining 48,000 acres are in public ownership and would be acquired only by donation or transfer. I hasten to add, that we were told that the boundaries involved were carefully drawn to avoid the inclusion of any Indian reservation lands.

Since nearly all of the lands are in private ownership, the committee had to consider how it could best assure the completion of the acquisition program at the most reasonable cost to the Government and, at the same time, protect the rights of the landowners to full and fair compensation for any interests taken. After considering the alternatives, the committee agreed that the most suitable solution was to provide for a legislative taking. By utilizing this procedure, title to nearly all of the privately held lands will pass to the United States as soon as the Secretary of Interior and the Governor execute an agreement to assure the donation of all State lands and the remaining unencumbered portion of the $40 million which it has committed to acquiring lands in the area. The landowners are, of course, entitled to just compensation for any lands taken and the bill provides that the local U.S. district court shall have jurisdiction to determine what the fair market value of the land should be. It is anticipated that these awards will be satisfied by payments made from appropriations from the land and water conservation fund.

The bill expressly exempts from the legislative taking residential properties, including up to 3 acres of land. While there are thousands of landowners in this area, only a small percentage have actually constructed homes and live in the region. For those who constructed their homes prior to November 23, 1971, the bill establishes a right to continue to use and occupy their homes for a period of 25 years or their lifetime, as they elect. If they elect to retain an interest, they are paid the fair market value of the property, less the value of the right retained. Of course, anyone who does not elect to retain a right of use and occupancy or is not entitled to retain such an interest must be compensated for the full value of their property as of the time of the taking.

Because of the national significance of this area and because of its close association with the Everglades National Park, the committee wrote into the bill an express provision dealing with the administration of the area as a unit of the National Park System. It was felt that the legislation should make it absolutely clear that this area is to be administered and managed by the U.S. Government in perpetuity.

In carrying out his responsibility, the Secretary is to continue to permit hunting, fishing and trapping in the area in accordance with State and Federal law, but he may establish reasonable regulations governing such activities. The bill specifically protects the traditional hunting, fishing and ceremonial use of the area by members of Miccosukee and Seminole Indian tribes, but it does allow the Secretary to establish reasonable regulations concerning such uses and, in the event that a species is determined to be rare or otherwise endangered, to prohibit activities which might adversely affect their continued existence.

The bill also assures individual tribal members who presently provide visitor services within the area a right of first refusal on any contracts to continue to provide such services in the future. Insofar as new visitor services are concerned, the Secretary is permitted to award such contracts to the person or organization which he deems can best satisfy the public need. If all potential concessioners are equally qualified, then most people seem to agree that preference should be given to the local tribal groups. The principal objective however, must be to select the best qualified individual or organization to provide the service.

H.R. 10088 provides for a review of this entire area under the provisions of the Wilderness Act to determine which parts, if any, the Congress might consider for possible wilderness designation.

STRONG SUPPORT FOR ACTION

Mr. Chairman, as the gentleman from Florida indicated, an important share of the cost of this project is being assumed by the State of Florida. Together with the $40 million which it has made available, we believe that $116 million should be ample to complete the acquisition program. This willingness on the part of the State of Florida is strong evidence of its support for this legislation. Under the State Act, Florida can donate to the United States any lands which it owns or acquires, as well as any portion of the $40 million which it has made available for this purpose which remains uncommitted. These donated monies should be immediately available to proceed with the acquisition of lands in the preserve.

Not only has the State indicated its strong support for legislation to preserve this area, but it has strong support at all levels of government. The administration has made this area its number one priority in the field of new outdoor areas. Every Member of the Florida congressional delegation has cosponsored it and many appeared before the Committee in strong support of legislation. In addition, it enjoys broad support from conservation and environmental groups as well as from individual citizens throughout the country.

LANDOWNERS

Mr. Chairman, H.R. 10088 goes as far as any bill in recent years to give landowners equitable consideration. While the legislative taking has the effect of immediately shifting title to the United States, it assures landowners that they will be entitled to just compensation within a reasonable period of time from funds appropriated from the Land and Water Conservation Fund. Instead of allowing the bureaucratic organization to drag its feet after the authorization is approved, it permits the owner to get into court and secure a judgment.

At the same time, the bill protects the homeowner who wants to continue to use and occupy his dwelling place by exempting improved residential properties from the legislative taking and by allowing such owners to retain a right of use and occupancy for a period of 25 years or a lifetime. Naturally any property acquired will be purchased, unless donated, at the fair market value of the land and any improvements on it as of the time that title transfers.

Finally, Mr. Chairman, H.R. 10088 authorizes the Secretary, with the owner's consent, to revest title to any lands where he feels that the full fee title is not needed to accomplish the objectives of the legislation. In making such a revestment, the Secretary must restrict the use of the land to assure its use in a manner compatible with the purposes of this legislation, but he may permit former owners to retain the use of the land in conformity with such restrictions in perpetuity. These restrictions will of course, run with the title to the land and will be equally applicable to any subsequent heirs or assignees.

By utilizing this new device, the committee feels that the Secretary can successfully preserve and protect the hydrologic, natural, and environmental values of a large portion of this area without significantly disrupting the status quo. By revesting title with conditions, it is anticipated that the Federal land acquisition costs could be substantially reduced.

CONCLUSION

Mr. Chairman, this legislation has been carefully drafted. Some of the Members of the Subcommittee on National Parks and Recreation have visited the area and heard arguments on all sides of the issue both in the field and in Washington. In reaching our conclusion, we tried to be as fair as possible to the landowners involved and yet assure the American people that this area will be preserved forever. It was reported out of the subcommittee without any opposition, and the same strong support was given it by the full Committee on Interior and Insular Affairs.

It is a real pleasure for me to join my chairman (Mr. HALEY) and his colleagues, from Florida, in supporting the enactment of H.R. 10088 and I urge its approval by the Members of the House.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of H.R. 10088, a bill to establish a Big Cypress National Preserve in the State of Florida. One of my first acts in the 93d Congress was to cosponsor, along with other members of the Florida delegation, H.R. 46, to authorize the acquisition of the Big Cypress National Fresh Water Reserve. On May 10, 1973, I testified on behalf of this legislation before the House Interior and Insular Affairs Committee. I am delighted that the committee has reported this constructive new legislation to the House, and was proud to serve as a cosponsor of H.R. 10088 upon its introduction on September 6.

The Big Cypress watershed is a vital natural resource that must be preserved not only for its own rare beauty, vegetation, and wildlife, but also because it supplies much of the high quality fresh water flowing into Everglades National Park from the north. Passage of H.R. 10088 will serve the dual purpose of preserving a unique ecological system for future generations of Americans and also protecting the water supply of the magnificent Everglades National Park.

Let us look at the many assets of the Big Cypress watershed. It is a 2,450 square mile wilderness area of marsh and lowland forest containing several major strands covered with the cypress which gives the area its name. The Fakahatchee strand, for example, is a major slough draining the southwestern Big Cypress; it contains rare growth of cypress and royal palm, and is considered one of the most unusual and beautiful strands in the world.

Nearly every wildlife species native to semitropical Florida can be found in Big Cypress. Seventeen species found in the area are designated as rare, endangered, or threatened by the Secretary of the Interior. These include the American alligator, Florida panther, Everglades mink, mangrove fox squirrel, wood stork, and roseate spoonbill. Likewise the plant life of the swamp is abundant and often unique. Seven species of orchids found nowhere else in the world grow in the Fakahatchee strand portion of the swamp.

The proposed Big Cypress National Preserve is a 900-square mile microcosm of the original watershed, containing most of the features of the larger area but as yet remaining mostly undeveloped. But encroaching development from all sides threatens the delicate ecosystem. Residential growth is moving eastward from the Naples area toward the Fakahatchee strand. The northern portion of the watershed has been extensively cleared and drained by truck farmers and cattlemen. Continued residential and agricultural development would alter the important drainage patterns and pollute the water supply of both Big Cypress and the Everglades National Park.

The Big Cypress watershed is also an important source of domestic fresh water for Florida's southwest coastal cities; if development were permitted and the watershed drained, Collier County and surrounding areas would not have an available water supply. In addition, creation of the preserve will save the ancestral home of the Miccosukee and Seminole Indians who have inhabited the region for centuries.

H.R. 10088 establishes a new concept in wilderness preservation—the national preserve. Under this legislation, the watershed area would be protected from further development which could harm its ecosystems. However, existing property owners could retain their interests and residence up to 25 years; hunting, fishing, and trapping would be permitted within the preserve so long as it did not interfere with the ecology.

The people of Florida have already expressed their desire to protect Big Cypress by allocating $40 million in State funds to assist the Federal Government in land acquisition. This offer was contingent upon congressional passage of the preserve legislation and authorization of Federal funds for land acquisition. Failure to approve H.R. 10088 could spell the destruction of Everglades National Park as well as Big Cypress.

I urge my colleagues to cast their vote in support of H.R. 10088 and protection of an important segment of America's environmental heritage.

Mr. SAYLOR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to be able to speak in strong support of this bill, H.R. 10088, to establish the Big Cypress National Preserve in the State of Florida.

Joining in the cosponsorship of this legislation from the time of its introduction to today are all 15 members of the Florida House delegation, now joined by 25 members of the Committee on Interior and Insular Affairs. It is also important to note that this legislation has had strong support by the administration. Action to preserve the Big Cypress was urgently requested by the President in his environment and natural resources state of the Union message delivered to the Congress in February of this year.

This 570,000-acre preserve will be administered by the Department of the Interior's National Park Service as a unit of our national park system. The proposed preserve will be managed so as to retain its prevailing natural condition, with provision for public use in such manner as to not destroy or unduly disturb the natural resources, with particular attention to be given the protection of the flow of surface waters.

While the area warrants preservation on its own merits, the initial and principal reason for its protection is to help safeguard the critically important waterflows which run from the proposed preserve on into the ecologically fragile Everglades National Park, immediately contiguous to the preserve on the south.

Water is the lifeblood of the Everglades. The natural flow of surface ground water in most of south Florida's flat terrain is from north to south. With ever increasing development and drainage of lands to the north, much of this natural surface waterflow has been disrupted due to actions by the Corps of Engineers, and has not been reaching the Everglades National Park, on the southern tip of Florida, in the amounts and with the timing required to sustain the natural balance of the park ecosystem. While earlier arrangements have been made to correct much of this obstruction of waterflow for the eastern segment of the park, the central and western portions of the park still lie in jeopardy if the natural waterflows from the north become impaired.

The establishment and protection of the Big Cypress National Preserve to the immediate north of the park will help assure the perpetuation of adequate waterflows into these sections of the Everglades National Park. In addition, of course, the creation of this preserve will protect the valuable ecosystem of this segment of the Big Cypress itself.

The continuation of this natural waterflow from the Big Cypress, through the Everglades National Park and on to the ocean is also of critical importance to the welfare of the many ocean life forms—shrimp, crabs, oysters, and game fish—which depend upon the brackish solution of the coastal estuaries and tidal marshes for their reproduction and survival. The livelihood of the regional fishing industry and the success of sport fishing excursions are heavily dependent upon the proper protection of these coastal zones.

So vulnerable to disruption is the natural waterflow from even the slightest alteration of the terrain—a raising or lowering of the terrain by mere inches can be critical—that the only positive protection for the area must be provided by the virtual prohibition of development. After thorough investigation of alternatives, the only method found feasible to provide the adequate protection was basically through fee simple acquisition of the lands.

The preserve will embrace 570,000 acres, 48,000 acres of which are already publicly owned. While there are numerous holders of large blocks of privately owned land, the area has lately been subjected to large-scale speculative land development schemes, subdividing the land into thousands of small parcels. While a great many individual owners are involved, the area still, fortunately, remains very lightly developed. However, any rapid escalation of land sales with further subdivision and development could bring havoc and irreparable damage to the delicate ecosystem and the natural waterflow.

This legislation provides that all lands owned by the State of Florida can be acquired only by donation. One of the most favorable aspects of this legislation is the State of Florida's eagerness to participate in the acquisition program. Florida has committed itself to contribute $40 million—a full 25 percent of the estimated total purchase price—to acquisition in the Big Cypress, and this legislation provides that no Federal acquisition can go forward until this State contribution is formally secured. Without question, this arrangement greatly eases the Federal burden, and constitutes a very positive aspect of this legislation.

Once this preserve is established by law, it is critically important that the land acquisition program move rapidly in order to diminish the damage which continued land sales speculation and development could bring if the Government moves slowly to acquire the holdings of the thousands of individual owners. Fast action is also important to avoid the eventual payment of highly escalated prices resulting from a long, drawn out acquisition program.

For this reason, and because the administration has displayed such a keen interest and commitment in protecting and acquiring this area, the committee determined that the multiple interests of immediate area protection, significantly reduced acquisition costs, and final dispensation to property owners would be best secured by the institution of legislative taking.

Upon the execution of an agreement between the Secretary of the Interior and the Governor of the State of Florida to secure the $40 million donation by Florida for land acquisition purposes, the title to most privately owned lands within the Preserve will automatically pass to the United States, to be subsequently compensated by Federal payments for property values taken. Exempt from this legislative taking, however, are private, noncommercial single-family residences, together with 3 acres of land, which were constructed, or were under construction, on November 23, 1971. With this provision, most residents of the area may remain, so long as their activities do not conflict with the purposes of the preserve.

For those landowners and residents who have more than 3 acres and wish to retain part of their former operation, the bill provides the Secretary with the discretionary authority to revest title under mutually acceptable conditions which are compatible with the purposes of the act.

This legislation also provides for a review and report within 5 years of enactment of the suitability or unsuitability of the area within the preserve to be designated as wilderness, in terms of the 1964 Wilderness Act. It is entirely feasible and possible that wilderness could be recommended and designated for certain areas with continued permission of such activities as hunting, fishing, and trapping. Any such proposal for wilderness within the preserve will require a separate act of the Congress to institute.

Mr. Chairman, a former member of my staff, Miss O. Ann Dunbar, recently passed away, and it is noteworthy that today—exactly a week from the day that she was laid to rest—the legislation to protect and preserve the Big Cypress is on the floor of the House. Ann was a very dedicated conservationist, and she had a driving concern for the protection of the Big Cypress and the Everglades. She was the lone honorary life member of the Wilderness Society. If this bill passes, I would like to think that in some measure it was due to the love and devotion Ann gave toward helping protect the great outdoors and, in particular, the Big Cypress area of Florida.

Mr. Chairman, this bill is the result of considerable deliberation by the members of the Interior Committee, and I believe it embodies the best set of conditions for assuring protection for the Big Cypress and the adjacent Everglades National Park and a fair and equitable treatment for landowners involved. I urge my colleagues to join the Florida delegation and the many other cosponsors and supporters of this legislation by voting favorably for its passage.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to my colleague from Iowa.

Mr. GROSS. I thank the gentleman for yielding. I would say to the gentleman I am not quite clear about the money figures in this bill. The bill, as I understand it, provides $116 million in Federal funds plus $900,000 for maintenance, or improvements, or what?

Mr. SAYLOR. $116 million Federal funds for acquisition, and $900,000 for development.

Mr. GROSS. In reading the report, on page 11, the communication from the Department of the Interior, I note they speak of not to exceed $156 million for the acquisition of lands and interests therein. Does the $156 million come about by adding the $40 million which the State will contribute? What does the $156 million represent?

Mr. SAYLOR. The $156 million represents the total estimated cost of all land acquisition. The total cost would be $156 million less $40 million which the State will contribute, for a Federal cost of $116 million.

Mr. GROSS. So may we have the assurance here today that $116 million would constitute the Federal Government's contribution to the establishment of this preserve or park or whatever it is called, adding to that, of course, the $900,000 provided in the bill for development?

Mr. SAYLOR. I would think I might say to my colleague from Iowa and the other Members of the House that this is one of the few times when one of these bills has been before us for which I can say with reasonable assurance that this figure should constitute the maximum cost to the Federal Government. When the President signs this bill into law most of the land will automatically become the land of the United States, and thereby freeze the prospect of speculation and the escalation of land values.

The reason why our committee has been forced to come back in the past for increased authorizations, much to our embarrassment and mine personally, is that when we have passed previous bills for parks, recreation areas and seashores we have not acquired the land immediately, as we are doing here.

Mr. Chairman, we have left it up to the Committee on Appropriations and the Office of Management and Budget, and they have put off and put off and put off the acquisition, with one result: escalating land costs. In many cases, it has cost us two, three, and in some cases, five times the original estimate merely because of delay.

It is our firm belief that with this procedure we have fixed the price and can say with confidence that it will not happen this time. By the way, the Secretary of the Interior has informed me that he had been assured by the administration and by the Office of Management and Budget that acquisition of the Big Cypress will be a very high priority item, and that adequate money will be made available as needed.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. SAYLOR. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, it is a substantial amount of money, and I sincerely hope that the gentleman's assurance will be carried out in the years to come.

Mr. SAYLOR. I sincerely hope so also.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman for yielding. I rise in support of the legislation.

Mr. DON H. CLAUSEN. Mr. Chairman, I would like to voice my support for the legislation before the House today to preserve the Big Cypress as a national preserve in the State of Florida. I think this is a most important piece of legislation, and the broad based bipartisan support for this bill is especially noteworthy.

I particularly want to commend the able gentleman from the State of Florida (Mr. HALEY) who has guided this bill through the Interior Committee and brought to the House floor a bill which should both protect the Big Cypress area from further destruction and provide a sound procedure for the prompt and equitable treatment of affected landowners.

The bill entails a large expenditure of money, and the cosponsorship of this legislation by every member of the House's Florida delegation is a further tribute to the merits of the measure, as well as to the capable leadership provided by Chairman HALEY.

I also want to highly commend the Committee's ranking minority member, JOHN SAYLOR, for the intense interest and contributions he has made in the perfection of this legislation as it passed through the Interior Committee.

This bill provides for one of the largest efforts to establish a park through the process of legislative taking. As a result of some very bad cost overrun experiences in the past where more slow and conventional land acquisition approaches were taken, the committee felt that the characteristics of this case demanded an acquisition approach which would minimize the escalation of land values, promptly protect the area's resources from further damage through development, and assure prompt payment to landowners for property acquired. The committee felt that this legislation should well accomplish all of these objectives. If it does, and I certainly hope and trust that it will, this legislation will constitute an important landmark in the parks movement.

Again I want to underscore the credit due our distinguished chairman of the committee (Mr. HALEY) for his leadership on this important legislation.

Mr. BURKE of Florida. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield such time as he may consume to my colleague, the gentleman from Florida (Mr. BURKE).

Mr. BURKE of Florida. Mr. Chairman, I rise in support of H.R. 10088, which I was proud to cosponsor with my colleagues in the Florida congressional delegation. This legislation, if enacted, will establish the Big Cypress National Preserve in the State of Florida, and, in so doing, will protect a significant portion of the Big Cypress Watershed. I would like to compliment the distinguished chairman of the Interior Committee, Mr. HALEY, and the other members of his committee for their work on this bill.

Mr. Chairman, fresh water is a big problem in the State of Florida, and since Florida is a peninsula surrounded on three sides by the salt waters of the Atlantic Ocean, the Gulf of Mexico, and the Caribbean, the forces of nature are constantly pushing salt water into the land mass and into the inland water supply. The bountiful rainfall in Florida has in the past, been able to supply enough fresh water to force out the salt water and to supply the needs of the people of Florida. However, with the rapid population increase of Florida and of south Florida in particular, the demands on the supply of fresh water are continually increasing.

Water is one of the principal natural resources of the proposed Big Cypress National Preserve. Basically, the watershed can be divided into three subbasins. One drains generally southeastwardly toward the eastern half of the Everglades National Park. Another, located on the western side of the watershed, if permitted to flow naturally would flow slowly into the gulf coast estuaries and bays. The third which includes three-fifths of the entire watershed is centrally located and drains in a southward direction through a large portion of the Everglades National Park into the Gulf of Mexico.

Much of the water for the Everglades National Park comes from rainfall within its boundaries, and part of it comes from releases made from Lake Okeechobee, but the contiguous Big Cypress Swamp accounts for about 56 percent of the water entering the park from outside its boundaries. Unlike "manmade" water systems which are designed to capture water and accelerate its runoff, this natural system filters the water and permits natural biological processes to develop, mature, and nourish the fish and wildlife communities which are dependent upon it.

Without this water and its natural drainage it is generally agreed that the Everglades National Park will change drastically. This would be a tragedy, because the Big Cypress-Everglades ecosystem is an outstanding scientific treasure for students of the evolution of life and biologists, as well as the home of more than 20 animals whose status has been listed by the Secretary of Interior as rare, endangered, or otherwise in jeopardy.

It is my opinion that without the passage of H.R. 10088, two tragedies will be fall the State of Florida, as more housing and more people encroach on the perimeters of this watershed; first, the unique subtropical flora and fauna of the area will be altered, and much of it will ultimately be destroyed; second, as population continues to grow unchecked in this area, all the people of south Florida will suffer because of severe future shortages of fresh water. I, therefore, urge my colleagues to act favorably on H.R. 10088 today. If you do, not only my colleagues of the Florida delegation will be grateful to you but, so too, will all of the people of the State and those for generations to come.

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Chairman, I appreciate the gentleman's yielding.

I wish to express [illegible] appreciation to the Members of the committee for an excellent piece of legislation, and I wish to congratulate the delegation from Florida for their action in preserving 570,000 of their acres in perpetuity.

Mr. Chairman, I commend the committee on this legislation.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Chairman, I take this time to rise in support of the bill (H.R. 10088) to establish the Big Cypress National Preserve in the State of Florida.

BACKGROUND

During the 92d Congress, several Members of the Committee on Interior and Insular Affairs visited the Big Cyress area and conducted field hearings on legislation comparable to that now before the House. While some of the landowners in this area opposed this measure for various reasons, I have been impressed with the generally strong support for this measure.

During our public hearings on this measure this year, many of the members of the Florida congressional delegation presented statements in favor of the bill and spokesmen for the administration argued in favor of its enactment. Conservationists across the country and representatives of many of the major environmental groups have indicated their concern for the preservation of this important area.

DESCRIPTION OF THE AREA

As everyone knows, the Big Cypress Swamp lies just north of the Everglades National Park. The area involved in H.R. 10088 represents roughly one-third of the watershed and it is considered by the experts to be extremely important to the survival of a large portion of the park.

In addition to its importance as a source of fresh water for the Everglades and the adjacent estuarine zone, the Big Cypress National Preserve will protect many significant natural and scientific resources which might otherwise be jeopardized or disappear. It is a principal nesting and resting area for thousands of migrating waterfowl, a home for the endangered alligator, and a place where bald cypress and air plants of many varieties are found. In short, it qualifies for national recognition on its own merits in addition to contributing to the preservation of the Nation's most important subtropical park.

LEGISLATIVE TAKING PROVISION

Mr. Chairman, H.R. 10088 follows the precedent set in the Redwoods National Park Act by providing for a legislative taking of the privately held lands. In the opinion of the members of the Committee on Interior and Insular Affairs, this action is warranted if this area is to be preserved from activities which would alter the terrain and adversely affect the ecology of the area. It is important for the Government to move forward more promptly with its land acquisition activities if we are to avoid the speculative activity that inevitably develops after Federal interest in an area is evident.

In this case, Mr. Chairman, we believe that the legislative taking will result in a substantial reduction in the ultimate cost of this project. Not only should we save significant amounts normally attributed to administrative costs, but under the terms of the bill if landowners and homeowners reach agreement with the Secretary to assure the use of their property in conformity with the purposes of the act, they may be permitted to retain the property indefinitely.

CONCLUSION

This is an important conservation measure. Mr. Chairman. It is one which has demanded a great deal of attention at all levels of government. On November 23, 1971, the President announced the support of his administration for legislation to preserve this area. Since then, the House Subcommittee on National Parks and Recreation and its counterpart on the Senate side have been working to accomplish this objective. We feel that H.R. 10088 is a sound bill which will enable the Government to preserve this area at the least possible cost. I commend it to my colleagues and urge its adoption by the House.

Mr. HALEY. Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from Florida (Mr. Rogers).

Mr. ROGERS. Mr. Chairman, I rise in strong support of H.R. 10088 to establish the Big Cypress National Preserve. I think that it is particularly significant that the Big Cypress will be the first area designated in the new category of national preserve, for it is indeed a unique area. I am particularly pleased that this legislation is before the House because I represented most of the Big Cypress area for 18 years before the congressional redistricting which went into effect with the 93d Congress.

The Big Cypress watershed is certainly one of the most unique ecological systems in the State of Florida if not the Nation. It is a natural water conservation area which provides more than half of the surface flow water for the Everglades National Park. This water is vital to the continued existence of the Everglades which we have already recognized as a significant natural treasure and which we are committed to preserving. This area also serves as a reservoir which helps to maintain the delicate fresh water-salt water balance of the mangrove forests and rich estuaries of the gulf coast of Florida. The value of these nutrient laden estuaries to the fishing industry and particularly shrimp fisheries, is substantial.

Additionally, these waters recharge the aquifers which are the primary source of drinking water for many south Florida communities. There have been serious shortages of fresh water in south Florida as recently as 1971.

Although the Big Cypress is a valuable part of the delicate water balance in south Florida, it is at the same time a unique and beautiful ecological system as well. As one of the few relatively undisturbed areas which remain in Florida, the Big Cypress is home to 17 rare or endangered species including several wading birds and the much pursued Florida alligator. This area together with the Everglades, is the only area in the United States which is covered with tropic-like vegetation, and abounds with many varieties of exotic plant life including seven species of orchids which are found nowhere else in the world.

Because of this rare environmental setting, the Big Cypress has great potential as a recreational area. For the average urban dweller on the eastern seaboard it is one of the few remaining places in the eastern half of the country where one can experience such a feeling of wilderness in a relatively undisturbed natural environment. It is imperative that the Congress act now before that setting is only a memory.

This bill provides for the acquisition of 522,000 acres of privately held land and inclusion of 48,000 acres of publicly held land for a total of 570,000 acres of land. The State of Florida has made what I consider to be one of the most generous offers that I have seen in my 19 years in Congress. The State has guaranteed $40 million to begin immediate acquisition of this area and has agreed to donate State held lands in the area. Such an offer is unprecedented and should be answered by overwhelming support of the legislation before the House today.

I would like to commend the very distinguished gentleman from Florida (Mr. Haley), the chairman of the full committee, for his work in bringing this bill to the floor of the House. This action brings to fruition a proposal which came from a meeting nearly 3 years ago between the distinguished chairman, my distinguished colleague (Mr. Fascell) and myself along with conservation groups. It has since caught the imagination of nearly every environmental group in the country and has the support of the administration. I only hope that future administration support will be in the form of budget requests rather than verbiage.

Mr. Chairman, this legislation represents several years of careful consideration by the committee and deserves the wholehearted support of every Member of the House.

Mr. HALEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. Chappell).

Mr. CHAPPELL. Mr. Chairman, I rise in support of H.R. 10088, to establish the Big Cypress National Preserve. I am pleased to join the distinguished chairman of the Interior Committee and the entire Florida delegation in cosponsoring this legislation.

Florida is now the fastest growing State in the Nation, with an influx of some 30,000 new residents monthly. Big Cypress is vital to the future of Florida. Its acquisition will protect the fresh water supply as well as the estuarine areas so important to south Florida.

As a natural habitat for wildlife, fish, and scenic beauty, Big Cypress stands as one of our last monuments of wilderness. More than 20 endangered species of animals may be found within its borders.

The future generations of Americans need to have this undisturbed haven to visit, just as we and the generations before us have enjoyed it. At the same time, we want to make sure that the Miccosukee and Seminole Tribes located there are not disturbed.

Mr. Chairman, the Big Cypress legislation has been formulated over two decades. It is imperative that we proceed to pass it in the House today so that this vital area can be protected. The people of Florida support it, as evidenced by their willingness to contribute $40 million to the acquisition costs.

I urge my colleagues to vote for the bill.

Mr. HALEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. Gunter).

Mr. GUNTER. Mr. Chairman, I thank the gentleman for yielding. I rise in support of H.R. 10088. I would certainly like to add my commendations to the Committee on Interior and Insular Affairs for this legislation, and especially to our distinguished chairman, the gentleman from Florida (Mr. Haley), who is an outstanding Member of the Florida delegation.

Mr. Chairman, I appreciate having this opportunity to express my complete support for H.R. 10088, which provides for the acquisition of the Big Cypress National Fresh Water Reserve in the State of Florida.

This was the first legislative proposal I cosponsored as a freshman Congressman because the need for positive action on this matter is very important to the State of Florida. We in Florida over the past few years have recognized the need for preserving the beautiful natural resources that make Florida so attractive to the thousands of people who move and travel there every year. Many of our citizens successfully fought exploitation of the Everglades and careless offshore drilling of the beautiful Florida coast. With the rapid expansion of Florida's population, there is an urgent need to protect our environment from continued dredging and exploitation by unwitting or unscrupulous developers.

The Big Cypress acquisition is by no means an isolated move by a few Florida Congressmen. Rather it is another step by those of us who represent the people of Florida—and the people have given us the message they want expressed in Washington. That message is "save our State and its natural beauty for present and future generations." I implore the House of Representatives to heed this message.

As you know, this area is ecologically interlocked with the Florida Everglades. I believe we must act quickly to acquire this land. Already the owners are putting in extra roads to claim property improvement, thus raising the price the Government will have to pay.

It is clear that we cannot accomplish that which is desired in this area if the land remains under private ownership. The control needed to preserve the area would keep the owners of the land from exercising their natural incidents of ownership and result in either disregard for the land use policy or for all practical purposes depriving the owners of their land without compensation.

The final point reflecting the commitment of Floridians to this project is the fact that the State has already agreed to provide $40,000,000 toward the acquisition of the Big Cypress. This is an unprecedented move, and I urge the House of Representatives to act favorably on this bill to reinforce the commitment of the State of Florida.

Mr. HALEY. Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I thank the gentleman for yielding time to me. This is a very fine piece of legislation. It has been wisely put together by the committee, and it has had very fine leadership from our distinguished chairman, the gentleman from Florida (Mr. HALEY).

Mr. Chairman, I wholeheartedly support this legislation.

Mr. SAYLOR. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. KETCHUM), a member of the committee.

Mr. KETCHUM. Mr. Chairman, without trying to add any more to the congratulations going on here, I would be remiss if I did not congratulate not only the chairman of the subcommittee, the distinguished gentleman from North Carolina (Mr. TAYLOR) but also the chairman of the committee.

By and large, the one entity that should be congratulated is the great State of Florida. Despite the fact that this project is in the national interest, they have seen fit to contribute $40 million rather than coming in here with their hands out. I certainly congratulate the State of Florida and its delegation.

Mr. BENNETT. Mr. Chairman, I very much appreciate this opportunity to speak today for H.R. 10088, a bill to establish the Big Cypress National Reserve in the State of Florida. I am proud to be one of the original sponsors of H.R. 46, the first bill which was introduced by all the Members of the Florida delegation to bring this fine project about. I testified in the House Interior and Insular Affairs Committee in favor of this legislation on May 10.

The Big Cypress National Fresh Water Reserve in south Florida provides an excellent opportunity for the Federal Government to work with the State of Florida and with interested citizens in an effort to preserve an important natural resource and to help insure a healthy environment for the people of south Florida. The Big Cypress today provides 55 percent of the water that flows into the Everglades. It is also a key to survival for the far-reaching recreational and commercial fishing enterprises that depend upon those estuaries.

In addition to the human needs which the Big Cypress Watershed satisfies there are also many types of flora and fauna and animal communities that thrive in the Big Cypress. It is a highly complex, very fragile ecosystem kept in balance by a unique watershed flow, southward, down the almost imperceptible 2-inch-per-mile slope from Lake Okeechobee to the Gulf of Mexico.

I support the changes which have been made by the House Interior Committee in this legislation and am glad that the thrust remains essentially the same. The Big Cypress National Fresh Water Reserve is well on its way to becoming a reality and I strongly urge support for this legislation today.

Mr. FREY. Mr. Chairman, the bill which we are considering, H.R. 10088, will establish the Big Cypress National Preserve in the State of Florida. This legislation is important in many ways. It will protect a significant portion of the Big Cypress watershed which is critical to the stabilization of the Everglades National Park. It will protect the ecosystems and environment of one of our Nation's most treasured natural areas. It will set a precedent in establishing a new vehicle by which to protect other natural areas. And it marks an encouraging and cooperative spirit between the Federal Government and a State government in working toward these ends.

Big Cypress lies adjacent to the Everglades National Park, and the two form a nearly complete hydrologic unit together. The Everglades Park is considerably dependent upon the Big Cypress watershed for its supply of fresh water. A vital factor is that the land within Big Cypress is flat and thus serves as a natural water storage area. Any change could seriously disrupt the ecosystems of Everglades Park, and therefore Big Cypress must be protected.

Second, Big Cypress in itself contains unusual and highly valuable environmental assets, both in terms of scientific study and individual enjoyment. Thousands of migrating birds come each year to this area; species of fish and animals—many of which are on the endangered species list—inhabit this unique area. In addition, a wide variety of plant life is seen, including many species not found anywhere else outside the tropics. The Big Cypress-Everglades offers many recreation activities in a true wilderness area—camping, hiking, sightseeing, nature studies, et cetera.

Third, this bill carefully states its purpose is to establish the Big Cypress National Preserve. "Preserve" is a new word being chosen to define something being kept or safeguarded and basically protected and perpetuated for an intended, stated purpose. This is the case with Big Cypress. Management of "preserves" may be different from management of reserves—the primary responsibility being to protect the area for its stated purpose.

Last, the State of Florida, I am proud to say, has certainly been a vanguard in preserving and protecting its natural areas of beauty and value. For example, in 1934 the Federal Government authorized the establishment of the Everglades National Park. The State of Florida was instrumental in acquiring through donations 935,000 acres for the park. With the exception of 4,400 acres, no Federal funds were spent to buy any park lands until 1966. Again, with the Big Cypress, Florida has taken the lead among States in the protection of its environmentally treasured areas. The State has made $40 million available this year to begin purchase of lands and has designated it as an "area of critical State concern" which subjects it to strict environmental controls.

Though water is the main resource of the Big Cypress, it is certainly not the only one. For many reasons, it is imperative that this area be protected as a national preserve and I urge the favorable consideration of H.R. 10088.

Mr. FUQUA. Mr. Chairman, I am pleased to be able to take to the floor today in support of this legislation and to applaud the committee's leadership in bringing this measure to the floor. As a cosponsor of this bill, I am intimately aware of the need to establish the Big Cypress National Preserve so that protection can be given the Big Cypress watershed. I agree with the Department of the Interior that the Big Cypress-Everglades ecosystem is one of the most unique in the world and deserves protection from the encroachment of man and development.

The Big Cypress ecosystem plays an increasingly important role in the continued vitality of the natural and economic resource in south Florida. This legislation is the proper outgrowth of the Big Cypress watershed study report and other investigations pointing out the great need to protect this unique watershed.

The recreation possibilities of the Big Cypress Swamp are impressive indeed and there is little question that we must protect those natural sanctuaries still available to us. The great State of Florida welcomes millions of visitors each year who come primarily to enjoy our tropical climate and the outdoors.

Another pressing reason why this legislation must be approved stems from the fact that the Big Cypress area is in the heart of the natural ecosystem essential to provide fresh water sustenance to the large population of south Florida while preserving the wildlife. Problems of salt water intrusion and the threat to both recreational and commercial fishing magnifies the urgency of this legislation.

The committee has pointed out that over 17 species of wildlife which have been placed on the endangered list inhabit this valuable natural resource. The ecosystem of the Big Cypress area is fragile indeed and must be given every protection if we are to avert the elimination of this wildlife forever.

The reasons in support of this legislation are public knowledge and cannot be refuted by those who would seek to deprive the citizens of Florida as well as the Nation at large. The Big Cypress Swamp standing alone is a source of natural wonder and provides our citizens with an opportunity to enjoy the outdoors in a pristine and natural state. Our high-paced society has a dehumanizing effect on all citizens and natural areas must be provided as a sanctuary from the everyday pressures and anxieties of our technological existence. The rejuvenating experiences of "getting away from it all" cannot be measured.

The committee report reflects the unique efforts which have been undertaken by the State of Florida to preserve its natural resources in a pristine state. The State legislature, with the approval of the Governor, has gone on record in support of this legislation and has demonstrated the great priority this project has by making available $40 million to initiate the purchase of lands within the proposed preserve. This Federal/State cooperation serves as a model for other natural areas which will require protection in the area.

While the total cost of land acquisition and development will require some $156 million, the availability of the $40 million State participation makes this project a bargain for the Federal Government.

The distinguished chairman of the House Committee on Interior and Insular Affairs, JIM HALEY, deserves a great deal of credit for his unswerving efforts and leadership in making this legislation possible. Congressman HALEY is a fellow Floridian and a man who has meant a great deal to me during the years I have spent in this body. Congressman ROY TAYLOR and the other members of the committee should also be applauded for their foresight and concern.

It is for these reasons that I wholeheartedly support this legislation and call upon my colleagues to vote in favor of this legislation. The Federal interest in the protection of this virgin wilderness is obvious and I am most hopeful that we will be able to preserve this unique area for future generations. The need is certainly great.

Mr. FASCELL. Mr. Chairman, I rise in strong support of H.R. 10088, the bill to establish the Big Cypress National Preserve in Florida, as a sponsor of the bill.

We in Florida are all indebted to the able leadership of the chairman of the Interior and Insular Affairs Committee, the Honorable JAMES HALEY, for his active support of the proposal. Without his guidance and direction the future of the Big Cypress would still be in question.

Our thanks go to the chairman of the National Parks and Recreation Subcommittee, Congressman ROY TAYLOR, as well. His longstanding record in support of legislation to preserve and protect our natural resources is without equal, and his efforts in behalf of the Big Cypress contribute substantially to that record. I deeply regret that a personal, family matter has prohibited ROY from being here today to help guide the bill through the House. I know all our colleagues join in expressing our sympathy on the death of his brother.

Approval of the Big Cypress bill is essential for the following reasons: First, to protect the fresh water supply of South Florida; second, to protect the fresh water and ecological balance of the Everglades National Park; and third, to preserve the unique ecosystems in the Big Cypress itself.

Water is the key to life, and the best guide to analyzing natural resources problems. This is especially true for southern Florida.

With its abundant rainfall, the ecosystems of southern Florida are amazingly delicate, and that delicacy is closely tied to water flow patterns. The Big Cypress swamp is an integral part of these patterns.

Part of what makes southern Florida's water situation so complex is the presence of salt water on three sides threatening to contaminate fresh water supplies if they are mismanaged. South Florida is dependent upon ground water for its drinking water. If the aquifers are depleted too severely, salt water will intrude and they will be contaminated for water supply. As many wetlands do, Big Cypress plays an extremely valuable role of recharging ground water. Development of too much of southern Florida's wetlands could conceivably destroy the fresh water supplies that make that development possible.

Of equal importance, is the role which the Big Cypress plays in supplying water to the Everglades National Park. Although the Everglades do get abundant rainfall and 80 percent of its water supply does come from rainfall, it is still very dependent upon water coming from the north by sheet flow. This water keeps coming after the rainy season has ended, and is fundamental to the peculiar ecosystem that is the Everglades. Roughly half of this outside water comes from the Big Cypress watershed.

The Congress has repeatedly recognized the value in protecting the Everglades. The park, authorized by the Congress, is without question one of America's greatest natural treasures. Approval of the Big Cypress bill is required to preserve that unique tropic-like environment and protect a very important investment.

I should also mention the importance of protecting the water supply in the Big Cypress for the mangrove forests and rich estuaries of south Florida's gulf coast. This area provides nutrients, breeding grounds, and shelter for the juveniles of several very valuable commercial fisheries in the gulf. This includes an $8 million per year shrimp industry. The whole region is highly dependent upon the delicate balance between fresh and salt water. Again, the surface flow of water from Big Cypress is essential. Disturb the Big Cypress sufficiently, by development, and you endanger the estuaries and mangroves and jeopardize both commercial and sport fishing in the Gulf.

And finally, the Big Cypress swamp should be protected and preserved in its own right. It harbors many endangered species, contains beautiful and unusual habitats, provides recreation to people from all over the country, and conveys a feeling of wilderness which is seldom found anywhere in the Eastern United States. If we fail to take action necessary to protect it from development, it would be lost forever.

In my judgment, no price is too great to pay to insure the preservation of the Big Cypress swamp, the preservation of the Everglades National Park as we know it, and the fresh water supply of south Florida. No value can be placed on fresh water—without it, there would be no development in south Florida at all.

The National Parks and Recreation Subcommittee and the full Committee on Interior and Insular Affairs Committee have given this proposal extensive consideration. The bill before the House today represents the best thinking of all the Members involved, of the Department of the Interior, of interested conservation groups in Florida and throughout the country. It deserves the wholehearted support of the House.

One aspect of the bill has been of particular concern to me, and that is the protection of the economic and cultural interests of the Miccosukee and Seminole Indians who have lived in Florida for over 200 years. It is evident that the committee has shared that concern, and acted to protect those interests. Both tribes have traditionally used much of the Big Cypress area for hunting, fishing and ceremonial purposes. Under the bill, they will be permitted to continue such usual and customary uses, subject to such reasonable rules and regulations as the Secretary may promulgate.

Specific provision is also made in the bill to give members of the Miccosukee and Seminole Tribes who have been engaged in revenue producing visitor services, a right of first refusal on contracts to provide similar services within the preserve in the future.

The tribes had hoped that specific provision would also be included in the bill to provide a similar right of first refusal on new revenue producing services. While such language was not included in the bill, I am pleased that the committee recognized the importance of this issue to the Indians, and indicated in its report that while the Secretary of the Interior must determine who could best serve the public need, "in the event all applicants, for any new services, are qualified then equity would suggest that the local tribal groups or individuals should be given first preference in contracts to provide visitor services." I certainly hope that the Secretary gives full weight to the committee's direction in this matter.

I should also point out the strong support of the State of Florida in protecting and preserving the Big Cypress. By action of the State legislature, and with the approval of the Governor, the State has made $40 million available this year to begin the purchase of lands within the proposed Big Cypress preserve. Lands acquired with this money will be conveyed to the Federal Government.

Mr. Chairman, may I again congratulate and thank our colleague and my good friend from Florida, JIM HALEY, for his leadership in moving this bill through the Interior Committee and to the House for its consideration, and urge all our colleagues to join in support of H.R. 10088.

Mr. SIKES. Mr. Chairman, first I congratulate most warmly the distinguished gentleman from Florida, the chairman of the Committee on Interior and Insular Affairs, for bringing this important legislation to the floor. It is typical of the outstanding work done through the years by this important committee. We in Florida are especially proud of its continuing leadership under the chairmanship of our own distinguished colleague (Mr. HALEY).

Passage of legislation to establish the Big Cypress National Preserve in Florida will be another example of congressional concern for the environment and beauty of America.

It was my privilege to cosponsor, along with all other members of the Florida delegation, this important piece of legislation.

The Big Cypress Watershed is one of the most unique ecological systems in Florida and the Nation. It actually is the natural water conservation area which provides more than half the surface flow water to the Everglades and the beautiful national park there.

Big Cypress is a sport fisherman's paradise. It is a breeding ground for shrimp, an important reservoir, a part of the delicate balance between fresh and salt water in the mangrove swamp, and a vital link in fresh water supplies for a great portion of Florida.

If for no other reason, congressional establishment of this preserve offers almost limitless recreational opportunities. Tropical flora abound, it is the refuge of the Florida panther and the Southern bald eagle. It truly is one of the last places in the Eastern United States where a visitor can feel a sense of the wilderness as nature created it.

Hunting, trapping, and fishing will continue to be allowed in accordance with the laws of the State and Nation and the Indians are to be allowed to remain on the land to live and hunt.

Congressional action on this bill has come at the proper time, before unwise use of the area by man caused irreparable damage to the scenic and ecological beauty of the area.

Eventually, the Big Cypress National Preserve deserves to be in the wilderness system of this Nation. The State of Florida has agreed to cooperate fully in this endeavor, even to turning over State held lands to be included in the preserve.

I applaud the proposal to establish this unique and important preserve. The move is another in a long series of steps which have, and will continue to be taken by responsible elected officials to preserve for all time, important wilderness areas of America.

Mr. SAYLOR. Mr. Chairman, I have no further requests for time.

Mr. HALEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

H.R. 10088

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to assure the preservation, conservation, and protection of the natural, scenic, hydrologic, floral and faunal, and recreational values of the Big Cypress Watershed in the State of Florida and to provide for the enhancement and public enjoyment thereof, the Big Cypress National Preserve is hereby established.

(b) The Big Cypress National Preserve (hereafter referred to as the "preserve") shall comprise the area generally depicted on the map entitled "Big Cypress National Preserve", dated November 1971 and numbered BC-91,001, which shall be on file and available for public inspection in the Offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and shall be filed with appropriate offices of Collier, Monroe, and Dade Counties in the State of Florida. The Secretary of the Interior (hereafter referred to as the "Secretary") shall, as soon as practicable, publish a detailed description of the boundaries of the preserve in the Federal Register which shall include not more than five hundred and seventy thousand acres of land and water.

(c) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange, any lands, waters, or interests therein which are located within the boundaries of the preserve: *Provided,* That any lands owned or acquired by the State of Florida, or any of its subdivisions, may be acquired by donation only. Notwithstanding any other provision of law, any federally owned lands within the preserve shall, with the concurrence of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without transfer of funds.

SEC. 2. (a) Effective on the date that the State of Florida enters into a contract with the Secretary to expend $40,000,000 for the acquisition of land within the preserve and to donate the land so acquired to the United States and in addition thereto agrees to donate to the United States all or any portion of the $40,000,000 that is not used by the State for such purpose, there is hereby vested in the United States all right, title, and interest in, and the right to immediate possession of, all real property within the boundaries designated in section 1 of this Act, except as provided in subsection (c) of this section. The Secretary shall allow for the orderly termination of all operations on real property acquired by the United States under this subsection, and for the removal of equipment, facilities, and personal property therefrom.

(b) The United States will pay just compensation to the owner of any real property taken by subsection (a) of this section and the full faith and credit of the United States is hereby pledged to the payment of any judgment entered against the United States pursuant to the provisions of this Act. Payment shall be made by the Secretary of the Treasury from moneys available and appropriated from the Land and Water Conservation Fund, subject to the apppropriation limitation contained in section 8 of this Act, upon certification to him by the Secretary of the agreed negotiated value of such property, or the valuation of the property awarded by judgment, including interest at the rate of 6 per centum per annum from the date of taking to the date of payment therefor. Any action against the United States for just compensation for any lands or interests taken pursuant to this subsection shall be brought in the district court of the United States for the district in which such property is situated. In the absence of a negotiated agreement or an action by the owner within one year after the date of enactment of this Act, the Secretary may initiate proceedings seeking a determination of just compensation in the district court of the United States for the district in which the property is situated. In the event that the Secretary determines that fee title to any lands taken pursuant to this provision is not necessary for the purposes of this Act, he may, with the concurrence of the former owner, revest title in such lands to such owner subject to such terms and conditions as he deems appropriate to carry out the purposes of this Act and he may compensate the owner for no more than the fair market value of the rights so reversed: *Provided,* That the Secretary shall not revest title to any lands for which just and full compensation has been paid.

(c) This section shall not apply to any improved property as defined in subsection 3(b) of this Act: *Provided,* That the Secretary may, in his discretion, initiate eminent domain proceedings if, in his judgment, such lands are subject to, or threatened with, uses which are or would be detrimental to the purposes and objectives of this Act. The district court of the United States for the district in which such property is situated shall have jurisdiction to hear evidence and determine just compensation for any lands taken pursuant to the provisions of this subsection.

SEC. 3. (a) The owner of an improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless this property is wholly or partially donated to the United States, the Secretary shall pay the owner the fair market value of the property on the date of acquisition less the fair market value, on that date, of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

(b) As used in this Act, the term "improved property" means a detached, one-family dwelling, construction of which was begun before November 23, 1971, which is used for noncommercial residential purposes, together with not to exceed three acres of lands on which the dwelling is situated, such land being in the same ownership as the dwelling, together with any structures accessory to the dwelling which are situated on such land.

(c) Whenever an owner of property elects to retain a right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of such sections such owner shall not be considered a displaced person as defined in section 101(6) of such Act.

SEC. 4 (a) The area within the boundaries depicted on the map referred to in section 1 shall be known as the Big Cypress National Preserve. Such lands shall be administered by the Secretary as a unit of the National Park System in a manner which will assure their natural and ecological integrity in perpetuity in accordance with the provisions of this Act and with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

(b) In administering the preserve, the Secretary shall develop and publish in the Federal Register such rules and regulations as he deems necessary and appropriate to limit or control the use of Federal lands and waters with respect to:

(1) motorized vehicles,

(2) exploration for and extraction of oil, gas, and other minerals,

(3) grazing,

(4) draining or constructing of works or structures which alter the natural water courses,

(5) agriculture,

(6) hunting, fishing, and trapping,

(7) new construction of any kind, and

(8) such other uses as the Secretary determines must be limited or controlled in order to carry out the purposes of this Act: *Provided*, That the Secretary shall consult and cooperate with the Secretary of Transportation to assure that necessary transportation facilities shall be located within existing or reasonably expanded rights-of-way and constructed within the reserve in a manner consistent with the purposes of this Act.

SEC. 5. The Secretary shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the preserve in accordance with the applicable laws of the United States and the State of Florida, except that he may designate zones where and periods when no hunting, fishing, trapping, or entry may be permitted for reasons of public safety, administration, floral and faunal protection and management, or public use and enjoyment. Except in emergencies, any regulations prescribing such restrictions relating to hunting, fishing, or trapping shall be put into effect only after consultation with the appropriate State agency having jurisdiction over hunting, fishing, and trapping activities. Notwithstanding this section or any other provision of this Act, members of the Miccosukee Tribe of Indians of Florida and members of the Seminole Tribe of Florida shall be permitted, subject to reasonable regulations established by the Secretary, to continue their usual and customary use and occupancy of Federal lands and waters within the reserve, including hunting, fishing, and trapping on a subsistence basis and traditional tribal ceremonials.

SEC. 6. Notwithstanding any other provision of law, before entering into any contract for the provision of revenue-producing visitor services, the Secretary shall offer those members of the Miccosukee and Seminole Indian Tribes who, on January 1, 1972, were engaged in the provision of similar services, a right of first refusal to continue providing such services within the preserve subject to such terms and conditions as he may deem appropriate.

SEC. 7. Within five years from the date of the enactment of this Act, the Secretary shall review the area within the preserve and shall report to the President, in accordance with section 3 (c) and (d) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or nonsuitability of any area within the preserve for preservation as wilderness, and any designation of any such areas as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not to exceed $116,000,000 for the acquisition of lands and interests in lands and not to exceed $900,000 for development: *Provided*, That no Federal funds may be appropriated unless the State of Florida and the Secretary conclude and execute the agreement referred to in subsection 2(a) no later than ninety days after the date of enactment of this Act. Any funds donated to the United States pursuant to subsection (2) shall be added to the appropriations made pursuant to this section for the acquisition of lands.

Mr. SAYLOR (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed at this point in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to the bill? If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DENT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10088) to establish the Big Cypress National Preserve in the State of Florida, and for other purposes, pursuant to House Resolution 565, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 376, nays 2, not voting 56, as follows:

[Roll No. 497]

YEAS—376

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Badillo
Bafalis
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Goldwater
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.

Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Keating
Kemp
Ketchum
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—2

Davis, Wis.
Gross

NOT VOTING—56

Ashbrook
Aspin
Baker
Barrett
Bevill
Breaux
Broomfield
Brown, Calif.
Broyhill, Va.
Burton
Chisholm
Conyers
Dingell
Dulski
Erlenborn
Esch
Foley
Gilman
Gonzalez
Gude
Hanna
Hays
Hébert
Johnson, Colo.
Jones, Ala.
Kastenmeier
King
Kluczynski
Koch
Leggett
Martin, Nebr.
Michel
Mills, Ark.
Minshall, Ohio
Mizell
Morgan
Nelsen
Nix
O'Brien
Railsback
Reid
Riegle
Rose
Roybal
Runnels
Sandman
Shipley
Skubitz
Smith, N.Y.
Steiger, Ariz.
Stubblefield
Taylor, N.C.
Teague, Tex.
Vander Jagt
White
Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hanna with Mr. Gonzalez.

Mr. Kluczynski with Mr. Brown of California.

Mr. Dingell with Mr. Baker.

Mr. Conyers with Mr. Runnels.

Mr. Taylor of North Carolina with Mr. Minshall of Ohio.

Mr. Morgan with Mr. Mizell.

Mr. Leggett with Mr. Skubitz.

Mr. Mills of Arkansas with Mr. Smith of New York.

Mr. Hays with Mr. Martin of Nebraska.

Mr. Teague of Texas with Mr. O'Brien.

Mr. Nix with Mr. Aspin.

Mr. Reid with Mr. Ashbrook.

Mr. Koch with Mr. Sandman.

Mrs. Chisholm with Mr. Roybal.

Mr. Dulski with Mr. Michel.

Mr. Hébert with Mr. Zwach.

Mr. Stubblefield with Mr. Gude.

Mr. Burton with Mr. Erlenborn.

Mr. Shipley with Mr. Broomfield.

Mr. Bevill with Mr. Esch.

Mr. Jones of Alabama with Mr. Steiger of Arizona.

Mr. Kastenmeier with Mr. Vander Jagt.

Mr. Breaux with Mr. Nelsen.

Mr. Riegle with Mr. Gilman.

Mr. Barrett with Mr. King.

Mr. Rose with Mr. Broyhill of Virginia.

Mr. Foley with Mr. White.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HALEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation (H.R. 10088) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1974

Mr. MAHON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 753) making further continuing appropriations for the fiscal year 1974, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GIAIMO. Mr. Speaker, reserving the right to object—and I shall not object—would the distinguished chairman of the Appropriations Committee explain the necessity for the so-called 1 week continuing resolution so that we clearly understand what is happening here, since as I understand it, the other body has just completed action on the sine die continuing resolution.

Mr. MAHON. Mr. Speaker, if the gentleman will yield to me I will explain the situation.

Mr. GIAIMO. I yield to the distinguished chairman of the committee.

Mr. MAHON. Mr. Speaker, a few minutes ago the Senate passed a continuing resolution. The House has passed a continuing resolution extension until sine die adjournment, but there is a very considerable difference between the Senate version and the House version. It is going to take some time to iron out the differences between the two versions of the continuing resolution.

This is just a stopgap continuing resolution extending the effective date of the original June resolution until next Thursday in order to give the House and Senate conferees an opportunity to resolve the differences between the House and Senate versions of House Joint Resolution 727, the continuing resolution which the House passed September 25.

Mr. QUIE. Mr. Speaker, further reserving the right to object, and I shall not object, I want to ask the gentleman from Texas, the distinguished chairman of the committee, a question about what will happen now when, if we do by unanimous-consent action, continue to the 11th, then will the bill that was passed by this body and the other body remain as passed, or do we go back and start a new piece of legislation?

Mr. MAHON. Mr. Speaker, if the gentleman will yield to me for an answer, the original continuing resolution which became effective on July 1 will remain alive. I expect to send to conference on next Tuesday the continuing resolution extension which we passed last week in order to iron out the differences between the two versions in the regular way we handle all bills. This measure before us now will not negate the continuing resolution extension which we passed last week and which the Senate passed today.

Mr. QUIE. Mr. Speaker, as I understand from the gentleman, he will move to go to conference on Tuesday next?

Mr. MAHON. The gentleman is correct.

Mr. QUIE. The other question I have is that this body passed the amendment, which I had offered, which holds every local educational agency harmless at 85 percent of 1973 receipts. It does not hold States harmless at any level. The other body, as I understand, adopted language which holds every local education agency and State harmless at 90 percent of 1972 receipts, but puts a limit at 110 percent. Both of those would go into effect on the first of October.

The question is, would OE now distribute for 1 week the money passed on 100 percent hold harmless for the States for the 1 week, or would you report a resolution providing new language, beginning October 1, so that there would not be a distribution of only 1 week?

Mr. MAHON. There would have to be some sort of agreement between the House and the Senate on language in the continuing resolution (H.J. Res. 727) to solve the problem which the gentleman set forth. It would be impossible for me to tell just what might be agreed to in conference between House and Senate. We would continue to operate, of course, under the July 1 continuing resolution through the 11th day of October under the measure before us at this time.

Mr. QUIE. But, if the gentleman would answer this, he would not expect that the Office of Education would hand out 1 week's worth of money during that period of time to the schools?

Mr. MAHON. Oh, no, because that is a formula grant program and this resolution simply extends the original continuing resolution until October 11.

Mr. QUIE. So the continuing resolution for 1 week is to permit paying salaries to Federal employees?

Mr. MAHON. Well, it would also provide for carrying on many of the regular functions of the Government. Almost the whole Government, in effect, is operating without the authority contained in the continuing resolution and we need to pass this measure before us now. That is the reason for the emergency and unusual request being made.

Mr. QUIE. Mr. Speaker, I say to the gentleman carrying out the activities of the Federal Government is also distributing title I money, which is also the question here.

I say to the gentleman, I hope we do not expect the Office of Education to be distributing 1 week's worth of money but rather that the decision made on the "hold harmless" in conference will apply to the whole next quarter, rather than leaving the 1 week separate.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. Res. 753

Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled, That clause (c) of section 102 of the joint resolution of July 1, 1973 (Public Law 93–52), is hereby amended by striking out "September 30, 1973" and inserting in lieu thereof "October 11, 1973".

The joint resolution was ordered to be engrossed and read a third time; was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 727. Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 727) entitled "a joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClellan, Mr. Magnuson, Mr. Stennis, Mr. Pastore, Mr. Bible, Mr. Inouye, Mr. Young, Mr. Hruska, Mr. Cotton, and Mr. Case to be the conferees on the part of the Senate.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION AS TO VOTES

Mr. DANIELSON. Mr. Speaker, I was unavoidably absent on Tuesday, September 26, 1973, and as a result of my absence, did not vote on eight rollcalls. I would like to state how I would have voted on these measures had I been present.

Tuesday, September 2, 1973:

Roll No. 475—Adoption of the conference report on H.R. 8610. I would have voted "yea."

Roll No. 476—Amendment to House Joint Resolution 727. I would have voted "yea."

Roll No. 477—Amendment to House Joint Resolution 727. I would have voted "yea."

Roll No. 478—Amendment to House Joint Resolution 427. I would have voted "yea."

Roll No. 479—Final passage of House Joint Resolution 727. I would have voted "yea."

Wednesday, September 26, 1973:

Roll No. 481—Amendment to H.R. 981. I would have voted "yea."

Roll No. 482—Amendment to H.R. 981. I would have voted "nay."

Roll No. 483—Final passage of H.R. 981. I would have voted "yea."

AUTHORIZING CLERK TO RECEIVE MESSAGES AND SPEAKER TO SIGN BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until October 4, 1973, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WOMEN IN MILITARY ACADEMIES

(Mr. du PONT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. du PONT. Mr. Speaker, in the last decade or so, this Nation has made great strides in equalizing opportunities for all its citizens. Still, much more needs to be done.

One of the most glaring injustices which the Congress can and should eliminate immediately, is the continued prohibition against admitting women to the military service academies.

I have been advised by the Secretaries of the Navy, Air Force, and Army, that no matter how well qualified a female service academy applicant from my State or any other State may be, she will not be admitted to the service academies.

Discrimination based on sex is clearly wrong and particularly so when it affects one's opportunities for employment.

I believe that the basic elements of fairness as well as the U.S. Constitution guarantee women the right to be admitted to the service academies should they otherwise qualify.

I am introducing legislation today to change those sections of the United States Code which the military services have used as legal justification for their refusal to admit women.

If it takes amending the United States Code to open the academies to women, then let us change the laws. If it is really tradition that is stopping the admission of women, then I think we need to move the service academies into the 20th century.

Women, both officers and enlisted personnel, already play a vital role in the Armed Forces, and that role is expanding rapidly as the military moves toward its goal of all-volunteer services. All three branches of the military intend to substantially increase the number of women in the Armed Forces. By June of 1978, their total objective is to have some 45,000 enlisted women and officers.

The purpose of the service academies supposedly is to train highly skilled and motivated officers for the Armed Forces who will rise to top leadership positions in the services. Sex is irrelevant in meeting that goal.

Competition for service academy appointments would only be enhanced by expanding the eligibility requirements to allow women.

The modern military needs administrators, economists, computer specialists, communications experts, linguists, and many other specialists for careers which do not involve actual hand-to-hand combat.

Women's role in the Armed Forces is increasing, not only in terms of sheer numbers, but also in terms of occupational and career opportunities available to them.

The first eight women have recently begun service in the National Guard. In the Army, where four women have attained the rank of general, almost all occupational specialities, except those directly involving combat are open now to women.

The Air Force has announced that all but five combat associated job specialities have been opened up to women. Last August, the Air Force appointed Col. Norma Brown as the first woman commander of a major U.S. men's military unit.

The Navy plans to open all enlisted ratings to women and ROTC to female midshipmen. They plan to allow women officers to attend the National War College, the Armed Forces Staff College, and Industrial College of the Armed Forces. They are revising naval regulations to permit women officers to assume command of naval shore stations and permit women line officers to compete with men for promotion, including the rank of admiral.

In view of the changing facts on the the role of women in the Armed Forces, it is ridiculous, wasteful, and anachronistic to maintain that the best officer training our Nation has to offer should be limited to men only.

The Armed Forces would benefit just as much as women by making these opportunities available to the most qualified candidates of both sexes.

HOUSE SHOULD INVESTIGATE CHARGES AGAINST VICE PRESIDENT AGNEW

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, of all the things that have been revealed through the Senate Watergate investigation, one predominant question has appeared and seems to be looming large in the recent experiences of the Vice President with respect to the leaks of allegations against him. The apparent lack of respect of people in power impairs those rights our Founding Fathers fought to preserve, especially equality, fairness, and impartiality of justice.

It is not my intent to delve into the ramifications of the indifference evinced by people in power to basic American traditions and constitutional rights, which was brought out so clearly in the Senate Watergate hearings. However, I do intend to address myself to the present plight of Vice President Agnew whose constitutional rights have been so severely violated in the past several weeks.

I think that no matter what our party affiliation may be we can all agree that the Vice President, just as any citizen, deserves a fair and impartial hearing. At this stage, the possibility of this happening is only a matter of conjecture. As a first step toward protecting the rights of the Vice President, the Congress must assume leadership in this matter.

In the past several weeks calumnious "leaks" of allegations against the Vice President, have resulted in irreparable damage to his constitutional rights. It is this lack of respect for his rights by people in power that directly resulted in "leaks," which the press has used to "try" the Vice President in the newspapers.

A "leak" can only be defined as the release of information in a clandestine manner, with the intention of injuring another—or prejudicing his rights. I consider the release of information relating to the grand jury investigation to be a flagrant contravention of Mr. Agnew's civil and constitutional rights and as such should be looked upon as a serious offense. Because of these leaks the present grand jury cannot possibly function effectively and fairly.

A thorough and fair investigation should be undertaken to determine the sources of the leaks and recommend action to stop them. In regard to the Vice President, there is grave doubt in my mind that a grand jury has authority to either investigate or much less indict the Vice President of the United States. This right to investigate the Vice President appears to be covered in the Constitution as being the sole prerogative of the House of Representatives. We must not shirk this responsibility by refusing out of hand to give the Vice President a fair and impartial hearing. We must be willing to assume that responsibility as has been done in the past.

Mr. Speaker, I call upon our leaders and fellow Members to lay aside partisan feelings and to do what they know in their hearts is right. We should establish an investigatory committee empowered to look into all aspects of the allegations leveled against the Vice President. Once the committee has finished its investigation, it could report to the full membership its findings and make its recommendations.

In conclusion, by accepting the mantle of leadership and giving the Vice President a full hearing, we can guarantee him the right to a fair and impartial investigation. We can look into the problem of leaks. Perhaps, we can promulgate legislation that will help curtail malicious attempts to defame and hurt individuals through leaks. If these steps are taken we can garner the respect of both our countrymen and of people throughout the world who look to America as the bastion of freedom and justice. This reinforcement of our own self-image can only strengthen the moral fiber of the Nation which has been so sorely tested these past few years.

ENERGY SHORTAGE

(Mr. MILFORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, something, which I consider to be highly significant, took place over the weekend at the Oklahoma State Fair in Oklahoma City. I regret that there has not been wider notice given to the event.

The Speaker of the House gave a strong and positive speech on what is probably the major problem in the United States today—the energy shortage and the efforts to relieve the shortage.

When a man as widely and highly respected as our colleague and leader, Mr. Albert, addresses himself strongly to an issue of this magnitude, I believe it is important.

I would like to have the Speaker's speech on energy appear in the Record. I believe it will be of considerable interest to the Members of this body and to many other concerned Americans.

Address of Hon. Carl Albert

It is highly appropriate that energy should be the theme of the 1973 State Fair of Oklahoma. Energy has long been a cornerstone of our economy and has imbued Oklahoma's history with an exciting chapter of progress and prosperity.

Today, the energy picture is changing in Oklahoma and around the world. Never before in the history of this country has the demand for energy fuels outrun our ability to supply them domestically. In six of the past eight years, Oklahoma's production of oil has exceeded the discovery of new reserves. In another ten years, if new discoveries are not encouraged, Oklahoma will become a net importer of oil and gas. As one who represents a district that produces 25 percent of Oklahoma's natural gas and 40 percent of its oil, I am honored to join with you to discuss these changes that have been thrust upon us and the opportunities and problems they present.

Let me read a statement made by a great American:

"This country must face squarely the fact that a major portion of its rapidly increasing energy requirements is being met by oil and gas, which constitute only a small portion of our energy reserves. The prospects are that we shall become increasingly dependent on foreign sources of oil unless appropriate action is taken."

This statement did not come from yesterday's newspaper. It came from the State of the Union Message delivered by Harry Truman in 1949.

President Truman also said: "To a greater extent than ever before, our prosperity and security depend upon our natural resources . . . A nation is only as strong as its productive capacity, and our capacity is now limited by our shortages."

More than twenty years later we are finally beginning to realize that our economy and quality of life largely depend on energy being conveniently and abundantly available to the American people. The availability of energy is one of the major problems facing not only the United States but the entire world. This problem should be elevated to high priority in the top echelons of the government of this nation.

Our efforts are currently being hampered by the proliferation of a pack of deceiving energy myths. This morning I would like to explore some of these myths with you.

First, there is the "fake crisis" myth where conspiracy and collusion by the oil companies are said to be responsible for energy problems. This argument is a sham. Growing energy demands combined with dwindling domestic supplies of fossil resources flash a clear danger signal to oil and gas industry management who realize that serious shortages only invite a dramatic increase in government intervention. Anyone who purposely tries to exploit a serious national problem to feather his own nest is guilty of the worst kind of deception and fraud. This sort of activity is reprehensible. The American people deserve the whole truth, and nothing but the truth.

The second myth concerns the belief that either the government or private industry will absorb the increased cost of energy and the increased cost of improving the environment. Increased costs will eventually be passed on to the consumer in the form of higher prices or in higher taxes if the government assumes added responsibility. A private company cannot be forced to cut profits to the point where it can compete neither in the money market nor as a money-making device for its owners. People invest in private industry that pays the highest return. Likewise, the government has no choice but to raise taxes or go further in debt when faced with additional financial commitments.

The third myth is that risk capital will continue to flow into operations where the rate of return plunges. Obviously, it will not. Again, money will go where the rate of return to the potential investor appears to be worth the risk of failure. As oil and gas becomes harder to find, the need to increase the incentive for risk capital to look for more oil and gas will also increase.

There is no question in my mind that oil and gas exploration must be increased. The number of "wildcat" wells drilled in America has been on the decline since 1956, reaching a new low in 1972. Yet, 48 percent of the estimated discoverable oil and 63 percent of the gas reserves have not yet been found and developed. We need more not less exploration, because the oil and gas that will be here when we need it is oil and gas produced in this country.

Fundamental to this concept is that the federal government should do nothing which will impede exploration, and should do every reasonable thing to encourage exploration. We must determine the extent of our untapped oil and gas reserves as quickly as technology permits.

The fourth myth that should be examined is that the United States can depend on "cheap foreign oil" to supply its energy needs. The fact is there is no "cheap foreign oil". Middle East oil is bubbling to the surface in a seller's market. The price we pay for that oil, if we can get it, will be high indeed. Unlike our Japanese and European friends, we do have alternatives. We can gradually get away from reliance on foreign oil by encouraging a strong, viable domestic energy.

I believe the same great American technology which developed oil and gas can bring us better ways to use coal, uranium, oil shale, solar and geo-thermal power and other types of energy.

The fifth myth is the panacea many Americans see in mandatory distribution programs. A mandatory allocation of fuel simply distributes the shortage: not one single gallon of new oil or gas is produced. This does not mean that mandatory allocation should not be considered.

I am saying that it should not be built up in the public mind to do more than it actually can accomplish. Furthermore, we must selectively choose which fuels to allocate, and only allocate them during times of genuine shortages. An excellent example of bad timing in allocating fuels is the propane situation. Congress gave the President the power to allocate propane in April; the Administration finally started talking about propane allocation in July. They failed to hold hearings until September 7, promising a decision by September 13.

The Nixon Administration could have acted on August 15 with no problem; mandatory allocations could still have helped if the decision had been made September 10. By waiting until the eleventh hour, mass confusion has permeated the entire State. For months no one knew what was happening. Propane suppliers were holding onto their fuel.

The State government was afraid to act for fear of federal action. Meanwhile, thousands of school children in my District face the possibility of not being able to attend school for part of the year, and hundreds of farmers and businessmen in my District face critical shortages. I, for one, cannot tolerate this suffering caused by needless administrative bungling.

The sixth myth reasons that by controlling gasoline prices the energy picture will improve. Hardly anyone could still seriously believe this after viewing the disastrous failure of Phase III and Phase IV controls. Controls have not only created a nightmare for independent service station operators but have confused the entire industry and public and have actually compounded our immediate energy problems.

The seventh myth is that government regulation breeds sound energy policies. Twenty-seven years ago when I came to Congress, I felt that the oil and gas industries of this nation were over-regulated; I still feel just as strongly about it today. Government interference has been allowed to go too far; to foul up too many prospective solutions to energy problems. It is all but dishonest to set prices too low, encouraging excess demand that cannot be met at reasonable prices. I have long felt that natural gas should be de-regulated; legislation for this purpose has passed the House on at least two occasions only to be vetoed. The de-regulation of natural gas at the wellhead could greatly boost major secondary recovery projects and give us an idea of just how much gas really exists.

These myths must be explored and exploded. Their lingering residue in the minds of Americans only impedes our progress. Myths must be replaced with facts carefully woven into an overall energy strategy.

A national energy strategy is absolutely essential to unite the efforts of every department of government and show the American people we are not approaching the problem in a piecemeal way. People, by nature, are more willing to take bad-tasting medicine if they are honestly convinced they are doing it for a purpose. This sense of national purpose is urgently needed.

At the present time the Administration is running in fits and starts, staggering through a maze of contradictory policies. To continue dillydallying with a problem of such paramount importance flies in the face of sound reasoning and good government. Indecision and contradictory decision-making have already jeopardized the livelihood and comfort of thousands of people.

One approach recommended for developing a national energy strategy includes the establishment of a three-man energy council, responsible to both the Administration and the Congress. The council's duty would be to prepare a national energy strategy, taking into account the many and varied factors that are closely allied to our energy situation.

Absolutely essential to a sound energy policy is a strong foundation built on three important unknown factors: The potentials of domestic exploration, the determination of a tolerable level of imports, and the projection of energy capabilities. Once we decide exactly how far we can go in all three areas, then we can move rapidly toward developing a national energy strategy.

Also essential to sound energy policy is a careful balancing of all interests.

We must strive for a balance between government proposals for energy and freedom of companies to operate.

We must strive for a balance between the natural drive for profits and a company's obligations to the public.

We must strive for a better balance between the cost of energy to the consumer and the risk of shortages to the consumer.

We must strive for a better balance between energy and the environment. The delays tolerated in authorizing and building the Alaska Pipeline are unconscionable. While I continue to support our efforts to improve our environment, I do not believe we can afford to trade our domestic output and standard of living for "nothing but blue sky".

While the mills of Congress, like the gods, grind slowly, Congress has not been altogether idle in the energy area.

Congress stands like the hub of a wheel, surrounded by the discordant spokes of divergent viewpoints: the views of conservationists, environmentalists, business interests, labor interests; national security interests, foreign relations and exchange interests, consumer interests, and independent and antitrust interests—all have their advocates in and impact on the Congress. But the Congress has moved—if slowly. It has authorized the Alaska pipeline. It is going to authorize the construction of deepwater ports. It is continuing its longstanding efforts to encourage increased research—a recent study of "Energy under the oceans" by the University of Oklahoma is an excellent example of direct Congressional initiative in this area.

The Congress does not operate in a vacuum; therefore resolving energy problems—and all other problems—is troublesome, difficult, exasperating, protracted, political, as well as economic and argumentative.

Congress has quickly learned there are no easy answers to energy problems; nevertheless answers must be found. In spite of all this, and of all the other problems which beset our nation, America is still alive and strong. We can repeat what Will Rogers said 40 years ago, that despite all its economic problems, America is still doing pretty well.

The energy crisis is, of course, upon us. The problems presented are hard, but they are also the measure of our opportunity. Mankind has reached its present state of development, not because man has not faced difficulties but because he has overcome them.

I am optimistic that if we make decisions now, we can strengthen our national fiber, the effectiveness of our government, the standard of living of our people, and the overall strength of our nation.

I expect Oklahoma to play an active and constructive part in this national challenge.

COPPER EXPORT LIMITATIONS ACT OF 1973

(Mr. TIERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIERNAN. Mr. Speaker, today, I am introducing the Copper Export Limitations Act of 1973.

Last week the House Armed Services Committee began consideration of various bills which would permit the disposal of over 250,000 tons of copper from the national stockpile. I strongly favor such a disposal.

However, one problem immediately presents itself when we consider such a disposal. Will the copper disposed of from the stockpile be used to fulfill domestic needs or will it be exported to serve the needs of foreign competitors?

Presently there is a copper shortage in the United States. This shortage has caused cutbacks in production at fabricating plants across the country. Yet during the first 8 months of 1973 copper scrap exports were up 82 percent over the same period in 1973. We should be assured when any disposal is made from the copper stockpile that our domestic needs are satisfied before any copper is exported from this country.

At the heart of the copper problem is

the fact that the price of copper in the United States is frozen at 60 cents per pound while the world market price is nearly 90 cents per pound. It is easy to see that foreign companies would like to purchase all of the copper which they can from the United States. Because of the large price differential these companies are willing to pay much more for copper than our domestic manufacturers are allowed to pay under the terms of the price freeze.

The Cost of Living Council and the Secretary of Commerce have refused to address the problem of the 30 cents per pound difference in the price of primary copper. Therefore, I am introducing a bill which would direct the Secretary of Commerce to limit exports of copper from the United States during months when disposals are made from the copper stockpile or when price controls are in effect and the U.S. price is significantly below world prices.

If enacted the bill would give the Congress some assurance that the administration has examined our domestic needs for copper before allowing any copper to be shipped overseas.

A WAY OUT

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, this Nation is confronting extraordinary problems which will require extraordinary solutions.

This morning's Washington Post contains an excellent article by David S. Broder with unprecedented proposals for an unprecedented situation.

In this time of crisis, we need new thinking and I therefore recommend the following article as must reading for every Member of the House of Representatives:

A Way Out of the Nixon-Agnew Crisis

(By David S. Broder)

The extraordinary crisis at the heart of the American government requires an extraordinary remedy. This column discusses one possible solution.

First, a word as to the nature of the crisis. A two-sided civil war is being fought within the topmost ranks of the executive branch, which the combatants maintain is beyond the reach of the judiciary to mediate, and which the legislative branch thus far refuses to attempt to resolve.

On one front, a special prosecutor, armed with the powers of the Attorney General, is seeking to compel the President of the United States to turn over evidence, in the form of tapes, which may implicate the President's former top aides and perhaps the President himself in criminal acts.

The case is before the courts, but the President has strongly suggested that he doubts the authority of the judicial branch to enforce a judgment against him.

Meantime, the Justice Department is presenting evidence of separate allegations of criminal activity against the Vice President, who charges that on both constitutional and political grounds, the grand jury and the courts are incompetent to judge him.

The President has sought to terminate a congressional investigation of the case in which he is involved, while the Vice President, taking exactly the opposite tack, is seeking a congressional inquiry into the merits of his case. However, neither the flagging Senate investigation of Watergate nor the still-born House investigation of the Agnew case promises speedy resolution of the crisis through the one constitutional remedy available to Congress—impeachment.

Thus, this beleaguered democracy—still reeling from the wounds of its most unpopular war and the ravages of unchecked eight-year inflation—now confronts a crisis at the center of its government for which no solution is apparent.

Yet it is almost intolerable to think that the nation must endure three years of warfare and mutual vilification among the leaders of the government. Personal pride and institutional parochialism simply cannot be allowed to wreak vengeance on a paralyzed America.

A solution—first suggested, to my knowledge, by American University graduate student Joseph Felter at a seminar with this writer on Oct. 1—may be for the sovereign states which created the nation to act now to rescue it.

The suggestion is that the governors of the 50 States convene in special session for the single purpose of recommending a person to assume the presidency until 1976, with the understanding that he will not be a candidate for the office in that year.

My strong hunch is that if such a meeting were held, the Democrats who hold 31 of the 50 governorships would ignore partisanship in this time of crisis and recommend for the presidency, the most senior man in the ranks of governors, and the most broadly respected, Republican Nelson A. Rockefeller of New York.

The next step in arranging for his succession would be for the governors to petition the House of Representatives to elect Rockefeller as Speaker. A Speaker may resign at any time, and the occupant of the office—by Constitution and law—need not be a member of the House. The governors could count on strong public and editorial support for their petition, support which politically sensitive congressmen would not ignore.

Should Democrat Carl Albert make the sacrifice of stepping down from his post, the third most powerful in government, it would be a powerful prod to the Republican President and Vice President to do likewise.

A bipartisan House vote to elevate Rockefeller to the Speaker's office would signal the House's will as clearly as a vote of impeachment—yet with far less bitterness and delay. Under such circumstances, the President and Vice President could resign without seeming to admit guilt—and would, in my judgment, be under a powerful compulsion to do so.

Speaker Rockefeller would then become President and would have the opportunity to designate, with the approval of the Senate and House, a Vice President, who, like him, enjoyed broad public trust and who was willing to renounce his own candidacy for any office in 1976.

Through such a process, the new President would be compelled before taking office to give the proper assurances about his exercise of power to the leaders of the states, to the Congress, to the last elected President and Vice President and to the future aspirants for those offices.

The interests—and honor—of all of them would be protected, and the nation would be rescued from what seems an endless agony.

There is no need to underline the practical difficulties and political suspicions that would beset such a course; they are obvious. But the American people deserve better than the chaos that threatens in Washington today, and the governors have it in their power to attempt the rescue effort.

THE IMPENDING WHEAT SHORTAGE

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Oklahoma (Mr. Jones) is recognized for 30 minutes.

Mr. JONES of Oklahoma. Mr. Speaker, American consumers and food producers alike are viewing with increasing alarm the possibility that our Nation may be facing a severe wheat shortage in the forthcoming year. During the August congressional recess, many of my friends and neighbors in Oklahoma's First Congressional District spoke to me and asked what the Congress and the administration were going to do to assure a continued adequate supply of wheat products for our citizens.

On September 11, I personally wrote Secretary of Agriculture Earl Butz to express my own concern, and that of my congressional district, over the high export level of this year's wheat crop, and the resulting effect this may have in creating shortages of wheat to supply domestic needs.

Apparently the concern over this problem is not nearly as great down at the Agriculture Department's headquarters. The Department's response, after a 2½ week delay, indicates the Secretary sees no compelling reason related to national security or humanitarian needs for restricting the recent massive level of wheat exports.

Fortunately, the Secretary's philosophy on this subject, as conveyed to me through what seems to be multiple levels of spokesmen, representatives, assistants and staff, is not shared by some of the more knowledgeable experts on our farm economy, nor by farmers themselves.

In Monday's Tulsa World, farm editor Herb Karner reported on a firsthand survey he has made of prevailing attitudes on USDA policies. As a result of personal interviews throughout the Nation's farmbelt, Mr. Karner states:

> There appears to be a growing erosion in confidence of the USDA as a farmers' agency. There is growing cynicism that USDA and the Secretary of Agriculture are purely arms of the administration and that USDA farm policy is shaped to fit political consideration rather than the welfare of farmers.

In the Department's response to my September 11 letter, the 1973 wheat crop is optimistically predicted to be so large as to provide a carryover stock to next June of over 300 million bushels. It is precisely this misleading type of information which has encouraged exporters to oversell, and Mr. Karner goes on to point out in his article, the result may very well be that—

> This country will enter the new year with the lowest carryover of wheat since 1952.

Mr. Speaker, I personally feel Herb Karner has hit the nail on the head when he cites as a reason for this overly optimistic crop reporting, the hope of the Department—

> To forestall export controls which the United States badly needs, and to hold down the price of grain.

Mr. Speaker, it is my intention to send one more letter to the Secretary on this subject, and I am hopeful that he will at last be able to give some of his own very valuable time to this inquiry in behalf of a significant number of Oklahomans. I plan to ask the Secretary to respond, in the type of plain and simple language all Americans can understand, on what his Department and the administration is doing to assure an adequate domestic wheat supply for the year ahead, what methods he is utilizing to assure this supply, and whether he and the President will personally accept the responsibility for the lack of an adequate supply if a wheat shortage for domestic consumption comes to pass.

I believe the American people are entitled to clear and unequivocal answers to these questions. Certainly there will be no misunderstanding in their minds as to the causes of a wheat shortage if, in the next several months, they can no longer obtain, or even afford to place a loaf of bread on the family table, and I believe our citizens deserve responsible action now to avert just such a situation.

Mr. Speaker, if the Agriculture Department and the current administration fail to give these assurances of a continued adequate domestic wheat supply, there will be little alternative left but for the Congress to enforce temporary export controls. This is a step that I know many of my colleagues will regret undertaking, and I share this feeling as a result of my own desire to foster a favorable trade balance for our Nation, and to assist the people of less fortunate countries whenever our own resources permit. I do not feel it is responsible, however, to allow a shortage to develop without making every effort possible from both an administrative as well as a legislative standpoint, to avert such a crisis. For this reason, I will seek support from my colleagues for enactment of strong export controls in the event the administration's policies continue to be as vague and unresponsive to the people's needs as they have been demonstrated to be in the past.

It is not too late for the mistakes to be corrected, and I urge the Secretary and this administration in the very strongest terms, to take the necessary steps using the tools the Congress has already provided, to meet their obligations to the American consumer.

I want to be clear that I am not for isolation. I am for free and open world trade and the United States being an active participant in the world markets.

I recognize fully that agriculture is among our best export commodities. I recognize that temporary export controls on wheat or any item possibly will lead to a drag on our balance of payments situation, but I also fully recognize and am aware, as a result of meetings throughout my congressional district, that the No. 1 issue in the country today is the state of the economy, specifically the continuing rise in inflation and the shortages of critical products, particularly food products.

There are very few things that are more important to the consumer and the family in the United States than to be able to put bread on the table for an American family.

The leading farm editor in our part of the country, Herb Karner of the Tulsa World, and several representatives from the baking industry have told me that they totally disagree with the statistics on the availability of wheat for domestic consumption in the coming year. They totally disagree with those statistics as put out by the Department of Agriculture.

I am told that if the statistics as put out are correct, it will lead to a shortage of necessary supplies to the baking industry.

If that is the case, it will mean a shortage of bread next year, and perhaps a nickel or a dime increase in the price of bread to the point that we are going to be paying more for a loaf of bread in the United States than a similar citizen of the Soviet Union has to pay for a Russian loaf of bread, which is made with American wheat.

All I am asking the Secretary of Agriculture to do is to put in plain language assurances to the Congress and to the American people that he and the President of the United States will take every step necessary to insure that we do not have a shortage of wheat in this country in the coming year.

It is great to talk about foreign trade. It is great to talk about giveaways. It is great to be generous to the rest of the world. But if this economy cannot remain strong, if we cannot provide the essential products for all of our citizens, then all of the giveaways and all of the foreign aid will be for naught. I think we have to start working to energize our own economy first, and take care of our own citizens first.

I urge my colleagues in the House to join me in forcing the administration and the Secretary of Agriculture to give us some plain answers to this very important question.

Mr. Speaker, I include at this point an article by Herb Karner entitled "Food Production Farmer's Concern."

FOOD PRODUCTION FARMER'S CONCERN

(By Herb Karner)

A week-long swing through the cornbelt has confirmed a long-held belief that state, regional and national lines of demarcation have largely disappeared as far as farming is concerned. No longer are the problems of Oklahoma wheat farmers, solely their concern—they concern the Illinois corn grower as well. No longer is what happens in Iowa cattle feedlots their worry alone—it affects Oklahoma ranchers. And, what happens collectively in the U.S. is the direct concern of other nations of the world.

The total concern of agriculture is the production of food. That's it—one word—food. And it makes little difference where it is produced, the factors that affect food production in one locality, affect it in others. Some of those factors are weather, prices, politics and management decisions based on those basic factors.

This is the second major backgrounding trip Fence Talk has undertaken this summer and fall. The first was through the Great Plains. We're anxious to know what farmers and ranchers are actually thinking, what they are planning. We are particularly cautious in our approach. We want the honest thinking of farmers. We want to know their attitudes toward current farm policy. We are extremely careful to sort the "hand-fed government line" from reality. It's easy to visit with a farmer if he is convinced you really want to know the truth about what he believes is happening.

What is happening? For one thing, there is a growing number of younger farmers who are extremely capable business managers—many are college trained. And it's not so surprising that the sharpest are not trained in a specific discipline of production agriculture, that is, animal husbandry, or agronomy, but are schooled in economics or business management. These young farmers range from the early 20s to the mid-30s. And we've detected in a growing number of all farmers a greater awareness that they really know what is going on nationally and internationally that affects their business. And they're going to do something about it.

What are they going to do? It appears to us that farmers are not going to give up the advantage they have of being in control. They are not going to follow the USDA advice to overproduce so that consumers can have cheap food, and the government can have plenty of produce to export to help in the balance of payments.

There appears to be a growing erosion in confidence of USDA as a farmers agency. There is growing cynicism that USDA and the secretary of Agriculture are purely arms of the administration and that USDA farm policy is shaped to fit political considerations rather than welfare of farmers. It's this lack of confidence in government that makes farmers believe they must control their own affairs.

An example: USDA estimates this past summer forecast total wheat production at 1.9 billion bushels. Based on this information, exporters may have oversold and, as a result, this country will enter the new year with the lowest carryover of wheat since 1952. USDA estimates the current corn crop at 5.7 billion bushels. Cornbelt farmers grin. They're convinced that this is deliberately overestimated, and that the total yield will be several billion bushels less. They believe the crop has been overestimated by USDA to forestall expert controls which the U.S. badly needs, and to hold down the price of grain.

Whether this comes to pass remains to be seen. The point is that farmers of the cornbelt simply do not believe USDA estimates on corn and soybeans, and point to wheat estimates as proof of their suspicions. This has a direct bearing on what happens in feedlots. If corn and soybeans continue to increase in price—and all predictions point this way—many cornbelt farmers will sell their grain and not feed cattle, many of which come from Oklahoma.

Thus, you have a class of farmers in the cornbelt and wheatbelt who know the prices on the commodity market on the hour (See Rod Turnbull's column, "Farm Grain Prices Hit Historic High"). They know the price of cattle in Oklahoma by the hour. They know Oklahoma (and Texas, Kansas, New Mexico) weather conditions. They credit The American National Cattlemen's Association marketing data called "Cattle-Fax" as one of the greatest tools a farmer can have for keeping abreast of the cattle situation. They have airplanes, radio phones and leased wires. They know what the score is. And they are playing a waiting game.

Farmers know the name of the game is food production. And they are willing to produce food. At last they are in a position to do it at a profit, and they're not about to knuckle under. As one crusty Iowa farmer-stockman said, "By God, for the first time farmers have a chance to prove they're grown up and can handle their own affairs. If they give in to Earl Butz' demands to go all out and overplant, just so we'll have a surplus and consumers can have cheap food, and the bottom falls out of the farm price structure, well, by God, they deserve it, and I won't feel sorry for a single one of 'em."

Time will tell if farmers and ranchers have really learned that it's more profitable to have fewer bushels at a greater price, than to have more bushels at a lower price. Same thing applies to cattle—current beef prices are down for the simple reason that cattle held off the market continued to gain weight—the price freeze did not cause these cattle to disappear. Current figures show that there are more cattle in feedlots than ever. Faced with increased grain costs, commercial feeders say they are losing up to $100 a head on fed cattle. What's going to happen? Something we've predicted for years—if the beef industry is to survive, we'll be eating grass fed cattle in the future This, too, remains to be seen. At any rate, farming is changing rapidly. So fast that many farmers and ranchers fail to realize they are in a changing world. We'll try to keep you posted because not only does this affect farmers, it affects consumers, and that's all of us.

Mr. TIERNAN. Mr. Speaker, will my distinguished colleague, the gentleman from Oklahoma, yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. Mr. Speaker, I wish to congratulate my colleague for taking the time to address himself to this important issue. I would like to join in the remarks of the gentleman, and I also would like to proceed further at this time, because I think his position and the statement he is making is extremely important.

I believe it is one that has been overlooked by many in the present administration, because we are going to have serious problems in the year ahead as a result of the policies the present Secretary has been carrying out.

I wish to thank the gentleman for yielding.

THE 365TH ANNIVERSARY OF FIRST POLISH IMMIGRANTS ARRIVAL IN JAMESTOWN, VA.

The SPEAKER pro tempore (Mr. McKAY). Under a previous order of the House, the gentleman from Illinois (Mr. DERWINSKI) is recognized for 30 minutes.

Mr. DERWINSKI. Mr. Speaker, this afternoon, I direct the attention of the House Members to the fact that Monday, October 1, is the 365th anniversary of the arrival in Jamestown, Va., of the first Polish immigrants on this continent. The historic event is being commemorated across the country by Polish-American organizations.

I am very gratified by the cooperation of so many Members of the House who have joined me this afternoon in commenting on this historic occasion.

As we approach the Bicentennial year of our Nation, I am hopeful that there will be a vigorous, sustained interest in the history of our country. All of us recognize the great contribution that immigrants have made over the years to the building of America. We also recognize the very unique development of American culture in which the contribution of diverse peoples have been effectively integrated into the American way of life.

The first Polish settlers arrived at Jamestown, Va., predecessors of hundreds of thousands who left Poland to seek an opportunity in the new world and to enjoy the freedom that has become America's trademark throughout the world.

In commemorating the arrival of the first Polish-American settlers, I encourage all Members to take note of the major historic milestones in their States, and to give special recognition during the Bicentennial period to all the settlers who have contributed to the growth, vitality, and greatness of our Nation.

Mr. Speaker, I would like to make note of the fact that the Polish-American Congress, headquartered in Chicago and under the leadership of Aloysius A. Mazewski, has been most cooperative in providing historical background information on the arrival of the first Polish immigrants 365 years ago.

Mr. YATRON. Mr. Speaker, this past Monday, October 1, 1973, marked an extremely important anniversary for Americans of Polish descent. For 365 years ago the first Polish immigrants to this continent arrived in Jamestown, the first colony of England, in what is now the State of Virginia.

Accordingly, since these earliest days of America, the Poles have contributed much of their rich cultural, historical, and spiritual heritage to this land. In the development and continuing promise of our country, Polish-American citizens play a vital role.

Therefore, the beginning of Virginia also marks the beginning of the history of Polish emigration from Europe to this country. To some degree, Poland influenced the founding of the oldest English colony in America.

These pioneers of American history emigrated from England to Jamestown in 1607. One year later, in October 1608, the Poles appeared with the second supply engaged by the Virginia Company as experts and instructors in the manufacture of glass and pitch, tar, and other products which Poland exported to England.

Immediately after their arrival, the Poles started their work. They built a glass furnace and cut down the first trees for wood manufactures from which they were able to send to England the first products of American industry.

Capt. John Smith, famed leader of the Jamestown colony, warmly welcomed these first Polish immigrants to America not only because they were what Jamestown needed most—skilled workmen—but also because he knew them as representatives of a sturdy, industrious, liberty-loving nation.

John Smith had reason to respect and admire the Poles for only a few years earlier, in Christian Europe's wars with the infidels, he had been captured by the Turks and led into slavery. All of southeastern Europe was then held by the Mohammedans and the first Christian sanctuary the fugitive found was in Poland. In the book he later wrote, entitled "The True Travels," John Smith describes how he crossed Poland, aided every foot of the way by the people who he said were unmatched in his experience for "respect, mirth, content, and entertainment."

Surprisingly, this handful of Polonians to whom John Smith later gave credit for saving the Jamestown colony—thus insuring that America would develop as an English-speaking nation—were not Englishmen at all. Their names were Michal Lowicki, Zbigniew Stefanski, Jur Mata, Jam Bogdan, Karol Zrenica, and Stanislaw Sadowski—and they landed in America 12 years before the Mayflower.

It is proper, therefore, for us to engage in the commemoration of the 365th anniversary of Polonia in America today. This early Polish contribution to America gives us a better understanding of our heritage and helps us to appreciate the principles which should guide us in our endeavors through the years to come.

As the Polish-American community in my congressional district undeniably illustrates, the entire history of our Nation, and the record of the early colonization of the New World, contains ample evidence that men and women of Polish blood contributed their toil and talents to the settlement of our great Republic.

These facts, Mr. Speaker, should be remembered by all of us and we should take pride in them. We should be equally proud of the countless other men and women who came to this land from Poland in the decades and centuries that followed the settlement at Jamestown, helped to conquer the wilderness, and to build the American Nation upon this continent.

In these days of fast-moving events, it is necessary to pause and reflect on our proud heritage and to draw strength and inspiration from past accomplishments. Today's observation of the 365th anniversary of the first immigrants of Poles to America is certainly a day for which we can all be proud.

Mr. RINALDO. Mr. Speaker, October 1, 1973, marks the 365th anniversary of an important event in the history of the United States: the arrival of the first Polish Americans in what is now our country.

Poland in the 16th and 17th centuries was wrapped in a turmoil and ferment highly conducive to freedom of thought and freedom of movement by Poles throughout the continent of Europe and, later, beyond to America. We have records of numerous Polish craftsmen, merchants and soldiers of fortune who traveled widely, offering their respective skills in places they were needed. Although there are persistent traditions that a Pole named Francis Warnadowicz accompanied Columbus on his first voyage, the first documented evidence of their arrival has been established at Jamestown in 1608.

Jamestown was not the first English colony on the continent of North America. In 1585 Walter Raleigh had founded a settlement at Roanoke Island off the coast of North Carolina, the well-known "Lost Colony." Forced to rely on its own devices due to the war of the Spanish armada, it disappeared completely; the fate of the inhabitants remains unknown. The London Co.'s settlement at Jamestown seemed headed for a similar fate in the summer of 1608. Implanted the year before, it numbered among its hundred members only 12 craftsmen possessing practical knowledge. The others classified themselves as gentlemen, ignorant of even the most fundamental tasks necessary for survival. While these gentlemen panned for gold, hoping to get rich quick, such vital tasks as erecting weathertight housing were totally neglected. The winter of 1607–8 took a terrible toll of the company, and spring saw only 50 of the original settlers still alive.

The London Co. was dismayed, not only by the severe attrition rate, but also by the fact that no profits were forthcoming from the colony. They took steps to recruit settlers of a different sort, men who had practical knowledge to offer. On October 1, 1608, the second group of reinforcements to arrive in the new year anchored off Jamestown aboard Capt. Christopher Newport's ships *Mary* and *Margaret*. Among the new arrivals was a small group of Poles, few in number, but important to the future of the colony because they were skilled craftsmen rather than gentlemen adventurers. For the first time Jamestown had such vital skills as glassmaking, carpentry, and pitch and tarmaking, skills which soon demonstrated their importance to the future of the colony. Polish carpenters supervised the construction of the first substantial housing yet constructed by the settlers, while another Pole organized the labor necessary to sink the first well in Jamestown, replacing the river water used before. This provided clean and pure water, a simple step that greatly reduced the number of sick during the following winter. The scattered piney woods yielded their bounties to the Polish naval stores experts, and in time, shipments of pitch and tar became the most profitable export of the fledgling settlement. Others among the new colonists set up a glassworks, the first to operate in which is now the United States.

The value of the Poles at Jamestown was recognized early by Capt. John Smith who was later to write the following words in the narrative of his years in Virginia:

> Adventurers never did know what a day's work was, except the Dutchmen and Poles and some dozen others. For all the rest were poor gentlemen . . . more fit to spoil a commonwealth than either to begin one or to help maintain one.

Smith spoke from personal experience when praising the virtues of the first Polish Americans. One afternoon the year after their arrival, he was ambushed by an Indian who feigned friendship while actually planning to murder him. Smith was wrestled into a deep stream, where, weighted down with armor, he was at a severe disadvantage. At this moment, two of Jamestown's Polish settlers came along the path, saw the Captain's predicament, and came to his rescue, saving the life of the one man who had been able to pull the colony together.

The Polish group of Jamestown grew and prospered with the colony, eventually numbering about 50 out of the 1,000 men and women in Virginia. The successful growth of the settlement prompted the London Co. to extend a measure of self-government in 1619. An elected legislative assembly, the House of Burgesses, was formed, the first democratically chosen body in North America. A major flaw in the new charter was soon revealed, however. Polish settlers, not being English subjects before their arrival in America, were excluded from any part of the new government. Angered at this discriminatory action, the Poles went on a work stoppage until they were promised equal rights with settlers of English origins. The glass and soap factories shut down, operations at the tar and pitch distillery came to a halt, and the London Co.'s profits dried up. Fearful of the consequences of an extended strike, its directors authorized the Governor to grant the same privileges to Polish settlers as to English. The "Virginia County Court Book" for the year 1619 has the following notation:

> Upon some dispute of the Polonians resident in Virginia, it was now agreed (notwithstanding any former order to the contrary) that they shall be enfranchised and made as free as any inhabitants there whatsoever. . . ."

It has been 365 years since this small group of Polish colonists set foot on our shores. They did not know what the future held for them, but they willingly went ashore, hopeful that they would find a better life for themselves in the New World and in time they made vital contributions to the infant colony at Jamestown. In this way they served as forerunners for the millions of Polish Americans and other immigrants who would follow them in succeeding centuries, whose dedication to the prospect of finding a new life would enrich and enlighten America.

Mr. BIAGGI. Mr. Speaker, I am pleased to join with my distinguished colleague from Illinois (Mr. DERWINSKI), as well as others in the House in commemorating the 365th anniversary of the arrival of the first Polish immigrants on U.S. soil.

The Polish-American community from the outset has contributed much to the American Nation. Historians have shown that the Poles in those early days in the Virginia colonies were the stalwarts behind the successful establishment of this colony.

During the turbulent period of the American Revolution, the Polish community contributed to the defense of our new Nation with such distinguished military heroes as Gen. Casimir Pulaski, who led the successful siege of the strategic city of Savannah, a siege which resulted in Pulaski's death, but helped establish freedom for America.

As we rapidly approach our bicentennial celebration in the United States, let us pay tribute to the accomplishments of the Polish American. Their influence has been felt in such fields as science, technology, and politics and has earned them the respect of all Americans. Let us in the coming years strive to achieve better cooperation between all Americans, so that 1976 can truly be an American celebration.

Mr. FLOOD. Mr. Speaker: "They are," said Napoleon at St. Helena, speaking of the Polish nation, "a brave people," a judgment founded upon suffering courageously borne and oppression fiercely resisted during the long struggle for Polish independence. We are recalling today the arrival in this land of the vanguard of that people, millions of whom have come to America since that first day in 1608—some 365 years ago.

In commemorating the arrival of Polish settlers in the Jamestown, Va., Colony, we are recognizing the long, proud record of service to our Nation rendered by those who came from Poland: today there are approximately 10 million Americans of Polish derivation, whose contributions to this country have been immeasurable, contributions reflecting the character of the Polish people through the centuries—decent, God-fearing, hard-working. In a time of widespread unrest and cynicism, it is reassuring to recall the elements of strength which the Polish American has brought to the American scene.

It is refreshing to note that the first Poles actually set foot on American soil a dozen years before the landing of the *Mayflower*. Their role as experts and instructors in the making of glass, pitch, tar, soap ash and other products—which Poland then exported to England—made him invaluable to the London Co. and to Capt. John Smith of the Jamestown Colony.

Smith's life was dramatically saved by the Poles at Jamestown in 1609 during an Indian ambush, and his praise of the Polish settlers was reported to London: they and the Dutch, he asserted, were the only ones in the Colony who knew "what a day's work was"! Smith himself had travelled widely in Poland among a people unmatched in his opinion for "respect, mirth, content, and entertainment." One might find these same qualities evident today in Polish-American communities.

The determination of those early Polish settlers to enjoy equal rights and full freedom is well known. In 1619, when the Virginia Co. granted limited self-rule and an elected assembly to colonies of English descent, the disfranchised Poles were indignant and refused to work until their collective protest won redress. In July of that year they were successful, and were "enfranchised and made as free as any inhibitant." Not only was this the first work-stoppage or strike in America, and the first blow for civil liberty, but it foreshadowed the later struggle of all the colonists for representative government. It is a noble beginning in what became the inspiring saga of Polish immigration in America.

The joys, the arts, the history, and the unique identity of Polonia have greatly enriched all our people. Above all, the traditional Polish respect for the family and the home, allied with a deeply felt religious faith, have provided something of inestimable value in our National life. In return, Poles have found political and religious freedom as well as intellectual and material advancement. Their loyalty to and sacrifices for America are a part of our common heritage, and in commemorating their presence at the Jamestown Colony we find a continuing inspiration.

Mr. RODINO. Mr. Speaker, today we honor the Polish Americans, a people whose contributions to our country have been valuable and plentiful from this Nation's inception. The Polish-Americans have been a source of strength from our struggling colonies' humble beginnings, consistently fighting for and defending America's freedom.

As early as 1608 people of Polish blood immigrated to Jamestown and became intricately interwoven in the lifestyle of the colonies. These early pioneers were considered expert craftsmen and instructors, contributing talents and toil, transforming our virgin soil into what is now a great industrial nation.

The Polish-Americans' dedication from earliest colonial times is something to be proud of and certainly deserves recognition. And, the people of Polish ancestry are today a thriving, enervating and important part of American culture.

As we approach the Bicentennial celebration, let us be cognizant of the diversity of all ethnic groups whose rich heritage and culture were vital forces in making America the great country it is today.

Mr. HUNT. Mr. Speaker, I am indeed pleased today to have the opportunity to address myself to the contribution made by citizens of Poland who came to our country 360 years ago.

When those first few settlers came to our country in the early 1600's they had to endure severe hardships. The winter was particularly severe, and many starved. What may have been worse, however, was the disorder that reigned. Most of the English who were in the group were "gentlemen," accustomed to the easy life.

But because of the circumstances, it was necessary to have instructors in the manufacture of glass and pitch, tar and other products. At that time these products were imported by England from Poland. Because the Poles had knowledge of these products they accompanied the early settlers.

The Poles arrived, and they were determined to work. Unlike their English counterparts, they deserved the praise of Capt. John Smith.

The five Poles in the group lent their talents and energies to the settlement of North America, and to the birth and development of our great Nation.

From that time on, countless others have come to our shores from Poland. We have good reason to be proud of the men and women who have followed. Today, the cultural, historical and religious heritage of Poland plays an integral part in the continuing development of our great land.

We have more than 4 million Poles in our country now and we owe them a debt of thanks and gratitude.

Mr. ROSTENKOWSKI. Mr. Speaker, it was September 1608, and two devastating Virginia winters had wiped out over 60 percent of the first Jamestown settlement. Capt. John Smith, a frustrated yet hopeful leader welcomed a second group of pioneers who arrived in search of a new life. Six members of this second contingent were Polish tradesmen—men, who because of their expertise and perseverance were able to manufacture articles of glassware, the first products of American industry. This handful of Poles thus formed the industrial backbone of the young settlement.

Unlike the country English gentlemen who had arrived to find immediate fame and fortune, the Poles were aware that such was not the case in a new land. Captain Smith was overheard to say, "They," referring to the colonists in general, "never did know what a day's work was except the Dutchmen and Poles."

This tradition of hard work and deserved respect of their peers has perpetuated itself throughout the last 300 years. Today, the Polish population in America enjoys a position of well-earned prominence and importance, which began more than 10 years before the landing of the *Mayflower*.

This occasion, the 360th anniversary of the arrival at Jamestown of the first Polish immigrants, is a special day. It is with great pride that I rise before my colleagues here on the floor of the House of Representatives in order to pay tribute to all my fellow Polish-Americans and their courageous ancestors. For history has shown us the vital role which they have played in the development of our great Nation.

Mr. GERALD R. FORD. Mr. Speaker, I am pleased to join with Congressman ED DERWINSKI and others of my colleagues in marking the 365th anniversary of the arrival in this country of the first Polish immigrants.

The story of how these first Polish immigrants aided in the establishment of the colony of Jamestown, Va., is a most colorful one. The industry and skill demonstrated by these Polish immigrants are such as to make all Americans of Polish extraction extremely proud. It is just such qualities which have made America the great land that it is.

The arrival of the first Poles in America was significant for a number of reasons—because it marked the beginnings of Polish immigration to this country and because the work done by these first Polish immigrants was essential in the survival of the Jamestown colony.

And so now we commemorate this event, even while we prepare to celebrate the 200th anniversary of our country's birth. It is an event that calls to mind all of the great contributions made by Polish-Americans to growth and progress in this Nation. Polish-Americans are among our most distinguished and hardworking citizens, and I welcome this opportunity to salute them.

Mr. MORGAN. Mr. Speaker, it is with special pleasure that I join in the commemoration of the arrival in October, 1608, of the first Poles to come to our land.

It has been my privilege to know many Polish-Americans in my district as friends and as outstanding citizens. Many Polish-Americans are prominent in our national life now. Their forbears have contributed much throughout our history.

It is fitting that we celebrate the landing at Jamestown, Va., of a small band of Poles more than three and a half centuries ago. They sailed to America a dozen years before the *Mayflower*, and they played a key role in the survival of the first "English" colony in the New World.

Historians tell us that a year after Jamestown was founded in 1607, the Virginia Co. sent over about a half dozen Poles aboard the supply ship *Mary* and *Margaret*. The "Polonians," "Polackers," or "Polanders," as they are referred to variously in the earliest records, were experts in the manufacture of glass, pitch, tar and other products which England needed.

The Poles built a glass furnace, felled trees for wood manufacture, organized the production of soap, pitch, clapboards, and other building materials. They served too as stout defenders against hostile Indians. They were credited with saving the life of Capt. John Smith, the colony's leader, during an Indian ambush in 1609.

Captain Smith soon recognized the value of the Poles. He praised them, while scorning the "vagabond gentlemen" settlers who had come to Virginia in quest of quick riches and an easy life. Many settlers died in the famine and severe winter which beset the colony in 1609–10. Captain Smith asked for more hard-working, skilled Poles.

A decade later, the 50 or so Poles then living in Virginia struck a blow for liberty by demanding equal citizenship rights. They did so because they had not been granted the same voting and representation privileges as had been given to settlers of English descent.

The Poles employed a most effective weapon in behalf of their demand: they collectively shut down their industries, with telling impact on the colony's economy. They proceeded to win a settlement under which they obtained the right to vote and were made "as free as any inhabitant."

Mr. Speaker, these hardy men—true early Americans—were the first in what in later years became a stream of Polish immigrants to this continent. They and those who came after them have enriched our national life immeasurably.

Mr. ADDABBO. Mr. Speaker, this week, we are celebrating the 365th anniversary of the arrival in Jamestown, Va., of the first Polish immigrants on this continent. Sunday, in my home district in Queens, a parade will be held to commemorate the contributions of the Polish-American to our way of life. I would like to take this opportunity to add my own words of gratitude as we congratulate our Polish-American neighbors on this significant occasion.

Americans of Polish origin have contributed greatly to the American way of life, and continue to do so today. They have done this through their art, their poetry, their music and their cultural history, but mostly they have done it as so many other newcomers to this Nation have—through hard work.

That first winter in Jamestown was, the records indicate, a severe winter, and many of the first settlers died. But it was five Polish immigrants who built the first glass furnace on these shores, who organized the production of soap, pitch, clapboards and other building materials which contributed so much to that early colony.

That pioneer spirit still lives. The Polish are famous for their artisans as well as for their pluck. And so it is with great pride in my friends and neighbors in Queens as well as throughout the Nation that I add my name to those who salute all Polish-Americans in this week of their honor.

Mr. WOLFF. Mr. Speaker, it is indeed a pleasure for me to join in this special order to commemorate the 365th anniversary of the arrival of the first Polish immigrants on this continent, and I would like to commend my distinguished colleague from Illinois (Mr. DERWINSKI) for reserving this time for us today.

Many of us are familiar with the story of how the first Polish immigrants came to the new land, in October of 1608, landing at Jamestown, Va., a year-old struggling community. These first Polish immigrants were experts and instructors in the manufacture of glass and pitch, tar and other products, engaged by the Virginia Co. of London to begin, in effect, the first American industry. The diligence, talents and sheer hard work of these first Polish settlers soon had a strong and welcome effect on the little colony at Jamestown. These Polish specialists built the first glass furnace on the American continent, organized the production of soap, pitch, clapboards and other building materials, and contributed greatly to the success of the early English colony at Jamestown.

The kind of contribution made by the first Polish immigrants has characterized Polish Americans down through the history of the United States. When one mentions the Polish heritage, I think of a hardworking, good natured people with respect for and dedication to the principles that have made this country great. One remembers the story of those first Polish settlers who, when denied citizenship by an elite group of the Jamestown government, vigorously protested, closed down their glass factory, tar distillery and soap works until their just rights were recognized and honored. It did not take the Jamestown government long to realize the sorry predicament they would be in without the products made in the Poles' industry, nor to realize these Polish settlers' determination to protect rights and liberties due every man.

In reflecting upon the contributions made by the Polish-American community to the growth of our country, our thoughts turn as well to the heroic sacrifice made by Gen. Casimir Pulaski at Savannah in defense of our young Republic; the 194th anniversary of General Pulaski's selfless and noble death will also be commemorated this month on October 11.

Mr. Speaker, the Polish-American community has good cause to be proud of its heritage which has lent such rich texture to the fabric of American life. It is my privilege to join with them in commemorating Polish Americans past endeavors and accomplishments and to look forward to the contributions they will continue to make to the growth of the United States.

Mr. SMITH of New York, Mr. Speaker, this month marks two special anniversaries in the history of a people who are an important segment of this melting pot Nation of ours . . . the Polish Americans.

This month we should remember that the Polish were among the first settlers in this country and provided invaluable service in fighting for freedom during the American Revolution.

October 1 was the 365th anniversary of the arrival in Jamestown, Va., of the first Polish immigrants on this continent. Established in 1607, the first American colony of Jamestown was failing when the Virginia Company sent some Polish artisans to the New World in 1608. It took the Polish immigrants to establish the first American industry by building a glass furnace, followed by a soap works, a sawmill and a tar and pitch distilling operation.

October 11 is the 194th anniversary of the heroic death of Gen. Casimir Pulaski at Savannah. General Pulaski volunteered valuable military experience for the defense of the emerging democracy.

Soon we will be observing the 200th birthday of our Nation. Today I would like to take time to remember and thank the Polish Americans who have worked from the beginning to help make this celebration possible.

Mr. GREEN of Pennsylvania. Mr. Speaker, on Monday, October 1, we celebrated the 365th anniversary of the arrival of the first Polish immigrants to this country. In October of 1608, a small group of Poles landed at the Jamestown Colony. They brought with them desperately needed supplies and manufacturing expertise that was completely lacking in the Colony at that time. These few Polish settlers played an instrumental role in the survival of Virginia. It is fitting that we should today commemorate the outstanding accomplishments of these first Polish people in the New World.

The hard-working spirit, craftsmanship, and leadership of the Poles who landed at Jamestown was only one among many tremendous contributions that Polish Americans have made to this country throughout our history. I would like to take this opportunity to remember the contributions of one of these great men—Thaddeus Kosciuszko, a general in the Revolutionary War. The 92d Congress has already recognized Thaddeus Kosciuszko's accomplishments when it designated his home at 301 Pine Street, in my Philadelphia Congressional District, as a National Historical Site.

General Kosciuszko first came to America in 1776 to fight for the cause of freedom. During that fight, he demonstrated his superior military expertise by directing several monumental defensive battles. He was a key strategist at the battles of Saratoga, West Point, and Yorktown.

While fighting for the freedom of the American colonies, Kosciuszko lived in a tent, but later, in 1797, he moved to a small three-story house in Philadelphia. While a resident at 301 Pine Street, General Kosciuszko was visited frequently by his good friend, Thomas Jefferson. During one of those visits, at a time when relations between America and France were strained to the point of conflict, he and then Secretary of State Jefferson planned a secret peace mission to Paris to be undertaken by Kosciuszko. The mission, of course, was successful.

Thaddeus Kosciuszko was truely a significant figure in American history and a great American patriot. His life was dedicated to his personal motto, "for your freedom and ours." Here in Washington we are reminded of this dedication by his statue, which stands across from the White House in LaFayette Park. And on February 9, all Americans can honor this great man by joining in the celebration of Thaddeus Kosciuszko Day.

Certainly, this brief sketch indicates that Thaddeus Kosciuszko should be an inspiration to the million of Americans of Polish descent. And he should be a symbol of freedom to all Americans.

Mr. HELSTOSKI. Mr. Speaker, in his writings in 1911, the famous Polish author, Joseph Conrad, said:

> A man's real life is that accorded to him in the thoughts of other men by reason of respect or natural love.

It is with such great respect and love for my forebearers that I am honored today to take part in this special order to commemorate the 365th anniversary of the arrival in Jamestown, Va., of the first Polish immigrants on this continent.

The colony of Jamestown was founded in 1607 by the first settlers sent by the Virginia Co. of London, chartered by James I, for the colonization of North America in order to provide England with products in short supply, but necessary for her continued existence in commerce and industry. The products desperately needed were lumber, wood and wood products.

The second group of settlers arrived in Jamestown October 1, 1608. Six Polish industrial specialists and artisans were part of the composition of this group. These Poles quickly set about their task of clearing the forest, and within 3 weeks they built and had in operation a glass furnace, the first factory established in the English colonies of America. They tapped pine trees and distilled tar and pitch, set up a soap works, erected a sawmill, and instructed other colonists in these arts, all of which contributed greatly to the success of the early English colony at Jamestown.

Many of the immigrants, particularly the first ones, were criticized by Capt. John Smith because they were considered vagabond gentlemen who were accustomed to easy life and came to Virginia in quest of gold. They did not fare well through the severe winters, pestilence and famine which attacked the colony.

However, Captain Smith had nothing but the highest praise for the hardworking industrious Poles, and the Virginia Co. tried, not without success, to induce more of them to immigrate from Europe.

This handful of skilled workmen planted the first seeds from which has grown the greatest industrial nation in the world. From their rich Polish heritage, these sturdy, industrious men carried with them their love for freedom and liberty.

As the Jamestown colony grew, it was divided into boroughs in which every man who had worked up his indebtedness to the London Co. was given the right to vote. Every man, that is, except the 50 Poles who, by that time, monopolized the industries of Jamestown. The British colonists, in spite of being dependent on their fellow Polish settlers, arbitrarily decided that citizenship should be a privilege reserved for their own special group.

In protest, the Polonians shut down their own industries and conducted the first strike in this country. It did not take the British colonists long to realize that not only was their well-being affected, but sending empty ships back to England could produce very unpleasant consequences since practically all of the profits realized by the London Co. came from the resale of the products of the Polish industries.

Members of the Jamestown General Assembly quickly declared their fellow Polish colonists to have full citizenship with every right of the vote and equal representation.

It is interesting to note that this handful of Polonians, who landed in America 12 years before the *Mayflower*, struck a blow for human dignity and the right to be free and equal. In the next century, two very famous Poles, Gen. Casimir Pulaski and Gen. Thaddeus Kosciuszko, took up arms with Gen. George Washington and other famous Americans, in our war of independence from the British.

General Pulaski lost his life fighting for American independence. General Kosciuszko, who had the rights and privileges of American citizenship bestowed upon him by a grateful Congress, left his will with Thomas Jefferson and requested that the disposition of his property be used to free Negro slaves and to educate them. These very famous personages kept faith with their heritage and traditions, and provided a continuity with the example established by the Jamestown Polonians.

We as descendants continue today to uphold the traditions and ideas ingrained by our forefathers in our belief in the freedom, liberty, and dignity of men and women in this country, and wherever they are suppressed.

The contributions of the Poles throughout history are legend, and we in this country can be justly proud of the example set for us by a handful of Jamestown Polonians who have helped to enrich our American heritage.

Mr. Speaker, as we celebrate the year of the 500th anniversary of the birth of Copernicus, and the 194th anniversary of the heroic death of General Pulaski at Savannah in the defense of our young Republic, let us pause to reflect on the important heritage passed on to Americans by a handful of Jamestown Polonians 360 years ago. Their indomitable spirit will remain with us throughout our history by their example. Our respect and love for these outstanding men will, I am confident, grow stronger with the passage of time. They have indeed earned their place in the pages of American history.

Mr. ANNUNZIO. Mr. Speaker, America is a nation of immigrants. The diversity of their origins and their tremendous vitality have helped to create a culture both incomparably richer and materially more prosperous than would otherwise have been possible. Although the history of immigration records that the vast wave of new Americans arrived late in the 19th century, there has been a steady trickle throughout the nearly four centuries since the first English speaking colony was founded on this continent. It is with pride and gratitude that we recognize today the 365th anniversary of the arrival of our first Polish Americans in what is now the United States.

The Jamestown colony was first implanted in 1607 by a group of just over a hundred men, gentlemen adventurers for the most part, more interested in making a quick fortune in gold than planning a permanent settlement. In fact, only 12 craftsmen arrived with the first group, less than 1 in 8 among the settlers. The first year in America was a hard one for the little colony; they suffered greatly from the lack of practical knowledge necessary for such seemingly mundane tasks as building adequate shelter, digging wells, and tending the fields and gardens which prevented slow starvation. The cold winter took its toll, both from disease and starvation, and the summer of 1608 saw only about half the original party still living. The London Co., sponsors of the Virginia settlement, sent two groups of fresh colonists that year with the hope that something could be salvaged from the venture.

The second group of reinforcements for Jamestown arrived on October 1, 1608, aboard the ships *Mary* and *Margaret;* among these passengers was a group of several Poles. The records do not say exactly how many, but it was not their numbers which were to prove so important to the future of the colony, but rather the skills they brought with them to the New World. These Poles were not gentlemen adventurers, they were skilled craftsmen, carpenters and glassmakers, also men with vital knowledge of preparing naval stores such as pitch and tar from the scattered pine woods in the area. They set to work almost immediately setting up a glass furnace and sinking the first fresh water wells in the colony. The primitive glassworks and naval stores provided a large portion of America's first export shipment the following year when Capt. John Smith wrote:

> We sent home ample proof of Pitch, Tar, Glasse.

As the colony prospered, the little group of Polish craftsmen grew to a sizable community of about 50 men, well known in the settlement for their energy and diligence, most having worked off their considerable debt to the London Co. within 2 to 3 years. Capt. John Smith knew of their value and wrote later in his book "True Travels":

> Adventurers never did know what a day's work was, except that Dutchmen and Poles and some dozen others. For all the rest were poor gentlemen . . . more fit to spoil a commonwealth than either to begin one or to help to maintain one.

Smith had more than simply professional experience to draw on in relating his experiences with these first Polish-Americans; one day in 1609 he was ambushed by a supposedly friendly Indian who wrestled him to the ground and into a stream, where Smith, with his heavy armor, was at a distinct disadvantage. Two of the Polish settlers came along at just this time and waded into the water, saving the captain's life and capturing the treacherous Indian.

The story of Poles at the Jamestown colony does not end simply with tales of their skill and industry, however; they led the first struggle in what is now the United States for full political rights for all regardless of background. In 1619 the London Co. gave the Virginia colony the right to share in its own government, to which end the House of Burgesses was formed, the first representative assembly on the continent. The election for the new body aroused and angered the colonists of Polish background, because, not being originally English subjects, they were excluded from any part in the new instruments of self-government. In protest, they refused to do any work until accorded the same voting privileges as those enjoyed by the English settlers. Operations in the glassworks, the tar distillery and the soap factory, the colony's most profitable businesses, came to a halt. Governor Yeardley, seeing the company's major source of profit suddenly dried up, took quick action to secure political equality for the Polish-American community at Jamestown. The "Virginia County Court Book" for 1619 records the following decision by the Governor:

> Upon some dispute of the Polonians resident in Virginia, it was now agreed (not withstanding any former order to the contrary) that they shall be enfranchised and made as free as any inhabitants there whatsoever.

And so, today we recall with pride their accomplishments and honor these men on the 365th anniversary of their arrival in America. By their actions they epitomized the outstanding contributions to the building of America made by Polish Americans who followed them to the shores of our Nation: By their skill and determination they not only bettered their own lot, but proved an invaluable resource to their community and Nation as well.

Mr. Speaker, I also want to commend my distinguished colleague, Hon. ED DERWINSKI of Illinois, for taking this special order to commemorate the arrival of the first Polish Americans in America. ED is one of the most outstanding Members of the House of Representatives and he has served his constituents and his Nation with distinction for 16 years. He is truly a distinguished American of Polish heritage who personifies the great contributions that Polish Americans have made to America.

I also want to congratulate the great leader of the Polish National Alliance, Aloysius A. Mazewski, who also has ably served his country though his appointment by President Nixon to the United Nations and who has made tremendous progress not only for the people of America but for the people of the world.

It is fitting, therefore, that today we pay tribute to the first Polish Americans who arrived in this country in 1607 and to all Polish Americans who have migrated to America and who have contributed so much to making the United States the greatest country of free people in the world.

Mr. HANLEY. Mr. Speaker, on October 1, 1608, a small British sailing vessel, called the *Mary and Margaret*, arrived at the struggling colony of Jamestown, Va. This ship, the second colony ship to arrive in the Americas, carried aboard a handful of skilled artisans and specialists from Poland. In a short time these, the Nation's first Polish Americans, had built the first glass furnace on the American continent, organized the production of soap, pitch, clapboards and other building materials and eventually came, through hard work and ingenuity, to control and run most of the industries of early Jamestown.

I feel that these early Polish settlers are a good example of the caliber of the people Poland has sent to our shores. Industrious, capable, and noted for their "respect, mirth, content, and entertainment," as Capt. John Smith, leader of the Jamestown Colony, described them, the Polish descendants of this country have played an important and fruitful role in the development of our Nation. The Polish Americans of this country have done much to enrich our society through their cultural heritage and to their dedication to freedom and love of country. On October 11, we shall celebrate one such example of the Poles love of freedom when we observe the 194th anniversary of the heroic death of Gen. Casimir Pulaski at Savannah in the defense of our young Republic. I am sure that we can all agree that such examples of the contributions Polish people have made to a better life here in America are not rare, but the rule, and that our Polish-American citizens deserve to be proud of their unique contributions to the life of this country.

Mr. NEDZI. Mr. Speaker, the historic Williamsburg-Jamestown-Yorktown triangle in southeastern Virginia is generally thought of as a particularly "American" area.

A weekend vacation to these cherished historical sites will provide us with an illuminating as well as enjoyable personal experience. It may also be a trip which provides us with surprises. The schoolboy memories the words Jamestown, Yorktown, and Williamsburg evoke relate to England, for they generally signify English adventure, English colonies, and English and American conflict.

The surprise element enters when we view the plaque commemorating the settlers of 1607–08, the Virginia Co. Names unmistakably Polish are to be found there. These adventurous and courageous men are generally credited with having helped save the colony by their work as skilled laborers. Five Polish experts built the first glass furnace and their energy and self-discipline kept the colony from disintegration.

They arrived in Jamestown in October 1608 and this is the 365th anniversary we observe today.

The point deserves to be made that Polish Americans have played a long and honorable part in the development of our Nation.

Polish Americans, for example, began to play a part in Pennsylvania history in the 18th century. In the last 70 or 80 years, the Polish contribution has been visible throughout the East and Midwest, especially.

Americans of Polish blood have a rich history of heritage and culture to preserve. In my judgment, we who are bicultural in heritage are twice blessed.

As the late President John F. Kennedy once wrote:

> Little is more extraordinary than the decision to migrate, to say farewell to a community where one's family has lived for centuries, to abandon old ties, and to sail across the seas to a strange land. If the newcomer failed to achieve the American dream for himself, he could still retain it for his children.

Generations of Poles have lived that adventure and they have achieved and are achieving the American dream for themselves and for their families.

It is with a good feeling, therefore, that I join in this observance and have the opportunity to applaud the wider and beneficial aspects of the Polish-American experience.

Mr. SARASIN. Mr. Speaker, Monday, October 1, 1973, marked the 365th anniversary of the arrival in Jamestown, Va., of the first Polish immigrrants on this continent.

The importance of this event far exceeds the fact that it is a date to which Polish-Americans can point and say, "This is our origin." October 1, 1608, witnessed the arrival of the second supply of immigrants sent by the Virginia Co. to the economically floundering colony of Jamestown, Va. Included among the number were five Poles who were artisans by trade. They proceeded to build a glass foundary within a mile of Jamestown, the first factory in America, and cut down the first trees for wood manufactures. Because of their pride in their work and their industriousness, they were soon able to export the first products of American industry. This occasion marks the beginning of the growth of our Nation to a position of economic preeminence.

The arrival of the first Poles in Jamestown is a microcosm of American history in another respect in that the town leaders were hesitant to grant citizenship to them. However, because of their fierce love for liberty, these new settlers refused to accept the decision and staged what might possibly be America's first strike. Their reasoning was simply that if they were to make a substantial contribution to the development of the New World, they should be entitled to all the rights and responsibilities of their fellowmen. To save their colony, the town fathers quickly rescinded their decision, and the first Polish-Americans were recognized.

No nationality has a premium on industriousness or love for America, but the Poles who arrived over three centuries ago are an example of the dedication and spirit upon which our country has developed and is continuing to grow. I stand with my colleagues to applaud the contribution to America, which our Polish-Americans began making over 365 years ago.

Mr. RHODES. Mr. Speaker, ours is a great country. Certainly, one characteristic of the United States which has lent to the development of its greatness has been its privilege to benefit from the rich and diverse historical, cultural and spiritual heritages of its citizenry. Not least among those immigrant groups contributing to our success and progress as a nation is the Polish-Americans. From the earliest days of Jamestown to the present, our fellow citizens of Polish ancestry have been influential in creating the American way of life. It is altogether fitting that we commemorate this group of fine Americans and extend our warmest "thanks" to them for their many contributions to our Nation.

Mr. KEMP. Mr. Speaker, thanks to my friend and colleague ED DERWINSKI, it is an honor to join my colleagues in commemorating the 360th anniversary of the arrival in Jamestown, Va., of the first Polish immigrants on this continent. We pay tribute today to the memories of Michal Lowicki, Zbigniew Stefanski, Jur Mata. Jan Bogdan, Karol Zrenica, and Stanislaw Sadowski—the handful of men who came to America 12 years before the *Mayflower* and to whom Capt. John Smith gave credit for saving our American colony.

As the historian Miecislaus Haiman described in his book, "Poles in America":

> The beginnings of Virginia also mark the beginnings of the history of Polish immigration in this country. To some degree, Poland influenced the founding of that oldest English colony in America.
>
> Early in the 17th century England suffered a heavy economic crisis. The destruction of her forests for commercial purposes threatened the very existence of her industry, especially three of its most important branches: ship building, wool manufacture and foundries. All three requires great quantities of lumber, wood and wood products. To supply these needs England was forced to import large quantities of those materials from foreign countries, particularly from Poland. The main purpose of the Plymouth Company and of the Virginia Company of London, chartered by James I, for the colonization of North America, was to make England independent of Polish and other imports.
>
> Jamestown was founded in 1607, by the first immigrants sent by the Virginia Company. A year later, in October 1608, the Poles appeared with the Second Supply engaged by the Company as experts and instructors in the manufacture of glass and pitch, tar and other products which Poland exported to England. The exact number of this group is not known, but they were not more than a handful.
>
> Immediately after their arrival the Poles started their work. They built a glass furnace about a mile from Jamestown and cut down the first trees for wood manufactures; in a short time they were able to send to England the first products of American industry. However, their labors soon met with great obstances, Indians, pestilence and famine attacked the colony.
>
> The winter of 1609–1610 was especially severe and became known in the history of Virginia as "starving time"; of 400 colonists

only 60 survived. Worst of all, however, was the disorder which reigned in the colony. Most of the first settlers were the famous "vagabond gentlemen" who were accustomed to easy life and came to Virginia in quest of fabulous gold mines. In contrast to them, the Poles conducted themselves very creditably. Captain John Smith who did not mince words when speaking of his lazy countrymen, spoke of the Poles in terms of the highest praise. "They," said he, meaning the colonists generally, "never did know what a day's work was except the Dutchmen and Poles." Later documents speak of the Poles with praises, too, and the Virginia Company tried, not without success, to induce more of them to come over from Europe.

Poles were generously sprinkled in the Thirteen Colonies at the time of the Revolution and contributed to the ultimate freedom of America. They had been in Delaware as early as 1650, and William Penn numbered them among his loyal settlers. Most famous of the early Polish Americans was Kosciuszko, who joined the Army of the Revolution in 1776, rose to the rank of colonel of artillery, and became General Washington's adjutant; Congress awarded him American citizenship, a pension with landed estates, and the rank of brigadier general. General Casimir Pulaski, the 194th anniversary of whose heroic death at Savannah we will be commemorating on October 11, was another noted Pole who aided our young Republic.

Since that day in 1608 when the first small band of Poles arrived at Jamestown, the contributions which Polish-Americans have made in all fields of endeavor—from science and painting to medicine and politics—have been innumerable. In the words of President Dwight D. Eisenhower:

> Since the earliest days, Americans of Polish origin have contributed much of their rich cultural, historical, and spiritual heritage to this land. In the development and continuing promise of our country, Polish-American citizens play a vital role.

I am proud to say that one-third of the residents of Erie County, N.Y., in which my congressional district lies, are Polish-Americans and hundreds of these citizens of Polish heritage are successful in every profession and in key positions of government.

America is the greater because so many Poles have chosen this Nation as their home. On this important day of commemoration for every American of Polish heritage, I salute the freedom-loving Poles of Erie County and of our Nation.

Mr. REUSS. Mr. Speaker, October 1, 1973, marked the 365th anniversary of the arrival of the first Polish immigrants to America.

Michal Lowicki, Zbigniew Stefanski, Jur Mata, Jan Bogdan, Karol Zrenica, and Stanislaw Sadowski landed at Jamestown, Va. in 1608—12 years before the Mayflower anchored at Plymouth Rock—and helped to make it the first permanent English colony in the New World.

Jamestown—founded in 1607—stood on the verge of collapse when the Poles arrived. Plagued by "gentlemen adventurers" more interested in searching for gold than in making a home, the colony had been caught unprepared for the first winter's cruelties. Capt. John Smith had to beseech the Virginia Co. to "send but 30 carpenters, blacksmiths, and masons rather than a thousand such as we have here."

Within 3 weeks of their arrival, the Poles built and were operating a glass factory, the first factory in the English colonies in America. They also began distilling tar and pitch, and built a saw mill and a soap factory. Soon, their example had the entire colony busy at work.

October 1, 1608, is being commemorated across the land, for the first Polish colonists at Jamestown—and the countless Poles who have followed them to this country—have helped to make America.

Mr. WYDLER. Mr. Speaker, I would call to the attention of the House an historical event of utmost importance to a large segment of the American community—the arrival at Jamestown, Va., exactly 360 years ago, of colonial vessels of the London Co. bearing the first Polish immigrants to American shores.

As was the custom then, almost all the colonists had worked out their passage by pledging themselves to labor for the company that owned the settlement. Within 2 to 3 years, the Polish immigrants had repaid the London Co. for the passage by ship from Europe, and become free citizens of the community.

Immediately upon their arrival they set to work to build a glass furnace on a tract of land allotted them about a mile from the fort. They also cut down trees for wood manufacturers. When the English ship was ready to sail for England across the Atlantic Ocean, it carried a full line of samples the Polish glassmakers were prepared to turn out in commercial quantities, as well as a cargo of pitch distilled by Polish lumbermen from Virginia's pine trees, and other products of the field and forest which the Poles had manufactured. These were, in fact, the first products of American industry.

In addition to their energy and craftsmanship, the Polish immigrants to Jamestown brought with them an abiding concern for civil liberty. Colonial records of Virginia reveal a group of Poles somewhat disturbed during the session of the first Virginia Assembly. In June of 1619, when the House of Burgesses ushered in representative government in Virginia, non-English settlers were specifically excepted from the advantages of enfranchisement. In protest, the Poles refused to work until accorded the same voting privileges as those enjoyed by English settlers; so they suspended operations in the glass factory, the tar distillery, and the soap establishments.

Thus it happened that those summer days of 1619 were to witness not only the first popular assembly in America but also the first labor walkout. The Colonial Governor and legislature were properly impressed. Under these circumstances, they suddenly realized the importance of the Polish contributions previously taken for granted. Except for the few pounds of tobacco the English colonists were beginning to export, practically all the profits realized by the London Co. came from resale of the products of the Polish industries. As a result, the Jamestown Poles obtained equal political status on the strength of their abilities, to the distinct advantage of American political tradition.

It is today a well recognized fact that the Polish-Americans are indeed a power in our land and a power that has always been inclined, from the start, to work in the interests of the democratic process. In this, the Poles in American politics are merely extending the traditions of their forebears—traditions of the free and the bold, who stand for equality at all times, and justice for all men.

Mr. HANRAHAN. Mr. Speaker, October 1 marks the 360th anniversary of the arrival of the first Polish immigrants in this country. Since that time, Americans of Polish origin have contributed greatly to the achievements of our country.

Jamestown, Va., was the site of the first Polish American home. It was because of the Poles that Jamestown was able to survive and develop into a thriving industrial community. They built glass furnaces, cut down trees for manufacturing, and acted as experts and instructors for the Jamestown residents.

The entire history of our country is threaded with accounts of the vital role the Polish American has played in our development. Dating from the pioneer days to the present, the Polish American community has been instrumental in making our country the great Nation it is today.

I would like to join with my colleagues in commemorating this historic occasion in the history of our country and the history of the Polish American community.

Mr. DULSKI. Mr. Speaker, it is a pleasure to join my distinguished colleague from Illinois in commemorating the 365th anniversary of the arrival of the first Polish immigrants in the New World.

As an American of Polish ancestry, I am particularly proud of the Polish contributions to our society. On Sunday in Buffalo I had the privilege of participating in observances of the 194th anniversary of the battle death of Gen. Casimir Pulaski, who had so stoutly defended the causes of the American Revolution. Nations around the world are noting the quinquecentennial of the birth of Nicolaus Copernicus, without whose findings, the astronaut who rode in our Pulaski Day Parade might never have traversed space. From the beginning of our Nation to the present day, Polish Americans have made their positive mark on our history.

Although the fact is not widely recognized, that impact began 12 years before the arrival of the Mayflower—when a tiny band of Polish artisans arrived in Jamestown, sent by the Virginia Company to share their industrial expertise with the colonists. It is possible that their presence among the "gentlemen adventurers" in the colony decided the course of history.

Certainly, their energy was notable and the results impressive; within 3 weeks a glass factory was in operation and soon a saw mill, soap works, and tar and pitch distillery were underway. Capt. John Smith praised these Polish immigrants highly and credited them with much of the success of the colony.

These men in Jamestown set a high standard for settlers in the centuries to come. And it is a standard which has been upheld. American Poles in all walks of life, while retaining their ethnic pride, have made their contributions to American life.

I am proud to be an American Pole; I am proud to pay tribute to these early Polish settlers in Jamestown.

FOREIGN INVESTORS AND OUR VITAL INDUSTRIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I rise today to discuss H.R. 8951, a proposal designed to bring this body's attention to the mad rush taking place in the financial corners of this country. I am talking about the current but carefully planned actions of foreign investors to buy into and take over some of our most vital industries. What concerns me is that given domestic market conditions, the international store of dollars, and the recent devaluations, the current wave of investments is only a drop in the bucket compared to what can be and is expected.

Foreign direct investments—which carry with them participation in management, as contrasted with portfolio investments which do not—totaled $13.7 billion at yearend 1971. The rate of growth showed a marked increase from 1966: From yearend 1961 to 1966, foreign direct investments grew an average $332 million per year, while from yearend 1966 to 1971, they grew an average $930 million per year. These figures correspond to annually compounded growth rates of 4.1 percent and 8.6 percent respectively. While figures are not yet available for 1971 and 1972, it is expected that these growth rates will continue to increase. Direct investment in this country by Europeans increased almost 13 percent annually over the 1966–70 period, from only 5 percent annually during the 1959–66 period. The Japanese anticipate an average yearly rate of increase of 25 percent, meaning that by 1980, Japan's foreign investment worldwide could be something like $25,000,000,000–$30,000,000,000, a large part of which will be here in this country.

The numbers of foreign direct investments do not tell the whole story. U.S. News & World Report, in the June 24, 1973 issue, had to say that:

> Involvement in American business of foreign capital is estimated at over $55 billion—more than double in ten years. That does not count overseas ownership of U.S. land—figured as high as $75 billion.

The Commerce Department reports that there has been an increase of foreign owned and/or controlled manufacturing establishments in the United States of over 100 percent. In 1967, there were 385 such establishments, but by 1972, there were 802. And I assure you that number grows daily.

The other day I was reading an article in the Financial Post of Canada about an interview with a Japanese banker. I am enclosing it at the end of my time, for your special interest, but to briefly make a point, let me say this about it. When the reporter posed to the banker the question,

> What will a country like Japan—with so much industrial congestion—do to maintain growth?

Kazuo Nukazawa, with Keidanren, a manufacturing association in Japan, said without smiling and very seriously,

> Well, we could buy another country . . . South America would be a good one.

What he was talking about was a fact of advanced Japanese industrial thinking: Japan is moving beyond its own borders in the 1970's in the same way that Britain moved outside its borders in the 1800's and the United States moved abroad in the 1950's and 1960's. Nukazawa continued:

> Given the constant instability of exchange rates, rising protectionism abroad and emerging economic regionalism in Europe, the only self-defense measure available for Japanese manufacturers is to set up a Trojan Horse within protective walls abroad or diversify assets internationally and hedge against monetary disturbances.

In the last few years, foreign banks have begun to show explosive growth in their business in the United States. They are posing serious regulatory questions for Federal banking officials who today have very little authority over such operations. So far as the Federal law is concerned, the Federal Government has jurisdiction over foreign banking in this country only when a bank overseas owns or seeks to acquire incorporation in this country. Foreign branches, agencies, and other operations, here are left entirely to the State.

International banks are able to operate across State lines, in a manner for the most part prohibited to the domestic institutions. At the same time, they are expanding rapidly into the American brokerage business, notwithstanding the separation between the banking and securities industries that Congress decreed in 1933 in the Glass-Steagall Act.

The top 20 by country

Country and Number of Banks:	*Total U.S. Assets (In millions of dollars)*
Japan—8	$8,514.6
Canada—4	4,229.0
Britain—3	1,591.6
France—2	1,530.5
Multinational—1	1,119.0
West Germany—1	1,018.2
Switzerland—1	587.2

Since introducing this bill on June 25, 1973, interest and support has come from my colleagues as well as from various segments of the economy. It is a relatively new endeavor for many foreign investors, who, for the first time, have the money and desire to invest in this country. American management is not viewing the situation with equanimity. But at present, Federal law cannot provide much assistance to those who are resisting the takeover of control of American corporations by foreign interests. Some of the corporations that have taken their battle to court, and doing so now, are: The Signal Companies, owner of Mack Truck, Garret Aerospace and Modern Transportation Research, and the Signal Oil Co., whose 100,000-barrel-a-day strike in the North Sea has just been confirmed; the Ronson Corp.; and Texasgulf, a Texas corporation engaged in the production and marketing of minerals, oil, and forest products.

I am concerned that it is the stated purpose of some of these investors to secure sources of supply and raw materials. The Japanese are particularly interested in coal, oil, and timber. They have just settled an agreement to build the first Japanese owned steel making plant in Auburn, N.Y. I am concerned because the Japanese have restricted investment in their country for years, and their current contentions of liberalization leave me suspect when they completely restrict agriculture, forestry, fisheries, mining, petroleum, leather tanning, and retailing to foreign investment. They also have "short-term" protected industries. Among them are: Integrated circuits, meat-products processing, data processing, clothing, packaging and materials handling equipment, musical records, and real estate. Foreign investors can buy up to 100 percent of the shares in any going Japanese firm as a general rule, aside from the exempted sectors—but with one condition: The firm whose shares are being purchased must give its assent. If the firm does not like it, then the old ceiling on foreign investment applies.

I urge all my colleagues to consider the goals of H.R. 8951. The bill is aimed at preventing foreign control of domestic industries, but at the same time permits diversification of foreign investments in a manner consistent with sound economic policy.

FOREIGN BANKS IN THE UNITED STATES

TOTAL ASSETS AS OF JUNE 30, 1972

(In millions of dollars)

Bank of Tokyo:	
New York Agency	$1,485.1
Bank of Tokyo Trust Co. (N.Y.)	698.1
Bank of Tokyo of California (S.F.)	595.5
San Francisco Agency	343.6
Los Angeles Agency	253.8
Seattle Branch	164.7
Portland (Oreg.) Branch	38.4
Total	3,579.2
Royal Bank of Canada (Montreal):[1]	
New York Agency	1,772.8
Royal Bank of Canada Trust Co. (N.Y.)	95.7
Branches in Puerto Rico	137.5
Total	2,006.0
Sumitomo Bank (Osaka):	
New York Agency	582.1
Sumitomo Bank of California (S.F.)	564.8
San Francisco Agency	97.5
Total	1,244.4
European-American Bank & Trust Co.[2]	
European - American Banking Corp.[2]	1,119.0
Commorzbank (Düseldorf):	
New York Branch	1,018.2
Crédit Lyonnais (Paris):	
New York Branch	902.2
Bank of Montreal:	
New York Agency	692.8
Bank of Montreal (California)	87.7
San Francisco Agency	38.2

Bank of Montreal Trust Co (N.Y.)	$10.7
Total	829.4
Canadian Imperial Bank of Commerce (Tor.):	
New York Agency	531.2
California Canadian Bank (S.F.)	170.3
Other offices	102.3
Total	803.8
Fuji Bank (Tokyo):	
New York Agency	754.2
Mitsubishi Bank (Tokyo):	
New York Agency	377.0
Los Angeles Agency	247.0
Mitsubishi Bank of California (L.A.)	45.6
Total	669.6
Sanwa Bank (Osaka)	
New York Agency	428.2
San Francisco Agency	193.1
Sanwa Bank of California (S.F.	38.7
Total	660.0
Banque Nationale de Paris	
French-American Banking Corp (N.Y.)	447.2
San Francisoc Agency	171.0
French Bank of California (S.F.)	10.1
Total	628.3
Bank of Nova Scotia (Halifax)	
New York Agency	398.1
San Francisco Agency	36.0
Other offices	155.7
Total	589.8
Barclays Bank (London)	
New York Branch (Barclays Bank Intl.)	237.1
Barclays Bank of California (S.F.)	207.9
Other offices	142.2
Total	587.8
Trade Development Bank (Geneva)	
Republic National Bank of New York	587.2
Mitsui Bank (Tokyo)	
New York Agency	399.9
Los Angeles Agency	101.6
Total	501.5
Dai-Ichi Kangyo Bank (Tokyo)	
New York Agency	385.1
Los Angeles Agency	130.2
First Pacific Bank of Chicago	26.9
Total	542.2
Lloyds & Bolsa International Bank (London)	
New York Branch	533.7
Tokai Bank (Nagoya)	
New York Agency	299.9
Los Angeles Agency	183.6
Total	483.5
Schroders, Ltd. (London)	
J. Henry Schroder Banking Corp. (N.Y.)	345.2
Schroder Trust Co. (N.Y.)	124.9
Total	470.1

[1] Figures for branches in the U.S. Virgin Islands not available.

[2] These banking concerns, located in New York, are jointly owned by the Amsterdam-Rotterdam Bank Creditanstalt-Bankverein, Vienna; Deutsche Bank, Frankfurt, Midland Bank, London; Societe Generale, Paris, and Soviete Generale de Banque, Brussels.

Sources: New York and California State Banking Departments; M. A. Schapiro & Co., Inc.

[From the Financial Post, Sept. 22, 1973]

THERE'S NOWHERE TO GROW BUT OUT

During a quite-serious conversation with an urbane, conservative Japanese banker, the subject of Japan's industrial strategy came up I asked him what a country as small as Japan—with so much industrial congestion—will do next to maintain growth.

He answered without hesitation and with no trace of a smile: "Well, we could buy another country."

I started to laugh but, seeing him miss his own joke, I asked him where Japan could buy a country these days. He said again without hesitating and without humour: "South America would be one good place."

The conversation turned and went off on other tangents, but it was that one short exchange which really struck me. The man had been a good 75% serious. Japan has gone about far as it can go within its own borders in terms of production expansion. If you want to grow, start moving abroad.

BECOMING MULTINATIONAL

Now it's hard to believe this banker really meant that one country could simply buy or annex another country and start up shop there. Although the mind does boggle a bit at the outrageous simplicity of the idea.

What he was talking about was a fact of advanced Japanese industrial thinking: Japan is moving beyond its own borders in the 1970s in the same way Britain moved outside its borders in the 1800s and the U.S. moved abroad in the 1950s and 1960s. It is destined to become a multinational country in economic terms.

Only there's one major difference between Japan and the Western multinationalists: Japan has no other choice but to expand abroad while the others have done it all by choice with profit the motive. And, if necessity is truly the cause of success, Japan may be the most successful of the lot.

Kazuo Nukazawa, assistant director, international economic affairs department with Keidanren (a sort of supercharged Canadian Manufacturing Association), has been studying this need for Japanese industrial expansion for a number of years in Japan, Europe and North America. He puts the situation quite succinctly:

CAPITAL OUTFLOW LEAPS

"Given the constant instability of exchange rates, rising protectionism abroad and emerging economic regionalism in Europe, the only self-defense measure available for Japanese manufacturers is to set up a Trojan horse within protective walls abroad or diversify assets internationally and hedge against monetary disturbances."

In 1972, Japan's net long-term capital outflow was $4,500 million, registering a whopping $3,400 million increase over the previous year, Nukazawa says. And these statistics alone show that Japan is emerging as a formidable investor nation.

Add to this, real problems in the Japanese economy like concern over the environment and the growing demand of resource-rich countries like Canada, Australia, Iran, etc. for Japanese firms to proceed to more-value-added production and you have a pretty solid case for international expansion.

"Like so many other multinationalist countries, this industrial expansion will cause social and economic problems for Japan too," says Nukazawa. "But Japanese business will go abroad whether the Japanese government likes it or not, if the overseas ventures are in the interest of their business.

WILL HELP EXPANSION

"Japan may be emulating a bit of the American evil in a few years; a combination of high domestic unemployment and billions of dollars in cash assets of multinational corporations chasing after the goddess of profit in other countries."

Takamasa Matsuda, chief manager of the Fuji Bank Ltd.'s research division adds a few more factors that will contribute to international Japanese expansion.

First of all, he says, direct overseas investment was almost completely liberalized in July, 1971, and official policy has encouraged the outflow of Japanese capital ever since.

Secondly, the growing labor shortage and the rise in wages in recent years have made Japanese labor-intensive industries less and less competitive. These companies have tried to stay abreast of international prices by shifting production to low-wage countries with a sufficient supply of labor.

Third, the hike in the Japanese yen in recent years has made exports more expensive to sell abroad but has made it attractive to invest those yen in devalued countries where the higher yen goes that much further.

Fourth, the increasing demand for raw materials and fuels has led to active investment by Japanese companies in the development of overseas raw material sources for import back to Japan.

"The expansion of Japanese exports, which so far has grown at twice the growth rate of world trade, has led to friction in Japan's relations with both developed and developing countries," Matsuda says. "Japanese enterprises will be forced to gradually replace exports by production in those export markets."

It's extremely difficult to get any experts to give you predictions for future overseas investment in money terms, but this much they will say.

RELATIVELY SMALL

At the end of 1972, the book value of Japan's direct overseas investment stood at an estimated $8,000 million. (In 1967, it was about $1,500 million.) This is still small compared with countries such as the U.S. (Canada's direct investments abroad at the end of 1970 total $6,064 million.)

But, in the latter half of the 1960s, the average yearly rate of increase in Japan's outward investments was the highest among the advanced industrial nations. (This is where Japan always murders you. It doesn't matter what happened six years ago, brother, look what happened in the last three years.) And Japanese economists are predicting about a 25% increase every year for the next 10 years. So, by 1980, Japan's foreign investment could be something like $25,000 million-$30,000 million.

This kind of increase could catapult little Japan right over Britain and all the European countries to rank it second in the world behind the U.S.

All right, now the last question in this guessing game: Where are they going to put all that money?

It's a very common question these days, too, because almost every country in the Western world—including a number from the Eastern world—are parking themselves on corporate and government doors asking if these people would like to try a little foreign excitement.

Bad news for the Americans, Canadians and Europeans, though—the Japanese have very little inclination of moving from one expensive labor market to another.

Their sights are apparently aimed at the less industrially-developed countries like Korea, Brazil, Iran etc. where labor is plentiful and cheap while raw materials are plentiful and also cheap. It's just as easy to export to the U.S. from Brazil as it is from Japan and, if you work it right, your trade balances don't get too awkward.

RAW MATERIALS

"It's a very popular view among international scholars that Japan will be exporting its sophisticated industries abroad," says Fujio Matsumuro, director, overseas private investment division, International Finance Bureau, Ministry of Finance. "But it's not too realistic. What Japan needs now and will continue to need forever are raw materials. We will do anything to get them and that certainly includes building mines and refineries abroad. But secondary manufacturing is another thing altogether.

"We may have to build some manufacturing plants abroad but the reason will be demands on the part of the resource supplying countries, not the Japanese government. What our suppliers want, we will do. But many people may be disappointed that we aren't willing to send too many of our manufacturers overseas."

Which brings you back to what Keidanren's Nukazawa says. The government wants to keep the industries in Japan, the companies want to make money anywhere they can, and everybody wants more raw materials. The companies will do what they want. That's certain. But just exactly what they will want is a billion dollar guess.

UNDERPRICED TIDELANDS CRUDE OIL IN CALIFORNIA

The SPEAKER pro tempore Under a previous order of the House, the gentleman from California (Mr. Hosmer) is recognized for 5 minutes.

Mr. HOSMER. Mr. Speaker, earlier today testimony was given to an investigative body in California indicating that that State is losing over $200,000 per day in revenues from oil produced from publicly owned tidelands. A proportionate loss accrues daily to the city of Long Beach which also has certain proprietary interests in the public tidelands.

The testimony was offered by Assemblyman Kenneth Cory, D-Garden Grove, who charged that the losses accrue because at $3.21 per barrel, the posted price for oil at the tidelands oil field, production there is grossly underpriced. He states that the price should be at least $4 per barrel, as it is at other fields in the same region for the same gravity oil and where shipping charges are approximately the same.

The underpricing of tidelands oil in California has long been a matter of deep public concern. I have a strong feeling that this concern is fully justified.

Early in the oil game the practice came into being of pricing oil at a field by all producers according to the price at which it will sell posted by one of the field's major producers. Given sufficient producers and sufficient buyers the system works reasonably well to effect a reasonable bargain between them.

However, with respect to the California tidelands production at the Long-Beach-Los Angeles Harbor area, there are too few producers and too few refiners buying the oil to actually set real forces of fair play and competition in motion. A few major oil companies which both produce oil and refine oil own a very large share of the refining capacity in this area. Even if they also own some of the production, it is a minor share of that coming out of the tidelands fields. Thus, their overall interest lies in cheaper crude and I believe that conciously or unconsciusly those who post the field price tend, for this reason to underprice rather than to fairly price the product.

Although the tidelands production is of a gravity oil which is somewhat low, the price discrepancy to the disadvantage of the sellers here is proportionately much lower than it should be, taking into consideration what would be a normal or linear differential in price for two different gravities.

Thus I strongly urge that the public bodies who are disadvantaged by this apparent underpricing situation continue their fight to rectify the situation—and take it to the courts if necessary. I will give them every possible support from this end of the line.

THE HOUSE SHOULD INVESTIGATE THE CHARGES AGAINST VICE PRESIDENT AGNEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Talcott) is recognized for 5 minutes.

Mr. TALCOTT. Mr. Speaker, I respect what the Vice President is doing although I know nothing of the facts relating to any charges against him. I refuse to believe rumors, leaks, hearsay, speculation, or accusations until proved in a court of law. All of us should respect the most basic precept of our law, in practice as well as in in theory and principle, that everyone is innocent until proved guilty in a court.

I believe Baltimore County, especially, and Maryland politics, generally, are as corrupt as any political arena in our country including Chicago, Tammany, Boston, Texas, or New Jersey. It may be quite difficult for anyone to succeed in Maryland politics without "playing the game" and becoming tainted; however, if anyone could, I believe Mr. Agnew could. I believe Mr. Agnew needed to "play the Maryland political game" less than most because he was in the political minority, a "long shot" not expected to win the election for Governor in 1966.

Regardless of the facts, Vice President Agnew has some special duties and responsibilities. His first obligation is to the people of the United States. But he has also a unique responsibility to the office of the Vice-Presidency. The office—its prerogatives, authority, rights, functions—must be protected. No one else is likely to protect the Vice-Presidency diligently enough. The President and Attorney General apparently will not; the leadership of the Congress declined; the national media demurs; the majority of the people might not, unless they become aware of the importance of that great office to our Republic.

To protect the functions of the Vice Presidency, the Constitution wisely provides that the Vice President cannot be indicted by any grand jury—County, State, or Federal. The Constitution clearly states that a Federal official once impeached, convicted, and removed from office can then be tried on criminal charges.

The reason is obvious. A Vice President could not possibly perform his duties if he were plagued by one or more bona fide or rumored grand jury investigations or indictments. The Vice President could be prevented from performing his constitutional duties at a crucial time on a critical issue if he were subject to grand jury harassment. This minimal restriction on a court or the minimal respite from process for less than a dozen of our highest Federal officials is worth the imperative to safeguard the performance of the second most important office in our system.

If the alleged transgression of any Vice President is so serious or heinous, he can easily and quickly be impeached and convicted. Otherwise the prosecution can wait a few months until he retires. Little, if anything, would be lost and the continuous performance of our system would be safeguarded.

I believe, for practical and constitutional reasons, that the Vice President should be impeached and convicted before he is required to answer to any grand jury indictment.

The Vice President must defend the Vice-Presidency from erosion of this protection. If this Vice President can be harassed by an orchestrated series of many politically motivated county grand juries.

This Vice President has not ducked the orchestration of leaks and rumors of charges against him. He has offered his records; he has offered to appear before the grand jury and the Attorney General. He has made public statements. He has requested the House to investigate the allegations—whatever they are. This request implies an invitation to impeach if there is probable cause of misfeasance and to convict if there is sufficient evidence.

No man is above the law. Quite true. But the law must and does safeguard the Vice Presidency not for and on behalf of the Vice President or Mr. Agnew, but for and on behalf of every American citizen, the protection of our Republic and the preservation of our political and constitutional system. This is a fine, but fundamental, matter that cannot be settled by the judiciary alone. I believe that the Supreme Court will acknowledge this situation when it takes up this complicated constitutional, political, and governmental issue. Such issues must be resolved by the three branches working together in the best interests of our citizens and our system regardless of who the particular office holder might be at a particular time.

I am convinced that the House leadership understands the unique and separate rights of the office of the Vice-Presidency as distinguished from the rights of the person of the Vice President.

I believe the House leadership abdicated a legal and constitutional opportunity in rejecting the Vice President's request for an investigation of the allegations against him. The reason was plain and simple politics. An investigation by the House could lead to impeachment or to exoneration. The House leadership does not want to accord Mr. Agnew the possibility of exoneration which is not the most likely conclusion of any investigation.

The House leadership would prefer to leave the Vice President to roast on the proverbial spit which is being fired by leaks, accusations, speculation, and political gossip. He has already been politically skewered and, if he were an ordinary politician, he would be all done, by now. But Mr. Agnew is durable and popular and not easily daunted. He has been politically barbequed before by experts, but he has survived.

The House is using a lame excuse that "the matter is in court" to avoid doing its duty and to permit the continued roasting of the Vice President hoping that somehow he can be mortally wounded as a national political leader.

I must give the Vice President higher marks for trying to save our constitutional system and for defending his office than I can give to the House because the House is again shirking its duty and again abdicating its opportunities or responsibilities to another branch of Government, or to the national media, or to political partisanship, or to apathy.

The House may not want to protect, help, or simplify matters for this Vice President; but it should jealously safeguard the Vice-Presidency now and for the future.

If the House wants to expedite or clear the way for an indictment of Mr. Agnew, let us immediately consider impeachment so that the constitutional protection of the Vice President from grand jury indictment can be obviated.

If we are going to impeach, let us get on with it expediently. But let us first know and understand the facts upon which we are going to base our impeachment. To know and understand, we should investigate thoroughly and comprehensively. If we expect to be timely and fair, now is the time to begin the investigation.

This is an instance where the House has an opportunity, and therefore a responsibility, to cooperate with the judicial branch and the executive branch. If the court wishes to indict the Vice President and the Vice President requests the House to investigate the rumored charges against him, then the House could do no wrong, usurp no prerogative of another branch, violate no law, or abdicate no responsibility or duty of the House by undertaking such an investigation forthwith and pursuing such investigation diligently and conscientiously.

On the other hand, if the House does not act promptly it could truly be argued that the House has missed an opportunity, ducked a responsibility, and failed in our duty to ourselves, to the court, to the Vice President, to the American people, and to our system of government. The system can function if we permit it.

We should grant Mr. Agnew's request. He is acting to uphold the Constitution, to protect the Vice-Presidency, and to preserve our system in the public interest.

We should cooperate in the same spirit. On too many past occasions the House has abdicated its responsibilities to the courts or to the Executive. We should not abdicate again.

Some functions of the three coequal branches of our Government are mutually exclusive. But some functions require cooperation and concurrent action. Let it not be said that the House had, but missed, an opportunity to cooperate with the other branches in a critical constitutional crunch.

By undertaking the requested investigation, the assurance of a fair court trial for the defendant is obviously jeopardized. But I believe a defendant can waive his rights including those that might be jeopardized or lost by a congressional investigation. At least the leaks and rumors and unsubstantiated charges would be verified or shown to be false or baseless.

If we are at all interested in safeguarding the function of the office of the Vice President, we should not be tolerating the current treatment of Mr. Agnew.

There are those who count themselves as friends and admirers of the Vice President and want him to take only the procedural steps that will vindicate himself. "Without vindication Agnew is dead politically," they say. Under this thesis, he must immediately request that an indictment be filed and served, plead not guilty, go to trial and win. I disagree. I reiterate that Mr. Agnew has a larger responsibility than vindication of himself. He must act to protect the office of the Vice-Presidency. This responsibility requires Mr. Agnew to insist upon impeachment and conviction before he tends to his own vindication.

The Congress has several protections that I feel a strong obligation and responsibility to safeguard regardless of how the effort may appear to embarrass me as an individual person or a Congressman. One such prerogative is "immunity from detention" while proceeding to the Capitol. I trust I shall never be required to assert this congressional prerogative for myself, but if the occasion occurs I shall certainly assert every personal effort to preserve this special prerogative of the Congress, which could be essential to the proper functioning of the Congress and must be jealously defended.

Another congressional prerogative is immunity from libel in speeches uttered on the House floor. I also trust I shall never be required to invoke this special prerogative. However, if the time and occasion arises, I shall vigorously defend this prerogative. Few others are likely to rise to the defense of this "special protection" of the Congress, but it is essential to our system.

For the Vice President and the President to perform their unique duties for the people they need certain protections. These I believe are given by the Constitution which I consider to be an inspired document and one of the most ingenious works of mankind. Some parts of the Constitution have not been tested. The prerogatives of the Vice President and the President are now being tested and honed—in several courts, in the crucible of public opinion, in the power play between the branches of the Federal Government, in the intense partisanship of the politicians, in the academies of political scientists, and elsewhere.

Because of the nature of the times, the faultfinding syndrome which seems to have afflicted us, and the accusatory attitudes which enjoy such current popularity, the resolutions of our constitutional crises may come grudgingly.

HOUSE OF REPRESENTATIVES SHOULD RECONSIDER VICE PRESIDENT'S REQUEST IN THE INTEREST OF THE COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, in the days since the Vice President requested the House of Representatives to undertake a comprehensive inquiry into the charges against him, I have spent a great deal of time thinking about his request and reviewing the legal interpretations, scholarly opinion, and numerous syndicated columnists' views of this matter. Without question, it is fraught with constitutional interpretations of great magnitude which only the Supreme Court will be able to resolve.

However, it seems to me that the primary reason for granting the Vice President's request is grounded in simple logic, and that is every effort must be made to resolve the matter in the most expeditious manner possible in the interest of both the Vice Presidency and the country.

The distinguished constitutional scholar, Alexander Bickel of Yale, addressed himself to this issue in the current New Republic. It is his position—eloquently postulated and documented—which has had the most significant impact on my position. As Bickel concludes:

> It is a fact of life that the Vice President could suddenly succeed to the presidency at any moment, an act of commission or omission that tends to prolong the period of uncertainty about the charges against him is inexcusable if at all avoidable. The simple reason, therefore, why it is in the highest national interest that a select committee of the House begin its inquiry immediately is that to do so may in the end save time.

Mr. Speaker, the Vice President of the United States deserves the comprehensive, speedy, and impartial inquiry by the House of Representatives which he has requested. My friend and colleague from California (Mr. McCloskey) dealt at length yesterday with the legal issues involved. I associate myself with his remarks and urge the Judiciary Committee to take prompt action on the several applicable resolutions before it.

THE SPEAKER'S DECISION

I am disturbed that the distinguished Speaker of the House, Mr. Albert, summarily dismissed the Vice President's request. The gravity of the situation with which both the Vice President and the country are faced demands that the matter be subject to serious deliberation and decision by the whole House, certainly not by the exclusive and precipitous determination of the Speaker.

JUDICIAL DELAY ILL-SERVES THE NATION

A formal inquiry by the House is essential at this time because the country cannot afford the interminable delays and open-ended judicial remedies available to a Vice President. It appears now, in fact, that it will be sometime before the Vice President's indictability will be known. Considering the fact that the Vice President's responsibilities are ongoing, and the fact that the Vice President could accede to the Presidency at any moment, it seems to me that all proper and possible steps be taken to resolve this potentially dangerous national dilemma.

IMPEACHMENT EXCLUSIVE REMEDY

Recognizing the diversity of judicial interpretation before us, I personally find the interpretation that impeachment is the exclusive remedy against the Vice President sound. There can be no doubt that the Vice President of the United States must be constantly in a state of preparedness to assume the responsibilities of the Presidency, and thus the security of the Nation and the free world. The demands of a Vice President facing criminal proceedings certainly does not help the Vice President maintain a proper state of readiness for potential future responsibilities. A House inquiry therefore seems the logical method by which we can determine if the Vice President should continue to perform his constitutional functions. There is, I think, much validity to the point that the Constitution itself lends the inference that impeachment was contemplated as preceding criminal action against a civil officer of the United States.

Article I, section 3, paragraph 7:

> Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of Honor, Trust or Profit under the United States, but the Party convicted shall nevertheless be liable and subject to Indictment, Trial, Judgment, and Punishment, according to Law.

THE HOUSE VERSUS THE COURTS

The Speaker of the House, Mr. ALBERT, contended in his summary dismissal of Mr. AGNEW's request that it would be inappropriate for the House to undertake any inquiry of this kind while the matter is before the courts. It seems to me that the responsibilities of the courts and the Congress are separate. There is nothing in our law which prevents a congressional investigation at the same time as criminal proceedings are in progress. Certainly the ongoing efforts of the Watergate Committee working in tandem with several grand juries affirms that fact. As Congressman MCCLOSKEY put it in this well yesterday—

> Justice under law and proper legislative inquiry are of equal importance to the Nation; they are of equal responsibility under the Constitution; and neither should be delayed save perhaps in the rare case where they might be prejudicial to the other.

And William S. White explained:

> For the House therefore to say that it really cannot intervene 'because the matter is in the courts' in a staggering cop-out of double-talk. After all, the fact that the matter is indeed "in the courts" is Agnew's whole point. He is appealing to the House to acquit him or to impeach—that is to indict—him because in his view the courts could not legally do so.

CONCLUSION

Mr. Speaker, it seems to me, that the case for commencing a congressional inquiry of the Vice President is sound. First, the question of determining if a congressional inquiry is to take place requires the deliberation of the whole House. Second, I believe impeachment to be the exclusive remedy against a sitting Vice President. Third, the country can ill-afford a lengthy judicial process in the case of the Vice President. And last, I find nothing in law which prevents the simultaneous occurrence of a congressional investigation and criminal proceedings.

It is therefore of fundamental national importance that the Vice President be given the impartial and comprehensive inquiry which he has requested from this body.

Mr. Speaker, the distinguished constitutional scholar Alexander Bickel, presents a careful analysis of the situation before us:

> ### The Constitutional Tangle
>
> A bit of tension in the Agnew case was released last Wednesday, the 26th, but the path along which a resolution can be reached is far from clear as yet. Attorney General Richardson has authorized grand jury proceedings. But this means only that the evidence accumulated by the United States attorney in Baltimore and the witnesses he has interviewed will now be rehearsed and presented before the grand jury. The grand jury, under the guidance of the United States attorney and of Attorney General Richardson, may then dismiss the charges or vote an indictment. The attorney general, however, has not indicated what his course of action would be should an indictment be voted. He must authorize signature of it by the US attorney if the matter is to proceed to trial. Else it cannot and the indictment is a nullity.
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> Normally, of course, signature of the indictment is authorized, and trial does follow unless there is a plea of guilty. But in this case a major decision lies between indictment and signature. The question for decision is whether a sitting Vice President is subject to criminal indictment or must first be removed by impeachment before he can be indicted and tried. The Vice President takes the position that he is not indictable.
>
> The question is an open one. It has never been authoritatively decided and there are no historical materials that shed any particular light upon it. The text of the constitutional provisions is inconclusive. It is said in Article I, Section 3 that the judgment in case of impeachment shall extend only to removal from office and future disqualification for office, and shall not foreclose subsequent criminal indictment and punishment. This language tends to suggest an assumption on the part of the draftsman that impeachment will normally precede criminal indictment. Yet no more than the suggestion of an assumption can be drawn from the language. It does not remotely say that impeachment must precede criminal indictment. A second provision, in Article II, Section 4, merely lays it down that the President, the Vice President and all civil officers of the United States are removable by impeachment.
>
> Since not all men are angels and the framers of the Constitution had this earthy insight firmly in mind, if it were true that impeachment must in all cases precede criminal indictment, then the conclusion would have to follow that the framers intended Congress to be pretty busy with impeachments. For the impeachment clause applies to thousands of federal officers. It is very unlikely that the framers would have wished Congress to devote a substantial portion of its time regularly to the impeachment process; and it is unlikely that they thought the federal government would long remain small enough so that the impeachment business would constitute only an occasional and minor burden. The more reasonable supposition, therefore, is that in the ordinary case of criminal misconduct by federal officials, impeachment was not viewed as a necessary first step, and indictment prior to impeachment was not foreclosed. Practice has long conformed to this reasonable supposition. Federal officials, including judges, are indicted prior to resignation if necessary and impeachment has been a rarely used procedure.
>
> The case of the President, however, is unique, and it is strongly arguable that the Vice President partakes of the uniqueness of the President. In the presidency is embodied the continuity and indestructibility of the state. It is not possible for the government to function without a President, and the Constitution contemplates and provides for uninterrupted continuity in that office. Obviously the presidency cannot be conducted from jail, nor can it be effectively carried on while an incumbent is defending himself in a criminal trial. And the incumbent cannot be replaced or suspended or deprived of his function as President while he is alive and not declared physically disabled, as he now may be under the 25th Amendment. (That the 25th Amendment applies only to physical disability is clear from its legislative history; the amendment would be a dangerous instrument indeed if it were otherwise.) Hence a sitting President must be impeached before he can be indicted.
>
> The necessary continuity of the presidency depends also on the availability of the Vice President, because upon the death or physical disability of the President the Vice President—if there is one—automatically succeeds. Thus the continuity is never broken; discharge of the function is never interrupted. While the Vice President is alive and still in office, even if he be in jail or in the midst of a criminal trial, there is no way under the Constitution to provide for any other succession to the presidency than the Vice President's. Other successions can be provided, and have been by statute, to take care of the case of there being no Vice President at a time that a vacancy opens in the presidency. But no succession other than the constitutional one by the Vice President can be provided for if a Vice President is in office, which he is so long as he is alive. If the continuity of function in the presidency therefore requires that the President must first be removed through impeachment before he can be indicted, then it follows—or at least it can be strongly argued to follow—that the Vice President must equally first be impeached before indictment. It is not that there is equally a need for continuity in the office of Vice President as in the presidency. It is rather that while he is alive the Vice President cannot be bypassed in arranging the succession to the presidency, and if he is indictable before impeachment, it may turn out that a Vice President who is in the midst of a criminal trial or has been convicted or is serving a sentence, suddenly and unavoidably becomes President. This is not a consummation to be regarded with equanimity.
>
> Since he is taking both the position that he is not subject to indictment and the position that he is innocent, will remain in office and seeks authoritative vindication, the Vice President has naturally made a request to the speaker of the House that the House, whose function it is to commence impeachment proceedings, if any, begin an investigation of the charges against the Vice President. The speaker has replied he would take no action for the time being. That is highly regrettable. The national interest dictates that the House act, by appointing a select committee to take evidence after the fashion of a

grand jury, in private. It will necessarily be a while before the legal question of the Vice President's indictability can be resolved. It may be and it probably ought to be resolved in favor of the Vice President. Should that be the outcome, the House will be required to act. Since in the meantime it is a fact of life that the Vice President could suddenly succeed to the presidency at any moment, an act of commission or omission that tends to prolong the period of uncertainty about the charges against him is inexcusable if at all avoidable The simple reason, therefore, why it is in the highest national interest that a select committee of the House begin its inquiry immediately is that to do so may in the end save time.

SOVIET JEWS—THE ISSUE IS HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON. Mr. Speaker, I would hope that we have learned the lessons of history well and will not remain silent as terrorists impose their will upon a sovereign nation and cause untold hardships to already overburdened Soviet Jews attempting to reach Israel.

The cause of humanity, of human freedom and dignity, transcends national boundaries; for, in the words of John Donne, we are "all involved in mankind." The decision of the Austrian Government, made under the duress of Arab terrorists threats against hostages, to close Schoenau Castle to Soviet Jews enroute to Israel is of grave concern to all. It is a decision which I sincerely hope will be reviewed and reversed.

The United States, through our Department of State should exert every effort to right this wrong. To surrender to the tyranny of terror is to invite further terrors for all free peoples. Have we so soon forgotten the lessons of the 1930's?

I am reminded of the words of Pastor Niemoeller:

> In Germany, the Nazis first came for the Communists, and I didn't speak up because I was not a Communist. Then they came for the Jews, and I did not speak up because I was not a Jew. Then they came for the Trade Unionists, and I didn't speak up because I wasn't a Trade Unionist. Then they came for the Catholics, and I was a Protestant so I didn't speak up. Then they came for ME . . . by that time there was no one to speak up for anyone.

For that reason, Mr. Speaker, this one Member of the House must speak out against this latest injustice against Soviet Jews, this latest transgression of human rights.

THE SHARPSTOWN FOLLIES—XLVIII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, early in 1971 the Texas financial empire of Frank W. Sharp blew apart. It was a shocking event—insurance companies were found to have been looted and milked; Sharp's banks were discovered to have been shorted out of millions of dollars in cash; there were stock frauds and payoffs involving the biggest political names in the State. The Sharpstown scandal was the biggest scandal to hit Texas in many years, and it shook the State to its very foundations.

During the winter and spring of 1971 it looked as if the Federal Government would prosecute Sharp and his gang for a long series of crimes. It is impossible to describe how shocking it was to Texans that in mid-June the Department of Justice handed Frank Sharp himself a grant of immunity. Here was the central figure in the most bizarre, extensive, and shocking financial crimes in Texas history, walking away from the case with a guarantee of immunity.

Investigators for the Securities and Exchange Commission reacted to Sharp's immunity grant with expressions of dismay and disbelief—but their protests were quickly silenced. Privately, though, SEC investigators would say, as one did to me, that thinking of Sharp's immunity was "like looking in the mirror and finding that I've got cancer." In other words, letting Sharp off the hook guaranteed that the big culprits in the case would get clean away. And that is exactly what happened.

I said on June 16, 1971 that in the Sharp case—

> The big one got away. The people will never know what happened at Sharpstown, or why. Justice is the loser. And the Department of Justice lost deliberately.

In 47 speeches to the House, I showed how the Department of Justice had bungled the case, either because of a desire to protect its own Assistant Attorney General Will Wilson from exposure, or from a desire to prosecute leading Texas political figures, whom they were counting on Sharp's testimony to convict. But only one conviction of a political figure was obtained, and that without Sharp's help. Wilson's role in the Sharp empire was exposed, and he was asked to resign his post.

On August 20, 1971, I wrote Attorney General Mitchell to ask that Wilson's role in the Sharpstown case be investigated, and to warn that the handling of the case endangered the integrity of the whole Department of Justice. In that letter, I said:

> It is alleged . . . that the entire handling of this case has been based primarily on political considerations. If that is what has been done I see no reason to believe that you either have respect for the law nor hope that public confidence can be maintained in your Department.

Attorney General Mitchell never even acknowledged my letter. I wrote him again, on September 22, 1971, saying:

> This entire situation calls into doubt the integrity of the Department of Justice. I would think that you would be sensitive to a growing scandal of this kind.

This letter was never answered, either. So on October 6, I sadly told the House that Mitchell "may succeed in the short political run, but that success will come at the expense of respect for law and trust in the Department of Justice. Mitchell might never have to answer me, and I do not care about that; but sooner or later he who today undermines the foundations of the Justice Department will see it crumble about him. Wilson and Mitchell are destroying the very Agency they are sworn to uphold."

Little did I know how prophetic these words were. Here we stand, almost 2 years from the day that I uttered those words, and here is what happened: Wilson resigned in disgrace, Mitchell later had to leave the leadership of the Republican campaign in disgrace, and today stands indicted with the former Secretary of Commerce for criminal offenses including obstruction of justice; and the Department of Justice stands shattered, so much so that a special prosecutor has been appointed to handle affairs that it should have been entrusted with. Our Nation has never witnessed a faster decline of an agency that once was proud to a fault; and our people have come to have little faith in either justice or their government.

The tragedy of the Sharp case is that it marked a major case in which the Department of Justice aimed to carry out a political vendetta by letting a major criminal go, for the sake of whatever testimony he might provide. The moral bankruptness of this decision must have been clear to those who made it—but they were blinded by their greed. And the consequence of their action was that Sharp never gave them a nickel's worth of testimony. The Department of Justice did not clean out Texas government at all. That was left to the voters, who turned out more than half the legislature, the Governor, the attorney general, and a horde of other incumbents who had been marked by the scandal, whether rightly or wrongly.

I said too that Sharp's immunity was most likely the consequence of bungling on the part of the U.S. attorney in charge of the case, Anthony J. P. Farris. Yesterday, in Federal court, ex-Attorney General Kleindeinst testified that Farris had violated his instructions in handling Sharp's immunity, and that he had ordered Farris off the case. It was this same Farris who had accused me of knowing nothing about the case, and having no right to speak about it. Now that Kleindeinst has spoken about it, it appears that Farris is the one who knew nothing about the case, and that it was his stupidity that led to Sharp's going free, without ever having to give the testimony that he was supposed to give. I said in 1972:

> How did Sharp get away? You might ask Anthony J. P. Farris, who cut the nets through his own incompetence.

Today, it appears, his boss Kleindienst has at last confirmed my judgment—that Farris bungled the case so badly that he had to be taken off it.

As for the role of Will Wilson, the investigation I called for was also requested by Wilson's deputy and successor, Henry Peterson. He never got it.

Of all those involved in the case, Peterson probably knew best what was happening. He knew that Mitchell, Wilson, Kleindienst, and Farris—all political appointees selected by people who valued loyalty above integrity, were destroying the Justice Department. He might have even sensed that they were destroying themselves, as indeed they did. He might have also felt deep in his heart that these men had the capability of destroying the whole government. As Watergate later proved, such men did have that capability, and succeeded very well in destroying whatever hopes Richard Nixon might have ever had for becoming the great man he hoped to be.

Sharpstown came a long time before Watergate.

I was the only one who recognized and protested what was happening in the Sharpstown case. My claims have been vindicated completely.

I said that Wilson was involved with Sharp, and he has been proven to have been so involved.

I said that the case was handled on a political basis, and that Mitchell was destroying his own department for the sake of political gains, and this has been proved too; and it has been the sad lot of the country to see the Department of Justice corrupted and two successive attorneys general resign just ahead of disgrace, and in one case, just ahead of a criminal indictment.

I said that Anthony J. P. Farris was a bungler and incompetent, and now this has been proved too.

Sharpstown was not like Watergate. It corrupted and ruined everyone around it. And it signaled the kind of cynical, morally corrupt administration that Watergate came to symbolize, and that came near to destroying the very capacity of this government to carry out even its most elementary tasks.

We stand today in the midst of a government corrupted by hordes of ruined little men. We stand in a government paralyzed by ineptitude and lack of leadership. Sharpstown was just a sample of the attractions that were to come. I am sorry to have been so right.

DRASTIC CUTBACK FOR LIBRARIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. WILLIAM D. FORD) is recognized for 5 minutes.

Mr. WILLIAM D. FORD. Mr. Speaker, in light of the drastic cutbacks for libraries in the current budget, I believe that we in Congress must make clear beyond question that library resources and services have a high educational, cultural, and scientific value, that our libraries are a national resource we can ill afford to neglect at the Federal, State or local level. The administration, on the other hand, is taking every possible action to see that libraries are eliminated from the Federal interest—the three major library programs have been zero budgeted, the administration is trying to eliminate libraries from the authorizing legislation as well, by attempting to swallow them up in a general category of "support services," and finally, it is my understanding, although no official announcement has yet been made, that the administration plans almost immediately to wipe out the Office of Education's Bureau of Libraries and Learning Resources, thus removing the major source of technical assistance, evaluation, and leadership which the Federal Government has been providing libraries all across the Nation for many years now.

Although the Eisenhower, Kennedy, and Johnson administrations all recognized and tried to fulfill the Federal Government's responsibility for libraries, the Nixon administration has totally rejected any Federal responsibility whatever for libraries. While previous administrations understood that quality libraries for all Americans depend upon a Federal-State-local partnership, the Nixon administration wants the States and localities to do the whole job. Over the years, the States and localities have assumed increasing responsibility for their libraries, but libraries perform services in the national interest, too, and therefore deserve Federal assistance as well. The States know this, but the administration has apparently forgotten. I would suggest that President Nixon and HEW Secretary Weinberger refresh their memories on this subject by rereading their own State of California's Education Code, which states in part:

> The public library is a supplement to the formal system of free public education, and a source of information and inspiration to persons of all ages, and a resource for continuing education and re-education beyond the years of formal education, and as such *deserves adequate financial support from government at all levels.*" (§ 27000, emphasis added)

Libraries, however, remain unimportant to this administration, a most disturbing fact in my opinion.

For this reason, I believe it extremely important that Congress take specific actions, whenever possible, to make clear the value we place upon the services our Nation's libraries perform every day to help American citizens from all walks of life to obtain the information they need to lead productive satisfying lives. We must not allow the administration's limited outlook to prevail. Accordingly, I propose that we take the following steps: First, retain the school library program, ESEA title II, as a separate, identifiable program with funds specifically earmarked for its purposes, just as we have in the past; second, make known to the Office of Education the importance we place upon the Bureau of Libraries and Learning Resources, by asking that this bureau be retained and by enacting legislation to mandate it if necessary; third, make sure that the administration spends and does not impound the funds we have appropriated for the library program; and fourth, hold hearings in Congress to bring together a total picture of the impact of the administration's planned reversal of Federal policy with respect to libraries.

I support and ask my colleagues to consider seriously all these initiatives. It is to the first, however, that I wish to address myself now. As we continue to mark up H.R. 69, the time is fast coming when we must make some firm decisions about program consolidation. I urge my colleagues to vigorously oppose the "support services" consolidation in H.R. 69 which would in effect eliminate the school library program—ESEA title II. The Federal Government has a responsibility to set certain general educational priorities, to encourage States and localities, without restricting them unduly, to adopt balanced and enriched educational programs for their children. The landmark Elementary and Secondary Education Act of 1965 has been in large part successful, and we can make it even more successful in the future by profiting from the mistakes we made in the past. One of the major impediments to enacting effective education legislation is the lack of information on how well existing programs work. I thought we had learned that lesson from our experience in earlier years with ESEA. And yet, if we agree to endorse consolidation, to create a "support services" category, allowing the States to use funds almost any way they want, we will have even less data on which to evaluate our legislation. How can we expect to know whether Federal dollars are being effectively used when we do not even know what the States are using the funds for? How much will be spent for library resources under "support services," and how much will be spent for guidance? There will be no way to know. We have had experience with consolidation already, and it is obvious to any student of the subject that we lose track of where the money goes. Consider for instance, the counseling and guidance program, the former NDEA title V which we merged with ESEA title III in 1970. This program has not only lost visibility, but it has become next to impossible to determine how or even if funds are being used for guidance and counseling at the local level. How can we expect to assess the effectiveness of Federal library programs if we eliminate the unit within the Office of Education responsible for evaluating these programs? The goals of simplified application procedures and less redtape are goals we all support. Consolidation is not the only way or the best way to approach these goals. Let us stick with the programs we have when they are successful and working well. If we decide to move toward consolidation, let us consolidate programs that are working less well or programs that have been less effective.

I criticize the Bell-Quie support services consolidation for the following reasons:

First. NDEA III was extended last year in the Education Amendments of 1972—Public Law 92-318. It has an authorization through fiscal year 1975, and thus has nothing to do with the present ESEA extension bill. We are dealing in H.R. 69 with the extension of expiring education authorities, and NDEA III does not fall into this class at all. We decided last year to extend the program. We should not reverse ourselves this year.

Second. ESEA title V is consolidated in name only, while in fact funds would continue to be guaranteed for this program so long as adequate funds are appropriated for the consolidation. This places an unfair burden on the other programs in the consolidation. They, too, should have guaranteed funds.

Third. Aid to private schools, which has been successfully and constitutionally carried out under the school library program—ESEA title II—is placed in jeopardy by the provisions of the support services consolidation. The Supreme Court has held that State aid to parochial schools in the form of maintenance and repair grants is unconstitutional—Committee for Public Education and Religious Liberty et al. against Nyquist et al., decided June 25, 1973—the Court has also held unconstitutional State aid programs providing services in private nonprofit schools, such as testing or guidance services. The support services consolidation attempts to provide private schools with equipment, repair and minor remodeling, guidance, counseling and testing services, along with library resources. Litigation is bound to result, and the private school children are bound to be the losers, as all support services assistance would likely be denied them during the lengthy court battles that would ensue.

Fourth. The support services consolidation in part is written in permissive rather than mandatory language, thus allowing the States to spend the consolidated funds for any purpose they choose, see page 53, line 11, for example.

Fifth. The language specifying the appropriation level necessary to trigger the consolidation is vague. Referring as it does to the previous year's aggregate amount, questions arise as to precisely which fiscal year will be the "previous year" by the time this legislation is finally enacted, and questions arise too as to whether the sums actually appropriated by Congress are to apply, despite the ensuing vetoes, or whether appropriations can be construed instead to refer only to funds obligated, ignoring the unprecedented impoundment of appropriated funds that has occurred this year and last. Impoundments, vetoes, and continuing resolutions have so skewed the appropriations process in the area of education, that imprecise language such as that referring to "the aggregate amount appropriated for obligation during the preceding fiscal year" is totally unacceptable, page 38, line 6.

Sixth. The State advisory councils that would be required under the proposed consolidation need not have any representatives from the library-media community, despite the fact that in terms of appropriations the largest single program to be folded into the support services consolidation is the school library resources program.

Seventh. The support services consolidation would merge a matching program—NDEA III—with nonmatching programs, with the result that this feature of NDEA III would be lost. The matching requirements under NDEA III have required local school districts and State legislatures to put up some of their own money to qualify for NDEA III grants. A number of States have adopted variable matching provisions which make it easier for the poorer districts to acquire much needed equipment, by requiring a lower match from them and a correspondingly higher match from the richer districts. My own State of Michigan is one of those that allows variable matching.

Eighth. The support services consolidation would bring an end to two highly successful programs: the school library program, and the equipment and minor remodeling program. They are popular at the State and local levels, both work well at low administrative costs. They are enabling schools to update library resources, laboratory and audiovisual equipment, providing these materials to many school districts for the first time. All the Nation's school children are benefiting from these programs. It simply does not make sense to terminate such successful and popular programs in favor of "support services" which at best can be viewed as a pig in a poke, with no guarantees of success.

THE CASE OF BORIS PENSON ET AL.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Wolff) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I am delighted that the House Ways and Means Committee has included in the 1973 trade bill the Mills-Vanik amendment as a means to convince the Soviet Union that this country will not tolerate its repressive emigration policies, directed mainly against Soviet Jews. It is now incumbent upon the House as a whole to see that this amendment remains in the final version of the trade bill that is ultimately signed into law.

Last week, I and several other Members joined in a special order on the Mills-Vanik amendment. Until the amendment becomes law, we will continue to bring to the attention of our colleagues and to the American people cases of the Soviet Union's harsh treatment of Jews desiring to emigrate to Israel or to the United States. Taken together, these cases offer a compelling argument for enactment of the Mills-Vanik amendment, through which our own country can act to preserve its commitment to the principles of freedom and human dignity.

Last April, I wrote to Ambassador Anatoly Dobrynin urging that he intercede on behalf of Mr. Boris Penson, a young Soviet Jewish artist who was sentenced in the "Leningrad Trial" of December 1970 to 10 years in a Soviet labor camp. The case of Boris Penson first came to my attention several months ago when several of his paintings, which had been smuggled out of the Soviet Union, were exhibited in my own district on Long Island. I was amazed at the high quality of these works and the genuine talent which they reflected in such a young artist. In fact, critics much more knowledgeable about the arts than I, who had the opportunity to see Mr. Penson's paintings either in the United States or Canada, acclaimed the work as highly original and first-rate. It is indeed a tragedy that Boris Penson's talents and energies are now being wasted by his imprisonment in a Soviet labor camp.

Before his incarceration, Mr. Penson had been actively seeking to emigrate to Israel. Not only was he denied permission, but his desire to emigrate seems to have been the major reason for his trial and confinement, like so many of the other defendants in the tragic 1970 hijacking trial in Leningrad. Boris Penson's father died recently, after serving 2 terms in a labor camp; his mother is now seriously ill. When I wrote to Ambassador Dobrynin, I urged his sympathetic attention to the case of Boris Penson, yet I did not even receive an acknowledgment of my letter.

The case of Boris Penson is only one of several hundred that even reaches the ears of the Western world. The New York Times reported last week that there are nearly 600 U.S. emigrants in the Soviet Union who cannot obtain permission to return to the United States either on grounds of their American citizenship or to join American relatives. Despite the Soviet Union's professed spirit of cooperation with the United States, they have been unwilling to ease their discriminatory emigration policies and the harassment of Soviet Jews in particular continues undaunted.

Mr. Speaker, at this point in the Record I would like to bring to the attention of my colleagues an appeal addressed to the U.S. Congress by over 85 Soviet Jews from Moscow and Vilnius urging enactment of the Mills-Vanik amendment. The appeal was delivered by a phone message from Russia to the National Conference of Soviet Jewry here in Washington and asked to be forwarded to the U.S. Congress. The text of the appeal and the names of those who submitted it follow:

Appeal to U.S. Congress by Jews From Moscow and Vilnius

To: The Congress of the United States.

You will be taking a decision on which our fate will depend. Therefore we consider it our duty to express with all clarity our appraisal of the situation and our position.

Some circles in the West claim that the Soviet Jews applying for emigration to Israel are afraid that they will be subjected to repressions if the Congress passes the Jackson/Mills-Vanik Amendment to the Trade Bill, and that the emigration will stop. It is also claimed that the Amendment constitutes an intervention in the internal affairs of the USSR and would only hinder the development of trade and cooperation and, consequently, the relaxation of tension throughout the world. We categorically disagree with such statements.

"Quiet diplomacy" has not yet brought about any tangible results. The lists of names of Soviet Jews denied permission to emigrate brought to Moscow by the American Administration remains unattended. The revocation of the education tax was not a result of "quiet diplomacy" but rather a result of open and wide protests.

What does the Amendment speak about? Only that the Soviet Union should observe its constitution and the General Declaration on Human Rights which it signed. Can the recognition of our personal rights, which you consider to be elementary and vitally necessary for yourself, be a hindrance to the development of freedom among nations?

This is our answer to those who say that we fear intensification of repression against us by Soviet officials in revenge for U.S. Congressional passage of the Amendment to the Trade Bill: Only we ourselves have the moral right to control our fate. We stand for a consistent, open fight of principle for our civil rights. Fears for our personal security resulting from humanitarian feelings of the American people should never be a reason for giving up this struggle.

The refusal of the representatives of the American people to pass the Amendment would be a deviation from the noble principles of true humanitarianism, a capitulation to unscrupulous "blackmail, and a first step in the chain of further retreats.

Signed by the following Jews:

From Moscow: Iosif and Dina Beilin, Miriam and Ada Form, Victor Valtsov, Mark Lvovsky, Aleksander, Vladimir and Sofia Lerner, Boris Levin, Yudith Perlman, Kirill Khenkin, Irina Kanevskaya, Mark Nashpits, Moisey Belfor, Iliya Korenfeld, Lev Kogan, Arkady Ruyman, Natan Kolchinsky, Grigory Toker, Iosif Begun, Pavel Abramovich, Marta Balashainskaya, Vladimir and Elena Prestin, Lev Levitin, Aleksander Lunts, Mikhail Agursky, Ilya Privonotsky, Victor and Elean Polsky, Veniamin and Aleksander Levich, Semion Priven, Tatyana Rubinshtein, Valentina Koreshkova, Zhanna Rostomova, Victor and Irina Brailovsky, Aleksander Temkin, Leonid Koshevoy, Boris Ainbinder, Victor Papidus, Genrietta Shpolyanskaya, Aleksander Lekhtman, Dmitry Shchiglik, Tatyana Svetlova, Mikhail Plotsk, Isak Dimshits, Vladimir, Maria and Aleksander Slepak, Leonid Tsipin, Boris Tsitlenok, Aleksander Rayfeld, Anna Shmukler, Olga Rutman, Mikhail Kerbel, Vladimir Vagner, Kiril, Elena Shrotkina, Valery and Valeria Krizhak, Yuri and Alla Berkovsky, Zakhar and Rimma Tesker, Anatoly and Bella Novikov, Solomon Insitsky, Khoma Insitskaya, Mark Novikov, Ida Nudel, Yuri, Savely and Miryam Vasserman, Vladimir Ahakhnovsky, Iona Kolchinsky, David Azbel, Lev Gindin, Yakov Pisarevsky, Veniamin Gorokhv, Gregory Svechinsky,

From Vilnius: Eitan Finkelshtein, Vladimir Drot, Zelik Gafanovich, Ekheskiel Kalk, Yoram Kenigsberg, Veniamin Gotlib.

Mr. Speaker, it is crucial for us to realize the strength and courage of these Soviet Jews who may very well be risking their lives by appealing so openly to the U.S. Congress. I hope the House will stand firm on the Mills-Vanik amendment as an indication that the American people will not barter trade or political concessions for basic human rights and values.

ASSISTANCE FOR LAW ENFORCEMENT AGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. Mathis) is recognized for 10 minutes.

Mr. MATHIS of Georgia. Mr. Speaker, yesterday I introduced legislation, H.R. 10645, which I feel would furnish much needed assistance in the fight against crime in this country. Much effort and many millions of dollars have been spent in strengthening law enforcement agencies in the solving of crimes and also in the training of police personnel. While I fully support these efforts, I think it goes without saying that the full cooperation of the private sector should be utilized and the legislation I have introduced would further guarantee their support.

The bill would furnish much more than training seminars and public awareness programs conducted by public agencies. My legislation would offer incentives that the American people know and understand; that being a saving in their pocketbook. H.R. 10645 would provide a tax credit against the costs of defined security device systems installed on the owner's private or business establishment. Such devices could include proven burglary alarm systems, heavy duty plate glass windows, iron bars, increased outside lighting fixtures, and many more such crime preventive items.

In my discussions with law enforcement agenices in my district, they have confirmed that crime incidents could be substantially lowered by the installation of such devices and that they were more than willing to conduct seminars with business and community leaders advising them what they could do to protect their establishments and what items could qualify for the tax credit.

An example of what could happen is for the owner of a jewelry store to install plexiglass storefront windows in lieu of the standard glass fixtures. With this type window, a burglar would find it very difficult to simply break it, grab the displays and disappear before a patrol car arrives, which is usually the case. Under the present system, the store owner does not like the burglary, but in most cases he is not greatly concerned because he knows his insurance will cover the loss. An additional incentive for this store to install such a device could conceivably be a substantial decrease in his insurance premiums because of the installation. Again I am talking about financial savings, and I feel that money is a great incentive for the American citizen to participate in anything. We have seen automobile insurance lowered because of the installation of safer bumpers, and I feel that the insurance industry would cooperate in their home and business coverage if such legislation became law. •

In closing, Mr. Speaker, let me assure the critics who would say that this legislation would rob the Federal Treasury of much needed currency, because the indirect costs savings to the Government would more than compensate for credits being given. It is time that this country gave the law enforcement agencies in this country this form of assistance in order that they can not only apprehend law violators, but to protect the innocent public by more effectively preventing criminal activity.

RESOLUTION EXPRESSING CONCERN AT THE SUPPRESSION OF DISSENT IN THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I am pleased to announce that a bipartisan group of 50 Members of the House have joined to sponsor House Concurrent Resolution 300, which urges President Nixon to express the grave concern of the American people over the repression of dissidents in the Soviet Union and the harassment of that country's citizens who wish to emigrate.

This is a complex issue, Mr. Speaker, one involving delicate questions of America's role as a spokesman for political liberties, of our attempts to formulate new trade agreements with the Soviet Union, and of international political questions now embroiling almost every Western nation as well as the countries of the Middle East.

And as the days go by, the situation becomes even more complex.

Surely the recent Arab terrorist attack against Jewish emigrees traveling through Austria has exacerbated the problem.

But, Mr. Speaker, that unconscionable breach of international law has also served to bring to the public eye the suffering of individual Soviet citizens who in many cases have risked their lives to obtain humanitarian justice and a measure of dignity denied them in their homeland.

We must not lose sight either of the haunting spectacle of those Russian writers, scientists, and academics subject to debasing political trials and outrageous prison sentences simply because they have expressed ideas contrary to the official Government line.

Numbered among that group are novelist Alexander Solzhenitsyn, physicist Andrei Sakharov, economist Viktor Krasin, and historian Pyotr Yakir.

Mr. Speaker, House Concurrent Resolution 300 would call upon President Nixon to use the opportunity of trade negotiations—an opportunity at hand with Treasury Secretary Shultz at this very moment—to work toward an end to Soviet supression of free speech and government-sanctioned anti-Semitism.

I would urge my colleagues to give their earnest and immediate support to this measure, as well as to the Jackson-Mills-Vanik amendment which calls for withholding most favored nation status and investment credits from any nation which refuses its citizens the right freely to emigrate.

Mr. Speaker, the following is a list of the cosponsors of House Concurrent Resolution 300: Ms. Abzug, Mr. Anderson of California, Mr. Annunzio, Mr. Badillo, Mr. Bell, Mr. Biaggi, Mr. Boland, Mr. Brasco, Mrs. Chisholm, Mr. Delaney, Mr. Drinan, Mr. Edwards of California, Mr. Eshleman, Mr. Fascell, Mr. Fish, Mr. Fraser, Mr. Frey, Mr. Gilman, Mrs. Grasso, Mr. Gunter, Mr. Harrington, Mr. Hawkins, Mr. Hays, Miss Holtzman, Mr. Howard, Mr. Ichord, Mr. Kemp, Mr. Koch, Mr. Lehman, Mr. Long of Maryland, Mr. Madden, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Murphy of New York, Mr. Nedzi, Mr. Obey, Mr. Pepper, Mr. Peyser, Mr. Podell, •Mr.

Rangel, Mr. Rees, Mr. Reid, Mr. Roe, Mr. Roybal, Mr. Sarbanes, Mr. Thompson, Mr. Waldie, Mr. Whitehurst, Mr. Wolff, and Mr. Yates.

Mr. Speaker, the following is the text of House Concurrent Resolution 300:

H. Con. Res. 300

Resolved by the House of Representatives (the Senate concurring), That physicist Andrei Sakharov, novelist Alexander Solzhenitsyn, historian Pyotr Yakir, economist Viktor Krasin, and other citizens of the Soviet Union have demonstrated enormous courage and intellectual honesty in advocating and defending the importance of fundamental civil and political liberty, the necessity for the free and unrepressed dissemination of ideas, and the meaning of basic human decency although faced with increasing harassment and imminent danger of criminal sanction;

That the intensive and thorough campaign of the Soviet Government to intimidate and deter those who have spoken out against repression of political and intellectual dissent profoundly offends the conscience of a free people; and

That recent incidents of Soviet Government-sanctioned anti-Semitism violate internationally agreed-upon principles of human rights, including free emigration and free expression of ideas.

It is, therefore, the sense of the Congress that the President should take immediate and determined steps to—

(1) impress upon the Soviet Government the grave concern of the American people with the intimidation of those within the Soviet Union who do not adhere to prevailing ideology;

(2) call upon the Soviet Government to permit the free expression of ideas and free emigration by all its citizens in accordance with the Universal Declaration of Human Rights; and

(3) use the medium of current negotiations with the Soviet Union as well as informal contacts with Soviet officials in an effort to secure an end to repression of dissent.

A GRAVE PROBLEM IS DEVELOPING AT OUR AIRLINE TERMINALS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Mezvinsky) is recognized for 5 minutes.

Mr. **MEZVINSKY**. Mr. Speaker, it has come to my attention that a grave problem is developing rapidly at our airline terminals. Since last summer, the airline industry has been installing X-ray systems to inspect hand baggage that are not only potentially dangerous to the health of airport personnel and passengers but also may offer less protection against hijackers than the previous system of hand inspection.

The Federal Aviation Administration has sanctioned the installations of these X-ray systems and has to date approved seven systems for use, one of which does not yet have a demonstrator model. Yet, the Agency has ignored the necessity for requiring any safety standards for these devices and has done nothing to insist that the Bureau of Radiological Health set enforceable standards for them. To date, there are no mandatory Federal safety standards for the design, manufacture, operation, or maintenance of these machines.

At the very least, one would have expected the Federal Aviation Administration to have evaluated the pros and cons of these inspection systems with a thorough cost-benefit analysis. But the FAA has apparently no evidence to determine whether or not an X-ray system can do the job of inspection better than—or indeed as well as—hand inspection, as there is reason to suspect. The FAA has no figures comparing the efficacy and risks of the two methods.

So that others may know in more detail the extent of the seriousness of this problem, I would like to submit for the Record a copy of a letter to the Administrator of the FAA prepared by Ralph Nader and Reuben Robertson who are associates of the Aviation Consumer Action project:

October 1, 1973.

Hon. Alexander P. Butterfield,
Administrator,
Federal Aviation Administration,
Washington, D.C.

Dear Mr. Butterfield: We continue to be deeply concerned about the FAA's regulatory abdication which has encouraged the airline industry hurriedly to install x-ray systems for the inspection of personal carry-on articles and hand baggage. This will briefly summarize the major points covered in our recent meeting with you.

Any new source of man-made radiation in our living environment poses some degree of potential threat to the health and safety of both present and future generations. Obviously such new sources should not be introduced until we have a reliable evaluation of how great the risk potential is, and unless it is clear that the benefits to be derived substantially outweigh the costs. By either of these criteria, rational decision-making would require an immediate cessation of all x-ray system installations and operations.

The FAA has to date approved seven x-ray systems for installation and use by air carriers in the nation's airports. These are American Science and Engineering (AS&E) "Micro Dose X-ray Inspection System"; Astro-Physics "Scan Ray X-ray System," Model 0462; Baird-Atomic "Film Safe IV X-ray System"; Bendix Ray Airline Hand Baggage Inspection System; Norelco "Safe Ray SR-402 System"; Philips Electronics "Dynafluor III" Baggage Inspection Unit; and Heirmann/Teltron Model GPA-72 Baggage Inspection Unit. Hundreds of these systems are now being installed by the airlines throughout the nation, at a cost of some $5 million or more.

Despite the admonition of the Bureau of Radiological Health that there is increasing concern at both state and federal levels "with the need for effective and uniform controls on x-ray baggage inspection systems which will assure adequate radiation protection for operators as well as the general public," no mandatory federal safety standards exist for the design, manufacture, operation or maintenance of these appliances. There is no requirement whatever that passengers be informed of the use of x-ray systems, that the system not damage film, magnetic tape or other personal effects, that airline employees or passengers be adequately shielded from possible x-ray exposure, or that operators be trained or tested in the handling and hazards of X-radiation. The FAA has indicated that any governmental inspection or safety testing of the systems will have to be done by the states, most of which are unwilling or entirely incapable of adequately meeting this unwelcome burden.

What are the claimed benefits of using the x-ray inspection devices? The basic purpose, of course, is to reduce or eliminate the threat of hijacking of commercial flights. Since the CAB has permitted the carriers to pass on their costs associated with such security measures through the surcharge on passenger tickets, the only assessable justification for these systems from the FAA's perspective must be an increase in the efficacy of inspections over the existing methods.

Let us consider, then, what kind of improvement might be accomplished by using x-ray systems instead of physical inspection—a method which has proved immensely effective in eliminating hijacking since there has been not a single domestic hijacking to date from the inception of mandatory searches at the beginning of this year. The approved x-ray units are unable to perceive less than a 24-gauge insulated copper wire target and thus will be blind to numerous potentially lethal articles (plastics, gases, acids, for example) which may be used in airborne crimes. Even then the target resolution of the x-ray units is mediocre at best, and in some cases items may be missed depending upon placement in the baggage.

The systems have no alarm mechanisms to alert their operators to suspicious or prohibited articles. This is a particularly serious problem because of the mesmerizing effects of watching the picture tube for extended periods, and because the operators may be distracted by other things. Since our discussion with you we have made at least four field trips to watch these systems in operation, and there can be no question that operator distraction and fatigue do tend to lessen significantly the level of attention paid to the screen.

It seems clear to us that the x-ray systems are inherently less effective in accomplishing the inspection objectives than the physical search method, and in our view the change-over will tend to reduce rather than increase the level of airline security. In any event, there is no evidence whatever that x-ray is superior to physical search. The real motive for substituting the new appliances would therefore appear to be a public relations consideration—replacing a slight but perceptible inconvenience and delay to passengers with virtually invisible but potentially hazardous technology. This indeed seems to be the principal justification in your September 14 letter. But is the passenger objection point an adequate reason to rush forward with this program? In practice, the physical searches have been extremely well accepted by passengers. Thanks largely to exceptionally courteous and efficient treatment by the airline employees and to public appreciation of the security problem, the passenger outcry predicted last year has never materialized.

Just as the affirmative case for installing x-ray inspection systems is pathetically weak, the arguments in opposition are devastating:

Many of the machines have no shielding at all, and x-rays may be scattered throughout the vicinity. The shielding which is installed on some of the machines may shift and be rendered less effective if and when the systems are moved.

Some of the machines are designed in such a way that the operator's hand or arm may be put directly into the beam.

These appliances present an unmeasured but real threat to the health of the employees operating them. Operators may be subjected to a substantial accumulation of relatively small radiation doses over extended periods.

Levels of up to 120–150 mR exposure per week have been recorded in some cases. The effects of this kind of exposure are disturbing.

No film badges or other monitoring is required for the protection of employees (or, for that matter, of passengers), and the FAA has established no hours of service standards for operators handling this radiation.

State regulatory programs are seriously inadequate, and some have no programs at all. In some cases state agencies have already been subjected to extreme pressures by airlines and system manufacturers seeking approval for particular installations. We have received several complaints from concerned manufacturers and air carrier personnel about the severe regulatory void.

Many of the machines in use today and being installed do not meet even the minimal and non-mandatory guidelines issued by the Department of Health, Education, and Welfare. Compliance testing has been grossly inadequate. The FAA has even approved at least one machine for which the manufacturer had no demonstrator model available.

None of the X-ray systems are truly film safe, since any appreciable amount of radiation exposure deteriorates film quality. The degree of damage will depend upon the sensitivity of the film and the frequency, duration and intensity of exposure, among other factors. Passengers are not warned about this by the carriers.

The real fact of the matter is that the FAA has sanctioned the installation of these systems in a most irresponsible fashion. It has simply made no cost-benefit analysis of this new technological application, disgraceful nonfeasance by an agency which is supposed to apply a systems approach to assure the highest possible degree of safety in air commerce. The most candid answer your subordinates can give about this technology is that they have never evaluated its pros or cons, and they have no basis upon which to evaluate the safety and environmental effects of these appliances, or the compliance capability levels of each state.

In these circumstances, we respectfully submit, you have no legal alternative to halting present X-ray operations and suspending any further installations until proper standards have been established. At our meeting you assured us that you would immediately look into the matter. Because time is of the essence here, we would request your affirmative response no later than Friday, October 5. Thank you for your personal sensitivity and attention to this escalating problem.

Sincerely,

REUBEN B. ROBERTSON III.
RALPH NADER.

NEED FOR OVERALL PETROLEUM ALLOCATION SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, the Nixon administration should be commended for finally moving to establish a mandatory allocation system for heating oil and propane. I am concerned, however, over the lateness of the announcement and the piecemeal approach to the problem of equitable distribution of scarce fuels. President Nixon has moved too little and too late.

Crude oil and gasoline should have been included in the new system. Unless we start allocating petroleum at the beginning of the production process—at the well—the allocation system cannot work effectively in the long run. If inland refineries could be assured of adequate supplies of crude oil, the rest of the distribution system would be less strained.

It is shortsighted, in any case, to leave gasoline out of an allocation program. With autumn at hand, fuel oil and propane problems have taken precedence over gasoline. Come spring, gasoline worries will again loom large. The administration's hand-to-mouth approach to fuel shortages will only aggravate long-range distribution problems.

Five months have passed since Congress gave the President the authority to set up a mandatory wholesale-rationing system for oil and oil products. Independent distributors in the upper Midwest have found it difficult to get supplies under the voluntary program established by the administration last May. Since we are at the end of the supply line in Minnesota, mandatory allocation of heating oil is essential if we are to survive our severe winters. I am pleased that the administration has at last promised officially to take this necessary move, but must point out that it may take from 2 to 4 months for the effects of the new program to be felt.

When it proposed a voluntary program last May, the administration declared that Government regulation and control are unnecessary in an industry "where there is every evidence of intense and healthy competition." What has happened to the independent segment of the industry under the voluntary program proves how inaccurate an assessment this was.

Under the voluntary system independent dealers and retailers have been squeezed out of existence. The major oil companies now have their east coast storage tanks filled with heating oil to 82-percent capacity, while independent dealers in the same region are stocked to only 25 percent of capacity. Independent gasoline stations throughout the country have shut down by the thousands.

In offering its half measures yesterday, the administration again referred piously to "maximum freedom in the private sector." The petroleum and natural gas industries are dominated by a handful of companies. The automatic adjustments of a free marketplace cannot work when that marketplace patently is not free.

The administration has now reluctantly bowed to this reality, but its makeshift approach to petroleum and natural gas shortages is not good enough.

Three months ago when it was clear that the voluntary program was not working, congressional action was forestalled through repeated promises of executive action that did not materialize. Now Congress is on the verge of enacting an allocation system which would cover crude oil and gasoline, as well as heating oil and propane.

The administration, in announcing its partial program yesterday, seems to be accepting a lesser evil in order to forestall comprehensive regulatory action by Congress. I hope that Congress will go ahead with an overall petroleum allocation law and establish regulatory procedures that will insure the American consumer of reasonable supplies of scarce fuel at reasonable prices.

POLISH CONTRIBUTIONS TO UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of New York. The great debt which the United States of America owes to Polish Americans has been accruing since our earliest days as a colony. Our eyes may be unduly focused on their latter day exploits—the great contributions they have made in our armed services and government, in industry, and the trades, and as professionals. However, I would like to join my colleagues and constituents in recognizing the fact that Monday, October 1, marks the 360th anniversary of the arrival of the first Polish immigrants to America. As did our forefathers of other nationalities the Polish Americans, who arrived in Jamestown, Va., in 1608 to serve with Capt. John Smith, began their direct and important contribution to our Nation that continues on today.

NONRESIDENT TAXATION

(Mr. FORSYTHE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FORSYTHE. Mr. Speaker, as a member of the House of Representatives, I have accepted both the privilege and the duty of protecting the interests of my constituents and the American people. One of the basic dilemmas facing numerous residents of the 6th District of New Jersey and people throughout the Nation is the issue of nonresident taxation.

As long as I have been in Congress, I have been the sponsor of legislation to provide much needed and justified relief to persons paying nonresident taxes. In recent months I have undertaken a comprehensive national review of this problem in an effort to develop the factual data which can serve as the basis for congressional action. Following is a summary of the information I have tabulated to date. For each jurisdiction composing a nonresident tax for which figures were available, I have attempted to picture the basic situation. I urge each of my colleagues to review this data carefully and to join me in pressing for immediate action.

NONRESIDENT TAXATION

ALABAMA

Gadsden

1. Total annual city income, 1971: $4,565,669.

A. Percent collected from nonresidents: Data not available.

2. Total Income Tax, 1971: $2,977,671.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 2%.

B. Nonresidents: 2%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

KENTUCKY

Bowling Green

1. Total Annual City Income, 1971: $2,562,877.

A. Percent collected from nonresidents: 8.2%.

2. Total Income Tax, 1971: $1,326,915.

A. Amount collected from nonresidents: $164,393.

B. Amount collected from residents: $931,557.

C. Amount collected from businesses: $230,965.

3. Tax on gross wages:

A. Residents: 1.5%.

B. Nonresidents: 1.5%.

4. Percent of individual returns filed by nonresidents: 15%.

5. Collections of individuals income tax accomplished by: withholding.

KENTUCKY

Covington

1. Total annual city income, 1971: $3,035,397.

A. Percent collected from nonresidents: Data not available.

2. Total Income Tax, 1971: $2,681,647.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 2.5%.

B. Nonresidents: 2.5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

MICHIGAN

Battle Creek

1. Total annual city income, 1971: $2,224,860.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $2,200,000.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $711,000.

3. Tax rate on gross wages:

A. Residents: 1.0%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: 53%.

5. Collections of individuals income tax accomplished by: withholding.

Big Rapids

1. Total annual city income, 1971: $499,813.

A. Percent collected from nonresidents: Data not available.

2. Total Income Tax, 1971: $240,258.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: 49%.

5. Collections of individuals income tax accomplished by: Withholding.

Detroit

1. Total annual city income, 1971: $147,231,929.

A. Percent collected from nonresidents: 6.7%.

2. Total income tax, 1971: $88,222,286.

A. Amount collected from nonresidents: $10,700,000.

B. Amount collected from residents: $70,000,000.

C. Amount collected from businesses: $7,500,000.

3. Tax rate on gross wages:

A. Residents: 2%.

B. Nonresidents: 5%.

4. Percent of individual returns filed by nonresidents; 33.3%.

5. Collections of individuals income tax accomplished by: Withholding.

Flint

1. Total annual city income, 1971: $32,858,230.

A. Percent collected from nonresidents: 7.5%.

2. Total income tax, 1971: $9,132,618.

A. Amount collected from nonresidents: $2,300,000.

B Amount collected from residents: $5,000,000.

C. Amount collected from businesses: $1,832,618.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: 45%.

5. Collections of individuals income tax accomplished by: Withholding.

Grand Rapids

1. Total annual city income, 1971: $10,609,199.

A. Percent collected from nonresidents: 1%.

2. Total income tax, 1971: $6,598,328.

A. Amount collected from nonresidents: $1,253,683.

B. Amount collected from residents: $5,014,729.

C. Amount collected from businesses: $329,916.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: 36.4%.

5. Collections of individuals income tax accomplished by: Withholding.

Pontiac

1. Total annual city income, 1971: $7,002,442.

A. Percent collected from non-residents: Data not available.

2. Total income tax, 1971: $4,319,688.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages

A. Residents: 1%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: 58%.

5. Collections of individuals income tax accomplished by: Withholding.

Port Huron

1. Total annual city income, 1971: $1,969,256.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $1,104,929.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages

A. Residents: 1%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Saginaw

1. Total annual city income, 1971: $3,918,024.

A. Percent collected from nonresidents: Data not available.

2. Total Income Tax, 1971: $3,501,057.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: 26%.

5. Collections of individuals income tax accomplished by: Withholding.

MISSOURI

Kansas City

1. Total annual city income, 1971: $57,389,557.

A. Percent collected from nonresidents: 7.17%.

2. Total income tax, 1971: $15,823,452.

A. Amount collected from nonresidents: $4,119,850.

B. Amount collected from residents: $9,612,983.

C. Amount collected from businesses: $2,090,619.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 30%.

5. Collections of individuals income tax accomplished by: Withholding.

St. Louis

1. Total annual city income, 1971: $139,147,119.

A. Percent collected from nonresidents: Data not available.

2. Total Income Tax, 1971: $36,380,912.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

OHIO

Akron

1. Total annual city income, 1971: $23,341,389.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $17,477,616.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages.

A. Residents: 1.4%.

B. Nonresidents: 1.4%.

4. Percent of individual returns filed by nonresidents: 30%.

5. Collections of individuals income tax accomplished by: Withholding.

Avon Lake

1. Total annual city income, 1971: $629,673.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $349,531.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $28,945.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Barberton

1. Total annual city income, 1971: $7,742,482.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $1,812,171.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $138,319.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 90%.

5. Collections of individuals income tax accomplished by: Withholding.

Cincinnati

1. Total annual city income, 1971: $51,063,232.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $43,147,049.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1.7%.

B. Nonresidents: 1.7%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Cleveland

1. Total annual city income, 1971: $64,177,173.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $37,246,663.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $10,910,119.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collection of individuals income tax accomplished by: Withholding.

Columbus

1. Total annual city income, 1971: $41,756,019.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $35,473,091.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $2,328,278.

3. Tax rate on gross wages:

A. Residents: 1.5 percent.

B. Nonresidents: 1.5 percent.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Dayton

1. Total annual city income, 1971: $18,598,865.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, $15,435,805.

A. Percent collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $2,600,161.

3. Tax rate on gross wages:

A. Residents: 1 percent.

B. Nonresidents: 1 percent.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Delaware

1. Total annual city income, 1971: $680,948.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $463,186.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $393,708.

3. Tax rate on gross wages:

A. Residents: .75%.

B. Nonresidents: .75%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Fremont

1. Total annual city income, 1971: $2,118,694.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $895,673.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $145,993.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Heath

1. Total annual city income, 1971: $958,338.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $844,326.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Kettering

1. Total annual city income, 1971: Data not available.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $2,392,907.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $403,085.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Lima

1. Total annual city income, 1971: $4,637,668.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $2,105,936.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $422,630.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Mansfield

1. Total annual city income, 1971: $5,265,637.

A. Percent collected from nonresidents: 6.3%.

2. Total income tax, 1971: $3,053,785.

A. Amount collected from nonresidents: $78,468.

B. Amount collected from residents: $2,537,132.

C. Amount collected from businesses: $438,185.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 3%.

5. Collections of individuals income tax accomplished by: Withholding.

Maple Heights

1. Total annual city income, 1971: $1,068,570.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $1,036,125.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Mentor

1. Total annual city income, 1971: $1,206,675.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $1,140,573.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Parma

1. Total annual city income, 1971: $6,530,375.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $3,503,804.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Parma Heights

1. Total annual city income, 1971: $867,743.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $496,000.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 5%.

5. Collections of individuals income tax accomplished by: Withholding.

St. Bernard

1. Total annual city income, 1971: $1,731,305.

A. Percent collected from nonresidents: 73%.

2. Total income tax, 1971: $1,656,225.

A. Amount collected from nonresidents: $1,270,100.

B. Amount collected from residents: $15,625.

C. Amount collected from businesses: $370,500.

3. Tax rate on gross wages:

A. Residents: 1.7%.

B. Nonresidents: 1.7%.

4. Percent of individual returns filed by nonresidents: 45%.

5. Collections of individuals income tax accomplished by: Withholding.

Sandusky

1. Total annual city income, 1971: $2,275,466.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $1,497,680.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $239,534.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Solon

1. Total annual city income, 1971: $1,466,644.

A. Percent collected from nonresidents: 2.3%.

2. Total income tax, 1971: $1,155,000.

A. Amount collected from nonresidents: $681,450.

B. Amount collected from residents: $265,650.

C. Amount collected from businesses: $207,900.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 80%.

5. Collections of individuals income tax accomplished by: Withholding.

Toledo

1. Total annual city income, 1971: $34,840,359.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $25,000,000.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $5,200,000.

3. Tax rate on gross wages:

A. Residents: 1.5%.

B. Nonresidents: 1.5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

University Heights

1. Total annual city income, 1971: $887,161.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $390,863.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Westerville

1. Total annual city income, 1971: $362,112.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $9,656.*

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: .5%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Willoughby

1. Total annual city income, 1971: $1,604,057.

A. Percent collected from nonresidents: 2.5%.

2. Total income tax, 1971: $853,185.

A. Amount collected from nonresidents: $400,000.

B. Amount collected from residents: $323,185.

C. Amount collected from businesses: $130,000.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Wickliffe

1. Total annual city income, 1971: $725,437.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $707,450.

A. Amount collected from nonresidents: Data not avaialble.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Youngstown

1. Total annual city income, 1971: $20,920,866.

A. Percent collected from nonresidents: 15%.

2. Total income tax, 1971: $9,298,672.

A. Amount collected from nonresidents: $3,342,309.

B. Amount collected from residents: $5,013,463.

C. Amount collected from businesses: $942,900.

3. Tax rate on gross wages.

A. Residents: 1.5%.

B. Nonresidents: 1.5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Zanesville

1. Total annual city income, 1971: $4,992,829.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $1,187,534.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

PENNSYLVANIA

Borough of Quakertown

1. Total annual city income, 1971: $310,000.

A. Percent collected from nonresidents: Data not available.

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*Income tax went into effect November 1, 1971.

2. Total income tax, 1971: $130,000.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: .5%.

B. Nonresidents: .5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Erie

1. Total annual city income, 1971: $1,933,211.

A. Percent collected from nonresidents: 2%.

2. Total income tax, 1971: $1,750,000.

A. Amount collected from nonresidents: $5,012.

B. Amount collected from residents: $853,255.

C. Amount collected from businesses: $886,733.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 5%.

5. Collections of individuals income tax accomplished by: Withholding.

Norristown

1. Total annual city income, 1971: $1,178,659.

A. Percent collected from nonresidents: 40%.

2. Total income tax, 1971: $773,575.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages.

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Philadelphia

1. Total annual city income, 1971: $313,347,527.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $239,862,949.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: $29,388,894.

3. Tax rate on gross wages.

A. Residents: 3%.

B. Nonresidents: 3%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

Scranton

1. Total annual city income, 1971: $5,127,112.

A. Percent collected from nonresidents: Data not available.

2. Total income tax, 1971: $2,127,719.

A. Amount collected from nonresidents: Data not available.

B. Amount collected from residents: Data not available.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

State College

1. Total annual city income, 1971: $1,157,742.

A. Percent collected from nonresidents: 4.3%.

2. Total income tax, 1971: $302,359.

A. Amount collected from nonresidents: $23,843.

B. Amount collected from residents: $278,516.

C. Amount collected from businesses: Data not available.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents. .5%.

4. Percent of individual returns filed by nonresidents: Data not available.

5. Collections of individuals income tax accomplished by: Withholding.

York

1. Total annual city income, 1971: $2,219,720.

A. Percent collected from nonresidents: 5%.

2. Total income tax, 1971: $556,689.

A. Amount collected from nonresidents: $155,878.

B. Amount collected from residents: $400,811.

C. Amount collected from businesses: 0.

3. Tax rate on gross wages:

A. Residents: 1%.

B. Nonresidents: 1%.

4. Percent of individual returns filed by nonresidents: 28%.

5. Collections of individuals income tax accomplished by: Withholding.

CUT IN DEFENSE CIVIL PREPAREDNESS AGENCY BUDGET

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, a threatened $17.5 million cut by the Senate in the Defense Civil Preparedness Agency's budget, from the $87.5 million recommended by the House in H.R. 9590, would have a severely adverse effect upon four Michigan programs—the Civil Defense University Extension program, the State Workshop program, the Civil Defense Education program, and the Radiological Instrument Maintenance and Calibration program.

I wish to call this matter to the attention of the Congress, and for that purpose I insert in the RECORD at this point a resolution of the Michigan Civil Defense Advisory Council urging the Congress to provide adequate funding for Emergency Civil Preparedness. The resolution is as follows:

(A resolution urging the Congress of the United States to provide adequate funding for Emergency Preparedness.)

Whereas, the Michigan Civil Defense Advisory Council was created by the Michigan Legislature in 1953 for the purpose of evaluating the state of disaster preparedness in Michigan and advising the Governor on emergency preparedness matters; and

Whereas, the Michigan Civil Defense Advisory Council has recently learned that the United States Senate has proposed a 17.5 million dollar cut in the Defense Civil Preparedness Agency's budget, from the 87.5 million dollars recommended by the House of Representatives in H.R. 9590; and

Whereas, such a cut would mean a loss to Michigan of four extremely valuable contract programs, to wit; the Civil Defense University Extension Program, the Civil Defense Education Program, the State Workshop Program, and the Radiological Instrument Maintenance and Calibration Program; and

Whereas, the first three mentioned programs are the primary means by which the State of Michigan informs local government concerning its responsibility in disaster preparedness, educates local government as to disaster preparedness planning methods and techniques, educates school children in emergency measures, tests the capability of local government to respond to a disaster, and keeps local government abreast of the proper methods for accessing state and federal assistance in the event of a disaster; and

Whereas, the Radiological Instrument Maintenance and Calibration Program is essential to Michigan's planning and operational capability in the area of nuclear spills and accidents; and

Whereas, the Michigan Civil Defense Advisory Council feels that the loss of the aforementioned programs would seriously cripple the Emergency Preparedness Program in Michigan and seriously undermine the encouraging progress which has been made in Michigan in recent years in the area of Emergency preparedness; now therefore be it

Resolved, that the Congress of the United States be urgently petitioned to restore the Senate proposed cut of 17.5 million dollars to the Defense Civil Preparedness Agency's budget for the safety and welfare of the people of the State of Michigan as well as of the several other states; and be it further

Resolved, that copies of this resolution be transmitted forthwith to appropriate members of the Congress of the United States for their due consideration in this most urgent matter.

WILLIAM G. MILLIKEN,
Governor of Michigan and Chairman, Michigan Civil Defense Advisory Council.

For myself and for:

John R. Plants, Colonel, Department of State Police, East Lansing, Michigan.

Reverend Charles P. Ausberger, St. Joseph's Parish, West Branch, Michigan.

William M. Burchfield, Engineer-Superintendent, Ingham County Road Commission, Mason, Michigan.

Gildo A. Canale, Director of Athletics, Northern Michigan University, Marquette, Michigan.

Dorn Diehl, State Director, Agricultural Stabilization, U.S. Department of Agriculture, East Lansing, Michigan 48823.

Dr. Charles Frey, Department of Surgery, University of Michigan, Ann Arbor, Michigan 48104.

Sheriff Forrest L. Jewell, Berrien County, St. Joseph, Michigan.

William N. Montgomery, General Defense Coordinator, Michigan Bell Telephone, Detroit, Michigan.

Edward H. Potthoff, Jr., City Manager, Saginaw, Michigan.

Paul J. Schafer, Director, Detroit Office of Civil Defense, Detroit, Michigan.

Chief Ray F. Schattler, Police Department, River Rouge, Michigan.

Judge Dean J. Shipman, 94th Judicial District, Escanaba, Michigan.

Jack B. Sparkes, President, Chrysler Leasing Corporation, Detroit, Michigan.

Gary L. Thomas, President, Michigan Fire Fighters Union, AFL–CIO, Lansing, Michigan.

Chief Robert J. Veit, Grand Rapids Fire Department, Grand Rapids, Michigan.

David L. White, News Director, WJR Radio Station, Detroit, Michigan.

Constituting the Michigan Civil Defense Advisory Council.

A TIME TO CONSIDER

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, Mr. Joseph Friedman, chairman of the Board of the Chromalloy American Corp., delivered an interesting speech at the 10th Annual Chromalloy Seminar, September 22, 1973.

Mr. Friedman is a close friend of mine who comes from the 23d District of Illinois. He is an astute observer of national affairs whose judgment I respect and value.

I think Mr. Friedman's remarks are worthy of my distinguished colleagues attention, so I therefore respectfully request unanimous consent to insert them in the CONGRESSIONAL RECORD.

A TIME TO CONSIDER

(By Joseph Friedman)

Many years ago Ralph Waldo Emerson wrote, "A foolish consistency is the hobgoblin of *little* minds adored by *little* statesmen and philosophers. With consistency a great soul has simply nothing to do. He may well concern himself with his shadow on a wall. Speak what you think now in hard words and tomorrow speak what tomorrow thinks in hard words again, though it contradict everything you said today. 'So you shall be misunderstood, you say!' Is it so bad then to be misunderstood? Pythagoras was misunderstood and Socrates and Jesus and Luther and Copernicus and Galileo and Newton and every pure and wise spirit that ever took flesh! To be *great is to* be misunderstood. The voyage of the best ship is a zigzag line of a hundred tacks. See the line from a sufficient distance and it straightens itself to the average tendency. Your genuine action will explain itself and will explain your other genuine actions. Your conformity explains nothing! There will be an agreement in whatever variety of actions if they be each honest and natural in their hour."

That is a proper introduction to my talk today, since I intend to make a point or two that will suggest change in some important areas of thought and philosophy.

In the affairs of nations and of corporations, in the affairs of the human race itself, there comes a time to consider—a time to consider the past—to analyze its accomplishments, its failures, its tragedies and its joys. A time to consider the future by first considering which of the many roads one faces is the proper one upon which to travel into that future.

A time to consider purpose and to make plans to effectuate such purpose.

A time to evaluate the accomplishments of the past, which represent the total result of all the striving, of all the worry, all the concern and dedication which have gone into building the society of mankind up to that point.

Of all these elements for consideration, unquestionably the most important is—a time to consider purpose. Purpose in a society such as ours cannot simply be defined as a mass effort on the part of thousands of men and women to earn profit, to create wealth, to struggle for individual well-being on a material level. Purpose is, or should be, many-sided—each as important as the material, if not more so.

While our country in particular and the world in general is suffering many obvious complex problems, it would be well to remember that most of these problems are politically oriented and in the main away from any logical fundamental or very significant real values when regarded in the light of purpose!

The impact of the problems, while considerable in the short term—is subject to constructive remedy, and as has always been the case in the past, the root causes of the problems are cured—or mainly cured, and then we all get on with the real business of living.

Remember what Emerson said, "The voyage of the best ship is a zig-zag line of a hundred tacks. See the line from a sufficient distance and it straightens out to the average tendency."

Let me cite a few present problem examples:

1. Watergate—For the most part there should really not be much of a surprise element here. Since, as I have said many times—"Our nation has always been able to achieve real progress in the national or international areas as well as at people levels, in spite of its political leadership rather than because of it! Even in Watergate, there will be future benefit if it serves only to reawaken our political conscience to a redefinition of national purpose.

2. Inflation—Most of us know that a certain amount of it is inevitable. The Bible says that in the beginning God created the Heavens and the Earth. He has not created one additional square inch of earth since that time. But, he has kept on making people—unto the multi billions—each of whom strives and competes for goods and services, all of which depend on the earth for their sources. The demand for almost everything has been accelerating for years, at a rate which must, in normal or prosperous times, exceed the supply.

This is, of course, an over-simplification, I know, but basically it is as true as today. So in some measure we have been experiencing upward trends in material and other costs during all of our lives—and during all the lives of our forbears.

But our ability to create purchasing power has just about kept pace. Really, do any of you know anyone who isn't better off materially today than his father was—or his grandfather, for that matter? Why then all the panic? Why all the excited and exciting forecasting of doom? I'm not really saying that inflation is a good thing. I'm simply saying that it is, has been and always will be a fact of life to all peoples of the world who, as they move upward in the standard of living scale—will demand more "things" which in turn will cost more in terms of money—and they will devise ways and means to create that money! This could suggest total chaos and given solutions devised only by political "Leaders", it probably would mean chaos! But that possibility discounts the ingenuity—the energy—and the purpose of the American people. Otherwise, why would our inflationary bugaboo have been only recently "hopped upon" as a bandwagon by the politicians and the so-called leaders of our country? Indeed it has been rampant for years in most every other country in the world. By the way, even today, inflation in real terms in countries everywhere is by far greater than it is with us. The difference lies in purpose. Our people, no matter the evidence to the contrary which presents itself, when politicians need an issue for whatever their purpose—our people have panicked only for relatively short periods, after which they have shown that they have purpose—that they know what that purpose is and have the ability to achieve it! And then the emotional panic is over.

3. Devaluation—Here again, why the panic? The truth is that our dollar has not been deflated—but has been adjusted to a more realistic "comparison value" with the other world currencies! And I say—It's about time, if one is to consider the terrible beatings we have taken in the world markets because our dollar was supposed to be worth so much more than the other currencies of the world. I say supposed to be, advisedly. Monetary instability is also politically inspired. Nations attempt to maintain sovereignty although many political barriers are basically superfluous in the emerging Global Society. Supra—National currency with Supra—National credit expansion and contraction is needed to solve the monetary crises if really there are crises of such proportions as to seriously alter the world financial outlook. This Supra—National evolution may not take place soon—but believe me it will eventually—when those who are the so-called world monetary authorities finally determine to define a purpose—nonpolitical—nonchauvinistic—

NONSELFISH AND NONPREJUDICIAL

Now that I have settled all of the world's problems for you, perhaps it is time for me to talk about our own particular world—our Chromalloy.

Some years ago in one of our seminars I stressed the importance of a determination on the part of our corporation to avoid the example of most others in a process which I defined as "Dehumanization." I pointed out that our corporation had then achieved a business volume in the year previous of some $200,000,000, and that it was moving upward at a rapid rate, becoming larger in terms not only of volume of business and profit, but also larger in terms of people.

We had at that time about 12,000 employees in Chromalloy. I indicate the hazards that present themselves in the case of most companies as they grow. I emphasized that the most dangerous one of all was the likelihood that at some point in time our company would get to be so big that it would be operated not by the intensely ambitious people who were so important in bringing it to that state but by people who would have succeeded the original entrepreneurs and who were by virtue of their training and as a by-product of a developing society, likely to be what I defined as "Career Men."

I also noted that the term "Career Men" itself doesn't necessarily imply that the people are not decent human beings and not worthy of the respect of society. However, if there was an element of criticism, it was that the term generally is used in connection with an individual or a group of individuals who have an attitude toward life in which they regard the job of day-to-day living as not really a means to an end but as an end in itself. In this context they were a group who might regard our people and each other as objects other than as subjects.

These words could be defined as follows:

Subject: A person under the spiritual or inspirational guidance, care, or supervision of a religious or other authority.

Object: Something that is visible or tangible, which may be moved, changed, used, or disposed of.

Such a purpose may be all right as far as it goes—but it doesn't go far enough. It concerns itself with a standard of living—but fails to establish a standard of life!

Involvement at a deeper level is a must, if one is to look for total satisfaction with the result of a lifetime of work. One of the most severe criticisms which could be made of the last century's development of the industrial age, and its resultant so-called "Prosperity" was the creation of material wealth at the level of only a very few people—with all those people who worked to make such wealth possible being involved only to the extent of "doing a day's work for a day's pay." In retrospect, the actual "Day's Pay" was wholly inadequate since the workers—The Doers—consistently wound up with nothing to show for the work of a lifetime, except the accomplishment of just having "Lived!"

This was the basis really for the beginning of the industrial revolution—trade unions—socialism—and finally in some areas dictatorial communism. Many inequities toward the "producing" classes, the "workers," were indeed exposed—and thankfully, by mid-20th century were greatly remedied. However, one less visible inequity wasn't! That was the inequity in comparative ownership in the enterprises in which the "workers" worked. The very atmosphere of higher, fairer "day's pay" brought about complacency in the minds and hearts of the great majority, and dependency was to some extent displaced by independence. They lived better—true—but still complained of their lot and still cried that the "rich get richer" but those who do the creating don't! In spite of the major upsurge in participation in the "good things," the proportionate values in ownership involvement didn't change very much! It didn't change very much because of one indisputable fact—the fact that while all men are born equal—it is at that point that God's natural vital gift to man stops. What happens after that is pretty much up to the Man!

What does all this have to do with us? All of this an attempt on my part to inspire a feeling in you that to create an end—beyond that of the day-to-day—to help Chromalloy always to be in the hands of leaders who not only work and think and strive to earn the "Day's Pay"—but who also are involved at the ownership level in our company. It's not just that I want to stand here and sell an investment to you but it is that I want to define a purpose, a worthwhile purpose, one which will give a great deal more meaning to your life's doings—while at the same time will make certain that as our company goes on into the future it will be led by men who are involved—dedicated to the same ideas—and devoted to the same goals which motivated all of those who came before them, and which motivated them to participate—to get involved at a deeper level than the day-to-day, year-to-year "Work-For-Pay" philosophy which could be the undoing of our whole great structure!

Not too long ago, I had a visit with one of our leading people. He was a leader in terms of the importance of his function in Chromalloy. He was a leader in terms of how very well he was doing his job and in terms of his earnings—but he didn't have involvement at the level I have described. I'm happy to report that now he does!—Why?—because of all the points I made to him that day—the effective one was a question. It went something like this—"If you owned a grocery store—a business of your own—how much would you have invested to earn a profit equal to your present compensation? (Example: $60,000 per year means an investment of at least $200,000.) I pointed out that the work in that case would be at least as difficult—the responsibility much greater—and the fun, a hell of a lot less! Result, a new Chromalloy stockholder, who for years to come, I am sure will, from each year's earnings, first buy another piece of the results of that year's work—and then decide on that new, bigger home—that second, third or fourth automobile—or that whatever—which had been his sole reward for only superficial participation—superficial involvement—and his formula for living as an end in itself!

Emerson also wrote, "A man is relieved and gay when he has put all of his heart into his work and done his best; but what he has said or done otherwise shall give him no peace. It is a deliverance which does not deliver. In the attempt, his genius deserts him; no muse befriends; no invention, no hope."

But now—back to—"A Time To Consider!" I left out purposely a most important consideration—the perennial question— "Where do we go from here?" I'm going to do an unforgivable thing now—I'm going to read for you an excerpt from my seminar speech of 1967. Here it is . . .

"Where Do We Go From Here? I can no more tell you that with certainty than I could predict any other fraction of the future with certainty. But I can say with hopefulness and conviction, that we are very likely to continue our upward climb toward becoming one of the world's greatest corporations—that is, if we are ever-watchful to retain our orientation to the human idea—our awareness of its power—for good or bad—and to continue to get better acquainted with each other—to respect each other more and more—and to like each other more as each year passes.

And now, another seminar is over, another year has opened its doors to us.

Anne Johnson Flint in 1875 gave me a closing thought to give to you.

God gives to you another year,
A year of hours and days;
And as you wait its unknown tasks,
And face its unknown ways,
Lo! Every hour some treasure holds
And every day New Joy unfolds.

A fragment of eternity
In which to gain and give;
So many days and weeks and months
To love and laugh and live.
What shall those minted minutes buy?
How will you spend them as they fly?

They come all wrapped in silver morns
That shade to golden noons,
Tied round with strings of jeweled stars,
or sealed with mellow moons;
If one brings cloudy skies and rain,
A rainbow follows in its train.

So all that comes of seeming ill,
And all that you deem good.
Are but God's precious thoughts of love
When rightly understood.
Another year, All fresh and new—
This is his lovely gift to you!

Thank you, my dear friends, for all you have done to make it possible for me to stand here with you today!

FEDERAL SERVICE LABOR MANAGEMENT ACT OF 1973

(Mr. HENDERSON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HENDERSON. Mr. Speaker, today, I have introduced the bill, H.R. 10700, the Federal Service Labor-Management Act of 1973. The gentleman from New York (Mr. DULSKI), chairman of the Post Office and Civil Service Committee, is a cosponsor of my bill.

For 37 years millions of Federal employees have not had the basic protections, rights, and benefits that private employees have enjoyed since the enactment of the Wagner Act.

My bill will provide collective bargaining rights for Federal employees which now are granted only in part by Executive order. It will allow Federal employees to join American workers in the private sector in the enjoyment of these rights and benefits.

The legislation will apply to Federal employees in the executive branch of the Government excluding only employees in certain law enforcement and security agencies.

The measure will establish a three-member Federal Labor Relations Authority which will have full authority to interpret, apply, and enforce the provisions of the new act. Under the legislation, each department, agency, bureau or other unit will be obligated to negotiate with the employee's duly elected union representatives over matters involving personnel policies and practices and working conditions, excluding only those categories specifically excepted by existing or future laws.

Mr. Speaker, this is a very complex piece of legislation. I have attached to the end of my statement a summary and sectional analysis of the bill in order that all interested parties will have an opportunity to understand what it provides.

My Subcommittee on Manpower and Civil Service will schedule hearings on this subject when the employee organizations and the representatives of the executive branch have had an opportunity to review my proposal and prepare their recommendations.

Both the gentleman from New York and I realize that some of the provisions of my proposal will not be acceptable to both the labor organization representatives and the administration. It is intended to be a vehicle for a thorough review by my subcommittee of the labor management relations in the executive branch of the Government. We welcome recommendations and comments from all interested parties and they will be given thorough consideration and review by my subcommittee and the full Committee on Post Office and Civil Service.

The material follows:

SUMMARY OF BILL

PURPOSE

To provide a statutory base for labor-management relations affecting employees of the executive branch of the U.S. Government. To maintain and improve the rights and benefits now enjoyed by Federal employees and labor organizations.

EXPLANATION

Congressional findings—sec. 7101

States that Federal employees through labor organizations shall participate in the formulation and implementation of personnel policies and practices and matters affecting working conditions and that collective bargaining rights shall be enjoyed by labor organizations.

Definitions—sec. 7103(a)

Employee.—Applies to individuals in an Executive Agency and nonappropriated fund instrumentalities. Does not include Foreign Service, aliens overseas, employees in the Canal Zone, or a member of the uniformed services.

Agency.—Applies to Executive Agencies except FBI, CIA, NSA, GAO, and TVA.

Labor organization.—A lawful organization which deals with an agency concerning grievances and personnel policies and practices which affect working conditions. Excludes an organization which assists or participates in a strike.

Grievance.—Encompasses a complaint by an employee, labor organization or agency concerning personnel policies and practices and matters affecting working conditions or the interpretation or application of an agreement.

Application—secs. 7103(b) and 7117(c)

Provides that employees have the right to form, join, and assist any labor organization and to participate in the management of the labor organization or to refrain from any such activity, but excepts supervisors and management officials.

Federal Labor Relations Authority—secs. 7104 and 7105

Establishes a three-person Federal Labor Relations Authority which shall have the authority to administer the Federal Service Labor Management Act of 1973.

Exclusive recognition—sec. 7106

Provides that a labor organization representing 30 percent of the employees in an appropriate unit may request recognition. In addition to providing for elections by secret ballot to determine the majority representative of employees in disputed or unclear situations, the bill authorizes the certification of a labor organization without an election when it represents a majority of the employees in an appropriate unit. Provides criteria for the establishment of an appropriate unit which may be on an agency, plant, installation or other basis. A unit may not include management officials or supervisors, a confidential employee, an employee engaged in personnel work, a guard together with other employees, both professional and nonprofessional employees, or an employee engaged in administering the labor-management law together with other employees. Permits an agency and labor organization to combine recognized units in an agency subject to authority criteria. National consultation rights may be accorded a labor organization that has been granted exclusive recognition below the agency level.

Collective bargaining agreements—sec. 7107

Collective bargaining shall encompass personnel policies and practices and matters affecting working conditions subject to—

Existing and future laws;

Existing or future policies and regulations issued by an agency; and

The terms of a controlling agreement at a higher agency level.

Negotiations may not include such matters as the mission, budget, or organization of an agency; the number, types, or grades of positions or of employees assigned to an organizational unit or tour of duty; or such other matters generally spoken of as management rights.

Negotiation is required prior to the issuance by an agency of policies and regulations involving matters which properly are for negotiation.

In the case of policies and regulations to be issued by the Civil Service Commission or any other agency relating to employees of more than one agency, a Federal Labor Relations Board shall be established by the Chairman of the Civil Service Commission to discharge the obligation to meet and confer with the labor organizations on the proposals and to approve the proposal or a modification thereof or to reject the proposal.

The Federal Labor Relations Authority is authorized to settle any disputes as to whether any particular proposal is contrary to law or a policy or regulation of appropriate authority.

Allotments—sec. 7108

When a negotiated agreement so provides, dues may be deducted from an employee's pay. Allotments shall be made at no cost to labor organizations.

Prohibits an agreement from requiring an employee to become or to remain a member of a labor organization or to pay money to the organization except under a voluntary authorization.

Unfair labor practices—secs. 7109 and 7110

Sets forth and prohibits unfair labor practices by an agency or a labor organization. Places the power in the Authority to prevent unfair labor practices and enforce its decisions including reinstatement of employees, with or without back pay.

Issues which can be raised under an appeals procedure may not be raised as an unfair labor practice, and issues which can be raised under the grievance procedures may be raised under either a grievance procedure or an unfair labor practice, but not under both.

Negotiation impasses—sec. 7111

The Federal Mediation and Conciliation Service is authorized to provide assistance to resolve negotiation impasses. When all voluntary arrangements fail to resolve the impasse, assistance may be requested from the Authority which shall appoint a panel comprised of individuals knowledgeable in the operation of the Federal Government and in labor-management relations. The panel would be authorized to take whatever action it thought appropriate, including arbitration.

Settlement of grievances—sec. 7112

Each negotiated agreement must include a grievance procedure which shall be the exclusive procedure available to unit employees, shall be fair and simple, and provide for the right to representation of an employee by the labor organization or the right to represent himself. The process may include arbitration and the right to file exceptions to an arbitral decision with the Authority. In the absence of exceptions, the decision is final and binding and may include back pay.

Official time—Sec. 7113

For all matters related to the negotiation of an agreement, including impasse procedures before a panel of the Authority, agency employees representing the labor organization are authorized official time. This sole limitation being that the number of labor organization representatives in an official time status may not exceed the number of people representing the agency. Internal union business and appearances before the Authority on behalf of a labor organization would be nonduty time.

Standards of conduct—Sec. 7115

Subjects the labor organization to provisions similar to the Landrum-Griffin reporting requirements.

General—Secs. 7114, 7116, and 7117

The bill requires publication and availability of proceedings and decisions under its scope; authorizes funding; provides for the issuance of rules and regulations to implement its provisions; and provides a "grandfather" clause continuing past recognitions and agreements and a transition process.

ANALYSIS OF THE LEGISLATIVE PROPOSAL BY SECTIONS

The section designations in the first part of the analysis are the section references of title 5, United States Code, as amended or added, by section 2 of the bill.

Congressional findings—sec. 7101

Congress finds that participation of executive branch employees through labor organizations in the formulation and implementation of personnel policies and practices and matters affecting working conditions is in the public interest and that collective bargaining rights which are consistent with the public service shall be enjoyed by labor organizations.

Right to petition Congress—sec. 7102

Restates existing law that right of Federal employees to petition Congress or furnish information to Congress may not be interfered with or denied.

Definitions and application—sec. 7103

Defines various terms for purposes of the new subchapter governing labor-management relations.

"Employee" is defined as meaning an individual employed in an Executive Agency, a nonappropriated fund instrumentality, or the Veterans' Canteen Service. Act does not apply to employees in the Foreign Service, noncitizens of United States employed overseas, employees stationed in Canal Zone, or members of uniformed services.

"Agency" is defined as meaning an Executive Agency and a military department but does not include the FBI, CIA, NSA, GAO, or TVA.

The term "labor organization" means a lawful organization composed of employees of an agency but does not include (1) purely social or fraternal organizations; (2) organizations which assist or participate in a strike against the Government; (3) organizations which advocate the overthrow of the Government; or (4) organizations sponsored or assisted by an agency.

The term "grievance" means any complaint by an employee or labor organization concerning personnel policies and practices and matters affecting working conditions or any complaint concerning the interpretation or application of a collective-bargaining agreement but does not include any complaint including matters subject to appeals procedures prescribed by or pursuant to law.

This section further provides that employees have the right to participate in the management of any labor organization and act for the organization as a representative but specifically limits the rights of supervisors or management officials.

Federal Labor Relations Authority—sec. 7104

Establishes the Federal Labor Relations Authority composed of a Chairman and two other members who shall be appointed by the President and confirmed by the Senate. The Authority shall report annually to the President and the Congress.

Powers and duties of the Authority—sec. 7105

The Authority shall carry out the functions of the act and appoint an Executive Director and such other employees as may be necessary to perform its duties under the act.

Exclusive recognition of labor organizations—sec. 7106

Provides that exclusive recognition shall be granted to a labor organization selected by a majority of employees in an appropriate unit who participate in the election. Exclusive recognition shall not be granted to a labor organization as the representative of (1) employees in a unit of guards if the labor organization admits to membership employees other than guards or (2) employees engaged in administering the provisions of this act if the organization represents other employees under this act.

A petition for exclusive recognition may be filed with the Authority whenever 30 percent of the employees in a unit wish to be represented for collective bargaining purposes or allege that the exclusive representative no longer represents the majority of employees in the unit.

The Authority shall investigate such petitions, hold hearings, and, if a question of representation exists, conduct elections by secret ballot.

A labor organization which (1) has been designated by 10 percentum of the employees, (2) has submitted a copy of a current or recently expired agreement, or (3) is the exclusive representative, may intervene with respect to a petition and be placed on the ballot.

In lieu of an election the Authority may certify a labor organization if it determines that a free election cannot be held because of an agency's unfair labor practice or if it is satisfied that the labor organization represents a majority of employees in a unit and no other organization has filed a petition for recognition.

Subsections (g) and (h) of section 7106 set forth the criteria for the establishment of an appropriate unit.

A unit may be established on an agency, plant, installation, functional, or other basis which will ensure a community of interest among the employees, promote effective labor-management dealings, and permit efficient agency operations.

An appropriate unit may not include—(1) any management official or supervisor; (2) a confidential employee; (3) an employee engaged in personnel work other than clerical work; (4) a guard together with other employees; (5) an employee engaged in administering the provisions of this act together with other employees; or (6) both professional and nonprofessional employees, unless the professionals vote for inclusion in the unit.

The grant of exclusive recognition does not preclude any employee, regardless of his membership or nonmembership in a labor organization, from filing a grievance.

Subsection (m) of section 7106 provides that national consultation rights shall be granted to a labor organization that has been granted exclusive recognition below the agency level as the representative of a substantial number of employees of the agency. The labor organization shall be informed of proposed changes in agency personnel policies and practices and shall have the right to furnish views and initiate proposals which shall be considered by the agency before final action is taken.

Rights and duties of labor organizations and agencies—sec. 7107

Provides that a labor organization with exclusive recognition shall be entitled to represent and bargain collectively for employees in the unit.

Agencies and labor organizations are required to meet and negotiate in good faith for the purpose of arriving at an agreement. All such negotiations shall encompass personnel policies and practices and matters affecting working conditions.

All matters relating to collective bargaining are subject to (1) existing or future laws; (2) existing or future policies and regulations issued by an agency; and (3) controlling agreements at a higher agency level.

Prior to the issuance of a policy or regulation of the Civil Service Commission or any other agency relating to employees of more than one agency, labor organizations shall have the opportunity to furnish their views and meet and confer in good faith. For this purpose the Chairman of the Civil Service Commission shall establish a Federal Labor Relations Board consisting of (1) a Chairman, designated by the Chairman of the Civil Service Commission; (2) five management officials designated by the Chairman of the Civil Service Commission; and (3) five labor organization representatives designated by the Chairman of the Civil Service Commission.

The Board shall meet on proposed policies and regulations having application to more than one agency and may, by majority vote, adopt, modify, or reject the proposal.

In addition, any four members of the Board may propose a modification or addition to an existing or proposed policy or regulation of the Civil Service Commission or other agency.

Under section 7107, when exclusive recognition is not held by any labor organization, agency heads are required to meet and confer with qualified labor organizations holding national consultation rights before issuing a policy or regulation relating only to employees of that particular agency.

Subsection (h) of section 7107 sets forth a listing of those matters which do not fall within the scope of collective bargaining. The list includes (1) the mission, budget, or organization of an agency; (2) the number of employees; (3) the numbers, types, or grades of positions or of employees; or (4) the right of management officials to direct, hire, promote, transfer, assign, suspend, demote or discharge employees, or to determine the methods and personnel by which agency operations are to be conducted.

Subsection (i) of section 7107 establishes procedures for the settlement of disputes as to whether a proposal it not negotiable as being contrary to law, regulations, or a controlling agreement. Under these procedures a labor organization may appeal to the Authority when it disagrees with the determination by the agency head or when it believes that a policy or regulation, as interpreted by the agency head, violates the law or controlling regulations.

Allotments to representatives—sec. 7108

Provides that agencies shall withhold dues of an exclusively recognized labor organization from the wages of an employee when, pursuant to a negotiated agreement, the employee voluntarily requests such dues withholding. Dues withholding shall be effected without cost to the labor organization or employee.

Any agreement negotiated shall not require an employee to become or remain a member of a labor organization, or pay money to the organization, except pursuant to a voluntary authorization for dues withholding.

Unfair labor practices—sec. 7109

Sets forth those actions by labor organizations and agencies which are deemed to be unfair labor practices. Neither an agency nor a labor organization may interfere with, restrain, or coerce employees in the exercise of the rights provided under this act. Neither may refuse to consult, confer, or negotiate in good faith or fail to cooperate in impasse procedures and decisions.

An agency may not encourage or discourage membership in any labor organization.

A labor organization may not engage in a strike, work stoppage, or slowdown, or picket an agency in a labor-management dispute.

Issues which properly can be raised under an appeals procedure prescribed by or pursuant to law may not be raised as an unfair labor practice.

Prevention of unfair labor practices—sec. 7110

Provides that the Authority is empowered to prevent unfair labor practices by agencies or labor organizations.

The Authority shall conduct hearings on the charges and issue an order requiring the agency or labor organization to cease and desist from the unfair labor practice. The Authority may order reinstatement of employees, with or without back pay, as appropriate.

Negotiation impasses—sec. 7111

The Federal Mediation and Conciliation Service is authorized to provide services and assistance to resolve negotiation impasses. When all voluntary arrangements fail to resolve a negotiation impasses, either party may request assistance from the Federal Labor Relations Authority which is required to establish an impartial three-party panel to consider the impasses. The panel is required to investigate the impasse and assist the parties in arriving at a settlement through whatever method and procedures it may deem appropriate, including arbitration or third party fact finding when authorized by the panel. The action of the panel on any impasse referred to it shall be final and not subject to further review.

Settlement of grievances—sec. 7112

An agreement entered into by an agency and a labor organization having exclusive recognition is required to have procedures for the settlement of grievances, including questions of arbitrability. Such negotiated procedure is the exclusive grievance procedure available to employees of the bargaining unit. The procedures are required to have provisions that assure a labor organization the right to present and process grievances on its own behalf and on behalf of an employee in the unit, and to assure an employee the right to representation or to present a grievance on his own behalf, in which case the labor organization is authorized to be present when the grievance is adjusted. The procedure also must provide a process for arbitration to be invoked by either party and for the selection of arbitrators from a list proposed by the Federal Mediation and Conciliation Service. The decision of the arbitrator is final and binding if no exception is filed with the Authority.

Either party may file an exception to an arbitrator's award with the Federal Labor Relations Authority which may take such action and make such recommendations on the award as it considers consistent if it finds that the award is deficient because it is contrary to law or regulation; it was procured by corruption, fraud, or misconduct; or partiality of the arbitrator; the arbitrator exceeded his powers; or of any other reason as may be determined by the Authority.

The agency is required to take the actions specified by the final decision to make the employee whole in the circumstances, including the payment of back pay.

Official time—sec. 7113

Employees are authorized to be on official time when negotiating an agreement during regular working hours, including the time spent in attendance at impasse settlement proceedings. The number of employees on such official time may not exceed the number of individuals representing the agency. Time spent by employees of a labor organization on matters relating to the internal business of the organization, such as the solicitation of membership, election of labor organization officials, and collection of dues, shall be performed during the nonduty hours of the employees concerned.

Compilation and publication of data—sec. 7114

The Federal Labor Relations Authority is required to maintain a file of its proceedings and to publish its decisions and the actions taken by a negotiation impasse panel. The Civil Service Commission is required to maintain copies of all agreements and to publish the full text of all arbitration decisions.

Standards of conduct for labor organizations—sec. 7115

Each labor organization is required to adopt provisions providing for the maintenance of democratic procedures and practices and the prohibition of business or financial interest on the part of officers and agents of the organization which conflict with their duty to the organization and its members. The organization is also required to maintain fiscal integrity in the conduct of its affairs, including accounting and fiscal controls and regular financial reports or summaries to the members. The provisions of the Labor Management Reporting and Disclosures Act of 1959 (29 U.S. Code, Ch. 11) are made applicable to Federal employee labor organizations.

Funding—sec. 7116

The necessary appropriations are authorized to be made to carry out the functions and purposes of the law.

Miscellaneous—sec. 7117

The Federal Labor Relations Authority and the Federal Mediation and Conciliation Service are authorized to prescribe rules and regulations to carry out the various provisions of the act as they apply to each of such agencies.

The head of each agency is required to issue the necessary regulations to carry out the provisions of the act and to assure that no improper interference, restraint, coercion, or discrimination is practiced to encourage or discourage membership of an employee in a labor organization.

Grandfather provisions are included to permit the renewal or continuation of an exclusive recognition, certification of a representative, or a lawful agreement entered into before the effective date of the act or the renewal, continuation, or initial according of recognition for units of management officials or supervisors represented by labor organizations which traditionally represent management officials or supervisors in private industry and which hold exclusive recognition on the effective date of the law.

Provisions are included guaranteeing the right of an employee to form, join, and assist a labor organization or to refrain from any such activity.

Section 3 of the bill

This section moves a provision of existing law from title 5, United States Code, to title 39, United States Code, relating to the right of postal employees to join an organization of postal employees. No change in existing law is proposed by this provision.

Section 4 of the bill

Provisions are made for the Chairman of the Federal Labor Relations Authority to be in Level III of the Executive Salary Schedule and for the members of the Authority to be in Level IV.

Section 5 of the bill—savings clause

The provisions of this section have the effect of continuing all policies, regulations, and procedures relating to labor management for Federal employees established by Executive orders, until revised or revoked by the President or unless superseded by specific provisions of this act or regulations issued pursuant to this act.

VOTING RECORD OF CONGRESSMAN BILL FRENZEL 93d CONGRESS, ROLLCALLS 1 THROUGH 479

(Mr. FRENZEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRENZEL. Mr. Speaker, at the request of a number of constituents who have asked for copies of my voting record, that record for the 93d Congress through September 25 is included here.

My voting record shows 438 rollcalls or quorum calls of 479 total, an attendence figure of 91.4 percent.

The voting record follows:

Rollcall	Date	Description	Member's Response
1	Jan. 3, 1973	Call of the House	Present.
2	do	Election of the Speaker	Ford.
3	do	H. Res. 6 (on passage)	Nay.
4	Jan. 15, 1973	Call of the House	Present.
5	Jan. 25, 1973	do	Do.
6	Jan. 29, 1973	do	Do.
7	Jan. 31, 1973	do	Do.
8	do	H. Res. 172 (on agreement to)	Nay.
9	do	H. Res. 176 (on agreement to)	Nay.
10	do	H. Res. 132 (on agreement to)	Yea.
11	Feb. 5, 1973	H. Res. 123 (on agreement to)	Yea.
12	Feb. 6, 1973	Call of the House	Present.
13	Feb. 7, 1973	do	Do.
14	do	H. Res. 188 (on agreement to)	Nay.
15	do	H.R. 2107 (on amendment to)	Yea.
16	do	do	Yea.
17	do	H.R. 2107 (on passage)	Nay.
18	Feb. 20, 1973	Call of the House	Present.
19	do	H.R. 3694 (on passage)	Yea.
20	Feb. 21, 1973	H.J. Res. 345 (on passage)	Yea.
21	Feb. 22, 1973	H.R. 1975 (on amendment to)	Not voting.
22	Feb. 23, 1973	H.R. 1975 (on passage)	Do.
23	Feb. 27, 1973	Call of the House	Present.
24	do	H.R. 3577 (on passage)	Yea.
25	Feb. 28, 1973	Call of the House	Present.
26	do	H. Res. 256 (on agreement to)	Nay.
27	do	H. Res. 18 (on agreement to)	Nay.
28	do	H. Res. 257 (on agreement to)	Nay.
29	Mar. 1, 1973	Call of the House	Present.
30	do	H.R. 3298 (on passage)	Nay.
31	Mar. 5, 1973	Call of the House	Present.
32	do	H.R. 4278 (on amendment to)	Yea.
33	do	H.J. Res. 393 (on agreement to)	Do.
34	Mar. 6, 1973	Call of the House	Present.
35	Mar. 7, 1973	do	Do.
36	do	H. Res. 272 (on amendment to)	Nay.
37	do	H. Res. 259 (on amendment to)	Yea.
38	do	H. Res. 259 (on passage)	Do.
39	Mar. 8, 1973	Call of the House	Absent.
40	do	do	Present.
41	do	H.R. 17 (on amendment to)	Nay.
42	do	H.R. 17 (on passage)	Yea.
43	Mar. 13, 1973	Call of the House	Present.
44	do	H.R. 4318 (on amendment)	Nay.
45	do	H.R. 71 (on passage)	Yea.
46	Mar. 14, 1973	Call of the House	Present.
47	do	do	Do.
48	do	S. 583 (on passage)	Yea.
49	Mar. 15, 1973	Call of the House	Present.
50	do	H.R. 2246 (on passage)	Nay.
51	Mar. 20, 1973	Call of the House	Absent.
52	Mar. 20, 1973	H. Res. 285 (on passage)	Not voting.
53	Mar. 21, 1973	Call of the House	Absent.
54	do	H.R. 5446 (on passage)	Yea.
55	Mar. 22, 1973	Call of the House	Present.
56	do	H. Res. 308 (on passage)	Nay.
57	do	H.R. 5445 (on passage)	Yea.
58	Mar. 27, 1973	Call of the House	Present.
59	Mar. 28, 1973	do	Do.
60	Mar. 29, 1973	do	Do.
61	do	H.R. 5293 (motion to recommit)	Nay.
62	do	H.R 5293 (on passage)	Yea.
63	Apr. 2, 1973	H.R. 3153 (on amendment to)	Yea.
64	do	H. Res. 330 (on passage)	Yea.
65	Apr. 3, 1973	Call of the House	Present.
66	do	do	Do.
67	do	do	Do.
68	do	do	Do
69	Apr. 4, 1973	do	Do.
70	do	H.R. 3577 (agree o conf. rept.)	Yea.
71	do	H. Res. 337 (on passage)	Nay.
72	do	Call of the House	Present.
73	do	do	Do.
74	do	H.R. 5683 (on amendment to)	Yea.
75	do	H.R. 5683 (on passage)	Yea.
76	Apr. 5, 1973	Call of the House	Present.
77	do	H Res. 340 (on agreement to)	Nay.
78	Apr. 9, 1973	Call of the House	Present.
79	do	H.R. 4586 (on passage)	Yea.
80	do	H.R. 342 (on passage)	Yea.
81	Apr. 10, 1973	Call of the House	Present.
82	do	H.R. 3298 (veto override)	Nay.
83	do	H. Res. 348 (on agreement to)	Yea.
84	Apr. 11, 1973	H. Res. 349 (on agreement to)	Yea.
85	do	H.R. 3180 (on passage)	Yea.
86	Apr. 12, 1973	H.J. Res. 496 (on passage)	Yea.
87	Apr. 16, 1973	Call of the House	Present.
88	do	H. Res. 357 (on agreement to)	Nay.
89	do	Call of the House	Present.
90	do	H.R. 6168 (on amendment to)	Nay.
91	do	H.R. 6168 (on amendment to)	Yea.
92	do	H.R. 6168 (on amendment to)	Nay.
93	do	H.R. 6168 (on amendment to)	Nay.
94	do	H.R. 6168 (on amendment to)	Nay.
95	do	H.R. 6168 (on amendment to)	Nay.
96	do	H.R. 6168 (motion to recommit)	Nay.
97	do	H.R. 6168 (on passage)	Yea.
98	Apr. 17, 1973	Call of the House	Present.
99	do	do	Do.
100	do	H.R. 6691 (on amendment to)	Nay.
101	Apr. 18, 1973	Call of the House	Present.
102	do	H.R. 6169 (motion to recommit)	Nay.
103	do	Call of the House	Present.
104	do	Procedural Motions	Nay.
105	do	do	Yea.
106	do	Call of the House	Absent.
107	do	H. Res. 360 (on agreement to)	Yea.
108	do	S. 50 (on amendment to)	Yea.
109	Apr. 19, 1973	do	Present.
110	do	S. 502 (on amendment to)	Yea.
111	do	do	Yea.
112	Apr. 30, 1973	Call of the House	Present.
113	do	do	Do.
114	do	S. 398 (agree to conference report)	Yea.
115	May 1, 1973	H. Res. 351 (on agreement to)	Yea.
116	do	H.R. 3932 (on amendment to)	Yea.
117	do	H.R. 3932 (on passage)	Nay.
118	May 2, 1973	H. Res. 370 (on agreement to)	Not voting.
119	do	H.R. 6388 (on passage)	Do.
120	May 3, 1973	Call of the House	Present.
121	do	H.R. 392 (on amendment)	Nay.
122	do	H.R. 392 (on passage)	Yea.
123	May 7, 1973	Call of the House	Present.
124	do	H.R. 4967 (on passage)	Not voting.
125	do	H.R. 6574 (on passage)	Do.
126	do	H.R. 2828 (on passage)	Do.
127	do	H.R. 29 (on amendment)	Do.
128	May 8, 1973	H.R. 5452 (on passage)	Yea.
129	do	H.R. 5451 (on passage)	Yea.
130	May 9, 1973	Call of the House	Present.
131	do	H.R. 7445 (on passage)	Yea.
132	do	H.R. 6370 (on amendment)	Yea.
133	do	H.R. 6370 (on passage)	Yea.
134	May 10, 1973	S. 394 (agree to conference report)	Yea.
135	do	H. Res. 389 (on agreement to)	Yea.
136	do	H.R. 7447 (on amendment to)	Yea.
137	do	H.R. 7447 (on amendment to)	Nay.
138	do	do	Yea.
139	do	do	Nay.
140	do	do	Nay.

Rollcall	Date	Description	Member's Response
141	do	H.R. 7447 (on passage)	Yea.
142	May 15, 1973	Call of the House	Present.
143	do	H.R. 6768 (on amendment to)	Nay.
144	do	H.R. 6768 (on amendment to)	Nay.
145	do	H.R. 6768 (motion to recommit)	Nay.
146	do	H.R. 6768 (on passage)	Yea.
147	May 16, 1973	Call of the House	Present
148	do	H.R. 5777 (on passage)	Yea.
149	May 21, 1973	H.J. Res. 512 (on passage)	Yea.
150	do	H.R. 6330 (on passage)	Nay.
151	May 22, 1973	Call of the House	Absent
152	do	H.R. 6717 (on passage)	Nay.
153	do	H.R. 7200 (motion to recommit)	Nay.
154	do	H.R. 7200 (on passage)	Yea.
155	May 23, 1973	Call of the House	Present.
156	do	S. 516 (veto override)	Nay.
157	do	Call of the House	Present.
158	do	H.R. 7528 (on amendment to)	Yea.
159	do	H.R. 7528 (on passage)	Nay.
160	May 29, 1973	H. Res. 408 (on agreement to)	Yea.
161	do	H.R. 6912 (on amendment to)	Nay.
162	do	do	Nay.
163	May 29, 1973	H.R. 6912 (on passage)	Yea.
164	May 30, 1973	Call of the House	Present.
165	do	do	Do.
166	do	H.R. 5857 (on passage)	Yea.
167	do	H.R. 5858 (on passage)	Yea.
168	May 31, 1973	Call of the House	Present.
169	do	H.R. 7806 (on passage)	Yea.
170	do	H.R. 7724 (on amendment to)	Yea.
171	do	H.R. 7724 (on passage)	Yea.
172	do	H.R. 6458 (on passage)	Yea.
173	June 4, 1973	Call of the House	Present.
174	do	H. Res. 398 (on agreement to)	Yea.
175	June 5, 1973	Call of the House	Present.
176	do	H.R. 8070 (on passage)	Yea.
177	do	Call of the House	Present.
178	June 6, 1973	do	Do.
179	do	H.R. 7935 (on amendment to)	Yea.
180	do	do	Yea.
181	do	do	Nay.
182	do	do	Nay.
183	do	do	Nay.
184	do	do	Yea.
185	do	do	Yea.
186	do	do	Yea.
187	do	do	Yea.
188	do	do	Yea.
189	do	do	Yea.
190	do	H.R. 7935 (on passage)	Yea.
191	do	Call of the House	Present.
192	do	Motion to adjourn	Not voting.
193	June 7, 1973	Call of the House	Present.
194	do	H. Res. 382 (on agreement to)	Nay.
195	do	H. Res. 7645 (on passage)	Yea.
196	do	H.R. 7670 (on passage)	Yea.
197	June 8, 1973	H.R. 2246 (agree to conference report)	Yea.
198	do	H. Res. 426 (on agreement to)	Yea.
199	do	H.R. 7670 (on passage)	Yea.
200	June 11, 1973	Call of the House	Present.
201	do	do	Do.
202	do	Procedural motion	Yea.
203	do	H.R. 4083 (on passage)	Yea.
204	do	H.R. 6713 (on passage)	Yea.
205	do	H.R. 8250 (on passage)	Yea.
206	do	H.R. 4771 (on passage)	Yea.
207	June 12, 1973	H.R. 5293 (agree to conference report)	Yea.
208	do	H. Res. 423 (on agreement to)	Yea.
209	do	H.R. 77 (on amendment to)	Yea.
210	do	do	Yea.
211	do	do	Yea.
212	do	H.R. 77 (on passage)	Yea.
213	June 13, 1973	Call of the House	Present.
214	do	H. Res. 392 (on agreement to)	Nay.
215	do	H.R. 8410 (on amendment to)	Yea.
216	do	do	Yea.
217	do	H. Res. 437 (on agreement to)	Yea
218	do	Call of the House	Present.
219	do	H.R. 8410 (on passage)	Yea.
220	June 14, 1973	Call of the House	Present.
221	do	do	Do.
222	do	H.R. 3926 (on amendment)	Nay.
223	do	do	Nay.
224	do	H.R. 3926 (on passage)	Yea.
225	do	Call of the House	Present.
226	June 16, 1973	do	Do.
227	do	do	Do.
228	do	H.R. 8619 (on amendment to)	Yea.
229	do	do	Yea.
230	do	H.R. 8619 (on passage)	Yea.
231	June 18, 1973	Call of the House	Present.
232	do	do	Absent.
233	do	H.R. 8658 (on passage)	Yea.
234	do	Call of the House	Present.
235	do	H.R. 8152 (on amendment to)	Yea.
236	do	do	Nay.
237	do	H.R. 8152 (on passage)	Yea.
238	June 19, 1973	H.R. 689 (on passage)	Yea.
239	do	H.R. 6129 (on passage)	Yea.
240	do	H.R. 7127 (on passage)	Yea.
241	do	H. Res. 434 (on agreement to)	Yea.
242	do	H.R. 5464 (on amendment to)	Yea.
243	do	H.R. 5464 (on passage)	Yea.
244	do	H.R. 5094 (on passage)	Nay.
245	June 20, 1973	Call of the House	Present.
246	do	H.R. 8760 (on amendment to)	Nay.
247	do	do	Nay.
248	do	do	Yes.
249	do	H. Res. 448 (on agreement to)	Nay.
250	do	H.R. 8760 (on passage)	Yea.
251	do	H. Res. 435 (on agreement to)	Yea.
252	June 21, 1973	Call of the House	Present.
253	do	do	Do.
254	do	H.R. 7824 (motion to recommit)	Nay.
255	do	H.R. 7824 (on amendment to)	Nay.
256	do	do	Nay.
257	do	do	Nay.
258	do	do	Nay.
259	do	do	Nay.
260	do	H.R. 7824 (procedural motion)	Nay.
261	do	H.R. 7824 (on amendment to)	Yea.
262	do	do	Nay.
263	do	H.R. 7824 (on passage)	Yea.
264	June 22, 1973	Call of the House	Absent.
265	do	H.R. 8510 (on amendment to)	Not voting.
267	do	do	Do.
268	do	Call of the House	Do.
269	do	H.R. 8825 (on amendment to)	Do.
270	do	do	Do.
271	do	H.R. 8825 (on passage)	Do.
272	June 25, 1973	Call of the House	Present.
273	do	H.R. 7447 (procedural motion)	Yea.
274	do	do	Nay.
275	do	H. Res. 454 (on agreement to)	Nay.
276	do	Call of the House	Present.
277	do	H.R. 8662 (on amendment to)	Yea.
278	do	H.R. 8662 (on passage)	Yea.
279	do	Call of the House	Present.
280	do	do	Do.
281	June 26, 1973	do	Do.
282	do	H. J. Res. 636 (limit debate)	Nay.
283	do	H.J. Res. 636 (to amend)	Yea.
284	do	do	Yea.
285	do	do	Yea.
286	do	H.J. Res. 636 (on passage)	Yea.
287	do	H. Res. 455 (on agreement to)	Yea.
288	do	Call of the House	Present.
289	do	do	Do.
290	do	H.R. 8877 (on amendment to)	Nay.
291	do	do	Yea.
292	do	do	Nay.
293	do	do	Yea.
294	do	H.R. 8877 (motion to recommit)	Yea.
295	do	H.R. 8877 (on passage)	Yea.
296	June 27, 1973	Call of the House	Present.
297	do	H.R. 8215 (on passage)	Yea.
298	do	H.R. 4200 (on passage)	Present.
299	do	H. Res. 470 (on agreement to)	Yea.
300	do	H.R. 7447 (override veto)	Yea.
301	do	Call of the House	Present.
302	do	do	Do.
303	do	do	Do.
304	do	H.R. 8917 (on passage)	Yea.
305	June 28, 1973	Call of the House	Present.
306	do	H.R. 8537 (on amendment to)	Yea.
307	do	Call of the House	Present.
308	do	H.R. 8947 (on amendment to)	Yea.
309	do	do	Yea.
310	do	do	Yea.
311	do	H.R. 8947 (on passage)	Yea.
312	June 29, 1973	Call of the House	Present.
313	do	H.R. 9055 (on amendment to)	Nay.
314	do	do	Nay.
315	do	H.R. 9055 (on passage)	Yea.
316	do	Call of the House	Present.
317	do	H.R. 8916 (on amendment to)	Yea.
318	do	H.R. 8916 (on passage)	Yea.
319	do	H.R. 8410 (procedural motion)	Nay.
320	June 30, 1973	Call of the House	Present.
321	do	H.R. 8860 (motion to concur)	Yea.
322	do	H.J. Res. 636 (agree to conference report)	Yea.
323	do	H.R. 7445 (motion to concur)	Yea.
324	July 10, 1973	Call of the House	Absent
325	do	H.R. 8860 (on amendment to)	Do.
326	do	do	Do.
327	do	do	Do.
328	July 11, 1973	Call of the House	Do.
329	do	H.R. 8860 (amendment to)	Do.
330	do	do	Do.
331	do	do	Do.
332	do	do	Do.
333	do	Call of the House	Do.
334	do	H.R. 8860 (procedural motion)	Do.
335	do	H.R. 8606 (on amendment to)	Do.
336	do	do	Do.
337	July 16, 1973	Call of the House	Present.
338	do	H.R. 8860 (on amendment to)	Nay.
339	do	Call of the House	Present.
340	do	H.R. 8860 (on amendment to)	Yea.
341	July 17, 1973	Call of the House	Present.
342	do	S. 504 (agree to conference report)	Nay.
343	do	H.R. 6078 (on passage)	Do.
344	do	H.R. 8949 (on passage)	Yea.
345	do	H.R. 9048 (on passage)	Do.
346	do	S. 2120 (on passage)	Do.
347	do	S. 1752 (on passage)	Do.
348	July 18, 1973	Call of the House	Present.
349	do	H.J. Res. 542 (on amendment to)	Nay.
350	do	do	Do.
351	do	do	Do.
352	do	H.J. Res. 542 (on passage)	Yea.
353	July 19, 1973	Call of the House	Absent.
354	do	H.R. 8860 (on amendment to)	Yea.
355	do	do	Yea.
356	do	do	Yea.
357	do	do	Nay
358	do	do	Yea.
359	do	do	Yea

Rollcall	Date	Description	Member's Response
360	do	H.R. 8860 (procedural motion)	Nay.
361	do	H.R. 8860 (motion to recommit)	Yea.
362	do	H.R. 8860 (procedural motion)	Yea.
363	do	H.R. 8860 (on passage)	Yea.
364	July 20, 1973	Call of the House	Present.
365	do	H.R. 8538 (on amendment to)	Yea.
366	do	H.R. 8538 (on passage)	Yea.
367	July 23, 1973	H. Res. 493 (on agreement to)	Yea.
368	do	H.R. 5356 (on amendment to)	Yea.
369	do	do	Yea.
370	do	do	Yea.
371	do	H.R. 5356 (on passage)	Yea.
372	do	Call of the House	Present.
373	do	Procedural Motion	Nay.
374	July 24, 1973	S. 1888 (motion to recommit)	Nay.
375	do	S. 1888 (procedural motion)	Yea.
376	do	Call of the House	Present.
377	do	H.R. 8480 (on amendment to)	Yea.
378	do	do	Yea.
379	July 25, 1973	Call of the House	Present.
380	do	S. 1423 (agree to conference report)	Yea.
381	do	S. 1423 (on amendment to)	Nay.
382	do	Call or the House	Present.
383	do	S. 1423 (on amendment to)	Nay.
384	do	do	Yea.
385	do	S. 1423 (motion to recommit)	Yea.
386	do	S. 1423 (on passage)	Nay.
387	July 26, 1973	Call of the House	Present.
388	do	do	Do.
389	do	do	Do.
390	do	do	Do.
391	do	H.R. 9360 (on amendment to)	Nay.
392	do	do	Yea.
393	do	do	Nay.
394	do	Call of the House	Present.
395	do	H.R. 9360 (on amendment to)	Yea.
396	do	do	Nay.
397	do	H.R. 9360 (motion to recommit)	Not voting.
398	do	H.R. 9360 (on passage)	Do.
399	do	H.R. 8947 (agree to conference report)	Yea.
400	do	H. Res. 512 (on agreement to)	Yea.
401	do	S. Con. Res. 42 (on agreement)	Yea.
402	do	H.R. 9474 (on passage)	Yea.
403	do	Call of the House	Present.
404	July 31, 1973	do	Do.
405	do	H.R. 9286 (on amendment to)	Yea.
406	do	do	Yea.
407	do	do	Nay.
408	do	do	Nay.
409	do	do	Nay.
410	do	do	Yea.
411	do	H.R. 9286 (on passage)	Yea.
412	Aug. 1, 1973	H.R. 8825 (agree to conference report)	Yea.
413	do	H.R. 8825 (procedural motion)	Yea.
414	do	Call of the House	Present.
415	do	H.R. 8825 (on amendment to)	Nay.
416	do	do	Nay.
417	Aug. 2, 1973	Call of the House	Present.
418	do	H. Res. 515 (on agreement to)	Yea.
419	do	H.R. 9130 (on amendment to)	Yea.
420	do	do	Yea.
421	do	do	Yea.
422	do	do	Nay.
423	do	do	Yea.
424	do	H.R. 9130 (on passage)	Yea.
425	Aug. 3, 1973	S. 1636 (agree to conference report)	Yea.
426	do	H. Res. 518 (on agreement to)	Yea.
427	do	S. 502 (agree to conference report)	Yea.
428	do	H.R. 7935 (on amendment to)	Nay.
429	do	S. 1888 (motion to concur)	Yea.
430	do	S. 1888 (procedural motion)	Nay.
431	do	H.R. 8658 (agree to conference report)	Yea.
432	do	H.R. 8760 (agree to conference report)	Yea.
433	Sept. 5, 1973	Call of the House	Present.
434	do	H. Res. 512 (on agreement)	Yea.
435	do	H. Res. 504 (on agreement)	Yea.
436	do	H.R. 8920 (on passage)	Yea.
437	Sept. 6, 1973	H.R. 6912 (agree on conference report)	Yea.
438	do	H.R. 8351 (on passage)	Yea.
439	do	H. Res. 484 (on agreement to)	Yea.
440	do	H.R. 8547 (on amendment to)	Nay.
441	do	H.R. 8547 (on passage)	Yea.
442	Sept. 10, 1973	H. Res. 536 (on agreement to)	Yea.
443	do	H.R. 7482 (on passage)	Yea.
444	Sept. 11, 1973	Call of the House	Present.
445	do	H.R. 7645 (agree to conference report)	Yea.
446	do	H.R. 2096 (on passage)	Yea.
447	do	H. Res. 511 (on agreement to)	Nay.
448	Sept. 12, 1973	Call of the House	Present.
449	do	S. 504 (veto override)	Nay.
450	do	H.R. 7974 (on passage)	Yea.
451	do	H.R. 8789 (on passage)	Yea.
452	Sept. 13, 1973	H.R. 8619 (mointn to iostruct conferees)	Yea.
453	do	H.R. 6576 (on passage)	Nay.
454	do	Call of the House	Present.
455	do	H.R. 9639 (on amendment to)	Nay.
456	do	H.R. 9639 (on passage)	Yea.
457	do	H.R. 9553 (on passage)	Not voting.
458	Sept. 17, 1973	H.R. 7265 (on passage)	Yea.
459	Sept. 18, 1973	H.R. 8070 (agree to conference report)	Yea.
460	do	H.R. 7730 (on passage)	Yea.
461	do	H.R. 37 (on passage)	Yea.
462	do	Call of the House	Present.
463	do	H. Res. 420 (on agreement to)	Yea.
464	Sept. 19, 1973	Call of the House	Present.
465	do	H.R. 7935 (veto override)	Nay.
466	do	H.R. 9715 (on amendment to)	Nay.
467	do	H.R. 9715 (on passage)	Yea.
468	do	H.R. 9256 (on passage)	Yea.
469	Sept. 20, 1973	Call of the House	Present.
470	do	H.R. 8917 (agree to conference report)	Yea.
471	do	H.R. 8917 (procedural motion)	Yea.
472	do	H.R. 9281 (motion to recommit)	Yea.
473	do	H.R. 9281 (on passage)	Nay.
474	do	H.R. 9256 (on passage)	Not voting.
475	Sept. 25, 1973	H.R. 8619 (agreed to conference report)	Yea.
476	do	H.J. Res. 727 (on amendment to)	Nay.
477	do	do	Yea.
478	do	do	Yea.
479	do	H.J. Res. 727 (on passage)	Yea.

THIRD ANNUAL DINNER OF THE CONGRESSIONAL BLACK CAUCUS

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, on Saturday, September 29, the Congressional Black Caucus held its third annual dinner, in the International Ballroom of the Washington Hilton.

This affair is given annually in order to raise funds for educational and research projects of the Congressional Black Caucus staff.

This was a historic night in many respects. This particular night was in honor of Mayor Tom Bradley of Los Angeles and his outstanding achievment of becoming the first black mayor of America's third largest city. In this manner we were also paying tribute to all of the 2,600 black Americans who hold elective public office.

Over 3,000 persons journeyed from all over America to attend this dinner and to pay tribute to the Congressional Black Caucus. We want to thank those concerned Americans who cared enough to come here and register their concern.

Mr. Speaker, this occasion was a night that all who attended will always remember. Those who were present heard an outstanding speech by our main speaker, Senator EDWARD W. BROOKE.

As Chairman of the Congressional Black Caucus I had the honor of introducing this gentleman to our audience. My introductory remarks and Senator BROOKE's speech follow. I deem it a privilege to share this magnificent speech with all of my colleagues:

INTRODUCTION OF SENATOR EDWARD W. BROOKE BY CONGRESSMAN LOUIS STOKES

This night opens up a new chapter—not only in black history—but in American history. Tonight marks the first time in American history that the 16 black members of the House of Representatives and America's only black Senator have appeared together at any public forum.

In this context it is well for us to take a moment and reflect upon this occasion in its historic setting.

It was 104 years ago that the electorate sent the first black Representative to the United States Congress. This man was John Willis Menard, who was elected from the State of Louisiana. Mr. Menard's victory was contested by his white opponent, and as a consequence of this fact America's first black Congressman was never seated in the Congress to which he had been elected. The election of John Willis Menard marked the beginning of two periods of service on Capitol Hill for black elected representatives. The first period ranged from 1870 to 1901. During this period of time, a total of 22 black representatives sat in the House, along with two black men, Hiram Revels and Blanche K. Bruce who sat in the Senate. All were Republicans—all were elected from southern States.

During the era 1901 to 1928, a period of 28 years, not a single black representative sat in the House of Representatives. Their service there resumed once again in 1929, and has continued to the present day when the historic number of 16 now sit in the House, with one sitting in the United States Senate.

The last black Member of the House during the reconstruction period was George White of North Carolina. He was a graduate of Howard University, and is described as being a race conscious, militant politician. He was defeated in 1900 and just before leaving the House in 1901, he made a speech on the floor of the House regarding his departure. Historians have described this speech as being "with bitterness, great feeling and prophecy." The significant portion of George White's speech on that occasion was when he said:

"This, Mr. Chairman, is perhaps the Negroes' temporary farewell to the American Congress; but let me say, Phoenix-like he will rise up someday and come again. These parting words are in behalf of an outraged, heartbroken, bruised and bleeding, but God-fearing people. Faithful, industrious, loyal people—rising people, full of potential force. . . . The only apology that I have to make for the earnestness with which I have spoken is that I am pleading for the life, the liberty, the future happiness, and manhood suffrage of one-eighth of the entire population of the United States."

George White's prophecy that we would come again took 28 years to come to fruition. In 1928 Oscar De-Priest came to the House of Representatives.

The last black Senator during the reconstruction period was Blanche K. Bruce who served in that body from 1875 to 1881. In 1966, Edward William Brooke was elected to the United States Senate from the Commonwealth of Massachusetts. In the case of the Senate, George White's prophecy that we would come again had taken us 85 years.

Tonight, the Congressional Black Caucus has chosen that distinguished Senator as the speaker of the hour.

Senator Brooke is a native of the District of Columbia. He attended public schools here and is a graduate of Dunbar High School.

Upon receiving a bachelor of science degree from Howard University in 1941, he entered the United States Army, served with the "partisans" in Italy, and was discharged in 1946 as a captain.

He then went to Boston. There he edited the Boston University Law Review from 1946 to 1948. He is the recipient of both a law degree and a master of laws.

As a lawyer he was accorded the honor of being made a fellow of the American Bar Association for excellence in law. He is the recipient of 23 honorary doctorate degrees.

In 1962 he was elected attorney general of the Commonwealth of Massachusetts, and re-elected in 1964. In 1966 an already distinguished career was capped by election to the United States Senate as the first black man to serve in that body since reconstruction.

In the Senate he serves on the Committee on Appropriation, and Banking, Housing and Urban Affairs.

As a Member of the United States Senate he has had a distinguished career. He is author of the famous Brooke amendment and he led the fight in the Senate to successfully defeat the nominations of Haynesworth and Carswell to the United States Supreme Court.

On this night when we salute "strong men who keep a'comin'," I give you a man who won election in a State which is less than 3% black; a man who is Protestant in a Catholic State; a man who is Republican in a Democratic State. I give you a man for all seasons.

Ladies and gentlemen, from the Commonwealth of Massachusetts I give you America's only black Senator, Senator Edward Brooke.

I am delighted to have the opportunity to participate in this important event. I am particularly delighted to be present as the Congressional Black Caucus acknowledges the great contribution of Clarence M. Mitchell, Director, Washington Bureau, NAACP. I have "served" with Clarence in Congress and know that he has been more effective than anyone else in enacting civil rights laws. I am always pleased to work with my colleagues in the Congressional Black Caucus and, of course, to have a chance to meet and talk with black elected officials and friends from across the country.

This is a very special occasion. For one thing it is a conspicuous meeting of the Congressional Black Caucus and the Senate Black Caucus. I know some of you have wondered whether the two Caucuses ever caucused. We do and we will continue to do so.

But this third annual Caucus dinner is significant for other reasons too. First, this event honors Mayor Tom Bradley, one of the most distinguished elected officials in the country. And, second, tonight ten years after Doctor Martin Luther King, Jr., A. Philip Randolph, Jesse Jackson, Dick Gregory, Andy Young and other great leaders led the historic March on Washington, we are focusing the spotlight on more than 2600 black elected officials in this country.

It is no coincidence that the number of black elected officials has increased by more than 120 per cent since 1969, or that the size of the Congressional Black Caucus has nearly tripled in the last five years.

These occurrences are not accidental. Rather they reflect a new consciousness, a new reality, a recognition of the fact that we are standing on the threshold of a new and crucial phase for Black Americans—indeed for all Americans.

Nowhere is the reality of this new phase more evident than in recollections of the March on Washington for Freedom and Jobs. We were certain then that the rightness of our cause was the sole weapon needed to prevail. Our allies were many. Our divisions seemed few. Our dreams naively appeared close at hand.

But, our euphoria did not endure. Our allies dispersed. Our differences resurfaced. And our dreams remained deferred.

Yet, in the turbulent decade that has intervened, significant progress was made in the belated expansion of our nation's constitutional guarantees to all its citizens. The courts—and then finally Congress—moved to fulfill the grand promise of equal protection under the law.

Yet, 250,000 Americans, black and white, had not limited their demand to abolition of oppressive laws. Our demand was freedom and jobs. For the two are intertwined. Freedom in the abstract would not then, and will not now, suffice. We also sought freedom from hunger, freedom from want and freedom from frustration. Simply put, we sought jobs.

And, in the years since, we have made some qualitative progress. Blacks are beginning to get *better* jobs. But we haven't even approached the number and the quality of jobs we need.

We haven't even come near to fulfilling the heady prophecies of August 1963 and we never shall if we limit ourselves to sentimental journeys back to that euphoric day. We cannot and should not try to revive the Civil Rights Movement as we knew it then.

The devastating war in Asia drained us of many of our allies. Many of our nation's young and its liberals turned their attention and energies to the battle for peace. And, very candidly, others were excluded as many Blacks decided to go it alone.

But, issues are more complex than they were a decade ago. Solutions are harder to find. More than that the tactics of the Sixties are no longer appropriate in an era of decentralized government.

The return of power to state and local governments disrupts long-time power relationships and demands new and expanded leadership, organization and efforts at state and local levels. The past reliance on concentrating our efforts at the federal level must give way to the selective application of power at the most effective level of government. Revenue sharing and regionalism have complicated our political equation.

There have been other changes as well in recent years: The black-white liberal coalition has fallen victim to many vested interests and to various private agendas; there has been a growth of apathy and confusion, and of basic distrust in government; moral leadership in the highest places has been tainted by corruption; memories of Vietnam still haunt and divide us; and a precarious national economy threatens all of our people.

If these are not enough reasons to change our tactics, one need only to look at the record of the past decade. We find a condition best characterized by: "we have made some progress, *but* . . ."

For example:

A third of all black families earn more than $10,000 a year. But another third live in poverty;

One third of all black employees are in white collar jobs, *but* unemployment is twice as high among Blacks as among Whites;

There was a 76 per cent increase in the number of Blacks entering white collar jobs, *but* most entered clerical jobs;

Eight hundred thousand Blacks in large metropolitan areas moved to the suburbs, *but* nearly three million Blacks were added to the overcrowded central cities;

Scammon and Wattenberg tell us that 52 per cent of all Blacks are now in the middle class, *but* to arrive at this conclusion they had to redefine middle class to mean a minimum income of $8,000.

Similar statistics are cited to underscore black economic progress. *But* they are, more often than not selective and misleading as to the relative advances of Blacks as compared to Whites.

Perhaps the most widely heralded statistics used to spread optimism about the economic conditions of Blacks are those of Scammon-Wattenberg. These statistics have in effect encouraged benign neglect of the economic conditions of black people. Messrs. Scammon and Wattenberg submit that young black husband/wife families under the age of 35 have now achieved family incomes equal to their white counterparts. But, in order to achieve this young family income equality, young black wives *had* to work and most of all these young black husband/wife families who have achieved equal incomes comprise only 6 per cent of all black families in the nation. Few Whites would be content to have their economic conditions defined in terms of the richest six per cent of White families.

In addition these statistics apply only to young black families in the North and West. But, one-half of all Blacks still live in the South.

The tragic fact remains, if you are black you are still twice more likely than a White to be unemployed; less likely to have a steady, year-round, full-time job and more likely to suffer long-term unemployment.

Perhaps two glaring, irrefutable facts best tell the economic conditions of Blacks and gauge the over-all economic progress which they have made.

Never once during the economic boon during the 1960's did black unemployment at its best equal white unemployment at its worst.

And probably the most telling and reliable statistic about black economic gains of recent years is that Blacks held 5.1 per cent of total white income in 1948. In 1971 they held only 6.6 per cent—despite all the rhetoric of gain, a real gain for Blacks of only one-and-one-half per cent in 23 years.

Yes we have made some progress. *But* we have so much further to go.

And tonight, I want to talk to you about how best to get what we want, what we need and what we deserve from the political system. Political power and public office have been the keys which opened the doors of opportunity for various groups in America since the founding of our country.

What is new in our day, however, is the use of political power and public office in pursuing the hopes and aspirations of black people.

Americans respect and respond to political power. Political power influences public policy at all levels. This is the nature of politics. And others have mastered the ground rules, and so must we.

It is easy to underestimate the effect of political power. At a press conference in 1966, President Eisenhower, in an apparent reference to some Southern Whites, said: "I don't believe you can change the hearts of men with laws or decisions."

Mr. Eisenhower was wrong. Power changes

people. If power does not at once change the hearts of men, it can indeed change the way their hearts respond. Laws can help encourage people to rethink and change their positions in order to protect their own self-interests.

Commenting on the Eisenhower remark, David Bazelon in his book, *Power In America,* said ". . . Southerners . . . knew full well . . . just exactly in what way and how much state laws—and the power behind them—had extorted intimate changes of heart in them. Inhibit the use of state force in confirming segregation, by an exercise of federal power, and the heart will change back rather naturally—in the emotional free-market, so to speak."

The point can be made less diplomatically: "Hit a bigot in his pocketbook and his head will quickly tell his heart where his enlightened self-interest lies."

By law and judicial decree, we have been given considerable power over our destinies. The ballot is power; political participation is power; pressure group tactics are power; getting your own people and your allies into public office represents power. And we can do all these things without a single new civil rights law being passed. And if we do them, you can be sure that there won't be any problem in getting more civil rights laws passed, if they are needed, and in making government at every level respond to our needs.

Fortunately, the political culture is not an alien environment for us. Slavery taught our people many lessons, not the least of which is how to survive. That's politics. Discrimination toughened us to withstand the ordeals until the time was ripe for action. That's politics. Racism taught us more than any other lesson in our experience. Racism taught us we must stand together, or we shall fall together. And that's politics too.

Our political experience is good. Our political potential is obvious. We are 10 per cent of the national electorate, concentrated in key cities and states.

However, our full potential is far from realized. Despite impressive gains in the number of black elected officials, the 2,621 of us who now hold public office still represent less than one-half of one per cent of all elected officials. This is a sobering reality.

I am privileged to serve on the Board of Governors of the Joint Center for Political Studies, which the New York Times calls our "Black Think Tank." The Center has done extensive research and published exhaustive statistics on black political potential. Its resources are invaluable in our efforts to elect black officials. But the Center's data is helpful in other ways too. The word is getting around Capitol Hill about how Charlie Diggs, Charlie Rangel, Walter Fauntroy, Barbara Jordan and others have been button-holing their white congressional colleagues to tell them about black voting potential in their districts. And their white colleagues get the picture very quickly.

For example, Blacks make up 25 per cent or more of the population in 59 congressional districts. In fact, in 51 congressional districts, the number of Blacks of voting age is at least twice as great as the margin of victory for the winning candidate in the 1972 congressional elections. Equally significant is the fact that in 93 congressional districts over 15 per cent of the families are earning less than $7,000 per year. What this suggests is that a coalition of black and low income voters can have substantial influence on who is elected to Congress.

Other statistics are also persuasive. In 88 cities over 50,000 in population and in nine of our states, the black voting age population is more than 15 percent. And that is potential political clout. In fact, we now have 85 black mayors, including our honoree, Tom Bradley, whose constituency is only 17 per cent black. Tom's election shows what can be accomplished through coalition politics.

Another impressive political gain was Congresswoman Shirley Chisholm's campaign for the 1972 Democratic presidential nomination. Shirley demonstrated bold and imaginative leadership and we need people in politics who think the unthinkable and dare to achieve the impossible. Their efforts, whether successful or not, do much to politicize our cause and to pave the way for those who unquestionably will follow.

Despite our political gains, I am still troubled by the fact that there are only four Blacks in the nation who hold elected statewide office. A statewide political base is a formidable source of political power. You can read all you want about how I got to the Senate, but if I had not been elected Attorney General of Massachusetts, I wouldn't have had a chance of being elected to the United States Senate.

Black numbers are important, but they don't mean a thing unless black people participate.

We abdicate political power when we decline to exercise our right to be heard and our right to vote.

It is disheartening that more than 50 per cent of eligible black voters failed to vote in 1972.

There are still counties in the South where registration rates are as low as 15 per cent of potential and where the black turn-out of voters generally runs 15 per cent below the white turn-out.

The work of Vernon Jordan and the National Urban League, Julian Bond and the Southern Election Fund, John Lewis and the Voter Education Project and others, will be in vain if our people don't follow through and register, or if, they fail to vote on election day.

And yet it is not enough that Blacks participate fully, they must participate *effectively* in our political processes. As Congressmen William Clay and Lou Stokes have previously stated, our guiding premise should be: "We have no permanent friends, no permanent enemies, just permanent interests."

In the past we have viewed the notion of coalitions too narrowly. We, have regarded coalitions as permanent. We feared we would lose our identities if we coalesced with others, particularly Whites. But, coalitions need not be permanent nor erosive.

We must form free-floating coalitions across racial lines. And these coalitions must be based on specific and pragmatic issues of common interest.

There is no question what these issues are. They are economic! Our economic interests are clearly aligned with those of the majority of Americans. Inflation, unemployment, inequitable taxation, inadequate health care and housing are not black issues, but issues affecting millions of Americans, who suffer the agonies of our economy without ever sharing its abundance.

As Bayard Rustin wrote recently, "to pursue purely black issues at a time when our needs increasingly converge with those of the larger working class is to perpetuate political isolation." And, may I add, political suicide!

And what I am saying tonight is: we cannot go it alone and should not try to go it alone when compelling alliances will serve our needs.

Alliances will not only give us strength in numbers but restore proper perspective on many issues, which have improperly been labeled black issues.

When 16.2 million White Americans as compared with 7.7 million Black Americans fall below the poverty line, we cannot permit poverty to be labeled black.

When the number of white families on welfare is almost twice the number of black families on welfare, we cannot permit welfare to be labeled black.

Poverty and Welfare are inaccurate gauges of the economic suffering of millions of Americans, who earn too much to be classified as poor or qualify for public assistance, but who barely get by.

And as we ascend the economic scale we find skilled workers whose jobs are not secure and whose pay increases don't keep pace with inflation.

Twenty seven years ago, the Employment Act of 1946 made clear the policy of the Federal Government—to reach and maintain maximum employment, production and purchasing power. This goal has been abandoned. The concept of "full employment" gathers dust on the back shelves of the bureaucracies. I say let's dust it off, define it in understandable terms and make it our number one priority.

First, let's face the fact that even in good times our economy does not create enough jobs. The economic boom of the 1960's proved this.

Second, let's admit that the private sector alone will never be able to create the number of jobs we need.

The conclusion is obvious, the role of the Federal Government in creating jobs must be expanded. It must be expanded in such a way as to sustain employment while meeting the needs of the American people for public facilities and services.

We cannot accept the status quo—a permanent economic sub-class, available when an expanding economy demands more labor and helplessly discarded when inflation becomes politically untenable and the boom must be curbed.

It is past time that a nation which values the work ethic insures that the dignity of work is available for all who can work.

We have natural allies in our quest for a full employment plan. Organized labor has long fought this lonely battle. It is a battle not just for the poor and unemployed, but for the marginally and insecurely employed, who are the first victims of a sluggish economy and, indeed for all workers whose employment depends on sustained prosperity.

We and our allies must make economic issues paramount. Let us not be side-tracked. Remember the 1972 campaign, when scant attention was paid to our nation's economic woes, and instead the people were diverted with spurious and divisive issues, such as busing.

We cannot let this happen again!

We must hammer home the bread and butter issues and knock down the straw men as fast as they are set up. Let's put it simply. Blacks need jobs—more and better jobs. All Americans need jobs—more and better jobs. And together we must get them!

And our quest is most essential to those young Blacks who will come of age during this decade and the next.

Almost one-half of all Blacks in this country are under the age of 19. That's over ten and one-half million young Blacks. Twelve per cent of the entire black population is now ready to vote for the first time or will be old enough to vote for the first time by the election in 1976. What will these young Blacks bode for the future? How do you telescope in words the hopes, the newly discovered pride in being Black, the sense of injustice, the disappointments, the cynicism which they will have experienced in their young lives? What opportunity and hope does the country really hold out for them?

During the 1960's we urged young Blacks not to drop out of school. They heeded our advice and now for the first time for the crucial ages of 16 and 17, black enrollment matches white enrollment. This means that young Blacks, perhaps for the first time believe that they have a chance to "make it" in America. How do we reward them for heeding our advice? What do we tell them when they go to look for a job? How will America be able to explain to them that traditional economic policies will continue to be adhered to and that those policies demand a tradeoff between inflation and unemployment in which the black pays a disproportionately large share? How will America explain that our present and our future economy may demand an even higher level of unemployment in this tradeoff—that a general unemployment rate as low as four per cent would mean an intolerable Latin American-type inflation. And how do we compensate to young Blacks for the increasing loss of the kind of job in manufacturing and industry which was the exit out of poverty for other groups who each in its turn, with hard work had the chance to succeed.

We here tonight are symbols of the increased opportunities for young Blacks in American politics. But as political leaders—Black leaders—American leaders—we will have failed if we cannot get America to see that these young Blacks, almost half of all Blacks, who are waiting on the threshold of adulthood are an undeniable reality for America—a reality which cannot and must not be kept balanced on the margin of American economic life. For them, for countless others, we must succeed. To succeed we must have more coalitions with others and we must have more cohesion and communication among Blacks.

All too often, we suffer break-downs in communications. We must develop a clearinghouse, a communications network that expedites the flow of information and ideas among all elements of the black leadership and black community. We, the nation's black elected officials, should make the establishment of such a system a top priority.

Our tactical priorities require too that we heed Ossie Davis' admonition of two years ago "It's not the man, it's the plan. It's not the rap, it's the map."

We shall have to sacrifice private agendas, sublimate personal ambitions and subdue crowd-pleasing rhetoric.

With a plan and a map let us proceed, joined by as many others as we can gather.

Let us be more realistic in our promises and more skillful in our performance. Let us out-organize, out-wit and out-vote those who would deter us from our goals.

GENERAL LEAVE

Mr. KEATING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the subject of the special order given by the gentleman from Illinois (Mr. Derwinski).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Taylor of North Carolina (at the request of Mr. Henderson) from 2 o'clock p.m. today on account of death in the family.

Mr. Kluczynski (at the request of Mr. O'Neill) for today on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Keating) to revise and extend their remarks and include extraneous matter:)

Mr. Hosmer, for 5 minutes, today.

Mr. Talcott, for 5 minutes, today.

Mr. Kemp, for 15 minutes, today.

(The following Members (at the request of Mr. Jones of Oklahoma) and to revise and extend their remarks and include extraneous matter:)

Mr. Burton, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. William D. Ford, for 5 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Matsunaga, for 15 minutes, today.

Mr. Mathis of Georgia, for 10 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Mezvinsky, for 5 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Murphy of New York, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Forsythe and to include extraneous matter, notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $731.50.

Mr. Henderson and to include extraneous matter, notwithstanding the fact it excedes two pages of the Congressional Record and is estimated by the Public Printer to cost $470.25.

Mr. Frenzel and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $522.50.

Mr. Stokes and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $522.50.

Mr. Biaggi, immediately preceding the vote on the amendments offered by Ms. Holtzman in the Committee of the Whole today.

Mr. Wolff, immediately preceding the vote on the amendments offered by Ms. Holtzman in the Committee of the Whole today.

Mr. Brown of Michigan, immediately following the vote on the Wylie amendment in the Committee of the Whole today.

Mr. Young of Florida, immediately following remarks of Mr. Haley.

(The following Members (at the request of Mr. Keating) and to include extraneous matter:)

Mr. Hanrahan in three instances.

Mr. Ashbrook in three instances.

Mr. Findley in three instances.

Mr. Blackburn.

Mr. Erlenborn.

Mrs. Holt.

Mr. Railsback in two instances.

Mr. Biester in two instances.

Mr. Kemp.

Mr. McClory.

Mr. Steiger of Arizona.

Mr. Wiggins.

Mr. Hudnut in two instances.

Mr. Esch.

Mr. Talcott in two instances.

Mr. Gilman.

Mr. Zwach.

Mr. Smith of New York.

Mr. Sandman.

Mr. Froehlich.

Mr. Widnall.

Mr. Frenzel.

Mr. Fish.

Mr. Peyser in five instances.

Mr. Goodling.

Mr. Bob Wilson.

Mr. Shriver in two instances.

Mr. Huber.

Mr. Hunt.

Mr. Derwinski in three instances.

Mr. Wyman in two instances.

(The following Members (at the request of Mr. Jones of Alabama) and to include extraneous material:)

Mr. Leggett.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Evins of Tennessee in two instances.

Mr. Burton.

Mr. Teague of Texas in six instances.

Mr. William D. Ford.

Mrs. Griffiths.

Mr. Long of Maryland in 10 instances.

Mr. Addabbo in two instances.

Mr. Aspin in 10 instances.

Mrs. Boggs.

Mr. Jones of North Carolina.

Mr. Moss in two instances.

Mr. Jones of Tennessee.

Mr. Edwards of California.

Mr. Gaydos in 10 instances.

Mr. Harrington in four instances.

Mr. Morgan.

Mr. Lehman in 10 instances.

Mr. Mezvinsky.

Mr. Diggs in five instances.

Mr. Fraser in five instances.

Mr. Burke of Massachusetts.

Mr. Waldie in two instances.

Mr. Studds.

Mr. Conyers.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on October 2, 1973, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 719. To extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 84. An act for the relief of Mrs. Naoyo Campbell;

S. 89. An act for the relief of Kuay Ten Chang (Kuay Hong Chang);

S. 396. An act for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.;

S. 1914. An act to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes; and

S. 2419. An act to correct typographical and clerical errors in Public Law 93–86.

ADJOURNMENT

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Thursday, October 4, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1420. A letter from the Secretary of the Air Force, transmitting a report on the Air Force military construction contracts awarded by the Department of the Air Force without formal advertisement for the period January 1, 1973 through June 30, 1973, pursuant to section 804, Public Law 90-110; to the Committee on Armed Services.

1421. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms during July 1972 through June 1973, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

1422. A letter from the Acting Secretary of the Interior, transmitting the annual report for the calendar year 1972 regarding the administration of the Federal Metal and Nonmetallic Mine Safety Act, pursuant to section 20, Public Law 89-577; to the Committee on Education and Labor.

1423. A letter from the Assistant Secretary of Agriculture, transmitting a preliminary report of actions taken in the implementation of the special supplemental food program for women, infants, and children, pursuant to the National School Lunch Act, as amended by Public Law 92-433; to the Committee on Education and Labor.

1424. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755) as amended, to extend and adapt its provisions to the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONOHUE: Committee on the Judiciary. H.R. 9800. A bill to amend sections 2733 and 2734 of title 10, United States Code, and section 715 of title 32, United States Code, to increase the maximum amount of a claim against the United States that may be paid administratively under those sections and to allow increased delegation of authority to settle and pay certain of those claims; with amendment (Rept. No. 93-539). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H.R. 10203. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; with amendment (Rept. No. 93-541). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of Conference. Conference report on H.R. 9639 (Rept. No. 93-540). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAUX (for himself, Mr. Mr. Dulski):

H.R. 10700. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BREAUX(for himself, Mr. Jones of Alabama, Mr. Wright, Mr. Clark, Mr. Dorn, Mr. Henderson, Mr. Roberts, Mr. Don H. Clausen, Mr Howard, Mrs. Burke of California, Mr. Ginn, Mr. Milford, Mr. Walsh, Mr. Hébert, Mr. Passman, Mr. Rarick, Mrs. Boggs, Mr. Lott, Mr. Charles, Wilson of Texas, and Mr. Waggonner):

H.R. 10701. A bill to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities; to the Committee on Public Works.

By Mr. ADDABBO:

H.R. 10702. A bill to permit institutions to participate in the veterans' cost-of-living instruction program when at least 5 percentum of their undergraduate students are veterans; to the Committee on Education and Labor.

By Mr. BAKER:

H.R. 10703. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products; to the Committee on Banking and Currency.

By Mr. de la GARZA:

H.R. 10704. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. du PONT:

H.R. 10705. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

Br. Mr. MOAKLEY:

H.R. 10706. A bill to establish a national homestead program under which single-family dwellings owned by the Secretary of Housing and Urban Development may be conveyed at nominal cost to individuals and families who will occupy and rehabilitate them; to the Committee on Banking and Currency.

By Mr. SAYLOR (for himself and Mr. Wolff):

H.R. 10707. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SNYDER:

H.R. 10708. A bill, Emergency Medical Services System Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. WYMAN (for himself, Mr. Won Pat, Mr. Brown of California, Mr. Tiernan, Mr. Riegle, Mr. Williams, Mr. Mayne, Mr. Gilman, Mr. Yatron, Mr. Fountain, Mr. Eilberg, Mr. Roncallo of New York, Mr. Nichols, and Mrs. Heckler of Massachusetts):

H.R. 10709. A bill to create a corporation for profit to develop commercially feasible processes for the conversion of coal to crude oil and other liquid and gaseous hydrocarbons, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ULLMAN (for himself and Mr. Schneebeli):

H.R. 10710. A bill to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDERSON of Illinois (for himself and Mr. Broyhill of Virginia):

H.R. 10711. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. ASPIN:

H.R. 10712. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

By Mr. DENT (for himself, Mr. Perkins, Ms. Abzug, Mr. Ashley, Mr. Bell, Mr. Benitez, Mr. Biaggi, Mr. Blatnik, Mr. Boland, Mr. Brasco, Mr. Brown of Ohio, Mr. Burton, Mr. Carney of Ohio, Mr. Clay, Mr. Conyers, Mr. Cotter, Mr. Dominick V. Daniels, Mr. Edwards of California, Mr. Fascell, Mr. Flood, Mr. William D. Ford, Mr. Gaydos, Mrs. Grasso, and Mr. Harsha):

H.R. 10713. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. DENT (for himself, Mr. Thompson of New Jersey, Mr. Hawkins, Mr. Hays, Mr. Helstoski, Mr. Holifield, Mr. Lehman, Mr. Lent, Mr. Mathis of Georgia, Mr. Mazzoli, Mr. Meeds, Mrs. Mink, Mr. Moakley, Mr. Obey, Mr. O'Brien, Mr. O'Hara, Mr. Peyser, Mr. Podell, Mr. Quie, Mr. Rodino, Mr. Sarasin, Mr. Studds, Mr. Tiernan, and Mr. Vigorito):

H.R. 10714. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. DENT (for himself, Mr. Widnall, Mr. Williams, Mr. Charles H. Wilson of California, Mr. Won Pat, Mr. Yatron, Mr. Breckinridge, and Mr. Nix):

H.R. 10715. A bill to revise the Welfare and Pension Disclosure Act; to the Committee on Education and Labor.

By Mr. DENT (for himself, Mr. Hays, Mr. Smith of New York, Mr. Scherle, Mr. Hechler of West Virginia, Mr. Seiberling, Mr. Cronin, Mr. James V. Stanton, Mr. Landrum, Mr. Haley, and Mr. Delaney):

H.R. 10716. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. FROEHLICH (for himself, Mr. Obey, Mr. Meeds, Mr. Saylor, Mr. Lujan, Ms. Abzug, Mr. Anderson of Illinois, Mr. Aspin, Mr. Bingham, Mr. Blatnik, Mrs. Burke of California, Mr. Camp, Mrs. Chisholm, Mr. Don H. Clausen, Mr. Cleveland, Mrs. Collins of Illinois, Mr. Conyers, Mr. Dellenback, Mr. de Lugo, Mr. Derwinski, Mr. Erlenborn, Mr. Fraser, Mrs. Green of Oregon, and Mrs. Hansen of Washington):

H.R. 10717. A bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized, sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FROEHLICH (for himself, Mr. Obey, Mr. Meeds, Mr. Gerald R. Ford, Mr. Harrington, Mr. Hosmer, Mr. Johnson of California, Mr. Kastenmeier, Mr. Kazen, Mr. Ketchum, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Owens, Mr. Rangel, Mr. Reuss, Mr. Roybal, Mr. Ruppe, and Mr. Sarbanes):

H.R. 10718. A bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized, sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FROEHLICH (for himself, Mr. Obey, Mr. Meeds, Mr. Seiberling, Mr. Steelman, Mr. Steiger of Arizona, Mr. Steiger of Wisconsin, Mr. Taylor of North Carolina, Mr. Thomson of Wisconsin, Mr. Towell of Nevada, Mr. Udall, Mr. Waldie, Mr. Won Pat, Mr. Young of Alaska, Mr. Young of Georgia, Mr. Zablocki, and Mr. Conlan):

H.R. 10719. A bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized, sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCLORY:

H.R. 10720. A bill to establish a program for the United States to convert to the international metric system; to the Committee on Science and Astronautics.

By Mr. ROYBAL:

H.R. 10721. A bill to regulate expenditures of appropriated funds with respect to private property used as residences by the President and Vice President of the United States; to the Commission on Public Works.

By Mr. ROYBAL (for himself and Ms. Schroeder):

H.R. 10722. A bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, so that benefits for husbands and widowers will be payable on the same basis as benefits for wives and widows; to the Committee on Ways and Means.

By Mr. RUPPE:

H.R. 10723. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

H.R. 10724. A bill to provide relief from shore damages attributable to high water levels in the Great Lakes, and for other purposes; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H.R. 10725. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling wastepaper; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 10726. A bill to permit the State of California to terminate the social security coverage of all members of the State employees retirement system except State legislators; to the Committee on Ways and Means.

By Mr. BEARD:

H.R. 10727. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 10728. A bill to provide for a 7-percent increase in social security benefits beginning with benefits payable for the month of January 1974; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 10729. A bill to amend the act entitled "An act to provide for the construction, alteration, and acquisition of public buildings of the Federal Government, and for other purposes", to authorize a national competition for proposals to redesign the L'Enfant designed portion of the Nation's Capital to meet the country's demands for the Federal City for the next 100 years, and for other purposes; to the Committee on Public Works.

By Mr. MARAZITI:

H.R. 10730. A bill to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H.R. 10731. A bill to amend the Federal Property and Administrative Service Act of 1949, as amended, to provide for the assignment of surplus real property to executive agencies for disposal and for other purposes; to the Committee on Government Operations.

By Mr. OWENS (for himself, Mr. Bergland, Mr. Dellums, Mr. Duncan, Mr. Findley, Mr. Gunter, Mr. Harrington, Ms. Heckler of Massachusetts, Mr. Heinz, Mr. Leggett, Mr. Mayne, Mr. Nichols, Mr. Price of Texas, Mr. Wolff, and Mr. Yatron):

H.R. 10732. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN:

H.R. 10733. A bill limiting exports of copper, and for other purposes; to the Committee on Banking and Currency.

H.R. 10734. A bill to authorize the Administrator of the General Services Administration to provide technical assistance to cities to implement programs which are designed to increase the use of carpools by commuters; to the Committee on Government Operations.

By Mr. MOAKLEY:

H.J. Res. 751. Joint resolution to provide for the issuance of a special postage stamp in commemoration of Guglielmo Marconi; to the Committee on Post Office and Civil Service.

By Mr. WIGGINS:

H.J. Res. 752. Joint resolution proposing an amendment to the Constitution of the United States relative to information proceedings and grand jury indictment; to the Committee on the Judiciary.

By Mr. BRADEMAS (for himself, Mr. Anderson of California, Mr. Annunzio, Mr. Badillo, Mr. Bell, Mr. Boland, Mr. Brasco, Mrs. Chisholm, Mr. Delaney, Mr. Drinan, Mr. Edwards of California, Mr. Eshleman, Mr. Fascell, Mr. Fish, Mr. Fraser, Mr. Frey, Mr. Gilman, Mrs. Grasso, Mr. Gunter, Mr. Harrington, Mr. Hawkins, Mr. Hays, Miss Holtzman, Mr. Ichord, and Mr. Kemp):

H. Con. Res. 324. Concurrent resolution expressing the sense of the Congress regarding the free emigration and expression of ideas by citizens of the Soviet Union; to the Committee on Foreign Affairs.

By Mr BRADEMAS (for himself, Mr. Koch, Mr. Lehman, Mr. Long of Maryland, Mr. Madden, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Murphy of New York, Mr. Nedzi, Mr. Obey, Mr. Pepper, Mr. Peyser, Mr. Podell, Mr. Rangel, Mr. Rees, Mr. Reid, Mr. Roe, Mr. Roybal, Mr. Sarbanes, Mr. Thompson of New Jersey, Mr. Waldie, Mr. Whitehurst, Mr. Yates, Mr. Biaggi, and Mr. Wolff):

H. Con. Res. 325. Concurrent resolution expressing the sense of the Congress regarding the free emigration and expression of ideas by citizens of the Soviet Union; to the Committee on Foreign Affairs.

By Mr. BRADEMAS (for himself, Ms. Abzug, and Mr. Howard):

H. Con. Res. 326. Concurrent resolution expressing the sense of the Congress regarding the free emigration and expression of ideas by citizens of the Soviet Union; to the Committee on Foreign Affairs.

By Mr. FISH:

H. Con. Res. 327. Concurrent resolution to call upon the President to take action regarding the closing of the Schoenau processing center in Austria; to the Committee on Foreign Affairs.

By Mr. FROEHLICH (for himself, Mr. Bergland, Mr. Gilman, Mr. McDade, Mr. Mallary, Mr. Mitchell of New York, Mr. Rousselot, Mr. Ruppe, Mr. Shoup, Mr. Steiger of Wisconsin, Mr. Symms, Mr. Wyman, and Mr. Young of Alaska):

H. Con. Res. 328. Concurrent resolution requesting the President to proclaim January 14 through January 20, 1974, as "National Snowmobiling Week"; to the Committee on the Judiciary.

By Mr. HILLIS:

H. Con. Res. 329. Concurrent resolution providing for continued close relations with the Republic of China; to the Committee on Foreign Affairs.

By Mr. RAILSBACK (for himself, Mr. Bergland, Mr. Fountain, Mr. Gunter, Mr. Hansen of Idaho, Mr. Ketchum, Mr. Mayne, Ms. Schroeder, Mr. Seiberling, Mr. Whitehurst, Mr. Winn, and Mr. Wyatt):

H. Con. Res. 330. Concurrent resolution that all citizens should reduce the temperatures of the home and place of work by 2 degrees during the approaching cold period in order to conserve energy; to the Committee on Interstate and Foreign Commerce.

By Mr. PEYSER (for himself, Mr. Rose, Mr. Roybal, Mr. Roncallo of New York, Mr. Won Pat, and Mr. Charles Wilson of Texas):

H. Res. 577. Resolution that it is the sense of the House that the U.S. Ambassador to Austria be withdrawn until the Austrian Government reinstates its policy permitting transit for Soviet Jews; to the Committee on Foreign Affairs.

By Mr. ESHLEMAN:

H. Res. 578. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the 1973 pricing policies and profit margins of the major oil companies; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON:

H.R. 10735. A bill for the relief of Samuel D. Demonteverde; to the Committee on the Judiciary.

By Mr. TALCOTT:

H.R. 10736. A bill for the relief of Judy Ann Allen, Katherine Adell Cooper, Victoria Machado Davenport, Margaret Agnes Davidson, Linda Mae Epperson, Tom Epperson, Josephine M. King, Ronald Lowell King, Wesley Bryant King, Richard Phillip King, Steven Dale King, Randolph Clark King, Weldon Scott King, Rebecca Laureen King, Russell Eugene King, Sharon Lee Smith, and Delores Y Fernandez Winje; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

305. The SPEAKER presented a petition of Ernest F. Butler, Sr. and others, Washington, D.C., relative to home rule for the District of Columbia; to the Committee on the District of Columbia.

306. Mr. HUDNUT presented a petition of the city-county council, Indianapolis, Marion County, Ind., requesting the Congress to enact legislation removing education from the jurisdiction of the Federal courts and propose an amendment to the Constitution of the United States to prohibit the assignment of children to schools on the basis of race; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

SENATOR MUSKIE DELIVERS CHALLENGING ADDRESS BEFORE NATIONAL ACADEMY OF SCIENCES SYMPOSIUM

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, October 3, 1973

Mr. RANDOLPH. Mr. President, 3 years ago the Congress enacted the Clean Air Act of 1970, the most comprehensive effort ever undertaken by the Federal Government to end the pollution of the air we breathe. We are now well along on the road to implementing the provisions of that act and we are increasingly aware of the impact on our way of life of a strong new program of air pollution abatement.

Experiences with the new act have raised many questions. Related issues, such as the energy shortage, complicate the situation. Under these circumstances, the Committee on Public Works, where the Clean Air Act of 1970 originated, decided earlier this year to review the implementation and consequences of the act.

As part of this review the committee in July contracted with the National Academy of Sciences to study in depth the health effects of the various pollutants which the Clean Air Act amendments seeks to control with economic implications of this control. With the new information which the academy will provide, the committee will evaluate the validity of our approach and the success of our efforts.

Mr. President, the National Academy of Sciences today began a 3-day symposium to discuss the health standards of the Clean Air Act. To set the tone for this discussion, the Academy chose an appropriate keynote speaker in Senator Edmund S. Muskie, the able chairman of our Subcommittee on Air and Water Pollution.

For more than a decade, Senator Muskie has been actively involved in fashioning the environmental protection legislation that is today stimulating a reversal of historic practice of growing pollution levels in our country. Senator Muskie delivered a challenge to the National Academy of Sciences. He clearly stated the commitment of the Congress to environmental enhancement, and he was explicit in defining the kind of study the committee expects from the Academy.

The continuing issues of environmental protection are of great importance to every Member of the Congress, and I ask unanimous consent that the text of Senator Muskie's address be printed in the Record.

There being no objection, the address was ordered printed in the Record, as follows:

Muskie Speech at National Academy of Science Symposium

I appreciate the opportunity to speak to you briefly about the need for evaluation and review of the basis for Federal air pollution control requirements. You are here at the request of the U.S. Senate Committee on Public Works. The Clean Air Act of 1970 was a product of that Committee.

Many questions have been raised about the adequacy of the health data on which the Clean Air Act regulatory actions have been based. And those regulations have begun to shape the way we will live—the way we will move about—the way we will grow.

The air quality standards now in effect are the basis for transportation control programs in many of the nation's major cities. The plans, when implemented, will alter life styles; transportation patterns; and growth directions. These requirements will be imposed because the health of people must be protected from the dangers of air pollution. But we must make sure that the costs imposed are related to public health needs.

The penalties for being wrong are serious.

If we are too harsh, literally millions of dollars could be wasted by consumers, taxpayers and industry in the effort to meet those standards.

If we are too lenient, or if Congress unnecessarily weakens the standards at the urging of those who now charge that we have asked too much, the health costs to our society will be immeasurable. We could, by action or inaction, cause tremendous personal suffering, even death.

For those who do doubt the public perception of the threat of air pollution, I would like to share with you a letter I received recently from the son of a man who immigrated from Russia as a boy in 1905, and rose to become a corporate executive in New York:

"On September 6, 1973, during the thermal inversion that hung over New York City, my father, George Holmes died. A victim of emphysema, the stagnant filthy air of his beloved city was a proximate cause of his death . . .

"George's appetite for life was insatiable; his love was without limit; his loyalty and integrity twin fortresses forever unvanquished . . .

"Senator, over the weeks and months ahead as you contemplate proposals to dilute or sacrifice existing and projected clean air standards, I ask you to think of George, whose life was cut short, whose liberty was circumscribed and whose pursuit of happiness is forever stilled for want of clean air.

"I ask you only to think of George."

Because the penalties for being wrong are so great, we have commissioned the study in which you are participating, and we will carefully consider your conclusions.

To help you in your work, I would like to spend a few minutes discussing the reasons why Congress chose in 1970 to concentrate on the health of the people in writing the Clean Air Act.

As early as 1923, an article in the *Journal of the American Medical Association* warned that:

"The contamination of the air in the more congested streets of American cities during hours of heavy traffic reaches the upper limit, and for shorter periods, even exceeds the upper limit, of a well-founded health standard."

Despite this early warning signal—and despite increasing recognition during the 1950's of the threat to the nation's health posed by the automobile and by stationary sources of pollution—little was done until the last decade to "define" the health costs of air pollution, or to clean up our air.

Then, in 1963, Congress acted to require better identification of pollution-related health problems.

In 1965, Congress initiated legislation to authorize the national auto emission standards. In 1967, Congress provided authority for the Federal Government to work on a regional basis to find and clean up pollution sources. This legislation marked the first major Federal involvement in controlling sources of pollution other than the automobile and it reflected a growing public awareness that environmental problems require more than local solutions.

Partly at the urging of the auto industry, the 1967 law also made auto pollution standards uniform nationwide by pre-empting state authority to set auto standards, with an exception of California. And it emphasized that Federal action be directed at cleaning up the air in areas of the country where pollution was the worst.

These early laws took an economic approach to cleaning up pollution. They required industry only to use the technology which was available at a cost industry was willing to pay and they relied heavily on the states and communities to take the lead in pollution control. Industry opposed stricter controls, arguing that the costs were too high, that the benefits could neither be measured nor justified in terms of costs, and that, in time, better and cheaper technology would come along to do the job.

But by 1970, it was clear that our efforts were failing. The air was getting dirtier at a rapid rate. The first documentation of just how dirty the air was and how levels of air pollution related to health was published.

So in 1970, we drastically changed our approach. We recognized that the concept of economic feasibility had become an excuse for doing nothing. And we agreed that the dangers to health from dirty air were sufficiently great that regulations should be based on the degree of control needed to protect health.

The new law, therefore, established the goal of protecting public health as the basis for regulatory policy. Under the 1970 Act, states were required to develop programs to improve air quality—to levels consistent with public health by 1975—or by 1977 at the latest, if conditions made the 1975 deadline unattainable.

Further, because auto pollution was a national problem of increasing concern, Congress adopted specific controls on cars which required a 90% reduction in their emissions from the 1970 levels. The required 90% reductions were calculated on the basis of the estimated relationship of ambient concentrations of automotive-related air pollution, the degree to which automobiles contributed to the general air pollution problem, and the projected increase in automobiles and population. They were based on the best data available from the Public Health Service and the National Air Pollution Control Administration.

The 1970 Act required control of stationary as well as moving sources of pollution. And the levels at which health effects of pollution from stationary sources occur is also being debated. I trust this conference will apply the same degree of scientific scrutiny to those pollutants as will be applied to those from automobiles. I would, however, like to stress the principles which underlie the 1970 law as that Act relates to the latter—the area of greatest current controversy.

First: Protection of public health could no longer be subservient to considerations of economic or technical feasibility, particularly when those factors were controlled by industry. As the Senate Committee Report stated: "The health of people is more important than the question of whether the early achievement of ambient air quality standards protective of health is technically feasible. The growth of pollution load in many areas, even with the application of available technology, would still be deleterious to public health."

Second: The public health was so important that no agency or court should be given the opportunity to compromise the law. Thus, the statute provides that the 1975 and 1976 auto emission standards could be extended for only one year. This extension could only be granted if the Administrator of the Environmental Protection Agency determined: (1) that meeting the cleanup deadline is not technologically feasible; (2) that the companies have made a good faith effort to meet the standards; (3) that the public interest will be served by an extension; and (4) that the National Academy of Sciences' study has not indicated that alternatives are available to meet the standards.

The third important principle was that the Congress and the Administration should have the benefit of continuous, independent monitoring of the manufacturers' efforts and the state of the developing technology. In short, the Congress determined that the auto companies could no longer be the sole source of public information on available technology. Both EPA and the National Academy of Sciences were instructed to monitor the auto manufacturers' progress, and provide information to the public and the Congress on the availability of technology.

Finally, with regard to the auto industry, the principle was established that so long as the auto industry insisted that America could not live without the automobile, the industry had to shoulder the burden of producing a car with which America could live. And so long as the industry insisted that the spark-piston engine should not be abandoned, that car or engine size need not be restricted, and that no specific fuel economy should be required—the burden then was on the industry to develop the necessary control systems to comply with national standards.

These were the bases upon which the 1970 law was enacted. The law was stringent but it was based on a careful evaluation and interpretation of the facts available at that time.

With that perspective, let us ask ourselves where we are today—just a month after the East Coast experienced its most serious and pervasive air pollution episode.

We have not and we will not waiver from our basic commitment. The health of the American people must be protected against environmental hazards. We must design our environmental health standards so as to assure protection of the health of all people and not just the normal average healthy adult. We must base environmental standards on the best evidence the scientific community can develop. And we must not allow those standards to be compromised because they are difficult to achieve, or because of cost.

The scientific community, therefore, has a great responsibility. It is you who must show what levels of air quality are needed to protect the health of the people. It is you who must show how your experimental conclusions can be the basis for public policy decisions. You must show who is endangered by dirty air, and what pollutants, in what combinations and concentrations pose the dangers.

Public policy makers need this guidance in order to assure that adequate protection is provided for all of our people without creating costs and dislocations which are not justified by the needs of public health. As scientists you are in the first line of defense for national environmental policy and in air pollution you are the most significant line of defense. It is people—not plants, not fish—whose health and welfare may be affected, either positively or adversely by your findings, your doubts and your questions.

I had faith in the scientific community when the Senate passed its version of the Clean Air Act, and I continue to have faith. I assume that many of you here participated in the development or review of the air quality criteria on which many regulatory procedures have subsequently been based.

I assume that your work and your research are in part the basis for our present standards and therefore it is appropriate that you should participate in this effort to ask and, if possible, answer questions about public health-related air quality standards.

In order to fulfill your responsibility, I think it is important to articulate the kinds of questions which are being asked about the Clean Air Act and related standards.

Congress and the people want to know whose health is being protected. We want to know how valid is the data base for existing standards. We want to know whether the standards are designed to protect one theoretical individual from the impact of known or anticipated exposure to one or more air pollutants or whether in fact those standards relate to protection of actual people who live in and around areas that experience excessive levels of those pollutants. We want to know the extent to which we can identify people within the population who are affected by varying pollutant concentrations and the kinds of effects we can expect to see in those people.

In a very real sense, the Congress is seeking a better understanding of what public health-related air quality standards are as well as their validity.

I venture to speculate that few Members of Congress have any idea how many people suffer from asthma, bronchitis, or cardiovascular disease. Few know the distribution of these ailments among age groups or income groups in the population.

I realize that I have interjected a concept which is outside of pure science. But income grouping is important. In urban areas, lower income groups tend to live and work in areas of highest exposure to the dangers of environmental pollutants. At the same time the heaviest cost impact of effective environmental regulation may fall on people who can least afford to pay the cost of pollution control. Yet it is the same people who will be least able to respond to the failure of effective controls by finding new jobs in new places for their families.

Many of you are fully familiar with the policies of the government regarding radiation. Those policies have been controversial. But one aspect which has not been challenged is the authority to limit environmental exposure to radioactive materials even though the cost of that control has been high, sometimes very high. We have made the nuclear industry pay what, by any reckoning, has to be considered an overwhelming price to reduce the discharge of radioactive materials to orders of magnitude below levels known to affect man. This has been done despite the lack of scientific certainty as to threshold levels but with an absolute determination that public health could not be compromised by that uncertainty.

Nuclear industry is a new industry created largely by government and researched and financed by government, and therefore, it can be argued that the public should be protected at all cost against the uncertainty of our knowledge.

But whether a threat is now or old, government financed or not, is irrelevant. We have an equal responsibility to regulate man's other activities at least to the degree that we are certain of the impact of pollutants on health, with an adequate margin of safety. To do less than that is to announce to the American public that this nation cannot afford to protect the health of all of its citizens.

So we have asked the National Academy of Sciences to gather the best minds that it can find to attempt to validate the information we have, to identify areas of certainty and uncertainty, to review the adequacy of margins of safety, to show areas where most research is needed, to show us what is known and what is not, to identify the population groups we are protecting, to point out errors as well as doubts in data, and come back to the Congress with your best judgment in a preliminary form from this meeting and in a final form ten months from now.

My colleagues and I will have high regard for the judgments you make and the information you provide.

We know that the Clean Air Act and other environmental statutes are demanding from the American public investments of time and money—changes in life styles and patterns of living and in some cases major dislocations. We know that these demands must be justified with sufficient certainty if future environmental regulation is to be credible and effective.

We ask you to provide us with the information we need to make wise decisions—for now and for the future. And I, too, ask you to think of George Holmes and thousands like him "whose life was cut short, whose liberty was circumscribed and whose pursuit of happiness is forever stilled for want of clean air."

NELSEN SUBSTITUTE LEAVES CONGRESS IN THE ROLE OF A CITY COUNCIL

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FRASER. Mr. Speaker, the Nelsen substitute—H.R. 10692—which was surfaced today for the first time, just 2 legislative days from floor action in the House on H.R. 9682, the District of Columbia Self Government Act, is certainly a big disappointment.

Congress would still be saddled with the task of legislating on minor local matters that would be handled in any other city by the local aldermen and mayor.

KITE FLYING REQUIRED ACTION BY CONGRESS

The American people had a good laugh at us in 1970 when we had to enact a special law to allow kite flying in Washington, D.C., because Congress had given the City Council so little authority it did not have the power to permit kite flying by a simple municipal ordinance.

The very mild language of the Nelsen substitute will only give the City Council the power to set tax rates, but not to amend tax laws. The Council will be able to set the fee for dog tags, for example, but not change the law on dog tags, dog pounds, or liability for damage by dogs or to dogs. Only Congress will have the power to legislate on these purely local questions if H.R. 10692 is adopted by the House as a substitute to the committee bill, H.R. 9682.

LOCAL LAWS SHOULD NOT BE BUSINESS OF CONGRESS

Here is a list of local laws which the City Council could not enact but had to be voted by Congress during 1971 and 1972. The Nelsen substitute would continue that unfortunate situation. The committee bill would give the power to legislate on such matters to the City

Council of Washington, D.C., where it belongs.

The list follows:

Public Law 91–530 Police wear flag patches on uniforms.

Public Law 92–94 Testing of utility meters.

Public Law 92–124 Authorize D.C. fire department members (etc.) to participate in the Police Department band.

Public Law 92–93 Incorporate Paralyzed Veterans of America in D.C.

Public Law 92–491 Convey D.C. land for National Firefighting Museum.

Public Law 92–88 Transfer of motor vehicles in decedent's estates.

Public Law 92–351 Medical benefits for retired policemen, etc.

Public Law 92–281 Purchase of annuity contracts by teachers.

Public Law 92–515 Permitting seeing eye dogs in restaurants.

Public Law 92–543 Personnel records of policemen.

Public Law 92–410 Compensation of police helicopter pilots.

Public Law 92–294 D.C. programs to combat sickle cell anemia.

Public Law 92–410 setting police and firemen's salaries.

Public Law 92–518 increasing salaries of teachers.

I trust that the House will adopt a bill on self-government for Washington, D.C., that sets up a genuine local government with the power to act on local matters, and will reject the Nelsen substitute as more shadow than substance.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. HARRINGTON. Mr. Speaker, when Ronald Young has finished serving his 15-year sentence for shooting a man to death, he will be 31 years old; the year will be 1988; and if the current trend continues, approximately 270,000 more people will have been killed by handguns.

Congress can prevent this useless slaughter of human lives by immediate gun control legislation.

At this time I would like to insert an article from the Baltimore Sun:

Youth, 16, Gets 15 Years for Killing Penniless Man

(By George J. Hiltner)

A 16-year-old youth yesterday received a 15-year prison sentence for the murder and attempted robbery of a penniless man.

The September 28 slaying resulted in an outpouring of cash donations for the victim's wife and two young children.

Judge James A. Perrott imposed the sentence in Criminal Court on Ronald Young, of the 200 block Herring Court, who pleaded guilty to second-degree murder in the fatal shooting of Mason E. Lucas, a sign company employee.

The judge commented after imposing sentence that he was "circumscribed by plea negotiations" which resulted in 3-year terms being given to two juvenile co-defendants. They had pleaded guilty to robbery counts and escaped trial for murder.

A fourth juvenile participant is awaiting sentencing after pleading guilty in the attempted robbery, according to Joseph Lyons, an assistant state's attorney.

Mr. Mason, of the first block North Bradford Street, was penniless when he was approached by four juvenile boys in the 1500 block Gough Street. He died at Church Home and Hospital of bullet wounds in the abdomen two hours later.

The Mason family was destitute and barely had enough money to bury him.

The 3-year terms were given previously to Howard Lee Williams and Jonathan I. Hamlet, both 15 and both of the 200 block South Dallas Court.

Among contributors toward a Christmas fund for the wife and children of the victim were residents of the Perkins Homes projects in East Baltimore. The shooting occurred on the grounds of that project and three of the four youths charged lived there.

In addition over 40 individuals sent checks totaling more than $800 to the *Sunpapers* office for the Lucas family, and contributions of food and toys also were received.

Over $400 additional was donated by airmen of the 135th Tactical Air Support Group of the Maryland National Guard.

THE 3M CO.

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FRENZEL. Mr. Speaker, earlier this year I inserted in the RECORD a newspaper article about the way a company in my district, Control Data Corp., was operating in South Africa. Today I am inserting some excerpts from a booklet produced by the 3M Co., another fine Minnesota corporation, detailing its operations and personnel policies in South Africa.

The efforts made by companies such as 3M and Control Data in South Africa are noteworthy. It is my hope that such efforts will lead the way to eventual equal opportunity. Obviously such a goal is a distant one. Even so, the achievement of any worthy goal has to have a beginning, and these companies will help to provide a good start.

3M Company In South Africa

The Republic of South Africa is one of 36 countries outside of the United States where 3M has operations. It is one of 16 non-U.S. countries where, in order to serve overseas markets, 3M operations include manufacturing as well as sales.

The 3M Company, incorporated as Minnesota Mining and Manufacturing Company, is a high-technology, diversified industrial manufacturing firm which, in spite of its name, is not engaged in mining or extracting natural resources in South Africa.

In 1972, 3M worldwide consolidated sales were $2.1 billion, and net income was $244 million. Of these worldwide totals, the sales and earnings of 3M in the Republic of South Africa during 1972 accounted for less than one per cent. The ratio of earnings to sales in South Africa was roughly the same as it was for all of 3M, and payment of corporate income tax to the Republic of South Africa is currently at the statutory rate of 41 per cent. In the past 11 years, such tax payments have exceeded $5 million.

HISTORY

Until 1959, 3M activity in South Africa consisted only of selling products there through agents on an export basis from the U.S. or other countries with a 3M manufacturing subsidiary.

In 1959, 3M established wholly owned manufacturing facilities in South Africa to produce adhesives, coatings, sealers and pressure-sensitive tapes for South African industrial markets. Since then, the manufacturing plant has been expanded to include production of coated abrasives and printing industry chemicals, assembling of copying machines, a microfilm processing laboratory, a sign shop for traffic control products and facilities for the installation of recreational surfacing products. This business is conducted by 3M South Africa (Pty) Ltd.

During 1970, a film processing and photofinishing firm was acquired. It operates as a subsidiary of 3M South Africa under the name of Africolor (South Africa) (Pty) Ltd. Also in 1970, a small pharmaceutical company there, Riker Laboratories Africa (Pty) Ltd., was acquired by 3M as part of the Riker Laboratories ethical drug group of Dart Industries, Inc. The Riker South Africa company remains a subsidiary of Riker Laboratories, itself now a wholly owned subsidiary of 3M.

Consolidated sales in 1972 for these three operations of 3M Company in South Africa were $16.8 million. This sales total includes other 3M products sold to customers in South Africa after being imported into that country from the United States or other countries where 3M manufactures.

Factors involved in 3M's decision to enter South Africa were the same as those considered when entering any other country: a favorable business climate, a desire to serve new markets with 3M products and the need for a local base in order to serve customers, in order to be competitive and to surmount various tariff and other trade barriers.

From an original investment of about a quarter of a million dollars in 1959, the South African business of 3M has grown largely from within to an investment of approximately $8.6 million. Nearly 60 per cent of 3M's present investment there represents the reinvested earnings of 3M South Africa (Pty) Ltd. Parent company capital includes, in addition to the initial investment, cash advanced for the acquisition of Africolor.

The Company has no investments in the so-called border areas of the Bantustans nor in the Bantustans proper.

EMPLOYEE COMPENSATION

Total 3M employment in the Republic of South Africa at the beginning of 1973 was 935, of which only three persons were expatriates or "foreign service employees" from abroad.

Today, all employees of 3M in South Africa are classified according to a single salary schedule. The 16 standard position classifications apply to all except 44 management employees.

In administering 3M compensation programs, the determination of salary and wage rates for given jobs is influenced in South Africa as in other countries, including the United States, by two factors: 1) the prevailing rate as shown in wage surveys in a community for similar work and 2) the rate established for similar work in other 3M operations.

However, dependence on local industry surveys is less of a factor in South Africa than elsewhere when determining 3M compensation levels for non-whites because reliable, independent surveys there show wide differences in the rates for whites and nonwhites in a similar job classification.

As a result, 3M in South Africa has a compensation plan which is paying competitive wages to whites, and wages to Africans that are above the average industry rates prevailing for Africans in comparable job classifications as determined by independent wage surveys.

The average basic monthly wage of the African, Asian and Colored employees at 3M South Africa (Pty) Ltd. in March, 1973, was $130.14. All except nine of the employees covered in the most recent average monthly wage figure are Africans.

If all employees of recently acquired operations are considered, the 1973 average monthly wages (converted to dollars) are $139.39 for 325 Africans, $207.00 for 39 Asians and $199.81 for 101 Colored employees of 3M operations in South Africa. Job classification, ability and seniority are factors which determine a given employee's wage rate.

BENEFITS

Beyond the salaries and wages based on this uniform position classification schedule, 3M South Africa (Pty) Ltd. and its subsidiary Africolor (South Africa) (Pty) Ltd. offer employee benefits which are the same for all employees regardless of race, except for a contributory medical aid society program which is compulsory for whites and optional for non-whites who have access to low-cost medical service in government hospitals.

New employees in the latter group are informed when hired of their option to join the 50 per cent contributory medical aid program. None has exercised this option. All employees are allowed time off with full pay to obtain medical treatment, and 3M management on occasion has arranged medical treatment for non-whites at Company expense when a situation required specialized attention.

Other benefits uniformly available to all employees of 3M South Africa (Pty) Ltd. and its subsidiary, Africolor (South Africa) (Pty) Ltd., include a contributory pension plan, a non-contributory plan for group life insurance and widows' and orphans' pensions, long-term disability retirement provisions, recognition of long service, sick leave, educational assistance, and reimbursement of moving costs when an employee is transferred by the Company.

The present pension plan, announced in March of 1971, has been used as a model by other multinational firms operating in South Africa. Under the non-contributory group insurance, every employee is covered for an amount of 18 times monthly earnings from the first day of employment. In addition, dependents of married men are also covered by a widows' and orphans' pension. To date, two whites and five persons of other racial origin have died while in the employe of 3M in South Africa, and payouts have been and are being processed under this plan.

Under a long-term disability retirement plan introduced in 1971 for all employees, a disability pension is provided of full pay for six months and thereafter one-half pay for life. Sick leave provisions offer up to six months on full pay and six months on half pay, depending on length of service.

While 3M provides no home ownership assistance to any employees, the Company by virtue of its approaches to government and local authorities has frequently been able to assist African employees in obtaining suitable housing.

Transfer expenses (the reimbursement of moving costs when an employee is transferred), while available to all, have not traditionally been a meaningful benefit to Africans because of legal prohibitions against their working outside of a specific area where they are registered. But new legislation has expanded the prescribed areas, and this will increase the mobility of Africans.

The Company also provides loans and tuition refunds to any employee for approved off-the-job courses of study. Applications for this form of educational assistance are approved when management determines that the course of study is job-related. Funds advanced are deducted on a monthly basis until successful completion of the course, when full refunds are made to the employee. Maximum total benefit under this plan is $572 per employee.

The interest of 3M management in employees extends beyond the formalized employee benefit programs in South Africa and has been demonstrated through additional personnel services.

For example, counseling, assistance and guidance in legal matters are provided if an employee is unable to handle a situation himself. For resolving minor offense problems, the Company is prepared to send (and has sent) observers to the court to provide assistance.

TRAINING

By far the greatest amount of 3M employee training is offered on the job. This form of technical training, in the absence of a general education program as such, is offered to all employees of 3M in South Africa. Every employee undergoes on-the-job training to ensure that he or she can perform satisfactorily. When an employee is trained, for example, to be a quality control inspector or a file clerk, there is no difference by race in the nature of the job training.

Company training is routinely provided in safety and security procedures to all employees whose jobs require it. In addition, eight non-white employees at 3M South Africa (Pty) Ltd. have received special sales or supervisory training.

GRANTS AND GIFTS

Because 3M operations in South Africa have grown and prospered, it has been possible for 3M to contribute there in a modest way to various civic, social, health and educational agencies. Ten of the more substantial formal grants and charitable gifts of the past decade are described in a listing of pages 16 and 17.

As indicated in that list, educational and medical organizations serving all races are the chief beneficiaries of 3M contributions. Other recipients of 3M contributions of cash or merchandise in the past ten years include the Orthopedic Association of South Africa, the South African Red Cross, Coronation Hospital for Non-Whites, Moede Cabrini Hospital for Coloureds, the University of Natal, Lesotho Drought Relief Fund, Boland Disaster Relief Fund, the Cape Department of Colored Education, the Natal Operating Room Nurses' Study Course, the Johannesburg Children's Hospital, and the King Edward VII Hospital ANBV Medical School for Non-Whites.

GOVERNMENT AND EMPLOYEE RELATIONS

The government in its various forms is a very large customer in South Africa for many types of 3M products, especially so inasmuch as the government operates the airlines, railways, harbors, most schools, the highway department and communication systems, as well as the military and various services of municipal and provincial units. These and other large undertakings of the government are served by 3M products and services for industry, health, education, communication and traffic safety. The broad 3M product line includes such items as adhesive tapes, coated abrasives, surgical supplies, overhead projectors, magnetic tape, copying equipment and reflective sign materials.

While 3M as a business in South Africa pursues a non-partisan and law-abiding course of action in relation to the government, members of 3M management there do participate in professional and employee organizations working to improve conditions and opportunities for all and, through such participation, they do make recommendations to government bodies as well as to commerce and industry on improving matters of interest to employees.

3M in South Africa has no trade union contracts, but the operations are covered by two industry-wide wage agreements, the Commercial and Distributive Wage Agreement and the Printing Workers Wage Agreement. These agreements which lay down minimum wage levels, do not restrict opportunities for 3M employees of any race. Wage and salary scales at 3M, as well as working conditions, are significantly above the minimum levels demanded by the wage agreements.

It is 3M policy to hire, train, promote and pay employees without regard for race, and this policy governs Company personnel practice to the extent possible in every country where 3M has operations.

Among the laws and regulations which cover 3M operations in South Africa are two which are concerned with the adequacy of facilities for workers of different races and sexes: the Shops and Offices Act, and the Factories, Machinery and Building Work Act. There are also the Industrial Conciliation Act, which controls membership in registered trade unions, and the Bantu Urban Areas Act, which regulates the mobility and residency options of some workers.

At present, there are three regular employee committees with multi-racial membership at 3M South Africa (Pty) Ltd. One is a Works Committee. It meets monthly to encourage two-way communication between employees and management and to facilitate discussion of subjects relating to the operation of the Company.

The 3M Safety Committee meets monthly and discusses safety matters. Production Control/Production Meetings, held weekly, are also occasions through which employees of different racial origin meet around the same table to discuss matters that influence the overall performance of the Company.

Complaint procedures at 3M South Africa (Pty) Ltd. is the same for all employees, regardless of race: via the supervisor through other levels of management and, if necessary, to the managing director. Non-white personnel are aware of the procedure and make use of it.

3M South Africa (Pty) Ltd. has in it employ no non-whites who are non-South African citizens. The Company's total employment includes 43 whites who were not born in South Africa, but all of these with the exception of the three foreign service employees were South African residents when they joined the Company. In one case two years ago, the Company attempted without success a recruiting program in England, Germany and Switzerland. Two white applicants who accepted job offers as a result of this effort are no longer employed by 3M.

SUMMARY

The attitude of 3M management toward its employees in South Africa is stated as follows in a welcoming letter by the Managing Director to all new employees:

". . . 3M Company's basic principle is respect for the individual and for his rights and dignity . . . You will find that in our organisation you are not simply regarded as a number, but as a valued employee and as a human being . . .

"Our success depends on intelligent and aggressive management which is sensitive to the need for making an interested partner of every individual in the organization . . . 3M is widely recognised as a firm with outstanding possibilities. This means that in the future, as in the past, a career with 3M offers many opportunities for advancement, especially as it is the Company's policy to promote from within whenever possible. By the same token, it is up to you to develop your talents and accept the challenge to grow with us. . ."

PROTECTING THE CONSUMER

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. PEYSER. Mr. Speaker, in the face of rising prices for food and other consumer products today, it is more important than ever that the consumer have protection in the marketplace. It was with this concern in mind that Ed Vetrano, the Westchester County clerk, sent me a telegram the other day asking me to investigate the possibility of getting Federal support for the creation of a full-time Consumer Protection Agency in Westchester County, N.Y. I am currently investigating these possibilities through a number of channels in Washington.

Up to this time, I have found that there are a number of Federal agencies and departments which had not previously funded such an office but are now favorably disposed to Mr. Vetrano's idea. These agencies and departments tell me that although they had not funded such an office previously, perhaps they could find money in their budgets to fund a proposal such as Mr. Vetrano's because it represents a grassroots approach to the problems of the consumer.

I shall continue my efforts to get Federal support for a consumer office such as Mr. Vetrano suggests. But in the meantime, I thought my colleagues in the House would want to know of our efforts in Westchester, so they can begin such an effort on behalf of their county governments.

NANCY MAY JANNARONE AND DAVID J. STOCKDALE EARN RED CROSS CERTIFICATE OF MERIT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. GILMAN. Mr. Speaker, the American National Red Cross recently brought to my attention the heroic acts of two of my constituents which saved the life of an 8-year-old boy and earned them the Red Cross Certificate of Merit.

The certificate alone is but a small token of appreciation and recognition for Nancy May Jannarone and David J. Stockdale, both of West Point, N.Y., for their spontaneous reaction to a life and death situation, utilizing their Red Cross skills and knowledge of first aid and water safety. To them, of course, there is no greater reward than the knowledge that their acts saved a human life.

In the words of Red Cross President, George M. Elsey:

> These meritorious actions exemplify the highest ideal of the concern of one human being for another who is in disaster.

Mr. Speaker, I commend the following text of Mr. Elsey's letter to all my colleagues to afford the full public recognition to Miss Jannarone and Mr. Stockdale which they so richly deserve:

SEPTEMBER 27, 1973.

DEAR MR. GILMAN: I wish to bring to your attention noteworthy acts of mercy undertaken by two of your constituents, Miss Nancy May Jannarone, 102 Washington Road, West Point, New York 10996, and David J. Stockdale, Quarters 28 Thayer Road, West Point, New York 10996, who have been named to receive the Red Cross Certificate of Merit. This is the highest award given by the American Red Cross to a person who saves a life by using skills learned in a Red Cross first aid, small craft, or water safety course. The Certificate bears the original signatures of the President of the United States, Honorary Chairman, and Frank Stanton, Chairman of the American National Red Cross. Presentations will be made by the American Red Cross Field Director, West Point.

On July 3, 1973 Miss Jannarone and Mr. Stockdale, both trained in Red Cross senior lifesaving, were on guard duty at a pond when an eight-year-old boy failed to surface after jumping into 16 feet of water. Immediately Miss Jannarone dived into the pond to look for the victim, calling for assistance as she did so. When she surfaced she directed a rescue party to search sections of the pond which had been cleared of other swimmers. Mr. Stockdale joined in the search. When the child was found Mr. Stockdale immediately began mouth-to-mouth resuscitation while he was still in the water and continued until the victim's breathing was restored. The boy was taken to a hospital and later recovered completely. By using their skills and knowledge Miss Jannarone and Mr. Stockdale saved the victim's life.

These meritorious actions exemplify the highest ideal of the concern of one human being for another who is in distress.

Sincerely,

GEORGE M. ELSEY.

IN SUPPORT OF ABOLISHING THE EXCLUSIONARY RULE

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. STEIGER of Arizona. Mr. Speaker, on September 13, I introduced a bill in the House of Representatives which, if passed, would bring increased justice into our judicial process. My bill would abolish the "exclusionary rule"—a rule which has seriously marred the American criminal justice system.

In this regard I would like to include in the RECORD an article written by the Honorable Jack L. Ogg of the Arizona State Court of Appeals. Judge Ogg believes the exclusionary rule has done more harm to the criminal justice system than all the other pronouncements of the Warren Court.

The article in its entirety follows:

LET'S RETURN COMMONSENSE TO ARIZONA CRIMINAL JUSTICE

(By Hon. Jack L. Ogg)

It is always pleasant around the time of the State Bar Convention to sit with other trial judges and in a state of nostalgia discuss how swift and easy it was to try criminal cases back in the good old days.

We have all slowly learned to live with Gideon and Miranda realizing that the delays and added costs carried certain off-setting benefits to our system of criminal justice. The one case we haven't completely learned to adjust to is Mapp v. Ohio. Our old Arizona rule that all relevant evidence no matter how obtained was admissible was replaced by the Federal rule where only those items of evidence obtained by certain prescribed methods were admissible. The Federal rule places a duty on the trial judge to suppress all evidence obtained in violation of a myriad of do's and don'ts.

From that date in 1961 when the United States Supreme Court in Mapp v. Ohio overruled Wolf v. Colorado and imposed the Federal exclusionary rule on the state trial courts we started our entire legal system in a tailspin of ever diminishing public support and respect. We completely lost sight of the goal of criminal justice which is the determination of the defendant's guilt or innocence and went out to regulate the manner in which our law enforcement officers handle their duties. Under the completely naive theory that by rewarding the criminal and punishing the officer we could stop high-handed police methods, the trial courts have been directed to suppress evidence at the trial when such evidence was taken by law enforcement officers who failed to follow the tractless maze of fine distinctions in the law of search and seizure.

The typical fact situation went like this: police enter a house without proper warrant; police find the bloody knife used in the murder; the trial judge under Mapp v. Ohio suppresses the evidence; the murderer goes free; the people and press in the community go ape; the trial judge and prosecutor lose the next election.

The offending law enforcement officer is not punished—he in fact becomes a martyr sacrificed to the stupidity of the courts. All who call themselves lawyers and all men who respect the rule of law are the ones who are punished, for the general public does not understand the fine niceties of the suppression of evidence and the entire legal system slips another cog in the respect of the people. The lawyer who represents the defendant is branded a crook. The county attorney who failed to get the knife in evidence is labeled incompetent. The trial judge who keeps it out of evidence is in league with the devil, and the appellate judge who upholds the trial court decision must be impeached.

Another important side effect of Mapp v. Ohio is to steal the time of over-loaded courts. Prior to Mapp, motions to suppress were as rare as Writs of Ne Exeat and never delayed the trial of the cases. Now it is indeed rare that there isn't a motion to suppress on at least one item of evidence and we must all be sickened by the spectacle of a jury sitting in the hallway for hours waiting for the hocus-pocus of a suppression hearing to be completed so they can go on with hearing the evidence in the case. In one recent murder case I ruled on motions to suppress involving over thirty separate items which included among them the body of the alleged victim. Twelve years ago no trial judge would have believed such a story; however; these motions were not frivolous under the state of our criminal law and were presented by very competent counsel. I didn't suppress the body but can't you imagine the situation where the facts would force such a suppression. As a lawyer, try explaining to the press or for that matter to your barber how it is that the alleged murder never come to trial because the trial judge suppressed the body. No body. No corpus delecti. No crime. This would be especially difficult when your barber tells you he went to the victim's funeral and saw Joe stretched out with a bullet hole between his eyes. We, who are on the criminal trial bench have been stripped of part of our comon sense and placed some where in Alice's Wonderland.

No doubt there have been instances of police abuse and excesses in their zeal to collect evidence in some parts of our country, although in my personal experience in Arizona, these instances are exceedingly rare.

It is one thing to abstractly sit as a scholar and extoll the virtues of the 4th Amendment (freedom from illegal search and seizure) when you are dealing with FBI highly trained personnel with limited jurisdiction and quite another practical problem when you are placing the complicated niceties of search and seizure on the Deputy Sheriff at Bumble Bee, Arizona.

Realizing the inadequacy of the remedy, but also aware that it is the lesser of two evils. I believe we should attempt to control illegal search and seizure under our civil and criminal trespass statutes rather than make our trial courts abandon the search for truth to go on a police witch hunt.

The sooner our United States Supreme Court or Congress modifies Mapp v. Ohio the sooner we on the firing line can return sanity to the trial of criimnal cases in Arizona.

SDR-AID LINK

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. GONZALEZ. Mr. Speaker, I would like to call attention to an issue of international monetary reform which I think will be of interest to the Congress and the American people—the linking of special drawing rights and development aid. The Subcommittee on International Finance, of which I am chairman, has been monitoring the progress in the international monetary reform talks with keen interest, as we will be called on to review any legislation required to implement the reform measures.

International monetary reform and special drawing rights are extremely complex topics which do not seem to have much relevance to our everyday lives. Yet we must pay close attention to monetary reform, for the economic peace and progress of the world depends on it.

I think that now is a good time to look more closely at some of the specific monetary reform issues.

It has been proposed that there be established a link between reserve asset creation and development assistance, in other words to use the IMF special drawing right mechanism as a means of granting aid to developing countries. Numerous schemes have been offered for the creation of this SDR-aid link. Most of the developing countries feel that monetary reform should give them more development assistance through such a link.

I am opposed to an SDR-aid link, and I do not think that this Congress will approve such a link. I do not think that the SDR can bear the burden of both development assistance and international reserve creation—it is mixing apples and oranges. The SDR-aid link would be a form of general aid, not aid to specific, approved development projects and programs. I do not think that this body would ever support such general aid, and I would not like to see the vital issue of international monetary reform running into difficulty in the Congress as a result of the addition of an extraneous issue.

I understand why the developing countries want more aid; they have a big job to do in building the economies of their countries and may indeed need more development assistance in some form. But tieing in development aid with monetary reform and the special drawing right is just not the way to do it.

The means of allocating SDR's must be rational and must be fair to all countries; the officials working on monetary reform must take into consideration the needs of all sections of the world. But the reformers must keep their eyes fixed on the principal task: developing a monetary system which permits a prosperous and growing world economy with an effective and equitable system of exchange adjustment. The developing nations have as much to gain from a prosperous world economy as the industrialized countries.

SDR's, or "paper gold" as they are sometimes called, are a form of international money. They were created to supplement international reserve assets, as there is not a sufficient amount of gold, and foreign exchange cannot bear the entire burden of reserve expansion. All member countries of the IMF have been allocated SDR's; but they have been allocated proportionally, not for an extraneous purpose such as development aid.

It has been said that the value of any money or currency is a matter of confidence. It is no different with the special drawing right. Whether the SDR mechanism works is largely a question of confidence. If people think that SDR's are good assets, then they are. Hence, the SDR must be kept as pure as possible; that is, we must not dilute it mechanically or psychologically with extraneous tasks, especially tasks such as development assistance for which other institutions have already been established. I do not think that there is a way of linking development aid and reserve asset creation and maintain the necessary confidence.

I urge the developing nations and the industrialized nations to keep moving toward monetary reform. I also urge the continuing progress toward the development of the poorer nations. But I must insist that these two vital tasks not be considered in the same forum. If they are, they will both suffer.

CALL FOR ENERGY CONSERVATION

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. RAILSBACK. Mr. Speaker, we are all concerned about the energy crisis. We remember the adverse effects the fuel shortage had last year on businesses and industrial plants, agriculture, schools, and private homes. Now as we are approaching another cold season, our fuel supplies are only slightly higher than at this time a year ago, but the demand for fuel supplies is expected to rise by over 6 percent.

In addition, unless we rethink our everyday practices, waste—unnecessary consumption of what resources are available—will squander anywhere from 25 percent to 40 percent of our basic energy resources. I am convinced that energy conservation measures are desperately needed at this time.

As a spokesman for the Interior Department's Office of Energy Conservation recently stated:

> If this were a dictatorship and we could somehow control how people waste energy, we could save from two to three million barrels of oil a day.

This would be at least a savings of 20 percent of the 15 million barrels which Americans consume each day.

A recent study prepared for the Treasury Department pointed out several easy and uncostly measures which could result in immediate energy conservation. Among the recommendations was: "Setting home thermostats 2 degrees lower than average." I have supported such action for a long time.

An interesting fact is that, if all citizens would reduce indoor temperatures by 2 degrees during the coming cold season, there will be a reduction of almost 7 percent in the total supply of fuel consumed. Contrast this figure with the increase in consumption of fuel supplies by over 6 percent, and one realizes how significant this conservation measure can be.

Therefore, last week, I introduced a concurrent resolution which states in part:

> It is the sense of Congress that all citizens of the United States are urged to conserve energy by reducing the temperature of their homes and places of work by two degrees for the duration of the coming cold season.

Today I am reintroducing this legislation with the following cosponsors: Mr. BERGLAND, Mr. FOUNTAIN, Mr. GUNTER, Mr. HANSEN of Idaho, Mr. KETCHUM, Mr. MAYNE, Ms. SCHROEDER, Mr. SEIBERLING, Mr. WHITEHURST, Mr. WINN, and Mr. WYATT.

I am hopeful that immediate and favorable action will be taken on this resolution. Action is necessary if the American citizen is to be encouraged to do his part in averting a nationwide fuel shortage this winter.

THE GREENING OF YOGI BERRA

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ROSENTHAL. Mr. Speaker, Monday was a joyous day for the Borough of Queens and the city of New York; the New York Mets, whose home, Shea Stadium, is in the district that I am proud to represent, had again performed the impossible, rising from the depths of the National League Eastern Division cellar to the lofty heights of first place in less than a month, and capturing the National League Eastern Division title.

I would like to take this opportunity to congratulate manager Yogi Berra, his coaching staff and the players who have again accomplished the "Miracle of 1969."

The Mets and their die-hard fans never lost faith in their team's ability to win the pennant despite a rash of early and mid-season injuries to key players, the overwhelming odds against them, and the forecasts of doom by the baseball seers. The Mets fantastic drive to the pennant was preordained when, at midseason, Mets manager Yogi Berra said, "We'd be all right if only we could get all our men on the field." And then, with all the regulars playing for the first time since early 1972, the Mets won an amazing 70 percent of their remaining games.

The Mets spirit and desire should serve as an inspiration for all. This spirit can be characterized by their battle cry coined by relief pitcher Tug McGraw, "You've got to believe." We may not always be able to get the snow plows into Queens, but we believe in the Mets and their ability to bring the National League pennant and the World Championship back to New York.

Now it is on to Cincinnati and the National League Crown.

Let's go Mets.

WALL NO BARRIER TO MEMORIES

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BLACKBURN. Mr. Speaker, in an era that is said to reflect "entente, détente, and cooperation" among the globe's major powers it is all too easy to misinterpret a potential adversary's intentions and to allow judgment to become clouded by wishful thinking. The Soviet Union's continued domestic stranglehold and crackdown on dissenters, Moscow's recent treatment of the Israelis at the World University Games, as well as the Soviets' refusal to allow South Korean journalists to cover these games, I believe raise serious questions about the intent and purposes of the Soviet Union.

In a recent article in the Alternative, Mr. Peter Hughes reminds us that yet another monument to the cold war still stands—the Berlin wall. It is an irony of paradox that untold numbers of people still give their lives in the hope of gaining freedom and that we can do nothing to help them. I am inserting this article in the CONGRESSIONAL RECORD so that my colleagues will have the opportunity to read this article which should serve as a somber reminder to us all:

WALL NO BARRIER TO MEMORIES

(By Peter Hughes)

"The times they are a-changing," go the words of a Bob Dylan song. And indeed they are. It is said that we are in the midst of an era of entente, detente, and cooperation among the world's major powers, a period which is expected to bear the threshold of a new era.

What indications do we have that there is more hospitable sentiment between the powers of East and West? Well, for one thing, when East German refugees recently attempted to scale the Berlin Wall and escape to the West, there was an uproar of public opinion in West Berlin over the "alleged" shootings. East Germany's Pankow regime promptly responded by putting the "criminals" (those attempting to escape) on national television to refute the insidious capitalistic slurs. Not to let events stand with that, they then expelled one of the "criminals."

The times they are indeed a-changing if the East German government found it necessary to justify its actions on national television. (The television waves in both countries are strong enough to be received on either side of the border.) But the continued shootings at the Berlin Wall; the barbed wire and brick walls; the wachtowers and concrete dugouts with armed guards, dogs, and military vehicles; the field mines and miles of no man's land between East and West Germany; these are hardly monuments to peace, cooperation, and freedom of travel and thought between East and West.

I lived in Berlin for many years, and I was there on that fateful August 13, 1961, when the Berlin Wall was first erected. It is a travesty of politics that the lives of individual persons are so often overshadowed by the general course of history. But on that night of August 13 the erection of the Berlin Wall became a very real and personal experience for me when a young woman arrived at our doorstep with the proverbial child in arms.

Like so many other people living in the city of West Berlin (one-fourth of the city's 2.2 million population came as refugees from the Soviet occupied territory) this young friend of the family lived and worked in West Berlin while her daughter lived with her parents in the East. This young women happened to be at the border separating the Russian and American sectors that night and saw that it was unusually active for 4 a.m. Light armored trucks and East German troops were guarding workers busily erecting wire fences and fortifications. Although she was unable to grasp the situation fully, it was with increasingly apprehension that our friend realized that if she were to act and bring her daughter to the West, her last opportunity had arrived. At eight o'clock that morning she and her daughter arrived at our apartment. As the family later learned, this couple had been two of the last people to gain access to the West, two of the fortunate few who had been able to analyze the situation, weigh its alternatives, and act decisively.

Today that access is sealed more than ever. Where once tens of thousands fled, now only hundreds succeed and many more die or get caught in the attempt. The Wall has accomplished its end. The East German regime, carefully manipulated from Moscow, in an attempt to forestall the further depletion of its population (one-fifth of East Germany's population had fled the country before the Wall was erected), has created an almost insurmountable barrier which runs through the heart of Berlin and which isolates the country from its western borders. The Wall separates Germans from Germans, parents from children, lovers from lovers, and friends from friends. The attraction of freedom has been countered by imprisonment. What prevents a more humane solution to the problem of Berlin is the unfortunate fact that the city's crisis remains the core and symbol of the East-West confrontation. Whereas East Berlin is claimed as the capital of the German Democratic Republic, West Berlin has become "inextricably" linked with the Federal Republic of Germany; the city has, consequently, become a pawn for great power endeavors.

Federal Republic Chancellor Willy Brandt's *Ostpolitik* has made numerous concessions to the Pankow regime in an attempt to promote conciliation between the two Germanies. The West German government has recognized the concept of two German states within one nation. Both Germanies are expected to be admitted to the United Nations shortly and a flurry of diplomatic recognitions can be expected to follow. But the integrity of West Berlin is no more secure. To the contrary, the Soviets and East Germans have painstakingly avoided any formal recognition of West Berlin's ties to the Federal Republic. And, for the Berliners at least, a general conciliation appears to be as far away as ever.

The present calm in Germany is often mistaken for apathy, it is not. It is rather a helpless acceptance of reality. *Letters From the German Democratic Republic,* edited by the reputable philologian Hildegard Baumgard, reveals no great enthusiasm for the prevailing Pankow regime in East Germany, nor does it reveal disfavor. East German attitudes toward West Germany often seem balanced between admiration and dogmatic opposition. However, when West German Chancellor Brandt visited East Germany a couple of years ago the spontaneous and enthusiastic response he received (which proved an embarrassment to the East German government) proved that emotion and fervor are not far below the surface. In any event, the Wall remains and as one young East Berliner said, "perhaps Ulbricht [who was then East Germany's head of state] will realize that the Wall by virtue of its existence has become a fascinating lure to what is beyond."

Berlin is a city of great vitality—not at all because it has become a focus for global political tensions—but because culture blossoms and industry grows. No city has the greenery and waterways of Berlin, nor its memorable night life. Still, Berlin's future is closely linked to its political expectations, and so unfortunately all activities in the city are associated with politics. Isolation of course, means insecurity. A sudden glance at the Wall always brings back the presence of the unrelieved East-West struggle.

No great change can be seen within the immediate future. The question of this city is not being settled as part of the German problem and within the general East-West "rapprochement". Some fear, therefore, that the ultimate solution for West Berlin will have to transcend historical ties to the West. Its fate arouses a sadness in all those who cherish the aura of the city. Indeed, the Wall may have severed with irretrievable finality those last threads joining together the two Germanys. But the memories of what was, remain—and so do the reality of what is and the longing for what could be. It is with no slight effort that the Berliner can still say: *Berlin bleibt doch Berlin* (Berlin will always remain Berlin).

THE 50TH ANNIVERSARY OF TORRINGTON'S INCORPORATION AS A CITY

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mrs. GRASSO. Mr. Speaker, this week the residents of Torrington, Conn., celebrate the 50th anniversary of Torrington's incorporation as a city.

This "Golden Anniversary" is a milestone to which the citizens of Torrington and their friends look with pride. A true benchmark of history, it represents a half century of progress as a vital center of living in northwest Connecticut.

Torrington takes its name from Great Torrington, Devonshire, England. It was originally settled in 1737, incorporated as a town in 1740, as a borough in 1887, and as a city in 1923.

Torrington's most valuable asset is its people. Reflecting the rich values of colonial heritage and old world cultures, Torrington's citizens have made important contributions to the growth of the community. Determination and spirit, cooperation and an abiding concern for one another are all measures of the place Torrington citizens are proud to call home.

Torrington is the birthplace of John Brown, the famous abolitionist, and of the Reverend Samuel Mills, the congregationalist minister known as the father of foreign missions. The city is also a home of the brass industry in America.

Over the years, Torrington has grown in commerce, business, and industry. The largest city in Litchfield County, it has been and remains a place where county residents come for needed services.

City and country seem to merge in Torrington. Busy factories or bustling shops are short distances from rolling grass-covered hillsides and cool, clear lakes.

The weeklong celebration planned to commemorate Torrington's 50th anniversary is a reflection of the creative energy, enthusiasm, and well-deserved civic pride of Torrington's citizenry. The celebration includes an opening ceremony Monday night; exhibits on Torrington industry, agriculture, schools, and religious history; and a 50th anniversary ball on Saturday night.

Mr. Speaker, earlier as Connecticut's Secretary of State and during the years I have served as U.S. Representative for the Sixth Congressional District which includes Torrington, it has been my special pleasure to work with city officials and concerned citizens in so many important areas. Always evident is a spirit of cooperation, a dedication to hard work, and a sense of purpose founded in time-proven values and ideals that comprise the firm foundation upon which Torrington's record of achievement will grow even greater in the years to come.

It is with great pride and pleasure that I offer warm wishes to the people of Torrington on this splendid occasion.

ANNOUNCEMENT OF HEARINGS ON BUDGETARY CUTS IN THE 1974 FISCAL YEAR BUDGET OF THE COMMUNITY RELATIONS SERVICE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. EDWARDS of California. Mr. Speaker, I would like to announce that the Subcommittee on Civil Rights and Constitutional Rights of the House Committee on the Judiciary will continue its hearings on budgetary cuts in the 1974 fiscal year budget of the Community Relations Service.

The hearing will be held on Wednesday, October 10, 1973, at 10 a.m. in room 2237, Rayburn House Office Building. The subcommittee will hear testimony from Mr. Benjamin Holman, Director of the Community Relations Service, U.S. Department of Justice.

Those wishing to testify or to submit statements for the record should address their requests to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

CONFIDENTIALITY OF AGNEW FACTS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FINDLEY. Mr. Speaker, the resolution of inquiry which I introduced and is now pending before the Judiciary Committee has just one purpose—to force the House to begin an investigation into whether Vice President AGNEW has committed impeachable offenses and, if so, to begin impeachment proceedings.

If the House passes my resolution, it will mean that a majority of the Members feel that the House should consider the evidence which the Attorney General has in order to determine whether an investigation leading to possible impeachment should not be undertaken.

It is unthinkable that the House would request such information and then refuse to do anything with it. By requesting the information, the House is saying it is ready to conduct an investigation. The information would serve no purpose otherwise, and it would not be sensible for the House to request it unless Members intended to act upon it.

Here is what I believe will happen if the House adopts my resolution of inquiry.

First, the Attorney General will be required to review the information possessed by the Department of Justice to determine which facts must be forwarded to the Speaker of the House. There can be no question but that the Attorney General is required to turn over all such facts within his possession. The precedents of the House of Representatives are clear. For example, as early as 1842, the House asserted its right to require an executive agency to supply it with certain facts. In that year, the House passed a resolution of inquiry directing President Tyler to turn over information regarding frauds perpetrated upon the Cherokee Indians and the Secretary of War's investigation of those frauds. At first, President Tyler resisted.

The House Committee on Indian Affairs then issued a detailed report asserting the right of the House to the information requested and discussing the essential role of the House in the impeachment process. The President yielded up the information sought.

In its report, the committee stated:

> By the Constitution of the United States the President, Vice-President, and all civil officers of the Government are liable to impeachment for treason, bribery, or other high crimes and misdemeanors, and the sole power to impeach is vested in the House of Representatives. If the Houses possess the power to impeach it must likewise possess all the incident of that power—the power to compel the attendance of witnesses and the production of all such papers as may be considered necessary to prove the charges on which the impeachment is founded. If it did not the power of impeachment conferred on it by the Constitution would be nugatory It could not exercise it with effect.
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> * * * * *
>
> The information referred to in the resolution is the official information spread upon the records of the Departments or contained in their archives or on their files. This information is not the private property of the Executive or heads of Departments nor is there any rule of law which would exclude it from being given in evidence in the impeachment of the President or any of the heads of Departments or other persons. It is not privileged in the sense spoken of by the President.

After the Attorney General has yielded up the information requested to the Speaker of the House, such information would doubtlessly be referred to the Committee on the Judiciary or a select committee appointed to receive and consider it. Such information could be handled by the committee as discreetly and confidentially as the situation warranted. House committees have a long tradition of receiving sensitive information and holding it closely. In the case mentioned above, President Tyler objected that some of the information sought should not be made public. The House committee responded:

> By claiming for the House "the right to demand from the Executive and heads of departments such information as may be in their possession relating to subjects of the deliberation of the House and within the sphere of its legitimate powers," the committee does not mean to assert that there may not be at some times information and papers in their possession which should not be made public. Such there no doubt are; but the House has the right to inspect them, and it, and not the Executive, is to be the judge of the propriety of making them public. The President has all along assumed in his message that the publication of all information and papers is a necessary consequence of their communication to the House. In this he is mistaken. It does not follow that all information communicated to the House must be made public. Confidential communications are almost daily made by the Executive to the Senate and secrecy is always observed in regard to them as long as the public interest requires it. There is nothing in the constitution of the House to prevent it from doing the same thing. Information transmitted to it by the Executive, on his suggestion that it is of confidential character, may be referred to a committee under the charge of secrecy until an examination of it can be made, when, if the committee concur in opinion with the Executive, its publication will be dispensed with. This is the true parliamentary course. It furnishes at once a security against secret abuses and the irresponsibility of the public offices and agents which would follow the denial of the right of the House to demand information, and at the same time protect the state against the discovery of facts important for the time to be concealed. In the present case on the suggestion of the President, the report and other papers were referred to the committee under at least an implied injunction of secrecy, and if the committee had concurred with the President in opinion nothing would have been easier than to have returned them to the Executive department, their contents remaining unknown excepting to the committee. Thus it will be seen that the resolution protested against by the President requires nothing from the Executive which can ever prove detrimental to the interest of the State, unless it be presumed that those interests would be more safe in his keeping than in that of the House—a presumption which finds no warrant in the Constitution and as little in the executive history of the Government.

After the House committee has reviewed all of the information submitted by the Attorney General, it will be able to determine whether a full investigation seems warranted by the facts. If bribery or other violations of law may have been committed by the Vice President, no doubt the committee will want to hear testimony from witnesses, including Mr. AGNEW, and permit their cross-examination.

After a full investigation by the committee, its members would be in a position to recommend to the House whether the Vice President should be impeached before the bar of the Senate. If their recommendation was in the affirmative, the House would vote on a motion to impeach Vice President AGNEW. If that motion prevailed, the Senate would hear the facts presented to it by the House and render its decision as to whether Mr. AGNEW should remain Vice President of the United States.

Let me make one thing abundantly clear. There is no reason why action by the House requesting this information from the Attorney General should delay the grand jury proceedings in Baltimore. I see no reason why the House cannot determine whether to impeach the Vice President at the same time the grand jury determines whether to indict him. Again, the precedents of the House confirm the view that Vice President AGNEW cannot escape or delay investigation and prosecution by the Justice Department by being impeached by the House of Representatives. In the case discussed previously, the Indian Affairs Committee specifically told President Tyler that—

> The exercise of this right by the House is not in design and cannot be in effect "to arrest inquiry by the Executive and enable officers whose conduct demands investigation to elude and defeat it."

The committee stated:

> The House of Representatives has the sole power of impeachment. The President himself, in the discharge of his most independent functions, is subject to the exercise of this power—a power which implies the right of inquiry on the part of the House to the fullest and most unlimited extent. The committee need not say that the right of inquiry without the right to produce evidence would be nugatory. They will presently look further into this subject, but before proceeding to do so they will remark that the exercise of this right does not in any wise abridge the independent discharge of the Executive functions. In the exercise of the right, claimed by the House in its resolutions, to demand from the Executive such information as may be in his possession relative to subjects of its deliberations and within the sphere of its legitimate power, is not, as the President alleges, "equivalent to the denial" of a right of inquiry by him into the same matter. The exercise of this right by the House is not in design and can not be in effect "to arrest inquiry by the Executive and enable officers whose conduct demands investigation to elude and defeat it."

The Nation cannot be without a President. The Vice President is next in the line of Presidential succession. If something should happen to President Nixon, SPIRO T. AGNEW would become President of the United States.

Given those facts, the House should determine at the earliest possible moment whether Mr. AGNEW has committed impeachable offenses. If he has, he should be impeached and removed from office and a new Vice President should be appointed—one who is fully capable of carrying on for the President in time of need.

THE GREAT PROTEIN ROBBERY: NO. 3

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. STUDDS. Mr. Speaker, on June 13, I introduced a bill, H.R. 8665, to extend U.S. fisheries jurisdiction to 200 miles from our coasts. I took this action in direct response to the critical situation occurring right now in our New England waters—the very real threat that awesome foreign fishing fleets may totally deplete our dwindling marine resources in the Northwest Atlantic.

Haddock and herring have already been virtually eliminated as viable commercial species by the relentless foreign fishing, and all our fish stocks are threatened with the same fate if we do not act immediately to protect this extremely valuable source of protein for all people.

On February 15, 1972, the Public Broadcasting Service's "The Advocates" had as its debate topic: "Should the United States Claim Jurisdiction of Fishing to a Limit of 200 Miles?" On March 15, 1972, they released the results of the viewer response to the debate showing strong support across the Nation for such extension of fisheries jurisdiction—extension that would allow our country to stop the great protein robbery occurring right now off our shores.

The results follow:

THE NATION RESPONDS TO "THE ADVOCATES"

Should the U.S. Claim Jurisdiction Over Fishing to a Limit of 200 Miles From Its Shores?

VIEWERS STRONGLY FAVOR FISHING RIGHTS EXTENSION TO 200 MILES OFF U.S. COAST

An emphatic majority of ADVOCATES viewers responded in favor of a proposal, debated on the Public Broadcasting Service (PBS) February 15, which would extend United States jurisdiction over fishing rights to 200 miles from its shores.

By a ratio of over four-to-one, 80.4 per cent of the 2,268 votes agreed with former Secretary of the Interior Walter J. Hickel that foreign fishing fleets should be kept outside waters up to 200 miles off the U.S. coast. The proposal was also supported by Joseph S. Gaziano, president of the Prelude Lobster Corp., in Westport, Mass., the world's largest lobster fishing company.

Approximately one-fifth of the total vote came from organized group responses in the states of Massachusetts, New Jersey, Oregon, Pennsylvania and New York.

State breakdown of mail response:

State	Pro	Con	Other
Alabama	6	1	0
Alaska	57	2	1
Arizona	14	5	1
Arkansas	1	3	0
California	225	111	8
Colorado	18	5	0
Connecticut	23	4	0
Delaware	4	1	0
District of Columbia	5	11	1
Florida	65	18	0
Georgia	6	2	0
Hawaii	1	3	1
Idaho	2	0	0
Illinois	31	8	1
Indiana	8	3	0
Iowa	7	1	0
Kansas	4	6	0
Kentucky	0	3	0
Louisiana	13	5	0
Maine	28	1	2
Maryland	8	4	0
Massachusetts	302	20	1
Michigan	16	8	0
Minnesota	17	5	0
Mississippi	5	2	0
Missouri	2	2	0
Montana	2	1	0
Nebraska	6	2	0
Nevada	0	0	0
New Hampshire	10	1	1
New Jersey	215	19	3
New Mexico	13	6	1
New York	177	33	0
North Carolina	19	7	1
North Dakota	0	0	0
Ohio	59	3	0
Oklahoma	12	5	0
Oregon	41	7	4
Pennsylvania	111	18	0
Rhode Island	73	3	0
South Carolina	5	1	0
South Dakota	0	0	0
Tennessee	5	1	1
Texas	25	16	0
Utah	3	0	0
Vermont	6	5	0
Virginia	9	8	0
Washington	98	23	3
West Virginia	2	1	0
Wisconsin	17	6	2
Wyoming	1	0	1
Unknown	42	12	0

PENSIONERS AND MEDICARE CLAIMS

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mrs. GRIFFITHS. Mr. Speaker, the following letter points to some of the real problems and frustrations confronting pensioners in seeking settlement of medicare claims. It is exactly as Mr. John McEwan of Fort Bragg, Calif., states, an "intolerable condition" when processing takes 9 months or more, if not longer. How many doctors would wait that long for payment on their bills? But, how many retirees are forced to wait, having to bide this time with cutbacks in food and other vital staples, all at the risk of getting sicker and building up even more medical expenses. We need to do something about it.

The letter follows:

SEPTEMBER 20, 1973.

The Honorable MARTHA GRIFFITHS:
House Office Building,
Washington, D.C.

DEAR MADAM REPRESENTATIVE: The Wall Street Journal reported recently that you are chairing a joint congressional committee which currently is conducting hearings inquiring into the administration of Social Security. I respectfully invite the committee's attention to intolerable conditions existing in the administration of the Medicare program by Blue Shield in San Francisco.

Customarily I have filed Medicare claims for my wife and myself on an annual basis at the end of the calendar year. Our claims for 1972 were filed on January 5, 1973. As of September 20, 1973 settlements have not yet been finalized.

The chronologies of these claims read like something out of a fairy tale. We have been faced with incorrect, incomplete, inconclusive and unintelligible processing of our claims not to speak of no processing at all. The result has been of course, a never-ending flow of correspondence. One day in desperation, I tried twice to communicate with Blue Shield in San Francisco by long distance telephone in an effort to clarify a point. I received no answer. The telephone was not answered.

In August, I wrote my former employer (a large Pacific Coast firm) asking for his intercession. I quote from its reply:

"Approximately four years ago, we undertook the function of submitting and following up Medicare claims for some of our retirees, particularly those who were feeble or terrified by the thought of filling out forms. Following several challenges of Medicare decisions by one of our insurance clerks, the Social Security Administration informed the Company that Social Security and Medicare processing were business matters between the Social Security pensioner and Social Security—the Company was not recognized as an agent for the retirees." "At that time" the letter continues, "we were directed to desist from our Medicare involvement."

In the interest of brevity I am not including chronologies of our current claims. I shall be pleased to furnish them on request however, if you feel this may be a proper subject for legislative inquiry.

With all best wishes I am

Very truly yours,

JOHN I. MCEWAN.

CITY-COUNTY COUNCIL OF INDIANAPOLIS-MARION COUNTY PETITIONS CONGRESS TO ACT ON LEGISLATION TO PROHIBIT FORCED BUSING OF SCHOOLCHILDREN

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. HUDNUT. Mr. Speaker, on several previous occasions I have spoken before the House to express my concern about the issue of forced busing of schoolchildren to achieve racial balance in the public school systems of America. The vast majority of the people in central Indiana and throughout our Nation believe that action must be taken in this regard. According to a recent Gallup poll, only 1 person in 20—5 percent—indicated they approved of forced busing as a means of achieving racial integration of public schools.

Legislation is pending before both the House and Senate Judiciary Committees to remove education from the jurisdiction of the Federal courts and proposing a constitutional amendment to prohibit forced busing of schoolchildren. I have introduced such proposals myself.

The City-County Council of Indianapolis-Marion County, Ind., a body representing all citizens of Marion County, has expressed its concern on this issue by passing a special resolution petitioning the Congress to act without further delay on the bills now pending to remove education from the jurisdiction of the Federal courts and to prohibit, by constitutional amendment, the assigning of children to schools on the basis of race.

I hope the Congress will take due note of this petition which I have officially dropped in the hopper today. Its text is as follows:

CITY-COUNTY SPECIAL RESOLUTION NO. 30, 1973

A PROPOSAL FOR A SPECIAL RESOLUTION CONCERNING PUBLIC SCHOOL MATTERS

Whereas, the City-County Council of Indianapolis-Marion County, a legislative body representing all citizens of Marion County, is vitally concerned with the safety, health and welfare of the citizens; and

Whereas, the Federal Courts have acted in a manner considered by some legal authorities as unconstitutional and abhorrent to the vast majority of the citizens, creating a climate of great unrest and alarm among the citizens; and

Whereas, elected local officials are being overruled by the Federal Courts now, therefore:

Be it resolved by the City-County Council of the City of Indianapolis and of Marion County, Indiana:

Section 1. The City-County Council petitions the Congress of the United States to act withouh further delay on pending legislation to remove education from the jurisdiction of the Federal Courts and to prohibit, by constitutional amendment, the assigning of children to schools on the basis of race.

Section 2. The Clerk of the City-County Council is instructed to send copies of this resolution to all of the Indiana-United States Congressmen.

ANNOUNCEMENT OF HEARINGS ON H.R. 9175

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. CONYERS. Mr. Speaker, I would like to announce that the Subcommittee on Crime of the House Judiciary Committee will hold its third hearing on the Community Anticrime Assistance Act of 1973, H.R. 9175, a bill which I introduced together with the ranking minority member of the subcommittee, HAMILTON FISH, JR., and reintroduced with 11 additional cosponsors as H.R. 10602, and H.R. 9809, a companion bill introduced by the distinguished chairman of the House Judiciary Committee, PETER W. RODINO, JR. This legislation provides Federal grants to assist cities, public agencies, and nonprofit private organizations in efforts to increase the level of citizen involvement and cooperation with the various components of the criminal justice system.

The hearing will be held on Wednesday, October 10, 1973, at 10 a.m., in 2141 Rayburn House Office Building. The subcommittee will hear testimony from Deputy U.S. Attorney General William D. Ruckelshaus; former Congressman James H. Scheuer, president of the National Alliance for Safer Cities; and Mr. Ronald Brown, director of the Washington Bureau of the National Urban League.

Those wishing to testify or submit a statement for the record should address their requests to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

DREAM COME TRUE

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mrs. GRASSO. Mr. Speaker, the recently dedicated Saint Gregory Confraternity of Christian Doctrine Center—CCD—affiliated with Saint Gregory the Great Roman Catholic Parish in Bristol, Conn., is a dream come true for the parish's pastor and our dear family friend, the Reverend Charles W. McNerney.

Dedicated by Archbishop John F. Whealon of the Hartford archdiocese on Sunday, September 21, the center, which will also serve as a parish hall for Saint Gregory's, is the result of hard work and sacrifice on the part of parishioners, priests, and friends. This fine facility is a place where the family of Saint Gregory's parish can further nourish spiritual growth and celebrate a life of love and concern for one another.

Pastor of Saint Gregory's parish since its inception in 1957, Father McNerney understood the need for a CCD center to enable the priests of the parish to work more closely with the people, and provided the guidance and encouragement for the realization of this goal.

The new CCD center is a tribute to Father McNerney, to his fellow priests, and, of course, to the people of Saint Gregory's parish.

For the interest of my colleagues, I am including in the RECORD an article from the Bristol Press, by Molly Broderick, which describes the CCD center and speaks of the dedication and concern of a truly outstanding man of God—the Reverend Charles W. McNerney:

FATHER MCNERNEY'S DREAM COMES TRUE—ARCHBISHOP WILL DEDICATE ST. GREGORY CCD CENTER SUNDAY

(By Molly Broderick)

It took a "little bit of doing" by a whole lot of people, especially The Rev. Charles W. McNerney, but another of his "dreams" will be realized on Sunday, when the newly completed St. Gregory Confraternity of Christian Doctrine Center will be officially dedicated by Archbishop John F. Whealon of the Hartford Archdiocese. The ceremonies will begin at 3 p.m. at the center, which fronts on Stafford Avenue opposite Sonstrom Road.

St. Gregory the Great Roman Catholic parish has come a long way since the November 1957 date of its beginning. Sunday Mass was then celebrated at Stafford School on Louisiana Avenue and weekday Masses took place at a chapel in a garage on Farmington Avenue. The present modern and beautiful church building was dedicated on Nov. 5, 1960.

The first and only pastor of St. Gregory's to date, Father McNerney arrived three days after the parish was officially created by Archbishop Henry J. O'Brien, then leader of the Hartford Archdiocese. Father McNerney has been faithful "instigator," pusher, promoter as well as pastor. And now, something new has been added to the forward-moving parish, the long-awaited Confraternity of Christian Doctrine Center, "so necessary for the life and growth of our parish since it will enable the priests to work so much more closely with all—from the pre-school children to the adults," according to Father McNerney.

Father McNerney contends there is a greater need than ever before for religious adult education, too, due to the many changes which have been taking place in the Church itself.

The new facility will accommodate all of the religious doctrine classes and the new parish hall will also serve as a focal point for many of the social functions "so necessary to keep the spirit of the family of the parish united." Some of its facilities will also be available for community and private use.

Modern in every detail, the new center is a one-story building of red brick and glass, clean lined, set back from the road and offering a large parking area. The interior contains 12 classrooms tastefully decorated in muted shades of green and gold and each set up to accommodate a maximum of 25 children at a time. Two of the rooms are provided with small chairs and tables scaled to size for the younger students. A spacious auditorium seating some 500 and which may be divided into three separate sections for visual education, a foyer, ample cloak, lavatory, kitchen and storage facilities, an office for Religious Education Director Donald Sisson, and a conference room make up the rest of the building.

Wall-to-wall carpeting covers the floor of the foyer, office, hall and classroom areas. A floor-to-ceiling expandable gate may be used to close off the classroom area when the building is being used for other than classes.

The CCD had its canonical beginning at St. Gregory Parish on Dec. 10, 1963 when it was established by The Rev. Augustine H. Giusani, Archdiocesan director, with Father McNerney as parish director, assisted by a confraternity president and a long list of dedicated aides. In addition to teachers, who had been functioning since the parish's beginning, fishers, parent-educators and helpers subsequently were activated. It had been the aim of Father McNerney and the executive board to have all parishoners in some way, become active or associate members of the confraternity.

In the beginning, three training classes given by qualified CCD members of other parishes were set up for instructing local participants devoted to the religious education of parish children and youth not enrolled in Catholic schools, and to discussion groups for adults. Until now, Sunday School classes were held at public schools located within parish boundaries, and CYO classes took place in the evening, using the church facilities. New arrangements have been made whereby daily after-school classes for primary grades are being held at the CCD Center and CYO classes are slated there for evenings.

For the convenience of all, classes are scheduled whenever public schools are in session. Should there be no public school on a particular day, CCD classes will also be cancelled on that day. A kindergarden story hour is slated for Saturday mornings, beginning Oct. 6.

Father McNerney, a native of Danbury, attended Stony Hill School and Danbury High School and studied for the priesthood at St. Thomas Seminary in Bloomfield and St. Mary Seminary in Baltimore, Md. His ordination took place on May 11, 1936, at St. Joseph Cathedral in Hartford with Bishop Maurice F. McAuliffe officiating. For nine years he was assistant at St. Mary Church in Windsor Locks and in 1945 transferred to St. Joseph's in Meriden where he served in the same capacity. While there, he was area Cana Conference director and also district director of the Meriden CYO. His next move was to Bristol in 1957. He is currently the elected dean of the Bristol Deanery and is being assisted at St. Gregory by the Rev. Richard P. McGann and the Rev. William F. Carroll.

Father McNerney has extended an invitation to all members of the parish and friends to attend the CCD Center dedication on Sunday. A concelebrated Mass of thanksgiving will be said at the church at 11 a.m. Sunday.

REMARKS BY THE HONORABLE THURGOOD MARSHALL AT THE WORLD CONFERENCE ON WORLD PEACE THROUGH LAW AT ABIDJAN, IVORY COAST, AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. RANGEL. Mr. Speaker, in late August distinguished lawyers and jurists from throughout the world met in the city of Abidjan in the Ivory Coast at the World Conference on World Peace Through Law.

I have just read a speech delivered to the conference on August 28, 1973, by the Honorable Thurgood Marshall, Associate Justice of the U.S. Supreme Court. Justice Marshall's speech was so thought-provoking and rich in ideas that I place it in the RECORD for the attention and benefit of us all:

SPEECH DELIVERED BY THE HONORABLE THURGOOD MARSHALL

I consider it a unique honor and privilege to address this Conference today. It is a task I approach with great humility for I know that I stand before my peers from every corner of the globe. This meeting has about it a sense of urgency—a call for rededication—a determination to succeed in our quest for "Peace Through Law". It demands of each of us that we ask ourselves: "Have we done all we can toward that goal? Of course, the answer is that we have not. Well then, what more can we do? What more must we do? Obviously, I do not have all the answers. But, I do have a few suggestions for your consideration.

I submit that the bench and the bar of all nations have a joint responsibility for promoting World Peace. It is that "joint" responsibility which brings us together here in Abidjan. Through meetings such as this, we have and we shall continue to exchange views and formulate plans to effectuate our common goal. But, in our zeal to achieve world peace through law, we cannot blind ourselves to the needs of our individual homelands. I am convinced that a good part of world unrest reflects local problems rather than issues of global dimensions. Peace must start at home.

Much of what I have to say concerns the responsibilities of the Judiciary in our several nations. But, because the Judiciary and the bar are so entwined, my remarks are directed towards our joint responsibility. I firmly believe that one of the greatest bulwarks against aggression is the establishment and maintenance of a "good society" in each nation—a society at peace with itself. A good society is not apt to become an aggressor against others. The internal strength of a good society is apt to be a strong deterrent to the would-be aggressor. What, then, is a good society.

Certainly, one of the most essential qualities of the good society is that it is a just society. And, what binds us all together is our common charge—to dispense justice. Much of the responsibility for having a just and good society necessarily falls upon the shoulders of the bench and bar. It is sometimes an onerous burden, but a crucial one.

One cannot define with any precision what makes a just legal system. The peoples of the world are separated by their varied cultures, and the judiciary, whenever it is, must be responsive to the particular needs of the people whom it serves. It requires a particular arrogance to single out one legal tradition and insist that it is the only means by which men can justly organize their affairs. There are as many legal systems as there are countries. And, while each has advantages and disadvantages, experience has shown that many of them work perfectly well.

Still, despite the difference, I do think that one can isolate a few characteristics which any successful and equitable court system will exhibit. The first and most important of these is that the courts be devoted to preserving the kind of society which assures that all men are equal before the law and have an equal opportunity for themselves and for their children. I spend a good deal of my time attempting to parse some of the more obscure provisions of the United States Constitution. My country's Constitution is, in my judgment, a remarkable work—remarkable in its complexity, in the grandeur of its design, in the nobility of its purpose. Yet, sometimes, I think that the whole thrust of the document can be summarized in one, short sentence: "People are people."

People are people—strike them, and they will cry; cut them, and they will bleed; starve them, and they will wither away and die. But treat them with respect and decency, give them equal access to the levers of power, attend to their aspirations and grievances, and they will flourish and grow and, if you will excuse an ungrammatical phrase, join together "to form a more perfect union."

These are the goals of any just social system, regardless of the race, culture, or language of its people. I suppose all of us realize that. But we may tend to forget, amidst the welter of legal argumentation, that I have long believed that the courts have a special responsibility to preserve and enforce the moral pillars upon which society is built. The other branches of government are, by necessity, preoccupied with the needs of the moment. They have the task of assuring that the economy functions, that the fisc is preserved, that the state is protected from external foe. It is in the nature of these tasks that they be performed expeditiously and in a manner that maximizes short-term advantage. Moreover, it is essential to the preservation of the state that such day-to-day decisions be the product of compromise between contending political forces.

There is nothing wrong with this process. Indeed, it is vitally important that it be permitted to go on. A nation which totally ignores its short-term needs for the sake of long-run principle is unlikely to survive. A government which is insulated from political pressure and which refuses to compromise will unravel at the seams.

But at the same time, it is also vitally important that there be some organ of the body politic whose task it is to take the longer view. There must be someone who is continually reminding us of the purpose of the whole endeavor, who has the time to reflect on the kind of society we ultimately want to have, who is responsive to principle rather than power. There is nothing in the nature of things that requires the court system bear this burden. In many countries, the task is shared by the great universities, by the churches, or by an ombudsman. But the fact remains that in most parts of the world, the job has fallen primarily upon the judiciary. Moreover, I think it clear that courts are uniquely qualified to perform the task well. Judges are—or should be—carefully schooled in the legal principles by which society is organized. They are given time to reflect on their judgments and ponder the long-range consequences.

Unlike the other branches, the judiciary is traditionally required to give reasons—oral or written—for its decisions and to justify them by reference to some broader principle. Judges are usually more or less insulated from political pressure. As John Marshall, the third Chief Justice of the United States said more than a century ago, a judge must be "completely independent with nothing to influence or control him but God and his conscience." In addition, and perhaps most important of all, judges sit astride the crucial nexus where the citizen meets his government. The legislature generally passes laws in the abstract, and the executive oversees their enforcement as they apply at large. But courts deal with people and their individual problems on a case-by-case, day-to-day basis. If the system is working inequitably, then judges are likely to be the first to know, since they are the ones called upon to send innocent defendants to prison or to deny legal claims which, in justice, should be granted. Indeed, the very existence of courts confirms the axiom that "people are people," since judges invariably deal with people as people who have individual problems to solve and individual claims to vindicate.

It is not surprising, then, that wherever totalitarianism has reared its ugly head, dictators have acted quickly to silence the courts. Tyrants cannot tolerate a branch of government which answers power with truth. Tyranny cannot flourish where government recognizes the worth of every individual, as the courts do every time they resolve a lawsuit.

In recent history, courts around the world have compiled a record of resistance to authoritarian intrusion of which we, as judges, can be justly proud. To be sure, when the army tanks roll down the streets and the opposition is rounded up in a political dragnet, there is little that judges can do. Our power does not derive from force of arms, and in the ultimate confrontation between moral suasion and military force, the military is likely to be at least the short-term victor. But not all authoritarian regimes are established by a sudden coup d'etat. At least as often dictatorship begins with a subtle erosion of individual liberty.

We judges may be impotent on the day of ultimate battle, but we are powerful indeed when it comes to confronting injustice in the scores of individual cases which, in the aggregate, make the difference between a humanitarian democracy and a ruthless dictatorship.

I, for one, am not overly concerned about attacks on the judiciary from without. Those in power have always found the restraints of law inconvenient, and we judges are used to holding our own against them. What is more worrisome, in my judgment at least, is the internal subversion of the judicial system. If courts are to perform their role as the guardian of the long-term ideals of the society, then it is essential that they remain independent of the other branches of government. In a healthy society, the forces of expedience and those of idealism are in constant tension. The demands of politics and the demands of principle are naturally antagonistic. The courts, to the extent they are aligned with principle, should maintain an adversary relationship with the political branches of government.

Unfortunately, however, there seems to be an inevitable dynamic which erodes this relationship. I'm afraid that for every case where a tyrant snatches the judicial power from the courts, there are three or four where judges of their own volition yield their moral authority. There are, I submit, several reasons for this. First, there is something subtly seductive about the wheeler-dealer world of politics. In contrast, life as a judge requires an almost monastic existence. There are few who are temperamentally suited to renouncing the political world in which they have spent much of their adult lives. Moreover, many judges are flattered when they are consulted about matters of state. It is satisfying to know that your opinion is valued by those in power or that others in government take an interest in the content of your decisions.

Finally, many judges have a natural and understandable tendency to pay deference to the expertise of those charged with the awesome, day-to-day responsibility for protection of the commonwealth. When a member of the executive or legislative branch comes to a judge and tells him that such-and-such decision will create such-and-such a practical problem, it is hard to say "yes, that may be true, but in the long run, we will be better off adhering to principle." Judges are, after all, human beings, and human beings have a natural desire to compromise and cooperate. All too often, judges are attracted by the fallacious notion that because the various branches of government are all working toward the same end, it is best that they work together instead of pulling against each other.

I believe that that notion must be resisted at all cost. History forcefully demonstrates that the necessary balance between politics and principle is maintained not through cooperation, but through constant tension. A properly functioning government results from a dialectical process which takes into account both the demands of expediency and the demands of principle.

I am not suggesting that there is anything wrong with the political process or that politics is a "dirty business." It is just not our business. We judges must deal in the law, not in votes, for if we too become engulfed in the process of accommodation and compromise, then there will be no one at all to uphold the principled side of the dialectic process. And, while it is true that a society wholly devoted to abstract principle cannot survive in the real world, a society wholly devoted to expediency is not worth saving.

Thus, I am very much in favor of judicial deference to the political process in areas where politics is meant to reign supreme. But when judges decide the individual cases before them, they must scrupulously resist the sirens of power and influence. For, paradoxically, all our power as judges is ultimately derived from our impotence. People obey presidents and kings because they control the instruments of sanctioned violence in society. But judges and magistrates have no guns. Their power rests on their moral authority which remains intact only so long as they deal in reason rather than in force. When judges watch the election returns, they squander the only power they have.

In the chambers of legislatures and the suites of presidents, it may be necessary to accommodate the demands of the rich and powerful. But no such accommodation can be permitted in the courthouse. In the halls of justice, people are just people, and each man's claim against the state rests solely on the strength of his legal argument. At least, that is the ideal, and it is an ideal which we should constantly keep before us as we go about the process of deciding individual cases. And, there is no one who can impose that duty upon us but ourselves. Our obligations are to the law and to justice, and when any one of us ceases to pay allegiance to those masters, the moral force of law is everywhere thereby diminished. For the law is a seamless web in more ways than one, and justice, like peace, is indivisable. A society can be said to be truly lawful only when every lawsuit before every judge is decided in accordance with principle rather than power.

World peace through law is the noble purpose to which we today rededicate ourselves with renewed determination and urgency. But man crawls before he walks. And, before global peace can be achieved, the nation-states of the world must first be at peace with themselves. As injustice breeds intolerance, violence and war, so justice can bring with it the blessings of mutual understanding and peace.

The special responsibility of the bench and bar in achieving justice is self-evident. It is a responsibility that requires of the judiciary a steadfast commitment to its own independence as well as an unyielding allegiance to principle and resistance to the sirens of power and influence. Most important, perhaps, it requires all of us to remember that "people are people" and all stand equal before the law. Only by sowing the seeds of justice in each of our nations, can we hope ultimately to reap the plentiful bounty of peace in the world.

WOMEN SHOULD APPLY TO WHITE HOUSE FELLOWS PROGRAM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FRASER. Mr. Speaker, the White House Fellows program is now accepting applications for fellowships for 1974–75. The purpose of the program is "to provide gifted . . . young Americans with some firsthand experience in the process of governing the Nation." These fellowships—funded by tax and foundation moneys—allow stipends up to $28,692 depending on education, experience, and earnings, and are open to all applicants—except civil service employees—who will be 23 but not 36 years old on September 1, 1974.

Successful applicants are assigned to the Executive staff, to Cabinet members, or given high-level assignments in executive departments. The particular assignment depends on background, interest, and what needs to be done. Travel and regular discussions with prominent Government and private figures are also part of the program.

Though the program is open to all women and men, in past years women and other disadvantaged groups have been severely underrepresented. This year's four women out of 18 fellows is a 400 percent increase over 1972–73 and reflects a corresponding increase in the number of women applicants.

In order to bring the number of women and minority fellows up to their proportion in the population, they should be particularly encouraged—by Members of Congress and by employers—to apply to this year's White House Fellowship program. Application forms and additional information can be obtained from the President's Commission on White House Fellows, 1900 E Street NW., Washington, D.C. 20415. Prospective applicants should inquire soon, since all returns must be postmarked by November 15, 1973.

THE SAD SAGA OF DIOCLETIAN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. PICKLE. Mr. Speaker, I believe there is not a body in this Nation which does not wish wholeheartedly for the complete success of the administration's wage and price control programs. But before we place total faith in such methods, a look at history might not only be in order, but wise.

Following is an article from the October 2 Wall Street Journal recounting a past and not-so-successful battle against inflation in a mighty land:

THE SAD SAGA OF DIOCLETIAN

(By William H. Peterson)

Many phases and freezes ago, long before Santayana observed that those who don't know history will be condemned to repeat it, long before Ricardo (and much more recently Milton Friedman) propounded the quantity theory of money—namely, that as the volume of money expands faster than production, prices tend to rise—Rome fought inflation. Not wisely but hard. And long. Finally, in 301 A.D. came the famous price-fixing Edict of Diocletian.

The background of the Edict points to the recurrent patterns of history. In 357 B.C. Rome set the maximum interest rate at 8⅓%. In 342 B.C. interest was abolished to favor debtors. In 90–86 B.C. the currency was devalued and debts were scaled down 75%. In 63–61 B.C. loans were called and there was flight of gold, which was finally stopped by an embargo on gold exports. In 49-44 B.C. Julius Caesar cut the relief rolls from 320,000 to 150,000 by a means test. In 2 B.C. Augustus cut the relief rolls (which had grown again) from 320,000 to 200,000. In 91 A.D. Domitian created the equivalent of a government "soil bank" which wiped out half of the provincial vineyards to check overproduction of wine. In 274 A.D. Aurelian made the right to relief hereditary, with bread substituted for wheat and with free pork, olive oil and salt added.

This pattern of the welfare-interventionist state is perhaps better observed in the deterioration of the purchasing power of the Roman coin of denomination, the denarius. For although good price records and price indexes are not available, we know Rome underwent persistent and cruel inflation and did so through the rapid expansion of the money supply (our old friend, the quantity theory of money.) Pre-Gutenberg and the printing press, the money supply mainly was ballooned via debasement, through alloying base metal into precious. The following table traces the deterioration of the denarius after Augustus whose coin, save for a hardening agent, was practically pure silver:

Issuer	*Per cent silver*
Nero, 54 A.D	94
Vitellius, 68 A.D	81
Domitian, 81 A.D	92
Trajan, 98 A.D	93
Hadrian, 117 A.D	87
Antoninus Pius, 138 A.D	75
Marcus Aurelius, 161 A.D	68
Septimius Severus 193 A.D	50
Elagabalus, 218 A.D	43
Alexander Severus, 222 A.D	35
Gordian, 238 A.D	28
Philip, 244 A.D	0.5
Claudius Victorinus, 268 A.D	0.02

Into this inflationary, welfare-interventionist milieu came Emperor Diocletian, determined to stop inflation by law, by his Edict of 301 A.D. His Edict complained of such "unprincipled greed" that prices of foodstuffs had recently mounted "fourfold and eightfold."

The preamble continued: "For who is so insensitive and so devoid of human feeling that he cannot know, or rather has not perceived, that in the commerce carried on in the markets or involved in the daily life of cities, immoderate prices are so widespread that the uncurbed passion for gain is lessened neither by abundant supplies nor by fruitful years, so that without a doubt men who are busied in these affairs constantly plan to actually control the very winds and weather."

The Edict "commanded cheapness," covered some 800 different goods and recognized the cost-push side of inflation—spelling out wage limits for teachers, writers, lawyers, doctors, bricklayers, tailors, virtually every calling—but, of course, forgot all about the demand-pull side, stemming from the continuing debasement of the currency. The teeth in the law were very sharp. The penalty for an offense was death. The complexity of the Edict can be seen in the hundreds of wage and price schedules:

Products	*No. of schedules*
Foods	222
Hides and leather	87
Timber and wood products	94
Textiles and clothing	385
Wicker and grass products	32
Cosmetics, ointments, incense	53
Precious metals	17

There are 76 different wage schedules, broken down into skilled and unskilled categories. In the silk-weaving and embroidery trades there were 13 different schedules; wool weavers were broken down into six wage categories and fullers had 26 different authorized pay scales.

The Edict, of course, failed. In 314 A.D. Lactantius, a contemporary historian, wrote of Diocletian and his grand plan as follows:

"After the many oppressions which he put in practice had brought a general dearth upon the empire, he then set himself to regulate the prices of all vendible things. There was much blood shed upon very slight and trifling accounts; and the people brought provisions no more to markets, since they could not get a reasonable price for them; and this increased the dearth so much that at last after many had died by it, the law itself was laid aside."

TOM VAIL

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mrs. BOGGS. Mr. Speaker, I would like to join my colleagues in expressing my deepest sorrow on the passing of Tom Vail. My husband Hale knew of Tom's dedicated service to the Congress. Although Tom Vail was Chief Counsel to the Senate Finance Committee, his informative and generous advice was always forthcoming to members of the House Ways and Means Committee and the Joint Economic Committee, on which Hale served. His abilities and integrity were known throughout the Congress, and all who called upon him knew his assistance would be expert and enthusiastic.

Tom Vail's passing is a personal loss, and a loss to our country. I join my colleagues in extending my sincere condolences to Mrs. Vail and the family.

BLOOD TEST USE FOR CANCER CHALLENGED BY SURGEON

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. DULSKI. Mr. Speaker, in 1965, carcinoembryonic antigen—CEA—was first isolated in the blood of a patient with carcinoma of the colon.

The possible implications of this test for better diagnosis and treatment of malignancy were recognized immediately.

Carefully controlled studies have proceeded, including those at Roswell Park Memorial Institute in Buffalo, N.Y., one of the world's major cancer research centers.

At a weekend meeting of the Bureau of Biologic Standards of the Department of Health, Education, and Welfare, the chief of the department of surgery at Roswell Park outlined his findings.

Dr. Edward D. Holyoke, a graduate of Harvard Medical School who has been at Roswell Park since 1962, raised doubts about some aspects of the test. He spelled out in technical language both the pros and cons.

His conclusion was that the test, in its present state, would not be useful in a mass screening program for the detection of cancer.

Following are his other conclusions:

A. Elevated CEA does correlate with disease extent and is prognostically useful.

B. High recurrence risk groups can be identified in colon malignancy using CEA.

C. CEA can detect better than 85% of progressions or regressions; (1) Two values should be checked, (2) Elevations as a result of surgery per se are ignored.

D. CEA can detect recurrence or residual disease, in some instances at least, months before the disease is clinically apparent.

E. Sequential CEA values are of use in monitoring intra-abdominal colon malignancy which is often difficult to evaluate in a quantitative fashion by other means. This monitoring may be useful in helping to provide effective chemotherapy.

F. CEA measurement is more useful than liver enzyme studies as a diagnostic adjuvant test for the presence of malignancy.

G. The test can be used in patients with bronchogenic malignancy and possibly neuroblastoma.

H. Information as to limitations of the CEA test must be continually recalled when using this diagnostic aid.

Mr. Speaker, as part of my remarks, I include a related news story from the Buffalo Evening News:

BLOOD TEST FOR CANCER CHALLENGED

WASHINGTON, Sept. 28.—A scientist from Roswell Park Memorial Institute in Buffalo said today that widely publicized blood test for cancer "is not as effective in detecting early tumors as originally predicted."

Dr. Edward D. Holyoke, chief of the institute's General Surgery Department, made the report at a meeting on the use of the CEA antigen test.

The test measures the amount of carcinoembryonic antigen in a person's blood. The substance is produced by some cancerous tumors and the higher that level, the greater the chances of cancer.

The test discovered by a Montreal scientist has been used experimentally at Roswell Park since 1971.

Dr. Holyoke said that while an elevated CEA level is "useful" in predicting a patient's chance of recovery—"for small tumors, the detection rate for elevated CEA is something less than 50 percent."

He added that in tests of the procedure, normal volunteers, especially heavy smokers, sometimes show slight to moderate CEA elevations although no disease is present.

"If properly used, the CEA antigen test should detect 85 per cent or more of disease progressions in the case of patients with cancer of the colon, usually before these progressions can be detected clinically," he added.

"The test can detect recurrence or residual disease, in some cases months before the patient's symptoms appear."

Tests at Roswell Park, Dr. Holyoke said, have shown the CEA test in some cases has been effective in monitoring progress of tumor reduction with chemotherapy.

He added that application of the test in its present state would not be useful in mass screening programs for the detection of cancer.

The meeting was called by the U.S. Food & Drug Administration.

BLACKMAIL TRIUMPHANT

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BRASCO. Mr. Speaker, a few days ago a pair of Arab terrorists attacked a train in Austria carrying Jewish emigrants from the Soviet Union, taking three hostages. They then proceeded to make their way to Austria's major airport in Vienna, where they threatened to kill both themselves and their prisoners if they were not allowed to leave the country unharmed. This act of ruthless violence is not in itself surprising. In fact, it is not difficult to predict that such acts will constantly increase in the months and years ahead, presenting us with one horror after another.

In this case, the Austrian Government, headed by Bruno Kreisky, totally capitulated to the demands of the terrorists. Not only did it allow them to have a plane and pilots, but the regime went one better. It announced, as near as news reports allow interpretation, that henceforth Austria's role as a vital processing center for Jews emigrating from Russia would either be halted or severely limited. Some 70,000 Soviet Jews had passed through those strategically located facilities in the past several years on their way to new lives in Israel and the West.

It is also worth noting that the terrorists in this case were using Lebanese passports, indicating that their mission originated in that country. So much for the howls of outraged innocence emanating from that country when Israel mounts a move aimed at curbing the freedom of action and initiative terrorist organizations enjoy there.

What is even more interesting is the fact that Austria contributed to Nazism and its crimes. Eichmann and Hitler were Austrians. So were many thousands in the extermination groups, which roamed occupied Europe, butchering Jews by the thousands. Since that time the press has been replete with stories of this or that Nazi war criminal, found living openly in some Austrian community, seemingly immune from justice. By allowing Jewish refugees from Russia to utilize its facilities on the way to freedom, Austria for perhaps the first time was doing something to expiate in some small way the role she played in World War II.

Today in yet another exquisite irony, the head of state of Austria who is of Jewish descent falls victim to terror and blackmail. Mrs. Meir's speech the other day to the Council of Europe was an eloquent statement of human rights versus terror. Her mission to Vienna the next day seems to have been a failure. Certainly it would be hoped by all concerned that the Austrian Government should reconsider its surrender to these people.

Here are tiny clusters of Jews, fleeing after major travail from the anti-Semitism of Russia. They have managed to leave after world pressure was applied over a lengthly period of time. Now they are going to be denied even a tiny moment in which to gather breath and strength before launching out upon new lives.

Surely here we encounter one of the shabbiest chapters in human history. Israel is condemned for her nasty habit of self defense. The gathered nations of the world believe that terror in the Arab world is nonexistent. Murder becomes excusable and self defense metamorphasizes into imperialistic aggression.

Perhaps the oldest lesson in human history is that surrender to intimidation only breeds fresh, deeper contempt for the weakness exhibited and toward those allowing themselves to be bullied. Giving in to terror virtually guarantees a repetition of this activity on an even bolder scale. Is the world to bend the knee to terror?

History records that whenever the world remains indifferent to injustices visited upon one group of peoples, this has eventually and inevitably been inflicted on the rest of us. If we stand by and watch the cumulative ganging up upon Israel and the Jewish people of those who seek their destruction, then we invite the same fate for everyone else. Around the world, other desperados seeking to work their will are watching with care and interest. Assuming cloaks of nationalism, irredentism, or territorial imperative, they are commencing to strike out wildly and murderously at all who dare to oppose them, rationalizing their behavior as the Arab terrorists are doing.

Actions such as Austria took a few days ago, aids, abets, and encourages worse horrors through the policy of supine capitulation. Terrorism feeds upon itself, as its members become an establishment with a vested interest in continuation of this or that struggle. In the end, those sworn to obtain justice often end up as the main obstacle to compromise, because theirs is an all-or-nothing operation. It is not truly political. It degenerates to a mere exercise in violence.

Today the dead happen once again to be Jews. Tomorrow who will they be? And history tells us there will be a tomorrow. For governments who crawl on their political bellies trading human values for material gain are repeating yesterday's mistakes. Light is receding and darkness grows ever gloomier about us.

One further note is in order. History writes with a merciless, uncompromising pen. Some day what is transpiring now will be studied dispassionately. Then students will note that many governments who, 28 years after we gasped at the unspeakable horrors of the concentration camps, joined in doing their best to make the world untenable for a tiny nation of 2½ million, born from the ashes of holocaust and founded by survivors of that fiery epoch. Then the excuses of third world unity, oil and necessity will sound tinny indeed.

BYRON OPPOSES SIXES BRIDGE DAM

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BYRON. Mr. Speaker, next week the House may have H.R. 10203, the Water Resources Act, on its agenda. H.R. 10203 contains an authorization for the Sixes Bridge Dam in the district I represent. I want to make it clear that I oppose the authorization in this bill for advanced design and engineering and that I am opposed to the construction of this project.

Last year the Corps of Engineers was instructed to reformulate the Sixes Bridge and Verona Dams. This was done with a report issued in May of 1973. Original plans in the early 1960's called for a total of 16 impoundments in the Potomac Basin, and initial planning was done on these 16 dams. The May 1973, report fails to provide valid comparisons with alternate dam sites, and existing comparative data is inaccurate since it does not include reformulation of the other proposed dams with which Sixes Bridge Dam is compared.

There is no doubt that there is a potential water supply problem in the metropolitan Washington area; however, there has been little effort applied to the impact of water pricing and usage, interconnection of various political jurisdictions, and purification of the estuarine waters of the Potomac. The Environmental Protection Agency admits, for instance, that the waters of the free flowing Potomac River may carry as many viral organisms as the estuary; yet, this water from the free flowing river is drunk every day in Washington after treatment.

It is essential that the pilot plant proposed in section 185 of H.R. 10203 be adequately funded and given an honest trial in order to determine the feasibility of utilizing the almost unlimited water of the Potomac estuary. Sixes Bridge Dam would displace over 70 farm families and 11,000 acres of prime dairy land. Almost all the dairy products from the Sixes Bridge area find their way to the markets in the Washington area. The Washington Post of October 3 reported that—

> Milk prices in major area supermarkets rose to 74 cents a half-gallon this week—a

5-cent increase that food store executives said was the largest in memory.

It does not take much imagination to gauge the impact of removing 11,000 prime acres of dairy land from production on the price of dairy products in this metropolitan area.

FEDERAL ASSISTANCE TO COLLEGE STUDENTS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. LEHMAN. Mr. Speaker, the Special Education Subcommittee of the Education and Labor Committee deals with the programs and problems of college and university education.

As a member of that subcommittee, I was impressed with a short concise article in the New York Times of September 4, 1973, that provides a layout of those Federal programs that are available to assist those who are contending with the spiraling costs of higher education.

Certain of the programs outlined below may be modified for the 1973–74 school year. For example, the subcommittee will be looking into the proposed family contribution schedule for the basic educational opportunity grants program for the next school year, with an eye to correcting some of the problems that arose this year in the program.

Knowing this information would be of great assistance to the high school students of my district and their parents, as well as those of my colleagues, I am inserting the article in the RECORD below:

[From the New York Times, Sept. 4, 1973]

PROGRAMS HELPING COLLEGE STUDENTS

(Following are the five major programs administered through the United States Office of Education for aiding postsecondary school students and the major state-operated programs in the metropolitan area. In addition to these programs there are other specialized forms of Federal assistance, private loans and a wide variety of scholarships offered by foundations, agencies and the educational institutions themselves.)

BASIC EDUCATIONAL OPPORTUNITY GRANTS

Eligibility: Open to full-time freshmen at colleges, universities and vocational and technical schools who did not attend a postsecondary education institution prior to July 1, 1973.

How to apply: Applications are available from postsecondary institutions, high schools, post offices, state employment offices, county agricultural extension agencies and Box G, Iowa City, Iowa, 52240.

When to apply: As soon as possible for the academic year now beginning.

Criteria: Family income and assets determine who gets a grant, academic achievement having no bearing. Applicant must complete a detailed financial statement that is subject to comparison with the Federal income tax return that parents have filed with the Internal Revenue Service. In general, a student from a family of four with an income of $11,000 or more would not qualify for a grant. However, factors that can offset a higher income and enable a student to get a grant are a large family, brothers and sisters in college, both parents working and unusually large medical expenses.

Size of grant: Ranging from $50 to $452—the top grant going to a student from a family that according to its income and assets cannot afford to contribute anything toward the student's education.

Terms of repayment: This is a grant and there is no repayment involved.

Comments: No eligible student whose certifiable need meets the established criteria will be turned down by this program. Also, the grant will be awarded regardless of any other Federal grants or loans the student may receive. If a sufficient level of funding is authorized by Congress, the program is to be expanded to include all needy undergraduates, full-time and part-time. The top grant would be $1,400.

GUARANTEED STUDENT LOANS

Eligibility: Anyone enrolled as an undergraduate or graduate student in any of 8,200 participating colleges, universities and nursing, vocational, technical, trade, business or home study schools.

How to apply: Applications may be obtained from participating educational institutions, banks, savings and loans, credit unions and the United States Office of Education.

When to apply: At any time.

Criteria: All students are eligible, regardless of how high the family income. Only those with established need, however, can qualify to have the Federal Government pay the interest on the loan; others must pay their own interest. Those seeking interest-subsidized loans must fill out a needs analysis divulging income and assets. Such factors as a large family, brothers and sisters in college, both parents working and unusually large medical expenses are taken into consideration. The financial aid office of the educational institution processes the application, applying a mandated formula, and recommends to the potential lender the amount of the interest-subsidized loan (including a possible zero dollar recommendation) for which the student qualifies. Prior to March 1, a student from a family with an adjusted income of less than $15,000 could qualify for an interest-subsidized loan, but under new regulations many students who formerly qualified are finding themselves ineligible.

Size of loan: In general, loans may be for up to $2,500 a year—not to exceed $7,500 during an entire undergraduate career and $10,000 during the course of undergraduate and graduate education. The annual amounts and cumulative totals vary, though, in some states, including Connecticut and New York.

Terms of repayment: No payment on principal is required until nine to 12 months after the student leaves school or until after service in the military, Peace Corps or VISTA. Once repayment begins, it is to be completed over a period of not more than 10 years and not less than five years, or sooner if the loan can be paid off at a rate of $360 a year. In the event of default, the Federal or State guarantee agency will compensate the private lender and attempt to recover the money from the student.

Comments: While this program appears to be open to all applicants it has not worked out that way. All of the money being loaned belongs to private lenders who participate voluntarily and retain the ultimate decision about who gets a loan. The new needs analysis formula has had the effect of disqualifying many of the students who would have gotten interest-subsidized loans under the old rules. The lending institutions could go ahead and give loans through the program that are not interest-subsidized, but are reluctant to do so. Not only is this a time of tight money, but apparently the lenders do not want to get too much of their money tied up in loans on which payment on the principal is delayed until after the student leaves school.

Moreover, while a lender can bill the Federal Government in one lump sum for the interest on all the subsidized loans, students must be billed individually for interest on unsubsidized loans—making such loans unattractive to the lender because of the greater servicing costs. The March 1 regulations were ostensibly to make it easier for the middle-class to get the guaranteed loans, but the change has had the opposite effect. Congress has had hearings on the problems that have developed and there is a widespread opinion among authorities on the program that the law needs further changes if it is actually meant to be of use to students from a wide range of income groups.

SUPPLEMENTARY EDUCATIONAL OPPORTUNITY GRANTS

Eligibility: For undergraduates in colleges and universities and students in other approved post-secondary schools. Half-time as well as full-time students.

How to apply: Through the financial aid office of the institution in which enrolled.

When to apply: As soon as possible for this year and upon acceptance for next year.

Criteria: For students of "exceptional need," who without the grant would be unable to continue their education. Final determination of need is up to the College's financial aid office. This grant is often given in combination with National Direct Student Loan and College Work-Study aid to form a single assistance package.

Size of grant: Not less than $200 or more than $1,500 a year. Normally, renewed for up to four years—or five years when course of study requires extra time. The total that may be awarded is $4,000 for a four-year course of study and $5,000 for a five-year course.

Terms of repayment: This is a grant and there is no repayment involved.

Comment: In the past, 72.7 per cent of these grants have gone to students whose family income is below $6,000; students from families with incomes in excess of $9,000 have received 4.2 per cent of the grants.

COLLEGE WORK-STUDY

Eligibility: For undergraduates and graduate students in colleges, universities and approved post-secondary schools. Half-time as well as full-time students.

How to apply: Through the financial aid office of the institution in which enrolled.

When to apply: As soon as possible for this year and upon acceptance for next year.

Criteria: The offer of a job is based on need, as determined by the college's financial aid office. The Federal money is used to pay the wages. The job may be for as many as 40 hours a week at a nonprofit on-campus (cafeteria, library, laboratory) or off-campus (hospital, school, government agency) site. Usually awarded as a package in combination with Supplementary Educational Opportunity Grant and National Direct Student Loan.

Amount of pay: From $1.60 to $3.60 an hour. Average annual compensation being $600.

Terms of repayment: These are wages for hours worked and there is no repayment.

Comments: In the past, 56.7 per cent of the work-study jobs have gone to students whose family income is less than $6,000; students from families with incomes in excess of $9,000 have received 17.3 per cent of the jobs.

NATIONAL DIRECT STUDENT LOANS

Eligibility: For undergraduates and graduate students in colleges and universities and approved post-secondary schools. Half-time as well as full-time.

How to apply: Through the financial aid office of the institution in which enrolled.

When to apply: As soon as possible for this year and upon acceptance for next year.

Criteria: The loan is based entirely on need, as determined by the college's financial aid office. Usually awarded as a package in combination with College Work-Study and Supplementary Educational Opportunity Grant.

Size of loan: Up to a total of $2,500 while enrolled in a vocational school or during the first two years of a degree program. Up to a total of $5,000 while studying toward a bachelor's degree and up to $10,000 during the entire undergraduate and graduate career.

Terms of repayment: Begins after leaving school or service in military, Peace Corps or VISTA. Interest of 3 per cent on unpaid balance of loan is charged when repayment period begins. Maximum length of repayment period is 10 years. Loan is canceled and no repayment necessary for teachers of the handicapped and teachers in inner-city schools and servicemen who spend one year in a combat zone.

Comments: This is the original of the Federal assistance programs for students, which began as the National Defense Student Loans in the late nineteen-fifties in the wake of the panic over the launching of the Soviet Union's first satellite. It was awarded on the basis of academic achievement, largely to students in the sciences and education. Academic achievement no longer figures in the loan and major field of study makes little difference. Students from families with incomes in excess of $12,000 get 10.6 per cent of the loans.

THE OPTIONAL TERMINATION OF SOCIAL SECURITY COVERAGE FOR EMPLOYEES OF THE STATE OF CALIFORNIA

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. WALDIE. Mr. Speaker, I am introducing a bill today which would permit all California State employees, except State legislators, to terminate their coverage under social security.

The provisions of this bill do not require that this termination take place. However, in recognition of the different standpoints from which elected State officials and career State employees view the benefits associated with their employment in public service, the bill permits the wishes of career employees with regard to their coverage under social security to be acted upon without affecting elected officials.

Mr. Speaker, I urge that Congress favorably consider this legislation so that career employees of my State of California may be given a greater opportunity to inedependently develop their own benefits program.

H.R. 10726

A bill to permit the State of California to terminate the social security coverage of all members of the State employees retirement system except State legislators

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any provision to the contrary in section 218 of the Social Security Act, the agreement entered into by the State of California under such section may be modified to the extent necessary to permit all State members of the California Employees Retirement System other than those who are elected members of the State legislature to be treated, for purposes of section 218(g) of such Act, as constituting a separate coverage group with respect to which such agreement has been in effect for not less than five years.

A TIME FOR HUMANE SENTENCING

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. RAILSBACK. Mr. Speaker, in an excellent article, "A Time for Humane Sentencing," Senator ROMAN HRUSKA pointed out the need for appellate review of criminal sentences. Because I believe this work will be of some interest to my colleagues, under the leave to extend my remarks in the RECORD, I include the following:

A TIME FOR HUMANE SENTENCING

(By Hon. Roman L. Hruska—R–Neb.)

One of the most striking ironies of current federal criminal law may be found in a comparison of the methods of determining guilt and the methods of determining sentence. The former is replete with a panoply of rules of evidence, rules of procedure and a detailed system of appellate review designed to ferret out the slightest error. The latter process, on the other hand, is one of false simplicity, involving only the unsupervised discretion of the district judge before whom the case is pending, with no provision for review.

As long as a criminal sentence imposed is within the statutory limits provided by law, the sentence is unreviewable by appeal. No matter how excessive or unjust the sentence might be, an appellate court is legally powerless to modify it in any way. This basic shortcoming in our criminal procedure has allowed serious inequities and disparities in many sentences which have been imposed. Hopefully, the Congress will shortly move to correct this problem.

The problem of disparity of sentences has concerned Congress, bar associations and legal societies, students, workers in the field of penology, the Executive Branch of our government and the courts for many years.

Putting aside what may be the ultimate or most desirable goals of a rational and humane sentence, we have in modern times been receding from the practice of enacting statutes calling for a mandatory fixed sentence. A greater number of our criminal laws now provide for a wide range of permissible sentences. The practical effect of this is obvious. As the final determining factor in the sentence to be imposed, the judge's discretionary power becomes increasingly important.

By and large the wisdom of this policy of delegating the function to the trial judge has been clearly demonstrated. Our district judges are exceedingly conscientious, knowledgeable, and experienced. They are best able, informed, and qualified to deal fairly with the convicted defendant. However, they are the first to recognize the inadequacies in the present system. The exercise of judgment in this delicate area is not easy.

The responsibility for determining the proper sentence is so great as to justify and warrant a means of review. There is little wonder that judges have openly commented on the incongruity of a situation where the power to impose a sentence is the only discretionary power vested in the federal trial judge which is not subject to appeal.[1]

A study of the federal statutes and the interpretation given them by the courts shows no authority exists for an appellate review of the sentence imposed by the judge in a criminal case to determine whether the sentence is excessive. A sentence will be modified only when it is not within the limits fixed by a valid statute.

In the 85th Congress the concern about sentence disparities brought about pioneering legislation: the Sentencing Act of 1958, which provided for institutes and joint councils on sentencing. Their value cannot be overestimated. The institutes have been described as giving "the federal judges themselves an opportunity to assume the initiative in eliminating sentences which may appear biased, capricious, or the result of defective judgment."[2]

However, this and other related legislation have not been a complete answer to the problem. The Judicial Conference of the United States rejected appellate review legislation in 1958, reconsidered it in 1961, and then approved it in 1964. It is logical to ask what caused such a substantial shift in judicial opinion. While a redraft of legislative proposals and increased interest in the problem may have played a part in this change, it is clear that the original objection of the Judicial Conference was to the principle of appellate review, and not the language of any particular bill. In retrospect, it seems that a consensus in favor of the principle did not develop until it became manifest that the problem of excessive sentences was not going to be resolved by the extensive use of the facilities provided in the Sentencing Act of 1958 or by other existing legislation.

Fourteen years of experience under the Act has demonstrated that such procedures and techniques are not enough.

Nor has indeterminate sentencing proven to be the answer to the problem. For various reasons, many judges have declined to impose indeterminate sentences, or have imposed them only infrequently.

One unfortunate side effect of the present practice is that harsh and irrational sentences have often led appellate courts to reverse convictions on technical or minor points and on strained interpretations of the law, interpretations which may not serve justice and society in future cases.[3]

The concept of appelate review of sentences is not new to criminal law in the United States. Prior to 1891 the Federal Code provided a right to appeal a case on the basis of disproportionately severe sentence. However, due to an oversight or inadvertence, a revision of the statute in 1891 did not mention sentences, and the courts subsequently held that the power had been withdrawn by Congress.

The situation that presently prevails in the federal courts stands in marked contrast to the practice of 17 states, many foreign nations—including England and Canada—and our military courts. Indeed, the federal jurisdiction is a singular example of an advanced system of jurisprudence that does not allow review of sentences, and the situation is becoming irreconcilable with the standards of due process.

Recent initiatives—on February 1, 1973, I introduced S. 716, a bill to amend Chapter 235 of Title 18, United States Code, to provide for the appellate review of sentences imposed in criminal cases arising in the district courts of the United States.[4]

This legislation is identical to $2228 and S. 1501 which I introduced respectively in the 92nd and 91st Congress and to S. 1540 which was passed unanimously by the Senate in the 90th Congress. It would authorize the appeal of an "excessive" criminal sentence imposed by a U.S. District Court.

Elsewhere in this publication, my colleague, Senator John L. McClellan, discusses the efforts of the Subcommittee on Criminal Laws and Procedures to construct a new Federal Criminal Code. As noted therein, the two primary vehicles for this project will be S. 1, the Criminal Justice Codification Revision and Reform Act of 1973 and S. 1400, the Criminal Code Reform Act of 1973.

Both S. 1 and S. 1400 are built upon the *Final Report of the National Commission on Reform of Federal Criminal Laws.* This Senator was very privileged to have been a member of that Commission, along with Senators McClellan and Ervin.

The Final Report embraced the concept of appellate review of sentencing with this suggested amendment to Title 18:

"Section 1291. The courts of appeal shall have jurisdiction of appeals from all final decisions of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam and the District Court of the Virgin Islands, except where direct review may be had in the Supreme Court. Such review shall in criminal cases include the power to review the sentence and to modify or set it aside for further proceedings."

This simple amendment reflected the Commission's view that there should be some form of appellate review of sentences. It did not set forth the form that the review should take nor the contours of its jurisdiction. However, the entire sentencing scheme recommended by the Commission was predicated on the idea that appellate review of sentences would be included in the revised Criminal Code.

However, in the context of S. 1, appellate review is recognized only with respect to sentences for dangerous special offenders (*Section* 3-11E3 in accord with current law 18 U.S.C. *Section 3576,* added by Public Law 91-452, the Organized Crime Control Act of 1970). In the context of S. 1400, the concept is not recognized at all.

It is my hope that the provisions of S. 716, authorizing the appellate review of "excessive" criminal sentences, will eventually be engrafted onto S. 1 or S. 1400 as the Congress moves to recodify our federal criminal law.

Possible modifications—Although I am convinced that the concept of appellate review is sound, extensive hearings by the Subcommittee on Criminal Laws and Procedures have revealed that it may be desirable to consider modifying my proposal in several aspects.[5]

First, the Subcommittee will consider whether the prosecution also ought to be able to initiate an appeal and, if so, what procedures should be devised to guarantee the rights of defendants. Such an expansion could be of assistance in developing a jurisprudence of sentencing and also correct any problems of inadequate sentencing which may exist with respect to certain organized crime figures.[6]

Secondly, consideration should be given to the possibility of authorizing pleas to both guilt and sentence to preclude the imposition of a tremendous increase in the work load of our circuit courts. As the overwhelming majority of federal criminal cases are disposed of by pleas, this modification could greatly reduce any potential for frivolous appeals but maintain the integrity of the concept of appellate review.[7]

Finally, there is the question of which tribunal is best equipped to conduct the review process. While some would suggest that the review be conducted by a panel of district judges from within each judicial district, I am of the belief that our circuit courts are better equipped to fulfill this need.[8] Only by authorizing review in our appellate tribunals can we move towards eliminating both intracircuit and intercircuit sentencing disparities.

The need for appellate review of criminal sentences is manifest. Hopefully, in the process of rewriting our federal criminal law, Congress will provide a review process adequate to meet the demands of justice.

(Note.—References available upon request.)

THE NATION'S HOUSING NEEDS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. McKINNEY. Mr. Speaker, on Tuesday, I inserted into the Record a statement concerning my reaction to House Banking and Currency Committee approval of legislation setting a ceiling on wild card savings certificate interest rates.

Specifically, I commented on the effect—or lack of—this bill would have on our Nation's housing needs. I said then and I would repeat today that in my opinion, the people of this Nation are not yet well housed and, in fact, when put on a proportional basis with the other nations of the world, very poorly housed.

On a more positive note, I would like to share with my colleagues today the thoughts of a man for whom I have great admiration and who, for the past 21 years, has been involved in housing construction. He is Irwin Silver, vice president of the F. D. Rich Co. and a member of the Mayor's Advisory Council in Stamford, Conn.

Mr. Speaker, Mr. Silver is not just a brick and mortar construction man, but one who carefully scrutinizes the social needs of a community before proceeding with any development. In his endeavors, Mr. Silver has been able to assist Stamford's mayor, Julius Wilensky, in maintaining and improving upon the "Research City's" status as one of the finest communities in America.

In July of this year, Mr. Silver was invited to testify before the Housing Subcommittee of the Senate Banking Committee. His remarks were very informative at the time, but I think especially useful today. I note particularly the accuracy he demonstrated in predicting which course the administration would adopt as it established its priorities for the Nation's housing goals.

I would urge my colleagues to review Mr. Silver's testimony and with your permission, Mr. Speaker, I would like to insert it at this point in the Record:

Testimony of Irwin Silver

For almost 4 decades, the Federal Government has been deeply involved in the production of housing. That involvement is now under review, and these hearings by the Senate Housing Sub-Committee are perhaps the most important housing hearings since the 1930's. Unlike previous years, when the Congress has considered legislation to amend existing housing programs, and to initiate new forms of housing production subsidies, this Congress will review and reconsider the basic Federal commitment to housing as set forth in the Housing Act of 1968. After a review of the aims and goals of the 1968 legislation, Congress will chart a course and specify the means to implement such course. Accordingly, as I see it, Congress must consider the following general areas:

I—The need for housing in the United States;

II—The role of the Federal Government in meeting housing needs; and

III—The means by which housing needs can be met through Federal Government activities.

In my remarks, I have brief statements on Items I and II and a detailed statement as to Item III.

In 1968, comprehensive investigations were conducted to determine housing needs. Congress at that time set forth a ten year goal with which we are all familiar. These goals were:

I—26,000,000 new housing units;

II—2,600,000 new housing units annually;

III—Including 6,000,000 subsidized units or 600,000 annually. Since that time the record for housing completions stands as follows as reported by the Department of Commerce Report C-22:

1969	1,436,400
1970	1,452,100
1971	1,740,200
1972	1,999,200
Total	6,627,900
Goal	10,400,000
Shortfall	3,772,100

(Note these figures do not include mobile homes which were not included in the goals established by the 1968 act.)

From these figures it is clearly apparent that we are far off meeting the goals set forth in 1968; however, in the interim period have there been any significant occurrences to modify these goals? While the production for the last several years has been increasing, in 1972 almost two million units—and in 1971 approximately 1¾ million units, there has been no evidence presented that there has been a net increase in the nation's housing stock or any evidence that the housing totals needed for the decade should be decreased. I suggest no hard data exists that would lead to a diminution of these totals. I suggest that budgetary and administrative difficulties are father to the wishful conclusions that the 1968 goals are no longer applicable to current conditions. Accordingly, I would hope this Congress would re-endorse the housing goals set forth in 1968 with due note of the record of accomplishment thus far and with a position as to what should be done to overcome the present enormous short fall in production goals.

Presuming the existence of a housing need vital to the well being of the nation, I should like to comment on the need for and extent of the federal role in meeting this need. For some forty years now, there has been in each and every Congress a searching investigation as to the need for the federal role in meeting the nation's housing requirements. While some Congresses have rendered a less than enthusiastic endorsement of such a role for Federal Government, each and every Congress has concluded the need for federal participation—and in 1968 it was concluded that massive participation was required especially in providing housing for lower income groups. Has the federal role been efficacious? The record speaks for itself in the area of housing for lower income groups.

Since the first legislation was enacted, federal housing programs have created hundreds of thousands of housing units: 2.6 million Americans living in over 750,000 federally supported low rent public housing units; 131,000 units completed under the Section 221 d3 BMIR program by June 30, 1974; and over 500,000 units under the Sections 235 and 236 programs between 1968 and 1972.

In all, approximately one (1) million directly subsidized housing units were created between 1935 and 1967 or an approximate average of 30,000 units per year. From 1968 through 1971, after Congress had determined that a massive effort was necessary, another 1.2 million units were developed in these four (4) years or 300,000 per year. The federal subsidy programs have thus been responsible for the construction of over two and one-half million housing units. These programs also may well have saved the housing construction industry during the difficult 1970-71 period. During those two years, when it was enormously difficult to obtain private capital for new residential construction, there were approximately 865,000 subsidized starts. In 1970, 30% of all starts received federal subsidies. It should also be noted that the FHA and VA programs led to a revolution in home financing: 20, 30 and 40 year mortgage terms and low down payments. These, of course, are conditions of financing which now are customary throughout the housing and home finance field.

Considering the need and considering the record, there should be no doubt that the federal role has been vital to production of a broad spectrum of the housing needed to meet the nation's requirements for the past four (4) decades. It is not now apparent that there exists any other agency that can now supplant the role of the Federal Government. This Congress should re-endorse the need for a vigorous federal role in providing the means by which lower income Americans can be assured of decent shelter at affordable prices.

If this Congress re-endorses a vigorous federal role in meeting the nation's housing needs, legislation must be especially responsive to our lower income groups. This is the challenge—and this challenge reduces itself to very simple terms as follows: shelter expense should not exceed 25% of family income. This means a family with an income of $6,000 per year can afford a rent of $125 per month—a family with an income of $12,000 per year—$250 per month. Costs of developing and carrying housing exceed these affordable limits. Consider that a 7%—40 year mortgage with a principal of $25,000 has carrying charges of $155.50 per month plus all other expenses incidental to housing which often bring the total monthly rent to $300 and over. How do we close this gap?

Traditionally, Congress has attempted to close this gap by subsidies directed to housing production and operation—those subsidies mainly in the form of lower financing costs for the development and carrying of the project once completed. However, this Committee has been asked to consider shifting federal subsidies from direct production system to a form of housing allowance. In other words, this Committee is not merely considering the methods which are to be utilized to subsidize housing production. Rather you are reviewing the very premises on which the federal housing effort has been founded. To state the issue most directly, it is quite likely that the Administration, later this year, will recommend termination of direct federal support for the production of housing for low and moderate income families. Many have advocated, and this Administration apparently will recommend, shifting federal subsidies from direct production assistance to a form of housing allowances. Before the Congress considers this fundamental shift, it would be well for you to examine the existing subsidy programs and to evaluate their successes and failures.

Given the record of production achievement previously cited, one should be cautious, to say the least, before abandoning the federal direct subsidy programs. It is true that these programs have not eliminated poverty and segregation. They are expensive and there have been scandals. And many Americans oppose them as inefficient "give-away" programs for the poor. But these direct subsidy programs have produced over 2,000,000 housing units. They have increased the supply of housing and have been important elements in meeting the oft-stated national goal of providing a decent home and a suitable living environment for every American family.

If we are to shift from direct production subsidies to another form of federal housing assistance, we must be certain that the new programs will be as successful as the old ones in meeting the national housing goal. I contend that a housing allowance program alone, will not be as successful as the direct production subsidies. Indeed, I believe this approach could lead to a monumental national failure far more damaging than the FHA scandals.

There is a place in a total national housing strategy for a program of income maintenance, whether that be housing allowances or, perhaps more appropriately, an adequate guaranteed annual income under the family assistance program. Certainly, an income maintenance program such as housing allowances, could effectively combat the social problem of inadequate income and poverty. Moreover, an income maintenance program would allow the poor to pay higher rents in public housing and to look elsewhere than in public housing projects for their shelter. A housing allowance might end the role of public housing projects as "housing of last resort" or as "warehouses" for the poor and the socially dislocated. Further, an adequate income floor could assure that every American family had sufficient resources to acquire a minimum level of housing, food, clothing and other necessities. It would importantly increase the purchasing power of low income families and provide them with a wider range of housing alternatives. However, it has not been demonstrated that a housing allowance or income approach alone, will increase the housing stock—and increasing the supply of housing remains our most important need. The facts do not allow us to be optimistic that increased purchasing power of, and increased demand by, housing consumers will lead to an acceleration of production of low, moderate and middle income housing.

In the Northeast, where I live and work, there is an inadequate supply of housing for middle income, as well as low and moderate income, persons. As a result, virtually all families at middle income or below are paying far more than the desired 25% of income for shelter. Often families are paying as much as 40 to 50% of income for housing. The poor and the old are often unable to find any housing that they can afford. The City of Stamford, Conn., has a 0.3% vacancy rate, which is not unusual for cities in the Northeastern United States. These conditions will not be alleviated unless and until the housing stock has been dramatically increased and the production of housing accelerated. Will a housing allowance alone meet that need?

In metropolitan areas—the scarcity and high cost of land, the increasing costs of construction and of money, all have made it impossible to build market rate housing at rents and sales prices that middle income Americans, let alone the poor and near poor, can afford. Development costs are now at levels so high that the developers of multifamily projects, merely to break even, must charge rents which middle income families cannot afford. For example, in a medium size city such as Stamford, Connecticut, the owner-developer of an apartment project must now charge $100 per month a room rent merely to break even on the project. I think it is obvious that merely increasing the financial resources of low and moderate income families through housing allowances or a similar income approach, will not necessarily lead to increased housing production. Presumably, a housing allowance or income maintenance approach would merely give those families the opportunity to operate in the marketplace as middle income families do now. And yet, as we know, not enough middle income housing is now being built. Accordingly, I strongly recommend against the substitution of housing allowances for direct production. To do so, will invite disaster.

As a corollary to my recommendation against housing allowances, I emphatically endorse and recommend the continuation of direct production subsidies. Federal production subsidies aimed towards a continuing increase in the supply of housing for middle and moderate income families must be maintained and expanded as a critical element in the achievement of a reaffirmed national housing goal. As a precise goal, we must assure a sufficient rate of production of housing and an adequate stock of decent and affordable housing for working Americans, those with incomes from $6,000 to $12,000 per year. In many sections of the country, such as the Northeast, these families cannot find housing that they can afford. While they are occupying decent housing, they are spending much too high a proportion of their income on shelter. These families do not need programs of income maintenance, nor would they be eligible for housing allowances. Their incomes are adequate and the demand is sufficient, but the supply of housing remains inadequate.

At this point, let us examine the areas in which direct production subsidies can be utilized to reduce consumer shelter costs. Production subsidies operate in two general areas:

A. Reduction of development costs. Development costs can be reduced by lower financing costs during construction and by land acquisition writedowns.

B. Reduction of carrying charges after the project has been completed. This reduction results from low interest rates and long amortization periods and from local real estate tax adjustments or abatements.

In the Housing Act of 1968, Sections 235 and 236 provided interest subsidies for permanent mortgages so that the owner, in the case of Section 235, or the tenant in the case of Section 236, paid only 1% interest charges plus amortization of the 40 year mortgage guaranteed by FHA. This is a deep and effective subsidy and has, on the whole, been a successful program; Section 235 and 236, however, do not decrease any of the costs of development such as financing charges during construction nor do they provide for land acquisition write downs. Neither do Sections 235 and 236 help in decreasing real estate taxes when the residential units are completed and occupied. Accordingly, I would suggest that the present direct production subsidies as embodied in Sections 235 and 236 are too narrow and do only part of the job. Moreover, I further suggest that Sections 235 and 236 provide interest subsidies on an unnecessarily expensive basis. By processing loans through the private banking system and by basing interest subsidy payments upon market interest rates, the cost of development is materially increased by the "points" paid for to banks to take the construction and permanent loans and the annual federal interest subsidy is considerably larger than need be.

Accordingly, we should recognize that the Sections 235 and 236 program may be neither the most direct nor the most efficient manner to reduce those costs. Over the 40 year life of the Section 236 mortgages, the costs of housing production are enormously increased. Every time mortgage rates are increased, the costs of the program increase. The fact of the matter is that the Section 236 program was adopted as a way to minimize the budget impact in the early years of the program.

However, we now see that program is a far more expensive way to produce housing than the old direct loan programs. The Federal Government is paying a premium, not to produce housing but to hide the budget impact of its housing programs. Housing should be dealt with as other national programs. Each year Congress should make a decision as to the amount of national resources which are to be devoted to housing production; housing should compete for the budget dollar, as any other need, and both Congress and the Executive Branch should be more open and honest in establishing the housing priority.

Many of the criticisms of the Sections 235 and 236 programs, as well as of the low rent public housing program, are well taken. But those criticisms are reasons for reform and improvement in production programs, not a cause for elimination of direct production subsidies.

There are, of course, a range of alternatives which Congress might consider for more efficient production subsidies. In many states, we already have established state housing development and/or housing finance corporations. I recommend that Congress encourage the formation and further activity of such state corporations and that all federal direct production subsidies be channelled through these corporations. The purpose of these state corporations would be to make construction and permanent construction loans for housing responding to the public benefit. These loans would be funded by bonds which would have a blanket federal guarantee. This system would produce residential development money at much lower federal bond rates rather than at market interest rates with "points" and mortgage insurance premiums added on. Funding housing on this basis would materially reduce the cost of shelter for lower income groups.

In addition, the state corporations should be permitted to "skew" loan rates; that is, these corporations would be permitted to make loans at rates lower than their break-even rate for projects otherwise unfeasible and, of course, for easily feasible projects loan rates would be commensurately increased so that the average of a loan would be at or near the corporation's bond rate. Such flexibility on a broad scale would provide enormous acceleration to the production of housing for lower income groups. Such an arrangement would, in effect, cause the state corporation to act as a joint venturer with responsible developers.

In addition to the non-cash subsidy involved in the guarantee of state development corporation bonds, the Federal Government should make cash grants to these corporations for the purpose of land acquisition writedowns and for real estate adjustments. Reductions of both these costs could have a material impact on ultimate shelter costs. Land acquisition grants, I believe, need little explanation. These grants would be used for acquiring property in high cost areas. HUD grants for urban renewal now provide some land for residential units at nominal acquisition costs. I would recommend that a structured program with direct grants to state development corporations should be established for housing site acquisitions.

Real estate tax adjustments are long overdue for rent paying residents. Often the stiffest opposition to housing subsidization arises from homeowners who claim to carry the burden of taxes needed to fund these subsidies. This position, of course, is not valid; for, we all know that homeowners receive subsidization in the form of tax advantages flowing from homeowner deductions made for interest and real estate tax payments on owned property. The renter pays for interest and real estate taxes but receives no tax advantages. Moreover, on account of the usual method of tax assessment, this burden falls most heavily upon lower income renters. The usual method of tax assessment is based upon an appraisal of the bricks and mortar value of a property and without regard to its income producing value. Since the appraised bricks and mortar value of new residential housing for all income groups usually varies relatively little, that portion of rent payments from lower income groups allocated to real estate tax is usually a much larger percentage of total rent payments than is the case for higher income rent payers. For instance, apartments in Stamford, Connecticut without tax adjustmens are, regardless of tenant income status or rent rates, required to pay approximately $50 per month per dwelling unit in real estate taxes. This means for the $200 per month rent payer, 25% of rent is allocable to real estate taxes; for the $400 per month rent payer, only 12½% is allocable to real estate taxes. Obviously, a more equitable taxing basis would be to assess gross shelter income for each property. To do so means a change and potential loss of real estate tax revenues to municipalities.

In order to induce municipalities to make equitable adjustments in tax assessments, a grant program, possibly shared with the states, should be established to partially reimburse the municipalities through state development corporations for loss of real estate tax revenue when such loss arises from housing activities authorized by the state development corporations. Accordingly, I recommend that direct grants to state development corporations be included in the housing act now under consideration.

Before concluding, a statement is appropriate regarding pending tax legislation. The emasculation of so called real estate tax shelters has been proposed as a tax reform measure. In the Tax Reform Act of 1969, accelerated depreciation was permitted for all new residential construction and certain residential rehabilitation projects. This provision was expressly designed for the socially beneficial purpose of increasing the nation's housing stock and it has operated as designed. We must recognize that there is competition for private capital, for the investment dollar, and it is unlikely that the return or the yield on investment in housing will ever be competitive with other forms of investment.

The simple fact is that the production of housing and the supply of housing units will not respond to increased demand unless housing remains a competitively attractive investment. We will continue to need tax incentives along with maintenance of attractive and efficient forms of direct production subsidies. It now would be disastrous for the moderate and middle income housing market if Congress were now to eliminate the existing incentives. The real estate tax shelter has attracted private investment capital to housing production.

On the basis of present costs of construction, it is not conceivable that housing developers would ever realize enough profit from such projects to maintain production without incentives. It is critical that the real estate tax shelter (and this includes both the accelerated depreciation and the attractive recapture rules) be maintained. From tax savings, private investors can realize sufficient yield from investment in housing as to assure their continued involvement. While these incentives have often been criticized as "tax loopholes", a more intelligent analysis would indicate that these provisions are among the most innovative and most important aspects of the federal housing effort and are the prime reason for the high rate of housing production over the last several years.

In addition to the aim of attracting private investment to increase the pool of funds available for housing for lower income groups, private developers with an interest in maintaining and enhancing their investment are needed as managers of subsidized projects. Section 236 projects in default or in trouble socially are not generally those with private investment under the Limited Dividend programs—mostly they are those projects sponsored by non profit groups with no investment. I cannot too strongly state that we need experienced private development organizations for the successful management of subsidized projects. We can only get this by tax incentives. Therefore, I urge that the present tax incentive be maintained.

OPPOSITION TO H.R. 8570 AND H.R. 9367

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ESCH. Mr. Speaker, on September 18, I placed in the RECORD a statement expressing my deep concern with legislation now pending before the Congress which in my view would do great harm to the scheduled airline service which exists in this great Nation.

S. 1739 is now on the Senate Calendar and H.R. 8570 and H.R. 9367 are now pending before the House Interstate and Foreign Commerce Committee. I have been receiving many expressions of opposition to these bills from my constituents. Mr. Speaker, I am astounded by the vitriolic attacks which are being made upon the integrity not only of the scheduled airlines but upon honest citizens who are availing themselves of their constitutional right to express their opinions to their duly elected Members of Congress.

Mr. Speaker, I have received many publications, well-prepared and obviously well-financed, from supplemental airline representatives. I defend their right to express their point of view.

It occurs to me that airline employees who are the most likely to suffer by the passage of this proposed legislation would be the exact people we in Congress would be expecting to hear from. The insinuation is made that no one else opposes these bills except airline employees. This simply is not true; they affect the entire traveling public.

I am inserting herewith a partial list of organizations who oppose this legislation. I do not believe these organizations or their members lack credibility:

ORGANIZATIONS OPPOSED TO ITC LEGISLATION

AFL–CIO.
Brotherhood of Railway, Airline & Steamship Clerks—Air Transport Division.
International Association of Machinists and Aerospace Workers.
Transport Workers Union.
Airline Passengers Association.
Alaska Dept. of Economic Development.
American Associatiton of Travel Agents.
American Automobile Association.
American Trucking Association.
Arkansas Chamber of Commerce.
Atlanta Chamber of Commerce.
Birmingham (Ala.) Area Chamber of Commerce.
Buffalo Area Chamber of Commerce.
Chamber of Commerce of Clayton County, Ga.
Chamber of Commerce of Greater Augusta, Ga.
Chamber of Commerce of Hawaii.
Chicago Association of Commerce and Industry.
City of Macon, Ga.
City of Oklahoma City.
City of Philadelphia.
Detroit Chamber of Commerce.
Fort Wayne (Ind.) Chamber of Commerce.
Georgia Chamber of Commerce.
Grand Rapids (Mich.) Chamber of Commerce.
Greater Miami Traffic Association.

Greater Minneapolis Chamber of Commerce.
Greater Philadelphia Chamber of Commerce.
Greater Portland (Maine) Chamber of Commerce.
Greater Providence Chamber of Commerce.
Illinois State Chamber of Commerce.
Indiana State Chamber of Commerce.
Jackson, Mississippi, Chamber of Commerce.
Kansas City, Mo., Chamber of Commerce.
Kansas Economic Development Commission.
Lansing (Mich.) Chamber of Commerce.
Los Angeles Chamber of Commerce.
Louisville Chamber of Commerce.
Maine Association of Chamber of Commerce Executives.
Maine State Chamber of Commerce.
Memphis Area Chamber of Commerce.
Michigan State Chamber of Commerce.
National Association of State Aviation Officials.
National Passenger Traffic Association.
New Jersey State Chamber of Commerce.
New York City Chamber of Commerce.
Ohio Chamber of Commerce.
Pittsburgh Chamber of Commerce.
Salt Lake City Chamber of Commerce.
Society of American Florists.
South Bend (Ind.) Chamber of Commerce.
Springfield (Mass.) Chamber of Commerce.
Toledo Chamber of Commerce.
Utah Agencies (Representing City & State Chambers of Commerce).
Warner Robins, Ga., Chamber of Commerce.
Worcester (Mass.) Chamber of Commerce.
American Federation of Labor and Congress of Industrial Organization.
Air Transport Lodge 1736.
Flight Engineers Association.
Air Cargo, Inc.
Air Freight Forwarders, Inc.
Doric Corporation.
Emory Air Freight.
The Express Company (N.Y.).
Fidelity Bank.
Florida Tropical Fish Industries.
Lowe Runkle Company.
Railway Express Company.
International Northwest Aviation Council.
United States Limousine Operators.
Montgomery Airport Authority.
Arizona Department of Aeronautics.
Tucson Airport Authority.
Little Rock, Arkansas, Airport Commission.
John Burns, Governor Hawaii.
San Francisco Chamber of Commerce.
Illinois Department of Aeronautics.
Illinois Public Airport Association.
Illinois Department of Transportation.
Brunswick, Ga., Chamber of Commerce.
Director of Aviation, Macon, Ga.
Greater Macon (Ga.) Chamber of Commerce.
Indiana Transit Service, Inc.
Maine Publicity Bureau.
Kingsford (Mich.) City Council.
Mississippi Aeronautics Commission.
Mayor of Kansas City, Missouri.
Gallatin Field (Bozeman, Mont.).
Montana Airport Management Association.
Bert Mooney—Silver Bow County Airport.
Manchester, N.H. Chamber of Commerce.
Director, New Jersey Division of Aeronautics.
Mercer County Airport Board (N.J.).
Summit County Board of Commissioners—Ohio Quad City Airport.
Mayor of Akron (Ohio).
Mayor of Canton (Ohio).
Port of Portland, Oregon.
Allegheny Country Director of Aviation (Pa.).
Rhode Island Department of Aeronautics.
Columbus (S.C.) Chamber of Commerce.
Greenville-Spartanburg (S.C.) Airport Commission.
Mayor of Charleston (S.C.).
South Carolina Aeronautics Commission.
Governor Richard F. Kneip (S.D.).
Chattanooga (Tenn.) Airport.
Texas Tourist Council.
West Virginia Chamber of Commerce.
Airline Ground Transportation Association.
American Ground Transportation Association.
Griffith Travel Service, Inc.
Larry Diana's Wonderful World of Travel.
Philadelphia National Bank Travel Agency.
National Innkeeping Association.
Decker House of Travel.
Montclair Travel Agency, Inc.
Joyce Gardner Travel Consultant, Fort Lauderdale, Fla.
NOTO Travel Service, New Rochelle, N.Y.
Helft World (Travel Consultants), Vienna, Va.
Leisure Travel (Travel Consultants), Atlanta, Ga.
Embassy Travel Bureau, Inc., Palm Beach, Fla.
Blue Bell Travel Service, Inc., Blue Bell, Pa.
China Travel Bureau, Inc., Akron, Ohio.
National City Bank of Marion, Ohio, Travel Department.
National Air Transportation Conferences, Inc.
Seymour Travel Agency, Bayonne, N.J.
Vermont Transit Company.
A Rhode Island Tourist/Travel Association.
MAST (Midwest Agents Selling Travel).
World Travel Bureau, Inc. (Minnesota).
Rich's Travel Agency (Atlanta, Ga.).

PUBLIC SECTOR UNIONS AND THE PREVENTION OF STRIFE AND UNREST

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ASHBROOK. Mr. Speaker, the Special Subcommittee on Labor will be holding hearings this Thursday, October 4, on H.R. 8677 and H.R. 9730. These bills extend collective bargaining privileges to the public sector. In the October 2 CONGRESSIONAL RECORD I raised the question of whether public sector unions are in the public interest. Today I want to discuss whether the unionization of public employees will lessen strife and unrest.

According to the Declaration of Purpose and Policy set forth in H.R. 8677:

> Experience in both private and public employment indicates that the statutory protection of the right of employees to organize and bargain collectively safeguards the public interest and promotes the free and unobstructed flow of commerce among the states by removing certain recognized sources of strife and unrest.

Is it true, however, that extension of collective bargaining privileges to the public sector will diminish strife and unrest? As S. Rayburn Watkins documents in the position paper entitled "Public Sector Unions: The New 'Private Government,'" the experience of States having their own public employee bargaining laws proves otherwise.

For example, in 1965 the State of Michigan passed a statute for its non-State public employees, which was modeled after the National Labor Relations Act. In the 8 years prior to the law's enactment, non-State public employees had been on strike only twice in the 8 years prior to enactment. Within 3 years after passage, this segment of public employees went on strike 103 times. Within the ranks of municipal employees there were 12 strikes the first year, whereas the same group had been on strike only 13 times in the previous 12 years.

Pennsylvania provides a further refutation of the theory that passage of a collective-bargaining law would lessen strife and unrest. Adoption of public employee collective-bargaining legislation in 1970—including the right to strike—was followed in 1971 by a series of teacher strikes that brought the entire Pennsylvania educational system to a near standstill.

As Watkins concludes:

> The removal of certain recognized sources of strife and unrest by a law giving public employees the right to bargain collectively and to strike is therefore a dubious assumption. (This is particularly true since establishing employer-employee relationships by law insures that an adversary relationship is created in which the union must justify its existence by getting "more" from a public employer who may already be on the verge of bankruptcy.)

SMALL BUSINESS COMMITTEE REVIEWS SBA PROGRAMS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. EVINS of Tennessee. Mr. Speaker, the House Permanent Select Committee on Small Business recently conducted its annual, extensive review of the programs, practices, and policies of the Small Business Administration.

A healthy and vigorous small business sector of our economy is vital and essential to a continued competitive economy.

Our committee is acting to strengthen small business pursuant to provisions of the Small Business Act (Public Law 85-536), which states in part:

> It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect . . . the interests of small business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts for property and service for the Government be placed with small business enterprises, to maintain and strengthen the overall economy of the Nation.

Testimony indicated the number of small businesses in the Nation has grown in recent years from 5 to 8 million. These small firms produce 40 percent of our gross national product and employ approximately 50 percent of our labor force. Collectively, small business is a major segment in our economy; individually, however, many small businesses have limited resources and require assistance to survive among the giants of commerce and industry with their virtually unlimited resources.

As chairman of the Small Business Committee, I was pleased to hear the report of the able and genial Administrator Thomas Kleppe of the SBA that the agency achieved new high records of assistance to small business in fiscal year 1973 with 33,948 loans totaling $2.2 billion made with SBA assistance.

In addition to the increase in loan activity, the committee was advised by SBA officials that the small business share of Federal defense procurement has increased from 18.2 percent to 20.5 percent in some categories—a crucial area of involvement for small business. Our current goal and objective is 25 percent participation by small business in total defense procurement.

Progress in other areas of assistance to small business was also reported to our committee, and I want to commend Administrator Kleppe and SBA for their continuing strong programs of assistance to American small business which assure a viable, healthy, and strong small business sector for this Nation.

DR KISSINGER'S "WORLD COMMUNITY"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. GAYDOS. Mr. Speaker, not only the smaller nations of the world, but the American public too, can take comfort from the declaration of Secretary of State Henry Kissinger that this country will not seek to dominate the affairs of others in concert with the Soviet Union or any other big power.

The need for such an assurance had been apparent ever since the Nixon administration reached its détente with Russia and with the Chinese leadership. The specter of a combination of any two of these major nations throwing their weight around together was enough to worry statesmen everywhere. Dr. Kissinger obviously was aware of this when he made his soothing statement from the rostrum of the United Nations as one of his first officials acts in his new position.

"My country," he said on that occasion, "remains committed to the goal of a world community."

In other words, we will approach the global problems only as one of many interested in them. This should be gratifying to an American generation which has been compelled by its Government to endure the heavy burdens of past unilateral adventures by our country in the affairs of others, regularly since the close of World War II. The Vietnam lesson, it appears, has been well learned by the new Secretary.

Nevertheless, we need some clarification of Dr. Kissinger's notions of a "world community." Does he see this as a real community with each member of it contributing its part and doing its share for the common good? Or does he look upon it still in the light of our past and present experiences in which the biggest load always has fallen disproportionately upon us?

Dr. Kissinger proposed, in his U.N. speech, that a world conference be called next year to "harness the efforts of all nations" to meet any food emergencies which might occur around the globe. He reportedly suggested this as part of his world community concept and noticeably stressed the word "all." We hope these were signals of his intention to rescue us from our patsy role in world affairs and to bring about a general sharing of the global responsibilities.

MULTICULTURALIZATION—A PATTERN FOR ETHNIC AMERICA

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. DULSKI. Mr. Speaker, I recently read in the AM–POL Eagle a thought-provoking article about Canada's assistance to multiculturalism. We made great strides toward government recognition of the United States' great ethnic diversity last year when Public Law 92–318 authorized grants for the creation of ethnic heritage studies programs, established a National Advisory Council on Ethnic Heritage Studies, and authorized $15 million for fiscal 1973.

It is unfortunate that budgetary considerations have prevented the program's funding. Cultural traditions are enrichments worthy of preservation, and sometimes even a small grant can make the difference.

We should most certainly be wary of setting up another bureaucracy where the major portion of funds is funneled into staffing and administrative costs while too little filters down to the intended recipients, but Government money to boost existing projects and financial assistance to carry out the plans of voluntary organizations can be the sparks to keep ethnic traditions alive.

In Buffalo we have seen the gratifying results of Federal and local cooperation in the example of the Wilcox Home. The scene of Theodore Roosevelt's swearing-in as President, the mansion was saved from demolition, declared a National Historical Site, and is still being refurbished by private groups.

In our wonderful Nation, we can draw on a vast array of riches from heritages around the world. I think a modest government investment in preservation would give priceless dividends to future generations. I would like to share the newspaper column with you at this time:

MULTICULTURALISM—A PATTERN FOR ETHNIC AMERICA

(By Robert Strybel)

Recently the Canadian government provided a grant of $100,000 for the construction of a "Dom Polski" in Toronto. Thanks to the assistance of federal and provincial authorities, Polish old-age homes exist or are being built in all major Polonian communities. They include the Wawel Villa of Toronto, the Canadian-Polish Manor of Winnipeg, the Mikolaj Kopernik Lodge of Vancouver and many others. And to name just one, the "Orleta" dance ensemble, under the auspices of Montreal's Polish-Canadian Mutual Aid Society, has received a subsidy of $6,740, to further its cultural activities.

These and many more examples point to the benefits derived by Polonia from Canada's official policy of multiculturalism. For the government at Ottawa not only recognizes the right of ethnic groups to cultivate their heritage, but actually helps to underwrite the costs of such undertakings. The ministry of multiculturalism, headed by Polish-Canadian Dr. Stanislaw Haidasz, finances the performances, exhibits, festivals, culture courses, publications and other cultural ventures of Polonia and the other nationalities that make up Canada's rich cultural mosaic.

Does it not seem strange that the U.S. government fails to provide similar assistance to America's ethnic groups? That Polonia and other ethnic communities have to waste much of their time and effort on fundraising campaigns, holding collections at church entrances, selling greeting cards and cookies door-to-door, and staging often quite amateurish and makeshift doings to acquire the monies needed for worthwhile cultural projects? And lastly that many undertakings are ultimately flops precisely because of a lack of funds?

This is not to say that multiculturalism in Canada, by its very existence, has automatically resolved all problems. The important thing, however, is that this policy has created an official forum, on which Canadians of diverse backgrounds may assert their rights and strive for assistance commensurate to their needs. In the Canadian parliament, for example, an M.P. of Ukrainian ancestry called for the creation of a government-sponsored ethnic information agency which would provide the foreign language press with ready-to-use materials. But I should also point out that, aside from the concrete, material advantages involved, multiculturalism also plays a significant psychological role. For it treats ethnicity not as a marginal phenomenon, but rather as a problem deserving of high, cabinet-level concern and consideration.

Shouldn't the Polish-American Congress, as one of its principal aims, begin pressing for multiculturalism here in the U.S.? After all, the Canadian experiment has clearly indicated that cultural pluralism need not cause ethnic antagonisms and the divisiveness which many Americans fear. For it has been shown that everything that instills in citizens personal dignity and a sense of cultural worth—deepens their love and respect for their country of residence. These days, such love and respect are sorely lacking in the U.S.

WLWI–TV OF INDIANAPOLIS INITIATES "DRIVE ALIVE" TRAFFIC SAFETY PROGRAM

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. HUDNUT. Mr. Speaker, WLWI–TV, channel 13, of Indianapolis, Ind., has responded to the plea put forth by traffic safety interests for the broadcast media to "humanize and dramatize" highway accident statistics, with an innovative news approach designed to stress in graphic fashion the urgency of safe driving.

In announcing details of the project,

Avco Broadcasting president John T. Murphy said:

> Avco Broadcasting shares the increasing alarm regarding the number of traffic fatalities with state and local officials. We believe there is a need for broadcast news reporting which will emphasize the needless waste of highway slaughter.
>
> WLWI–TV will regularly designate a section within our television news programs dealing with highway carnage and safety, labeling that special report with a common "umbrella," title on the screen to identify it to viewers. These reports will occur consistently each week for at least an entire year. Our intent is to illustrate for the viewer, over and over again, the need for their personal attention to highway safety to save their own lives.

Under the title "Drive Alive," editorials during the year will urge motorists to take seriously their responsibilities to themselves and to the rest of us as they take control of their deadly weapon—the automobile. Other editorial comments will seek passage of important traffic safety legislation and recognize hard working individuals in the traffic safety field.

"Drive Alive" is an exciting and dramatic attempt to raise the concern of the Indianapolis community toward the problem of traffic accidents. I am impressed by the wide variety of programing which WLWI will devote to this message and am glad to have this opportunity to bring the project to the attention of my colleagues in the Congress. WLWI's "Drive Alive" commitment is dedicated to the 76,542 Indiana residents who have lost their lives since the invention of the motor car.

JOHN D. M. HAMILTON

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. SHRIVER. Mr. Speaker, a distinguished Kansan and respected Republican leader, John D. M. Hamilton died on September 27, 1973, in Clearwater, Fla. Mr. Hamilton was active in Kansas politics for many years and served as speaker of the Kansas House of Representatives before making an unsuccessful effort for the governorship in 1928.

He came to national prominence as Republican National Committeeman for Kansas, and later as national chairman of the party. He was active in the campaign of another distinguished Kansan, Alf M. Landon, in the 1936 Presidential race.

Mr. Hamilton contributed significantly to the American political scene. He did much to further Republicanism in Kansas, and the Nation. We are saddened at his passing.

Under the leave to extend my remarks in the RECORD, I include the following editorial from the Topeka, Kans., Sunday Capital-Journal of September 30, 1973, which discusses the achievements and disappointments of this great American. The editorial follows:

> JOHN D. M. HAMILTON
>
> John D. M. Hamilton, first of only three Kansans to serve the Republican party as its national chairman, will be remembered best by Kansans for his part in the 1936 presidential bid by Alf M. Landon, former Kansas governor.
>
> Known as a fighter and a man who got things going, Mr. Hamilton practiced law in Topeka with Ralph T. O'Neil, former national commander of the American Legion, and was active in state and local politics for 30 years.
>
> Born in Fort Madison, Iowa, Mr. Hamilton came to Kansas when he was 6 years old. His first venture into political service was as assistant city attorney under Mayor Jay House. He was then elected twice as Shawnee County probate judge, and to two terms as a member of the Kansas House of Representatives. He was elected speaker of the House in 1927.
>
> Mr. Hamilton, who died in Clearwater, Fla., Thursday at the age of 81, lost a GOP governorship bid in 1928 to Clyde M. Reed, who went on to win the November election. Mr. Hamilton evened the score two years later by managing Chief Haucke's campaign against Reed in the primary. Haucke won, but lost in 1930 to Harry H. Woodring, a Democrat.
>
> To heal party wounds, Landon, who had led the Reed campaigns, joined forces with Mr. Hamilton and won the governorship in 1932 and 1934. At the death of Dave Mulvane, Republican national committeeman from Kansas, in 1932, Landon successfully backed Mr. Hamilton as his successor.
>
> When Landon won the GOP presidential nomination in 1936, it was Mr. Hamilton who delivered the main nominating speech. Despite his efforts as Landon's campaign manager, President Roosevelt, seeking re-election, defeated Landon.
>
> Mr. Hamilton, who joined the Philadelphia law firm of Pepper, Hamilton and Scheetz, was in semi-retirement, but maintained his Philadelphia law office while residing in Florida. He was counselor for Sun Oil Co. and a trustee of the Robert A. Taft Memorial Foundation.
>
> In later years, one of Mr. Hamilton's unfulfilled dreams was the hope that Robert A. Taft, Republican leader from Ohio and coauthor of the Taft-Hartley Labor Relations Act, could be nominated for the presidency and win it.
>
> That and the election of Landon to the presidency were two of his great frustrations.

SULLIVAN COUNTY GROUP ENDORSES DELAWARE RIVER BILL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BINGHAM. Mr. Speaker, on September 5, 1973, the Sullivan County Environmental Management Council passed a resolution endorsing the bill (H.R. 9951) I introduced along with Mr. SAYLOR, Mr. MCDADE, Mr. TAYLOR, and Mr. GILMAN, to include a portion of the upper Delaware River in the National Wild and Scenic Rivers System.

While a thorough study to determine the best way to manage the included area is not complete, I commend this resolution to my colleagues as an example of the local support for the passage of H.R. 9951. The text of the resolution follows:

> POSITION STATEMENT, WILD AND SCENIC RIVERS ACT, UPPER DELAWARE RIVER
>
> Whereas the Wild and Scenic Rivers Act, Public Law 90–542, was passed in 1968 providing for a National Wild and Scenic Rivers System to provide preservation of selected rivers or sections thereof in their free-flowing condition to protect the water quality of such rivers, and
>
> Whereas this law made it national policy to protect for the benefit and enjoyment of present and future generations certain selected rivers which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values, and
>
> Whereas in May of 1969 a cooperative Interagency Task Force was established to conduct a detailed study of the Delaware River between Hancock, New York, and Matamoras, Pennsylvania, and
>
> Whereas said Task Force found the section of river between the confluence of East and West Branches to Sparrow Bush, a total distance of 72.7 river miles, to meet the criteria for inclusion in the National Wild and Scenic Rivers System, classified partly as scenic and partly as recreational, and
>
> Whereas a bill has been introduced in the House of Representatives (H.R. 9951) by Representatives Bingham, McDade, Saylor, and Gilman, calling for inclusion of this section of the Delaware River in the National Wild and Scenic Rivers System, to be administered by the Secretary of the Interior as a part of the National Park System, and
>
> Whereas the Sullivan County Environmental Management Council recognizes a definite need for controls to be placed upon the use of the river and its adjacent lands, such controls necessarily being uniform on both sides of the river along the entire length of the section in question, therefore be it
>
> Resolved that the Sullivan County Environmental Management Coucil hereby recommends that Congress include the said portion of the Delaware River, from the confluence of East and West Branches to Sparrow Bush, a total of 72.7 river miles, in the National Wild and Scenic Rivers System, and be it further
>
> Resolved that the Sullivan County Environmental Management Council also recommends that the Bureau of Outdoor Recreation's proposed development alternative Number 2, "Total Management," be the form of control instituted for the protection of the river, with the qualification that the National Park Service be designated as the Managing Agency, and that the National Park Service be given the necessary amount of funds to provide proper support facilities for the park, and be it further
>
> Resolved that the Sullivan County Environmental Management Council requests that the Bureau of Outdoor Recreation give priority to providing towns and villages along the river with zoning guidelines for the interim period until the inclusion of the river in the National Wild and Scenic Rivers System.

IS SOLZHENITSYN OUR BUSINESS?

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ROSENTHAL. Mr. Speaker, we have seen the way the Soviet Union treats dissidents. Intellectuals who speak their mind are shunted away to mental institutions or sentenced to labor camps.

Jews and other minorities who wish to emigrate are fired from their jobs and harassed by the state. Dissent is viewed by the Kremlin as treason.

"Americans have every reason to be outraged by the Soviet regime's blatant contempt for freedom," states a recent issue of the New Republic, adding "our self-respect as individuals, if nothing else, commands us to speak out."

But beyond our moral obligation as individuals, what right or responsibility do we have as a nation to adopt policies designed to influence another country's conduct within its own borders? Are these matters, as the Soviets contend, strictly internal and none of our business?

"The United States demeans itself and diminishes its international prestige when it turns its back on the norms of civility that are its tradition," says the New Republic, pointing out the leverage this country has with Soviet leaders. "It is not implausible to suppose that strong talk combined with shrewd bargaining would also improve the situation of the Soviet intellectuals."

Mr. Speaker, this article eloquently points out why the Congress must approve the Mills-Vanik amendment, why we must use our influence to protect human rights and human dignity. As exiled Soviet physicist Valery Chalidze said:

> You will never save anyone by silence.

I am inserting in the RECORD at this point the lead article from the September 29, 1973 issue of the New Republic:

IS SOLZHENITSYN OUR BUSINESS?

Americans have every reason to be outraged by the Soviet regime's blatant contempt for freedom as reflected in its persecution of Andrei Sakharov, Zhores Medvedev, Alexander Solzhenitsyn and numbers of other intellectuals who, like the many martyrs of the McCarthy rampage in this country, reject the proposition that dissent and disloyalty to the nation are identical. As the National Academy of Sciences pointed out in its recent protest statement, the Soviet intellectuals are not merely servants of the Kremlin or its creatures, but world figures whose values and achievements are shared by all. Hence their welfare is a concern of all mankind, and it is everyone's right and duty to express anxiety over their fate.

But personal concern is complicated by the fact that the United States and the Soviet Union are slowly, belatedly, moving to lay the foundations for a more normal and stable relationship. The hard question, therefore, is not whether American citizens should express their indignation at the intimidation of Soviet citizens—or remain mute; our self-respect as individuals, if nothing else, commands us to speak out. The hard question is whether the United States government ought to tie cooperation with Moscow to internal changes within the USSR. Should the US, for example, suspend or threaten to suspend the strategic arms limitation talks until Sakharov is permitted to speak freely? Should Washington put the brakes on trade as long as Solzhenitsyn or Soviet Jews are harassed? Should the US hint at the possibility of closing the Soviet consulate in San Francisco unless dissident Russian writers are released from the insane asylums that serve as their prisons? In short to what extent should US policies toward a foreign country be influenced by that country's conduct at home? Can we do business with a police state? If so what business? The question reaches far beyond the immediate one of American attitudes and behavior toward the Soviet Union.

We can now perceive in retrospect the consequences of our self-delusion that the honor and perhaps the security of the United States are bound up with the fate of this or that society. That conceit, mirroring as it did the dreamier, evangelical side of our national character, became the rationale for America's attempt to play world savior. The US pushed the war in Korea beyond prudent limits, built bases from Japan to Morocco, tried to overthrow Castro, and sank into the mire of Vietnam—all in the name of defending freedom against communist intriguers and aggressors. But the grandiose plans for a Pax Americana went awry, leaving the US with monetary headaches abroad and disenchantment at home with the whole notion of taking any responsibility for what happens in far-off places.

Of course American actions did not always match the rhetoric of America's leaders, and it was never clear to peoples under fire whether we were weeping real or crocodile tears. Thus, the US encouraged the rebellion in Hungary but did nothing useful for the Hungarian liberals, and it effectively recognized a Soviet sphere of influence in Eastern Europe when, in August, 1968, it tolerated the Soviet invasion of Czechoslovakia. American administrators have made deals with police states on every continent, with Franco and the Greek colonels and Thieu, and our concern for freedom and decency did not prevent official applause for an anti-communist coup in Indonesia in which several hundred thousand innocent men, women and children were slaughtered. The administration espouses democracy for Latin America, but it greeted its demise in Chile with silence. In sum our fidelity to freedom has been intermittent, inconsistent and frequently futile. Looking back one is inclined to wince at President Kennedy's pledge that "we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty."

And yet . . . hypocrisy is the homage that vice pays to virtue, and we cannot therefore subscribe entirely to Henry Kissinger's implication that foreign relations ought to be guided by realpolitik alone. The other day, addressing himself to congressional opposition to most-favored-nation treatment for the Soviet Union as long as Moscow represses its intellectuals and curbs Jewish emigration, Kissinger said that "we will find ourselves massively involved in every country in the world" if the United States tries to transform the "domestic structure" of nations. So "we must proceed on the course on which we are" despite the Soviet crackdown on intellectuals, because a return to the Cold War confrontation with the Kremlin would be far worse than the present détente.

Is that the real choice? Or is Kissinger's hard calculation as flawed as Kennedy's summons to "bear any burden"? As fervently as we wish for reconciliation with adversaries, we also submit that the United States demeans itself and diminishes its international prestige when it turns its back on the norms of civility that are its tradition.

Moreover it may not be as difficult or hazardous as the Nixon administration suggests to put pressure on the Kremlin. The Soviet Union depends significantly on the United States for food, which gives the administration some leverage with which to extract at least some concessions from the Russian leaders. That leverage could have been used in last year's wheat deal which amounted to a US giveaway, essentially because the President seemed persuaded that a rapprochement with Moscow was politically beneficial to him, as indeed it was. And economic leverage is not all the US has. Soviet leaders are not insensitive to world opinion. Repeated official as well as private American expressions of disapproval do affect them over a period of time. The administration was successful earlier this year in getting the Russians to ease their restrictions on Jews seeking to emigrate, and it is not implausible to suppose that strong talk combined with shrewd bargaining would also improve the situation of the Soviet intellectuals. In any case as the exiled Soviet physicist Valery Chalidze told Newsweek columnist Kermit Lansner, "You will never save anyone by silence." That appears to be Mr. Brezhnev's view as well. For the prospect that he might be accused of meddling in other people's business did not prevent him last week from attacking "the bloody crimes committed by Chilean reactionaries."

This is no call for a revival of the Cold War or a new crusade to shape the world in the American image, and bargaining for human rights will not always be effective. But at the least, making clear what America represents will serve to remind us of what we are at our best, and that is a gain.

THE BOOM IN PROTESTANT SCHOOLS

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. CONLAN. Mr. Speaker, yesterday I joined several of my colleagues to discuss the Federal role in public education.

It was the consensus during that debate that Federal funds, controls, and planning have done much to steer the emphasis in schools away from teaching basic skills and values, and that public schools would be much better off if Federal involvement was significantly curtailed.

What was not brought out in our discussion, however, is that thousands of parents throughout the country are taking their children out of the government schools and enrolling them in private schools.

According to an article in the latest issue of U.S. News & World Report about the boom in Christian schools:

> What these parents are seeking . . . is a learning environment for their youngsters that is more disciplined and more religious than can be found in any public school.

I am delighted to see this growth in private education. And I am optimistic for the future of private, church-related schools. If this boom continues at its current rate, as Jack Buttram of the American Association of Christian Schools noted in the U.S. News & World Report article, the government schools may one day "be like charity hospitals—you go there when you cannot go anywhere else."

Mr. Speaker, private education has a proud tradition in America. And this sudden growth in private schools throughout the Nation is a hopeful sign for improved educational opportunities for our young people.

I commend this article from U.S. News & World Report to my colleagues, and would like to insert it in the RECORD at this point:

[From U.S. News & World Report, Oct. 8, 1973]

BOOM IN PROTESTANT SCHOOLS: REASONS FOR A SUDDEN, NATIONWIDE RISE

At a time when thousands of Roman Catholic parochial schools have been closing their doors, Protestant church schools are in the midst of unprecedented growth.

These schools are spreading across more than 30 States—ranging in size from 100 to 200 students, with tuition running from $400 to $1,000 a year.

Busing and the racial issue are not the only elements contributing to this amazing growth.

The big impetus, churchmen say, is coming from rising alarm of parents over what they see as academic laxity in the public schools, along with rampant misbehavior—robbery, drug abuse and classroom disruption.

SEARCH FOR DISCIPLINE

What these parents are seeking, it is said, is a learning environment for their youngsters that is more disciplined and more religious than can be found in any public school.

Public-school men are becoming disturbed by the growth of church-run schools. Their worry: Community support of public education may decline seriously if the switch of white pupils into private schools continues.

In Memphis, where there is massive busing for integration this year, public-school enrollment was down by 16,500. Memphis now has 85 private schools in operation. Twenty of them, many church-run, were opened this year.

"The potential exists for a private system the size of the public system," warned the NAACP Legal Defense and Educational Fund. "The involvement of the churches in the private-school system is extensive and alarming."

Still another sign of concern: A coalition of civic leaders and teachers in Memphis is distributing bumper stickers reading, "Keep Our Public Schools Strong."

All the new church schools are appearing, paradoxically, at a time when private education generally is recording a decline.

Since 1963, enrollment in all types of nonpublic elementary and secondary schools has fallen from 6.3 million to an estimated 4.9 million, a drop of more than 22 per cent.

DOWNS AND UPS

Most of this decline results from large reduction in the number of Roman Catholic parochial schools. Plagued by money problems, 2,778 of these schools have closed their doors in the last eight years.

At the same time, according to figures gathered by the U.S. Office of Education, there has been an extraordinary increase of 66 per cent in the number of nonpublic schools other than Catholic parochial institutions.

This increase was measured from 1961 to 1971, when large numbers of segregated "white academies" were opening up in the South, and it appears to be continuing.

In California alone, 180 new private schools have opened in the last two years. Georgia is now reported to have about 340 privately run grade and high schools.

Adding to the already large system of Lutheran teaching institutions, at least 10 new elementary day schools were started this autumn by the Wisconsin Evangelical Lutheran Synod.

Congregations of the 2.8 million-member Lutheran Church-Missouri Synod opened three new high schools in California and Florida, as well as a number of elementary schools.

The Kansas City Christian schools have a five-unit system in operation, and there are several smaller private systems for children in Indianapolis.

BUILDING BIG

In Memphis, the East Park Baptist Church is investing an estimated 5 million dollars in a new building that will house a fully equipped private high school for up to 2,000 students.

This high school is planned as the top of the Briarcrest Baptist school system, which opened this fall at the elementary level with 2,400 pupils in classrooms at 11 co-operating churches.

The new church schools differ markedly from the earlier white academies which were set up primarily for segregattion, but, in the opinion of some civil-rights leaders, they could result in dual school systems separating black and white youngsters.

For one thing, the church schools have stronger financial support than most of the academies, and more of a sense of permanency.

Although some are "lily white," the majority of them admit black children, thus preserving their tax-exempt status. This is important, because persons making contributions to tax-exempt institutions can list them as deductions on their income-tax returns.

Open-admission policies, however, often mean only token integration because of economic factors. Relatively few Negro families, particularly in the South, can afford a private education for their children.

FACTORS IN CHANGE

Sponsors of the new church schools acknowledge that many parents are attracted to them because they are predominantly white.

But the main reason parents are switching, sponsors contend, is that they are dissatisfied with the kind of education provided in public schools today.

"Many people are turning to church schools because of the 'horror stories' they hear about violence, crimes and drugs in public-school systems," said Steve Shoe, administrative assistant of the National Association of Christian Schools.

"They also want a total education where Christ is in the classroom—and of course that's impossible in public schools because prayer there is forbidden by law."

Richard G. Bryant, director of missions for the Miami Baptist Association, estimated 95 per cent of those turning to church schools do so because of disillusionment with public education.

"I don't encourage this trend," Mr. Bryant said, "because if the Baptists bail out in Miami, public education will be hurt a lot more than it is already.

"But the church is very unsettled about public education, and I can't blame our brothers for turning to private schools.

"Our public-school system in Miami has been involved in a social revolution and has lost its educational concept. I'm referring to the race problem and busing and all that. The schools have let the social planners take over. The social engineers have got the school system over a barrel."

A LAST RESORT?

Even blunter in his criticism of public schools was Jack Buttram, Washington, D.C., representative of the American Association of Christian Schools, who said:

"Personally, I feel that public schools are going to be like charity hospitals—you go there when you can't go anywhere else. I don't say all public schools are bad, but—well, I've switched all of my five children into private schools."

Mr. Buttram's association has its headquarters in Miami. Like similar organizations, it provides services for member schools, reporting on legislation, advising on school start-ups and operations, counseling on textbooks and curricula.

In the spring of 1972, the American Association of Christian Schools had a membership of 40 schools. Now it has about 120 schools, and by the end of the year hopes to pass the 200 mark. Current enrollment is between 50,000 and 60,000, distributed over 30 States.

Mr. Buttram said most of the schools are paying their own way and breaking even at the end of the year. He described them as mostly fundamentalist or evangelical institutions, with a traditionalist approach to education. Some, he said, still use the old-fashioned McGuffey reader.

ALL THE WAY THROUGH

Another Miami group, the Baptist association with which Richard Bryant is associated, has 45 of its churches involved in private education. They offer training from kindergarten through high school, and tuition ranges from $600 to $700.

"Our schools are not segregated," Mr. Bryant said. "We admit qualified black youngsters without any reservations, although there are not many black children enrolled at present.

"As for financing, the churches furnish the buildings, and the schools try to make it on their own the rest of the way. Our salary scale for teachers is not very high, but we have many dedicated people who are willing to teach for what we can afford to pay."

A Midwestern group, the National Association of Christian Schools, reports a membership of 311 schools enrolling more than 60,000 students.

"Our membership covers a wide range of churches," said Mr. Shoe, who is in charge of the association's headquarters in Wheaton, Ill. Among participating denominations are Baptists, Presbyterians, Free Methodists and Mennonites.

MEETING THE BILLS

Mr. Shoe described the financial condition of the schools as "so-so," adding:

"When you talk with administrators, they will tell you times are tough. They're right, but I'm happy to report that only one of our schools had to go out of business for financial reasons last year."

Mr. Shoe said tuition averages about $400 a year for the association's elementary schools and between $800 and $1,000 for high schools.

"This doesn't always cover operating costs," he said, "and the difference has to come from the sponsoring churches and the generosity of church members and parents."

Another Midwestern group expanding its system of private schools is the National Union of Christian Schools in Grand Rapids, Mich.

Director John A. Vander Ark said the union now has about 300 "parental" schools of "the Presbyterian and Reformed Calvinistic stamp." Enrollment is about 650,000, spread through 26 States and four Canadian Provinces.

"I would describe the financial condition of the schools as fair to good," Mr. Vander Ark said. "But, generally speaking, they all require sacrificial giving on the part of parents."

Money looms large in the future of the new church schools. At present, there is not much prospect of financial help from government. But if parents and churches can continue to pay the bills, sponsors say, these private teaching establishments could be around for a long time.

PENSION PLANS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. LEHMAN. Mr. Speaker, today I have joined in cosponsoring the clean pension bill recently reported by the Education and Labor Committee. I am proud to be a cosponsor of this bill, and I hope it will receive favorable consideration by all my colleagues when it reaches the House floor.

The number of persons covered by private pension plans has increased dramatically since 1940, when an estimated 4 million employees were covered by such plans. Today, over 30 million employees, or about half the private, nonfarm workforce, are covered by private plans. The sum of $150 billion is being held in reserve to pay benefit credits to plan participants. The assets of these private plans constitute the only large, private accumulation of funds to have escaped effective Federal regulation.

The lack of effective Federal regulation has resulted in often tragic loss of pension benefits to many persons. Courts have been reluctant to apply concepts of equitable relief to those persons who have lost their benefits. Many of us know where a person was fired a few months before scheduled retirement, and consequently lost whatever pension benefits had been accrued. Another common situation is the case where the company closes down, and workers with many years of service find the pension benefits they were depending upon for retirement have gone down with the company.

The bill which will be coming to the House floor in the near future contains a termination insurance provision, which will require the employer to reimburse the plan termination insurance program for the total amount of insurance paid, but not more than 50 percent of the employer's net worth at the time of plan termination. Employees whose plans are terminated will receive 50 percent of their highest average monthly wage earned over a 5-year period, or $500 per month, whichever is less.

The bill also offers three choices of vesting to employers, but in no case can a pension plan require a period of service longer than 1 year, or an age greater than 25, as a condition for eligibility to participate. The three choices are: First, the 10-year rule—100 percent vested at 10 years of covered service; second, graded 15-year service rule—30 percent vested at 8 years of covered service, such percentage increasing by 10 percent each year until 100 percent is reached after 15 years of covered service; or third, the rule of 45—50 percent vested when age plus covered service equals 45, such percentage increasing by 10 percent each year until 100 percent is reached.

All three alternatives provide that a person would be 100 percent vested after 15 years of covered service.

Pension reform is long overdue. Too many hardworking Americans have found themselves without any security in their retirement years because of the lack of effective Federal regulation of private pension plans. To wait any longer is only to allow these abuses to continue unchecked.

AMERICAN CONSUMERS TAKE A BACK SEAT TO FOREIGN INTERESTS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. RARICK. Mr. Speaker, the American consumer and financier is becoming more and more aware of the "credit crunch." The American consumer may be happy to learn that in the interest of continuing to take care of foreigners around the world, export-import loans are to stay at 6 percent interest which is far below the rate at which the average American can obtain credit.

In short, our international commitments to subsidize cheap foreign loans are given priority over commitments to our own people.

The situation can never reverse itself until those in positions of leadership decide to run our country for the benefit of Americans, rather than foreigners.

Related newsclippings follow:

[From the Washington Star-News, Sept. 30, 1973]

U.S. LOANS TO EXPORTERS STAY AT 6 PERCENT

(By Josh Fitzhugh)

NEW YORK.—While Americans have found it costly and sometimes impossible to borrow money recently, their tax money has helped provide relatively cheap and easy loans for U.S. exporters and foreign companies seeking American goods.

The loans—some $2.4 billion worth in fiscal 1973—are made below domestic rates to boost exports, to improve a country's balance of payments or for international political reasons.

They are made by the government-backed U.S. Export-Import Bank, the American contender in a worldwide credit "war" in which countries offer prospective overseas buyers loans at low, subsidized rates.

Eximbank loans, which also draw on commercial bank funds, have financed exports of nuclear power plants, jet aircraft and military equipment.

Last year, the bank loaned $157 million for an Algerian gas facility, $86 million for a Russian truck factory and $21.6 million for an oil refinery in Iran, its biggest customer.

Today no major domestic company, without a government subsidy, can borrow money at less than the current prime lending rate of 10 percent.

But a foreign firm wishing to buy American goods, or a U.S. exporter wishing to finance a foreign order, can get a 6 percent long-term loan from the Eximbank.

"Call it a subsidy to help U.S. exporters," said John Petty, a partner in the international investment banking firm of Lehman Brothers and a former assistant secretary of the Treasury.

Observers note that Eximbank loans can sometimes have undesirable domestic side effects, however. In April the bank lent $75 million to the Bank of Tokyo to finance raw cotton purchases from the United States.

The loan, for purchases from the 1973–74 crop, comes at a time when short supplies of cotton in the domestic market have already contributed to higher prices for cotton clothes.

Warren Glick, Eximbank's senior vice president for financing, said: "At the time we made the loan it was not clear the cotton market was that tight. We would take a much closer look if we considered the loan today."

Since 1969 the Eximbank, established in 1934 to expand trade between the United States and Russia, has enlarged its direct grant loans from $1.1 billion to $2.4 billion for fiscal 1973. The loans are approved by the bank's board of directors, which is appointed by the President and confirmed by the Senate, and then matched by private commitments from U.S. commercial banks. Eximbank guarantees the private loans.

The Eximbank has granted 6 percent loans since the mid-60s, despite wide fluctuations in domestic money market rates. Petty and Glick said the 6 percent rate is necessary for "planning and consistency" and to remain competitive in world markets, where Germany, France and Japan finance exporters at 6 to 7½ percent. Recently the bank and the Nixon administration have resisted attempts to raise the rate.

"If we charged the prime rate we would make the American exporter grossly uncompetitive," Glick said.

A staff aide to the Senate Banking Committee said there was a "dubious need for the bank" and low rates were "simply a hidden subsidy to U.S. exporters."

A recent study by the General Accounting Office, an investigatory arm of Congress, criticized the bank for not making "a concerted effort to maximize private financing."

"Although Eximbank sees its role as a lender of last resort, because its interest rate has been lower and its repayment terms longer than comparable commercial financing, borrowers tend to seek Eximbank financing as a first resort," the GAO said.

"Prestige, patented materials and a preference for U.S. products by borrowers suggest that purchases would have been made from the United States without Eximbank financing," the GAO concluded, summarizing a study of loans to Japan.

How can Eximbank lend at 6 percent when commercial banks charge 10 percent?

The principal reason is a $1 billion grant from the Treasury in 1945 and $1.3 billion in retained earnings, said Lehman's Petty. For the use of this capital the bank pays the Treasury a yearly dividend of $50 million, or roughly 2.2 percent. Other funds to cover 1973's total authorization of $8.5 billion come from loan repayment, sales of Eximbank bonds and 180-day Treasury borrowing.

Despite the Treasury capital, the bank's reliance on private borrowing may cause "a problem in funding the institution if the prime rate stays high much longer," Glick acknowledged. The Treasury dividend may be dropped, he said.

Dr. Peter Beter, a former counsel for Eximbank and author of a new book, "The Conspiracy Against the Dollar," said the low interest rate and "bad loans made at the insistence of President Nixon and adviser Henry Kissinger" have caused bank directors to dip into reserves.

"They have absolutely plundered the bank," Beter said, noting that both Eximbank chairman Henry Kearns and executive vice president Don Bostwick have resigned recently.

Glick said both men are leaving for personal reasons.

U.S. exporters, in concert with American banks and investment houses, arrange most Eximbank loans for foreign buyers. The usual practice is for Eximbank to establish a credit at a commercial bank, which in turn pays the exporter and is reimbursed by Eximbank. Eventually the borrower repays Eximbank in dollars.

Devaluations of the dollar have made loans easier to repay, Glick concedes, thereby further reducing the real interest. Officials agree another result of the subsidized loans is increased inflation.

"But one must remember that the purpose is to stimulate U.S. exports."

[From the Washington Star-News, Sept. 28, 1973]

CHINA IMF SEAT EXPECTED

(By Lee M. Cohn)

NAIROBI.—The People's Republic of China, followed by the Soviet Union and the other Communist countries, probably will join the International Monetary Fund and the World Bank soon, informed sources indicated today.

As the world financial organizations adjourned their annual joint meeting here, little or no opposition was evident to China's preliminary bid for membership, which was disclosed yesterday.

Delegates took it for granted that the Soviet Union and other Communist nations will join soon after China is admitted.

China's membership feeler, which requested that the Peking (rather than Taiwan) regime be recognized as the representative of China, excited the finance ministers and central bank governors from 126 countries attending the meeting. They viewed it as a significant further step toward ending China's isolation and restoring normal relations between the Communist and non-Communist worlds.

Membership in the IMF would imply acceptance by the Communists of some capitalistic rules—notably openness in economic dealings. Trade and investment between East and West would be given a big boost.

Some of China's and the Soviet Union's foreign aid expenditures, which have been used for political purposes, might be diverted to the less political development programs of the World Bank and its affiliates.

Despite the positive factors, some sources said Chinese and Soviet membership in the IMF might complicate the slow-moving negotiations on rebuilding the international monetary system.

U.S. officials suspect that the Soviet Union, which is a major gold producer, might side with France in trying to maintain a central monetary role for gold. A diminished role for gold is a key element in U.S. monetary reform strategy.

Meanwhile, the meeting adjourned in a mood of skepticism about prospects for agreement on monetary reform by the July 31 deadline, and bitterness about the U.S. stand against using the monetary system to increase aid to poor countries.

European and U.S. officials accused each other of impeding the reform negotiations.

American sources said one reason for the slow pace is that the Europeans have made Jeremy Morse of Britain, the man in charge of the negotiations, timid about attempting any bold moves.

Morse has been gun-shy since the Europeans earlier this month accused him of "selling out" to the United States on a key issue, the sources said.

Nevertheless U.S. Treasury Secretary George P. Shultz said the negotiating disputes are "quite manageable," and delegates from other leading countries expressed varying degrees of optimism.

A spokesman for Nationalist China here opposed admission of the People's Republic, as expected, and said a two-China solution—with membership by both regimes—would be "not acceptable."

The U.S. delegation refused to comment.

Only two Communist countries, Yugoslavia and Romania, now are members of the IMF and the World Bank. Some sources said it is difficult for Communist nations to accept the obligations of membership.

However, a key IMF official said "there are no priori legal or economic complications involved in membership by Socialist countries." It is simply a matter of whether they are willing to "cooperate as members," he said.

A potential obstacle to membership is the requirement that IMF members submit for publication a wide range of financial, economic, trade and other statistics, which Communist countries generally keep secret.

Members also are obligated to "consult" with the IMF on their economic policies, and under the new monetary system being negotiated the IMF will have substantial authority to enforce its advice. Communist governments might object more than some others to yielding autonomy.

If Communist China applies as a new member, the decision will be up to the IMF's and World Bank's boards of governors, consisting of top financial officials of the member governments, which is meeting here.

In the more likely event that the issue is presented as one of who represents China, the question could be handled by the 20-member executive boards of each organization, although they might refer it to the governors.

In other developments as the meeting drew to a close, the committee negotiating monetary reform established four technical subcommittees to work on specific issues before the next full meeting in January.

As Shultz said at a news conference yesterday, there will be an attempt to "stop being so philosophical" about the issues and to see how the contending proposals would work in practice.

When the operational effects of various approaches become clearer, he said, some of the opposition may melt.

Regardless of what formal rules are adopted, he said, a key to success of the new monetary system may be moves to strengthen the IMF's authority. Finance ministers and other top officials should participate in applying the rules at least during the "shakedown" period, because that is when precedents will be established, he said.

Shultz said he expects the value of the dollar to rise as the U.S. balance of payments improves. When the dollar rises to the parities against other currencies set early this year and then abandoned, foreign central banks probably will sell dollars to keep it from rising further, he said.

In this way, he said, the troublesome "overhang" of dollars will be reduced, and it will be possible to work out arrangements for handling it without undermining the new monetary system.

[From the Washington Star-News, Sept. 28, 1973]

OPIC STAKES IN CHILE HIGH

(By Ron Snider)

The government corporation which insures private investments overseas said it will have "very little loss" in Chile if the new government there honors its obligations.

The Overseas Private Investment Corp. (OPIC) has paid $25.4 million to U.S. companies whose properties have been expropriated in Chile, and could be held liable for claims of $327.9 million more.

In its annual report to Congress, OPIC reported that its net income for fiscal 1973, ended June 30, was a record $31.5 million, compared to $28.9 million in fiscal 1972.

Marshall T. Mays, who was confirmed by the Senate last week to succeed Bradford Mills as president of OPIC, said the agency's insurance reserve as of June 30 stood at $142.6 million, an increase of $28.3 million over last year.

Mays said the increases were made despite "a period of severe testing, especially in dealing with inherited problems in Chile."

OPIC was created by Congress in 1969 to consolidate overseas investment programs administered a series of agencies. It began operations in January 1971 and was immediately faced with mass expropriations of U.S. private property in Chile.

OPIC has settled 24 claims worldwide since 1971 totaling $116 million. This is almost three times the number paid by predecessor agencies during the first 23 years of investment insurance programs.

Approximately 75 percent of the $327.9 million for which OPIC could be held liable in the Chile expropriations involves two claims which the agency has rejected. A claim by Anaconda Co. for $154 million for two mines in Chile was rejected on grounds that "included the failure of the company to maintain current insurance coverage."

A claim by International Telephone & Telegraph Corp. for $92.5 million was rejected for "violation of the insurance contract."

Both companies have submitted the cases to arbitration.

In his annual report to Congress, Mays said the concept of "striving to achieve developmental goals while maintaining a self-sustaining operation . . . can and does work."

However, a spokesman for OPIC said that if the agency lost the two Chile claims in arbitration it would have to request funds from Congress.

In another arbitration case, International Bank's lumbering interest that was expropriated in the Dominican Republic, OPIC's denial was upheld.

WE NEED A NEW MINIMUM WAGE BILL

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ERLENBORN. Mr. Speaker, in the heat of a debate, humans have a facility for making at least one statement which, on reflection, we might like to have phrased differently.

For example, 2 weeks ago, during the debate on the motion to override the veto of the minimum wage bill, in speaking of our general Subcommittee on Labor chairman (Mr. DENT), I said:

> Every week on this floor, from now until November of next year, I am going to call on him to report a minimum wage bill out of Committee. We need a minimum wage increase, and the gentleman from Pennsylvania will not be allowed to stop that.

Afterward, I realized there may have been a certain amount of bravado in that last clause. He knows, and I know, that he has the majority; that, if he wants a minimum wage bill, we can have a minimum wage bill. So, for the sake of accuracy, I probably should have said, "only the gentleman from Pennsylvania can stop that."

That was 2 weeks ago. I hope the gentleman from Pennsylvania has taken time since then to reflect on his response: That he will not bring out any kind of bill which—and these are his words—"does not meet the responsibilities of this Congress."

One of the responsibilities of Congress for over 35 years now has been that of assuring adequate pay for unskilled workers. Another of our responsibilities is an economy that provides jobs for the skilled and the unskilled. A third responsibility is recognizing that the two are interrelated.

With inflationary fires flaming, a 60-cent an hour wage increase within 9 months, as was proposed in the vetoed bill, would mean many small businessmen—those who hire people with limited skills—would hire fewer people. Moreover, increasing the minimum wage rapidly would lead to larger increases at the next level, and so on up the line. Again, the result would be fewer jobs for the unskilled.

Clearly, though, the two—jobs and adequate pay—can be meshed by spreading minimum wage increases over a period sufficient to allow the economy a chance to absorb them.

As I have for each of the past 3 weeks, I call upon our chairman to bring out a minimum wage bill which meets—in his words—the responsibilities of this Congress. The people making $64 a week should not have to continue to make $64 a week for the next year. Only the gentleman from Pennsylvania can allow that to happen.

PUBLIC MONEY FOR POLITICS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. DERWINSKI. Mr. Speaker, the 93d Congress has witnessed the introduction of a great many bills which would seek to more strictly regulate the American electoral process through tighter controls on campaign spending. These bills have been introduced largely in reaction to the obvious shortcomings of the Federal Election Campaign Spending Act of 1971.

While there are admittedly ethical problems which can and do arise from large financial contributions from wealthy individuals, surely the use of public tax money for campaigns is not the answer. I believe that the vast majority of American taxpayers would justly resent this attempt to raid the public treasury for partisan political purposes.

Mr. Speaker, at this point I place in the Record an editorial from the Chicago Tribune of October 3, 1973, which addresses itself to this problem.

Public Money for Politics

Sen. Edward Kennedy, Sen. Hugh Scott, and a Capitol Hill chorus are demanding public subsidies of election campaigns as a means of preventing future Watergates.

"There are many lessons to be learned from Watergate," Mr. Kennedy said. "One is the evilness of large political contributions. I strongly favor public financing of national elections. I don't think the taxpayers' money could be used for any better purposes."

The evils of Watergate had not so much to do with the amount of money contributed to the Nixon campaign [more than $60 million, compared to $38 million for Sen. George McGovern] as with the manner in which it was contributed and the manner in which it was spent. Some of the contributions were apparently illegal. Former Atty. Gen. John Mitchell and former Commerce Secretary Maurice Stans have been indicted in connection with one such contribution.

Some of the activities on which the money was spent were likewise illegal. Watergate burglar Gordon Liddy and his gang are in jail as a consequence, and more indictments are expected.

We fail to see how public financing of campaigns could have prevented this. The fact that money comes from public funds is no guarantee that it will be spent honestly. True, a public campaign financing law might prohibit private contributions altogether. But existing law prohibits the under-the-table contributions involved in Watergate. A public financing law is not going to make them any more illegal.

The "evilness of large political contributions" is that so many politicians, Mr. Kennedy's late brothers included, have come to find them necessary. Promiscuous campaign spending has become an outrage. In 1964, campaigns for all political offices in the country cost an estimated $200 million. In 1968, the figure was $300 million. Last year it was about $400 million.

The answer is not to have the public pick up the tab, but to make it unnecessary if not impossible for politicians to spend so much. Some, such as Sen. Robert Byrd of West Virginia, have wisely proposed that general election campaigns be shortened and that the number and length of Presidential primary campaigns be curtailed. Others have called for stricter limits on the amounts that can be spent, and for limits on the amount that can be contributed. Mr. Kennedy himself has proposed a $1,000 limit on the amount any individual can contribute to any candidate for federal office.

The argument is raised that shorter campaigns and limits on contributions favor the incumbent over the challenger. Yet, as has been well documented, incumbency can be a disadvantage if the public is in a "throw the rascals out" mood. There is also the increasing frequency with which challengers "peak too soon," and find the public bored with them by election time. Generally speaking, most large campaign contributions do not go to challengers but to incumbents. Misuse of such advantages as the incumbent's franking privilege have been increasingly curtailed by the courts.

The most recent experiment in public campaign financing—the voluntary $1 income tax check off scheme—has been a failure. When the Internal Revenue Service processed 67 million of the 72 million 1972 income tax returns, it found that only 3.1 per cent of the taxpayers wanted to spend tax money on political campaigns. Wild charges that President Nixon tried to sabotage the check-off scheme notwithstanding, the public is not interested in contributing its tax dollars to the carnival of spending. It will certainly not be happy if Congress seizes the money anyway.

ROY HARRISON McVICKER

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. MORGAN. Mr. Speaker, it is with sadness that I have learned of the death of our former colleague, the Honorable Roy H. McVicker.

Roy served on the Committee on Foreign Affairs during his term in the House of Representatives, and on its Subcommittees on National Security and on Inter-American Affairs. He was particularly active and knowledgeable in connection with Latin American matters. We are indebted to him for his contributions in this and other fields of the committee's work.

It was a privilege to have Roy as a colleague. I know all Members of the committee join me in expressing our sorrow and sympathy to Mrs. McVicker and other members of the family.

SUPPORT FOR JACKSON-MILLS-VANIK AMENDMENT

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ADDABBO. Mr. Speaker, I was very pleased to note the action of the House Committee on Ways and Means last week in refusing to grant most-favored-nation status to countries which violate the international human right of free emigration. Prior to the committee's decision, I received a joint statement released by Jewish leaders urging continued support for the amendments sponsored by Senator Jackson and Representatives Mills and Vanik to protect basic human rights.

That joint statement is most important because it emphasizes the fact that Government repression of a minority in any country threatens the freedom and chances for peace everywhere in the world.

I insert in the Record at this point the release issued by Jewish leaders on this subject:

Jewish Leaders Urge Continued Support of Jackson-Mills-Vanik Amendment

Washington, D.C.—In a joint statement released today by Jacob Stein, Chairman of the Conference of Presidents of Major American Jewish Organizations, and Richard Maass, Chairman of the National Conference on Soviet Jewry, the Jewish leaders urged continued support of the Jackson/Mills-Vanik Amendment to the Administration's proposed trade legislation. Their statement declared:

"We recognize the impact that the Jackson/Mills-Vanik Amendment has already had in regard to helping Soviet Jews. This amendment would deny the granting to any non-market economy country of most-favored-nation status, loans, grants and credits, conditional upon that country's adherence to the international right of free emigration. Recent events in the Soviet Union, including the harassment of Jews, remind us that basic human rights must not be allowed to be tampered with at the whim of governments. When official harassment and repression occur in one country, the goals of peace and détente are threatened everywhere.

"It is for this reason that, on behalf of the American Jewish community, we continue to urge that Congress adopt the Jackson/Mills-Vanik Amendment in its present form. We also hope that the Administration will continue to play its vital role in securing the basic human rights of oppressed people. Our legislators should remain aware of this nation's tremendous influence as a moral force in the world. We believe that the American people will continue to support this country's traditional humanitarian commitments."

FLOOD CONTROL

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. JONES of Tennessee. Mr. Speaker, in recent years a controversy has raged over various efforts to control flooding. A flood control project in my district has fostered much controversy, but it appears a solution may be on the horizon.

The Obion-Forked Deer Basin Authority was established to coordinate efforts and arbitrate differences between the parties interested in the project. The authority will consider all alternatives and attempt to create an attitude of cooperation.

Mr. Richard Swaim has been appointed executive director of the authority and I am confident he will provide the needed leadership. His background experience and interest in the problem make him uniquely qualified for the job.

On September 28, 1973, the Sun, in Jackson, Tenn., printed an article on the Obion-Forked Deer Basin Authority. The text of that article follows and describes what I believe will be a solution to a national problem:

FLOOD CONTROL

(By Michael Bane)

Richard Swaim doesn't like flooded croplands, washed-out roads, dead hardwood trees or angry duckhunters.

He also doesn't like sterile, dredged ditches.

The dislikes, over a period of a decade and a half, have put the county agent in conflict with both the people and the prevailing ideas in the Obion-Forked Deer river basin. But Richard Swaim wasn't and isn't interested in conflicting ideas.

What he is interested in, and what he has been trying to "sell" to the people of the river basin and the men who run the state, is a comprehensive program for controlling the waters of the Obion and Forked Deer to the benefit of everyone, including urban, agricultural and wildlife interest.

Toward that end, he was recently appointed executive director of the Obion-Forked Deer Basin Authority, a fledgling organization charged with the maintenance of the three million acre basin by the state legislature.

The authority, with Swaim at its helm, is seeking to harness the water, which destroys some $31 million in crops, highways, commercial and industrial losses, without destroying the wildlife and recreational potential of the basin. According to Swaim, the authority is unique in the state and possibly the entire country.

"We think the people in this area, given all the facts, have enough intelligence to make decisions that will serve the best interest of the state," Swaim said in a Wednesday interview. "We've got this authority without any real authority. We don't have the power of eminent domain. We don't have the power to tax. We have to rely on the people."

Swaim was a moving force behind the creation of the authority by last year's legislature. For years he has toured the basin where he grew up, presenting his slide show on water management to clubs, civic groups—anyone interested enough to listen. The authority, composed of county judges or their representatives from 14 West Tennessee counties, three appointed soil conservation supervisors, and a member of the governor's cabinet, unanimously chose him as their spokesman.

The message Swaim has carried across the basin is one of reconciliation.

"There is really no conflict between the interest of agriculture, wildlife, commerce, industry and others," Swaim told a meeting of the U.S. Army Corps of Engineers in Memphis earlier this week. "We feel a keen responsibility within the Obion-Forked Deer Basin Authority to try and reconcile whatever misunderstanding may have existed."

The most formidable obstacle the authority is working to overcome, Swaim said, is the hostility between sportsmen and farmers. Hostilities came to a head in 1970, when several landowners, through a federal court order, stopped the channelization of basin waterways by the Corps of Engineers.

Channelization, Swaim explained, is the process of cleaning silt and accumulated debris out of a stream, facilitating the runoff of surface water and easing the flood problem.

The process, however, is not without its drawbacks. More often than not, channelization turns a meandering stream into a stripped ditch. The new channel also drains the wetlands, which provide a home for wildlife and migratory waterfowl, Swaim added.

Swaim said much of the state's 100 miles of dredged streams were in the uplands, and with continued chanelization tied up in the courts, the newly collected upland water had no outlet.

"Farmers closer to the Mississippi River found their fields flooded," Swaim said. "But channelization alone is not going to solve our problems."

Swaim and the authority are calling for a multiple solution to the basin's problems—a solution that will include not only channelization, but leveeing, diversion channels, auxiliary channels, water retention structures and sound soil conservation practices.

"We've reached a point of reconciliation. We've got people pulling in the same direction," Swaim said, becoming more animated as he described authority plans. "First thing is we're going to suggest to the corps that the mouth of the Obion River be opened."

Gesturing to maps that clutter his office at the Agricultural Extension Office, Swaim added that auxiliary channels to handle floodwaters needed to be built. The new channels, he explained, would provide flood drainage without destroying a natural stream or impeding agricultural functions.

He also called for the construction of water retention structures in the upland area, providing the added bonus of new recreational facilities as well as flood control.

"With the water stored in a series of lakes, it would be easy to let it out at gradual levels," Swaim said. "And the new lakes would be natural for recreation and wildlife."

"We have no absolute, concrete, immovable plans," Swaim conceded. "We have several alternatives to be considered."

He added that the task of bringing the waters under control would not be easy or quick.

"We're a grassroots organization with no club-wielding power. We have to do this with education and understanding," he said. "I never thought it was going to be easy. I know it's going to be a tough nut to crack."

"But," Swaim added with a smile, "I was raised on tough nuts."

SCHOENAU CASTLE

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. MEZVINSKY. Mr. Speaker, as you know, in response to Arab terrorist activity, Austrian Chancellor Kreisky has closed Schoenau Castle, a processing facility through which some 70,000 Soviet Jews have passed to Israel in the past 3 years. Although Mr. Kreisky says that persons with individual visas will still be allowed free transit through Austria, the Russians release Jews only in groups and do not give them individual visas. I have written the following letter of protest to the Austrian Ambassador to the United States:

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 3, 1973.

Mr. ARNO HALUSA,
Ambassador Extraordinary and Plenipotentiary, Office of the Embassy, Republic of Austria, Washington, D.C.

DEAR MR. AMBASSADOR: I am dismayed that your government has responded to Arab terrorist activity by closing Schoenau Castle Transit Camp.

For years, your country has served admirably as a humanitarian haven for tens of thousands of refugees who have risked imprisonment in the Soviet Union to seek permission to emigrate to Israel. Closing this sanctuary will cause severe hardship to future refugees.

Although I sympathize with your government's desire to save lives, capitulation to terrorism only encourages further terrorism. Terrorists successful in Austria will be quick to strike all other avenues of transit. Soon, obtaining permission to leave the Soviet Union may be only the first of many obstacles to emigration to Israel.

I strongly urge your government to reconsider the issue and rescind Kreisky's decision.

Sincerely,

EDWARD MEZVINSKY,
Member of Congress.

SENATE ADOPTS AMENDMENT TO END COLC DISCRIMINATION

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FINDLEY. Mr. Speaker, by a vote of 90 to 6, the Senate today adopted an amendment to the continuing appropriations resolution identical to the one I offered in the House and which passed by a vote of 371 to 7. The Senate amendment was offered by Senator Carl Curtis. The amendment states:

> None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

The purpose of the amendment is to eliminate the unconscionable discrimination against small independent service station owners which the Cost of Living Council has imposed upon them. Scurrying to head off the Senate's acceptance of the amendment today, Mr. Dunlop eliminated some of the discrimination in a COLC decision last Friday. However, his action was too little, too late. The Senate wisely was not fooled. In order to insure that all gasoline retailers are treated alike, the Senate has accepted the House language.

It is outrageous for Mr. Dunlop to argue as he has that the amendment ill serves the interests of the consumer.

Just the opposite is true. Under Mr. Dunlop's earlier price order, independent retailing of gasoline—so vital to the interest of consumers—would have been destroyed. Under his new price order, motivated in great measure by the House amendment and now mandated by the Senate, competition can flourish.

Now, Mr. Dunlop will have to eliminate the last vestiges of discrimination. It is about time.

DAIRY INDUSTRY HURTING

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ZWACH. Mr. Speaker, Minnesota is one of the Nation's top dairy States and our Sixth Congressional District has some of the leading dairy counties in our State.

These people are very concerned about what is happening in the dairy industry and some of them are disposing of their herds.

The problems our dairy people are facing are concisely enumerated in a letter I received from Gary Hanman, senior vice president of Mid-America Dairymen, Inc., which I would like to share with my colleagues to make them aware of the problems our people are facing, by inserting it in the CONGRESSIONAL RECORD:

MID-AMERICA DAIRYMEN, INC.,
Springfield, Mo., September 13, 1973.

Hon. JOHN M. ZWACH,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ZWACH: As you know, since December 31, 1972, the President of the United States by proclamation has authorized the "emergency" import of 265 million pounds of non-fat dry milk and 64 million pounds of cheese—all, in our opinion, a conscious effort by our government to keep the price of milk from increasing. A conscious effort, we would say, to keep the price of milk from rising, but no effort at all by our government to limit milk production input costs to our farmers.

The attitude of dairymen is not good. Dairymen are both discouraged and disheartened, many going out of business completely—a loss of 1,106 members in Mid-Am alone from January 1 until the end of July. Of these, 1,091 sold out their herds. The result is just what the government says it is trying to avoid—a downturn in production and an upturn in price.

The rate of decline is shocking. According to USDA projections, milk production for 1973 will be 117.5 billion pounds, nearly 3 billion pounds below last year. This would be the second biggest production drop in 24 years, being exceeded only in 1966.

Today, present government policy seems oblivious of the Agricultural and Consumer Protection Act of 1973 which permits the Secretary of Agriculture to set dairy price supports between 80 and 90% of parity, but requires that it be set at such a level as "to meet current needs, reflect changes in the cost of production, and to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs."

Government policy—at least, that reflected by actions of the U.S. Tariff Commission, the Secretary of Agriculture, and the Cost of Living Council—seems to be "to meet anticipated future needs" through additional imports suggested by policies designed to subvert congressional intent and, ultimately, destroy the domestic dairy industry.

A few days ago, Tom Townsend, director of special projects for Mid-Am, appeared as a witness at the Tariff Commission's public hearing on its policy with regard to such imports. What he said was of such import that I want to share his views—which I think reflect those of the entire industry—with you.

Sincerely,
MID-AMERICA DAIRYMEN, INC.,
GARY HANMAN
Senior Corporate Vice-President

GRANT TOWNSHIP REPUBLICAN CLUB CELEBRATES 25TH ANNIVERSARY

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. McCLORY. Mr. Speaker, October 13, the Grant Township Republican Club celebrates its 25th anniversary.

An auspicious dinner—to be keynoted by State Representative W. J. "Bill" Murphy, my friend and former colleague in the Illinois General Assembly and a Grant Township resident—will commemorate the establishment, and recent merger, of two active and influential political organizations—the Women's and Men's Republican Clubs of Grant Township.

Mr. Speaker, this celebration will also bring to mind the leadership and dedicated service of many of Lake County's most distinguished and honored citizens.

I recall particularly Noel White, who was among the founders of the Grant Township Republican Men's Club and is expected to be present for the anniversary celebration. In addition to his political leadership, Noel White has served long and faithfully in the American Legion, both as commander of the Fox Lake Post and also in important positions in the district and State departmental activities. For many years, Noel White served as supervisor of Grant Township and as a member of the Lake County Board of Supervisors, including terms as chairman of the Lake County Board. More recently, Noel White served as Postmaster of Fox Lake, from which service he retired a few years ago. Now, the community of Grant Township is privileged to have Noel White as its "elder statesman."

Mr. Speaker, this occasion also must certainly recall the distinguished service of Bess Valenta, the founder and first president of the Grant Township Republican Women's Club. She is the widow of the late Frank Valenta, a former Grant Township supervisor and one of its most prominent citizens.

Let me state that the Grant Township Republican Club's acting chairman is Harry Robin of Ingleside, a most useful leader who serves as a member of the Lake County Board from Grant Township. A past chairman is Adam Skrzenta, a longtime friend and effective grassroots worker.

Among those now deceased who must be remembered for their individual contributions, public service and dedication are Al Smith, Frank Hartigan, Roy Weselius, and Michael Clemens.

At the American Legion hall celebration dinner, I expect to greet Kenneth G. Buckhardt, an immediate past president of this important Republican group, and Bloyce Winger, vice president, and Lew Meyers, secretary of the men's club.

Also, to be commended on this occasion are past and immediate officers of the Grant Township Republican Women's Club—and a special tribute to Ella Olson, immediate president, and Pat Kerr, a past president and outgoing treasurer.

Another of the founders with whom I expect to renew a friendship is Peter Afeld. Peter Afeld, now a resident of Florida, is expected to return to Fox Lake for this 25th anniversary celebration.

Mr. Speaker, the combined Grant Township Republican Club is representative of the very best in grassroots political organizations. This 25th anniversary celebration establishes that fact—and provides an appropriate occasion to extend congratulations—and best wishes for many more successful years of political activity—and service.

DU PONT CO. OUTSTANDING SAFETY RECORD

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. JONES of North Carolina. Mr. Speaker, yesterday, October 3, 1973, I had the pleasure of participating in a celebration at the E. I. du Pont de Nemours & Co. plant which is located in my congressional district. It was a most unusual celebration for it established a new world industrial safety record of more than 45,808,779 exposure hours over a 9½-year period without a disabling or time-lost injury. Strangely enough, the previous world record was held by Du Pon'ts Chattanooga, Tenn. plant.

When one realizes the tremendous cost incurred in industry daily by absenteeism caused by injury, this made the occasion even more important. Therefore, it is with a great amount of personal pride that I call to the attention of the Members of the House of Representatives, this phenomenal record, and at the same time, I want to commend each and every one of the 2,800 employees of the plant who through their carefulness and diligence have made this record possible. Also, I want to commend the Du Pont management for paying proper tribute to their employees in the gala celebration which occurred yesterday.

It is indeed an honor for me to represent a corporation which places such emphasis on the well-being and safety of its employees. I am confident that those involved will continue to maintain and increase this outstanding safety record.

ADVANTAGES OF UNIONIZATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. SYMMS. Mr. Speaker, the trade newspaper, the Packer, in its editorial column "The Packer Viewpoint," has hit the nail on the head and hammered it home when it speaks to the advantages of unionization. Every produce packer will appreciate this editorial. And perhaps some of my colleagues may recognize themselves among those identified as politicians in the editorial.

The editorial follows:

WELCOME TO THE WONDERFUL WORLD OF UNIONIZATION

Congratulations, growers of fruits and vegetables! If there were any doubts before, it should be obvious by now that you are fast becoming full-fledged members of American industry. Finally, many of you have that one ingredient you need in order to join the club—unionization.

We realize, of course, that some of you may not be wholly convinced of all the wonderful things unions can do for you. As a special service The Packer is taking this space to list the advantages of unionization:

1. MANAGERIAL ASSISTANCE

In the past you were one of the last of the rugged individualists, a gambler who worked extremely hard and still only made a good profit every four or five years. Perhaps one of your problems, was that you had to make decisions all by yourself. You had no one to tell you what to do, or how to run your business. Now, however, if you have a Teamsters or United Farm Workers contract you need not wonder what to do; they will tell you. This takes a lot of responsibility off your shoulders.

2. DECREASED PRODUCTIVITY

In the past 20 years you have increased output per man hour by over 300 per cent. In manufacturing industries output per man hour is only 1.7 times as great as 20 years ago. Thus output per man hour on farms is increasing nearly twice as fast as in industry—an unmatched record for efficiency.

Don't you think it's about time you slowed down and got into the mainstream of American life? You didn't get paid properly for the increase in productivity anyway, so why go to all the trouble?

Unions can help you decrease this productivity. If you doubt whether they can perform this service, just talk to top management officials of almost any other American industry, and they can assure you that the nation's unions are striving for more money, fewer hours, more fringe benefits and less work.

3. AN "OLD WEST" ATMOSPHERE

Too often we lose sight of our traditions. In particular we are talking about the tradition of the wild and wooly West, where no law and order existed.

This is the farm labor situation in California right now. There is nothing like fist fights, beatings, shootings and arson to give everyone a feeling of nostalgia—a throwback to the time when gunfighters dared each other to cross the line. Only now the picket lines replace the outlaws. Unions hurl threats and rocks back and forth and each side puts various amounts of pressure on the growers and workers to see things their way.

We think the nation's politicians should be commended for their contribution to this situation. Discounting foolish calls for action to bring order out of chaos in Coachella, Arvin, Salinas, Delano and other places, the politicians, with their infinite wisdom and strong sense of responsibility, have seen fit to preserve this tradition of violence and lawlessness by doing nothing.

4. IMPROVE YOUR JUGGLING ACT

In the past you have had to worry about rail strikes, dock strikes, packing house strikes and driver strikes. In your "juggling" techniques you had handled these strikes so well that there was a remote possibility there would be some time during the year when no union affecting your business was on strike. So, to keep you on your toes, from now on there will be field worker strikes.

Although some of you have already experienced these, the existence of two unions for field workers has added a new dimension, sort of a "Chaos in Stereo." For example, if you settle a contract with the Teamsters, the UFW will be more than happy to picket you anyway, just to keep you from growing complacent.

In addition, if you don't sign with either union, they both will be willing to picket your business, or even destroy it, according to some reports.

Unfortunately we do not have the space to mention all the benefits to be dervied from unionization, but just from these highlights you should be convinced that this is the direction to go in the future.

A TRIBUTE TO TOM VAIL

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. VANIK. Mr. Speaker, my colleagues and I on the Ways and Means Committee lost a dear and respected friend recently with the death of Tom Vail. Tom, as chief counsel of the Senate Finance Committee, was a knowledgeable and dedicated public servant. With a firm grasp on the complexities of tax policy his professional competence was unparalleled. More than once Tom's remarkable understanding of the intricacies of the Tax Code eased our burden as members of the taxwriting committee in the House.

Perhaps the finest tribute to the dedication of Tom Vail to the highest ideals of public service is the professional staff of the Senate Finance Committee. No committee in Congress can hope to accomplish its legislative function without extensive staff work. And it was through the tireless efforts of Tom Vail that the Senate Finance Committee came to assemble what is generally regarded as one of the most capable staffs in the Congress

Tom Vail will be missed; but his work, his contribution, is firmly molded into the law of the land. His diligence will not be forgotten.

Mr. Speaker, I would like to take this opportunity to express my heartfelt condolences to Nancy Vail and her fine children.

CONFRONTATION AT THE CASH REGISTER

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. TALCOTT. Mr. Speaker, agriculture has been one of our most efficient industries and the American consumer has benefited in the form of an abundant supply of food at reasonable to bargain prices. Unless production, management, and marketing efficiency is increased, inflation will continue to plague agriculture to the detriment of the consumer. One solution to this problem may lie in a vigorous research and educational program. But the only real solution is to control inflation. Excessive Government spending should be our first target.

One of my constituents, Mr. J. W. Huffman, sent me an article from the April 1973 edition of California Agriculture regarding this problem. Mr. Huffman is county director and farm advisor to the University of California Agricultural Department, Monterey County Extension. I am pleased to share this article with my colleagues. I insert the article in the RECORD at this point:

CONFRONTATION AT THE CASH REGISTER

The gut issue of agriculture is always the price of food. There were riots over food prices in ancient Rome, and Cleopatra's subjects complained bitterly about the cost of bread. In this modern day the same issue is with us and it is critically, and emotionally, reviewed daily in countless confrontations at cash registers in food markets throughout the country.

When bargain prices prevail, there is a cordial atmosphere at the check-out counter, although gloom may prevail back at the farm or packing house. On the other hand in these days of skyrocketing food prices, growers are smiling but there is angry clamor at the cash register. The noise is so loud that it is being heard all the way to the White House and Capitol Hill. Our political leaders are responding in the form of token price controls and by setting the wheels in motion to reduce public spending on price supports and production limitations. The aim is to roll back prices by increasing the supply.

These measures will surely have some of the desired effect; however, such manipulations look only at immediate relationships and do not recognize all of the underlying causes. A critical need is to increase the efficiency of the food production and distribution system. The way to do this is by reresearch. We need to develop better plants and animals, better methods of managing them, and better ways of processing and distributing the products derived from them. If we can produce cheaper we can eat cheaper, and hopefully both the producer and consumer can benefit.

Our agricultural scientists have demonstrated time and again their ability to discover efficient ways of doing things and there is no evidence that their ability has become less than it has been in the past nor that the opportunity to make useful discoveries has diminished. Indeed many scientists believe that we have but mined the surface of scientific agriculture and that the mother lode of discovery still lies underneath and is available only for the digging.

For example, about one out of every four of the consumers' food dollars is wasted in the form of losses to plant and animal diseases, losses to insects, weeds and other pests, and losses by spoilage in shipping and handling. This is a staggering waste of the bounty of our land and of the producers' resources and the consumers' money. I am in no way convinced that waste on such a scale is part of the inevitable scheme of things. I am confident that further research can eliminate most of these losses.

There is a great potential for enhanced efficiency through the genetic improvement of our crops and livestock and for the development of new crops and the adaptation of old ones to new situations. The potential for improved husbandry is great and the prospect for reducing the costs of processing and distributing food is ever greater. When the cost of a tomato increases tenfold from the farmer's field to the consumer's table, common sense tells us that we ought to put our minds to finding a better way.

These are serious problems and it is clear that public outrage will not solve them and it is equally clear that an expanded research effort could help a great deal. The strange thing is that at this particular time the budget now before Congress prosposes a major cut in funds for agricultural research. I cannot think of an act that, over the long term, could be better calculated to increase the real cost of food both to the producer and the consumer.

HOW IS THE VOLUNTEER ARMY DOING?

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. HAMILTON. Mr. Speaker. I include my Washington Report of October 3, 1973, entitled, "How is the Volunteer Army Doing?"

The report follows:

How Is the Volunteer Army Doing?

(By Congressman Lee Hamilton)

Last year the nation made an historic decision to abandon the 33-year-old draft and rely on civilian volunteers for military forces of nearly 3 million men. The draft was unpopular and unfair, and the increasingly complex demands of modern warfare (there were four specialists for infantrymen in 1944: there are twenty six today) required long-term, professional forces.

The figures for the first seven months of the all-volunteer system point to an inescapable conclusion—not enough men are volunteering to meet Army and Marine Corps manpower goals. August enlistments fell 19 percent below the Army's goal of 17,000 recruits and for all four services combined, voluntary enlistments were 11 percent under the level the Department of Defense had set its sights on.

The Navy and Air Force were able to enlist numbers to meet their manpower goals, but the Marines and Army attracted just over 80 percent of the men they sought during August.

To ease its manpower shortage, the Defense Department has lowered recruiting standards and increased inducements. Previously, Army policy stated that at least 70 percent of all enlistees had to be high school graduates. But now non-graduates who show an aptitude for training are also being enlisted. The percentage of Mental Category IV recruits (which is the lowest rating accepted by the services) is running just below the 19 percent Category IV maximum the Army accepts.

The armed services are offering an assortment of benefits to attract more young men into their ranks. Before Vietnam a private received $76 a month; today he receives $307 over and above room and board and other benefits. Recruitment bonuses of $1,500 for enlisting in combat arms (raised in May to $2,500 for high school graduates), re-enlistment bonuses of $2,500 (and as high as $10,000 for men skilled in critical areas such as radar and computers), improved barracks with private bedrooms, gripe sessions, five-day weeks, and an end to such traditional headaches as KP, reveille, and boring drills and lectures, have all helped to make military life more attractive.

The volunteer Army has prompted criticism that the percentage of blacks is too high. An average 25 percent of Army enlistments from March through June of this year were black, with a record 34 percent in July, bringing the percentage of black enlisted men to 18.6 percent, compared with the nationwide proportion of 13.5 percent for black males under 35. Army officials expect the percentage of black enlisted men to level out at 20 percent, and they are more concerned with the low 3.9 percent of Army officers who are black than an overproportion of black enlisted men.

The Pentagon and the Administration, while acknowledging the problem, are committed to the volunteer system, and feel that it must work. Others are not so sure, and they point to the lower recruiting standards, the disproportionate percentage of minority groups, the inefficiencies of a mercenary army, and the high cost. Defense manpower costs, which the Department of Defense estimates at an additional $3 billion for the change to the all-volunteer Army, have risen sharply in the last 5 years from 42 percent to 56 percent of the total defense budget.

The outlook for the all-volunteer Army is uncertain. The catastrophe that some predicted with the end of the draft clearly did not take place, but obviously no rush has taken place to fill the ranks, and the volunteer Army is far from being firmly established. Continued shortfalls in meeting the recruiting goals will add to the pressure for a new draft.

Three basic choices are presented: (1) The military could reduce force levels, which might endanger our defense capabilities; (2) some form of the draft could be re-established, which would be extremely unpopular; or (3) efforts can continue to make the volunteer system more attractive.

The all-volunteer approach has had a relatively short period to prove itself since last December, and I think it must be given a longer trial run.

SANDMAN BACKS GOLDA MEIR POSITION

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. SANDMAN. Mr. Speaker, I urge the U.S. Government to apply whatever pressure may be necessary to convince Austrian authorities to reverse their decision to close down the transfer facilities operating in Austria for Jewish immigrants from Russia.

I implore Austrian officials to allow maintenance of the processing center for Jewish immigrants to Israel. Golda Meir's position on this matter is just and entirely reasonable.

To close down badly needed facilities is submissive to blackmail and will only encourage terrorists to continue their lawless ways.

Freedom to immigrants is no less precious than to Americans. It cannot and should not be subjected to barter or trade even at the cost of one life.

After what the Austrians lost in World War II, Mr. Speaker, I hope that they give this frightful capitulation to brute force a second thought and reverse this revolting decision.

A CONSTITUTIONAL AMENDMENT CONCERNING INFORMATION PROCEEDINGS AND GRAND JURY INDICTMENT

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. WIGGINS. Mr. Speaker, I am today introducing a proposed amendment to the U.S. Constitution which would abolish the requirement of the fifth amendment that all Federal prosecutions for serious crimes may be begun only upon indictment by a grand jury.

The text of the proposed amendment is as follows:

> No person shall be held to answer for a capital, or otherwise infamous crime against the United States, unless upon an information or by indictment of a Grand Jury, as Congress may prescribe.

In my view the conclusion is inescapable that the institution of grand jury indictment, when analyzed in the context of historic objectives vis-a-vis the modern experience, has to a large extent outlived its usefulness. While not advocating its total abolition, I do feel that a more effective Federal justice system may be had by permitting the general run of Federal criminal proceedings to begin by means of an information, rather than the mandatory requirement of indictment by a grand jury. As the fifth amendment currently provides that "No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury," it would seem evident that a constitutional amendment is necessary in order to achieve the desired result of allowing major Federal crimes to be prosecuted upon the filing of an information by a Federal district attorney.

Historic justification for the grand jury is grounded in the belief that there ought to be some sort of neutral body between the citizen and the Government—a body which would make the determination whether criminal charges should be brought against a given individual, thus preventing groundless prosecution and harassment. The time has long since passed, however, when grand jurors were summoned to bear witness from their own knowledge as to the alleged commission of a crime in their community. Current justification for the grand jury can only be predicated upon that body's ability to intelligently sift and weigh evidence presented by the prosecutor in a nonadversarial hearing, and then make an independent determination of the sufficiency of that evidence to warrant the charging of an individual with a criminal offense.

In fact, though, the grand jury—while supposedly a branch of the judiciary—is almost totally dominated by the prosecutor. Rather than functioning independent of prosecutorial influence, it relies upon the prosecutor to such an extent that one writer was led to conclude:

> Today, the Grand Jury is the total captive of the prosecutor who, if he is candid, will concede that he can indict anybody, at any time, for almost anything, before any Grand Jury.

This was not meant as any criticism, but merely as a reflection of the fact that in modern society grand jurors do not ordinarily possess either the skills or the training to conduct the complex investigations that a truly independent evaluation would require. The constitutionally mandated grand jury proceeding, therefore, results in an expensive, time-consuming ritual which does little to further the cause of justice.

All of this is not to say that the grand jury can serve no useful purpose. It may well be, for instance, the most appropriate method for investigating charges of corruption and public scandal. Nonetheless, it is my conviction that the interests of justice can best be served by permitting Federal prosecutors to proceed in most cases simply upon the filing of an information.

I am submitting what I believe to be an appropriate constitutional amendment to achieve the goals of abolishing unnecessary grand jury indictments for routine Federal crimes, preserving the grand jury as an investigative institution, and providing for indictment in those special cases appropriate for citizen review of the evidence in advance of trial.

WASHINGTON NEWS NOTES

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. HOSMER. Mr. Speaker, monthly I circulate to various constituent groups in my congressional district certain news notes. Below is the October issue.

CONGRESSMAN CRAIG HOSMER'S WASHINGTON NEWS NOTES

OCTOBER 1973

Consumer note.—In this day, when nearly everyone complains of appliances, autos and gadgets that stop working almost as soon as they are put to use, there is considerable pressure on the warranty system. Congress is considering legislation to beef up consumer warranties. Congressman Craig Hosmer said a Senate passed bill permits the maker of a product costing more than $5 to decide whether or not he will issue a warranty. If he does, any defective product must be repaired or replaced within a reasonable time without charge. The bill includes used-car dealers, and would require a non-warranteed car to bear a sign saying: "All repairs are the responsibility of the buyer."

Flood insurance—Attn: Orange County. The new flood insurance bill, which would double coverage of private homes and businesses without increasing present subsidized rates, is moving through Congress. The House has passed the measure and the Senate Banking, Housing and Urban Affairs Committee has held hearings. Congressman Craig Hosmer believes the legislation will become law before the end of the year. Present coverage is limited to $17,500 for a house and $5,000 for its contents.

Social security boost and veterans pensions.—Congressman Craig Hosmer has co-sponsored a bill to permit veterans to receive a pending Social Security increase without taking a cut in their pensions. A 5.9% increase in Social Security benefits is scheduled to take effect next June, or sooner, if pending legislation is approved. But, under present law, this increase would be considered as income in determining eligibility for veterans pensions. "It seems illogical," Hosmer said, "and unfair as well, to give to a veteran with one hand and take away with another." He pointed out that many veterans rely on Social Security benefits and their pensions as sole sources of income. Under the bill Hosmer is co-sponsoring, the increased Social Security benefits would *NOT* be counted as income to be deducted from a veterans pension.

Politics.—"Politics is almost as exciting as war, and quite as dangerous. In war you can only be killed once, but in politics many times."—Winston Churchill.

Greenbacks for Seal Beach Wildlife Refuge.—It looks like the proposed wildlife refuge at Seal Beach will get the money needed to begin operation, Congressman Craig Hosmer reports.

A Senate-House conference has approved an extra $1,100,000 in the Interior Department Appropriations Bill for Wildlife refuges, and while final Congressional action is needed, Hosmer believes the item is not controversial. The U.S. Fish and Wildlife Service has drawn up plans for the Seal Beach project which will be located in tidal marshes at the Seal Beach Naval Ammunition Depot.

Hosmer said: "I am delighted that the Seal Beach project comes closer to reality. It will be an important adjunct to California's wildlife conservation efforts."

Paternity leave.—Would you believe that the U.S. Department of Labor in Washington has granted its union employees *paternity* leave for males when their child is born? No free cigars?

Orange County in Washington.—Be sure to tune your TV set to Channel 50 at 7:30 p.m., Monday, October 1, for the second of the monthly "Orange County in Washington" shows featuring Orange County Congressmen. Panelists scheduled to take part are Representatives Craig Hosmer, Clair W. Burgener, Del Clawson, Richard T. Hanna, Andrew J. Hinshaw and Charles E. Wiggins. Discussion is free to touch on any of the issues in the news nationally or of special concern to Orange County. Channel 50 will repeat the telecast, which is in full color, on Thursday, October 4 at 6:00 p.m. and Sunday, October 7 at 6:00 p.m. Last month's show touched on rising prices and their causes including government deficit spending, flood control and a number of other "page one" topics. The show is sponsored by the Burns Family Foundation.

Conservative.—A liberal who has been mugged.

ARAB TERRORISM IN AUSTRIA

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FISH. Mr. Speaker, I was most distressed by the news that the Austrian Government has decided to close down the processing center at Schoenau in response to Arab terrorists' demands. Last year, I had the opportunity to visit this center and was able to witness first-hand the vital role it plays. Shutting down the Schoenau facility will impose additional hardships on the thousands of Soviet Jews who have chosen to leave the Soviet Union to journey to a country where the right to exercise fundamental freedoms will be accorded them.

Austrian officials have clearly capitulated to terrorist demands. There is evidence that many Arab groups regard the kidnaping that prompted this action as a victory for terrorism, and a Beirut newspaper declared that it represented—

> "The first . . . act of piracy (to achieve) a precise and concrete result." In short, it is regarded as a victory for terrorism and will only serve to encourage other acts of violence. If one set of demands is acceded to, further acts of terrorism accompanied by yet further demands will surely follow. As the Prime Minister of Israel Golda Meir stated this week in her appearance before the Consultative Assembly of the Council of Europe, "To give in when one life is endangered only endangers more. The answer is that terrorism must be wiped out. There can be no deals with terrorists."

At this point in the RECORD, I would like to insert a copy of an editorial that appeared in the Washington Post of October 3 which clearly points out why Mr. Kreisky's decision was so ill-advised:

AUSTRIA CAVES IN TO BLACKMAIL

Somehow—how could it happen without Soviet knowledge?—two Palestinians carrying machine guns and grenades last Friday boarded a train carrying Soviet Jewish emigrants to Austria. Once inside Austria, the pair grabbed three of the Jews and an Austrian customs official and demanded to leave the country with their captives. Astonishingly, the Austrian government apparently *volunteered*, in return for the hostages' release, to shut down the processing facility near Vienna through which some 70,000 Soviet Jews have passed to Israel in the past three years. This was an offer going far beyond the Palestinians' own aim, which apparently was only to dramatize their opposition to emigration to Israel.

What is at stake is not so much the emigration itself, since alternate routes and procedures can probably be found, but the concept of a state's sovereign responsibility for people staying lawfully and peacefully on its soil. Instead of protecting such people, Austria has yielded its authority to two wayward criminals. Israel's Prime Minister tried yesterday, without apparent success, to persuade Chancellor Kreisky to revoke his decision. It is not merely a propaganda victory for the Palestinians and an encouragement to further acts of terrorism, it is a heavy blow to the very purpose of government.

Whatever changes may be made in the emigration flow, one can only be appalled at the example of Austria's groveling. Mr. Kreisky says he does not wish neutral Austria to become "a secondary theater of the Middle East conflict," as though any unfolding on that scale could actually happen. He seems unconcerned that overnight his country should suffer the loss of the most meaningful element of its international position, its status as a humanitarian refuge. Reacting to home and foreign criticism, the Chancellor says stiffly that "the worst thing in this matter would be to put pressure on us." But to take offense at pressure applied for a cause of conscience, while bowing to the pressure of terrorism, is a bald inconsistency. He says that persons with individual visas will still be allowed free transit through Austria; the

Russians release Jews only in groups and do not give them individual visas. He claims to have acted to ensure the safety of emigrants at the 420-acre Schonau Castle facility, but emigrants have been processed safely there and their safety will obviously be more difficult to guarantee if they are forced into public facilities in Vienna itself.

We trust Austria will find the dignity to set Mr. Kreisky's decision aside.

IS THE NEA INTERESTED IN EDUCATION OR JUST RAW POLITICAL POWER?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. HUBER. Mr. Speaker, some time ago I received in my office a press release from the National Education Association announcing that Dr. Helen D. Wise had assumed the presidency of the NEA. It is interesting to me to note the militant tone of the release and the absence of any concern for our children and their education. Aside from the purely biographical material, the news item reeks with seeking of political power, and this at a time when we are graduating thousands of semi-illiterates from our high schools across the Nation who cannot read, spell, or do simple mathematical calculations well enough to function effectively in our society. The partial text of the press release follows:

PENNSYLVANIA TEACHER BECOMES HEAD OF NATIONAL EDUCATION ASSOCIATION

WASHINGTON, D.C., July 6.—Dr. Helen D. Wise of State College, Pa., a junior high school social studies teacher, has assumed the presidency of the 1.3 million-member National Education Association, the nation's largest professional group.

Dr. Wise took office immediately following the NEA's annual convention, which met here in Portland, Ore., June 29–July 6.

Her election as vice president (president-elect) in 1972 broke a tradition reaching back more than a half century. Since 1917, it had been NEA custom for men and women to serve alternately as presidents. She succeeded Mrs. Catharine Barrett, a Syracuse, N.Y., classroom teacher, to the presidency.

Dr. Wise favors a single independent teacher activist organization free to cooperate with other bodies and other employee organizations in areas of common interest and concern.

"I believe teacher organizations are strong enough and effective enough that they can be free to endorse positions, lobby governments, and win their own unique battle independent of affiliation with unions or any other organizations," she says. "We must have the freedom to work for the best interests of education."

Dr. Wise advocates deeper teacher involvement in three areas: political action, legislation, and collective bargaining. She developed her reputation as a leader by organizing statewide teacher campaigns in Pennsylvania. In 1968 she led a demonstration of 20,000 teachers to the steps of the State Capitol in Harrisburg to win salary appropriations. In the following year, as president of the 95,000-member Pennsylvania State Education Association, she organized a massive statewide campaign to achieve a public employee bargaining law. Her leadership resulted in the formation of the Pennsylvania Political Action Committee for Education (PACE), of which she is a charter founder.

The 44-year-old educator has long been active in grass-roots campaigns to elect friends of education to political office. During the 1972 campaign, as NEA members exerted unprecedented influence in senatorial and congressional races, she declared "there never again will be a national election where teachers can't be a controlling force."

Among her priorities as president will be urging passage of a federal collective bargaining law for public employees, which she sees as a right essential to first class citizenship for all teachers. She also recommends an increase in the federal share of the total public school dollar.

Dr. Wise believes teachers are the only group that can reverse the present trend in society to deny equal education opportunity to minorities and other disadvantaged. "I think it's absolutely imperative that the NEA become the vehicle to wake up America," she says concerning the educational, social, political, and moral problems facing the nation and the world.

In 1971–72 she was president of the National Council of State Education Associations, an organization representing officers and executors in NEA's state affiliates.

The Pennsylvania educator in 1971 and 1972 helped plan and was a delegate to the NEA Constitutional Convention, the first in the association's history. She has been a member of the NEA Women's Caucus and the NEA Political Action Committee's Steering Committee.

Dr. Wise began her teaching career 23 years ago in Unionville-Chadds Ford District, Chester County, Pa. She taught in State College for 14 years (until elected NEA vice president in 1972), taking a leading role with teams that developed and implemented English and social studies programs for slow learners. In 1965 she was also an instructor in secondary education at Pennsylvania State University.

One of Pennsylvania's first negotiated agreements between a local teachers association and a school board was achieved while she was salary chairman for the State College Area Education Association.

MENOMINEE RESTORATION ACT

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FROEHLICH. Mr. Speaker, last week the Interior Committee unanimously approved an amended version of my bill, H.R. 7421, the Menominee Restoration Act.

Through the leadership of LLOYD MEEDS, of Washington, the able chairman of the Indian Affairs Subcommittee, the Interior Committee agreed to the introduction of a "clean" bill. I am very grateful to the committee and to Mr. MEEDS for their extraordinary courtesy in permitting me to serve as the principal sponsor of this new bill.

Today, then, I have the privilege of introducing this new bill and two companion bills with Congressman MEEDS, Congressman DAVID OBEY, and 50 other cosponsors. These cosponsors include many distinguished members of the Interior Committee and every cosponsor of my original bill, H.R. 7421 and H.R. 9078.

Mr. Speaker, Menominee restoration has made remarkable progress in this Congress. Certainly, much of the credit for this belongs to Ada Deer, who has worked tirelessly and effectively as the champion of Menominee restoration.

I also want to say "thank you" for the magnificent cooperation, assistance, and support I have received from the Members whose names are attached to these bills. They have made this progress possible through an uncommonly fine bipartisan effort to secure justice.

We can restore the Menominee Tribe to federally recognized status within the next few months if we keep our minds on ultimate objectives and if we treat all affected interests fairly and responsibly.

That has been my goal from the beginning.

The text follows:

H.R. 10717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Menominee Restoration Act.

SEC. 2. For the purposes of this Act—

(1) The term "tribe" means the Menominee Indian Tribe of Wisconsin.

(2) The term "Secretary" means the Secretary of the Interior.

(3) The term "Menominee Restoration Committee" means that committee of nine Menominee Indians who shall be elected at a general council meeting called by the Secretary pursuant to section 4(a) of this Act.

SEC. 3. (a) Notwithstanding the provisions of the Act of June 17, 1954 (68 Stat. 250; 25 U.S.C. 891–902), as amended, or any other law, Federal recognition is hereby extended to the Menominee Indian Tribe of Wisconsin and the provisions of the Act of June 18, 1934 (48 Stat. 984; 25 U.S.C. 461 et seq.), as amended, are made applicable to it.

(b) The Act of June 17, 1954 (68 Stat. 250; 25 U.S.C. 891–902), as amended, is hereby repealed and there are hereby reinstated all rights and privileges of the tribe or its members under Federal treaty, statute, or otherwise which may have been diminished or lost pursuant to such Act.

(c) Nothing contained in this Act shall diminish any rights or privileges enjoyed by the tribe or its members now or prior to June 17, 1954, under Federal treaty, statute, or otherwise, which are not inconsistent with the provisions of this Act.

(d) Nothing contained in this Act shall alter any property rights or obligations, any contractual rights or obligations, including existing fishing rights, or any obligations for taxes already levied.

(e) In providing to the tribe such services to which it may be entitled upon its recognition pursuant to subsection (a) of this section, the Secretary of the Interior and the Secretary of Health, Education, and Welfare, as appropriate, are authorized from funds appropriated pursuant to the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), the Act of August 5, 1954 (68 Stat. 674), as amended, or any other Act authorizing appropriations for the administration of Indian affairs, upon the request of the tribe and subject to such terms and conditions as may be mutually agreed to, to make grants and contract to make grants which will accomplish the general purposes for which the funds were appropriated.

SEC. 4. (a) Within thirty days after the enactment of this Act, the Secretary shall announce the date of a general council meeting of the tribe to nominate candidates for election to the Menominee Restoration Committee. Such general council meeting shall be held within ninety days of the date of enactment of this Act. Within sixty days of the general council meeting provided for herein, the Secretary shall hold an election by secret ballot, absentee balloting to be permitted, to elect the membership of the Menominee Restoration Committee from among the nominees submitted to him from the general council meeting provided for herein. The ballots shall provide for write-in votes. The Secretary shall approve the Menominee Restoration Committee elected pursuant to this section if he is satisfied that the requirements of this section relating to the nominating and election process have been met. The Menominee Restoration Committee shall represent the Menominee people in the implementation of this Act and shall have no powers other than those given to it in accordance with this Act.

(b) In the absence of a completed tribal roll prepared pursuant to subsection (c) hereof and solely for the purposes of the general council meeting and the election provided for in subsection (a) hereof, all living persons on the final roll of the tribe published under section 3 of the Act of June 17, 1954 (25 U.S.C. 893) and all descendants, who are at least 18 years of age and who possess at least one-quarter degree of Menominee Indian blood, of persons on such roll shall be entitled to attend, participate, and vote at such general council meeting and such election. Verification of descendancy, age and blood quantum shall be made upon oath before the Secretary or his authorized representative and his determination thereon shall be conclusive and final. The Secretary shall assure that adequate notice of such meeting and election shall be provided eligible voters.

(c) The membership roll of the tribe which was closed as of June 17, 1954, is hereby declared open. The Menominee Restoration Committee, under contract with the Secretary, shall proceed to make current the roll in accordance with the terms of this Act. The names of all enrollees who are deceased as of the date of enactment of this Act shall be stricken. The names of any descendants of an enrollee shall be added to the roll provided such descendant possesses at least one-quarter degree Menominee Indian blood. Upon installation of elected constitutional officers of the tribe, the Secretary and the Menominee Restoration Committee shall deliver their records, files, and any other material relating to enrollment matters to the tribal governing body. All further work in bringing and maintaining current the tribal roll shall be performed in such manner as may be prescribed in accordance with the tribal governing documents. Until responsibility for the tribal roll is assumed by the tribal governing body, appeals from the omission or inclusion of any name upon the tribal roll shall lie with the Secretary and his determination thereon shall be final. The Secretary shall make the final determination of each such appeal within ninety days after an appeal is initiated; *Provided,* That the time for making a final determination may be extended by mutual agreement of the Secretary and the Appellant.

SEC. 5. (a) Upon request from the Menominee Restoration Committee, the Secretary shall conduct an election by secret ballot, pursuant to the provisions of the Act of June 18, 1934, as amended, for the purpose of determining the tribe's constitution and bylaws. The election shall be held within one hundred and eighty days after enactment of this Act.

(b) The Menominee Restoration Committee shall distribute to all enrolled persons who are entitled to vote in the election, at least thirty days before the election, a copy of the constitution and bylaws as drafted by the Menominee Restoration Committee which will be presented at the election, along with a brief impartial description of the constitution and bylaws. The Menominee Restoration Committee shall freely consult with persons entitled to vote in the election concerning the text and description of the constitution and bylaws. Such consultation shall not be carried on within fifty feet of the polling places on the date of the election.

(c) Within one hundred and twenty days after the tribe adopts a constitution and bylaws, the Menominee Restoration Committee shall conduct an election by secret ballot for the purpose of determining the individuals who will serve as tribal officials provided in the tribal constitution and bylaws. For the purpose of this initial election and notwithstanding any provision in the tribal constitution and bylaws to the contrary, absentee balloting shall be permitted and all tribal members who are 18 years of age or over shall be entitled to vote in the election. All further elections of tribal officers shall be as provided in the tribal constitution and bylaws and ordinances adopted thereunder.

(d) In any election held pursuant to subsections (a) and (c) of this section, the vote of a majority of those actually voting shall be necessary and sufficient to effectuate the adoption of a tribal constitution and bylaws and the initial election of the tribe's governing body, so long as, in each such election, the total vote cast is at least 30 per centum of those entitled to vote.

SEC. 6(a) The Secretary shall negotiate with the elected members of the Menominee Common Stock and Voting Trust and the Board of Directors of Menominee Enterprises, Incorporated, or their authorized representatives, to develop a plan for the assumption of the assets of the corporation.

(b) The Secretary shall, subject to the terms and conditions of the plan negotiated pursuant to subsection (a) of this section, accept the assets (excluding any real property not located in or adjacent to the territory constituting, on the effective date of this Act, the County of Menominee, Wisconsin) of Menominee Enterprises, Incorporated, but only if transferred to him by the Board of Directors of Menominee Enterprises, Incorporated, subject to the approval of the shareholders as required by the laws of Wisconsin. Such assets shall be subject to all valid existing rights, including, but not limited to, liens, outstanding taxes (local, State, and Federal), mortgages, outstanding corporate indebtedness of all types, and any other obligation. The land and other assets transferred to the Secretary pursuant to this subsection shall be subject to foreclosure or sale pursuant to the terms of any valid existing obligation in accordance with the laws of the State of Wisconsin. Subject to the conditions imposed by this section, the land transferred shall be taken in the name of the United States in trust for the tribe and shall be their reservation. The transfer of assets authorized by this section shall be exempt from all local, State, and Federal taxation. All assets transferred under this section shall, as of the date of transfer, be exempt from all local, State, and Federal taxation.

(c) The Secretary shall accept the real property (excluding any real property not located in or adjacent to the territory constituting, on the effective date of this Act, the County of Menominee, Wisconsin) of members of the Menominee Tribe, but only if transferred to him by the Menominee owner or owners. Such property shall be subject to all valid existing rights including, but not limited to, liens, outstanding taxes (local, State, and Federal), mortgages, and any other obligations. The land transferred to the Secretary pursuant to this subsection shall be subject to foreclosure or sale pursuant to the terms of any valid existing obligation in accordance with the laws of the State of Wisconsin. Subject to the conditions imposed by this subsection, the land transferred shall be taken in the name of the United States in trust for the Menominee Tribe of Wisconsin and shall be part of their reservation. The transfer of assets authorized by this section shall be exempt from all local, State, and Federal taxation. All assets transferred under this section shall, as of the date of transfer, be exempt from all local, State, and Federal taxation.

(d) The Secretary and the Menominee Restoration Committee shall consult with appropriate State and local government officials to assure that the provision of necessary governmental services is not impaired as a result of the transfer of assets provided for in this section.

(e) For the purpose of implementing subsection (d), the State of Wisconsin may establish such local government bodies, political subdivisions, and service arrangements as will best provide the State or local government services required by the people in the territory constituting, on the effective date of this Act, the County of Menominee.

SEC. 7. The Secretary is hereby authorized to make such rules and regulations as are necessary to carry out the provisions of this Act.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SOCIALIZED MEDICINE: THE WAITING LISTS ARE LONG

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. CRANE. Mr. Speaker, there is much discussion at this time of the need to substitute a system of Government-financed and Government-controlled medicine for our present system of private medical practice.

Those who urge socialized medicine for our country seem not to be aware of its record of failure in those countries in which it has been instituted.

In his important book, "The Case for American Medicine," New York Times correspondent Harry Schwartz urges those who would like to substitute a system of socialized medicine for our current system of private practice to take a careful look at countries such as Great Britain and Sweden.

While visiting in Stockholm, the author was told:

> Don't get sick in Sweden. You have never seen such impersonal care and such long waits in your life. Every time you go to the clinic, you see a different doctor. And if you're hospitalized and are seen by a physician three times in one day, it will almost certainly be three different doctors.

The experience in socialized systems shows clearly that increasing demand by making medical care a "free" commodity simply makes it impossible to obtain for those really in need—and dramatically increases the real cost, expressed in higher taxes, as well.

In a recent article, the German newspaper, Bremer Nachrichten, discusses the long waiting lists for surgery in the semi-socialist medical system of West Germany. The paper notes:

> Patients needing complex surgery are often forced to wait a matter of months or years.

Many large hospitals have drawn up waiting lists. Heart operations involving the use of heart and lung machines, kidney transplants, tonsillectomies and fitting of false joints are often subject to long delays.

Waiting lists of up to 6 months are looked upon as "almost normal" at large hospitals in Baden-Württemberg, the paper reported. In Hamburg, for example, there is a waiting list of about 1,000 for operations involving the use of the city's only heart and lung machine. One hospital in Stuttgart has a 2½-year waiting list for patients requiring an artificial joint and in Dortmund the delay can be as long as 3 years.

The United States, without Government interference in medicine, has a surplus of hospital beds, many of which are now empty. There are no long waiting periods for necessary operations.

Before we see fit to alter what is probably the most effective and efficient medical system in the world we should carefully examine the experiences of other countries.

I wish to share with my colleagues the following article, which appeared in the West German newspaper, Bremer Nachrichten of August 15, 1973, and insert it into the Record at this time:

Waiting Lists for Patients in Need of Complex Surgery

Patients needing complex surgery are often forced to wait a matter of months or years. Many large hospitals have drawn up waiting lists. Heart operations involving the use of heart and lung machines, kidney transplants, tonsillectomies and the fitting of false joints are often subject to long delays.

Waiting lists of up to six months are looked upon as "almost normal" at large hospitals in Baden-Württemberg. But all hospitals and health departments covered by a survey conducted by the press agency *dpa* stressed that urgent cases could be operated upon at once.

In Hamburg alone there is a waiting list of about one thousand for operations involving the use of the city's only heart and lung machine. An extension to the intensive care unit of the University Hospital's heart surgery department has enabled doctors to increase their capacity to eight operations a week or some four hundred a year.

Heart patients in Hanover only have to wait the relatively short period of four months. But the city's Medical College fears a deterioration of the current situation and waiting lists of a year or more. Patients in Bavaria have to wait anything up to twelve months before any operation involving a heart and lung machine.

Patients requiring an artificial joint, often a hip, are far worse off than heart patients in most Federal states. Though their complaints do not involve any threat to life, they are usually painful.

One hospital in Stuttgart has a two and a half year waiting list for these patients. Five hundred persons a year can have artificial hips fitted in Erlangen but there are still 1,500 patients waiting for this operation. Nuremberg's Wichernhaus clinic has 225 beds but 3,500 orthopaedic patients on its waiting list.

The situation is not much better in other Federal states. Patients in the Saar have to wait anything up to two years for an artificial hip. In Dortmund the delay can be as long as three years.

Professor Schöller of Münster Orthopaedic Clinic believes that children with hip damage or club-feet could suffer permanent damage later in life as a result of these delays. Hanover Medical College has a waiting list of over one year and now refuses to add any more patients to it.

Hamburg's health department claims that the patients themselves cannot be completely freed from blame. "Patients needlessly accept delays of up to four years in order to consult a specific specialist," a spokesman commented.

The number of patients waiting for an operation at the city's St. Georg hospital is estimated to total several hundred. But hip operations are conducted immediately at another of the city's hospitals, the spokesman added.

Waiting lists do not only exist for complicated operations. There are also delays in taking out tonsils in some large hospitals. Patients at Berlin's Steglitz Clinic are forced to wait eight weeks, those in Breman anything up to four months.

Ear, nose and throat operations at University hospitals in the Saar are booked out for the whole of 1973. Patients requiring an operation against squinting have to wait eight weeks in Berlin.

The long waiting lists for operations are due to the shortage of staff, beds and, at some hospitals. appropriate technical equipment. In Schleswig-Holstein for instance there are too few beds. Medical facilities in Essen cannot be fully utilised because of the shortage of personnel. Erlangen University Hospital could conduct more heart operations if it had more nurses.

The kidney transplant situation is a little different. Patients with serious kidney complaints have to wait anything up to three years for a transplant in Hanover and are kept alive during this period by an artificial kidney machine. Doctors claim that there would be no delay if only there were enough people willing to donate their kidneys after their death.

REPRESENTATIVE HEINZ ON THE ENVIRONMENT

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BIESTER. Mr. Speaker, we are discovering the really tough decisions which must be made when we, collectively as a Nation, ask ourselves the question "What kind of environment do we want to live in and what kind of economic development do we want to realize?" For too long we were content to sacrifice the quality of our environment for what we at the time considered the greater good of prosperous economic growth. The shortcuts we took to achieve this were often, directly and indirectly, at the expense of the environment. In transportation, energy consumption, water and air quality standards and land management our personal convenience and pleasure took precedence over environmental realities. Long-range ramifications and implications were lost in considerations of the moment.

Over the past several years, however, as a result of heightened public awareness and governmental concern, Congress has responded strongly and positively to correct past abuses. Some contend we have gone too far and have overreacted beyond what is necessary to maintain both a quality environment and a healthy economy. Strong pressures, many of which are evolving from the energy crunch, are currently being felt to evaluate just where we stand on the environmental-economic progress dilemma and where we are going and how we can best get there.

Recently the gentleman from Pennsylvania (Mr. Heinz) tackled this controversial problem in a speech before the Delaware Valley Regional Transportation Conference. Because his remarks offer an objective evaluation of this question and very perceptively, I think, caution against the inherent fragility of public support for strong environmental efforts which, if lost, can have the most serious negative consequences for what has already been done to protect and enhance the environment, I insert in the Record his remarks before the conference and commend them to the attention of my colleagues.

The remarks follow:

Keynote Address to Fourth Annual Delaware Valley Transportation Conference

(By Hon. H. John Heinz III)

Listening to Thatcher Longstreth is a lesson in logical presentation and articulate delivery. It's quite a challenge, and it is a particular pleasure for me to join you here today at the outset of your conference on transportation, the environment and related issues, and I sincerely salute the greater Philadelphia Chamber of Commerce and the Penjerdel Corporation for their leadership in hosting and organizing this timely forum.

The timeliness is best conveyed by the fact that EPA is, at this very moment, receiving and analyzing comments on the Philadelphia and Pittsburgh transportation control strategies proposed in June. It is perhaps coincidence, but yesterday the Public Health and Environment Committee, on which I serve, initiated two weeks of morning and afternoon hearings on the very law that mandates these same transportation control strategies, namely the Clean Air Act.

In this round of Congressional hearings my committee will study every aspect (we hope) of (1) how the Act has affected the apparent energy shortage; (2) whether the Ambient Air Quality standards promulgated by EPA adequately protect the public's health; (3) to what extent the new emission standards for motor vehicles controlling Carbon Monoxide, Nitrogen Oxides, Hydrocarbons and photo chemical smog, are realistic and necessary; (4) whether the transportation control plans I mentioned earlier are unfair, unworkable or intolerable, and (5 and last) how each state's implementation plans to control Sulfur Oxides and Particulate matter from stationary sources may be expected to do the job and at what cost of dollars, jobs and resources to the people of this nation. In other action, the House passed last Thursday the AMTRAK Bill, the full Commerce Committee will soon be marking up the Penn Central/Northeastern Railroad Crisis Legislation, at this very moment, DOT is writing regulations for the new $20 billion highway and transit bill.

Perhaps I should somewhat warn you. Congress, especially our committees, and the public we serve often remind me, respectively, of the chicken and pig who are walking down the street together. "My!" says the chicken looking up at an enormous billboard of a breakfast table featuring a close-up of piping-hot fried eggs and bacon. "Isn't that a beautiful sight. I played my part in laying those good looking eggs. It's truly gratifying to me to be able to participate in giving human beings such a cheerful, nutritious, attractive breakfast. I'm really proud of my participation. Doesn't it make you feel good too?

The pig thought this over. "Yes" said the pig, "but just remember . . . What for *you* is participation for *me* is commitment."

Well I do hope and expect that my health committee will do more than merely participate. And based on the schedule of additional hearings this fall, winter and spring, I think it is safe to say we are involved and share the commitment of yourselves and the people of Southeastern Pennsylvania to achieving clean and healthy environment without committing economic or social hari-kari.

But I am equally sure this will be no easy task. Based on yesterday's testimony by EPA's Acting Administrator, John Quarles, and others I fear that new research now underway will probably show that current clean air standards have a lower margin of safety for human health than was previously believed.

At a time when both Philadelphia and Pittsburgh are subject to controversial transportation control strategies, this is bad news indeed.

This means that we could well be facing a tightening of standards within the next three years. Specifically it probably means implementing tougher standards on some of the six air pollutants now controlled by the EPA, and, adding additional pollutants to the list such as fine particulates and certain other cancer causing substances recently identified as dangerous products of combustion.

My prediction of additional pollution controls is based on a definite and observable trend in the government sponsored research used to determine the threshold level for the aggravation or risk of disease. Although for the most part up to now present EPA standards, both long and short term, have allowed for at least a small margin of safety, the alarming fact is that, almost without exception, each new epidemiological, clinical or toxicological study has provided evidence for the further reduction in pollutant exposures.

In response to my questioning EPA conceded that they felt they would continue to lower these estimates of "threshold levels" because they expect research now in the field to show greater risks from pollutants than previously expected. Additionally, EPA candidly stated that existing safety factors were substantially less than those now existing for atomic radiation and pesticides.

If my analysis is correct, there's little doubt we're in a race between improved technology to clean the air and the necessity of more stringent air pollution standards to protect public health. Only gains in technology will prevent lost jobs and unaffordable costs, and I strongly feel that government, industry and environmentalists must work together to see that technology does not lose the race.

I suppose some might say that we are just cleaning up the air for political sex appeal. But, although environmental protection advocates have gotten many a good headline, this isn't an accurate reflection. In particular, it's important to remember that the primary air quality standards established by the agency are set at a level to prevent adverse health effects from the pollutants in dirty air. Such "adverse effects" include the aggravation of asthma, heart and lung disease, as well as actually causing or increasing susceptibility to illness ranging from the common cold to bronchitis, emphysema, birth defects and cancer, among others. EPA must act to prevent public health hazards because the law written by Congress gives EPA no choice. If the people don't want air quality laws to protect the Nation's health, then we in Congress, of course, will be obliged to rewrite the Clean Air Act.

Let me return to the technology question. The race between technology and the environment represents a conflict that has always potentially existed between the public welfare and unfettered economic growth.

Only a few decades ago many believed industry had an unlimited right to exploit the factory worker, the farm hand or the coal miner. Many still believe in the unlimited freedom to exploit this or any nation's material natural resources. Still more of us have grown up believing, perhaps correctly, that the competitive drive for economic growth is the cornerstone of our wealth as a nation, the strength of our commerce and industry, and the foundation for an improved standard of living. And probably most people accept as legitimate and desirable the role of our nation as an essential worldwide supplier and purchaser of internationally traded goods and services upon who a stable world economy absolutely depends.

At the same time, in developing our economy along these lines, we have created tremendous momentum to consume vast quantities of petroleum, coal, cement, iron ore, chemicals, water and land, to name only a few essential natural resources. Much as with the trend in EPA air pollution research on health effects, scientific discovery has furthered the growing recognition that we inhabit a relatively closed ecological system called "spaceship earth".

I personally believe that the environmental laws—NEPA, Pesticide Control, the Air and Water Pollution Acts—are necessary, conceptually sound and generally fair even if not entirely without fault.

Perhaps the most dangerous fault in implementation is our inability to predict the hidden costs of environmental clean up. The cost of dislocated industry and lost jobs is particularly hard to assess and even more difficult to bear. Moreover, public support for clean air and water can be lost by decisions that will cost Americans their jobs or make it impossible for them to get work if we are heedless of all the consequences of environmental protection.

Such action could turn today's supportive public sentiment into distrust, opposition and apathy, and I believe this would be a national tragedy for every American. In just a few months we could lose all the work of a decade in making the environment safer and cleaner. Optimistically this is a disaster I hope we can avoid through sponsored research aimed at controlling pollution effectively and at a reasonable cost, and by fiscal incentives to the public and industry, for example, to encourage recycling, substitution or the investment in process alternatives that use less clean fuels and/or pollute less.

I recently sent a questionnaire to all my constituents in the 18th Congressional District. The responses—20,000 were quite remarkable. Two questions and part of a third dealt with the energy crisis and/or the environment. A total of 75% said the government should enforce conservation measures, even if it meant limiting travel. 55% said they are willing to pay more if products can be made and used virtually pollution-free. These answers, plus the 65% who felt the government should spend more on environmental protection, clearly reveal a dedication to a cleaner environment. It also reveals, at least on paper, that most people are willing to put their money where their mouth is to achieve it. I must comment, however, that as reassuring as these figures might be, we are all guilty of underestimating the true cost to us as individuals in achieving a cleaner environment.

Notwithstanding my constituents' responses I would expect a considerable and justifiable public outcry in response to the EPA's transportation control strategies originally published for Pittsburgh and Philadelphia earlier this year if they were implemented as is. The plans to control vehicle miles traveled need considerable improvement from the original before the public should accept them, and it is my understanding that a successful resolution meeting state and local needs as well as federal requirements is a strong possibility. It is fortunate that the magnitude of Pennsylvania's problem is modest and manageable. The proposals for rationing gas in Los Angeles would clean the air by killing the economy of an entire region.

Fortunately for many areas of the country the increased numbers of cars with better pollution control devices will reduce variances from air quality standards over the next few years. At the present time we are paying a considerable fuel penalty for auto emission controls averaging at least 10% and going as high as 30% or more in the case of the bigger and heavier models. As our nation approaches an apparent energy shortage, we can ill afford to pay the penalty for any great length of time. The ultimate adoption of the catalytic converter will just about eliminate the fuel penalty caused by the 1973 car pollution controls. Moreover, based on recent statistics I expect that the fuel consumed by automobiles will be further minimized as more Americans turn to lighter, smaller models in response to increased world price for petroleum.

Obviously vital to any control of air pollution is a well conceived functioning system for mass transportation. However, since the American romance with the automobile is not yet over I cannot realistically foresee any overnight switch to public transit systems.

While any plan to get Americans to their jobs and shopping centers will still consider cars, there are important steps that we can take to increase the demand for mass transit in our large metropolitan areas. This means each area will have to do a more comprehensive and creative planning to develop appealing and truly multi-service mass transit concepts involving a balanced and possibly complex mix of steel wheel and transit rights-of-way, buses, minibuses and even taxi-type services. This will require more federal funds for capital expenditures and a greater state effort for operation and maintenance.

To this end many of us in Congress joined together to poke a hole, however modest, in the new $19.9 billion highway bill recently signed by President Nixon. While the $1.4 billion for communities which choose mass transit over highways may be somewhat modest when compared to the nearly $20 billion in the bill, the Act also adds $3 billion to increase to $4.1 billion the amount Congress has voted to spend on urban mass transit over the next three years. Even so, it is only fair to point out that the cost of constructing total systems in large metropolitan areas from scratch is absolutely enormous. As recent figures indicate just one area—which could be Washington or San Francisco—could completely drain the federal mass transit coffers.

As a result, the new so-called "transferability provision" which permits state and local government to transfer funds for unbuilt highway projects to mass transit is of unusual importance. This may be of great assistance to Pennsylvania, especially where we are not nearly so captive to the auto as many Western cities, for example. On the other hand, as experience with Pittsburgh's Early Action Mass Transit Program—Skybus—and our East Street Expressway (I–279) indicates, decisions that affect hundreds and thousands of people in every community are precarious at best unless government truly involves the public from the outset of the planning process. Failure to resolve potential public conflicts between transportation and the quality of life can lead to vast wastelands of condemned property . . . or obsolescent monuments to civic insensitivity. In Southwestern Pennsylvania we are facing both problems right now.

I won't be able to touch on all the aspects of what you or I face in planning for local and national transportation needs consistent with a healthy environment. Concentrating on the Clean Air Act as an example of the complex impact of just one federal law, as I have done, is probably a bit like making love to a skunk . . . I mean you didn't get all you want, but you got all you can stand!

Quite seriously, as all of us tackle the problems of mass transit, clean air, bankrupt railroads—and public confidence in our ability to do a good job in all this, your participation—or should I say commitment—in confronting these and other problems today and tomorrow are of enormous significance. It is through the frank and open discussions like these that your communities, state government and we in Washington obtain the absolutely necessary grist for the mill that produces—we hope—responsible public policy to solve the challenging question of moving our people, goods and services while protecting our environment for the health and welfare of this and generations to come.

Thank you.

UNNECESSARILY HIGH AUTO EMISSIONS STANDARDS

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. WYMAN. Mr. Speaker, evidence continues to mount that the automobile emissions standards mandated by the Clean Air Act of 1970 are predicated more on guesswork than on hard fact. It is clear that there is no need for 96 to 98 percent pollution-free engine exhausts, even in smog-ridden Los Angeles.

As pointed out in the following article from the September 28 Wall Street Journal, present automobile emissions standards, when fully effective, will be several times higher than what is required to safeguard public health. Only a fractional easing of those standards will avoid the need for costly and unreliable catalytic converters.

Before the individual car buyer is told to shell out $500 for unnecessary antipollution gadgetry, and the auto industry is forced to design engines which, in reduced gas mileage, will take most of the expected oil production from the Alaskan North Slope, it is imperative that emissions standards be closely reexamined. To continue with standards based on disproven "seat-of-the-pants" guesswork is to break faith with the constituents we are elected to serve.

I urge my colleagues on the Public Health and Environment Subcommittee upon completion of oversight hearings on the Clear Air Act to recommend a reduction of emissions standards to the level suggested by present knowledge as reflecting a reasonable balance between public health and economic necessity.

The article follows:

[From the Wall Street Journal, Aug. 28, 1973]

THE SCIENTIFIC METHOD

It's now almost a total certainty that Congress erred in setting the stringent auto emission standards of the 1970 Clean Air Act. And unless it amends the law this session, consumers will have to pay for the mistake for more than a decade.

There's no need for this, as testimony before the House subcommittee on public health and environment revealed last week. Perhaps the only completely independent and objective source that has studied the issue told the panel that the federal emission standards are tougher than necessary. Representing the National Academy of Sciences' Committee on Motor Vehicle Emissions, Prof. Arthur Stern of the University of North Carolina's School of Public Health testified:

"An emission limit for CO [carbon monoxide] approximately three times as high as that promulgated by EPA for 1975 vehicles would give assurance of not exceeding the 8-hour air-quality standard of 9 parts per million CO more than once a year."

And: "Present federal emission requirements of 0.41 grams per mile HC [hydrocarbons] and 0.4 g/mi NOX [oxides of nitrogen] seem more restrictive than need be by a factor of about three. . . . These conclusions suggest that the 90% reduction of CO and NOX specified in Sec. 202 of the Clean Air Act may be more than is required to meet the present national air quality standards for CO, NOX and oxidants."

These conclusions are hardly surprising. Congress picked those numbers without benefit of hearings and voted the act in the hectic closing days of 1970; the only remote scientific justification for the numbers rested on assumptions that have since been proven erroneous. From the first, California scientists and pollution experts who had set that state's emission standards argued that the federal standards represent an overkill.

Only a fractional easing of these standards would permit Detroit to avoid the costly and unproven catalyst approach, which involves fitting cannisters that either oxidize or reduce the three pollutants within the exhaust system instead of cleaning the emissions within the engine by more efficient burning of the fuel. By now, competition with Japan and each other is forcing the U.S. manufacturers into alternate systems that are cleaner and more efficient, systems that may quickly make catalysts obsolete. But unless the standards are eased now, before Detroit is locked into contracts and designs for next year's autos, catalysts will be installed on the 1975 models that go on sale in California late next summer as well as on selected models that are sold nationally.

Even if Congress next year recognized that the National Academy is correct about the numbers, it will by then be extraordinarily expensive to pull back from catalysts. The auto manufacturers and catalyst makers will already have invested hundreds of millions of dollars in the catalyst approach. The petroleum refiners will have spent large sums converting a portion of their capacity to unleaded fuel, because catalysts are destroyed by leaded gasoline. And 70% of the nation's service stations will have had to add pumps to supply unleaded gas if they don't already. At the very least, a midstream switch by Congress would leave the nation with hundreds of thousands of "orphan" autos, for which catalyst maintenance and unleaded gas will have to be supplied as long as they are on the road.

What is really at issue now is whether Congress, having been supplied with reliable analysis from the prestigious National Academy, can act on that information. The chief barrier is that Congress adopted the federal standards as an emotional commitment to the environment. Although they now have no scientific justification at all, they have achieved a symbolic life of their own; to adjust them to reality would be taken as a defeat by the environmentalists.

Senator Muskie is unhappy with catalysts, especially if car owners have to replace them every 25,000 miles at up to $150 a unit. But as author of the Clean Air Act he refuses to believe his numbers are unsupportable. He does his own scientific research by looking out the window. "As I returned from Maine to the Senate," he said recently, "I saw this dirty air mass covering the land, urban and rural areas alike, and darkening the sun."

Congress, though, can't make multibillion-dollar decisions by looking out the window. How will it explain the haze after every auto has a catalyst? Washington now has enough scientific assurance to feel safe in freezing the 1974 standards for a few years, at least until the National Academy can conduct a rigorous analysis of exactly what the air quality standards should be. Otherwise, it's likely the political scientists on Capitol Hill will have fathered an orphan technology and the American consumers will be stuck with the bill.

OUR NATION'S RELIGIOUS HERITAGE

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. MIZELL. Mr. Speaker, this Nation's religious heritage has always been its greatest source of strength, throughout our eventful and successful history.

Beck's Lutheran Church, in Lexington, N.C., has seen much of that history and contributed much to that heritage and that strength.

The church was founded in 1787, and it has survived wars and economic crises and every other hardship that Lexington and the Nation have endured.

This past summer, Beck's Lutheran Church held a special service for one of its special members, a gentleman who has seen his share of history as well.

He is Jacob Edward Young, and he is 100 years old, and he has some stories that I am sure my colleagues would be interested in.

Mr. Sam Eanes, a reporter for the Lexington Dispatch, has written an excellent article on Mr. Young, and I am inserting the text of the article in the RECORD for my colleagues' benefit and information.

The article follows:

OLD COUNTY CHURCH HONORS OLDEST MEMBER

(By Sam Eanes)

Although Columbus discovered America in 1492, and the Spaniards migrated here to conquer the native peoples of the West Indies, Mexico, Central America, Florida and eventually South America, it was almost 200 years until the English, German, French and Dutch came to the New World.

In the early part of the 17th Century the Thirty Years War in Germany and European religious persecution in general perhaps brought about hasty decisions on the part of oppressed people, who immediately began preparations to migrate to America.

These people consisted mainly of Germans (Reformed Religion), French Huguenots

(Reformed Religion), Dutch (Reformed Religion), Lutherans and Moravians.

For the most part, they migrated to Pennsylvania, South Carolina and eventually to the various settlements throughout the 13 colonies.

Some migrated in this area of North Carolina, thereby forming the nucleus of our present day populace—names such as Delap, Frey, Fritz, Myers, Zimmerman, Kuntz (Koontz, Koonts), Kuhn (Coon), Diel (Deal), Hartman, Hoffman, Klopp (Clapp), Miller, Syegrist (Sechriest), Jung (Young), Peck (Beck), Zink (Sink), Leonhardt (Leonard), Waltzer (Walser), and so on.

The influence of these people formed a nucleus which inspired the establishment and building of many churches in what is now Davidson County.

On November 5, 1767, the Dutch settlement on Abbotts Creek, consisting of Reformed and Lutheran converts, secured 53 acres of land and built a church that was used by both groups. A later split led to the formation of Beck's Lutheran Church, which today is located south of Lexington on the Beck's Church Road.

Sunday, July 15, the congregational members of Beck's Church, along with immediate family members and their friends, paid tribute and homage to its oldest living member.

They honored Jacob Edward Young, born July 16, 1873, with a special church service, including special songs by the choir, and a picnic lunch.

Young, born 100 years ago Monday, was the eldest son of John and Laura Lookabill Young.

His family, friends and the church members took part in a most deserving as well as appropriate celebration. To live to be 100 years old is a seldom accomplished feat, but to live an exemplary life for 100 years is indeed a most enviable accomplishment.

After the church service, everyone gathered for the lunch. A highlight of the day's events was the invocation presented by Rev. Roy Fisher, former pastor of Beck's Church and Young's longtime friend.

The tables were filled to capacity with food. Platters and dishes held a variety of delicious cakes, pies and cookies. Needless to say everyone participated with gusto, all the while greeting old friends, making new acquaintances and enjoying the fellowship as well as appreciating the gist of the affair.

Mr. Ed, as he is known to his many friends and acquaintances, said, "I have worked hard most of the years of my life (he was active until age 95). There were 10 of us children. I had four brothers, Fred, Joe, John and Thomas, who was named after Thomas Jefferson; and five sisters, Lucille, Carrie, Dora, Etta and Mary. Dora and me joined the church (Beck's Church) on the same day, don't recall the exact date, but I was 17 years old.

"We all worked hard; we had to make a living. In those days a nickel was big as a dollar today. Nobody had much money. Money was hard to come by. We spent all of our time farming the few acres of cleared land and then cleared new land. Huge trees stood all over the land and they had to be cut down and the stumps dug up. Work! That's all we knew.

"At age 25 I married Jennette Hedrick—that was in 1897 and I moved down here in 1898 (his old home place was on Young Road). We had five children, Homer, Lawrence and Frank. Two of my children died in their infancy.

"Me and my boys worked right hard here on these rocky hills. My wife did too. She cooked and sewed, cleaned house, looked after the chickens, milked the cows, and helped in the garden. She worked as hard as any of us.

"In 1913, while operating a power-driven saw, I accidently lost all four fingers on left hand. Things looked mighty bad for me. My children were small, yet the burden of keeping things going on the farm was left to them and my wife. The neighbors were good to come over and help them out. After several weeks I was able to help them with my right arm and good hand. In a way it was good training, as I've had to do everything without the help of my left hand.

"My three sons were of great help to me, helping on the farm, at the saw mill and all. Homer, my eldest son and me, owned and operated a saw mill that was powered by a steam engine. We fired the boiler with slabs."

The late Homer Young married the former Mintie Greer. From that union, Clifton and Reba (Mrs. Joe H. Miller) were born. Lawrence married the former Essie Barger. Their children are Eugene, Mary, Louise, Ruth and Sue. Frank married the former Pauline Beck and they have one son, Frank, Jr. Frank's second wife is the former Venia Bunting.

Young has 19 great-grandchildren and 3 great-great-grandchildren.

Mr. Ed gave the following answers to a series of questions.

Q. To what do you attribute your longevity?

A. "Hard work, regular habits and my faith in God."

Q. What was the most important event in your long and fruitful life?

A. "My marriage and the birth of my children."

Q. Who was the greatest American during the past 100 years?

A. "That is kind of hard to answer, but I'll say it was Theodore 'Teddy' Roosevelt."

Q. What is your opinion of our modern way of life?

A. "People are living too fast. They don't take the time to properly care for themselves and they have little or no time for anyone else. They waste money, especially our government—it throws away enough every day to operate the government for the whole year."

Q. What advice can you offer to the people, young and old?

A. "I'd rather not give any advice, as they wouldn't take it. They will just have to learn the hard way, as I did!"

Q. Did you ever drink whiskey, smoke or chew tobacco?

A. "Yes. I did all three. Smoked cigars, cigarettes and chewed tobacco, and on special occasions, such as fishing trips and political rallies, I drank whiskey. But I gave them all up some 40 years ago."

Q. How much education did you have and where did you attend school?

A. "A district school was built on the John Young property. It was a one-room school and we attended three months of each year. The teacher, Jim Hedrick, was paid $1 per day to teach. Alfred Beck taught for two or three terms and he later became a preacher. We were taught reading, writing, spelling and arithmetic. I got along pretty good except in fractions. I attended school from the time I was 10 years old until I was 16—in all about six sessions."

Q. What was the saddest happening during your life?

A. "The death of my wife in 1962, and the death of my son Homer."

Mr. Ed, a man still willing to come right out and state his views, complained about past local opposition to building a county hospital.

"If I had the money," he said, "I'd donate enough to build a 200-bed hospital, provided they would build it somewhere near the center of the county, anywhere on this side (south) of Abbotts Creek."

Until last year, Mr. Ed could get around very well with the aid of a walking stick, but more recently he has become immobile without the assistance of someone. His hearing ability has also weakened, but his mind is clear and alert and his health far exceeds all expectations.

Having known Mr. Ed and his family for the better part of 50 years, we know they are among the finest and most highly esteemed people in the county. Mr. and Mrs. Jacob Edward Young are two of God's chosen people, a Christian lady and a Christian gentleman.

On behalf of his friends, acquaintances and The Dispatch, we wish Mr. Ed many returns of the day. Hopefully, his start on his second century will be peaceful and pleasurable, free from illness and suffering.

GENERAL SERVICES ADMINISTRATION

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ROBISON of New York. Mr. Speaker, the July edition of "Government Executive" most appropriately contained an article on the "New Way" at the General Services Administration.

Highlighting the excellent stewardship of GSA by Art Sampson, the now permanent GSA Administrator, the article reflects the high quality of work being done by this often little recognized, but very important Government agency.

I am pleased to note the strong leadership and initiative so obvious in Administrator Sampson and so amply demonstrated in the article which I include in the RECORD for the benefit of my colleagues.

The article follows:

GSA: WHAT'S NEW IS REALLY NEW IN FEDERAL BUILDINGS

(By Samuel Stafford)

The location of Federal buildings in cities across the country, of course, has long been a prime example of pork barrel politics.

Decisions as to total cost, architecture, siting and other building factors for years have been made by local and national politicians playing footsie with favored downtown builders and land owners.

It has been a case of bad decision making, producing abominable results. Best example: U.S. Post Office buildings which have been poorly located in the cities they are supposed to serve and which often are either too large and lavishly equipped for the number of patrons they serve or are inadequate to handle the traffic efficiently.

Likewise, large Federal regional headquarters buildings often have been mislocated in cities from a standpoint of serving the public. A qualifier should be added: Highways, bridges, parking facilities and other forms of urban construction also have been mislocated, as hindsight has shown; but with Federal buildings, there seems less excuse for ignoring long-range planning considerations.

The Federal facilities traditionally have been located in a way that has given more weight to site acquisition, development costs and the desires of Federal agencies to build in certain locations than to the plans and needs of local areas.

Effect of such short-sighted policies has been dismal.

POLLUTION HAZARDS

A 1972 General Services Administration report on proceedings of an environmental conference on building construction notes that "the Federal Government has long provided a major stimulus for urban planning through its program requirements and financial incentives . . . these activities have created and furthered the planning process at other levels of government . . ."

However, the report continued that the Federal Government's exclusion of urban planning considerations in site selection has produced unhappy effects "which have become increasingly visible with site selections reinforcing urban sprawl, contributing to abandonment of old employment centers, supporting economic and social segregation and conflicting with local development objectives as expressed in comprehensive plans."

That conference, as noted, was in 1972. It signaled a new interest in socio-environmental aspects of Government construction by the GSA, the builder, owner and manager of all Federal facilities in the United States.

The impact of GSA policy decisions on both public and private construction throughout the country can not be overestimated. The GSA annually buys more than $2 billion worth of materials and is responsible for more than 10,000 Federally-owned or leased buildings. Every day across the country, some 1,500 Federal construction projects are in various stages of completion.

The decisions that are—or are not made—obviously have considerable effect on what in the broadest sense is labeled the urban "environment."

If a wrong site is chosen, the public users of the Government services suffer. If a poor site is chosen, a city's traffic and parking problems may be aggravated. The kind of paint selected for Federal offices may present a pollution hazard. The same is true of the type of fuel bought to heat a Federal building. Solid waste disposal is a growing problem.

During the past year, the debate over the "energy crisis" has heated up. The GSA now is exploring ways to conserve energy in its Federal buildings.

The entire scope of Federal architecture is under intensive investigation. Critics have long been critical of bureaucratic architecture, which they have felt was a mish-mash of uninspiring marble, concrete, glass and Greek columns.

The Nixon Administration recently convened a high-level Design Assembly attended by designers, architects and Federal administrators, with an eye to improving building design. There is some feeling among those familiar with Federal construction that the Nixon task force will concentrate too heavily on architectural esthetics and the preservation of historic landmarks, which, while important facets of the problem, do not deal with socio-environmental-energy conservation aspects of building.

The man in the middle of this relatively new movement to improve siting and design of Federal buildings is Arthur F. Sampson, administrator of the GSA.

Sampson, who came to GSA in 1969, played a key role in reforming management and budget operations of the state of Pennsylvania. He favors the word "excellence" in conversation. His reputation both in Pennsylvania and with the Federal Government has been that of an activist, a positive thinker, a doer, a man who brushes away obstacles in the way of getting things done.

Architects generally have been pleased about initiatives begun by Sampson and his predecessor, R. L. Kunzig.

Among other things, Sampson reduced a three-foot-high stack of regulations for public building architecture to a brief pamphlet. And Sampson also started an awards program to recognize superior designs. Awards have been given to the U.S. Tax Court design in Washington and a Federal correctional facility and parking facility in Chicago, among other projects.

The GSA under Sampson also has started to turn over landmark buildings the Federal Government doesn't need to local governments and has explored the possibility of including shops, restaurants, and other community facilities in U.S. office buildings.

Sampson, a Republican, has some reservations about the Administration task force's apparent tilt toward the choosing of designs by a blue-ribbon panel of architectural judges; to Sampson, final judgment should rest with the GSA, working with involved agencies as to their needs.

The GSA during the past six years has steadily gained policymaking influence in the Federal Establishment in agency management of Government procurement, paperwork handling and data processing and communications (see box).

The trends, to Sampson, have been "exciting." Among the substantive directional changes in Federal design and construction procedures:

The Public Buildings Amendments of 1972 gave GSA the authority for three years to have Federal buildings financed and built under a purchase contract method that looks to the private sector for capital, and the Act also created a Federal Buildings Fund into which all agencies pay a rental or user fee based on the space they occupy and the local market rate for comparable office space, said fund to be used for new construction, operation, maintenance, repair and protection;

"Value Engineering" has become a fact of life in contracting. Sampson describes it as "a methodology of having people take the time to create, record, evaluate and implement cost-saving ideas without reducing levels of quality . . . a proven technique that I received training in with industry when I was with the General Electric Corp. (early in his career), introduced in the state government in Pennsylvania and later brought with me when I came to GSA. It's a proven technique and one that can save a lot of Federal dollars."

EXECUTIVE ORDER

Life-cycle costing in which the emphasis is shifted from a traditional focus on initial costs to long-term costs of facilities and equipment. Says Sampson: "We're saying that sometimes you may have to pay a little more for the acquisition of a piece of equipment but over the lifespan of that equipment it may cost less for maintenance and replacement than it might cost if you saved money initially and bought cheaper equipment.

"Too often, we have put marginal equipment into buildings and the Government purchasers have never seen the individual parts of the equipment because it has come to us as a mechanical or electrical or structural system so nobody has had a chance to look at that little motor or that little fan or that insignificant piece of piping.

"Now, we're looking at these things and saying to the architect, 'You must put down two or three alternatives and compare those alternatives on a life-cycle cost basis and not on an initial acquisition cost basis.'

"For example, you may have a motor that's 30% efficient and you have to run it three times as long as you should to give you some heat or air conditioning. Well, let's get an efficient motor in it. You'll never get 100% efficiency but you can try for at least 85% efficiency."

Two of GSA's major thrusts these days are in the area of socio-environmental building considerations and energy conservation.

An environmental office has been set up in the Federal Buildings Service. And a new Federal building in Saginaw, Mich., will incorporate the latest advances in environmental technology. The considerable clout of GSA's purchasing power also is being brought to bear on the private sector in the application of effective waste disposal technologies, the purchase of biodegradable and recycled materials and other activities.

These trends were the direct result of the issuance of Executive Order 11512 by President Nixon on February 27, 1970. The order directed the GSA to amend its established procedures to give recognition to socio-economic and environmental considerations in agency site selection and applied to the planning, site acquisition, construction and management of Federal properties.

Formerly, the GSA had operated under Executive Order 11035, which focused more on an agency's mission than on the effect of construction of a certain type in a given area.

FEDERAL-LOCAL COOPERATION

To GSA officials, the location of an Internal Revenue Service automated data processing center in Fresno, Calif., is a good example of what can be done under Executive Order 11512.

The IRS had been looking for a site since 1968, but the project had been in limbo because of local conflicts. Local minority groups had seen racial implications in the removal of their area from site consideration.

After the executive order was issued, a team of local city employees began evaluating each site as to its physical, social and economic impact. They were aided by GSA specialists and private consultants.

The final location of the ADP center in east Fresno near the city's Mexican-American community was a compromise hammered out by the conflicting forces—minority groups, Federal officialdom, city government and downtown businessmen.

The GSA believes that the IRS site chosen under the new procedures is proof that Federal-local cooperation in site selection is not only possible, but also is beneficial to all involved parties.

Among other benefits of siting the IRS center in east Fresno: racial tensions in the city appear to have been reduced; land values in the area have been enhanced; more than 1,500 jobs have been opened up in a largely minority group area; and shopping facilities, bus service, roads and traffic control in the vicinity of the center have improved.

The GSA has stepped up its program of monitoring Federal buildings for pollution emissions and has included new pollution control equipment in its repair and improvement budget.

Last fall, the GSA began designing a building in Manchester, N.H., which will incorporate new concepts and techniques in energy conservation.

Sampson believes that the Nation faces a severe "energy problem" but that the much-discussed "energy crisis" has not arrived yet. He also thinks that environmentalists are going to have to tailor their demands to the realities of life "if this country is to survive."

CRISIS SYNDROME

"We have an abundance of energy sources," he said, "but we just haven't been able to tap them. I firmly believe that we're going to have to have a trans-Alaskan oil pipeline, all those nuclear power plants, and supertankers.

"There is admittedly a crisis syndrome in many areas of energy involvement. But I do not think we have reached the crisis stage in the building construction field. The onus should not be put on the construction industry.

"Nobody has shown me the extent to which office buildings contribute to the energy problem. Those statistics simply are not available and there's no reason why we should add millions of dollars to building costs to achieve drastically reduced energy levels when buildings represent less than 40% of the country's energy consumption

A DEGREE OF MODERATION

"There are those who want to turn buildings upside down or make them round or oblong to achieve certain environmental or energy conservation ends. They want to make the buildings so odd that the lifestyles of the people working in them would be drastically altered. But the people are not animals who can be manipulated this way.

"What I'm saying basically is that we have to approach this whole problem with a degree of moderation. We don't want to go overboard.

"We have found that we can save between 30 and 50% of our energy needs by some very simple design techniques within the current state of the art.

"In the past, nobody paid much attention to the way you faced a building in relationship to the sun and prevailing wind directions. We are now doing so. We are taking these factors into consideration in our site selections.

"There are techniques that can be used now for taking heat from the outside and storing it on the inside. You can save a great deal of energy through the storage of heat and cool air. You can recycle water. We don't have to be esoteric about it. The time may come when solar energy systems are feasible but that time hasn't come yet."

IMPATIENCE WITH INACTION

Meanwhile, as data is being amassed in the Manchester, N.H., experiment, the GSA has issued ukases to its regional supervisors to curb energy consumption through a variety of simple administrative edicts, such as (going back to Lyndon Johnson) turning off lights when offices are not in use, using timers to turn on and off air conditioners and other equipment, installing photo cells to control outside lighting, and using solar screens to reduce the heat gain from outside.

Sampson has brought his own quiet individual style of management to GSA. It has both bemused and fascinated his subordinates. Sampson habitually plays a fast set of tennis before coming to work. After arriving in his office, he changes from business suit to sport shirt and slacks, his usual working attire for the day. If he has to attend a high-level meeting or deal with important personages, he changes back into suit and tie. Otherwise, he is the most casually dressed agency head in Washington.

He fields phone calls like a sunbather brushing off flies. There is a problem with such and such, a caller explains. Never mind the problem, Sampson says, what is being done about it? Not much, the caller conveys. Well, take care of it, Sampson says, get off the dime and do something about it.

"The boss," said one Sampson aide, "wants results and he gets impatient when somebody tells him something can't be done."

This impatience with inaction, which some of Sampson's aides in the Pennsylvania government were familiar with, has filtered down through the ranks in GSA. Result: A bureaucracy that was mainly a sleepy caretaker of the Federal Government's physical properties 15 years ago is beginning to wake up.

For one thing, Federal buildings these days are being designed to meet needs of both the involved U.S. agencies and the local communities more than formerly was the case.

In the past, a Federal construction project took so long getting off the drawing boards that the finished facility often wound up poorly designed for the purposes for which it was intended. Sampson, Kunzig and their predecessors have worked diligently to cut the time lag.

"Historically," Sampson said, "we have been able to make a pretty accurate assessment of what we needed in a building. We could say that a certain building should be designed to house 2,000 employees whose mission was such and such.

"The trouble was that in the past our system for getting a building authorized, acquiring the site, getting it cleared, and getting the building designed and constructed was unwieldy. It often took from 5 to 10 years.

FEDERAL BUILDING FUND

"So the estimate you started with of 2,000 people doing certain things didn't make much sense 10 years later.

"We're more scientific about our estimating now. And our contracting procedures have been improved dramatically. We've reduced the cycle from 5 or 10 years to a two-year building time frame.

"What this means is that if we estimate that a building is supposed to go up for 2,000 people two years hence, the building is there within two years.

"One of the main changes has been the Federal building fund concept. We do not have to depend upon the appropriation process as much as before. We will have a pretty fixed amount of money each year coming in that will be used for the replacement of buildings.

"Now if you've got the funding, you can plan the building and get it constructed within the two-year time frame so the estimates will meet the needs pretty well."

He said, "We have also done a lot to make the interiors of our buildings more compatible with the needs of people working there. We've tried to eliminate the 'long gray line' of desks and arrange office space better and use more color.

"It is no secret that people produce more when they work in pleasant surroundings. And I'm not talking about just units of output—turning out 10 units instead of three. What I'm talking about is fashioning an environment in which people can think and be creative and have a positive attitude towards their work.

"So we are paying attention to the exteriors—to the landscaping, the parking and traffic situations, as well as to the interiors—the acoustics, the color schemes, the removal of partitions and so on.

"When administrations change, the thrust of Federal programs naturally undergoes severe changes. We, as the caretakers of the physical working facilities, have to be flexible. Some offices are wiped out and new offices are established.

"We now favor the idea of having offices with no partitions. If you want to change an office's function, you just shift a few movable pieces around. This is not only plan common sense, it is also economical."

"IT HAS TO HAPPEN"

Sampson talks a lot about "tradeoffs."

"Environmental and conservation considerations sometimes are opposing poles of an issue. We have been stressing fire safety and energy conservation. When you talk about fire safety you are talking about security. But putting in fire safety facilities may be contrary to such considerations as esthetics of a building's interior and the best design from a people point of view. We are trying to balance all these conflicting factors. Our experimental building program is an important part of this. But frankly, we do not yet know what our priorities should be."

Sampson has firm ideas about how the bureaucracy should be moved in order to make things happen.

"First of all," he said, "you've got to have a management team that is oriented to the idea of change.

"I spent a great deal of time recruiting and promoting the right kind of people—those who have open minds. And I constantly stress creativity.

"Once you get people oriented to the notion of change and innovation, the desired changes occur. You cannot order change or innovation; it has to happen. And it happens because the climate is right for it to happen.

"Now when you innovate, that doesn't make you a genius. There have always been a lot of good ideas around. The problem has been in finding out what they are and learning how to use them.

"Almost all the innovations we've made in construction have been around for years but they weren't being used by the Public Buildings Service. But they're being used today.

"It is human to resist change. But if you are going to get something done you have to organize. You have to convince your top management people that changes are necessary and possible."

Sampson said, "People are not hard to motivate. If you can convince them that what they are doing is *really* rewarding, they will work for you. People *do* have brains and strengths and they want to earn their pay. I think it all comes down to whether the top man can get the employees excited about what they are doing."

He is "very strong" for the Federal Civil Service system. Having said this, he adds, "I have found the bureaucracy at the Federal level far less flexible and much heavier than it is at the state level.

"The Civil Service system, to be frank about it, rewards mediocrity. It is pretty much a locked-in system. And this means that no manager who comes in is going to be able to change the direction of ongoing programs easily.

"The really crucial area is middle management—the people at the GS–11, 12, and 13 levels. And you've got to work at getting things done day in and day out.

"You can send down orders or suggestions about things that should be changed and when they come back to you, you find nothing's been changed.

"There are two things working here. One is that you have an institutionalized system that is resistant to change. And the other is that many Federal employees simply are not convinced that anybody at the top cares about what they are doing.

TO CONTRACT SUPERGRADES

"I'm very strongly in favor of the proposal that has come up now and then to put supergrades under contract. The Federal Government has always attracted good people. Most of them didn't stay. Why? Because the Government is woefully short of good managers, good leaders."

Sampson is not a modest man, although he tries very hard to be. Some Sampson-watchers dating back to his industry days and his Pennsylvania-government-reform period believe that he is every bit as good as he thinks he is. In every job he has ever held, they point out. Sampson moved the dolts off the dime and got things done.

His voice rises as he talks about managers who don't want to manage and supervisors who don't want to supervise.

"We have expanded five times the amount of training we give front-line supervisors since I came to GSA," he said.

"I don't say that this is any big deal and I don't want to seem critical of Federal administrators in the past. But it seems obvious to me that much of the problem of getting the bureaucracy moving involves the kind of supervisors you have.

"For years, we have appointed people to supervise 10 or 20 people who don't know a thing about supervising. And they spend their time shuffling papers, blowing smoke and satisfying the whims of *their* supervisors, never mind the primary missions of the agency.

"I think a lot of the supervisors in Federal agencies have long since given up. They don't think much is going to get done and they are just putting in their time without rocking the boat.

"Well, if some administrators want to just put in a period as overseers of a going concern that is fine. I don't. I want my supervisors to work with their subordinates and motivate them and I want things to happen. "If I didn't I'd be somewhere else.

INFLATION: THERE IS ONLY ONE CULPRIT

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. GOODLING. Mr. Speaker, inflation is considered to be our No. 1 domestic problem, because it destroys the purchasing power of the consumer's dollar. Inasmuch as this is so, it is in the public interest to eliminate, or at least control, inflation, and this raises the question how this best can be done.

An article dealing with a solution to this problem and written by Mr. Edwin A. Roberts, Jr., appeared in the June 2, 1973, issue of the National Observer. Because this is a timely and meaningful article, I submit it to the RECORD and commend it to the attention of my colleagues:

INFLATION: THERE'S ONLY ONE CULPRIT

(By Edwin A. Roberts, Jr.)

In an ideal society, as perceived by many worldly philosophers, prices will always be low and wages will always be high. So lovely is this vision it has mesmerized governments through the ages, and it has encouraged politicians and all too many economists to try their hands at tinkering, often with ruinous results.

The nation is now experiencing a worrisome period of inflation, and millions of Americans who ordinarily bother themselves little about great economic matters are audibly steamed by soaring prices, particularly prices of food and shelter.

This intense public interest in the dollar's diminishing value would be healthy (participatory democracy and all that) were it not for one grim fact of history: When it comes to inflation, nations and people never learn. Specifically, they never learn what is the only fundamental cause of inflation, and as a result they blame big business or unions or cattle growers or landlords or something awry in the linkage between supply and demand.

But only the Federal Government can cause inflation, no matter what all the other elements in the economy do or want to do. If the Government failed to increase the supply of money and credit beyond what was required by normal economic expansion, there could be no serious inflation.

Unfortunately, there are very many things the Federal Government wants to spend money on, and this desire is fueled by the various parts of the population that have their special fish to fry. Almost everybody wants to get a fist in the Federal coffers, so we must place the blame not only on the politicians but on ourselves.

There are so many demands for Federal money that there isn't nearly enough to go around, and in recent years the Government has been unwilling to reject enough of those demands so that revenues covered expenditures.

So the Government, no less than an improvident family, is forced to borrow to make up the difference. But when a family borrows money, that money is simply somebody else's invested savings so there is no change in the nation's money supply.

But when the Government borrows money, matters are quite different. Much of the borrowed amount is provided by lending institutions that simply open a credit account for the Government. And, without getting into the mechanics of the thing a result of this kind of borrowing is that the United States Bureau of Engraving winds up printing a lot of new dollar bills it would not have manufactured otherwise.

So gradually, but not very gradually, the amount of money in circulation increases. If you can get some of those extra dollars before everybody else realizes they're around (for instance, if you are a defense contractor that the Government pays first) you will find yourself materially better off because the prices you have to pay will not yet have been affected.

But soon enough the defense contractor's suppliers and employes will raise their prices and wage demands because they know the contractor has those new dollar bills with which to meet them. Because almost nobody sets the price of anything below the maximum he can get; a general rise in prices follows.

Look at it another way. If the Government refused to increase the money supply excessively, how could there be serious inflation? Business might like to raise its prices, but if its customers lacked the extra money to pay those prices, there is no way in the world those prices could stick. They would come back down. And fast.

The most aggressive labor leader might scream and threaten management for a big wage boost. He might even strike first and scream later. Whatever he did, there is no way he could win an excessive settlement. Management would know it could not pass on its higher labor costs to the consumer because the consumer lacked the extra money to pay the higher prices. Under those circumstances, the company could meet the union demands only if it was willing to go bankrupt.

If I were beginning a book, instead of ending a modest essay, it would be necessary to ring in everything from the "velocity of circulation" to tax philosophy, credit regulation, and even the nation's social values.

But there is only one point that needs to be made here. When serious price inflation occurs, the fault doesn't lie with business, unions, beef growers, retail stores, or landlords. The fault lies with the Federal Government. And when the Government attempts to control the consequences of its large borrowings by placing ceilings on wages and prices, we must realize the futility of the action. Controls do nothing but postpone the inevitable.

Inflation will cease to be a problem only when, through lower spending or higher taxes or both, the Federal Government operates within its means. There is nothing else that will stop inflation. Nothing, that is, except perhaps the economic disaster that historically afflicts a people who treat their money with contempt.

RARICK REPORTS TO HIS PEOPLE: TAXPAYER FINANCED POLITICAL CAMPAIGNS, THE NEW POLL TAX

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. RARICK. Mr. Speaker, an extensive debate is currently taking place not only here in Washington, but throughout the country. One question most often heard raised in an increasing number of circles is: Should tax dollars be used to finance political candidates?

There are currently 13 bills before the House of Representatives that deal with election campaigns and the funding of candidates' expenses. They deal with every aspect of election campaigns from reporting of contributions to setting up a special level of bureaucrats to oversee the activities of elected officials.

Clearly the mood of the Nation is one of reforming our electoral system. A recent opinion poll published in the local Washington papers indicated that a substantial majority of the 1,500 people interviewed favored public financing of political campaigns. Such a scheme is already being considered by Congress. If we assume that the results of the survey are correct, it leads one to wonder if the voters fully understand that public financing of campaigns means to them and what brought about such a reaction.

Probably the overriding factor causing this campaign financing issue to gain the prominence it has is the "Watergate syndrome." I mean by this a public backlash at the disclosures made through the Senate's investigation of Presidential campaign abuses. The reported millions of dollars of loose political money that floated around during that campaign and its use to influence or control the election has caused many Americans to question the very system of our electoral process. Is an entirely new system of financing political parties, and therefore elections, needed? This is a question presently being raised in Congress.

We are told by the opinionmakers in the mass media that politics has become a "rich man's game" and that "special interests"—that vague group supposedly controlling our elected officials—has moved the "little man" out of the picture. With the Watergate revelations daily confronting the TV viewer and the reader of newspapers, it is easy to accept this oversimplification and to actually believe that this is the true solution in political elections.

It should be remembered that the abuses attributed to Watergate, and all the things that the term has come to represent, came into being before the present campaign reporting system went into effect. Under the system now in force, campaign contributions over $100 are a matter of public record and available to any citizen who wishes to take the time to check. This certainly includes members of the news media. This hardly affords an opportunity for these "special interest groups," whomever they may be, to remain hidden from public view and scrutiny. Since the enactment by Congress of the current campaign reporting laws, there have been few, if any, of the fraudulent activities or the massive campaign fund accumulations such as those revealed in the Senate hearings.

It should be remembered too, that the very fact that the alleged abuses have been brought to public light is a result of the various checks and balances built into our system of government. Unfortunately, no matter how perfect a system is created by well-meaning officials, there will be individuals who will attempt to circumvent the law. When they do, they should be punished. We also have the system of laws to do this.

Public confidence in elected officials, is reportedly at an alltime low. We have seen public officials tried and convicted of abusing the public trust given them by the voters. But, to demand that elections be financed with money from the Public Treasury—tax money—is illogical and a politically dangerous situation. It would turn the entire electoral process over to those same politicians and to the bureaucrats they control. Now they would simply be manipulating elections with taxpayers money rather than voluntary contributions.

If, as the opinion makers would have us believe, politicians cannot be trusted to raise their own funds to finance their elections, how can anyone expect to correct financial abuses of politics by putting other politicians in charge of paying for political expenses out of the U.S. Treasury and out of the taxpayers' pockets?

I find it difficult to believe that the American people actually want public funds used to pay the costs of campaigning, as this poll would suggest. This type thing has been tried in a limited way through the checkoff system on the personal income tax form. Under this campaign financing method, you will recall, the individual taxpayer can indicate that he wants the Government to deduct $1 from his tax refund check to go to either national political party or to an independent party. This has proven unsuccessful, and there is no reason to believe that it would work in a more extensive manner. This income tax checkoff system is a failure largely because our people would rather donate their money or their time directly to the candidate of their choice. They do not want money being used to pay the expenses of the Presidential choice of the national party when the candidate does not represent their views.

But under various programs so far suggested, the taxpayers' money would go to the political party for distribution to candidates who agree to support the party's position. In recent years, we have seen a shifting from the old allegiances. A more independent American voter has emerged. There is a prevailing attitude among Americans today that the right to vote is also the right not to vote, if they feel that none of the candidates running deserve their vote.

If a federally subsidized system of elections became law, the Democrats, Republicans or Independents would not be the sole beneficiaries of taxpayers' money. In all probability, limitation of fund distribution to the major parties would be declared by the courts to be discriminatory against the various smaller parties representing divergent opinions in politics. It is logical to assume that when the money is divided by the bureaucrats in charge, a portion would be allocated to the Socialist Party, the Communist Party U.S.A., or any of a number of splinter groups who usually run candidates with views alien to the American general ideas.

Your money would go to pay for all the public relations and advertising gimmicks so popular in today's electioneering. Money for signs, newspapers, TV and radio advertisements, as well as buttons, bumper stickers and fingernail files would come directly from your taxes. While it may look like a windfall for those people in the public relations and advertising businesses and the advertising media, the Federal controls of the purse strings also brings Federal controls to the distribution and use of the funds.

When the Federal Government gets into the financing of elections, the "little man," who is supposed to benefit from these schemes, can expect to be even further removed from the electoral process. The volunteer worker, who has always been the backbone of any campaign in the past, would no longer feel the need to get involved. After all, he has supported all candidates in the election with his tax money. The so-called "little man," the person who contributes $5 or $10 or several hours of his time to help a candidate he believes in, would no longer be able to directly help his candidate financially. He would no longer actually participate in the outcome of an election. The Government would have removed the need for him to get involved.

Public financing of elections is tantamount to telling the voter that he is incompetent to participate in the election process, and that big Government must now take over that responsibility. Yet, he must pay the costs, through increased taxes even though there is no candidate running that he would support or vote for.

In 1962 the 24th amendment to the Constitution was ratified by the States and became law. It said that no person could be denied the right to vote in elections because he had failed to pay any poll tax. It was thought that by removing this longstanding practice in some States, more people could directly participate in elections. In little more than a decade, we have come to the point where Government may soon tell the voters that they must pay a new poll tax—a tax to support a collectivist political campaign fund. The American taxpayers already have too much to pay now, without further burdening them with public financing of campaigns.

The Federal laws already on the books have not been given an opportunity to work. Before placing more stringent limitations on constitutions or before bringing full or partial political financing under Government control, we should carefully assess the laws we already have available to keep the election process honest.

We must not let an overreaction to the "Watergate syndrome" stampede us into undoing the basic freedoms and protections of our constitutional system.

LEGISLATION TO AFFECT LIVES OF ALL AMERICANS

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BURKE of Massachusetts. Mr. Speaker, as all of us are aware, the Committee on Ways and Means is currently considering one of the most comprehensive trade bills ever to be brought before Congress. This legislation will affect the lives of all Americans, but will be particularly important to those workers in business in my district and elsewhere which compete directly with imported goods. Because of the importance of this legislation, it must be given the most thorough consideration. The following remarks of Mr. Stanley Nehmer, former Deputy Assistant Secretary of Commerce, therefore merit the attention of my colleagues.

The remarks follow:

The Trade Bill and the Trade Negotiations: A Status Report

(Remarks of Stanley Nehmer)

Fifty years of service in promoting American exports is an enviable record which few organizations can match. I add my congratulations to the many which the Overseas Automotive Club and its members have received during this Golden Anniversary Year. I was still in the Executive Branch when Secretary of Commerce Dent extended congratulations to you on behalf of President Nixon.

Our discussion today is very timely. In Washington, the Ways and Means Committee of the House of Representatives is wrestling with the Administration's trade bill, referred to as the Trade Reform Act of 1973. In Tokyo, a three-day Ministerial Meeting of the General Agreement on Tariffs and Trade (GATT) is underway to launch new multilateral trade negotiations. The two events are inextricably linked, for trade legislation is necessary to provide the authority for the U.S. to participate in the trade negotiations. Without the participation of the U.S., there will be no negotiations.

My remarks today will attempt to give you a status report on the trade bill and on the trade negotiations.

I

The Ways and Means Committee has been seized with the Administration's trade bill since it began public hearings on May 9, 1973. Fifteen volumes of testimony were heard from 18 Administration witnesses and 342 public witnesses including spokesmen for 62 industries from aluminum to zinc.

Since public hearings were concluded on June 15, the Ways and Means Committee has been engaged in the "markup" of the bill. Original predictions that the bill would be voted on by the House of Representatives before it took its month-long summer recess on August 3, gave way to predictions that it would at least be reported out of Committee by the August 3 recess. That target also proved to be unattainable. The latest predictions by the Committee are that it will complete its work on the bill by the end of September and the House will act on the bill some time in October.

It may be that the Committee will meet its latest target. If so, the odds are that the trade bill will be scaled down from the bill proposed by the Administration. Realistically, however, I would not predict final Congressional passage of the trade bill in 1973.

What has happened to make the progress of the trade bill so much slower than expected, or, at least, predicted?

The most widely-heard view in Washington is that the illness, and resulting frequent absence, of the distinguished Chairman of the Ways and Means Committee, Wilbur Mills, has left the Committee without effective leadership. I believe that this is only part of the reason. A much more fundamental reason lies in the fact that there does not appear to exist a sufficiently strong body of opinion that feels that a trade bill is necessary or urgent while at the same time varying degrees of opposition to the trade bill as proposed by the Administration exist.

II

A large part of the attitude of the American businessman today is summed up in a far-reaching article by Charles Bluhdorn, Chairman of Gulf and Western Industries, in the September 1 issue of *Business Week*. Bluhdorn's article is that "in these times of international crisis, the U.S. must first and foremost look out for its own interests." He is sharply critical of Americans for being "spendthrifts at home as well as philanthropists abroad," and of the Nixon Administration for its 1973 economic stabilization programs and its second dollar devaluation which, he says, made wheat cheaper for the Russians and oil more expensive for the U.S. Ultimately, he feels, "the answer to all our present problems is that we must find ways to restore faltering confidence in our economic system, in our government, in our leadership."

It is against this kind of attitude, which my conversations with businessmen indicate is not unique with Mr. Bluhdorn, that the trade bill is finding tough going.

Let us look at some specifics.

The Administration's trade bill is designed to provide new authority to the Executive Branch to undertake a new round of trade negotiations. This last such negotiations in the Kennedy Round saw U.S. tariff duties reduced an average of 37%.

But many feel, correctly or not, that the U.S. did not receive reciprocity in the Kennedy Round, that tariff consessions granted to the U.S. have been negated by other countries nontariff barriers, and that the tariff reductions made by the U.S. in the Kennedy Round were a major cause of the trade deficit of recent vintage.

The Administration's trade bill would permit unlimited increases or reductions in tariff rates through negotiated agreements.

President Nixon has said "We are going to ask Congress for the right for our negotiators to go up or down. Only by going up can one get them (foreign governments) to go down with some of the restrictions they have." The Ways and Means Committee is reported to have decided to limit increases to 50 percent above statutory rates, but has retained the Administration's request for unlimited authority to reduce tariffs.

This "even-handed" approach to tariff rate adjustments is not meaningful. These adjustments must be in the context of trade negotiations. I have difficulty in seeing situations arise where our trading partners would agree in negotiations that the U.S. may raise tariffs.

The Administration's trade bill would provide the Executive Branch with advance authority to implement agreements to do away with certain non-tariff barriers. There are more than 800 of such restrictions used by countries throughout the world. The Ways and Means Committee is reported to have refused to grant such advance authority to the Administration.

But what about the little-noticed provision in the trade bill that would permit nontariff barriers to be converted into fixed duties at equivalent or higher levels and then be phased down in five installments? Will this provision be used to remove the import quotas which the U.S. maintains on such agricultural products as raw cotton, wheat and wheat flour, sugar and dairy products, or as a replacement for the limitations on steel exports to the U.S. under the Voluntary Restraint Arrangement?

The Administration's trade bill would provide a less restrictive test than at present for invoking the "escape clause" when industries are seriously injured by imports. President Nixon said in his message to Congress on April 10 that ". . . damaging import surges, whatever their cause, should be a matter of great concern to our people and our government. I believe we should have effective instruments readily available to help avoid serious injury from imports and give American industries and workers time to adjust to increased imports in an orderly way."

In my judgment the promise of relief which the Administration holds out for American industries injured or disrupted by imports through its proposed bill is much greater than what can realistically be expected. The Administration's record in dealing with import problems does not instill confidence in the businessman that he can expect prompt or more effective relief under the proposed legislation than he was able to receive under the existing legislation, the Trade Expansion Act of 1962. Changing the name of the basic legislation from "Trade Expansion" to "Trade Reform" does nothing if the intentions do not exist, notwithstanding the rhetoric, to take action when injury occurs or is threatened.

The present legislation on the books since 1962, for example, would permit the Administration to provide import relief for the nonrubber footwear industry. Over two and a half years ago, the Tariff Commission submitted to the President a split decision in an "escape clause" case on nonrubber footwear which President Nixon had initiated, the only President to have initiated such an investigation. There has been no action taken on this decision by the President, affirmatively or negatively, since he received the Commission's report. Yet this industry is steadily "going down the drain" because of inaction on its import problem by the Administration.

In the first half of 1973, the penetration of the domestic market by imported nonrubber footwear rose to 41%. It had been 30% in 1970 when the Tariff Commission made its investigation.

Imports in the first half of 1973 rose by 9% largely as a result of burgeoning imports from the developing countries, such as Argentina, Brazil, Mexico, Taiwan, Korea, Greece and Turkey. In the first half of 1972, nonrubber footwear imports from Argentina were only 60,000 pairs. A year later these imports totaled 1,600,000 pairs. Our devaluation actions have not affected imports from the developing countries which have generally devalued with the U.S.

Production of nonrubber footwear fell by 6.4% at a time when American industry in general is enjoying its greatest peace-time boom. It is anticipated that 1973 production will be the lowest in more than 20 years, perhaps as low as 500 million pairs. Accompanying the decline in output has been a closing of factories (almost 200 net closings since 1968) and a substantial loss of capacity (well in excess of 100 million pairs).

Employment fell by 3% in a year, or about 7,000 jobs, reducing the number of people directly employed by this industry to less than 200,000.

The industry has petitioned, it has entreated, it has literally begged for relief. It has followed the procedures in the law—not only the "escape clause" but also the countervailing duty statute. In two countervailing duty petitions, it has produced evidence that the governments of Spain, Argentina and Brazil are subsidizing their nonrubber footwear industries. But to date, the domestic industry has received no relief of any kind from the Administration.

It is little wonder that those businessmen familiar with the nonrubber footwear situation, and perhaps with similar problems faced by other industries, are skeptical about the Administration's intentions in providing import relief.

The Administration's trade bill revises some of the countervailing duty provisions. One proposed change would set a time limit of one year when the Secretary of the Treasury must make a determination as to whether a foreign subsidy exists.

But the one-year limit would begin when the matter is presented to him by his staff! The Treasury Department staff has been agonizing over a complaint brought by Magnavox against allegedly subsidized TV sets from Japan since at least May 1972. In the Spanish nonrubber footwear countervailing case filed with Treasury in February 1973, Treasury has yet to announce that it is investigating the complaint.

The Administration's trade bill provides authority to retaliate against unfair trade practices of foreign countries. The President said in his April 10 message that he was asking "for a revision and extension of his authority to raise barriers against countries which unreasonably or unjustifiably restrict U.S. exports. * * * I will consider using it whenever it becomes clear that our trading partners are unwilling to remove unreasonable or unjustifiable restrictions against our exports."

But present legislation permits the imposition of import restrictions as a retaliation against unfair practices on agricultural products.

Action limited to withdrawal of tariff concessions is permitted under present legislation for non-agricultural products. The Administration has been concerned over the import quotas on agricultural products maintained by Japan which are inconsistent with GATT and over the common agricultural policy of the European Community which has affected our exports. Yet the existing legislation has been invoked only twice in its eleven-year history, both times on agricultural products, but never against Japan's import quotas or the European Community's common agricultural policy. It has never been invoked on non-agricultural products.

There are other provisions in the Administration's trade bill which have evoked concern and opposition. The proposal to extend most-favored-nation treatment to the Soviet Union has generated opposition because of criticism of the Soviet Union's emigration policies. The proposal to permit duty-free entry of industrial products from the developing countries has received opposition from industries which are concerned that these countries with their low labor costs and government programs to assist exports are the ones which create the most disruption in the U.S. market. The AFL–CIO reiterated its opposition to the bill on August 2, 1973 saying that it "provides no specific machinery to regulate the flood of imports. It does not deal at all with the export of U.S. technology and capital to other parts of the world where corporations can maximize profits and minimize costs at the expense of U.S. production and jobs. It does nothing to close the lucrative tax loopholes for American-based multinational corporations which make it more profitable for them to locate and produce abroad."

It is against this background that the trade bill is wending its way through Congress.

III

It has been more than six years since the Kennedy Round was concluded. Since then we have seen many significant developments affecting the world economy: the expansion of the European Community from six to nine member states; the development of trade deficits by the United States; a series of monetary crises leading to two devaluations by this country and revaluations by Germany and Japan; the latter's emergence as a world economic power; growing energy crises faced by most industrialized countries; the imposition of an import surcharge by the U.S. in 1971 and of export controls on some basic agricultural commodities in 1973; and substantial increases in the export earnings of the developing countries through their exports of raw materials needed so badly elsewhere in the world.

Underway today in Tokyo is a Ministerial Meeting of GATT attended by some 80 nations. The purpose of this meeting is to launch a new round of multilateral trade negotiations. It is expected that a declaration of principles will emerge from the Tokyo meeting to guide the future GATT trade negotiations.

The so-called Tokyo Declaration will deal with further reductions or elimination of tariffs; the lowering or removal of nontariff trade barriers; the need to assist further the development of the developing nations; the elevation of living standards and welfare of the peoples of the world; the institution of safeguards to deal with situations of market disruption arising out of import competition; and the establishment of a Trade Negotiations Committee as the principal negotiating body for the multilateral trade negotiations.

One issue undoubtedly being debated in Tokyo is the interrelation between trade and monetary matters. The multilateral trade negotiations will be taking place concurrently with negotiations to reform the international monetary system, and the question arises as to the harmonization of the two negotiations. The U.S. has been of the opinion that a successful monetary system depends upon governments adopting measures to reduce trade barriers and liberalize trade. The European Common Market has taken the position that there should be no action on trade until decisions have been reached on monetary matters.

There is no question that the Tokyo Declaration will be agreed to by the conclusion of the conference tomorrow after differences have been papered over. The trade negotiations will be launched. They have already been referred to by some as the Nixon Round. A goal of 1975 for conclusion of the negotiations has been recommended by the GATT Preparatory Committee.

The problems ahead for the U.S. in the multilateral trade negotiations will be many and formidable. The benefits which will accrue to the U.S. will depend to a large extent on the philosophy which the U.S. adopts for these negotiations. We may, perhaps, have a clue in the historic speech made by Henry Kissinger in April 1973 in which he spoke of a new Atlantic Charter establishing a new relationship of harmony and cooperation between the U.S., Canada, Western Europe, and Japan. He said that "it is the responsibility of national leaders to insure that economic negotiations serve larger political purposes. They must recognize that economic rivalry, if carried on without restraint will in the end damage other relationships." In referring to the forthcoming trade negotiations, Kissinger said that "the United States intends to adopt a broad political approach that does justice to our overriding political interest in an open and balanced trading order with both Europe and Japan. * * * We see these (trade) negotiations not as a test of strength, but as a test of joint statesmanship."

These are certainly lofty hopes, innovative and challenging. But for the U.S. to enter comprehensive trade negotiations with an approach which says that international political objectives will transcend economic objectives, can only result in the U.S. again assuming the role of *demandeur*, the role of taking the initiative, of responsibility for a successful outcome, a role which the U.S. has played before in every post-war round of trade negotiations. As commendable as this role might be in terms of international statesmanship, it is also a liability at the negotiating table The result in the past has been the failure of the U.S. to receive full reciprocity, something which the U.S. was willing to accept because of its desire for foreign policy reasons to see each round of trade negotiations successfully concluded and because of our confidence in our competitive strength and economic well-being.

The time for the U.S. assuming the role of leader in trade negotiations is past. The events of the last half-dozen years should certainly confirm for us today that we are no longer "top dog" in the world economy as we were in the twenty-five years after World War II. The United States has displayed considerable initiative in getting the multilateral trade negotiations launched. But if we continue as leader, as *demandeur*, in the months ahead as the negotiations progress, instead of allowing others to play the key role, we will again come out of these negotiations without full reciprocity.

I should add that I am not sanguine that we will let others fill our traditional role. There is concern that no one else cares as much about these negotiations to put itself in the position of leadership that the U.S. occupied in previous trade negotiations. Furthermore, the desire of the Administration before it leaves office to have some major achievements in the international arena along the lines of the initiatives of the Kissinger speech can only lead to a revival of the role which the U.S. previously played. Then we are bound to get a reprise of the tunes of yesteryear.

In this atmosphere it is essential that the business community convey it's views to the Congress and the Administration on the shape of the trade bill and the course of the trade negotiations. The public hearings of the House Ways and Means Committee, and later of the Senate Finance Committee, are helpful, but not definitive. I am sure that members of these committees and of the two bodies themselves always welcome receiving views on various aspects of the legislation.

When trade negotiations commence it is important that the government negotiators receive advice at the policy and technical levels from industry. There must be a two-way flow of information, a full opportunity to exchange views and to develop a consensus, and a means to draw upon all national sources for information and expertise. The Chamber of Commerce of the United States has recommended a three-tier system to be part of the trade bill which would provide for the flow of information necessary for sound policy decisions, the participation of qualified people, and a mutuality of responsibility and functions. The Chamber's proposals are highly constructive and, if implemented, should go a long way to improving the chances of successful negotiation for the U.S.

IV

Thus, the weeks and months ahead as Congress shapes the new trade legislation will have much bearing on the shape of the trade negotiations in the months and years ahead. There is a role for new trade legislation and new trade negotiations. Let us hope that what the American people will receive in Washington and in Geneva will strengthen our country and its economy.

BOOKS AND DEMOCRACY GO UP IN SMOKE IN CHILE

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. LEGGETT. Mr. Speaker, for most of us, the term "book burning" suggests the late unlamented days of Adolph Hitler. Unfortunately, the new military government of Chile appears to be engaging in book burning today.

According to the Washington Star-News' very reliable Latin American reporter, Jeremiah O'Leary, the Chilean Army and national police are going through Santiago under the pretext of searching for explosives, taking books out of people's houses and burning them in the streets. The books to be burned include not only Marxist texts but the works of Pablo Neruda, the recently deceased poet who was Chile's only Nobel laureate. With the intelligence and perspicacity one might expect from book burners, they also regard the works of Sir Arthur Conan Doyle and a book called "Revolution in Art" as subversive, and these two are going into the fire—but ironically books by Herbert Marcuse and Black Panther literature remain.

According to Marlise Simons of the Washington Post, some of the troops claim to have orders to "burn everything connected with politics. No matter whether it is right, left, or in the middle."

Let us consider the cause and nature of the coup that brought the book burners to power. It is plain that Salvatore Allende was not a competent politician or administrator. During his administration, inflation ran over 300 percent, farm production plummeted 40 percent, and strikes and shutdowns plunged the nation into ever-deeper chaos. While Allende supporters will blame this on his political enemies, I don't think this excuse washes in Chile any better than it does here. When one is chief executive, only results count. The failure to win over or to outmaneuver your opponents—playing by the rules, of course—is no more excusable than any other failure. With this in mind, it is my personal view that Chile's best hope lies with a moderate progressive such as Allende's Christian Democratic predecessor, Eduardo Frei.

But, if the junta has its way, the Chilean people will not get Frei, or any other President of their choice. They will get the military junta, period.

We should not delude ourselves by believing the generals' claims that they took over for the purpose of "restoration of constitutional rule". With no rationale given or possible, the generals have discarded Chile's model democratic constitution and announced their intention to write their own. The junta's every action, of which book-burning is only one of the most publicized, points to a simple military takeover for the purpose of establishing a permanent military dictatorship.

If the junta's purpose were simply to stop what it saw as the unconstitutional actions of the Socialist government, it would have opposed Allende and immediately turned control over to the Congress, which would then have held a new presidential election.

Instead, the junta has abolished the Congress and given itself absolute power for an indefinite period. This cannot possibly be justified on grounds of anti-communism, since the legislature was firmly under the control of the Christian Democrats.

Some indication of the length of time during which the junta plans to hold power is given by its recent cancellation of the Pan-American games scheduled to be held in Chile in 1975.

Unless the political equation in Chile is disturbed by outside influence, I will be surprised if the junta is able to hold power. I say this not just because of the overt supporters of Allende—although the significance of his party's control of 43 percent of the legislature should not be underestimated. But, for more important is the fact that Chile has a long tradition of democracy, of freedom and of intense political consciousness. Until now, every faction, from far right to far left, has played by the rules: gaining or losing power according to the will of the people as expressed at the polls. Allende himself lost three presidential elections—one by a very small margin—and he accepted the loss without question. Likewise, his civilian opponents on the center and right accepted their loss when the Chilean people chose Allende, and when Allende's party gained seats in Congress in the 1973 midterm elections.

With the highly regrettable exception of Allende's attempt to put economic pressure on newspapers which opposed him, verbal and printed political debate has been even more free-swinging in Chile than here in the United States. This is the first major interruption in the operation of the Chilean congress in 160 years.

But now the generals are seeking to abolish all political activity and to impose a repressive dictatorship. They have also abolished all political parties and labor unions. They have dismissed university heads and local elected officials, replacing them with military officers. The quality of performance Chileans can expect is perhaps typified by the retired naval captain placed in charge of the Santa Maria Technical University, an ideologically neutral institution among the best in Latin America. This gentleman's first act was to close the university and ban all activities other than a purge of all disapproved literature from the library. However, he was unable to direct a reporter to the library, admitting "In truth, I have never been there." It will be interesting to observe the progress of a university headed by a man who burns books but doesn't know how to find the library.

The Chilean people have never known authoritarian rule; it seems probable they will oppose it. The junta's chance of success seems poor—unless the United States backs it by continuing to give it military aid.

I do not object to the Nixon administration's recognition of the junta. In fact, I commend it. I have always felt that we should recognize governments in power whether or not we approve of them.

But aid is another matter. There is no reason why this dictatorship, which by force overthrew a legitimately elected government, should receive one cent of American aid, particularly military aid. There is no external threat to Chile; as far as internal threat of subversion is concerned that is not our business, especially since the present regime came to power by subversion of a freely elected government.

Nevertheless, we can expect a massive "tilt" in the direction of supporting the junta regardless of the wishes of the Chilean people. We can probably expect from the United States a flood of military aid to assist in turning what was formerly the most free nation in Latin America into one of the most repressive.

The end result will be to feed the already massive anti-Americanism in that part of the world, to our eventual detriment. Some day some President is going to have to undo the harm that the Nixon administration can be expected to create.

There remains one hope: Congressional action to suspend military aid to Chile until such time as an elected government takes office. And let there be no doubt that an election would be held very soon after such a prohibition were enacted. We have it in our power to bring democracy to Chile; I hope we will use it.

PITTSFIELD, ILL., COMMUNITY HIGH SCHOOL FOOTBALL TEAM

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FINDLEY. Mr. Speaker, it was inevitable. Bound to come. Like death and taxes. The immutable laws of probability, averages, and human nature willed it.

For six seasons in a row, the Pittsfield, Ill., Community High School football team had mowed down every rival. For 64 consecutive games, the Saukees, who take their name from an Indian tribe that once roamed the hills of Illinois' 20th Congressional District, had been victorious. Not even a tie game blemished this record.

Last year, they surpassed the record held by Geneseo, Ill., and established a new consecutive victories record for all of Illinois. This year the Saukees set their sights on the all-time national record of 71 consecutive victories held by Jefferson City, Mo.

This season began with a smashing 33 to 0 win over North Green, bringing the consecutive win streak to 64. But on September 21, 1973, the Saukees' magnificent streak came to an end. The neighboring Winchester High School Wildcats were the spoilers by a decisive 12 to 0 thumping of the Saukees.

In Pittsfield, which I am proud to add is my hometown, the sack cloth came down as soon as it went up. Sorrow? Only for a moment. After all, being No. 1 in the State and No. 2 in the Nation is not bad.

"The Streak," as the Saukees' record is known throughout my district, was begun in 1966 under then Coach Don Pollard. Coach Pollard left Pittsfield High School in 1971 to become defensive backfield coach for Western Illinois University.

Assistant Coach Fred Erickson stepped up to fill Coach Pollard's cleats in 1972. This year Coach Erickson moved on to another coaching post and his assistant, Dennis Heiman, moved into the head coaching job.

Looking back at those years, some astonishing statistics reveal just how great those Saukee teams have been. During the 64 game streak, the Saukees:

Amassed 2,081 points to just 161 scored by all their opponents.

Shut out their opponents in 46 of the 64 games.

Played the entire 1970 season without being scored upon by their opponents.

Were scored upon only once in each of the 1967, 1969, and 1972 seasons.

Allowed only two touchdowns by running plays during the entire streak.

Amassed a per game average of 32.5 points to a meager 2.5 per game average by their opposition.

To many of the Saukee players, their participation led to other things affording them opportunities they may not have had. The best estimate available shows that Saukee players have received college scholarships worth more than $225,000.

To the Winchester Wildcats, who brought the streak to an end, congratulations on proving once again that the underdog can rise to the occasion. Their thrill of victory is richly deserved.

"The Streak" may be ended. But the Saukees' record speaks for itself. To the three men and their assistants who coached the Saukees during the streak, my hat is off. And to all those young men who wore the Saukees' colors on the gridiron, I heartily offer my thanks for the thrills and pride their achievements brought to me and all the 20th District. I invite my colleagues to join in a richly deserved salute to Coach Heiman; Assistant Coaches Turner, Ferguson, and Spangler; team captain, Brett Irving; and the entire 1973 Saukee squad:

THE 1973 SAUKEE SQUAD

Danny Roberts, Mike Baehr, Jim McMakin, Mike Nevius, Don Bigley, Brett Irving, Jerry O'Brien, Mark Sheppard, Jeff Cox, Jeff Bunting, Billy Jeans, David James, and Mark Coultas.

Kevin Goewey, Dan Borrowman, Ed Ratliff, Dana Ferguson, Tim Cattelman, Glen Hilgedick, Randy Boes, Craig Beard, Doug Cattelman, Phil Harpole, Richard Noble, and Brian Cox.

Ed Moss, Jerry Osborn, Mike Hassett, Jim Niebur, Ed Cattelman, Bruce Rummenie, Ken Klatt, William Stolte, Rick Miller, Terry Hubbard, Zane Leggett, and Merle McGlasson.

THE 17TH DISTRICT QUESTIONNAIRE RESULTS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ASHBROOK. Mr. Speaker, I have just completed my 13th annual opinion poll of the 17th Congressional District of Ohio. As in the past, the response has been excellent. More than 23,000 citizens responded. More than one-fourth of them added a letter or written comments to their poll.

The poll follows:

1973 PUBLIC OPINION POLL OF 17TH DISTRICT

[In percent]

	Yes	No	No opinion
1. Do you believe that a special prosecutor, independent of the White House, should be appointed to investigate the Watergate affair?	84.0	12.7	3.3
2. If the current facts on the Watergate affair had been known to you last November, would your vote have been the same?	66.3	26.8	6.9
3. Do you favor extending U.S. financial aid to North Vietnam?	7.5	89.2	3.3
4. Do you approve President Nixon's ordering of bombing missions in Cambodia?	30.9	59.9	9.2
5. If Laos, Cambodia or any Southeastern Asian Country is invaded by the Chinese Communists, do you favor sending U.S. troops in support of that country?	13.4	80.2	6.4
6. If a domestic Communist and/or guerilla army attacks the Government of Laos, Cambodia, or any other Southeastern Asian country, do you favor sending U.S. combat troops?	10.4	83.1	6.5
7. Do you favor granting across-the-board, unconditional amnesty for draft evaders?	9.8	85.9	4.3
8. Would you favor permitting draft evaders to perform several years of public service instead of serving jail sentences?	58.8	36.1	5.1
9. Do you favor trade with Red China and the Soviet Union?	64.0	28.8	7.2
10. If we trade with Communist nations, should we trade in strategic materials which can be used in defense or war production?	11.2	86.0	2.8
11. Do you favor giving "most favored nation" treatment to Red China and the Soviet Union? This means in effect that they are in the same position as our best friends as far as trade concessions and benefits	19.7	71.0	9.3
12. Do you favor legislation which would forbid the President from committing U.S. troops for combat action outside the Continental United States?	52.3	39.7	8.0
13. Do you believe that the President should be compelled to spend all funds appropriated by Congress (even when he believes that these expenditures are not in the best national interest)?	19.4	76.3	4.3
14. Do you favor Federal tax credits to reimburse parents for part of the cost of private school tuition?	29.0	63.5	7.5
15. Regarding the possession and use of marihuana, the Federal Government should:			
(a) Legalize its possession and use	12.6		
(b) Reduce present penalties	14.6		
(c) Retain present penalties	18.7		
(d) Increase present penalties	35.7		
(e) Legalize possession and use but continue present penalties for any illegal sale	18.4		
16. Should college students and strikers be eligible for food stamps?	15.8	73.2	11.0
17. Do you agree with the administration's decision to transfer most of the poverty programs (OEO) to other agencies and end Federal funding of community action programs?	52.2	33.4	14.4
18. There appears to be few alternatives to the Penn-Central Railroad problem. Which do you prefer?			
(a) Give massive federal aid to the Penn-Central Railroad?	28.4		
(b) Have the Government take over the railroad?	33.8		
(c) Let it go out of business?	26.4		
19. Do you approve of the Supreme Court ruling that abortion is permissible under certain guidelines?	62.4	28.8	8.8
20. Should the death penalty be retained for specific Federal crimes?	77.5	12.5	10.0

DEFENDING LEGAL SERVICES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. RANGEL. Mr. Speaker, I have spoken often about the importance of the Federal Government's program of legal assistance for the poor. Early in this session the House acted to continue this program but severely crippled its chances of continued effectiveness by enacting several amendments limiting the ability of Legal Service lawyers to assist their clients. I opposed each of these amendments during the debate on the Legal Service Corporation and I hope that the Senate Labor and Public Welfare Committee, which is taking up the bill this week, will report out a bill for Senate consideration that is free of the amendments which were unfortunately added on by the House.

Last Tuesday's Los Angeles Times contained an editorial on the Legal Service program which should be of interest to all of us. I commend this editorial to the attention of my colleagues:

[From the Los Angeles Times, Oct. 1, 1973]

MAIMING OF LEGAL AID FOR THE POOR

Everyone is equal before the law in theory. In fact, some are more equal than others. Those who have money to hire a competent lawyer enter the fray with a great advantage over those who do not. In recognition of this, the federal government established a legal services program for the poor eight years ago.

During these eight years, the program has been under constant attack, and may soon be emasculated. Success may be its downfall. Legal service lawyers have won too many cases—about 85% of them. More than that, they have frequently gone to the Supreme Court and have achieved precedent-setting victories that established not only the rights of clients but, through them, have advanced the cause of the poor in general.

This came about not because the program's attorneys were decisively superior to opposing counsel in every case but because the courts recognized the injustices suffered by the poor and acted to redress these wrongs.

During the controversy this year over the poverty legal services, President Nixon proposed legislation to continue the program under an independent federal corporation. The House, shortly before Congress recessed for the summer, approved the bill but, in doing so, maimed it almost beyond recognition. In its present form the bill would: (1) prohibit lawyers for the poor from lobbying before state legislatures and Congress or even testifying unless subpoenaed; (2) stop these attorneys from filing school desegregation, abortion and amnesty cases or representing any juvenile without consent of parents; (3) deny federal funds to "backup centers," which provide poverty lawyers with research materials, and (4) require the corporation to pay court costs and attorneys' fees of defendants who win suits brought against them by legal service lawyers.

The purpose of these restrictions is clear. They are designed to cut the heart out of the legal defense of the poor. Orville Schell, president of the New York City Bar Assn., points out that this bill means that poverty lawyers will be going into court "with one hand tied behind their backs."

President Nixon, in endorsing legal assistance for the poor, said last spring that "justice is served far better and differences are settled more rationally within the system than on the streets." If that is so—and it is—the Administration, which apparently is wobbling in support of its own bill, and the Senate should come to the rescue of the legislation and cut off the crippling amendments imposed by the House. The rescue operation should begin this week when the bill is taken up by the Senate Committee on Labor and Public Welfare.

MILITARY AID TO SOUTH VIETNAM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Ms. ABZUG. Mr. Speaker, this afternoon I testified before the Subcommittee on Defense of the House Appropriation Committee on the implications of granting further military aid to South Vietnam. These are ominous times in Vietnam—the preamble to another fullscale war. The size and nature of American military aid is directly responsible for this situation, since we supply Thieu with the resources that encourage and permit him to ignore the Paris Agreement. By suppressing all political dissent, he drives opponents toward military solutions. By aggressively chewing away at PRG territories, he continuously provokes PRG military response. It is extremely unlikely that the situation will go on indefinitely since the PRG will not give up unilaterally the political and territorial rights they were accorded at the Paris Agreement.

In the most serious vein I urge my colleagues to consider these issues in my testimony, which I now insert in the RECORD:

TESTIMONY OF CONGRESSWOMAN BELLA S. ABZUG

Mr. Chairman, members of the committee, thank you for the opportunity to share with you my views on a portion of the military procurement bill now under consideration. I want to deal today with a substantial but largely neglected part of this bill, the proposed 1.3 billion dollars of military aid for South Vietnam and Laos. For in voting on this issue this committee will, in a very direct fashion, decide whether we insure another round of the Vietnam war or start to create the conditions wherein the basic conflicts in this war torn land begin to be resolved.

Mr. Chairman, any aid given or withheld is a political act. It cannot help being so. The military aid proposed through the Military Assistance Service Funded (MASF) program enters highly complex legal and political situations. The Administration thinks that "peace" i.e. the present low scale of war can be perpetuated by allocating another $1.3 billion. The Administration position is wrong. It takes only a little Vietnamese history to understand this.

The current state of semi-peace in South Vietnam cannot be definitively analyzed with any great confidence. Nevertheless the visible political and economic variables do suggest that the situation there is in a period of transition far more complex, ominous, and potentially explosive than the present surface calm might indicate. The Paris Agreement of January, 1973 laid out an institutional framework and process by which the central conflicts of a 30-year civil war could begin to be resolved. However, the politics of accommodation that have gone on for years in some villages have not been emulated at the top. The GVN, thanks in large measure to American advice and largesse, has ignored the Paris Agreement and proceeded in a relatively totalitarian fashion in the area that it controls. The PRG has also not been averse to coercion in the areas it holds.

The logical conclusion is that the unresolved conflicts will precipitate another round of war in the rather near future. The war was fought to expel foreigners; the United States is still there, supplying now 85 to 90 percent of the resources of the GVN (Thieu government) and, in effect, making it an artificial economic creation. The war was fought to redistribute political and economic power; some land has been redistributed, but most of the wealth and political control thereof rests with a small urban clique of civil servants, army officers, and businessmen. The war was fought over the appropriate path to modernization—socialism or capitalism; neither side has seen fit to move very far away from ideology toward pragmatism. The war was fought to unify politically one civilization and culture; that has not happened yet. Finally the war was fought to define anew the concept of political legitimacy; the 100 to 200,000 political prisoners in GVN jails and the continued unwillingness of Vietnamese citizens to pay GVN taxes are striking indications of how little resolved the issue remains.

In such a situation any injection of further aid is going to have profound legal and political implications. I want to address today both sorts of issues.

THE LEGAL FRAMEWORK

The Military Assistance Service Funded (MASF) program is the principal framework for military support of the South Vietnamese and Laotian governments. In times past this channel provided material, training and financial support through three DOD categories: personnel support, operation and maintenance, and procurement. In section 601 of HR 9286 the House Armed Services Committee and DOD reached a compromise request of $1.3 billion for FY 1974 to continue these programs. On page 85 of the committee report on HR 9286 this figure is broken down: $47.5 million for military personnel, $691.8 million for operations and maintenance and $446.0 million for procurement.

On January 27, 1973, the United States signed the Paris Agreement which, among other things, defined in Article 7 paragraph 2 how future military assistance may be accorded to any party in South Vietnam:

"The two South Vietnamese parties shall be permitted to make periodic replacements of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the ceasefire, on the basis of piece-for-piece, of the same characteristics and properties under the supervision of the Joint Military Commission of Control and Supervision."

On February 21, 1973, the United States signed a cease-fire agreement for Laos which included a more general paragraph prescribing prior joint consultation and agreement before any outside military interference in internal affairs.

In the months that followed, none of the designated commissions have been able to agree upon a list of permissible items. DOD soon created its own list which it released in Saigon several months ago to representatives of the Congress. This list, reproduced in the Committee report to S1443 (The Foreign Military Sales and Assistance Act, passed by the Senate), contains 13 categories of "armaments", 8 categories of "munitions" and 8 categories of "war material". Commonsense definitions of these terms were included. Taken together these 29 categories correspond almost exactly to those items which appear under the larger DoD Category of procurement. In sum, the Paris Agreement, by DoD's own interpretation, restricts American aid to procurement items.

I am persuaded that no logical or legal rendering of the Paris Agreement can justify hundreds of millions of dollars to support the daily operating costs of an army of 1.1 million men. The Paris Agreement constrains the United States from interfering in the internal affairs of South Vietnam. In one form or another this restriction appears in Articles 1, 3, 4, 5, 7, 9, 13, 15, 20, 21 and 22. It is the central tenet of the Paris Agreement. Is it reasonable to expect the PRG to live up to the Paris Agreement if we have so massively violated its core element from the day it was signed?

I urge this committee to address the new legal realities brought by the ceasefire. Would it not be eminently logical to cut MASF funds from $1.3 billion to $500 million and eliminate the proscribed forms of support—personnel support and operations and maintenance? This would not lower at all the DoD request for "armaments, munitions, and war materials," the procurement figure of $446 million. In fact such a proposal allows an extra $50 million for flexibility. Keep in mind as well that the political situation in Laos now indicates that little or no military aid will be legitimate.

The Committee should know, too, that funds are continuing to flow to Vietnam for military purposes other than procurement. Funds left in the pipeline, anywhere from $200 to $1,200 million, depending upon which DoD witness one believes, remain available. Piasters generated by the Food for Peace program will provide a $140 million general subsidy to the South Vietnamese armed forces in FY 74. Piasters generated from the $275 million Commodity Import Program will provide another general subsidy. Any such subsidies are prohibited by the Paris Agreement. Thus whatever amount this committee appropriates, the actual military aid to the GVN will be measurably larger.

THE POLITICAL FRAMEWORK

The cut from $1.3 billion to $500 million must, of course, be considered in its political context as well. The figure of $500 million is persuasive from a number of angles. If peace really arrives, the GVN should exhaust only a small portion of the $500 million. In point of fact today's New York Times reports that previously announced figures for military aid given since January were essentially inoperative because verification procedures are so poor and because aid to the Saigon army has not been included. The GVN army refuses to release such numbers, arguing that this information could help the enemy.

"However, some knowledgeable officials here speculate that the Army wants to avoid giving figures that could be used as an argument for a further reduction in American aid.

"American officials in Saigon favored making the figures public, but they were unable to persuade the South Vietnamese. The Americans have refused to release the information on their own."

It is insane that Congress is denied basic information about the actions of the American armed forces on the whim of the Saigon army.

If the present situation of low-level fighting continues, awareness of the ultimate limit of his resources will encourage Thieu to cut down contemplated offensive (and thus illegal) operations to save ammunition for defensive operations.

Today's Times also reports that the GVN has been given some unspecified limit. Quite obviously it is no real deterrent. In a separate article today appear fresh reports of GVN offensives. One need only look past the Saigon account to the reality in the field.

"But according to soldiers involved in the action, the battle was actually set off by a Government assault on a long-standing Vietcong military enclave, which was still being attacked with rockets by helicopter gunships late today.

"The Government operation here—which is receiving no publicity on the South Vietnamese radio—could be an unannounced response to the Communists' successful assault last week on the Le Minh ranger camp in the central Highlands.

"However, it also appears similar to Government operations elsewhere, notably in Binh Dinh Province on the coast, where South Vietnamese forces are attempting to clear away enclaves of Communist troops."

How much more provocative can the GVN be? This cut will force his commanders and troops to cut down on corruption and pure waste. It is also likely to begin the process of demobilization at a rate somewhat faster than Thieu would prefer. But if he is to stand any chance of long-term survival, he will have to get soldiers back on the land producing taxable revenue quicker than he realizes. There is little likelihood that he will start taxing his closest supporters at this late date. The GVN must start on the road to finding some other basis of revenue than the American taxpayer.

Contrast these possibilities against the present realities which will be continued if the current level of military aid is maintained. We pay now the major burden of supporting an army of 1.1 million soldiers. The GVN is thus able to keep tight social and political control over 4 to 5 million people, presuming that relatives are also vulnerable to coercion. By keeping hundreds of thousands of the most productive workers out of the labor market, not only is economic development slowed but the Vietnamese remain, as they have for years, accultured to depend upon us. Under such circumstances no government in Saigon can *ever* learn how to stand on its own feet.

Approving the Administration request will, however, have far more ominous political results than these. The present level of American aid makes possible not merely this mammoth army but also a police force of 122,000. The DoD admits that at least $8.8 million will go directly from MASF funds to police support, but does not acknowledge that by providing resources for all areas of GVN military and paramilitary activities, it frees other GVN resources for (and thus subsidizes indirectly) the most unconscionable political actions.

It is imperative that the Committee understand that the GVN police exist less for legal activities than for the political suppression of *all* opponents of the Thieu regime. I have recently returned from a visit to Saigon bringing back original documents that prove such a conclusion. It is a grotesque and enraging travesty of American ideals that the United States supports a government that can only stay in power by totalitarian harassment and the incarceration of 100 to 200,000 political prisoners.

It is sheer folly to believe that such a political situation can endure from one fiscal year to the next. By destroying the possibility of *any* political forum, never mind the open stage called for by the Paris Agreement in Article 11, Theiu has driven all opponents to seek solutions other than poilitical. It is unreasonable to expect the PRG to wait patiently forever under such circumstances or to surrender quietly what they gained under the Paris Agreement.

It would be well, I think, for the Committee to contemplate that its choice will have profound political effects at home as well as in Indochina. The Vietnam War and related military spending have considerably depleted American resources, to the point where further transfers of resources overseas seriously threaten the survival of the economy and thus our national security. The speculations on agricultural commodities by some of our foreign (and domestic) creditors, which has so aggravated the rate of inflation recently is but one example of the processes let loose by past and present spending patterns. This amendment takes one small step toward healthier priorities by eliminating $800 million of potential waste.

In sum, passage of the Administration request would further imperil the American economy, encourage continued warfare and waste in Indochina, and provide an enormous and unnecessary contingency fund for the Department of Defense. It would also support a DoD request which includes funds for operations and maintenance and personnel support; this is *contradictory* to what DoD has defined to the Congress as our obligations under the Paris Agreement. Cutting MASF funds to $500 million would, on the other hand, be both fiscally responsible and politically sound. And it would begin several processes in Vietnam that would allow the GVN to begin to generate its own revenue and stand on its own feet.

In closing, I would like to share with the Committee one of the saddest statistics I have ever come across. A young economics instructor at Bucknell University is completing a doctoral dissertation on the economic effects of the Indochina War. In it he has meassured with the most reasonable estimates possible all of the past, present and future costs "to the Federal Government and to the American economy occasioned by American involvement in Indochina" thus far. Among the categories he includes are the following: past, present and future military aid, veterans benefits, interest on the national debt, costs in future income of dead, disabled, exiles, etc., social costs of 100,000 drug addicted Vietnam veterans, and the costs of conversion. His premises appear quite reasonable. His final total is $676 billion. With the huge figure in mind, how can we countenance enlargement of the tragedy?

PETER HUGHES DISCUSSES THE BERLIN WALL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. KEMP. Mr. Speaker, the October issue of the Alternative magazine includes a thoughtful commentary on the 12th anniversary of the construction of the Berlin Wall. The author, Peter Hughes, lived for many years in Berlin and thus speaks from a unique perspective.

With the United States embarking on the "year of Europe," with MBFR talks imminent, with NATO a topic of serious discussion, and with "détente" on the lips of so many, Peter Hughes commentary is particularly timely and deserves serious consideration.

Peter Hughes is currently on the staff of our distinguished and very outstanding colleague from Louisiana (Mr. TREEN).

The article follows:

WALL NO BARRIER TO MEMORIES . . .

(By Peter Hughes)

(NOTE.—August 13, 1973, marks the twelfth anniversary of the construction of the Berlin Wall. It stands as a monument to the Cold War.)

"The times they are a-changing," go the words of a Bob Dylan song. And indeed they are. It is said that we are in the midst of an era of entente, detente, and cooperation among the world's major powers, a period which is expected to bear the threshold of a new era.

What indications do we have that there is more hospitable sentiment between the powers of East and West? Well, for one thing, when East German refugees recently attempted to scale the Berlin Wall and escape to the West, there was an uproar of public opinion in West Berlin over the "alleged" shootings. East Germany's Pankow regime promptly responded by putting the "criminals" (those attempting to escape) on national television to refute the insidious capitalistic slurs. Not to let events stand with that, they then expelled one of the "criminals."

The times they are indeed a-changing if the East German government found it necessary to justify its actions on national television. (The television waves in both countries are strong enough to be received on either side of the border.) But the continued shootings at the Berlin Wall; the barbed wire and brick walls; the watchtowers and concrete dugouts with armed guards, dogs, and military vehicles; the field mines and miles of no man's land between East and West Germany; these are hardly monuments to peace, cooperation, and freedom of travel and thought between East and West.

I lived in Berlin for many years, and I was there on that fateful August 13, 1961, when the Berlin Wall was first erected. It is a travesty of politics that the lives of individual persons are so often overshadowed by the general course of history. But on that night of August 13 the erection of the Berlin Wall became a very real and personal experience for me when a young woman arrived at our doorstep with the proverbial child in arms.

Like so many other people living in the city of West Berlin (one-fourth of the city's 2.2 million population came as refugees from the Soviet occupied territory) this young friend of the family lived and worked in West Berlin while her daughter lived with her parents in the East. This young woman happened to be at the border separating the Russian and American sectors that night and saw that it was unusually active for 4 A.M. Light armored trucks and East German troops were guarding workers busily erecting wire fences and fortifications. Although she was unable to grasp the situation fully, it was with increasing apprehension that our friend realized that if she were to act and bring her daughter to the West, her last opportunity had arrived. At eight o'clock that morning she and her daughter arrived at our apartment. As the family later learned, this couple had been two of the last people to gain access to the West, two of the fortunate few who had been able to analyze the situation, weigh its alternatives and act decisively.

Today that access is sealed more than ever. Where once tens of thousands fled, now only hundreds succeed and many more die or get caught in the attempt. The Wall has accomplished its end. The East German regime, carefully manipulated from Moscow, in an attempt to forestall the further depletion of its population (one-fifth of East Germany's population had fled the country before the Wall was erected), has created an almost insurmountable barrier which runs through the heart of Berlin and which isolates the country from its western borders. The Wall separates Germans from Germans, parents from children, lovers from lovers, and friends from friends. The attraction of freedom has been countered by imprisonment. What prevents a more humane solution to the problem of Berlin is the unfortunate fact that the city's crisis remains the core and symbol of the East-West confrontation. Whereas East Berlin is claimed as the capital of the German Democratic Republic, West Berlin has become "inextricably" linked with the Federal Republic of Germany, the city has, consequently, become a pawn for great power endeavors.

Federal Republic Chancellor Willy Brandt's *Ostpolitik* has made numerous concessions to the Pankow regime in an attempt to promote conciliation between the two Germanys. The West German government has recognized the concept of two German states within one nation. Both Germanies are expected to be admitted to the United Nations shortly and a flurry of diplomatic recognitions can be expected to follow. But the integrity of West Berlin is no more secure. To the contrary, the Soviets and East Germans have painstakingly avoided any formal recognition of West Berlin's ties to the Federal Republic. And, for the Berliners at least, a general conciliation appears to be as far away as ever.

The present calm in Germany is often mistaken for apathy; it is not. It is rather a helpless acceptance of reality. *Letters From the German Democratic Republic,* edited by the reputable philologian Hildegard Baumgard, reveals no great enthusiasm for the prevailing Pankow regime in East Germany, nor does it reveal disfavor. East German attitudes toward West Germany often seem balanced between admiration and dogmatic opposition. However, when West German Chancellor Brandt visited East Germany a couple of years ago the spontaneous and enthusiastic response he received (which proved an embarrassment to the East German government) proved that emotion and fervor are not far below the surface. In any event, the Wall remains and as one young East Berliner said, "perhaps Ulbricht (who was then East Germany's head of state) will realize that the Wall by virtue of its existence has become a fascinating lure to what is beyond."

Berlin is a city of great vitality—not at all because it has become a focus for global political tensions—but because culture blossoms and industry grows. No city has the greenery and waterways of Berlin, nor its memorable night life. Still, Berlin's future is closely linked to its political expectations, and so unfortunately all activities in the city are associated with politics. Isolation, of course, means insecurity. A sudden glance at the Wall always brings back the presence of the unrelieved East-West struggle.

No great change can be seen within the immediate future. The question of this city is not being settled as part of the German problem and within the general East-West "rapprochement". Some fear, therefore, that the ultimate solution for West Berlin will have to transcend historical ties to the West. Its fate arouses a sadness in all those who cherish the aura of the city. Indeed, the Wall may have served with irretrievable finality those last threads joining together the two Germanys. But the memories of what was, remain—and so do the reality of what is and the longing for what could be. It is with no slight effort that the Berliner can still say:

Berlin bleibt doch Berlin (Berlin will always remain Berlin).

JUVENILE JUSTICE IN BALTIMORE, MD.

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BIAGGI. Mr. Speaker, the problem of crime is not simply one of arrest, trial, and punishment. We must find solutions to break the cycle of crime. Our prisons oftentimes serve more as schools for crime than as correctional institutions. One of the prime groups for rehabilitation should be the juvenile offender. We must interdict the youth's first steps toward a life of crime.

One such project in Baltimore, Md., that is trying to work with juveniles is the pretrial intervention project. Neil Binder, who served on my staff this summer and is now associate editor of the Syracuse University Dialog, wrote an interesting piece for that paper on the Baltimore program and its success.

Unfortunately, this program like many others in the country, is facing a cutback in Federal funds with no State or city funds available to continue the highly successful project. Once again, the need for this Congress to develop a comprehensive manpower training program is spotlighted. For the benefit of my colleagues, I am including at this point in the RECORD, Mr. Binder's article on the program:

[From the Syracuse Dialog, Wednesday, Sept. 12, 1973]

A Look at Juvenile Justice in Baltimore, Md.

(By Neil Binder)

The city of Baltimore is similar to any other city. It is ugly, confusing and above all, there is crime; to be more specific, juvenile crime, for in this deteriorating metropolis citizens are confronted with one of the highest juvenile delinquency rates in the country. As one might well expect, Baltimore is one of those very very anxious urban areas that is hoping to find the answer to juvenile delinquency. Strangely enough, they may well have found it in a two year old program entitled Pre-Trial Intervention Project and in a man named Ed Harrison who heads up this admirable endeavor.

Ed Harrison's project became one of a new breed in juvenile therapeutics known as a Juvenile Diversion Program. Basically, what occurs is after police take a youthful offender into custody, they refer him to a Youth Services Bureau that serves the specific function of deciding what should be done with a child before trial. Some of these kids go to detention homes, most go back to their parents, and a few are referred to Ed Harrison and the Pre-Trial Intervention Project with whom to work.

The Project takes these kids and performs an extensive screening on each of them. Since the program is small, they can not take everybody that the Youth Services Bureau would like them to.

Those who are finally selected are counseled, instructed and made comfortable by the working members of the Project. The "main man" involved with each child is the counselor. None of these counselors have degrees in psychology, sociology, or any other field generally required by the Juvenile Justice System. All of them are either ex-cons or street people.

Though they have received limited training by Ed Harrison and others in psychological techniques, they think and talk to these kids the way they know how—the way of the streets. Ed Harrison pointed out: "These kids go into a room with a psychologist or sociologist who looks at them with their more holy than thou white tie expression and say, 'I want to help you.' There's no way a kid is going to listen to that stuff. He doesn't want to be helped by "White" justice.

Harrison makes extensive use of videotape equipment when counselors work with kids. These tapes show sessions where kids say school is like jail and counselors, instead of saying "why do you think so," are more prone to agree. A social worker for the Baltimore Youth Services Bureau explains: "The big plus of using ex-cons and street people is that they're not looking at youth problems from the outside in; they haven't learned the youthful offenders' difficulties from a middle class college or a reputable textbook."

"They themselves have had these difficulties; they themselves can identify with why a kid would want to rob a store or beat up a kid down the block. They don't feel uncomfortable in a run down tenement because they too have spent their lives in a run down tenement. It's something that's intuitive, something that's on your face and something a poor black child who's in trouble can see when it's there and he knows when it's not there. That's the way these kids decide whether to trust somebody or not."

These counselors work with troubled kids in a number of ways ranging from just hanging out with them on the street to "role playing." I asked Ed about "role playing" and he gave me an example that occurred the day before I arrived: "There was this kid who couldn't hold his temper. Man, you could smile at him, and he would punch you. Anyway, we started workin' with him to get him to understand that he's goin' nowhere throwin' punches. Finally we took the video equipment out on the street and started role playing. We had one of the counselors push him and taunt him; he called him a ——— and an ugly mother ———. Well, of course, he started swingin'. All of us settled him down and we went inside to talk about it. We replayed the film and talked about where he went wrong and what he should have done. "I asked him if he believed that this would prevent him from going outside and getting into a fight—it's one thing to do it while it's only acting, it's another when it comes to the real thing."

"By video-taping the whole incident and then thoroughly discussing it afterwards, the kid has something to relate to; if a similar situation occurs every time he is told he is ugly, it isn't a new and completely independent incident, it has suddenly taken on a whole new aspect. Suddenly, he is aware of what is right and wrong; due to his role play, he can think back and say 'Well okay, I am ugly, I know it now and I also know that by hitting this guy I'm not gonna become beautiful'."

Of course, by just having a counselor talk to a kid and getting him to quench his temper, this doesn't necessarily mean that he will follow the right line in life. A second aspect of Ed Harrison's Pre-Trial Intervention Project is employment. As Ed explains, the approach taken by Pre-Trial Intervention Project is not one of finding kids jobs: "Just think about it, some of these kids are big, and tough, and in reality, they're adults. Now many of them have been in trouble for God only knows how long. Okay, now here I am, Mr. Wonderful with 110 goof-offs, and I go to Mr. Big Businessman and say, 'Excuse me sir, I have 110 kids whom I am working with; they have all recently been arrested and though they still aren't "good" in the "white" sense of the word, they need jobs.' Could you blame him for saying 'Kiss Off'." The approach used by the Pre-Trial Intervention Project then is not one of finding a kid a job, but helping him find his own and teaching him how to keep it.

To be more concise on the matter Ed Harrison cites a slogan often used by members in the Project: "If you give me a fish I can eat for a day, if you teach me to fish I can eat forever." Thus, there is extensive use of role playing in order to provide juveniles with a standard to go by—fake interviews, fake work hassels, even role playing on how to wake up and get ready for work.

Every now and then someone comes by to offer a kid a job. They are all of the most menial type but all are taken graciously, "At least it's a place to start, I mean, these kids weren't made to be doctors," notes Harrison. The big emphasis is on steadily increasing a youth's ability to accept responsibility, and hold his own job and even prove he can do it well.

A big problem that the Pre-Trial Intervention Project must work with is the inability of many youths to realize proper priorities for money. "Too often, when kids of 16, 17, and 18 get a hold of money, it goes into buying booze instead of food. A flashy new Cadillac is a top priority instead of saving money, and, oftentimes, because these kids become frustrated in their attempts to collect enough for those luxuries they end up stealing in order to get them."

What Pre-Trial Intervention Project attempts to do under such circumstances is to try to get these kids to realize that the reason they believe these things to be so important is because their peers tell them it is. By working with the community, Harrison is able to get these kids to understand that buying a Volkswagen will take them where they want to go just as fast as a Cadillac and that this alone will put them in better shape than many others in the neighborhood who just dream of Cadillacs and end up getting where they want to go by bus. Thus, kids are convinced that if they think big they'll live small, but if they think small they'll end up bigger than most of those around them.

The Project is dealing with attitudes and biases of the Baltimore youth. Ed Harrison seems to have realized that all the training in the world won't make a youngster listen to a professional. As a social worker for the Youth Services Bureau of Baltimore noted: "It's all in a feeling, something in the youngster that strikes the right spot and makes him think that this guy is okay."

The success rates of the Pre-Trial Intervention Project are the best reflections of the success of their type of innovation. They have only ninety days to work with a child, ninety days to help him see the light. Ed Harrison has requested dismissal of 75 percent of all the cases he handles. The juvenile court judge has never refused one of these requests. That alone is extraordinary in Baltimore.

Of all the cases handled, only 7 percent have returned as recidivists to juvenile court. The rest are the very lucky ones who just happened to find that niche, probably the only place in the country where there was someone who really understood and said, "What's happenin' brother?" instead of "May I help you?"

BISHOP FRANCIS JOHN MUGAVERO

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. ADDABBO. Mr. Speaker, the bishop of the Catholic diocese of Brooklyn, N.Y., recently reached the 5-year anniversary of his ordination as administrator of the most populous diocese in the United States. The Most Reverend Francis John Mugavero is a most energetic and dedicated leader and his views on government's role in meeting the issues of poverty, housing, education, and unemployment are most interesting.

A recent interview in the Long Island Press, September 11, 1973, edition, contains a description of the challenges and goals of this most active and distinguished religious and community leader. I insert the article in the RECORD at this point, for the information of my colleagues in the House:

BISHOP'S FIFTH ANNIVERSARY: NO FANFARE FOR DIOCESAN ADMINISTRATOR

(By Seymour Marks)

Tomorrow, the fifth bishop of the Brooklyn Catholic Diocese will reach the fifth anniversary of his ordination as shepherd and administrator of the most populous diocese in the U.S. (only five archdioceses are larger than his Brooklyn-Queens charge).

How will the Most Rev. Francis John Mugavero (Muh-GUH-ver-oh) celebrate? He will spend a day of work at a three-day seminar on the liturgy, starting today at Immaculate Conception Seminary in Huntington. There will be no observance, no fanfare. It will be another work day.

Through such seminars, explained the gentle, bald-headed, bright-eyed bishop, "we hope to develop further in our priests and others a greater knowledge and fuller participation in the life of the church."

Work has been the mark of this 59-year-old churchman, as was well demonstrated before his appointment by Pope Paul VI and consecration by Archbishop Luigi Raimondi, apostolic delegate, at Our Lady of Perpetual Help Church in Bay Ridge on Sept. 12, 1968.

In 1944, fresh out of the Fordham University School of Social Service, with a master's degree and work completed for a doctorate, he assumed two laborious positions, as head of the Ferrini Welfare League and associate director of Queens Catholic Charities. He became director in 1950.

In 1961, he was named diocesan secretary for charities, and director of diocesan Catholic Charities. A year later, Pope John XXIII raised him to domestic prelate, with the title, Right Rev. Monsignor.

As head of Catholic Charities, he served actively and busily on many city, state and national committees and commissions.

His diocese is the nation's smallest in territory (179 square miles), yet it includes about 1.5 million Catholics. It has had a constantly shifting population as more and more middle-class parishioners moved to the suburbs.

In 1968, it was the only totally urban diocese in the country, and it still is. With this distinction, it inherits all urban problems.

At his first press conference after his consecration, Bishop Mugavero outlined the challenges facing him: poverty, unemployment, a greater opportunity for education for the young, and housing for the poor. The same challenges remain—but under intense attack.

Parochial schools and diocesan high schools, for example, have found enrollments decreasing each year. The total enrollment was 200,000 in 1970, and as the current term opened last Tuesday, there were 140,000 elementary and 30,000 high school pupils. Why the decrease?

"People, especially middle-class people, are constantly moving out of the urban area," the bishop explained. "We have had a decided decrease in childbirth since 1964. And many more of the parents who remain just cannot support the schools financially."

In five years, the high school tuition charge has leaped from $300 to $800, and elementary school tuition has risen from $80 to $270. Inflation has played its part. But also, Sunday mass attendance has dropped off 20 per cent, while church collections have dropped about $2 million, making it more difficult for parishes to support schools.

Besides, a considerable number of teaching brothers and sisters have left their orders, to continue teaching in non-church schools, and lay teachers' salaries have been added to the cost.

As with other problems of changing communities and changing times, Bishop Mugavero has attacked the school problem intensively. Late in April he started a nine-week Increased Parish Appeal. Volunteers went from door to door to urge greater support for the church.

"It is still too early to determine if it has been successful," said the bishop, "but we have reason to believe it has been. The average increase in Sunday offerings has been 30 per cent. We'll know by the end of the year."

But increased contributions are "not the total answer," said the bishop. "The total answer must include government support."

In light of last June's U.S. Supreme Court decision, how would this be possible?

"We feel we'll develop future programs that will be constitutional," he said.

Moving in on the basic problems he cited in his first press conference, Bishop Mugavero has decentralized services to the people, to a far greater extent than was ever imagined in the days when he ran the highly centralized Catholic Charities.

There are many more local offices and 160 senior citizen group centers in the two boroughs. In St. Mary's parish, Long Island City, a senior citizen center that can serve 2,200 has been established. It serves hot lunches, gives medical and other advice and offers a place to spend the day.

The bishop's often-smiling face became pensive as he mused, "I remember when I was in Catholic Charities—there were old people who lived on tea and toast."

The diocese has accomplished "a great deal of development for retarded children," said the bishop. For example, it has established two residences for 16- to 17-year-olds as homes while they seek jobs or training.

The housing goal has been targeted, with the diocese co-sponsoring two housing projects in Brownsville and one in Williamsburg and joining in the Atlantic Terminal development in Fort Greene. Housing has become more important as the population has changed.

"We have become a diocese of immigrants," observed the bishop. "We have a sizable Spanish-speaking population, including South Americans, Cubans, Santo Domingans, and a large Croatian colony in Long Island City."

And, of course, there are many thousands of Italian extraction as there have always been.

One answer to the problem of the ethnic melting pot, said the bishop, is, "Our priests and religious must learn a second language."

This summer, six-week crash courses in Spanish and Italian were held for priests, seminarians, and religious at Cathedral College, Douglaston. They not only learned the language at the blackboard, but went out on field trips "to learn the nature of the people and their customs."

The diocese sent 75 priests and religious to Puerto Rico and South America. It has established neighborhood "migration centers" in Long Island City, Bensonhurst and South Brooklyn where, without charge, recent immigrants can find out how to learn English, find jobs, find doctors who speak their language, and solve other problems.

The bishop himself has said mass in French, speaks Italian, and is learning Spanish. Last Saturday, he presided at a mass for Cubans in St. Michael's Church, Flushing.

"We hope this will help us become part of the life of the parishes," he said. "We want people to feel they are part of the church."

Younger people among the clergy have never considered Bishop Mugavero highly liberal. But the chancery organization has never been known for liberalism. Yet, even some of the activists in the diocese do not consider the bishop a true conservative. For example:

"I don't think the habit is an essential part of religious life," he said. "You can have wonderful priests, nuns and brothers without the habit, and we do have them."

But in the matter of marriage, he is firm and serious:

"I believe in the present legislation of a celibate clergy. This is one of the witnesses we have of sacrifice and total commitment."

What about the next five years?

Bishop Mugavero's face broke up into hundreds of little laugh-lines, as he smiled the broad smile that frequently flashes across his face and his eyes twinkled in a way that somehow brought to mind his Latin heritage as the son of a Brooklyn Italian barber.

"Five years . . . I'll be exhausted!"

Then, suddenly pensive, the churchman still in the prime of his years of achievement, said: "If we continue in the terms of openness, of getting close to others, we will be successful."

He talked of "a better school system," with the schools perhaps fewer, and concentrating the children of, say, six parishes in two buildings. He saw the "job of the future" as "consolidation," of "real quality education, both religious and lay education," and of opportunities for learning for young and old.

The bishop's idea of getting close to people means not only his own flock, but all others. He has been cited and honored by groups in many religions and sects, and is episcopal moderator of Catholic-Jewish relationships of the National Conference of Catholic Bishops.

"Having been born and reared in a Jewish neighborhood in Brooklyn," he said, "we try to be as ecumenical as possible."

Then, summing up his past five years:

"There have been many challenges. You don't meet a challenge all by yourself. You meet them with the help and cooperation of the priests and religious. They have been encouraging, supportive and cooperative."

Could that be because this bishop evokes that kind of loyalty?

His face broke into another all-illuminating smile.

"Well, he tries . . . he tries. That's all a guy can do."

A TRIUMPH IN SPACE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the Washington Post's editorial of Saturday, September 29, 1973, points out that the latest Skylab mission—

> Shows how quickly man is becoming more at home in space . . . to the extent that the most impressive human and technological feats have come to be regarded by laymen as almost routine.

The editorial goes on to say that the task now is to build on that foundation and secure an equal measure of political progress to insure that our capability will be used for universal benefit.

The achievements of the Skylab mission will not be fully realized for years to come. I hope that this body will continue to stand behind our space program, because through it we will solve the problems of the future. I recommend the editorial to my fellow Members of Congress and the general public:

A TRIUMPH IN SPACE

It would be a gross understatement to call the latest Skylab mission a success. After a somewhat rocky start, astronauts Alan L. Bean, Jack R. Lousma and Owen K. Garriott performed so well that they far surpassed the goals set for their 59 days in space. By the time the three splashed down in the Pacific on Tuesday afternoon, they had collected an astounding array of data which will keep scientists engaged for years. The thousands of pictures and miles of tape which the crew brought back may well provide the keys to unlock many secrets of the sun and earth. As a scientific endeavor, this mission is already being counted as the most fruitful of all space ventures so far.

The voyage also provided impressive new evidence of how well men are able to function in space and how valuable human skills and ingenuity can be. Like the Apollo crews before them, the Skylab teams have been able to do things which no instrument could do—repair the spacecraft, improvise experiments, adapt to unforeseen events. The most recent mission was also a crucial test of human endurance and resilience, with results even more encouraging than NASA's specialists had anticipated. The men of Skylab 2 were able to live and work productively in weightlessness for two full months with, apparently, relatively few adverse physiological effects. Although the long-term medical impact of that experience cannot be measured yet, it now appears that men should be able to weather even longer stints in space.

The prospect of permanently orbiting, manned space laboratories used to be the stuff of dreams. The Skylab program underscores how rapidly such science fiction is becoming scientific fact. It shows how quickly man is becoming more at home in space and more accustomed to the reality of extended space flight—to the extent that the most impressive human and technological feats have come to be regarded by laymen as almost routine. Since the first "giant leap for mankind," NASA's achievements have produced a quantum jump in man's comprehension of the universe. The task now is to build on that new foundation, and to secure an equal measure of political progress to insure that this new capability will be used for universal benefit.

ILLINOIS COOPERATIVE MONTH

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. FINDLEY. Mr. Speaker, the role of cooperatives in the growth and development of Illinois agriculture has been vital indeed. It is entirely appropriate for the Congress to recognize these achievements in October, because this month has been designated as Cooperative Month.

An excellent summary of the role of cooperatives in agribusiness in Illinois has been prepared by Walter J. Wills, professor of agriculture, Southern Illinois University, Carbondale:

COOPERATIVES IN ILLINOIS

(By Walter J. Wills)

The agricultural cooperatives in Illinois are an off farm phase of the farm business owned and controlled by the farmer member patrons. They provide an opportunity for farmers to offset the disadvantages of buying their supplies at retail prices and selling their production at wholesale prices. This business organization provides a means for farmers through group action to obtain some market power to provide a more profitable agriculture which in turn helps assure American consumers of an adequate supply of food and fiber at reasonable cost. This contribution to a healthy agriculture also promotes agricultural production that will increase exports, thus contributing to a more favorable balance of payments.

In Illinois there are over 350 marketing and purchasing cooperatives doing an annual business of nearly $1.5 billion. These cooperatives provide a market for grain and soybeans, milk, livestock, fruits and vegetables. They are a major source of purchased inputs such as petroleum products, feed, seed, fertilizer, farm chemicals, paint, tires, and building supplies. The 18 production credit associations loan over $350 million annually to Illinois farmers. The 26 Federal Land Bank Associations finance over one third of the farm real estate in Illinois. There are 27 rural electric associations providing electricity to rural Illinois. There are 2 electric generation and transmission cooperatives in Illinois. There are 6 telephone cooperatives in Illinois. Recently the St. Louis Bank for Cooperatives had loans in excess of $103 million to Illinois cooperatives. Other cooperatives serving Illinois farmers are: artificial insemination, insurance, and frozen food lockers.

Five states (Minnesota, Wisconsin, Texas, Iowa and North Dakota) have more cooperatives than Illinois. Minnesota, Wisconsin, Indiana and Iowa have more marketing and purchasing cooperative members than the 388,000 in Illinois. Cooperative members in California, Minnesota, Iowa and Wisconsin do more business with their cooperatives than do Illinois farmers.

Illinois farmers have over a half billion dollars invested in their cooperatives.

For these Illinois cooperatives to continue their role as pace setters and for them to continue their leadership role there are a number of areas the management and farmer members are considering:

(1) The number of cooperatives and the number of members have been declining. To what extent are further consolidations and mergers conducive to contributions to a healthy agriculture?

(2) To what extent should cooperatives become engaged in further integration forward or backward to better meet the needs of their members? What are the legal implications of such activities?

(3) How can these cooperatives more effectively participate in market development, especially the export market?

(4) How can cooperatives keep their operations sufficiently flexible to meet the changing needs of their members?

(5) What is the role of cooperatives in carrying out research to more effectively meet member needs?

(6) How can cooperatives provide the types of information members need to meet member responsibilities to the cooperative?

(7) What should be the cooperative role in governmental agricultural policy?

(8) What types of leadership and management training programs are needed to permit cooperatives to effectively meet their member needs?

Cooperatives have played an important role in the development of a strong Illinois agriculture. These organizations have the experience and knowledge to continue to be pacesetters in the leading agricultural export state. These cooperatives have converted the challenges of the past into opportunities. They will continue their position of leadership in this growing agricultural economy.

REMOTELY PILOTED VEHICLES

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mr. BOB WILSON. Mr. Speaker, I wish to once again express the mounting interest and active support that is being given today to the potential values of remotely piloted vehicles.

Mr. James D. Hessman, editor-in-chief, Seapower magazine, in its August 1973 issue points out that the U.S. Navy has identified 42 possible mission applications for these unmanned, inexpensive aircraft that can be flown—much as our satellites are flown by remote control—through all known flight profiles.

I address my colleagues to Mr. Hessman's article with the solicitation for their continued interest and active support for the advent of RPV's. Technically and in a practical sense, RPV's have created an age in aviation that exists today:

RPV'S FOR THE NAVY: UNMANNED AIRCRAFT AND SHIPS COULD REVOLUTIONIZE NAVAL WARFARE

(By James D. Hessman)

The Navy has leisurely embarked on a relatively low-profile program which could someday revolutionize naval air as dramatically as nuclear power has already revolutionized the surface and subsurface Navy.

In its study of what are now referred to as RPV's, or remotely piloted vehicles, the Navy already has identified 42 possible missions which can be carried out by such unmanned aircraft, and the list is still growing. Like the Army and the Air Force, which already have well established RPV programs (the Marine Corps is "monitoring and closely observing" RPV progress in the other services, but for budgetary reasons prefers to ride piggyback during the current R&D stages, the Navy is at present principally interested in the RPV as a creature of the sky. But the Navy may nevertheless end up as the biggest user because, *unlike* the other services, it could, using remotely controlled, unmanned small boats, employ RPV's in a seaborne as well as an airborne mode.

Among the possible missions which could be assigned to RPVs:

Reconnaissance (a mission already assigned)—RPVs can be sent into defense-intense target areas where pilots fear to tread and, even if shot down, radio back invaluable intelligence data which could be used later on strike missions. Unmanned reconnaissance drones were, in fact, used by the Department of Defense to take before and after photos of U.S. bombing strikes against strategic targets in North Vietnam. The photos then were released to the press to rebut charges that U.S. pilots were "carpet-bombing" inhabited areas.

Decoy—a flock of RPVs, augmented by chaff, "window," and other penetration aids, could accompany manned bombers on strike missions to confuse and dilute enemy anti-aircraft gun and missile defenses.

Air superiority—highly maneuverable, and unencumbered by the numerous and heavy life support systems which weigh down manned aircraft, an RPV—or, more likely, several RPVs—would have significant advantages in a dogfight with a manned aircraft. The biggest and most obvious advantage: like manned aircraft, air superiority RPVs would be armed with missiles, guns, and rockets, but would also have the option, *in extremis*, of downing a target by direct collision, a "kill" technique not particularly recommended for manned aircraft. Even the most ardent RPV enthusiasts, however, concede that the air superiority mission, wherein the immediate human presence is still, usually, the deciding factor, is the least likely to be assigned to RPVs for the foreseeable future.

Straits control—small boat RPVs, either pre-positioned or dropped from helicopters, could be used to control strategic waterways and oceanic chokepoints. Radio-controlled from air, sea, or shore, small boat RPVs, especially constructed to render them almost invisible to radar, could dart out from protective shorelines to make sudden strikes against enemy naval and merchant shipping.

RPV B.C.

Despite the spate of recent publicity describing RPVs as the new glamour weapon of the future, RPVs are not really new. William P. "Doc" Sloan, International Marketing Manager for Teledyne Ryan Aeronautical, who, like the company he represents, has been in the forefront of RPV development, sometimes points out to audiences that RPVs can be traced back to the pre-Christian era when "a small boy stood on a lonely windswept hill" and flew the first Chinese kite, "history's first remotely controlled aircraft."

Some haphazard and largely unsuccessful experiments with unmanned powered aircraft were attempted about the time of World War I, but it wasn't until 1928 that the first successful drone, a commercial Curtis Robin, was launched. "This radio-controlled, bomb-carrying airplane floundered through the skies on and off for four years before expiring from lack-of-funditis in 1932," Sloan observes in an article written for the summer 1971 Teledyne Ryan *Reporter*.

Invigorated partly by the success of the German V-1 "buzz bombs," U.S. and Allied planners took a new (but relatively unproductive) look at RPVs during World War II, and after that conflict a Pilotless Aircraft Branch was established as successor to the Army Air Corps' World War II Guided Missiles Section. Steady if decidedly unspectacular progress has been made since then in improving the RPV state-of-the-art, but it is only recently that RPVs have been given higher priorities in funding and manpower—and then only because of three things: the high cost of weapons, the high cost of people, and the explosion of sensor and avionics technology.

Probably the most important single factor influencing decisionmakers toward the RPV is "low cost, low cost, low cost," according to Robert R. Schwanhausser, Teledyne Ryan's Vice President for Aerospace Systems. Addressing the Washington, D.C., chapter of the Aviation/Space Writers Association earlier this year he enumerated some of the completely unhidden cost advantages of the RPV:

(1) The high cost of fixed-wing aircraft—"[B]y 1980 the aircraft losses which we sustained in World War II [approximately 40,000 aircraft] will project to one thousand *billion* dollars."

(2) The low cost of RPVs—In contrast to the vaunted $15-million-per-copy (or higher) air superiority fighters of the future, industry today "could produce recoverable strike drones for as little as half a million dollars. Or even expendable, electronic suppression, single-use drones, for a tenth that amount. . . . In addition to low acquisition cost, operating and maintenance costs for RPVs would be fractional compared to today's aircraft."

(3) Support costs—A squadron of 12 manned fighter-bombers today "requires the support of 20 other aircraft of various types." A similar RPV squadron, ground- or sea-launched, would require only two or three air support aircraft—or, if air-launched, as many as five support aircraft.

(4) Training costs—It costs $500,000 and up per man to train service pilots, many of whom depart active duty immediately after their initial tours of obligated service. Later-year costs add appreciably to the tab when flight pay (a relatively insignificant part of the overall cost, and well worth it to taxpayers, despite recent adverse publicity) and the acquisition, maintenance, and fuel costs for proficiency training aircraft are included. Training costs for chairbound RPV "pilots," who do not necessarily have to be able to fly manned aircraft, will be relatively low. "Simulation exercises can give RPV pilots almost 100 per cent training fidelity," says Schwanhausser. "Actual RPV flights can be limited to those required to maintain launch and recovery crew proficiency."

(5) Reduced combat losses—RPVs are harder to acquire, to track, and to hit. They can fly both at high altitudes, where they present a low radar cross-section, and at low altitudes, where the buffeting which causes endurance difficulties for manned aircraft is not a factor.

THE VIEW FROM THE HANOI HILTON

People costs, of course, are important more because of the lives involved than for the dollars saved. Some 80,000 American air crew personnel were lost in World War II.

More timely, and more pertinent, perhaps, are the Vietnam statistics. During that long conflict some 1,659 U.S. fixed-wing aircraft and 2,283 helicopters were lost in combat, and an additional 2,049 fixed-wing aircraft and 2,583 helicopters were lost in non-combat "operational" situations.

Some 5,038 U.S. personnel, including 1,882 pilots, died in aircraft accidents/incidents, both hostile and non-hostile. Fixed-wing casualties totaled 1,502—592 pilots and 422 non-pilots in combat operations, and 218 pilots, 270 non-pilots in non-combat operations. Personnel losses in helicopter operations totaled 3,536—678 pilots and 1,487 others in combat, 394 pilots and 977 others in non-combat.

More significant, in some respects, are the POW statistics. Defense Department officials give no exact figures, but estimate "about 90 per cent" of all American POWs were pilots or aircrew personnel. How much lower that figure might have been if RPVs rather than manned aircraft had been sent into combat is conjectural.

A poignant note is added by Navy Commander Edward H. Martin, former POW, who tells audiences that "the gloomiest and proudest" day of his almost six-year stay in various North Vietnam prison camps occurred when he and other prisoners spotted "very high-speed" drone reconnaissance RPVs—one of which "couldn't have been more than 50 feet off dead center as it swept in overhead. . . .

"We talked about these aircraft constantly," Martin recalls. "Some of us had a little knowledge about them. Others had none. We wondered many things: were they being inertially guided? . . . program guided? . . . or directed from other ships off the coast?"

RPVs have several other advantages, from a personnel manager's point of view. One RPV crew can operate several "birds" simultaneously. RPVs aren't injury-prone, nor do they suffer from flight fatigue, nor do they commit "pilot errors," the leading cause of all non-combat aircraft accidents.

Perhaps the most important "people" benefit, however, is the new combat capability the RPV gives the battlefield commander—who would readily send recon drones and other unmanned aircraft into "heavy hostile" environments where he would not want to risk pilots—"When the weather is on the ragged edge, the flack a real thicket, the target too hardened, the approach too limited—*then* you are in RPV country" is the way Schwanhausser expresses it.

TOMORROW IS ALREADY HERE

Enumeration of all the aforesaid hardware and people benefits would be meaningless, however, were they not achievable. But the fact is they *are* achievable—thanks largely to the unprecedented advances in sensors and avionics technology which now, for the first time, permit reliable, continuous, long-range control by human beings of distant artifacts performing a variety of complicated tasks above and beyond the capability of their human masters.

What particularly pleases naval/military research and development officials is that, insofar as RPVs are concerned, the future is now. "There are no major technical breakthroughs required in the development of RPV applications," said Barry J. Shillito, Teledyne Ryan Aeronautical President, who played a major role in the development, management, and procurement of virtually all new U.S. weapons programs during a brief stint as Assistant Secretary of the Navy for Installations and Logistics, followed by four years (1969-73) in the same job at the Department of Defense level. His assessment is credible to anyone who has witnessed, in less than one generation, the progress of avionics from close-proximity radio control of model airplanes to earth-orbiting satellites to moon landings to sensor exploration of Jupiter and Mars and beyond.

But if RPVs are as good as everyone says they are, why aren't the companies that make them getting rich? The question is simple and the answer is complex, but it boils down to this: RPV may do it cheaper, but fighter pilots still, as the bumper sticker says, do it better.

For all their marvelous potential, the remotely piloted vehicles of today are afflicted with a number of serious (but curable) defects. Like all machines, they sometimes malfunction. And when there's no human on the spot to notice, analyze, and correct the malfunction, the mission is finished—and so is the RPV.

Endurance is another problem area. Many RPVs—those used as strike weapons, some target drones, some reconnaissance vehicles, for example—are one-shot expendables. Others are recoverable—by parachute while still airborne, from the ground, or from the water. But even the recoverable drones seldom last more than a dozen or so flights. Fixed-wing aircraft, heavier and much more rugged, on the other hand, can reasonably expect to live to the ripe old age of 15 years or longer, particularly if they live clean and stay out of combat.

The RPV's big and very real cost advantage does not exactly wither away, but it is considerably depreciated by the fact that the operating lifetime of one fixed-wing aircraft is equal to the combined operating lifetimes of a whole flock of the lower priced birds.

AIR SUPERIORITY RPV?

Present RPV's and those of the foreseeable future, it can safely be predicted, will augment rather than replace pilots, except on high-hazard missions where expendable RPVs can perform at acceptable if less-than-perfect standards.

In the more distant future, as technology continues to improve, and as personnel and hardware costs continue to climb, RPVs can be expected to take over more missions. They may, someday, even prove more than a match for manned aircraft in the air superiority role.

Pilots who discount such a possibility take no comfort, of course, from reports such as that which appeared in the *Nautilus Ocean Science News* of May 11, 1973, revealing that in 1972 "a Teledyne Ryan Firebee II, an RPV configured as a supersonic fighter, penetrated the Terrier missile defense of the frigate WAINWRIGHT and scored a 'hit.' . . . [A]nother Firebee was able to outfight an F-4 Phantom over the California coast."

Even less comforting was a May 31, 1972, speech by then-Under Secretary (now Secretary) of the Air Force John L. McLucas before the Electronic Industries Association. "Preliminary analyses have shown," McLucas told EIA, "that an RPV might be built to turn inside and get on the tail of a manned fighter within 15 to 20 seconds after a head-on encounter."

Humanists *can* take solace from two other redeeming social truths, however:

(1) RPVs may themselves be unmanned, but there's still a man (or woman—why not?) at the controls, which in future conflicts might be hundreds or even thousands of miles away from the mission area. Even "pre-programmed" RPVs, otherwise known as PPVs, need a human to do the pre-programming.

(2) The same doomsayers who are now freely predicting that RPVs will sooner or later (probably sooner) completely replace pilots were saying the same thing a generation or so back about missiles—which were, and are, really, merely an early type of RPV.

They were wrong then, and they're just as wrong now.

Probably.

BY AIR AND BY SEA

Northrop's Ventura Division has built more than 75,000 recoverable RPVs over the past three decades and is by far the world's largest producer of such systems. Boeing, McDonnell Douglas, and Teledyne Ryan Aeronautical also are industry leaders, but other companies, some relatively new, have recently been devoting considerable resources to what the *Armed Forces Journal* predicted, in its May 1972 issue, could be a $1-billion-per-annum business by 1980. Two of these—E-Systems, Inc., and San Diego Aircraft Engineering, Inc. (Sandaire)—have developed programs for existing hardware which, if Defense Department funding is approved, might be typical of the air and sea RPVs of the future.

The E-Systems L450 aircraft, which comes in both manned and RPV configurations, already holds 16 world records for turboprop aircraft in its class. At 4,600 pounds (manned) and 5,300 pounds (unmanned) gross weight, it can carry a maximum payload of 1,100 pounds, has a maximum rate of climb of 3,000 feet per minute, a service ceiling of over 50,000 feet, a mission endurance of over 24 hours, and a true airspeed (at maximum endurance) of 200 knots.

E-Systems has proposed the L450F to the Navy as a carrier-based RPV or as a communications relay vehicle. Company officials describe possible mission applications as follows:

"Flying slowly in circles at altitudes between 45,000 and 55,000 feet for 24 hours, the L450 can receive line-of-sight communications from extreme distances. It can then relay these signals to ground stations or other aircraft like a satellite communications relay. Or it can be packed full of sensors such as radar, infrared detectors, cameras, radio transceivers, or television and used for military reconnaissance, earth resources survey, mapping, or border surveillance. It can accommodate a variety of payloads to provide true multimission capabilities."

The Sandaire program proposes the use of radio-controlled small boats as offensive weapons and lays out mission profiles for two types of such boats, a 28-foot "deep V" hull with a top speed of 45 knots and able to carry a 500- to 1,000-pound payload, and a 55-foot planning hull with a top speed of 40 knots and able to carry a two-ton payload. A "typical attack mission" (for the 28-foot boat) is described as follows:

"Two boats are dropped by helicopter over the horizon. Both would have initial headings set in to home on the target vessel. One would be manned by a single operator and be the 'mother' boat containing the radio control transmitter and TV receiver equipment. Both boats would have low radar cross-section reflectivity since all metal would be eliminated from windshield frames, fiberglass antenna masts installed, and radar absorbent material in the engine compartment. Both would proceed toward the target at a speed depending on the sea state, so no wake would alert the target. At a range of 6–10 miles the boat containing the warhead would proceed to intercept the target. If no alert takes place a final dash is all that is required. If the target fires on the boat, it will immediately proceed at maximum speed to ram the target vessel. Since the wake trails the boat, the chance for a hit is minimal as the gun laying radar would lock on the wake."

SENATE—*Thursday, October 4, 1973*

The Senate met at 10 a.m. and was called to order by Hon. FLOYD K. HASKELL, a Senator from the State of Colorado.

PRAYER

The Reverend Robert M. Bock, pastor, First Christian Church, North Hollywood, Calif., offered the following prayer:

Our God and our Creator, as we begin another day in the adventure of life, we turn to Thee in gratitude—for life, for joy, for challenge and struggle, for success, for failure, and for the many wonders of life which cause us to dream—and seek to fulfill those dreams. Upon this Nation, built on the dream of freedom and opportunity, we ask Thy special blessing this day. And upon these dedicated legislators, who in many instances guide not only the destiny of this great Nation but of the world, we ask Thy heavenly guidance. Grant them the wisdom of Solomon, the patience of Job, the conviction of Paul, and the heavenly insight of Jesus as they face the great tasks of government this day. May they, in all their affairs, be true to Thee, to their Nation, and to themselves, as they earnestly strive to bring the dream of the brotherhood of man into reality.

This we pray in the spirit of peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 4, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. FLOYD K. HASKELL, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HASKELL thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT—ENROLLED JOINT RESOLUTION SIGNED

Under authority of the order of the Senate of October 3, 1973, the Secretary of the Senate received the following message from the House of Representatives on October 3, 1973:

That the Speaker of the House had affixed his signature to the enrolled joint resolution (H.J. Res. 753) making further continuing appropriations for the fiscal year 1974, and for other purposes.

The ACTING PRESIDENT pro tempore (Mr. HASKELL) on today, October 4, 1973, signed the above enrolled joint resolution.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, October 3, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 389, 394, and 397 through 401.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMEMORATION OF CERTAIN HISTORICAL EVENTS IN THE STATE OF KANSAS

The bill (H.R. 7976) to amend the act of August 31, 1965, commemorating certain historical events in the State of Kansas, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–413), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND AND NEED

A. LEGISLATIVE BACKGROUND

In 1965, the Congress approved the enactment of Public Law 89–155 (79 Stat. 588) which provided for Federal participation in a program to identify, mark, commemorate and restore sites of recognized historical significance in the State of Kansas. As contemplated by the Act, all of the sites involved were associated with the early territorial and Civil War history of the area in and around Fort Scott.

Under the terms of the Act, sites associated with John Brown, Quantrill's Raiders, and various sites of pre-Civil War hostilities were to be marked, as well as certain other significant Civil War period locations, with appropriate historical markers. In addition, the Act authorized the National Park Service to provide specialized, technical advice and financial assistance for the acquisition of lands and the development and restoration of historical buildings and grounds associted with Fort Scott so that it could be appropriately displayed and interpreted for the public.

Since that authorizing legislation was approved, almost all of the $805,700 authorized has been appropriated and expended. Approximately $212,000 was used to acquire some seven acres of land in the historic Fort Scott area and an additional $580,000 has been granted to the City of Fort Scott for restoration and development activities. The remainder of the authorized funds ($12,500) have been utilized to erect historic markers at the other significant sites in the vicinity.

B. BRIEF HISTORICAL BACKGROUND

Established in 1842, Fort Scott (named for General Winfield S. Scott) was originally constructed as one of several links in the north-south chain of forts between Fort Snelling, Minnesota, and Fort Towson, Oklahoma, which were designed to stabilize the frontier. It was a rather small fort located on a low, limestone bluff above the junction of the Marmaton River and Mill Creek. About 10 years after it was established, it was abandoned and settlers began to filter in and occupy the buildings.

Around 1854, after the enactment of the Kansas-Nebraska Act, the pre-Civil War proslavery and anti-slavery forces became active. It was during this decade that the tragic "Bleeding Kansas" episode, which had a far-reaching impact on American history, occurred. During this period, the fort was not generally occupied by military forces, but several of its buildings figured prominently in the feuding between the two extreme factions.

By 1862, Fort Scott was essentially reactivated, but the perimeters of the area coincided only partially with the original outpost. Although some of the buildings and the parade grounds were used, the newer installation was larger. While the fort was threatened occasionally during the War, it was never attacked. Instead fighting took place at nearby Dry Creek and at Mine Creek, and farther away at Baxter Springs.

When the War was over, the usefulness of the fort subsided and the army buildings were allowed to deteriorate. Since then, many of them have been replaced with residential and commercial structures, but three large white officers quarters, the fort hospital, a guard house, the quartermaster's storerooms, a bake shop, a butcher shop, and the stable and carriage house remain relatively intact. In addition there are ground outlines and tattered remains of two infantry barracks, the dragoon stables, the quartermaster's stables, and a few out buildings. The buildings and outlines plus the parade ground were spared development so that they could constitute a base for the historic restoration program which the Congress authorized in 1965.

C. ACCOMPLISHMENTS UNDER PUBLIC LAW 89–155

Since the enactment of Public Law 89–155, co-operative agreements have been negotiated with the State of Kansas and its political subdivisions, where appropriate, to protect the historical places associated with John Brown, the Mine Creek site, the Marias des Cygnes Massacre site and the site of Quantrill's raid. In addition, the City of Fort Scott has agreed to assume the responsibility of operating and maintaining the facilities at Fort Scott as a public historic site in perpetuity. Some of the buildings within Fort Scott have been, or are being, restored. By December of this year, two of the officers quarters, the old hospital, and the quartermaster's storerooms will have been restored, and reconstructed in part, thus historically preserving a portion of the old fort. Plans have been proposed for additional rehabilitation and reconstruction work to be done if and when funds are made available.

D. FUTURE NEEDS

As already indicated, present law limits the amount authorized to be appropriated for this project to no more than $805,700. Of this amount, the Department of the Interior has indicated that $804,758 has been appropriated and expended. Most of this has been spent on demolition of non-historic structures and on restoration and development, but a significant portion was used to acquire some of the lands at Fort Scott and to provide planning and technical assistance. Unless additional funds are authorized and appropriated, further progress toward the completion of this project must terminate.

As recommended, H.R. 7976 authorizes the appropriation of an additional $1,420,000. All of this money will be used to implement the remaining development program at Fort Scott, including the restoration and reconstruction of certain historic structures, the installation of interpretive facilities and landscaping and site improvements necessary to accommodate the public.

While this area is not technically designated as a national historic site, it was made a national historic landmark upon the recommendation of the Advisory Board on National Parks, Historic Sites, Buildings and Monuments. Under Public Law 89–155, the Federal Government joined with the City of Fort Scott to perpetuate and preserve this historical heritage. While the Federal contribution has been substantial, the city has also assisted in the effort by contributing land valued at $265,000 and by agreeing to underwrite the cost of maintaining and exhibiting the site to the public in perpetuity.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs in executive session on September 28, 1973, unanimously recommended that H.R. 7976 be ordered favorably reported to the Senate.

NATIONAL NUTRITION WEEK

The joint resolution (S.J. Res. 99) to authorize the President to designate the period from March 3, 1974, through March 9, 1974, as "National Nutrition Week," was announced as next in order.

Mr. PERCY. Mr. President, I am pleased that the Senate is considering Senate Joint Resolution 99 which authorizes the President to designate the week of March 4 to 9, 1974, as "National Nutrition Week."

On behalf of the cosponsors of this resolution, Mr. COOK, Mr. MCGOVERN, and Mr. SCHWEIKER, I want to commend the Senator from Nebraska (Mr. HRUSKA) and the Senator from Arkansas (Mr. MCCLELLAN) for their support of this measure during its consideration by the Judiciary Committee.

I am certain Senate Joint Resolution 99 will be approved today by the Senate without opposition. It is not a controversial measure and, after all, no one is in favor of encouraging malnutrition.

The sad fact is, however, that few Americans are really aware of the elements of good nutrition or of the intimate connection between good nutrition and good health. Worse yet, many Americans have been taken in by the nutritional misinformation spread about by food and diet fadists and overzealous commercial interests.

As a result, far too many Americans suffer from undernutrition or overnutrition. Obesity, for example, is a major public health problem in our country today.

The purpose of this resolution is to set aside a few days for an effort by both public and private sectors to focus the attention of the American public on the principles as well as the benefits of good nutrition.

The American Dietetic Association, which in years past has taken the lead through its local affiliates in organizing informal annual "Nutrition Week" activities, has chosen as its 1974 theme "Nutrition Saves Dollars." No theme could be more appropriate in this time of inflation and rapidly rising medical care costs than this one for organizing a campaign to get the facts about nutrition to the American people. A Presidential proclamation of "National Nutrition Week" will give this campaign the impetus it so richly deserves.

Mr. President, I urge swift and unanimous approval of Senate Joint Resolution 99.

The joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the period from March 3, 1974, through March 9, 1974, as "National Nutrition Week", and calling upon the people of the United States and interested groups and organizations to observe that week with appropriate ceremonies and activities.

STORAGE SPACE FOR SENATE, HOUSE, AND ARCHITECT OF THE CAPITOL

The joint resolution (S.J. Res. 155) authorizing the securing of storage space for the U.S. Senate, the U.S. House of Representatives, and the Office of the Architect of the Capitol, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Architect of the Capitol, with the approval of the House Office Building Commission and Senate Committee on Rules and Administration, is authorized to secure, through rental, lease, or other appropriate agreement, storage space in areas within the District of Columbia and its environs beyond the boundaries of the United States Capitol Grounds for use of the United States Senate, the United States

House of Representatives, and the Office of the Architect of the Capitol, under such terms and conditions as such Commission and committee may authodize, and to incur and committee may thuorize, and to incur tion therewith.

SEC. 2. Any expenditures required to implement the provisions of section 1 shall be paid from the appropriation "Contingent Expenses, Architect of the Capitol" and any funds appropriated under this head shall hereafter be available for such purpose.

ADDITIONAL COPIES OF REPORT OF SENATE SPECIAL COMMITTEE ON TERMINATION OF NATIONAL EMERGENCY

The concurrent resolution (S. Con. Res. 47) authorizing the printing of additional copies of a report of the Senate Special Committee on the Termination of the National Emergency was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Special Committee on the Termination of the National Emergency five thousand additional copies of its report to the Senate entitled "Emergency Powers Statutes: Provisions of Federal Law Now in Effect Delegating to the Executive Extraordinary Authority in Time of National Emergency".

PRINTING OF PRAYERS OF CHAPLAIN OF SENATE DURING 92D CONGRESS AS SENATE DOCUMENT

The concurrent resolution (S. Con. Res. 49) authorizing the printing of the prayers of the Chaplain of the Senate during the 92d Congress as a Senate document was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed with an illustration as a Senate document, the prayers by the Reverend Edward L. R. Elson, S.T.D., the Chaplain of the Senate, at the opening of the daily sessions of the Senate during the Ninety-second Congress, together with any other prayers offered by him during that period in his official capacity as Chaplain of the Senate; and that there be printed two thousand additional copies of such document, of which one thousand and thirty would be for the use of the Senate and nine hundred and seventy would be for the use of the Joint Committee on Printing.

SEC. 2. The copy for the document authorized in section 1 shall be prepared under the direction of the Joint Committee on Printing.

PRINTING OF REPORT ENTITLED "THE COST OF CLEAN AIR"

The resolution (S. Res. 163) authorizing the printing of the report entitled "The Cost of Clean Air," as a Senate document was considered and agreed to, as follows:

Resolved, That the annual report of the Administrator of the Environmental Protection Agency to the Congress of the United States (in compliance with Public Law 91-604, The Clean Air Act, as amended), entitled "The Cost of Clean Air", be printed, with illustrations, as a Senate document.

SEC. 2. There shall be printed one thousand five hundred additional copies of such document for the use of the Committee on Public Works.

NANCY O. VAIL

The resolution (S. Res. 177) to pay a gratuity to Nancy O. Vail was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Nancy O. Vail, widow of Thomas L. C. Vail, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HOUSE CONCURRENT RESOLUTION 321—PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM OCTOBER 4 TO OCTOBER 9, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 321.

The ACTING PRESIDENT pro tempore laid before the House the following concurrent resolution:

House Concurrent Resolution 321, That when the House adjourns on Thursday, October 4, 1973, it stand adjourned until 12 o'clock meridian, Tuesday, October 9, 1973.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not intend to object—I want to say—not in my leadership capacity but as the junior Senator from Michigan—that I am not particularly pleased about the announcement that the Senate may recess for a vacation during the third and fourth weeks in October. I suspect that the leadership is considering such a recess because the pace at which progress is being made toward enactment of major legislative items seems to be rather slow on the other side of the Capitol. It is my hope—and I think it is the hope of other Senators—that by announcing possible plans for a 2-week recess, the Senate may just be able to nudge the other body a bit, particularly with respect to some appropriation matters that are dragging.

Of course, it would be inappropriate for the Senate, under our traditional practice of comity, to oppose or object to the resolution before us now—and I shall not do so. But I felt that such an expression of my concern would be in order at this point.

I withdraw my reservation of objection.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 321) was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may I assure the assistant Republican leader—and I am sure he is already aware of the fact—that the Senate would not be recessing for 2 weeks—and the Senator from Michigan has indicated this in his statement—if there were work for the Senate to do. The leadership on both sides is very reluctant to have the Senate come in and spend time on minutia. The following appropriation bills remain to be reported to the Senate by the other body: the military construction appropriation bill, the military procurement appropriation bill, the foreign aid appropriation bill, the supplemental appropriation bill. In addition to these appropriation bills, we also have to take up the extension of the debt limit. All of these, either under the Constitution or by custom and practice, originate in the other body. And I do not say this in criticism of the other body.

So I would hope that the public would understand that the Senate is not recessing out of a desire just to relax and take a vacation and get away from floor duties. The Senate is recessing only out of what really amounts to a necessity.

The leadership on both sides urges committee chairmen, and ranking members of committees that have bills in conference, to act next week and during the recess—if conferences can be arranged with the House—to expedite as quickly as possible the remaining conference reports, of which about 25 still await action. Not all of the conference reports have to be acted upon this year. Some of them undoubtedly will remain for the second session of Congress to dispose of. Appropriations conference reports, of course, have to be disposed of during the present session.

Mr. GRIFFIN. Mr. President, I do not disagree with the distinguished majority whip but I would observe, without pointing the finger at either side of the Capitol, that there is urgent need for Congress to act this year in a number of areas.

The catalog of various legislative proposals laid before Congress by the President has been recited before. Perhaps there will be good reasons why we cannot take action, one way or the other, with respect to all of the President's proposals. But some of them are urgently needed by the Nation.

Let me focus again, as I have before, on the energy shortage that grows more acute. Some in Congress seem content just to blame the President without even considering the measures proposed by him for enactment by Congress to deal with the problem. Once more, let me recount the unfinished work of Congress in the energy field alone.

As desperately as the Alaska pipeline legislation is needed, we still do not enact legislation which makes it possible to begin construction of that pipeline.

Legislation requested by the President to establish deepwater ports has not been enacted. These are urgently needed to accommodate the supertankers now being used to transport oil. Not a single deepwater port exists on the east coast and, needless to say, that is where an oil shortage threatens the greatest discomfort this winter.

Legislation is needed to change present regulations that apply to natural gas—changes that will encourage more exploration and the delivery of more natural gas.

Legislation is needed to deal with the siting of nuclear powerplants, one of the most promising sources of additional energy.

Legislation to speed up research in the energy field is long overdue.

And Congress has not acted on the President's request to establish a Department of Energy and Natural Resources which would pull together and coordinate activities related to energy performed now in a wide variety of Government agencies and bureaus.

In other words, looking at the energy field alone, Congress still has a lot of very important work to do.

Mr. ROBERT C. BYRD. Mr. President, the record of the Senate on these matters will speak for itself. The Senate has already passed a very imposing array of important legislation.

Lest some mistaken inferences be drawn from what the distinguished assistant Republican leader has said, may I say, on behalf of the majority leader, that the matter of the recess was taken up with the minority leadership, and no objection was interposed to the suggestion that there be a 2-week recess. I do not believe that the distinguished assistant Republican leader intends to point his finger at the Senate and to say that the Senate has been remiss in its legislative actions and that, therefore, the recess which is contemplated is not justified and necessary.

Mr. GRIFFIN. Mr. President, will the Senator yield for a brief observation?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. In particular, I want to make clear that I do not point my finger at the majority whip or the majority leadership. They have done an excellent job in scheduling and bringing forth for consideration on the Senate floor the measures which come to the calendar.

I would have to be a bit more reserved, however, with respect to at least some of the committees of the Senate. A part of our problem, at least, is that legislation which has been introduced and referred has not found its way out of Senate committees.

But I agree with the majority whip that, insofar as the floor work of the Senate is concerned, the entire body can be justifiably proud of a good record so far in this session. Certainly, such a record could not have been possible without the excellent scheduling and leadership of the distinguished Senator from West Virginia, the majority whip. He has done an outstanding job in that regard.

Mr. ROBERT C. BYRD. I thank the Senator; but I would also have to say that, for the most part, the committees of the Senate have also acted responsibly and well—and that goes for Members on both sides of the aisle.

There is enough blame to be passed around. In some areas the administration has been slow in sending up its recommended measures. In other areas, I think executive action could be taken under existing authority without new legislation being passed.

So I hope that we will all take under consideration the remarks of the distinguished Republican whip; but that we also work ahead and have faith that when the final adjournment sine die resolution is adopted by the Senate in 1974, the record of this Congress will be one of the truly outstanding records in recent years.

I have no doubt that at the present time the record of this Congress will equal the record of most Congresses for the first session, and that it is better than some.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the executive calendar beginning with the Department of State.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the executive calendar will be stated, beginning with the Department of State.

DEPARTMENT OF STATE

The assistant legislative clerk read the nomination of James A. May, of California, to be a Foreign Service officer of class 2 and to be also a consular officer of the United States.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. DISTRICT COURTS

The second assistant legislative clerk read the nomination of Allen Sharp, of Indiana, to be a U.S. district judge for the Northern District of Indiana.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Justice.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Health, Education, and Welfare.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF THE TREASURY

The second assistant legislative clerk read the nomination of Meade Whitaker, of Alabama, to be an Assistant General Counsel in the Department of the Treasury.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

RENEGOTIATION BOARD

The second assistant legislative clerk proceeded to read sundry nominations to the Renegotiation Board.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I wish to express appreciation to the distinguished Senator from Oklahoma for his patience in waiting.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma is recognized for not to exceed 15 minutes.

OIL COMPANY RESPONSIBILITY

Mr. BARTLETT. Mr. President, I thank the distinguished Senator from West Virginia, the distinguished majority whip. I wish to say to the two distinguished whips that I enjoyed their discussions of the energy crisis. I know both of them have been supportive of progress that has been made and that they support additional progress to be made by this body and the House of Representatives in finding and reaching solutions to difficult problems in the energy area.

Mr. BARTLETT. Mr. President, since becoming a Member of the Senate of the United States, I have spoken freely concerning our Nation's energy situation. I have given a dozen speeches on energy on the Senate floor and have spoken about energy on numerous other occasions before interested groups. In most of those speeches, in the interest of achieving adequate domestic supplies of energy, I have urged that all price controls on natural gas and crude oil be removed. I have said specifically that there needs to be increased economic incentive, that there must be considerably more capital available, and that the consumers must assume part of the responsibility by paying higher prices if adequate supplies of energy are to be developed.

A worldwide shortage of available petroleum, heating fuel and gasoline shortages in 1972 and 1973, threats of crude oil supply cutoffs by foreign sources, exorbitant prices demanded by the cartel of the organization of petroleum exporting countries—OPEC—expanding domestic and world demand, and recent fuel oil and propane rationing have convinced many people that we should become less dependent on unreliable foreign sources of energy. In other words we should increase our domestic supplies of energy.

Most people agree that a free market will increase our supplies more rapidly than a controlled market—even a controlled market which provides price increases for natural gas and crude oil.

But many wonder if the petroleum industry would invest the increased cash flow resulting from decontrol into areas that will help to solve our domestic energy shortage.

I think the question they raise is a reasonable one. The people and government have a right to be informed and need to be assured that the price of decontrol is worth it—and today I call on those petroleum companies and independent producers of petroleum in America to prove it will be worth it.

Specifically, I am asking for those integrated and independent companies engaged in the production of domestic oil and gas to answer the following question:

> Assuming that sufficient new acreage will be available in the United States for the exploration for new reserves of oil and natural gas and that price controls on either or both commodities are lifted, what percent of the additional cash flow resulting from removal of existing price controls on natural gas or crude oil or both, would you invest in exploration for and development of new domestic petroleum and natural gas reserves including domestic oil and gas pipelines, domestic refineries, and domestic natural gas processing plants?

I request that the responses to this question be sent to me and the appropriate committees of Congress and to the appropriate Departments of the Cabinet.

I will make the data submitted to me available to all my colleagues and will insert a summary in the CONGRESSIONAL RECORD for all to see.

It is my sincere hope that the answers to this question will provide the American public with a candid, forthright picture of the commitment of those in the oil industry to the future of this Nation—and that this commitment will measure up to the critical energy challenge facing us.

QUORUM CALL

Mr. BARTLETT. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 20 minutes, with statements therein limited to 3 minutes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HASKELL) laid before the Senate the following letters, which were referred as indicated:

REPORT ON SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

A letter from the Assistant Secretary, Department of Agriculture, transmitting, pursuant to law, a preliminary report of actions taken to date in the implementation of the special supplemental food program for women, infants, and children (with an accompanying report). Referred to the Committee on Agriculture and Forestry.

REPORT ON AIR FORCE MILITARY CONSTRUCTION CONTRACTS AWARDED WITHOUT FORMAL ADVERTISEMENT

A letter from the Secretary of the Air Force, transmitting pursuant to law, a report on Air Force military construction contracts awarded by the Department of the Air Force without formal advertisement for the period January 1, 1973, through June 30, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE INTERIOR

A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755) as amended, to extend and adapt its provisions to the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the City of Tokyo, March 4, 1972 (with an accompanying paper). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM THE DEPARTMENT OF THE TREASURY

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to extend the period for administrative review of certain customs protests (with an accompanying paper). Referred to the Committee on Finance.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Status of Selected Major Weapon Systems," Department of Defense, dated October 2, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORTS ON THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATIONS FOR CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered in cases relating to the temporary admission into the United States of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORTS ON DEFECTOR ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports on certain defector aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORT ON ADMINISTRATION OF FEDERAL METAL AND NONMETALLIC MINE SAFETY ACT

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, the annual report dealing with the administration of the Federal Metal and Nonmetallic Mine Safety Act for calendar year 1972 (with an accompanying report). Referred to the Committee on Labor and Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HASKELL):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Agriculture and Forestry:

"SENATE JOINT RESOLUTION No. 25

"Relative to U.S. Forest Service special use permits

"LEGISLATIVE COUNSEL'S DIGEST

"Whereas, the United States Forest Service is the agency which administers special use permits covering improvements erected on public lands, commonly known as "99-year leases"; and

"Whereas, Initially, citizens were encouraged to apply for such permits, and to erect improvements on lots surveyed for "recreational" and "commercial" use permits; and

"Whereas, Marginal lands were originally selected and surveyed as "tracts" in various locations along highways, rivers, lakeshores, and other areas, such lands generally being unsuited for grazing, timber, mining, or revenue producing uses, other than recreation, the sums yielded from such recreation having been several times the value of the land thus used as of now; and

"Whereas, Permittee occupants of these tracts of land provide a protection and "custodial" care as against promiscuous, unidentified users who occupy public lands at will, where abundant evidence exists of desecration by such unidentified occupants, plus inconsideration for the privilege of such public land use, without paying any fee, or having any responsibility resulting from such use; and

"Whereas, Special use permittees have erected substantial homes in such tracts, including substantial commercial establishments to serve permittee and public alike, and also including the building of roads, extension of powerlines, and numerous other safety benefits and conveniences; and

"Whereas, Lamps and other open-flame lights originally provided the only illumination and power and liquid petroleum gas for light and heat were added along with other improvements toward health, and safety; and

"Whereas, During the late 1930's, the Forest Service ceased to survey additional lots, turning away thousands of applicants when abundant marginal land space existed, and adopted policies of increased "policing" of permittees, making repeated references to possible permit cancellations, with cancellations probable at any time on 10 years notice; and

"Whereas, The improvements erected in good faith on public lands by several thousand permittees in the State of California alone represent values in improvements of more than hundreds of millions, if not billions of dollars; and

"Whereas, No better or more beneficial use of such lands has been suggested, nor is there likely to be any, in view of the personal attention and responsible care given by permittee members in each such permit community; and

"Whereas, In the cases where permittees have already, in some instances, been deprived of family enjoyment and recreation, by demands that the improvements be demolished and removed from the lot, without compensation for the cost of demolition and removal, no provision for payment to the permittee of the fair market value has been considered; and

"Whereas, Such an arbitrary policy adds no benefit to the United States Forest Service, or the people of the United States, but instead diminishes and dilutes the acceptable and satisfactory situation originally intended by Congress, and substitutes arbitrary permit cancellation, with no consideration for the inequities and injustices involved; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take appropriate steps to give just and equitable consideration to the property rights of all United States Forest Service special use permittees and provide for a "fair market value" payment in cash to any such permittee should his permit be canceled or, for any reason, not renewed; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Armed Services:

"SENATE JOINT RESOLUTION No. 29

"Relative to the Hunters Point Naval Shipyard

"Whereas, The Hunters Point Naval Shipyard employs over 5,000 persons and contributes substantially to the economic well-being of the San Francisco Bay area; and

"Whereas, Hunters Point is a principal shipbuilding and repair facility serving United States naval vessels in the Pacific Ocean; and

"Whereas, The closing of this facility will result in the loss of a substantial number of jobs and will further depress the conditions in the already depressed California maritime industry; and

"Whereas, Services currently performed at Hunters Point would be performed at foreign facilities by foreign nationals after the closing of Hunters Point; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California memorializes the federal government to retain Hunters Point as a naval shipyard at its current level of operations; and be it further

"Resolved, That the Legislature memorializes the federal government, if Hunters Point is to be closed, to declare it surplus property and to give the Port of San Francisco first priority to acquire the property for maritime purposes at no cost to the port; and be it further

"Resolved, That the Legislature supports passage of pending legislation in the United States House of Representatives, which would permit the Administrator of General Services to dispose of surplus property to public entities for public port purposes without monetary consideration; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Navy, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Banking, Housing and Urban Affairs:

"SENATE JOINT RESOLUTION No. 14

"Relative to Federal funds for housing authorities

"Whereas, Funds appropriated by Congress other acts, for the purpose of providing subpursuant to the Housing Act of 1949 and sidies for low income and elderly residents of public housing, have been impounded; and

"Whereas, Unless such funds are made available, public housing authorities throughout the state will undergo dire financial crises, which will result in the insolvency of many; and

"Whereas, Staff cuts and equipment sales necessitated by the impoundment of such funds will result in the deterioration of the quality of public housing programs, and the lack of available federal subsidies will curtail plans for needed additional public housing; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorialize the President of the United States, the Office of Management and Budget, and the Department of Housing and Urban Development to release all impounded funds which were appropriated by Congress for use in subsidizing public housing; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to be the Secretary of Housing and Urban Development, to the Director of the Office of Management and Budget, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Labor and Public Welfare:

"SENATE JOINT RESOLUTION No. 26

"Relative to the National Environmental Education Act

"Whereas, The Congress and the President of the United States enacted the Environmental Education Act of 1970 as Public Law 91–516; and

"Whereas, Said act authorized federal expenditure of fifty million dollars ($50,000,000) for grants to agencies engaged in the crucial task of environmental education; and

"Whereas, The ultimate solution to reversing the decline in the environmental health of this nation must include effective public education programs directed at understanding and dealing intelligently with environmental problems; and

"Whereas, The development of such programs was the precise purpose of the aforementioned act and expenditure so authorized pursuant to such act; and

"Whereas, The President of the United States, in his message to the Congress, stressed the importance of improving in his words, 'the nation's environmental literacy'; and

"Whereas, Despite the action of the Congress, the statements of the President, and the eager utilization of the Environmental Education Act program by the states and the schools of this nation, the federal administration has provided barely one-tenth the funds authorized by the program during its three-year life; and

"Whereas, Despite the crippling denial of funds to this critical program heretofore, the federal administration now proposes to further deny its responsibility to the environmental education needs of the nation by reducing program funds to an all-time low of one million dollars ($1,000,000); now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature communicate its distress over the prospect of further reduction in funds for the Environmental Education Act program and respectfully memorializes the President of the United States to restore the program to its authorized funding level and to the Congress to enact legislation to extend the life of the act in order that its promise and purpose may be achieved; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Post Office and Civil Service:

"ASSEMBLY JOINT RESOLUTION No. 65

"Relative to commemorative postage stamps in recognition of the contributions of this nation's hunters and fishermen

"Whereas, The outstanding contributions of this nation's hunters and fishermen to recreation, conservation, and the economy deserve special recognition; and

"Whereas, In California, in 1851 and 1852, hunters and anglers are recorded as having been the primary leaders in major conservation programs; and

"Whereas, American sportsmen-conservationists are responsible for the founding of state fish and game departments in all 50 states, and they requested that they, themselves, be required to buy hunting and fishing licenses and that the money collected be used to support state and national conservation programs, and hunters and fishermen requested that purchases of their fishing and hunting equipment be taxed and that the money be used for land acquisition, research, and habitat management for fish and wildlife for the enjoyment of all Americans; and

"Whereas, America's hunters and fishermen asked for season and bag limits so that without damage to the basic breeding stock of any species; and
everyone would have an equal chance to harvest an annual crop of game and fish

"Whereas, Sportsmen's programs have benefited hundreds of nongame fish and wildlife species through habitat preservation and development; and

"Whereas, Hunters and fishermen through the sportsmen-conservationists organizations such as the California Wildlife Federation, Ocean Fish Protective Association, California Waterfowl Association, the National Wildlife Federation, the National Rifle Association, Ducks Unlimited, and Izaak Walton League (and all affiliated units of these organizations) have led the nation in the battle for a better environment and wise use of our natural resources; and

"Whereas, The California Legislature commends the hunters and fishermen of this state and nation for their continuing leadership and participation in conservation programs and activities so vital to fish and wildlife welfare; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to petition the United States Postal Service to institute an annual issue of commemorative postage stamps in recognition of the unparalleled contributions of this nation's hunters and fishermen to the conservation and wise use of all our natural resources; and be it further

"*Resolved,* That the postal service's annual issue of such stamps be instituted in conjunction with the President's approval or declaration of a National Hunting and Fishing Day; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California. Referred to the Committee on Veterans' Affairs:

SENATE JOINT RESOLUTION No. 16

"Relative to Federal benefits for veterans

LEGISLATIVE COUNSEL'S DIGEST

"Whereas, House Resolution 568, with the purpose of promoting the care and treatment of veterans in state veterans' homes, has been introduced in the Congress of the United States; and

"Whereas, House Resolution 2900, which has as its purpose improved medical care for veterans, the provision of hospital and medical care to certain dependents and survivors of veterans, and the retention of career personnel in the Department of Medicine and Surgery, has, also, been introduced in the Congress of the United States; and

"Whereas, The commendable goal of House Resolutions 568 and 2900, is to aid the "American veteran" who has faithfully served to maintain the United States in war and peace; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the President and the Congress of the United States to support programs which have as their purpose the improvement of both veterans' medical care and care for dependents and survivors of veterans; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"SENATE JOINT RESOLUTION No. 24

"Relative to national veterans' cemeteries

"Whereas, A shortage of burial space in our national cemeteries has prevented thousands of veterans from being paid last respects in the manner for which they are entitled; and

"Whereas, This is a deplorable situation for a country whose men have served her so faithfully and so well; and

"Whereas, More than 3 million California veterans are now eligible for such interment but may not receive final tribute from their country unless provision is made for them by Congress; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the Congress for swift passage of legislation to provide for national cemeteries to accommodate the 3 million California veterans who are eligible for such interment; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Referred to the Committee on Armed Services:

"RESOLUTIONS

"Urging the President of the United States and the Members of Congress to establish a full scale congressional commission in order to hold hearings to establish the status of the U.S. Armed Forces who are still listed as missing in action as the result of our military involvement in the Indo-China area

"Whereas, On August 15, 1973, the United States government formally ended its military involvement in the Indo-China Area thereby bringing to a close a period in which our government unstintingly gave of its resources and manpower to the South Vietnam, Cambodian and Laos governments in the Vietnam War, so-called; and

"Whereas, During this period of rejoicing over the end of our military involvement in this area it is well that we remember that at the present time there are approximately 1300 American men missing in action because of this involvement; and

"Whereas, Since the distraught families and friends of these men have been trying to no avail to get some information as to their existence, it now behooves every American and free people everywhere to use their influence on the North Vietnam Government in Hanoi to make public all information it has on these men and to render all possible assistance in gathering as much information as possible about them; therefore be it

"Resolved, That the Massachusetts House of Representatives respectfully urges the President of the United States to use the influence of his office to assist in establishing the status of the men that are missing in action because of our recent involvement in the Indo-China area; and be it further

"Resolved, That the Massachusetts House of Representatives requests the members of the Congress of the United States to use their good offices in assisting to secure this information by establishing a congressional committee to hold hearings and to do any other acts which they deem necessary to carry out this purpose; and be it further

"Resolved, That copies of these resolutions be forwarded by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

"House of Representatives, adopted, September 27, 1973."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Ordered to lie on the table:

"RESOLUTIONS

"Urging John Love, Director of the United States Energy Policy Office, not to order or allow the diversion of propane home heating fuel away from New England this winter

"Whereas, The Commonwealth of Massachusetts supply of natural gas from pipelines sources has been and will continue to be severely curtailed; and

"Whereas, the resulting shortage of natural gas has caused Massachusetts to rely more extensively on substitutes such as propane and liquified natural gas to insure adequate supplies for home heating gas consumers; and

"Whereas, The Commonwealth is already heavily reliant on fuel oil which is already in critical supply for home heating purposes; and

"Whereas, the Federal Energy Policy Office proposes to impose mandatory allocations of propane which will prevent the Commonwealth from securing adequate supplies of propane for the home heating purposes of the consumers of gas utility companies; therefore be it

"*Resolved,* That the Massachusetts House of Representatives respectfully urges John Love, Director of the United States Energy Policy Office, not to order or allow the diversion of propane home heating fuel away from New England Area; and be it further

"*Resolved,* That copies of these resolutions be forwarded forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth and to John Love, Director of the United States Energy Policy Office.

"House of Representatives, adopted, September 27, 1973."

A resolution adopted by the Commission of Housing and Community Development, State of California, relating to energy conservation. Referred to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 2013. A bill to amend the act of June 14, 1926 (43 U.S.C. 869), pertaining to the sale of public lands to States and their political subdivisions (Rept. No. 93–428).

By Mr. CURTIS, from the Committee on Agriculture and Forestry, with amendments:

S. 2470. A bill to amend the Consolidated Farm and Rural Development Act. (Rept. No. 93–429).

By Mr. HATHAWAY, from the Committee on Banking, Housing and Urban Affairs, without amendment:

H.R. 4507. An act to provide for the striking of medals in commemoration of Jim Thorpe (Rept. No. 93–430).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 205. A bill for the relief of Jorge Mario Bell (Rept. No. 93–431);

S. 912. A bill for the relief of Mahmood Shareef Suleiman (Rept. No 93–432);

S. 1075. A bill for the relief of Imre Pallo (Rept. No. 93–433);

S. 1728. A bill to increase benefits provided to American civilian internees in Southeast Asia (Rept. No. 93–434);

H.R. 1322 An act for the relief of Jay Alexis Caligdong Siaotong (Rept. No. 93–435);

H.R. 1366. An act for the relief of Juan Marcos Cordova-Compos (Rept. No. 93–436);

H.R. 1377 An act for the relief of Michael Joseph Wendt (Rept. No. 93–437);

H.R. 1716. An act for the relief of Jean Albertha Service Gordon (Rept. No. 93–438);

H.R. 2212 An act for the relief of Mrs. Nguyen Thi Le Fintland and Susan Fintland (Rept. No. 93–439); and

H.R. 2215. An act for the relief of Mrs. Purita Paningbatan Bohannon (Rept. No. 93–440).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1852. A bill for the relief of Georgina Henrietta Harris (Rept. No. 93–441); and

H.R. 1321. An act for the relief of Mrs. Doninga Pettit (Rept. No. 93–442).

By Mr. EASTLAND, from the committee on the Judiciary, with amendments.

H.R. 5106. An act for the relief of Flora Datiles Tabyo (Rept. No. 93–443).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

H.R. 1315. An act for the relief of Jesse McCarver, Georgia Villa McCarver, Kathy McCarver, and Edith McCarver (Rept. No. 93–445);

H.R. 1378. An act for the relief of James E. Bashline (Rept. No. 93–446);

H.R. 1462. An act for the relief of John R. Poe. (Rept. No. 93–447); and

H.R. 1965. An act for the relief of Theodore Barr (Rept. No. 93–444).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. NUNN, from the Committee on Armed Services:

Frank A. Shrontz, of Washington, to be an Assistant Secretary of the Air Force.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. NUNN. Mr. President, as in executive session, I also report favorably sundry nominations in the Marine Corps which have previously appeared in the Congressional Record and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Barbara J. Roy, and sundry other officers, for promotion in the Marine Corps.

By Mr. THURMOND, from the Committee on Armed Services:

Herman R. Staudt, of Florida, to be Under Secretary of the Army.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. RANDOLPH, from the Committee on Public Works:

Bill H. Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. WILLIAMS (for himself and Mr. Case):

S. 2533. A bill to amend the Urban Mass Transportation Act of 1964 to permit financial assistance to be furnished under that Act for the acquisition of certain equipment which may be used incidentally for charter or sightseeing purposes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. INOUYE:

S. 2534. A bill for the relief of Mr. and Mrs. Lemuel D. Navarrete. Referred to the Committee on the Judiciary.

By Mr. SCHWEIKER (for himself and Mr. Hugh Scott):

S. 2535. A bill to designate the Chartiers Creek flood protection project in Allegheny County, Pennsylvania, as the James G. Fulton Flood Protection Project. Referred to the Committee on Public Works.

By Mr. INOUYE:

S. 2536. A bill to promote tourism in the United States by establishing a National Tourism Administration in the Department of Commerce. Referred to the Committee on Commerce.

By Mr. GOLDWATER:

S. 2537. A bill to amend the Social Security Act to prohibit the disclosure of an individual's social security number or related records for any purpose without his consent unless specifically required by law, and to provide that (unless so required) no individual may be compelled to disclose or furnish his social security number for any purpose not directly related to the operation of the old-age survivors, and disability insurance program. Referred to the Committee on Finance.

By Mr. PROXMIRE (for himself, Mr. Nelson, Mr. McIntyre, and Mr. Hathaway):

S. 2538. A bill to provide for the establishment of construction and safety standards for mobile homes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SCHWEIKER (for himself and Mr. Hugh Scott):

S. 2535. A bill to designate the Chartiers Creek flood protection project in Allegheny County, Pa., as the James G. Fulton flood projection project.

Mr. SCHWEIKER. Mr. President, on behalf of Senator Hugh Scott and myself, I introduce a bill to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pa., as the "James G. Fulton Flood Protection Project."

This bill would name the Carnegie-Bridgeville reach of the Chartiers Creek local flood protection project in Pennsylvania in honor of our late and respected colleague, James G. Fulton.

Chartiers Creek is located in Allegheny and Washington Counties, southwestern Pennsylvania. It is 52 miles long from its source which is about 6 miles south of Washington, Pa. The Chartiers Creek Basin is approximately 24 miles long and has an average width of about 12 miles. The total drainage area above the mouth is 277 square miles.

Serious annual flooding occurred in the basin, with major floods about every 5 or 6 years. After the devastation caused by Hurricane Hazel in 1954, Congressman Fulton led efforts to designate the region as a disaster area, and the President did so shortly after the request was made. In 1955, Congressman Fulton introduced a resolution requesting a survey of the Chartiers Creek area and from then on worked for many years on the project to obtain the necessary authorization and appropriation. Another flood occurred in 1956.

Finally, in February 1963, the survey was completed. In June 1968, a construction contract was awarded and on July 26, 1968, Congressman Fulton initiated the groundbreaking ceremony on the project.

Our beloved friend and colleague, Jim Fulton, died October 6, 1971. We think it is entirely fitting that we dedicate this important flood protection project in memory of Congressman James G. Fulton, who for so many years loaned his considerable energies to making this project a reality.

By Mr. INOUYE:

S. 2536. A bill to promote tourism in the United States by establishing a National Tourism Administration in the Department of Commerce. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, in July of this year the National Tourism Resources Review Commission submitted its report on the tourism needs and resources of the United States through 1980.

That Commission created by Congress in 1970, was given a 2-year mandate to study and evaluate our potential and requirements. The multivolumned report "Destination U.S.A." is the result of its efforts.

On July 27, Mr. Charles S. Thomas, Chairman of the Commission, appeared before the Senate Commerce Committee and outlined its major recommendations. Other distinguished men and women in the travel industry also appeared at that time to express their preliminary views.

Mr. President, the efforts of the National Tourism Resources Review Commission represent the first comprehensive study of tourism in the United States.

We should all be grateful such a task was finally undertaken. At the same time we should also be painfully aware that this belated effort is another example of our history of lost time in an area which offers so many benefits for our country.

Whether or not one agrees with all of the conclusions and recommendations of the Commission, I believe everyone recognizes that its report clearly sets out the magnitude of the tourism industry and its potential.

In 1970, for example, tourism expenditures in the United States totaled $50 billion, and the Commission report projects expenditures of $127 billion in 1980.

These expenditures in turn significantly affect the general economy. For every $4 of income earned directly by tourism, another $3 is generated indirectly. Altogether the tourism industry accounted for 3.8 percent of private employment in 1970, or about 2.3 million people. Growth in travel, according to the report, is expected to increase this employment 60 percent by 1980.

Mr. President, the report and recommendations of the Travel Resources Review Commission must not be allowed to gather dust. Rather, the work of the dedicated men and women who served on that Commission should be an incentive and a catalyst for the Government and the travel industry.

We must begin now to examine our total efforts as a nation with a view towards optimum utilization and development of our tourism resources.

With this as the objective, Mr. President, I am today introducing legislation which is designed to implement the major recommendations of the Tourism Resources Review Commission.

I wish to emphasize, Mr. President, that this bill is not intended as an endorsement on my part of any particular recommendation in the Commission's report. Rather, it is a practical, workable measure which is intended to reflect the Commission's efforts, and serve as a catalyst to generate constructive suggestions from all sectors of the travel industry, and from the many agencies which share responsibility for the tourism programs of the Federal and State governments.

Since its release in July, the Commission's report has stimulated considerable examination and analysis among everyone concerned with tourism.

I would hope the legislation I am introducing today will be the next step in this ongoing process.

Shortly, after sufficient time has elapsed for everyone to study the legislation thoroughly, the Subcommittee on Tourism, of which I am chairman, expects to hold hearings on this bill as well as on the Commission's report.

When the subcommittee does, I would also hope that those who testify will not limit themselves to endorsements or criticisms of specific provisions of the bill, but will feel free to offer their own constructive recommendations and proposals.

By Mr. PROXMIRE (for himself, Mr. NELSON, Mr. MCINTYRE, and Mr. HATHAWAY):

S. 2538. A bill to provide for the establishment of construction and safety standards for mobile homes, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

MOBILE HOME CONSTRUCTION AND SAFETY STANDARDS

Mr. PROXMIRE. Mr. President, we need strong Federal standards to insure the safety and durability of mobile homes. This job cannot be left exclusively to the States because mobile homes are becoming a bigger and bigger source of housing and are more hazardous than conventional housing. Moreover, since mobile homes can be shipped across State lines, national standards are needed to protect all Americans regardless of where they live.

Today, I am introducing a bill to accomplish that goal.

The need to reduce deaths, injuries, and property damage caused by badly designed and built mobile homes already has been recognized. Senator BROCK, and others introduced a bill (S. 1348) last March. Hearings on the bill were held in July by the Subcommittee on Housing and Urban Affairs of the Senate Banking, Housing and Urban Affairs Committee.

Although S. 1348 was generally supported by the mobile home industry, independent witnesses and State officials testified that it was too weak and did not go far enough to protect mobile home buyers. My bill is based on the recommendations of the Center for Auto Safety and provides for a stronger Federal role. At the same time, it permits the States to adopt even tougher standards whereas under S. 1348 they could not.

Effective safety and construction standards are needed for mobile homes because more than 7 million persons live in this type of housing. For low-income couples and families, particularly the young and the retired, mobile homes are becoming an ever-growing source of housing. It is generally agreed that about 85 out of every 100 housing units costing under $20,000 are mobile homes. Under $15,000, some 95 percent of housing units are mobile homes.

The Mobile Homes Manufacturers Association—MHMA—in a pamphlet published in June, noted that sales have mounted almost steadily since 1947. In that year, 60,000 mobile homes worth $146 million were shipped. Last year, the number of shipments grew to nearly 576,000 and they were worth more than $4 billion. The average price of mobile homes was $6,950 last year.

The MHMA says that the 1970 census showed that the median income of household heads living in mobile homes as $6,690. The greatest percentage for the household heads—35.9 percent—was in the under $5,000 bracket.

From these figures it can be seen that the Federal Government has a legitimate need to enter the field of mobile home regulation to see to it that they are built soundly and safely.

Thirty-six States have established some kind of mobile home safety standards; however, the standards vary and enforcement is weak or nonexistent in many States. Wisconsin has recently passed a strong law which promises to increase mobile home safety. But in many other States, mobile home buyers have little or no effective protection.

There also have been attempts at self-regulation. According to the MHMA there are 334 mobile home manufacturers with 811 factory sites. The MHMA says that more than 60 percent of all mobile homes are built by its members.

All members of the MHMA must meet a construction code issued by the American National Standards Institute—ANSI. This code—ANSI 119.1—certainly is better than nothing. Yet it leaves very much to be desired. Working papers issued by the OEO last February, entitled "Mobile Homes and Low-Income Rural Families," say of the ANSI code:

> Many concerned interest groups have questioned the adequacy of the code and the inspection procedures. The code is very general in many instances and frequently uses words such as "adquate," "sufficient," and "proper" in describing the requirements.

The bill being introduced today requires the Secretary of the Department of Housing and Urban Development to establish Federal mobile home standards that would meet the need for safety, durability and quality. In addition, these standards would have to be stated in objective terms, not just in terms of performance as are the ANSI code requirements. S. 1348, by way of contrast, covers only safety standards and endorses the comparatively weak ANSI code.

The real need for Federal standards stems from the hazardous conditions that exist in nearly all mobile homes manufactured in the United States. And those hazards can be summed up in two words: Fire: Windstorm.

Just before midnight of January 15, 1973, according to information supplied to me, fire broke out in the mobile home of Wayne Alford, who managed a mobile home sales lot near Rockford, Ill. The fire spread so quickly that when Mrs. Alford stepped outside to find the cause of the fire, she was unable to get back inside. The rush of air through the open door fanned the flames on buring plywood and plastic. The hallway became impassable.

The Alford's 7-year-old daughter and 3-year-old son were found dead of smoke inhalation in their bedrooms.

A small metal seal near its front door attested that the new, $9,600 double-wide mobile home had met the industry's standards as contained in ANSI 119.1 for heating, wiring, plumbing and basic construction.

The cause of that fire was never discovered. But the causes of similar fires have been.

A Texas fire chief has said that—

> Mobile home fires are intense, usually resulting in total loss of the unit. Loss of life occurs more frequently than in other types of dwelling.

The safety of mobile homes has nothing to do with the people who live in them. Arthur D. Little, Inc., reports the incidence of fires is about the same in one- and two-family site-built houses as in mobile homes. An Oregon study says fires in conventional homes occur more frequently.

But it's a different story once a fire starts.

The fatality rate in Oregon from 1969 to 1971 was four times greater in mobile homes than in conventional houses. From Alaska come figures for 1968 through 1971 showing that while only 5 percent of the population lives in mobile homes the fatality rate was 18 percent greater than for site-built homes. In Phoenix, Ariz., the fatality rate in 1971 was eight times that for conventional houses.

And property damage is relatively greater for mobile homes, too, according to a 1972 report of State Farm Insurance: $1,385 for mobile homes as against $890 for conventional houses. There are similar figures from the NFPA—National Fire Protection Association.

Wiring is one of the major cause of fires in houses and mobile homes. In mobile homes, however, one difference has been the widespread use—at least up until 1969—of aluminum wire. The reasons for this are complex. To simplify the reasons, however, it can be stated that aluminum wire placed in connecting devices designed for copper wire, combined with the molecular structure of aluminum, resist the flow of electricity. The wire overheats after the passage of time. This condition seems to be aggravated by vibrations caused by hauling the mobile homes over the road.

Many of the older mobile homes wired that way are still in use and present a potential hazard. As wires loose the hazard increases.

Another problem, regardless of the type of wiring used, is the workmanship in many factories. The use of unskilled workers was attacked by Rex Jordan, Washington State fire marshal. He is quoted:

> The workmanship on wiring is a great deal worse in mobile homes than in stick-built homes.

Faulty furnaces are another major cause of mobile home fires. Foremost Insurance Co., said to be the largest insurer of mobile homes, says furnaces are blamed for 11.4 percent of the fires in mobile homes it insures.

Among the hazardous conditions found with furnaces that can be traced back to the factory are flues that are not connected properly, flammable debris left in the ducts, lack of sufficient clearance between furnaces and plywood walls, locations of furnaces next to exits, lack of proper insulation between furnaces and walls, the use of uncovered wooden joists and studs as sides for ducts.

That last fault, said to be common in mobile home construction dries wood excessively, making it susceptible to combustion. When these wooden ducts are also used for air conditioning, they can also became damp in the summer, leading to rot.

Still another cause of fires is the use of heat tape—electric wire coated with plastic and wrapped around external water pipes to keep them from freezing. Actually, most firms do not supply such tape with their mobile homes. Yet, the homes cannot function in cold weather without them. Much of the tape used by mobile home owners is of poor quality, causing the plastic coating to deteriorate and thus shorts and fires. Heat tape should meet national standards, too.

The materials from which mobile homes are constructed is another source of danger once a fire begins.

The National Commission on Fire Prevention and Control stated in a report that "mobile homes are the fastest-burning of all homes." The reasons the report gave included these:

> Their small size, close proximity of heaters and kitchens to sleeping areas, the concentration of combustible materials, lack of adequate escape doors in many cases, and a higher combustibility of interior finishes than in most site-built homes.

Wood paneling and plastics are needed to make mobile homes light and inexpensive. Wood paneling and plastics also happen to be the materials that burn rapidly and, in many instances, with toxic fumes.

Standards now used by many mobile home manufacturers include a flame spread rating of class C for surface materials. On a scale from zero to 1,000, class C goes up to 200.

Drywall used in conventional houses is made of gypsum, which has a rating between 10 and 15 on the scale, putting it in class A.

A fire research professor at the University of Maryland, Harry Hickey, referring to that scale, says that—

> A flame spread of between 150 and 200 burns about as quickly as the average adult can run.

Irwin Benjamin, Chief of the National Bureau of Standards, Building Fires and Safety Section, says:

> I have serious questions about the adequacy of the Class C requirement, especially in hallways . . . The heat bounces off the walls and ceiling and the closer together the walls are, the more concentrated is the heat and the faster the place burns.

Much plastic is used in constructing mobile homes: flooring, wall coverings, upholstery, molding, pipe, furniture—mobile homes generally are sold furnished—many bathroom fixtures.

Among the more commonly used plastics are polyvinyl chloride—PVC—more than 43.5 million pounds used in mobile homes in 1971—and polyurethanes and polystyrenes—36.7 million pounds of the latter two used in 1971 in mobile homes.

Burning PVC emits carbon monoxide and hydrogen chloride—and it smokes. One university researcher said:

> You can burn a one-inch cube of PVC with a bunsen burner and fill an entire classroom with smoke.

Dense smoke from a PVC fire develops within 2 minutes.

There are conflicting reports on the ways urethanes and styrenes burn. But the Federal Trade Commission recently accused manufacturers of failing to warn the public about the serious fire hazards inherent in polystyrenes and polyurethanes.

Polystyrenes are used for the fronts on kitchen cabinets, often stituated directly over kitchen ranges.

Escape is the vital concern in any residential fire. In mobile homes, escape is even more perilous. As the OEO pointed out, because of the relatively small volume of mobile homes little time elapses between the outbreak of a fire and the filling up of the home with smoke.

Metal door and window frames in older mobile homes tend to warp and become inoperable under heat. And most windows are not of the knockout type and too high from the floor. Some improvements were made with regard to windows in ANSI standards last December, however.

Windstorms should be fearsome for mobile home dwellers. Mobile homes comprise about 4 percent of the country's housing inventory, yet last year their rate of destruction was 30 times that of conventional houses. The Red Cross reports that 464 mobile homes were destroyed in tornadoes, hurricanes, and windstorms in 1972 compared with 311 conventional houses destroyed in similar storms. High wind loss is prevalent in 36 of the 48 continental States.

But that is property damage. What about death and injury? As is so true with mobile homes, statistics are difficult to find. But Allen Pearson, director of the National Severe Storms Forecast Center in Kansas City, says that "mobile homes have 10 times the death rate of conventional houses" when wind is concerned.

The narrow I-beam bases on which most mobile homes rest when set on blocks causes instability. Even moderate winds of around 45 miles an hour can, in some instances, send them tumbling. A University of Michigan engineering professor, Robert Harris, says that winds over 70 miles an hour can tear mobile homes apart at the connections between roofs, walls, and floors. One reason is that staples are often used instead of nails, which have greater holding power.

Most mobile homes are not anchored properly. Tiedowns—steel straps or cables—should be extended over the top and firmly anchored in the ground. Similar ties should be attached to the frames. Little testing has been done on these systems. Some authorities say two over-the-top tiedowns are enough. Others say as many as six are needed.

It has been estimated that only about 100,000 of the more than 2 million mobile home owners now use tiedowns. Only a few States make that mandatory.

ANSI has developed tie-down standards which the Mobile Homes Manufacturers Association has required its members to use since the first of this year. But neither anchors nor frame straps are delivered with the mobile homes. And not all insurance companies demand that mobile homes be tied down.

Mr. President, this summary of what is wrong with mobile homes shows that something must be done.

Automobiles are now subject to Federal safety regulations. There are some similarities between a mobile home and a car: both are built for interstate sale; both are sold on conditional sales contracts; both can have defects stemming from design and bad workmanship. But now forced recalls are mandatory on cars with defects. Not so for mobile homes. The fact that both automobiles and mobile homes both use the highways is not a demanding similarity because the homes are meant to be semipermanently situated. Recreational vehicles are not covered by this legislation because they are on the move and are not used normally as permanent housing.

The purpose, then, of the legislation being introduced today is to improve the safety and durability of mobile homes, and thus reduce deaths, injuries, property damage and insurance costs connected with the design and construction of mobile homes.

The prime step in this bill toward that goal will be the establishment of standards by the Secretary of HUD. He would have 360 days after the enactment of the legislation to do the research, testing and evaluation needed to set such standards. He would consider, too, whether any standard he sets would increase the cost of owning a mobile home beyond the value of the expected benefits to the public.

The HUD standards would not prevent any state from setting higher standards. That is reasonable because in northern States, for example, cold weather might require greater insulation. Obviously, a single, nationwide set of standards might be more convenient for mobile home manufacturers. Yet, any national standards worth having will have to be rather high. In addition, because mobile homes are rarely transported more than 300 miles from factory to site, higher state standards will not be a major hinderance to the builders.

The HUD Secretary would appoint a 12-member Mobile Home Safety Advisory Council as consultants in establishing or amending the construction and safety standards. Three members would come from the mobile home and related industries; three from State and local governments and six from the general public.

Within 6 months after the enactment of this legislation, the Secretary of HUD shall recommend to the Congress whether legislation should be passed regarding safety standards for used mobile homes and relating to the disposal of uninhabitable mobile homes.

The heart of the bill contains safeguards for the mobile home buyer. Inspection while the mobile homes are under construction and the mandatory issuance of warranties are the major protections for the owners. These are backed up by the requirement that unsatisfactory mobile homes must be bought back by the manufacturer. When the manufacturer finds a fault, he must notify the owners and make repairs—a provision quite similar to recalling unsafe automobiles.

The beginning of the inspection process is the submission of plans and specifications of every model by the manufacturer to HUD for certification. The plans must be approved before a model can be produced and sold.

Federal mobile home construction and safety standards would be enforced by inspectors in the factories. Those inspections might be carried out through contracts with State and local governments or with private inspection agencies independent of the manufacturers.

Some States having mobile home regulations now employ such private agencies. One of those is Underwriters' Laboratories, Inc. Jack Bono, assistant chief engineer, Fire Protection, of UL testified at recent hearings on S. 1348. He told of roof trusses failing to withstand test loads, heating appliances installed improperly, improper clearances between cooking equipment and combustible surfaces, improperly installed plumbing and duct systems, poor bonding of aluminum skin, improper sized conduit for wiring, and other defects.

The first buyer—other than distributor or dealer—must be given a 1-year written warranty on his mobile home. It would warrant that the mobile meet all standards and it would bind the manufacturer to repair or replace any malfunction or defective part within 30 days from the date of the first complaint. The work must be done at the mobile home's site without charge to the owner.

Should needed repairs be inordinately delayed or required an unreasonable number of times, the buyer would have the right to demand replacement of the mobile home or a full refund on the purchase price.

If a manufacturer discovers any defects in mobile homes he has produced, he must notify the first buyer by certified mail and provide repairs within 30 days. The ultimate penalty for failure in this section could be replacement of the home or a refund on the depreciated value after 1 year of purchase. Similarly when a mobile home is found not to comply with standards, the manufacturer can be forced to repurchase the defective homes already sold.

So that the owner might know his responsibilities, HUD would develop guidelines for consumers' manuals to be provided with each mobile home. These will deal with operation, maintenance and repair.

The HUD Secretary would carry out the responsibilities under the bill through a National Mobile Home Safety Administration, headed by an assistant secretary appointed by the President with the advice and consent of the Senate.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1844

At the request of Mr. ROBERT C. BYRD, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1844, to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes.

At the request of Mr. ABOUREZK, the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. BENNETT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Maine (Mr. MUSKIE), the Senator from Ohio (Mr. TAFT), the Senator from Texas (Mr. BENTSEN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Oklahoma (Mr. BELLMON) were added as cosponsors of S. 1844, the American Folklife Preservation Act.

Mr. ABOUREZK. Mr. President, I am very pleased that these seven colleagues have added their support to this important bill. The number of Senate cosponsors has now reached 44.

This bill and this support is another reflection of the interest in the U.S. Congress for our folk culture and native traditions. This is very compatible with the generous congressional support given the National Endowments for the Arts and Humanities which has received so much publicity recently.

As I stated in the CONGRESSIONAL RECORD of September 13, the coordination that this bill will provide is desperately needed but will not be costly. Regardless of how cost is measured, the conservation and preservation of our national heritage must be given priority by all our citizens.

S. 2025

At the request of Mr. RIBICOFF, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 2025, to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to establish 1974—rather than 1975—as the first year in which adjustments in benefits, wage base, and earning limitation, can be made on account of increases in the cost of living.

S. 2513

At the request of Mr. RIBICOFF, the Senator from Colorado (Mr. HASKELL) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of S. 2513, the Catastrophic Health Insurance and Medical Assistance Relief Act of 1973.

S. 2521

At the request of Mr. HUMPHREY, the Senator from California (Mr. TUNNEY), the Senator from Wyoming (Mr. MCGEE) and the Senator from Massachusetts (Mr. BROOKE) were added as cosponsors to S. 2521, providing disaster relief to West Africa, Nicaragua, and Pakistan.

SENATE JOINT RESOLUTION 159

At the request of Mr. PROXMIRE, the Senator from New York (Mr. JAVITS) was added as a cosponsor of Senate Joint Resolution 159, to designate the last Sunday of May of each year as "Walk a Mile for Your Health Day."

SENATE CONCURRENT RESOLUTION 50—SUBMISSION OF A CONCURRENT RESOLUTION EXPRESSING THE SENSE OF THE CONGRESS FAVORING A WORLD FOOD CONFERENCE AND U.S. PARTICIPATION THEREIN

(Referred to the Committee on Foreign Relations.)

Mr. JAVITS. Mr. President, I submit, for myself and Senators HUMPHREY, DOLE, and MCGEE a concurrent resolution calling for a World Food Conference to be held under United Nations auspices in 1974. We feel that such a conference is essential in order to discuss means of increasing food production, improving distribution of food, developing a world policy on food reserves, and providing for world relief efforts in cases of natural disaster. It is important that the U.S. Government lend maximum support to calling such a conference.

Secretary of State Kissinger, in his opening address before the United Nations General Assembly, proposed such a conference. He pledged U.S. cooperation in an effort to assure that all the people of the world community be fed. He said:

> The growing threat to the world's food supply deserves the urgent attention of this Assembly. Since 1969 global consumption of cereals has risen more rapidly than production; stocks are at the lowest levels in years. We now face the prospect that—even with bumper crops—the world may not rebuild its seriously depleted reserves in this decade.

This call for action deserves the most urgent support of the Congress for the reasons stated in this concurrent resolution. Time is running out for dealing with the world food situation if we are to avoid a major catastrophe for millions of people around the world. Senators Humphrey, Dole, and McGee and I have introduced an amendment to the foreign aid bill, which would begin the first steps in dealing with world food problems. That amendment was a coordinated and related step that is fully in line with the concurrent resolution we are now proposing.

There has been a great deal of concern recently with shortages of certain agricultural commodities, and the apparent inability of existing international organizations to deal satisfactorily with the pressing question of access to food resources. This will be a matter of increasing importance in world trade in the years to come, and it deserves immediate attention and long range planning. I call to the attention of my colleagues two statements I wish to be printed in the Record. One is a statement from Dr. A. H. Boerma, Director General of the Food and Agriculture Organization of the United Nations supporting Dr. Kissinger's proposal for a world food conference. The other is an excellent article by Anthony Lewis on the world food situation, which appeared in the New York Times on October 1. I ask unanimous consent that the concurrent resolution and these two documents be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. Con. Res. 50

Whereas the world is facing increased scarcity of basic agricultural commodities, such as grains and other foodstuffs,

Whereas grain stocks held by the world's major exporting countries are at the lowest levels in twenty years, and food experts have projected a wheat shortage of between six and nine million tons in the developing countries this year,

Whereas the Sahel region of West Africa and the three countries of the Indian subcontinent have suffered natural disasters of such magnitude that massive starvation and malnutrition have occurred and assistance from other nations was and is needed to feed the people of that region,

Whereas excessive foreign demand for American agricultural commodities has driven up food prices dramatically in this country thereby contributing heavily to inflation and the danger of a recession here and abroad,

Whereas the unilateral application of export embargoes on agricultural commodities, without consultation with other nations, disrupts international trade and encourages retaliation that is harmful to attempts to negotiate reductions in tariff and non-tariff barriers,

Whereas projections of world food production show tight supplies for a number of years to come, requiring closer coordination among countries on food production and distribution, therefore, be it

Resolved, That it is the sense of the Congress that a world food conference to include representatives from governments, multinational organizations, academic and research institutions, relief organizations and industry, be organized under United Nations auspices in 1974, to discuss means of increasing food production, improving distribution of food, developing a world policy on food reserves, and providing for world relief efforts in cases of natural disaster. The United States Government should provide maximum support to convene such a conference and to ensure its success.

[From the New York Times, Oct. 1, 1973]

Nearing the Limits

(By Anthony Lewis)

Boston, September 30.—In dealing with the acute public concern about food prices, official Washington has taken a generally reassuring line. There have been some unexpected trends, it is said, and perhaps some fault in negotiation, but careful planning can put things right for the future.

Talking with experts on world food production gives one a profoundly different picture: The problem is one of world dimensions, and it is here to stay. The sharp rise in prices, the shortages, the new food nationalism of export controls—all these things are happening around the world, and they are not passing phenomena.

"We are seeing the effects of the pressure of population and affluence in the world." So says Professor Nevin S. Scrimshaw of the Massachusetts Institute of Technology. He heads M.I.T.'s Department of Nutrition and Food Science and is also chairman of the important Protein Advisory Group that serves the World Bank and many United Nations agencies.

The impact of population growth can be seen in the end of traditional grain exports from underdeveloped countries—such as the rice surpluses of Southeast Asia. Today those countries need the grain for themselves. The only significant grain exporters are the United States, Canada, Australia and New Zealand. But we think too much of population alone, Dr. Scrimshaw says, and not enough of how affluence multiplies demand on food resources. The point is made in a simple and dramatic statistic.

In a culture with a predominantly cereal diet, the average person eats 400 pounds of grain a year. But a society like America's, with its emphasis on meat-eating, uses 2,000 pounds of grain a year per capita. Animals are that much less efficient in converting grain to protein.

Right across the northern tier of the earth—Europe, North America, Japan—the postwar rise in affluence has made the demand for meat soar. In 1940 Americans ate 55 pounds of beef each. In 1972 the figure was over 120 pounds. Europe and Japan have passed the 1940 American level and are "hell-bent" to catch us. Dr. Scrimshaw says.

The hunger for meat is putting tremendous strains on the animal feed potential of the world. One major source of cattle food was anchovies in the Humboldt Current off South America—a catch of ten-million tons a year. But two years ago the fishermen violated the natural cycle by following the anchovies when they moved out with a shift of the current, and since then there has been no catch whatever.

Now the world is increasingly dependent on soybeans for animal feed, and mostly on the American crop. In the oncoming crop year fully one-sixth of U.S. agricultural acreage will go for soybeans, an astonishing proportion. Most of the beans are for export.

This dependence puts a heavy responsibility on the U.S., as we were made suddenly aware this last year when President Nixon's embargo on soybean exports produced anguished reactions in France, Japan and elsewhere. And the United States has had years of good crop weather; the cycle may be about due for drought again.

What makes this whole picture so surprising to Americans is that until recently—until yesterday, it seems—we were worried about surplus crops and acreage. Now most of the fifty-million unused acres in the U.S. agricultural bank have gone into production, and the remaining land is of doubtful value. The same situation applies around the globe: The good farmland is in use. Intensifying the use by fertilizers carries its own problems, notably pollution as from phosphate runoff.

"We were lulled into some false security by the Green Revolution," Dr. Scrimshaw says. "But even better strains of plants need well-watered land and water is limited. Then if your population and affluence begin to swallow up the gain. . . ."

Dr. Scrimshaw is a careful, a conservative scientist. He has sought no headlines. It is just that what he knows deeply worries him. The same is true of his M.I.T. colleague, Professor Carroll Wilson, the former general manager of the Atomic Energy Commission. After taking part in a high-level meeting on world food problems he was interviewed by The Boston Globe.

"We are now looking at some of the outer limits of global 'carrying mass' in food production," Wilson said. "It's becoming marginal to feed the present world population. I had not thought of food as the most critical ceiling. But it is clear to me that you couldn't double the (world) population, as is expected by the year 2,000, and still feed them."

Anyone who thinks about those statements must realize that there is involved here something very much larger than the prices troubling American families. The specter of world shortages may be near, and with it even more terrible differences between the developed and underdeveloped nations. The even more significant inference to be drawn from world food trends, one requiring separate discussion, is that mankind is indeed approaching the limits to physical growth.

Rome, September 25.—The following statement was issued by Dr. Addeke H. Boerma, Director-General of the Food and Agriculture Organization, today:

"I warmly welcome Secretary Kissinger's statement on the world food situation and his diagnois of the problem. His observations conform closely to mine and reflect the serio-concern I have been expressing for many months.

"The fact that the United States, as one of the major food producers and exporters of the world, is aware of the urgency of the situation and the need to take international action now is in itself a big step forward in helping us all find a solution to a problem that is already affecting the lives of millions of human beings in many parts of the world.

"Mr. Kissinger's initiative is all the more welcome since it comes just prior to FAO's regular biennial conference in Rome where the world food situation will be discussed by many of the ministers of agriculture of our 125 member governments. In addition to the discussion which will take place at the current session of the U.N. General Assembly, the FAO conference is in fact the ideal forum for a more detailed consideration of Mr. Kissinger's proposed 1974 food conference which would involve covenants, the United Nations itself and many of its specialized agencies.

"The Food and Agriculture Organization is of course ready to contribute its specialized experience and resources to ensure that any such conference will achieve the goals Mr. Kissinger expects of it."

Mr. HUMPHREY. Mr. President, the events of the past year provide ample evidence that our world food system is under strain.

Shortages which resulted in rising food prices in this country created widespread starvation and malnutrition in many countries of the world. It is obvious that amid 20 years of abundance in this country we have come to take our agricultural production for granted.

Yet many food experts have realized for some time that the unabated world growth in demand would reach a point where strains would also be felt here at home.

Rapidly increasing world population compounded by a rising level of affluence in many countries continues to threaten the availability of food throughout the world.

It is certainly appropriate to begin planning for tomorrow's food needs. It would not be prudent to wait until another food crisis is upon us to begin taking steps to insure that the consumers of the world have enough to eat.

Therefore, I join with the distinguished Senator from New York in offering this concurrent resolution which would express the intent of the Congress to convene a world conference on food.

If we are to fulfill our responsibilities to the consumers of the world as the world's leading farm producer, we must immediately develop policies in consultation with the other nations of the world designed to assure adequate supplies of food at reasonable and stable prices.

SENATE CONCURRENT RESOLUTION 51—SUBMISSION OF A CONCURRENT RESOLUTION EXPRESSING THE APPRECIATION OF CONGRESS TO VIETNAM VETERANS ON VETERANS DAY 1973

(Referred to the Committee on Veterans' Affairs.)

Mr. THURMOND. Mr. President, Veterans Day, October 22, 1973, will mark the first Veterans Day celebration since the cessation of hostilities in Vietnam. For the first time in more than a decade, we will be able to honor the American veteran in a time of relative peace and stability in the world.

Such an occasion deserves special recognition, and those who made it possible deserve special acknowledgement.

In the midst of the critical negotiations in Paris, no one offered greater help to the President in his search for peace than the American combat soldier. This young man protected the American interest on the field of battle, and exhibited the courage and stamina necessary to strengthen the President's hand at the negotiating table. The resolve and determination of the young soldier remained steadfast throughout the most trying circumstances.

Often the young soldier may have felt forgotten or neglected by the people "back home." Yet, never did he waiver in his duty. He did his job as he was ordered, and he did it well.

As we approach the observance of Veterans Day 1973, our attention is drawn to the great contributions all of our veterans have made throughout the years to our Nation. As a special recognition of our debt to the young men who served during the Vietnam era, I am today introducing a concurrent resolution commending the Vietnam veteran for the important role he played in making a Vietnam settlement possible.

Mr. President, this resolution is nonpartisan, as evidenced by the fact that I am pleased to submit it on behalf of myself and the chairman of the Veterans' Affairs Committee, Senator Hartke, and the ranking minority member, Senator Hansen.

Also, I am pleased that the following additional Senators join in cosponsoring this resolution: the Senator from Oklahoma (Mr. Bartlett), the Senator from Indiana (Mr. Bayh), the Senator from Arkansas (Mr. McClellan), the Senator from North Dakota (Mr. Young), the Senator from Florida (Mr. Chiles), the Senator from Oregon (Mr. Packwood), the Senator from New Mexico (Mr. Domenici), the Senator from Mississippi (Mr. Stennis), the Senator from Nebraska (Mr. Curtis), the Senator from Maryland (Mr. Mathias), the Senator from Virginia (Mr. William L. Scott), the Senator from Rhode Island (Mr. Pastore), the Senator from Maryland (Mr. Beall), the Senator from North Dakota (Mr. Burdick), the Senator from New Jersey (Mr. Williams), the Senator from Georgia (Mr. Nunn), the Senator from Missouri (Mr. Symington), the Senator from Arizona (Mr. Fannin), the Senator from Wisconsin (Mr. Nelson), the Senator from South Carolina (Mr. Hollings), the Senator from California (Mr. Cranston), the Senator from Tennessee (Mr. Brock), the Senator from Florida (Mr. Gurney), the Senator from Tennessee (Mr. Baker), the Senator from Nevada (Mr. Cannon), the Senator from Colorado (Mr. Dominick), and the Senator from Idaho (Mr. McClure).

Mr. President, I request that this resolution be appropriately referred and ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

There being no objection, the concurrent resolution was ordered to be printed in the Record, as follows:

S. Con. Res. 51

Whereas, October 22, 1973, will mark the first observance of Veterans Day since the cessation of hostilities in Vietnam; and

Whereas, more than 46,000 Americans lost their lives and more than 300,000 were wounded in action in the Vietnam conflict; and

Whereas, the Vietnam engagement was the longest war in the history of the United States and was marked with controversy both at home and abroad; and

Whereas, the American military man withstood these adverse conditions and served with valor and courage; and

Whereas, the loyalty and devotion to duty of the American serviceman was of the highest order and played an important role in making peace negotiations possible. Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its gratitude, and pays its respects, to Vietnam veterans on Veterans Day 1973 for their gallant part in attaining peace in Vietnam and making it possible to observe Veterans Day 1973 in peace.

COMMUNITY DEVELOPMENT ASSISTANCE ACT OF 1973—AMENDMENTS

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. BIDEN. Mr. President, after carefully reviewing the major community development legislation which has been introduced and evaluating the testimony presented before the Senate Banking, Housing and Urban Affairs Committee, I am concerned that neither one of the major bills, S. 1743—the administrations' Better Communities Act—and S. 1744—last year's Senate-passed community development block grant version—as written would adequate target Federal funds on what I believe is, or at least should be, the central goal of Federal community development assistance—the improvement of the physical living conditions in our neighborhoods, especially those of the poor.

In order to make clear what we wish to accomplish, I suggest we make our intent explicit and identify the improvement of living conditions and neighborhoods of persons of lower income as the primary objective and leave commercial and industrial planning, the preservation of urban properties of special value, and other community development activities which are directed toward improvements in support of the primary objective and the general welfare as an important but secondary objective. This principal change, which gives focus and direction to the language already in S. 1744, would establish an appropriate set of national priorities—specific enough to target funds to the desired beneficiaries, yet broad enough to enable units of local government to exercise their judgment as to how to achieve the established objectives.

I think we all have learned of the questionable uses to which some units of government have put their general revenue sharing funds. For example, I recall that one community in another State built a bridle path for the benefit of its wealthy residents. Now under general revenue sharing that is possible and some might even argue acceptable and consistent with the objectives of the law. I do not think it is consistent with what we wish to accomplish with the community development legislation, however. Nonetheless, as S. 1744 is curently written, it would not make clear that such an expenditure would be inappropriate, at least as the primary activity of a community development program.

The requirement my amendment adds is that the community development agency applying for assistance certify that "at least a reasonable proportion of the activities to be carried out under the community development program will be directed toward activities in areas and neighborhoods primarily inhabited or intended for inhabitation by lower income persons" attempts to insure that the units of local government address the primary objective of the act before pursuing other interests. I have defined "community development program" as the "activities outlined in a community development agency's application" in order to distinguish it from other community plans or programs which may not be consistent with the objectives of the act.

Another issue which our limited experience with general revenue sharing has raised is the tendency of some communities to use Federal funds for what were previously local responsibilities. Section 3(c) of my amendment would direct that—

> The Federal assistance available under this act shall be utilized in new initiatives or

the substantive expansion or improvement of community development activities currently being undertaken. Funds made available under this Act may not be utilized to reduce substantially the level of local financial support for such activities.

Although S. 1744 requires citizen participation in the development of the annual application, it does not specify how that is to be achieved. As a minimum requirement to insure the opportunity for citizen participation, the community development agency should publish its application before it is submitted. My amendment would require publication of the application 60 days prior to its submission to the U.S. Department of Housing and Urban Development.

I do not consider the limited application requirements, even as I propose they be amended, to be either onerous or undesirable. Instead, they serve the primary objective of the act—the targeting of funds to the needed improvements in the physical living conditions of low-income persons. Accordingly, it would not be unnecessarily burdensome to eliminate the waiver of the application requirements for localities of 25,000 or less. From my observations, communities with small populations need as much if not more encouragement than large metropolitan areas to address the pressing community development needs of the poor.

My amendment also eliminates the "extent of program experience" from the entitlement formula. The program experience factor would bias the distribution of funds in a manner which would not necessarily improve the allocation of funds to best achieve the objectives of the act. Further, it is redundant with the related "hold-harmless" provision of the legislation.

Finally, to insure congressional oversight of our progress toward accomplishing the objectives of the act, I call for an annual report from the Secretary of Housing and Urban Development.

Mr. President, my amendments do not seek to unduly complicate local efforts to secure and expend Federal funds for community development activities. However, they do attempt to make our objectives clear and remove the obstacles and provide the necessary requirements to achieve them—all within the context of local decisionmaking on the selection of the plans and the means to be used.

I ask unanimous consent that the text of my amendments be printed in the Record.

There being no objection, the amendments were ordered to be printed in the Record, as follows:

Amendment No. 602

Beginning with line 11 on page 3, strike out all through line 9 on page 4, and insert in lieu thereof the following:

"OBJECTIVES

"Sec. 3. (a) The primary objective of this Act is the improvement of the living conditions and neighborhoods of persons of lower income. Assistance made available under this Act shall therefore be primarily directed toward—

"(1) the elimination of slums and the prevention of the deterioration of property and neighborhood and community facilities of importance to the welfare of persons of lower income;

"(2) the expansion of the Nation's housing stock in order to provide a decent home and a suitable living environment for such persons;

"(3) the elimination of conditions which are detrimental to the health, safety, and welfare of persons of lower income, through code enforcement, demolition, interim rehabilitation assistance, and related activities; and

"(4) the expansion and improvement of the quantity and quality of community services essential for the well-being of persons of lower income.

"(b) As a secondary objective of this Act, assistance under this Act may be used to support community development activities which are directed toward improvements in support of the primary objectives of this Act, the general welfare. These may include but are not limited to efforts—

"(1) to achieve more rational utilization of land and other natural resources, and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers for sound community development and for the development of viable urban communities; and

"(2) to restore and preserve properties of special value for historic, architectural, or esthetic reasons.

"(c) To best accomplish the objectives set forth in subsections (a) and (b), the Federal assistance available under this Act shall be utilized in new initiatives or the substantive expansion or improvement of community development activities currently being undertaken. Funds made available under this Act may not be utilized to reduce substantially the level of local financial support for such activities."

Redesignate sections 3 through 15, and each cross reference to any of them, as sections 4 through 16, respectively.

On page 6, strike out lines 5 through 14 and insert in lieu thereof the following:

"(10) The term 'community development program' means the activities outlined in a community development agency's application prepared and submitted in accordance with section 8."

On page 12, line 6, insert "and" after the semicolon.

On page 12, line 8, strike out "; and" and insert in lieu thereof a period.

On page 12, strike out lines 9 and 10.

On page 12, line 20, insert "and" after the semicolon.

On page 12, lines 22 and 23, strike out "; and" and insert in lieu thereof a period.

On page 12, strike out lines 24 and 25.

On page 14, lines 9 and 10, strike out "extent of program experience,".

On page 15, line 20, strike out "objectives" and insert in lieu thereof "purposes".

On page 16, line 12, strike out "objectives" and insert in lieu thereof "goals".

On page 17, line 6, strike out "objectives" and insert in lieu thereof "goals".

On page 17, line 13, after "with" insert "the objectives of this Act and with".

On page 17, line 20, strike out "and".

On page 17, between lines 20 and 21, insert the following:

"(C) has determined that at least a reasonable proportion of the activities to be carried out under the community development program will be directed toward activities in areas and neighborhoods primarily inhabited or intended for inhabitation by lower income persons; and".

On page 17, line 21, strike out "(C)" and insert in lieu thereof "(D)".

On page 18, line 8, strike out "objectives" and insert in lieu thereof "goals and the objectives of this Act".

Beginning with line 9 on page 18, strike out all through line 2 on page 19 and insert in lieu thereof the following:

"(b) At least 60 days before the submission to the Secretary of an application under this section, the community development agency shall cause the application to be published in such a manner as to afford affected citizens a reasonable opportunity to examine and comment upon the proposed application."

On page 19, lines 18 and 19, strike out "purposes" and insert in lieu thereof "objectives".

At the end of the bill, add the following:

"ANNUAL REPORT

"Sec. 17. Not later than 120 days after the close of each fiscal year in which assistance under this Act is furnished, the Secretary shall report to the Congress on the progress made during the preceding fiscal year in accomplishing the objectives of this Act."

AMENDMENTS NOS. 603 AND 604

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. TAFT. Mr. President, today I am submitting amendments to S. 1744, the Community Development Assistance Act of 1973, which I consider to be of crucial importance. Their purpose is to insure that the community development program not only contains a clear definition of top priority national community development objectives and requires communities to address those objectives, but also encourages communities to strive for maximum attainment of them and recognizes the work of those who are doing an extraordinary job of accomplishing this goal.

The Better Communities Act, the administration bill which has been called revenue sharing for community development, is purposely devoid of any concept of national community development goals or priorities. The viewpoint expressed many times by administration spokesmen is that individual communities are so diverse that it does not make sense to attempt to dictate their community development priorities from Washington. In addition, the administration's position is that the communities themselves are much better judges of their own needs than "bureaucrats in Washington."

This philosophy is reflected in the Better Communities Act's virtually automatic distribution by formula of community development funds. There is no provision in the bill which attempts to direct Federal funds to high priority community development needs—nor, indeed, is there any attempt to articulate those needs.

I agree that the community development program now being considered should provide for more local autonomy and flexibility to deal with unique local situations than these programs have contained in the past. However, that statement is a far cry from the conclusion that the Federal Government cannot define any priorities for the use of its community development funds in our Nation's cities. Indeed, if this is not done, we might almost as well increase general revenue sharing funds as adopt a specific community development bill.

In my judgment, the Federal Government has every justification to say, and should not hesitate to say, that funds provided under this program should be concentrated on community development activities which will improve living conditions for Americans truly in need of help. Efforts to improve the housing situation of low- and moderate-income families or to eliminate slums and upgrade deteriorating neighborhoods should be higher priority for Federal community development funds than building unnecessary monuments, golf courses or amusement parks, and the Federal Government should insist that this be the case.

Because the community development program is designed to serve the entire community in ways varying a great deal from locality to locality, it is particularly important that the Federal Government make clear that its longstanding commitment to provide priority assistance to truly needy citizens will be adhered to in this program.

The Community Development Assistance Act, which is identical to the proposal passed by the Senate as an alternative to the better communities proposal last year, deals with this concern by requiring communities to submit applications showing what actions they plan to take to meet housing needs, particularly for low- and moderate-income families, to upgrade neighborhoods and eliminate slums and blight, and to improve community services in areas affected by community development activities. While these provisions are certainly a step in the right direction, it is clear in the context of the bill that the standards are general and constitute a "bare minimum" criterion for performance. Furthermore, the standards by which HUD could reject an application because the past or proposed program did not concentrate on these problems are nowhere articulated.

While I recognize that any requirements of this type must be drawn up so that sufficient local flexibility will be retained and so that communities could be sanctioned only when the case against them is reasonably clear rather than simply a matter of Federal second-guessing, I believe that the present requirements are not spelled out specifically enough to insure that they will accomplish their purpose.

My first amendment would, therefore, clarify the standards which a community development application must meet. The most important of its provisions would have the effect of requiring that community development programs concentrate substantially upon the objectives I have already mentioned, which are now spelled out in the bill. For the purpose of furthering debate, I have included in the amendment a guideline for defining "substantially" which would state that as a general rule that could be varied from community to community to accommodate local needs, "substantially" means that at least two-thirds of community development funds would be expended for these purposes.

The amendment contains several other provisions designed to increase the probability that community development funds are directed at urgent community needs. The required objective of improving community services is revised to mandate particular attention to the needs of low- and moderate-income citizens. The objective of upgrading neighborhoods is focused specifically on deteriorating and deteriorated neighborhoods. Improving the living environment of lower income citizens is expressly stated as a goal of the bill. HUD's report on the administration of the program is required to contain an analysis of the use of funds expended, so that the information indicating whether the program needs improvement in this respect will be available.

At most, however, requirements of the type I have discussed and suggested will bring about needed improvements in otherwise unacceptable community development programs. The requirements will not necessarily encourage or inspire any community to concentrate its ingenuity and resources on the serious problems of its less privileged citizens. I believe that the community development program would be well served if such efforts are encouraged, not just through the negative force of minimal requirements, but also through positive incentives. It is essential that the Federal Government be a catalyst for improved local community development initiatives, rather than simply a spectator or a disciplinarian for communities which fail to perform.

Accordingly, my second amendment would earmark 15 percent of the bill's discretionary funds, starting the second year after enactment, for the Secretary of HUD to use as supplemental money for communities whose community development programs "address community development needs in an exceptional manner." Judgment as to a program's ability to meet the criteria for supplemental funding would be based upon its past performance and future plans with respect to the objectives already stated in the Community Development Assistance Act. However, for the purposes of the amendment, these objectives are rewritten so that applications for supplemental funding shall be based only upon the program's ability to address the most urgent needs of lower income citizens. For example, the public services programs would be evaluated not just in terms of their efficiency or effectiveness, but specifically in terms of their ability or potential ability to make improvements benefiting those citizens for whom such services are presently least adequate.

It will doubtless be argued that the only judgments of this kind which can be made would relate to a community's ability to write the application—in other words, pure "grantsmanship." To help minimize this possibility, funds would be awarded based upon whatever hard facts have become available relating to a community's past performance, as well as its proposals for the future. The amendment also authorizes the Secretary of HUD to consult with individuals and organizations not affiliated with the Department, including individuals and organizations located in or near communities applying for supplemental funding, to provide a greater diversity of perspective and expertise in the application review process. Furthermore, the Secretary would be directed by the amendment to give consideration to the need to encourage and promote innovative programs, programs involving consortiums of local governments and programs involving communities with diverse sizes and geographic locations. I do not believe it will be a formidable task to choose communities based upon the standards set forth in the amendment.

At this point I think it would be helpful to describe, chronologically, how the provisions I am proposing would work. At the time the community development application already required by the bill is submitted, a community would indicate whether it desires its program to be considered on the basis that it "addresses national community development priorities in an exceptional manner." Communities who so indicate would submit a statement indicating why their past and proposed programs fit this description and how they would spend community development money in the second and third year after submitting the application if up to 10 percent more funding than presently anticipated would be made available. Even the burden to decide whether to do the necessary work to apply for supplemental funding could encourage beneficial self-evaluations of community development efforts.

So as not to delay the regular community development application process, the applications for supplemental funding would not be considered by HUD at any time during the 90-day consideration period for regular community development applications. Instead, these applications would be considered separately at a later time. At some time or various times during that year the Secretary would make his designations, based upon the standards already mentioned.

Designated communities could receive up to 10 percent more community development funds annually than they otherwise would have received, as determined by the Secretary, for the second and third year after the application has been submitted. The Secretary would publicize the programs of designated communities.

In addition to this process, my amendment would recognize the Government's stake in encouraging innovative approaches to community development problems. This would be done by explicitly allowing HUD to use discretionary funds to assist in the promotion and implementation of innovative aspects of community development programs which are not chosen for supplemental funding pursuant to the above-described provisions. Funds not used to carry out these provisions or the provisions described earlier would, of course, remain in the bill's "discretionary fund."

I realize that several aspects of my incentive proposal may need further refinement. For example, I have decided to ask for all of the money to come out of discretionary funds because even after this is done, the Senate proposal will contain a greater proportion of discretionary funds than its House counterpart or the administration proposal. However, it is difficult to foresee what volume of these funds is needed to fulfill the community development needs of our less densely populated areas and other miscellaneous needs. One of the advantages of my proposal funding arrangement, which calls for no funding until the program's second year, is that it could be modified if the first year's experience under the program indicates a need to do so.

My amendments should help direct taxpayers' money to areas of pressing community development need, without undermining each locality's capacity to respond to its specific problems. I believe that the prospect of up to 10 percent supplemental money will serve as an incentive for communities to concentrate upon the most urgent needs of their low-income families. These benefits should outweigh considerably the expenditure of about one twenty-seventh of all community development funds annually, at most, for carrying out that aspect of the amendments.

I ask unanimous consent that the text of both amendments be printed in the RECORD at this point.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 603

On page 2, line 15, after the comma insert the following: "to improve the living environment of lower income families,"

On page 15, line 22, after the word "forth" insert the following: "an analysis of the use of funds expended pursuant to this Act, and such rec-"

On page 16, line 22, strike "neighborhood environments" and insert "deteriorating and deteriorated neighborhoods"

On page 17, line 3, after the word "activities" insert the following: ", particularly those families with low or moderate incomes."

On page 19, strike lines 12 through 20 and insert in lieu thereof the following: "therefor. The Secretary shall disapprove any application submitted by a community development agency if he determines:

"(1) that such agency has not carried out a community development program which was related to its descriptions of activities to be undertaken stated in earlier applications and which concentrated substantially upon the actions specified in Section 7 (a) (1) (A), (B) and (C), or the application indicates that such agency does not plan to carry out a community development program which concentrates substantially upon such actions;

"(2) that such agency has expended, or plans to "expand, funds received pursuant to this Act for activities not eligible for funding under the provisions of this Act;

"(3) that such Agency has not supplied adequate information required by Section 7(a);

"(4) that the certifications made pursuant to subsection 7(a) (3) are without basis; or

"(5) that the community development agency has not carried out its contractual commitments pursuant to any previous applications. For the purposes of clause (1), a community development program shall be deemed to concentrate substantially upon the actions specified in Section 7(a) (1) (A), (B) and (C) if two-thirds or more of its expenditures are made for these activities: Provided, that the Secretary may alter or modify this requirement as he deems appropriate to take into account individual community needs."

On page 19, line 21, strike "(3)" and insert in lieu thereof, "(2)".

S. 1744

AMENDMENT NO. 604

On page 15, between lines 11 and 12, insert the following: "In addition, not to exceed 15 per centum of amounts which are not allocated under subsection (a), or which are allocated but rejected by the applicant or disapproved by the Secretary under section 7, shall be allocated by the Secretary for supplemental grants in aid of community development activities approved by the Secretary pursuant to section 8(d)."

On page 21, between lines 15 and 16, insert the following:

"(d) (1) A community development agency may receive a supplemental grant to carry out a community development program which addresses national community development priorities in an exceptional manner, and which is approved for purposes of this subsection. The amount of any supplemental grant may not exceed 10 per centum of the amount the community development agency is eligible to receive under section 6. A community development agency may receive a supplemental grant only if (A) it has carried out community development activities for at least one year with assistance under this Act (other than under this subsection), and (B) it includes in an annual application a description of activities to be undertaken to meet community development needs during the two-year period commencing one year hence if a supplemental grant is received during such period. Such description shall also include a statement citing those aspects of past performance and proposed activities which, in the applicant's opinion, address national community development priorities in an exceptional manner based on the criteria listed in paragraph (4) of this subsection.

"(2) The Secretary is authorized to consult with and receive information from such individuals and organizations as he deems appropriate, in such manner as he deems appropriate, for the purpose of assisting in his review of applications for supplemental grants by increasing the diversity of perspective and expertise in the review process. Individuals and organizations which advise the Secretary pursuant to this paragraph may include individuals and organizations located in or near the communities which have submitted applications for supplemental grants. Such review of applications for supplemental grants shall be made separately from the regular application approval process required pursuant to Section 7 and shall be scheduled so that it does not interfere in any way with such regular application approval process.

"(3) Final selections for supplemental grants shall be made by the Secretary. The Secretary shall publish the reasons for his determination that each selection addresses national community development priorities in an exceptional manner. The Secretary shall also establish the total amount of the supplemental grant for each final selection. Such total amount shall be payable over the two-year period covered by the description of activities.

"(4) Recommendations and selections by the Secretary shall be based primarily upon outstanding demonstrated and potential ability of community development activities to meet urgent needs of lower income families who may reasonably be expected to seek housing in the community, including—

"(A) the need for housing for lower income families;

"(B) the need to preserve and upgrade neighborhoods and to prevent and eliminate slums, with minimum displacement of residents; and

"(C) the need to improve community services and facilities to make them more adequate and accessible to those segments of the community for which such types of services and facilities are presently least adequate.

For the purpose of making recommendations and selections, the Secretary shall also consider the desirability of encouraging innovative programs, programs undertaken by consortiums of political subdivisions and programs of communities which are diverse in terms of population and geographic location.

"(5) Any sums allocated for purposes of this section but not obligated shall be available to the Secretary for—

"(A) the study and evaluation of activities undertaken by communities receiving supplemental grants;

"(B) the support of promising innovative aspects of community development programs not aided by supplemental grants; and

"(C) the dissemination of information on particularly successful or innovative community development programs or aspects thereof, including programs aided by supplemental grants."

SURFACE MINING RECLAMATION ACT OF 173—AMENDMENTS

AMENDMENTS NOS. 605, 606, AND 607

(Ordered to be printed, and to lie on the table.)

Mr. BAKER. Mr. President, I submit three amendments to S. 425, The Federal Surface Mining Reclamation Act of 1973 together with brief explanation which I ask to have printed in the RECORD. I understand that this bill will come up for consideration in the Senate early next week, and I hope that this will afford my colleagues an opportunity to review and understand these amendments.

I also want to take this opportunity to commend the Senate Interior Committee for its work in producing a strong, but fair and workable, program for the control of environmental problems associated with coal surface mining.

I also ask that an editorial which appeared in today's Washington Post be printed in the RECORD following these amendments.

There being no objection, the amendments and material were ordered to be printed in the RECORD, as follows:

AMENDMENTS No. 605

On page 111, in line 12, strike the figure "$100,000,000" and insert in lieu thereof the amount "$80,000,000".

On page 117, after line 3, add the following:

"SEC. 304. The Secretary of the Interior and the Secretary of Agriculture are directed to develop regulations and conduct a continuing review of mining regions to identify zones or watersheds where previously mined and unreclaimed coal surface mine operations due to erosion, siltation, or toxic discharge present a hazard to water quality and where due to inaccessibility, low land values, or unduly high reclamation costs timely reclamation under sections 301 and 302 is either economically or physically infeasible.

"SEC. 305. (a) In any zone designated under the review process of section 304 in order to assist States and their political subdivisions, soil and water conservation districts, in developing and carrying out within watershed and subwatershed areas plans for works and measures for the reclamation and rehabilitation of non-Federal lands which have been damaged by surface mining and which are presently in a scarred or unreclaimed condition, the Secretary of Agriculture is authorized, upon the request of States—

"(1) to provide to the States and soil conservation districts technical assistance by the Soil Conservation Service for developing plans for the reclamation and rehabilitation of such lands, which plans may include works and measures such as revegetation, land smoothing, diversions, grade stabilization and gully-control structures, debris basins, bank sloping, drainage, access roads for maintenance, and any other works, measures, or practices deemed necessary by the Secretary of Agriculture; and

"(2) to cooperate and enter into agreements with, and to make grants to and provide other aid as the Secretary of Agriculture deems necessary and appropriate in the public interest to effectuate the purposes of carrying out any such plan that has been approved by the Secretary of Agriculture and the Governor of the State, or his designated representative, subject to such conditions as may be prescribed by the Secretary of Agriculture: *Provided*, That the Federal share of the cost of the reclamation and rehabilitation of any such lands included in an approved plan shall not exceed 75 per centum of the estimated total cost thereof.

"(b) The program herein authorized shall apply to the unreclaimed or unrehabilitated lands damaged by surface mining located in States which have heretofore enacted, or shall hereafter enact, legislation requiring reclamation or rehabilitation of lands damaged by surface mining when the Secretary of Agriculture determines that:

"(1) significant public benefits will be derived from the reclamation and rehabilitation of such lands;

"(2) such lands were damaged by surface mining prior to the date of enactment of this Act, sometimes referred to as "orphan lands"; and

"(3) there does not exist a contractual or other legal requirement for the adequate reclamation or rehabilitation of such lands: *Provided*, That the Secretary of Agriculture may carry out a limited program of reclamation of lands damaged by surface mining for demonstration purposes in those States which do not have laws requiring reclamation or rehabilitation of such lands.

"(c) The Secretary of Agriculture may require as a condition to the furnishing of assistance hereunder to any owner of lands included in an approved plan that such landowner shall:

"(1) enter into an agreement of not to exceed ten years providing for the installation and maintenance of the needed works and measures specified in such plan; and

"(2) install or cause to be installed such needed works and measures in accordance with technical specifications as approved by the Secretary.

"(d) The Secretary of Agriculture is authorized to prescribe such rules and regulations as he deems necessary or desirable to carry out the purposes of this section.

"(e) There is authorized to be appropriated to the Secretary of Agriculture for the purpose of this section $20,000,000 for fiscal year 1975.".

Explanation of Orphan Mine Reclamation Amendment

Reclamation of abandoned mines in remote, mountainous coal fields is difficult and costly. The Appalachian Regional Commission has conducted several demonstration projects on such land in the Appalachian region and has experienced costs averaging between three and five thousand dollars per acre (ranging up to $8000 depending upon the degree of regrading attempted.) In many instances "restripping" of these areas under the provisions of the Act will reduce the serious water quality and soil erosion problems, but often such restripping is not feasible.

S. 425 establishes a revolving fund established by an appropriation of $100,000,000 and such fines and fees as the Secretary may collect. Primarily, however, this fund will depend for sustenance upon receipts from the sale of reclaimed lands by the Secretary. It is unlikely that such a program will be able to affect any substantial amount of the hundreds of thousands of acres of abandoned steep contour mines in Appalachia, since reclamation costs will run in many areas 25 to 30 times the value of the land for resale.

The amendment provides a review mechanism for the Secretaries of Interior and Agriculture to designate zones or watersheds where reclamation under the basic authority of S. 425 is "economically or physically infeasible." In these areas the Secretary of Agriculture is authorized to provide technical assistance and 75% grants for watershed treatment to control erosion and to reduce or eliminate siltation. Such an approach will be more adaptable to the steep contour problem since it does not require land acquisition and addresses primarily the offsite water quality problem with only minimal land treatment.

The cost of the program is estimated by SCS to be about $20 million annually. The amendment provides one such authorization (for FY 1975) but holds the line on costs by reducing the revolving fund a like amount.

Amendment No. 606

On page 118, after line 9, insert a new section and renumber following sections accordingly:

STUDY OF IMPACT OF FEDERAL CONTROL ON CONTOUR SURFACE MINING

SEC. 402. (a) The Chairman of the Council on Environmental Quality is further directed, in conjunction and consultation with the National Academy of Sciences—National Academy of Engineering and such federal agencies as he shall deem appropriate, to undertake an indepth review of the success and impact of the reclamation and environmental protection standards of this Act as they pertain to contour coal surface mining. The study shall—

(1) assess the impact of contour coal surface mining pursuant to the Act upon water quality;

(2) assess the impact of contour coal surface mining pursuant to the Act upon land value, productivity, and other economic factors in regions where such mining is conducted;

(3) assess the impact of the Act upon and the general development of alternative production techniques, including deep mining, and their relative impact upon the items in (a)(1) and (a)(2).

(b) It shall be the purpose of the study based upon the above data and other available information to evaluate the impact of a ban of all coal contour surface mining upon energy supply, the economy and the environment.

(c) The study together with specific legislative recommendations shall be submitted to the President and the Congress no later than 36 months after the date of enactment of this Act.

(d) There are hereby authorized to be appropriated for the purpose of this section $500,000.

Council on Environmental Quality Study Amendment

This amendment would direct the Chairman of the Council on Environmental Study to conduct a study of the impact of the Federal Surface Mining Reclamation Act upon coal contour surface mining, to assess the continuing impact of this type of mining upon water quality, land values and productivity, and to assess the development of alternative mining techniques and their relative impact upon the ecology. The purpose of this study would be to evaluate the impact of a ban of contour surface mining of coal and a conversion at some point in the future to other methods of coal production.

Amendment No. 607

On page 67, after line 23, insert the following new subsection and renumber the following subsections accordingly:

"(c) such regulations shall not be promulgated as final regulations until the Secretary has first obtained the written concurrence of the Administrator of the Environmental Protection Agency."

And on page 72, in line 23, after the word "and" insert the following: "obtained the written concurrence of the Administrator of the Environmental Protection Agency; and".

Explanation of Amendment Providing for Environmental Protection Agency Concurrence

This amendment to S. 425 would require the concurrence of the Administrator of the Environmental Protection Agency with regard to both the final regulations developed under the Federal Surface Mining Reclamation Act and the approval of State programs. This concurrence would have to be obtained within the administrative requirements and time limits established by the bill and would not cause any delay in final implementation of the Act.

The Environmental Protection Agency is the one Federal agency established with the sole mandate of protecting the environment. To develop legislation with so direct and significant a bearing upon the environment and upon existing pollution control programs without requiring such concurrence would frustrate EPA's execution of its assigned function, fragment Federal environmental programs, and lead to unnecessary coordination problems between Federal agencies bearing such responsibilities.

The provisions of this amendment are very similar to the requirements of the Administration's Surface Mining Bill, S. 963.

[From the Washington Post, Oct. 4, 1973]

The Continuing Strip Mine Debate

It has taken a little time, and a lot of wrecked land, for one crucial fact about strip mining to become common knowledge: that most of the nation's coal reserves are in deep mines, not surface mines. Russell E. Train of the Environmental Protection Agency, alluding to government figures which show only 3 per cent of the nation's total coal supply in strippable land, has stated that the "sooner we make underground [mining] more economically attractive, more technologically feasible and more socially acceptable as a way of life, the better off we're going to be." Instead of heeding such advice—many others besides Mr. Train have been offering it—federal and state legislatures have allowed strip miners to devastate the land to the point that strip mining now supplies more than 50 per cent of the nation's coal, with an estimated 4,650 acres stripped weekly.

The Senate is scheduled to vote soon on a strip mine bill. Reported out by the Interior Committee with no dissent, the bill is a large improvement over the Senate's offering of last year. For example, with credit due Sen. Henry Jackson (D-Wash.), current provisions call for the elimination of highwalls—the ugly, slide-prone cliffs left after coal is torn from the land. Highwalls have been outlawed in Pennsylvania since 1964. In addition, the proposed legislation would require every state or the Secretary of Interior to initiate review of any lands which should not be subjected to strip mining.

As important as these provisions are, the proposed legislation still needs to come much closer to the kind of thinking urged by Mr. Train and common sense. On the Senate floor, a number of amendments will be offered that promise the kind of strength that is needed. Among these is a package offered by Sen. Clifford Case (D-N.J.) that, reflecting the state of the nations coal reserves, would stimulate research and development of more efficient means of extracting deep mine coal—both from the thick seams in the west and the thin seams in the east Other amendments are also needed to cover several issues left uncovered in the bill. These include protections for Indian lands, subsurface waters, national grasslands and forests. Another necessary amendment—to be offered by Sen. Mike Mansfield (D-Mont.)—would prohibit coal companies from strip mining without the consent of the surface owner.

An increasing number of senators—as well as members of the House, where a strict bill is said to be emerging—are beginning to see that strip mining is a highly profitable business for its practitioners but a social, ecological and agricultural calamity for everyone else. If there truly is an energy shortage, as the coal industry argues in support of the strip ethic, then it would seem logical to begin immediate action on what so many are advising: concentration on deep mining.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, October 11, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nominations:

Charles R. Work, of the District of Columbia, to be Deputy Administrator for Administration of the Law Enforcement Assistance Administration, new position.

Leonard F. Chapman, Jr., of Virginia, to be Commissioner of Immigration and Naturalization, vice Raymond F. Farrell, retired.

A notice of the nomination of Mr. Chapman was inserted in the Congressional Record on October 3, 1973.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

This hearing will be before the full Judiciary Committee.

NOTICE OF HEARING ON PROPOSED 10-YEAR TERM FOR APPOINTMENT OF DIRECTOR OF FBI

Mr. EASTLAND. Mr. President, on behalf of the Subcommittee on FBI Oversight, of which I am the chairman, I desire to give notice that a public hearing has been scheduled for Thursday, October 11, 1973, at 11 a.m., in room 2228, Dirksen Office Building, on the bill S. 2106, to amend title VI of the Omnibus Crime Control and Safe Streets Act of 1968, to provide for a 10-year term for the appointment of the Director of the Federal Bureau of Investigation.

I designate Senator Robert C. Byrd, of West Virginia, to act as chairman of the subcommittee for the purpose of conducting this hearing.

NOTICE OF CANCELLATION OF HEARINGS ON S. 2057 AND S. 288—SIX-MAN JURIES

Mr. BURDICK. Mr. President, the hearings previously scheduled to be held on October 16 and 17 on S. 2057 and S. 288—six-man juries have been postponed and will be rescheduled at a later date.

ADDITIONAL STATEMENTS

SENATOR EDWARD KENNEDY ADDRESSES CALIFORNIA FARMWORKERS

Mr. CRANSTON. Mr. President, speaking in Fresno, Calif., last week, the distinguished Senator from Massachusetts, (Mr. Kennedy) enunciated a manifesto for farmworkers, the eloquence of which is exceeded only by its perceptivenses and sincerity. The men and women who are striving to improve the working standards and living conditions of the hardest working and lowest paid members of our economic system heard in Senator Kennedy's speech a truly inspirational message, which I want to share with my colleagues. I ask unanimous consent that Senator Kennedy's speech be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Edward M. Kennedy, to the First Constitutional Convention of the United Farm Workers Union, Fresno, Calif.

This is the first constitutional convention of farmworkers ever to take place in America. And it is fitting that this convention comes as we near the 200th Anniversary of our Nation's independence.

For this convention reminds us of the gathering in Philadelphia where the legal precepts that guide this nation were debated and decided.

It reminds us that we are part of an experiment in human freedom.

And it reminds us that the revolutionary experiment begun so long ago will not be completed until this movement has attained its goals;

Until every farm worker has the right to choose his own union;

Until every farm worker has the chance to elect his own union representatives.

Until every farm worker is treated as a free man.

There is an unbroken line that stretches from the embattled farmers at Lexington and Concord to the farm workers who manned the picket lines at Coachella and Delano.

The men of Massachusetts would not be turned aside, and it is folly for growers, for contractors and for the lords of corporate agricultue to believe that you men and women will be stopped short of your goal.

For this movement has a claim on the hearts and energies of every American who respects the value of human dignity. This movement has drawn the support of men like Leonard Woodcock and Paul Hall and Bill Kircher and the vast majority of American labor leaders and American church leaders.

They will keep coming just as I have come, and as my brother came before me.

They will come to say: I stand with Cesar Chavez.

They will come to say: I stand with the United Farm Workers Union.

They will come to say: I stand with the cause of justice in America.

This convention marks a moment of rebirth, a moment of renewal—a moment of rededication. It marks the rebirth of this union. It marks the renewal of the spirit of non-violence. It marks the rededication to the goal of bringing a new day of hope and justice to the farm workers of our land.

That day will come. It will come for the farm workers, and it will come for America. For this nation cannot call itself just while 5 million migrant and seasonal farm workers and their families rise with each dawn to fight for survival.

If America is to fulfill the promise of its origin, then it must not force 800,000 children under 16 to sweat in the fields because the wages their parents earn will not support them.

If America is to fulfill its promise, then it must not condemn millions of farmworkers to poverty.

If America is to fulfill its promise, then it must not permit anyone—whether grower or contractor or Teamster—to dictate to farm workers who is entitled to represent them.

This union is young when measured against the history of the American labor movement; but it already has a tragically long list of martyrs who have died beneath its flag.

A memorial mass tomorrow will be held for Juan de la Cruz, for Romulo Avalos, for Nagi Diafullah, for Reina Olivas and for Nan Freeman. Two Chicanos who worked their whole lives in the fields of America, a young immigrant farmworker who believed in the cause of the UFW, a child traveling with his family to the boycott and a dedicated young woman from Wakefield, Massachusetts who joined a farmworker picket line in Florida—all martyrs to this cause.

Their deaths will not be forgotten.

But for those who are named tomorrow, there are a hundred times as many who go unnamed. The migrant children who die of diseases that exist only among the poor. The women who die in childbirth because they cannot obtain adequate medical care. The men who die before their time.

They too are the martyrs of this movement. They too deserve to be remembered. They too deserve to be mourned.

For they are the reasons why this union must not die. They are the reasons why this union must go forward. They are the reasons why this union must meet the challenge now before it.

One can only hope that the leaders of American agriculture will recognize that time is on the side of this union. For the values of this union are the values of America, the values of social justice, of fair play, of equality. Those who oppose you, oppose the nation's values and it is only a matter of time before their challenge is overcome.

William Faulkner wrote that "man will not merely endure; he will prevail." I believe that this union will not merely endure. It will prevail.

And with Cesar Chavez as your president once more, it will prevail through the continued use of non-violence.

There may be those who see violence as the quick way to victory. But let me say that violence is never the right answer. For violence destroys the perpetrators as well as the victims. The only ones who benefit when you allow your anger and your frustration to explode in violence are those who would deny the future of this union.

The violence used against you these past months must not lure you from the path of non-violence. For it is allegiance to that principle that guarantees you the support of every American who believes in the justice of your cause.

But you have the right to demand that the government and laws of this nation will protect your right to organize. You have the right to expect that the laws of the land will be enforced. You have a right to expect that those who would use violence against you will pay the penalties of their acts. You have the right to expect that the protection of the Constitution will extend to Coachella and Arvin and Delano and Fresno.

I have seen the courage of the men and women of this union. And I have no doubt that it will overcome the challenges before it as it has done so often in the past.

I recall standing on a flatbed truck in the blazing sun in Calexico four years ago. And many of the faces I see here were before me in the crowd that day also. There were those who said that the grape boycott would not win; but the people that day in Calexico said—Si se puede!

And the boycott was won.

I recall a year ago, when I stood in Los Angeles with many of you during the campaign against Proposition 22. Every powerful interest group was arrayed against the union and every foul device was used to enact that union-busting legislation. There were those who said the union could not defeat that powerful combination; but the people that day in Los Angeles said—Si se puede!

And that proposition was defeated.

I come here today to speak in support of the union and to support the boycott. And there are those who say again that the union cannot survive; but I hear the voice of the people and once more the people say—Si se puede!

And I believe that this union will prevail.

The question is not whether the union will be victorious. The question is only when the victory will come.

No one can deny the words of Cesar Chavez: "We are men and women who have suffered and endured much," he said, "not only because we have been kept poor . . . But God knows that we are not beasts of burden, we are not agricultural implements or rented slaves, we are men."

I come here today to honor your courage, to honor your commitment, to honor your cause. Your struggle is the struggle for human dignity and freedom that fired the imaginations of the men who founded this nation and that brought generations of immigrants to these shores. Your struggle is the struggle of America to reclaim its promise. It is a struggle that must be won if we are to reach our 200th anniversary with pride in what we have brought forth in this land.

You stand for the best of America. You stand for the ideals of our past and the hope of our future. I have come to stand with you before and I shall come again to stand with you and I shall keep coming until the victory is yours. For I am proud to stand with Cesar Chavez and I am proud to stand with the Farm Workers.

Viva La Huelga; Viva la causa!

UNFORTUNATE AND UNSETTLING DECISION BY AUSTRIA

Mr. DOLE. Mr. President, the decision of the Austrian Government to yield to the blackmail of the outlaw Arab terrorists is both unfortunate and unsettling.

It is unfortunate, because the humanitarian rights of innocent refugees have been compromised. Not only are Jewish immigrants from Russia immediately affected, but the principle that a sovereign state may provide shelter and protection to the outcasts or persecuted from any land has suffered a major assault.

The Austrian decision is unsettling, too, because it can only feed the fires of extremism and lawlessness. It thereby jeopardizes the lives of millions more people throughout the world who may become the targets of additional acts of senseless violence.

The comparison with Neville Chamberlain bowing Britain's head before Hitler in Munich immediately comes to mind. And the memory of the holocaust which followed that act of cowardice should serve as ample reason for Austria to reconsider its decision. We are not simply dealing with Jewish refugees or Arab terrorists. We are dealing with the most basic principles of national sovereignty, international order and human dignity.

Will the next incident involve Arab terrorists seeking sanctions against Jews or will it involve perhaps only gutter-variety outlaws in quest of gold? There is little difference, really, for when law or justice is undermined in one particular it is eroded generally.

President Nixon yesterday spoke out on this very subject. He cited both humanitarian and geopolitical considerations in urging a reconsideration of the Austrian Government's action.

I must add my voice to his, and to the voices of many others around the world who count the closing of the Schonau Castle as among the most ominously portentous decisions of any by a European government in this decade.

I would urge my colleagues to join with the President in this matter and to exhibit a solidarity of purpose and concern—in the hope that our voices will be heard and heeded.

I would hope—for the sake of the Jewish refugees and for the sake of order and justice throughout the world—that Austria will reconsider this decision and give unquestionable evidence that international blackmail will never be tolerated.

THE GENOCIDE CONVENTION AND THE FIRST AMENDMENT

Mr. PROXMIRE. Mr. President, critics of the Genocide Convention have sometimes argued that if we ratified this treaty we would be encroaching upon the freedoms granted by the first amendment. This is simply not true. In his remarks before a Foreign Relations Subcommittee on the Genocide Convention in 1970, Mr. Hope Eastman, assistant director of the Washington Office of the American Civil Liberties Union, very eloquently refuted such allegations.

Mr. President, I ask unanimous consent that the relevant portion of his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

> The American Civil Liberties Union strongly endorses the ratification of this U.N. Convention on Genocide. This Convention was adopted by the United Nations in 1948 and has been ratified by seventy-five countries. The provisions of the Convention are fully in accord with the civil liberties and civil rights provisions of our Constitution. The Convention is in all respects consistent with the Constitution, laws and ideals of the United States. Moreover, ratification of the Convention, which would have a beneficial impact on world opinion of the United States and which would be a valuable contribution to world law, would clearly serve our national interest. It deals with a subject which is a matter of internatinal concern. Ratification of this Convention is, therefore, a proper exercise of the treatymaking power of the Constitution. These essential points have been amply documented by the recent reports on the Genocide Convention by the American Bar Association's Section of Individual Rights and Responsibilities, and by its Standing Committee on World Order Through Law, and by "A Report on the Treatymaking Power of the United States in Human Rights Matters" of the Special Committee of Lawyers of the President's Commission for the Observance of Human Rights Year 1968.
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> I do not think it is necessary for me to repeat the constitutional and legal arguments so thoroughly covered by these reports, but I would like to comment briefly on one point in which the American Civil Liberties Union has a particular interest and, we think, some special competence. Some critics of this Convention have argued that ratification of the Convention would conflict with the First Amendment. The American Civil Liberties Union is well known for its vigorous efforts to protect the First Amendment rights and we would not hesitate to criticize this Convention if it violated the First Amendment. But it clearly does not. Ratification of this Convention could not obligate us to ignore the First Amendment and is in fact completely consistent with the decisions of the Supreme Court which over the years have amplified for us the scope of the constitutional guarantees of speech and press.
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> Critics point to Article III of the Convention, which makes it a crime to engage in "direct and public incitement to commit genocide," as evidence for their assertion that the Convention infringes the First Amendment guarantees of freedom of speech and press. This assertion is entirely erroneous. The First Amendment does not protect conduct which involves efforts to incite to immediate unlawful action. The First Amendment would, we believe, protect the advocacy of genocide. But the Convention does not make this a crime. It seeks to ban only "direct and public" incitement. This standard is fully consistent with Supreme Court decisions drawing the line between protected speech and prohibited direct and immediate incitement to action. This standard has been most recently enunciated by the Court in *Brandenbury* v. *Ohio*, 395 U.S. 444, 447 (1969), where the Court said:
>
> ". . . the constitutional guarantees of free speech and free press do not permit a State to forbid or proscribe advocacy of the use of force or of law violation *except where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.*" (Emphasis added.)
>
> Although the Convention's standard meets the prevailing definition of the scope of the Constitution, one further point should be mentioned to negate any fear of conflict with the First Amendment. Should a particular indictment produce a conflict between the Convention and the First Amendment, the First Amendment would prevail. Article V of the Convention obligates the contracting parties to enact, "in accordance with their respective Constitutions" implementing legislation necessary to make these offenses punishable in their countries. Moreover, it is axiomatic that, as a matter of constitutional law, a treaty could not validly obligate the United States to do anything the Constitution prohibits. If a case arose under implementing legislation enacted by the Congress to make "direct and public incitement to commit genocide" a criminal offense in the United States, the accused person would still have to be prosecuted and convicted under those criminal procedures which protect all persons accused of committing a crime in this country. The Supreme Court could invalidate a conviction if it found that the acts with which the defendant was charged were pro-

tected by the First Amendment and did not constitute the kind of incitement which falls outside the protection of the First Amendment. Ratification of the Convention would in no way diminish the Court's power to apply the First Amendment.

As the constitutional objections to the Convention have been shown by many to be without substance, there is no legal obstacle to U.S. ratification of this Convention. The United States should move promptly toward ratification. This country played a leading role in the adoption of the Genocide Convention by unanimous vote of the members of the U.N. General Assembly in 1948 Since then the United States has continued to work for the promotion of human rights through the United Nations. However, the United States' failure to ratify this Convention in the twenty years since its adoption, when coupled with a similar lack of movement on some of the other human rights conventions, casts serious doubt on the sincerity of our efforts and of our stated commitment to human rights. Our concern about human rights in the international community must be accompanied by a willingness to obligate ourselves to act in accordance with these same international standards. Ratification of the Genocide Convention would be a long overdue step in the pursuit of truly effective international human rights throughout the world.

LATE EVIDENCE SUGGESTS DÉTENTE CAUTION

Mr. GOLDWATER. Mr. President, we have all heard a great deal in the past couple of years about the possibility of a genuine "détente" with the Soviet Union. From time to time, however, serious questions have been raised about how far such a course could be pursued while the Soviets are engaged in a vast, all-inclusive arms buildup. I believe it is extremely important at this time to ask ourselves what the leaders in the Kremlin really mean when they speak of détente with the West.

In view of this, I believe it is important to direct the Senate's attention to an article by Ira C. Eaker on the whole subject of "détente caution." It is Eaker's contention that the U.S. intelligence intercepts show that Soviet leader Brezhnev is telling Eastern European leaders that the Kremlin pursuit of détente represents a new tactic rather than a change in strategy. I ask unanimous consent that the article entitled "Late Evidence Suggest Détente Caution" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LATE EVIDENCE SUGGESTS DÉTENTE CAUTION

(By Ira C. Eaker)

Party Secretary Leonid I. Brezhnev recently told Eastern European leaders that the Kremlin's détente with the West only represents a new tactic, not a change in strategy. It is designed, he said, according to U.S. intelligence intercepts, to permit the Soviets to achieve overwhelming military superiority in the next decade. He says he will use feigned accommodation to disarm the West eventually permitting a more aggressive Russian foreign policy.

This explains and confirms a speech by a Politburo member, Michael Suslov, at the recent Bolshevik Party Anniversary Meeting, after Brezhnev's return from his amiable Washington meeting with President Nixon: "The ideological struggle, in which there is no peaceful coexistence between socialism and capitalism, and cannot be, is now particularly acute. And it goes without saying that the sharp class struggle in the international arena and with the capitalist countries continues."

The Russian Army newspaper "Red Star" nominated for its prestigious Frenuzi Prize, a book, "Contemporary War," which contains a significant paragraph, "Soviet Military doctrine proceeds from the fact that a savage struggle is now being waged in the international arena between two social systems—socialism and imperialism."

This evidence that Soviet long term strategy for world conquest has not been altered or abandoned gives significance to the recent pleas of Andrie Sakharov, the Soviet nuclear scientist, who warned us that detente "was very dangerous." He showed incredible courage by calling Western newspapermen to his Moscow home to say that we must insure more "openness" in Russian society and force her leadership to give more freedom of expression to the Russian people as the price for detente, otherwise "the world would become helpless before the uncontrollable bureaucratic Soviet machine."

Some of the liberal-left wing press dismiss these fulminations on detente as Soviet propaganda for home consumption. But the fact is that Russia is building nuclear armaments at an accelerated, unprecedented pace while Brezhnev has been selling East-West collaboration. While our Congress plans heavy cuts in our reduced '74 defense budget, the Soviets are currently expanding their military in crash programs.

We do not have to rely exclusively upon Soviet warnings about the dangers of detente. U.S. leaders have recently expressed concern and suggested caution. Prior to his resignation as Secretary of State, William P. Rogers, not known as an ardent "hawk," said, "We are convinced in the United States that the Soviet Union seriously desires to improve its relations with us. People refer to that as detente, if you will, and we are very pleased about that. But that does not suggest that they have changed their ideology. It does not sugggest that they are not going to attempt to extend the influence in other parts of the world. And it does not suggest that U.S. military strength is no longer necessary. As a matter of fact, it suggests just the opposite to us. The fact that we have been able to improve our relations with them is because we have been strong as a Nation and because we have alliances that are strong. So we think that it is necessary to maintain our military strength. It is necessary to maintain our military alliances, and to guard against subversion."

Defense Secretary James R. Schlesinger, in a press interview August 30, sounded a temperate, timely warning with the general theme that anyone had better be as tough and strong as the bear when he hugs one. He also declared that the Soviets have "a mailed fist encased in the velvet glove of detente." He then asked, "Should we be discussing the beauty and texture of the glove or the import of the mailed fist?"

Former Secretary of Defense Melvin R. Laird, now a Presidential adviser, in his last appearance before a Congressional committee, warned, "Detente without defense is delusion."

Still pertinent and timely, is the cryptic remark of a former Defense Secretary, the able Robert A. Lovett, who cautioned in 1945, in a similar context, "You don't take off your overcoat in Washington every time the sun shines in Moscow."

NATIONAL PROGRAM TO COMBAT CANCER

Mr. HUMPHREY. Mr. President, I applaud the Senate Appropriations Committee on reporting a major appropriation measure, H.R. 8877, providing appropriations for the Departments of Labor and Health, Education, and Welfare, that is both fiscally responsible and designed to address effectively the human needs of America. Particular commendation should be given to the mandates in this legislation for adequate funding of vitally needed programs of health care, education assistance, aid to the elderly, child welfare, and to combat poverty.

I want to take this opportunity to comment briefly on the importance of increased funding provided under this committee-reported bill for the National Cancer Institute, at a level of $580 million for fiscal 1974. This level of appropriations can help assure that an accelerated national program for the prevention, treatment, and cure of cancer will, in fact, be launched, as clearly intended by Congress under the National Cancer Act of 1971.

Mr. President, I recently wrote the chairman of the Senate Appropriations Subcommittee on Labor-Health, Education, and Welfare, Senator WARREN G. MAGNUSON, to outline the serious adverse impact upon this national program of the totally inadequate budget request submitted by the administration. I also brought to his attention important cancer research and treatment programs underway in Minnesota, and pending applications by the University of Minnesota and the Mayo Clinic for designation as comprehensive cancer centers, under a priority program designated by the 1971 act.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 25, 1973.

Hon. WARREN G. MAGNUSON,
Subcommittee on Labor, Health, Education, and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I take this opportunity both to extend my sincere commendation to you on the recent excellent critical analysis you made, jointly with Senator Mansfield, of the Administration's budget request for health, education, and welfare, including particular reference to the Conquest of Cancer program, and to bring to your attention certain institution applications from Minnesota that underscore the vital importance of providing adequate funding for the establishment of Comprehensive Cancer Centers.

I believe you performed an important public service in releasing internal Administration documents concerning the fiscal 1974 budgets of the National Cancer Institute and the other National Institutes of Health. I fully share your deep concern over the sharp cutbacks by the Office of Management and Budget in the budget request for the National Cancer Institute, from $640 million—as authorized by Congress—to $500 million, despite strong objections by the Institute's Director, Dr. Frank J. Rauscher, Jr.

As Dr. Rauscher pointed out in his memorandum to OMB, this funding reduction would undermine the Institute's efforts to carry out the objectives of the National Cancer Act of 1971; substantially set back progress in the scientific community; and adversely affect the whole purpose of the National Cancer Program to achieve a rapid acceleration in research and control activities.

It means a serious restriction of research in the immunologic treatment of cancer, a further delay in combined modalities of treatment, a termination of some programs to reduce the causes of a rapid increase in the incidence of lung cancer and a major reduction in lung cancer detection and diagnosis work, a freeze in demographic evaluations related to cancer control, and a setback in clinical trials of combined forms of treatment of breast cancer—the leading cause of death among women at peak ages of risk.

Such a funding level could undermine the absolutely essential private research work in critical disciplines being given impetus across America, by reducing regular research grants and fellowship awards. I fully concur with the view of Dr. Robert Q. Marston, of the NIH Research Institutes, that "a major revolution in the prevention and treatment of cancer can come only from fundamental new information flowing from basic laboratory work." But I believe strongly that the development of a scientific knowledge base demands not only adequate support for all biomedical research, in contrast to OMB plans. It also requires a research grant evaluation system in which the scientific community has a significant decision-making role—which the OMB would prefer to abolish, while the NCI is simultaneously placing a highly questionable emphasis on contracts.

In short, it is incumbent upon Congress to protect the freedom to discover.

Finally, the Administration's reduced level of proposed funding to launch a 5-year National Cancer Program with seven major objectives will result in the outright deferral of some essential construction projects, delaying programs of critical need in the areas of viral oncology, carcinogenesis, chemotherapeutic, and radiation treatment. The development of new anticancer agents and antitumor drugs would be delayed. And we can expect a serious adverse impact upon the development of an effective international cancer conquest, which I have endeavored to promote for over a decade.

I am particularly concerned about the effect of this reduced Administration budget request upon plans to establish 15 Comprehenisve Cancer Centers, for which an initial authorization of $75 million per year was provided in the National Cancer Act. These centers can be of great importance in the application of existing knowledge—a second key emphasis, along with basic research, in the conquest of this dread disease. These centers, with laboratory and clinical research programs for the demonstration of improved patient treatment, were given a high priority in the National Cancer Act.

Both the University of Minnesota and the Mayo Clinic already have active cancer treatment and research programs and have applied for Comprehensive Cancer Center designation. The University of Minnesota received a CCC planning grant in 1972. Its proposed program includes facilities for a radiation therapy department, many cancer-related outpatient clinics, and four floors of cancer research laboratories. And the program includes interaction with physicians and the general population. Involving a comprehensive plan for the entire Health Sciences Center of the University, this program can lead to the development of an integrated multidisciplinary approach to cancer research, teaching, and patient care. It is my understanding that the program proposed by the Mayo Clinic also contains highly important directions to be taken in cancer research and treatment.

I am urging that these applications for CCC designation be given the most serious consideration and that a decision be expedited in accordance with designation approvals already given for several centers across the Nation. And I am most hopeful that committee action on H.R. 8877, providing for appropriations for the Departments of Labor and of Health, Education, and Welfare, will reflect an adequate level of funding for these centers to assure that Congressional priorities in the National Cancer Act will, in fact, be carried out.

It is incumbent upon Congress to make the Administration's National Cancer Program more than a blueprint without sharply defined priorities. The demand for action is urgent if we are to combat a disease that will afflict more than 51 million Americans living today, and a disease whose death rate rose sharply in 1972, to 3 times the average annual increase since 1950.

We know that major advances can continue to be made in the conquest of cancer. By 1970, one out of every 3 cancer patients could expect to be free of this disease after 5 years of treatment—a substantial improvement in only a few years. And leukemia and Hodgkin's disease can now be treated successfully in an increasing number of cases.

Such facts offer hope where only a short time ago there was despair and anguish. The promise of a decisive advance toward the prevention, treatment, and cure of cancer must not now be deferred.

Sincerely,

Hubert H. Humphrey.

THE 13TH ANNIVERSARY OF NIGERIA

Mr. BROOKE. Mr. President, this is a notable week for Nigeria. On Monday, October 1, Nigerians celebrated the 13th anniversary of their independence from Great Britain. On Friday, October 5, the head of the government of the Federal Republic of Nigeria, Gen. Yakubu Gowon, will address the General Assembly of the United Nations. Between the declaration of independence 13 years ago and General Gowon's address to the U.N. tomorrow, can be found the heartening and impressive story of a proud and independent people, and their heartening struggle to remain so.

I first met General Gowon in a brief visit to Lagos, the capital of Nigeria, in 1968. Nigeria at that time was torn by civil war; families and friends were divided; precious resources were being expended on planes and tanks and guns; the production of vital crops and export commodities had correspondingly declined.

But the people of Nigeria had not given up hope. They knew, just as Americans had known a hundred years before, that national unity was the cornerstone on which their future must depend. The Nigerians fought on. And today they can proudly say that they won not just a war, they won a peace as well.

Only 3 years after the end of her tragic civil conflict, Nigeria stands as a leader among the nations of the world.

Nigeria is the largest of all the black nations, with an estimated population of 60 million peoples.

Politically, Nigeria has a popular and stable military government which has held office for several years, and has promised a return to civilian control by 1976.

Internationally, Nigeria's head of state, Gen. Yakubu Gowon, has been chosen by his fellow African leaders to be the chairman of the Organization of African Unity.

Economically, Nigeria has one of the most astonishing growth rates of any nation in the world: her gross national product is increasing at the rate of more than 10 percent per year. Nigeria in addition is one of the prinicpal trading partners of the United States: We are her largest single customer for oil, which Nigeria produces at the rate of 2 million barrels per day. Nigeria ranks among the top three nations in supplying the United States with crude oil, a fact of particular significance in light of our current shortage of petroleum products. Proceeds from these vital exports are being used to finance Nigeria's impressive economic development program.

Mr. President, I know of no nation which has equalled, in so short a time, Nigeria's record of political and economic growth. Theirs is the growth not just of institutions or of financial income, but the growth of a people as well—the growth of their souls, their sense of achievement, their self-confidence in the world.

As General Gowon addresses the United Nations tomorrow, he should know that Americans share his pride and the pride of his people in their past achievements, their present standards, and their future hopes. Nigerians truly are building a history which they and their children can honor.

SPACE WEEK IN CONNECTICUT

Mr. MOSS. Mr. President, the Governor of Connecticut, his Excellency Thomas J. Meskill, has proclaimed this week as "Space Week in Connecticut" in recognition of the 15th anniversary of the founding of the National Aeronautics and Space Administration and in view of the prominent and productive part Connecticut has played in our Nation's 15 years of achievement and progress in space.

I ask unanimous consent that the official statement by Governor Meskill be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Space Week in Connecticut

Connecticut has been privileged to play a prominent and productive part in our nation's 15 years of achievement and progress in space.

America's course into space was charted with the establishment of the National Aeronautics and Space Administration on October 1, 1958. In the programs of peaceful exploration carried out by NASA since then, Connecticut citizens and Connecticut companies have been key participants. They have contributed to the success of flights to the moon and beyond through their skills in designing and building precision equipment of the complexity and reliability demanded for space flight.

Products of Connecticut craftsmanship have kept our Apollo astronauts alive on the moon and generated their electrical power as they journeyed between earth and moon. Fifty-one American astronauts have been picked up by Connecticut-built helicopters after splashdown. Equipment produced in Connecticut is in service in the Skylab program currently in progress, and new systems are in design in Connecticut for the coming space shuttle missions.

In saluting NASA on the 15th anniversary of its founding, I designate October 1–6 as Space Week in Connecticut. I urge our people to take note of all that we as a nation have achieved and learned from space exploration accomplished with the help of Connecticut scientists, engineers, technicians, and craftsmen.

FREEDOM OF THE PRESS AND THE RIGHTS OF PERSONS UNDER INVESTIGATION

Mr. BUCKLEY. Mr. President, in what the Washington Post called "an extraordinary public session" of the Baltimore Grand Jury, Federal Judge Walter E. Hoffman stated yesterday:

> We are rapidly approaching the day when the perpetual conflict between the news media, operating as they do under freedom of speech and freedom of the press, and the judicial system, charged with protecting the rights of persons under investigation for criminal acts, must be resolved.
>
> Unfortunately in the present-day grab for priority in getting news items, the news media frequently overlook the rights of others, especially where criminal matters are involved.

I ask unanimous consent that the full text of Judge Hoffman's instructions to the grand jury be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, Judge Hoffman's deep concern for the "rights of persons under investigation for criminal acts" is admirable. The deluge of leaks in the current investigation of charges made against the Vice President is a national disgrace. The judge has dramatically pointed out the gravity of the conflict between the rights of the press and the imperatives of justice.

But the problem of leaks is not one limited merely to criminal investigations. Legislative bodies also have had problems in this area, as Majority Counsel Samuel Dash recently pointed out. In a letter to Committee Chairman SAM ERVIN, I have voiced my own concern over the numerous leaks that have allegedly come from the Select Committee on Presidential Campaign Activities staff members and have offered what I feel is a means of discovering the truth in this matter. I ask unanimous consent that a copy of my letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BUCKLEY. The problem of leaks, however, is not one that can be dealt with on a case-by-case basis. There is too much at stake: The careers, the honor, the reputations and, in some cases, the very lives of those accused of a crime or those who have testified in legislative hearings. I have, therefore, during the past week, instructed my staff to investigate the possibility of drafting legislation that will protect the rights of the accused in the face of the onslaught against individual rights that the "leaks" have engendered in a manner consistent with the rights guaranteed the press by the first amendment. There is no place for the insidious practice of leaks of this sort in a free society. It is my hope that I will be able to present a legislative proposal concerning this problem in the near future.

EXHIBIT 1

TEXT OF JUDGE'S CHARGE TO GRAND JURY IN AGNEW CASE

Ladies and gentlemen of the grand jury, I have directed that you appear before me today for the reason that I have been designated, in accordance with law, to preside over any matters which may arise during your consideration of the evidence now being brought to your attention involving certain alleged criminal activities on the part of one or more individuals. As you already may know, I am judge Hoffman from the Eastern District of Virginia but, having received the appropriate designation as required by law, I am a United States district judge for the District of Maryland as far as these proceedings may be involved.

Since my designation, and perhaps prior thereto, I have noted with great reluctance that the news media have caused many articles, statements and newscasts to be issued. While I am confident that Judge Blair, who originally charged you when you initially were convened, probably mentioned that you should hear and determine matters coming before you, without regard to anything you may have heard or seen by reason of the news media. I think that you should be reminded again of same.

As you know, you are sworn to secrecy as to any matters brought to your attention while sitting as grand jurors and, insofar as I am aware, you have adhered strictly to this oath of secrecy. To what extent, if any, the news media have attempted to obtain information from you, I do not know. I congratulate you for adhering to your oath of secrecy and only request that you continue to do so, even after you have completed your deliberations and have been discharged.

Because of the fact that it has been several months since you were charged by Judge Blair, I deem it appropriate to remind you of your duties and powers, even though it may be repetitious in nature.

You have been impaneled, pursuant to Federal law, as an arm of the Court to inquire into the commission of offenses against the laws of the United States. Under the Fifth Amendment to the Constitution of the United States, no person can be brought to trial for a capital or otherwise infamous crime except on a presentment of indictment of a grand jury. An indictment is a written accusation of crime submitted by the prosecutor to the grand jury, which is found by the grand jury to be "a true bill."

A presentment is an accusation initiated by the grand jury itself, as a result of its own knowledge or information, or on information from others. It cannot form the basis of a prosecution, but must be followed by an indictment. In reality, a presentment is merely a direction that a formal indictment be presented.

The oath which you previously took tends to prescribe your duties in that you are to "diligently inquire, and true presentment make, of all such matters and things as shall be given you in charge, or otherwise come to your knowledge, touching the present service." Of course, this means knowledge brought before you by credible witnesses appearing before you and testifying; it does not mean knowledge acquired through the news media or any other source.

GRAND JURY'S PURPOSE

It is not your function to determine the ultimate guilt or innocence of a person under investigation. You are a jury of inquiry and accusation. You ascertain whether a person should be put upon trial and, if you think that he should be tried, then you accuse him of the crime or crimes by returning an indictment against him marked "a true bill." If you think that the credible evidence is insufficient to require the person to be put upon his trial, then you either mark an indictment "not a true bill" or otherwise do not report any action against that person.

The underlying purpose of a grand jury is twofold: In the first place, you constitute a bulwark of protection to our citizens in that it is your duty to see that no one is put upon his trial for a frivolous or ill-founded charge, or merely because the person has been subjected to undue publicity; in the second place, you are a protection to the United States in that it is your duty to present or indict in cases where the commission of crime is brought to your knowledge by credible evidence before you, and this is true irrespective of whether or not the law enforcement officers of the United States have preferred charges.

Of course, you are not concerned with any violation of the laws of the state of Maryland, but you are charged with the duty of diligently inquiring into the violation of the criminal laws of the United States, that is Federal crimes committed or triable within the District of Maryland. For your purposes, you are not concerned with whether a person is immune from indictment or trial.

You are not concerned with the policy of any law. Congress makes that policy. Nor are you concerned with whether any other person may have committed a like criminal act and avoided prosection. After a law is enacted it is every person's duty to conform his acts to it. All are equal under the law, but no one is above it.

You should Not return an indictment as "a true bill" upon mere suspicion or if the evidence be merely sufficient to render the truth of the charge probable. You should return an indictment as "a true bill"—and this is the test to apply—if you are convinced that the credible evidence before you, if unexplained and uncontradicted, would warrant a conviction by a trial jury. You need Not hear all of the witnesses summoned, but only enough to convince you to the extent that I have just mentioned.

HEARSAY EVIDENCE

Every indictment which you return reflects the existence of probable cause. And probable cause exists only when there is competent credible evidence, direct or circumstantial, presented before you in your grand jury room which leads you, as reasonable persons, to believe that the accused person is guilty of the offense charged.

Hearsay testimony, that is, testimony as to facts not known by a particular witness of his own personal knowledge, but told to him by others, may be considered by you if you deem it to be thoroughly reliable but, if you are in doubt as to the reliability of any hearsay testimony, you may insist that the prosecutor produce the witness or witnesses to substantiate the essential facts. Of course, a written or oral statement made by a person under investigation for the violation of one or more Federal crimes is not hearsay evidence if the statement is testified to by one who heard the person under investigation make the same.

Statements made by a person under investigation when not before the grand jury cannot be considered unless a witness testifies with respect to same. If there is competent credible testimony establishing probable cause, the fact that there also may be hearsay testimony becomes unimportant. But there must be before you some competent credible testimony establishing probable cause to render proper the finding of "a true bill." It would be a tragedy to the cause of the administration of justice if grand jurors returned an indictment marked "a true bill" merely because the jurors may have heard or seen comments by the news media.

UNANIMITY UNNECESSARY

Since you already have been in session for several months, I will not repeat the duties of your foreman and deputy foreman; nor will I discuss the function of the United States Attorney or any other prosecutor except to emphasize the fact that the prosecutor has no right to influence you in making your final determination as to whether an indictment should be returned as "a true bill." If there is any indication that the prosecutor is attempting to influence your vote, other than through the orderly presentation of evidence, the matter should be brought to the attention of the court.

You have also been told that a unanimous vote in favor of returning an indictment as "a true bill" is not necessary. It is necessary that at least 12 of your number vote in favor of indicting before an indictment can be returned by you as "a true bill." If fewer than 12 of your number vote for the return of an indictment, such indictment should be endorsed "not a true bill," and this is true even though the number voting for the indictment may be a majority of the number actually voting. Always record the affirmative vote, but not the names of the jurors and how they individually voted.

It is possible that you may have voted, in political campaigns, for or against one of more of the persons who may be under investigation. This fact is entirely immaterial to your determination as to what you should do in a given case. Your service as grand jurors is not a part of the political arena.

Since you have been permitted to go to your homes and, in general, carry on your normal business affairs except while serving as grand jurors, it would be an insult to your intelligence to inquire as to whether you have seen or heard anything concerning the party or parties under investigation.

SOURCES OF INFORMATION

Obviously you have. We are rapidly approaching the day when the perpetual conflict between the news media, operating as they do under freedom of speech and freedom of the press, and the judicial system, charged with protecting the rights of persons under investigation for criminal acts, must be resolved.

You are not concerned with the sources of the information disseminated by the news media. It is because I have learned over a period of 20 years as a judge and an additional 23 years as an attorney, that the news media frequently are wholly or partially inaccurate, that I must warn you to disregard totally any comments you have seen or heard from any source, save and except what you have heard or seen in your grand jury room while in official session.

The news media are integral and necessary parts of our lives. My relationship with them has been generally good. I know that there are reporters and editorial writers who insist upon checking the facts before making any comment but, unfortunately in the present-day grab for priority in getting news items, the news media frequently overlooks the rights of others, especially where criminal matters are involved.

In closing, may I urge you to consider only the credible evidence presented to you in your grand jury room. If you follow this admonition, you will have fulfilled properly your duties as grand jurors, irrespective of the results or final outcome.

If any one of you feels that you cannot abide by this supplemental charge because you feel that your mind has been improperly influenced by the news media, or any other source beyond the credible evidence presented in the grand jury room, you should advise me promptly to this effect.

Just to show how inaccurate the paper is, I saw in a paper this morning that I was coming up here to take charge of the investigation. I appreciate the compliment, but I will have nothing to do with the investigation.

EXHIBIT 2

U.S. SENATE,
Washington, D.C., October 2, 1973.

Hon. SAM J. ERVIN, Jr.,
Chairman, Select Committee on Presidential Campaign Activities, Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: In his appearance before the Senate Select Committee on Presidential Campaign Activities on September 26, 1973, Special Assistant to the President Patrick J. Buchanan made reference to alleged leaks made by members of the committee. Mr. Buchanan said in part:

". . . the surprise announcement that I was to be called as a public witness before these hearings was made over national television before even the elementary courtesy of a telephone call of notification had been extended.

"Of greater concern to me, however, has been an apparent campaign orchestrated from within the committee staff to malign my reputation in the public press prior to my appearance . . .

". . . Mr. Chairman, this covert campaign of vilification carried on by staff members of your Committee is in direct violation of Rule 40 of the rules of procedure for the select committee . . .

". . . it seems fair to me to ask how can this select committee set itself up as the ultimate arbiter of American political ethics if it cannot even control the character assassination in its own ranks . . ."

In response to Mr. Buchanan's statement, Chief Counsel Samuel Dash said:

". . . Mr. Chairman, I, too, would like to deplore, along with Mr. Buchanan, any newspaper stories derogatory of him that are indicated as having been leaked or come from sources in the committee. I know of no staff member who has done it. I have searched to find such staff members if there were any. We have had a problem like this before and I think we all know that the problem of leaks is one that isn't always to be solved . . ."

Your agreement with Mr. Dash on this vital principle has been made clear and unmistakable, throughout the hearings. With this in mind, I recall that in your questioning of another committee witness, former Counsel to the President John Dean, you stated:

"I will ask you as a lawyer if the experience of the English-speaking race has not demonstrated that the only reliable way in which the credibility of a witness can be tested is for that witness to be interrogated upon oath?"

I want you to know I agree with you wholeheartedly on this point and that is why I am today urging that all committee staff members immediately be put under oath to discover if anyone on the staff, in direct opposition to the spirit and the letter of the committee's rules of procedure, is leaking information to the media. I further urge that anyone refusing to swear under oath that he has not violated Rule 40 be discharged from the staff.

Given your deep concern for and your scholarly understanding of our Constitution, I know you share with me the belief that a witness before any public body, and especially before a committee formed of distinguished members of the United States Senate, deserves and should be able to demand the protection the law allows.

The question is, I believe, one of fundamental fairness, not only for those who may someday have to answer criminal charges in court, but also (indeed, especially so) for those who are innocent of any wrongdoing but whose reputations may be irreparably injured. Given the widespread media coverage of all aspects of the Watergate investigation, anonymous leaks from Committee staff members can result, and I fear may have already resulted, in a peculiarly vicious form of guilt-by-association against which it is virtually impossible for an innocent man to defend himself.

I deeply fear that if the sources of these leaks are not found or, at the very least, if a vigilant investigation is not made, there will be a strong suspicion in the public mind that the ends of justice are not being served by the Committee. As you remarked, part of the committee's task is to help dispel the "black cloud of distrust over our entire society". I suggest the best place to begin is by dispelling the black cloud of distrust that now hangs over the Committee staff itself.

Yours sincerely,

JAMES L. BUCKLEY.

SOVIET JEWISH EMIGRANTS

Mr. PELL. Mr. President, in deciding to halt group travel of Soviet Jewish emigrants, the Government of Austria has blotted its copy book. This regrettable action is all the more surprising since Austria up to now has been rendering great service, not just to Soviet Jewish emigrants, but to all mankind, by providing a hospital way-station in the journey of Soviet Jews from the Soviet Union. In performing as a Good Samaritan, Austria has acted on behalf of people of good will throughout the world who are deeply concerned about human rights.

That Austria of all countries should now decide to pass by on the other side of the road under the threat of international banditry is especially dismaying. What is happening now to Soviet Jewish emigrants suggests an ominous parallel with the general indifference that the nations of the world displayed before World War II to providing refuge to the victims of Nazi racial persecution. The fate of the millions who perished as a result of this indifference must forever rest on the conscience of all mankind.

It is alarming, therefore, that in this increasingly interdependent world where no man is an island, a tendency of unconcern and lack of commitment to humanitarian values is again developing. If it continues on this small and overcrowded planet, I fear that the fate of humanity, like that of the dinosaurs and other deadend evolutionary experiments, will be sealed.

The Soviet Jews who are seeking a freer life outside of the Soviet Union are essentially the victims of the failings of all humanity and not just one national segment of it. These failings are manifested in global problems—terrorism, racial strife, suppression of individual freedoms—and they demand global solutions toward which every nation must be willing to contribute. It is particularly heartening, therefore, to know that the Netherlands is willing to help in the plight of the Soviet emigrants if Austria withdraws its helping hand. Austria has proposed a role for the U.N. for solving the problem. I think this is a possibility which should be carefully explored.

Nor is the United States exempt from doing what it can. It has been suggested in Vienna that if we care so much, why do we not offer an airlift or some other facility? Perhaps we should. At least we must be willing to do something more than just pointing an accusing finger at others. We must be ready to put action where our convictions are.

I will hope that some way can be found whereby the Austrian Government can permit Austria to continue as a way station for the emigrants without violating her word, perhaps with some alteration of current arrangements. Austria is in the best geographic position to do so, and I know from past personal experience what a splendid effort Austria is capable of making in assisting exiles and other uprooted peoples.

As vice president of the International Rescue Committee, I served for a year in Austria and Central Europe assisting refugees generated by the uprising in Hungary in 1956. During that time, I came to have the greatest appreciation for the deep sense of humanity of the Austrian people, expressed in concrete contributions of time and effort to alleviating the plight of Hungarians and other refugees finding asylum in their country. My work also developed my own sense of empathy for the distress and insecurity felt by my fellow human beings whom circumstances force from their homelands. I sincerely hope, therefore, that prompted by its own traditions of hospitality and humanitarianism, the Austrian Government will continue to extend a helping hand to those who would transit Austria en route to freedom.

REFUGEES AND HUMAN RIGHTS: THE PATH AHEAD

Mr. JAVITS. Mr. President, while I was recently in Abidjan, Ivory Coast, attending the World Peace Through Law Conference, I had the opportunity to hear the Honorable Frank L. Kellogg, Special Assistant to the Secretary for Refugee and Migration Affairs of the Department of State, address the conference on the subject of the plight of the world's refugees and the International Convention on the Status of Refugees and its Protocol. Mr. Kellogg, who presently serves as the Special Assistant to the Secretary of State for Refugee and Migration Affairs, is a close acquaintance of mine, and I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REFUGEES AND HUMAN RIGHTS: THE PATH AHEAD

(By Frank L. Kellogg)

The number of those who have traveled to Abidjan for this meeting in itself constitutes reassurance that we have not lost sight of conscience in today's world, and that man's quest for protection of human dignity—so long in progress, so far to go—continues to have its influential advocates in every quarter of the globe.

I am not a lawyer. I am, I believe a humanitarian. In the course of my official travels I have witnessed massive physical and spiritual privation, much suffering, much dejection among refugees from persecution and violence. But also, I have marveled at the resiliency of the homeless man when he is given a chance to rebuild his life in conditions of law and order. I have watched, often with awe, the penniless migrant who reaches a new land, straightens bowed shoulders and strives anew to achieve self-sufficiency and self-respect. The human spirit, in my experience, is a phenomenal thing. It needs the conditions which will allow it to flourish and this, of course, is why we are here in Abidjan.

As I say, I am not a lawyer. My work—and I have devoted quite a few of my years to it—is related primarily to the protection, care and rehabilitation of human beings who have been deprived of their rights as the result of prejudice or injustice or violence, or who have fled from oppression in search of their rights. My practical experience, and it has encompassed my direction of programs involving the fates and sometimes the lives of literally millions of people, constantly has served to reinforce my belief that the subjects we are here to discuss are basic to the condition and the future of mankind and to the cause of peace. Ultimately, if man is going to leave the cave finally behind, all of the governments of the world are going to have to observe and respect the laws of human rights.

We have been inching toward this goal for several thousand years—too often, let it be said, an inch forward and two or three inches back. We have at least generations to go, if we are realistic. We must quicken the pace. We must persuade more peoples to look beyond the interest of the tribe or the sect or the ruling clique toward the goal of the right to protection, sustenance and dignity for all men everywhere. The concept of his inherent rights is deep-rooted in man. The human spirit, over the long term, is not going to be suppressed. Unless we accommodate it, there is going to be interminably continued upheaval and violence, leading ultimately, very possibly, to a lifeless planet.

Well, that is an overview. We obviously are not going to leap into utopia. Let us take what steps we can. The task at hand is to advance the cause—to focus world attention on human rights, to work toward the accession of more nations to treaties already written, to construct mechanisms which will act to enforce the provisions of those treaties, above all to build a wider public insistence on worldwide respect for the principles of the Universal Declaration of Human Rights.

The Declaration, as we all know, will be 25 years old in December. It is a magnificent proclamation of the emancipation of man. Its provisions represent the aspirations of peoples of all races. They are the outgrowth of ideas developed over many centuries, by many civilizations. It is my belief that could a worldwide plebiscite be held, the Declaration would be approved in every country, whether oppressed or free by an overwhelming vote.

But confronted as I am with recurrent refugee situations, I have to recognize to my sorrow that the Declaration, a quarter-century after its proclamation, is disregarded too often by governments, breached too frequently. If I may talk about the United States, a nation founded on the concepts of human rights as expressed in our Declaration of Independence and our Constitution, we, too, have in our country those who regard the Universal Declaration of Human Rights as a statement of pious platitudes. I am not discouraged by this, for I think I know what most Americans really believe. Daily, in my work, I deal with people who are dedicated to the perpetuation and the practical application of the principles embodied in the Declaration. These include the leaders of our great voluntary organizations, influential members of our Congress, the Secretary of State to whom I report, our President, and many others.

The United States, I imagine, has come through to some of you in recent years—especially if your impressions are based on what you get from the news media—as a nation which has diluted its ideals with materialism, or militarism or, in a word coined by our ideological adversaries, neo-imperialism.

I know that these are false perspectives. I know that many millions of Americans give their time and their energy and open their purses every year to our humanitarian organizations which labor abroad to help people attain dignity and security. I know that ordinary Americans across our country warmly receive immigrants, including refugees, and help them to establish themselves in the community. I have seen what can happen when we err, as when, a couple of years ago, a foreign seaman claimed asylum on one of our ships and was forcibly returned to the vessel from which he had fled. The surge of outrage of our people, at this violation of the ideals we cherish, was something I will not forget as long as I live.

Our problem with human rights in the United States, then, is not a problem of public opinion, or public education, or lack of national conviction. Many of you are aware that my country by no means has acceded to all the conventions thus far written on special phases of human rights. I view this fact with something less than alarm. We can be—we are—partisans of human rights regardless of treaties; some of the conventions, indeed, contain provisions less comprehensive than those long established under our laws.

I, for one, would like to see the United States accede to all of these conventions, as a matter of joining moral leadership in the quest for the extension of human rights through law. One day, I believe, this will be the case. Our present effort, in the Administration of which I am a part, is to persuade our Senate to consent to ratification of the Convention on the Prevention and Punishment of the Crime of Genocide, which dates all the way back to 1948, when it was signed by the United States and other nations.

Now except for maybe a few of the lunatic fringe, no American condones genocide; there is no question about the convention being acceptable in principle. Objections to its ratification rest on juridical grounds. Our critics of the Genocide Convention assert mainly that some of its provisions, as they are worded, would act to reduce our national sovereignty, to enlarge the power of the Federal Government at the expense of the states, to over-ride the laws of the individual states and inhibit the authority of state courts. We think that these criticisms are unfounded and that there is every constitutional basis for adherence to the treaty.

President Harry S. Truman asked our Senate in 1949 to act on the convention, and President Richard M. Nixon urged its renewed consideration in 1970. On three occasions, once very recently, the Senate's Foreign Relations Committee has given its approval. Sooner or later, I have no doubt, the full Senate will approve by the requisite two-thirds majority and the United States will ratify, thus ending an unnecessary situation of diplomatic embarrassment and again underscoring American dedication to the dignity of man.

I cite our concern with the Genocide Convention not because it is a matter of supreme interest to us here at Abidjan but because it is an example of the problems which nations are going to have to resolve if we are to advance the cause of human rights at a swifter pace. Other nations organized under the federal system also are experiencing constitutional difficulties with human rights treaties. And juridical problems, of course, are as nothing when we consider objections to acceptance of the laws of human rights arising out of oppressive political systems, disparate cultural heritages and conflicting ideologies. The common denominator, if we ultimately are going to win out, is the spark of spirit which persists in man wherever he lives.

My own feeling, looking at the dozen or so international conventions which have arisen out of the Universal Declaration of Human Rights, is that the groundwork has been laid and that a moratorium on treaty writing might be in order. The writing of new international human rights law, it seems to me, might well be suspended for the time, while we devote our efforts to extension around the world of law already written.

I refer particularly to the Convention on the Status of Refugees and its Protocol—agreements which we in the United States regard as of immense present importance in international relations. I will not infringe on Ambassador Schnyder's territory by discussing the refugee problem at any length. But I think just a few statements will indicate why we attach such significance to the Refugee Convention and the law it embodies.

The persistence of concentrations of refugees—human beings deprived of their rights-exacerbates tensions between nations and jeopardizes the peace. We in our lifetimes have seen too many examples of this—sadly, there are current examples—human beings detained in refugee status as factors in political disagreements, situations too often leading to assassination, terror, retaliation, animosity between governments and the threat of war.

The rehabilitation of refugees, by voluntary return to their homes or resettlement in new homes—in essence, by restoration of their rights as human beings—acts to ease tensions and to encourage prospects of peace. The refugee discussions at this meeting, for example, undoubtedly will touch upon the current resettlement program in the Sudan, which has contributed vastly to the restoration of peace in that country.

The denial of human rights within a nation, including denial of man's right to pursue his aspirations elsewhere, leads to dissension and internal violence. There is no need for me in this forum to cite examples of this fact of national life.

The Convention on the Status of Refugees protects the right of freedom of movement, the right of asylum, and—for the millions of human beings in refugee status—other basic rights as well. Its provisions, as I see it, have more immediate application, are matters of more urgency, than any other matters of human rights law before us at this conference.

And yet, if you look at a map of the world, there are vast areas where the Convention on the Status of Refugees has no legal application. Blocs of countries in the north of Africa and at the south of Africa are missing, so far as this treaty is concerned. Latin America and the Caribbean have several nonadherents. And from Eastern Europe into the Pacific, across the great Eurasian land mass and beyond—a region inhabited by a large majority of the earth's population—there have been virtually no accessions at all.

By the last count about half the nations of the world had bound themselves by the Refugee Convention, about half had not. The non-acceding nations, of course, include that sizeable hard core which, by current reckoning, will be the last fully to recognize human rights. But many others, I believe, share with the rest of us a basic belief in man's inherent dignity, and have not listed themselves among the signatories for procedural or internal juridical reasons, or because they are preoccupied with what they see as more urgent problems.

I hold the belief that if we are to create the climate that will extend the provisions of the Refugee Convention to these in-between countries, if they can be persuaded to accede and to enforce its provisions, that gradually the hard-core governments will find themselves in a position that will require them to face up to world opinion and to the aspirations of their own peoples, and to join in recognition of human rights.

There are, of course, many other factors of the equation. They include the rapidity of communications in today's world, the easy facilities for international travel, the growing economic interdependence among nations, the hunger of peoples for cultural crossplay, the willingness of important world leaders to move toward detente, the recognition of the finality of nuclear war. The path to world peace and to the realization of human rights lies, I believe, in the direction of bringing all of the varied forces to bear, to the end that the utimate goals—the basic rights of human beings—everywhere are recognized and enforced by law.

FINANCE COMMITTEE APPROVES SENATOR CHURCH'S PROPOSAL FOR 7-PERCENT INCREASE

Mr. CHURCH. Mr. President, I am especially heartened that the Finance Committee has adopted the thrust of my proposal—S. 2397—to provide a 7-percent social security increase.

This measure will be added as an amendment to H.R. 3153, which would make technical amendments to the supplemental security income program.

With a 20-percent jump in food prices during the past year, this emergency action is needed now to protect the elderly from the cruel impact of inflation. All Americans have felt the harsh effects of skyrocketing prices in one form or another. But older Americans living on limited, fixed incomes have been victimized to a far greater degree than any other segment in our society.

Moreover, it seems to me that approval of a 7-percent increase by the Senate is inevitable, because 56 Senators have already joined me in cosponsoring this measure. Mr. President, at this point, I include the names of the following Senators to be added as cosponsors of S. 2397, a bill to provide a 7-percent increase in social security benefits:

LIST OF COSPONSORS

Mr. Abourezk, Mr. Mondale, Mr. Williams, Mr. Eastland, Mr. Kennedy, Mr. McGovern, Mr. Randolph, Mr. Nelson, Mr. Bible, and Mr. Tunney.

Mr. McIntyre, Mr. Metcalf, Mr. Humphrey, Mr. Gravel, Mr. Brooke, Mr. McGee, Mr. Mansfield, Mr. Moss, Mr. Montoya, and Mr. Robert C. Byrd.

Mr. Biden, Mr. Hatfield, Mr. Case, Mr. Bayh, Mr. Cannon, Mr. Hughes, Mr. Jackson, Mr. Stafford, Mr. Chiles, and Mr. Gurney.

Mr. Magnuson, Mr. Eagleton, Mr. Pastore, Mr. Inouye, Mr. Hartke, Mr. Burdick, Mr. Muskie, Mr. Schweiker, Mr. Haskell, Mr. Weicker, Mr. Javits, Mr. Hathaway, and Mr. Bentsen.

Mr. Fulbright, Mr. Stevenson, Mr. Dole, Mr. Percy, Mr. Huddleston, Mr. Domenici, Mr. Cranston, Mr. Ribicoff, Mr. Clark, Mr. Pell, Mr. Hart, Mr. Hollings, and Mr. Mathias.

The bill which I have sponsored is designed to be a substitute for the 5.9-percent social security increase effective in June 1974 under Public Law 93–66. Quite clearly, that measure would simply be too little, too late for older Americans.

Moreover, last month's recordbreaking 6.2-percent jump in the wholesale price index provides a further ominous warning that inflationary pressures are likely to intensify in the months ahead.

S. 2397, I am pleased to say, is also strongly supported by the National Council of Senior Citizens and the National Retired Teachers Association—American Association of Retired Persons.

Mr. President, I ask unanimous consent that a letter from NRTA–AARP to me be printed at the close of my remarks.

Additionally, an article in the latest edition of Senior Citizens News—a publication of the National Council of Senior Citizens—provides compelling reasons for a 7-percent social security raise. Mr. President, I also ask unanimous consent that the text of this article be included at this point in the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
September 11, 1973.

HON. FRANK CHURCH,
Chairman, Special Committee on Aging, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR CHURCH: On behalf of the 5.6 million members of the National Retired Teachers Association and the American Association of Retired Persons, I would like to express our enthusiastic support for the bill you have introduced to accelerate the effective date of the Social Security cost-of-living cash benefit increase of P.L. 93–66 from June 1974 to January 1, 1974 and to increase the amount thereof from 5.9 percent to 7 percent.

Our expression of support is predicated upon our appreciation of the severity of the current inflationary trend's impact on the most vulnerable and helpless segments of society—the poor and the aged. The personal hardships which result from the impact of a force which the individual is powerless to control are reflected daily in the correspondence from our members. To those hardships, our organizations cannot be impervious.

While our organizations fully appreciate the beneficial effects which would be realized from the enactment of your bill, we also recognize the potential cost consequences to the Social Security system. As with any Social Security proposal, cost is a major concern.

We would hope, therefore, that the alternative means of accommodating the projected cost consequences of the proposal would be thoroughly examined when the bill is considered either in committee or on the Senate floor.

Sincerely,

CYRIL F. BRICKFIELD,
Legislative Counsel.

[From the Senior Citizens News]

FIFTY-FIVE SENATORS ARE FOR 7-PERCENT SOCIAL SECURITY INCREASE JANUARY 1

WASHINGTON, D.C.—A seven per cent catch-up Social Security increase effective next January is urged by the National Council and other humanitarian organizations.

NCSC clubs, councils and individual members area sked to contact Senators and Congressmen from their States requesting support for S–2397, a bill introduced by Senator Frank Church (D., Idaho), Chairman on the U.S. Senate Special Committee on Aging, which provides a seven per cent Social Security boost effective January 1, 1974 instead of the previously enacted 5.9 per cent increase which is not scheduled for payment until July 3, 1974.

Seniors should lose no time with letters or personal contacts in lining up Senators and Congressmen for this desperately needed benefit, National Council President Nelson H. Cruikshank asserts, as *Senior Citizens News* went to press 55 Senators from both major political parties had agreed to cosponsor the Church bill, virtually guaranteeing passage through the Senate.

SPIRALING FOOD COSTS

"There has been a huge increase in food prices since last year's 20 per cent Social

Security boost, with overall living costs going up at the rate of eight per cent a year and food prices going up a record-breaking 20 to 25 per cent a year," the National Council spokesman declared.

THIS IS AN EMERGENCY

He added: "The unprecedented August jump of 6.2 per cent in the wholesale price index indicates still further substantial increases in retail prices in the period ahead."

Without early Congressional action, the elderly must wait until next July 3, for a 5.9 per cent Social Security increase voted by Congress earlier this year.

This would force a great many elderly now on the borderline of poverty into deepening insecurity and despair, Cruikshank warned.

"The ideal course would be an immediate increase of 5.9 per cent, and I salute Senator Hubert Humphrey and the 57 other Senators who voted last September 11 to make a 5.9 per cent increase effective as soon as possible," Cruikshank declared.

However, the National Council spokesman added, the Senate's 58–31 vote to accomplish this was for a legislative rider to a U.S. Civil Service retirement bill—a bill unlikely to persuade the President to change his mind about approving a catch-up Social Security increase payable before next July.

"At the risk of repetition," Cruikshank said, "I remind our seniors that the President is responsible for delaying the 5.9 per cent catch-up Social Security increase until mid-1974 even though it is plainly too little too late."

It seems unlikely that he would now on his own motion agree to make this increase payable sooner, according to Cruikshank.

DEBT CEILING LEGISLATION

Therefore, a catch-up Social Security increase must once again be attached as a legislative rider to veto-proof legislation—namely, debt ceiling authorization legislation, which expires at the year end and is likely to come before Congress soon, Cruikshank observed.

The National Council spokesman said he could not predict events but, in view of the President's steadfast opposition to the size of every Social Security increase enacted during his Administration, "it is going to take strong medicine—such as attaching it to debt ceiling legislation—to get him to approve an early catch-up Social Security increase."

"It is indeed tragic that runaway inflation has made a catch-up Social Security increase necessary but we have to face this reality," Cruikshank said.

That is why, he added, the National Council urges seniors to push for the pending seven per cent catch-up Social Security boost which has the endorsement of 55 Senators. The National Council's goal is to convince as many lawmakers as possible to endorse this legislation.

In urging the seven per cent catch-up Social Security boost, Senator Frank Church (D., Idaho), Chairman of the Senate Special Committee on Aging and chief sponsor of this legislation, told fellow lawmakers: "With inflationary pressure continuing to intensify, an earlier and larger Social Security cost-of-living raise is urgently needed."

Senator Church said the elderly cannot afford to wait for such an increase because, he observed, "time is clearly not on their side."

He continued: "The August record-breaking 6.2 per cent jump in the wholesale price index provides an ominous warning that older Americans may experience still more increases in prices in the months ahead."

More than five million elderly men and women are impoverished and are hardest hit by runaway inflation, he noted, adding:

"I am mindful that the Administration may raise a number of objections to moving forward the date of a cost-of-living Social Security adjustment. But, to my way of thinking, it is time to stop balancing the budget on the backs of the aged and disabled. They certainly did not create present inflationary pressures, but they are clearly victims of our mismanaged economy.

"Instead of looking for scapegoats," Church declared, "the Nixon Administration would be better advised to trim back wasteful spending, foreign aid and the space program. All Americans would be better served if the Government can put its financial house in order by a fundamental reordering of priorities."

(The Senator's budget reference was to the President's opposition to an early catch-up Social Security increase because of its impact on the Federal consolidated budget.)

In September *Senior Citizens News*, National Council President Cruikshank pointed out the folly of making Social Security trust funds part of the Federal consolidated budget.

Noting that Social Security trust funds may be spent for Social Security purposes only, Cruikshank called it window dressing to include these trust funds in the consolidated Federal budget.

"The trust funds have no real meaning in the consolidated budget, and Congress should change the law so the Federal operating budget properly reflects Federal Government finances," Cruikshank declared.

ADMINISTRATION SAT ON ITS HANDS

The consolidated Federal budget is a product of the war in Southeast Asia; it was approved by Congress in the closing days of the Johnson Administration, Cruikshank explained, adding:

"Inclusion of the Social Security trust funds in the consolidated budget is a gimmick President Nixon has used many times in opposing a meaningful Social Security increase."

Cruikshank continued: "This Administration has made no effort to protect the low and moderate income elderly from uncontrolled inflation, and it is up to Congress to keep these unfortunates from being abandoned."

Senator Abraham Ribicoff (D., Conn.), chief sponsor of the 5.9 per cent Social Security increase payable next July 3, became a co-sponsor of the Church seven per cent Social Security payment.

Ribicoff proposed—and the Senate agreed—the 5.9 per cent Social Security boost should be effective next January, but under threat of a veto President Nixon insisted on delaying the payment until next July 3.

Ribicoff noted: "We are faced with rampant inflation, and I think another effort must be made to provide a Social Security increase at an earlier date."

Senator Alan Cranston (D., Calif.), also a co-sponsor of the Church proposal for a seven per cent Social Security boost, told lawmakers a Social Security increase in this amount "is based on actuarial projections in the (U.S. Labor Department's) Consumer Price Index from October 1972, when the 20 per cent Social Security increase of that year became payable, to next January, when the proposed seven per cent increase would become effective."

Cranston added that he was convinced of the need for such an increase by testimony at hearings he conducted in his State during the August Congressional recess.

"To ask the men and women of retirement age to wait until next July before even minor relief is provided is to ask too much of those who have contributed their working lives to the U.S. economy," he asserted.

Another co-sponsor of the proposed seven per cent Social Security increase—Senator Dick Clark (D., Iowa)—said he too was persuaded by his constituents during the Congressional recess of the need for a catch-up Social Security increase.

Other co-sponsors of the seven per cent Social Security increase are listed in an accompanying column.

Last September 7 Senator Humphrey pushed through the Senate legislation to make the 5.9 per cent Social Security increase now on the law books payable as soon as possible.

HUMPHREY'S ELOQUENCE

Humphrey told fellow Senators: "Senior citizens are being victimized by inflation as no one else—a cruel, inhumane treatment. Most seniors have no way to increase their income.

"Most of them are on Social Security. Some have very modest pensions. Most of them have no savings. And they are victimized every day by the high cost of food, clothing, rents—everything they touch."

Humphrey insisted: "Something has to be done in this body. This Congress cannot stand idly by and let senior citizens go ignored. . . . This country can see to it that our senior citizens who are on fixed incomes, on Social Security, have at least enough to live on. . . ."

National Council President Cruikshank acclaimed Humphrey's eloquence, adding: "Our strategy must nevertheless be to support the Church seven per cent Social Security increase. If we are going to get results, we must demonstrate support for the Church proposal by an avalanche of letters and appeals to Senators and Congressmen asking them to become co-sponsors of this legislation.

Cruikshank concluded with this warning: "Without a massive demonstration of support from across the nation, we may have to wait until next July 3 for a catch-up Social Security increase."

It should be noted that Senator Humphrey is a co-sponsor of the bill for a seven per cent Social Security increase.

IMPROVING THE AGE DISCRIMINATION LAW

Mr. FONG. Mr. President, the Special Committee on Aging is releasing a new working paper, "Improving the Age Discrimination Law," which points up some of the major employment problems faced by older Americans.

Problems of job discrimination on the basis of age are serious for tens of thousands of individuals. The loss in national wealth because of our failure to use proven skills of older persons is substantial. In both human and economic terms—despite some progress—it is time that we reassess our national attitudes toward age as related to employment.

As ranking Republican member of the Special Committee on Aging, I welcome the opportunity to join my distinguished colleagues, Senator Frank Church, chairman of the committee; Senator Jennings Randolph, chairman of the Subcommittee on Employment and Retirement Incomes, and Senator Clifford P. Hansen, ranking Republican member of the subcommittee, in inviting attention to this working paper and the important issues it raises.

Prepared by Mrs. Elizabeth M. Heidbreder, of the committee staff, the working paper discusses the employment problems faced by many persons between the ages of 40 and 65, and discrimination against persons past 65 resulting from refusal-to-hire policies and compulsory retirement practices.

Currently Federal law does prohibit job discrimination based on age for persons from 40 through 64 by private employers of 25 persons or more. Extension of this antidiscrimination legislation to cover Government employees and workers of private employers of 20 or more persons was approved earlier this year by the Senate in an amendment offered to the Fair Labor Standards Amendments of 1973 by Senator CHURCH, myself, and others. Regrettably it was dropped in conference with the House.

I believe our efforts to effect these improvements should be renewed. I also feel very strongly that we should take a serious look at extending age discrimination protection to persons over 65. In the latter connection, I am proud that my own State of Hawaii is one of the few whose State age discrimination laws are applicable to persons past 65 as well as under 65.

Friday, I introduced a bill, S. 2499, that would amend Federal law to prohibit discrimination at any age after 40. People over 65 who are eager to work and able to do so deserve protection through fair employment laws as much as do those who are middle-aged. I hope that the Senate Committee on Labor and Public Welfare, to which my bill has been referred, will schedule early action on this legislation.

Employment discrimination based on age, as is noted in the working paper, is somewhat more complicated than discrimination based on race or sex—especially in enforcement of laws against it. It is also true that problems such discrimination creates are less dramatic than some other problems related to aging. Neither of these considerations, however, excuses delay or inattentiveness to the principle of equal employment opportunities for both the middle-aged and the old.

In succeeding national administrations, Presidents Eisenhower, Kennedy, Johnson, and Nixon have all taken note of the tremendous loss in national wealth resulting from our refusal as a nation to make full use of the skills, experience, and productivity of older Americans. Older persons themselves have made clear their unhappiness and dissatisfaction with second and third class status in the labor market.

It is imperative that America reexamine its employment and retirement policies—both overt and subtle—to the end that all persons, regardless of age, have the clear right to participate in the productive activities on which our total wealth ultimately depends.

An enlightened policy of work opportunity for older Americans who want gainful employment will benefit us all, young and old. Today's worldwide inflation, for example, is partly due to shortages of goods and services generating from rapid acceleration of demand in almost all nations. At least some of this demand-supply imbalance could be alleviated through use of skills offered by older persons who are denied the chance to work solely because of age.

There should be ample opportunity for retirement by older Americans, but such retirement should be with dignity, honor, and income adequacy. At the same time, we should make every effort to assure that such honorable retirement policies are not used as an excuse to deny work opportunities to able persons who want to continue in gainful employment.

Hand in hand with more realistic attitudes toward retirement, there must be a renewed effort to prevent job denial just because a man or woman happens to be 40 or older. Such rejection, all too prevalent now, not only imposes unmerited suffering and heartache immediately, but in it are the seeds of equally serious economic problems after 65, because of weakened ability to prepare for retirement years.

Members of the Special Committee on Aging and most other Members of Congress, I believe, understand the seriousness of our need for fair employment practices related to age and for more enlightened retirement policies. The need for action, however, goes beyond legislative initiatives. We need to develop an entirely new attitude toward older people and their right to work in all parts of society—employers, Government, labor unions, educators, public opinion makers.

I believe that the Federal Government nonetheless does have a responsibility to provide leadership toward more sensible, more humane employment and retirement practices. This begins with legislation—and vigorous implementation of legislation by the executive branch. These initiatives, which are reemphasized in the working paper released today, are essential to creation of the new attitude toward aging and employment which needs to permeate the whole fabric of our society.

SENATOR RANDOLPH URGES NEW ACTION ON AGE DISCRIMINATION

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on Employment and Retirement Incomes, I have followed closely the implementation of the Age Discrimination in Employment law since it was enacted in 1967.

From time to time I have called witnesses to discuss arbitrary practices which deny employment or force retirement solely on the basis of age alone. I have also been concerned about the special problems facing the so-called older worker, men and women of middle-age and up who face the likelihood of prolonged unemployment when faced by layoffs or plant shutdowns.

These older workers, and others even younger than they, encounter overt or subtle forms of discrimination which make their situation all the more desperate.

Such bias is unpardonable. It is even more intolerable when it occurs in defiance or in ignorance of the law.

I believe that ADEA must be strengthened at the earliest possible date. This year, several strengthening provisions were added through the Fair Labor Standards Amendments of 1973, but unfortunately they were lost in conference. I believe that these proposals, as well as others, should again be advanced.

To provide facts that should be considered in any such effort, the Senate Committee on Aging has today issued a new working paper called "Improving the Age Discrimination Law." It tells why interest in ADEA is increasing and it tells of problem areas that persist despite concern in Congress and in the courts.

I was gratified to join with the committee chairman, Senator CHURCH, in a preface to this working paper, and I conclude this brief statement with the final paragraph of that preface:

> To anyone not already familiar with the widespread impact of aging throughout our society, this working paper will once again make the point that problems relating to growing older do not necessarily begin at age 65. Each American should be concerned about age discrimination, whether young, middle-aged, or beyond.

Mr. HANSEN. Mr. President, as ranking Republican member of the Subcommittee on Employment and Retirement Incomes, I am pleased to bring attention to the Special Committee on Aging's working paper entitled, "Improving the Age Discrimination Law." I am joining Senators FONG, CHURCH, and RANDOLPH of the committee in focusing on this revealing paper, because of our concern about the issues it raises.

As a member of the Special Committee on Aging, I have been fortunate to hear testimony on a variety of substantive problems afflicting the elderly. Perhaps one of the less overt, yet more poignant and far-reaching problems is that of job discrimination based on age, which affects many thousands of Americans.

Rejecting many individuals from the labor force at an early age prevents them from preparing adequately for their retirement years. Refusal to hire the 40-year-old individual because, "he is approaching retirement and may be a burden" is becoming an increasingly common practice.

Employment discrimination against the older American can lead to any or all of a wide gamut of other problems they face—health, housing, and social involvement.

This problem cuts a double edge. Employment discrimination against our Nation's elderly often prevents them from achieving or maintaining economic adequacy for the present and the future. Job bias provides another barrier between our "Pepsi Generation" oriented society and the older American. They become further disenfranchised, and feel a sense of worthless ennui.

The double edge, however, is this: We are depriving our own country of a labor-rich segment of manpower.

Trained and experienced, the elder American citizen would help ease at least one aspect of our current inflationary burden by providing a wealth of needed skills and goods. We are faced with a shortage of goods and services, and to ignore this great potential source for curbing the shortage is myopic and unnecessarily impractical.

A change in our attitude toward the worthiness of the older American employee is imperative and the working paper provides insight into this very real American tragedy.

AWARD TO DWANE L. WALLACE OF WICHITA, KANS.

Mr. DOLE. Mr. President, on September 26, Dwane L. Wallace, chairman of the board of Cessna Aircraft Co. of Wichita, Kans., was awarded the National Business Aircraft Association's award for meritorious service to aviation. The award was presented to Mr. Wallace in recognition of—

> His engineering, management and marketing accomplishments which have led general aviation to its integral, yet unique, position in the world's transportation network, from arctic and jungle strips to the most sophisticated hub airports.

In accepting the award, Mr. Wallace made a few brief remarks which strike me as deserving the attention of my colleagues and especially in relation to the cost allocation study recently submitted to the Senate by the Secretary of Transportation. I, therefore, ask for unanimous consent that Mr. Wallace's remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

NBAA

I am pleased and highly honored to receive this prestigious award from this great organization.

I could not accept this award tonight without recognizing those who have helped me throughout my career.

All of my associates at Cessna—some are here tonight, including Del Roskam, our president, who has worked with me for over 32 years—the Cessna dealers—friends—and especially one person who has helped me tremendously from the beginning—my wife, Velma. I have done lots of stupid things—a few wise things—the wisest of which was to marry her.

The NBAA has made outstanding and lasting contributions to general aviation. Of all the many contributions made to the growth and maturity of general aviation—I think one stands out above all others—i.e., your continuous efforts through the years to make general aviation a practical way to travel. It is now practical because you can go thousands of places and be on schedule—and, being on schedule is what makes it practical.

This organization's constructive efforts through the years—to improve airplanes, equipments, systems and pilot skill have been a major factor in bringing about the practical form of transportation we have today.

Sure, we still talk about the weather—but, can you remember how long ago it has been since you cancelled a trip due to weather?

The fact that this great convention is being held in Dallas this year prompts me to close with a few comments about the Department of Transportation's study on cost allocation—which states that there is no unique public benefit which justifies the expenditures of general tax funds to support the national aviation system.

If there is no public benefit—why did the people of Dallas and Fort Worth build a new airport at a cost of $700-million? And, why did the people of Dallas retain Love Field as a general aviation airport?

I heard why—while attending the re-dedication ceremony of Love Field 2 weeks ago.

Dallas leaders made it crystal clear that these decisions were based on a firm belief in the future growth of air transportation and its vital importance to the economic, social and *general public benefit* to this area, huge financial decisions to insure air accessibility in the years ahead.

Yes, they knew what they were doing—and they are not investing in Amtrak.

I submit to you that the far-sighted people of Dallas are *very much aware* of the great public benefit provided by air transportation. Scores of other cities—large and small—throughout the United States and all over the world—are exhibiting the same awareness.

Chairman Bud—members of the NBAA—thank you for the recognition given me tonight—I appreciate it very, very much.

SOVIET JEWISH REFUGEES

Mr. INOUYE. Mr. President, on Monday, October 1, 1973, there appeared in the Washington-Star News an article by Paul Hofmann of the New York Times News Service which quoted Chancellor Bruno Kreisky of Austria as having suggested that—

> The United States and other countries 'share the burden' of assisting Jewish refugees—a burden that he said had been long borne by Austria alone.

As a matter of fact, Mr. President, it is the United States that has underwritten an overwhelming portion of the cost of transporting and resettling Jewish refugees, including a very large part of those costs incurred in Austria.

Well over $50 million was made available for this purpose in fiscal year 1973 through the continuing resolution provision for foreign assistance and related agencies.

I have asked the Department of State's Office of Migration and Refugees to detail the extent of the current U.S. program and ask unanimous consent that a memorandum setting forth this information be printed following the article previously mentioned.

There being no objection, the material was ordered to be printed in the Record, as follows:

United States Could Airlift Jews, Austrian Chancellor Says

(By Paul Hofmann)

Vienna.—Federal Chancellor Bruno Kreisky of Austria suggested yesterday, that the United States and other countries "share the burden" of assisting Jewish refugees—a burden that he said had been long borne by Austria alone.

"Why doesn't the United States operate an airlift?" The Austrian chancellor suggested in an interview. "Or, instead of good advice, the United States might send ships to Odessa or some other Black Sea port and evacuate Jews from the Soviet Union. Ships could be sent also to Leningrad. There are so many possibilities."

Kreisky forcefully defended his government's decision to close the transit center for Jewish emigrants at Schoenau Castle, 20 miles south of Vienna, and to abolish other facilities here that had been easing the Soviet emigrants' way to Israel.

He would not directly comment on a report in the mass-circulation Kronen Zeitung of Vienna that the flow of Jewish emigration from the Soviet Union to Israel may henceforth be channeled through Romania.

The newspaper recalled that the Communist regime in Bucharest was maintaining good relations with both the Soviet Union and Israel.

Kreisky indicated that he was being besieged with pleas and protests from many countries after his government's decision to close the Schoenau Castle transit operation as the price for the release by two armed Arab guerrillas of three kidnapped Jewish emigrants.

The Austrian chancellor, who is of Jewish descent, showed bitterness in the interview over what he termed "this incredible hysteria that has seized certain people and organizations." He said the Austrian government's stand would not be swayed by "telegrams, threats, pressures and insults."

Kreisky was asked about reports, also quoted by the Austrian national broadcasting network, that the United States wanted the Vienna government to reconsider its decision to halt special facilities for Jewish emigrants.

"The worst thing in this matter would be to put pressure on us," he said. "Nobody should forget that Austria has withstood other pressures. Rather, all other governments should consult with us how the Jews emigrating from the Soviet Union can best be assisted."

Kreisky stressed that "any talk that our frontiers have been closed to refugees is untrue." He added: "Only certain facilities that we alone among all European countries have so far been granting will have to be reexamined."

Referring to a statement by the Israeli cabinet asking Austria that arrangements for the passage of Jews be continued, the chancellor said he was glad "that Israel's government did not forget what we have been doing for decades."

Kreisky said Austria had been generously granting asylum to refugees from Hungary and Czechoslovakia, and had assisted tens of thousands of Jews from Romania, Poland and—more recently—the Soviet Union.

Kreisky said he had told a delegation of visiting Soviet officials in a formal address Saturday that "Austria remains a country that grants asylum to anyone who flees to be persecuted, and will assist anyone wanting to go from here to some other country."

In yesterday's interview, Kreisky declared himself satisfied that he had been able to save the lives of the three Jewish hostages who had been "in extreme danger."

The newspaper of the chancellor's Socialist party, Arbeiter Zeitung, said in an editorial that the arrangement with the Arab terrorists had been a compromise between the two other options, both unacceptable—"full capitulation" by allowing the gunmen to depart with their hostages, or "blind force" that would probably have led to a massacre.

U.S. Assistance to Soviet Jews Migrating to Israel

Although there has been a dramatic increase in numbers in the past 2½ years, migration of Jews from the Soviet Union through Austria to Israel has been continuous for more than 15 years, and principal financial support for the movement has come from the United States. Contributions to Jewish voluntary agencies, aid assistance provided by the U.S. Government, total many hundreds of millions of dollars in cash and in commodities and supplies. Most of the support has gone for resettlement of migrants in Israel. But substantial sums have been spent also in Austria, the country of transit because of its geographic location and its long dedication to principles of humanitarianism and protection of the rights of man.

AUSTRIA

For some years, Jewish organizations receiving emigrants from the Soviet Union in Vienna housed them in scattered pensions around the city while their papers were processed for entry to Israel. Transportation by chartered aircraft from Austria to Israel was supplied by the Intergovernmental Committee for European Migration (ICEM). Since refugees from other Eastern European countries were included in this program, figures for assistance to Soviet migrants cannot be established. But for all migrants, about two-thirds of the funds expended for care and maintenance came from the United States—partially U.S. Government funds under U.S. Refugee Program contracts with voluntary agencies, principally from public contributions. And the U.S. Government, through its support of ICEM, paid 18 to 20 percent of the travel costs.

Schoenau Castle, situated about 20 miles from Vienna, was built at the turn of the century by an Austrian nobleman, as his hunting lodge. About five years ago it was leased by the Jewish Agency for Israel (JAI) to serve as a transit center in lieu of the pensions previously utilized. Several million dollars were spent by the Jewish Agency over ensuing months to provide dormitories, kitchen and dining rooms, a clinic and other facilities, about two-thirds of the expense paid from American public contributions.

Refugees from the Soviet Union numbered a few hundred a year in the early days of Schoenau's operation, and care, maintenance and travel were financed as before. In March, 1971, however, the Soviet Union relaxed its emigration policies toward Jews and the trickle turned into a flood. About 14,000 men, women and children moved from the Soviet Union to Israel during the remainder of 1971, about 32,000 during 1972 and about 22,000 through September 30 of 1973.

In 1971, it became obvious that neither the voluntary agencies nor ICEM could carry the increased load unaided, and an appeal was made to the U.S. Government for assistance under the U.S. Refugee Program. Initially, the Office of Refugee and Migration Affairs (ORM) of the Department of State granted to voluntary agencies $25 per person for care and maintenance of the migrants during their transit through Austria to Israel.

On May 5, 1972, President Nixon authorized transfer of $2 million to ORM to assist the migrants. In addition to care and maintenance, the U.S. began contributing to ICEM's revolving travel fund $95 per person to cover the charter fare from Austria to Israel, about half to be reimbursed to the fund by the Jewish Agency.

In the Foreign Relations Authorization Act of July 13, 1972, and in subsequent appropriation legislation, the Congress supplied $50 million to assist in the movement of Soviet emigrants, particularly Jews en route to Israel, and their resettlement after arrival. ORM, using these funds, has increased its contribution toward care and maintenance at Schoenau Castle to $40 per person (the average stay being 1½ to 3 days) and has continued its support of almost-daily ICEM charter flights from Vienna to Israel at the same figure of $95 per person.

In addition, in a contract with United Israel Appeal, and an agreement with the Jewish Agency for Israel, ORM obligated the U.S. Government to contribute half the cost to a $1 million project for refurbishment of Schoenau Castle and expansion of its facilities—new dining room and kitchen, central heating system, new bathrooms, additional dormitory rooms. About $375,000 of this work had been completed by September 30.

ISRAEL

Since establishment of Israel, American private voluntary agencies have raised many hundreds of millions of dollars for absorption of immigrants by that country—about $200 million per annum over recent years. U.S. Government support has included P.L. 480 food and surplus commodities and equipment. Hadassah, the American Jewish Joint Distribution Committee, HIAS and United Israel Appeal are among organizations which have received U.S. Government assistance for absorption programs. No special record was kept covering immigrants from the Soviet Union until inauguration of the present $50 million program authorized by the Congress. The breakdown for this program provides:

Under contracts with United Israel Appeal and UIA agreements with JAI, for programs and projects at Schoenau Castle and in Israel, $44 million.

To ICEM for air travel, $5 million.

To other accredited voluntary agencies for assistance to Soviet countries other than Israel, $1 million; total $50 million.

The breakdown for the $44 million UIA/JAI program for assistance to Soviet emigrants follows:

AUSTRIA

Toward refurbishment of Schoenau Castle, $0.50 million.

Toward care and maintenance of migrants during transit, $2.40 million.

ISRAEL

Construction or acquisition of absorption centers and hostels, $8.75 million.

Hospital facility for care of migrants and training of migrant doctors and nurses, $2.00 million.

Construction or acquisition of apartments and mobile homes for migrant housing, $16.45 million.

Education: university and graduate study scholarships, vocational training and retraining, including maintenance in some cases, $13.90 million.

All programs are operative; all building projects are under construction or in final planning. The first building project to be completed—an absorption center at Rehovot, near Tel Aviv—is to be dedicated on November 5 by officials of the Government of Israel, Ambassador Kenneth Keating and Frank L. Kellogg, Special Assistant to the Secretary of State for Refugee and Migration Affairs.

VETERANS DAY

Mr. HANSEN. Mr. President, Veterans Day is different this year. For the first time in a number of years, we will mark Veterans Day, which this year is October 22, without having vast numbers of American fighting men locked in combat. This year, there can be joy in the observance. Those prisoners of war held so many years by the enemy in Hanoi have been brought home, and the uncertainty that has so anguished so many American families over the past decade has been relieved.

Veterans Day began as a day to observe peace, and to honor those who fought and died for peace, and those who fought and lived for peace, and those who also served in the uniform of our country, although not on the battlefield.

Let us hope that Veterans Day can be observed always as a day of peace, and a time for prayer of gratitude that there is no more war. Let it be a day for renewal of pledges to the maintenance of justice and freedom in which man can best live in peace and dignity.

Veterans Day first was Armistice Day, marking the end to World War I.

The fact that the promise of peace was not then fulfilled does not detract from the significance of the day. What we must focus on today is a more timely fact—the fact that we are, on this day in 1973, not at war, not in combat, not losing young men to injury, imprisonment or death in battle—the fact there is now peace.

And with that peace, we have freedom, a condition that is even more important than peace.

With this, it is my privilege to join with my distinguished colleague (Mr. Thurmond) in particularly honoring the young Vietnam veteran on this first Veterans Day after the peace settlement.

IS LIFE EASIER?

Mr. THURMOND. Mr. President, my attention was recently called to a very good column written by Mr. William H. Stringer. In it, he deals with the widely accepted notion that our lives are too fast and furious and the "good old days" were somehow better.

Mr. Stringer points out that while the "good old days" had much to offer, our modern society also has much going for it.

Mr. President, I ask unanimous consent that the article entitled "Is Life Easier?" which appeared in the Christian Science Monitor, October 3, 1973, be printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Winds of Change: Is Life Easier?

(By William H. Stringer)

A lot of attention is given these days, understandably, to stress, anxiety, depression, "future shock," harsh competition, insecurity, too much mobility, generation gaps—the causes are all discussed and diagnosed. For a long time I've wanted to do a column dealing with one of the minor cures.

It's a simple remedy, perhaps overly simple. It is just the realization, if one takes the time to think about it, that a lot of things around us are better—at least somewhat better—than they used to be. We can be grateful for this; it eases stress.

Vance Packard tells us we're a nation of strangers—families too much on the move. But did you ever try moving from one city to another back, say, in 1914? No big motor vans with soft padding. No, all furniture had to be crated—with wood! And put in a railroad freight car. About a week later the car arrived at the new destination. And the household goods had to be uncrated. You had enough kindling wood for the winter. No wonder people moved so seldom; it's definitely easier today, even if wifely homemakers weep.

Or consider telephones. We dial San Francisco from Washington and think nothing of it. It doesn't even cost very much. But try talking long distance in 1914. It took the operator five minutes to make connections with a city fifteen miles away. You seldom dared brave the time-consuming multiple hookups required for transcontinental talk. You used the telegraph, or the mail.

Now the trip lasts one hour by a smooth-flying jet. Or one-and-a-half hours if you get into a holding pattern. Ho hum!

And let's have no complaints about how the dialing sometimes doesn't work today. Even in New York City the phones usually behave. And I've dictated a whole news story from Moscow to London with no appreciable voice strain. Comrade, what more can you ask?

Or take transportation. For Boston-Washington, even in the 1940's, people recommended an overnight train. Put a lightweight Pullman next to one of the old heavyweight sleepers, and you bounced and jiggled all night.

I flew in my first DC–3 during World War II. It being a military plane, there were parachutes aboard. We didn't need 'em. Came the DC–4, DC–6, DC–7, and finally the jets superseded the propellers. Fly in those smooth, quiet 707's—out of Karachi, say, over rocky routes where Alexander's legions once toiled on foot—and you realize that the mechanical age has produced a conveyance as graceful as the seagoing clippers of a century ago.

Workloads? My father had a farm, and a team of horses. There were no tractors. And no agricultural adjustment administration. If you raised crops and there was a glut, you lost money, plenty of it.

A relative was foreman in a brass and copper mill. He took a streetcar to work at 6 a.m. When peace after World War I ended the demand for brass shells, the mill closed down for months. Unemployment compensation? Never heard of it!

Entertainment? In earlier America (circa 1912) an evening of quite unusual films, called "Howe's Movies," came annually to the local opry house. They featured black and white cartoons, some hand-colored shorts, and occasional sound effects (waves on a beach, for example). Big deal! What did people do before Douglas Fairbanks in "The Thief of Baghdad," or Fred Allen on the radio, or Watergate on television? Maybe they didn't realize their loss.

Things are comparative, of course. But maybe we should spare a thought of thankfulness, occasionally, that we do have supermarkets, jets, TV, dual highways, tractors, junior colleges, astronauts. Life may still be full of challenge, stress, hurry, difficult choices. But if we think about it, mankind has, here and there, made the business of living physically much easier, and certainly more colorful, than it used to be.

REA LOAN GUARANTEES AND THE ENERGY CRISIS

Mr. DOLE. Mr. President, when Congress passed and the President signed Public Law 93–32 in May of this year, it authorized the Administrator of REA not only to make insured loans using the assets in its new revolving fund, but also to guarantee non-REA loans. The guarantee provision which appears in section 306 of the amended Rural Electrification Act would appear to be the key to solving a number of the problems that concern the Federal Government and the rural electric systems of the country with their 25 million rural consumers, both farm and nonfarm, as well as the investor-owned electric utilities and their millions of consumers in urban and rural communities.

Under section 306, the rural electric systems would obtain financing for large power supply projects and related transmission from any legally organized lending agency capable of making, holding, and servicing the required loan. The loans would bear interest at the rate agreed upon by the borrower and the lender. Although REA's Administrator would guarantee the loan, no Federal funds would be required for the construction of the project. Unlike loans made from REA's revolving fund, there would be no interest subsidy involved as the borrower would pay the full market cost of money, adjusted to reflect the value of the Government's guarantee.

GOOD RECORD—LITTLE RISK

Government's contingent liability in connection with these loans would, in fact, be of little concern when one considers REA's lending record since 1935. No lending operation in or outside of the Federal Government can match a record reflecting losses of less than $45,000 for some $11 billion of loans. A large part of REA's success in this respect must be attributed to its policy of working with borrowers which may encounter temporary difficulties to assist them in solving their problems.

MORE GENERATION NEEDED

The rural electric systems require increasing amounts of power to keep up with the demands of their consumers which are increasing at a faster rate than those of the investor-owned companies. Shortage of other fuels used in farming operations has accelerated the switch to electricity in rural areas. Until recent years the investor-owned companies were eager to supply the growing loads of the rural electric systems. Delays in construction of powerplants for a variety of reasons including the need to meet strict environmental standards have resulted in frequent brownouts and blackouts because of their inability to provide the required increased capacity on a timely basis.

INDUSTRY COOPERATION

Consequently, the investor-owned utilities now generally welcome the construction of additional capacity by the rural electrics.

This would make it easier for the investor-owned utilities to take care of their own growing needs. It also permits each segment of the industry through pooling arrangements to share in the initial surplus capacity of the other which results from the construction of larger size plants designed to maximize economies of scale.

Mr. President, early implementation of the loan guarantee provisions of section 306 would provide the following benefits:

Supply necessary financial resources to much needed energy to rural America.

Improve the position of the REA borrowers and assist in their efforts toward creating their own financial resources independent of government obligation.

Assist in the development of a strong power grid throughout the Nation capable of diverting power to areas in need from areas of surplus generation in cooperation with all power companies.

It is evident that every citizen of the Nation, urban and rural, would benefit from implementation of this program, and I have urged prompt approval by the Office of Management and Budget.

DEDICATION OF EROS DATA CENTER, KARL MUNDT BUILDING

Mr. HRUSKA. Mr. President, some time ago it was my privilige and very great honor to participate in the dedication of the Karl E. Mundt Federal Building, near Sioux Falls, S. Dak. This new structure, named after my long-time friend and Senate colleague, will be the focal point of the $5 million Earth resources observation systems (EROS) data center.

Construction of this center is yet another milestone in space technology achievement. EROS is truly global in dimension serving as a national center for disseminating spacecraft and aircraft images of the Earth to all nations.

In less than 2 years working in temporary facilities, EROS has produced over 25,000 photo images a month from the ERTS, the orbiting Earth resources technology satellite, and Skylab which have literally changed the face of the world.

This new tool has provided valuable help in developing land use planning and in monitoring natural phenomena as well as exploring the limits of our natural resources.

Secretary of the Interior Rogers C. B. Morton was on hand to assist in the ribbon cutting ceremonies at this momentous occasion. He noted that the Skylab and ERTS programs have provided valuable data to meet our energy and environmental needs. Satellite data has contributed to our evaluation of the environmental impact of oil development on Alaska's North Slope. He said that examination of the ERTS image of the northern tundra regions does not reveal evidence of significant degradation over the large area as a result of oil explorations since 1940.

Needless to say EROS will be a tremendous aid in fitting technology to meet both human needs and the needs of our environment.

At this time, Mr. President, I think it would be entirely fitting to have the full text of Secretary Morton's remarks inserted in the Record. I ask unanimous consent to do so.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Address Given by Secretary of the Interior, Rogers C. B. Morton at the Dedication of the Karl E. Mundt Federal Building, August 7, 1973

Governor Kneip, Senator Moss, Senator McGovern, Senator Hruska, my good friend Jim Abdnor, Dr. White, Director of Mayo, Mrs. Pecora, many distinguished guests, ladies and gentlemen:

We have been here a long time this morning but I don't think there is any place more beautiful that one would like to spend a long time than right here looking out on these fields of corn, and feeling the presence behind us of this building and all that it represents. For me to go on into the detail of this program, what it means and where it can go, I think would be redundant.

Mankind, for all his years and all of his tenure on this planet, has sought the high ground. He has always gone up the mountain. I remember in my sixth grade in school, my class was taken to Washington. We had a chance to visit the Capitol, visit the White House, and visit all of the monuments and grounds of that great city. But the thing that was most fascinating and most exciting was our climb up the Washington Monument. We could look out of those little windows in the pyramid at the top of that great obelisk and look across the fields of Virginia. We could see the great span of the great reach of the Potomac River. We could turn and look out of the other side at the growing city of Washington. All men are excited and all women are excited when they look from a high place and the panorama of their vision is broad and wide, such as it is here. I wonder what we really saw. I often regret that I did not see in the Potomac River the struggle of the perch, of the shad, of the striped bass, in their fight for survival against mankind. I regret when I looked out on the sod toward the city that I did not see the hopelessness and despair and the beginning of the cycle of frustration of a large group of people, who in a sense were shut out, shut out of the mainstream, and in a sense were shut in by prejudice. It all looks so clean from 500 feet. It all looks so beautiful and we were up to look only at the cleanliness, the beauty and the dramatics. I wonder how many observers climb Harney Peak, which is your highest point in South Dakota, and look east across the Pine Ridge Reservation, where the fields are green and where the formations are dramatic. But there also in the hearts of our fellow men who inhabit that reservation, is a burning frustration, a failure somehow to feel a part of it.

This EROS system, I hope, will make us more like the hawk. Have you watched the hawk, circling over his territory, over a field? Have you watched the hawk sitting in a high sycamore tree that has lost its leaves, watching his environment. He's not thinking of the Battle of Bull Run or the Battle of Seven Pines, or the beauty of Mount Vernon. He is looking for a little movement in the grass. He is looking for something that is a little abnormal to the wind. He is looking for the field mouse. He is looking for the quail that is sneaking out of the fence rail for a bite of lunch. He is analyzing, with a computer brain, the environment that is below him. If he fails, even for one day to analyze that environment—to develop a communication with his prey—if he fails just one day, his survival is threatened. I've seen the power of nature as it is exhibited on the face of a young person overlooking the Snake River in the Grand Tetons, or admiring Mount Rushmore, or feeling the awesomeness of the magnificent Badlands. One day I was standing at an overlook, looking myself at the grand sight, and a young boy, about a sixth grader, came up and tugged at my coat tail. He said, "You're the Secretary of the Interior, aint'-cha?" I said, "Yes, I am." He said, "Well, I sure hope you're out here taking care of my land." He meant it from his heart. Well, this EROS system is going to give us an opportunity, I think, to observe far deeper into the panorama than we have ever observed before and will give us the ability to make decisions.

Now we have just passed some thresholds in our time, which many of us saw coming. Senator Moss, on the Interior Committee, I know, saw them coming a long time ago; Senator McGovern, Senator Hruska and others who have been working with these problems, saw these things coming. But there have not been the ways and means to do much about them. What am I talking about? I am talking about the crossing of the thresholds of the present and the projecting of our minds into the chambers of the future. What do we see? We see four walls in definite focus, and not a limitless plain of abundance, as Senator Hruska pointed out. We have moved in, in short, and in slang, we have moved into a sellers market from a buyers market as far as materials are concerned, minerals are concerned, energy is concerned, and land is concerned. These finite proportions now have to be managed with great skill. What is the price of failure? The price of failure for this civilization is downhill—degradation, the threat of survival itself.

The thing that really excites me most is that these same men who have found the technical achievement as a result of their patience, their curiosity and their persistence have been able to translate it into a system that looks at the earth in depth. These same people will have the courage to make this same system for the utilization of energy far more efficient than it is today. If we fail to clean up our rivers, if we fail to preserve the quality of our air, if we fail to provide an environment in which hopelessness and despair are stepchildren instead of part of the family system; if we fail to increase the broadness of opportunity for men, then the system will have been for nothing.

This is a tool, an inanimate tool, but with a human heart, a heart like that of Dr. Pecora. Bill Pecora served as my Under-Secretary. For me this was one of the great associations of my life. Here was a man balanced in every way: A scientist of noble proportions and yet a humanist, a person who reached into the very human heart of the problem. I think we owe it to the Pecoras across this world to move this whole proposition of civilization forward. You are lucky beyond belief to live here in this great open land, to have within the heart of it, a dynamic city like Sioux Falls. You are fortunate, more than you can possibly realize, in being able to start from this scene and say: "We are not going to let it happen here. There will be a sense of order. There will be a new sense of conservation of resources."

Those of us who live in older parts of the country have the burden of digging out, of correcting a great many ills that have occurred. Here the ills have not occurred, but can occur, believe you me.

So let us dedicate ourselves, but not only to what we are doing here in terms of putting into operation a great technical facility. Here will be stored perhaps more data than any other store house in the world. Here will be the information center where planners across the world, not just this country, can come and get the word, can see what is happening to their own land. But let us here, those of us in government, and those of us who are part and parcel of this way of life, let us dedicate ourselves to those tough decisions that will have to be made if this is going to be a success. I think we can do it.

I only regret from the high place that I once had, high on Capitol Hill, in a physical sense, as I looked across the city of Washington from the headquarters of the National Republican Committee, what I was unable to see: What was going on in men's minds, the failure in men's minds to understand the discipline and the ethic of moral leadership. The result was, I think, what is happening today. The result was a degradation in the whole quality of the American system. The system will survive, the President will survive, and the presidency will survive because it is geared up by the greatest system in the world. But civilization will not survive unless we are willing to bring about a whole new ethic in terms of managing our finite resources. In terms of putting it all together as the young people of today say, EROS is one of the tools that we have for doing this. Let us work together in achieving a new lifestyle, a new kind of approach that will guarantee for the generations that follow, the same opportunities that we have been guaranteed by the generations which preceded us. Thank you very much.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there morning business? If not, morning business is closed.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 10088) to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 10088) to establish the Big Cypress National Preserve in the State of Florida, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 10088) to establish the Big Cypress National Preserve in the State of Florida, and for other purposes, was read twice by its title and referred to the Committee on Interior and Insular Affairs.

DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 8877, which the clerk will read by title.

The assistant legislative clerk read the bill by title, as follows:

> A bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

The Senate resumed the consideration of the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged against either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I should like to present the usual unanimous-consent request.

I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as original text for purpose of further amendment, provided that no point of order shall be considered to have been waived by reason thereof.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 1, in line 4, after the word "appropriated" insert "and shall be made available for expenditure except as specifically provided by law":

On page 5, in line 4, strike "$69,318,000" and insert "$73,400,000".

On page 6, in line 4, strike "$844,000" and insert "$941,000"; and in line 5, strike "$23,225,000" and insert "$23,332-000".

On page 7, in line 5, strike "$795,475,000" and insert "$845,475,000"; and in the same line, strike "$15,000,000" and insert "$20,000,000".

On page 7, after "402" in line 22, strike "(g)" and insert "(a) (7)".

On page 8, in line 10, strike "$832,030,000" and insert "$875,380,000".

On page 9, in line 1, after "therein" insert a colon and the following:

Provided further, That $25,000,000 of the funds contained in this appropriation for Public Health Service hospitals shall remain available until expended.

On page 9, in line 14, strike "$127,080,000" and insert "$141,780,000".

On page 9, in line 23, strike "$22,821,000" and insert "$19,335,000".

On page 10, in line 5, strike "Serviceman's" and insert "Survivor".

On page 10, in line 19, strike "$14,304,000" and insert "$7,304,000".

On page 10, in line 23, after "Act," insert "including $50,000,000 to remain available until June 30, 1975,"; and at the end of line 24, strike "$522,383,000" and insert "$580,000,000, of which $4,500,000 shall be for the Norris Cotton Cancer Center."

On page 11, in line 6, strike "$281,415,000" and insert "$320,000,000".

On page 11, in line 10, strike "$44,131,000" and insert "$47,000,000".

On page 11, in line 15, strike "$155,894,000" and insert "$163,000,000".

On page 11, in line 21, strike "$120,073,000" and insert "$125,000,000".

On page 12, in line 1, strike "$112,744,000" and insert "$114,000,000".

On page 12, in line 8, strike "$175,778,000" and insert "$183,500,000".

On page 12, in line 13, strike "$125,254,000" and insert "$135,254,000".

On page 12, in line 18, strike "$36,631,000" and insert "$46,631,000".

On page 13, in line 3, strike "$133,322,000" and insert "$134,000,000".

On page 13, in line 18, strike "$706,841,000" and insert "$731,916,000".

On page 17, in line 9, strike "($38,000,000)" and insert "$45,000,000"; in line 11, strike "($25,000,000)" and insert "$42,500,000"; in line 13, strike "$2,105,393,000" and insert "$2,139,893,000:"; in line 14, after "Provided", strike "That the aggregate amounts made available to each State under title 1–A for grants to local education agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972" and insert the following language:

That the aggregate amounts made available to each State under title I–A for grants to local education agencies within that State shall not be less than 90 per centum nor more than 110 per centum of such amounts as were made available for that purpose for fiscal year 1972:

On page 18, in line 7, strike "$610,000,000" and insert "$633,800,000" and in the same line strike "$591,000,000" and insert "$614,800,000".

On page 19, in line 18, strike "$143,609,000" and insert "$159,069,000".

On page 19, in line 22, strike "444,682,000" and insert "$468,000,000"; in line 23, strike "$25,625,000" and insert "$40,000,000"; in line 24, strike "$6,000,000" and insert "$10,524,000"; on page 20, in line 2, strike "$61,300,000" and insert "$70,000,000" at the end of the same line, strike "$600,641,000" and insert "$651,558,000".

On page 20, in line 21, strike "$1,808,914,000" and insert "$2,025,914,000"; in line 22, after "which" insert "$210,300,000 for supplemental educational opportunity grants and"; and in line 24, strike "$25,000,000" and insert "$50,000,000"; on page 21, in line 1, strike "$440,500,000" and insert "$600,000,000"; in line 4, strike "$429,000,000" and insert "$588,500,000"; and at the end of line 8 after the colon, insert

Provided, That amounts for basic opportunity grants shall be available only for full-time students at institutions of higher education who were not enrolled as regular students (as defined by the Commissioner of Education) at such institutions prior to April 1, 1973.

On page 21, in line 18, strike "$90,000,000" and insert "$100,000,000"; and in line 21, after the semicolon strike "$176,209,000 of which $9,500,000, to remain available through June 30, 1975, shall be for grants for public library construction under title II of the Library Services and Construction Act" and insert "$176,709,000".

On page 22, at the beginning of line 3, strike "title" and insert "titles"; in the same line, after "VIII" insert "and IX"; in line 5, strike "$53,660,000" and insert "$48,660,000"; at the end of line 5, strike "$2,100,000" and insert "$5,100,000"; in line 6, strike "$6,900,000" and insert "$11,860,000"; in line 10, strike "$161,110,000" and insert "$163,670,000"; in line 11, strike "$13,000,000" and insert "$20,000,000".

On page 22, in line 19, strike "$2,000,000" and insert "$1,000,000".

On page 23, in line 3, strike "$83,118,000" and insert "$86,747,000".

On page 24, in line 11, strike "$142,671,000" and insert "$75,000,000".

On page 24, in line 18, strike "$12,891,048,000" and insert "$12,864,279,000"; and at the end of the same line, strike "$46,000,000" and insert "$56,000,000".

On page 26, in line 2, strike "$384,434,000" and insert "$340,443,000."

On page 26, in line 14, strike "$291,717,000" and insert "$307,217,000".

On page 27, beginning with line 3, strike

RESEARCH AND TRAINING ACTIVITIES OVERSEAS
(SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Social and Rehabilitation Service, and the Social Security Administration, as authorized by law, $2,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such Service and Administration for payments in the foregoing currencies.

On page 27, in line 16, strike "$78,800,000" and insert "$70,000,000."

On page 31, in line 7, after the colon insert

Provided further, That such amounts as may be required may be expended for administration within the United States of the Social Insurance Program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States.

On page 31, in line 25, strike "$3,962,000" and insert "$3,975,000."

On page 32, in line 4, strike "$10,492,000" and insert "$10,599,000."

On page 32, in line 7, strike "$57,873,000" and insert "$58,784,000".

On page 32, in line 12, strike "$419,100,000" and insert "$450,100,000"; and in line 13, strike "$400,288,000" and insert "$431,238,000".

On page 33, in line 3, strike "$120,198,000" and insert "$107,898,000"; and at the beginning of line 9, after "administration" insert a colon and the following:

Provided, That not to exceed $10,000,000 may be transferred to this appropriation from other appropriations in this title as reimbursement for reductions in public affairs activities charged against this appropriation.

On page 37, after line 17, insert—

SEC. 210. Notwithstanding any other provision of law, $2,700,000 shall be available in this Act for a cost-reimbursable contract with the District of Columbia government to allow Federal City College to continue the Upward Mobility College of the Department of Health, Education, and Welfare.

SEC. 211. No funds in this Act for appropriations other than the appropriation for "Departmental management" may be used to support the activities of "Departmental management": *Provided*, That no funds contained in the appropriation for "Departmental management" may be used to support Federal positions in excess of the aggregate number of such positions authorized in the bill.

SEC. 212. None of the funds contained in this Act shall be utilized to pay compensation of persons in any of the Department's regional offices for carrying out duties of the Office of Education carried out in Washington, District of Columbia, prior to June 1, 1973, unless prior approval is obtained by the authorization and appropriation committees of both Houses of Congress.

On page 38, after line 22, insert—

PAYMENT TO THE CORPORATION FOR PUBLIC BROADCASTING

To enable the Department of Health, Education, and Welfare to make payment to the Corporation for Public Broadcasting, as authorized by section 396(k)(1) of the Communications Act of 1934, as amended, for expenses of the Corporation, $50,000,000 to remain available until expended: *Provided*, That in addition, there is appropriated in accordance with the authorization contained in section 396(k)(2) of such Act, to remain available until expended, amounts equal to the amount of total grants, donations, bequests or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation during the current fiscal year, but not to exceed a total of $5,000,000.

On page 41, in line 16, strike "$333,800,000" and insert "$358,800,000".

On page 45, after line 9, insert

SEC. 409. Funds contained in this Act used to pay for contract services by profitmaking consultant firms or to support consultant appointments shall not exceed the fiscal year 1973 level: *Provided*, That obligations made from funds contained in this Act for consultant fees and services to any individual or group of consulting firms on any one project in excess of $25,000 shall be reported to the Senate and House of Representatives at least twice annually.

SEC. 410. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

Mr. MAGNUSON. Mr. President, I have a short statement, and my distinguished colleague from New Hampshire, the ranking minority member of the subcommittee, also has a statement.

I am hopeful that some Members of the Senate will be here by the time we are through. This is the biggest appropriation bill that we will have before us, and involves probably some of the most important segments of our whole American life. If Senators do not come in, I am tempted, I say to the Senator from New Hampshire, to move for a third reading and passage of the bill. Maybe I should assume that we did such a good job on this bill that no additional perfections are necessary. I hope that is true.

Mr. President, as I say, I have a short statement considering the importance and complexity of the bill, which I shall now present to the Senate.

Mr. President, the bill now before the Senate covers the majority of the programs for the Departments of Labor, and Health, Education, and Welfare and the related agencies.

The committee has not considered all Labor-HEW programs in this bill. Several large appropriations such as manpower revenue sharing, and social and rehabilitation services were not considered by the House because of the lack of authorizing legislation.

The committee has followed the House in this regard. The committee believes—especially in the case of the recently enacted authorization for social and rehabilitation services—that the proper course is to allow the appropriate agencies an opportunity to submit budget requests based upon the new authorization, examine an amended budget request in some detail, and compare it with the authorization, hold our hearings and then consider these items in an early supplemental.

ADMINISTRATION'S BUDGET

For the last few years the committee has expressed its concern over the budget requests for HEW. This year is no exception. It seems obvious to me and other members of the committee that the health and well-being of our citizens were not prime factors for consideration when the HEW budget was formulated. Most of it, of course, was formulated about this time last year. The budget for fiscal year 1974 proposes that health and education programs be downgraded by nearly $3 billion below the amount provided by the Congress in fiscal year 1973. Practically every program designed to assist people to better help themselves is reduced or terminated under the proposed budget. In each case, the rationale appears to be little more than an excuse for spending most funds on necessary domestic programs—despite ever-growing human needs.

In a time of inflation, this request can only be interpreted as an administration recommendation that Congress cooperate in taking a step backward in programs relating to better health and education of our citizens—a step backward into a time when many of the aged, the poor and the infirm were relegated to the scrap heaps of our society. Or that we balance the budget at the sacrifice of health and education programs. It is either one of the two, or more probably a combination of both.

ADMINISTRATION'S ARITHMETIC

After being subjected to four Nixon budgets, the committee, and I believe the Congress, has become a little skeptical of this administration's arithmetic. In his first budget message, the President said:

> I have pledged to the American people that I would submit a balanced budget. The budget I send to you today fulfills that pledge.

Instead, it ended up with a deficit of over $23 billion and that was just a start. Despite Mr. Nixon's warning about the spending habits of Congress, it is the President—not Congress—who is now asking for a budget of $269 billion, or $23 billion more than he requested last year. That is an increase of over 10 percent; yet the budget demands that we spend less in this framework on necessary domestic programs such as health and education, and more or at least as much on armaments—even though we had hoped we might get some bonus points for the purposes of these needs at the end of the Vietnam conflict. But that has not happened.

In 4 years, under this administration, the budget has climbed from $195 billion to $269 billion—a record jump of $74 billion or almost 40 percent; and it might have been worse, except for this Committee—the Appropriations Committee I am talking about, not necessarily the subcommittee—and the Congress, which had cut administration-proposed budgets by over $20 billion. We will cut the President's overall budget again this year, even though we pass this bill as reported, which is somewhat over the budget, as I shall explain later. But actually, there is little or no disagreement between the President and the Congress over the $269 billion total for this budget. The conflict again centers on priorities. The Appropriations Committee has set a ceiling which is below the President's budget. This bill which totals $33.6 billion, an increase of $1.9 billion over the budget request and $580 million over the House bill—is still $360 million below what Congress provided for these same programs last year.

Moreover, the bill is $319 million under the Senate's own budget ceiling, which is, in the aggregate, lower than the Presidential ceiling. That is significant from many standpoints—it means we are another step closer to staying within an overall budget level of $268 billion, and it proves that this can be accomplished without sacrificing important health and education programs.

Of course, the temptation is great to add a great deal more to the bill—but I believe our committee and all of us in the Senate must think about the consequences. If the total gets too high and is subsequently vetoed, the chances are we will not even have an opportunity to vote to override or sustain because it goes to the House first. If that happens, then all the time and effort that we put into this bill will be lost. There will be another continuing resolution and for the second consecutive year, the Congress will have had no say in how or what programs are funded. The HEW interpretation of the continuing resolution we are working under even now differs greatly from the intent of the Congress.

INADEQUACIES OF THE PRESIDENT'S BUDGET REQUEST

Within that total recommended by the administration, our committee was distressed to see that even in those programs that are assigned the highest priority by the administration, the budget requested inadequate amounts. Since Senator COTTON and I have brought to the Senate the budget recommendations on Health, Education, and Welfare, I think we have not only had the 152 amendments we had at the beginning, but we have had the whole Senate on top of us saying it was not adequate. For example, the administration has been talking of late about a "new initiative" in cancer research—yet the administration's budget request was only 3 percent higher than what the Congress provided last year—and fell $140 million short of what the President's cancer advisory panel and his own handpicked Director of the Cancer Institute said could be effectively used. By comparison, in 1971, before all the talk—which pleased us—of a "cancer initiative," the Congress provided a 20-percent increase for cancer research. I think this is probably as high as we could go but it is not, surely, a sensible increase if we are going to have some kind of program on this dread disease.

Both the House and the Senate Appropriations Committee agreed this year that the National Cancer Institute could effectively use additional funds in its war against this dread disease over and above the budget request and the additional amount has been included in the bill.

CUTS IN MEDICAL FACILITIES AND MANPOWER TRAINING

The inadequacy of the cancer research budget is no exception. The budget sent to the Congress included cuts of over $400 million in the area of construction for medical schools, hospitals, and other health service and training facilities.

The health manpower budget was cut by 50 percent, even though the most threatening breach in our health defense is the shortage of trained health manpower. If we have a health crisis in the United States, it is because we are short with delivery of health. All the fruits of medical research will count for little if we do not have an adequate supply of doctors and nurses, paramedics, laboratory technicians, and all that goes into the field of health manpower.

OTHER CUTS

Almost $400 million was cut in educational aid to local school districts. Cuts were also made in training of medical research scientists—training programs were cut across the board. Neighborhood health centers that provided health and dental services to the poor, and programs that provide educational equipment to the Nation's schools, to colleges and to libraries were also cut.

The programs to assist libraries, in some cases, were eliminated completely.

In each case, the administration's rationale appears to the committee to be no more than an excuse for spending less funds on necessary domestic programs. On these particular types of programs, there can be no other interpretation of it.

CONGRESSIONAL LEADERSHIP

Health problems and the problems of ignorance still beset the American people and this must be recognized as a serious threat to our society.

It is the committee's belief that the Congress must, once again, assert its leadership, assert what it feels, and assert what needs to be done in the area of health and education.

The House, in its action on this budget, recognized this principle and added approximately $1.2 billion over the budget request to take care of some of the most glaring deficiencies.

The House bill, when compared with the budget request, or last year's level of funding, may on the surface appear to contain a large increase in funds. This is more apparent than real.

What the House has really done in its bill, in large measure, is merely to restore some—but not all—of the cuts made by the administration.

SENATE COMMITTEE ACTION

It is against this background that the Senate committee has recommended amounts to restore the highest priority health and education programs at least to last year's levels and to recommend modest increases in very selected areas. In many cases, we simply tried to match up the dollars with the administration's own rhetoric.

Before making its recommendations on this bill, the committee carefully considered over 100 line items which make up this appropriation. At last count, these line items consisted of over 400 individual programs. This is the largest and most complex bill before the Senate because of the numerous programs and the agencies involved. But we did consider 100 items and each one involved sometimes a page of subdivisions which made up the appropriation. But we reviewed all of the individual programs and activities within these line items.

The committee heard testimony—and I underline that, because many people do not realize this—that we heard from hundreds of witnesses over a period of 3 months, including those from the executive departments and agencies, many interested Members of the Congress, State and local officials, and concerned citizens. These are people who probably have more expertise and more experience in these matters than even the committee. The witnesses included presidents of universities, deans of medical schools, Nobel Prize winners—you name them, Mr. President, they were involved.

We naturally wanted to hear from them about all the exciting things which are going on today in the field of health research. We heard the witnesses with great interest.

We heard another thing, Mr. President. I suppose that if the American people were asked what headline they would most like to see when they picked up the newspaper the next day, the great majority will probably say that they would like to see a big block headline reading "Cure for Cancer Found."

We have been a long time coming to some of the exciting things which have been achieved in cancer research since way back when I introduced a bill to establish the National Cancer Institute in 1938. We wonder what progress is being made to cure this dread disease and we have found, in listening to all the expert witnesses and the top people in the health field that in 1938, when we started, 4 out of every 5 persons that had cancer died because of it. The best estimate today, because of the research breakthroughs in some forms of cancer, is now 2½ out of 5. They can do even better than that if they can catch it quickly. Some things such as the Pap test for women, research in the field of leukemia, and the research being done to determine whether cancer is a virus—all of this has been worthwhile. So when we talk about initiatives in cancer, money does not buy everything, but Congress would appropriate billions of dollars if it thought that just money would cure cancer.

We also recommended more support for the Heart and Lung Institute, and made it somewhat comparable to cancer research, because after all, heart disease is the first life-taker in this country. This bill is not just our opinion, it is the collective opinion of hundreds of witnesses.

HEALTH PROGRAMS

The committee has tried to combine vision with reality in formulating our recommendations. For health programs, we recommend more than $5 billion to support health services programs such as the community-based mental health centers, regional medical programs, and Hill-Burton construction grants. The $5 billion, which represents an increase of $300 million over the House—this is the total figure, will also support the several research programs of NIH, with $900 million directed toward, as I pointed out before, the attack on cancer and heart disease. We did not skimp with the other Institutes, either.

EDUCATION PROGRAMS

For education programs, we recommend $6.4 billion, an increase of $247 million over the House bill. This amount is large in itself when we look at it separately, but when we consider it within the framework of what the American people pay for education per year, the Federal contribution is not as great as it would seem; the Federal responsibility is not backed up with as much money as we would like. The total amount spent in the United States for education, according to the latest figures released just last week, is $97.6 billion; and we are assuming part of our responsibility in recommending $6.4 billion of that amount.

Here is a prime example of reordering priorities. We have redirected funds for local school districts and the children and away from nonproductive and marginal value programs. We tried to look at those and see whether we could make them better or not continue.

The title I program is expanded, impacted area aid is maintained for both "A" and "B" children, vocational training has the support it deserves. The budget recommended that there be no appropriation for what we call "B" children. We provided enough to support impacted area aid to the "B" children. Vocational training has been at a low level for a long time, and only through the efforts of this subcommittee have we increased it year after year. We think it deserves more, but we have a substantial increase in that field.

For higher education, we have tried to maintain a balance between the new student aid programs and the established, proven programs. We would continue to gradually phase-in the basic opportunity grant program, known as BOG's, by limiting grants to freshmen and sophomores. The manner in which we phase BOG into the program is a little complicated. The administration suggested that we shift practically everything to BOG's. Last year, we reached a compromise with HEW. We said, "Let us start it with the freshmen." This year, we go to the freshmen and sophomores.

I ask unanimous consent to have printed in the RECORD a fact sheet showing the amounts that will be available under the program we recommend.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

FACT SHEET ON STUDENT ASSISTANCE

	1973 comparable	1974 budget	House allowance	Subcommittee action
Basic opportunity:				
Grants (BOG's)	$122, 100, 000	$959, 000, 000	$440, 500, 000	$600, 000, 000
(Students assisted)	(425, 000)	(1, 577, 000)	(1, 577, 000)	(1, 050, 000)
(Average grant)	($260)	($592)	($262)	($560)
Supplemental Opportunity:				
Grants (EOG's)	$210, 300, 000		$210, 300, 000	$210, 300, 000
(Students assisted)	(304, 000)		(304, 000)	(304, 000)
State student:				
Incentive grants				$30, 000, 000
(Students assisted)				(120, 000)
Work study	$270, 200, 000	$250, 000, 000	$270, 200, 000	$270, 200, 000
(Students assisted)	(545, 000)	(545, 000)	(560, 000)	(560, 000)
Cooperative education	$10, 750, 000	$10, 750, 000	$10, 750, 000	$10, 750, 000)
(Students assisted)	(250, 000)	(250, 000)	(250, 000)	(250, 000
Insured loans	$245, 000, 000	$310, 000, 000	$310, 000, 000	$310, 000, 000)
(Students assisted)	(1, 256, 000)	(1, 533, 000)	(1, 533, 000)	(1, 533, 000
Direct loans/defense loans	$548, 400, 000		$286, 000, 000	$286, 000, 000
(Students assisted)	(301, 500)	(259, 000)	(682, 000)	(682, 000)
Total	$1, 406, 750, 000	$1, 529, 750, 000	$1, 527, 750, 000	$1, 717, 250, 000

WELFARE AND RELATED AGENCIES

Mr. MAGNUSON. With respect to welfare and related agencies, the committee had a most difficult time. Sometimes we find ourselves downstairs in the "salt mine" marking up this bill, while the Senate at the same time is up here, considering changes to the social security program. This makes it most difficult for us. I have always been hopeful that we could divide Congress into legislative sessions and fiscal sessions, so that one hand would know what the other hand is doing. I think we would save money, and we would know better what we could do in the long run.

For the welfare program, the committee recommended $13.5 billion, a $76 million reduction below the House level.

The amount provided would allow more direct support for the young in the form of child welfare services, Headstart, and child care programs, and $10 million more for nutrition programs for the elderly.

We have gone along with the House in keeping some parts of OEO intact and have provided $25 million to continue the emergency food and medical services program.

This program is money given to the administration to use when there is an actual emergency or a medical service program. The administration does not have to spend it all. Last year, they did not spend it all, but it is there for them in case something happens.

Those, Mr. President, are the highlights of the committee's recommendations.

Mr. President, in order to facilitate the study of the committee recommendations by Members of the Senate, their staffs, and others, I ask unanimous consent to have printed in the RECORD at this point our usual summary table comparing the Senate bill with the 1973 appropriation, the 1974 budget request, and the House allowance.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1974 LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL—COMPARATIVE STATEMENT OF BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN 1974 BILL

[Amounts in millions]

	1973 appropriation	1973 operating level	1974 budget request	House allowance	Senate committee recommendation	Senate bill compared with— 1973 appropriation	1974 budget request	House allowance
Labor	$2, 234	$2, 230	$787	$827	$831	−$1, 403	+$43	+$3
Health, Education, and Welfare	30, 548	28, 745	30, 421	31, 502	31, 998	+1, 450	+1, 578	+494
Related agencies	975	975	342	487	567	−408	+225	+80
Grand total	33, 757	31, 950	31, 550	32, 816	33, 396	−361	+1, 846	+580

Mr. MAGNUSON. Mr. President, having given a brief overview of the committee's recommendations, I would now like to dwell in some detail on the key items in the bill.

KEY ITEMS IN THE BILL

Mr. President, let me touch briefly on the key increases recommended in the Senate bill over the level recommended by the House.

LABOR

MANPOWER TRAINING SERVICES

The newly enacted title IX of the Older American's Comprehensive Services Amendments of 1973 authorizes a new program to provide part-time employment opportunities in the field of public service for our older citizens. The committee has added $40 million to the bill to implement this program which will allow 18,000 older Americans to be gainfully employed in such needed occupations as nursing home aides, teacher aides, and library assistants.

OCCUPATIONAL SAFETY AND HEALTH

This program is designed to assist employers to provide better health and safety conditions for their employees. The committee added $4 million over the House in order to allow the Department of Labor to make a maximum effort to extend occupational health and safety standards to all our workers.

The committee expects the Department to give special help to small businesses and unorganized employees as they cope with new developments in this field. Reports of harassment still persist. The committee expects the Department to improve its recruiting and training procedures so that compliance staffs are more sensitive and responsive to the personal relations aspect of their work. Compliance officers should be oriented to help employers to meet the standards—rather than simply issuing threats and citations. The committee strongly believes that compliance officers should be allowed more discretion in the performance of their duties.

HEALTH

MENTAL HEALTH

This program deals with the prevention and the treatment of those of our citizens suffering from mental illness.

The Senate bill, in addition to restoring the budget cuts, provided an additional $45 million to focus increased efforts on the prevention and treatment of alcoholism.

The extent of alcoholism in our society is growing—not shrinking—and the costs to our society are too great for any of us to ignore. The committee believes that the maximum amount of funds should be made available for research and treatment of this disease problem which already affects the lives—directly or indirectly—of over 35 million Americans.

The committee has also included funds to accelerate the establishment of community mental health centers. The committee concurs with the House in rejecting the administration's proposal to phase out the mental health centers program. This program was never intended to be a demonstration program—but rather a service program designed to make comprehensive mental health care available to all our citizens who need such care.

This community based approach is a more effective, humane, and less costly method of treatment for many citizens with mental disorders—and stands in stark contrast to the infamous approach that was so prevalent in State mental institutions only a few decades ago.

The advent of the community-based approach to the treatment of mental illness has been accompanied by a steady decline in the total numbers of residents in State mental hospitals. However, in recent years the number of children in these institutions has been rising.

Last year the Department's witnesses told us that mental health programs serving children have a high priority. But 1 year later, we are told it has no priority—the program is proposed for phaseout. The committee has restored the funds for this program. In contrast with the flip-flop attitude of this administration, the committee does not waiver in its belief that mental health care of this Nation's children is and must continue to be of the highest priority.

HEALTH SERVICES DELIVERY

The committee has included selected increases in those health delivery programs, with special emphasis on the elderly and mothers and newborn infants.

One of the reasons why this Nation's infant mortality rate is so high when compared with other highly developed nations is the lack of care for mothers and infants who are from medically underserved areas.

The committee has included funds to support pediatric pulmonary centers across the country to provide specialized health care to infants with lung disease.

The committee has also included funds to support additional neighborhood health centers which provide health care to middle- and low-income families and especially the elderly, in medically underserved areas.

The National Health Service Corps is another program given short shrift by the administration. There are literally hundreds of counties in this country without the services of a single doctor. The Senate increase will provide for additional doctors and nurses to be placed in small and isolated communities which are not now served by a physician.

Additional funds have also been included to cover hospitalization costs for migratory agricultural workers who are excluded from medicaid coverage in some States.

PUBLIC HEALTH SERVICE HOSPITALS

The department's proposal to terminate direct Federal inpatient care in its general hospitals has been rejected by the Congress. There is now in effect a temporary injunction issued by the Federal District Court for the District of Columbia barring department action to close the hospitals.

The PHS hospitals house some extremely valuable research and training components that are being threatened by the Department's proposals. The Adult Leukemia Center, for example, has been operating in space leased by University of Washington researchers at Seattle's PHS hospital and is involved in bone marrow transplants.

Each of the persons treated at the center was at death's door and without any other medical hope.

The committee—no less than the patients and their families—is encouraged about the vital role played by the PHS hospitals in the health delivery system of our country—and especially in the research and training efforts being conducted in these facilities.

The committee has included a $31 million increase to provide a sufficient staff at the hospitals and to initiate a modernization program. The committee has also deleted from the appropriation, the funds budgeted for closing the PHS hospitals and emphatically denies the use of funds for this purpose.

PREVENTIVE HEALTH SERVICES

The committee has added funds to restore administration proposed cuts in the areas of VD research and control of infectious diseases such as rubella and measles.

Federal public health officials consider the immunization levels for a variety of communicable diseases to be below the levels required to protect the people from the potential of epidemics in many areas of the Nation.

The committee has also restored the administration proposed cutback in the rat control program. All evidence reaching this committee indicates that this problem is worsening, not improving. A recent news report indicated that some inner city residents were forced to feed the rats before retiring at night, so that the rats would not attack the children and infants during the night. The committee cannot agree with the administration that the Federal rat control effort should be reduced and has restored the cuts in this area.

The committee has included an additional $10,000,000 for the National Institute of Occupational Safety and Health for the establishment and upgrading of 60 facilities for the examination and treatment of pulmonary impairments and for research in the detection and treatment of "black-lung" diseases. Approximately 250,000 miners will be examined and evaluated in these facilities for eligibility for black lung benefits.

NATIONAL INSTITUTES OF HEALTH

This year, as in the past several years, the committee is appalled by the budget request for the National Institutes of Health. In all but two instances, the budget represents a reduction below last year's drastically reduced operating level for the NIH. In the case of the heart and cancer programs, the budget constituted a net decrease of $25 million below the level appropriated by the Congress last year. For important health manpower education and training programs, the budget request represents a $359 million reduction below the level appropriated in 1973.

NIH RESEARCH TRAINING PROGRAM

The research institutes at NIH represent the best hope for the prevention of disease and better health for all the American people. Nevertheless, the training of the vitally needed manpower required to conduct biomedical research has been systematically reduced by the administration since 1969.

Consequently the committee has called a halt to this erosion of vitally needed health manpower and included in the bill sufficient funds to restore the NIH training programs to the level of effort this Nation enjoyed in 1969—before these systematic budget cuts began.

CANCER RESEARCH

The budget request for cancer research was $500 million, an increase of only $14 million over the comparable 1973 appropriation. The House increased the cancer research budget by $22 million. The committee has added $58 million over the House allowance to provide a total of $580 million for cancer research. This amount together with the $60 million carryover from the previous year will provide an obligation level of $640 million—the full amount recommended by the President's advisory panel on cancer research and by the President's hand picked Director of the National Cancer Institute.

HEART AND LUNG RESEARCH

The committee added $39 million over the House allowance to provide a total of $320 million for heart and lung research. Subsequent to the formulation of the President's 1974 budget, the Heart and Lung Institute developed a national plan to combat heart, blood vessel, and lung diseases as required by the National Heart, Blood Vessel, Lung, and Blood Act of 1972. The committee received from the President of the Senate, a copy of this plan which was developed in cooperation with experts from across the country. At the time departmental witnesses appeared before the committee, the definitive plan and the amount of money required to comply with the act in important areas of disease prevention and control had not yet been established. Having examined the plan, the committee is now able to recommend additional resources to implement the plan.

OTHER RESEARCH INSTITUTES

The committee seriously questions the wisdom of the administration in presenting a budget that proposes decreases from last year's appropriation level on research on such debilitating diseases as arthritis, diabetes, kidney disease, and malnutrition.

In fact, the President's budget recommended decreases below what Congress provided last year in the area of stroke, epilepsy, Parkinsonism, spinal cord injury, multiple sclerosis, hepatitis, cerebral palsy, sudden infant death, mental retardation, aging, glaucoma, diabetic retinopathy, cataracts, and certain other diseases—which in view of the inflation in the economy is really a giant step backward from what was done last year.

Faced with the inadequacies of the budget, the underfunding of crucial health research programs which pay enormous dividends and benefits to all Americans, the committee has included $45 million over the House to restore the level of effort of these programs to last year's level; and in some cases provides increases that in the long run should save the American people billions of dollars—and prevent untold human suffering and agony. The committee has specifically included funds to initiate an NIH study of chiropractic medicine to be conducted by chiropractors.

NIH EDUCATION OF MEDICAL PERSONNEL

The President signed into law the new health manpower legislation almost 2 years ago. At that time, he said,

> These new programs must now be adequately funded.

Apparently, the accountants at the Budget did not get the word because the 1974 President's budget request for the health manpower programs is $382 million—$360 million less than what Congress provided last year.

The House, in its action, restored most of the cuts. The committee added additional funds to restore the administration proposed cuts in the programs for training of nurses—and provided additional funds to support family practice and medicine programs.

EDUCATION

In the area of education, the committee was faced with a budget request which, if enacted, would strike a disastrous blow to our entire educational system. The committee was asked to review and appropriate on the basis of a revenue sharing proposal which had not even been sent to the authorizing committees. This proposal did away with some tried and proven categorical programs and folded others into a revenue sharing pot. This whole idea was the brainchild of some HEW people who, by the way, have since packed their bags and moved on to other interests. As a result of all this, the committee had to start from scratch—with little help from HEW, I might add—in trying to make some rational decisions on important education programs. The House did a good job in taking care of funding problems here—they should be commended. That left the Senate with the job of perfecting items in the bill.

It is obvious that the educational needs of our citizens were not a consideration when these budget estimates were put together. The Congress is asked to approve a total funding level which is more than $1 billion below last year's appropriation. The House did not go along with this and neither will the Senate. This committee has recommended $6.1 billion for education programs. No doubt, there are those who would say this is inflationary. They do not realize that whatever we provide now for educating our young people is an investment in the future. Failing to adequately support these programs is not only poor social policy—it is poor economics.

A substantial portion of the committee's recommendation is targeted toward children at the elementary and secondary levels. Approximately 6 million disadvantaged children will be served under title I programs, and more than 200,000 children would be assisted through the Follow Through and special bilingual education programs in this bill.

In the case of title I, the committee has added bill language to ensure that no State receives less than 90 percent nor more than 110 percent of its 1972 allotment. We believe this will help minimize the impact of new census data and prevent any drastic reductions in local school budgets.

For impacted area aid, the budget proposed to eliminate all payments for category "B" children. The committee concurs with the House in recommending that support be continued for both "A" and "B" category children. This would benefit an estimated 2 million children across the country.

Under our recommendation, nearly 300,000 children would be assisted through the special programs for the handicapped. Here, the committee has placed special emphasis on the programs which help train and develop the teachers needed in this field.

For the vocational and technical training programs, we have recommended increased support for basic State grants. These funds are needed if we are to meet the growing demand for skilled workers.

With respect to library programs, the budget request differed greatly from the rhetoric we have heard. We were told that educational opportunities should be open to anyone who desires to learn. What could be a better tool for learning than our public and school library systems? Yet, the budget proposed to wipe out all Federal support for these programs. The committee has restored library activities to their proper level. The amount we have recommended would support public library services to approximately 87 million people, while providing textbooks and instructional equipment to more than 48 million school children.

Under Higher Education, the committee again found that the rhetoric did not match the dollars. The budget not only disregarded the minimum funding requirements of law—it ignored the needs of those people who look to the Federal Government for help in getting an education. The committee has recommended a comprehensive student aid package. We would keep in place the established, proven programs while continuing to gradually phase in the new BOG's program.

The committee chose to provide a reduced amount—$75 million—for the new National Institute of Education. This organization was slow in getting started and, to this day, the committee has failed to receive any clear indication of purpose from these people.

SOCIAL AND REHABILITATION PROGRAMS

Under the general category of social and rehabilitation programs, the committee has sought to place greater emphasis on programs designed to help the young. Specifically, we have recommended increases for child welfare services—to assist more than 450,000 children—child care support to 100,000 children whose parents are attempting to get off welfare rolls; and the Headstart program, which this year, expects to enroll 379,000 youngsters.

On the other hand, the committee has placed equal emphasis on programs for our Nation's elderly. Too often, their needs are overlooked—and their years filled with anxiety, illness, and want. Increased support is recommended for the special meals-on-wheels program, which will provide more than 250,000 meals daily. The committee has also recommended that the Senate take the lead by implementing the new community service employment program. This program would provide employment opportunities to 18,000 older Americans—giving them the respect and recognition they deserve.

EMERGENCY FOOD AND MEDICAL SERVICE

In the appropriation for the Office of Economic Opportunity, we have added $25,000,000 to continue the emergency food and medical services program, which was funded at $30,000,000 in fiscal year 1973. Neither the administration's budget request nor the House allowance contained money for continuation of this vital program, which provides: food assistance to over 500,000 people; consumer/nutrition education to 50,000 people; medical care for 20,000 people; and transportation services to 100,000.

An example of what can be accomplished in a community is Neighbors-in-Need—NIN—in Seattle, Wash. NIN, an EFMS grantee, has established food banks, tapped community volunteers, marshaled churches and other resources and is presently building a coalition in the State of Washington. In a report issued in early 1973, NIN had 1,200 volunteers, 330 churches, and 68 food banks that answered an average of 65,000 food requests per month. The Seattle experience can be replicated in other parts of the country in need.

BUDGET CEILINGS AND VETOES

Now I want to talk about budget ceilings and vetoes.

Upon reflection, the committee recollects that there was much ado last year over the establishment of a $250 billion ceiling on Federal expenditures. The fiscal year's 1973 Labor-HEW appropriation bill was twice vetoed by the President, allegedly because it would drive the total Federal budget over the $250 billion target.

Here are the facts: On July 25, 1973, it was announced that actual 1973 Federal outlays amounted to $246.6 billion—$3.4 billion below the $250 billion target. It is clear that either of the two vetoed fiscal year 1973 Labor-HEW appropriation bills could have been enacted and the funds expended to provide an investment in increased education opportunities for children and improved health care for all of our citizens without exceeding the $250 billion target. These are opportunities for investment in the health and education of our citizens that are forever lost because of errors in the administration's calculations. It may be because of some errors in calculation, particularly by the budget, in hindsight.

In hindsight, it would appear that last year's $250 billion target ceiling was prudent but did not win the direct public battle of stopping runaway inflation or righting an unsound economy.

Again, this year, the administration persists in dealing with an array of confusing figures. We are told about a sacrosanct $268.7 billion budget for fiscal year 1974, and that the House version of the fiscal year 1974 Labor-HEW appropriation bill may be unacceptable because it exceeds the budget request by approximately $490 million in outlays. Now the Department tells us that they are going right ahead and are spending $600 million over the President's fiscal year 1974 budget request for welfare. The committee finds this difficult to rationalize.

When the Congress sees fit to restore some of the proposed cuts in fiscal year 1974 health and education programs amounting to $490 million in outlays, we are told it may be unacceptable and inflationary, but, when the administration wants to cover a $600,000,000 cost overrun in the welfare budget, that is acceptable and noninflationary.

The committee has searched for the logic—if any—behind this administration's attitude regarding the health and education budgets.

The committee believes—I do not know if they all believe it, but I believe it—it is especially significant that the White House has recently indicated that tax receipts for fiscal year 1974 will be $10 billion more than last January's estimate—the same estimate that was used in formulating the President's budget request at that time. Surely the $587 million outlay increase provided under this bill—which is less than 6 percent of this revenue increase—can be well spent on meeting the health and education needs of our citizens. The committee can only be hopeful that the President's advisers will take another look at the fiscal year 1974 Labor-HEW appropriation bill, and develop a more evenhanded policy that will be of benefit to the children, the sick, the aged, the infirm, and our other citizens who are unable to care for themselves; and do this in a spirit of compromise.

Surely after all these vetoes and after this array of figures we are willing to work it out. We think we have a good bill. We think that with all the work put into it it falls well within this Nation's capability and within our highest priority to take care of the needs of the people.

I shall yield to the Senator from New Hampshire, who has a statement. First, I wish to say how helpful he has been in connection with this bill, while under some difficulties. A year ago, while on the bill, I had some personal difficulties in my family and he took over. He has done a yeoman's job this year, as have the staff members.

This is a large, complex bill. We think we have it in good shape for Senate approval.

I hope those Senators who have amendments or who propose amendments will take a good long look at them, because we did anticipate some possible amendments on the floor of the Senate. I think we were reasonable because the programs are worthy. All of these programs are worthy, but it is a question of putting them together within the capabilities of the Nation and the total budget. Again, this Congress is fiscally responsible in connection with the bill. We are below the anticipated ceiling we agreed to in the Committee on Appropriations at the beginning of the year.

Mr. President, I yield to the distinguished Senator from New Hampshire.

Mr. COTTON. Mr. President, I thank the chairman, the distinguished Senator from Washington. I shall have only a few words to say. One reason that I shall keep my remarks fairly brief is that I think if we want to have a health, education, and welfare appropriation bill this year, and not operate for a second year under resolutions that merely continue the outmoded and impractical alinements of 2 years ago, we are going to have to move rapidly. We must restrain ourselves and I believe the committee is presenting a bill that goes as far as it can go in meeting the pressing needs of the handicapped and the needy in this country.

Mr. President, we must be prepared to send up a bill that is worthy of the signature of the President. If he does not sign it—and I say this as an administration Senator, at least catalogued to be a conservative Republican Senator, though I do not admit to all of that analysis, but I say this very frankly—I want to send a bill to the White House that he will sign and if he does not sign, a bill on which we can override the veto because this is the most vital bill in the area of human needs that will come before this Congress or any Congress. Each year it is the most vital bill in that respect.

Mr. President, through the years it has been a privilege and a pleasure to work with the Senator from Washington, the chairman of the committee (Mr. MAGNUSON). The Senator from Washington and I do not consider ourselves adversaries in connection with this bill. We consider ourselves coworkers. That does not mean the Senator from New Hampshire is a rubber stamp for the chairman or what the Senator from Washington believes or wants. We have our differences and we work them out. But there has been not one trace of partnership, not one trace of political maneuvering this year or in the past years that the Senator from Washington and the Senator from New Hampshire have served together as chairman and ranking minority member of this committee.

When it comes to the dread diseases, the disease of cancer knows no party lines; it hits Democrats and Republicans alike. When it comes to the poverty children in the ghettos of our cities and many of our rural districts, poverty and lack of care of children know no party lines. Poverty hits those in Democratic States and Republican States, Democratic communities and Republican communities. When it comes to dealing with the mentally handicapped and training teachers to give a chance to children who were born in this world with handicaps that will follow them through their lives, they can be partially compensated for with careful and skilled trained treatment by those who know how, and there are no party lines there.

In committee we have worked with that principle and I hope we can do so on the floor of the Senate and in conference until this bill becomes a fact.

Mr. President, I merely wish to call attention to one or two matters. One matter is that the Committee on Appropriations now has a very limited control, and the Congress has a limited control over the actual spending of this Government. This is largely the fault of the Congress. It is the fault of the Congress because we have, through past years, done what would have been shocking to Senators and Members of the House of preceding decades. What we have been doing more and more is passing authorization bills and then writing into those bills the power to obligate the Treasury of the United States.

Every time we do that we surrender more and more the control of the appropriating committees and of the Congress over the budget. We passed a water and sewer bill, which is a very worthy cause, but we wrote into that bill contract authority to obligate $6 billion. The Appropriation Committee can do nothing about it. It does not even come before us for consideration. It is something we cannot help. It is something we have to take. We have to start beyond that.

We passed a Federal takeover of adult welfare programs, and that obligates us $2.2 billion in this very bill and is by far the largest increase in this bill and one over which we have no control. We have passed revenue sharing—I am referring now to general revenue sharing, which has become a fact; special revenue sharing is just a glint in somebody's eye for the future—of $6 billion. Incidentally, that revenue sharing of $6 billion, is earmarked. It can be used for public safety, including law enforcement and so forth. It can be used for environmental protection. It can be used for public transportation. And now we are getting down to our field—it can be used for health, for recreation, for libraries, for social services for the poor and aged, all of which we are appropriating in this bill, in addition to the money already furnished.

In other words, it boils down to the fact that, of the total outlays for the present fiscal year of $268.7 billion—almost $269 billion—the only part of that that was really ever under the control of the Appropriation Committees was $75.2 billion. In other words, when we take into consideration uncontrollable items, such as the interest on the public debt, which has been contracted and which we must pay; such as social security funds, over which we have no control; highway funds, over which we have no control; and the airport and airways funds, that have been established under a separate trust fund arrangement. In all the spending budget the Appropriations Committee has a chance to work its will and make its recommendation on only 28 percent, or a little more than one-fourth of that budget.

Mr. President, having called attention to those facts, let me say this: I think both the chairman and the Senator from New Hampshire, as well as the chairman of the full committee, and I think most of the members of the Committee on Appropriations, on this day when we are trying to produce a bill so that we will once again be operating under congressional appropriations, and not under continuing resolutions, are going to plead with Senators to restrain themselves from offering enlarging amendments on this bill.

We were aware and had notice, when we marked up the bill, that there were pending some 152 proposed amendments increasing appropriations in this bill, amendments by very sincere Senators on both sides of the aisle. These amendments have to do with furnishing more money for programs which are most desirous, meritorious, and appealing; but if those amendments had all been presented and adopted, it would have jumped this bill up between $4.5 and $5 billion.

What did we do in the committee? Under the leadership of the distinguished Senator from Washington, the chairman, and with the approval of the chairman of the full committee, and I think with the rather unanimous approval of the committee, we went just as far as we could in adding to the bill that came from the House portions of the requests or the demands that were prepared to be presented to us in the form of enlarging amendments. That represents the increase in the bill.

I hope that most of the Senators who feel very strongly about the causes that their amendments concern and will stay in their hand, will feel that it is more important to pass a bill, and enact it, and work under a bill produced by the Congress than to lose a bill and work for a second year under a continuing resolution.

I repeat what I said before—I wish there were more Members of the Senate here to listen to this—messages—not necessarily messages, but rumors, came up from the White House that this bill is going to be vetoed. It has even been suggested by some from the Department, and perhaps some from somewhere else, that this bill will be vetoed, anyway, even if it is passed without any additions on the floor.

The tendency on the part of Senators, when they hear that, is to say, "All right; if it is going to be vetoed anyway, we will put in everything we want. We might just as well pass a bill and let the people know what we want." It makes a good campaign issue. But, Mr. President, early in this session, the distinguished Senator from Arkansas (Mr. McClellan), the chairman of the Appropriations Committee, conferred with the chairman of the various subcommittees, including, of course, the distinguished Senator from Washington, the chairman of this subcommittee. And they set up what they recommended as the ceiling beyond which we should not go, with the implication that if we held to that ceiling we were thoroughly justified in hoping to override the veto of the bill.

The chairman of the full committee and the chairman of this subcommittee are both men of long experience as Senators and none in this body excel them in their practical knowledge of the budget and the fiscal affairs of this country. They agreed that ultimately the bill that comes from the committee of conference and goes to the White House should not exceed the President's budget by $2.2 billion.

The House used up $1.2 billion of that amount, leaving a leeway of $1 billion for the Senate to deal with all of these Senators who have amendments and who want to increase the many worthy features of the bill. We have come $319 million under that $1 billion leeway for the Senate.

Mr. President, there is no reason why we cannot, if I stop talking and take my seat right now, pass this bill before we go to bed tonight if we are willing to work fairly late. Everyone knows that we will have a long weekend afterwards. If those who have amendments will reconsider and either withhold their amendments or reduce them to the minimum and cooperate so that we can hold this and not push the amount of this bill beyond the limit and not use up more than the $319 million remaining and keep it a little under the goal set by the Senator from Arkansas and the Senator from Washington.

If they will do that, we can pass this bill, take it to the conference with the House and send a bill to the President that, in my mind, he is almost obligated to sign because it will be a bill that is fair, and faces up to many of the needs in this country that we have been compelled to defer while we were in Vietnam and were being drained financially in other directions.

The President has his own advisers and he has his own functions to perform. If he chooses to veto it, I for one think that it can be passed over his veto.

If we do not do that, but say that the sky is the limit and write into the bill many desirable features that appeal to the people of this country, but which are impractical at this time, we will get a veto and that veto will be sustained. Then we will again be in that deplorable situation that we have been in in the past.

I predict that almost unanimously the Appropriations Committee will be pleading with the Senate to do that very thing.

Mr. President, I will not take any more time because I hope that we can get busy. I hope that we can stay here and can pass this bill tonight and hold it within the reasonable limit set by the chairman of the full committee and the chairman of the subcommittee.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. COTTON. I yield to the distinguished assistant majority leader.

Mr. ROBERT C. BYRD. Mr. President, I think that the distinguished manager of the bill and the distinguished ranking minority member of the committee ought to be most highly commended for the action that has been taken by the Appropriations Committee under their direction in bringing to the floor a bill that, in my judgment, represents a very reasonable appropriations measure.

I join with them in expressing the hope that Senators on both sides of the aisle will restrain themselves with respect to amendments, keeping in mind that this bill has been repeatedly vetoed by the President and that it will be vetoed again if we send it down for his signature and it is overburdened with amendments that push the appropriations figure into the stratosphere. And we will not be able to override such a veto.

Mr. President, I think that the manager of the bill, the Senator from Washington (Mr. Magnuson), and the ranking minority member of the committee, the Senator from New Hampshire (Mr. Cotton), have acted most reasonably, most judiciously, and most wisely in discussing with Members of the Senate—before the bill was reported—their needs and requests, acceding as much as possible during the markup to those requests. I have the feeling that this is the way to enact a piece of legislation which, hopefully, will not be vetoed this time. And if vetoed, it can perhaps be overridden—if we hold the line today—so that we will not have to continue to operate as we have operated over the last few years, under continuing resolutions.

I sense a general feeling among Senators on both sides and a willingness to support the committee and to support the manager of the bill and the ranking minority member of the committee in opposing floor amendments.

I do not believe, and I hope I am right, that there are going to be nearly as many amendments called up this year as there have been in past years.

The majority leader only yesterday in conference urged Senators to show responsibility and restraint in dealing with this bill. And I have the feeling that the results are going to show that the Members of the Senate have lived up to their responsibility.

I would hope, therefore, that Members of the Senate who have amendments will come to the floor quickly and be prepared to offer their amendments so that the bill can indeed be completed today. If Members do not come to the floor within a reasonable period of time, I would hope that the managers would press for third reading of the bill.

I urge Senators to come to the floor quickly if they have amendments.

Mr. COTTON. Mr. President, I thank the assistant majority leader. He has expressed exactly my sentiments and, I think, the sentiments of the chairman of the committee. We appreciate his backing on what we are trying to do.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that two printing errors in the bill be corrected.

The first printing error involves the omission of the entire page 2. A copy of this page will be circulated to the Members.

The second printing error is on page 24 of the bill, line 19. The number amount of $56 million should be changed to read "$61 million."

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair is notified that there is another printing error on page 17. Does the Senator wish to correct that also?

Mr. MAGNUSON. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The corrections are as follows:

On page 2A, after line 2, strike out:

SALARIES AND EXPENSES

For necessary expenses for the Manpower Administration, includiny carrying out title I, section 232, and part B of title III of the Economic Opportunity Act of 1964, as amended, $41,032,000; together with not to exceed $26,090,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which $2,746,000 shall be for carrying into effect the provisions of 38 U.S.C. 2001–2003.

And, in lieu thereof, insert:

MANPOWER TRAINING SERVICES

For expenses necessary to carry out title IX of the Older Americans Act of 1965, $40,000,000.

On page 17, line 9, insert parentheses around the figure "$45,000,000,"; in line 11, insert parentheses around the figure "$42,500,000"; and in line 14 after the word "aggregate", strike out "aounts" and insert "amounts".

On page 24, at the beginning of line 19, strike out "$56,000,000" and insert "$61,000,000".

Mr. MAGNUSON. Mr. President, I yield to the distinguished Senator from Missouri.

Mr. EAGLETON. I thank the Senator from Washington. I would like to ask him one or two questions.

Mr. MAGNUSON. May I say to the Senator, before the Senator starts, that it is my understanding that on this bill we have a half hour on amendments.

The PRESIDING OFFICER. The Senator is correct.

Mr. MAGNUSON. But we have 10 or 12 hours on the bill; so the Senator from Washington will yield to anyone who wants to speak on the bill such time as he wants. I do not think we will take up the 10 or 12 hours, but if someone who has an amendment is short of time, I will yield him time on the bill, and so will the Senator from New Hampshire.

So I yield the Senator from Missouri such time as he may require.

Mr. EAGLETON. I thank the Senator from Washington. I have two questions I would like to propound to the Senator as manager of the bill.

The committee provides a "hold harmless" clause for States so that no State would receive less than 90 perecnt in title I funds than it received in fiscal year 1972. It also places a ceiling so that no State would receive more than 110 percent of its 1972 allocation. Is it the understanding of the chairman that this language allows the Office of Education to allocate the total amount appropriated by Congress and is this understanding based on figures supplied by the Department of Health, Education, and Welfare?

Mr. MAGNUSON. I will say to the Senator from Missouri that his analysis of this——

Mr. COTTON. Mr. President, will the chairman use his microphone, please?

Mr. MAGNUSON. Oh. Well, the Senator from Missouri was not using his.

The Senator from Missouri is correct.

Mr. EAGLETON. Is it further the understanding of the chairman that if there is money left over from this appropriation for title I, ESEA after the initial allocation, the committee language would permit those funds to be reallocated to the States, subject only to the 110 percent ceiling.

Mr. MAGNUSON. That is also correct.

Mr. EAGLETON. Mr. President, I would like to clarify the report language relating to title VI of the National Defense Education Act. The report expresses the committee's intent that the funds appropriated in this bill be used to continue funding language and area studies centers, and to fund a limited number of research libraries in foreign area studies. Is it the chairman's understanding that the committee also hopes that, if the total appropriation is not required to maintain support of centers, a portion of the amount appropriated could be used to support new program initiatives and fellowships under this title?

Mr. MAGNUSON. Yes, that is the intent of the committee.

Mr. EAGLETON. I thank the distinguished chairman.

Mr. MAGNUSON. I think that is what the Senator wanted to know.

Mr. EAGLETON. Yes, that is correct, and I agree with the Senator's interpretation.

Mr. MAGNUSON. All right. I yield the Senator from Massachusetts such time as he may desire.

I want to say before yielding to him that although he is not a member of the Subcommittee on Labor-HEW Appropriations, at all times, because of his chairmanship and his experience as chairman of the Subcommittee on Health of his own legislative committee, the two committees have worked together, and I would be somewhat derelict if I let this bill pass without saying that the Senator from Massachusetts has been most helpful to us in getting out the kind of bill we have.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, first of all I want to reciprocate the very kind and generous remarks of the distinguished Senator from Washington, and to commend him and the Senator from New Hampshire for what I think has been an absolutely magnificent job in bringing this measure, which is of such great importance and consequence to the American people, to the floor of the Senate. This legislation reflects a sensitive understanding of the needs of the people and the strengths and weaknesses of the health programs.

As chairman of the Health Subcommittee, I have tried to follow, as the Senator from Washington has pointed out, the various appropriations in the health area, and I must say, as one who spends much time in the consideration of the development of authorizations in the health area, that there is very little that I would add, and very little that I would possibly disagree with in this legislation.

So I want to indicate to my colleagues and friends that the distinguished Senator from Washington and the distinguished Senator from New Hampshire, who are really the great leaders in this field in this Congress, and I think perhaps in any Congress, have done a magnificent job.

We shall miss our colleague, the distinguished Senator from New Hampshire, in many respects; and I know the American people, too, will miss him deeply. We will especially miss his understanding and recognition of the health needs of the American people.

So, at the outset, I commend the committee, the chairman, and the ranking minority member for the efforts they have shown in the development of this legislation.

Mr. President, this year, the traditional debate between the Executive and the Congress is qualitatively different, especially in the health field. The President has already shown an unwillingness to abide by the results of the process. Figures for fiscal year 1973 for the Department of Health, Education, and Welfare show that although $5.8 billion was appropriated for health, only $3.7 billion was expended; in spite of an appropriation of $197.2 million for the Hill-Burton construction program, $2 million was spent.

Let me hasten to point out at this time that there are many of us who recognize that we do not need additional hospital beds in most areas of this country. There is a crying need for modernization of hospitals and development of ambulatory care facilities, and we believe that the Hill-Burton Act is a necessary instrument to provide those things.

I do not think there is an urban area in this country with a central city hospital that is not in crying need for modernization; there is not a single city that does not need additional ambulatory care facilities; but we have found a reluctance on the part of the administration to expend resources for what I think is a particularly strong need in this area. None of the $20 million worth of construction money for community mental health centers was spent. Not one penny of the $100 million appropriated for health manpower construction assistance was spent. There were no construction grants to schools of nursing. Institutional assistance to schools of public health and allied health was drastically reduced. In spite of the fact that the President had already vetoed two separate HEW appropriations bills, he still refused to expend funds required under the continuing resolution.

Not only was the President unwilling to abide by the rules of the appropriations process, which are in fact the rules by which a democratic society sets its priorities and charts its course, but he tried to unilaterally alter the nature of the process itself. In January, the President proposed to allow a number of the authorities of the Public Health Service Act to expire on June 30, 1973. These authorities included those of the regional medical program, the Hill-Burton hospital construction program, and the community mental health centers program. At the same time, the President submitted a revised fiscal year 1973 and a fiscal year 1974 budget proposal. This proposal made it clear that the President would not be content to eliminate programs whose authority expired in June 1973. It, in fact, eliminated programs whose authorities were not yet up for renewal. The January budget message proposed terminating capitation support for schools of veterinary medicine, optometry, podiatry, and pharmacy; it proposed elimination of capitation grants, startup assistance and financial distress grants for schools of nursing; it eliminated traineeships for schools of nursing; it eliminated construction assistance and grants for schools of nursing, osteopathy, and dentistry; it eliminated all support for schools of public and allied health.

We heard from the deans of the schools of public health across the country, that, in their best judgment, they will have to reduce by one-half the number of students, and one-third the number of faculty members in their schools. This will have an important impact on the whole public health area of the country.

At the same time, the proposal began to phase out the National Institutes of Health fellowship and training grant program; it reduced the budgets of all of the institutes of the National Institutes of Health with the exception of the National Cancer and the National Heart and Lung Institutes.

The administration's legislative plan and its proposed fiscal year 1974 budget met—with the exception of the AMA—with universal opposition in the Nation's health community. The Congress expressed its strong opposition to the legislative proposals by enacting the Public Health Service Extension Act of 1973, which became Public Law 93–45.

The final version of that legislation passed the House on May 31, by a vote of 372 to 1, and the Senate on June 5, by a vote of 94 to 0. It is now the law of the land.

Although the Congress sent the President a clear message, he apparently did not receive it. With the exception of a slight change of heart on the fellowship and training grant program, the President held firm to his original fiscal year 1974 budget proposal.

What the President tried and failed to achieve through his legislative program in fiscal year 1973, he is now trying to achieve through the budgetary process in fiscal year 1974.

That is why the appropriations process is so important. Congress has extended several health programs, and has made it clear that those whose authorities have not expired are to be supported. The President is apparently determined to ignore these authorities and the expression of congressional intent. A program which has been authorized by the Congress, and for which money has been appropriated, dies when that appropriated money is not spent. But perhaps more important than the death of any one of these programs is the erosion of the democratic process which takes place every time a government official sets himself outside of the process of government and outside of the law.

I believe very deeply in the health programs covered in this appropriations bill. I believe that it would be a grievous mistake to eliminate all of those programs that the President has asked be eliminated. I am delighted that this appropriations measure rejects the President's approach. But my belief in the importance of these programs is exceeded by my belief that the democratic process must be followed—that the Nation must chart its course in the manner prescribed by the Constitution. I, for one, am willing to abide by the results of this process of government, and I will fight to see that whatever the results are, they are upheld.

The Senate thus has two strong responsibilities facing it at the present moment. The first is to appropriate funds for the health programs of this Nation. The second is to be sure that those funds are spent. To do one without the other would be an abdication of our constitutional responsibilities.

This is a difficult time for America. There are strong and honest differences about how to proceed to solve the many problems confronting us.

There are dramatic differences between the proposed solutions to the health care crisis. Our system of government will allow for the most promising solutions to be tried. We must be sure that the democratic processes are allowed to work.

Mr. President, one other area that I want particularly to invite the attention of Senators to, concerns the funding of two programs that affect the elderly. I had requested that the committee fully fund title IX of the Older Americans Community Service Employment Program, the so-called Senior Service Corps, which I had introduced, and which was signed into law earlier this year. What was requested was $60 million, and $40 million was approved by the committee. It is my understanding the $40 million for title IX community service employment projects will be augmented by the continuation of the Operation Mainstream program.

I think that Operation Mainstream has been one of the really exciting opportunities for our senior citizens. In every evaluation that has been made, it has come up with flying colors. It is very important that that program continue and I am glad to see that the Appropriations Committee supported that program to the extent that it did. It would be my expectation not only that the program will be continued this year but ultimately that the title IX program, as a permanent, nationwide program, will coordinate and expand those Operation Mainstream projects.

I also believe we can serve the most people if the program is substantially administered as it is presently, that is, through national contractors.

The national organizations that have been administering the senior citizens community service demonstration programs have very successful and valuable experiences on which to draw. Their dedication and compassion to the elderly people of our Nation was established long before receiving the initial contracts and their followthrough on administering these programs has been highly efficient because of their understanding of the problems of aging and their sincere concerns in solving these problems in harmony with the national interest.

In 1968, the National Council of Senior Citizens began their program with sufficient budget moneys to enroll only 400 older poor in 10 communities across the Nation. The National Council on Aging began its program in much the same way with 400 enrollees in 10 different communities. The Green Thumb program under the National Farmers Union has been operating a very successful program in many rural areas of our country for over 7 years. AARP also has a very successful program. The National Council of Senior Citizens reports it employs nearly 2,000 elderly poor in demonstration programs in 33 communities and its administrative costs are still below 10 percent. That same record of low administrative costs characterizes all of these programs.

The history of these programs from an enrollee and community point of view is the really successful part of the story. In my own home State of Massachusetts, we have had the benefit of having three National Council of Senior Citizen programs: Fall River, New Bedford, and Boston. They have shown that the concept of older people working for their own future is not only very beneficial therapy as well as an economical necessity for the older worker, but also a big plus to the social services of these areas.

Senior aides counsel the young, the ex-convicts, the poor, the aged sick.

If you happen into an area that has a senior citizens community service program you can find these "senior aides" cheerfully serving perhaps the only hot meal another elderly person will get that day; you will see them searching the lonely rooms of the city for people that society has forgotten; you can see them love a child in the day care center like it was their own; you can see them soothe the clinic patient waiting to hear the diagnosis; you can see them teaching teenagers that the hand-crafted arts of old can be more fulfilling than breaking pop bottles against the side of a curb.

I can speak confidently that the good services that are being offered in my State through our senior aides program are also happening in West Virginia or Mississippi or California. The national contractors serve as clearinghouses and innovators for new developments and ideas in the program. The interrelationships between the projects save the repetition of costly operational errors. The Boston project does not have to go through the pains of trial and error when establishing a new facet to the program if another project has also tried it first. The national offices have at their fingertips both the theory and the practical knowledge to advise, monitor, and develop the local projects without usurping the local expertise needed to tailor each project to their local needs and expectations.

The National Council of Senior Citizens requires that each project back up the national contract with 10 percent cash or in-kind support to administer the program. This insures that the New Bedford program or the Fall River program is supported by the community. Without local support there is no program. And believe me, from the letters I have received from people in all walks of life, each community is behind this program wholeheartedly.

Here is a typical statement:

> For five years, now, we have been sponsoring this program locally. Every administrative cost has been paid by us. Every cent of government funds has gone to the Aides themselves, the poor. I don't know of any other government program where this has

been the case. There are sometimes when I feel that we have wasted our time and no one at the federal level cares what we demonstrated in this demonstration program. For the sake of those older persons who need the kind of help which we have seen come from the Senior AIDES Project as well as the community agencies, I urge full funding of title IX.

The success of these programs has been noticed by countless other areas who are not now being served by these excellent older workers. I am sure that if the funds being appropriated here today were magnified 10 times that all the requests already received for this program could not be filled.

Requiring 10 percent in-kind administration also insures that all Federal moneys for the program go directly to the people that the program is intended to assist—the older persons who are willing to continue to serve their fellow-man. What better way is there to demonstrate real revenue sharing—putting Federal money into the pockets of needy older people. These programs have been operating under this concept for many years and I might add that if other revenue-sharing programs work half as well as these older worker revenue-sharing programs, they will be worthwhile.

Mr. President, let me express my thanks to the chairman for considering a late-hour request for expansion of title VII appropriations, taking into account increased food costs.

I requested an increase of $25 million over the $100 million approved by the House of Representatives, a total of $125 million. This, according to the Administration on Aging, would have permitted the program to serve 250,000 meals daily as originally intended before the recent escalation in food costs. I believe the $10.4 million increase approved by the committee will alleviate much of the impact of inflation.

I know that in the future this committee will be considering supplemental appropriations. If those concerned with this program demonstrate the continuing need to offset the impact of inflation, I am sure that request will fall upon concerned ears.

I might mention at this point, Mr. President, that the chairman of the Older American Subcommittee in the Committee on Labor and Public Welfare, the distinguished Senator from Missouri (Mr. EAGLETON), has been tremendously interested in this whole program and has been one of the real leaders in the development of the legislation itself.

I should like to ask a question to the distinguished floor manager of the bill. It is my understanding that the Senate bill adds $100 million to the budget of the National Institutes of Health over what the House appropriated. The Senate bill does not specify the functions for which this additional money must be spent. The Senate has recently passed by vote of 81–6 the National Research Service Awards Act which restructures biomedical research training programs under one authority. The authorized amount, and the amount necessary to sustain the biomedical research training programs is $207.9 million. In the House appropriations bill, $180 million of the NIH budget is earmarked for research training programs. It is my understanding that it is the chairman's intent that at least $27 million of the additional funds appropriated to NIH by the Senate should be used for the research training programs. This would be consistent with the National Research Service Awards Act just recently passed with the chairman's support. Is my understanding of the situation accurate?

Mr. MAGNUSON. The Senator from Massachusetts is correct. We are going to make it clear that the $27 million at least will be allocated. But there is a problem, and I think they understand it; namely, that they have to have the appropriate applications on hand. I understand they will be forthcoming. So that amount should be funneled into that purpose.

Mr. KENNEDY. That is very reassuring and I want to thank the chairman for those assurances.

I want again to express to my colleagues my belief that this HEW appropriation bill, in the area of health, has really laid out for Congress and the American people where our priorities really should be. As the chairman of the Health Committee, I want to commend again the Senator from Washington (Mr. MAGNUSON) and the Senator from New Hampshire (Mr. COTTON) for the work that they have done and the courage they have shown in bringing these measures to the floor. I am extremely hopeful that not only will they be adopted by the Senate but that the President will recognize their importance and significance and will sign the legislation.

Mr. FANNIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). The amendment will be stated.

The assistant legislative clerk read as follows:

On page 19, line 11, insert the following: strike $19,000,000 and insert $38,000,000.

Mr. FANNIN. Mr. President, this amendment proposes an increase in funding for Public Law 815, a program which provides financial assistance for school construction.

As reported by the committee, H.R. 8877 would authorize the expenditure of $19 million; 65 percent or about $12 million to section 5 of the act, and 35 percent or approximately $6.5 million to sections 14a and 14b.

In my opinion, the appropriation is inadequate.

I am proposing an increase of an additional $19 million to be spent on the same basis as authorized in the bill.

My purpose in urging this increase is to realize greater funding of sections 14a and 14b, which specifically provide funds for the construction of needed public school facilities to better serve the educational needs of reservation Indian children.

In proposing this increase I am not unmindful of the difficulties that we face in developing a fiscally responsible but responsive appropriations bill. I am not anxious to cause any further difficulty in achieving that objective but I am convinced of the immediate need to expand funding of this program.

Mr. President, as it affects reservation public schools, Public Law 815 represents a major component in the policy of the Federal Government to support the education of our Indian citizens. Yet, the lack of sufficient funds to meet the commitment to provide adequate educational facilities weakens our Federal Indian education policy.

Insufficient funding has always been a problem. Nearly 5 years ago, the Special Senate Subcommittee on Indian Education, of which I was a member recommended that Public Law 815 be more fully funded. In making its recommendation, the subcommittee argued that:

> It is imperative that more attention be given to funding this legislation, particularly for those sections under which disadvantaged students, such as Indians, are suffering with inadequate facilities.

When we speak of facilities we are not just speaking of classrooms, we also are speaking of facilities to implement vocational education programs, career education programs, sports activities, and other programs and projects which are needed to meet the special education needs of Indian children.

While efforts have been made to increase funding for Public Law 815 to meet the very real and essential needs of reservation public schools, the objective has never been fully realized.

With limited funds, only a few projects can be supported, and the result is that a large number of projects must be deferred. In some cases, projects must wait 2 or 3 years and in some cases even longer, to be funded while the needs which triggered the application continue and even increase.

In my own State of Arizona, with its large reservation Indian population, the lack of funds is causing considerable difficulty to those public schools educating reservation Indian children.

These schools have experienced substantial increases in enrollment during the last few years. In fact, there has been a 56-percent increase in enrollment in the last 5 years, a trend which I fully expect to continue since nearly half of the Indian population in Arizona is under the age of 18.

Facilities which were designed to handle fewer students are now hopelessly inadequate. To alleviate the pressure, these schools have sought assistance for constructing the critically needed facilities under sections 14a and 14b, but funds allocated to these sections were insufficient.

This troubles me because Arizona alone, having the largest concentration of reservation Indians, requires $23 million to meet its current needs. Yet, with an appropriation of only $6 million, and under the spending priorities of Public Law 815, Arizona could expect only enough funds to meet the needs of perhaps 2 schools while 10 others who are eligible to receive funds would have to wait still another year.

Arizona is not alone with this problem. Other States with large reservations might receive funds for one school but most will receive no assistance at all. At the present time there are 39 projects eligible for funding with a total cost of $37 million. An appropriation of $6 million will not go very far to meet current needs.

Mr. President, because of inadequate funding many of these schools have had to acquire temporary facilities—some of which are considered substandard—adjust their programs, initiate double sessions, and make other arrangements. Together, these decisions are defeating the efforts of these public schools to provide a quality educational program for our Indian children.

This situation is made doubly critical by the fact that these schools are unable to provide needed facilities through their own resources, simply because the presence of large blocs of nontaxable reservation lands creates a limited tax base. Moreover, some schools have either exhausted their limited bonding capacity or cannot commit themselves to any further bonding program because of statutory restrictions.

Mr. President, our reservation public schools are being short changed by the inadequate funding of Public Law 815. These schools, often isolated geographically, and without sufficient local resources, are attempting to meet the challenging demands of Indian education. Yet, the Federal Government is failing to provide sufficient funds to meet what I consider one of its basic responsibilities. To many Indian children and their parents, the school is an important part of their everyday life, but the extent to which that educational experience is meaningful is determined by many factors not the least of which is the quality of the facility. In Arizona, for example, the Kayenta School District consists of 25,000 square miles of reservation Indian lands. The schools which serve the Indians of that reservation have experienced great difficulty in achieving their goals partly because present facilities are no longer capable of serving an expanded enrollment and new educational objectives. In addition to regular course work, there is a rising need for vocational education and career related programs. To deliver, the school needs new and better facilities to accommodate these additional objectives. If the Federal Government can deliver greater funds for section 14, then Kayenta might realize soon the facilities it needs now for teaching and for building greater self-esteem and confidence among its Indian students.

Mr. President, Congress, through Public Law 815, has declared it to be the policy of the United States to provide educational facilities to reservation public schools. This is a major commitment and this Congress has the opportunity now to renew its commitment to achieving that objective. The amendment that I am proposing is a modest one, but it would have the effect of doubling the amount of funds available to section 14 in this fiscal year. By expanding funding the Senate will have contributed to solving some basic problems which many reservation public schools are now facing. In a larger sense, we will be supporting greater educational opportunity for our Indian citizens.

In closing, Mr. President, I want to stress again the critical nature of the present situation. The enrollment in the public schools educating reservation based Indian children has increased over the past 5 years by a total of 23,502 students. In addition, these same schools are estimating an additional 19,428 students to educate within the next 5 years. This continuing pressure through increased enrollment makes the need for expanding Public Law 815 funds necessary.

The costs of education have risen as well, making local resources scarce for capital outlay projects. Enrollments and costs make the case for a strong Public Law 815 program, and I urge the Senate to adopt my amendment.

I trust the distinguished manager of the bill, the chairman of the committee, and the ranking Republican member of the committee will consider this great need and that they will be willing to accept the amendment.

Mr. COTTON. Mr. President, I already have discussed this amendment with my distinguished friend from Arizona. It is a good amendment; it is with respect to a worthy cause; it is needed. I admire and respect the Senator for pressing the amendment and I wish we could accept it, but this is the situation with which we are presented.

First, in the bill I believe there are funds enough for three schools. The Senator's amendment would add six more. If the amendment were agreed to—and I am sure the chairman of the committee agrees with me in saying that we want to save the bill and we want to play absolutely fair and square with every Member of the Senate—that would open the gate and other Senators are waiting with other amendments for groups like the Indians who need assistance. It would be easy to say that we will take the amendment to conference and then dump it in conference, but we want to face up to these things and be absolutely fair.

If we took all of these amendments, we would break the ceiling on the bill, and if we break the ceiling on the bill and if we send a large bill to the White House, the President would veto it. I know that. If the bill goes over the ceiling we have set for the bill, his veto would be sustained. So instead of getting nine schools, being the three he has plus the six additional schools, his State would end up with one school under the 1973 budget.

I think the Indians of the State the Senator so well represents and the State to which he is so faithful, should appreciate the fact that he is making this fight; but I also think they realize that it is better to have three schools than none. I hope the Senator will not press the amendment. It pains me because we cannot accept the amendment. If the bill passes as it is, with the provision against impoundment, at least the Senator would get three schools. If the bill is vetoed and we go back to the continuing resolution, he gets nothing.

In view of that practical situation I hope he can be convinced. The record will show that he has done his best with respect to this matter. He has talked to the ranking member, the chairman of the committee, with the ranking minority member, and with other members of the committee. He has fought hard for his amendment, and I wish we could go along with him but it boils down to the fact that if he would withdraw his amendment and if we can hold the bill within the ceiling, his State will get three schools. On the other hand, if we break the ceiling his State would get none.

Now, if we are unable to hold the line and this bill breaks out and other people get in on it, there is nothing to prevent the Senator from offering his amendment. But his amendment is the first amendment and with the understanding we are trying to hold the line, and the fact that he will have three schools, I hope the Senator will withdraw his amendment at this time.

Mr. FANNIN. Mr. President, before we proceed further, I ask that my colleague from Arizona (Mr. GOLDWATER), the Senator from South Dakota (Mr. McGOVERN), the Senator from Montana (Mr. METCALF), and the Senator from New Mexico (Mr. DOMENICI), be made cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I merely wish to say to the Senator from Arizona that I, too, applaud this proposal. But last year we provided $25 million, but only $15 million was spent. So $10 million is still in the pipeline. In order to help the Senator's proposal, we said in our report that we would make the amount 19, which adds 4. That is in order to help out the situation, because we have the Senator's letter, which we read. We said, on page 19 of the report, that we recommend $19 million. We said:

> Appropriation language has been included, giving high priority to school facilities for Indian children and for children livng on military installations.

So we have given high priority to school facilities for Indian children. That language is in the report.

Mr. FANNIN. I wish to express my deep appreciation to the manager of the bill, the distinguished Senator from Washington (Mr. MAGNUSON), the chairman of the committee, and to the ranking Republican member of the committee, the distinguished senior Senator from New Hampshire (Mr. COTTON). I agree with them that we do have a noble goal in mind.

I understand the situation completely. We do have this amendment. I am sure that other Members of the Senate, who are sincere, have the same feeling as I do. If the bill can be held within reason, certainly I do not wish it to be vetoed. I hope we can have a financially responsible bill for the President to sign. I commend both Senators who are taking the position they have taken. I will support them.

Mr. President, I ask that the amendment I have offered be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

CALL OF THE ROLL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. This will be a live quorum.

The PRESIDING OFFICER. On whose time?

Mr. ROBERT C. BYRD. Mr. President, I ask that the time be charged equally to both sides on the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 460 Leg.]

Aiken
Bible
Brooke
Byrd, Harry F., Jr.
Byrd, Robert C.
Cotton
Curtis
Fannin
Fong
Fulbright
Hughes
Magnuson
McGee
McGovern
Pell
Ribicoff
Tower

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion is agreed to, and the Sergeant at Arms is instructed to execute the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Biden
Brock
Buckley
Burdick
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Eagleton
Eastland
Ervin
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Mathias
McClellan
McClure
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Proxmire
Randolph
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Indiana (Mr. BAYH), and the Senator from New Hampshire (Mr. McINTYRE) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) and the Senator from Missouri (Mr. HUDDLESTON) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. DOMINICK), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. SAXBE) and the Senator from Pennsylvania (Mr. HUGH SCOTT) are necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The PRESIDING OFFICER. A quorum is present.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator from Nevada yield me 2 minutes?

Mr. BIBLE. Mr. President, I am delighted to yield 2 minutes to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate is not in order. The Senate cannot proceed with its business until the Senate is in order. The Senate is not in order.

Mr. ROBERT C. BYRD. Mr. President, my time is running.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Will Senators take their seats so that the Senator from West Virginia may proceed?

The Senator from West Virginia may proceed.

Mr. ROBERT C. BYRD. Mr. President, there is no disposition on the part of the leadership or on the part of the managers of the bill on both sides of the aisle to rush this bill through the Senate with great haste. At the same time there is no disposition on the part of the leadership or on the part of the managers of the bill to allow undue delay, if it is at all possible to avoid it, in the passage of this bill.

The managers of the bill have brought to the Senate a remarkable bill. The members of the committee and the managers are to be highly commended on ironing out the differences to the point that a bill is here which most Members feel is somewhat veto-proof. The bill hopefully will not be vetoed, but, if vetoed, if not amended further, the veto would possibly be overridden.

So the leadership has put on the cloakroom phonelines messages twice already on this side of the aisles urging Members to come to the floor and be prepared to offer their amendments. If not, the leadership and the managers are going to press for third reading.

That was the reason for the live quorum, so that Senators may be adequately notified that the leadership and the managers of the bill will be ready to have third reading very soon.

No one wants to shut anyone out if he has an amendment. However, I must say that this may be the last chance.

Mr. COTTON. Mr. President, I appreciate the words of the Senator from West Virginia.

If the bill is not amended further, I cannot understand the President's not signing it. If not amended further, we will save what we have in the bill. I hope that there will not be any further amendments.

Mr. President, having expressed that hope, I offer an amendment. This is simply an amendment in form.

Yesterday in the continuing resolution that was passed in the Senate, dealing in the 90 percent and the 110 percent for the ESEA title I funds we added the words "and local education agency."

That "and local education agency" is not in this provision in the bill.

So I offer an amendment as follows: On page 17, line 18, delete the word "aggregate" and after the word "State" insert the following: "and local education agency".

This is really to bring this original bill in conformity with the wording of the continuing resolution passed on yesterday.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

On page 17 line 18 delete the word "aggregate" and after the word "State" insert the following: "and local education agency."

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senate is not in order. The Senator from New York will be recognized as soon as the Senate comes to order.

The Senator from New York may proceed.

Mr. JAVITS. Mr. President, who has the time in opposition to this amendment?

The PRESIDING OFFICER. The manager of the bill would have the time in opposition.

Mr. JAVITS. Is the manager opposed?

Mr. MAGNUSON. I just came in. Does the Senator have an amendment to this bill?

Mr. JAVITS. I do not, but the Senator from New Hampshire (Mr. COTTON) has just proposed one.

Mr. COTTON. It does not make any difference. Either of us will be glad to yield the Senator time. Under the unanimous consent agreement the Senator has 15 minutes.

Mr. MAGNUSON. There is a half hour on each amendment, but we can yield anyone time. There are 10 or 12 hours on the bill. I do not think I could even think about talking over an hour, or 15 minutes, or 5 minutes, depending on the amendments. If there are no amendments, we can finish this bill today. I am going to oppose any amendment that adds anything to the amount, and the Senator from New Hampshire is going to do the same, and I think the full Appropriations Committee will also.

Mr. ROBERT C. BYRD. Mr. President, in response to the question of the Senator from New York, the minority leader or his designee would have control of the time in opposition.

Mr. COTTON. The Senator has 15 minutes.

Mr. JAVITS. Mr. President, I do not quite understand the answer to my inquiry. As I understand it, there is what—an hour or a half hour on the amendment?

The PRESIDING OFFICER. Thirty minutes on each amendment.

Mr. JAVITS. The Senator from New Hampshire says I have 15 minutes. I do not gather that from the Chair.

Mr. MAGNUSON. All right, I will yield the Senator 15 minutes.

Mr. JAVITS. As I understand the practice, if the party having the time is for the amendment, then someone may claim the time in opposition, and all I am doing is rising to claim the time in opposition.

Mr. COTTON. Under the unanimous-consent agreement, the opposition time is in the hands of the minority leader or his designee.

Mr. ROBERT C. BYRD. And Mr. COTTON is his designee.

Mr. JAVITS. Will the Senator yield me 15 minutes?

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). If the Senator will yield, the Chair will read the proviso in the unanimous-consent agreement:

> *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Mr. JAVITS. Mr. President, we have settled the question adequately.

Mr. President, on yesterday we debated this particular issue, and I have been around here long enough to know that you do not go at it again. We debated it, as a matter of fact, and voted on it twice, so that I am confident this is the will of the Senate, that is, to go the way of the Senator from New Hampshire.

But what I do not think we got yesterday, which I think we need, is some kind of a chart that indicates how States would do in respect of this amendment as compared with the other alternatives. The debate yesterday pretty well boiled down to who is going to do what to whom, without the terminal point of as the saying goes, who gets the $2, which is a lot more involved.

In any case, we had a chart which indicated that under the so-called Quie amendment—which this would replace in this bill, though the Quie amendment only applied to the continuing resolution—which was an 85 percent hold harmless for local districts which would lose, this measure proposes to restrict districts which would gain because of increased eligibility, by limiting them through putting on a ceiling as well as a floor.

What I would like to ask the proponent of the amendment and the manager of the bill is, How does it work out? In other words, what does each State get as compared with the chart which we put in the RECORD yesterday, and which I could offer again today, as to what would happen in the stop-loss to the extent of 85 percent under the Quie amendment? That is point one.

The second question I would like to ask the distinguished author of the amendment, who was successful yesterday with the same amendment, is what will this cost the Treasury? In other words, the objection, as I recall it, yesterday to Senator BENTSEN's amendment was that it would cost an additional $117 million. The advantage of the Quie amendment was that it would cost nothing additional.

Now the question is, where do we stand in this respect? So there are two questions. First, how is each State effected by comparison with the Quie amendment, and, second, what is the overall additional cost of everything with respect of the aggregate appropriation, if any?

Mr. COTTON. It is my understanding that this amendment would cost nothing. It is just simply a rearrangement of the money which is available, but to the extent of limiting the gain to 10 percent and the loss to 10 percent.

In answer to the Senator's first question, 8 States would lose under this arrangement, comparatively small amounts, which I could furnish, but only 8 States would lose anything compared with what they had last year, and those States are Alabama, Arkansas, Kentucky, Tennessee, South Carolina, Georgia, Mississippi, and one more. I shall try to furnish the name of the other State. It is not New York.

West Virginia is the other.

Mr. JAVITS. West Virginia?

Mr. COTTON. Yes.

Mr. JAVITS. Is that by comparison with the Quie amendment, or by comparison with existing law?

Mr. COTTON. By comparison with what they had last year. Excuse me, by comparison with what they had in 1972.

May I add, for the benefit of the Senator from New York, that the only reason we did not have on the desk of every Senator this chart—may I have the Senator's attention?

Mr. JAVITS. Please.

Mr. COTTON. This chart—in the first place, we have had so many charts come up from the Office of Education that we wanted to make sure this was correct. It has been verified as correct and was put in the RECORD yesterday, so it is in the issue of the RECORD that the Senator has today, for all the States.

Mr. JAVITS. Mr. President, the other question I would like to ask the Senator is, Why the fiscal year? The Senator used the term "last year." Last year, as I understand it, was fiscal 1973.

Mr. COTTON. No, I corrected that. I guess the Senator may have been distracted and did not hear me. It is the amount they had in fiscal 1972, which was continued.

Mr. JAVITS. Fiscal year 1972 ended on June 30, 1972; is that correct?

Mr. COTTON. That is true.

Mr. JAVITS. All right; should not the Senator's amendment be amended to make it fiscal 1973?

I will give the Senator the reason for that question. We understand—and this includes my own State and may include many other States—that many local educational agencies, could lose more than 10 percent because the standard adopted is the fiscal year 1972 instead of the fiscal year 1973. So if we are going to go for a ceiling and a floor, let us at least go for the ceiling and the floor for the last actual year, which is fiscal year 1973.

May I know from the Senator why he does not do that?

Mr. COTTON. Yes. I will be very pleased to say why I do not do that. In the first place, the amount actually received in fiscal 1973 is because of the terms of the continuing resolution, which was the amount of the fiscal year 1972. Now, if there had not been a continuing resolution and if fiscal year 1973 had followed the census estimates. I assume it would have made a difference. But, under the circumstances, yesterday afternoon, when we were debating the problem of the continuing resolution, what every Senator wanted to know for the sake of his State was whether his State would lose under the proposal of the continuing resolution and, if so, how much.

That is what is in this table.

Now there is a practical reason, and I call it to the attention of the Senator.

Mr. President, I yield myself 3 minutes on the bill to await the time the Senator from New York can give me his attention.

Mr. JAVITS. I am so sorry but if I may explain, I am not impolite. I have a luncheon appointment at 1 o'clock——

Mr. COTTON. I understand. The Senator wants to make sure of his ground. I was not reproaching the Senator.

Mr. JAVITS. So, here I am.

Mr. COTTON. I assume he heard what I said so far?

Mr. JAVITS. I did.

Mr. COTTON. I call the attention of any Senator here to the fact that on page 32760 of yesterday's CONGRESSIONAL RECORD there is printed the table from which we are working.

There is a very practical reason, I will say to the Senator from New York, why the Senator from New Hampshire hopes, and hopes desperately, that we are not going to get into the situation of changing what was voted on yesterday when we passed the continuing resolution. I hope we can avoid going into the situation of figuring out what would happen if we used what would have been received had the census estimates for fiscal 1973 been used instead of what was actually received by the States based on 1972. That is what they have been receiving. The table shows how it would compare if this formula is adopted. If we get into that situation, we will open up the whole bill and the States will receive exactly what they got before, and no more. If we open up the bill, and we have succeeded so far in that every Senator who had an amendment has been willing to forego calling up his amendment so that we could send the bill to conference without any additions from the floor—if we do that, I, for one, fail to see, after it comes out of conference somewhere between the House and Senate—which will be less than the Senate—I fail to see how the President could possibly veto the bill.

If we start adding on this floor and open it up by adding just a single amendment, we will have some more, as every Senator must be treated alike, of course, and we will be blowing up the bill. I have information—that I can say to you, Mr. President, is the absolute fact—that it will be vetoed. The question will only be, will we pass it over a veto. I cannot imagine the President not signing the bill if we send it to conference without adding anything on the floor. If he did, I cannot imagine his veto being sustained. But if we open this up, then do not worry about the table, the States will get nothing except what is under the continuing resolution.

Mr. JAVITS. Mr. President, may I say, first, that what is under the first continuing resolution may not be all that horrendous compared to what the Senator wants to do with the States. Quite a few States will do better under the continuing resolution than under the 90 and 110 percent limits. By the way, that includes my State. I can give the Senator a list of other States.

Mr. COTTON. I was referring to the continuing resolution we passed, which was a temporary one.

Mr. JAVITS. I am now talking about comparison with the 100 percent hold harmless based on the State floor.

Mr. COTTON. I am talking about the continuing resolution which by a vote of 52 to 43 adopted the 90 and the 110.

Mr. JAVITS. That is correct. I appreciate that. We have that in the continuing resolution. What the Senator is offering is no more than this. If this is vetoed, or not, that is in the continuing resolution. I do not think we can do any worse. We are doing pretty badly already, in my judgment. But the point I do not see is the argument which the Senator has made, that they would do better under his proposition, which he won yesterday—and I give him all credit and honor for winning——

Mr. COTTON. I did not win.

Mr. JAVITS. The Senate voted with him and followed his point of view.

We have a somewhat different situation here. The 100 percent hold-harmless applies to the States. Yesterday, we unraveled—and the Senator and others were kind enough to say that I helped with the semantics so that everybody could understand what this was about—but we unraveled the problem relating to the States and the local educational agencies.

Yesterday, we made a very important shift. We not only gave a hold harmless provision for the States, but we gave a hold harmless provision for the local educational agencies. Yesterday we also made another change in this and put a ceiling on. What I am saying now, therefore, is that as we have changed the direction and with the same amount of money—there is no difference in the money—but in order to make the thing as fair as possible, having changed direction for the first time, we also admitted the local educational agencies.

I believe it would be desirable and wise to go to the 1973 standard. We are changing anyhow. We are accepting a totally new principle. If we are going to go for a new principle, why arbitrarily apply that principle to a population base, and so forth, which is for a fiscal year preceding the last one? Why do we not go to the preceding fiscal year?

Mr. COTTON. May I say this to the Senator from New York. Of course he understands I thought that this was really a pro forma amendment—because we did not have his very good suggestions in the bill—to have the bill conform to what we accepted yesterday afternoon.

In reply to the second question, which implies that we should go on making further changes or go to 1973 instead of 1972, the base is slightly different in 1972. That is what the States have been receiving their money on. It is slightly different from 1973. It might make the difference of $12 million.

Mr. JAVITS. Right.

Mr. COTTON. But that $12 million would all go to a certain section of the country and I would think that if anyone is going to raise that issue, I would think that my friends across the aisle had better answer that, Senator, because it involves States below the Mason-Dixon line.

Mr. JAVITS. Assuming the Senator is right in the pragmatic decision, let me ask this question: What difference does the local educational agency aspect of the Senator's amendment make in that regard? In other words, the Senator mentioned the word "State." If we apply the Senator's standard, which now goes to State and local educational agencies, what is the difference we are really talking about? Could the Senator's experts tell us that?

Mr. COTTON. It is my understanding, from the advice I have had from our staff—and if the chairman of the committee has a different understanding, I am sure he will promptly tell the Senator from New York—that the State figures are all exactly the same.

Mr. JAVITS. And the local educational figures?

Mr. COTTON. We have added local educational divisions. It is my understanding that the word "State" is exactly what the Senator from New York ably explained yesterday. It is simply an aqueduct——

Mr. JAVITS. A transmission belt.

Mr. COTTON. Actually, it is the local educational districts that either win, lose, or draw with regard to this.

Mr. JAVITS. May I say to my friend and colleague that I am going to go with him, because I think that is the temper of the Senate. I do not agree, but that is neither here nor there. I ask him this, as an honest man and as a fine Senator: Will he study this question? It will be in conference, because the House has another standard. Will the Senator study carefully this question of 1972—73, for this reason: My staff, which is on the substantive legislative side, informs me that some districts, some local educational agencies, may lose more than 10 percent because of this use of fiscal year 1972. All I ask the Senator from New Hampshire and the Senator from Washington (Mr. MAGNUSON) is to look it over carefully from that point of view. I do not think we can settle it now, because I am sure the Senators will have the best figures they can get. All I ask the managers of the bill is to look it over carefully, to see whether, by making it 1973, more equity would be done.

Mr. COTTON. The chairman of the committee, by nodding his head, has authorized me to say that he will agree with the Senator from New York, that most certainly we will look it over carefully and have our staff look it over carefully. I will go further and say that we will have our staff consult with the staff of the Senator from New York and thresh out this matter, so that we will know what we are doing when we get to conference.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, will the Senator yield me 1 minute?

Mr. COTTON. I yield.

Mr. JAVITS. I have a couple of amendments to the bill. If the Senator from Washington will yield me a little time when this amendment has been disposed of, rather than proposing the amendments—because I understand what he wants to do, and I am very sympathetic to it—I should like to discuss with him the problems I have here and see what he thinks about them.

Mr. MAGNUSON. I will yield such time as the Senator needs.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. COTTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BARTLETT. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 21, line 24, insert the following: Strike $176,709,000 and substitute $181,709,000.

Mr. BARTLETT. Mr. President, this proposal would amend the Higher Education Act, title II, and increase the funding in the committee bill from $15 million to $20 million. There was a reduction of $2,857,000 from the current, or 1973, actual funding in the committee proposal. This proposal would permit full funding of the college library resources program, which is a matching program for providing books in libraries throughout the country. It would not, of course, have great impact on the large universities, although they could avail themselves of it, also.

For example, in Oklahoma there are 40 colleges which can participate in this program, and this would permit full funding, so that each of the colleges and universities could receive the full $5,000 matching.

In addition, it would permit the training program to be increased from $3 million to $4 million, and the research program from $1.5 million to $2 million.

In addition, it would provide some three-quarters of a million dollars for special funds for coordinating programs of the larger university libraries with the smaller ones, again giving the poor college an opportunity to have more books available.

It also would permit money in this fund to be spent for those colleges in greatest need. One thing I have always felt has been short-sighted is that when we start tightening our belt in educational programs, the first place people look to is libraries.

Libraries provide an educational opportunity and experience not only for those in school at every level but also for those who either have not gone to school or who have graduated.

The purpose of this amendment is to provide full funding so that those colleges which do have libraries that are not sufficient for their needs can better fulfill those needs.

H.R. 8877, as reported by the Senate Appropriations Committee, includes $176,709,000 for library resources. I wholeheartedly support the committee's recommendation to continue funding the library programs, although the fiscal year 1974 Budget recommended their termination.

I am greatly concerned, however, about one of the library programs—title II of the Higher Education Act. This title authorizes a college library resources program, and programs for training and research in librarianship and information science. A year ago, in the Education Amendments of 1972—Public Law 92-318—Congress amended the law to make it clear that colleges and universities are entitled to a basic library resource grant of up to $5,000, providing they meet certain maintenance of effort and matching requirements. This means that some 2,600 colleges and universities throughout the entire Nation are eligible for next year's $5,000 basic library resource grants. To provide each one with such a grant would require a fiscal year 1974 appropriation of at least $13,000,000 for HEA II, part A. For fiscal year 1973, the administration recommended, and Congress appropriated, $12,500,000 for the II-A library grants, in the supplemental bill signed into law last October—Public Law 92-607.

In my own State of Oklahoma, for example, the U.S. Office of Education has reported that 34 colleges and universities received a total of $165,200 in basic matching grants for their libraries in fiscal year 1973. And yet, according to the law, at least 40 institutions in my State are eligible for the grants, and should be receiving them providing they do not cut their own spending for library resources. The National Library Association estimates that virtually every eligible college and university will apply for the grant in 1974.

For fiscal year 1974, however, the committee recommends only $10,500,000 for the library grants program, a $2,000,000 cutback from the fiscal year 1973 level. The result of such low funding will mean that all our colleges will not be able to receive even the sum of $5,000 to which they are entitled. Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks a table showing for each State the estimated number of institutions eligible for the basic library grant.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. BARTLETT. The basic $5,000 grant is not a large sum of money, and in fact, the Department of Health, Education, and Welfare justifies its recommended elimination of the basic grant program for this very reason. "Meaningful levels of assistance" cannot be provided, they say. It is my opinion, Mr. President, that by such reasoning they have missed the whole point of the basic library grants.

First of all, the college must match the $5,000. This means that the library receives $10,000 for the purchase of library resources, one-half from the institution and the other half from HEW. The costs of periodicals, books, and journals rise each year—Publishers Weekly reports now that the average cost of a hardback book is almost $13—the Nation's colleges and universities at the same time face increased demands for new library resources as new curriculums are devised and new areas of study introduced. It is true that $5,000 is a small sum of money, but it makes an important difference to our college and university libraries.

Title II also provides grants for training persons in the field of library science. Grants may be used for fellowships, traineeships, and research programs. My amendment will increase this program from $5,357,000 in 1973 to $6,000,000.

Title II of the Higher Education Act also authorizes special purpose grants which encourage university libraries to develop cooperative arrangements with other libraries, so that the libraries of many institutions pool resources and supplies to serve the students and faculty of all the institutions involved. The trend toward interlibrary cooperation is an important one that must be continued and expanded so that costly duplication can be eliminated and the resources of many libraries can be made available to the patron of any given library. Special purpose grants for this purpose can only be awarded, according to the Education Amendments of 1972, after all the basic grants are satisfied. Therefore an appropriation of only $10,500,000, for college library resources as the committee recommends, neither allows the basic grants to be satisfied nor does it allow the awarding of any special purpose grants.

For this reason, I am offering an amendment to increase the college library appropriation to $20,000,000. This is a $5 million increase over the committee recommendation, and it would allow all eligible colleges and universities throughout the Nation to receive the basic grants to which they are entitled, and in addition there would be $1 million with which to fund the special purpose grants.

Without the increase, the Office of Education will have to deny some schools the $5,000 grant or the basic grant will be reduced for every school in our country. With the financial straits of all our institutions of higher learning, they cannot be expected to meet the slack of reduced Federal assistance.

Libraries are an essential building block in the educational process. I urge Congress to meet this need and approve this important increase.

Mr. President, I hope this amendment will be accepted. I realize that it is a small increase, but it is well within the amount that was cited by the ranking member of the committee to be the amount that would be acceptable to the President, in his opinion.

I reserve the remainder of my time.

Exhibit 1

HIGHER EDUCATION ACT—TITLE II-A, ESTIMATED BASIC GRANT ENTITLEMENTS FOR COLLEGE LIBRARY RESOURCES

	Number of institutions [1]	Estimated entitlement [1]	Enrollment [1]
Alabama	51	$255,000	118,435
Alaska	3	15,000	11,698
Arizona	20	100,000	123,722
Arkansas	19	95,000	53,853
California	217	1,085,000	1,310,758
Colorado	32	160,000	127,842
Connecticut	46	230,000	130,960
Delaware	7	35,000	28,248
District of Columbia	20	100,000	80,565
Florida	64	320,000	255,916
Georgia	61	305,000	140,743
Hawaii	13	65,000	42,418
Idaho	9	45,000	34,536
Illinois	138	690,000	483,195
Indiana	44	220,000	201,424
Iowa	54	270,000	109,454
Kansas	52	$260,000	107,973
Kentucky	36	180,000	108,047
Louisiana	23	115,000	134,409
Maine	17	85,000	34,551
Maryland	48	240,000	167,773
Massachusetts	118	590,000	319,856
Michigan	87	435,000	407,338
Minnesota	59	295,000	157,291
Mississippi	41	205,000	80,265
Missouri	70	350,000	188,881
Montana	12	60,000	28,081
Nebraska	27	135,000	66,054
Nevada	6	30,000	17,271
New Hampshire	19	95,000	28,294
New Jersey	58	290,000	241,189
New Mexico	11	55,000	47,953
New York	225	1,125,000	851,273
North Carolina	113	565,000	193,389
North Dakota	12	60,000	29,765
Ohio	101	505,000	385,581
Oklahoma	40	200,000	121,927
Oregon	40	200,000	123,322
Pennsylvania	146	730,000	429,838
Rhode Island	13	65,000	49,320
South Carolina	46	230,000	93,771
South Dakota	16	80,000	28,909
Tennessee	62	310,000	147,299
Texas	134	670,000	487,028
Utah	13	65,000	82,277
Vermont	18	90,000	25,712
Virginia	70	350,000	177,089
Washington	43	215,000	192,062
West Virginia	24	120,000	64,665
Wisconsin	58	290,000	217,114
Wyoming	8	40,000	17,551
Total	2,664	13,320,000	9,106,885

[1] Based on 1972 USOE higher education statistics.

[2] Educational amendments of 1972 (Public Law 92-318) mandate a matching basic grant of up to $5,000 for every eligible institution. Actual entitlements may be higher than shown because multicampus institutions are eligible for multiple basic grants.

The PRESIDING OFFICER. Who yields time?

Mr. COTTON. I yield myself 1 minute.

I know the Senator from Oklahoma made the remark unintentionally, but never have I said that this ceiling put on by the chairman of the committee was acceptable to the President. Quite the contrary. I said that if we could hold it under that ceiling, I did not see how the President—particularly since we did not add any money in the Senate—would veto the bill. But I did not say it would be acceptable to the President. To the contrary, I was told it was not.

Mr. BARTLETT. Will the Senator yield to me long enough for me to change my remarks in accordance with what the Senator has stated?

Mr. MAGNUSON. Mr. President, even if there was not talk about a veto here, I would reject this amendment. I think we put as much in there as we could. All these programs are attractive, and there would not be any college library program at all if the Senator from New Hampshire and I had not put in enough to get by with every year. We put enough money in here for this purpose. I know that every college library has called me about it. We hear from them all the time. This is enough. I believe that next year we are going to bear down on the library programs, particularly library programs which are a little skimpy.

I hope the Senate will not adopt this amendment. We will take another look at it. We did put sufficient money in the bill. For the record, there is $10.5 million for college library resources. Last year, we had $12.5 million, and part of it was just released recently.

The PRESIDING OFFICER. Who yields time?

Mr. BARTLETT. Mr. President, I should like to point out to the distinguished Senator from Washington that the committee bill is a reduction in the figures I have of $2,857,000 in part A and part B of title II, because it is anticipated that every college will avail itself of the matching, and that this will result in a reduced amount in even greater proportions to the colleges around the country.

The amount in the bill does not provide any money that would be available in the special fund. My proposal would put only $750,000 in that fund but, nevertheless, that would recognize that some colleges with special needs, and there are many, as the chairman recognized, could be given special treatment in a small way. This would start a program that is very worthwhile. It has not been funded in recent years. Also it would permit the opportunity for coordination with other libraries in a greater way to benefit the smaller ones.

I hope my colleagues will support the proposal. It is very modest, but it will do much in an area that will reach more people in education than probably any other area.

Mr. COTTON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, first, I congratulate the Senator from Oklahoma. For a number of years, and I am happy to mention his name because many of us knew him and were very fond of him and miss him, the former Senator from Delaware, Senator Boggs, was before us every year fighting for the library money. We were happy to aid him. Now, he apparently has a worthy successor for a worthy cause. I am glad the Senator is taking up that matter because it is highly important.

The fact is that the House went over the budget by $15 million; we took the House figure, which is $15 million beyond the budget. We added $10 million for school libraries. So the committee has been exceedingly liberal.

I thank the Senator from Oklahoma for being kind enough, after I explained to him that we were trying to hold this bill without adding any money, to say that he was under an obligation to call up the amendment and have a vote thereon, but that he would not ask for a rollcall vote and take the time for the yeas and nays. I think that is most courteous and cooperative of him.

Mr. President, I hope we can yield back the time and have a voice vote.

Mr. MAGNUSON. I yield back my time.

Mr. BARTLETT. Mr. President, I yield myself 1 minute.

I have found from my experience in Oklahoma, and I think this would apply in the State of Washington, and the State of New Hampshire—there are 43 colleges in Washington, 19 colleges in New Hampshire, and 40 in Oklahoma—that these libraries play a very useful role also in running a bookmobile program to reach the rural areas and depressed areas. In that way education is available to those people who are thirsty for knowledge and want additional opportunities to improve themselves. It is an opportunity that is available in no other way.

Mr. President, I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was rejected.

Mr. DOLE. Mr. President, I send to the desk an amendment and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 19, line 7, strike out "65" and insert in lieu thereof "50."

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I shall take only a few moments. First, I commend the chairman of the committee and the ranking Republican member of that committee for their attitude of hold the line on amendments. That is why I have an amendment that does not cost anything. It merely changes the fund distribution formula.

With that basic understanding or premise, I hope we might be able to work out something on this amendment. The Senator from Arizona offered an amendment earlier that I supported, which would have increased the appropriation, but that amendment was withdrawn after discussion with the managers of the bill on the floor.

Mr. President, this amendment would provide that no more than 50 percent of the funds made available for providing school facilities under this section would be used to fund section 5 applications.

The 815 school facilities construction program is divided into two parts. Section 5 provides for construction of school facilities on military reservations and section 14 provides for construction of school facilities on our surviving Indian reservations. In the past, construction funds made available under Public Law 815 were divided among the military and Indian applications according to the volume of applications received from each sector. If military applications comprised 80 percent of the applications submitted, the military program—section 5—would receive 80 percent of the 815 construction funds.

This year the appropriations bill contains provisions to assure that no more than 65 percent of the 815 construction funds can go to fund military—section 5—applications, reserving at least 35 percent of the funds for section 14 Indian applications. As worded, the bill states that at least 35 percent of the moneys will go to Indian applications. This would seem to indicate that more than 35 percent of the appropriated funds could be spent on Indian applications if a need was demonstrated.

The problem is that the Department continues to base its determination of the funding needs of the military and Indian sectors on the volume of the applications rather than the severity of need demonstrated by the applicants.

The severity of the need for additional school facilities which each applicant demonstrates is indicated by the priority index assigned to each application within section 5 and section 14, the projects are funded in order of priority with those having the highest priority index being funded first. The priority index for both the military and Indian applications are determined in the same manner, and therefore serve as a basis for comparing the needs of the applicants and the relative need for funds for the section 5 and section 14 school facilities construction programs.

I have developed a list of the applicants under the section 5 and section 14 program by the HEW Director of School Assistance in federally affected areas, and I ask that this list and a letter from Mr. Cherry be included in the RECORD. The list demonstrates that the records of the Department show a much greater need for facilities among the top Indian applications than exists among the military applications. In fact, the top 10 Indian applications all have a priority index higher than the highest section 5 military application. For this reason I am introducing an amendment which would assure that 50 percent of the Public Law 815 school facilities funds be allocated to section 14 applicants during the coming year. This adjustment would take into consideration the extreme need for facilities demonstrated by the existing Indian applications and concentrate Federal resources in the coming year on meeting this extreme need. It would have no impact on future year funds, and in fact if in the coming years section 5 applications indicated a greater need, this need should be given priority consideration.

I have a particular interest in this matter because of the pending application submitted by the Powhattan, Kans., School District.

The Powhattan Community is located near the Kickapoo Indian Reservation in northeast Kansas. In recent years, Indian housing developments on the reservation have increased the Indian enrollment at the Powhattan School. To meet the educational needs of this increasing enrollment, the school has developed an outstanding program oriented toward the special learning needs of the community children, and in particular the Indian children. A cooperative working relationship has evolved between the community and the Indian population with the real beneficiary being the schoolchildren.

This cooperative program is now being threatened because the Powhattan School Building has deteriorated and is no longer safe for occupancy. Under State law, closure could come at any time. It is therefore necessary that the Federal Government act promptly if this excellent program is to be sustained. The Powhattan 815 application has been pending for some time, and although it has a high priority for funding, appropriations have not been adequate to assure its approval.

Mr. President, I supported the amendment offered and later withdrawn by the distinguished Senator from Arizona to increase the funding level for the 815 facilities program. I also encouraged and strongly support the language in the committee report to replace whatever funds are utilized from the 815 program for disaster relief. But I also feel that the amendment I propose is reasonable and should be adopted considering the relative needs of the applicants under this program. I therefore would ask that my colleagues join in support of this measure.

I have never come to the Chamber with a stack of amendments, as the managers of the bill know, but I believe by changing this formula we could take care of some of the questions raised by the Senator from Arizona, as well as accomplishing the purpose of my amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of a resolution from the Kickapoo Tribe, certain tables relating to Indian and military school construction project applications, and a letter from the Department of HEW on this matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED TRIBES OF KANSAS AND SOUTHEAST NEBRASKA

Whereas, The United Tribes of Kansas and Southeast Nebraska, the Iowa, Kickapoo, Potawatomi, and Sac and Fox, have adopted a constitution and bylaws which was approved by duly elected representatives of the tribes on October 27, 1971, and

Whereas, The Powhattan School District No. 510 is in need of a new high school building to alleviate the overcrowding and substandard conditions that presently exist at their high school, and

Whereas, The overcrowding conditions have been caused by the large increase in enrollment of Indian children that was brought about by the construction of Mutual Help Homes constructed in the school district by the Kickapoo Tribe through the Kickapoo Tribal Housing Authority, and

Whereas, The total enrollment of the Powhattan School is comprised of fifty (50) percent Indian students and the Kickapoo Tribe prefers that Kickapoo children continue their education in the Powhattan School District due to the low dropout rate and high degree of success achieved by the Indian students, and

Whereas, The Kickapoo Tribal Council has requested the support and assistance of the United Tribes of Kansas and Southeast Nebraska in their efforts to obtain Federal funds from the Bureau of Indian Affairs and other Federal agencies to partially finance a new high school building for Powhattan School District No. 510 due to the large number of Indian students enrolled in said school district.

Now, therefore, be it resolved that the United Tribes of Kansas and Southeast Nebraska concur in the need for a new high school building for Powhattan School District No. 510 and fully support the Kickapoo Tribe of Kansas in their efforts to obtain funds to assist in the construction of a new high school to serve all students, and

Be it further resolved That copies of this resolution be forwarded to Congressman William R. Roy, Senator James Pearson, and Senator Robert Dole, and the Commissioner of Indian Affairs to request their support in this endeavor by the Kickapoo Tribe of Kansas.

INDIAN SCHOOL CONSTRUCTION PROJECT APPLICATIONS

School and State	Priority index
1. Gallup McKinley: New Mexico	158.0
2. Sacatan: Arizona	130.0
3. Brockton: Montana	128.8
4. Powhattan: Kansas	113.0
5. Monument Valley: Arizona	100.4
6. Gallup McKinley: New Mexico	100.4
7. Kayerter: Arizona	96.0
8. Nelt Lake: Minnesota	78.9
9. Yurers: South Dakota	70.4
10. Taholah: Washington	67.9

MILITARY SCHOOL CONSTRUCTION PROJECT APPLICATIONS

School and State	Priority index
1. Talihina District: Oklahoma	66.4
2. Lyman District: Wyoming	61.8
3. Palominas District: Arizona	53.8
4. Mountain Home District: Idaho	50.8
5. Mineral District: California	51.4
6. San Francisco: California	48.4
7. Union: Illinois	48.4
8. Wesclin District: Illinois	45.6
9. United District: Texas	44.1
10. Page District: Arizona	41.5

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., September 21, 1973.
Hon. ROBERT J. DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: This is in response to the request, September 20, made by William Wolford of your staff for current listings in priority rank order of Public Law 81–815 applications. The enclosed lists are due to be modified within the next few weeks to: (1) incorporate applications received subsequent to the February 14, 1973 cutoff date for receipt of applications, and (2) reflect firm processing of applications occurring since March 1973. Penciled corrections on list II reveal some of the changes which will appear on the revised listing which will become available in October.

Enclosed are the following lists (Revised July 1973) of applications by:

I—Order of priority Indices and funds needed—Sections 5 and 14(c), (Section 9 applications listed separately);

II—Order of Priority Indices and funds needed—Subsections 14(a) and 14(b); and

III—Order of Priority Indices and funds needed—Section 10.

Sincerely yours,

GERALD M. CHERRY,
Director, School Assistance in Federally Affected Areas

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECS. 5 AND 14(c)

Project No. and applicant	Priority		Funds needed	
	Tent.	Firm	Tent.	Firm
Okla–72–C–434: Talihina I.S.D. No. 32 (sec. 14c).**		66.4		635, 170
Wyo–1601A18: S.D. No. 6, Lyman**		61.8		82, 302
Ariz–502A21: Palominas Common S.D. No. 49.		53.8		53, 618
Calif–1803A20: Mineral E.S.D. (W.)**		51.4		18, 297
Idaho 201A20: S.D. No. 193, Mountain Home (W.).		50.8		337, 250
Colo–74–C–206: El Paso Co., S.D. No. 8, Fountain.		50.4	Sec. 8—848,000 Sec. 5—1,734,000	2, 632, 800
Calif–246B20: San Francisco Unif. S.D. (Treasure Island Waiver).		48.4		510, 283
Ill–1704A19: Union S.D. No. 81, Joliet		47.4		54, 375
Ill–1101A19: Wesclin Comm. U.S.D. No. 3		45.6		259, 335
Tex–1801A20: United Cons. I.S.D., Laredo		44.1		587, 182
Ariz–708A21: Elementary S.D. No. 8, Page		41.5		210, 820
Ill–1703A19: Braceville E.S.D. No. 75		41.4		41, 310
Calif–209A19: Long Beach Unif. S.D. (W.)		38.2		693, 148
Ala–1401A20: Daleville City Board of Education.		37.9		297, 990

**Sec. 5 and 14(c) applications not militarily or Indian impact listed separately; sec. 9 applications listed separately.

Mr. MAGNUSON. Mr. President, in order that the record may be clear, the committee provided $19 million for construction. That, together with $10 million from last year brings us to $29 million. That money is to be distributed to both military and Indian children. I do not think we want to discriminate against any group, but the formula has been wrong. With the Senator's amendment, the formula would be more equitable.

If the Senator from New Hampshire is willing, we will take the amendment to conference. I wanted to clear up the amount. I know the Senator from Kansas and the Senator from Arizona will be very helpful in this matter. We will do what we can to have distributed the $10 million that has been impounded. That is why the priorities have been wrong.

Mr. COTTON. Mr. President, we have in the bill a provision that provides for release from impoundment. If the bill passes, and if we do not lose the bill, which we are trying not to do, that will take care of that. I agree this does not add a cent to the bill but it makes it more fair and desirable. I agree to accept the amendment.

Mr. DOLE. I thank the distinguished Senators.

Mr. COTTON. Mr. President, I yield back my time, if I can be made an honorary member of the Kickapoo Tribe.

Mr. MAGNUSON. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Mr. JAVITS. Mr. President, will the Senator yield to me for 10 minutes?

Mr. MAGNUSON. I yield.

Mr. JAVITS. Mr. President, in the spirit in which we discussed the amendment respecting school aid under the ESEA, I would like to raise another subject with my colleagues in which the Senator from Maryland (Mr. BEALL) and I are both interested, which comes out of the legislative responsibility of the Committee on Labor and Public Welfare. I refer to the National Institute of Education.

It will be noted that the Senate committee made a most unusual cut in terms of amount in the appropriation for this particular institute over that made by the House. The House allowance was $142 million. The Senate cut it to $75 million, and the decrease was about 50 percent. That is $67 million.

Such a very drastic cut needs to be justified. Whether or not the managers want amendments, it is still a very steep cut. I feel a special responsibility, and so do my colleagues on the Education Subcommittee, because this was part of a higher education bill, and we placed a lot of faith in the capability of the National Institute of Education to bring about research and demonstrations in the field, much better methods and procedures for the dollars we spend for education, not only through the Federal agencies, which the Senator from New Hampshire (Mr. Cotton) and the Senator from Washington (Mr. Magnuson) are so familiar with, but through State and local agencies.

The House was very strongly for this proposition. Indeed, it was the House concept which we incorporated in the bill, which we approved after a very, very difficult conference.

The rationale which is given by the Senate Appropriations Committee is the following, and I am reading now from page 80 of the committee report:

> In establishing NIE, the Congress has provided a framework for leadership in educational research and experimentation. To date, however, NIE has done little to assert its role of leadership. The Committee is discouraged by what appears to be a total lack of understanding of purpose on the part of this agency. Persistent questioning by the Committee as to NIE's long and short-range goals prompted little more than vague, often obscure, references to educational exploration. The Committee is certainly mindful of the fact that research efforts of any kind can not be related to a time-table; however, research must be undertaken with a purpose in mind. The Committee finds it sadly ironic that amidst a lackluster operation, two potentially successful projects—the Mountain-Plains Education and Economic Development program and the District of Columbia school project—are being given short-shrift. The Committee believes that both projects should be continued and must be supported at an adequate level of funding.
>
> The Committee feels strongly that in order to succeed, NIE must first determine its proper role within the educational system. In the future, the Committee would expect to receive a more cohesive, better defined plan of operations for the Institute.

This matter of education is a very sympathetic one to many Members in this body. The Senator from Maryland (Mr. Beall) and I could have submitted an amendment and had a rollcall vote. We might win it, and we might not.

In any case, that would seem to me to be a very reasonable alternative for us in view of the following fact, and this is what I would like to submit to both the leading Members of this subcommittee. The Department of Health, Education, and Welfare, through its representatives, came in to see me last night, and I also believe they visited the Senator from Maryland (Mr. Beall). They represent—and I must present this to my colleagues in this way, because it is——

Mr. MAGNUSON. That is nothing new for me or the Senator from New Hampshire. They visited us and other Senators. The Senator from New York was the last on the list.

Mr. JAVITS. I do not feel denigrated enough, I might say to the Senator from Washington, to relinquish my position as one of its best friends. What I would like to lay before the membership is if in fact they had hard facts to justify the fact that the conclusions that have been made in the committee report are not justified. The people from HEW claim this is not so; that the reasons for cutting this appropriation from that which the House has already provided, 50 percent—and we will all admit that is a pretty steep cut; I do not know whether there is another one like it—are unjustified and will inhibit a proper educational function which should be played by the U.S. Government.

What I am going to ask both Senators is, Will you entertain a review of the hard evidence that they can present, because it will be in conference? I know that the Senate conferees might have congenial feelings; or they might be as hard as rocks. I have been in conferences, including conferences of this very subcommittee. I know the difference.

So in deference to what I understand is the understandable feelings of my colleagues, that they do not want any amendments—and I understand the reason why, and I am sympathetic to them—can we at least feel that there will be a review of the hard evidence the NIE presents to bear out their view that they are trying to determine whether they can do this job effectively?

Mr. MAGNUSON. Of course we will, I say to the Senator from New York. We based our conclusions, first, on what we were told every time they gave their testimony to the committee. Maybe the fellow they sent up did not do the right thing. But he was probably the most miserable witness I have ever seen in my career in Congress, when he sought to justify $162 million. If other Senators do not believe me, let them read the record. He did not know what they were doing. He had no idea what they are going to do. The Senator from New Hampshire (Mr. Cotton) and I would ask, "Isn't this on top of the real research evaluation? These millions for those people?" Well, he though about that.

Here is their own justification. They have spent $142 million. If any of them can tell me what they have been doing or what the program is instead of just sitting around thinking about it and hiring people, we might learn something. They have 462 people. They have not given us one scintilla of evidence. Here is their own justification. Usually, agencies have these things prepared and are ready to give the facts. Here is what they are going to do with $142 million. They are going to review and assess programs transferred from the Office of Education. That is for career education dissemination and R. & D. centers. Every department in Education has an R. & D. center.

They say they are working with and giving States money to do that. But here is the big amount they are going to spend it for. There is nothing new that they are going on with. Here is what else they say.

There is the development of new initiative and directions, which the Institute will undertake. They have not been able to start on it. They have spent $142 million.

Here is another one. This is a good one. They are spending a large amount for staffing an organization which is to be responsible to the Institute's mission, which they have not thought out yet or for which they have no guidelines. They have mission reviews. I do not know, I will say to the Senator from New York, what a poor school teacher can do. There are so many people telling her to reevaluate and to do this and that. I do not know what chance she has to teach. Administration is heavy now, and that is the problem in the country today. It is top heavy.

We could not find out anything that had been done by this group.

We said, "You had better go back and shape up a little bit and then come back and tell us."

They never showed up. They knew that we felt that way about it. I told them some weeks ago. They never came around. The minute we make a cut, they get excited. I never saw anything like this outfit.

We need $142 million in lot better places than this. We need $142 million for the Senator from New York to get his way in title I. That would be better than having this outfit get it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MAGNUSON. Mr. President, I yield the Senator 10 minutes.

Mr. COTTON. Mr. President, I yield myself 3 minutes on the bill before the Senator responds.

The PRESIDING OFFICER. Have 10 minutes been yielded to the Senator from New York?

Mr. MAGNUSON. Mr. President, I yield such time as needed to the Senator from New York or the Senator from Maryland.

Mr. COTTON. Mr. President, I yield myself 3 minutes if that is satisfactory.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, I simply want to say that I think perhaps this was a case where someone poorly presented the case on this particular appropriation.

I feel that we tried in this bill to put the money right straight where it would go to the education of the children and where it would take care of the needs of the children and not for planning and evaluating. If there is any cut, it has to be there.

I would like to say to the Senate that I have the unhappy position of being the ranking Republican member of the Subcommittee on Health, Education, and Welfare. And I am getting jolly well fed up with having the HEW call me on the telephone and tell me that I have done a horrible thing in making a cut or in approving a cut.

This was not the only one. There were two or three cuts. And they want them restored. Then I hang up and I am not even able to get out of the room before the phone rings again and someone in the White House says, "You are the ranking Republican member on the committee. And if you don't cut this down below the House bill, it will be vetoed. You had better get busy."

What does one do in a case like that? I certainly cannot be on both sides. I am very happy that in another year when I retire to even greater obscurity than I occupy now, if that is possible, my dear, beloved friend from the State of New Jersey, that great conservative, will be the ranking minority member of this committee. I know that he will be able to deal with HEW and the White House and say which is going this way and which is going that way.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. Mr. President, so I pass it on to the Senator from New Jersey with joy.

Of course we will look at this if they come up with some information. However, I simply want to say that when we are trying desperately to hold this bill down and get the President to sign it, it would be a good idea if the Department of Health, Education, and Welfare did not come here complaining.

Mr. CASE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CASE. Mr. President, the Senator from New Jersey deeply appreciates what his beloved colleague, the Senator from New Hampshire, said.

I only say at this time that any general improvement in the general policy that might come from the elevation of this Senator to the position would be more than offset by the personal loss of the beloved character which the Senator has always personified.

Mr. COTTON. Mr. President, I thank the Senator. If I were running again, I would want that put in writing.

Mr. MAGNUSON. Mr. President, I think we ought to do something with this National Institute of Education. This was Dr. Marland's idea. This was started with him. He thought it would be a good idea to have testimony from his agency and not a super-duper reevaluation of what they are doing. Nobody ever got with the school teachers. Marland has gone. I do not know what direction they are taking. If there was some direction they were taking, maybe they ought to get some money, but not to the tune of $142 million, and Marland will agree with me.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD material they have given with respect to the matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Letter of Oct. 1, 1973 from Secretary Weinberger to Chairman McClellan]

NATIONAL INSTITUTE OF EDUCATION

The Subcommittee proposes that this activity be cut to a net of $50 million in 1974—a reduction of $92 million below the House bill and $112 million below the budget request. The National Institute of Education was created by the Congress less than two years ago to foster for education what the National Institutes of Health have done for medicine. This Administration is a strong supporter of that objective.

Frankly, we are at a loss to understand why the Subcommittee on Appropriations would abruptly shift away from such a recent initiative of both the Congress and the Executive—an initiative that is just now getting underway. The 1974 budget base for this program is approximately $142 million, the amount of the House bill. With only $50 million—$7 million of which are reserved for a specific project in Montana and another specific project in the District of Columbia—the National Institute of Education would be unable to maintain all of the 12 regional educational labs and R&D centers which have been in operation for over seven years. These centers, in which we have made considerable investment, were taken over from the Office of Education when NIE was created in 1972. NIE would have to discontinue scores of projects that are now underway. The disruption and dislocation that this would impose on educational research would all but put NIE out of business. The effect would be so severe as to require years and literally many millions of dollars to reconstitute the research base which this action would destroy.

It is a strange priority choice that provides over $2 billion for health research—as important as that may be—but refuses to allow more than $50 million for educational research. I am not alone in this feeling. Previous HEW Secretaries and educational leaders across the country have asked for a redress of the significant imbalance between these two important areas of research. I would urge the Senate Committee to reconsider this specific item.

Mr. JAVITS. Mr. President, I would like to say that if the committee thought NIE was worthy of $75 million, that is a lot of money and there must be something to it. Let them prove it now with hard evidence that this is worth even $75 million or $142 million. That is all I say. All I am trying to say is that the committee does not want amendments. However, there is latitude in conference, and instead of trying to convince the Senate, we should let NIE convince the committee. All I wanted to know is if the committee was ready.

Mr. MAGNUSON. Mr. President, I was ready months ago. However, they show up when the bill is on the floor. There is nothing wrong with cutting the bill 50 percent if they are not doing anything.

Mr. JAVITS. Then, maybe the committee ought to cut it 80 percent.

Mr. MAGNUSON. I do not know who is down there since we had this long hearing when they came in on us expressing disapproval and telling us of their problems.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BEALL. Mr. President, I would like to support what the Senator from New York has had to say. I have the greatest of sympathy for the chairman and ranking minority members of the HEW Subcommittee. I think that they are probably dealing with the most vital part of the whole budget when they talk about education and health.

Mr. MAGNUSON. Mr. President, the Senator contributes his share, too.

Mr. BEALL. I would like to point out that the temptation is to go ahead and fund all of these worthy projects. However, one has to be practical about it and realize that this cannot be done.

I admire the Senators for the job they do. However, I would suggest that the National Institute on Education is only in its first year. It was only begun in 1972.

There is nothing more important in our country today than to see that there is proper education afforded to our young people in the country. Despite the overall good record of American education, serious problems remain. The answers to many of these problems is not clear. We badly need research in education so that we may gain the knowledge needed for improvement and reform in education.

If there was ever a place for basic research, it is in the field of education. Obviously, with so many funds being consumed in the operating problems, State or local agencies do not have a way to do research. The Federal Government has an important role and leadership to play in education research just as we have played in the health area.

Mr. YOUNG. Mr. President, I would like to say to the Senator from Washington and the Senator from New Hampshire that we have a difficult problem in trying to hold the budget down. I know that they are sympathetic with this program.

I have a feeling that the Senate conferees would feel that at least some increase could be justified. This was one of the deeper cuts. There is great interest in the program on the part of the Education Committees of both the House and Senate and many others.

Mr. JAVITS. Mr. President, as the ranking minority member, I thank my colleagues.

Mr. BEALL. Mr. President, research is a very illusory thing. It is hard to measure the product of research. If we look at some of the National Institutes of Health projects, we, as laymen, may wonder what they are doing with the money. However, this project may produce the clue that leads to the cure for some disease.

I would point out that in health our annual research and development represents from all sources 4.6 percent of the Nation's total expenditures on health. In agriculture it is 1 percent of the Nation's total expenditures for agriculture.

But in education we are only spending three-tenths of 1 percent on research and development. In view of the importance of education and the size of our national efforts, current research and development seems inadequate.

For instance, I happen to be interested in reading. I do not believe that NIE has given the attention and focus that its importance requires. I am discouraged because it seems to me the schools are not producing children who can read, and I think we ought to be getting into basic research on the reading process and developing more effective methods for teaching children to read, and I think we need a National Institute of Education to get the job done. I ask unanimous consent that excerpts from my floor statement of March 27, 1973, when I introduced S. 1318, be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Because NIE is just starting, and because it is very difficult to measure the kind of work researchers do, I think we must have patience; we should not demand instant results. NIE should have the opportunity and support over a period of time. I do hope that the House figure, or near to it, will prevail in conference.

EXHIBIT 1

CENTER FOR READING IMPROVEMENT

Despite the importance of reading, this importance has not been adequately reflected in educational research and development. Accordingly, this part of my proposal would require the Director of the new National Institute of Education to establish a center for reading improvement. Ten million dollars would be authorized for the purposes of this section and these sums would remain available until expended.

The educational centers and labs previously funded under the Cooperative Research Act have been transferred to the National Institute of Education.

The Institute has been evaluating the present educational laboratories and center programs. I have examined some of the programs of the centers and labs and I must say that none of their work, in my judgment, compares with the importance of reading for our society. I believe that reading certainly should at least have one center or lab that is devoting full time to this problem.

Thus, under section 805 of my proposal, the Director of the National Institute of Education, through the Institute and the Center for Reading Improvement, would conduct or support research and demonstration in the field of reading, including, but not limited to the following areas:

First. Basic research in the reading process. The case for accelerated research and development efforts in the reading area is made by the massive reading problems facing the country. We certainly need to learn more about the reading process and how children learn to read. This is an exceedingly complex and difficult area, but its difficulty is exceeded only by its importance. So, I hope that basic research in the reading process will be pursued.

Second. The most effective method or methods for the teaching of reading. The debate on how to teach reading in the country has been going on for over a century with the proponents of the phonetic and look-see approach enjoying popularity at different times. Until educational research resolves this question, it would seem prudent that we make certain that our teachers know the main alternatives and techniques and when and how to employ special techniques of instruction.

Third. Improved methods for the testing of reading ability and achievement. There is a need to improve our techniques for testing reading ability and achievement. There is already some interesting work going on as evidenced by the Education Commission on the States' national assessment of educational processes, and also the work in my State on criterion-reference tests.

Fourth. Development of model college courses in reading for personnel preparing to engage in elementary teaching or for elementary teachers who are or intend to become reading teachers or reading specialists.

Fifth. The development of techniques for the diagnosis and correction of reading disabilities. Throughout the last decade surveys both among those training to become teachers and those in teaching, have indicated that both groups believe that inadequate preparation was given in diagnosing and correcting reading problems of pupils.

The educational literature during this same period also emphasized the need for this approach. But as the Education Testing Service observed—

In spite of such widesperad exhortations, the requirement for teachers' education and certification have shown no subsequent change according to the surveys in 1960 and 1970.

Sixth. The development of model reading programs for elementary schoolchildren generally, and special model reading programs for elementary schoolchildren who are educationally disadvantaged, or handicapped.

During the 1950's there was considerable concern with respect to teaching of science in high schools. As a result, a study was undertaken by the National Science Foundation and a model textbook for physics was developed. It is my understanding that this was very well accepted and has been credited with substantial upgrading of the instruction of physics in the United States. I believe we should attempt a similar effort with respect to the development of a reading curriculum for pupils in the early elementary grades.

Seventh. The use and evaluation of education technology in reading, and

Eighth. The evaluation of educational materials in reading. P. Kenneth Komoski, president of the Education Product Information Exchange Institute, indicated a conservative estimate of the education material being marketed to the schools is over 200,000 items and that this production has increased 20-fold in the last two decades. There are also numerous materials specifically on the teaching of reading, providing teachers with many options and alternatives in the selection of teaching materials. Mr. Komoski points out that less than 10 percent of the education materials have been field tested and only approximately 1 percent have been subjected to learner-verification techniques.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BEALL. I yield.

Mr. BROOKE. Mr. President, I want to assure my distinguished friend the Senator from Maryland that we had a very spirited debate in committee during the markup of this bill on this subject. There was an amendment proposed at that time that would have raised the dollar amount from $50 million to $125 million. I think the argument was persuasively made by the distinguished Senator from Alaska (Mr. STEVENS), who does not happen to be present at the moment. But I assure the distinguished Senator from Maryland that the committee felt that with the $75 million that was ultimately agreed to, there would be some give in conference, and there was a possibility that in conference we might end up with $125 million.

I do not think anyone does not recognize the need to adequately fund NIE. The point the Senator has made that they are just beginning and you cannot expect results overnight is a well-made point. I think in conference we might be able to raise that dollar amount, hopefully. I certainly share the Senator's hope that it will be raised to at least $125 million, rather than the $75 million now in the bill, because, as I have stated, the amount in the House bill is somewhere in the neighborhood of $142 million, if not more.

But the distinguished chairman and the distinguished ranking Republican member of the subcommittee are certainly to be commended for the work they did in trying to keep this bill within bounds, so that it will not be vetoed by the administration. The rumors are very strong, as the Senator knows, that the President would veto this HEW bill. We are very grateful that we have now moved from a time of war to a time of peace and rearranging our priorities, since we wanted to put more money into HEW. There is no better place that it can be put than HEW, and we felt that now we have a bill that the President could not possibly veto. We expect that the bill will not be more than $1.5 billion over the budget, and if that is true, it seems to me that the President would sign the bill into law, so that we will not be relegated to a continuing resolution in these important areas covered by the HEW appropriations bill.

So I commend my colleague for bringing this matter to the attention of the Senate. I think he has performed a great service, and the colloquy we have had on the floor today should be helpful to the conferees when they meet on the NIE in conference.

Mr. BEALL. I thank my colleague from Massachusetts. As I said before, I think the committee that worked on the HEW budget had a monumental task, and have done a splendid job in bringing this measure out today.

The President is, of course, interested in economy; but I call to the attention of the Senate that this is one area where he requested $162 million. So I am happy to get the kind of assurance that we have received from the chairman and the ranking member of the subcommittee and of the Appropriations Committee. We are all aware of the tremendous amount of research that must be done on education, and I am happy to know there is flexibility, and that there is a possibility that in conference, if the case can be made of showing willingness to move upward toward a sum of money that would give them the opportunity to move ahead at a better pace.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I shall not delay this matter any longer, but I ask unanimous consent to have printed in the RECORD the testimony and the documents put in the hearings record by Mr. Glennan.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY AND DOCUMENTS BY MR. GLENNAN

Senator MAGNUSON. Give us three typical cases.

Mr. GLENNAN. Of the kind of things that had been done over the past year or more.

[The information follows:]

PLANNING PROCESSES

Senator MAGNUSON. Now, in planning processes, you say that the policy of the United States is, this is probably a preamble.

Mr. GLENNAN. That is correct.

Senator MAGNUSON. We would provide equal opportunities for education and this would be of high quality no matter what their origin is.

Do you get involved in civil rights there?

Mr. GLENNAN. We get in the problems of minority concerns.

Senator MAGNUSON. Yes.

Mr. GLENNAN. With the concerns of the problems of equal opportunity and the equal access to high-quality education.

Senator MAGNUSON. How do you do anything about that?

Mr. GLENNAN. We are not carrying out studies

Senator MAGNUSON. That is obvious, you don't have to do research to do that.

Mr. Glennan. Well, we do think there is probably a better way.

Senator Magnuson. You're physically able to help them, but you don't have to tell them about that.

Mr. Glennan. I think in terms of what needs to be done, obviously the precise means by which you can most effectively carry out with the least trauma is something that we have to look into.

Senator Magnuson. Is that your responsibility?

Mr. Glennan. It is within the mandate of the Institute to try and understand the areas that have had successful desegregation efforts that have been carried out and try to make that information available to other areas that might be required to desegregate at a later period of time.

Senator Magnuson. Can't they find that out without your help?

Mr. Glennan. They certainly can, but it is a mechanism to help them.

Senator Magnuson. That is without the Institute.

Mr. Glennan. There are many mechanisms besides the Institute that make that kind of information available.

Senator Magnuson. What information do they need?

Mr. Glennan. Well, I think there are issues that——

Senator Magnuson. They're not doing it, if they are not, the court will step in and say "Do it." Say, for example, busing.

Mr. Glennan. They may need some information on the kind of training for teachers, on the problems that might occur in integrated classrooms.

Senator Magnuson. Do they come and ask you for the advice?

Mr. Glennan. Nobody comes and asks us for advice. That is, as far as I know.

Senator Magnuson. Nobody asked you for any advice on it.

Mr. Glennan. No sir.

Senator Magnuson. They don't ask you for advice and if they don't ask you, I don't know why you should be involved in it.

Mr. Glennan. We would be producing knowledge that would be available to people who ask.

Senator Magnuson. You said nobody asked for it.

Mr. Glennan. To my knowledge, no one specifically.

Senator Magnuson. What do you do with the knowledge?

Mr. Glennan. The knowledge is made available. Many of the things we do would be available in the form of books, people in wide parts of the country would read and use as a basis for understanding how to proceed.

Senator Magnuson. But nobody asked you for it.

Mr. Glennan. Not specifically, no specific person, as far as I know, has come in from the school districts and said can you help us desegregate in this school district.

Senator Magnuson. Why do you spend the money to get all this knowledge available if nobody wants it?

Mr. Glennan. We were talking about a case in which they could come in and ask for it but they have not chosen to do that.

Senator Magnuson. Nobody wants it.

Mr. Glennan. I think people want it, and if they want it, they might not know where to come.

Senator Magnuson. They know all about the Institute. They know it is there. But they don't want this or somebody would ask for it. They don't want anyone to tell them what to do. They think they know how to do it and what the law is. This is one of the problems that you run into in this Institute and this appropriation.

ASSISTANCE TO PACIFIC NORTHWEST INDIAN CHILDREN

Last year, you spent $6.1 million developing programs for the benefit of minority populations. The objective of one project was to assist the Pacific Northwest Indian children to improve their ability to speak, write, and understand English.

They have those programs in Indian Affairs, they have them in the Bureau of Indian Education. The next group of people out here are people who are bilingual and we constantly have to increase their money because they know the methods but it doesn't do any good just to know the methods, you have to put it into practical application.

Mr. Glennan. We have been talking to people, such as the people you are about to talk to for the bilingual programs in the OE. It became evident to us that the kind of systematic development effort that will provide the material that can be used by the programs funded by the Bilingual Act required that we did and do have a research and development task that can be performed, and whose materials subsequently get used by these people.

Senator Magnuson. Now, have any Indians asked you for that material in the Pacific Northwest?

Mr. Glennan. That was a project I initiated by the laboratory.

Senator Magnuson. What laboratory?

Mr. Glennan. That was the northwest laboratory that is carrying out that program.

Dr. Tucker. We can get that information.

Senator Magnuson. You had better get that and put it in the record. I see a lot of Indians in my district and they don't even ask me about this project. They know I handle appropriations in the Senate.

Mr. Glennan. I think Dr. Tucker is trying to say that they did in fact come and ask for that.

Senator Magnuson. I would like to know which Indians and which school.

Mr. Glennan. I would be interested in that also.

[The information follows:]

Schools and Indian Tribes Requesting Support From the Northwest Laboratory

The laboratory's reading and language development curriculum will initially be used in Browning, Montana with the Blackfeet. Other tribes who have asked for the curriculum follow by state:

Montana

Flat Head, Rocky Boy, Blackfeet, Fort Belnap, Fort Peck, Northern Cheyenne, and Crow.

Oregon

Umatilla, Warm Springs, Burns-Paiute, and Fort McDermitt.

Idaho

Coeur d'Alene, Nez Perce, Fort Hall, and Duck Valley.

Washington

Yakima, Coleville, Lummi, Swinomish, Lower Elwha, Tulalaip, Quinnault, Skokomish, Puyallup, Muckleshoot, Makah, Ozette, Quileuet, Hoh, Chebalis, and Shoalwater.

Schools currently using the reading and language curriculum are:

Browning School on The Blackfeet Reservation

Madras Oregon School on The Warm Springs Reservation

NEAH Bay School System on the Makah Indian Reservation

Northern Cheyenne School

Rocky Boy School in Rocky Boy, Montana

TEACHER TRAINING

Senator Magnuson. And maybe they need something like this. We have all these other programs to do this.

This is superimposing on other programs.

Mr. Glennan. I think this is not the case.

Senator Magnuson. You don't need any research on the ability to speak, read, and write English; what you need is a good teacher.

Mr. Glennan. You need a good teacher and a good teacher needs good materials and she needs to be trained.

Senator Magnuson. They train them in their own local schools?

Mr. Glennan. Yes, sir.

Senator Magnuson. They train them in their universities and teachers' colleges and you come in and maybe you have better ability to do this than they have.

Mr. Glennan. We don't in fact train them. We provide the materials that would help train them.

Senator Magnuson. They know what materials to buy.

Mr. Glennan. We are frequently the ones who put in the initial investment that gives them their materials to buy. It is particularly important, where the publishers do not have sufficient incentives for the small numbers of people involved, to create the proper materials.

NIE PROGRAM IN PACIFIC NORTHWEST

Senator Magnuson. Can you give me an example of where that happened out in the Pacific Northwest?

Mr. Glennan. We will give you a good description of this.

Senator Magnuson. You have $6.1 million on that.

Mr. Glennan. I don't know if it all went to that program.

[The information follows:]

Description of NIE Program in the Pacific Northwest

With approximately 45,000 Indians living on or near reservations in the four state Pacific Northwest Region—Oregon, Washington, Idaho and Montana area, NIE, under a contract with the Northwest Regional Education Laboratory in Portland, Oregon, supports a reading and language development program based upon Indian culture and history.

The contract began as a result of representatives from the Warm Springs Reservation requesting the Northwest Regional Education Laboratory to assist in developing such materials. The first of a three-year commitment was awarded in Fiscal Year 1973 at $403,000. The estimated cost for FY 1974 and 1975 are $424,000 and $465,000.

The project incorporates a variety of elements in its curriculum. It has found that these elements lessen the negative impact of the majority culture upon the child's concept of himself and help him better to understand and value his own cultural heritage.

These elements include:

Use or acceptance of a child's natural language whether it be wholly different or different only in its dialect, as a part of the school curriculum.

Inclusion of literature, handicrafts and music of the minority group as a part of the school curriculum.

Reduction of school task into small, teachable segments that can be mastered easily and that provide sequences of positive accomplishment resulting in self-approval as well as teacher and adult approval.

Construction of early reading materials depicting characters much like himself in situations that deal with realities of his world.

Design of teacher training components that prepare teachers to accept the language the child brings to the classroom and to recognize and value the unique qualities that are a part of the child's cultural heritage.

BILINGUAL PROGRAM

Senator Magnuson. You mentioned the Pacific Northwest Indians, was that deliberate? I get that every day. There could be a thousand projects and one is out in my area. [Laughter.]

We found on the bilingual matters, the reason we raised the appropriations a little bit year after year is that it was not so much materials, it was shortage of teachers who could teach Spanish-speaking people or Indians or some other people.

Mr. Glennan. I think that is correct.

Senator Magnuson. That money comes from the Department of Education.

Mr. Glennan. That is correct.

Senator Magnuson. Not from you people. It should come from them. They have authority to furnish the things that are needed.

Mr. Glennan. They have the authority to furnish the materials and the only point I would like to make is——

Senator Magnuson. Or tell them what materials.

Mr. Glennan. That is correct.

Senator Magnuson. The complaint is that you people don't get at the basic needs here. The basic needs are not to have a superimposed Federal Government telling them what to do or suggesting what they should do.

Mr. Glennan. What this institute is trying to do, Senator, is provide a store of knowledge that can be drawn upon by practitioners in the field for solutions to problems that they may have.

Senator Magnuson. They can get the same store of knowledge in the college in my State.

Mr. Glennan. Over a period of time, we would expect——

Senator Magnuson. All of the colleges can supply that.

Mr. Glennan. Colleges get the information derived from the studies.

Senator Magnuson. They have education and research, at least they say they do. I think the real problem is whether or not they feel that somebody is imposing something upon them. Now, what about your advisory committee.

NATIONAL COUNCIL

Mr. Glennan. That is the National Council.

Senator Magnuson. How many people are on the Council?

Mr. Glennan. Fifteen members appointed.

Senator Magnuson. Do they meet frequently?

Mr. Glennan. They plan to meet about every 6 weeks, sir.

Senator Magnuson. Will you put in the record the names and the backgrounds of the members of that Council?

Mr. Glennan. Yes, sir.

[The information follows:]

The National Institute of Education came into being August 1, 1972, with the broad legislative mandate "to seek to improve education . . . in the United States." Provisions for a National Institute of Education were introduced as part of the Eduction Amendments of 1972, passed by the House and Senate, and signed into law by President Nixon on June 23, 1972.

The fifteen-member National Council on Educational Research is responsible for formulating general policies for the Institute. In addition, the Council will advise the Assistant Secretary for Education and the Director of NIE on program development; will recommend improved methods of collecting, disseminating, and implementing education research findings; and will submit annual reports and recommendations to the President and Congress on the Institute's activities, education research, and education in general.

Council members are to serve three-year terms, except those appointed the first year. Of these, five will serve one-year terms; five, two-year terms; and five, three-year terms.

Patrick E. Haggerty, chairman of the Council, is 59 and lives in Dallas. He is chairman of the board of Texas Instruments, Inc., an electronics firm in Dallas. Haggerty holds honorary doctorates in science, law, and engineering, and has been with Texas Instruments, Inc. for most of his professional career. He has been a member of the President's Science Advisory Committee and the American Association for the Advancement of Science. He is a trustee of Rockefeller University and the University of Dallas.

Wilson C. Riles, 56 of Sacramento, California, has been the State's superintendent of public instruction since 1971. A former teacher, he has been with the California school system since 1958 and has served as chief of the Bureau of Intergroup Relations, director of compensatory education, and deputy superintendent for programs and legislation. Riles also is a trustee of California State University and State Colleges and a regent of the University of California. He is also a member of the American Council on Education, the college Entrance Examination Board, and the Council of Chief State School Officers. He has served on the advisory panel of the Stanford Center for Research and Development in Teaching, and was a member of both President Johnson's and President Nixon's task forces dealing with urban education.

Dr. John E. Corbally, Jr., 49, is president of the University of Illinois in Urbana. He earned a doctorate in education administration and finance from the University of California at Berkeley in 1955. He began his career in education as a teacher and high school principal in Washington state. He has served as vice president and education professor at Ohio State University and as president and chancellor of Syracuse University. Corbally is the author of three books on educational administration, including *School Finance*, written in 1962. He serves on the American Council on Education, the President's Committee on Employment of the Handicapped, the Illinois Council on Economic Education, and is a trustee of the College Entrance Examination Board.

Dr. William O. Baker, 58, of Morristown, New Jersey, is president of Bell Telephone Laboratories, Inc., which he joined in 1939 as a research chemist. Baker, who received his doctorate in physical chemistry from Princeton University, serves on the President's Foreign Intelligence Advisory Board, NSA Scientific Advisory Board, NSA Scientific Advisory Board, and several committees of the National Research Council. He is also a member of the National Academy of Sciences and the New Jersey Board of Higher Education, and is a trustee of Rockefeller, Carnegie-Mellon, and Princeton universities. He has been a contributer to a number of technological journals and holds 13 patents.

Carl H. Pforzheimer, Jr. is 66 years old and lives in Purchase, New York. In 1968 he became the senior partner in Carl H. Pforzheimer & Company, an investment banking firm in which he had been a partner since 1934. Pforzheimer has been a member of the New York Board of Regents and is a former president of the National Association of State Boards of Education. He now serves on the New York State Temporary Commission on Campus Unrest.

Dr. John C. Weaver, 58, is president of the University of Wisconsin System in Madison where he received his doctorate in geography in 1942. He has had many years of experience in college teaching, geographic research, and academic administration. From 1966 to 1970, he was president of the University of Missouri, and before that he held many university administrative positions, including university research administrator at the University of Nebraska and vice president and dean of the Graduate School of Geography at the University of Iowa. Weaver also has held positions as a research geographer, including a job as editor and researcher for the American Geographic Society. Author of two books and numerous articles he served as a consulting editor in geography from 1955–59 for McGraw-Hill, Inc. He also served on the 1969 White House Task Force on Priorities in Higher Education and is a member of many professional and honorary organization.

Dr. James S. Coleman, 47 is an education researcher and co-author of *Equality of Educational Opportunity* (also known as "The Coleman Report"). He begins work this summer as a professor in the Department of Sociology at the University of Chicago. Since 1959, he has been affiliated with Johns Hopkins University, first as a professor of sociology then in the Department of Social Relations, Center for the Social Organization of Schools. Coleman, who received his doctorate in sociology from Columbia University, has served on the President's Science Advisory Committee and the National Academy of Sciences and is a member of the Sociological Research Association.

W. Allen Wallis, of Rochester, New York, is an economist and statistician who has had experience as a professor of economics at the University of Chicago and at Yale and Stanford universities. Wallis, 61, was president and professor of economics and statistics at the University of Rochester from 1962 to 1970 before being named to his current post of chancellor. He is a member of the American Academy of Arts and Science, the American Association for the Advancement of Science, and the American Economic Association. Author of nine books and many articles, he served on the President's 1968 Task Force on Education and is now on the Commission on Presidential Scholars. He also is a member of the President's Council of the Universities Research Association, Inc., and the New York Advisory Council on Higher Education.

Dr. Charles A. LeMaistre is a physician and the chancellor of the University of Texas System in Austin. LeMaistre, 49, has been affiliated with the University of Texas System since 1966, when he was appointed vice chancellor for health affairs. He has also served as a professor of internal medicine and associate dean of the University of Texas Southwestern Medical School. He is a member of many medical associations and has served on the Department of Health, Education, and Welfare's Bureau of Health Manpower and Advisory Committee of Health Protection and Disease Prevention. LeMaistre is a member of the Commission on Non-Traditional Study, and the College Entrance Examination Board, and is a trustee of the Educational Testing Service.

Vera M. Martinez is a doctoral candidate at the Graduate School of Educational Administration at the University of California, Riverside. She is 34 years old and lives in Colton, California. Ms. Martinez has taught high school and served as a research associate for the Multilingual Assessment Project, a Federally sponsored research program. She also has held the post of associate in Mexican-American studies at the University of California. She is particularly interested in the educational problems of Mexican-American children at the secondary and college levels.

Ruth Hurd Minor is the principal of the Locust School in Roselle, New Jersey, where she also resides. She began teaching in 1949 and served as director of curriculum and guidance for the city schools in Roselle from 1964 to 1966. Mrs. Minor holds a master's' degree in guidance from Seton Hall University and a degree as a specialist in administration and supervision from Newark State College. She is a life member of the NAACP, a life member and national board member of the National Council of Negro Women, and vice president and program chairman of the Union County Urban League. She also is a member of the National Education Association. Mrs. Minor has published poetry and has contributed articles to professional magazines and journals.

Dr. Dominic J. Guzzetta, the president of the University of Akron, Ohio, is 54 years old. He has served at the university since 1956, including three years as a professor of education and as coordinator of research. Guzzetta also has been president and professor of history at Marion (Indiana) College. He is a member of the American Association of State Colleges and Universities, the American Association of Administrators, and the American Association for Higher Education. Guzzetta, who received his doctorate in education from the University of Buffalo, serves as a doctorate in education from the University of Buffalo, and also serves as a consultant for the Commission on Institutions of Higher Education of the North Central Association of Colleges and Secondary Schools.

Vincent J. McCoola is a 59-year-old education administrator who lives in Camp Hill, Pennsylvania. In 1968 he was appointed director of the state's Office for Aid to Nonpublic Education, responsible for organizing and administering the Pennsylvania Nonpublic Elementary and Secondary Education Act. McCoola has been a high school English teacher, a professor of English at the University of Scranton, and a higher educational associate in Pennsylvania. He has written a number of articles on education and is now preparing a history of Pennsylvania's effort in aid to nonpublic education, entitled *Fleeting Wisp of Glory*. He also is a member of the Board of Governors of the University of Scranton.

Ralph M. Besse, 68, of Shaker Heights, Ohio, has been a partner in the Cleveland law firm of Squire, Sanders, and Dempsey since 1970. Besse received his law degree from Michigan in 1929 and worked for the firm of Squire, Sanders, and Dempsey from 1929 to 1948. He then joined the Cleveland Electric Illuminating Company, becoming chairman of the board in 1967. Besse is a trustee of the National Research Council of America, Heidelberg, and Ursuline colleges, and Case Western Reserve University. He is also a member of the Carnegie Commission on Future Structure and Financing of Higher Education and the Cleveland Commission on Higher Education.

Dr. Terrel Howard Bell, 52, who began his career as a science teacher in 1946, is superintendent of Utah's Granite School District. A resident of Salt Lake City, Utah, he has served as Acting U.S. Commissioner of Education, as state superintendent of public instruction, and as executive officer of the state Board for Vocational Education. In 1970, he was awarded the Distinguished Service in American Education Award from the Council of Chief State School Officers. His publications include several articles and five books, the most recent being *A performance Accountability System for American Education*. Bell received his doctorate in educational administration from the University of Utah.

PROGRAMS LOST OR PHASED OUT

Senator Magnuson. And then we talked about some of the programs that are being phased out or lost in the transition, you have any statement on that? Can you enlighten us?

Mr. Glennan. Lost in the transition between——

Senator Magnuson. Well, between OEO and between Education and up to you people.

Mr. Glennan. As far as I know, we have not lost any.

Senator Magnuson. Well, that is what I want the record to show.

Mr. Glennan. We have tried to take each program that is being transferred to us and carefully look at it on its own merits. A couple of the programs we have reduced or cut back, but, by and large we try to carry them on in a sensible fashion.

INDIVIDUAL PROJECTS

Senator Magnuson. Now, how many applications have you got for funding individual projects? Would you put that in the record?

Mr. Glennan. We certainly put that in the record.

Senator Magnuson. We have—could we have how many you have funded or approved? How many were funded?

Mr. Glennan. We will do that.

[The information follows:]

Application received, approved, and funded under the research grants program

	Amount
Proposals received (3,676) ----	$372,538,221

TOTAL APPLICATIONS FILED

Senator Magnuson. I have one figure here from a college in my State saying that 3,000 applications were filed and only 750 were approved.

Mr. Glennan. Yes.

Senator Magnuson. And only 187 were actually funded.

Mr. Glennan. Those figures appear correct, sir, and that is one specific program, the research grant program.

Senator Magnuson. I will put this letter in the record.

[The letter follows:]

Eastern Washington State College,
Cheney, Wash., July 2, 1973.

Hon. Warren G. Magnuson,
U.S. Senator,
Washington, D.C.

Dear Senator Magnuson: We recently received a letter from the National Institute of Education denying funds for an educational research proposal. While we do not question the decision on this proposal, we were surprised by the explanation that some 3,000 proposals were received, one quarter reviewed, and one quarter of those approved for funding.

This works out to 750 reviewed and 187 approved; or 6.23 percent of the submissions recommended for funding. It is difficult to believe that support of educational research has declined so drastically that less than 7 percent of applications from the nation can receive Federal approval.

I respectfully call to your attention the records of the regional (small) grants program which supported modest research in education before the organization of NIE and subsequent withdrawal of research funds from the jurisdiction of regional officers.

From 1967–70, regional research grants in what is now Region X, DHEW, totaled $305,745, accounting for 35 awards averaging $8,735. When Region X was organized it awarded small research grants totalling $132,017, accounting for 26 awards averaging $5,077. The necessity for cost-conscious educators whose proposed small-scale research to compete on a national basis with others from all parts of the country seems to me to deter the opportunity for significant investigations in local settings.

We greeted the formation of NIE with reservation, you will recall, fearing that it might turn out to be simply a channel for the best established educational research persons from those institutions which have already benefitted most from Federal research support. We do not know that this is so, but conclude on the evidence of the attached letter, that NIE has proved to be an effective instrument for stifling broad participation in educational research.

The call for greater attention to research which lay behind creation of the National Institute of Education indicated that inquiry would be welcome at many levels and in many places. I call your attention, therefore, to the evidence at hand that less, not more, attention to broad educational inquiry seems to be the consequence.

Sincerely,

Emerson Shuck,
President.

Department of Health, Education, and Welfare, National Institute of Education,
Washington, D.C., June 15, 1973.

Re Proposal No. 3–0040, Correlates of Learning Styles of College Students.

Mr. Philip Anast,
Psychology Department, Eastern Washington State College, Cheney, Wash.

Dear Mr. Anast: I regret to inform you that the National Institute of Education will not be able to provide support for your research proposal indicated above. This decision was made by NIE on the basis of a review procedure—applying the criteria set forth in the program announcement—in which NIE staff were assisted by expert consultants and formally constituted panels.

Because over 3,000 proposals were received, only the quarter of the proposals considered most meritorious on the basis of review by NIE staff and consultants could be referred to panels. Your proposal was among those not reviewed by a panel. Funds allocated to this program were sufficient to support only about one quarter of the proposals reviewed by the panels.

We greatly appreciate your interest in NIE's mission of helping to improve education through research and will be glad to consider proposals you may wish to submit in response to future NIE program announcements.

Sincerely yours,

John M. Mays,
Acting Associate Director, Research Grants.

REVIEW OF APPLICATIONS

Senator Magnuson. It is from the president of a college. Only one quarter of 3,000 applications were reviewed, 6.23 percent of the submissions recommended for funding. Was that because you didn't have enough funds or was that because there was a clamp put on the expenditures?

Mr. Glennan. The program originally——

Senator Magnuson. Or was it a combination of both?

Mr. Glennan. Yes, it was a combination of both. We also had limitations on manpower, we did not feel we could adequately process more at the end of the year when we had such few additional funds. It's specifically funds limitations and the funding quality. They were all reviewed within the Institute, but only one quarter was chosen to go to a panel for review of those, only 6 percent of the total 3,000 were selected for approval.

Senator Magnuson. You say you were short of funding.

Mr. Glennan. There were not sufficient funds to cover very much more on the quality——

Senator Magnuson. I am not talking about the quality, I am asking if you were short of funds.

Mr. Glennan. We could have funded probably several good projects out of that.

Senator Magnuson. But you were stopped.

INSTITUTE CAPACITY TO DISBURSE FUNDS

Mr. Glennan. What stopped us was that we had already allocated funds for those projects. When we found we had funds not used from other programs, we simply did not have the physical capacity to spend this money well at the end of the fiscal year.

Senator Magnuson. Why didn't you have the physical capacity?

Mr. Glennan. The Institute does not have that kind of capacity.

Senator Magnuson. I know, but why didn't you? Was the budget cut down?

Mr. Glennan. No, when you come to the end of the fiscal crunch, you try and do a good job.

Senator Magnuson. You mean your Institute didn't put a clamp on you or didn't freeze some of your funds?

Mr. Glennan. I had no clamps put on my funds.

Mr. Martin. We did get our entire appropriation last year.

Senator Magnuson. But now you obligated up to $106 million for 1973.

Mr. Glennan. For 1973.

Senator Magnuson. You moved pretty fast on that, didn't you?

Mr. Glennan. We moved to obligate a lot of these resources before the end of the year, sir.

Senator Magnuson. By late May, you hadn't funded over half of them.

Mr. Glennan. That is correct, much of that was in the pipeline, it was being processed and so forth.

Senator Magnuson. If this program is any good, I think you ought to have the resources to handle it. Do you have some budget for more money than you have gotten?

Mr. Glennan. I believe that what we received is what we asked for, sir.

Senator Magnuson. You don't know, you believe. You know. Why you know right down to the dollar what you asked for, if you don't, you shouldn't be down here.

Mr. Glennan. It is very close to what we asked for, Senator.

Senator Magnuson. Pretty close, but they did cut you some. What do you mean a little bit, how much did they cut you?

Mr. Glennan. I think about in the order of $8 million.

Senator Magnuson. About what?

Mr. Glennan. $8 million.

ADDITIONAL PERSONNEL EMPLOYED

Senator Magnuson. That is what I want for the record.

How many people would that employ in the process of giving applications if you had the $8 million?

Mr. Glennan. That is hard to say, I would have to guess, but I'll supply an estimate for the record.

[The information follows:]

Estimate of Non-Federal Employment With an Additional $8 Million for Contract and Grant Support

NIE estimates that with an additional $8 million for contract and grant support, approximately 300 people could have been employed.

MOUNTAIN PLAINS PROJECT

Senator Magnuson. This is a question that some Senators asked me to ask, including Senators Mansfield and Metcalf. The committee understands NIE recently sent out a team to evaluate program operations at the Mountain Plains project. Would you briefly describe the findings of this evaluation?

I don't know what project this is, but it must be in that Montana area.

The Glasgow area, do you know anything about it?

Mr. Glennan. I surely do. I met with Senators Mansfield and Montoya and we spoke about this and I think the best thing would be to supply this report for the record as to what the findings were, but in general we decided to continue the funding of it and seek to try to find ways to make the project more likely to be applicable in part by the use of the cost.

[The report follows:]

Status of the Mountain Plains Project

BACKGROUND

In 1968, the Strategic Air Command Base at Glasgow was officially closed, leaving a complex of housing and other buildings vacant. The availability of these facilities generated a number of suggestions for their utilization. A 1970 study concluded that the facilities would be suited to some type of educational program. This led to the suggestion that, in view of the facilities available, the Base could serve as a site for a family-type or residentially-based educational program.

In April of 1971 the Office of Education, Department of Health, Education, and Welfare, authorized a grant in the sum of $4,000,000 for the period ending April 30, 1972 to establish a demonstration program in residential family career education at the Glasgow Air Force Base. Authority for the grant was the Vocational Education Act of 1963, as amended by PL 90–576 of Otcober 16, 1968.

The project was designated by the Office of Education as one of the four National Career Education research and development models. Following establishment of the National Institute of Education in August 1972, project responsibility for the Mountain Plains program was assigned to this agency.

Mountain Plains is a residential program for rural multi-problem families. Its primary mission is the economic rehabilitation of the head of the household, with provision of comprehensive supporting services to other family members. Participants are recruited from six states (Montana, Utah, North Dakota, South Dakota, Wyoming and Nebraska) through Mountain Plains field offices. The program is currently serving 180 families per month; Mountain Plains expects to raise the number to 210 families by April. At an estimated nine months per family, assuming maximum participation of 210 families per month, yearly flow-through could be as much as 280 families. At present, 35.8% of the entrant families complete their Mountain Plains programs; Mountain Plains estimates that the final rate will be between 70 and 80 percent completers. From all eligible applicants recruited by field offices, families are randomly selected to enter the program; others are randomly assigned to a control group which receives no treatment. Preliminary input/output data are being collected by field recruiters and in-house staff.

Services provided at Mountain Plains include: a career development for the head of household and spouse, including basic skills and job training; family counseling and guidance, medical, dental and nutritional services; homemaker training; and educational support for the children. Completion of the program is defined as achievement of the objectives set by project staff and participant families at entry. Both completers and resignees receive placement and relocation support from the field officers.

RATIONALE FOR DECISION TO FUND THE PROJECT

At the conclusion of an on-site evaluation made in June 1973 by a team of people from NIE, a decision was made to continue funding the Mountain Plaines project. The decision to fund the Mountain Plains project was based on the premise that Mountain Plains should be given a chance to see whether program costs, now believed to be prohibitively high, could be reduced without undue loss of program effectiveness. At present, Mountain Plains reports fairly impressive absolute pecuniary gains ($93 for completers and $36 for resignees) one month after placement. The adjusted operational cost-per-family estimate in which we have most confidence (about $16,868 for nine months of program participation) seems too high, however, for adoption by states.

In addition to continuing its research, evaluation, and development activities during fiscal year 1974, Mountain Plains has been instructed (a) to establish with the states with replicable levels would be, (b) to modify the program to reduce costs to these replicable levels, and (c) to install an adequate cost accounting system. NIE will assist in conducting a needs survey of the target population; and further will assess costs, immediate effectiveness, and follow-up benefits.

By summer 1974, NIE should have a much firmer basis for determining whether to continue NIE support of Mountain Plains in fiscal year 1975 and fiscal year 1976 as a potentially viable program for the economic rehabilitation of disadvantaged families. NIE will decide whether or not to fund the project for its fourth and fifth years on the basis of Mountain Plain's ability to carry out the instructions specified in their contract and summarized above.

In June 1973, a letter contract was issued for $4.5 million. The contract, yet to be definitized, authorizes Mountain Plains to expend $100,000 through August 15. NIE will review Mountain Plain's proposed scope of work and negotiate the final amount by September 15, 1973.

REDUCTION OF FUNDING LEVEL

Senator Magnuson. Their complaint was that it was the understanding of all the people that this was to be a 5-year program, at least, and some might call this a moral commitment? Why are you proposing to reduce the funding level? Why can't you give this project time to realize its full potential?

Mr. Glennan. We have reduced the funding level below what they requested. I do not believe it was below the moral commitment that existed. We examined their budget request.

Senator Magnuson. How much was it?

Mr. Glennan. I think it was $5.9 million.

About $900,000 was a carryover balance. It was offset by unspent funds for the past year. In examining their budget, we felt there was about a half million dollars that could not be justified. We have given them an interim grant and a letter contract that we will negotiate at the end of the summer and we will do what seems appropriate at that time.

Senator Magnuson. We have a letter here from six Governors from those six States in which they're protesting the abolishing of this progam or the removal of those representatives, is that what was done?

Mrs. Rieder. That was the letter to you, they requested support for the funding of the project.

Mr. Glennan. I think we have taken care of that.

Senator Magnuson. When was that letter dated?

Mrs. Rieder. June 4. They were concerned about the project not being funded. It has now been funded.

Senator Magnuson. What about the people in the six States?

Mr. Glennan. The people who were in the project are still in the project, the clients.

Senator Magnuson. I see.

They're talking about—the Governors are talking about the States.

Mrs. Rieder. That has been funded.

Senator Magnuson. They're not abolished?

Mr. Glennan. No, sir.

ASSISTANCE FROM STATE OFFICES

Senator Magnuson. Well, they state that the State offices are most helpful, and they hope it would be continued.

This letter was sent to you on June 4. You say it's all been taken care of to their satisfaction.

Mr. Glennan. Yes, sir.

Senator Magnuson. I'm going to have this letter put in the record. If there is anything further to add, the Governors will let me know.

[The letter follows:]

ALLEGATIONS AGAINST NIE

Senator Magnuson. We have received some allegations made against NIE, and we have got some correspondence from the National Committee for Educational Change, as well as your formal comments on the charges. I would like to put both sides into the record and ask you to respond to this issue. Are you familiar with that?

Mr. Glennan. Yes.

Senator Magnuson. That is a national organization?

Mr. Glennan. It is.

Senator Magnuson. I am not too familiar with it.

We will put that in the record.

[The materials follow:]

State of North Dakota,
Bismarck, N. Dak., June 4, 1973.

Dr. Thomas Glennan,
Director, National Institute of Education,
Reporters Building, Washington, D.C.

Dear Dr. Glennan: It is our understanding that the Mountain-Plains Education and Economic Development Program is at the end of second year funding and is now awaiting its grant renewal for fiscal year 1974. We have found the Mountain-Plains Program to be a good program for our states. We urge that it be continued.

Within the six-state area, the Mountain-Plains State Offices are our principal contact with the program. The State Offices are charged with numerous functions, including referrals of participant families to the Program Center near Glasgow, Montana, placement of graduate families, dissemination of public information about the program, coordination with state agencies, and follow-up counseling and collection of research data by which program effectiveness is to be determined.

We have found the State Offices to be most helpful. We endorse this program and recommend continued funding for the coming fiscal year.

Sincerely yours,

ARTHUR A. LINK,
Governor.
THOMAS L. JUDGE,
Governor of Montana.
J. JAMES EXON,
Governor of Nebraska.
STANLEY K. HATHAWAY,
Governor of Wyoming.
CECIL D. ANDRUS,
Governor of Idaho.
RICHARD F. KNEIP,
Governor of South Dakota.

NATIONAL COMMITTEE FOR
EDUCATIONAL CHANGE,
May 25, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Labor; Health, Education, and Welfare Subcommittee, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: The National Committee for Educational Change would like to seek your aid in helping ensure existing Congressional intent is carried out by DHEW's Education Division.

Among the practices about which we are concerned is that of waiting until the fiscal year's end before agencies obligate large amounts of their appropriations. The National Institute of Education (NIE) and the Fund for the Improvement of Postsecondary Education (Fund) are involving themselves in this end-of-year spending practice. As of last Friday, May 18, 1973, NIE had not yet obligated more than $50 million of its $110 million appropriation and the Fund had yet to obligate any of its $10 million appropriation. It is clearly not possible for these agencies to properly spend so much of their money in the five weeks remaining in this fiscal year. Moreover, some of this as yet unobligated money will be spent to continue projects started in prior years under authority of the Cooperative Research Act. Yet, if these continuations are similar to others reviewed by us, no changes will be incorporated into these projects to reflect the very different legislative authority and objectives called for in the equal educational opportunity mandate Congress gave NIE by law.

The purpose of this letter is to alert you to these and other improper activities of NIE and the Fund and to suggest action Congress might take through the appropriations process to remedy the situation.

The National Committee for Educational Change (NCEC) is a nonprofit, tax exempt corporation chartered in the District of Columbia. NCEC's purpose is to stimulate and facilitate educational innovation, change, and reform. One way we are doing this is through monitoring certain Federal education programs to ensure they are performing in accord with legislative intent.

NIE and the Fund were created pursuant to the Education Amendments of 1972. As mentioned above, NIE was appropriated $110 million and the Fund $10 million for FY-73. Both these operations have been very slow in getting started and both are now operating in conflict with law.

NIE is violating both the procedures and the substance of its authorizing law. These violations are discussed in the law suit NCEC brought to encourage appointment of the National Council on Educational Research, NIE's governing board, and to redirect NIE's activity to conform with its legislated mandate of "carrying out" the policy of equal educational opportunity. The issues raised in our law suit are considered so serious that your colleague, Senator Harrison Williams is delaying Senate confirmation of the National Council on Educational Research to obtain commitments from its members that they intend to review past activities of NIE and be vigorous in their duties of guiding NIE and pursuing its chief objective of equal educational opportunity.

The Fund for the Improvement of Postsecondary Education is operating in violation of the Administrative Act, Title 5 of the U.S. Code. These violations are specified in a letter we sent to Secretary Weinberger and relate to the fact DHEW made no official announcement of its $10 million grant competition for postsecondary education innovation. Title 5 of the U.S. Code and DHEW regulations require such programs to be announced in the Federal Register. No announcement was made. The only way to have found out about the program was through hearsay and the grape vine or by being among those few known and informed of the program by its administrators in DHEW. Others didn't even know a program and its specification document, *Program Information and Application Procedures,* dated February 15, 1975, existed. This failure to announce the program in the Federal Register and in other media deprived thousands of potential applicants an opportunity to participate in this very important competition, and it deprived the government of the opportunity to select grantees from the widest possible range of applicants.

A remedy for the situations cited would be for Congress to extend the period of availability of these agencies' FY-73 appropriations to December 31, 1973. At this late date, insufficient time remains for these agencies to correct their operations and properly spend their money before the fiscal year expires in June. If the fiscal year restriction were lifted, groups such as ours could seek through court action to have DHEW immediately cease its illegal and improper activities and have NIE and the Fund begin again in accord with law and orderly procedure.

If extension of the availability of FY-73 funds is not possible, the appropriations committees of Congress could still take action to prevent further illegal activities in the future. NCEC offers the following suggestions:

WITH RESPECT TO NIE

1. Return NIE's FY-74 budget request and Budget Justification to DHEW and request it be resubmitted after NIE's governing board, the National Council on Educational Research, develops a plan and implementation strategy for "carrying out" the policy objectives mandated in NIE's law. Such a plan and strategy should specify intermediate objectives, milestones, budgets, personnel requirements, and a time-table for achieving NIE's legislated objectives of equal educational opportunity and educational reform. The budget, personnel requirements, and time-table from this plan and strategy could then be the foundation for NIE's FY-74 budget request and Budget Justification.

2. Since the National Council on Educational Research is responsible for NIE's "general policy" and is charged with specifying the NIE Director's "powers and authorities", it would be appropriate for the National Council on Educational Research to submit NIE's budget to Congress on behalf of NIE. This would have the advantage of making it clear that Congress was looking to the National Council for assurance that NIE was operating properly.

3. In the process of returning NIE's budget material to DHEW, the Committee on Appropriations could also request that the next budget submittal relate NIE's activities to the chief policy objective NIE was created to "carry out", the objective stated in the first three sentences of NIE's authorizing legislation. Section (a)(1) of NIE's law provides:

"The Congress hereby declares it to be the policy of the United States to provide to every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class. Although the American education system has pursued this objective, it has not yet attained that objective. Inequalities of opportunity to receive high quality education remain pronounced. . . ."

NCEC's review reveals nearly no attention devoted to the topic of equal educational opportunity in NIE's Budget Justification. This lack of attention to NIE's primary objective appears universal in NIE's publications and planning documents. As we pointed out in prepared testimony before a Congressional oversight hearing on NIE on February 6, 1973:

"We (NCEC) have reviewed the results of six of the Department of Health, Education, and Welfare planning efforts for the Institute, and, without exception, they fail to properly reflect this (equal educational opportunity) purpose."

Nearly all of NIE's activities are devoted to NIE's method, research and development, and almost none to its objectives. Our experience suggests that in large bureaucratic organizations, objectives must be diligently observed and constantly reinforced or they are quickly lost from sight in the day-to-day rush of managing crises. It is apparent from NIE material published as recently as this month and last, that the objective of equal educational opportunity is not central to the operations of NIE. This is so even in the light of the recent Supreme Court decision that equal educational opportunity is a legislative matter, not a judicial one. Congress has clearly stipulated NIE is to "carry out" the policy of equal educational opportunity; yet the proposed Budget Justification makes no effort to relate NIE's planned activities to this objective. In fact it is quite clear that equal educational opportunity is not of central importance to the leadership of NIE.

WITH RESPECT TO THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION

4. The Congress in its reports on the appropriation bill could make clear its objections that the Fund's FY-73 grant program was not officially announced by DHEW and that all future competitions are to be open and available to all and will be the subject of official DHEW announcements in the Federal Register and other publications read by those likely to be interested in the Fund's program.

The National Committee for Educational Change wishes to make it clear that the comments and suggestions in this letter are provided with the sincere hope and desire to see the Department of Health, Education, and Welfare operate better and more effectively. We believe that NIE and the Fund hold great promise for American Education. We want to help the Department and the Congress fulfill that promise.

Sincerely,

JAMES H. MCELROY,
Executive Director.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 17, 1973.

DEAR SENATOR MAGNUSON: Thank you for the opportunity to respond to the statements made about the National Institute of Education (NIE) by the National Committee for Educational Change (NCEC) in its letter to the Committee of May 25.

I will address the major points as outlined in NCEC's letter.

1. *NIE cannot properly obligate $50 million in the last five weeks of fiscal year.*

Comment:

The fact that some $50 million of NIE's FY 1973 appropriation had not been obligated as of May 18, 1973, does not mean that it would be improperly spent if obligated by the end of the fiscal year. As the Committee knows, a pre-award process dealing with program announcements, application reviews, and negotiation activities often takes from 90 to 120 days or more to complete. As of May 18, several Institute programs were well into that pre-award process. From that process, approximately $50 million was obligated prior to June 30, 1973, in addition to the funds previously obligated.

2. *"NIE is violating both the procedures and the substance of its authorizing law".*

Comment:

The Institute strongly rejects this statement. It is unfounded in either law or fact.

The preamble to our law states: "The Congress hereby declares it to be the policy of the United States to provide to every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class . . .

The Congress further declares it to be the policy of the United States to—

Help to solve or to alleviate the problems of, and promote the reform and renewal of American education;

Advance the practice of education, as an art, science, and profession;

Strengthen the scientific and technological foundations of education; and

Build an effective educational research and development system.

Congress goes on to say that the Institute shall, in accordance with the provisions of this section, seek to improve education, including career education, in the United States through—

(A) helping to solve or to alleviate the problems of, and achieve the objectives of American education;

(B) advancing the practice of education, as art, science, and profession;

(C) the strengthening of the scientific and technological foundations of education; and

(D) building an effective educational research and development system."

The basic contention of NCEC appears to be that NIE is not obeying that part of the NIE legislation which states the national policy of equal educational opportunity. Apparently, NCEC believes that every NIE grant and contract should have some direct relationship to education of disadvantaged or ethnic minority populations.

We take the law to say that:

The policy of the *United States* is to provide every person an equal opportunity to receive an education of high quality;

That objective has not yet been attained;

The Federal Government has a responsibility to provide leadership in supporting scientific inquiry into the educational process through NIE;

The NIE should try to contribute to this policy and the scientific leadership mandate by: (a) solving problems; (b) advancing the practice of education; (c) strengthening the scientific and technological foundations of education; (d) building an effective R&D system.

The Institute is, in fact, carrying out a variety of functions—basic research, applied research, developmental activities, dissemination, small and large programs, etc.—all of which contribute to fulfilling the mandate of providing "leadership in the conduct and support of scientific inquiry into the educational process". The NIE should not be limited to any one intellectual approach or research style or particular set of programs.

There is no doubt that programs to aid the educationally disadvantaged will loom large in NIE's activities. However, it is neither realistic nor in accordance with the statute to assume that every individual grant or contract made by NIE must be specifically related to this objective.

3. *Return NIE's FY 1974 budget request and have it resubmitted to Congress by National Council of NIE.*

Comment:

Since the President submits budget requests to Congress, the proposal, aside from its other faults, hardly appears legal.

4. *NIE's budget justification should relate its activities to "equal opportunities" objective.*

Comment:

NIE activities are related to its several legislative purposes. As noted above, we believe that the NCEC has misinterpreted the principal thrust of the NIE statute to be "equal opportunity" and therefore it would be inappropriate to relate all NIE activities to that or any other single objective.

Your interest in the Institute is appreciated. If I can be of further assistance, please let me know.

Sincerely,

THOMAS K. GLENNAN, Jr.,
Director.

PHYSICAL LOCATIONS OF OFFICES

Senator MAGNUSON. I think that is all I have right here.

Thank you very much.

Mr. GLENNAN. Thank you very much, sir.

Senator MAGNUSON. Maybe for the record, where are you people physically located? Is that in HEW?

Mr. GLENNAN. We are now.

Senator MAGNUSON. Or do you have a separate place?

Mr. GLENNAN. Part of our operation is in the Reporters Building at 7th and D in Southwest and the other part is at 1717 H Street Northwest.

Senator MAGNUSON. But you're physically in Washington, D.C.

Mr. GLENNAN. Yes, sir.

Senator MAGNUSON. Yes; I mean that in Washington, D.C., people, your physical location is available for conferences and things of that kind.

Mr. GLENNAN. Yes, sir.

Senator MAGNUSON. I think that is important, that is so the one hand knows what the other is doing, although you're supposed to be independent, you can't know it all, you have to go back to some of these people.

Mr. GLENNAN. Thank you very much, sir.

Senator MAGNUSON. All right.

TESTIMONY: DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Statement of Thomas K. Glennan, Jr., Director.

Accompanied by:

Bernard H. Martin, Associate Director for Planning and Management.

John W. Christensen, Budget Officer.

Ernest Russell, Associate Director for Administration.

Corinne Rieder, Director of Career Education Task Force.

Marc Tucker, Director of Special Projects Task Force.

Wilford Furbush, Director, Division of Budget Formulation.

BUDGET REQUEST

Senator MAGNUSON. All right. We will next hear the budget request of the National Institute of Education.

Mr. Thomas Glennan, Director, National Institute of Education, is here to tell us about the request for $162.2 million to carry out this fledging program.

The House cut the request by about $20 million. The reasons given were based on the fact that NIE was late in getting started and therefore, could not effectively use all of the money requested. So, we are glad to hear from you, Mr. Glennan.

BIOGRAPHICAL SKETCH AND PREPARED STATEMENT

Mr. GLENNAN. I have a statement that I will submit for the record and a very brief overview that I would like to read if I may, sir.

[The biographical sketch and statement follow:]

CHALLENGES SURROUND INSTITUTE'S ACTIVITIES

Mr. Chairman, members of the subcommittee, I appreciate this opportunity to discuss the fiscal year 1974 budget request for the National Institute of Education.

NIE faces several issues during its formative period which is, as you said, a fledgling organization which will have challenges to meet over the first years of its existence. The most serious problem we are facing is, of course, the official establishment and subsequent functioning of the National Council on Educational Research. This 15-member body, legislatively required to formulate overall policies for the Institute, was nominated by the President on March 24 and confirmed by the Senate on June 7. Their guidance is not reflected in this budget request or in the activities of the Institute to date. The budget request, then, represents essentially the staff recommendations that will be presented to the Council

A second issue about which I am most concerned is that the Institute be built on an open, participatory planning process that reflects the interest and needs of researchers, teachers and administrators, parents, policymakers, and all others concerned about education. I am also concerned that we avoid in our activities the temptation to beat the clock, to succumb to demands to produce immediate, flashy results. And finally, I'd like to ask your understanding when some of our developments appear less than totally successful. We expect to have a few failures if we are going to have some successful contributions.

FISCAL 1974 BUDGET REQUEST

The budget before you today indicates a 1973 level of $142.7 million, and a 1974 budget request of $162.2 million.

Senator MAGNUSON. Now, let's stop right there a minute so we can have the correct figures.

We have down here the National Institute of Education had $99.7 million in 1972, $118.8 million in 1973. Where are our figures different?

Mr. GLENNAN. The figure for 1973 is based upon a buildup of those programs transferred from the Office of Education and from the Office of Economic Opportunity to the Institute.

Senator MAGNUSON. That adds to $118.8 million?

Mr. GLENNAN. That is correct.

Senator MAGNUSON. All right.

Mr. GLENNAN. The first of the fiscal year 1973 activities have emphasized two efforts to assure that our legislative directive is fulfilled:

A careful review of all the transferred programs to determine their purpose, present status, relationship to research and development, and possible requirements for revision.

Senator MAGNUSON. As a matter of curiosity, what programs have been transferred from OEO?

RESEARCH PROGRAMS

Mr. GLENNAN. There was a part of the research programs that were in the Office of Planning, Research, and Evaluation which I headed when I was at OEO in the Office of Program Development.

Senator MAGNUSON. Is that all that came out of OEO?

Mr. GLENNAN. There were about 20 as I recall, totaling $24 million of programs to be transferred in this fiscal year.

Senator MAGNUSON. Do you know whether or not, you ought to know if you were down there, did they have anything left in 1974 for this purpose or have you taken it all over?

Mr. GLENNAN. The proposal of the President was to transfer all of the research activities to give those agencies to which those research activities were relevant. Some went to the Department of Housing and Urban Development, some went to the Department of Labor, and some went to the Office of Child Development.

Senator MAGNUSON. I understand that. I am saying, have you taken over all of the OEO programs in this field?

Mr. GLENNAN. As far as I know, sir, the ones that are research programs in education.

Senator MAGNUSON. Which would have been in your field?

Mr. GLENNAN. That is correct.

Senator MAGNUSON. They have no more to do with them.

Mr. GLENNAN. Correct.

Senator MAGNUSON. Even if they did, I don't know if they have any more money or not.

You have taken over that portion of OEO research programs, and those transfers account for the $118.8 million plus whatever you get.

Mr. GLENNAN. That is correct.

Senator MAGNUSON. And that figure is $142.7 million.

Mr. GLENNAN. Correct.

EXPENDITURES IN FISCAL YEAR 1973

Senator MAGNUSON. That is what you spent last year. Have you spent it all?

Mr. GLENNAN. In fiscal year 1973, we did not spend all of it.

Senator MAGNUSON. How much did you spend?

Mr. GLENNAN. I think we had about $3½ million that we returned to the Treasury, sir.

Senator MAGNUSON. You spent all but $3½ million?

Mr. GLENNAN. That is right.

Senator MAGNUSON. All right.

Mr. MARTIN. $142.7 million, Senator, I should point out is a comparable number. We actually had $110 million in fiscal year 1973; $142.7 million is a comparable number.

Senator MAGNUSON. How much did you spend in 1973?

Mr. GLENNAN. The Institute, under my direction, spent $106½ million. The difference direction of the Office of Education or the Office of Economic Opportunity for the programs as they were subsequently transferred. We have a comparable figure for fiscal year 1973 or in our fiscal year 1974 request.

Senator MAGNUSON. How much did you spend in 1973, $109 million?

Mr. GLENNAN. $106½ million.

Senator MAGNUSON. $106½ million. Why do you use the figure of $142.7 million?

Mr. GLENNAN. Because if we were to come to you with a request for $166.2 million, it seemed to us the proper comparison was not $162.2 million with $106½ million.

Senator MAGNUSON. It doesn't matter how it comes to us, we want to know how much you spent in 1973. The National Institute of Education spent $109½ million, is that correct?

Mr. GLENNAN. $106½ million.

Senator MAGNUSON. What happened to the rest?

Mr. GLENNAN. The rest of the moneys were spent by the Office of Economic Opportunity.

Senator MAGNUSON. All of it?

Mr. GLENNAN. For the Office of Education.

Senator MAGNSON. All of it?

Mr. GLENNAN. That had been transferred to us.

Senator MAGNUSON. All of it?

Mr. GLENNAN. I do not know that, sir. When this budget was put together, that is what they planned.

Senator MAGNUSON. How much was frozen?

FUNDS FROZEN FOR OEO

Mr. GLENNAN. As far as I know in the Office of Education, nothing was frozen and for the Office of Economic Opportunity I think we would have to provide that for the record, sir.

Senator MAGNUSON. Get that for us and put it in the record.

[The information follows:]

AMOUNT OF FUNDS FROZEN IN FISCAL YEAR 1973 FOR THE OFFICE OF ECONOMIC OPPORTUNITY

NIE has been informed by the Office of Economic Opportunity that no FY 1973 funds were impounded.

OMB RESPONSIBILITY FOR FROZEN FUNDS

Don't you take credit for it if it wasn't spent by you?

Mr. GLENNAN. OK.

Senator MAGNUSON. You ought to say you only spent $106.5 million.

Mr. GLENNAN. All right.

Senator MAGNUSON. I can understand you not knowing about the OEO matter. That was not only a legislative problem, it was an OMB problem, money frozen and things of that kind.

Mr. GLENNAN. Right.

Senator MAGNUSON. And we will have to take that up with the OEO budget.

Mr. GLENNAN. Right.

Well, to return to the testimony.

APPROPRIATIONS AND EXPENDITURES

Senator MAGNUSON. All right, you had $119 million last year that was appropriated and you spent $106 million.

Mr. GLENNAN. It was $110 million to the Institute and we spent $106 million.

Senator MAGNUSON. We had $118.8 million, what did that include?

Mr. GLENNAN. Well, that included the money for the programs that were administered by OEO that were transferred to us since the beginning of this fiscal year.

Senator MAGNUSON. You spent $109 million?

Mr. GLENNAN. $106 million.

Senator MAGNUSON. $106 million, let's get that correct.

Mr. GLENNAN. OK. We had two activities that we carried on.

Senator MAGNUSON. You probably can get along with that amount now if that is all you spent last year.

Mr. GLENNAN. We have some new programs that we need to carry out.

A careful review of all the transferred programs to determine their purpose, present status, relationship to research and development, and possible requirements for revision.

A series of exploratory studies into new problem areas consistent with the purposes in the law to determine if new research and development programs are required.

SPECIFICS OF 1974 BUDGET REQUEST

Before discussing the specifics of our 1974 budget request, I'd like to note that it reflects congressional concern that NIE funds be available for longer than the typical 1-year period. In drafting the legislation authorizing NIE, the Senate Subcommittee on Education noted that "no-year" funds would "* * * eliminate the annual rush to spend funds remaining at the end of the fiscal year, which has too often in the past encouraged the funding of weak and ill-planned projects." Inclusion of appropriation language allowing funds to remain available for 2 years addresses this concern and the Institute's belief that 2-year authority will improve its ability to manage discretionary research and development funds.

Senator MAGNUSON. Now, how many dollars do you have left if this is a 2-year extension?

Mr. GLENNAN. If we had a 2-year extension, if we put it in last year, we would have about $3½ million left.

Senator MAGNUSON. Left?

Mr. GLENNAN. Yes, sir, and we feel that the ability to be able to hold off and finally putting a project in place if it is not fully developed is a significant ability for us, when that allows us to do a better job of planning.

Senator MAGNUSON. That doesn't mean that you may not, after you look at it, spend the $3½ million.

Mr. GLENNAN. The $3½ million, under the terms of our appropriations, our previous appropriations language——

Senator MAGNUSON. We didn't put it in the language.

Mr. GLENNAN. You didn't last year and we are requesting it this year.

Senator MAGNUSON. All right.

THREE CATEGORIES OF NIE ACTIVITIES

Mr. GLENNAN. NIE's activities planned for the fiscal year 1974 fall into three general categories: basic studies, research and development and utilization system, and programmatic research and development.

The basic studies activities, for which $32.4 million is requested, are designed to achieve the legislative objective of "strengthening the scientific and technological foundation of education." Thus, the programs included under basic studies will focus on developing knowledge, defining educational problems with precision, and analyzing alternatives for policymakers. These efforts generally represent basic research; no large demonstrations or developmental activities are included. The research is intended to generate information and approaches that could ultimately lead to solutions for specific educational problems.

Senator MAGNUSON. Now, in that field, the Federal Government, I forget the total bill for education in the country.

Mr. GLENNAN. Around $85 billion.

Senator MAGNUSON. $85 billion, and we generate in round figures about 8 percent of that is Federal programs.

Mr. GLENNAN. A little less than that, Senator.

Senator MAGNUSON. In round figures.

Mr. GLENNAN. Yes, sir.

Senator MAGNUSON. Now, is your activity directed to that 8 percent?

Mr. GLENNAN. We believe our activities are directed to the entire $85 billion picture. We're trying to find ways to use not just the 8 percent but also the activities that are carried on as part of our routine local school operations.

Senator MAGNUSON. In other words, you give them advice.

Mr. GLENNAN. Advice and more likely, we develop materials or products or provide models that they can look at as to different ways of organizing school activities.

Senator MAGNUSON. Is that both elementary and higher education?

Mr. GLENNAN. Our authorization is very broad.

Senator MAGNUSON. Elementary and secondary, I mean.

Mr. GLENNAN. And higher education and also preschool.

Senator MAGNUSON. But it is only advice you give them?

Mr. GLENNAN. We develop—it is a research and development activity.

Senator MAGNUSON. But they don't have to take it, do they?

Mr. GLENNAN. They don't have to take it.

Senator MAGNUSON. For 92 percent of the money they're spending.

Mr. GLENNAN. They don't have to take it for that 8 percent ordinarily.

Senator MAGNUSON. Well, you have a little leverage on that 8 percent, I would think. You would be a little persuasive there I think.

All right.

SALARY SCHEDULE

Now, basic studies, how many people do you have aboard? How many salaries are you paying?

Mr. GLENNAN. How many salaries?

Senator MAGNUSON. Numberwise.

Mr. GLENNAN. We have requested 462 positions for the fiscal year covered by this budget request and in the basic studies area.

Senator MAGNUSON. You can't spend $162 million on 462 people. I think that was what you said.

Mr. GLENNAN. 462 people.

Senator MAGNUSON. Well, you're paying for other salaries.

Mr. GLENNAN. Of the Institute's activities, 90 percent of all funds appropriated to the Institute must be expended in contracts or grants.

Senator MAGNUSON. But we're paying salaries.

Mr. GLENNAN. You're paying salaries if you're talking about 462 people, Government salaries, that is, and if you're talking about——

Senator MAGNUSON. No, no, we're talking about what comes out of the Treasury to pay a salary.

PERSONNEL

Senator MAGNUSON. If you make a contract, and they employ some people, you pay for the contract, you're employing some people and the taxpayers are paying for it.

Mr. GLENNAN. That is correct.

Senator MAGNUSON. How many people are involved in the $162 million?

Mr. GLENNAN. We have to do a little study on that.

Senator MAGNUSON. Do a study and when you make a study, how many people are you employing?

Mr. GLENNAN. That is correct, we made a very substantial number of contracts in the last year.

Senator MAGNUSON. You keep track of them don't you?

Mr. GLENNAN. We keep track of the contracts, but I am not sure of the number of people involved.

Senator MAGNUSON. You should keep track of the number of people. Say it's going to the Treasury for a million dollar contract, the person or the company or the organization would get the contract—whomever you give the contract to employs so many people and the Federal Treasury is paying for it.

Mr. GLENNAN. Yes, sir, that is correct.

Senator MAGNUSON. You can't spend $162 million on 400 people unless you get in trouble with the Wage Board. Everybody comes up here and we ask them how many people they have and they tell us how many Government employees they have and we want to know what the taxpayers are paying by way of salaries. How many people do you have in these contracts, you can figure that out.

Mr. GLENNAN. If I were guessing——

Senator MAGNUSON. I don't want a guess. I want to know how many people under the basic research the taxpayers are paying for this particular budget item.

Mr. GLENNAN. I think we will have to provide that for the record.

Senator MAGNUSON. Sure you can. That isn't hard to find out. Most of it is personnel.

Mr. GLENNAN. And basic research, you are correct.

Senator MAGNUSON. It would be, I would think, 90 percent of it personnel.

Well, pretty close to it.

Mr. GLENNAN. That is quite correct. There is very little materialwise.

Senator MAGNUSON. That would amount to some thousands of people.

Mr. GLENNAN. I think that would be correct.

PERSONNEL EMPLOYED UNDER BASIC RESEARCH PROGRAM

Senator MAGNUSON. That is what we want to know. If they were paying for it or the educational institutions or the school boards, why that is a different story, but this is a contract you make, maybe it's a good project, maybe something you want to do or we all want to do, it employs so many people, that the Treasury pays with the taxpayer's money. That is what we want to know. We can never get that figure.

Mr. GLENNAN. I think we can try to give you a good estimate.

Senator MAGNUSON. You know how many people they employ, if they employ too many, you would jump on them, wouldn't you?

Mr. GLENNAN. Yes.

[The information follows:]

NUMBER OF PEOPLE EMPLOYED UNDER THE BASIC RESEARCH PROGRAM

NIE estimates that the Basic Research Program, which totals $32 million in FY 1974, will employ 1,600 people.

RESEARCH AND DEVELOPMENT AND LITIGATION

Mr. GLENNAN. Moving on to the second area, the second major area in our budget, we have requested $13.6 million for the second area, the research and development and utilization system, which addresses the legislative directive to build an effective education R. & D. system. By this, we mean a system that combines people, institutions, and procedures in a way that results in high quality research, and which facilitates the use of scientific knowledge and other R. & D. products to improve education and learning. Moreover, it must respond to the needs of students, teachers, administrators, school boards, and others involved in the day-to-day business of learning. I think this is particularly an important problem area, Senator, in education and research. In the eyes of the people who observed the development of it in the past year, it has somehow never found its way into the hands of the people in the classroom. We don't think it is quite as bleak as many critics charge, but there is no question that one of the real challenges to the Institute is how we take this knowledge or these products that we develop or these ideas that we develop and get them in the hands of people who may do things as we have outlined them. This is a start here in our budget and an attempt to try to develop means of carrying out this concept.

Senator MAGNUSON. Put in how many people we pay for in that division.

Mr. GLENNAN. OK.

[The information follows:]

NUMBER OF PEOPLE EMPLOYED UNDER THE RESEARCH AND DEVELOPMENT AND UTILIZATION SYSTEM

NIE estimates that the Research and Development and Utilization System, which totals $13.6 million in FY 1974, will employ 650 people.

SCHOOL BOARDS

Senator MAGNUSON. It is a good idea, I understand that. There are over 15,000 school boards, I think, in the United States.

Mr. GLENNAN. 17,000, if I am not mistaken.

Senator MAGNUSON. 17,000. If you can get them to agree, you're a magician.

Mr. GLENNAN. We would love to be able to do that.

Senator MAGNUSON. They don't want some of these things, whether it is right or wrong.

Mr. GLENNAN. That is correct.

Senator MAGNUSON. All right.

Mr. GLENNAN. The final element in our budget, the largest one——

Senator MAGNUSON. You know what they would say, they would say we know how to run our own schools, leave us alone, we don't want to pay any more taxes, and we don't want somebody from Washington telling us what to do. You have to tread softly with them, don't you?

Mr. GLENNAN. I think that is correct. Our intent is not to provide things to tell them so much how to do things, but when they ask a question someplace, a publisher, or——

Senator MAGNUSON. Well, if they can ask a question——

Mr. GLENNAN. There is an answer for them.

Senator MAGNUSON. Tell them what you think.

Mr. GLENNAN. Right.

PROGRAMMATIC RESEARCH AND DEVELOPMENT ACTIVITIES

Finally, about $104.8 million is requested for programmatic research and development activities, intended to implement the legislative directive for "helping to solve or alleviate the problems of, and advance the objectives of, American education." All the programs, therefore, focus on specific problem areas. They are almost all "developmental" or "demonstration" programs and are usually fairly large in scope. Their purpose is to develop specific solutions to problems or to improve educational practices.

I thank you for your time, and we will be glad to answer any questions you may have.

Senator MAGNUSON. Now, what is the difference between the programmatic R. & D. and the $13 million?

Mr. GLENNAN. The $13 million is awarded to us to develop a system. It is concerned with the means by which information is exchanged with people. That is a dissemination mechanism. It is concerned with the training of research people and it is concerned with the development of special information utilization systems at the State and local levels. The programmatic research and development activities is a specific program that is put in place and it is to be tested. Then, we develop materials and they are made available on the market.

Senator MAGNUSON. These are special grants?

Mr. GLENNAN. These are all grants or contract programs.

Senator MAGNUSON. On contracts?

Mr. GLENNAN. That is correct.

Senator MAGNUSON. But put in the record how many people we are employing, the total, not just what you have done.

Mr. GLENNAN. Absolutely, we will do that.

[The information follows:]

NUMBER OF PEOPLE EMPLOYED UNDER PROGRAMMATIC RESEARCH AND DEVELOPMENT

NIE estimates that Programmatic Research and Development, which totals $104.8 million in fiscal year 1974, will employ 2,500 people.

RESEARCH PROGRAMS FOR SCHOOL BOARDS

Senator MAGNUSON. Now, can you put in the record an example of some research programs you suggested to school boards?

Mr. GLENNAN. Surely.

PRODUCTS OF FEDERALLY FUNDED PROJECTS IN USE BY SCHOOLS

Three examples of federally funded projects whose products have been suggested to schools and are currently in use are as follows:

1. The Multiunit Elementary School was developed by the Wisconsin Research and Development Center for cognitive learning. This program changes the entire organizational structure of the school in order to provide individualization of instruction and maximum use of personnel resources already in the school. Currently 1,200 schools in 32 states have instituted Multiunit schools. A total of two thousand schools are expected to be in operation by next year.

2. The Cooperative Urban Teacher Education (CUTE) program was developed by the Mid-continent Regional Educational Laboratory in Kansas City, Missouri. CUTE is a one-semester program for student teachers, designed to prepare them for teaching in the inner city. The CUTE program is operated by coordination between a teacher education institution and a public school system. Over the last school year this program has been replicated in eight school systems in eight states.

3. The Visitor/Technical Assistance Center has been established in Indianapolis, Indiana. The Center trains paraprofessionals to conduct 15 minute programmed tutorial reading sessions with first, second and third grade students. During the 1972–73 school year the Center trained over 600 tutors for school systems in Indiana and Georgia. The programmed aspect of the tutoring assures the student high quality instruction plus the individualized attention which the use of paraprofessional aides makes possible.

Mr. MAGNUSON. When Senators read this, they will wonder why we did not quote it even farther.

I yield back the remainder of my time.

AMENDMENT NO. 472

Mr. ROBERT C. BYRD. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. There is not an amendment pending.

Mr. ROBERT C. BYRD. I send to the desk an amendment in behalf of the Senator from Indiana (Mr. HARTKE) and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ROBERT C. BYRD. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE's amendment is as follows:

On page 27, line 20, strike "$4,250,000" and insert in lieu thereof "$9,250,000".

Mr. ROBERT C. BYRD. I yield to the Senator from Missouri.

APPOINTMENT OF AN ADDITIONAL CONFEREE

Mr. SYMINGTON. I thank the Senator.

Mr. President, I ask unanimous consent that the name of the senior Senator from Virginia (Mr. HARRY F. BYRD, Jr.) be added as a conferee for the Senate on H.R. 9286, authorizing appropriations for military procurement.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Rhode Island has been waiting patiently. I yield him 3 minutes from my time.

Mr. PELL. I thank the Senator from West Virginia.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES—CONFERENCE REPORT

Mr. PELL. Mr. President, I submit a report of the committee of conference on S. 795, and ask for its immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on this conference report be limited to 2 minutes.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 795) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of September 27, 1973 at pp. H8377–8379.)

Mr. PELL. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. COTTON. Mr. President, reserving the right to object, the Senator from New York (Mr. JAVITS) wishes to speak on this subject.

The PRESIDING OFFICER. Does the Senator withdraw his request for consideration of the conference report?

Mr. PELL. Mr. President, I ask that the conference report be temporarily laid aside until the Senator from New York arrives.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the Committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1317) to authorize appropriations for U.S. Information Agency.

DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1974

The Senate continued with the consideration of the bill—H.R. 8877—making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, the leadership has sent out messages from the cloakroom to Senators to call up their amendments, or otherwise the bill will be advanced to third reading within a very short time.

The Senator from Indiana (Mr. HARTKE) cannot be present before about 4:30 this afternoon. His office has gotten in touch with him and Mr. HARTKE has suggested that a Senator offer the amendment on his behalf, which I have sent to the desk.

He has prepared a statement which I hold in my hand. I shall read it, and then I shall move the adoption of the amendment on behalf of Mr. HARTKE.

I am now reading from Mr. HARTKE's statement:

Mr. President, there are more than 5½ million retarded children in the United States today. Until recent years it was assumed that, once a child's condition was diagnosed as mentally retarded and he was assigned to one of the intelligence or behavioral levels, the child would stay at that level for the rest of his life. He was treated, trained and educated at that level, if some program was available to him. As a result, the individual either remained at the assigned level or deteriorated.

Fortunately, medical science and education gained new insights in the past several years, and there are now several programs underway for the mentally retarded which give them the challenge and opportunity for further mental and social growth. Many mentally retarded persons are no longer doomed to stay at the same level at which they are tested originally, but are encouraged to move upward with professional help.

The problem of mental health is a growing one. While the proportion of 10- to 14-year-olds will increase more than 10 percent over the next decade, the proportion of children in this age group who are in mental hospitals will grow by more than 100 percent. The rates for older children are almost as startling.

The President's Panel on Mental Retardation appointed by President Kennedy in 1962, recommended steps to bring about recognition to this long-neglected segment of our population. A significant aspect of the recommendations of that panel related to the need for facilities affiliated with university programs for the training of professionals to work with the problems of the mentally retarded and developmentally disabled. The facilities were intended to provide comprehensive diagnosis, care and treatment of retarded children, and to provide training for needed professional personnel in an interdisciplinary setting with the special needs of the mentally retarded as a focus for the training.

The university-affiliated facility is one of the programs which has succeeded in offering a ray of hope to the mentally retarded. Under title I of Public Law 88–164, money was provided for the construction of clinical facilities to give inpatient and outpatient services for the mentally retarded. Part B of this law provided construction money for university-affiliated facilities.

Today there are 35 such facilities with a Federal construction commitment in excess of $41 million. The commitment of the provide sector doubles this amount. The amendment I offer today does not seek to provide more funds for construction; instead, it strives to fulfill the commitment we made in the 88th Congress by providing the bare minimum of Federal assistance which these 35 university-affiliated centers need to operate.

Two years ago, when I first offered an amendment in support of university-affiliated facilities, this program was authorized at a level of $20 million. That authorization was part of a total of $52 million authorized for university-affiliated facilities over a 3-year period by the Developmental Disabilities Service and Facilities Construction Act in 1970. Since 1970, a total of $4,207,500 has been awarded to 33 institutions pursuant to the authority contained in the act.

Last year, the Appropriations Committees increased the level of funding from the budget request of $4.25 million to $9.5 million. Because that bill was vetoed by the President, the level of funding for university-affiliated facilities remained at the $4.25 level. Even this low level of funding was little more than a faint promise since a one-time release of funds in the amount of $4,207,500 was made on the last day of the fiscal year. Thus, while the funds were appropriated for fiscal year 1972, they were in reality not available until fiscal year 1973.

The operating costs of the 35 university-affiliated centers are more than three times the $4.25 million level which has been appropriated in the past and which is recommended by both Appropriations Committees this year. Twenty of the 35 facilities are eligible to receive additional financial assistance under the maternal and child health service program. All of the 35 facilities—and especially those 15 facilities which do not receive any maternal and child health assistance, need the money provided under the Developmental Disabilities Act.

Mr. President, on behalf of the Senator from Indiana (Mr. HARTKE), I ask unanimous consent that a list of the university-affiliated facilities and the sources of Federal assistance for each be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

UNIVERSITY AFFILIATED FACILITIES BY HEW FUNDING SOURCES

State and name and location of facility	Sources of HEW support		
	Maternal and Child Health Service	Social Rehabilitation Service	Bureau of Education for the Handicapped (Office of Education)
Alabama:			
University of Alabama:			
Birmingham	×	×	×
Tuscaloosa		×	
California:			
University of California:			
Los Angeles	×	×	×
Irvine		×	
University of Southern California, Los Angeles	×	×	×
Colorado: University of Colorado, Denver	×	×	×
District of Columbia: Georgetown University, Washington, D.C.	×	×	
Florida: University of Miami, Coral Gables	×	×	×
Georgia:			
University of Georgia:			
Athens		×	×
Atlanta		×	
Indiana:			
University of Indiana:			
Bloomington		×	×
Indianapolis	×	×	
Iowa: University of Iowa, Iowa City		×	
Kansas:			
University of Kansas:			
Lawrence		×	×
Kansas City	×	×	
Parsons		×	
Kentucky: University of Kentucky, Lexington		×	
Louisiana: Louisiana State University, New Orleans		×	
Maryland: Johns Hopkins University, Baltimore	×	×	×
Massachusetts:			
Children's Hospital, Boston	×	×	×
Fernald State School, Waltham	×	×	
Michigan: University of Michigan, Ann Arbor	×	×	×
Missouri:			
St. Louis University, St. Louis		×	
University of Missouri, Columbia		×	
Nebraska: University of Nebraska, Omaha		×	
New Jersey: Newark State College, Newark		×	
New York:			
New York Medical College:			
New York City		×	
Valhalla	×	×	
Yeshiva University: Bronx		×	
North Carolina: University of North Carolina, Chapel Hill.	×	×	×
Ohio:			
University of Cincinnati, Cincinnati	×	×	×
Ohio State University, Columbus	×	×	×
Oregon:			
University of Oregon:			
Portland	×	×	
Eugene		×	
Pennsylvania: Temple University: St. Christopher's Hospital, Philadelphia.		×	
South Dakota: University of South Dakota, Vermillion.		×	
Tennessee: University of Tennessee, Memphis	×	×	×
Utah: Utah State University, Logan		×	×
Washington: University of Washington, Seattle	×	×	
Wisconsin: University of Wisconsin, Madison	×	×	×

Mr. ROBERT C. BYRD. Mr. President, the Senator from Indiana continues: the authorization for university-affiliated facilities has been reduced from $20 million to $9.25 million. This is less than the figure upon which both Houses of Congress agreed last year. I can think of few more worthy programs than the university-affiliated facilities. They are a vital part of the growing national commitment to cope with mental retardation.

By appropriating the modest amount of $9.25 million, we can assure that the valuable work of these centers throughout the Nation will continue at an adequate level for the coming fiscal year. If we fail to make this appropriation, many of these centers may be forced to make sharp cutbacks in the operations. The time has come for us to make good on the commitment to these facilities which we made in the 88th Congress. And the time has come for us to make good on our commitment to the mentally retarded and to their parents and their families.

Mr. President, I urge the adoption of my amendment.

Mr. President, I have read the statement submitted by Mr. HARTKE in support of his amendment. I regret to be put in the position of having to offer an amendment for another Member but, in this instance, Senator HARTKE could not be present and he has very graciously consented to submitting his amendment in this way so that the Senate will not be delayed or detained in its final action on the bill. I know that all Senators will appreciate the fact that the distinguished senior Senator from Indiana (Mr. HARTKE) is willing to proceed in this manner, out of consideration for the Senate.

He has been informed that the expectations of the managers of the bill are to bring the bill to a final conclusion before 4:30 p.m. today, the hour at which the distinguished Senator from Indiana (Mr. HARTKE) would be able to be present and offer the amendment on behalf of himself.

I do regret, as I say, having to present an amendment on behalf of any other Member, because I always feel that the Member who is the author of the amendment is in a better position to explain it, and certainly is in a much better position to persuade the Senate to go along with his amendment.

But I thank the Senator from Indiana, and I express appreciation on behalf of the leadership for the understanding of Senators and for their cooperation in allowing his amendment and his statement to come to the floor on behalf of Senator HARTKE.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I yield myself 1 minute. Of course, this is a good program. All of these programs are good programs. This is an amendment we have had up before. We made it four and a quarter million dollars because that is what the expenses in 1973 were. That is what they had in 1972 and that is what they have now. It should not hurt these institutions now running. The Federal contribution is only a part. I suppose we could put $20 million or $30 million into this, if we wanted to. As I say, it is a very good program but the Senate should turn this down because it is something we are staying within our limit on, and if there is any real problem we will have a supplemental coming up when we come back and we can take another look at it then.

Mr. ROBERT C. BYRD. Mr. President, I will not ask for the yeas and nays. I know the mood of the Senate today. I think that all Senators have conducted themselves in a remarkably restrained manner in not pressing their amendments. The managers of the bill have repeatedly declined to accept amendments today, but, on behalf of Mr. HARTKE, I hope the Senate will adopt his amendment.

Mr. President, I yield back the remainder of my time on behalf of the senior Senator from Indiana.

Mr. MAGNUSON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Indiana (Mr. HARTKE).

The amendment was rejected.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES—CONFERENCE REPORT

Mr. PELL. Mr. President, we earlier brought up the conference report on S. 795, to amend the National Foundation on the Arts and the Humanities

Act of 1965. It was temporarily laid aside so that the Senator from New York (Mr. Javits) could be here.

So now I submit a report of the committee of conference on S. 795, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Helms). The report will be stated by title.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 795) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of September 27, 1973 at pp. 31747–31750.)

Mr. PELL. Mr. President, this conference report was acted upon by the House of Representatives. Most of the differences between the House and the Senate versions were technical in nature, having to do not with substance but with various minor points of language. These are fully covered by the printed conference report.

The one major stumbling block to the conference was the question of funding. The Senate in its bill had a 3-year total of $840 million, while the House had a figure of $145 million for the first year, with the remaining 2 years open-ended. The conference agreement is for a 3-year authorization at a total for both endowments of $145 million for fiscal year 1974, $200 million for fiscal year 1975, and $252 million for fiscal year 1976. This compares to our Senate-passed funding levels of $160 million, $280 million, and $400 million for the 3 fiscal years involved.

I personally regret that we were not able to approve in conference higher figures, for this is a most laudable and important program, and I believe the Senate took a most important initiative in its action early in May. However, I do believe that the figures contained in the conference report will enable both the arts and humanities endowments to do meaningful work in these areas.

Mr. JAVITS. Mr. President, I urge support of the conference report on S. 795, the National Foundation of Arts and the Humanities Act of 1973. This measure, it will be recalled, passed the Senate on May 2 by a 76-to-14 vote.

The measure before us authorizes for fiscal years 1974, 1975, and 1976, $145 million, $200 million, and $252 million, respectively, a reduction from the $160 million, $280 million, and $400 million authorizations approved by the Senate last spring. While this is a substantial reduction from the Senate figures, I am hopeful that appropriations will be close to the authorization figures, thus helping to achieve the objectives the Senate had in mind when S. 795 was approved last spring.

With respect to the authorizations, several points should be noted. First, the conference report emphasizes that the equality in authorizations between the arts endowment and the humanities endowment, a parity which has been in the statute since the act was first enacted in 1965, has been maintained with the expectation and hope that appropriations for the two endowments will continue to be approximately equal.

Second, the bill no longer contains a 20-percent set-aside of the arts programs. Instead provision is made for a 20 percent set-aside of the arts endowment authorization for State grant programs. Of this set-aside amount, 75 percent is reserved for allocation to the States on a formula basis—each State being eligible to receive the same amount if matched—with the proviso that no State receives less than $200,000 before going to the 25 percent distribution. The remaining 25 percent will go to State arts councils and regional programs on a matching basis, the recipients to be determined on a competitive basis by the National Endowment for the Arts. Thus, for example should $100 million be appropriated to the arts, $20 million, or 20 percent, would be available for State programs. Of that $20 million, 75 percent, or $15 million, would go to the States on the matching formula basis—estimated to be about $272,000 for each of the 55 entities defined as a State—and the remaining 25 percent, $5 million, would go to States and regions as determined by the endowment also on a matching basis.

Finally, I should like to express my appreciation to the distinguished gentleman from Rhode Island (Mr. Pell) who as chairman of the Subcommittee on the Arts and the Humanities, did so much in crafting the bill now before us and was so helpful in his firm leadership in conference at a time when firmness and resolve was very much needed. Claiborne Pell has been a staunch friend of the arts and the humanities in our Nation.

Mr. President, this conference report has already been approved in the other body. The bill was approved in the Senate by a vote of 76 to 14. I strongly recommend approval of the conference report by the Senate.

Mr. PELL. Mr. President, I move adoption of the conference report.

The motion was agreed to.

DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATIONS, 1974

The Senate resumed the consideration of the bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask for the years and nays on final passage.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, I have an amendment at the desk which I ask be called up and stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 39, between lines 12 and 13, insert the following new section:
>
> Sec. 213. Notwithstanding any other provision of this title, the aggregate appropriation (other than amounts appropriated under the headings "payment of sales insufficiencies and interest losses", and "payment of participation sales insufficiencies", and transfers from other accounts) and aggregate dollar limitation on an appropriation made by this title shall be reduced by the Secretary of HEW by 5%.

Mr. BELLMON. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. BELLMON. Mr. President, the purpose of the amendment is very simple. The President sent us a total budget figure of $268.7 billion. The Senate later put on a spending limitation of $268 billion, close to $1 billion less than the President recommended. Yet we have now to consider a bill from the Appropriations Committee concerning the HEW Departments, which comes to $1.8 billion in excess of the limitation which the Senate adopted.

Mr. President, it is not my intention to ask for the yeas and nays on this amendment. I will hurry as rapidly as I can.

Now we are going to $2 billion over the President's budget and over the spending limitation we had earlier adopted.

To me, that makes no sense. We are merely kidding ourselves. There is no way we can live within the spending limitation we earlier adopted if we go ahead and spend $2 billion more in this appropriation bill.

We have promised ourselves and the people of the country that we are not going to spend. So, what distresses me is that this year the economy of the country is running at a very high level. In fact, it is overheating. If Congress is ever going to get the level of spending in line with our income, we must do it this year. If we fail to do so, we can expect continued inflation and all the evils that go with it, and many of the results of inflation will hurt the very people we are trying to help in this bill more than any other group. I refer to the poor, to the handicapped, to the aged, and the others with whom the Department of Health, Education, and Welfare works.

My proposal, very simply, is that we reduce the appropriatons in this bill by 5 percent. Since the bill includes for the Department of Health, Education, and Welfare approximately $32 billion, that would reduce the overall spending by $1.5 bililon, which brings us very close to the spending limitation we earlier adopted.

Mr. President, this amendment is aimed at reducing the appropriations for HEW from the level which the Senate Appropriations Committee reported out down to the level that was requested by the President. As reported from the committee, the bill includes $1,577,605,000 above the President's request. This is approximately 5 percent above the amount requested for HEW under the President's budget request.

I would remind the Senate that we have placed a spending ceiling on the 1974 fiscal year spending of $268 billion, as compared to the President's request of $268.7 billion. As the distinguished chairman, Mr. McCLELLAN, has stated earlier, the Appropriations Committee set a limit of about $1 billion under the budget. Therefore, the purpose of this amendment is to insure that we live up to the obligation which we have agreed to under the spending ceiling limitation adopted earlier.

Mr. President, I do not believe we should allow the executive branch to determine spending priorities—yet that is just what we have been doing these past years. Congress has been appropriating far in excess of income. The executive branch cuts out programs it does not like. The effect of this amendment would be to leave the priority decisions made by Congress essentially intact. We would only reduce the overall amounts.

Essentially this amendment would provide for a proportionate reduction of all programs under the HEW appropriations to meet the level already set by the President. While this amendment provides for an appropriations ceiling for the HEW bill, it also reserves congressional authority over the priorities within the HEW bill. The proportionate cutback for the aggregate appropriation is estimated to be 5 percent as the bill stands as reported out of committee.

Under this method, priority judgments made by the Senate based upon the arguments and information presented to the Senate would remain intact. If we fail to take this step, we can expect the President to assert our responsibility for us through the means available to him. As we all know, this is a less than desirable method of reducing Federal spending and results in the wholesale reduction of individual programs. My amendment will prevent the necessity for this by mandating the Secretary of Health, Education, and Welfare to reduce each program a small percentage rather than unfairly curtailing the activities of specific programs in the HEW budget. Clearly this method which permits the Congress to set spending priorities is more sound than is the latter, but we should not delude ourselves into believing that the spending presented in this budget will not be cut one way or the other. I would like to see Congress meet the issue head-on rather than appropriate more than will be spent, then blame it on the President. We all know that he will reduce spending for this bill. I am simply saying that we in the Senate should make a proportionate reduction of all programs rather than cut out individul programs on a specific basis, but one way or the other we must reduce this bill if we are going to meet the $268 billion spending ceiling which the Senate has established.

This amendment is based upon the assumption—and I think it is an accurate one—that the Appropriations Committee and the subcommittee of the Appropriations Committee gave full and fair consideration to all the appropriation requests that were made; that the appropriations that have been adopted are all equally important; and that, therefore, they all should be treated the same by being reduced proportionately.

If we fail to do something like this, the obvious result will be that the President, through the Office of Management and Budget, is going to cut out the programs that the executive branch does not like, and we will be standing up here screaming about the fact that they have withheld funds. We have the opportunity, through this amendment, to treat all the agencies of HEW equally and to make it unnecessary for the executive branch to wield the meat ax against the departments or agencies they do not like, as they seem to have done in the past.

Mr. President, I ask unanimous consent that the name of the Senator from North Carolina (Mr. HELMS) and the Senator from New York (Mr. BUCKLEY) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. I yield myself 5 minutes.

First, Mr. President, I am greatly in sympathy with the purpose and motives that animate my distinguished friend, the Senator from Oklahoma. Having fought for many years to hold down these appropriations, it always gives me a good deal of pleasure to see one of those who are going to be with us in the future taking up that fight, which is a long and discouraging fight.

However, I am compelled to oppose the amendment. I thank the Senator from Oklahoma for his consideration of the committee in agreeing to a voice vote. Naturally, I must say that I hope the voice vote will defeat his amendment, for this reason:

I have been on this subcommittee some thirteen years. This HEW bill deals with the needy, the handicapped, the blind, and others who are unfortunate. Never in those 13 years have I seen an HEW bill come to the floor of the Senate, no matter how hard we worked or how much we had yielded and raised the sums in it, that the Senate did not proceed to load it up with many more amendments putting more dollars into it. We resolved to try to stop that if we could.

There were 152 amendments that would have added between $4 billion and $5 billion to this bill. We tried to take care, in a small way, of some of the most meritorious. All the amendments were offered sincerely. We have appealed—by that I mean the members of the committee, particularly the subcommittee—both personally and on the floor, to the Senators who had these amendments which would raise the amount in the bill, and they have responded. They have been very considerate. I have not known it to happen before. They have responded and either have not presented their amendments or have presented them and accepted a voice vote.

So, for the first time since I have been in the Senate—and I have been in the Senate since we have had an HEW Department—it appears that we are going off the floor without raising the amount in the bill—which, I grant the Senator, is already in excess of the budget.

If, after appealing to them and getting them to withhold their amendments, we proceeded to cut what is in there already, the bars would be down and the cows would be out—and justifiably so. They would all come back and proceed to present the amendments, and we would be here until next Tuesday or Wednesday, considering amendments that would increase this bill—and they could not be blamed for it.

So, while I recognize the sincerity and the purpose of the Senator from Oklahoma, it is imperative that his amendment be defeated.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. BROOKE. Mr. President, I, too, want to state my sympathy with the purpose for which the Senator from Oklahoma has offered this amendment. But I also want to associate myself with the remarks of the distinguished ranking member of the subcommittee (Mr. COTTON).

I know that the administration has taken a position in opposition to across-the-board cuts in the defense authorizations and defense appropriations. Historically, the administration has taken a position in opposition to those cuts. I have taken a position in opposition to across-the-board percentage cuts, because we do not know from what weapons system the money would be coming. The same principle and problem inherent in across-the-board percentage cuts would apply to HEW.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COTTON. I yield myself an additional 5 minutes, in order to yield to the Senator from Massachusetts.

Mr. BROOKE. I thank the Senator.

An across-the-board cut in HEW appropriations would work the same way as it would in defense appropriations. We do not know from what HEW agency or what program a 5-percent cut would come.

As the Senator is aware, we have had lengthy hearings in the Committee on Appropriations. We have had very spirited debate in the subcommittee markup and the full committee markup, and I believe we have done a tremendously effective job.

Not only do I think we have done a tremendously effective job, but apparently the Senate thinks so as well because Senators have not offered any dollar amendments on the floor today. As has been said by the distinguished Senator from New Hampshire, it appears that, for the first time in the history of the Senate since we have had HEW, we are enacting an appropriations bill under the ceiling which was established by the Appropriations Committee, and without any amendments to the markup bill.

So even though I am in sympathy with the Senator from Oklahoma, who sits on the Appropriations Committee and was a part of this debate in both the subcommittee and the full committee markup, if we did adopt this amendment, it would open the floodgates; to every amendment that was suggested to the Appropriations Subcommittee and full committee. I think they number some 150. The result could well be an appropriations bill that ballooned so much under amendments from the floor that the President would have a legitimate excuse to veto the bill. And we are determined that the bill which the Congress sends to the President for his signature will give no such excuse.

Mr. BELLMON. I yield myself 5 minutes.

Mr. President, in response to the comments by the distinguished Senator from Massachusetts, I point out that the purpose of my amendment is to accomplish the objective he so eloquently describes.

It is true that the committee carefully considered the various requests for money, and it is true that they used their best judgment in arriving at these totals. But it is equally true that the executive branch probably is not going to spend all that money.

So what we are actually saying to the executive branch here, by appropriating roughly $2 billion above the President's budget, is that the executive branch is now going to make a decision, through the process of impoundment, as to where these appropriations will be reduced.

The result is to negate much of the work done by the Committee on Appropriations and to leave those decisions up to unknown bureaucrats in the Office of Management and Budget.

It is my hope to preserve the work of the Committee on Appropriations and to cause these appropriations all to be reduced proportionately and not to hurt one more than another.

Mr. COTTON, Mr. President, will the Senator yield before he leaves that point?

Mr. BELLMON. I yield.

Mr. COTTON. On my time.

I feel the situation is not quite as the Senator has analyzed it. In the first place, many of the items in the bill are exactly the budget items which are the same as the previous year. We held them to the budget. We felt the budget was justified. A few items we cut and, of course, in a few cases additions were made. They were in cancer, heart, and lung, and the other institutes of health; the basic opportunity grants for undergraduate students; the State student incentive grants; nurses' training; and we also added something for mental health, mainly for alcoholism. Those are all the major increases that the Senate committee put into the bill.

If the Senator's across-the-board cut were made he would go right through the budget figures, where the budget has very carefully placed the figure. It would cut those and the items further that we have cut.

It should be borne in mind that the increase is not $2 billion and it certainly will not be $2 billion if the bill goes through in this form, and we compromise in conference between the House and Senate figure.

Mr. BELLMON. Mr. President, will the Senator yield for a question?

Mr. COTTON. Certainly.

Mr. BELLMON. I do not intend to be contentious, but I wish to inquire if the Senator really feels that the administration is going to spend all this money.

Mr. COTTON. First, it is in the bill itself. The administration might defy Congress, but it is also in the courts. It may be that the courts will decide that the administration has no right to impound these funds.

On page 5 of the report we stated:

> The Committee has added language to the bill to insure that all funds appropriated herein shall be obligated except as specifically provided by law. It is the intent of the Committee that all funds be available for obligation except those for which a specific reservation has been provided in this bill or those which may legally be withheld under the Anti-Deficiency Act or other specific statutory authority.

So the committee has written into the bill a provision against impoundment. Also, the courts are deciding on some of these past matters.

Frankly, I will say that through the years many Presidents have impounded funds and I have felt it was a blessing that they did not spend all the money Congress appropriated. But it is going to be difficult for the President to impound the money this year after we have appropriated it.

Mr. BELLMON. Mr. President, I yield myself 3 minutes.

I appreciate the comments and the position taken by the distinguished Senator from New Hampshire. Generally I agree with the philosophy he has expounded, except for the fact I do not think Congress has the right to order the President to spend money. In my opinion, Congress decided to cut this back to the budget level and the question is whether we are going to leave the final decision up to the Office of Management and Budget. I believe it would be much wiser to base our action on the work of the committee which heard the testimony than to leave the question up to the Office of Management and Budget to cut some of the money out and leave other programs untouched.

So that Senators may know how rapidly the costs of the operation of the Department of Health, Education, and Welfare have risen, I have a table prepared by the Library of Congress which shows that in fiscal year 1962 the amount of funding available, and this includes both appropriating and trust funds to HEW, was $17.7 billion. That represented 15 percent of the total budget.

In the budget for fiscal year 1973, we have a total of $101,800,000,000 available to this Department, which amounts to 35.37 percent of the budget. So year after year we have seen this figure go higher and higher until now it over one-third of the budget. At some time Congress is going to have to put on the brakes and bring this major item of expenditure under control. That is the purpose of my amendment.

Mr. COTTON. I agree with the Senator thoroughly. I am sure the Senator is not going to compel the Committee on Appropriaitons to break faith with the people we dealt with. I am sure he does not expect that.

I yield back my time.

Mr. BELLMON. Mr. President, I ask unanimous consent to have printed in the RECORD the table to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HEW BUDGET, FISCAL YEAR 1962—FISCAL YEAR 1974 (INCLUDES BOTH APPROPRIATED AND TRUST FUNDS)

	Budget authority[1] (in millions)	Percent of total budget authority[1]
Fiscal year:		
1962	$17,716	14.91
1963	20,322	15.52
1964	22,953	17.30
1965	24,815	17.90
1966	30,959	18.97
1967	41,640	22.80
1968	44,688	23.43
1969	51,237	26.11
1970	58,313	27.38
1971	65,829	27.84
1972	75,708	30.51
1973 (estimate)[2]	87,859	31.33
1974 (administration request—estimate)[2]	101,880	35.37

[1] Unified budget figures (includes Federal funds and trust funds).

[2] As of Jan. 29, 1973, as printed in the fiscal year 1974 budget.

Mr. MAGNUSON. Mr. President, the record should be cleared up. The $101.8 billion includes $74 billion for the social security trust funds.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. MAGNUSON. Mr. President, how much time is remaining on the amendment?

The PRESIDING OFFICER. The Senator from Washington has 15 minutes remaining, and the Senator from Oklahoma has 1 minute remaining.

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. Mr. President, as I understand the amendment offered by the distinguished Senator from Oklahoma, it would reduce the pending $33 billion appropriation by 5 percent. If the amendment were agreed to, it would bring the total HEW appropriation for 1974 down to the budget estimates, or pretty close thereto in round figures.

If the amendment is not agreed to, it would mean, as I understand the figures, that the operating level for 1974 for HEW will be $3.254 billion over the operating level for 1973. That is a tremendous increase. It seems to me that the distinguished Senator from Oklahoma has a reasonable proposal. As the bill stands now, it is substantially above the budget requests.

There are so many worthy and fine projects and programs in this bill that I dislike to vote against it.

I am for most of the projects. I just think the amount has gotten so tremendous. This is a $33 billion bill. It is 50 percent greater than the entire military procurement budget.

It is difficult to get comparable figures even from the Department itself, but the best figures I have been able to get show that the Labor-HEW appropriation, if this bill as we have it before us is adopted, will have increased approximately 50 percent since fiscal 1971, which is only 3 years ago—from $22 billion to $33 billion.

The amendment offered by the Senator from Oklahoma appeals to me a great deal, because, if it is not adopted, the President will be mandated to spend $3.2 billion more than was spent last year. This increase is too much. It does not appear to me to be reasonable under the very serious financial conditions facing our Nation.

So I intend to support the amendment offered by the senior Senator from Oklahoma, and I ask unanimous consent that my name be added as a cosponsor of the amendment. And I ask unanimous consent to insert in the RECORD a table prepared by HEW.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—ANALYSIS OF H.R. 8837, 1974 LABOR—HEW AND RELATED AGENCIES APPROPRIATIONS BILL

[Millions of dollars]

	Total bill	HEW
Amount of bill passed by House	32, 816	31, 502
Amount added by Senate	+580	+497
Total of bill as reported to Senate	33, 396	31, 999
Amount of comparable appropriations, 1973	33, 757	30, 548
Amount of operating level, 1973	31, 950	28, 745
Budget estimates, 1974	31, 550	30, 421
Comparable to House/Senate bills [1]	30, 914	29, 785
The bill as reported to the Senate:		
Over the comparable appropriations for 1973	−361	+1, 451
Over operating level for 1973	+1, 446	+3, 254
Over the estimates for 1974	+1, 846	+1, 578
Over the comparable estimates for 1974	+2, 482	+2, 214

[1] The budget included $636,000,000 for the period fiscal year 1975–81 to fully fund all currently funded community mental health centers. These costs were not included in the House and Senate bills; and, for purposes of comparison with the House and Senate, these out-year costs have been excluded from the budget estimate.

Mr. ROTH. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. ROTH. Mr. President, I would like to join in the sentiments expressed by the Senator from Virginia. I agree that these are programs that we believe in and should be supported, but I agree with the observation made that, in view of the fiscal and inflationary problems of this Nation, the proposed increase is too high.

For that reason, I, too, ask unanimous consent to cosponsor the amendment by the Senator from Oklahoma.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I yield myself 1 minute.

I want to tell the Senator from Virginia that I have always admired his steadfast adherence to economy, and I wish it were possible to do what the Senator from Oklahoma seeks to do. However, if, by any chance, the amendment of the Senator from Oklahoma were adopted, we would be honor bound to have another live quorum and let Senators know about it. Before this afternoon is over, and before Monday and Tuesday are over we will have appealing amendments coming in here that will be very difficult for any Senator to resist. In that event the bill will be increased not by 5 percent; it will jump up by 15 percent, as a practical result.

Therefore, though I am in complete sympathy with this, I hope the amendment will not be adopted.

Mr. MAGNUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I commend the distinguished Senator from Oklahoma (Mr. BELLMON) for his amendment, and I am happy to join him in cosponsorship of his effort to reduce Federal spending.

The Senator's amendment is reasonable and responsible—and it is the only way to move toward a balanced budget. And a balanced budget, Mr. President, is absolutely imperative if we are ever to hope to curb inflation and set this Nation's financial house in order.

I commend my distinguished colleague.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. BELLMON. Mr. President, I yield back my time

The PRESIDING OFFICER. All time having been yielded back or used, the question is on the amendment of the Senator from Oklahoma (putting the question).

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

FUNDS FOR CONTROL PROGRAMS FOR HIGH BLOOD PRESSURE

Mr. WILLIAMS. Mr. President, I would like to take a brief moment in this debate to praise the distinguished senior Senator from the State of Washington (Mr. MAGNUSON) for the sensitivity he has shown in meeting the needs of the 23 million Americans who suffer from high blood pressure. We are all aware that of these millions of individuals only one-eighth of them are receiving adequate medical attention for this tragic disease. We are all aware that high blood pressure is a major factor in the development of many forms of heart disease and stroke, and that it is estimated that nearly two-thirds of the victims of heart disease and stroke have high blood pressure. The real tragedy underlying these facts is that our national research effort has led to the development of readily available drugs which are truly effective in the treatment of this "silent disease." But there are many hundreds of thousands of people who do not know they have the disease or who are not given adequate followup evaluation and treatment. Thus, it is clear that thousands of lives can be saved and enormous human suffering can be eliminated if our Nation undertakes effective control programs for high blood pressure.

Mr. President, I am indeed gratified that the committee has seen fit to include $23 million to implement screening programs for high blood pressure detection, for followup evaluations, and for appropriate treatment—all of which are authorized in section 414 of the recently enacted National Heart and Lung Act.

When compared to the number of individuals afflicted with high blood pressure, this is a modest amount, representing only $1 for every one of thousands of individuals. It is my hope that this item will be retained in the final bill which passes the Congress and that the administration will make full use of this money as a vital investment to insure better health care for all our citizens.

ETHNIC STUDIES APPROPRIATIONS

Mr. SCHWEIKER. Mr. President, I am pleased that the Senate has today approved appropriations of $5 million for implementation of the Ethnic Heritage Studies Programs Act.

I originally introduced this measure as S. 23 in the 92d Congress, and it was signed into law in June 1972—Public Law 92–318—as a new title IX to the Elementary and Secondary Education Act of 1965.

The report of the Senate Appropriations Committee for this fiscal year 1974 HEW appropriations bill—Senate Report 93–414—described the purposes of the bill and this appropriation as follows:

> The Committee has also included $5,000,000 for implementation of the new Ethnic Heritage Studies Program authorized by the Education Amendment of 1972. The purpose of this program is to afford students opportunities to learn about the nature of their own cultural heritage, and to study the contributions of the cultural heritage of other ethnic groups in the Nation. The funds would be used to develop and disseminate curriculum, materials to train teachers, and develop and support operational programs.

Mr. President, the authorizing legislation contained a recommendation for appropriations of $15 million. However, I am satisfied that the figure of $5 million for the remainder of this fiscal year is an adequate amount for the initial startup phase of the ethnic heritage studies programs.

The ethnic studies programs can be an important beginning to help bring about better understanding of each person's own background, heritage, and traditions, and to help encourage ethnic pride and ethnic identity. At the same time, the ethnic studies programs would emphasize comparative studies of ethnic and minority heritages so all persons can better understand each other. Hopefully, the resulting ethnic identity and mutual understanding can lead to greater communication and cooperation in all our communities.

Careful planning, coordination and cooperation will be needed between the Office of Education and the wide variety of academicians and community groups already seriously involved in the development of ethnicity programs. The ethnic studies bill is still essentially a pilot program and this startup money can help provide the comprehensive preparation to make ethnic studies an important national and local force.

I strongly recommend that the full Congress adopt the Senate's appropriations of $5 million for this program, so that this new recognition of ethnicity can be properly begun. I also am hopeful that the Office of Education, the administrative agency charged with responsibility for the program, will work expeditiously to insure that the program is properly and fully implemented.

Mr. President, to help clarify the intent of Congress on the ethnic heritage studies programs, I request that the text of the authorizing report, Senate Report 92–346, of the original bill, as prepared by the Senate Labor and Public Welfare Committee, be printed at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

SENATE REPORT 92–346, ON S. 659, EDUCATION AMENDMENTS OF 1971

ETHNIC HERITAGE STUDIES CENTERS

Section 504 of the bill creates a new Title IX of the Elementary and Secondary Education Act of 1965 providing authority for the creation of Ethnic Heritage Studies Centers.

In recent years, increasing attention has been directed by educators and social scientists towards the subject of assimilation of people in American society. Many have become critical of the commonly held "melting pot" theory, whereby persons from every background would join together in one homogenous, harmonized, American culture. To the contrary, individuals from the various ethnic, racial, religious, and cultural groups that make up our country, have not joined together, and have maintained their own respective subcultures. Conflicts and misunderstandings between these various subcultures have often created tensions in society and have often contributed to prejudices and hostilities between people and groups. Educational materials, particularly in our elementary and secondary schools, have largely not contained any concentration of the history, culture, and traditions of the various groups making up our society. Too often, children have been encouraged, in their schools and in society at large, to disregard or look down upon their ethnic backgrounds and heritages.

The purpose of the Ethnic Heritage Studies Centers is to help provide focal points and national coordination for the study of different ethnic, racial, and cultural groups.

The Office of Education will be the governmental agency responsible for making grants or contracts and promulgating regulations and guidelines for the Ethnic Heritage Studies Centers. Applicants must be non-profit public or private educational agencies, institutions, or organizations. In obtaining a contract or grant to establish and operate a center, an applicant must satisfy the Commissioner that the various activities specified in the Act will be carried out. The applicant must also consult with a local advisory council in planning, establishing and operating the centers. This Advisory Council must be made up of representatives of ethnic groups and cultural and educational resources from the area to be served by the centers. The Director of each center shall be selected by the Commissioner, but in consultation with and with the approval of the applicant.

Each center shall offer programs and courses of study relating to all the various groups represented in the area to be served by such center. The committee specifically does not envision centers devoted exclusively to single ethnic, racial, or cultural groups, since multiethnic centers would better serve the goals of comparative study and mutual cooperation between different groups. The centers are to develop curriculum materials for elementary and secondary schools and higher education institutions, make available and disseminate these materials, provide training for persons who want to use the materials, and cooperate with any interested persons and organizations in the communities being served by the center in promoting, encouraging, developing, or producing programs and activities relating to the heritages of ethnic groups. Each center is to exchange materials and information with other centers created under this act, and where appropriate, conduct joint projects. This provision is designed to help maximize the number of ethnic, racial, and cultural groups about which information and materials are available at each center, and to also help the Commissioner insure that as many different groups as possible receive attention at the various centers.

The bill establishes a National Advisory Council on Ethnic Heritage Studies, the members of which are to be appointed by the Secretary. The National Advisory Council is designed to assist and advise the Commissioner in providing this national coordination.

Centers are required to cooperate with and utilize the resources of teachers, schools and educational institutions in the area, as well as any interested groups or educational institutions in the area, as well as any interested groups or persons in the area, such as ethnic groups, foundations, civic groups, fraternal organizations, and foreign students.

Funds appropriated under the act to a center can be used for establishing, equipping, and operating the centers, including expenses for staff, research materials and resources, academic consultants, and training. Thus, the centers can make contracts with outside persons or organizations for the production and development of programs and educational materials. Since the focus is on the educational and cultural output of the centers, the committee does not intend that money be used for physical construction of centers, and would encourage the Commissioner to develop guidelines to minimize administrative expenditures.

The concept of ethnic studies and ethnic groups extends beyond the traditional meaning given to immigration patterns in America. Mexican, Indian, Black, Puerto Rican, Asian, and other groups of people sharing a common history, identity, culture, or experience in America, are meant to be included as well as the various European immigration groups more commonly referred to in the term "ethnic group." A definition provided by one witness at the hearings provides an example of the breadth of interpretation to be given to the concept of ethnic groups and ethnic studies: "Ethnic groups would mean ethnic nationality, cultural, historic, racial, or groups whose members define themselves as a people claiming historic peoplehood." Another relevant attempt at defining "ethnic group" referred to groups "distinctive as subcultural groups within the national society by virtue of race, religion, language, or national origin." Any precise definition runs the risk of unintentioned exclusion, but these comments should provide a general operating guideline for the scope of ethnic representation envisioned in the act.

It is recognized that there are limited resources available for ethnic studies, and many persons and groups to compete for them. It is also recognized that each ethnic group will desire maximum concentration on the study of their own respective heritage. These centers can provide an important impetus to the study of ethnic groups, and can provide beneficial national coordination and cooperation, particularly as clearing-houses of educational information about ethnic group heritages. However, the success of these centers will require the close cooperation of all interested groups and individuals, and conscious recognition by these groups and individuals that every group and every project may not receive immediate attention. If all such groups and individuals recognize that the initial implementation of ethnic heritage studies centers is an important first step, and then work together to harmoniously build the centers into larger enterprises, the great potential for mutual understanding among all persons in our society can be furthered through these centers.

Mr. METCALF. Mr. President, 3 years ago, the committee recommended, and the Congress concurred in, a $4 million appropriation for the purpose of establishing under the Mountain-Plains education and economic development program an innovative experimental residential training facility at Glasgow Air Force Base in my State of Montana.

There was and remains a prime opportunity to serve the disadvantaged rural residents of the six Mountain-Plains States of Idaho, Montana, Nebraska, North Dakota, South Dakota, and Wyoming. I am pleased to be able to report that through the vigorous support and cooperation of the congressional delegations and Governors of the States concerned that as the model facility on the base approaches its third year of funding, the benefits that we have all believed could accrue to rural disadvantaged are, in fact, emerging.

The first year was devoted primarily to the renovation of the physical plant, establishing and structuring the corporation which manages the program, identifying topnotch personnel, and recruiting the families who are now benefiting from the training provided at the school.

The now operational program was designed as a national model in residential occupational family development. There are currently 180 participant families onsite, and I am advised that planning calls for a residential increase to 200 families by December 1973, and 210 by June 1974. Each of these families is expected to complete its training in about 9 months and then move on making way for new participants.

In view of the scope of the investment in material and human resources associated with Mountain-Plains education and economic development program, it was my clear understanding that the committee believed an initial 5-year funding commitment was essential to insure the meaningful development, operation; and evaluation of the effectiveness of residential career education.

I call attention to page 80 of the committee report which refers to the National Institute of Education. I note that the committee questions whether this Institute has really determined its proper role within the educational system. Further, and I quote: The committee finds it sadly ironic that amidst a lackluster operation two potentially successful projects, the Mountain-Plains Education and Economic Development program, and the District of Columbia school project, are being given short shrift.

The committee emphasizes that these projects should be continued and must be supported at an adequate level of funding.

I concur fully with the findings of the members of the committee in this regard and am concerned that bureaucratic burden being placed on the Mountain-Plains project by NIE may, in fact, be jeopardizing any possible success that Mountain-Plains can be expected to achieve.

This program was initially recommended to the Congress by Dr. Sidney Marland, the Commissioner of Education It was designed within HEW and initiated by the Office of Education.

In 1972, the program was transferred to the National Institute of Education. Since its inception, this school has seemed to be a bureaucratic football, passed from one element of HEW to another and then another. This has been a demoralizing factor to the staff and participants during the early stages of its design and implementation.

Even today, as we are discussing this bill, contract negotiations are being discussed between the school and NIE which will determine the future of the Mountain-Plains project.

In recent correspondence from NIE to the executive director of the school, it was stated, "Dr. Glennan has not committed NIE to the full 5 years of research and development." Now, it appears that Congress has committed itself to the full 5 year funding as a minimum, but Dr. Glennan does not necessarily concur with the Congress.

NIE feels that unless the Mountain-Plains staff successfully negotiates with each Governor of the six States involved and gets a commitment from those Governors to assume portions of the operational cost of the project that NIE will terminate funding for the project. There was never any intention that this should be other than a fully funded Federal program, and I believe that Dr. Glennan and his staff are ignoring the intent of Congress and establishing criteria beyond the scope of authority exercised by NIE.

In view of what has just been stated, would the distinguished manager of the bill advise me, and the other Senators concerned, of the views of the Appropriations Committee in this regard and what we may expect from NIE if it carries out the intent of Congress concerning the Mountain-Plains project?

Mr. MAGNUSON. I am pleased to respond to the distinguished Senator from Montana and to assure him that it was most certainly our intention in the initial appropriation and today that the Mountain-Plains Education and Economic Development program be supported in total as an experiment for at least a 5-year period. It would not be responsible to make an investment of this magnitude without assuring sufficient time for the valuable demonstration of the effectiveness of the concept. The senior Senator from New Hampshire (Mr. COTTON) I know shares this assessment of the committee's position.

Mr. COTTON. Mr. President, I would like to fully concur with the views expressed by my chairman, the distinguished Senator from Washington, both in the approval of funds for the Glasgow project this year and in reiterating the committee's dedication to a minimum of a 5-year commitment. Incidentally, I have taken a deep personal interest in the progress of Mountain-Plains, and I am hopeful that I will have an opportunity to personally visit the school sometime in the coming year.

I recall that under administrative adjustments downtown stemming from the Education Amendments of 1972, the Mountain-Plains project was shifted organizationally from the Office of Education to the recently established National Institute of Education, with the hope that that Agency would fully develop a worthwhile program.

Mr. METCALF. In discussions with and correspondence emanating from NIE, there apparenty remains some misunderstanding as to the intent of the Congress in establishing a full 5-year commitment for the research and development of the Glasgow project. In addition, I would like to know where the idea originates of requiring the States to participate and fund the school?

Mr. MAGNUSON, Mr. President, I, too, have heard some discussion as to the attitude of NIE, and quite frankly, do not know how I can make the intent of the committee any clearer. A 5-year commitment was made, and a 5-year commitment is in force and will remain so. You will recall that in the initial planning phases of this project we did discuss the need to identify a viable financial support mechanism once the commitment had been completed. I believe that the responsibility for making such arrangements rests with NIE and with the Mountain-Plains Corp. This is a matter which should be given careful and thorough consideration. However, this effort must be clearly separate from the operational mode of the project and must not be used as a condition affecting the contract between the corporation and NIE.

Mr. METCALF. I appreciate the distinguished chairman's clarification on this point. As the chairman has mentioned, the contract negotiations, which I understand are being finalized this week, will seek a review of cost benefit factors. A few facts might well be enlightening at this time. Initially, the cost per family unit was high due to start-up costs, but I am pleased to report that in each successive year a 15 percent reduction has been achieved. I believe, as do others who have evaluated the progress to date, that the cost figures are now reasonable when considering the scope of the effort.

Mr. MAGNUSON. Let me say that I am in agreement with the assessment of the Senator from Montana. While it is true that this project has not been inexpensive, any consideration of the cost must be predicated by an appreciation of both the intent of the project, the scope of the work to be done, and the benefits to the men, women, and children whose standard of living and quality of life we are improving. You will recall that the staff of the subcommittee visited the project this year for a firsthand evaluation, and I want to say that their report to the committee was most encouraging and provided the following information which I am sure will be of interest to the Senate as a whole.

During the past year, the completion rate for families has risen from a 40 percent rate to a level of 65 percent. Ninety five percent placement of these completing families has been achieved and maintained. Income of these families as compared with the salary received on the last job held prior to enrollment in the Mountain-Plains program has increased by approximately $130 per month or an annualized amount of $1,560. This result should be interpreted with the knowledge that in the case of half of these families the head of household was unemployed at the time of entrance to the Mountain-Plains program.

Mr. COTTON. I, too, have been highly encouraged by the progress to date and by the report of the committee staff on their findings. For this reason, I am particularly disheartened by the attitude of the National Institute of Education in its dealings with this successful project.

As is now apparent to all, the committee has expressed some dissatisfaction with the conduct of NIE's research and demonstration activities to date. In view of the fact that as ranking minority member of the committee I am occasionally tasked with representing the viewpoint of the Department of Health, Education, and Welfare and the White House, I am hopeful that the Department will heed what we have had to say here today and renew both its effort and commitment in assuring the meaningful continuation of this most worthwhile project. Not only is it a question of attending to the immediate needs of the rural disadvantaged enrolled in this program, but we have a rare opportunity to develop an approach to alleviating the plight of all rural disadvantaged.

Mr. METCALF. Mr. President, my colleagues and the members of the committee will never fully know how deeply Senator MANSFIELD and I appreciated the personal interest and commitment of the chairman and the senior Senator from New Hampshire for the encouragement, and effort in attending to the needs of the people of the Mountain-Plains States. I, too, hope that the Department and particularly NIE will get on the wagon, so to speak, and enthusiastically work with us in fulfilling the promise which is so clearly afforded by the Mountain-Plains project.

Mr. MAGNUSON. Mr. President, will the distinguished Senator yield? I know I can speak for the committee in assuring you and the majority leader that as of now you have our unwavering continued support.

Mr. DOLE. Mr. President, the committee report to this bill mentions the committee's interest in continuing education. The report indicates that the Department of Health, Education, and Welfare has submitted a report indicating a need for such facilities but has recommended that the problem be passed on to the States. Because of the demands already existing at the State level, however, continuing education does not seem to be receiving the attention it deserves.

During my visits to Kansas in August, I had the opportunity to visit with Dr. Walker, dean of the University of Kansas School of Continuing Education, and my staff was able to tour the facilities being utilized by the University of Kansas School of Continuing Education. The KU continuing education program is currently being operated from more than a dozen buildings scattered through the campus and city. None of the facilities were constructed specifically for their current program utilization and most are not particularly adaptable to their present use, although a resourceful attempt is being made to make the best of the situation.

I feel the Kansas situation demonstrates what probably is the case for most schools of continuing education across the country. With the increased emphasis on and recognition being given to continuing education, I feel it is only proper that the Federal Government should provide additional assistance in this area to stimulate growth and encourage development at the State level.

It would appear, however, that now is the time for the Federal Government to do the spade work in this area in terms of facility prototype development. Because of the community orientation and the unusual demands that would be placed on a continuing education facility, the design of the structure will be of utmost importance. I would therefore hope that some work could soon begin in this area.

During the August recess I also had the opportunity to attend the investiture of the 13th chancellor of the University of Kansas. Chancellor Dykes in his installation address spoke of the importance of the continuing education program to the State of Kansas as well as the university and indicated his interest in expanding this portion of the university's program. I believe many institutions of higher education across the country will also be moving their programs into the community as is planned at the University of Kansas, and trust that the Federal Government will stand ready to assist this effort as well.

I ask unanimous consent that the entire Installation Address of Chancellor Archie Dykes be included in the Record as I feel the statement outlines the challenges and problems our universities are facing as well as explaining the emphasis that is being placed on continuing education.

There being no objection, the address was ordered to be printed in the Record, as follows:

Installation Address

(By Archie R. Dykes)

It is a signal honor for me to speak to you today as I begin my tenure as the thirteenth chancellor of the University of Kansas. I am honored for many reasons: because the University of Kansas is one of our nation's most distinguished universities and any person would be honored to serve it in a leadership capacity; because in accepting the responsibilities of chancellor I follow the footsteps of many illustrious predecessors, especially those of Chancellor Ray Nichols, who served with such distinction during the year just past; because the members of the Board of Regents in their service to this state have exemplified time and again the merit of the concept of lay control of public education; because the faculty of this campus is truly a distinguished group of men and women, and honor comes to any person who serves as their chancellor; because the alumni and the people of Kansas have given so much to the University and have entrusted to it their future hopes, ambitions and aspirations, and, finally, because there is no more challenging or rewarding work in our society than that of developing human potential through education, a process that begins anew for those of you who today sit before us as members of the University community.

For all these reasons—and more—I am honored and humbled. Even as we meet here this morning, I am keenly aware of the large responsibilities that repose in the chancellorship of the University of Kansas. The hopes and aspirations of so many are inextricably intertwined with the health and vitality of the University, and so much depends on how we respond to the problems, issues and opportunities before us. Of one thing I am certain: With the help and support of all who believe in the University—the Regents, the faculty and staff, the students, the alumni and the people of Kansas—we shall go forward. The University of Kansas will continue to serve the people of our state and nation as it has for the 107 years of its distinguished history. It will continue to be, in the words of former Chancellor Frank Strong, "the most powerfully intellectual and spiritual agency in the commonwealth."

This morning I want to discuss some of the issues and opportunities facing the University of Kansas. Numerous commentators on the educational scene have noted that we are entering a new era in American higher education and that the circumstances of the future will be very different from those of the past. I agree but I also believe that the future role of higher education will be even larger than that of the past *if* we will respond with intelligence and creativity to the new opportunities before us. As Peter Drucker has noted:

"An abundant and increasing supply of highly educated people has become the absolute prerequisite of social and economic development in our world. It is rapidly becoming a condition of national survival. . . . The uneducated is fast becoming an economic liability and unproductive. Society must be 'an educated society' today—to progress, to grow, even to survive."

As we look to the last quarter of the twentieth century and beyond and to the cataclysmic changes which are sure to occur, we are aware that the development of human talents and their application to the problems and opportunities before us will be the keys to our continued progress. These are the tasks for which a university exists; they are its stock in trade.

What are some of the new problems and opportunities to which the University of Kansas must respond in the future? I want to share with you some priorities and emphases which I believe we must together consider.

Since the student is the primary reason for a university, let us begin there. We think first of those who are present on the campus. Although this University has long prided itself on the quality of undergraduate education, we all stand reminded that few matters are more crucial or more pressing in American higher education than the development of more meaningful and stimulating undergraduate teaching and learning. In many places the undergraduate student is the forgotten element in higher education, and really first-rate undergraduate teaching is conspicuous by its absence on the campuses of some of our nation's most distinguished universities. The need is clear for superior undergraduate education in our colleges and universities, for campuses where teaching is valued and rewarded, and for an academic setting where students can have close, personal relationships with individual faculty members. Alden Dunham observed, in his award-winning book, "Colleges of the Forgotten Americans," "Nothing could have as much impact on our college campuses as a faculty really concerned about the personal lives of students and the role of higher education in their development."

As we begin a new academic year, we stand reminded that the students' talents and intellects are influenced mightily by their undergraduate experience, and that it is during these years that the students' basic intellectual power begins to flower. If excellence is not achieved at the undergraduate level, it probably cannot be generated later. This morning, let us commit ourselves to a continuation and even improvement of the distinguished record the University of Kansas has established among the nation's universities for excellence in undergraduate teaching and learning.

As society and the role of the University have changed, the definition of "student" also has changed. The University now and in the future must reach out into the state to serve educational needs that only it can fill. Doctors and lawyers who participate in the continuing education programs offered by the Schools of Medicine and Law, teachers who take off-campus courses offered by the School of Education, persons who utilize either for extended study or for new development the knowledge generated by faculty scholars, those who come to the campus to participate in University-sponsored workshops, non-credit courses, symposia, lectures and numerous other related activities are all in one way or another students of the University. The two-way traffic between the campus and the outside world increases almost daily in volume and speed.

The move toward life-long education is a dominant educational trend of our time. Growing out of the knowledge explosion, the rapid change in the techniques of business and the professions and the increasing complexity of today's problems and issues, continuing education occupies an increasingly large place in the total educational program of modern society. The University of Kansas will respond to this challenge.

As Kansas' primary institution for graduate education, research and public service, we have an abiding responsibility for these functions. They can be neglected only to the detriment of both our state and the University. When the quality of life for all people is so inextricably linked with the level of our knowledge and understanding, the University of Kansas must be a place where the limits of knowledge are enlarged, where new discoveries are made and where man's understanding of himself and his world is steadily expanding. The achievement of excellence in both graduate and undergraduate education, lively involvement in research and scholarship, and the fuller integration of the University into the larger society are not incompatible goals. They are, indeed, mutually supportive.

Teaching, research and public service continue to be the core of the University's mission. These functions interact with each other in a synergistic and interdependent relationship; together they make up a knowledge continuum—a loop with self-generating capacity.

The outward reach of the University and the melding together of teaching, research and service will give new strength to the University and contribute more to the improvement of life for all people. No longer do students come to the University to remove themselves from the world outside; indeed, the closer the link between the campus and the larger society, the richer and more meaningful are the learning experiences. Learning from the world is as important as learning about the world.

As we look to the future, the welfare of the faculty must be preeminent in our minds. A University is nothing more than the accomplishments of its faculty. Through the years, some of the most distinguished men and women in American higher education have blessed this University and its students with their talents, and today our excellent faculty represents the greatest asset of the University.

It is essential that we provide an atmosphere in which the work of the faculty can go forward most productively and creatively. It is essential, too, that we manifest continuing concern for their economic status; in fact, the maintenance of a competitive position in faculty remuneration with other universities of the front rank must be one of our top priorities. If the quality of the faculty is diminished, erosion of the quality of education provided our students will inexorably follow. A recent report by the American Council on Education placed KU among the top ten percent of the nation's major colleges and universities in academic rating, while at the same time it stands among the bottom twenty percent in faculty compensation. How long must we expect this unfortunate paradox to endure?

The securing of resources adequate for the University to function at a level of quality commensurate with the desires of the people of Kansas must be one of our most critical concerns. But if the necessary resources are to be forthcoming, we must build stronger and more positive relationships with the people of Kansas. Higher education will rise and decline as public interest rises and declines. The public university exists in dependency on its environment.

All our hopes, ambitions and aspirations mean nothing unless the people of our state and nation share them, believe in them, and are willing to support them. It is imperative that all of us in the University be responsive to the interests and concerns of the larger society. We must move to help all Kansans better understand the institutions of higher education, especially our own, and we, in turn, must be more sensitive to their concerns. Without such understanding and mutual trust, neither the University of Kansas nor the people of our state can reach the levels of achievement they rightfully deserve.

The task of becoming more responsive and building greater understanding and support will not accomplish itself. All of us—students, faculty and administrators alike—must shoulder part of the work. It is essential that our own commitment to the University be uncompromised; for if we, ourselves, do not believe in and support the institution of which we are an integral part—and from which we take so much—we assuredly cannot expect others to do so.

I pledge to give unstintingly of my time and energy in the months ahead in responding to the needs and aspirations of the people of Kansas, both as manifested here on the campus and across the state. This morning I want to ask all of you—students, faculty and staff—actively to join in these efforts.

As we look to the future and consider the new circumstances, it is imperative that we direct our attention to the on-going mission of the University, to our goals and objectives and to the priorities assigned to them. One major consideration is the fact that the growth rate for higher education—heretofore a major criterion of success—is entering a plateau. This circumstance demands careful planning, goal setting, establishment of priorities and assignment of our scarce resources to the activities of the highest value to the people of Kansas. These matters demand rigorous thought and action; failure to take the hard steps now can result only in a fragmented, ambivalent and rudderless institution that utilizes resources unwisely and that ultimately may be known primarily for its ubiquitous mediocrity.

As we plan for the future we must not fall prey to "institutional pessimism." Unless we exercise care, the new era will make it easier to look back than to look forward, easier to decide what to cut than what to add, easier to make rules than to make plans, easier to dread than to dream, and easier to see the obstacles than the opportunities.

A final concern—related to all I have said thus far—is the matter of governance. When people, for whatever reasons, fail to participate actively in the affairs of their institutions, those institutions inevitably decay. Here at the University of Kansas there is a long tradition of involvement by faculty and students in the decision-making processes of the University. It is my hope that we can continue to foster extensive participation in the life of the University. Unless this is done, the University's contributions to the viability of our democratic system would be in question; it would not be possible to have the wisdom and good judgment of faculty, students and others in decision making, and the loyalty and commitment which derive from involvement and participation would be lost as driving influences in the progress of the University. While a campus may endure without the presence of such qualities, it assuredly will be something less than it should be, something less than a university committed to the advancement of democratic ideals. Thus I say to you—even to the newest freshmen—let us have your assistance, the force of your ideas, for charting the future course of this University.

I have shared with you in broad outline some of the concerns and issues which I believe warrant our attention in the months ahead. There are others: the special problems of minorities; the role of women in the University; the interface of the University of Kansas with other colleges and universities of the state; better internal coordination so that maximum return can be realized from every dollar spent, and so on. Time does not permit discussion of all that should be discussed, but I am confident that working together we will make steady improvements in each of these areas.

Before closing, and since I have commented earlier on the urgent need for additional resources to sustain the educational programs at a level of high quality, I want to acknowledge the philanthropy of dedicated alumni and friends who have generously shared their resources with the University. Among all public universities in the United States, the University of Kansas last year ranked second only to the University of Michigan in the volume of financial support from alumni. Throughout the campus, evidences of this generosity can be seen, and it is not too much to say that the present high standing of the University of Kansas in the academic world is in large measure attributable to their gifts and their faith in the University.

Despite the problems ahead, I am optimistic about the future of the University of Kansas. Our job is to define the changes in our midst, to understand the alternatives before us, and above all to assess the role each of us must play.

We will maintain our excellence in undergraduate education and our concern for our students. We will extend this institution in greater service to our state. We will stimulate lively involvement in research and scholarship. We will press to improve compensation for a superb faculty. We will be sensitive—we will respond—to the aspirations of the Kansas people. We will grow in stature and strength through democratic processes. We will try to deserve the continuing love and loyalty of our alumni.

Today, as we begin a new academic year, let us resolve that we shall overcome the problems before us, that we shall capitalize fully on our opportunities, and that we shall go forward to new levels of achievement and excellence.

PEOPLE PROGRAMS

INTRODUCTION

Mr. CRANSTON. Mr. President, I would like first to congratulate Senator MAGNUSON on his outstanding accomplishment as chairman of the Appropriations Committee Subcommittee on Labor and Health, Education, and Welfare and Related Agencies in the uphill fight against drastic—and I think counterproductive—budget cutbacks which have consistently been proposed by the present administration. The Nixon administration fiscal year 1974 Labor-HEW budget recommendation's once again indicate its failure to attach adequate importance and priority to the areas of social concern represented by the Departments whose fiscal 1974 appropriation levels we are considering today.

Across California and the Nation, people are being victimized by the impact of "by fiat" budgetary cuts by the administrations—imposed on an unwilling public though restrictive regulations impoundments, and freezes.

I submit that the President's budget recommendations are false economy indeed and have a short-fuse potential for tragic effects on Americans. I believe the effort of Senator MAGNUSON and his collegues on the subcommittee to ensure that Labor-HEW appropriations reflect the "real" priorities and needs of the people is to be applauded.

These programs deal with everyday human problems. These programs can alleviate the severe burdens thrust upon individuals by illness, unemployment, lack of training and of opportunities for full participation in a complex society, and the pervasive debilitation of the poverty environment. Each dollar placed in these programs promises a return, with interest, to the national economy through the resulting increase in productivity of each individual assisted.

Mr. President, the Senate committee report, on page 17 (No. 93-414) expresses most eloquently the failings of the shortsighted budgetary policy represented by the administration's Labor-HEW recommendations. The committee states:

> The Department of Health, Education, and Welfare represents much more than a collection of complex, rather numerous Federal programs. Its activities touch upon the lives of millions, be it through support given health research efforts to cure and prevent disease, the delivery of health and medical services, the meeting of nutritional needs, the education of our children, or care for our senior citizens. Collectively, HEW's activities

should represent an investment in the future of this Nation. A nation is weakened when its people are debilitated by illness and disease. By the same token, education serves to lay the foundation of progress in the modern world. No nation can hope to remain in the ranks of modern economic society without trained and educated people.

For the last few years the Committee has expressed its concern over the budget requests for HEW. This year is no exception. It is obvious that the health and well-being of our citizens were not prime factors for consideration when the HEW budget was formulated. The budget for fiscal year 1974 proposes that health and education programs be downgraded by nearly $3 billion below the amount provided by the Congress in fiscal year 1973. Practically every program designed to assist people to better help themselves is reduced or terminated under the proposed budget. In each case, the rationale appears to be little more than an excuse for spending less funds on necessary domestic programs—despite ever-growing human needs.

Actions taken by the House on this bill may, at first glance, appear to contain large increases in funds—this is more apparent than real. In many cases, the House has taken action to restore funds for programs given short shrift under the proposed budget. In the aggregate, however, even the House allowance does not restore health and education programs to the same dollar level provided by Congress in previous years. It is against this background that the Committee has recommended restoration of the level of effort approved by Congress last year. In addition, the Committee has recommended modest increases in the areas of highest priority to the Nation's health and education.

The widespread popularity held by HEW programs is obvious. However, the Committee has not allowed popularity to be the judge of its actions. The Committee recognizes that increased funding alone is not the answer to providing a better existence for all our people. Yet it is equally persuaded that this budget, which, with a few exceptions, shows a year-to-year decline in both real dollars and level of effort fails to deal effectively with the magnitude of the problems.

OVERALL BUDGETARY PICTURE

Mr. President, the administration defends the cutbacks in individual programs as representing an anti-inflationary effort to control Government spending. Yet, the overall administration budget request for fiscal 1974 exceeds by some $19 billion last year's budget.

I firmly believe that we must control budget expenditures—that we must place a lid on Government spending. But I do not believe in the priorities of this administration about where those budget cuts should be made. I believe that there is room within a responsible budget ceiling for adequate child care programs—so that families can stay employed and off welfare—long before there is room for another Trident submarine. I believe that there is room within a responsible budget ceiling for educational assistance to those who are the future of our Nation—long before there is room for the SAM–D missile. I believe that there is room within a responsible budget ceiling for the training of much needed nurses and other health manpower personnel—long before there is room for another CVN–70 nuclear powered aircraft carrier.

During the recent exhaustive Senate floor debate on the military procurement bill (S. 9286), I supported five amendments which, had they been adopted, would have saved an estimated $2.7 billion in Federal expenditures for fiscal year 1974.

These amendments included the following proposals: First, to delete funding for CVN–70, the proposed fourth nuclear-powered aircraft carrier in the American fleet. Neither the Soviet Union nor the People's Republic of China presently have any nuclear-powered carriers. The proposed fourth such U.S. vessel will cost—not counting support, maintenance, and so forth—$657 million.

Second, to restore the schedule of the Trident submarine program to its original, more orderly schedule. This would have saved an estimated $885.4 million in the fiscal year 1974 budget.

Third, to delete funding for the unnecessary and cost-overridden SAM–D missile—a savings of $195.8 million in fiscal year 1974.

Fourth, to reduce the amount of military aid to South Vietnam and Laos from $952 million to $500 million—a net savings of $452 million this fiscal year.

And, fifth, to cut the overall military procurement bill by $500 million—this after nearly that same amount had been added on the Senate floor in excess of the Appropriations Committee recommendations.

Had these floor amendments been adopted, the fiscal 1974 appropriations for military procurement alone would have been reduced $2.7 billion dollars.

Additionally, during consideration of the military-aid bill (S. 1443). I supported and worked for the success of the efforts of the distinguished chairman of the Foreign Relations Committee (Mr. FULBRIGHT) to slice $570 million from the administration's request.

On the recently adopted foreign assistance bill, I supported the efforts of Senator FULBRIGHT, to slice $570 million from the overall spending level by $217 million; and, when that failed, to cut expenditures for foreign assistance by $134 million.

Mr. President, the administration refuses to support—and indeed opposed—these budget cuts. By some mysterious rationale, military procurement expenditures are not inflationary. For $2.7 billion dollars we could increase child care services nearly 6-fold. We could more than finance the entire cost of the 7 percent January 1 social security increase I have proposed—we could employ nearly 580,000 unemployed Americans in public service jobs, we could provide support for education, health manpower training, and upgraded aging research.

The President will undoubtedly point out that the committee bill exceeds the administration's budget estimate by some $1.8 billion. But, as the distinguished majority leader, Mr. MANSFIELD pointed out yesterday during the Democratic Caucus, the Senate total budget ceiling of $268 billion dollars is $700 million below the one the President proposed. It is the priorities of expenditure on which we differ with the President. I would rather—I believe it is immeasurably more cost effective—spend $1.8 billion on Labor HEW appropriations, than $10 billion annually on 2,000 overseas military bases.

I ask: Where was the administration when these anti-inflationary cuts in Government spending were proposed? Nowhere, that's where.

Inflationary spending insofar as particular programs are concerned, is very much in the eye of the beholder—when the beholder is the Administration.

In light of the failure of our efforts to cut military procurement, foreign assistance, and military aid budgets, Mr. President, and in light of the majority leader's plea for restraint on the Labor-HEW appropriations bill, I will refrain from offering floor amendments to this measure which I would otherwise have offered. I do not, however, intend to forgo the option of attempting to seek additional funding on some other measure at another time, and as we carry on the struggle to establish more sensible priorities.

DISCUSSION

Mr. President, I would like, at this point, to briefly discuss some of the specific areas in the committee bill about which I have a particular interest.

HEALTH

Mr. President, in the area of health, the committee has once again reiterated congressional opposition to the administration's proposals to phase out basic programs of support for programs, such as health manpower training activities, community mental health centers, regional medical programs, and research training grants and fellowships, and has specifically directed that funds appropriated for these programs cannot be impounded.

And it has retained these programs while staying within the budget ceiling.

These are among the programs which are essential to the well-being of the Nation and which deserve high standing in the realinement of priorities which Congress is undertaking, now that our involvement in the war in Indochina has terminated.

Mr. President, I am particularly gratified by the committee's firmly voiced objections to the reorganization of health programs within the Department of Health, Education, and Welfare. The confusion which this reorganization has created in the programs at the community level has been substantial. Many programs are losing highly qualified administrators because of the uncertainty of the future of the programs, and are at a loss as to how to budget their programs realistically for more than a month at a time, due to the administration's refusal to make a solid commitment to fund the programs on a basis of longer than several months.

The health manpower training institutions particularly are deeply concerned at the effect of regionalizing the administration of programs supporting the training of health professionals, nurses, and allied health professionals. The results of this move need to be closely watched so that the advances that have been made in improving and expanding training capacity from the perspective of a national viewpoint and direction will not be lost.

The committees report suggests a reduction in funding for the Division of Manpower Intelligence. This office has been of invaluable assistance to health training institutions in projecting health manpower trends and needs in the Nation and I hope that its work will continue to be supported at an adequate level.

In general, I believe the committee has acted in a very responsible fashion in view of the over-all budgetary restraints which Congress has set for itself.

I am pleased that the bill as reported from committee places special emphasis on many points I had stressed in my recommendations to the subcommittee.

In the area of emergency medical services, I am very much gratified that the committee report directs that $10 million of the increase made available for the National Heart and Lung Institute shall be utilized for demonstrations of the emergency transportation of heart attack victims, the development of emergency mobile critical care units, and particularly the coordination of existing community emergency medical care facilities. At this time, legislation I authored, the Emergency Medical Services Systems Act of 1973, is still in committee in the House, but I am hopeful that, at the time of the first supplemental, this legislation will be law and I will be able to recommend appropriations for its authorities at that time.

Language emphasizing the importance of the MARC—minority access to research careers— program will reinforce the existence of this small, but critical program which can have so much payoff in the black, Chicano, and Indian communities in providing real opportunities for their members for advanced study in the biomedical sciences.

FAMILY PLANNING SERVICES

Finally, Mr. President, in discussing support for family planning services, I am pleased to see that the committee has made the very clear distinction that reimbursements for such services which will be provided on an expanded basis from medicaid and title IV authorities will be used to increase the number of individuals served and not as a substitute source of financing for the current project grant authorities. I am pleased the bill, as reported, includes the full amount requested for title X project grants and that, in addition, the committee clarified that it is recommending funding for project grants under title V of the Social Security Act at the same level as the fiscal year 1973 appropriated level. Traditionally, $19 million of these title V project grants has been made available for support of family planning services in organized programs, and I understand that this amount will again be available for this purpose, from charts provided me by the administration.

ALCOHOLISM

In my recommendation to the subcommittee, I urged that they reconsider the funding levels for the National Institute on Alcoholism and Alcohol Abuse, to reflect more accurately the magnitude of the need. Alcohol is the Nation's No. 1 abused drug. Alcoholism touches the lives of untold millions of people—an estimated 10 million Americans suffering from the disease itself. I strongly endorse the action of the committee reflected in the bill before us today, increasing the funding levels for alcoholism formula grants to the States to $30 million over the budget request, and some $45 million over the administration's recommendations for project grants. This is an absolutely essential increase in funding.

GENERAL PERCEPTION

Mr. President, once again the Senate Committee has shown its keen perception of the needs of America's educational system—a perception notably lacking in the administration's budget for education covering fiscal year 1974.

In nearly all areas of the education budget the committee stepped forward with the dollars needed to match Federal rhetoric. In the measure before us, we see responsible action in the elementary and secondary programs; we see higher education allowances that include increased student assistance moneys; and I note with pleasure the committee's insistence that our impact aid programs be funded at levels that will keep the doors open in schools that depend upon these Federal moneys.

Also, I applaud the committee for its continued careful attention to the needs of bilingual education. The bill contains a minimum of $65 million for this purpose—$55 million for the title VII project program; $9.96 million for similar purposes under a set-aside provision which I authored with Senator KENNEDY in the Elementary School Aid Act; and an unspecified amount for teacher trainng under an EPDA set-aside we also authored.

Although I am disappointed in the recommendations for library spending, I think we must view the committee action here in light of the administration's dogged determination to end library programs entirely. With that in mind, I feel the committee deserves our sincere thanks.

Finally, the education section of the Labor-HEW appropriations bill reflects a general disappointment at the performance of the National Institute of Education. I was a conferee on the measure which created the Institute, and so I can well understand the committee's frustration with the way in which the Institute's appetite for money far surpasses its ability to chart some directions for American education. Somewhat reluctantly, I endorse the budget cut for the Institute proposed by the committee. This is a sad situation, in which NIE has contrived to be its own worst enemy, and it may well be that Congress will need to seek new leadership for this important effort.

VETERANS COST OF INSTRUCTION

Mr. President, I am gratified that the committee has, in line with my recommendation on this item, recommended $50,000,000 for the veterans cost of instruction program, an increase of $25,000,000 over the House request in order to make the further installment payment or payments for school year 1973–74 required by the law. I wish to extend my special thanks to the distinguished Senator from South Carolina (Mr. HOLLINGS) for his excellent assistance and support for this program, which I authored in Public Law 92–318.

I am especially pleased to note the committee's commitment to the belief that the Federal Government has a special responsibility for veterans. And while I believe that committee has made an important effort in its recommendation for increased funding for the VCI program, I continue to be most concerned about reports I am receiving from various colleges and universities regarding the difficulties they are experiencing in implementing their programs with the limited allocations so far made available to them for the 1973–74 school year.

As I have pointed out in the testimony attached to this statement, it is my contention that the language of Public Law 92–318, section 420 of the Higher Education Act—added to the education amendments of 1927—authorizing this program, establishes a clear entitlement for qualifying institutions. I, therefore, urged that $122,000,000 be made available for the VCI program for fiscal year 1974—including the $25 million already added by the House. Assuming enactment of the committee approved amount of $50,000,000, however, there still remains an additional $72,000,000 necessary to make the remaining at least one installment payment required by this law. Accordingly, I will seek such appropriations in the first supplemental, and I urge my colleagues to give careful consideration and support to that recommendation and to approve the full $50 million for the VCI program in the reported bill.

MANPOWER ADMINISTRATION

While I had hoped that the committee would consider including funding for the vitally important Emergency Employment Act and job training programs, I am in basic agreement with the committee on the issue of the administration's attempt to implement manpower revenue sharing without congressional approval. The committee has rightly questioned the advisability of this executive decision. I join them in that question, as well as having serious doubts about the statutory authority under which the executive branch has attempted to justify this action. As the committee report states:

> Those most adversely affected by the administration's headlong leap into manpower revenue sharing without concurrence by the Congress are the hundreds of thousands of disadvantaged individuals served by these programs.

In my testimony submitted to the subcommittee I had urged that, in light of Senate passage of S. 1559, the Job

Training and Community Services Act of 1973, and S. 1560, the Emergency Employment Amendments of 1973, they consider funding both the EEA and manpower training programs at levels equal to the appropriations authorized in the two bills, which reflect no increase over the last-enacted appropriations legislation.

I am hopeful that speedy House action on these two measures will be enhanced by the Appropriations Committee reports of both the Senate and the House—which state that consideration of appropriations was delayed because the authorizing legislation had not yet been extended—so that these programs, designed to assist America's unemployed citizens in gaining self-sufficiency, can be continued.

OTHER MATTERS DEFERRED UNTIL THE SUPPLEMENTAL APPROPRIATIONS BILL

The committee deferred consideration of two other matters about which I had submitted extensive testimony to the Labor-HEW Subcommittee: the vocational rehabilitation program and the Action agency.

When the House-passed appropriations bill reached the Senate, S. 1875, the "Rehabilitation Act of 1973," had not yet been enacted. However, on September 26 S. 1875 was signed—after long and detailed negotiations—by the President and now Public Law 93–112. As acting chairman of the Handicapped Subcommittee throughout consideration of the Rehabilitation Act, I strongly feel that this program, now greatly enhanced by the new law, should be funded as soon as possible. I would hope that the committee will include funding in the First Supplemental Appropriations Act—at least at the levels I have recommended—as authorized by the new law.

I was also disappointed that the committee did not consider the increased budget levels newly authorized for the domestic programs of the Action agency.

Here again, when the House-passed bill reached the Senate, S. 1148, the "Domestic Volunteer Service Act"—which I authored as chairman of the Special Subcommittee on Human Resources, the subcommittee having jurisdiction over the Action agency domestic programs—had not yet become law. On Monday of this week, the President signed S. 1148, now Public Law 93–113.

While I realize that the authorizing legislation for the new Action programs was not enacted in time for the committee to full review the new law, I would hope that the distinguished chairman would agree to add the necessary funds to implement the new programs authorized Public Law 93–113 in the first supplemental.

VETERANS EMPLOYMENT REPERESENTATIVES

I am gratified by the committee's continued recognition and interest in programs benefiting veterans. I am especially pleased to note in the committee report the committee's awareness of the importance of the Veterans employment representative—VER—and assistant veterans employment representative—AVER—positions within the Manpower Administration. I authored the provision for the 68 new AVER's in Public Law 92–540, and I have been deeply involved in the proper implementation of plans to recruit and fill these positions, which will provide much needed assistance to veterans seeking jobs, and I have contacted the Secretary of Labor on several occasions with the result that finally he has agreed to begin recruitment of AVER's in accordance with the law.

Mr. President, I ask unanimous consent that the full text of my letters to Secretary Brennan, and his responses, be set forth in the Record at the conclusion of my remark following my committee testimony.

OLDER AMERICANS PROGRAMS

The committee has included funding of the newly enacted older Americans community service employment program of $40 million for this fiscal year. I heartily concur with this action by the committee, as well as with their recommendation to the Department of Labor that the activities of the Wage and Hours Division in enforcing the prohibition against age discrimination in employment be carefully monitored.

Additionally, I fully support the committee addition of some $10.4 million over the $99.6 million in the House bill and the budget request for the nutrition program for older Americans. This important program—finally funded in the fiscal year 1973 Second Supplemental Appropriations Act—is desperately needed, and I am in absolute agreement with the committee's desire to mitigate the effects of skyrocketing inflation on the elderly.

Finally, I would like to express my support for the emphasis in the committee report on the importance of developing alternatives to unnecessary institutionalization of the elderly through maximum utilization of home health care services, home health agencies, and the like.

There are several other areas of concern about which I feel very strongly, but I will not belabor them at this point. Rather, Mr. President, I ask unanimous consent that my testimony before the Senate Appropriations subcommittee be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

(Statement of Senator Alan Cranston before Labor, and Health, Education, and Welfare, and Related Agencies Subcommittee of Appropriations Committee regarding fiscal year 1974 Labor/HEW/OEO appropriations bill)

HEALTH

Mr. Chairman, this year the Administration's approach to budgeting for health has taken a sharp turn for the worse. Whereas in previous years; the proposals were based on inhibiting growth and maintaining the scope of Federal activities in health programs at the same level as the previous year, the fiscal year 1974 proposal is to reduce drastically the level of support in some cases, and to phase it out totally in others.

I think Congress has given the Administration its response to this proposal. First by enacting P.L. 93–45 which extended the expiring authorities of the Public Health Service Act which the Administration proposed to terminate. Second through the Appropriations Act before you which would appropriate funds to sustain health programs at a reasonable level, including those the Administration proposed to terminate.

I agree with much of the House-passed bill and will not detail the several areas where a continuation of existing programs is essential. In general, I believe that the amounts suggested by the House are fair. In most cases the full amount authorized by P.L. 93–45 is the amount recommended in H.R. 8877. These amounts will enable the health programs to continue operations while the Committees having legislative jurisdiction over them develop a new statutory base and legislative approach for the Federal role in health. The Committees in both Houses are deeply involved in this effort now, and new legislation will be developed well before fiscal year 1975 appropriations are considered. In the meantime, these existing programs must be sustained.

Research and training fellowships

One area where the Administration's axe fell most heavily was in the area of research training grants and fellowships. Recently, the Secretary has revised his position and has recommended a moderate increase to permit the funding of new training grants and fellowships. The Subcommittee on Health of the Labor and Public Welfare Committee, of which I am a member, has just reported out legislation (H.R. 7724) which will provide a statutory base and an appropriations authorization for National Research Service Awards to replace the current system. I am a cosponsor of this legislation and am hopeful that when enacted, your Committee will consider in supplemental appropriations the feasibility of increasing the amount made available for support of the research training and fellowship programs.

One program which has been severely hurt by the Administration's original decision not to fund research grants and fellowships is the outstanding program recently initiated at the Institute of General Medical Sciences, MARC (Minority Access to Research Careers). This program has two major mechanisms for encouraging the development of outstanding research scientists from minority groups. One is a fellowship program where faculty members of the 130 minority schools are supported in pursuing post-doctoral or pre-doctoral training at research centers. The other is a visiting scientist program, where outstanding scientists are supported for a year in residence at schools with predominantly minority group enrollments where their skills and knowledge are available in a teaching capacity or in an advisory capacity to both teachers and students.

To date, this program has supported some 24 or 25 individuals in advanced training. Without additional funding, the program will be unable to continue current commitments. The program had hoped to support an additional 20 fellowships, and a small number of visiting scientistc at predominantely minority institutions in FY 1974, and had hoped to expend to provide training grants for individuals at the Masters of Science level—a vital area of expansion if future scientists are to come from these institutions.

An estimated $1 million would support such a moderate expansion. I urge the Committee to include an appropriation of $1 million to support the continuation and slight expansion of this promising program.

Programs designed to assist in prevention and treatment and rehabilitation of alcohol abuse

The impact of the disease of alcoholism in this Nation has never been determined accurately. What we do know is that it is widespread—of epidemic proportions—and that the statistics we do have represent an iceberg-like view of the magnitude of the problem.

Each victim of alcoholism touches upon many lives, and the nature of the illness is such that its social consequences have a tremendous ripple effect in addition to those tragically affected directly.

Alcoholism was described as the Nation's No. 1 health problem by representatives of the Department of Health, Education, and Welfare in Senate hearings in 1969 and 1970, and the 1971 report "Alcohol and Health" released by that Department in 1971 estimated that there were 9 million alcohol abusers or alcoholics in this country at that time. Other estimates indicate that nearly 7% of the adult population of this country has a serious drinking problem.

Recent reports of the increasing popularity of alcohol abuse by teenagers provide a frightening warning that these statistics may very well increase significantly in future years.

In June of this year the Senate passed by a voice vote S. 1125, extending the grant authorizations through Fiscal 1976 for the Comprehensive Alcohol Abuse and Alcoholism Act of 1970 which established the National Institute on Alcohol Abuse and Alcoholism. I was pleased to have joined with Senator Hughes and 33 other members of the Senate in cosponsoring this most important extension.

The NIAAA, due to the Administration's impoundment of nearly $25 million of the $69,606,000 which was appropriated under the continuing resolution for FY 1973 for project grants and contract authority and the vetoes of Labor-HEW Appropriations bills, has not been permitted to fund any new community projects since the end of fiscal year 1972. There is thus a backlog of some 115 approved but unfunded community projects with some 60 project applications ready for final review by NIAAA. According to estimates compiled by the Subcommittee on Alcoholism and Narcotics, an additional $34,681,000 million is needed to carry out these commitments.

The authorization level in S. 1125 is $90 million for contracts and project grants in Fiscal 1974. The amount would provide for funding projects already planned or underway in NIAAA plus $15 million for the support of new project applications this year.

NIAAA has done a remarkable job in the last three years, the community-based A.S.A.P.—Alcohol Safety Action Program—designed in conjunction with the Department of Transportation, has already proven itself a significant deterrent to drunk driving in the some 15 communities which have been funded for ASAP programs. An additional 25 programs have been approved, but the Institute has not had the funds to fund them. The Occupation Branch program to develop projects to help and to treat the employed alcoholic, and other research activities of the Institute have been severely limited because of the Administration's refusal to release appropriated funds.

In addition to the pending and unfunded project grants already approved, the Institute will begin to assume responsibility for some $15 million in additional project grant programs previously funded by the Office of Economic Opportunity. Much of the burden of funding these O.E.O. programs will fall to the States.

Mr. Chairman, alcoholism adversely affects 10 to 20 times more Americans than all other abusive drugs combined; alcoholism touches the lives of 1 in every 4 Americans—yet for cancer research the House bill would appropriate $520 million. It is time we began moving toward a similar level of effort in combating alcoholism.

A key section of the original 1970 Comprehensive Alcohol Rehabilitation and Treatment Act provided a $180 million authorization over three years in formula grants to the States—so each State could develop comprehensive treatment plans to return alcoholics to productive lives. The President's budget recommendation is for only $30 million in formula grant funding. While the House bill provides an additional $10 million over the budget request, I do not believe that amount is anywhere near sufficient. This program has been in existence for over two years; State's have responded to the urging of the Congress and decriminalized alcoholism—passing laws declaring it a treatable disease. But the funding to establish comprehensive treatment programs has not been forthcoming. As a result, the alcoholic still revolves through the court process and ends up in jails or mental institutions.

Studies reveal that alcoholics comprise close to 35% of admissions to these institutions—almost all of this is preventable or curable. Estimates show that the custody and incarceration of alcoholics is costing states more than $500 million annually. Consequently, Mr. Chairman, I believe that it is time for the Congress to respond realistically to the need and fully fund the formula grant authority at the full FY 1974 $80 million authorization level contained in S. 1125.

Mr. Chairman, I join with Senator Hughes in strongly urging the Subcommittee to continue the commitment to the fight against alcoholism and fund the Institute at the $90 million authorization level reflected in S. 1125 for contracts and project grants, and the full $80 million for State formula grants.

Emergency medical services

There is one general area in health services which I would like to emphasize at some length—that of emergency medical care.

Mr. Chairman, my interest in this field began when, as Chairman of the Subcommittee on Veterans' Affairs of the Labor and Public Welfare Committee in 1970 and Chairman of the Veterans' Affairs Committee's Subcommittee on Health and Hospitals thereafter, I became aware of the lives saved and the serious disabilities averted by the rapid evacuation and medical techniques applied by the Department of Defense in the Southeast Asia conflict. It occurred to me these same techniques could be effectively applied in the civilian arena and could result in the same benefits. After considerable thought and study, I introduced in 1972 S. 3784, the Emergency Medical Services Systems Development Act of 1972. The bill in this Congress, S. 504, which I was delighted that you cosponsored, Mr. Chairman, is currently pending a veto override vote in the House after the Senate decisively overrode what I consider a most unwise veto by the President.

This legislation would authorize the appropriation for FY 1974 of $30 million for support of communities in the development of comprehensive emergency medical services systems, $5 million for support of research in emergency medicine, and $10 million for support of training in emergency medicine.

Testimony presented to the Health Subcommittee during hearings on this bill indicated that there is great interest in the Nation's communities in seeking support under this Act, and that there is a need for financing far beyond the very modest amounts authorized in the legislation. Estimates presented to the Subcommittee by Dr. Peter Safar, President of the Society of Critical Care Medicine for a Nationwide effort to improve emergency medical services show the need to be about $50 million for ambulance equipment, $200 million for communications equipment, $40 million for training emergency medical technicians, $10 million for establishing ten special critical care centers, and $27 million for organizational work in establishing systems—$327 million in all. These figures do not include the upgrading of emergency rooms, the costs of ambulance transportation, or the costs of training physicians for emergency departments.

Given these estimates, I believe it is a very reasonable recommendation that the Committee amend H.R. 8877 to include the appropriation of $45 million for implementation of the authorities of S. 504.

Mr. Chairman, I would like to point out that the Administration has requested $15 million for the support of demonstration programs in the field of emergency medical services, to be allocated to the National Center for Health Services Research and Development. The amount I recommend is not in addition to this $15 million. Rather I would suggest the transfer of this $15 million for section 304 funding to the new title XII authorized by S. 504. The net difference in budget authority would be $30 million, which I urge you to add.

National Heart and Lung Institute

Mr. Chairman, in line with my interest in saving lives through better emergency medical care, I also amended the National Heart, Blood Vessel, Lung and Blood Act of 1972 (P.L. 92-423) to authorize the National Heart and Lung Institute to conduct demonstration programs in the application of research in emergency medical services and techniques to heart, blood, and lung diseases.

The Administration has not yet asked for any funds to be utilized by the National Heart and Lung Institute for these purposes. Given the high mortality figures from heart and lung disease and the demonstrated relationship between early treatment and the reduction in mortality and permanent disability, this seems to me to be a grievous omission.

The National Heart, Blood Vessel, Lung and Blood Program released to members of Congress on July 24, 1973, describes action which the Institute will undertake in this area in the next five years. Among these activities are the development and testing of early care methods and instrumentation for cardiac patients in risk of sudden death, the design and analysis of the cardiac elements of emergency care in comprehensive emergency medical systems—emphasizing intensive professional education, and the development of instrumentation for field use in telemetry, and telemetry in telecommunications.

I recommend that the nominal sum of $1,000,000 be earmarked for these purposes in the budget for the National Heart and Lung Institute so these programs can be initiated this fiscal year.

National Institute of General Medical Sciences

I was pleased to note the House's recommendation that, with the additional funds recommended by the House for the National Institute of General Medical Sciences, the number of trauma centers on accidental injury should be increased.

There are currently eight trauma centers throughout the Nation, one in San Francisco, California, in whose dedication I was privileged to participate. This trauma center has had a decided beneficial impact on the capacity to provide critical care in the entire San Francisco bay area.

Some accomplishments of the San Francisco Center are: the development of a substitute for "fresh" whole blood which is virtually non-existent during an emergency; the use of x-ray visualization of blood vessels (which the medical profession calls "angiography") to evaluate visceral trauma. This procedure as of last February had resulted in the immediate diagnosis of eight renal injuries, six damaged livers and five ruptured spleens, allowing followup therapy in time to save the lives of these 19 persons. These are just two examples of many breakthroughs achieved in these trauma centers, and I believe they present a very vivid justification for the expansion of the number of centers beyond the eight currently supported.

Those who profit from this improved capacity come from every age group—accidental death is the leading cause of death among children and young adults, ages 1-37 years; and it is a major cause of disability for the aged. It is an area that is deserving of greater attention and I hope your Committee report will emphasize the importance of expanding the trauma center program.

Family Planning Services and Population Research

Mr. Chairman, there is one additional health area I would like to discuss. This is the area of family planning services and population research, a subject matter generally under the jurisdiction of the Special Subcommittee on Human Resources, which I chair.

Recent news stories of sterilization procedures conducted without the informed consent of the individual or under coercive situations are shocking. I firmly believe any family planning method must be entered into voluntarily.

However, the instances which have been publicized recently provide dramatic evidence of the need not only for voluntarism but for the development of a safe, effective, and reversible procedure that will prevent unwanted conception.

RESEARCH

The Administration has requested approximately $39 million for population research. This is a far cry from the $100 million which was projected for Federal fiscal year 1974 support in the Department's 1971 Five Year Plan for Family Planning Services and Population Research Programs. Had the program been on target for the last two years, I would feel secure in asking for this figure. However, because support has been held at the fiscal year 1972 level for two years now, I feel any impetus that would have been gained through more substantial support in the last few years, has been lost and that the fine minds that might have been concentrated on this badly needed field of research have moved to other research areas. For that reason, I am recommending only that a total of $65 million be appropriated for research in reproduction and the development of contraceptives, as well as in the social science and program implementation fields related to family planning and population dynamics—$29 million above the House bill.

SERVICES

In the area of family planning services, the House bill has recommended the appropriation of the full amount requested by the Administration—$122.5 million—which is made up of $104.6 million, the revised level at which the Public Health Services title X program was operated in fiscal year 1973, plus $15.5 million representing programs transferred from the Office of Economic Opportunity, as well as $2.4 million direct operations.

Last year the Administration's stance on family planning services was remarkably different from this year's. In April, 1972, the Administration requested an increase of $21.5 million in the appropriations authority for family planning services under title X increasing it to $111.5 million because "The critical importance of family planning services to the health and well-being of individuals has been recognized by the President and the Congress. . . . This proposed increase in legislative authority is needed to achieve the national goal established by the President to make adequate family planning services available by 1975 to all who want but cannot afford them."

Congress wholeheartedly accepted this proposal, and the legislative Committees increased the appropriations authority request and the Appropriations Committee acted, in the second-vetoed HEW appropriations bill, to make this amount available.

In January, 1973, the President changed his mind and revised his budget estimate to call for obligation of only $104.6 million of this sum. In addition, he failed to request any project grant authority under title V of the Social Security Act, which had been supporting family planning projects at the level of $19 million in fiscal year 1973. At the time the House acted upon H.R. 8877, there was no authorization for project grants under that title so no appropriation was recommended. I urge this Committee to again recommend sufficient appropriations for project grants so that $19 million can be allocated to the continued support of family planning programs under S.S.A. title V.

Mr. Chairman, the Administration had, as you are aware, originally recommended that all organized family planning services be supported under section 314(e) of the Public Health Service Act and that title X not be extended. Testimony before the Special Subcommittee on Human Resources in support of my bill, S. 1708, was particularly forceful on the need to retain the special authority of title X and the safeguards built into it of voluntarism, as well as amendments in the bill to increase consumer participation, and safeguard and protect the rights of individuals receiving services from these programs.

These are the benefits effective organized family planning programs can guarantee to participants. Recent reports indicate that they are not always afforded patients by private physicians. For these reasons, I feel it is essential that funds be available under both the project grant authorities of title X of the P.H.S. Act and of title V of the Social Security Act, and be administered through the National Center for Family Planning Services—so that the major Federal effort will continue to be provided through organized family planning programs.

In addition, Mr. Chairman, I urge that your Committee recommend full funding of two additional authorities in P.H.S. Act title X—$3 million for the grant authority for training grants and contracts to carry out family planning services, and $909,000 for the authority for grants and contracts to develop informational and educational materials related to family planning and population dynamics. Programs under these authorities are an important and integral part of any comprehensive and voluntary program of providing family planning services, and I believe it essential that support be continued in these areas if organized family planning services programs are to succeed in expanding their activities.

Environmental Education Act

In a related area, Mr. Chairman, I am delighted that the House has recommended the appropriation of $4 million for implementation of the Environmental Education Act. As you know, the Administration had recommended no funding for this program. This Act provides for the development of programs which will educate the public on the problems of environmental quality and ecological balance. In many cases these programs contain an element relating to population education, an area in which a great deal need to be done. I urge the retention of the House recommended amount on this item.

National Institute of Child Health and Human Development

The House Committee report on H.R. 8877 states:

> "The Committee is persuaded that research on aging must be given a much higher priority within the Institute's total program, both intramural and extramural, than it presently has, and will expect a substantial portion of the increase provided in the bill to be used for this purpose."

I would hope that even though the House Committee did increase to $15.4 million the NICHD funding, largely for aging research—$3.6 million over the budget request of $11.8 million—the Senate would still give consideration to the $16.1 million appropriations recommendation of the Gerontological Society. In testimony before the Senate Select Committee on Aging George Maddox, Director of the Center for the Study of Aging and Human Development at Duke University, and Chairman of the Education Committee of the Gerontological Society indicated that $16.1 million was the minimal level necessary to carry out effective research in aging within NICHD.

As the Committee members know, S. 775, the Research on Aging Act of 1973 passed the Senate on July 9 by a unanimous vote. As an original cosponsor of S. 887—the Senate version of H.R. 14424, the Research on Aging Act vetoed last year—and of S. 775 this year, I have long felt the absolute importance of a higher priority for aging research. On March 3 and 4 of last year, I was privileged to chair hearings of the Subcommittee on Aging on the Research on Aging Act in San Francisco and Los Angeles. During these hearings I was very much impressed by the strong support expressed by many, many knowledgeable witnesses for the new Institute.

Also, on June 4 and August 14 of this year, in San Francisco, and San Diego, respectively, I chaired a joint hearing of the Aging Subcommittee and the Special Subcommittee on Human Resources—which I chair—on alternatives to institutional care for the aged. One of the questions I posed to several of the witnesses at these recent hearings was regarding the need for a new Institute on Aging. The support for this legislation was again very strong, and I was particularly struck by testimony indicating that one of the most significant impediments to significant progress in research on aging was professional reluctance—caused by limited research funds and low priority within the National Institutes of Health. S. 775 is directed right at resolving this problem.

I strongly believe that the Federal Government's effort in the area of research into the process of aging must be greatly intensified and expanded and that present efforts are severely hampered by the limited visibility and allocation of resources within the National Institute of Child Health and Human Development—NICHD. The Subcommittee hearings, both here and in San Francisco, Los Angeles, and San Diego, support my belief.

There is presently a very low level of Federal financial support for research into the aging process. The total fiscal year 1973 NICHD budget was over $109 million—of which only $12.3 million was earmarked for aging research. The fiscal 1974 budget request for NICHD is $106.7 million—of which only $11.8 million is earmarked for aging research. This represents only a bit more than 10 percent of the NICHD budget; and less than one-tenth of 1 percent of the Federal expenditures in health programs for the elderly. Experience has clearly indicated that the focus on aging research within NICHD is not nearly what it should, and must, be.

While I am extremely hopeful that S. 887 will be enacted this year, I would urge that the Subcommittee's recommendation on NICHD appropriations add the $16.1 million for aging research, as urged by the Gerontological Society.

Health manpower training

I cannot accept the Administration's unrealistic proposal that Federal support of health manpower training be limited to physicians, dentists, and osteopaths, and I am pleased that the House has been faithful to the Congressional intent articulated in the Health Manpower and Nurse Training laws enacted in the 92d Congress, and has recommended appropriations for support of training in every area of health manpower.

Schools of Public Health, and Allied Health Training Institutions

I fully agree with the House's recommendation that training in Public Health and in Allied Health fields be supported at the full level authorized by P.L. 93-45, the extension legislation passed June 18, 1973, which authorized appropriations at the level of the second-vetoed HEW-Labor Appropriations Act of 1973 (H.R. 11654).

Institutional support, health professions schools and schools of nursing

I am delighted to see that the House is also recommending an increase of almost $35 million over the amount requested by the Administration, to be appropriated for capitation grants for health professions institutions. This sum, however, barely fills the void left by the Administration's failure to seek funding for support of training in schools of pharmacy, optometry, podiatry, and veterinary medicine. While it represents an addition of $21.5 million over the amount appropriated by Congress last year in the second-vetoed Appropriations Act for HEW-Labor, the uncertainties involved in computing the number of students who must be counted in determining institutional grants are great. It is too early to predict with any accuracy the number of students in the bonus expansion classes, the number of institutions which have initiated programs for physicians' assistants which are eligible for capitation grants, and the number of students who have converted to a three year program entitling the institution to an additional bonus capitation grant.

I would hope, Mr. Chairman, that your Committee will look with favor on considering an additional appropriation for Institutional Support if it is shown to be justified later in the fiscal year when these enrollment figures are more solid, and that the Committee will state this intent in the Committee report.

Schools of nursing

The House has reduced the level of funding for capitation support for Schools of Nursing. Mr. Chairman, I urge your Committee to restore this amount to the level appropriated by Congress in fiscal year 1973 by the addition of the sum of $4.7 million, to a total of $38.5 million.

Student scholarships and loans

I am pleased to see that the House has recommended that funding for scholarships and loans for students in all health careers remain at approximately the same level as that in the Appropriations Act recommended by Congress last year and has expressed its disagreement with the approach taken by the Administration to phase out the scholarship program. With the increasing efforts health education schools are making to recruit students from the lower income family, the amount available for scholarships becomes all the more critical. I believe the minimum amount acceptable for FY 1974 is that in last year's vetoed bill, H.R. 16654. The House recommended a reduction of $2,000,000 for nursing scholarships from the amount recommended in that bill and I recommend it be added by your Committee.

Programs for the recruitment and retention of financially and socially disadvantaged students

Programs closely related to the need for sufficient scholarship and loan programs are provisions I authored in the Senate in both the Health Professions and Nurse Training laws which provide for the recruitment and retention in training institutions of individuals with a high potential, who because of disadvantaged backgrounds would not seek training in the health manpower fields without special encouragement. In 1972, the first year these programs were in effect, there was $5 million available for recruitment programs in the Health Manpower field, and there were $45 million worth of grant applications.

In fiscal year 1973, the full amount of $5 million was obligated and there was still a large number of approved grant applications which remained unfunded. In fiscal year 1974, the Administration has requested $46.5 million for health manpower education initiative awards. Of this amount, the statute requires at least $5 million but no more than 15%, or $6.975 million, to be utilized for programs for recruitment of the disadvantaged students. I remind the members of the Committee that the Administration has identified the disadvantaged as including women, which means some 50% of the population on top of the 20 to 30% of the population who are disadvantaged because they represent a cultural or ethnic minority, stand to benefit from these programs.

Given the demonstrated need, I urge the Committee to include language in the Appropriations Act that the full 15% authorized in the statute be obligated for these programs.

I urge the Committee to recommend the appropriation of the full authorization of $6.5 million in the Nurse Training Act for these purposes, and the $100,000 authorized in the Allied Health Training Act.

General

Mr. Chairman, these recommendations cover just a few of the appropriations authorizations in the health manpower field which I particularly wanted to stress. I generally concur in the increases made by the House since I believe an investment in the training of health manpower today is an investment which will be repaid many times over tomorrow in increased services and improved treatment capacity to the benefit of the average citizen.

SOCIAL AND REHABILITATION SERVICES

Older Americans Act programs

Mr. Chairman, I am in complete agreement with previous testimony by members of the Select Committee on Aging with regard to funding of the new Older Americans Act programs contained in Public Law 93-29.

I would like to express my particular support for the earmarking of $2 million to implement the special study and demonstration projects on the transportation problems of older Americans added to the Older Americans Act by the Comprehensive Older Americans Service Amendments of 1973, in section 412.

During the June 4 San Francisco and August 14 San Diego hearings I chaired on Alternatives Institutionalization of the elderly citizens, stress was laid on the difficulty senior citizens have in even getting to the limited program which are available for them. Bus service, even if it is available at regular intervals, is often such that elderly citizens cannot utilize it. The steps onto the bus may be prohibitive, or the crowded conditions might disuade them from even attempting to use bus service. But more often than not, bus service or other forms of mass transit which are suitable for the elderly's special needs, is simply not available, or does not connect up to the areas of their communities where the elderly services are located.

Mr. Chairman, I would like to take this opportunity to express my strong support for the House Committee recommendation regarding the Nutrition program. The implementation of this vitally important program has been long delayed because of continued Presidential vetoes, and is only now—almost two years after its enactment—being implemented as the result of funding approved in the Second Supplemental Appropriations Act. I cannot stress too strongly, and I am sure that the Subcommittee members will agree, the importance of the full funding of this important program. The $99.6 million Appropriations level in the House bill will help supply 250,000 meals per day to older Americans.

Vocational rehabilitation services

Mr. Chairman, as Acting Chairman of the Subcommittee on the Handicapped during consideration of S. 1875, the Rehabilitation Act of 1973, I cannot stress too strongly my belief that the Subcommittee should move to appropriate funding levels for these programs in some relationship to the needs of the almost ten million handicapped Americans whom we simpy cannot reach with the funding levels proposed by the Administration. I note with some dismay that the House Committee has deferred consideration of funding for Vocational Rehabilitation Act programs because the present authorizing legislation has expired.

As the Subcommittee knows, the struggle to enact an extension and, I believe, significant improvement, of rehabilitation programs has been a long and arduous one. In fiscal year 1972, approximately 1,110,045 disabled persons were served by State vocational rehabilitation agencies, and the Rehabilitation Services Administration in HEW reports that 326,138 of them were considered to be rehabilitated. This is not an inconsiderable achievement, but even this number of successful cases must be taken in the context of the estimated 7 to 12 million handicapped individuals in the Nation who have not realized their vocational potentials—with the Department of Health, Education, and Welfare now officially estimating the need to be 9.7 million individuals.

As the Subcommittee members know, on July 18, the comprehensive vocational rehabilitation legislation passed the Senate for the third time this year, and the fifth time in the last ten months—the Rehabilitation Act of 1973, S. 1875. S. 1875 is the result of a negotiated agreement on the part of the Senate Labor and Public Welfare Committee and the Administration. Following the second veto of this legislation—the veto of S. 7—and the failure of the Senate to override that veto, I, along with several other members of the Labor and Public Welfare Committee, set about submitting new legislation which would substantially meet the objections of the Administration, while at the same time retaining the vital thrust of the bill.

I believe that in S. 1875 we have such a bill. As I am sure the Subcommittee is aware, S. 1875 reflects a significant reduction in the authorization levels—$408.44 million below the S. 7 authorization levels over the three-year life of the bill—and a $190 million reduction from the basic title I—grants to States for FY 1974 in S. 7. The authorization levels in S. 1875 are only $92 million over the President's 3 year budget projections for FYs 73, 74 and 75. This bill authorizes appropriations for FY 1974 of $610 million plus such sums as may be necessary. It is the view of the Labor and Public Welfare Committee that the $610 million dollar figure—which reflects the FY 1973 Appropriations level in the First Supplemental Appropriations Act of October of last year—should be viewed as a floor on which to build an Appropriations level. This is an authorization interpretation which prevails throughout the bill and is stressed in the Committee report and July 18 floor debate.

I point out at this juncture that the House-passed bill, H.R. 8070, adopted by the House on June 5, 1973, includes a $660 million authorization figure, and that, in light of the passage of this measure by both Houses, it is, therefore, appropriate for this Subcommittee to report an appropriation item for vocational rehabilitation services of up to $660 million. Additionally, as Chairman of the House-Senate conference on the bill, I am confident that legislation will be enacted in September—probably before the Appropriations bill is taken up on the floor.

My recommendation is thus to add $78 million to the FY 1974 budget request to be spent as follows: an additional $40 million for the basic state grant program for vocational rehabilitation services, and an additional $38 million for innovation and expansion grants, special projects and demonstration, research and training and project evaluation. These amounts are authorized in both S. 1875 and H.R. 8070 as passed by the respective bodies.

In the Senate I was privileged to chair extensive hearings, covering five full days of the Subcommittee on the Handicapped on this legislation. Those hearings documented in the most forceful and poignant way the inadequacies of our efforts in trying to provide an equitable program of services in order to achieve the greatest employment potential for handicapped individuals.

Mr. Chairman, it is most significant to note that this program is actually a revenue raiser not spender. The benefits of the National rehabilitation program relative to costs are conceded by all to be extremely high. Over 3 million handicapped Americans have been returned to productive and meaningful lives because of assistance from the program. In fiscal year 1972 alone, the estimated annual earnings of the 326,138 individuals rehabilitated total $1 billion—a net increase of $750 million in earnings from the time these individuals entered the rehabilitation system.

The Rehabilitation Services Administration estimates that, in addition to this contribution to the GNP, these individuals, at a minimum, will be contributing approximately 5 percent of their income—or $58 million each year—in taxes to Federal, State, and local governments. And these figures do not reflect the approximately $33 million in savings to Federal and State governments in 1972 caused by removal of many rehabilitated persons from the public assistance rolls.

This $91 million figure over 20 years would return more than $3 for every $1 of the $560 million spent in fiscal year 1972.

Moreover, both versions of the Rehabilitation Act of 1973 provide a dramatic reorientation for the vocational rehabilitation program carried out by the Rehabilitation Services Administration in H.E.W. For the first time in the law maximum emphasis would be given to providing rehabilitation services to handicapped individuals with most severe handicaps. This new direction arose from findings in both the House and Senate hearings that this program was serving basically those with the least severe handicaps and that the more severely handicapped individuals were receiving the very least service, if any at all.

In order to carry out this new priority for serving those with the most severe handicaps, more funds will be required if we are not going to experience an appreciable cutback in the numbers of individuals helped by this program.

For these two reasons, I am recommending an increase in appropriations for the basic state grant program of approximately 15 percent over the level of appropriations for fiscal year 1972, and 10 percent over the $590 million level finally made available for FY 1973 retroactively through the Public Works Appropriations Act for FY 1974.

With respect to the innovation and expansion grants, special projects, research and training and program and project evaluation, I recommend additional funds—$38 million—be added so that a beginning can be made in carriyng out some of the important new initiatives stressed in both House-and-Senate-passed bills. The Administration requests in these categories totals $80.696 million, which is $15.5 million lower than the FY 1973 expenditures in these categories. Thus, I am requesting only $22.5 million over the FY 1973 level.

Specifically, I am reefrring to the stress in the research and training provisions on the development of rehabilitation education research centers which would seek to apply the most advanced medical technology, scientific achievement, and psychological and social knowledge to rehabilitation problems, including the design, development and production of suitable equipment and devices. It is a crime, in my judgment, Mr. Chairman, that this country so wealthy in technology and so rich in scientific achievement has made only the most minimal use of this science and technology for the benefit of the handicapped individuals.

It is a sad truth, I think, that many European countries have developed and made available to handicapped individuals far more sophisticated orthotic and prosthetic devices, as well as other mechanisms and devices for handicapped individulals, than are generally available here. Moreover, although there may be isolated instances when certain rather sophisticated mechanisms have been produced and made available to ease the living and increase the employability of handicapped individuals, these advances are generally available only to a few, and there is no central authority charged with responsibility for developing, producing, and disseminating these devices throughout the country.

I believe that our science and technology belong to all Americans. That is one of the reasons I strongly support the space program. I believe that our science and technology should not be withheld from those less fortunate persons, who because of their handicaps, cannot take full advantage of much of the technology we take for granted. There are millions and millions of handicapped Americans—perhaps 30 million—and I think that simple justice requires that we give them the benefit of a more independent, self-sufficient, and remunerative existence.

OFFICE OF THE SECRETARY

Office of Child Development

Another critical area that I would like to discuss today is the area of early childhood development. In my 1971 testimony before this Subcommittee, I urged the adoption of a funding level of $437 million for FY 1972, so "that we can begin to expand on the Head Start concept in FY 1972 and build a truly comprehensive development program for our young." This year's House Committee recommendation of $419 million supposedly represents the maintenance of the present program serving 379,000 children. However, the House bill does not take into consideration—nor did the Administration's budget request for $443 million—the effects of the 10-percent Handicapped children requirement included in the EOA amendments; nor the possible effects of the new minimum wage bill which has now passed both Houses of Congress.

Mr. Chairman, I join with Senator Mondale, the Chairman of the Subcommittee on Children and Youth on which I serve, in requesting that the Subcommittee fund OCD at no less than the Administration's budget request level. In California alone it is estimated that nearly 465,000 children of low-income families are in need of developmental day care services. There are over 7 million children across the Nation in need of child care services. We are presently serving less than 10% of the need for child-care in all forms across the Nation.

Mr. Chairman, when I recommended a $437 million funding level for FY 1972, I used the phrase "begin to expand". It is now time for consideration of the FY 1974 funding levels, and I must again implore the Committee to consider much higher funding levels for the Office of Child Development.

Additionally, S. 1191, the Child Abuse Prevention Act, has now passed the Senate, and would direct the Children's Bureau within OCD to begin a program of demonstration projects to local communities and units of government in an effort to develop successful child abuse prevention programs. I would urge the Committee to include in its Appropriations bill a $10 million addition to the budget request—the level authorized in S. 1191 for FY 1974—to start up this program.

EDUCATION

Mr. Chairman, the Administration's budget request for education, Fiscal 1974, presents the Congress with some serious difficulties. The budget proposed consolidation of a number of categorical programs into a special education revenue sharing package. But education revenue sharing requires new legislative authority, which has not been granted; in fact, the proposal was received with so little enthusiasm in the Congress that it has been withdrawn and is being reworked.

In the meantime, this Committee must consider a budget request that contains zero monies for programs that were to be folded into the education revenue sharing measure: libraries, education for the disadvantaged, impact aid programs, adult and vocational education, and several others.

As you know, the House has patched a number of holes in the Administration's education budget with amounts similar to those available in Fiscal 1973. Our colleagues in the other body voted a total of $6,164,411,000 for education programs. That is $892 million over the budget request for Fiscal 1974, but it is $92.42 million below the comparable appropriation for Fiscal year 1973.

So the House, Mr. Chairman, has been sensitive to the need for overall fiscal restraint, but has also determined to meet, as best it can, the obligation of the Congress to help meet the educational needs of Americans.

I would like to take this opportunity to discuss just a few of the federal education programs that I believe deserve priority attention by this Committee as we move toward creation of a budget that does not short change school children.

ESEA title I

Mr. Chairman, the House-passed FY 1974 Labor-HEW appropriations bill, H.R. 8877, contains a provision appropriating $1.8 billion for Title I of the Elementary and Secondary Education Act. The bill also contains a hold-harmless provision designed to protect school budgets from drastic reductions stemming from the use of 1970 census figures rather than the previously-used 1960 figures. As the Committee knows, the authorizing legislation for ESEA Title I requires use of the latest census figures.

What I wish to point out here is a serious inequity in how this provision affects certain states, including my own state of California. I have no quarrel with a hold-harmless provision that protects those States confronted with a drastic reduction in Title I funds because of population changes revealed by the 1970 census. However, the House-passed provision, if sustained by the Senate in its present wording, discriminates against states like California by depriving our disadvantaged children of Federal assistance to which they are entitled. Under the House bill, California would receive $41,538,791 less than it would otherwise receive at the full $1.8 billion funding level. Other states with significant losses are New York, Indiana, Maine, Michigan, New Hampshire, Rhode Island, Utah, and Washington.

Mr. Chairman, my colleague from the State of New York, Mr. Javits, has suggested that a substitute hold-harmless percentage—perhaps 80% rather than 100%—would spare those states that face considerable losses under the new census figures, without having a punitive effect on California and other states.

It is my strong recommendation that the Committee consider a modification of the hold-harmless Title I proviso in H.R. 8877, along the lines suggested by Senator Javits.

It means a great deal to the disadvantaged children of my State, who would be denied a significant portion of funds to which they are entitled if the House proviso prevails.

Libraries

Mr. Chairman, the Administration's determination to end federal support of libraries is irresponsible and wrong.

The notion that the central government in a democratic society should disclaim responsibility for the prime institutions of a literate people is nonsense. It should be rejected as firmly by this Committee as it was by the House.

Our public libraries struggle constantly for sheer survival. The federal role in helping these institutions keep their doors open has been minimal; of the $3.60 spent per capita for public libraries, only 15 cents comes from federal sources. School libraries get only $1.75 per pupil from Washington; Nationally, about 40% of the elementary schools are without libraries, and yet the Administration wants to kill this modest assistance program as well.

I believe we must recognize, Mr. Chairman, that an estimated 20 million Americans are without access to public library services in their communities. This is an inequity that must be ended. Abandoning the federal effort at this point is unfair and shortsighted.

As this Committee knows, federal support for library programs has been channeled through three basic programs: The Library Services and Construction Act (LSCA), Title II of the Elementary and Secondary Education Act (ESEA), and Title II of the Higher Education Act (HEA). The Administration contends that states and localities can now assume the burden of paying for libraries through revenue sharing funds. This conclusion, however, is not supported by any data I have seen. On the contrary, the U.S. Office of Education, in a study on ESEA Title II, recommended an increase in federal library funding of 10 percent, at least, and 25 percent if possible, observing that substantially increased appropriations are needed to meet rising costs as well as unmet, growing demands.

Mr. Chairman, I cannot state too strongly my belief that curtailing federal funds for libraries would be a mistake of disastrous proportions. A democratic nation, if it wishes to survive, does not back out on its commitment to the literacy of all of its people. I urge this Committee to join with the House Committee in restoring funds to these programs, at a level at least equal to FY 1973 funding.

Impact aid

It is no secret to this Committee that our impact aid programs—whereby payments are made to school districts in lieu of taxes on federal property—have been a target of this Administration's budget cutters. The arguments over whether funding for these programs should be continued, reduced, or eliminated, has gone on for several years, and shows no sign of diminishing. Under special attack is category "b" of the impact aid program, wherein payments are made on behalf of students whose parents work, but do not live, on federal property.

I will not take this forum to argue the merits of the existing impact aid programs. The fact of the matter is that school districts in my state, and elsewhere in the nation depend upon these monies for sheer survival. If they are to be interrupted, reduced, or terminated, it should be done by a well-deliberated Act of the Congress rather than by impoundment or termination through Administrative fiat. With the growing pressures on the property taxpayers it makes no sense, to my mind, to shift the burden of more school expense to these citizens in the abrupt fashion suggested by the Administration in its efforts to curtail these federal monies. It is not only the timing, but the logic of the Administration's approach that I find hard to believe.

This House bill includes $610 million for school assistance in federally affected areas. This will be adequate to fund the category "b" children at 68 percent of entitlement, the same level voted by Congress for fiscal 1973. As the Committee is aware, the Administration seems still determined to pay "b" students at only 54 percent of entitlement, regardless of the wishes of the Congress. I believe that we must speak strongly and decisively on this matter, and once again make clear the intent of the Congress to fund "b" students at 68 percent of entitlement—which is agreeable to concerned school personnel in my state—and not a penny less.

If the Committee continues its support of "b" payment at 68 percent, California will recover some $23 million in federal school funds that would have been denied them under the Nixon formula.

Bilingual education

I have addressed this distinguished Committee on several occasions regarding the perennial lack of sufficient funding for Title VII of the Elementary and Secondary Education Act, the bilingual education program. Each time, Senators have responded generously, and—in spite of Administration objections—the Title VII appropriation has been increased significantly over the President's budget request each year. Mexican-Americans of my state and other bilingual peoples can be appreciative of such actions by the Senate and the House, indicating as they do the Congress' determination to live up to the commitments made in the short history of this program.

For Fiscal 1974, the President requested $35 million for bilingual education, which is the amount made available by the Congress in Fiscal Years 1972 and 1973. The House of Representatives, in H.R. 8877, increased the amount to $45 million.

I feel it would be useful to review what the bilingual program has been able to do under past appropriations, and what it needs to do in the future.

In fiscal 1973, the total spending for Title VII was $32 million. Broken down, this came to $28.1 million for projects involving the Spanish-speaking; $2.6 million was spent for Eskimo and American Indian bilingual education, with almost $1 million of that figure devoted to those who speak French in the home; $656,000 went for bilingual programs serving those whose home language is Portuguese; $500,000 for Chinese programs; $189,000 for the bilingual people of Guam; and $75,000 for the Trust Territories.

However, Mr. Chairman, we are nowhere near meeting the need. Conservative estimates indicate there are at least five million bilingual children in the United States who are in need of bilingual services. Under the Fiscal 1973 amount spent, only 147,000 bilingual children were served. Obviously, there is an enormous gap between what we are doing and what we need to do.

Mr. Chairman, I urge this Committee to increase the House-passed bilingual appropriation by $15 million, bringing the total appropriation to $60 million for FY 1974. This is the amount I have pressed for in the past, and a figure that I feel is realistic for this Committee's consideration. It is still $40 million less than the present authorization for Title VII.

Consumer education

One section of the Education Amendments of 1972 (P.L. 92–318), which I authored, sets up a much-needed program of consumer education for the public schools, housed in and administered by the U.S. Office of Education. Although the measure was signed into law by the President over a year ago, the Office of Education has not moved forward in implementing the program and shows no sign of doing so in the future. Particularly in view of the expressed concern of the Administration for enlightened consumer affairs, I find this situation very disappointing.

My amendment, Mr. Chairman, calls for a Director of Consumers' Education in the Office of Education to coordinate USOE's consumer education activites. It authorizes grants for such activities as the development of curricula (including interdisciplinary curricula) in consumer education. The law also sets forth a program of training for educational personnel to prepare them to teach in subject areas associated with consumer education.

Mr. Chairman, in introducing the Consumer Education legislation I noted that the annual cost of policing consumer complaints—complaints that could have been avoided had consumers been educated to avoid some pitfalls of the marketplace—has risen to some $100 million annually. This is an indefensible waste of taxpayer dollars, and a waste that could be reduced by implementing my program.

As enacted, the Consumer Education program authorized $20 million for Fiscal 1973, $25 million for Fiscal 1974, and $35 million for Fiscal 1975. I strongly urge this Committee to provide a minimum of $20 million for the 1974 Fiscal year, and accompany the appropriation with report language that makes clear the intent of this Committee and the Congress that this clear program mandate be carried out in accordance with the law.

Veterans cost-of-instruction program

Mr. Chairman, as you and the members of the Subcommittee are aware, the Department of Health, Education, and Welfare has requested no funding for the Veterans Cost-of-Instruction (VCI) program in its FY 1974 Budget request. This is only the latest in the Administration's totally unjustified unwillingness to seek or support funding for meaningful programs to help returning veterans.

The House Committee in the House-passed bill includes $25 million for this program.

The VCI program, which I authored in the 92nd Congress as part of P.L. 92–318, has been a special victim of the Administration's refusal to release funds and issue program regulations and guidelines, as well as of a Congressionally-rejected proposal to rescind the $25 million appropriated in the Supplemental Appropriations Act, 1973 (P.L. 92–607) to initiate the VCI program. From the time that Appropriations Act was signed by the President until a Federal District Court interceded, the Office of Education—which is responsible for administering the program—has dragged its feet and completely disregarded the will and the wishes of the Congress

Last fiscal year, in addition to simply refusing to administer the program and spend the funds appropriated for it, the Administration asked Congress to rescind its VCI appropriation. As you may recall, Mr. Chairman, I then wrote you and the members of the Subcommittee, urging you to stand firm and not agree to the Administration's proposal that Congress rescind the small amount of FY 1973 funds appropriated for this program. Your response to this letter indicated that neither you, nor the members of the Subcommittee, were impressed by HEW's arguments for granting such a rescission. Once again, I would like to thank you and the members of the Subcommittee for your efforts on behalf of this program and for your decision not to entertain the totally unjustified rescission proposal.

In this connection, the Senate report (No. 93–160) accompanying H.R. 7447, the Second Supplemental Appropriations Act, Fiscal Year 1973, as reported from the Committee on Appropriations, stated that: "Both the House and Senate reports on this bill indicate the Congress is not concurring in the requested rescissions. . . ."

The VCI program finally got underway in

April, when regulations were issued by the Office of Education at the direction of a U.S. District Court in a suit brought by the National Association of Concerned Veterans, after the rescission request. In late May, the Administration finally agreed to spend the $25 million appropriation.

Thus, Mr. Chairman, the Administration's zero funding FY 1974 Budget request for the VCI program follows a predictable pattern. And, while I appreciate the House's $25 million appropriation for this program, I think recent developments indicate the need for an additional appropriation.

In making awards to eligible institutions, it was found that the $25 million previously appropriated was insufficient to permit full-funding of each eligible institution which applied. OE proceeded to award grants at an approximately 17 percent prorated reduction of the full funding level.

It is my contention, however, Mr. Chairman, as I stated in my May 24, 1973, letter to OE Commissioner Ottina regarding the regulations published by OE, that section 420 of P.L. 92–318 is clearly written as an entitlement. I think this is demonstrated conclusively by the fact that section 420—unlike section 419—contains no pro-rata reduction provision.

Additionally, I was unable to find any reference in the regulations issued by OE, and in the subsequent obligation of funds, to the following direction in the second sentence of subsection (d) of section 420:

> "Payments under this subsection shall be made in not less than three installments during each academic year, and shall be based on the actual number of persons on behalf of whom such payments are made in attendance at the institution at the time of the payment."

I take strong exception to OE's arrogation of authority to make pro-rata allotments of a full year's entitlement and to ignore the installment payment requirement in section 420(d).

In my opinion, according to the law, OE was required to prorate the *first* payment to each school on the basis of entitlements out of the funds then available (as was done at the level of 17 percent utilizing the $25 million FY 1973 appropriation) and submit to Congress a request either for a Supplemental FY 1973 or for an FY 1974 appropriation necessary to make the remaining two (or more) progress payments, as required by section 420(d) during the academic year 1973–74. Certainly, once having distributed all the funds appropriated, in June 1973, for use during the 1973–74 school year, OE was obligated to seek sufficient funds to make the remaining installment payments *required by law*.

I indicated in my letter to Dr. Ottina that I would seek such appropriations, and I asked that he provide me with the information necessary once the first payment had gone forth. Since he has not done so, I make this recommendation on the basis of the best information available to me. Since the first payment for the VCI program was made at only 17 percent of the full entitlements, 83 percent of the full appropriation is still outstanding. I therefore request that the following funds be made available for the VCI program for FY 1974: $122,000,000 (including the $25 million already added by the House)—that is, $97 million above the House-passed figure—for completion of academic year 1973–74 installment payments.

Mr. Chairman, I cannot place too much emphasis on the importance of this program designed to assist the men who have returned from battle in recent years. These men did what they were called upon to do—in a generally unpopular cause. They lost years in education, job training, and work experience.

The VCI program provisions were written to stimulate and support programs to meet the special readjustment problems of Vietnam era veterans—particulraly the large numbers of disadvantaged veterans—and to promote greater utilization of GI Bill educational assistance. Despite the major improvements in the present GI Bill program by Congress in the last three years, the present GI Bill does not meet the educational needs of many Vietnam era veterans. In comparison to the GI Bill assistance provided for World War II veterans, which paid full school costs (including tuition, fees, books, and supplies, etc.), as well as a monthly subsistence allowance, the Vietnam era veteran receives an educational assistance allowance of $220, which is intended "to meet, in part, the expenses of his subsistence, tuition, fees, supplies, books, equipment, and other educational costs. . . ." (38 U.S.C., 1681(a)). For most veterans, especially those supporting a family, this allowance just does not adequately meet their expenses, especially with the 20 percent inflation in food costs since the last increase was enacted last October.

In addition, large numbers of Vietnam veterans have been victims of a vicious cycle of disadvantagement. The least educated men have been the most likely to enter the Armed Forces, to go into combat, and then, upon their return, they have the most difficulty in continuing their education and training or finding other than menial jobs.

One of the results of this situation—educational assistance not helping those who most need it—is the shockingly high rate of unemployment among young veterans. In July 1973, the unemployment rate for veterans aged 20 to 24 was 8.4 percent. The national rate of unemployment for this same period was 4.7 percent.

It seems clear, in terms of cost benefits, that money spent today on educational assistance programs for veterans is far better spent than creating obligations for expenditures of more funds tomorrow on welfare programs for the potentially large numbers of disadvantaged veterans.

The VCI program was designed to provide incentives and supporting funds for colleges and universities to actively recruit returning veterans and to establish the kinds of special programs and services necessary to assist many veterans in getting enrolled and, once there, readjusting to an academic setting. Under the VCI program, only institutions which increase their enrollment of veterans by 10 percent over the previous year and who meet other requirements of the legislation for special veterans programs—on which they must spend one-half of their VCI payments—are entitled to payments of up to $450 for each of certain categories of veterans enrolled in an undergraduate program on a full-time basis. Thus, and this is terribly important to stress, the VCI program does not simply create entitlements for colleges and universities for veterans already enrolled. Rather, it requires a continuing commitment by recipient institutions both to increase their enrollments of veterans and to establish special programs suited to their veterans' immediate educational needs.

Mr. Chairman, I urge the members of the Committee to approve a total appropriation of $122 million for FY 1974 for the Veterans Cost-of-Instruction Program under section 420 of the Higher Education Act of 1965, as amended, in order that the program may be of maximum assistance to all eligible veterans and institutions and that the program may be carried out in full compliance with the clear requirements of the law.

In summary, Mr. Chairman, I am encouraged by the action of the House in funding education programs for which no monies were requested by the Administration. The items I have touched upon by no means constitute a complete list of my own education funding concerns. They are, however, indicative of areas that I believe to be particularly critical to California schools.

DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

Mr. Chairman, subsequent to the House Appropriations Committee's report on H.R. 8877, the Senate on June 24 adopted S. 1559, the "Job Training and Community Services Act" by the overwhelming margin of 88–5. The House has also acted on legislation to extend the M.D.T.A. In my floor statement in support of S. 1559, I discussed the need for expeditious consideration of that legislation—particularly in view of the Administration's attempt to implement manpower revenue sharing—a major program and policy change—by Executive fiat. Throughout the Subcommittee on Employment, Poverty, and Migratory Labor's consideration of S. 1559, it was made clear by the National League of Cities/U.S. Conference of Mayors, the National Association of Counties, and the Governors—all of whom sought various forms of manpower reform—that they sought legislative reform not administrative pronouncements.

During Assistant Secretary of Labor Kolberg's March 29, 1973, confirmation hearing before the Senate Labor and Public Welfare Committee, I raised the very important issue—an issue also raised in the House Appropriations Committee report—of the statutory basis for the Administration's attempt to implement manpower revenue sharing and requested the new Assistant Secretary to submit the Department of Labor Solicitor's opinion in that regard. I am submitting that opinion for the Subcommittee's consideration. As the Subcommittee will note, it is hardly an inspiring analysis or a firm legal ground upon which to base a policy decision of this magnitude. Consequently, I wrote on June 6, 1973, to the Assistant Secretary seeking a full legal opinion on the authority under which the Administration plans to implement M.R.S. As soon as I receive a reply from the Manpower Administration, I will make it available to the Subcommittee.

As the Subcommittee knows, on July 31 the Senate adopted S. 1560, the Emergency Employment Amendments of 1973, legislation extending the highly successful Emergency Employment Act for an additional two years. The House Committee on Education and Labor reported a companion measure (H.R. 7940) on July 20. I would urge that the Subcommittee act now on appropriations for manpower training programs now that the Senate has passed S. 1559 and S. 1560, including appropriations for E.E.A. programs at least equal to the FY 1973 appropriations level of $1.25 billion, and appropriations for manpower training programs equal to the levels originally authorized in S. 1559, $1.55 billion—which represents no increase in funding over the FY 1972 levels, the last Labor-HEW Appropriations Act enacted.

T.M.R.P.

I recently joined with Senators Tunney, Kennedy, Ribicoff, Javits, and Gurney in writing to this Subcommittee urging the addition of a line item for continuation of the Technology Mobilization and Reemployment Program—T.M.R.P. As this Subcommittee knows, and as Senator Magnuson and I have discussed many times in the past, aerospace and defense workers have been particularly hard hit by the effects of high unemployment. In response to the very real employment problems of unemployed technicians, engineers, and other professional and semi-professional groups traditionally associated with aerospace and defense work, the Department of Labor initiated the

T.M.R.P. program. That program was not refunded for this fiscal year. In my home state of California it is estimated that nearly 180,000 jobs have been lost in the last 18 months a result of Federal defense and aerospace funding cuts. These are, for the most part, Americans who are facing the problems of unemployment for the first time in their lives. It is a situation which will undoubtedly be agitated by the proposed—and I think ill-conceived—domestic base closings planned by the Administration. I would therefore urge the Subcommittee to add report language designating $6,875,000—the present funding level—for the continuation of the T.M.R.P. program.

OFFICE OF ECONOMIC OPPORTUNITY

The President's budget represents what I consider to be a callous disregard for the poor of America—and for the longstanding Federal commitment to help the poor to help themselves. Nowhere is this Administration policy more clearly reflected than in the effort to destroy the Office of Economic Opportunity, which has served within the Federal system as a focal point of advocacy for meeting the needs of the poor.

We all recognize the wisdom of redesigning, or even ending, programs that do not live up to their promise. But the modestly funded anti-poverty programs—representing only one-tenth of one-percent of the Federal budget—could not be expected to close the multi-billion dollar poverty income gap. They were not designed to do so. Rather, anti-poverty programs reflect an attempt to begin to attack the causes of poverty—an attempt to regain for our Nation the resource of 25 million Americans locked without hope in the cycle of poverty.

In his effort to discontinue the community action programs—the very heart of the War on Poverty—the President asks us to "give up" on a deep and honorable commitment made by his predecessor nine years ago . . . a commitment reaffirmed by the Congress less than ten months ago.

We owe it to those 25 million Americans with no recourse but to Congressional concern and action, and we owe it to the memory of the late President Johnson, not to permit the "Great Society" to be decimated while Congress stands idly by.

The Courts have halted the actions which the now defrocked Acting Director—Mr. Phillips—had said were in "anticipation" of Congressional agreement on the President's budget request.

Communty Action Agencies

I deplore the President's decision to seek no new funding for the Office of Economic Opportunity—a decision made in direct defiance of specific legislation passed by the Congress and signed by the President last Fall. In light of the Congressional mandate to continue OEO, I urge the Senate Appropriations Committee's Subcommittee on Labor, HEW, and Related Agencies to review carefully the President's budget recommendations, funding for the Office of Economic Opportunity.

I strongly support the House Appropriations Committee's inclusion of $338.8 million for the continuation of vital OEO programs, particularly for community action agencies and legal services programs.

Office of Legal Services

I would also like to express my very strong support for the $71.5 million, earmarked in the House Committee report for the continuation of the OEO Legal Services Program. As the Committee knows, funding for the legal services is authorized through FY 1974 under section 222 of the Economic Opportunity Act of 1964, as amended.

I think that the Committee is fully familiar with the benefits and accomplishments of the legal services program; a program which is clearly one of the most cost-effective—certainly one of the most noble—efforts of the Federal Government. It is particularly important at this time, when the program is suffering from the effects of being whip-sawed during the first six months of this year by the schizophrenic activity within the Administration, that the Congress reassert its commitment to providing equal access to the justice system for all its citizens.

The Subcommittee on Employment, Poverty, and Migratory Labor, on which I serve, is working hard on legislation to create an independent, National Legal Services Corporation, and we hope to report that legislation from the Subcommittee to the full Labor and Public Welfare Committee and, subsequently, to the Senate floor in the early Fall.

By fully funding the Legal Services program at the $71.5 million authorized level—a level recommended by the Administration—the Congress will be providing this beleaguered program with a much needed shot in the arm during the difficult transition to an independent National Legal Services Corporation.

Youth recreation and sports program

As the author of the National summer youth sports programs, in the Economic Opportunity Act Amendments of 1972, I would also hope that this Subcommittee would maintain the $3 million the House recommended for this important program.

The youth recreation and sports program is an expansion of the National summer youth sports program which OEO has been funding during the past three summers. Funds for the program were transferred to the Department of Health, Education, and Welfare, which in turn contracted with the National Collegiate Athletic Association—NCAA. The President's Council on Physical Fitness and Sports has been the Government's administrative and monitoring agency. My amendment to the EOA provides for the program's establishment on a permanent basis and expands it to provide for continuing year-round contact with the participating youths and related educational and counseling services, especially drug abuse education.

The present program has served approximately 124,000 participants during its 3 years of operation. Eleven colleges and universities in my own State of California are working with nearly 4,000 participants this summer. The program provides valuable contact between disadvantaged youth and collegiate athletes, and affords to its participants the multiple resources available at college and university campuses.

The new section of the Economic Opportunity Act assures that community residents will work with the young participants and collegiate personnel in planning and operating the program.

I would also urge the Committee's consideration of funding for two additional OEO programs which were authorized in 1972 EOA amendments I authored.

Consumer action and cooperative programs

Section 228 of the Economic Opportunity Act amendments in 1972 provided for a permanent program of Consumer Action and Cooperative Programs. The section authorized appropriations of $7.5 million for these programs, at least $2.5 million of which was to be for research and Pilot Programs. The Administration has refused to fund this program out of general agency funds, and I would urge the Subcommittee to consider an Appropriation at the full authorization level to continue the successful programs. This figure approximates the amount expended for these programs by the Office of Economic Opportunity during fiscal year 1971 under its research and demonstration authority and through local initiative funding.

In FY 1973 only $350,000 was spent for Consumer R & D programming. None went for new programs; none under section 228. Some 250 credit unions are losing or have lost their support and assistance. They represent $11 million saved by over 100,000 poor people. Many are at the point where continued support now could in a very few years help them become permanent and selfsufficient institutions in their communities.

At a time when inflation has seriously aggravated the plight of the poor consumer it is more important than ever that successful programs be emulated and innovative programs be developed by continuing the Office of Economic Opportunity efforts under Title II of the E.O.A.

Mr. Chairman, I would like to submit for the Subcommittee's review a summary sheet which, in some detail, reflects the positive impact that this $7.5 million funding level would have on the poor consumers in this country.

Community design and planning assistance

While the ongoing programs of OEO have dealt primarily with the legal, educational, and health problems of the poor, the worsening state of their everyday environment has been sadly neglected. Conditions in urban slums and remote rural areas continue to deteriorate. Housing is overcrowded and inadequate; expressways and renewal projects rip up neighborhoods with little or no plans for adequate restoration or relocation.

Low income persons must have access to design and planning assistance just as they now have access to legal services and health care. With such assistance available, communities can have the opportunity to make constructive inputs into the physical and environmental development of their neighborhoods.

OEO has already granted research and demonstration funds to three existing community design/development centers, which are among 71 such centers operating in 56 cities across the country. These centers provide free design and planning technical assistance to indigent communities, as in consistent with OEO's goal of increasing community awareness, community involvement, and community self-help. Staffed by architects, planners, engineers, and other design professionals—many working on a volunteer basis—these community design projects vary from minor renovation work on individual dwelling units to the development of comprehensive planning documents for the future growth of neighborhoods. VISTA volunteers presently are assigned to many of these centers.

The new section 226 of the EOA authorized use of up to $10 million available under part B of Title II which it was felt could be effectively granted annually for assistance to these design centers, especially those which have proven their effectiveness. A January 1971 evaluation conducted by Kirschner Associates, Inc., under OEO contract No. B89-4558, studied the seven community design centers which OEO had funded for at least one year. The report stated in concluding that Federal support for these programs should be continued and expanded:

"It is clear . . . that advocacy planning is now and can continue to evolve as an exciting process within the general framework of a participatory democracy. It is a concept combining professional competence, the needs and desires of the residents of poor communities, and the growing need for a feeling of 'community'. It is also developing as a legitimate link between the public agencies and an important part of their constituency. It is an approach that has already made modest headway and, in the future, can provide constructive, positive solutions to urban problems."

The new community design assistance provision was designed to insure that these valuable programs, having proven their effectiveness, continue to be funded under the Economic Opportunity Act. For precisely that reason—because these programs have proven their effectiveness—OEO is reluctant to continue their funding under a research and demonstration authority.

One of the programs to benefit from this amendment, for example, would be the San Francisco Design Center, which was established in 1967 by the University of California Extension Division. Past OEO funding enabled it to improve and expand its services so that currently the center operates with a small full-time staff and a roster of part-time volunteers who are professionals with the skills needed to deal with urban problems. The center has responded to requests from low-income residents for assistance in developing housing programs, long-range planning studies, preparing working drawings for store front offices, designing letterheads, tot-lots, playgrounds, and a host of other requests involving community improvement and development.

Mr. Chairman, I urge the Subcommittee to consider funding for this new provision at a $4 million dollar level—the same level recommended by the American Institute of Architects in its testimony. This level would allow for the funding of 50 urban centers at an average level of $60,000, 6 rural centers at $100,000 each, and 19 new centers at a start up figure of $40,000 each. The Office of Economic Opportunity has refused to utilize this authority, as has been the case with section 228 money, and I urge that the Subcommittee add report language with regard to section 228 and section 226 funds, similar to that used in the House report on H.R. 8877, which reflects earmarking of specific funding levels for selected OEO programs.

THE ACTION AGENCY

Mr. Chairman, as you know, on July 18 the Senate unanimously agreed to S. 1148, the proposed "Domestic Volunteer Service Act of 1973", which I had introduced March 8, 1973. The House Education and Labor Committee has reported its markup of a companion measure—H.R. 7265—and a compromise measure acceptable to the Administration (as set forth in S. 2364 which I introduced on August 3) will be enacted in early September.

S. 1148 and H.R. 7265 would each provide a three year appropriations authorization for the ACTION Agency beginning in FY 1974. As you know, this Agency was created on July 1, 1971, by Reorganization Plan No. 1 of 1971 to consolidate and administer the Nation's Federally-sponsored volunteer programs—among them the Peace Corps, VISTA, the Foster Grandparent program, RSVP, and the SCORE/ACE program, a corps of volunteer small business counselors. The compromise authorizing legislation I refer to (as set forth in S. 2364) would supersede the domestic program and administrative provisions of Reorganization Plan No. 1. It would incorporate into positive law the basic existing legislative foundations of the domestic programs which were transferred to the Agency upon its creation two years ago, and thus provide the Agency, in one piece of enabling legislation, a unified set of statutory authorities for those programs.

VISTA

Title I of the proposed Domestic Volunteer Service Act is patterned after Title VIII of the Economic Opportunity Act which is the current VISTA authority. The compromise level of funding sought by both houses of the Congress for fiscal year 1974 for this title is $37.6 million—$29.6 million of which must be expended on programs designed to eliminate poverty and poverty-related human, social, and environmental problems, including $22.3 of which must be expended for the traditional VISTA program. The monies above $29.6 million—which is the FY 1973 VISTA plus UYA program expenditures figure—may be expended on new voluntary activities and demonstration programs to meet a broad range of human and social needs, particularly those arising out of poverty. I might add, Mr. Chairman, that the Administration has requested $22.3 million for the traditional VISTA program for FY 1974, and it is this request which the compromise reflects. This represents the same amount as expended in FY 1973 and a $2.9 million drop from fiscal year 1972 funding. I urge that the Subcommittee not further reduce the funds available for VISTA. As you know, the House Committee deferred consideration of the VISTA funding because the current appropriations authorization for that program—Title VIII of the Economic Opportunity Act—expired June 30, 1973. But, since we have every reason to believe that a compromise version of S. 1148 will be enacted shortly after the August recess and since the Senate has already passed S. 1148 with a VISTA (Title I) FY 1974 authorization level of $50,000,000, I urge the Senate Subcommittee to include $37.6 million under Title VIII of the Economic Opportunity Act or successor authority if enacted. These programs are vital not only to our efforts to alleviate poverty and social ills in our nation, but to provide as well, a mechanism for the optimum utilization of the creativity, idealism, and dedication of their member volunteers.

Older American programs

Title II of the compromise measure is virtually identical to Title VI of the Older Americans Act as amended this past May by Public Law 93–29. It provides for the Retired Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the new Older American Community Service Programs. The present FY 1974 authorization of appropriations for these programs is a total of $50 million for fiscal year 1974—$17.5 million for the RSVP program, $26.5 million for the Foster Grandparent Program, and $6 million for the Older American Community Service Programs which include "Senior Health Aides" and "Senior Companions" modeled after the successful Foster Grandparent Program.

The Administration has requested $15 million for the RSVP program and $25 million for the Foster Grandparent Program—figures identical to those available for expenditure in fiscal year 1973. The modest increases in funding for these proven programs which the Congress approved in P.L. 93–29 can do little more than offset inflation. I am hopeful, therefore, that this Committee will agree to the necessity of those increases by providing full funding for these programs for FY 1974—$17.5 million for RSVP and $26.5 million for FGP. The remaining $6 million will provide for the launching of the two new Older American Community Service Programs—"Senior Health Aides" and "Senior Companions"—which were added to the Older Americans Act amendments last year.

Title III of the compromise measure will provide for the expansion of the SCORE/ACE program which is currently jointly administered by the Small Business Administration and the ACTION Agency. It would provide for an expanded volunteer membership, a broadened clientele, and would enable, for the first time, SCORE volunteers to be compensated for out-of-pocket expenses as Older American Program volunteers are now. The sponsors of the compromise measure approved the Administration's budget request level by including an authorization level for fiscal year 1974 of $208,000 as necessary for the Agency to expand the program as envisioned under Reorganization Plan No. 1. Since S. 1148, as passed by the Senate, authorizes the appropriation of $1,000,000 for FY 1974 for this purpose, I urge that the Committee grant the full funding authorized in the compromise measure—$208,000, the amount requested by the Administration—to enable the Agency to accomplish this goal.

Mr. Chairman, in my view, the dilution which we have witnessed in recent years of the Federal Government's involvement in innovative antipoverty efforts and other social service programs serves to highlight the importance of the ACTION Agency as a symbol of our Nation's concern for achieving social change and improvements through human interaction, and our commitment to help those less fortunate to help themselves. So that the ACTION Agency can remain a vital symbol of this concern and so its volunteers can continue translating that lofty symbol into productive, constructive service, I am recommending that this Committee include for fiscal year 1974 a total of $87.808 million for the programs administered by the ACTION Agency broken down as I have indicated above.

U.S. SENATE,
COMMITTEE ON LABOR
AND PUBLIC WELFARE,
Washington, D.C., October 4, 1973.

Hon. PETER J. BRENNAN,
Secretary, Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: Thank you for your letter informing me of your progress in developing plans to employ additional assistant Veterans' Employment Representatives (AVER's).

I was pleased to learn that you have resolved your financing problems and are moving ahead to establish the positions and recruit the required new AVER's. I was especially gratified to learn of your efforts to staff "the bulk" of these positions with young Vietnam-era veterans.

In view of these comments, however, I am most concerned about a situation which has recently come to my attention. It is my understanding that, in some instances, AVER positions are being filled with reduction-in-force personnel. In several of these cases, the persons being placed in AVER positions appear not to have particular qualifications for the job, nor are they Vietnam-era veterans. Their principal qualification appears to be prior service on a public employment service staff.

I know you agree that the employment needs of our nation's veterans can best be met by highly qualified veteran AVER's. The extensive and weighty responsibilities of the Veterans' Employment Representative and his assistants, as stated in section 2003 of title 38, U.S.C., make it imperative that only the best suited personnel be appointed to these positions if these duties are to be performed in an efficient and effective manner.

I urge you, therefore, to give your immediate attention to correcting what appears to be a most undesirable situation.

Thank you for your assistance in this matter.

With best regards.

Sincerely,

ALAN CRANSTON.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 2, 1973.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for your recent inquiry as to our progress in developing plans to employ additional assistant veterans' employment representatives (AVER's) as required by section 2003 of title 38, U.S.C.

I am pleased to advise you that we have resolved our financing problems and will be moving at once to establish the positions and recruit the required new AVER's. You will be interested to know that we hope to be able to staff the bulk of these 68 new AVER's positions with young Vietnam-era veterans.

We appreciate your continuing concern in this matter, and trust that this information will meet with your full approval.

Sincerely,

PETER J. BRENNAN,
Secretary of Labor.

U.S. SENATE,
COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C., July 6, 1973.

Hon. PETER J. BRENNAN,
U.S. Department of Labor,
Office of the Secretary,
Washington, D.C.

DEAR SECRETARY BRENNAN: Thank you for your response to my inquiry at your confirmation hearing last January concerning Assistant Veterans' Employment Representatives (AVERs).

In your letter you state: "We have determined that from the available data on veterans population, a number of assistant veterans' employment representatives would *appear* to be required." (Emphasis added). They *are* required by law.

Section 2003 of title 38, U.S.C. states:

"The Secretary of Labor shall assign to each State a representative of the Veterans' Employment Service to serve as the veterans' employment representative, and shall further assign to each State an assistant veterans' employment representative per each 250,000 veterans of the State veterans population."

According to figures for the most recent veteran population by state, 93 assistant VERs must be assigned in order to comply with the law to search out and develop jobs for returning veterans and to promote major placement efforts by State and local employment services for veterans. This is 68 more than the present number of Assistant VERs.

Yet eight months after this law was enacted by Congress and signed by the President, these positions have not even been created, let alone filled.

Mr. Secretary, I would appreciate your response to the following questions as soon as possible:

1. What are the results of your study regarding ways to comply with the statutory provisions within your overall budgetary resources?
2. What do you consider to be "the appropriate number of Assistant VERs," and how have you arrived at this figure on a state-by-state basis?
3. When do you plan to have "the appropriate number of Assistant VERs" assigned?
4. When do you plan to begin recruiting and actively interviewing for these positions, on a state-by-state basis?

Thank you for giving your immediate attention to this most important matter.

With best wishes,

Sincerely,

ALAN CRANSTON.

Mr. BROOKE. Mr. President, the Departments of Labor, and Health, Education, and Welfare, and related agencies, appropriations bill funds the great bulk of our national health, education, and social programs. More than any other bill passed by Congress, the annual Labor-HEW appropriations bill provides the Americans the vital services they rightfully demand and expect from their Government. More than any other bill, the annual Labor-HEW appropriations bill reflects the kind of country we want and the care and concern which we hold for all our citizens. It is second in size only to the massive defense appropriations bill.

This is our first year of peace in too many years. This is the first appropriations bill which will reflect our national priorities in peace. This appropriations bill for fiscal year 1974 therefore is symbolic far beyond again restating Congress' coequal role in shaping national priorities. I would urge that since this is the time when we must express and determine our Nation's peacetime priorities for many years, we do not forgo this opportunity because of conflicts between the congressional and executive branches.

In reporting out the Departments of Labor, and Health, Education, and Welfare, and related agencies appropriations bill for 1974, the Appropriations Committee has tried to be both fiscally responsible, and yet responsive to the needs of the Nation. I believe that we have succeeded. I would have preferred greater funding support for many programs. But I joined other committee members in the belief that the chaos and confusion about funding levels inherent in those departments being forced to operate for a second consecutive year under continuing resolutions should be avoided if at all possible, short of abdication of congressional responsibilities. The administration has asked that the Congress and executive branch cooperate in reaching decisions about national needs and priorities. I believe that in this bill, the committee has gone more than half way.

The total amount appropriated in this bill is $33.3 million. The committee recommendation exceeds the amount appropriated by the House by only slightly over $500 million and much of this increase was based on information available only after passage of the House bill.

In comparison to the fiscal year 1973 appropriation, the recommended fiscal year 1974 appropriation is actually $400 million less than the sum appropriated for last year. Thus, this is a restrained appropriations bill. There is no excuse for a veto.

Using the administration's budget request as a criterion rather than the level of last year's appropriation is a straw man, for the administration budget request failed to provide any funding for many existing programs, provided only phase-out funds for others, and drastically cut resources for yet others. It would have been irresponsible for Congress to approve the wholesale extermination or emasculation of programs, which the administration proposed, in the relatively few months available between the President's budget message and the drafting of the appropriations bill. Since the budget request was submitted, the administration has in some instances specifically concurred in the decision to continue programs which it proposed terminating, as was the case with Public Law 93-45 extending the authorization for major health programs.

I should also like to alert Senators to the recommendations of the committee in three particular areas: Headstart; education of the handicapped; and the Minority Access to Research Careers—MARC—program.

HEADSTART

Despite clear and substantial congressional intent expressed in the Comprehensive Childhood Development Act, Project Headstart remains at present our one national commitment to early childhood development and to our Nation's youngest children. Project Headstart is particularly crucial because the great, great majority of its enrollees—90 percent—are from poverty-level families.

There are at least 3½ million children under the age of 7 whose families live in poverty, and who have little hope of getting the medical and dental treatment, the food or the intellectual stimulation they need to develop to their full potential unless Project Headstart manages to supplement what their families are able to provide.

Project Headstart has had very real and concrete benefits. But Headstart funding has remained virtually static for several years now. Because of budgetary pressures, Headstart is at present able to serve only 10 to 15 percent of eligible children. The Headstart budget this year presents a real crisis, in part caused by a mandate which we in Congress legislated last year requiring that Headstart service at least 10 percent handicapped children.

The committee recommends an increase of $31 million over the House allowance for Headstart in the Office of Child Development. This increase was based specifically on budget figures requested by the Senate Appropriations Subcommittee.

In order to fulfill the requirements in Public Law 92-424 to include 10 percent handicapped children—a total of 38,000 children—it will cost approximately $1,000 additional over and above the normal Headstart full-year program costs per handicapped child and $500 for incremental summer program costs. Thus, at least $18 million will be needed above the budget requested and the House appropriations to bring the facilities and programs up to levels necessary to care for the required number of handicapped children.

In addition $21 million will be needed simply to meet the overall costs of inflation, projecting an average increase in costs of 5.5 percent, which may be lower than the actual rate of inflation.

I would strongly emphasize that these funds are needed not to expand Headstart services—which should be done—but to prevent actual and immediate reduction of services to the 379,000 children presently enrolled.

The committee has also inserted report language which expresses congressional disapproval of the inequities of the prohibitive new fee schedule which is to be imposed upon Headstart enrollees.

By law 90 percent of Headstart enrollees must come from poverty-level families. For these lowest income levels, this fee schedule will probably cost more to administer than will be collected. For the 10 percent children allowed from non-poverty-level families the fees are prohibitive; at an income level of $10,000, for example, a family must pay a minimum of over 10 percent of its gross income in Headstart fees. Thus, many of these 10 percent families with modest incomes may be forced to drop out of the program because of the unrealistically high fees imposed upon non-poverty-level families. A logical and reasonable fee schedule should also have certainly allowed the exclusion of certain expenses, such as medical expenses, before determining income; instead the present fee schedule uses a gross income figure. Furthermore, no allowances are made for regional cost-of-living variations. No distinction is made among full-day, part-day, and summer programs; identical fees are required regardless of the length of the program.

It was certainly never congressional intent that such a restrictive and unrealistic fee schedule be imposed.

The report language now urges the Department review the current fee schedule in an effort to correct inequities. Special attention is drawn to the fact that no allowances are made for regional cost-of-living variations and no distinctions made for fees among full-day, part-day, and summer programs.

The committee also has recommended $159,069,000 for Education for the Handicapped, an increase of $15,460,000 over the House and $27,960,000 over the budget request.

EDUCATION OF THE HANDICAPPED

The children served by the Education of the Handicapped Act are the children who most need our help. Tens of thousands of handicapped children are at present our hidden children and thus also our shame. Without provision of adequate educational opportunities, many must be kept at home during the period when children—all children—should be learning. Many will be forced to spend their lives in institutions if they cannot receive the special education which they need.

The Education of the Handicapped Act—ESEA, title VI—has represented a bold venture on the part of the Congress to aid the States in their efforts to help the over 7 million handicapped children. Now, after a reasonable period of actual program operation, the Education of the Handicapped Act has developed into a solid and dependable foundation of Federal support for the education of exceptional children.

The funds which we appropriate will be used for continuing support of our vital program for the education of handicapped children. These programs are: a program of direct grants to the States, a program of preschool education, a network of regional resource centers, a network of centers to serve the deaf-blind, a program of personnel training, a program of research and demonstration, a program of media services and captioned films and a special emphasis program for children with specific learning disabilities.

For the deaf-blind centers, the Senate is asked to appropriate $15,975,000, the same as the fiscal year 1973 appropriation, and $5,795,000 more than the House allowance and the budget request. These funds will be used in 11 regional centers to support education services to almost 10,000 deaf-blind children.

For children with specific learning disabilities, the committee recommends $5,000,000, an increase of $1,750,000 over the House allowance and budget request.

In recent years it has become obvious that there are many children who, despite valiant efforts, cannot seem to learn certain basic educational skills, despite having no apparent physical or mental deficiency. These children comprise roughly 3 percent of the school population. In response the Congress created a special program—ESEA, title VI—to support research and model centers to stimulate State and local programs for children with specific learning disabilities. However, this program has never been adequately funded, and the special needs of thousands of learning disabled children go unmet.

The recommended increase in appropriations would enable the Office of Education to move more rapidly toward the objective of providing an opportunity for each State to develop a service model and to provide for its application across the State. At present only 30 such service models can be supported.

The committee has also recommended $45,615,000, an increase of $7,915,000 over the House allowance for the education and training of teachers of the handicapped.

Although further increases could have been amply justified for other programs under the Education of the Handicapped Act, I believe that the increases which were made are carefully targeted at the most vital areas.

MINORITY ACCESS TO RESEARCH CAREERS PROGRAM

The committee has also designated up to $4 million within the appropriation for the National Institute of General Medical Sciences for the MARC program—Minority Access to Research Careers.

The MARC program is vital in correcting the extreme imbalance in the United States of the number of minority group health scientists and teachers with doctoral degree: only 2 percent of all American physicians are black; in science less than one-quarter of 1 percent of those who hold Ph. D.'s are black—600 black scientists out of a national total of more than 250,000 scientists. Figures for other minority groups are even more distressing.

Black educational institutions are at present the key to increasing the opportunities for blacks in science, for these institutions account for 75 percent of all blacks going on to graduate or professional schools. The sciences, more than any other academic discipline, require not only well-trained and up-to-date faculty but also rather extensive physical facilities.

Black institutions, never wealthy, have been unable to meet the cost demands of developing adequate science departments and facilities. The MARC program is providing vitally needed aid to these institutions.

ANTI-IMPOUNDMENT LANGUAGE

And finally, but of great importance, I should like to draw the attention of the Senate to anti-impoundment report language which I requested and the committee approved. This language expresses clear congressional understanding and intent that impounded fiscal year 1973 appropriations can still be reached by legal process and that these fiscal year 1973 impoundments were not irretrievably lost on June 30, 1973, and that under 31 United States Code section 701(a) any fiscal year 1973 unobligated or unallocated appropriation can still be ordered obligated, allotted, and expended if a court determines that this should have been done under law in fiscal year 1973. The mechanism for saving any unobligated or unallotted fiscal year 1973 appropriations, that is impounded appropriations, even if they have been returned into the General Fund of the Treasury, is by an adjustment under 31 United States Code section 701(a)2 which a court can order to be made. I point out that the statute contains no time limitation on the making of such an adjustment of appropriated funds. This report language should prevent Government defense attorneys in the many impoundment cases now before the courts from arguing the cases on an unintended technicality rather than on the constitutional issue of the legality of impoundments. I am confident that the Senate will strongly support this defense of the integrity of the appropriations process. I am hopeful the Senate will support the recommendations of the committee as contained in H.R. 8877.

Mr. JAVITS. Mr. President, I would like to inquire about the committee's action and its intentions with respect to the amounts made available for enforcement of the Fair Labor Standards Act and related legislation by the Employment Standards Administration of the Department of Labor. Specifically, the committee report indicates that the budget, as submitted, contained a cut of $3,003,000 from last year's level for minimum wage enforcement activities, and neither the Senate nor the House has taken any action to restore that cut.

This is a matter of deep concern to me since it is really a continuation of a very disturbing trend, which has been going on since 1966, of cutting back on minimum wage enforcement authority, and at the same time imposing new responsibilities on the Wage-Hour Division of the Employment Standards Administration. There are now about 250 less compliance officers on the staff of the Wage-Hour Division than there were in 1966.

The committee report indicates that if this cut of $3,003,000 cannot be absorbed, as is claimed, with no diminution of actual enforcement effort it would be inclined to look sympathetically at a supplemental appropriation request. I would like to ask the Senator from Washington for his comments on this particular matter.

Mr. MAGNUSON. What we were doing was taking the Department at its word. We gave them just what they said they need. Should they or some member come to the committee and justify an additional unmet need we would be pleased to consider funds in addition to those provided.

Mr. President, I again want to thank the Senator from New Hampshire (Mr. Cotton), and the rest of the members of the committee for the fine job they have done. I am not modest about myself. I think it was a good job that was done. It must have been so good that the Senate gave its implied agreement to it. This is the first time in all the years we have had such a bill that we have not been here for many hours on amendments.

I compliment Senators for their restraint. I only hope we will have a bill on which we can deal with the administration.

And we should not forget to mention the staff who worked so long and hard on this—Harley Dirks, Gloria Butland, Domenic Ruscio, Terrence Sauvain, and Warren Kane.

So I yield back the remainder of my time on the bill.

Mr. COTTON. Mr. President, I congratulate the distinguished Senator for the leadership he has given us, and I yield back the time on this side.

The PRESIDING OFFICER. All the time on the bill having been yielded back, and the yeas and nays having been ordered, the question is on passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Hartke), the Senator from Indiana (Mr. Bayh), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Montana (Mr. Mansfield) and the Senator from Missouri (Mr. Huddleston) are absent on official business.

I further announce that, if present and voting, the Senator from Indiana (Mr. Bayh), the Senator from California (Mr. Tunney), the Senator from Montana (Mr. Mansfield), and the Senator from Indiana (Mr. Hartke) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Brock), the Senator from Colorado (Mr. Dominick), the Senator from Idaho (Mr. McClure), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Saxbe), and the Senator from Pennsylvania (Mr. Hugh Scott) are necessarily absent.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy) and the Senator from Pennsylvania (Mr. Hugh Scott) would each vote "yea."

The result was announced—yeas 79, nays 9, as follows:

[No. 461 Leg.]

YEAS—79

Abourezk
Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fong
Fulbright
Gravel
Griffin
Gurney
Hart
Haskell
Hatfield
Hathaway
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Weicker
Williams
Young

NAYS—9

Buckley
Byrd, Harry F., Jr.
Fannin
Goldwater
Hansen
Helms
Scott, William L.
Stennis
Thurmond

NOT VOTING—12

Bayh
Brock
Dominick
Hartke
Huddleston
Mansfield
McClure
Pearson
Percy
Saxbe
Scott, Hugh
Tunney

So the bill (H.R. 8877) was passed.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any technical corrections in the Senate bill that may be necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. Helms) appointed Mr. McClellan, Mr. Magnuson, Mr. Stennis, Mr. Bible, Mr. Robert C. Byrd, Mr. Proxmire, Mr. Montoya, Mr. Hollings, Mr. Eagleton, Mr. Young, Mr. Cotton, Mr. Case, Mr. Fong, Mr. Brooke, Mr. Stevens, and Mr. Schweiker conferees on the part of the Senate.

PROGRAM

Mr. GRIFFIN. Mr. President, in view of the fact that the Senate has just accomplished not only the unexpected. but also the unprecedented in passing the Labor-HEW appropriation bill in 1 day, and at the figure reported by the committee, obviously the projected schedule propounded by the distinguished acting majority leader no longer applies. I am sure Senators would be interested in anything that the majority leadership can state as to what can be expected for the remainder of the day and next week, insofar as that can be announced.

Mr. ROBERT C. BYRD. Mr. President, in response to the inquiry of the distinguished assistant minority leader, there will be no more rollcall votes today. There will be, I think, a conference report called up in a moment which will not generate a rollcall vote.

There are two bills on the calendar, Calendar No. 391, S. 798, and Calendar No. 392, S. 1064, which will be taken up by unanimous consent and passed very shortly by voice vote, they having been cleared on both sides of the table.

Actually, that leaves Old Mother Hubbard's Cupboard of legislation pretty bare.

As for Monday, the Senate will proceed to take up S. 425, the surface mining bill. There will be amendments thereto. There is no time limitation agreement on that bill. The Senate will come in, I would say, about 10 o'clock, and I would doubt that there would be any rollcall votes before 2:30 or 3 o'clock p.m., so that Senators who have to come from distant points will be able to be here in ample time for any vote that might have developed by early afternoon.

Following the strip mining bill, there may be—Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will clear the well.

Mr. ROBERT C. BYRD. There is not much else left on the calendar that could be disposed of other than the surface mining bill. There is the Federal aviation bill, S. 1739, of course, which could be called up. There is no time limitation thereon, but that bill could and may be called up, it having been on the calendar since September 11.

So I think it can be summed up by simply saying that on Monday and on the days following during next week, the Senate will proceed with the strip mining bill and any other matters cleared for action. Yea-and-nay votes will occur thereon, and there are several bills awaiting conference action. I see 25 are shown on the calendar as still in conference.

It is anticipated that House conferees will be meeting with Senate conferees on the outstanding appropriations conference reports. The House has appointed conferees now on several of these bills; conference reports will be coming along next week, and yea-and-nay votes will undoubtedly occur on those conference reports.

It is the desire of the leadership on both sides of the aisle, I am sure, to clear as many conference reports as possible before the Senate goes into recess at the end of the week. And it may be that the majority leader would want to consider having pro forma sessions through the 2 weeks beginning on October 15, which would afford ample protection to all Members, and would also keep someone around on the job just in the event an emergency should occur.

Mr. GRIFFIN. I think the distinguished acting majority leader has been very helpful.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. ROBERT C. BYRD. I yield.

Mr. HUMPHREY. Just a few moments ago I was busy with the Senator from Vermont (Mr. AIKEN) in reference to the agricultural appropriations measure. I know there is some dispute on a section of that conference report, but our school milk program and many of our programs are just being held in total abeyance; there is nothing going on at all, because we are fussing over that conference report. I think we ought to have an up-or-down vote and decide it one way or the other.

Mr. ROBERT C. BYRD. I thank the Senator. It is my understanding, from talking with Mr. McGEE, the distinguished chairman of the Subcommittee on Appropriations for the Department of Agriculture, that that conference report is expected to be called up on Wednesday of next week.

Mr. HUMPHREY. Very good.

Mr. ROBERT C. BYRD. At least that is my understanding.

Mr. AIKEN. Mr. President, may I say, sometimes we carry tolerance a bit too far. The first bill on the calendar, S. 22, has been on the calendar since February 15. I am beginning to get a great many complaints on the delay of that bill from the eastern areas and from the western forest areas as well. Time and again I have been promised that the Interior Committee would report out its bill and have it referred to the Committee on Agriculture and Forestry in order to iron out any conflicts between the two.

The **PRESIDING OFFICER.** Will the Senator please use his microphone?

Mr. AIKEN. I know there is another bill in the Interior Committee which has been there for about the same length of time, ever since last winter. I have done the best I could to get some understanding and reconciliation between the two bills if that proves to be necessary.

I am now getting complaint from the West, west of the 100th meridian, from people who see major problems in the Interior bill itself, as they understand it to be. Both Senators from Alabama have spoken to me about this delay. The Senator from Minnesota is also a sponsor of S. 22. The Senator from Georgia (Mr. TALMADGE) is a cosponsor; and it seems to me that this has been stymied about long enough, considering that it passed the Senate unanimously last session. It came out of our committee unanimously this year, and it seems to me we should have an understanding pretty soon that there will be a chance to act on it, since it has been held on the calendar since the 15th of February.

Mr. ROBERT C. BYRD. Mr. President, may I say to the distinguished Senator that his position is very clear, and it is appreciated, and if he will allow the majority leader and the assistant leader an opportunity to talk with Senators on our side of the aisle, we will attempt to explore the matter and determine what can be done, if anything, to get some movement in this area.

Mr. AIKEN. I will say that there has been a difference of opinion, apparently, between some of what we call the environmental societies, that spend more time fighting each other than they do in fighting for the things they both claim to be for, and I am getting a little short of answers for those people who ask us now why we let S. 22 stay here month after month after month, after we have previously passed it unanimously.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Alabama.

Mr. ALLEN. I would like to add my support to the request made by the distinguished Senator from Vermont, that some action be allowed to be taken on the bill. It has been on the calendar, apparently, since February of this year. It was one of the very first bills reported to the Senate. If there is any reason why anyone opposes the bill, let him offer his objections to it on the floor. But I do not believe that anyone is really against the thrust of the bill, which is to set aside certain wild areas in our national forests.

I know that the State of Alabama is very much concerned and interested in a provision in the bill that does set aside as a wild area some 12,000 acres of land in the Bankhead National Forest in Alabama. The environmentalists in my State want to see that done. There is no controversy about it in Alabama, so far as I know, as to the provision having to do with national forests in Alabama, so I feel that the bill has been held up long enough. It has been the No. 1 item on the calendar now for 7 or 8 months.

Mr. AIKEN. Mr. President, I am afraid that some of the delay may be due to the rivalry not only among different organizations but among different agencies of the Federal Government.

Mr. ALLEN. Yes.

Mr. AIKEN. This bill, S. 22, applies only to small areas in the eastern national forests—east of the 100th meridian—that have been recovered and restored to nearly their original primitive state. These areas are badly in need of the protection that is offered through S. 22. The bill, which I assume the Committee on Interior and Insular Affairs is interested in, applies to all public domain areas which have never been in private ownership. The Interior Committee also contemplates taking over "acquired lands" which falls within the jurisdiction of the Committee on Agriculture.

Mr. ALLEN. I am sure that the leadership, now being mindful of this concern as stated by the Senator from Vermont, will be considerate of his request. I have hesitated to bring the matter up, feeling that the Senator from Vermont would take this action. I am delighted to see that at this time he is requesting of the leadership that the bill be allowed to move.

Mr. AIKEN. I understand that the chairman of the Committee on Interior and Insular Affairs is becoming impatient, too.

Mr. ALLEN. I am hopeful that the bill will be one of the first bills to be considered next week.

Mr. ROBERT C. BYRD. Mr. President, if the distinguished Senator from Rhode Island (Mr. PELL) will be patient just a little longer, as he has already been so patient, I would ask the Chair to lay before the Senate the unfinished business for Monday next.

REGULATION OF SURFACE MINING OPERATIONS

The **PRESIDING OFFICER** (Mr. HELMS). Without objection, the Chair lays before the Senate Calendar No. 378, S. 425, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 425) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Surface Mining Reclamation Act of 1973".

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TITLE I—STATEMENT OF FINDINGS AND POLICY

SEC. 101. FINDINGS.—The Congress finds and declares that—

(1) extraction of coal and other minerals from the earth can be accomplished by various methods of mining, including surface mining;

(2) extraction of minerals by surface mining operations is a significant and essential activity which contributes to the economic, social, and material well-being of the Nation;

(3) many surface mining operations result in disturbances of surface areas that burden and adversely affect commerce and the public welfare by destroying or diminishing the utility of land for commercial, industrial, residential, recreational, agricultural, and forestry purposes, by causing erosion and landslides, by contributing to floods, by polluting the water, by destroying fish and wildlife habitat, by impairing natural beauty, by damaging the property of citizens, by creating hazards dangerous to life and property, by degrading the quality of life in local communities, and by counteracting governmental programs and efforts to conserve soil, water, and other natural resources;

(4) surface mining and reclamation technology are now developing so that effective and reasonable regulation of coal surface mining operations by the States and by the Federal Government in accordance with the requirements of this Act is an appropriate and necessary means to minimize so far as practicable the adverse, social, economic, and environment effects of such mining operations;

(5) because of the diversity in terrain, climate, biologic, chemical, and other physical conditions in areas subject to mining operations, the primary governmental responsibility for developing, authorizing, issuing, and enforcing regulations for surface mining and reclamation operations subject to this Act should rest with the States; and

(6) while there is a need to regulate surface mining operations for minerals other than coal, more data and analyses are needed to serve as a basis for effective and reasonable regulation of such operations.

SEC. 102. PURPOSES.—It is the long-term goal of Congress to prevent the adverse effect to society and the environment resulting from surface mining operations. Toward that end, it is the purpose of this Act to—

(1) establish a nationwide program in accordance with the policy and objectives of the Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a);

(2) assure that the rights of surface landowners and persons with a valid legal interest in the land are fully protected from such operations;

(3) assure that coal surface mining operations are not conducted where reclamation as required by this Act is not feasible;

(4) assure that coal surface mining operations are so conducted as to prevent degradation to land and water;

(5) assure that adequate measures are undertaken to reclaim surface areas as contemporaneously as possible with the coal surface mining operations;

(6) assist the States in developing and implementing such a program;

(7) wherever necessary, exercise the full reach of Federal constitutional powers to insure the protection of the public interest through the effective control of coal surface mining operations;

(8) provide a means for development of the data and analyses necessary to establish effective and reasonable regulation of surface mining operations for other minerals; and

(9) strike a balance between protection of the environment and the Nation's need for coal as an essential source of energy.

TITLE II—EXISTING AND PROSPECTIVE SURFACE MINING AND RECLAMATION OPERATIONS

SEC. 201. GRANT OF AUTHORITY: PROMULGATION OF FEDERAL REGULATIONS.—(a) Not later than six months after the date of enactment of this Act, the Secretary, in accordance with the requirements of this Act, and the procedures set forth in this section, shall publish in the Federal Register regulations covering surface mining and reclamation operations for coal which shall set forth in reasonable detail those actions which a State must take to develop a State Program and otherwise meet the requirements of this Act.

(b) Such regulations shall not be published until the Secretary has first published proposed regulations in the Federal Register, afforded interested persons and State and local governments a period of not less than forty-five days after publication to submit written comments and held one or more public hearings on the proposed regulations. The date, time, and place of such hearings shall be set out in the notice of proposed rule making. The Secretary shall, after considerations of all comments and relevant matter presented, publish the regulations with such modifications from the proposed regulation as he may deem appropriate.

(c) The Administrative Procedure Act shall be applicable to the administration of this Act: *Provided*, That whenever procedures provided for in this Act are in conflict with the Administrative Procedure Act, the provisions of this Act shall prevail.

SEC. 202. OFFICE OF SURFACE MINING, RECLAMATION, AND ENFORCEMENT.—(a) There is hereby established in the Department of the Interior the Office of Surface Mining, Reclamation, and Enforcement.

(b) The Office shall have a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate provided for level V of the Executive Schedule Pay Rates (5 U.S.C. 5315), and such other employees as may be required. The Director shall have the responsibilities provided for under this Act and such duties and responsibilities as the Secretary of the Interior may assign. Employees of the Office shall be recruited on the basis of their professional competence and capacity to administer objectively the provisions of this Act. Employees may be recruited from the United States Geological Survey, the Bureau of Mines, the Bureau of Land Management, and other departments and agencies of the Federal Government which have expertise pertinent to the responsibilities of the Office. No legal authority which has as its purpose promoting the development or use of coal or other mineral resources, shall be transferred to the Office.

(c) The Secretary, acting through the Office, shall—

(1) administer the State grant-in-aid program for the development of State programs for surface mining and reclamation operations provided for in title IV of this Act;

(2) administer the grant-in-aid program to the States for the purchase and reclamation of abandoned and unreclaimed mined areas pursuant to title III of this Act;

(3) administer the surface mining and reclamation research and demonstration project authority provided for in section 504 of this Act;

(4) develop and administer any Federal programs for surface mining and reclamation operations which may be required pursuant to this title and review State programs for surface mining and reclamation operations pursuant to this title;

(5) consult with other agencies of the Federal Government having expertise in the control and reclamation of surface mining operations and assist States, local governments, and other eligible agencies in the coordination of such programs;

(6) maintain a continuing study of surface mining and reclamation operations in the United States;

(7) develop and maintain a Surface Mining and Reclamation Information and Data Center and make the information maintained at the Data Center available to the public and to Federal, regional, State, and local agencies conducting or concerned with land-use planning and agencies concerned with surface mining and reclamation operations;

(8) assist the States in the development of State programs for surface mining and reclamation operations which meet the requirements of this Act and, at the same time, reflect local requirements and local environmental conditions; and

(9) assist the States in developing objective scientific criteria and appropriate procedures and institutions for determining those areas of a State to be designated unsuitable for all or certain types of mining pursuant to section 216, and

(10) monitor all Federal and State research programs dealing with coal extraction and use and recommend research projects designed to (1) improve the feasibility of underground coal mining and (2) develop improved techniques of surface mining and reclamation.

SEC. 203. SURFACE MINING OPERATIONS NOT SUBJECT TO THIS ACT.—(a) The provisions of this Act shall not apply to any of the following activities:

(1) the extraction of coal by a landowner for his own noncommercial use from land owned or leased by him; and

(2) the extraction of coal for commercial purposes where the surface mining operation affects two acres or less.

SEC. 204. STATE AUTHORITY; STATE PROGRAMS.—(a) A State, to be eligible to receive financial assistance provided for under titles III and V of this Act and to be eligible to assume exclusive jurisdiction, except as provided by section 215 and title III of this Act, over surface mining and reclamation operations on lands within such State, shall—

(1) have appropriate legal authority under State law to regulate surface mining and reclamation operations in accordance with the requirements of this Act;

(2) provide sanctions under State law for violations of State laws, regulations, or conditions of permits concerning surface mining and reclamation operations which meet the requirements of this Act, such sanctions to include civil and criminal penalties, forfeiture of bonds, withholding of permits, and the issuance of cease-and-desist orders by the State regulatory authority or its inspectors;

(3) have available sufficient administrative and technical personnel, adequate interdisciplinary expertise, and sufficient funding to enable the State to regulate surface mining and reclamation operations in accordance with the requirements of this Act;

(4) submit to the Secretary for approval in accordance with the requirements of this Act a State program which provides for the effective implementation, maintenance, and enforcement of a permit system for the regu-

lation of surface mining and reclamation operations for coal on lands within such State;

(5) include in any State program a process for coordinating the review and issuance of permits for surface mining and reclamation operations with any other Federal or State permit process applicable to the proposed operation; and

(6) have established a process for designation of areas as unsuitable for surface mining in accordance with section 216 and is actively conducting a review of potential surface mining areas within its boundaries.

(b) The Secretary shall not approve any State program submitted by a State pursuant to this section until:

(1) he has solicited the views of the Administrator of the Environmental Protection Agency, the Secretary of Agriculture, and the heads of other Federal agencies concerned with or having special expertise pertinent to the proposed State Program; and

(2) he has provided an opportunity for a public hearing on the State Program within the State.

(c) The Secretary shall, within four calendar months following the submission of any State Program, approve or disapprove such State Program or any portion thereof. The Secretary shall approve a State Program if he determines that the State Program meets or exceeds the requirements of this Act.

(d) If the Secretary disapproves any proposed State Program, he shall notify the State in writing of his decision and set forth in detail the reasons therefor. The State shall have sixty days in which to resubmit a revised State Program.

(e) For the purposes of this section and section 205, the inability of a State to take any action the purpose of which is to prepare, submit or enforce a State Program, or any portion thereof, because the action is enjoined by the issuance of an injunction by any court of competent jurisdiction shall not result in a loss of eligibility for financial assistance under titles III and V of this Act or in the imposition of a Federal Program. Regulation of the surface mining and reclamation operations covered or to be covered by the State Program subject to the injunction shall be conducted by the State until such time as the injunction terminates or for one year, whichever is shorter, at which time the requirements of sections 204 and 205 shall again be fully applicable.

Sec. 205. Federal Programs.—(a) The Secretary shall prepare and, subject to the provisions of this section, promulgate and implement a Federal Program for a State if such State—

(1) fails to submit a State Program covering surface mining and reclamation operations within twelve months of the promulgation of the Federal regulations for such operations;

(2) fails to resubmit an acceptable State Program within sixty days of disapproval of a proposed State Program: *Provided*, That the Secretary shall not implement a Federal Program prior to the expiration of the initial period allowed for submission of a State Program as provided for in clause (1) of this subsection; or

(3) fails to enforce its approved State Program as provided for in this Act.

If State compliance with clause (1) of this subsection requires an act of the State legislature the Secretary may extend the period for submission of a State program up to an additional six months. Promulgation and implementation of a Federal program vests the Secretary with exclusive jurisdiction for the regulation and control of surface mining and reclamation operations taking place on lands within any State nct in compliance with this Act. After promulgation and implementation of a Federal program the Secretary shall be the regulatory authority. In promulgating and implementing a Federal program for a particular State the Secretary shall take into consideration the nature of that State's terrain, climate, biological, chemical, and other relevant physical conditions.

(b) Prior to promulgation and implementation of any proposed Federal program, the Secretary shall give adequate public notice and hold a public hearing in the affected State.

(c) Permits issued pursuant to an approved State program shall be valid but reviewable under a Federal program. Immediately following promulgation of a Federal program, the Secretary shall undertake to review such permits to determine that the requirements of this Act are not violated. If the Secretary determines any permit to have been granted contrary to the requirements of this Act, he shall so advise the permittee and provide him a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface mining and reclamation operations to the requirements of the Federal program.

(d) (1) If a State submits a proposed State program to the Secretary after a Federal program has been promulgated and implemented pursuant to this section, and if the Secretary approves the State program, the Federal program shall cease to be effective thirty days after such approval. Permits issued pursuant to the Federal program shall be valid but reviewable under the approved State program. The State regulatory authority may review such permits to determine that the requirements of this Act and the approved State program are not violated. If the State regulatory authority determines any permit to have been granted contrary to the requirements of the Act or the approved State program, he shall so advise the permittee and provide him a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface mining and reclamation operations to the requirements of the Act or approved State program.

(2) Whenever a Federal program is promulgated for a State pursuant to this Act, any statutes or regulations of such State which are in effect to regulate surface mining and reclamation operations subject to this Act shall, insofar as they interfere with the achievement of the purposes and the requirements of this Act and the Federal program, be preempted and superseded by the Federal Program.

(e) Any Federal program shall include a process for coordinating the review and issuance of permits for surface mining and reclamation operations with any other Federal or State permit process applicable to the proposed operation.

Sec. 206. Surface Mining Operations for Coal Pending State Compliance.—From the date of enactment of this Act until twenty-two months after such date (plus the period of any extension granted under section 205 (a)) no person shall open or develop any new or previously mined and abandoned site for coal surface mining operations on lands within any State, or expanded by more than 15 per centum the area of land affected in the preceding twelve months by a coal surface mining operation existing on the date of enactment of this Act unless such person has first obtained an interim permit issued by the appropriate State regulatory authority which may issue such interim permits upon application made by the operator. Such application and permit shall be in accordance with the requirements of this Act.

Sec. 207. Permits.—(a) After the expiration of the twenty-two month period (plus the period of any extension granted under section 205(a)) following the date of enactment of this Act, no person shall engage in or carry out on lands within a State any surface mining operations unless such person has first obtained a permit issued by such State pursuant to an approved State Program or by the Secretary pursuant to a Federal Program, except that a person conducting surface mining operations existing at the date of enactment of this Act may conduct such operations without a permit beyond such period if an application for a permit with respect to such operations has been filed, but the initial administrative decision has not been rendered. It is the sense of Congress that administrative or judicial appeals in connection with permit applications shall be granted the highest priority and preference in all courts and be resolved as expeditiously as possible.

(b) The term of any permit for surface mining and reclamation operations shall not exceed five years if issued pursuant to an approved State program and shall be for five years if issued pursuant to a Federal program. Each permit shall carry with it a right of successive renewals if the permittee has complied with the requirements of the approved State program or a Federal program for the State within which the operations are conducted and has the capability to implement the reclamation plan applicable to the operations covered by the permit. Prior to approving the renewal of any permit the regulatory authority shall review the permit and the surface mining and reclamation operations and may require such new conditions and requirements as are necessary to deal with changing circumstances. A permit shall be renewed by operation of law unless prior to expiration of the permit term the permittee has been given timely notice and a hearing in accordance with the rules and regulations of the regulatory authority and the regulatory authority has found that the requirements for renewal have not been satisfied.

(c) A permit shall terminate if the permittee has not commenced the surface mining and reclamation operations covered by such permit within three years of the issuance of the permit.

Sec. 208. Permit Application Requirements: Information, Insurance, and Reclamation Plans.—(a) Each application for a permit under a State program or Federal program pursuant to the provisions of this Act shall include as a minimum the following information—

(1) the names and addresses of (A) the permit applicant; (B) every legal owner of record of the property (surface and mineral) to be mined; (C) the holders of record of any leasehold interest in the property; (D) any purchaser of record of the property under a real estate contract; (E) the operator if he is a person different from the applicant; and (F) if any of these are business entities other than a single proprietor, the names and addresses of the principals, officers, and resident agent;

(2) the names and addresses of the owners of record of all surface area within five hundred feet of any part of the permit area;

(3) a statement of any current or previous mining permits in the State held by the applicant and the permit numbers;

(4) if the applicant is a partnership, corporation, association, or other business entity, the following where applicable (A) the name and address of each partner owning 3 per centum or more of the partnership and (B) the name and address of each shareholder owning 3 per centum or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote:

(5) a statement of whether the applicant, any subsidiary, affiliate, or persons controlled by or under common control with the applicant, has ever held a Federal or State mining permit which subsequent to 1960 has been suspended or revoked or has had a mining

bond or similar security deposited in lieu of bond forfeited and, if so, a brief explanation of the facts involved;

(6) such maps and topographical information, including the location of all underground mines in the area, as the regulatory authority may require which shall be in sufficient detail to clearly indicate the nature and extent of the overburden to be disturbed, the coal to be mined, and the drainage of the area to be affected;

(7) a copy of the applicant's advertisement of the ownership location, and boundaries of the proposed site of the surface mining and reclamation operations, such advertisement shall be placed in a newspaper of general circulation in the locality of the proposed site at least once a week for four successive weeks and may be submitted to the regulating authority after the application is filed;

(8) the anticipated starting date of the proposed operation;

(9) the number of acres of land to be affected by the proposed operation;

(10) the name of the watershed and location of the surface stream or tributary into which surface and pit drainage will be discharged;

(11) evidence of the applicnt's legal right to enter and commence surface mining operations on the area affected;

(12) when requested by the regulatory authority, the climatological factors that are peculiar to the locality of the land to be affected, including the average seasonal precipitation, the average direction and velocity of prevailing winds, and the seasonal temperature ranges; and

(13) such other information as the regulatory authority may require.

(b) Each applicant for a permit shall be required to submit to the regulatory authority as part of the permit application a certificate issued by an insurance company authorized to do business in the United States certifying that the applicant has a public liability insurance policy in force for the surface mining and reclamation operations for which such permit is sought, or evidence that the applicant has satisfied other State or Federal self-insurance requirements. Such policy shall provide for personal injury and property damage protection in an amount adequate to compensate any persons damaged as a result of surface mining and reclamation operations and entitled to compensation under the applicable provisions of State law. Such policy shall be maintained in full force and effect during the term of the permit or any renewal, including the length of all reclamation operations.

(c) Each applicant for a permit shall be required to submit to the regulatory authority as part of the permit application a reclamation plan which shall meet the requirements of this act.

SEC. 209. PERMIT APPLICATION APPROVAL PROCEDURES.—(a) The regulatory authority shall notify the applicant for a permit within a period of time established by law or regulation whether the application has been approved or disapproved. If approved, the permit shall be issued after the performance bond or deposit required by section 210 has been filed. If the application is disapproved, specific reasons therefor must be set forth in the notification. Within thirty days after the applicant is notified that the permit or any portion thereof has been denied, the applicant may request a hearing on the reasons for said disapproval. A hearing shall be held within thirty days of the request. Within thirty days after the hearing the regulatory authority shall issue and furnish the applicant the written decision of the regulatory authority granting or denying the permit in whole or in part and stating the reasons therefor.

(b) No permit will be issued unless the regulatory authority finds that (1) all the requirements of this Act and the State or Federal Program have been complied with, and (2) the applicant has demonstrated that reclamation as required by this act and the State or Federal Program can be accomplished under the Reclamation Plan contained in the permit application.

(c) The regulatory authority shall not issue any new surface mining permit or renew or revise any existing surface mining permit of any operator if it finds that the applicant or operator has failed and continues to fail to comply with any of the provisions of any State or Federal Program.

(d) Any person having an interest which is or may be adversely affected by the proposed surface mining and reclamation operations or any Federal, State, or local governmental agency having responsibilities affected by the proposed operations shall have the right to file written objections to any permit application within thirty days after the last publication of the advertisement pursuant to clause 208(a)(7). If written objections are filed, the regulatory authority shall hold a public hearing in the locality of the proposed surface mining and reclamation operations within thirty days of the receipt of such objections and after appropriate notice and publication of the date, time, and location of such hearing.

(e) Any person or government agency having an interest which is or may be adversely affected by the proposed surface mining operations, who has participated in the administrative procedures as an applicant, protestant, or objector, and who is adversely affected or aggrieved by the decision of the regulatory authority shall be entitled to judicial review of such decision by a court of competent jurisdiction in accordance with State or Federal law. Where Federal jurisdiction exists it shall be exercised by the United States district court for the district in which the proposed surface mining operation is situated.

SEC. 210. PERFORMANCE BONDS.—(a) After a surface mining and reclamation permit application has been approved but before such a permit is issued, the applicant shall file with the regulatory authority, on a form prescribed and furnished by the regulatory authority, a bond for performance payable, as appropriate, to the United States or to the State, and conditioned upon faithful performance of all the requirements of this Act and the permit. The bond shall cover that area of land within the permit area upon which the operator will initiate and conduct surface mining and reclamation operations within the initial term of the permit. As succeeding increments of surface mining and reclamation operations are to be initiated and conducted within the permit area, the permittee shall file with the regulatory authority an additional bond or bonds to cover such increments in accordance with this section. The amount of the bond required for each bonded area shall depend upon the reclamation requirements of the approved permit and shall be determined by the regulatory authority on the basis of at least two independent estimates. The amount of the bond shall be sufficient to assure the completion of the reclamation plan if the work had to be performed by a third party in the event of forfeiture and in no case shall the bond be less than $10,000.

(b) Liability under the bond shall be for the duration of the surface mining and reclamation operation and for a period of five years thereafter, except in those areas where the average annual rainfall is 26 inches or less, the period of liability shall extend for ten years, unless sooner released as hereinafter provided in this Act. The bond shall be executed by the operator and a corporate surety licensed to do business in the State where such operation is located, except that the operator may elect to deposit cash, negotiable bonds of the United States Government or such State, or negotiable certificates of deposit of any bank organized or transacting business in the United States. The cash deposit or market value of such securities shall be equal to or greater than the amount of the bond required for the bonded area.

(c) The regulatory authority may require a deposit or accept the bond of the applicant itself, when the applicant demonstrates to the satisfaction of the regulatory authority the existence of a suitable agent to receive service of process and a history of financial solvency and continuous operation sufficient for authorization to self-insure or bond such amount.

(d) The amount of the bond or deposit required and the terms of each acceptance of the applicant's bond shall be adjusted by the regulatory authority from time to time as affected land acreages are increased or where the cost of future reclamation obviously changes.

SEC. 211. RELEASE OF PERFORMANCE BONDS OR DEPOSITS.—(a) The permittee may file a request with the regulatory authority for the release of all or part of the performance bond or deposit. Within thirty days after any application for bond or deposit release has been filed with the regulatory authority, the operator shall submit a copy of an advertisement placed on five successive days in a newspaper of general circulation in the locality of the surface mining operation. Such advertisement shall be considered part of any bond release application and shall contain a notification of the location of the land affected, the number of acres, the permit number and the date approved, the amount of the bond filed and the portion sought to be released, and the type of reclamation work performed. In addition, as part of any bond release application, the applicant shall submit copies of letters which he has sent to adjoining property owners, local governmental bodies, planning agencies, and sewage and water treatment authorities, or water companies in the locality in which the surface mining and reclamation activities took place, notifying them of his intention to seek release from the bond.

(b) The regulatory authority may release in whole or in part said bond or deposit if the authority is satisfied that reclamation covered by the bond or deposit or portion thereof has been accomplished as required by this Act; *Provided, however*, That—

(1) no bond shall be fully released until all reclamation requirements of this Act are fully met, and

(2) an inspection and evaluation of the affected surface mining and reclamation operations is made by the regulatory authority or its authorized representative prior to the release.

(c) If the regulatory authority disapproves the application for release of the bond or portion thereof, the authority shall notify the permittee, in writing, stating the reasons for disapproval and recommending corrective actions necessary to secure said release. The permittee shall be afforded a reasonable period of time to take such corrective actions.

(d) If requested by any person having an interest which is or may be adversely affected by the failure of the permittee to have complied with the requirements of this Act or by any Federal, State, or local governmental entity, the regulatory authority shall, within 30 days after appropriate public notice, hold a public hearing on the surface mining and reclamation operations covered by a performance bond. Such hearing shall be held after the release of 50 per centum or more and prior to the release of 90 per centum of such bond.

SEC. 212. REVISION AND REVOCATION OF PERMITS.—(a) Once granted a permit may not be revoked unless: (1) the regulatory authority gives the permittee prior notice of violation of the provisions of the permit, the State Program or Federal Program, or this Act and affords a reasonable period of time of not less than fifteen days or more than one year within which to take corrective action; and (2) the regulatory authority determines, after a public hearing, if requested by the permittee, that the permittee remains in violation. The regulatory authority shall issue and furnish the permittee a written decision either affirming or rescinding the revocation and stating the reasons therefor.

(b) (1) During the term of the permit the permittee may submit an application, together with a revised reclamation plan, to the regulatory authority for a revision of the permit.

(2) An application for a revision of a permit shall not be approved unless the regulatory authority finds that reclamation as required by this Act and the State or Federal Program can be accomplished under the revised Reclamation Plan. The revision shall be approved or disapproved within a period of time established by the State or Federal Program. The regulatory authority shall establish guidelines for a determination of the scale or extent of a revision request for which all permit application information requirements and procedures, including notice and hearings, shall apply: *Provided*, That any revisions which propose a substantial change in the intended future use of the land or significant alterations in the Reclamation Plan shall, at a minimum, be subject to notice and hearing requirements.

(3) Any extensions to the area covered by the permit except incidental boundary revisions must be made by application for another permit.

(c) No transfer, assignment or sale of the rights granted under any permit issued pursuant to this Act shall be made without the written approval of the regulatory authority.

SEC. 213. CRITERIA FOR SURFACE MINING AND RECLAMATION OPERATIONS.—(a) Each Reclamation Plan submitted as part of a permit application pursuant to an approved State program or a Federal program under the provisions of this Act shall include, in the degree of detail necessary to demonstrate that reclamation required by the State or Federal Program can be accomplished, a statement of:

(1) the condition of the land to be covered by the permit prior to any mining including:

(A) the uses existing at the time of the application and, if the land has a history of previous mining, the uses which preceded any mining;

(B) the capability of the land prior to any mining to support a variety of uses giving consideration to soil and foundation characteristics, topography, and vegetative cover;

(2) the use which is proposed to be made of the land following reclamation, including a discussion of the utility and capacity of the reclaimed land to support a variety of alternative uses and the relationship of such use to existing land use policies and plans;

(3) the engineering techniques proposed to be used in mining and reclamation and a description of the major equipment; a plan for the control of surface water drainage and of water accumulation; a plan where appropriate for backfilling, soil stabilization, and compacting, grading, and appropriate revegetation (where vegetation existed immediately prior to mining); an estimate of the cost per acre of the reclamation, including a statement as to how the permittee plans to comply with each of the requirements set out in subsection (b) of this section;

(4) the steps to be taken to comply with applicable air and water quality laws and regulations and any applicable health and safety standards;

(5) the consideration which has been given to developing the Reclamation Plan in a manner consistent with local, physical, environmental, and climatological conditions and current mining and reclamation technologies;

(6) the consideration which has been given to insuring the maximum practicable recovery of the mineral resource;

(7) a detailed estimated timetable for the accomplishment of each major step in the reclamation plan;

(8) the consideration which has been given to making the surface mining and reclamation operations consistent with applicable State and local land use plans and programs;

(9) all lands, interests in lands, or options on such interests held by the applicant or pending bids on interests in lands by the applicant, which lands are contiguous to the area to be covered by the permit: *Provided*, That any information required by this section which is not on public file pursuant to State law shall be held in confidence by the regulatory authority; and

(10) the results of test borings which the applicant has made at the area to be covered by the permit, including the location of subsurface water, and an analysis of the chemical properties including acid forming properties of the mineral and overburden: *Provided*, That information about the mineral shall be withheld by the regulatory authority if the applicant so requests.

(b) Each State Program and each Federal Program shall include regulations which at a minimum require each permittee to—

(1) return all surface areas to a condition which does not present a hazard to public health, safety, or property and is capable of supporting (a) the uses which existed immediately prior to any mining, or if approved by the regulatory authority pursuant to the approval of the permit or any revision thereof, (b) other alternate uses suitable to the locality;

(2) backfill, compact (where advisable to insure stability or to prevent leaching of toxic materials) and grade to restore the approximate original contour of the land with all highwalls, spoil piles, and depressions eliminated, unless the operator demonstrates that the overburden is insufficient (giving due consideration to volumetric expansion) to restore the approximate original contour, in which case the backfilling, compacting, and grading required shall be sufficient to cover all acid-forming, saline, and toxic materials, to achieve an angle of repose based upon soil and climate characteristics for the area of land to be affected, and to achieve an environmentally sound condition and a desirable use of the reclaimed area;

(3) stabilize and protect all surface areas affected by the mining and reclamation operations to effectively control erosion and attendant air and water pollution, such stabilization and reclamation to include soil compaction, where advisable, and establishment of a stable and self-regenerating vegetative cover (where cover existed prior to mining) which, where advisable, shall be comprised of native vegetation;

(4) segregate and preserve topsoil unless replaced simultaneously as part of the mining operation and use the best available other soil material from the mining cycle to cover spoil material unless the permit applicant provides evidence in the Reclamation Plan sufficient to satisfy the regulatory authority that another method of soil conservation would be at least equally effective for revegetation purposes;

(5) protect offsite areas from slides or damage occurring during the surface mining and reclamation operations, and not deposit spoil material or locate any part of the operations or waste accumulations outside the permit area;

(6) insure that when performing surface mining on steep slopes, no debris, abandoned or disabled equipment, spoil material, or waste mineral matter be placed on the natural downslope below the bench or mining cut, except that soil or spoil material from the initial cut of earth in a new surface mining operation can be placed on a limited and specified area of the downslope below the initial cut if the permittee demonstrates that such soil or spoil material will not slide and that the other requirements of this subsection can still be met;

(7) protect the quality of water and consider the quantity of water in surface and ground water systems both during and after surface mining and reclamation operations by:

(A) avoiding acid mine drainage by (i) preventing or retaining drainage from acid producing deposits, or (ii) treating drainage to acceptable standards of acidity and iron content before releasing it to water courses;

(B) conducting surface mining operations so as to minimize to the extent practicable the adverse effects of water runoff from the disturbed area;

(C) casing, sealing, or otherwise managing boreholes, shafts, and wells to prevent acid drainage to ground and surface waters; and

(D) not removing, interrupting, or destroying surface waters during the mining or reclamation process except that surface waters may be relocated where consistent with the operator approved reclamation plan;

(E) such other actions as the regulatory authority may prescribe;

(8) insure the control of surface operations incident to underground mining for the purpose of protecting the surface area, and providing for the proper sealing of shafts, tunnels, and entryways and the filling of exploratory holes no longer necessary for mining, maximizing to the extent practicable return of mine and processing waste, tailings, and any other waste incident to the mining operation, to the mine workings or excavations, and, where such wastes are disposed of in other areas, providing for design and construction of water retention facilities so as to assure (a) that the location will not endanger public health and safety should failure occur; (b) that construction will be so designed to achieve necessary stability with an adequate margin of safety compatible with that of structures constructed under the Act of August 4, 1954, as amended (16 U.S.C. 1001–09), to assure against failure; (c) that leachate will not pollute surface or ground water; and (d) that final contour of the waste accumulation will be compatible with the surrounding terrain;

(9) insure that all debris, acid forming materials, toxic materials, or materials constituting a fire hazard are treated or disposed of in a manner designed to prevent contamination of ground or surface waters;

(10) insure that explosives are used only in accordance with existing State and Federal law and the regulations promulgated by the regulatory authority;

(11) insure that all reclamation efforts proceed in an environmentally sound manner and as contemporaneously as practicable with the surface mining operations; and

(12) meet such other criteria as are necessary to achieve reclamation in accordance with the purposes of this Act, taking into consideration the physical, climatological, and other characteristics of the site, and to insure the maximum practicable recovery of the mineral resources.

SEC. 214. INSPECTIONS.—(a) The Secretary shall cause to be made such inspections of any surface mining and reclamation operations as are necessary to evaluate the administration of State Programs or to develop or enforce any Federal Program, and for such purposes authorized representatives of the Secretary shall have a reasonable right of entry to any surface mining and reclamation operations.

(b) For the purpose of developing or assisting in the development, administration, and enforcement of any State or Federal Program under this Act or in the administration and enforcement of any permit under this Act, or of determining whether any person is in violation of any requirement of this Act—

(1) the regulatory authority shall require each permittee to (A) establish and maintain appropriate records, (B) make reports, (C) install, use, and maintain any necessary monitoring equipment, and (D) provide such other information relative to surface mining and reclamation operations as the regulatory authority deems reasonable and necessary; and

(2) the authorized representatives of the regulatory authority, upon presentation of appropriate credentials (A) shall have a right of entry to, upon or through any surface mining and reclamation operations or any premises in which any records required to be maintained under paragraph (1) of this subsection are located and (B) may at reasonable times have access to and copy any records, inspect any monitoring equipment or method of operation required under this Act.

(c) The inspections by the regulatory authority shall (i) occur on a random basis averaging not less than one inspection per month for the surface mining and reclamation operations covered by each permit; (ii) occur without prior notice to the permittee or his agents or employees and (iii) include the filing of inspection reports adequate to carry out the purposes of this Act. A copy of each inspection report shall be furnished to the permittee and be available for public review. The permittee or his agents or employees shall be given an opportunity to accompany the inspector during the inspection.

(d) Permits issued under State Programs or Federal Programs and the permittees' Reclamation Plans shall be filed on public record with appropriate officials in each county or other appropriate subdivision of the State in which surface mining and reclamation operations under such permits will be conducted.

(e) Each permittee shall conspicuously maintain at the entrances to the surface mining and reclamation operations a clearly visible sign which sets forth the name, business address, and phone number of the permittee and the permit number of the permit which covers such operations.

(f) Any records, reports, or information obtained under this section by the regulatory authority which are not within the exceptions of the Freedom of Information Act (5 U.S.C. 552) shall be available to the public.

SEC. 215. FEDERAL ENFORCEMENT.—(a) Whenever, on the basis of any information available to him, the Secretary has reason to believe that any person may be in violation of any requirement of this Act or any permit condition required by this Act, the Secretary shall notify the State regulatory authority in the State in which such alleged violation exists and the State shall proceed under the approved program.

(b) When, on the basis of Federal inspection, the Secretary determines that any person is in violation of any requirement of this Act or any permit condition required by this Act which violation creates a danger to life, health, or property, or would cause significant harm to the environment, the Secretary or his inspectors may immediately order a cessation of surface mining and reclamation operations or the portion thereof causing or contributing to the violation and provide such person a reasonable time to correct the violation. Such person shall be entitled to a hearing concerning such an order of cessation within three days of the issuance of the order. If such person shall fail to obey the order so issued, the Secretary shall immediately institute civil or criminal actions in accordance with this Act.

(c) Whenever the Secretary finds that violations of an approved State Program appear to result from a failure of the Sate to enforce such State Program effectively, he shall so notify the State. If the Secretary finds that such failure extends beyond the thirtieth day after such notice, he shall give public notice of such finding. During the period beginning with such public notice and ending when such State satisfies the Secretary that it will enforce such State Program, the Secretary shall enforce any permit condition required under this Act with respect to any person by issuing an order to comply with such permit condition or by bringing a civil or criminal action, or both, pursuant to this section.

(d) Any order issued under this section shall take effect immediately. A copy of any order issued under this section shall be sent to the State regulatory authority in the State in which the violation occurs. Each order shall set forth with reasonable specificity the nature of the violation and the remedial action required, and establish a reasonable time for compliance, taking into account the seriousness of the violation, any irreparable harmful effects upon the environment, and any good faith efforts to comply with applicable requirements. In any case in which an order or notice under this section is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

(e) At the request of the Secretary, the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located for a restraining order or injunction or other appropriate remedy to enforce any order issued pursuant to this section.

(f)(1) If any person shall fail to comply with any Federal program, any provision of this Act, or any permit condition required by this Act, after notice of such failure and expiration of any period allowed for corrective action, such person shall be liable for a civil penalty of not more than $1,000 for each and every day of the continuance of such failure. The Secretary may assess and collect any such penalty.

(2) Any person who knowingly and willfully violates a Federal program, any provision of this Act, or any permit condition required by this Act, or makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act, or who knowingly and willfully falsifies, tampers with, or knowingly and willfully renders inaccurate any monitoring device or method or record required to be maintained under this Act, shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or both.

(g) Wherever a corporation or other entity violates a Federal program, any provisions of this Act, or any permit condition required by this Act, any director, officer, or agent of such corporation or entity who authorized, ordered, or carried out such violation shall be subject to the same fines or imprisonment as provided for under subsection (f) of this section.

(h) The remedies prescribed in this section shall be concurrent and cumulative and the exercise of one does not preclude the exercise of the others. Further, the remedies prescribed in this section shall be in addition to any other remedies afforded by this Act or by any other law or regulation.

SEC. 216. DESIGNATION OF LAND AREAS UNSUITABLE FOR SURFACE MINING.—(a)(1) Each State Program or Federal Program shall include a process for review of potential surface mining areas capable of making objective decisions based upon competent and scientifically sound data and information as to which, if any, land areas of a State are unsuitable for all or certain types of surface mining operations. This process shall be integrated as closely as possible with existing land use plans and programs. The initial review shall be completed within three years after implementation of the State or Federal Program.

(2) An area may be designated unsuitable for all or certain types of surface mining operations if—

(A) reclamation pursuant to the requirements of this Act is not physically or economically possible;

(B) surface mining operations in a particular area would be incompatible with existing land use plans and programs; or

(C) the area is an area of critical environmental concern.

Provided, however, That no area shall be designated unsuitable for surface mining operations on which surface mining operations are being conducted on the date of enactment of this Act or under a permit issued pursuant to this Act, or as to which firm plans for and substantial legal and financial commitments in such operations are in existence prior to the date of enactment of this Act: *And provided further,* That the designation process shall provide for an appeals process for any interested party as defined by law or regulation concerning the designation of any land as unsuitable for surface mining operations or the termination of such designation when such action is taken other than by Federal or State law.

(3) For purposes of this section the term "area of critical environmental concern" means areas as defined and designated by the State on non-Federal lands where uncontrolled or incompatible development could result in serious damage to the environment, life or property, or the long term public interest which is of more than local significance. Such areas, subject to State definition of their extent, shall include—

(A) "Fragile or historic lands" where uncontrolled or incompatible development could result in irreversible damage to important historic, cultural, scientific, or esthetic values or natural systems which are of more than local significance, such lands to include shorelands of rivers, lakes, and streams; rare or valuable ecosystems and geological formations; significant wildlife habitats; and unique scenic or historic areas;

(B) "Natural hazard lands" where uncontrolled or incompatible development could reasonably endanger life and property, such lands to include flood plains and areas frequently subject to weather disasters, areas of unstable geological, ice, or snow formations, and areas with seismic or volcanic activity;

(C) "Renewable resource lands" where uncontrolled or incompatible development which results in the loss or reduction of continued long-range productivity could endanger future water, food, and fiber requirements of more than local concern, such lands to include watershed lands, aquifers and aquifer recharge areas, significant agricultural and grazing lands, and forest lands; and

(D) such additional areas as the State determines to be of critical environmental concern.

Provided, however, That if a State land use plan which designates "areas of critical environmental concern" is in effect, the designation in that plan shall be conclusive for the purposes of this section.

(4) Any interested citizen shall have the right to petition the regulatory authority to have an area designated as unsuitable for surface mining operations, or to have such a designation terminated. Whenever such a petition contains allegations of facts with supporting evidence which would tend to

establish the allegations, the regulatory authority shall make a written decision on the petition.

(b) The Secretary is authorized and directed to conduct a review of the Federal lands and to determine, pursuant to the criteria set forth in clause (2) and subject to the other provisions of subsection (a) of this section, whether there are areas on Federal lands which are unsuitable for all or certain types of surface mining operations. When the Secretary determines an area on Federal lands to be unsuitable for all or certain types of surface mining operations, he shall withdraw such area or he may condition any mineral leasing in a manner so as to limit surface mining operations on such area.

(c) No surface mining operation except those which exist on the date of enactment of this Act shall be permitted—

(1) on any lands within the boundaries of units of the National Park System, the National Wildlife Refuge System, the National System of Trails, the National Wilderness Preservation System, the Wild and Scenic Rivers System, and National Recreation Areas designated by Act of Congress;

(2) which will adversely affect any publicly owned park unless approved jointly by the regulatory authority and the Federal, State, or local agency with jurisdiction over the park.

SEC. 217. FEDERAL LANDS.—(a) No later than six months after the date of enactment of this Act, the Secretary shall promulgate and implement a Federal Lands Program which shall be applicable to all surface mining and reclamation operations taking place pursuant to any Federal law on any Federal lands: *Provided*, That except as provided in section 403 the provisions of this Act shall not be applicable to Indian lands. The Federal Lands Program shall, at a minimum, incorporate all of the requirements of this Act and shall take into consideration the diverse physical, climatological, and other unique characteristics of the Federal lands in question. Where Federal lands in a State with an approved State Program are involved, the Federal Lands Program shall, at a minimum, include the requirements of the approved State Program.

(b) The requirements of this Act and the Federal Lands Program shall be incorporated by reference or otherwise in any Federal mineral lease, permit, or contract issued by the Secretary which may involve surface mining and reclamation operations. Incorporation of such requirements shall not, however, limit in any way the authority of the Secretary to subsequently issue new regulations, revise the Federal Lands Program to deal with changing conditions or changed technology, and to require any surface mining and reclamation operations to conform with the requirements of this Act and the regulations issued pursuant to this Act.

(c) The Secretary may enter into agreements with a State or with a number of States to provide for a joint Federal-State Program covering a permit or permits for surface mining and reclamation operations on land areas which contain lands within any State and Federal lands which are interspersed or checkerboarded and which should, for conservation and administrative purposes, be regulated as a single management unit. To implement a joint Federal-State program the Secretary may enter into agreements with the States, may delegate authority to the States, or may accept a delegation of authority from the States for the purpose of avoiding duality of administration of a single permit for surface mining and reclamation operations.

(d) Except as specifically provided in subsection (c) this section shall not be construed as authorizing the Secretary to delegate to the States any authority or jurisdiction to regulate or administer surface mining and reclamation operations or other activities taking place on the Federal lands.

(e) After the date of enactment of this Act, no person shall open or develop any new or previously mined and abandoned site for coal surface mining operations on Federal lands, and no person shall expand by more than 15 per centum existing coal surface mining operations on Federal lands until the Secretary has promulgated and implemented the Federal Lands Program unless such person has first obtained an interim permit issued by the Secretary who may issue such interim permits from the date of enactment of this Act until twenty-two months after such date upon application made by the operator. Such application and permit shall be in accordance with the requirements of this Act.

SEC. 218. PUBLIC AGENCIES, PUBLIC UTILITIES, AND PUBLIC CORPORATIONS.—Any agency, unit or instrumentality of Federal, State, or local government, including any publicly owned utility or publicly owned corporation of Federal, State, or local government, which proposes to engage in surface mining operations which are subject to the requirements of this Act shall comply with the provisions of title II of this Act.

SEC. 219. (a) CITIZEN SUITS.—Except as provided in subsection (b) of this section, any person having an interest which is or may be adversely affected may commence a civil action on his own behalf—

(1) against any person including—

(A) the United States and

(B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution who is alleged to be in violation of the provisions of this Act or the regulation promulgated thereunder, or order issued by the regulatory authority; or

(2) against the Secretary or the appropriate State regulatory authority where there is alleged a failure of the Secretary or the appropriate State regulatory authority to perform any act or duty under this Act which is not discretionary with the Secretary or with the appropriate State regulatory authority.

(b) No action may be commenced—

(1) under subsection (a)(1) of this section—

(A) prior to sixty days after the plaintiff has given notice of the violation (i) to the Secretary, (ii) to the State in which the violation occurs, and (iii) to any alleged violator of the provisions, regulations, or order, or

(B) if the Secretary or the State has commenced and is diligently prosecuting a civil action in a court of the United States or a State to require compliance with the provisions of this Act or the regulations thereunder, or the order, but in any such action in a court of the United States any person may intervene as a matter of right; or

(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the Secretary, in such manner as the Secretary shall by regulation prescribe, or to the appropriate State regulatory authority, except that such action may be brought immediately after such notification in the case where the violation or order or lack of order complained of constitutes an imminent threat to the health or safety of the plaintiff or would immediately affect a legal interest of the plaintiff.

(c)(1) Any action respecting a violation of this Act or the regulations thereunder may be brought only in the judicial district in which the surface mining operation complained of is located.

(2) In such action under this section, the Secretary, or the State regulatory authority, if not a party, may intervene as a matter of right.

(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation to any party, whenever the court determines such award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under this or any statute or common law to seek enforcement of any of the provisions of this Act and the regulations thereunder, or to seek any other relief (including relief against the Secretary or the appropriate State regulatory authority).

TITLE III—ABANDONED AND UNRECLAIMED MINED AREAS

SEC. 301. ABANDONED MINE RECLAMATION FUND.—(a) There is hereby created in the Treasury of the United States a Fund to be known as the Abandoned Mine Reclamation Fund.

(b) There is authorized to be appropriated to the Fund initially the sum $100,000,000 and such other sums as the Congress may thereafter authorize to be appropriated.

(c) The following other moneys shall be deposited in the Fund—

(1) moneys derived from the sale, lease, or rental of land reclaimed pursuant to this title;

(2) moneys derived from any charge imposed on or for land reclaimed pursuant to this title, after expenditures for maintenance have been deducted; and

(3) miscellaneous receipts accruing to the Secretary through the administration of this Act which are not otherwise encumbered.

(d) Moneys in the Fund subject to annual appropriation by the Congress, may be expended by the Secretary for the purposes of this title.

SEC. 302. ACQUISITION AND RECLAMATION OF ABANDONED AND UNRECLAIMED MINED AREAS.—(a) The Congress hereby declares that the acquisition of any interest in land or mineral rights in order to construct, operate, or manage reclamation facilities and projects constitutes acquisition for a public use or purpose, notwithstanding that the Secretary plans to hold the interest in land or mineral rights so acquired as an open space or for recreation, or to resell the land following completion of the reclamation facility or project.

(b) The Secretary may acquire by purchase, donation, or otherwise, land or any interest therein which has been affected by surface mining operations prior to the enactment of this Act and has not been returned to productive or useful purposes. Prior to making any acquisition of land under this section, the Secretary shall make a thorough study with respect to those tracts of land which are available for acquisition under this section and based upon those findings he shall select lands for purchase according to the priorities established in subsection (i). Title to all lands or interests therein acquired shall be taken in the name of the United States, but no deed shall be accepted or purchase price paid until the validity of the title is approved by the Attorney General. The price paid for land under this section shall take into account the unrestored condition of the land.

(c) For the purposes of this title, when the Secretary seeks to acquire an interest in land or mineral rights and cannot negotiate an agreement with the person holding title to such interest or right he shall request the

Attorney General to file a condemnation suit and take such interest or right, following a tender of just compensation as awarded by a jury to such persons: *Provided, however,* That when the Secretary determines that time is of the essence because of the likelihood of continuing or increasingly harmful effects upon the environment which would substantially increase the cost or magnitude of reclamation or of continuing or increasingly serious threats to life, safety, or health, or to property, the Secretary may take such interest or rights immediately upon payment by the United States either to such person or into a court of competent jurisdiction of such amount as the Secretary shall estimate to be the fair market value of such interest or rights; except that the Secretary shall also pay to such person any further amount that may be subsequently awarded by a jury, with interest from the date of the taking.

(d) For the purposes of this title, when the Secretary takes action to acquire an interest in land or mineral rights and cannot determine which person or persons hold title to such interest or rights, the Secretary shall request the Attorney General to file a condemnation suit, and give notice and may take such interest or rights immediately upon payment into court of such amount as the Secretary shall estimate to be the fair market value of such interest or rights. If a person or persons establish title to such interest or rights within six years from the time of their taking, the court shall transfer the payment to such person or persons and the Secretary shall pay any further amount that may be agreed to pursuant to negotiations or awarded by a jury subsequent to the time of taking. If no person or persons establish title to the interest or rights within six years from the time of such taking, the payment shall revert to the Secretary and be deposited in the Fund.

(e) States are encouraged to acquire abandoned and unreclaimed mined lands within their boundaries and to donate such lands to the Secretary to be reclaimed under appropriate Federal regulations. The Secretary is authorized to make grants on a matching basis to States in such amounts as he deems appropriate for the purpose of carrying out the provisions of this title but in no event shall any grant exceed 90 per centum of the cost of acquisition of the lands for which the grant is made. When a State has made any such land available to the Federal Government under this title, such State shall have a preference right to purchase such lands after reclamation at fair market value less the State portion of the original acquisition price.

(f) The Secretary shall prepare specifications for the reclamation of lands acquired under this title. In preparing specifications, the Secretary shall utilize the specialized knowledge or experience of any Federal department or agency which can assist him in the development or implementation of the reclamation program required under this title.

(g) The Secretary shall reclaim the lands acquired under this title in accordance with the specifications prepared therefor pursuant to subsection (f) of this section as moneys become available to the Fund.

(h) Administration of all lands reclaimed under this title shall be in the Secretary until disposed of by him as set forth in this title.

(i) In selecting lands to be acquired pursuant to this title and in formulating regulations for the making of grants to the States to acquire lands pursuant to this title, the Secretary shall give priority (1) to lands which, in their unreclaimed state, he deems to have the greatest adverse effect on the environment or constitute the greatest threat to life, health, or safety and (2) to lands which he deems suitable for public recreational use. The Secretary shall direct that the latter lands, once acquired, shall be reclaimed and put to use for recreational purposes. Revenue derived from such lands, once reclaimed and put to recreational use, shall be used first to insure proper maintenance of such lands and facilities thereon, and any remaining moneys shall be deposited in the Fund.

(j) Where land reclaimed pursuant to this title is deemed to be suitable for individual, commercial, residential, or private recreational development, the Secretary may sell such land pursuant to the provisions of the Surplus Property Act of 1949, as amended.

(k) The Secretary shall hold a public hearing with the appropriate notice, in the county or counties or the appropriate subdivisions of the State in which lands acquired to be reclaimed pursuant to this title are located. The hearing shall be held at a time which shall afford local citizens and governments the maximum opportunity to participate in the decision concerning the use of lands once reclaimed.

SEC. 303. FILLING VOIDS AND SEALING TUNNELS.—(a) The Congress declares that voids and open and abandoned tunnels, shafts, and entryways resulting from mining constitute a hazard to the public health and safety. The Secretary, at the request of the Governor of any State, is authorized to fill such voids and seal such abandoned tunnels, shafts, and entryways which the Secretary determines could endanger life and property or constitute a hazard to the public health and safety.

(b) The Secretary may acquire by purchase, donation, or otherwise such interest in land as he determines necessary to carry out the provisions of this section.

TITLE IV—STUDIES OF SURFACE MINING AND RECLAMATION

SEC. 401. STUDY OF RECLAMATION STANDARDS.—(a) The Chairman of the Council on Environmental Quality is directed to contract with the National Academy of Sciences-National Academy of Engineering, other Government agencies or private groups as appropriate, for an in-depth study of current and developing technology for surface mining and reclamation for other minerals and open pit mining designed to assist in the establishment of effective and reasonable regulation of surface and open pit mining and reclamation. The study shall—

(1) assess the degree to which the requirements of this Act can be met by such technology and the costs involved;

(2) identify areas where the requirements of the Act cannot be met by current and developing technology; and

(3) in those instances describe requirements most comparable to those of this Act which could be met, the costs involved, and the differences in reclamation results between these requirements and those of this Act.

(b) The study together with specific legislative recommendations shall be submitted to the President and the Congress no later than eighteen months after the date of enactment of this Act: *Provided,* That, with respect to surface or open pit mining for sand and gravel the study shall be submitted no later than twelve months after the date of enactment of this Act.

(c) There are hereby authorized to be appropriated for the purpose of this section $500,000.

SEC. 402. A STUDY OF MEANS TO MAXIMIZE RESOURCE RECOVERY AND MINIMIZE ENVIRONMENTAL IMPACTS IN MINING FOR COAL AND OTHER MINERALS.—(a) The Chairman of the Council on Environmental Quality is directed to contract with the National Academy of Sciences-National Academy of Engineering, other Government agencies or private groups as appropriate, for an in-depth study of technologies for increasing the availability of coal and other minerals through improved efficiencies in mining, processing, and recycling in order to reduce environmental and land use impacts of resource recovery.

(b, The study shall, at a minimum—

(1) examine improved surface mining and reclamation techniques including the development of new techniques for surface mining, new applications of known techniques, and the differential impacts of these mining techniques when practiced in different climates and terrains, when used to recover different types of minerals, and in the context of a range of adjacent and subsequent planned land uses;

(2) examine improved underground mining techniques to increase resource recovery and to minimize surface disturbance, including the application of known techniques to new uses, and the development of new technologies for mining and the disposal of deep mine wastes;

(3) in each instance, describe the duration and reversibility of the anticipated impacts, and discuss ways in which mining and reclamation techniques can be adjusted during and after mining to minimize the impacts described. Possible alternatives to these mining and reclamation techniques, if any, shall also be described;

(4) identify alternative geographic sources and mining technologies for various specific commodities, which make possible resource recovery, with the least environmental impact. The study shall also describe the costs and benefits associated with shifting an industry's supply to such sources or technologies; and

(5) describe the specific measures necessary to fully integrate mining operations and reclamation, both in the short and long term, with land use management plans and programs on the State and Federal levels.

(c) After studying the technologies and impacts set forth in subsection (b) above, the study shall also examine and research the development of new mining technologies, or other technological means of increasing substantially the efficiency of mining, mineral processing, and other resource recovery practices. This study shall also include the best estimate of the authors as to the earliest date expected for industrial application of each new technique discussed and the net costs and benefits of implementation compared to present practices.

(d) The study shall examine for major commodity classes a range of alternatives to primary resource extraction including the potential for recycling, salvage, reprocessing, by-product recovery, material substitution, etc., the potential for Federal policy actions to encourage such actions, and the impact such practices would have on the need for primary extraction and the reduction of consequent environmental impacts.

(e) For all of the above, the study will assess the likely impact of altering present mining and reclamation practices on the supply and demand of various commodities, on labor and capital requirements for the various mining industries, and for various classes of producers within those industries.

(f) The study, together with specific recommendations for Federal and State policy needs and for action by the mining and mineral processing industries including recommended reclamation standards, shall be submitted to the President and to Congress no later than three years from the date of enactment of this Act. Interim reports shall be submitted at the end of the first and second years.

(g) There are hereby authorized to be appropriated for the purposes of this section, $3,000,000.

SEC. 403. INDIAN LANDS STUDY.—(a) The Secretary is directed to study the question of the regulation of surface mining on Indian lands which will achieve the purposes of this Act and recognize the special jurisdictional status of these lands.

(b) In carrying out this study the Secretary shall consult with Indian tribes, and may contract with or grant to Indian tribes, qualified institutions, agencies, organizations, and persons.

(c) The study report shall be submitted to the Congress as soon as possible but not later than January 1, 1975.

TITLE V—ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

SEC. 501. DEFINITIONS.—For the purposes of this Act, the term—

(1) "Secretary" means the Secretary of the Interior;

(2) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam;

(3) "Office" means the Office of Surface Mining, Reclamation, and Enforcement established pursuant to section 202;

(4) "Commerce" means trade, traffic, commerce, transportation, transmission, or communication among the several States, or between a State and any other place outside thereof, or between points in the same State which directly or indirectly affect interstate commerce;

(5) "surface mining operations" means—

(A) activities conducted on the surface of lands in connection with a surface coal mine or surface operations incident to an underground coal mine, the products of which enter commerce or the operations of which directly or indirectly affect commerce. Such activities include excavation for the purpose of obtaining coal by contour, strip, auger, or other form of mining (but not open pit mining); and the cleaning or other processing or preparation (excluding refining and smelterng), and loading for interstate commerce of coal at or near the mine site. Such activities do not include (i) the extraction of coal in a liquid or gaseous state by means of wells or pipes unless the process includes in situ distillation or retorting or (ii) the extraction of coal incidental to extraction of other minerals where coal does not exceed 16⅔ per centum of the tonnage of mineral removed; and

(B) the areas upon which such activities occur or where such activities disturb the natural land surface. Such areas shall also include land affected by coal exploration operations which substantially disturb the natural land surface, and any adjacent land the use of which is incidental to any such activities, all lands affected by the construction of new roads or the improvement or use of existing roads to gain access to the site of such activities and for haulage, and excavations, workings, impoundments, dams, ventilation shafts, entryways, refuse banks, dumps, stockpiles, overburden piles, spoil banks, culm banks, tailings, holes or depressions, repair areas, storage areas, processing areas, shipping areas and other areas upon which are sited structures, facilities, or other property or materials on the surface, resulting from or incident to such activities.

(6) "surface mining and reclamation operations" means surface mining operations and all activities necessary and incident to the reclamation of such operations after the date of enactment of this Act;

(7) "lands within any State" or "lands within such State" means all lands within a State other than Federal lands and Indian lands;

(8) "Federal lands" means any land owned by the United States without regard to how the United States acquired ownership of the land and without regard to the agency having responsibility for management thereof, except Indian lands;

(9) "Indian lands" means all lands within the exterior boundaries of any Indian reservation, notwithstanding the issuance of any patent, and including rights-of-way, and all lands held in trust for or supervised by any Indian tribe;

(10) "Indian tribe" means any Indian tribe, band, group, or community having a governing body recognized by the Secretary;

(11) "State Program" means a program established by a State pursuant to section 204 to regulate surface mining and reclamation operations for coal or for other minerals, whichever is relevant, on lands within such State in accord with the requirements of this Act and regulations issued by the Secretary pursuant to this Act;

(12) "Federal Program" means a program established by the Secretary pursuant to section 205 to regulate surface mining and reclamation operations for coal or for other minerals, whichever is relevant on lands within a State in accordance with the requirements of this Act;

(13) "Federal Lands Program" means a program established by the Secretary pursuant to section 217 to regulate surface mining and reclamation operations on Federal lands;

(14) "Reclamation Plan" means a plan submitted by an applicant for a permit under a State program or Federal program which sets forth a plan for reclamation of the proposed surface mining operations pursuant to section 213;

(15) "State regulatory authority" means the department or agency in each State which has primary responsibility at the State level for administering this Act;

(16) "regulatory authority" means the State regulatory authority where the State is administering this Act under an approved State program or the Secretary where the Secretary is administering this Act under a Federal program;

(17) "person" means an individual, partnership, association, society, joint stock company, firm, company, corporation, or other business organization;

(18) "permit" means a permit to conduct surface mining and reclamation operations issued by the State regulatory authority pursuant to a State program or by the Secretary pursuant to a Federal program;

(19) "permit applicant" or "applicant" means a person applying for a permit;

(20) "permittee" means a person holding a permit;

(21) "Fund" means the Abandoned Mine Reclamation Fund established pursuant to section 301;

(22) "other minerals" means clay, stone, sand, gravel, metalliferous and nonmetalliferous ores, and any other solid material or substances of commercial value excavated in solid form from natural deposits on or in the earth, exclusive of coal and those minerals which occur naturally in liquid or gaseous form;

(23) "backfilling to approximate original contour" means that part of the reclamation process achieved by grading from a point at or above the top of the highwall to a point at or below the toe of the spoil bank in which the maximum slope shall not exceed the original average slope from the horizontal by more than five degrees, and no depressions capable of collecting water shall be permitted except where the retention of water is determined by the regulatory authority to be required or desirable for reclamation purposes; and

(24) "Open pit mining" means surface mining in which (1) the amount of material removed is large in proportion to the surface area disturbed; (2) mining continues in the same area proceeding downward with lateral expansion of the pit necessary to maintain slope stability or as necessary to accommodate the orderly expansion of the total mining operation; (3) the operations take place on the same relatively limited site for an extended period of time; (4) there is no practicable method to reclaim the land in the manner required by this Act; and (5) there is no practicable alternative method of mining the mineral or ore involved.

SEC. 502. ADVISORY COMMITTEES.—(a) The Secretary shall appoint a National Advisory Committee for surface mining and reclamation operations. The Advisory Committee shall consist of not more than seven members and shall have a balanced representation of Federal, State, and local officials, and persons qualified by experience or affiliation to present the viewpoint of operators of surface mining operations, of consumers, and of conservation and other public interest groups, to advise him in carrying out the provisions of this Act. The Secretary shall designate the chairman of the Advisory Committee.

(b) Members of the Advisory Committee other than employees of Federal, State, and local governments, while performing Advisory Committee business, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including traveltime. While serving away from their homes or regular places of business, members may be paid travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons intermittently employed.

SEC. 503. GRANTS TO THE STATES.—(a) The Secretary is authorized to make annual grants to any State for the purpose of assisting such State in developing, administering, and enforcing State programs under this Act: *Provided*, That such grants shall not exceed 80 per centum of the total costs incurred during the first year; 70 per centum of the total costs incurred during the second and third years; and 60 per centum each year thereafter.

(b) The Secretary is authorized to cooperate with and provide assistance to any State for the purpose of assisting it in the development, administration, and enforcement of its State programs. Such cooperation and assistance shall include—

(1) technical assistance and training, including provision of necessary curricular and instruction materials, in the development, administration, and enforcement of the State programs; and

(2) assistance in preparing and maintaining a continuing inventory of information on surface mining and reclamation operations for each State for the purposes of evaluating the effectiveness of the State programs. Such assistance shall include all Federal departments and agencies making available data relevant to surface mining and reclamation operations and to the development, administration, and enforcement of State programs concerning such operations.

SEC. 504. RESEARCH AND DEMONSTRATION PROJECTS.—(a) The Secretary is authorized to conduct and promote the coordination and acceleration of research, studies, surveys, experiments, and training in carrying out the provisions of this Act. In conducting the activities authorized by this section, the Secretary may enter into contracts with, and make grants to qualified institutions, agencies, organizations, and persons.

(b) The Secretary is authorized to enter into contracts with, and make grants to, the States and their political subdivisions, and other public institutions, agencies, organizations, and persons to carry out demonstration projects involving the reclamation of lands which have been disturbed by surface mining operations. Such demonstration projects may include the use of solid and liquid residues from sewage treatment processes.

(c) There are authorized to be appropriated to the Secretary $5,000,000 annually for the purposes of this section.

SEC. 505. GRANT AUTHORITY FOR OTHER MINERALS.—The Secretary may, when carrying out his responsibilities under sections 503 and 504 of this Act, grant funds and provide assistance to States who presently have a program or are preparing a program which regulates the surface mining of other minerals (including coal) when he determines such State programs effectively control the adverse environmental and social effects of such mining operations.

SEC. 506. ANNUAL REPORT.—The Secretary shall submit annually to the President and the Congress a report concerning activities conducted by him, the Federal Government, and the States pursuant to this Act. Among other matters, the Secretary shall include in such report recommendations for additional administrative or legislative action as he deems necessary and desirable to accomplish the purposes of this Act.

Sec. 507. Authorization of Appropriations.—There is authorized to be appropriated to the Secretary for administration of this Act and for the purposes of section 503 for the first fiscal year after the enactment of this Act, the sum of $10,000,000 and for each of the next two succeeding fiscal years, the sum of $20,000,000.

Sec. 508. Temporary Suspension.—(a) The President of the United States is hereby authorized to suspend for a period not to exceed ninety days any requirement of this Act concerning surface mining and reclamation operations when he determines it necessary to do so because of (i) a national emergency, (ii) a critical national or regional electrical power shortage, or (iii) a critical national fuels or mineral shortage.

(b) Any action by the President pursuant to subsection (a) shall be based upon findings and recommendations of the Secretary of the Interior, the Chairman of the Council on Environmental Quality, and the Chairman of the Federal Power Commission.

(c) Any action taken by the President pursuant to this section shall be followed by a report to the Congress within five days on the nature of the emergency, the action taken, and any legislative recommendations he may deem necessary.

Sec. 509. Other Federal Laws.—(a) Nothing in this Act shall be construed as superseding, amending, modifying, or repealing the Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a), the National Environmental Policy Act of 1969 (42 U.S.C. 4321–47), or existing State or Federal law relating to mine health and safety, and air and water quality including, but not limited to—

"(1) the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772; 30 U.S.C. 721–740);

"(2) the Federal Coal Mine Health and Safety Act of 1969 (83 Stat. 742);

"(3) the Federal Water Pollution Control Act (79 Stat. 903), as amended, the State laws enacted pursuant thereto, or other Federal laws relating to preservation of water quality;

"(4) the Clean Air Act, as amended (79 Stat. 992; 42 U.S.C. 1857); and

"(5) the Solid Waste Disposal Act, as amended (79 Stat. 997; 42 (U.S.C. 3251))."

(b) Nothing in this Act shall affect in any way the authority of the Secretary or the heads of other Federal agencies under other provisions of law to include in any lease, license, permit, contract, or other instrument such conditions as may be appropriate to regulate surface mining and reclamation operations on lands under their jurisdiction.

(c) To the greatest extent practicable each Federal agency shall cooperate with the Secretary and the States in carrying out the provisions of this Act.

(d) Approval of the State programs, pursuant to 204(b), promulgation of Federal programs, pursuant to 205, and implementation of the Federal lands programs, pursuant to 217, shall constitute a major action within the meaning of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

Sec. 510. State Laws.—(a) No State law or regulation in effect on the date of enactment of this Act, or which may become effective thereafter, shall be superseded by any provision of this Act or any regulation issued pursuant thereto, except insofar as such State law or regulation is inconsistent with the provisions of this Act.

(b) Any provision of any State law or regulation in effect upon the date of enactment of this Act, or which may become effective thereafter, which provides for more stringent land use and environmental controls and regulations of surface mining and reclamation operations than do the provisions of this Act or any regulation issued pursuant thereto shall not be construed to be inconsistent with this Act. Any provision of any State law or regulation in effect on the date of enactment of this Act, or which may become effective thereafter, which provides for the control and regulation of surface mining and reclamation operations for which no provision is contained in this Act shall not be construed to be inconsistent with this Act.

Sec. 511. Protection of the Surface Owner.—In those instances in which the surface owner is not the owner of the mineral estate proposed to be mined by surface mining operations the applicant for a permit shall include the following:

(a) the written consent of, or a waiver by, the owner or owners of the surface lands involved to enter and commence surface mining operations on such land, or, in lieu therof,

(b) the execution of a bond or undertaking to the United States or the State, whichever is applicable, for the use and benefit of the surface owner or owners of the land, to secure the payment of any damages to the surface estate, to the crops, or to the tangible improvements of the surface owner as may be determined by the parties involved or as determined and fixed in an action brought against the permittee or upon the bond in a court of competent jurisdiction. This bond is in addition to the performance bond required for reclamation by this Act.

Sec. 512. Preference for Persons Adversely Affected by the Act.—(a) In the award of contracts for the reclamation of abandoned and unreclaimed mined areas pursuant to title III and for research and demonstration projects pursuant to section 404 of this Act the Secretary shall develop regulations which will accord a preference to surface mining operations who can demonstrate that their surface mining operations, despite good-faith efforts to comply with the requirements of this Act, have been adversely affected by the regulation of surface mining and reclamation operations pursuant to this Act.

(b) Contracts awarded pursuant to this section shall require the contractor to afford an employment preference to individuals whose employment has been adversely affected by this Act.

Sec. 513. Severability.—If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator from Rhode Island for his usual great patience.

DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATIONS, 1974

The Senate continued with the consideration of the bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

Mr. PELL. Mr. President, the HEW appropriations before the Senate today represents to my mind a definite step in the right direction with regard to the funding of education programs. I take this opportunity to congratulate the Appropriations Committee on the bill.

The education amendments signed into law last year provided for a new program of basic educational opportunity grants. This grant will equal $1,400—dependent on the final level of appropriation—from which is deducted an expected family contribution, the grant not to exceed one-half the cost of education.

In this year's appropriation for the higher education program, a small start was made, and we limited the basic grants to freshmen. The figure contained in this bill, $600 million, is a marked improvement, one which will have great meaning. The decision to limit next year's grant to freshmen and sophomores is most logical and one with which I know my colleagues on the Education Subcommittee will concur.

There is also contained in this bill language concerning the decentralization of health and education programs. This administration, under the guise of decentralization, has sought to interpose a new layer of Government between the State and Federal systems. Not one witness appearing before the Education Subcommittee representing State or local educational agencies supported the so-called decentralization. Not one shred of evidence was given which would give credence to the argument that the education received by youngsters in this country would be improved or how the Federal dollar would be better utilized by decentralization.

This administration has not seen fit to come up to the Hill with their decentralization plans; instead, they have operated through administrative reorganizations. This language should be seen by the administration as ordering a halt. I invite them to present a bill to us, one which would receive immediate attention.

In connection with the National Institute of Education, I recognize that they made a poor presentation to the Subcommittee on Appropriations. But, believing in the concept of the National Institutes of Education as I do, I take comfort in the understanding that the Subcommittee on HEW appropriations will be willing to hear the NIE make another presentation, and hopefully their arguments will be better marshaled and have a greater effect.

There are many other new and innovative educational programs which have received funding under the bill and, again, I cannot begin to express my appreciation to the Appropriations Committee. It is my hope that we will continue to move in this encouraging direction.

THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 391 and 392.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNITY SUPERVISION AND SERVICES ACT

The Senate proceeded to consider the bill (S. 798) to reduce recidivism by providing community-centered programs of supervision and services for persons charged with offenses against the United States, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Community Supervision and Services Act."

SEC. 2. Congress hereby finds and declares that the interests of protecting society and rehabilitating individuals charged with violating criminal laws can best be served by creating new and innovative alternatives for treatment and supervision within the community; that in many cases, society can best be served by diverting the accused to a voluntary community-oriented program; that such diversion can be accomplished in appropriate cases without losing the general deterrent effect of the criminal justice system; that the retention of the deferred charges will serve both as a deterrent to committing further offenses and as an incentive to complete rehabilitative efforts; that alternatives to institutionalization (which provide education, job placement, training, and other social services) made available to persons accused of crime who accept responsibility for their behavior and admit their need for such assistance can equip such persons to lead lawful and useful lives.

SEC. 3. As used in this Act, the term—

(1) "eligible individual" means any person who is charged with an offense against the United States and who is recommended for participation in a program of community supervision and services by the attorney for the government in the district in which the charge is pending;

(2) "program of community supervision and services" may include, but is not limited to, medical, educational, vocational, social, and psychological services, corrective and preventive guidance, training, counseling, provision for residence in a half way house or other suitable place, and other rehabilitative services designed to protect the public and benefit the individual;

(3) "plan" includes those elements of the program which an eligible individual needs to assure that he will lead a lawful lifestyle;

(4) "committing officer" means any judge or magistrate in any case in which he has potential trial jurisdiction or in any case which has been assigned to him by the court for such purposes; and

(5) "administrative head" means a person designated by the Attorney General as chief adminstrator of a program of community supervision and services, except that each such designation shall be made with the concurrence of the chief judge of the United States district court having jurisdiction over the district within which such person so designated shall serve.

SEC. 4. The administrative head of each program of community supervision and services shall, to the extent possible, interview each person charged with a criminal offense against the United States within the district to which such head is appointed whom he believes may be eligible for diversion in accordance with this Act and suitable for such program and upon further verification by such head that the person may be eligible, shall assist such person in preparing a preliminary plan for his release to a program of community supervision and services.

SEC. 5. The committing officer may release an eligible individual to a program of community supervision and services if he believes that such individual may benefit by release to such a program and the committing officer determines that such release is not contrary to the public interest. Such release may be ordered at the time for the setting of bail, or at any time thereafter. In no case, however, shall any such individual be so released unless, prior thereto, he has voluntarily agreed to such program, and he has knowingly and intelligently waived, in the presence of the committing officer, any applicable statute of limitations and his right to speedy trial for the period of his diversion.

SEC. 6. (a) The administrative head of a program of community supervision and services shall report on the progress of the individual in carrying out his plan to the attorney for the Government and the committing officer at such times and in such manner as such attorney or officer deems appropriate.

(b) In any case in which an individual charged with an offense is diverted to a program pursuant to this Act and such diversion is terminated and prosecution resumed in connection with such offense, no statements made or other information given by the defendant in connection with determination of his eligibility for such program, no statements made by the defendant while participating in such program, no information contained in any such report made with respect thereto, and no statement or other information concerning his participation in such programs shall be admissible on the issue of guilt of such individual in any judicial proceeding involving such offense.

SEC. 7. (a) In any case involving an eligible individual who is released to a program of community supervision and services under this Act, the criminal charges against such individual shall be continued without final disposition for a twelve-month period following such release, unless, prior thereto, such release is terminated pursuant to subsection (b) of this section, or such charge against such individual is dropped in accordance with subsection (c) of this section. In any case in which such release is not terminated or such charge is not dropped within such twelve-month period, such charge so continued shall, upon the expiration of such twelve-month period, be dismissed by the committing officer.

(b) The committing officer, at any time within such twelve-month period referred to in subsection (a) of this section, shall terminate such release, and the pending criminal proceedings shall be resumed, if the attorney for the Government finds such individual is not fulfilling his obligations under the plan applicable to him, or the public interest so requires.

(c) If the administrative head certifies to the committing officer at any time during the period of diversion that the individual has fulfilled his obligations and successfully completed the program, and if the attorney for the Government concurs, the committing officer shall dismiss the charge against such individual.

SEC. 8. (a) The chief judge of each district is authorized, in his discretion, to appoint an advisory committee for each program of community supervision and services within his district. Any such committee so appointed shall be composed of the chief judge, as chairman, the United States attorney for the district, and such other judges or individuals within such district as the chief judge shall appoint, including individuals representing social service or other agencies to which persons released to a program of community supervision and services may be referred under this Act.

(b) It shall be the function of each such committee so appointed to plan for the implementation of any program of community supervision and services for the district, and to review, on a regular basis, the administration and progress of such program. The committee shall report at such times and in such manner as the chief judge may prescribe.

(c) Members of a committee shall not be compensated as such, but may be reimbursed for reasonable expenses incurred by them in carrying out their duties as members of the committee.

SEC. 9. In carrying out the provisions of this Act, the Attorney General shall—

(1) be authorized to—

(A) employ and fix the compensation of such persons as he determines necessary to carry out the purposes of this Act;

(B) utilize, on a cost-reimbursable basis, the services of such United States probation officers and other employees of the executive and judicial branches of the Government, other than judges or magistrates, as he determines necessary to carry out the purposes of this Act;

(C) employ and fix the compensation of, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, such persons as he determines necessary to carry out the purposes of this Act;

(D) acquire such facilities, services, and materials as he determines necessary to carry out the purposes of this Act; and

(E) enter into controls or other agreements, without regard to advertising requirements, for the acquisition of such personnel, facilities, services, and materials which he determines necessary to carry out the purposes of this Act;

(2) consult with the Judicial Conference in the issuance of any regulations or policy statements with respect to the administration of any program of community supervision and services;

(3) conduct research and prepare reports for the President, the Congress, and the Judicial Conference showing the progress of all programs of community supervision and services in fulfilling the purposes set forth in this Act;

(4) certify to the appropriate chief judge of the United States district court as to whether or not adequate facilities and personnel are available to fulfill a plan of community supervision and services, upon recommendation of the advisory committee for such district;

(5) be authorized to provide technical assistance to any agency of a State or political subdivision thereof, or to any nonprofit organization to assist in providing programs of community supervision and services to individuals charged with offenses against the laws of any State or political subdivision thereof;

(6) provide for the audit of any funds expended under the provisions of this Act;

(7) be authorized to accept voluntary and uncompensated services;

(8) be authorized to provide additional services to persons against whom charges have been dismissed under this Act, upon assurance of good behavior and if such services are not otherwise available; and

(9) be authorized to promote the cooperation of all agencies which provide education, training, counseling, legal, employment, or other social services under any Act of Congress, to assure that eligible individuals released to programs of community supervision and services can benefit to the extent possible.

SEC. 10. For the purpose of carrying out the provisions of this Act, there are authorized to be appropriated for the fiscal year ending June 30, 1974, and for each fiscal year thereafter, the sum of $2,500,000.

Mr. BURDICK. Mr. President, I rise in support of S. 798, the Community Supervision and Services Act, which would authorize a system of pretrial diversion for alleged offenders in the Federal court system.

The Subcommittee on National Penitentiaries, which considered this legislation, held hearings in 1972 and again this year. We have heard support for pretrial diversion from people in all facets of the criminal justice system. From this experience, the subcommittee has refined this legislation and now comes forward with legislation that reflects a major—but necessary—new step for the Federal system.

The pretrial diversion legislation under consideration has been recommended by the American Bar Association, the National District Attorneys Association, and the Chamber of Commerce of the United States. The concept of diversion has the approval of the Judicial Conference of the United States and major national and Presidential commissions on crime and corrections.

Pretrial diversion is the voluntary use of supervision, much like probation, for an individual who has been charged with a crime, but has not been convicted. The experimental use of diversion, funded by Federal agencies, has been successful in reducing recidivism, which is the return to criminal activity by individuals who have previously come in contact with the criminal justice system.

The diversion of individuals would be controlled by the prosecutor, in this case the U.S. attorneys. Diversion will clear up backlogs of criminal cases and enable the prosecutor to concentrate the full resources of his office on serious cases. Diversion can also benefit the criminal defendant by giving him the opportunity to win dismissal of charges by altering his behavior and completing a successful period of supervision.

The criminal justice system often reports to the public on its success as the number of people who have been handled, processed, or treated. The expectation of society, however, is not numbers of people who have been handled or treated. The goal of criminal justice must be to lessen the impact of crime. This is a basic need of any society. Reduction in the impact of crime is the only way for us to measure success.

The majority of crime in America is committed by multiple offenders called recidivists. If our society is to ever make inroads against crime, we must do so by intervening in the cycle of recidivism. There have been some successes in the old ways of intervention. But some of the old ways have been more failure than success. Pretrial diversion has gained acceptance for two reasons. First, the theory of diversion makes commonsense. And second, the performance record of diversion projects has demonstrated its practicality.

Let us look for a moment at the theory of diversion in light of the statistics of crime. There are three factors that are more likely than any other to pinpoint the recidivist. First, the prior record of criminal activity. Second, a history of unstable employment. And third, a history of unstable family ties. Because it is hard to separate the family from the stable economic base there really may only be two factors to take into consideration.

Pretrial diversion succeeds, because efforts are aimed at individuals before the pattern of recidivism begins to show. I do not mean to say that diversion is successful, because it takes the easy cases. That clearly is not so. The truth is this: Diversion gives criminal justice the opportunity to intervene before the cycle of crime and recidivism has gone too far. The essence of diversion is this: We use our resources to intervene at the time when these resources can be best used. The essence of diversion is that an ounce of prevention is worth a pound of cure.

From the very beginning of our legal system there has been diversion from prosecution. Diversion was often accomplished, however, with inadequate plans and no resources.

Today's interest in diversion is evidence of the earlier commonsense approach. It is not the total answer for criminal justice, but the building of successful diversion programs is a step we must take.

The ounce of prevention I mentioned a moment ago has a lot to do with the success of diversion. The ounce must be a full ounce. By that I mean the supervision and services provided criminal defendants must be intensive and of high quality. Employment placement must produce real jobs with real wages. The counseling must meet the needs of both individuals and their families. The supervision must be on a personal level. We have a great deal to learn from past failures of correctional efforts, and it is my hope that the language of the legislation before us reflects some of these changes.

Diversion will cost money, and we must be prepared to make a commitment. But this money spent on diversion will be an investment in the future. It does us no good to save a few dollars on diversion, or other forms of community supervision, and then later spend thousands of dollars to convict and incarcerate the multiple offender.

Diversion does not replace prisons. There will always be a need to incarcerate some. But diversion recognizes a very hard-headed business proposition. The more we succeed at interrupting the cycle of recidivistic crime, the better we can save the taxpayers the burden of supporting expensive criminal justice institutions. This is the role of diversion in our society—to intervene at the earliest possible point. This is the ounce of prevention I spoke of a moment ago. A dollar spent on diversion is worth many dollars spent on the incarceration of a multiple offender.

It will continue to be a wise investment so long as diversion continues to represent the best in services to individuals. This will not be easy to accomplish. One of the unique aspects of this legislation is its flexibility. Diversion services can be provided by Federal employees or by local agencies who would be reimbursed for their services. This reflects a new partnership between Federal, State, and local agencies in criminal justice. The intent of this legislation includes private agencies as well as public. It will enable diversion to be accomplished at the least possible cost.

There is strength in the diversity that is so characteristic of our Nation. There is room within the concept of diversion for different formats that fit the needs, the people, and the resources of the community being served.

It has long been the goal of the Subcommittee on National Penitentiaries that the Federal correctional system should be a model for the Nation. I believe that in this area of public policy that we are obligated to do no less. It is within this context that the subcommittee and the judiciary have considered and acted upon this legislation.

The Subcommittee on National Penitentiaries has heard a variety of viewpoints on diversion, and has developed language which reflects the best of professional viewpoints from all perspectives of criminal justice. The time has now come for its adoption as a needed additional tool in the hands of the Federal criminal justice system.

Mr. HRUSKA. Mr. President, I would like to take this opportunity to offer my comments with regard to S. 798, the Community Supervision and Services Act, introduced by my distinguished colleague, Senator BURDICK, chairman of the Subcommittee on National Penitentiaries. On October 2, 1973, this bill was favorably reported by the Committee on the Judiciary.

Before addressing myself to the substance of the proposal, I want to compliment Senator BURDICK and the subcommittee for the excellent work that has been done on this bill. Extensive hearings were held during both this and the 92d Congress, and a fruitful dialog developed between the subcommittee and the Department of Justice. It is my understanding that the Department is in agreement with the Judiciary Committee on all significant aspects of the bill.

S. 798 would establish a program of pretrial diversion for selected Federal offenders. Rather than going to trial, these offenders would be placed in a program of intensive community-oriented treatment and supervision.

Only those who were recommended for the program by the appropriate U.S. attorney would be eligible. This latter feature is important in that it preserves the traditional concept of prosecutorial discretion, and by so doing insures that only those individuals with a reasonable chance for rehabilitation are given the option of entering the program. Thus, both the needs of the individual and the public interest would necessarily be taken into account.

The program of diversion would be voluntary. This feature is important, because it would require an affirmative desire on the part of the defendant to avail himself of rehabilitation services, and would encourage him to acknowledge his wrongdoing and recognize his need for treatment. In this regard, it is well accepted among experts in the field of corrections that such an acknowledgment of responsibility is a necessary prerequisite to rehabilitation.

The program envisioned by S. 798 would not require the offender to enter a plea of guilty.

Prior to entering a rehabilitation program, however, the defendant would be required to waive his rights to a speedy trial and any applicable statute of limitations. This would protect the posture of the Government's case in the event that prosecution became necessary.

Once a defendant was diverted to a rehabilitation program, he would remain under supervision for up to 1 year. He could be released from the program only upon the recommendation of the U.S. attorney. Such release could come at any time during the 1-year period, so long as the individual had successfully completed the requirements of his particular rehabilitation program. The U.S. attorney, however, could also resume prosecution at any time during the 1-year period if the individual were not fulfilling his obligations.

Under this bill, the impetus for pretrial diversion rests with the individual community. A local advisory committee would be formed in each judicial district before a program was started. Thus, each community would be given wide flexibility in setting up a program tailored to the resources, needs and interests of that locality. The local programs would be allowed to operate in connection with other existing programs at the State, county, or municipal level. It may also be operated by or with the assistance of another Federal agency such as the U.S. Bureau of Prisons or by the U.S. Probation Service. An effort would be made to fully utilize all available resources and avoid duplication wherever possible.

The idea of pretrial diversion is not a totally new concept. Diversion takes place now in many local jurisdictions as well as in certain Federal judicial districts. Thus, the effect of this legislation would be to institutionalize the practice at the Federal level so that uniform standards will develop and suitable treatment facilities may be made available.

I am well satisfied that the concept of pretrial diversion can provide a viable alternative to criminal prosecution. The report which accompanies S. 798 indicates that many existing diversion programs, at both the State and Federal level, have shown very encouraging results in rehabilitating offenders and thereby reducing recidivism. The record is full of examples and statistics which demonstrate that in carefully selected cases an individual stands a far better chance of overcoming his criminal past if he is not placed in the formal criminal justice system. This is very significant, because I believe that incarceration in prison often tends to an increase, rather than a decrease, in recidivistic crime.

In conclusion, I believe that S. 798 would provide a badly needed alternative for the disposition of criminal charges against selected Federal offenders. Pretrial diversion and rehabilitation of such offenders will prove to be beneficial to the individual offender and to society as well. I urge my colleagues to support this bill.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DISQUALIFICATION OF JUDGES

The Senate proceeded to consider the bill (S. 1064) to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification which had been reported from the Committee on the Judiciary with amendments. On page 2, at the beginning of line 15, strike out the word "controversy;" and insert "particular case in controversy;"; on page 4, after line 24, insert a new section, as follows:

SEC. 2. Item 455 in the analysis of chapter 21 of such title 28 is amended to read as follows: "Disqualification of justice or judge.".

And on page 5, line 3, change the section number from "2" to "3"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 455 of title 28, United States Code, is amended to read as follows:

"§ 455. Disqualification of justice or judge

"(a) Any justice, judge, or magistrate of the United States shall disqualify himself in any proceeding in which his impartiality might reasonably be questioned.

"(b) He shall also disqualify himself in the following circumstances:

"(1) where he has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceeding;

"(2) where in private practice he served as lawyer in the matter in controversy, or a lawyer with whom he previously practiced law served during such association as a lawyer concerning the matter, or the judge or such lawyer has been a material witness concerning it;

"(3) Where he has served in governmental employment and in such capacity participated as counsel, adviser or material witness concerning the proceeding or expressed an opinion concerning the merits of the particular case in controversy;

"(4) He knows that he, individually or as a fiduciary, or his spouse or minor child residing in his household, has a financial interest in the subject matter in controversy or in a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding;

"(5) He or his spouse, or a person within the third degree of relationship to either of them, or the spouse of such a person:

"(i) Is a party to the proceeding, or an officer, director, or trustee of a party;

"(ii) Is acting as a lawyer in the proceeding;

"(iii) Is known by the judge to have an interest that could be substantially affected by the outcome of the proceeding:

"(iv) Is to the judge's knowledge likely to be a material witness in the proceeding;

"(c) A judge should inform himself about his personal and fiduciary financial interests, and make a reasonable effort to inform himself about the personal financial interests of his spouse and minor children residing in his household.

"(d) For the purposes of this section the following words or phrases shall have the meaning indicated:

"(1) 'proceeding' includes pretrial, trial, appellate review, or other stages of litigation;

"(2) the degree of relationship is calculated according to the civil law system;

"(3) 'fiduciary' includes such relationships as executor, administrator, trustee, and guardian;

"(4) 'financial interest' means ownership of a legal or equitable interest, however small, or a relationship as director, adviser, or other active participant in the affairs of a party, except that:

"(i) Ownership in a mutual or common investment fund that holds securities is not a 'financial interest' in such securities unless the judge participates in the management of the fund;

"(ii) An office in an educational, religious, charitable, fraternal, or civic organization is not a 'financial interest' in securities held by the organization;

"(iii) The proprietary interest of a policyholder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, is a 'financial interest' in the organization only if the outcome of the proceeding could substantially affect the value of the interest;

"(iv) Ownership of government securities is a 'financial interest' in the issuer only if the outcome of the proceeding could substantially affect the value of the securities.

"(e) No justice, judge, or magistrate shall accept from the parties to the proceeding a waiver of any ground for disqualification enumerated in subsection (b). Where the ground for disqualification arises only under subsection (a), waiver may be accepted provided it is preceded by a full disclosure on the record of the basis for disqualification."

SEC. 2. Item 455 in the analysis of chapter 21 of such title 28 is amended to read as follows: "Disqualification of justice or judge.".

SEC. 3. This Act shall not apply to the trial of any proceeding commenced prior to the date of this Act, nor to appellate review of any proceeding which was fully submitted to the reviewing court prior to the date of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JUDICIAL DISQUALIFICATION

Mr. BURDICK. Mr. President, the final passage and eventual enactment of S. 1064, the bill to clarify the grounds for disqualification of Federal judges, will do much to enhance public confidence in the impartiality of our judicial system and will also be of assistance to our very able Federal judges as they may from time to time be compelled to decide whether or not to excuse themselves from participating in a particular case.

For 60 years the United States Code has contained a provision requiring disqualification of judges for bias or conflict of interest. During the same period of time, the Canons of Judicial Ethics have also required disqualification of a judge in language in some respects similar and in other respects dissimilar from the statutory language. As a result, on occasion, judges who believed that they were in compliance with the Federal statute have later found that they were not in compliance with the Canons of Judicial Ethics. Recently, a new Code of Judicial Conduct, which includes a specific canon relating to disqualifiation of a judge, was overwhelmingly approved by the House of Delegates of the American Bar Association. Many States have adopted this code and in April of 1973 the Judicial Conference of the United States by resolution adopted this code as being applicable to all Federal judges.

S. 1064 would amend the Federal statute—section 455 of title 28—by making it conform, with two exceptions, to the same standards of disqualification as set forth in the Code of Judicial Conduct. Thus, both the statutory and the ethical standards for disqualification will be virtually identical. The most significant provision in these new standards would require a judge to disqualify himself in any case in which he has a financial interest, however small, in the proceeding. Under the existing statute, disqualification is required for a "substantial" financial interest. With respect to this change, the issue is very simple: For example, if the financial interest is but a few shares of stock in a corporation, such a small holding is probably but a small part of the judge's investments and there would be no great loss to him if he should decide to change that investment in order to eliminate any possible grounds of disqualification. On the other hand, if the number of shares represents a large investment no one could question that ownership of such shares requires disqualification.

The bill deviates slightly from the American Bar Association canon in only two respects. The bill, unlike the ABA canon, does not permit waiver of either financial interest or kinship within the third degree as grounds for disqualification. The rationale here is that these are two instances in which the public at large would feel a judge most certainly should disqualify himself.

Mr. President, passage of this bill will do much to further improve a good judicial system.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate go into executive session for not to exceed 2 minutes, to consider a nomination which was reported today by the Committee on Public Works.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

OZARKS REGIONAL COMMISSION

The legislative clerk read the nomination of Bill H. Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission.

Mr. RANDOLPH. Mr. President, this nomination was reported from the Committee on Public Works with all members voting in favor of Mr. Fribley to be Cochairman of that important Regional Commission. This is an area that is, of course, well known to the able Senator from Kansas (Mr. DOLE), to whom I am glad to yield at this point.

Mr. DOLE. Mr. President, first. I thank the distinguished Senator from West Virginia and the distinguished senior Senator from Tennessee for their prompt action on this nomination. It is an important program. It deserves outstanding leadership. I believe that Bill Fribley will provide that leadership for the Ozarks region.

Mr. President, I am pleased to have this opportunity to express my support for President Nixon's nomination of Bill Fribley to be Federal cochairman of the Ozarks Regional Commission.

Mr. Fribley has a long and distinguished record of public service in the State of Kansas and wide experience throughout the area in which the Ozarks Regional Commission has operated since being established by Congress in 1965.

I have known him for many years, going back to the time when we served together in the Kansas Legislature, and I know that then and throughout his 21 years as a legislator he was held in high regard by his colleagues and those in the executive branch of State government. The experience of these two decades provides him with a unique perspective from which to assess the problems, needs and opportunities being faced by State governments. He knows the difficulties which States often encounter when they attempt to meet their responsibilities to their citizens, but he also has an appreciation for the special resources and abilities States can call into play in ways which are often more responsive and effective than those of the Federal Government.

The Ozarks Regional Commission seeks to harmonize Federal and State economic development efforts, and I believe Mr. Fribley's long experience with the State side of this partnership provides an invaluable element of understanding to bring to the job of directing these coordinated efforts. Certainly, his service for 4 years as special assistant to the former Federal cochairman, has given him the fullest possible familiarity with the Commission's programs and goals.

Having been born in northeastern Oklahoma and lived since childhood days in southeast Kansas, Mr. Fribley has broad personal experience in the area of the ORC's work. He is known by many of those who live and work there, and he has firsthand familiarity with the many economic, social, and geographic factors at work in the area served by the Commission.

I would point out that this is a difficult period in light of the intention expressed by the administration to pursue the objectives of the various regional commissions through the framework of the rural development statutes. However, the continuing work of the Commission remains, in my view, highly important, and I have been in contact with the Commerce Department urging expansion of the Commission's geographic area to include the entire State of Kansas. This step appears quite consistent with the philosophy of promoting the most comprehensive and effective planning on the part of the State as well as the Commission. And I am hopeful it will be taken, regardless of the eventual decision on the administrative questions.

So at this somewhat uncertain time—and, indeed, because of it—the Ozarks Regional Commission requires the most capable and qualified leadership we can provide. I believe Mr. Fribley will deliver this leadership and will direct the Commission with ability, understanding, and the same high degree of competence which he has demonstrated throughout his career of public service.

The Public Works Committee has favorably passed on Mr. Fribley's nomination, and I urge that the full Senate now grant its approval.

Mr. RANDOLPH. Mr. President, the members of the committee were impressed by his ability and dedication, and we are delighted to support the nomination.

I yield to the ranking member of the Committee on Public Works, the Senator from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. President, I thank the distinguished chairman of the Public Works Committee (Mr. RANDOLPH) for yielding briefly, so that I can associate myself with his remarks and the remarks of the distinguished Senator from Kansas (Mr. DOLE), concerning the nomination of Bill Fribley to be Federal Cochairman of the Ozarks Regional Commission.

I wish to express my enthusiastic support for this nominee, and I hope that the Senate will promptly confirm his nomination.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ABSENCE FROM THE SENATE

Mr. STENNIS. Mr. President, during the legislative week, I have been in attendance at the U.S. district court, in and out of the sessions, where a case is being tried in which I am a witness. The judge was very generous to let me stand by on call.

I ask unanimous consent that I be excused from the Senate for the period of time I have missed because of the court attendance and such other time as I may miss on that basis.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN REVOLUTION BICENTENNIAL COINAGE DESIGN—CONFERENCE REPORT

Mr. HATHAWAY. Mr. President, I submit a report of the committee on conference on S. 1141, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of September 24, 1973, at p. 31190.)

Mr. HATHAWAY. Mr. President, I move the adoption of the report.

The motion was agreed to.

SURFACE MINING RECLAMATION ACT OF 1973

Mr. BAKER. Mr. President, I have certain amendments that I intend to offer to the surface mining bill that will be considered by the Senate on Monday. The amendments have not been put in final form. I would like to submit them today so that they can be printed for the convenience of Senators.

Therefore, I ask unanimous consent that I may be permitted to offer such amendments today for printing and that I might have until not later than 6 p.m. in order to submit them.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—I shall not object—I merely make the same request for all Senators. I think it will expedite action on the bill next week.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDAL IN COMMEMORATION OF JIM THORPE

Mr. HATHAWAY. Mr. President, from the Committee on Banking, Housing, and Urban Affairs, I report H.R. 4507, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. Helms). Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill (H.R. 4507) to strike a medal in commemoration of Jim Thorpe.

Mr. HATHAWAY. Mr. President, this bill, as the title indicates, provides for the striking of a medal in commemoration of Jim Thorpe. It is the House bill, which the Committee on Banking, Housing and Urban Affairs has agreed to verbatim. It is noncontroversial.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4507) was read a third time, and passed.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIPLOMATIC RELATIONS BETWEEN THE UNITED STATES AND SWEDEN

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 354.

The PRESIDING OFFICER (Mr. Helms). The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 149) to express the sense of the Senate regarding diplomatic relations between the United States and Sweden.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Minnesota not be limited by the 3-minute provision.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, this resolution, as indicated by its title, is merely to express the sense of the Senate that it would be desirable on the part of our Government to reestablish diplomatic relations with the Government of Sweden—that is, by the exchange of Ambassadors. We do have diplomatic relations, of course, with the Embassies operating in both countries.

Reasons have been expressed in recent months as to why the Ambassadors were withdrawn. I believe the time has arrived for us to normalize those relations. The people of Sweden are a great people; it is a friendly country, with friendly people. The people of the United States have great respect and affection for Sweden, and all through America are literally millions of people of Swedish ancestry. Therefore, I feel that it is desirable, from their point of view, to have an exchange of Ambassadors, so that we can once again have the normalized relations which have characterized our respective countries in diplomatic affairs since the beginning of our Republic, or since the independence of the Kingdom of Sweden.

I know that the Committee on Foreign Relations has looked with favor upon this resolution. I have discussed it with the acting minority leader, and I understand that the acting minority leader has discussed it today with the ranking member of the minority on the Committee on Foreign Relations, the Senator from Vermont (Mr. Aiken).

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GRIFFIN. The Senator from Minnesota is correct. I have discussed this matter today with the distinguished ranking minority member of the Committee on Foreign Relations, the Senator from Vermont (Mr. Aiken). He has no objection to the resolution or to its consideration and passage by the Senate today.

Mr. President, I will add that this Senator has had some reservations in the past about Senate action on such a resolution. I was particularly concerned earlier, when the committee reported the resolution, about the appropriateness of such action in view of the timing of elections in the country to which the resolution refers.

Frankly, I am glad the Senate did not move earlier to adopt this resolution because it might have been misunderstood as intervention of a sort in the internal affairs of that country.

Now, the elections are over and a reasonable period of time has passed. I recognize also that the language of the resolution is not binding or obligatory. It speaks in terms of "the sense of the Senate" and recites "that diplomatic relations do not depend upon nor do they connote approval of the views of the governments concerned." Of course, that is a statement with which there should be little or no disagreement.

At the same time, I believe we should also recognize that it is the President who has the primary responsibility in this field under the Constitution. It is the President who should take the lead for our Nation in determining when diplomatic relations or the exchange of ambassadors should be resumed.

The resolution before us is not really necessary, and I doubt that it will be helpful. But it is merely advisory in nature. Despite my earlier reservations, and appreciating the fact that there has been cooperation on the part of the Senator from Minnesota and others with respect to the timing of the Senate's consideration, I shall not press for a rollcall vote or otherwise indicate objection to the resolution.

Mr. HUMPHREY. I think it is entirely appropriate that action on this resolution be restrained or held back until after the elections have taken place in Sweden.

I do concur with what the Senator from Michigan had to say about the fact that diplomatic relations rest in the office of the President. This is but an advisory resolution and it is offered in the spirit of amity and cooperation. I hope we view it just as that.

Mr. President, I have nothing further to say. I thank the distinguished acting minority leader for his cooperation, and I thank the Committee on Foreign Relations for its support.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution (S. Res. 149) was agreed to.

The preamble was amended, as follows:

In the second paragraph, first line, after the word "has", strike out "needlessly"; and, in the second line, after the word "year,", strike out "as evidenced by the absence of a United States ambassador in Stockholm since August of 1972, and the tacit refusal of the United States Government to receive an ambassador from Sweden since January of this year,".

The preamble, as amended, was agreed to.

The resolution, with its preamble, as amended, reads as follows:

Whereas a close and friendly relationship has normally existed between Sweden and the United States over the years, virtually since the foundation of this Republic, and Whereas this relationship has been disrupted,

Whereas this relationship has been disrupted over a period of almost a year, and

Whereas the Senate has affirmed the position that diplomatic relations do not depend upon or connote approval of the views of the governments concerned: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States Government and Sweden should restore their normal friendly relations, and confirm this return to normalcy by appointing and dispatching ambassadors to their respective capitals on an immediate basis.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

EXTENSION OF TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for not to exceed 15 minutes, with a 5-minute limitation on statements therein.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE PANAMA CANAL

Mr. HARRY F. BYRD, JR. Mr. President, the press reported yesterday that Panama is considering going ahead with a new project to build a sea level waterway. The cost of this project is estimated at $2.8 billion, which is more than double Panama's annual gross national product.

Panama's Ambassador said, however, if he can arrive at proper negotiations with the United States on obtaining sovereignty for Panama over the American section of the Panama Canal, Panama probably will not go ahead with this new project. The news dispatch states that Panama's proposal is seen in Washington "as a bargaining chip with which it hopes to have the United States yield to Panama's demand for undiluted sovereignty over the present 500-square-mile zone."

I do not know if the State Department will be intimidated by that. It may be used as a bargaining chip by certain individuals in our Government, but as far as one Member of the Senate is concerned, the Senator from Virginia, it cannot be used as a bargaining chip. If Panama wants to build her own canal, let her build her own canal on her own property. I have no objection to that. If she has the $2.8 billion and wants to build a sea level canal, let her build it. It would be satisfactory to the people of the United States, if that is what she wants to do. But if she persists in her demand that the United States relinquish her sovereignty over the Canal Zone, which the United States has had since 1903, I think there will be serious objection to that in the Senate. As far as I am concerned the sovereignty of the United States over the zone is not negotiable.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. LONG. How much money did the Senator say it would take to build a new sea-level canal?

Mr. HARRY F. BYRD, JR. The dispatch says $2.8 billion. That is more than double the gross national product of Panama.

Mr. LONG. That is a very large amount.

Mr. HARRY F. BYRD, JR. This is a proposal by the Panama Government to build its own canal and they would use their own funds or borrow funds to do it. But the press dispatch indicates this is a proposal to be used as a bargaining chip in negotiations with the United States in an endeavor to have us relinquish our sovereignty over the present canal, which we have spent hundreds of millions of dollars for and which we have had since 1903.

Mr. LONG. Maybe we could work out arrangements with them so that we could yield back to them the present canal provided they let us build a canal through some swampland where few if any citizens live, with an agreement that they would not come and settle near the canal so we would not have any quarrels or arguments about using it. In that way we could sail on through without being harassed by mobs of irate citizens claiming we should turn it over to them.

Has the Senator considered that possibility?

Mr. HARRY F. BYRD, JR. Well, I guess that is a possibility, but, frankly, the Senator from Virginia does not look kindly toward relinquishing our sovereignty over the Panama Canal. We built it. Panama has gained tremendously by it. She is getting very large sums of money in rent for it. We have negotiated the rent upward a number of times. So Panama is doing quite nicely. It is a country with 1½ million persons, and we, in effect, too, are guaranteeing her security, in the sense that, so long as the United States is there, she does not need to worry too much about being attacked from the outside.

So I think this is all to Panama's advantage. But even if it were not, I see no justification for the United States giving up sovereignty over that link between the Atlantic and the Pacific.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 748) making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 748) making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ORDER OF BUSINESS

The **PRESIDING OFFICER.** What is the will of the Senate?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDERS FOR RECOGNITION OF SENATORS, FOR TRANSACTION OF MORNING BUSINESS, AND FOR CONSIDERATION OF SURFACE MINING BILL, S. 425 ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees have been recognized under the standing order on Monday next, the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD) be recognized for not to exceed 15 minutes; that he be followed by the distinguished minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT) for not to exceed 15 minutes; and that there then be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 3 minutes, at the conclusion of which the Senate resume the consideration of S. 425, the surface mining bill.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that in lieu of the names of the Senator from Montana (Mr. MANSFIELD) and the Senator from Pennsylvania (Mr. HUGH SCOTT) on Monday with respect to the special orders for recognition, the names of the junior Senator from West Virginia (Mr. ROBERT C. BYRD) and the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) be inserted in lieu thereof and in reverse order, the Senator from Virginia (Mr. WILLIAM L. SCOTT) appearing first.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Monday, October 8, is as follows:

The Senate will convene at the hour of 10 a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished junior Senator from Virginia (Mr. WILLIAM L. SCOTT) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 15 minutes, following which there will be a period for the transaction of routine morning business for not to exceed 15 minutes with statements therein limited therein to 3 minutes, at the conclusion of which the Senate will resume the consideration of the then unfinished business, Calendar Order No. 378, S. 425, the surface mining bill.

Senators are urged to be prepared to call up their amendments on Monday. There is no time limitation on that bill or on amendments thereto. However, yea-and-nay votes could occur, ought to occur, and I hope will occur on Monday. Conference reports and any calendar items that have cleared the 3-day rule may also be called up.

Mr. President, that about sizes it up for Monday.

ADJOURNMENT TO MONDAY, OCTOBER 8, 1973, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until the hour of 10 a.m. on Monday next.

The motion was agreed to; and at 3:45 p.m., the Senate adjourned until Monday, October 8, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate October 4. 1973:

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert E. Huyser, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Felix M. Rogers, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of Title 10, Sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Alt, Anthony T., [redacted].
Barrett, Charles D., [redacted].
Barrett, William C., [redacted].
Berkman, William R., [redacted].
Bras, Pedro J., [redacted].
Buckley, N. C., [redacted].
Bunoski, Richard L., [redacted].
Carl, Gilbert O., [redacted].
Carter, Robert M., [redacted].
Dougherty, Edward S., [redacted].
Fetterman, Ronald E., [redacted].
Finfrock, Robert W., [redacted].
Fink, Jules [redacted].
Ford, Charles E., [redacted].
Gonzalez-Vales, L. E., [redacted].
Grant, Horace R. Jr. [redacted].
Harris, Clifton E., [redacted].
Henderson, J. D., [redacted].
Holt, George F., [redacted].
Huss, Philip Jr., [redacted].
Jenkin, Thomas H., [redacted].
Jones, Samuel A., Jr., [redacted].
Ketcham, Charles R., [redacted].
Kovacsofsky, John W., [redacted].
Kurrus, Clifford M., [redacted].
Leonard, Arthur C. J., [redacted].
Lindow, Arlie T., [redacted].
Madinger, Edward P., [redacted].
Murphy, Edward L., [redacted].
O'Rourke, Michael J., [redacted].
Papich, Henry J., [redacted].
Pearse, George A. Jr., [redacted].
Pigman, John H., [redacted].
Rodriquez-Balinas, Antonio, [redacted].
Roebuck, Alfred H., [redacted].
Rumble, Lewis H., [redacted].
Runyon, Dale L., [redacted].
Shettles, James H. [redacted].
Silver, George, [redacted].
Sloane, Shepard V., [redacted].
Stevens, Charles R., [redacted].
St Onge, Alfred J., [redacted].
Tulkoff, Myer S., [redacted].
Wagner, Walter W., [redacted].
White, William C., [redacted].
Wright, Trenton E., [redacted].
Yarbrough, C. R., [redacted].
Zeigler, Norman L., [redacted].

CHAPLAIN

To be colonel

Dolan, James F., [redacted].
Moffat, Robert C., [redacted].
Pennington, James L., [redacted].

DENTAL CORPS

To be colonel

Pinion, Ralph D., [redacted].

MEDICAL CORPS

To be colonel

Slesinsky, Frank A., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Comis, Samuel J., [redacted].
Gavazzi, Aladino A., [redacted].
Goldner, Herman, [redacted].
Mann, Fergus H., [redacted].
Panneton, Paul E., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Izutsu, Satoru, [redacted].

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3366, 3367, and 3383:

ARMY PROMOTION LIST

To be lieutenant colonel

Adams, Maseo A., [redacted].
Anderson, H. K. II, [redacted].
Appelbaum, L. T., [redacted].
Argersinger, D. B., [redacted].
Ashmore, Charles B., [redacted].
Ather, Stanley S., [redacted].
Bailey, David E., [redacted].
Baker, Phillips S., [redacted].
Baltimore, Sol P., [redacted].
Barnes, Fletcher H., [redacted].
Barney, William J., [redacted].
Barry, Francis P., [redacted].
Bendl, Charles Jr., [redacted].
Benson, Ted, [redacted].
Bergamini, Frank C., [redacted].
Birner, Richard E., [redacted].
Blau, Ronald A., [redacted].
Bonnick, William A., [redacted].
Borchardt, David T., [redacted].
Briney, J. R. III, [redacted].
Bugh, Ernest B. Jr., [redacted].
Bunnell, Donald H., [redacted].
Burke, John L., [redacted].
Bushong, Stuart A., [redacted].
Campbell, Calvin R., [redacted].
Cheney, Melvin J., [redacted].
Cleland, William H., [redacted].
Collier, Richard E., [redacted].
Condon, Frank E. Jr., [redacted].
Cornaire, Lee P., [redacted].
Costill, L. F. Jr., [redacted].
Cox, James A., [redacted].
Cox, James K., [redacted].
Cozzens, Charles R., [redacted].
Crowley, Robert F., [redacted].
Cude, Horace G., [redacted].
Daikeler, Raymond C., [redacted].
Dale, Ronald P., [redacted].
Dale, William S., [redacted].
Davis, Edward R. Jr., [redacted].
De Costa, Albert, [redacted].
De Sainti, Joseph A., [redacted].
Din, Jack H., [redacted].
Dinsmore, Paul F. Jr., [redacted].
Dudrow, Peter W., [redacted].
Eads, Dunavon, [redacted].
Edgin, Watson R. Jr., [redacted].
Etheredge, R. F., [redacted].
Evans, John W., [redacted].
Felton, John W. III, [redacted].
Ferreira, Louis A., [redacted].
Fields, George W., [redacted].
Fioramonti, Pius E., [redacted].
Fischer, Alden J., [redacted].
Fischer, J. G. III, [redacted].
Fisher, Robert E., [redacted].
Fisher, Robert J., [redacted].
Flake, J. L. Jr., [redacted].
Flandro, Scott C., [redacted].
Flesch, John J., [redacted].
Free, Woodrow A., [redacted].
Friend, Norman P., [redacted].
Furr, Carter B. S., [redacted].
Gibbs, Rollyn C., [redacted].
Glenn, Edward S., [redacted].
Granzow, Thomas W., [redacted].
Hackler, John P., [redacted].
Hagan, Jerry D., [redacted].
Hall, Harry H., [redacted].
Hall, Jack R., [redacted].
Hartsook, Richard M., [redacted].
Haught, James E., [redacted].

Hawkins, James C. Jr., [redacted].
Hefner, Robert L., [redacted].
Heiden, Charles V., [redacted].
Heil, John F. Jr., [redacted].
Henderson, J. S. II, [redacted].
Hermann, James A., [redacted].
Higgons, W. W. II, [redacted].
Hoffmann, Edward, [redacted].
Holland, John K., [redacted].
Howard, Robert D., [redacted].
Jablon, Arthur W., [redacted].
Jackson, Burwayne D., [redacted].
Jacobs, Robert W., [redacted].
Johnson, Jeremy W., [redacted].
Jones, Alvin W., [redacted].
Joy, Sherwood H., [redacted].
Julitz, Frank R., [redacted].
Keefer, James A., [redacted].
Kelly, William J., [redacted].
Kelso, Robert J. Jr., [redacted].
Kilmartin, T. J. III, [redacted].
Kratt, Charles F., [redacted].
Krawczyk, Leonard C., [redacted].
Kruse, John B., [redacted].
Larsgaard, William, [redacted].
Laufe, David M., [redacted].
Lenart, Ronald J., [redacted].
Leonard, Philip L., [redacted].
Lewis, Alvin J., [redacted].
Lundell, Carl E. Jr., [redacted].
Madison, James M., [redacted].
Manutes, Nicholas J., [redacted].
Mathews, David A., [redacted].
McCullen, Harry A., [redacted].
Meldrem, James D., [redacted].
Melefsky Edward A., [redacted].
Miller, N. M. Jr., [redacted].
Mitchell, John S., [redacted].
Moody, Joseph D., [redacted].
Moore, Ottie J., [redacted].
Morris, Charles B., [redacted].
Mravik, Mike S., [redacted].
Newman, Richard E., [redacted].
Nichols, Richard D., [redacted].
Nolley, Ronald E., [redacted].
Olive, Charles E., [redacted].
Passalacqua, D. F., Jr. [redacted].
Pelczarski, C. M. Jr., [redacted].
Pethtel, William R., [redacted].
Pobuk, John, [redacted].
Poston, Mendel L., [redacted].
Putman, Robert L., [redacted].
Richardson, John I. Jr., [redacted].
Roberts, Donald J., [redacted].
Roberts, John B., [redacted].
Robinson, J. S., [redacted].
Robinson, William T., [redacted].
Roche, Neil J., [redacted].
Rodrigues, Torres J., [redacted].
Schwartz, Ephriam R., [redacted].
Seay, Billie E., [redacted].
Seymour, Wiliam R., [redacted].
Shannon, Clayton E., [redacted].
Shashaty, Ray J., [redacted].
Shoemaker, Theodore, Jr., [redacted].
Sibley, Benjamin P., [redacted].
Simmons, Ralph E., [redacted].
Simons, K. L., Jr., [redacted].
Sittel, Melvin C., [redacted].
Skufca, Robert A., [redacted].
Smith, Joseph A., [redacted].
Smith, Robert J., [redacted].
Sommers, Duane C., [redacted].
Stephen, Thomas H., [redacted].
Stokinger, R. H., [redacted].
Strahan, Lyle E., [redacted].
Strang, Paul H., [redacted].
Stuck, Warren M., [redacted].
Teachey, Aubrey T., [redacted].
Thompson, Glen D., [redacted].
Trivieri, Lawrence A., [redacted].
Walden, Thomas L., [redacted].
Vaughn, Clifford E., [redacted].
Vollnogle, James C., [redacted].
Walden, Thomas L., [redacted].
Walker, David R., [redacted].
Walker, Nathan, [redacted].
Walters, Thomas J., [redacted].
Watts, Royce J., [redacted].
Weeden, Richard J., [redacted].
Wheaton, Roland W., [redacted].
White, Wayne L., [redacted].
Williams, Winston L., [redacted].
Windle, Robert H., [redacted].
Wolfenstine, M. R., [redacted].
Woods, Walter A., [redacted].
Wray, Charles H., [redacted].
Wright, James R., [redacted].
Yurich, John R., [redacted].
Ziccardi, Joseph S., [redacted].
Zimmerman, Leon B., [redacted].
Ziobro, Martin T., [redacted].

WOMEN'S ARMY CORPS

To be lieutenant colonel

Braun, Delores H., [redacted].

ARMY NURSE CORPS

To be lieutenant colonel

Shaw, James A., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Ham, Charles H., Jr., [redacted].
Smith, Edwin J., [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Hissong, Jerry B., [redacted].
Kruse Richard J. [redacted].
Lawson, Lowell F., [redacted].
Rutowski, Marian J., Sr., [redacted].
Scheyett, Walter E., [redacted].

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of Titile 10, U.S.C., Sections 591, 593, and 594:

MEDICAL CORPS

To be colonel

King, Avery P., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Erickson, James H., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Section 3385:

ARMY PROMOTION LIST

To be colonel

Baxter, Donald L., [redacted].
Call, Chellis H., [redacted].
Coffey, Chellis H., [redacted].
Conway, Vernon L., [redacted].
Feingold, Bernard, [redacted].
Gallagher, James E., [redacted].
Graves, James F., [redacted].
Gray, George H., [redacted].
Jefferds, William J., [redacted].
Keeling, John O., Jr. [redacted].
Markert, Frederick J. [redacted].
Montminy, Edward J., [redacted].
O'Bryan, Robert H., [redacted].
Reel, William A., Jr., [redacted].
Reynolds, Lyle E., [redacted].
Sartor, Johnnie Jr. [redacted].

CHAPLAIN

To be colonel

Thompson, Ernest E., [redacted].

MEDICAL CORPS

To be colonel

Hick, Joe B., [redacted].
Roberts, Paul A., [redacted].
Waller, John W., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Section 3385:

ARMY PROMOTION LIST

To be lieutenant colonel

Adams, Earl L., [redacted].
Bond, Richard E., [redacted].
Borges-Torres, Hermogenes, [redacted].
Bowen, Francis J., Jr. [redacted].
Brinkley, Billie J., [redacted].
Brooks, Clarence J., [redacted].
Brown, Dale B., [redacted].
Burns, James H., [redacted].
Comstock, Gerald G., [redacted].
Cornett, Jimmie H., Jr. [redacted].
Cox, Harold L., [redacted].
Danzilli, John A., Jr., [redacted].
Davis, William M., [redacted].
Dechert, Robert C., [redacted].
Dixon, Henry S., [redacted].
Farmer, Thomas D., [redacted].
Glenn, George T., [redacted].
Hall, Ernest E., Jr., [redacted].
Harrington, John F., [redacted].
Hilliard, John M., Jr., [redacted].
Hodgson, Joseph M., [redacted].
Hope, Wynson L., [redacted].
Householder, Ralph D., [redacted].
Hughes, James J., Jr., [redacted].
Hyatt, Ronald W., [redacted].
Keim, Stephen F., [redacted].
Mackey, Melvin M., [redacted].
Madigan, Edward F., [redacted].
Manley, James D., [redacted].
Mathieu, Jerome J., [redacted].
McBarron, James F., [redacted].
McGoff, John J., Jr., [redacted].
McMeekin, James L., [redacted].
Murray, Stanley A., [redacted].
Nelson, Howard W., [redacted].
Nichols, Donald E., [redacted].
O'Brien, William G., [redacted].
Parsons, Radford G., [redacted].
Phillips, Leonard P., [redacted].
Pollard, Riley T., Jr., [redacted].
Potocki, Thaddeus J., [redacted].
Schmoock, Norman W., [redacted].
Scott, Charles M., Jr., [redacted].
Sheldon, Robert C., Jr., [redacted].
Simmons, Henry G., [redacted].
Smith, Eugene P., [redacted].
Smith, Norman C., [redacted].
Smithhart, William L., [redacted].
Summerlin, Russell E., [redacted].
Sutton, Lewis J., [redacted].
Thompson, Ralph E., [redacted].
Trail, Van A., [redacted].
Traxler, David L., [redacted].
Troutman, Robert E., Jr. [redacted].
Varn, Jasper B., Jr., [redacted].
Winslett, Ronald D., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Georgakis, Nicholas G., [redacted].

AMBASSADOR

Stanley R. Resor, of Connecticut, Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations, for the rank of Ambassador.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 4, 1973:

DEPARTMENT OF STATE

James A. May, of California, for promotion from a Foreign Service Officer of class 3 to class 2 and to be also a Consular Officer of the United States of America.

DEPARTMENT OF JUSTICE

John R. Bartels, Jr., of New York, to be Administrator of Drug Enforcement.

Richard Van Thomas, of Wyoming, to be U.S. Attorney for the District of Wyoming for the term of 4 years.

John W. Stokes, Jr., of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years.

Thomas P. McNamara, of North Carolina, to be U.S. attorney for the eastern district of North Carolina for the term of 4 years.

William R. Burkett, of Oklahoma, to be U.S. attorney for the western district of Oklahoma for the term of 4 years.

Richard L. Thornburgh, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania for the term of 4 years.

Charles S. White-Spunner, Jr., of Alabama, to be U.S. attorney for the southern district of Alabama for the term of 4 years.

Dean C. Smith, of Washington, to be U.S. attorney for the eastern district of Washington for the term of 4 years.

James M. Sullivan, Jr., of New York, to be U.S. attorney for the northern district of New York for the term of 4 years.

Charles R. Wilcox, of Wyoming, to be U.S. marshal for the district of Wyoming for the term of 4 years.

Melpin A. Hove, of Iowa, to be U.S. marshal for the northern district of Iowa for the term of 4 years.

Isaac George Hylton, of Virginia, to be U.S. marshal for the eastern district of Virginia for the term of 4 years.

J. Pat Madrid, of Arizona, to be U.S. marshal for the district of Arizona for the term of 4 years.

William L. Martin, Jr., of Georgia, to be U.S. Marshal for the middle district of Georgia for the term of 4 years.

Frank M. Dulan, of New York, to be U.S. marshal for the northern district of New York for the term of 4 years.

Floyd Eugene Carrier, of Oklahoma, to be U.S. marshal for the western district of Oklahoma for the term of 4 years.

Christian Hansen, Jr., of Vermont, to be U.S. marshal for the district of Vermont for the term of 4 years.

Harold S. Fountain, of Alabama, to be U.S. marshal for the southern district of Alabama for the term of 4 years.

Marvin G. Washington, of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years.

Robert G. Wagner, of Ohio, to be U.S. marshal for the northern district of Ohio for the term of 4 years.

Charles S. Guy, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania for the term of 4 years.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

John B. Rhinelander, of Virginia, to be General Counsel of the Department of Health, Education, and Welfare.

James B. Cardwell, of Maryland, to be Commissioner of Social Security of the Department of Health, Education, and Welfare.

DEPARTMENT OF THE TREASURY

Meade Whitaker, of Alabama, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service).

RENEGOTIATION BOARD

Goodwin Chase, of Washington, to be a member of the Renegotiation Board.

Norman B. Houston, of Virginia, to be a member of the Renegotiation Board.

OZARK REGIONAL COMMISSION

Bill H. Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Allen Sharp, of Indiana, to be a U.S. district judge for the northern district of Indiana.

HOUSE OF REPRESENTATIVES—*Thursday, October 4, 1973*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. O'NEILL).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOM,
U.S. HOUSE OF REPRESENTATIVES,
October 4, 1973.

I hereby designate the Honorable THOMAS P. O'NEILL, JR. to act as Speaker pro tempore today.

CARL ALBERT,
Speaker of the House of Representatives.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Only fear the Lord and serve Him faithfully with all your heart, for consider what great things He has done for you.—I Samuel 12: 24.

Eternal God, who didst lead our fathers to bring forth on this land a new nation, conceived in faith, nourished by hope and dedicated to liberty: Give Thy grace to us their children that we may be mindful of our heritage and sure of Thee without whom no people can prosper, no nation can be secure.

Forgive us our sins, we pray Thee. We have erred and strayed from Thy ways, we have disobeyed Thy holy laws, we have sown the seeds of discord and dissension and are reaping the fruits of disorder and disaster. O God of our fathers, turn us to Thee in hearty repentance and with true humility. Pardon and deliver us from all our sins, confirm and strengthen us in all goodness and teach us to walk in Thy way doing justly, loving mercy, and living humbly with Thee. In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill and concurrent resolution of the House of the following titles:

H.R. 7976. An act to amend the act of August 31, 1965, commemorating certain historical events in the State of Kansas; and

H. Con. Res. 321. Concurrent resolution providing for adjournment of the House from Thursday, October 4, 1973, to Tuesday, October 9, 1973.

The message also announced that Senators MOSS and COOK were appointed as additional conferees on S. 1983, providing for the conservation, protection, and propagation of endangered species.

The message also announced that the Vice President, pursuant to Public Law 84–689, appointed Mr. NUNN as a delegate, on the part of the Senate, to the North Atlantic Assembly to be held at Ankara, Turkey, October 21–27, 1973.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OCTOBER 3, 1973.

The Honorable the SPEAKER,
U.S. House of Representatives,

DEAR MR. SPEAKER: Pursuant to the permission granted today, the Clerk has received from the Secretary of the Senate the following message: That the Senate passed without amendment H.J. Res. 753.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the authority granted to the Speaker on Wednesday, October 3, 1973, the Speaker did on that day sign an enrolled joint resolution of the House as follows:

H.J. Res. 753. Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a privileged report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CALL OF THE HOUSE

Mr. KEATING. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 498]

Alexander
Anderson, Ill.
Armstrong
Ashley
Blatnik
Broyhill, Va.
Buchanan
Burke, Calif.
Butler
Chappell
Chisholm
Clark
Collins, Tex.
Conyers
Davis, Ga.
Diggs
Dingell
du Pont
Eckhardt
Ford,
  William D.
Fulton
Gray
Gubser
Gude
Hanna
Hansen, Wash.
Harrington
Harsha
Hébert
Holifield
Johnson, Colo.
Jones, Ala.
Kemp
Kluczynski
Kuykendall
Kyros
Landrum
Leggett
Lent
Maraziti
Metcalfe
Mills, Ark.
Murphy, N.Y.
Nelsen
O'Hara
Owens
Patman
Powell, Ohio
Pritchard
Railsback
Rangel
Reid
Robison, N.Y.
Rooney, N.Y.
Rose
Rosenthal
Roybal
Runnels
Ruth
St Germain
Sandman
Seiberling
Staggers
Stark
Steiger, Ariz.
Stokes
Taylor, N.C.
Teague, Tex.
Tiernan
Veysey
White
Wilson,
  Charles, Tex.

The SPEAKER pro tempore. On this rollcall 362 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 542, WAR POWERS RESOLUTION OF 1973

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a conference report on House Joint Resolution 542 concerning the war powers of Congress and the President.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-547)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "War Powers Resolution".

PURPOSE AND POLICY

SEC. 2. (a) It is the purpose of this joint resolution to fulfill the intent of the framers of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations.

(b) Under article I, section 8, of the Constitution, it is specifically provided that the Congress shall have the power to make all laws necessary and proper for carrying into execution, not only its own powers but also all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof.

(c) The constitutional powers of the President as Commander-in-Chief to introduce United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, are exercised only pursuant to (1) a declaration of war, (2) specific statutory authorization, or (3) a national emergency created by attack upon the United States, its territories or possessions, or its armed forces.

CONSULTATION

SEC. 3. The President in every possible instance shall consult with Congress before introducing United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and after every such introduction shall consult regularly with the Congress until United States Armed Forces are no longer engaged in hostilities or have been removed from such situations.

REPORTING

SEC. 4. (a) In the absence of a declaration of war, in any case in which United States Armed Forces are introduced—

(1) into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances;

(2) into the territory, airspace or waters of a foreign nation, while equipped for combat, except for deployments which relate solely to supply, replacement, repair, or training of such forces; or

(3) in numbers which substantially enlarge United States Armed Forces equipped for combat already located in a foreign nation;

the President shall submit within 48 hours to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report, in writing, setting forth—

(A) the circumstances necessitating the introduction of United States Armed Forces;

(B) the constitutional and legislative authority under which such introduction took place; and

(C) the estimated scope and duration of the hostilities or involvement.

(b) The President shall provide such other information as the Congress may request in the fulfillment of its constitutional responsibilities with respect to committing the Nation to war and to the use of United States Armed Forces abroad.

(c) Whenever United States Armed Forces are introduced into hostilities or into any situation described in subsection (a) of this section, the President shall, so long as such armed forces continue to be engaged in such hostilities or situation, report to the Congress periodically on the status of such hostilities or situation as well as on the scope and duration of such hostilities or situation, but in no event shall he report to the Congress less often than once every six months.

CONGRESSIONAL ACTION

SEC. 5. (a) Each report submitted pursuant to section 4(a)(1) shall be transmitted to the Speaker of the House of Representatives and to the President pro tempore of the Senate on the same calendar day. Each report so transmitted shall be referred to the Committee on Foreign Affairs of the House of Representatives and to the Committee on Foreign Relations of the Senate for appropriate action. If, when the report is transmitted, the Congress has adjourned sine die or has adjourned for any period in excess of three calendar days, the Speaker of the House of Representatives and the President pro tempore of the Senate, if they deem it advisable (or if petitioned by at least 30 percent of the membership or their respective Houses) shall jointly request the President to convene Congress in order that it may consider the report and take appropriate action pursuant to this section.

(b) Within sixty calendar days after a report is submitted or is required to be submitted pursuant to section 4(a)(1), whichever is earlier, the President shall terminate any use of United States Armed Forces with respect to which such report was submitted (or required to be submitted), unless the Congress (1) has declared war or has enacted a specific authorization for such use of United States Armed Forces, (2) has extended by law such sixty-day period, or (3) is physically unable to meet as a result of an armed attack upon the United States. Such sixty-day period shall be extended for not more than an additional thirty days if the President determines and certifies to the Congress in writing that unavoidable military necessity respecting the safety of United States Armed Forces requires the continued use of such armed forces in the course of bringing about a prompt removal of such forces.

(c) Notwithstanding subsection (b), at any time that United States Armed Forces are engaged in hostilities outside the territory of the United States, its possessions and territories without a declaration of war or specific statutory authorization, such forces shall be removed by the President if the Congress so directs by concurrent resolution.

CONGRESSIONAL PRIORITY PROCEDURES FOR JOINT RESOLUTION OR BILL

SEC. 6. (a) Any joint resolution or bill introduced pursuant to section 5(b) at least thirty calendar days before the expiration of the sixty-day period specified in such section shall be referred to the Committee on Foreign Affairs of the House of Representatives or the Committee on Foreign Relations of the Senate, as the case may be, and such committee shall report one such joint resolution or bill, together with its recommendations, not later than twenty-four calendar days before the expiration of the sixty-day period specified in such section, unless such House shall otherwise determine by the yeas and nays.

(b) Any joint resolution or bill so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents), and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

(c) Such a joint resolution or bill passed by one House shall be referred to the committee of the other House named in subsection (a) and shall be reported out not later than fourteen calendar days before the expiration of the sixty-day period specified in section 5(b). The joint resolution or bill so reported shall become the pending business of the House in question and shall be voted on within three calendar days after it has been reported, unless such House shall otherwise determine by yeas and nays.

(d) In the case of any disagreement between the two Houses of Congress with respect to a joint resolution or bill passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such resolution or bill not later than four calendar days before the expiration of the sixty-day period specified in section 5(b). In the event the conferees are unable to agree within 48 hours, they shall report back to their respective Houses in disagreement. Notwithstanding any rule in either House concerning the printing of conference reports in the record or concerning any delay in the consideration of such reports, such report shall be acted on by both Houses not later than the expiration of such sixty-day period.

CONGRESSIONAL PRIORITY PROCEDURES FOR CONCURRENT RESOLUTION

SEC. 7. (a) Any concurrent resolution introduced pursuant to section 5(c) shall be referred to the Committee on Foreign Affairs of the House of Representatives or the Committee on Foreign Relations of the Senate, as the case may be, and one such concurrent resolution shall be reported out by such committee together with its recommendations within fifteen calendar days, unless such House shall otherwise determine by the yeas and nays.

(b) Any concurrent resolution so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents) and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

(c) Such a concurrent resolution passed by one House shall be referred to the committee of the other House named in subsection (a) and shall be reported out by such committee together with its recommendations within fifteen calendar days and shall thereupon become the pending business of such House and shall be voted upon within three calendar days, unless such House shall otherwise determine by yeas and nays.

(d) In the case of any disagreement between the two Houses of Congress with respect to a concurrent resolution passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such concurrent resolution within six calendar days after the legislation is referred to the committee of conference. Notwithstanding any rule in either House concerning the printing of conference reports in the Record or concerning any delay in the consideration of such reports, such report shall be acted on by both Houses not later than six calendar days after the conference report is filed. In the event the conferees are unable to agree within 48 hours, they shall report back to their respective Houses in disagreement.

INTERPRETATION OF JOINT RESOLUTION

SEC. 8. (a) Authority to introduce United States Armed Forces into hostilities or into situations wherein involvement in hostilities is clearly indicated by the circumstances shall not be inferred—

(1) from any provision of law (whether or not in effect before the date of the enactment of this joint resolution), including any provision contained in any appropriation Act, unless such provision specifically authorizes the introduction of United States Armed Forces into hostilities or into such situations and states that it is intended to constitute specific statutory authorization within the meaning of this joint resolution; or

(2) from any treaty heretofore or hereafter ratified unless such treaty is implemented by legislation specifically authorizing the introduction of United States Armed Forces into hostilities or into such situations and stating that it is intended to constitute specific statutory authorization within the meaning of this joint resolution.

(b) Nothing in this joint resolution shall be construed to require any further specific statutory authorization to permit members of United States Armed Forces to participate jointly with members of the armed forces of one or more foreign countries in the headquarters operations of high-level military commands which were established prior to the date of enactment of this joint resolution and pursuant to the United Nations Charter or any treaty ratified by the United States prior to such date.

(c) For purposes of this joint resolution, the term "introduction of United States Armed Forces" includes the assignment of members of such armed forces to command, coordinate, participate in the movement of, or accompany the regular or irregular military forces of any foreign country or government when such military forces are engaged, or there exists an imminent threat that such forces will become engaged, in hostilities.

(d) Nothing in this joint resolution—

(1) is intended to alter the constitutional authority of the Congress or of the President, or the provisions of existing treaties; or

(2) shall be construed as granting any authority to the President with respect to the introduction of United States Armed Forces into hostilities or into situations wherein involvement in hostilities is clearly indicated by the circumstances which authority he would not have had in the absence of this joint resolution.

SEPARABILITY CLAUSE

SEC. 9. If any provision of this joint resolution or the application thereof to any person or circumstance is held invalid, the remainder of the joint resolution and the application of such provision to any other person or circumstance shall not be affected thereby.

EFFECTIVE DATE

SEC. 10. This joint resolution shall take effect on the date of its enactment.

And the Senate agree to the same.

CLEMENT J. ZABLOCKI,
THOMAS E. MORGAN,
WAYNE L. HAYS,
DONALD FRASER,
DANTE B. FASCELL,
PAUL FINDLEY,
WM. BROOMFIELD,
Managers on the Part of the House.

J. W. FULBRIGHT,
MIKE MANSFIELD,
STUART SYMINGTON,
EDMUND S. MUSKIE,
G. AIKEN,
CLIFFORD P. CASE,
J. K. JAVITS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the joint resolution struck out all after the resolving clause and inserted a new text. Under the conference agreement the House recedes with an amendment which substitutes a new text explained below except for clerical corrections, incidental changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

Section 1 of the Senate amendment substituted "War Powers Act" as a short title in lieu of the short title "War Powers Resolution of 1973" in the House joint resolution. Section 1 of the conference substitute provides a short title of "War Powers Resolution".

PURPOSE AND POLICY

The Senate amendment contained a section entitled "Purpose and Policy" (section 2) and a section entitled "Emergency Use of the Armed Forces" (section 3) which defined the emergency powers of the President to introduce United States Armed Forces into hostilities or situations of imminent hostilities.

The House joint resolution did not contain similar provisions.

The conference report contains a section entitled "Purpose and Policy". The new section states that:

(a) the purpose of the joint resolution is to fulfill the intent of the framers of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations;

(b) Article I, section 8 of the Constitution provides the basis for congressional action in this area; and

(c) the constitutional powers of the President as Commander-in-Chief to introduce United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, are exercised only pursuant to (1) a declaration of war, (2) specific statutory authorization, or (3) a national emergency created by attack upon the United States, its territories or possessions, or its armed forces.

Section 2(c) is a statement of the authority of the Commander-in-Chief respecting the introduction of United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances. Subsequent sections of the joint resolution are not dependent upon the language of this subsection, as was the case with a similar provision of the Senate bill (section 3).

CONSULTATION

The House joint resolution provided for presidential consultation with the leadership and appropriate committees of Congress before and after the President introduces United States Armed Forces into hostilities or situations of imminent hostilities. The conferees modified the House provision, to provide for consultation with the Congress. Section 3 of the conference report is not a limitation upon or substitute for other provisions contained in the report. It is intended that consultation take place during hostilities even when advance consultation is not possible.

REPORTING

Section 4 of the conference report concerns reporting both the House joint resolution and the Senate amendment contained similar reporting provisions requiring the President to report to the Congress on specified actions. In the case of the House joint resolution, the reporting provisions triggered the subsequent congressional action provisions. In the Senate version, congressional action provisions were not triggered by the reporting provision, but were otherwise brought into play. Section 4 of the conference report draws on both the Senate and House versions. It requires that the President provide such other information as the Congress may request following his initial report on the introduction of United States Armed Forces, and further requires supplementary reports at least every six months so long as those forces are engaged. The initial presidential report is required to be submitted within 48 hours. The objective is to ensure that the Congress by right and as a matter of law will be provided with all the information it requires to carry out its constitutional responsibilities with respect to committing the Nation to war and to the use of United States Armed Forces abroad.

CONGRESSIONAL ACTION

Both the House joint resolution and the Senate amendment provided for termination within a specified time of presidential use of United States Armed Forces without a declaration of war or specific prior statutory authorization. The termination period in the House joint resolution was 120 days; in the Senate amendment, 30 days.

The conferees agreed on a 60 day period following the forty-eight hour period in which the President is required to report under section 4. The 60-day period can be extended for up to 30 additional days if the President determines and certifies in writing to the Congress that unavoidable military necessity respecting the safety of the troops requires their continued use in bringing about a prompt disengagement from hostilities.

In section 5(a) the conferees accepted the provisions of the House joint resolution relating to the transmittal of the presidential report to Congress, with amendments which (1) provide for the possibility of reconvening of Congress in case of adjournment in order to consider such report, and (2) provide that 30 percent of the membership of the respective Houses may petition for such reconvening.

The House joint resolution provided that use of United States Armed Forces by the President without a declaration of war or specific statutory authorization could be terminated by Congress through the use of a concurrent resolution. The Senate amendment provided for such termination by a bill or joint resolution. The conference report contains the concurrent resolution provision.

The House joint resolution provided for termination of certain peacetime deployments of United States Armed Forces through the elapsing of a time period in which Congress failed to approve such deployments. The Senate amendment did not include such deployments in its congressional action provisions. The conference report requires presidential reporting on such deployments but section 5(b) does not require their termination.

CONGRESSIONAL PRIORITY PROCEDURES

Both the House joint resolution and the Senate amendment contained congressional priority procedures. They differed primarily in that the House language specifically stipulated resort to a procedure of committee consideration while in the Senate version any pertinent bill or joint resolution was to be considered as reported directly to the floor of the House in question unless otherwise decided by the yeas and nays. The language agreed to by the conference in sections 6 and 7 corresponds to the House version including separately stipulated priority procedures for consideration of concurrent resolutions requiring removal of forces. The following changes, however, were made:

(1) language was added at the end of sections 6(a) and 7(a) allowing each House to change the procedures by the yeas and nays;

(2) the various time frames in section 6 for full cycle consideration of a joint resolution or bill were shortened to conform to the change in section 5(b) from 120 days to 60 days;

(3) following the reporting of a joint resolution or bill or concurrent resolution by the appropriate committee it was stipulated that the time for debate in the Senate shall be equally divided between the proponents and the opponents; and

(4) section 6(d) and section 7(d) provide for expedited conference committee procedures in the consideration of pertinent legislation passed by both houses.

TERMINATION OF CONGRESS

Section 7 of the House joint resolution provided a mechanism to insure that the time period provided for under section 4 of the joint resolution would not expire while Congress was in adjournment. The Senate amendment had no similar provision. The conference report does not contain the House provision on the grounds that the language of section 5 of the conference report had obviated the need of this section.

INTERPRETATION OF JOINT RESOLUTION

The Senate amendment contained definitions of certain terms. The House joint resolution, while incorporating some broad interpretations of the meaning of the joint resolution, did not contain such definitive language. The conferees agreed to combine both definitions and interpretations in a single section 8 with changes including:

(1) adoption of modified Senate language defining specific statutory authorization, and defining the phrase "introduction of United States Armed Forces" as used in the joint resolution;

(2) elimination of House language concerning the constitutional process requirement contained in mutual security treaties; and

(3) addition of Senate language which makes clear that the resolution does not prevent members of the United States Armed Forces from participating in certain joint military exercises with allied or friendly organizations or countries. The "high-level military commands" referred to in this section are understood to be those of NATO, the North American Air Defense command (NORAD) and the United Nations command in Korea (UNC).

SEPARABILITY CLAUSE

The Senate amendment contained a separability clause stipulating that, if any of its provisions or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to any other person or circumstance would not be affected. The House version did not contain a corresponding provision. The conferees accepted the language of the Senate amendment, with certain technical modifications.

EFFECTIVE DATE

Both the House joint resolution and the Senate amendment contained language providing that the legislation would take effect on the date of its enactment. This provision was not in disagreement.

CLEMENT J. ZABLOCKI,
THOMAS E. MORGAN,
WAYNE L. HAYS,
DONALD FRASER,
DANTE B. FASCELL,
PAUL FINDLEY,
WM. BROOMFIELD,
Managers on the Part of the House.

J. W. FULBRIGHT,
MIKE MANSFIELD,
STUART SYMINGTON,
EDMUND S. MUSKIE,
G. AIKEN,
CLIFFORD P. CASE,
J. K. JAVITS,
Managers on the Part of the Senate.

STATEMENT BY THE HON. CLEMENT J. ZABLOCKI ON THE WAR POWERS ACT OF 1973

Mr. ZABLOCKI. Mr. Speaker, today's action by the House and Senate conferees clears the way for final passage by Congress of the landmark war powers bill.

The purpose of this bill, which I introduced last May, is to restore the balance between the President and the Congress in war-making authority by limiting the power of the President to send American Armed Forces to combat in foreign lands without congressional approval. It would restore the rightful role of Congress under the Constitution.

History has demonstrated the need for this legislation. The Constitution specifically gives Congress the power to declare war.

In recent years Presidents have repeatedly assumed this authority by committing large American Forces to hostilities abroad without proper authorization from Congress.

Under this measure, the President must consult with Congress whenever possible before committing U.S. Forces to hostilities overseas. Should he introduce combat forces to hostilities abroad he must promptly report to Congress his reasons for assuming this authority.

If Congress does not give its approval within 60 days, the President must withdraw the forces. Congress can decree an earlier approval or withdrawal by passing a concurrent resolution.

It was reported that President Nixon intends to veto this legislation. I urge him in the spirit of his recent state of the Union message calling for "national leadership that recognizes that we must maintain in this country a balance of power between the legislative and the judicial and the executive branches of Government" to sign this Compromise War Powers Resolution.

The resolution so carefully and ably formulated by the conferees climaxes 3 years of effort in both Houses of Congress.

As chairman of the National Security Policy Subcommittee of the House Foreign Affairs Committee which worked on the House legislation, I wish to thank Chairman MORGAN, my colleagues, and numerous able witnesses for their help.

My appreciation goes likewise to the Senators who made this conference bill possible.

CLOSING OF THE SCHOENAU PROCESSING CENTER

(Mr. FISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FISH. Mr. Speaker, I was most distressed to learn that despite increasing international pressure, the Austrian Government has refused to reverse its decision to close the Schoenau processing center. President Nixon has urged Chancellor Kreisky to reconsider his decision "on humanitarian grounds and on geopolitical grounds of the highest order," but the Austrian Government is standing firm on its decision which amounts to yielding to terrorist demands.

I believe that the United States should redouble its efforts to persuade the Austrian Government to rescind the order closing Schoenau. The center has played a vital role in the processing and orientation of thousands of Jews who have chosen to emigrate from the Soviet Union to seek a life free from religious oppression in the State of Israel. The closing of the center is regarded by many Arab groups as a victory for terrorism and will only serve to encourage other acts of violence. If one set of demands is acceded to, other terrorist activities leading to yet further demands will surely follow.

Therefore, I am introducing a sense-of-the-Congress resolution today which would request the President, through formal and informal contacts with foreign officials, to call upon the Austrian Government to allow the processing center at Schoenau to continue to operate. In addition, it would urge all governments to take whatever actions are necesary to permit and facilitate the travel of refugees.

I will be sending out a "Dear Colleague" letter urging my colleagues in the House to join with me in this resolution expressing our belief in the need for further affirmative action by the United States. I feel that my resolution would serve as an appropriate vehicle for an expression of congressional concern in this matter.

EMPLOYMENT OFFERED TO MR. SEGRETTI

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I had the occasion yesterday to see part of the testimony of Mr. Donald Segretti before the Senate committee on television.

I suggest, since he is unemployed at the moment, that he would be an ideal employee for Mr. John Gardner of Common Cause.

CONFERENCE REPORT ON S. 1317, U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION ACT OF 1973

Mr. HAYS. Mr. Speaker, I call up the conference report on the bill (S. 1317) to authorize appropriations for the U.S. Information Agency and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of October 1, 1973.)

Mr. HAYS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, it will not take much time to explain the agreement reached in conference with the other body on S. 1317, the U.S. Information Agency Appropriations Authorization Act of 1973.

There were only five items in disagreement. The principal money difference involved the salaries and expenses provision. The House had voted an authorization of $203,279,000 for this provision; the Senate had voted $188,124,500—a difference of $15,154,500. The conferees agreed upon a figure of $196,000,000—a reduction by the House of $7,279,000 and an increase by the Senate of $7,875,500.

The House amendment carried a sum of $5,125,000 for special international exhibits compared with $4,125,000 in the Senate bill. In the interval between the Senate and the House action on this item, the President and General Secretary Brezhnev had agreed on another exhibit by the United States in the Soviet Union and the administration requested an additional $1 million for this purpose. The House version therefore included it. The Senate conferees accepted the House position.

The administration had requested an open-ended authorization of appropriations to cover salary and other employee benefits and devaluation costs. The Senate accepted this. The House amendment, however, included specific amounts for these two items—$7,200,000 for salary and employee benefits and $7,450,000 for devaluation costs. The Senate accepted the House position.

The House amendment contained a section that authorized USIA to sell to Little League Baseball, Inc., copies of a film "Summer Fever" dealing with Little League Baseball in the United States. This nonprofit corporation can show that film, but no charge may be made for viewing, nor can it be shown in connection with any fund-raising activities of the federally chartered corporation. I should note that this provision is necessary since USIA products cannot be disseminated in the United States without congressional approval. The conferees want to make clear that it is not their intention to give congressional approval to any and all requests that may result from this exception.

The House amendment also included a section dealing with access to information in the custody of USIA by the Committee on Foreign Affairs and by the Committee on Foreign Relations. Such requests will be in writing over the signature of the chairman of either committee acting on a majority vote of either committee. If such information is not forthcoming within 35 days the Agency will be unable to obligate any funds available to it.

The language is a modification of that which appeared originally in the State Department authorization bill and which was applicable to the principal foreign affairs agencies. As a result of that provision being ruled as nongermane because it went beyond the scope of the State Department authorization, the House language limited it to USIA whose funds are authorized in this measure.

Members will recall that this amendment was debated when the House had before it the USIA authorization bill, and it was retained by a recorded vote of 240 to 178. In conference the Senate accepted this language.

Mr. Speaker, I believe the House conferees have done well on this bill and I urge its passage.

Mr. MAILLIARD. Mr. Speaker, I did not sign the conference report. This does not mean I am opposed to the U.S. Information Agency. On the contrary, I believe USIA is doing a good job and should be adequately funded.

I did not sign the report solely because of my objection to section 4—concerning access to information. It is so sweeping that it could interfere with USIA's ability to continue the good job it has been doing. If section 4 were more limited, perhaps to certain specific types of information, I could accept it. But as now written, the section is simply too sweeping. It would require the cutting off of funds for the operation of USIA if after 35 days any information relating to the Agency, excepting only communications directly to and from the President, were not provided in response to a request by the House Committee on Foreign Affairs or the Senate Committee on Foreign Relations.

In the debate over whether to add this language to the USIA authorization bill, I said if we were foolish enough to adopt this amendment which the Senate invented, when we went to conference the Senate conferees would simply recede and concur before we could discuss how to improve the language. That is exactly what happened.

While USIA here in Washington is considered a separate Agency, overseas each USIS post is very much a part of the Embassy team and the Public Affairs Officer reports to the Ambassador. Confidentiality is essential to much of what USIS does overseas. In my opinion this amendment would make it more difficult for the Agency to carry out its mission.

Mr. HAYS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONFERENCE REPORT ON S. 1141, NEW COINAGE DESIGN AND DATE EMBLEMATIC OF THE BICENTENNIAL OF THE AMERICAN REVOLUTION.

Mrs. SULLIVAN. Mr. Speaker, I call up the conference report on the Senate bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 24, 1973.)

Mrs. SULLIVAN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 1141 to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special silver coins commemorating the Bicentennial of the American Revolution, and for other purposes.

Most of the provisions of S. 1141 as agreed to in conference were contained in both the House and Senate versions of the legislation and therefore were not charged in conference. These provisions briefly are as follows:

First. All dollar, half-dollar, and quarter-dollar coins minted for issuance between July 4, 1975, and January 1, 1977, will bear the date "1776–1976" and, on their reverse sides, designs emblematic of the Bicentennial of the American Revolution. These will be the standard circulating coins, made of cupro-nickel composition. The Secretary of the Treasury will have authority to continue the minting of these cupro-nickel commemorative Bicentennial coins indefinitely beyond the 18-month period specified, but those minted for issuance on and after January 1, 1977, will bear the actual year of coinage as well as a date emblematic of the Bicentennial.

Second. In order to provide sufficient manufacturing and storage facilities to assure an adequate supply of the new coins for commercial purposes as well as for Bicentennial souvenirs, the Bureau of the Mint will be permitted, on a temporary basis, to produce and store coins and medals at any of its non-coining facilities, such as the U.S. Bullion Depository at West Point, N.Y.

The conferees were required to deal with several other issues which were contained in the Senate version of the legislation but which were not in the House version. Among these were provisions relating to private ownership of gold and private transactions in gold, the mandatory minting of a special gold coin for the Bicentennial, and the mandatory production of at least 60 million Bicentennial coins to be made of 40-percent silver to be made for issuance between July 4, 1975, and January 1, 1977. Also contained in the Senate bill was a provision permitting the Bureau of the Mint to sell numismatic items with the receipts to be reimbursed to its appropriation to cover the costs of production.

COMPROMISES REACHED IN CONFERENCE

Because the issue of private ownership of gold and private transactions in gold had been disposed of in the conference report on the par value modification bill agreed to in the House on September 6 and in the Senate on September 7, and approved on September 21 as Public Law 93-110, the conferees on S. 1141 agreed that the issue was moot as far as S. 1141 was concerned, and the Senate receded.

The Senator also receded on the provisions of the Senate bill calling for the mandatory issuance of up to 60 million gold coins commemorating the Bicentennial. The House in turn receded and accepted the Senate provision permitting the Bureau of the Mint to produce and sell numismatic items and to reimburse its appropriation for the costs involved.

That left, as the major element in disagreement, the Senate provision calling for the mandatory issuance of at least 60 million silver Bicentennial coins. There was no provision on silver coinage in the House bill.

The conference agreement resulted from compromises on both sides. Under this agreement, the Secretary of the Treasury will be required to produce 45 million Bicentennial coins of 40 percent silver composition by July 4, 1975, and to offer them for sale directly to the public as proof of uncirculated coins at such prices as he shall determine. The legislation also authorizes the production of up to 15 million additional silver Bicentennial coins, if necessary to meet public demand. The Secretary is authorized to limit by regulation the number of silver-clad coins which may be purchased by any one person. Net receipts from the sale of the silver coins are to be covered into the Treasury as miscellaneous receipts.

The silver necessary for the production of silver Bicentennial coins is to be taken from supplies of silver held by the Treasury for the production of up to 150 million proof and uncirculated Eisenhower silver dollars authorized by title II of the Bank Holding Company Act Amendment of 1970, and the Bicentennial silver coins are to be counted against the 150 million silver coin limitation of the 1970 Act.

The conference report should be agreed to, Mr. Speaker, so that the Director of the Mint, the Honorable Mary Brooks, can begin immediately to organize a nationwide competition which is to be conducted under the supervision of the National Sculpture Society for designs for the new coins, and also to undertake the heavy responsibilities of having these coins produced in sufficient quantities by July 4, 1975.

Mr. GROSS. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Were these provisions for minting gold and silver coins in the House bill?

Mrs. SULLIVAN. They were not in the House bill but they were in the Senate bill.

Mr. GROSS. I thought that we would fittingly celebrate our 200th anniversary with the same scrap metal coins that we have been using and probably will continue to use. So in the conference it was agreed to mint millions of coins with 40 percent silver. What would be the gold content of those which are minted with reference to gold?

Mrs. SULLIVAN. There is no mandatory provision for gold coins. We discussed the idea of permitting a gold coin if the Secretary of the Treasury finds it practical to mint a Bicentennial gold coin.

Mr. GROSS. This is unbelievable. We have been told by certain members of the bureaucracy that gold is an anachronistic anachronism and a throwback to the feudal ages. It is impossible for me to conceive that this bill today would permit gold coins to be minted on this occasion.

Mrs. SULLIVAN. I think the gentleman would find that gold coins could not be and would not be minted. It would end up as a very, very small coin that really did not have enough significance, to be sold for at least $35 or more in view of the price of gold today.

Mr. GROSS. The fact that coins are to be minted with 40 percent silver is the suggestion of the other body and at the insistence of the other body?

Mrs. SULLIVAN. That is correct.

Mr. GROSS. And that there be permissive restrictions lifted permitting gold coins to be produced, whatever the quantity and whatever the denomination, I do not know, but this also is at the insistence of the other body. Is that correct?

Mr. WYLIE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I think there is some misunderstanding about whether this bill authorizes the minting of gold coins. The minting of gold coins is not authorized by this bill. It would authorize the minting of proof sets of silver alloy and then the bill provides: "in such quantities of such other metals as he determines appropriate." That language refers to use of the baser metals, the so-called cupro-nickel metals. We removed the provision which was in the Senate bill with reference to gold coins. So there is no authorization in the conference report that would permit any gold coins to be minted.

Mrs. SULLIVAN. If the gentleman will allow me, what we have agreed to is the mandatory minting of 45 million silver coins by July 4, 1975.

There was a discussion about giving the Secretary of the Treasury the permission, if it was feasible, to mint some gold coins.

Mr. WYLIE. That is my understanding. Let us put it this way. I would not necessarily say the gentlewoman is wrong. There was only one section in disagreement as far as I can remember in the House version and that had to do with the minting of silver-clad Bicentennial coins. We amended and accepted the Senate version on that. But there was one other section which was in disagreement between the House and the Senate, and the Senate receded to the House with reference to the minting of gold coins.

The gold coin provision, in other words, was knocked out entirely. In the bill it says:

> Notwithstanding any other provision of law with respect to the design of coins, the Secretary shall mint prior to July 4, 1975, for issuance on and after such date, 45 million silver-clad alloy coins authorized under Section 101(a).

On further, it says, such other coins as he may determine, "Containing such quantities of such other metal as he determines appropriate."

My understanding was, that referred to the coins we now have in circulation and refers to the making of these coins out of the baser metals, to wit, copper and nickel, so I would say there is no authorization of any gold coin in this bill.

Mrs. SULLIVAN. The gentleman is correct. There will be uncirculated or proof silver coins to the amount of 45 million that must be produced by July 4, 1975, for sale to the public. These are not for general circulation; they would sell at premium prices because they will be 40 percent silver.

Mr. GROSS. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Iowa.

Mr. GROSS. By uncirculated, does that mean they could not be used as common currency?

Mrs. SULLIVAN. They would be sold as proof sets, or sets of uncirculated coins. My understanding is that these coins will be sold to collectors in sets of three, consisting of a dollar, half dollar, and quarter.

Mr. GROSS. But they could not be used in everyday use?

Mrs. SULLIVAN. It would be very foolish to use them at their face value because they would contain silver and be issued as uncirculated coins at a premium price, so if anyone used them at face value he would be losing money.

Mr. WYLIE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, of course that is absolutely correct. It would be kind of foolish to circulate a proof silver dollar for only a dollar when one has to pay $10 for a proof set; or use an uncirculated silver dollar in commerce when it costs $3. A person could break up the proof set if he wanted to and spend it as a dollar. But, he would be very foolish.

Mr. GROSS. Well, with the scrap metal coins we have now, they will get a person just as far, will they not?

Mrs. SULLIVAN. In the marketplace, but not in the coin hobby. This is the argument we had in the conference with the Senate, because we wanted to give the Treasury permission to mint as many as they felt they could sell of these uncirculated silver coins, rather than require the issuance of a set number such as 60 million. We had to recede, so we agreed to require 45 million to be made, with permission granted to mint the other 15 million only if necessary to meet orders from the public. I develop that further in my remarks.

In case of any misunderstanding about gold coins, section 3 of the Senate bill directed the Secretary of the Treasury to coin and issue, or cause to be sold between July 4, 1975, and January 1, 1977, not exceeding 60 million gold goins commemorating the Bicentiennial. There was no comparable provision in the House amendment, and the Senate receded on this point, so it was not left in the bill. Mr. WYLIE explained that correctly.

Mr. SYMMS. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, could the gentlewoman make that clear, that there were 60 million silver-clad coins and we receded from that position to 45 million?

Mrs. SULLIVAN. We receded with an amendment from our opposition to the 60 million silver coins to be made for sale between July 4, 1975 and January 1, 1977. Under the conference agreement the authority to produce 60 million silver coins is still there, but 15 million of them do not have to be produced unless the Treasury has orders for them. And these coins do not have to be disposed of within an 18-month period, as the Senate bill had provided.

Mr. SYMMS. But there will be 45 million silver-clad coins?

Mrs. SULLIVAN. Yes, and they must be ready by July 4, 1975.

Mr. SYMMS. I thank the gentlewoman for yielding to me.

Mr. DENT. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I am happy to yield to the gentleman from Pennsylvania.

Mr. DENT. I have a brief observation to make. When I was a young fellow I was a member of the Marine Corps and traveled in many countries. I had a standard I could use, which was a surefire cinch, to know what kind of a country I was going into, by three simple things. Every country I went into that was poor economically sold stamps, coins, and had a lottery. We are doing all three things in my State right now.

Mrs. SULLIVAN. As chairman of the conference, I am, of course, pleased that we have now cleared the way for a prompt start on the production of special coins marking our 200th birthday as a nation.

While I have some strong misgivings about the merits of the agreement reached on silver coinage—because I think it will unduly burden the Bureau of the Mint in turning out by July 4, 1975, far more silver coins than there may be public demand for as proof or uncirculated coins sold at a premium—the managers on the part of the House at least managed to cut down the required production of silver coins from the 60 million contained in the Senate bill to 45 million.

CONTROVERSY OVER SILVER COINS

Under S. 1141 as passed by the Senate, these 60 million coins would have been available for sale only between July 4, 1975, and January 1, 1977. If that provision had been enacted, we could foresee the Treasury having left on hand a vast quantity of silver coins after January 1, 1977, which, under the law, it could not distribute. These coins would either have to be melted down or be kept in storage indefinitely until new legislation were passed providing for some means of disposing of them.

The 45 million silver coins provided for in the conference report do not have to be sold or disposed of by any specific date. The Treasury has advised us that it plans to offer these coins in sets of 3, so it will take 15 million orders to account for the 45 million silver coins authorized in the legislation. Normally, the Bureau of the Mint can expect orders for only about 3 million of any of its special numismatic offerings each year, so a great many citizens who do not usually buy proof or uncirculated coin sets will have to be encouraged to purchase sets of the Bicentennial silver coins if they are eventually to be sold.

The Senate conferees fought hard for their provision for 60 million or more silver coins and were adamant against a House proposal to provide for the minting of only enough silver Bicentennial proof and uncirculated coins to meet actual public demand. In view of other concessions made by the Senate to the House on this legislation, the House conferees finally moved to accept the Senate's counterproposal of requiring 45 million silver coins to be produced by July 4, 1975, with permission to the Mint to strike the remaining 15 million only if needed to fill orders.

USE OF SILVER SET ASIDE IN 1970 FOR EISENHOWER SILVER DOLLARS

There was, of course, a tremendous lobbying effort put forward by manufacturers of silver clad coinage material to require the production of large numbers of silver coins for the Bicentennial so that they could compete to provide the coils of strip from which the coins are struck. Although the silver will come out of Treasury stocks, the silver coin cladding material is manufactured outside the mint.

The bright expectations of these suppliers 3 years ago that 150 million Eisenhower silver dollars would quickly be purchased by the public at $10 each for the proof coins and $3 each for the uncirculated have not been realized and mint orders for silver cladding material were far below industry hopes.

Instead of 20 million of the proof coins and 130 million of the uncirculated being sold in only 2 years, as predicted in 1970, the mint has disposed of only about 7½ million of the proof silver dollars and about 10½ million of the uncirculated silver coins in the past 3 years.

Under the legislation before us, much of the silver set aside in 1970 from the defense stockpile for the production of 150 million Eisenhower silver dollars will now be used to produce at least 45 million Bicentennial silver coins, whether or not they can be sold.

In any event, the manufacturers will now be assured an opportunity to compete for immediate orders of large quantities of clad silver strip material, which the mint will have to buy.

I hope all 45 million of the silver coins can be sold eventually, at prices sufficient to cover the high market value of the silver they contain plus the substantial additional costs which go into the production and distribution of special numismatic items such as these. Under a provision insisted upon by the House conferees, these coins may be distributed only as proof or uncirculated coins, and cannot be disposed of through the banking system at face value. At present market prices of silver, these coins would contain silver worth almost as much as their face value, and if the price of silver rises back to levels it reached several times in recent years, they would be worth more as silver than their face value. Hence, there would be no sense at all in distributing them at face value only to have them melted down for their silver content, as has happened in the past 4 years with hundreds of millions and perhaps billions of other silver coins.

MUCH INTEREST IN A GOLD COIN

Mr. Speaker, many numismatists and other citizens would like to see a gold commemorative coin minted for the Bicentennial and the Senate bill required that such a coin be designed and struck and up to 60 million of them issued for sale between July 4, 1975, and January 1, 1977. Because of the uncertainties in the international monetary situation and in the future role, if any, of gold in that area, and also because of the gyrating price of gold on the world market, the conferees agreed to eliminate the Senate bill's requirement for a Bicentennial gold coin. We can perhaps reconsider this issue in the next Congress, in plenty of time to have a gold Bicentennial coin if the situation so warrants. But we cannot wait until next Congress to authorize new Bicentennial designs on the circulating coins if we are to have them available for the Bicentennial period in sufficient quantitiees to meet what will undoubtedly be a huge demand for coins—both for commerce and for collector purposes. Thus I am glad that we have brought this bill to the point of final passage so that the mint can begin its preparations for what will be a tremendous production challenge.

A BIPARTISAN EFFORT

Mr. Speaker, while many members of the subcommittee, and Chairman PATMAN and the ranking minority member of the full committee, Mr. WIDNALL, were all most helpful in developing this legislation, I want to thank particularly the ranking minority member of the subcommittee, Mr. WYLIE. He was most conscientious and I appreciate his thoughtfulness and understanding. It has been a pleasure to work with him on this legislation, which was handled from start to finish in a nonpartisan effort to provide our citizens with coinage appropriate to a national anniversary of such significance as our 200th birthday.

I urge adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of the conference report. The gentlewoman from Missouri did an excellent job of explaining the conference report and I will not belabor the point.

I should like to say there was really only one point of disagreement so far as S. 1141 was concerned. The Senate receded to the House on all but one provision in disagreement. The provision with reference to gold which was in the Senate bill was removed by agreement, so that is not an issue before us today.

We accepted the position of the other body with reference to the production of 45 million silver Bicentennial coins. It was agreed that 45 million would be minted, and 15 million more be authorized if there appears to be public demand for them.

As the bill now stands, it is approved by the Treasury Department.

I believe we have a good bill. I believe the legislation is needed and we need to have prompt enactment of the legislation so that we can get on with the minting of these coins.

I urge the immediate adoption of the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Iowa.

Mr. GROSS. Would not the gentleman consider it more fitting if we did not again resort to gimmickry, if we minted these mementos out of the same old scrap metal we are using today? Are we kidding anyone by coming out with 45 million, 40-percent silver coins? We are only kidding ourselves, if we do

Mr. WYLIE. I am not sure I understand the gentleman's position. Is the gentleman suggesting we make the coins from some other metal?

Mr. GROSS. Exactly so and out of the sandwich stuff we have today, that has less than a penny's worth of intrinsic value in a 25-cent piece. That is what I am talking about. Why kid ourselves on the 200th anniversary of this country that we have silver money in circulation, when we would have only 45 million of such coins?

Mr. WYLIE. As I understand the gentleman's position, he is arguing against the provision which would authorize the minting of silver coins; is that correct?

Mr. GROSS. I am for going back to the minting of silver coins tomorrow, but I am not in favor of kidding ourselves by using this kind of gimmickry simply because it will be our 200th anniversary.

Mr. WYLIE. It is a matter of degree, if the gentleman from Iowa will permit me to say so. There is authorized in this bill the minting of 60 million silver-clad coins, which is a move in the right direction, so far as the position of the gentleman from Iowa is concerned.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Is it true that only a small number of companies are capable of performing this work on providing the material for the minting of silver coins? If it be true that several private companies benefit from the Bicentennial, I believe the House should be advised which companies will be working on such material.

Mr. WYLIE. The U.S. Mint will mint these coins.

Mrs. SULLIVAN. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CRONIN. Mr. Speaker, on rollcall No. 486, on the Agriculture Act Technical Amendment, I was present and voted "yea," but was not recorded. Had I been recorded, I would have been shown as voting "yea."

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I have asked for this time in order to ask the distinguished acting majority leader, the gentleman from California (Mr. McFALL), if he is in a position to inform the House as to the program for next week and the remainder of this week.

Mr. McFALL. Mr. Speaker, will the distinguished acting minority leader, the gentleman from Arizona (Mr. RHODES) yield?

Mr. RHODES. I yield to the gentleman.

Mr. McFALL. Mr. Speaker, I will be happy to respond to the gentleman's inquiry.

Mr. Speaker, we will next consider House Joint Resolution 748, par value modification appropriations for fiscal year 1974.

As the gentleman knows, we have already passed the resolution to adjourn over until Tuesday.

The program for the House of Representatives for next week is as follows:

On Monday, we will have, of course, the Columbus Day recess.

On Tuesday and for the balance of the week, the program is as follows:

H.R. 9682, District of Columbia self-government bill, under an open rule, with 4 hours of debate. The Committee on Rules has just granted that rule;

House Joint Resolution 727, continuing appropriations, fiscal year 1974, which is a conference report;

H.R. 10614, military construction authorization, subject to a rule being granted; and

H.R. 10203, Water Resources Development Act, subject to a rule being granted; and

H.R. 9681, Emergency Petroleum Allocation Act, subject to a rule being granted.

Of course, this is subject to the usual reservation for the consideration of conference reports, which may be brought up at any time. Any further program will be announced later.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Speaker, reserving the right to object—and I shall not object—will the gentleman tell us the status of the adjournment resolution?

Mr. McFALL. Is the gentleman referring to the status of a resolution on adjournment sine die?

Mr. GROSS. No, I am referring to the adjournment over the weekend.

Mr. McFALL. Mr. Speaker, as I understand it, we have passed the adjournment resolution.

Mr. GROSS. Was that a House resolution?

Mr. McFALL. Yes, it was.

Mr. GROSS. Mr. Speaker, it is not subject to concurrence on the part of the other body?

Mr. McFALL. Mr. Speaker, it has been passed by both Houses. The adjournment is for 4 days instead of the usual 3 days, so we will not have to meet in a pro forma session tomorrow.

Mr. GROSS. Mr. Speaker, it is my understanding that the other body is saying that in disposing of legislation they are so far ahead of the House—the House in effect has been dilatory—that they are going to quit for some 2 weeks.

Mr. Speaker, that resolution has not come to the House as yet, or may they adjourn for 2 weeks without concurrence of the House?

Mr. McFALL. Mr. Speaker, that has not come to the House. That is not the resolution which I was discussing.

The one which I was discussing is the 4-day resolution permitting us to go over until Tuesday next, for the Columbus Day recess. The resolution or the possible resolution which the gentleman was referring to, which might permit the other body to be in recess for 2 weeks, has not come over. It is merely being discussed by the House and Senate leadership.

I am not certain that there is any definite or definitive—if I might use that word—decision made as yet concerning that recess, although I understand the leadership of the Senate would like to take such a recess for 2 weeks.

Mr. GROSS. On the basis that the House has been dilatory and has not done its work; that the other body is not at the present time considering any legislation at all?

Mr. McFALL. Well, in my conversations or in the conversations where I have been present with the Senate leaders, there was no indication on their part that they believe the House has been dilatory in any way. It is merely that the legislation which we are working on happens to be in the House.

Mr. GROSS. Well, Mr. Speaker, I trust the distinguished gentleman from California has read the public statement made by one of the Members of the other body that they can adjourn because the House is so far behind. For whatever reason, the House is far behind the other body in its work.

Does the gentleman really believe that?

Does the gentleman think that on that basis the other body ought to be turned loose to kick up its heels and go on various junkets at home and abroad?

Mr. McFALL. I did not draw the same conclusion that the gentleman did, in my conversations with the Senate leaders. I do not believe they are saying we are dilatory in any way. They are merely saying that the important legislation which is in the legislative mill is on the House side of the Capitol at this time.

As the gentleman knows, we have home rule coming up next week. We hope to have the trade bill coming up the week after that. We have the military construction authorization bill next week. We have the foreign aid appropriations bill which awaits the conference report on foreign aid, which is being considered by the Senate this week. We have the defense appropriation bill which must await a markup because of the conference between the House and the Senate on the procurement legislation. So that most of the work is being done by the Members of the House. That legislation will be ready and will go over to the Senate very shortly.

Mr. GROSS. So that if they stay around and are interested in sine die adjournment before Christmas Eve, there is plenty of work for both bodies to do. Is that not correct?

Mr. McFALL. Well, I would say yes, the gentleman is very correct.

Now, there may not be legislation for action on the Senate floor. I do not know about the Senate Calendar. I make no comments on it. But I would say to the gentleman that there is an immense flood of legislation that has to be cleared in conference.

I am sure that the gentleman from Texas, the chairman of the Committee on Appropriations, would like to make some comment on this if the gentleman would yield to him, because I have discussed the problem with him this morning. He has been working on it with the Senate. He has, I think, some very important comments which the gentleman would like to hear.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield.

Mr. MAHON. Before the other body at this moment is the $33 billion Labor-HEW appropriation bill. It may pass today. It passed the House, of course, in June. We are hopeful that we may go to conference very soon, so that we might possibly send it to the White House late next week. Whether that can be achieved or not I do not know.

I would like to say to the gentleman from Iowa that certainly he is correct in assuming that this body has not been dilatory in undertaking to consider business which has been presented to it.

Let us consider the appropriation bill for Agriculture-Environmental and Consumer Protection. The House and the Senate passed this bill quite some time ago. The bill has gone to conference and the House has passed the conference report. It is in the other body. The other body has not taken action on that. I am hopeful that the other body will take action on the conference report in the very near future.

The HUD-Space-Science-Veterans appropriation bill has passed both bodies. It has gone to conference. The House has passed the conference report, but the other body has not yet agreed to the conference report. I hope an agreement can be reached soon.

State-Justice has passed both bodies but has not gone to conference. There are certain authorization problems.

The Treasury-Post Office appropriation bill has passed both bodies and is scheduled to go to conference next week.

The legislative bill passed the House and the Senate earlier and is scheduled to go to conference next week.

Of course, one of the urgent matters to be considered next week is the second continuing resolution.

I would point out that the House passed 9 of the 13 regular annual appropriation bills before the new fiscal year began on July 1. Another passed on August 1. Three regular appropriation bills remain—defense, military construction, and foreign operations—but there continues to be authorization problems associated with these bills. We finished appropriation hearings on foreign operations and military construction before the August recess and have been awaiting authorizing legislation. We are in the final stages of hearings on the big defense bill and will be in a position to begin working on a bill when the authorizing legislation is finalized.

In addition to the regular annual appropriation bills, we have at this session passed three continuing resolutions, two supplemental bills, and today will have before us a measure to provide funds for certain international financial institutions in accordance with the par value modification legislation.

So I would say that the House has done a very respectable job of dealing with these matters, and I would not want to leave the implication that the House has not been very active and progressive in its efforts to handle legislation.

Of course, if we can do a monumental job on moving these bills next week we will be in a much better position.

Mr. GROSS. I would not want anyone to leave that impression, either, I will say to the gentleman from Texas, and I appreciate very much the gentleman's comments.

Mr. MAHON. I thank the gentleman for yielding.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mrs. SULLIVAN. Mr. Speaker, I was present on October 2 when the vote was taken by electronic device on the conference report on S. 795, to amend the National Foundation on the Arts and Humanities Act of 1965. Although I inserted my card in the terminal and thought that my vote was properly recorded, rollcall 488 appearing at pages 32379–80 shows I was absent and not voting. Had the electronic devise recorded my vote properly, I would have been recorded as voting "aye."

PAR VALUE MODIFICATION APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to the unanimous-consent request which was granted by the House on October 2, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 748) making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 1½ hours, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, Mr. Speaker, was this not established when the gentleman from Texas made his request that the House would go into the Committee of the Whole House on the State of the Union with an hour and a half of general debate? I do not see why this further request is necessary.

Mr. MAHON. The gentleman from Iowa is correct that I did make a unanimous consent request.

Mr. GROSS. And there is no reason for making a further request now.

Mr. MAHON. The actual unanimous consent request did not make reference to the time of debate. I indicated during a colloquy with the gentleman from Iowa that I would request 1½ hours of debate when the bill was brought before the House and that is the reason for such a request at this time.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 748), with Mr. BRADEMAS in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 45 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 45 minutes.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself 5 minutes.

DEVALUATION OF THE DOLLAR

Mr. Chairman, we have before us a more or less routine appropriation bill having to do with the devaluation of the American dollar. The dollar was devalued last year by 7.89 percent, and the Congress took action to confirm this devaluation and appropriated $1.6 billion for the purpose of permitting the United States to maintain the value of its contributions to certain financial organizations.

This year the dollar has been devalued by 10 percent, so we have had the devaluation of 10 percent plus 7.89 percent, but actually the dollar has fallen further than just 10 percent plus 7.89 percent. The acceleration value of other currencies and the world monetary situation generally makes it correct to say that the dollar has lost about 30 percent of its value within recent months.

Why should we be appropriating about $2 billion as a result of the devaluation of the dollar? Rightly or wrongly, over a period of years the U.S. Government under various administrations has joined various international monetary institutions. Congress, upon the recommendation of the executive, approved our joining these institutions. Those financial institutions are the International Monetary Fund, the International Bank for Reconstruction and Development, which is known as World Bank, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank.

It was provided that all countries joining these financial institutions would maintain the par value of their contributions, and so if a country devalues its currency, it has to put up additional funds in order to maintain the par value of its original contributions to these financial institutions. In the past there have been about 200 devaluations involving 60 countries. The amount involved over time by other countries has exceeded $10 billion.

I was a little surprised that there have been so many devaluations and so many actions on the part of various countries to maintain the par value of their contribution to these international financial institutions. No country, according to the testimony we received, has ever defaulted in its responsibility to maintain the par value of its contribution to these organizations.

The House and Senate a few weeks ago approved the devaluation of the dollar by an overwhelming vote. The fact is that the devaluation was an accomplished fact at the time we took this action. The Congress approved the devaluation of the dollar and the President signed the measure into law on September 21. He signed into law last year the devaluation on March 31 of 1972. So the Government—the executive branch and the legislative branch—has taken action to make it mandatory that we maintain the value of the American dollar which has been provided to these financial organizations.

The law provides:

> The Secretary of the Treasury is authorized and directed to maintain the value in terms of gold of the holdings of the United States dollars of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank to the extent provided in the articles of agreement of such institutions.

So we have really, as I see it, no alternative other than to make this appropriation.

THE PURPOSE OF THE JOINT RESOLUTION

The joint resolution would appropriate such sums as may be necessary—but not to exceed $2,203,000,000, to enable the Secretary of the Treasury to carry out the provisions of section 3 of the Par Value Modification Act, Public Law 92–268, as amended. That law authorizes and directs the Secretary to maintain the value in terms of gold of the holdings of the U.S. dollars of the financial institutions I just referred to.

There are three different kinds of obligations to which maintenance of value applies. They result from: First, participation in the International Monetary Fund, second, the callable capital and other contingent obligations of the international development banks, and third, paid-in capital subscriptions to these institutions.

A supplemental appropriation request from the President for this purpose is contained in House Document 93–106 of May 29, 1973.

COMMITTEE ACTION

The budget estimate submitted to Congress in May requested $2,250 million in new budget—obligational—authority for maintenance of value requirements associated with the above mentioned international financial institutions. The committee recommends an amount of not to exceed $2,203 million—a reduction of $47 million. During the course of committee deliberation it developed that the lower figure would be sufficient for the following two reasons.

Although the May budget submission requested $2,250 million, it was actually estimated that an appropriation of only $2,225 million would be required. The additional amount of $25 million was transmitted because exact maintenance of value obligations are fixed at the time the United States formally communicates its par value change to the International Monetary Fund. More recent calculations confirm that it is not necessary to appropriate the $25 million included in the budget estimate to provide leeway for possible increases in U.S. dollar holdings before the par value notification is officially made.

In addition, it was established that $22 million of the $1.6 billion appropriated last year for maintenance of value would not be required to fulfill obligations resulting from the 1972 devaluation. Since these funds were authorized and appropriated to fulfill maintenance of value obligations, the $22 million remains available for use in connection with the proposed change this year in par value. The committee has likewise applied this reduction to the pending request.

It is estimated only a part of the total appropriation will actually result in budget expenditures.

Of the $2,203 million, $477 million will be expended over a 13-year period, with $12 million to be spent in 1974. The expenditures are associated only with the paid-in capital part of our contributions. Hopefully none of the rest of the remaining appropriation, $1,756 million, will result in outlays. It will instead be issued in letters of credit and callable capital which back up financial commitments of the international financial organizations. In the past these letters of credit and callable capital have never been utilized.

It was testified to that in the past, some 200 devaluations have been made by other countries that are members of the international financial institutions which have resulted in over $10 billion in maintenance of value payments to these institutions. Never in the history of these organizations has a nation reneged on its obligations. It would indeed be sad if we were the first.

Many Members have asked, why do we have to do this? Is it just more foreign aid we are appropriating?

Obviously, we could do nothing. But if we failed to pass this measure, it would mean repudiating a law that we passed only 2 weeks ago pledging our Government to take this action. Additionally, we would be violating articles of agreement in regard to these international financial development institutions. Regardless of your feelings about this matter, it is clear that the Congress over the past years has formally taken actions which obligate us to make this appropriation.

INCREMENTAL FUNDING OF THE U.S. LIABILITY

It has been suggested that we appropriate only $12 million, that is, only the estimated expenditure amount applicable to fiscal year 1974. But the other parts of our contributions—the callable capital and the International Monetary Fund—

are just as important and legally binding as the $12 million.

Appropriating only $12 million just simply does not live up to our legal and moral commitments.

The law authorizes and directs the Secretary of the Treasury to maintain the value of our contributions in these international financial institutions. The bill devaluing the dollar by 10 percent passed the House 322 to 59, an overwhelming majority.

The law does not talk about maintaining the value of just a part of our contributions.

Additionally, we have commitments to maintain the value of our contributions because of the articles of agreement that the United States signed when we joined these organizations.

This is exactly the same law and procedure that the Congress followed in May 1972 regarding the first devaluation.

It would be disgraceful if the United States became the first government in history that failed to honor the commitment it had legally entered into with these international financial institutions.

Actually the appropriation for dollar devaluation is to some extent a paper transaction. The law and the appropriation validates our commitment to maintain the value of the dollar in these organizations. But actually of this money we are appropriating, only about $12 million of it will be expended during the current year and in the next 12 years only $477 million of it will be expended. But all of the appropriation or substantially all of the appropriation is necessary in order for us to fulfill the requirements of the law.

So I urge my colleagues to support the appropriation bill, as they have by an overwhelming vote supported the authorization of the appropriation which we are providing in the pending resolution. These funds can only be devoted to the specific purposes set forth in the legislation. If they are not used for those purposes they can be used for no other purposes at all.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. This comes after the fact, does it not, of actual devaluation? In other words, section 286(c) of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreement Act, provides as follows:

> Unless Congress by law authorizes such action neither the President nor any other person or agency shall on behalf of the United States agree to any change in the par value of the United States dollar.

The dollar has been devalued for all practical purposes prior to this time. Does the gentleman not agree with that?

Mr. MAHON. The dollar has, for practical purposes, been devalued. This was immediately reflected in the marketplace.

We have over a period of years made contributions to these international institutions and we are committed to maintaining the value of these dollars in these various institutions. The money has already been appropriated by Congress for our participation in these organizations. Of course each year there is usually a request for additional funds.

Mr. GROSS. And that without authorization by law?

Mr. MAHON. No.

Mr. GROSS. An appropriation went through the House this afternoon providing $7.5 million in the USIA bill due to devaluation; to take up the shortfall in the dollar due to devaluation.

Mr. MAHON. The Congress has approved the devaluation of the dollar. The House and the Senate have also approved appropriations for these organizations and we have mandated the expenditure of the necessary amount of the funds to maintain par value, so I do not see anything we can do other than to provide these funds. The official devaluation from the standpoint of these institutions is dependent upon the legislation enacted by the Congress. But for all practical purposes when the operation was begun by the executive branch to devalue the dollar, it was an accomplished fact as reflected in the marketplace.

Mr. GROSS. If the gentleman will yield further, this means that in the last 2 years Congress will have approved, if this resolution is passed, a total of almost $4 billion to take care of the shortfall in the dollar due to two devaluations. Is that not correct?

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. MAHON. Mr. Chairman, I yield myself 5 additional minutes.

The Congress has approved appropriations of $1,600,000,000 and we are today considering an additional $2,200,000,000, which would make about $3.8 billion or close to $4 billion as the gentleman indicates. This is a regrettable situation, but our lack of proper balance of trade, our chronic payments imbalance, the large amount of dollars in foreign hands, our domestic inflation, the lack of restraint in Federal spending, failure to provide adequate revenue in order to pay the expense of the Government and many other factors have contributed to the situation with which we as a nation are confronted.

With respect to the measure before us today, all we can do now is pick up the tab. If, in the future, we do not want to contribute to these organizations, then we will have a lesser devaluation problem, but we still will have the responsibility with respect to past contributions to these various international organizations.

Mr. GROSS. Mr. Chairman, will the gentleman then agree with me that if Congress is going to be in on the crash landing, as we are here today, we ought to be taken in and considered on the take-offs. In other words, Congress was not consulted about the devaluation in any way, shape, form, or manner, so far as I know. There is no commitment on Congress to honor this devaluation, because we were not a party to the original deal.

Mr. Chairman, I want to take time, if the gentleman will yield further, to commend the gentleman from Texas, the gentleman from Louisiana (Mr. PASSMAN), and the gentleman from Mississippi (Mr. WHITTEN), in particular, for the questions they addressed to Mr. Volcker of the Treasury in connection with this devaluation, and this appropriation because of devaluation. I certainly want to commend them for the questions they asked as well as other members of the committee. I recommend the hearing to the reading of all Members of the House.

Mr. MAHON. Mr. Chairman, I thank the gentleman. The hearings are brief but they are very revealing. I appreciate the words of commendation which the gentleman from Iowa has expressed, and I share his concern that we do a better job of managing these matters in the future.

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Chairman, referring to the report at the bottom of page 6 and top of page 7, we find the following language:

> The maintenance of value of $477 million relating to paid-in subscriptions will have eventual budgetary impact. However, this amount will be paid in the form of letters of credit and these letters of credit will have a cash impact only as they are drawn down.
>
> A disbursement on these letters of credit and a resulting budgetary impact of $12 million are anticipated in fiscal year 1974. The remaining drawdowns are expected to be spread out relatively evenly between 1975 and 1986.

If this is the case, why is it that we must this year appropriate the total in this particular category of $477 million?

Mr. MAHON. We must do this because as a nation we have signed articles of agreement, and have pledged our honor that we would do so. This is what the Congress provided for in the authorization legislation and this is what we have provided for here.

It happens that this is the way the matter has been handled. I have here a letter from the Under Secretary of the Treasury, Mr. Volcker, from which I will read this paragraph:

> This obligation falls due at the time the par value of the dollar is changed.

This is what he says, and he is the ultimate authority in the Treasury:

> To meet this obligation, the funds requested through the appropriation process must be available in full. This is so despite the substantial reduction in the real financial cost to the United States resulting from the fact that a very large part of the obligation—$1.7 billion—is not expected to result in expenditures, and the rest—$477 million—will only result in expenditures over a period of about 10 years. However, unless the full appropriation is available, we will not have the legal authority to enter into these international financial commitments that flow from devaluation.

He emphasizes, "The legal authority."

Mr. ROUSH. Mr. Chairman, I appreciate my chairman's responses; however, I am compelled to vote against this bill.

Mr. Chairman, my vote is a vote of protest. While the Congress did approve, and I concurred, the latest devaluation of the dollar, the administration acted contrary to law and the manner by which devaluation was reached is subject to criticism. Mr. FLYNT of Georgia has correctly pointed out the pertinent provision of law. Section 286C of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreement Act provides:

> Unless Congress by law authorizes such action neither the President nor any person or agency shall on behalf of the United States . . . propose or agree to any change in the Par Value of the United States dollar.

This has been accomplished but contrary to this provision of law and today we see the natural consequences of that action—The President has asked that we appropriate $2.25 billion to maintain the value in terms of gold of the holdings of the U.S. dollars of the International Monetary Fund and the four international development lending institutions. This request is in addition to budget requests submitted last January.

In addition to the above argument there is an additional argument which I think is persuasive. It is not necessary to appropriate the total amount requested. My Chairman's statement would indicate that at the most $447 million is needed to care for the immediate problem caused by the dollar devaluation and only $12 million of that is needed in fiscal year 1974. The balance is requested to maintain the value of callable capital, a contingent liability. It has never been called in the past and it is highly unlikely that these subscriptions will be called in the future; nonetheless, we are called upon to appropriate these funds which total over $2 billion. My protest stands and my "nay" vote reflects my position.

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may consume.

I believe the distinguished chairman of the Committee on Appropriations has adequately explained the situation with which we are confronted here today. I should add that the Appropriations Committee unanimously approved this resolution. We did have an amendment offered in the committee, which was overwhelmingly defeated.

One of the important things to remember is the impact on the 1974 budget, and on future years. The gentleman from Indiana pointed out that the impact in the coming fiscal year will be about $12 million.

In the light of the action the Congress took in approving the devaluation, by a vote on the conference report of 322 to 59, I do not see we have any other choice.

A question has been raised as to whether or not it is necessary to do this now. I believe we are doing what every other nation which belongs to these various organizations has done already, when faced with the same problem of devaluation. As the chairman pointed out, there have been many devaluations of currencies of various countries in the past several years. In those cases those countries have had to take this kind of action, and some of them many times more than we have.

What we are doing is complying with our international agreements. The budgetary impact is very small.

Mr. Chairman, I should like to urge prompt enactment of this appropriation. Now that legislation has been passed authorizing and directing the Secretary of the Treasury to take the necessary steps to reduce the par value of the dollar by 10 percent, this appropriation represents the final legislative step necessary for the United States to do its share in the realinement of international currency values to which it has commited itself.

Mr. Chairman, I believe that this appropriation must be seen in the total context of the financial effects of the proposed change in par value. The change in par value will have the effect of increasing certain U.S. assets and liabilities and it should be noted that there is indeed a rough offset between increases in these assets and liabilities. Some of these liabilities will be financed without need of appropriation, the remainder—increased United States payment obligations to the international financial institutions—will be financed through this appropriation of a maximum of $2,203 million.

The increased payment obligations to the international financial institutions derive from provisions in the Articles of Agreement of these institutions requiring member countries to maintain the value of their subscription in terms of a common denominator—in this case gold. The purpose of this requirement is to assure that the contributions of all members are maintained in value in relation to each other despite changes in exchange rates. This provision has worked in favor of the United States in the past in assuring that other countries that devalue their currency do not diminish the value of their contributions. It assures that our share in the assets and our voting rights in these institutions are not impaired by devaluation of other currencies.

The United States as a member of the International Monetary Fund and the multilateral development lending institutions must fulfill its maintenance of value obligations as provided in the Articles of Agreement of these institutions. These obligations involve $756 million for maintenance of value in the International Monetary Fund, $992 million for maintenance of value on callable capital and other contingent obligations of the international development lending institutions and $477 million maintenance of value on paid-in capital of these institutions.

The obligation to the International Monetary Fund—in the form of a letter of credit—will have no budgetary impact and it is highly unlikely that our contingent obligations will give rise to budgetary expenditures. Therefore, it is anticipated that total budgetary expenditures as a result of this legislation will amount to only $477 million with no expenditures anticipated for this fiscal year. The budgetary impact for fiscal 1974 will be $12 million which represents maintenance of value obligations on the paid-in subscription of the Asian Development Bank. The budgetary impact for fiscal 1975–86 will be $465 million which represents maintenance of value obligations on capital now paid in and held by the multilateral development institutions, paid-in capital now out on loan by the international banks as well as capital to be paid in under authorizations now in progress.

Mr. Chairman, I should like to put our maintenance of value obligations in perspective by comparing our obligations resulting from the two devaluations with regard to the paid-in capital of the international development banks as well as the International Monetary Fund with the obligations of other countries. Our obligations resulting from the two devaluations will amount to about $2 billion—this compares with over $10 billion in maintenance of value obligations of other countries.

There is another perspective to keep in mind. I mentioned earlier that there is a rough offset between assets resulting from devaluation and our liabilities resulting from devaluation. These assets should not be disregarded when we talk about our liabilities. Indeed, in terms of the effect on our liquid international reserve assets—which provide cash to the Treasury—there will be an increase of $1.4 billion compared to the liabilities of $477 million on paid-in capital to the international financial institutions which will become a cash drain.

Mr. CEDERBERG. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, am I correct in assuming that we are not the recipients of any funds from any of these international lending institutions which benefit from this windfall?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. I would say the gentleman is correct.

It seems that we, as a nation, are enamored with the idea of trying to help the underdeveloped countries. At the time the United States joined some of these organizations and sponsored their origin we were in much better fiscal condition than we are now.

The major portion of the funds available to these organizations goes to the underdeveloped countries. The World Bank, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank lend funds to underdeveloped countries.

This is an effort to bring these countries along to a higher economic standard to a very considerable extent. The great and powerful United States does not participate in benefits from the standpoint of receiving funds directly from these institutions, but we do a certain amount of business with these underdeveloped countries as a result of the financing provided by these international financial institutions. So it undoubtedly contributes to some extent to U.S. labor, industry, and agriculture since we belong to these organizations. Additionally, all member nations are also able to draw certain funds from the International Monetary Fund when specific conditions warrant such drawings.

Mr. SHRIVER. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. Yes, I yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Chairman, I think to be perfectly fair we should point out some of the benefits of our contribution, as disclosed in the testimony before the full committee.

In the hearings I asked the following question:

> To what extent has the United States benefited from these contributions?

This is found on page 52 of the record of the hearings.

The answer is as follows:

> The cumulative impact of financial transactions with the international development institutions on the U.S. balance of payments has been an inflow or surplus of approximately $2.8 billion. In only one of the past 8 calendar or fiscal years ending June 1973 did the net transactions result in an outflow, as shown in the summary table below.

Mr. Chairman, it is all in the testimony.

They further testified as follows:

> The overall surpluses have been largely due to the purchase of goods from the United States for development projects in the borrowing countries. Substantial interest payments have also been made to U.S. holders of the bonds of these institutions.

Then they go ahead and point out that considerable inflow comes into this country by virtue of the fact that these international organizations have their headquarters here in Washington, D.C. Such inflows amounted to more than $100 million in 1972.

So there are some good sides, some pluses, to our participation in these multilateral institutions, and I believe these benefits should be pointed out to the Members of the House.

Mr. GROSS. This represents an outflow of dollars, does it not?

Mr. SHRIVER. Very little. Actually the budget outflow will only be $12 million this fiscal year.

Mr. GROSS. But it could result in a tremendous outflow, could it not?

Mr. SHRIVER. Yes. Mr. Chairman, there is a contingent liability of responsibility. However, that has never been true, nor is it likely in the foreseeable future.

Mr. GROSS. Mr. Chairman, we have in the neighborhood of 90 billion American dollars floating around the world that no one in this country seems to know how to recapture. Some of those dollars are coming back to this country and being invested by their foreign holders in Treasury notes, on which we are paying interest; is that not correct?

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, in answer to the gentleman, yes, that is correct. However, that is not the cause of these dollars being over there. Those people have been buying Volkswagens and Datsuns and all kinds of other things, and that factor has contributed to this.

This resolution is an insignificant part of that situation. As a matter of fact, it has been pointed out that this is in our best interest.

Mr. GROSS. Mr. Chairman, that might be, but there is a commitment of $2,200,000,000 in this legislature.

Mr. CEDERBERG. I do not see what that argument has to do with this particular issue here.

Mr. GROSS. Mr. Chairman, I am talking about the outflow of dollars to compound an already bad situation.

Mr. CEDERBERG. Of course, the international financial institutions dealt with in this resolution provide an inflow of dollars.

Mr. GROSS. An inflow?

Mr. CEDERBERG. Yes. They are a balance-of-payments plus for us.

Mr. GROSS. The balance of payments is a plus for us?

Mr. CEDERBERG. In this particular situation, yes.

Mr. GROSS. Mr. Chairman, the gentleman is going to have to take a good, long rainy day or a day when it is snowing hard to ever convince me of that.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. GROSS) has expired.

Mr. CEDERBERG. Mr. Chairman, I yield 5 additional minutes to the gentleman from Iowa (Mr. GROSS).

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, I thank the gentleman from Iowa for yielding to me.

I would like to address this question to the gentleman from Kansas (Mr. SHRIVER) if the gentleman from Iowa will yield for that purpose.

In response to one of the questions asked by the gentleman from Iowa, the gentleman from Kansas said that this $2,203,000,000 did not mean anything because all that was drawn would be approximately $12 million this year, and the total, I believe the gentleman said, of $477 million over the next 11 years.

Did I understand the gentleman from Kansas correctly?

Mr. SHRIVER. No, I did not say anything about the $477 million.

Mr. FLYNT. All right. The gentleman talked about the $12 million.

Is that not true of every appropriation bill this Congress has ever passed—that all an appropriation bill constitutes is new obligational authority?

Mr. SHRIVER. The gentleman is correct.

Mr. FLYNT. Then we are creating with this a new obligational authority of $2,303,000,000 which can be drawn upon if these international organizations see fit?

Mr. SHRIVER. Yes. This appropriation is a result of the agreements we have entered into with these international organizations, and most of it will never be expended from the Treasury.

Mr. FLYNT. Mr. Chairman, would the gentleman agree with me, as, I am sure, the gentleman from Iowa will, that this kind of international financing is what has gotten the U.S. Treasury in the mess it is in now?

Mr. SHRIVER. No. Mr. Chairman, I pointed out a while ago the many benefits from the standpoint of our balance of payments we receive from our participation in these organizations, and further benefits which have been in connection with trade and selling our products abroad.

Mr. GROSS. Mr. Chairman, let us take a look at the previous devaluation of some 8 percent for which $1.6 billion was appropriated to take care of the shortfall in the dollar.

As I understand from Mr. Volcker's testimony, we put out $1.5 billion in that case, almost all of the $1.6 billion. What reason is there to believe that the entire $2.2 billion being provided here today will not go out? Why is it any different than the first devaluation of about 8 percent?

Mr. MAHON. Will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman.

Mr. MAHON. We must recognize, as I know the gentleman from Iowa does, that when we devalue the dollar and appropriate this money the national debt goes up in the United States by only the amount that is actually expended and this would amount to only $12 million in fiscal year 1974 and hopefully only $477 million over the next 12 years with regard to the entire $2.2 billion involved here today.

It is true that the entire $2.2 billion is an obligation as such but most of the funds will be a highly contingent liability which will, hopefully, never have to be expended.

I say to the gentleman from Georgia, and I am sure he will agree, this is dissimilar in many respects from the average appropriation, because usually all the dollars are actually being expended, not the first year, but ultimately. It is estimated and has been testified to that only $465 million of the $2.2 billion in this resolution will probably be spent, but the obligation of the United States is there.

Mr. GROSS. They used up almost all the $1.6 billion that was committed in the previous devaluation.

Mr. MAHON. The gentleman is correct that most of the $1.6 billion has been obligated. Again I would like to say, the national debt would only go up by the $12 million estimated to be expended during the current fiscal year.

Mr. GROSS. Well, is the gentleman saying that the debt will not go up by this amount?

Mr. MAHON. The debt would not go up by the $2.2 billion unless the funds are actually expended, because the debt does not increase until there is an expenditure of funds and it is highly unlikely that the bulk of these funds will ever be expended.

Mr. GROSS. I would like to address one more question to the distinguished gentleman from Texas along this line.

This bill provides for $2.2 billion to go to four or five international lending institutions. Is that not correct?

Mr. MAHON. That is correct.

Mr. GROSS. And this bill contains not a dollar of the many millions that have already been authorized and/or appropriated by this session of Congress, millions of dollars to take care of the devaluation shortfall in other areas. Is that not correct?

This is going to one pot and one pot only, this bill. In the preceding bill, even in the USIA there was $7.5 million. That is not in this bill, is it?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. Neither is there a dime in this bill to take care of the shortfall in the dollars used by our military forces overseas.

Mr. MAHON. The gentleman is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CEDERBERG. Mr. Chairman, I yield such time as he may use to the gentleman from Ohio (Mr. Miller).

Mr. MILLER. Mr. Chairman, the par value modification appropriations hearings contain some very interesting facts I would like to call to the attention of the House. As a matter of fact, there are a couple of statements in here while not directly allied to the bill before us are nevertheless relevant to its consideration. I refer to Chairman Mahon's questions of Under Secretary of the Treasury Paul A. Volcker concerning World War I debts. I know this goes back a ways, as Mr. Mahon has indicated, but there is a lot of strong feeling among the people of the United States, including myself, that we ought to collect our World War I debts.

Secretary Volcker has answered some of the questions put to him by the chairman in this regard. He stated the United States is owed about $20.2 billion in due and unpaid principal and interest on debts which stem from U.S. financial assistance to our allies during World War I and from various relief programs which went into effect during the postwar period. Most of the delinquent debt is owed by the United Kingdom, France, Germany, and Italy. Think of that—$20 billion in outstanding debts.

As we go to page 65 of the hearings we also have a table that indicates quite plainly the holdings in U.S. Treasury securities by official institutions, banks, and others in foreign countries. Amazingly enough the major holders of our Treasury securities are also the biggest World War I debtors. What a state of affairs. Imagine—we are paying interest to the very countries that are still owing us World War I debts and who now own a big part of our national debt. In other words, the money that we loaned to get them back on their feet has enabled them to buy into our national debt and get still more U.S. money in the form of interest paid.

In the case of France, they hold $4.636 billion of our national debt, yet still owe us $6.1 billion on the original World War I debts.

In the case of Germany, they own $23,117 million of our Treasury securities—our national debt—and they in turn still owe us $1.6 billion.

We have the same situation with Italy. They own $270 million of our national debt, money they have loaned us to pay our debt, and yet they owe us $1.4 billion.

In the case of the United Kingdom, they still owe us $8.8 billion on their World War I debt, yet they loan us, and collect interest on $4.313 billion that we use to pay on our national debt.

The object of this $2.203 billion appropriations bill is to honor U.S. commitments to international organizations by maintaining the value of our contributions to their funds.

But where is this same honoring of commitments among other members of these organizations who owe us debts dating back over 50 years?

Once again the United States is a patsy. Always the world's soft touch, the United States plays by the rules while everyone else takes us to the cleaners.

For these reasons, I am voting "no" on appropriating $2,203 million of the taxpayers' hard-earned dollars.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi (Mr. Whitten).

Mr. WHITTEN. Mr. Chairman, some time ago, some several years ago, I made a speech here, and it appears in the Congressional Record of May 4, 1964, the title of which was "We Must Reverse Our Course, We Have Not Changed the World, the World Has Changed Us."

I talked to the leadership yesterday, and again today, about the efforts some of us have made to regain control of the congressional budget and to bring expenditures in line with tax collection. Today we have this bill come before us after about 3 hours of hearings, appropriating $2,203,000,000, at a time when the whole subject of foreign aid, including our contribution, is under close scrutiny and, I hope, review.

I felt it incumbent to call the attention of the Committee on Appropriations on Tuesday to some of the facts I present here as well as the absence of some facts I feel we need.

These hearings are short, and I hope the Members will take the time to read them, and I feel sure that, when they have read them, that they will not see any substantial proof that we need to pay in this $2,203,000,000 now.

Let me point out to the Members, as has been pointed out earlier, the law, section 286(c) of title 22, United States Code, which is derived from section 5 of the Bretton Woods Agreement Act. I quote:

> Unless Congress by law authorizes such action, neither the President nor any personal agent shall . . . in behalf of the United States propose or agree to any change in the par value of the U.S. dollar.

Mr. Volcker, who is the Under Secretary of the Treasury for Monetary Affairs, and whose testimony is in the hearings, does not show, at least to me, any necessity for making this payment now. If the Members will read the hearings, they will see on page 4 that he said and I quote:

> As you know, the devaluation of the dollar was proposed in February 4—

If it was, it was right in the face of the statute I have just read to the Members.

He further states in his testimony that of this $2,203,000,000, only $12 million would be used the first year. He testifies that only $477 million of it would result in actual outlays from the budget. That is his opinion.

In view of that, plus the fact that our chief expert on foreign aid in the House, my good friend, the gentleman from Louisiana (Mr. Passman), says that of the $460 billion debt we owe—$253 billion which is more than 50 percent, was incurred in foreign aid. I felt it incumbent to offer the following amendment in the committee:

> Strike out the last word in line 13, which is the word "six," and provide the following: "477 million. Such other items have been delayed until due and payable."

The amendment failed by a vote of 30 to 10. Personally, I truly believe a majority favored the amendment.

With a 2- or 3-hour hearing on $2,203,000,000; without substantial evidence that it is necessary to appropriate now; in view of the statement that the total cost will be $477 milion; where the statute says specifically the President himself nor anyone cannot commit the Congress to any change in the value of the dollar; with that kind of a situation, I believe it is time to delay appropriations or at least limit the amount to the $477 million. I did not propose, and those on the Committee on Appropriations who voted for my amendment, did not propose to repudiate any outstanding obligation when due and payable on a commitment, which to me appears doubtful. Certainly action could wait until the new figures or agreements on contributions are determined.

Our financial situation, the U.S. financial situation, has drastically changed. That is the basis for lowering the value of our money in relation to these other countries who contribute. Japan, which we have defended, letting that country invest its production in its economy, now has 22 billion of American dollars, surplus. Japanese leaving Japan on visits are required to take American dollars to get rid of them.

Japanese dollars, our promises to pay, are being used to buy up real estate, stock in corporations in the United States. To a lesser degree so is West Germany whose defense we have provided for, and Western Europe, who have our dollars to the point where they do not argue about the price I am told. I say to the Members it is high time that this Congress be sure that the $2,203,000,000 which would be made under this bill is due before we appropriate it. Is all the hurry because it is known that our percentage of contribution is reduced? It should be.

This is an appropriation of $2,203,000,000 that we can never regain, and it comes at a time when we are trying to regain control of the budget, at a time when we have astronomical debts, which we need to reduce. As the gentleman from Louisiana said, $460 billion in total, of which more than 50 percent, $253-plus billion, was incurred in foreign aid and this bill provides more foreign aid. I think it ought to go back to the committee to be sure that the money is due and payable, because my reading of the English language does not read that it is due and payable. Let us see what world adjustments are to be worked out.

If it is due and payable, we would have to go borrow the money as we do not have it. With this in mind, let us be sure that it is due and payable first.

I shall see that the RECORD carries much of the hearings so that the Members will see that it is on solid ground.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I want to commend the gentleman from Mississippi for the amendment which I supported in the committee. I should like to read to him the following and ask him if this is substantially accurate:

> This $2.2 billion appropriation would commit the United States Treasury to honor letters of credit drawn by international financial institutions for many years to come, despite the fact that only $12 million (½ of 1 percent) is budgeted for the current fiscal year; only $477 million is budgeted at all and this is not to be completely drawn on until 1986.

That is 11 more years.

> This bill would appropriate $2.2 billion, most of which is admittedly not needed now or possibly ever, and in any case is to be under the control not of Congress, not of the Treasury Department, but of a number of international groups without any responsiblity to the United States government. Is this what the Congressional appropriations process was set up to accomplish?

Is that an accurate statement?

Mr. WHITTEN. I think that is. If I may add to it, the law says that not even the President can propose or take any action to change the value of the dollar prior to congressional approval. The Under Secretary of the Treasury said such action was taken in February. At that time certainly there had been no approval. So what do they say when we were called on to pass authorizing legislation? They said: We simply have got to authorize this devaluation because commitments were made in February. Now they say, since we passed the authorization, we must appropriate. Yielding to such arguments is what has contributed greatly to our $460,000,000,000 debt of which more than half was incurred in foreign aid.

Mr. LONG of Maryland. Would the gentleman agree that the whole purpose of the Appropriations Committee is not to slavishly fill authorizations or commitments of the Executive Department, but that we were set up to exercise some sort of fiscal control over the money going out, and we are not doing our job if we pass this type of legislation?

Mr. WHITTEN. I thought so. It was the reason I offered the amendment. I am glad to have the gentleman's support. But let me repeat so I am not misunderstood, we do not have in the hearings copies of any agreements or the statements from Justice or Treasury Department or the Attorney General that the $2,203,000,000 is due and payable now. We do have some free will offerings to that effect.

I shall repeat again that we who supported this amendment in no way attempted to repudiate any agreement of the United States, for language of the amendment provided that other items above the $477,000,000 are delayed until due and payable, which opens up the question and the question is opened, and after the hearings are read the Members will find the question is still open.

I think it would be sound business and I think we ought to stop, look, listen, and act accordingly. I think my speech in 1964 is more appropriate today than it was then: We have not changed the world. The world has changed us. We had better change our course.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, this is certainly $2,203,000,000 more of foreign aid. It is foreign aid as much as anything could be. We have already expended more than $250 billion on foreign aid.

The gentleman made no truer statement in his life than when he said: We have not changed the world. The world has changed us.

Here is a perfect example of it.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CEDERBERG. Mr. Chairman, I yield the gentleman from Mississippi 1 additional minute.

Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I listened with interest to my friend, the gentleman from Mississippi. I do not think some of the arguments have anything really to do with what we are discussing today. However I would like to remind the gentleman he did vote for the devaluation, which requires us to comply with the law, which is what we are doing today.

Mr. WHITTEN. May I say I voted for the authorization, thinking it would be an authorization, and thinking when that authorization was passed and the appropriation came along, I would do as I think all Members should do, I would say we have authorized it and made it in order to pay it, but let us not pay it until it is due and payable.

Mr. CEDERBERG. It is due and payable.

Mr. WHITTEN. It is according to the gentleman, and if it is my amendment would do no harm.

Mr. Chairman, under permission previously given I present excerpts from the hearings. I quote:

> Mr. VOLCKER. We get into some statistical problems. It would be more than that if you included all forms of foreign dollar holdings. Some of these dollars are held abroad in a way that does not appear directly on our books. I think the $90 billion in the table that you have reflects the total held by foreign governments—which is the $70 billion figure that you used—and the other $20 billion would be holdings of private foreigners in the United States. Private people abroad can hold dollars outside the United States and they would not appear in this figure. This is the amount of dollars that they hold in the United States.
>
> Mr. MAHON. Do these foreign governments and foreign individuals, involving this $90 billion, use any of its money to invest in the United States; for example, in Treasury notes?
>
> Mr. VOLCKER. This money is invested in the United States.
>
> Mr. MAHON. In other words, we are paying interest on it.
>
> Mr. VOLCKER. That is right; by and large we are paying interest on this money. Some small amounts of it may not attract any interest, but we are paying interest on the great bulk of this money.
>
> ### DOLLARS HELD BY JAPANESE
>
> Mr. FLOOD. Of that $70 billion, how much does Japan hold?
>
> Mr. VOLCKER. In very rough terms, something in the neighborhood of $12 billion by the Government.
>
> Mr. FLOOD. Isn't it more than that? Isn't it $20 billion.
>
> Mr. VOLCKER. We are getting into some definitional problems. In addition to what they hold in their official reserves, they hold another, a smaller amount in various forms and accounts that would be outside of their reserves.
>
> Mr. FLOOD. I mean the Government.
>
> Mr. VOLCKER. Some is Government and some is held through the banking system. Some may be indirectly held by the Government through private banks in some cases.
>
> Mr. MAHON. Who are the principal holders of these funds?
>
> Mr. VOLCKER. The two largest official holders are the Japanese and the Germans. But a great many countries hold dollars.
>
> ### DOLLARS HELD BY GERMANS
>
> Mr. FLOOD. What is the extent of the German holding?
>
> Mr. VOLCKER. In round figures, it is near $25 billion.
>
> Mr. WHITTEN. In that connection, you just described that the chief holders of our notes or money are West Germany and Japan.
>
> Mr. VOLCKER. That is right, the two single largest holders.
>
> ### FOREIGN INVESTMENT IN THE UNITED STATES
>
> Mr. WHITTEN. Could we have the approximate amounts? Those are the two countries that after World War II we said, we will defend you and you need not defend yourself. They have been able to put their production into their economy as a result of our actions. Not only do they hold our dollars but they are seeking investments in the United States. On March 19, I had a letter from a large consulting firm in one of the eastern cities advising that they represented the Japanese Government and they were looking for investment in real estate, industry, or other business or anything solid. One of the young ladies in my office asked what it meant. I said they have our IOU's and now they want to foreclose and get some real estate, either actually, or stock in corporations which own a part of the United States.
>
> I have tried to go over your statement of liabilities and assets as a result of the devaluation. It is evident that what you term assets are in reality material wealth valued in terms of a cheaper dollar.
>
> Mr. VOLCKER. That is right.
>
> Mr. WHITTEN. So if you increase the number of paper dollars by $2.25 billion, which apparently we have to do, to me it means we acknowledge that we were $2.25 billion worse

off or could be than had appeared; the end result is that you want $2.25 billion appropriation from the Congress which will show up as increased debt under present conditions. The circumstances require you to ask it. We are faced with reality.

Mr. VOLCKER. That is partly right. But as I mentioned in my testimony, the estimated budgetary expenditures are limited to $477 million.

Mr. WHITTEN. The end result we cannot get away from. You make it look pretty good on paper because assets and liabilities seem to balance out, except for the $2.25 billion. I am trying to ask you to direct your attention to what we can do to keep this type of situation from getting worse.

Mr. VOLCKER. That is the relevant question, I think.

Mr. WHITTEN. I have mentioned this lately. I have on the wall of my office two $10 bills issued in 1862 by the State of Mississippi given me by one of my colleagues. One was dated April 1, 1862, and it was secured by cotton. I understand it was worth $15 because cotton was short. The second is dated November 1, 1862, and having no cotton, it was a mere promise to pay and virtually worthless.

Are we getting ourselves in the same situation now? We are in the position where gold is not behind our money. We took silver out of our currency and enabled the Johnson administration or the people to spend $4 billion which did not show up because that was the market value of the silver. Now, about all we have left behind our money is our country—the real estate, and the physical assets we have.

This is the second devaluation, which means that assets you talk about, whatever we have that is real, comes out to a higher figure in cheaper and cheaper money. I agree with the indications here that we are across a barrel insofar as the Congress coming through with this appropriation is concerned. Apparently we have to do it. But it will show up as an increased deficit which probably means increased national debt certainly at least on the books and the end result is bad.

I am more interested at this point in what can we do to keep the present situation from getting worse and worse and worse. Is it increased production? I will end with this, Mr. Chairman, much as I would like to go ahead.

In World War II, we went all out and urged the American farmer to increase the agricultural production. I deal pretty closely with that. We turned the whole production plant in food loose, then our Government—and part of this appears in today's Congressional Record, September 13, 1973, and the remainder appears in volume 9 of our hearings this year in the subcommittee I have the honor to head—after we got American agriculture to build up the production plant, to greatly increase production our Government, notwithstanding the fact that the law called for sale in world trade in competitive prices, held our production off world markets, thus holding an umbrella for our competitors to get rich abroad, many of them Americans with foreign operations.

It frightens me that once again we are calling on agriculture to produce without any future assurance to get these cheap dollars back. I recognize the need. I am for it but I am afraid that the Government might in the future do as they did in 1952, 1953, 1954, 1955, and 1956—hold our commodities and count them to reduce domestic acreage and production. As shown in volume 9 of our hearings, 55,000 farm families were put out of business by this faulty policy of our Government. You can see this in yesterday's Congressional Record, September 13, 1973.

Back to the present, whatever our problems, however great the necessity, when we make this $2.25 billion appropriation we will be admitting we are that much worse off at the moment.

Mr. VOLCKER. You referred to some of these assets in effect being paper dollars. I commented that in some sense the liabilities are paper dollars. So we have a balancing of paper on both sides. Some will result in a real budgetary outflow. Your basic question is what we can do. I think that is a very relevant question.

WHAT MUST BE DONE TO SOLVE THIS PROBLEM

Mr. WHITTEN. What must we do, I should ask.

Mr. VOLCKER. I think what we have got to do, and the only answer in the end, is a better job at home, particularly on inflation and productivity. If we have domestic inflation running at the rate it has been running the dollar will be in trouble. That is the sign of the dollar in trouble. All of the rest of this is just a reflection of that basic difficulty.

Mr. WHITTEN. I agree with you but I would like for you to break the words you used down into their meaning. You talked about runaway inflation at home. I agree with you. But what is runaway inflation to you, for certainly this appropriation, without offsetting collections, could be inflationary.

Mr. VOLCKER. I simply mean that prices are generally rising and by far too much.

Mr. WHITTEN. In terms of our money, which gets cheaper and cheaper in our eyes and in the eyes of the other nations of the world.

Mr. VOLCKER. In terms of our money.

Mr. WHITTEN. Is that an increase in the value of what we have or is it a decrease in the value of our money?

Mr. VOLCKER. It is a decrease in the value of our money.

Mr. WHITTEN. The money gets cheaper and cheaper.

Mr. VOLCKER. That is right. That is the heart of the difficulty at home. These other things are in effect in large part—although not entirely—symptoms. The main thrust of any answer to your question, I think, has to deal with this depreciation of the dollar at home. The depreciation of the dollar abroad is only a reflection of the depreciation at home.

Mr. WHITTEN. How long do you think we can follow this course before our money gets like the $10 bill I mentioned in the State of Mississippi?

Mr. VOLCKER. I don't like it and we have to stop it. When you look at it internationally I am forced to add other countries are not doing much better than we are and a lot are not doing as well. When you look at this in terms of our competitive position internationally we only see the consequences when we are doing relatively poorly.

Mr. WHITTEN. Now let us get to our own national policy. The two countries that you mentioned that hold all these surplus dollars are Germany and Japan.

Mr. VOLCKER. That is right—these two countries are the biggest dollar holders.

Mr. WHITTEN. These are the two countries that we refused to let spend money on their own defense but we took care of their defense, leaving them free to earn our dollars and put their money into developing their economy. Shouldn't that make us take a second look as to whether we can continue this type of process, particularly when, as I understand it, Japan won't let people travel out of Japan with Japanese yen? They make them take dollars in order to get rid of them.

That is what I am advised. When the Japanese travel today they are required to take American dollars to get rid of them. They won't let them take yen.

The German mark, as I understand, has been very, very stable, but the Germans too are looking for places to buy. Now, is it good or bad for this money that we have sent abroad defending these two particular countries so they would not have to defend themselves to come over here and open up a plant or buy an existing plant? Japan has bought into Hawaii to the greatest extent possible I am told. In my own State they have bought in three or four businesses that I have heard about. In most cases they do not argue about the price. The value that they put on our dollar is so low that they will pay most any price if you take American dollars in payment and as long as they can get something that they can put their hands on. Is that an indication of how bad a situation we are in, or can you come up and show us some assets to offset the liabilities as you do in your prepared statement? I don't agree with you that such a designation makes them assets. I think it is a reflection in cheaper dollars of what we already have.

Mr. VOLCKER. Indeed in large part that is what it is, but so are the liabilities.

Mr. WHITTEN. You have to put it under some head and you put it under assets.

Mr. VOLCKER. Don't give full weight to the liabilities and no weight to the assets. The liabilities are partly of the same nature.

VALUE OF FOREIGN INVESTMENTS IN UNITED STATES

Mr. WHITTEN. I am prone to ask another question before I get the answer to the last one. The last question was is it good or bad for these countries that we have defended, spending our money, to be over here getting real estate for our IOUs. Isn't that bad, at least for us to be in such a situation?

Mr. VOLCKER. Let me say I welcome their investments coming into the United States. I think it will do us some good. I welcome the Volvo plant and I welcome this indication of foreign interest in producing here and creating jobs for our workers and creating potential exports and substituting for imports. I think that is a good thing. The United States has been doing a great deal of investing around the world for 20 years. I think that has been of great benefit, frankly, to the countries in which we have invested. I am glad to see some of this investment from abroad coming back here.

Mr. WHITTEN. I am glad to have your views because I am trying to seek light in this and not trying to condemn. However, I would insist that we were a whole lot better off when we had money to invest over there than we are when we have to give up real estate to get our own money back.

Mr. VOLCKER. We are not giving it to them. We are selling it.

Mr. WHITTEN. We are selling to get our own money. If I sell my car to get my own note back from you I may be better off because you do not have my note but I haven't added to the sum total of productive capacity.

Mr. VOLCKER. They got all those dollars in the first place because the Americans bought so many Toyotas and Datsuns and they liked that, too.

Mr. WHITTEN. You are overlooking foreign aid and national defense. We defended these countries. It is significant to me that the two that hold the billions of dollars are the two that we would not let defend themselves but the countries that we provided the money for armed services to defend them. It is very significant that those are the two that ar way out front and not the others.

Mr. VOLCKER. I think you have a fair point, that these two countries that were devastated during the war have had two advantages from defeat, so to speak. They have built a very modern efficient industrial plant, and they have not had a heavy defense burden. Those have proved to be great advantages to them in the postwar period.

Mr. WHITTEN. Thank you, Mr. Chairman. I appreciate your courtesy. There is much more I would like to go into but due to lack of time cannot at this time. I would say I am cochairman of the Joint Committee of 32 which is trying to regain congressional control of the budget.

Mr. Mahon. I wish you would expand your answer to the questions which Mr. Whitten has propounded here to a greater extent than you have.

Mr. Whitten. May I in turn follow up with further questions after he submits them in case it is required, Mr. Chairman?

DOLLAR OVERHANG

Mr. Mahon. Very well. What does "overhang" mean when you relate it to our international monetary situation?

Mr. Volcker. What people generally have in mind when they refer to the overhang are those dollars you were mentioning earlier. These dollars are held by foreign governments which generally have some sense in their minds of being the dollars that they hold in excess of what they would normally like to hold, or what they would happily hold. In other words, there is some connotation that these dollars are available for sale.

Mr. Mahon. In other words, it is unwholesome for this $90 billion overhang to exist.

FOREIGN AID APPROPRIATION

Mr. Passman. Mr. Chairman, I shall move expeditiously. First, I want to extend an invitation to the Secretary, if he would accept an invitation, to appear before the Foreign Operations Subcommittee on Appropriations at a later date, so we may be able to go into this matter further.

I would like to make a record, if I may, with statistics. The facts are this is a foreign aid or assistance program we are considering, is it not?

Mr. Volcker. No, sir, I do not think that is a fair statement.

Mr. Passman. Let me put it this way: The Inter-American Development Bank, the Asian Development Bank and the International Development Association are in effect agencies that are making loans or contributions entirely to foreign nations, is that not correct?

Mr. Volcker. Those particular agencies, yes, but that only affects a part of this.

Mr. Passman. As it applies to these particular agencies I mentioned, it is a foreign aid program.

Mr. Volcker. To the extent it applies to those agencies.

Mr. Passman. In other words, we are donors but not a recipient. We are not eligible to borrow money from either one of the organizations I mentioned, is that correct?

Mr. Volcker. That is correct.

PUBLIC DEBT

Mr. Passman. If we go back to the beginning of foreign aid in Mr. Truman's administration, we had a public debt of $159 billion. If we look at the public debt as it stands now, it is $460 billion. If you subtract from that the $159 billion public debt we owed when we started foreign aid, we find that we have increased the public debt by $301 billion. Of that amount, foreign aid accounts for $253 billion of the total increase in the public debt. In other words, all but $48 billion represents net disbursements for foreign aid. That is when you include the interest on what we borrowed to give away and this vast sum has gone into 127 nations of the world. What effect has this had on the balance of payments, the loss of gold, and the depreciation of the dollar?

Mr. Volcker. Well, the figure you used for foreign aid is a considerably higher one than I am familiar with.

Mr. Passman. It is $253,171 million.

FORTY-PERCENT CONTRIBUTION TO INTERNATIONAL DEVELOPMENT CORPORATION

Mr. Passman. I believe under the International Development Association under the present contract we contribute 40 percent of the fund presently. The closest contributor to that is the United Kingdom, with about 12 percent; is that not true?

Mr. Volcker. Yes, sir.

Mr. Passman. In this instance, it would appear under the International Development Association that the next donor also becomes the recipient because 55 percent of all the expenditures out of IDA goes to two of the United Kingdom's former possessions where they have very strong and profitable trade contracts; is that not true?

Mr. Volcker. Yes.

Mr. Passman. So it simply means that instead of them actually making a 12-percent contribution, they are actually making no contribution because they immediately drain off more than their contribution by these very profitable trade contracts with India and Pakistan.

Mr. Volcker. They don't get anything like 55 percent of the business. India and Pakistan get 55 percent of the money, but that doesn't mean the British get 55 percent of the business.

Mr. Passman. They are former U.K. possessions where they have strong, profitable, and voluminous trade agreements, isn't that true?

Mr. Volcker. Not as many as they used to have. They have been declining.

Mr. Passman. In substance it is a statement of fact, is it not?

Mr. Volcker. I think that the United Kingdom has a little closer relationship than some other countries, but it no longer has particularly close relationships with those countries. It is a matter of degree.

Mr. Passman. I believe both Pakistan and India are members of the International Development Association, is that correct?

Mr. Volcker. Yes.

Mr. Passman. I believe for India, for each dollar they put in they draw out $44 and for each dollar Pakistan puts in they draw out $52. I am using statistics given to us by witnesses appearing before our committee.

Now, may I ask you this question: The maintenance of value payments have been brought about by the devaluation of the dollar, is that correct?

Mr. Volcker. Yes.

Mr. Passman. Under the present contract, even though some of these disbursements were made, we will say 20 years ago, under this system of devaluation, we have to turn around and replace the losses all the way back to the beginning, in effect, isn't that true?

Mr. Volcker. In some cases.

Mr. Passman. If we should continue to devalue our dollar for the next 20, 30, or 40 years, as long as this present contract is in effect, we will have to appropriate money to bring those prior donated dollars up to the same purchasing power in effect as when we gave them to these organizations, is that correct, sir?

Mr. Volcker. This depends upon the particular organization. That is not true of IDA. Once the money is disbursed, we have no maintenance of value obligation.

REQUEST FOR MOV ON UNAPPROPRIATED FUNDS

Mr. Passman. Nevertheless, you are asking for a very substantial amount of money for this program, for sums that have never been appropriated by the Congress. That is why some of us have a right to be a little suspicious of the kind of bookkeeping system you people are running.

I believe this year in your request for $2,250 million, you are asking for maintenance of value payments on dollars that have never been appropriated by the Congress.

Mr. Volcker. It will never be spent unless that money is appropriated by Congress.

Mr. Passman. That is not the question at all. We have not yet appropriated funds for these international organizations applicable to fiscal 1974, correct?

Mr. Volcker. That is correct.

Mr. Passman. Nevertheless, you are asking for a very substantial amount of money to apply to those dollars yet to be approved and appropriated by the Congress?

Mr. Volcker. That is right.

Mr. Passman. What kind of bookkeeping is that? Why didn't you make your request in the beginning for the amount of money you needed?

Mr. Volcker. We felt this was the most open and direct way we could do it. While you are discussing devaluation, we wanted to point up the total bill involved.

Mr. Passman. Hadn't the devaluation been made before the budget requests for these international organizations were submitted?

Mr. Volcker. We devalued February 12.

Mr. Passman. These bills are still before the Congress. You knew at the time what your requirement would be for fiscal year 1974, did you not?

Mr. Volcker. Yes, but——

Mr. Passman. Then why didn't you submit to the Congress your needs rather than to cut it into two pieces? This is why I am very suspicious of some of your bookkeeping.

In fiscal 1974, you asked for $693 million, if I remember correctly, for the Inter-American Development Bank.

Mr. Volcker. For both the ordinary capital and the Fund for Special Operations.

Mr. Passman. At the same time, you are asking for $510 million for maintenance of value payments for fiscal 1974. Is that correct?

Mr. Volcker. It is $510 million for maintenance of value for the callable capital, the paid-in capital and the fund for special operations.

Mr. Passman. You are now asking for $510 million in maintenance of value payments' appropriations for the Inter-American Development Bank?

Mr. Volcker. Including the callable capital.

Mr. Passman. How much of that is to apply to your 1974 request that hasn't even been passed by the Congress yet?

Mr. Volcker. It would be approximately $23 million relating to the appropriation on which you have not yet acted.

Mr. Passman. Will you be able to come before the committee if we give you notice?

Mr. Volcker. I am in the hands of the committee in general, Mr. Chairman.

Mr. Passman. We might want to extend you an invitation. Will you accept?

Mr. Volcker. Yes. If the committee asks me to appear, I will appear.

Mr. Passman. I will extend the invitation and defer my questions at this time.

Mr. Mahon. We will probably act on this bill before the Secretary returns from Nairobi. You will want to ask further questions later.

The question is, shall we provide the appropriation? We are committed by legislation to provide it regardless of what brought this about. The question is, do we have to provide the $2.2 billion-plus. That is the real question before the committee.

While these are only excerpts from the hearings you can readily see why I believed we should limit our action to the amounts that we could spend $477 million according to the testimony and delay further appropriations until adjustments are made on the present financial condition of the various participating countries.

Truly "we must reverse our course."

Mr. CEDERBERG. Mr. Chairman, I yield to the gentleman from Texas (Mr. Price) such time as he may consume.

Mr. PRICE of Texas. Mr. Speaker, we are all aware that the value of the dollar in international transactions is determined by its relationships to the currencies of other nations and that the devaluation of the dollar earlier this year lowered its purchasing power with other nations. We are also aware that even though the move was basically a formality, the majority of the Congress agreed and it became a matter of public law September 21, that a new par value be established for the dollar. It seems clear to me that one of the basic reasons for the devaluation of the dollar was to achieve balance in our trade and payments position; yet today we are advocating a raise from last year's figure of $1.6 billion to $2,203,000,000 for our fiscal year's 1974 contribution to the World Bank and the other three international development lending institutions.

I cannot support this legislation since we are going to lose all benefit of revaluation in international trade if we now increase our dollar amounts in all our international dealings. Much of our domestic economic problems stem from our international trade difficulties. I do not believe we should take action now which would tend to negotiate any international trade advantages which we so sorely need, and which have resulted from the devaluation.

At a time when our Nation is suffering from a serious balance-of-payments deficit and accumulated debt to foreign nations, I find it unconscionable to allow payments to international development lending institutions to increase. Is the Congress of the United States going to advocate extracting more tax dollars from the American citizens in order to increase U.S. payments in international affairs? At the same time the Congress appears to be advocating just such an action, our State Department is agreeing to the cancellation of a debt of $2 billion worth of rupees owed to the United States by India, not to mention the billions of dollars owed to us by various other nations which we have not and perhaps never will collect.

I do not now nor have I ever supported the contribution of large sums of U.S. money to international financial institutions. In light of our Nation's present economic condition, I cannot agree to pouring even more U.S. dollars into the international market. I urge my colleagues to vote against this attempt to increase the U.S. payment.

Mr. SHRIVER. Mr. Chairman, I rise in support of the joint resolution now before you. This is an appropriation of $2,203 million. It is a large sum of money and it is important that the House have a complete explanation of the reason for it. This is not easy to do because maintenance of value of our contributions to international financial institutions is an extremely complex subject that involves a great many intricate financial concepts. We have had testimony before the full Appropriations Committee from the Nation's foremost expert on international monetary problems, Under Secretary of the Treasury Paul A. Volcker. His testimony brought out the financial features of this legislation. He demonstrated to my satisfaction and to the satisfaction of the full committee the great importance of passing this appropriation.

There are four vital elements to the need for this bill:

First. The appropriation derives as a legal obligation resulting from the devaluation of our dollar. This was a necessary but regrettable step. It was necessary in order to bring our economy into a more competitive position with other major industrial countries. It was intended to allow the products of our farms and factories to compete more effectively in international markets. We are already seeing the beneficial results of this action—last year's trade deficit of almost $7 billion has been almost eliminated this year and by next year we expect a surplus.

Second. The devaluation not only increases liabilities but it also increases our assets. I would like to direct the House's attention to the committee report which makes it clear that there is a rough offset between assets and liabilities. In fact, the increase in our gold stock of over $1 billion is substantially larger than the increase in the expenditure liabilities of $477 million.

Third. This brings me to my third point. Most of you here today will not be interested in the financial intricacies. You are interested in how much this is going to cost the Government. I can tell you that the budgetary expenditures of this $2 billion appropriation are expected to amount to no more than $477 million. This is still a very large sum but even this amount will be expended over a long period of time—approximately 10 years—with only $12 million to be expended in fiscal year 1974.

Fourth. I have mentioned that this is an international legal obligation. Yet I would be reluctant to recommend this appropriation to you as strongly as I do here today if other countries had not met the same kind of obligation in situations where they had devalued their currencies. However, in every case over the many years of existence of these institutions, all countries have fulfilled their maintenance of value obligations. In fact, other countries have made over $10 billion of maintenance of value payments to these institutions. The United States can now do no less than meet its obligations.

These four important points have convinced me of the vital importance of this bill. I urge you to join me in giving this bill your support.

Mr. RARICK. Mr. Chairman, I was not at the international financial party at Nairobi, nor did I vote to debase our people's currency and authorize this boondoggle before.

I find it most interesting that we are here today to discuss funding of a legislative proposal which must out of necessity include the level of funding, and yet we are told that we have no alternative but to accept the committee's report at its level of spending. The rationale behind this reasoning seems based upon the assumption that we have made certain international commitments which must be honored regardless of any commitments or responsibility to the American people or the American taxpayer.

I feel that it might even be safe to say at this point that many Members would not have voted for the original authorization bill if they had realized that in addition to gutting 10 cents out of every American's dollar, they would also have to approve another $2.2 billion that we do not have to reward the international bankers who manipulated the devaluation in the first place.

There most certainly is an alternative to this taxpayer clipping measure. A Member can certainly cast his vote against the entire bill. If we had no alternative, then why is the matter even being debated and why is it necessary to have a vote? I hope that we are not international rubberstampers yet.

As far as concern over international banking commitments and saving face with a bunch of international bankers and foreign politicians, I can only say that I could not care less. My prime concern is that we start saving face with the American people, who must by now have realized that something is wrong with their money. It is not just that prices are going up, but rather that the buying power of their dollar is going down.

I am far more interested in what the American people think of us, rather than allow a bunch of international spendthrifts to think that they can continue to gouge us to fund their playhouses.

I was against this legislation when it originated, and all the talk today has done is convince me that I was correct. There is no way in the world that I could ever be persuaded to cast my people's vote for this inflationary, money debasing, international, Socialist scheme.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.J. Res. 748

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1974, namely:

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are now in no better position to take a determined step forward in our responsible conduct of foreign relations. The overall outlay we are proposing is put at $477 million, that amount to be paid out over an estimated 12-year span. The budgetary impact for this coming year will be approximately $12 million. This, I think, is a small price to pay when one considers the overwhelming good it will have on people's lives throughout the disadvantaged portions of the globe.

I urge my colleagues to join me in the swift passage of this resolution so that America may be able to maintain its fair share of the development programs funded through these multilateral development banks.

Congress passed a devaluation of the

dollar—they had an opportunity to vote it down but they saw fit to pass it. All we are asking here is that the United States not welsh on their commitments. You cannot on the one hand devaluate the dollar and on the other hand make up the shortfall caused by this devaluation. As one who has been actively involved in the seeking of adequate funding for this Nation's foreign aid program I must lend my full support behind the intent of this par value modification appropriation resolution.

We are dealing here with a legal commitment, an authorization signed by the President not more than 2 weeks ago which instructs the Secretary of the Treasury to maintain the value of the U.S. dollar now being held in multilateral development banks. The crucial importance of the function that these institutions perform was spelled out graphically in a recent news editorial, and I quote:

> They have become essential to the process of transferring capital and technology to the countries least able to generate these resources on their own. Adequate participation in the work of these banks has become, in turn, essential to the world standing of the United States. This has very little to do with the old and simplistic cold war notion of winning friends and influencing people abroad. It has a great deal to do with creating the mutual confidence in international relations which is required in a time of détente.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

SPECIAL PAYMENTS TO INTERNATIONAL FINANCIAL INSTITUTIONS

For payments by the Secretary of the Treasury to maintain the value in terms of gold of the holdings of United States dollars of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank, to the extent provided in the articles of agreement of such institutions, as authorized by Section 3 of the Par Value Modification Act, (Public Law 92-268 as amended), such amounts as may be necessary (but not to exceed $2,250,000,000), to remain available until expended.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, lines 14 and 15, strike "$2,250,000,000" and insert "$2,203,000,000".

AMENDMENT OFFERED BY MR. FLYNT TO THE COMMITTEE AMENDMENT

Mr. FLYNT. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FLYNT to the committee amendment. Page 2, line 15, strike out "$2,203,000,000" and insert "$477,000,000".

Mr. FLYNT. Mr. Chairman, I have no illusions that this amendment will fare much better in the House than it did in the Appropriations Committee. I offer this amendment in my own behalf and in behalf of those of us who in the committee voted to reduce this $2,203,000,000 appropriation, which is new obligational authority on the Treasury of the United States just as any other appropriation is. We feel that $447,000,000 is the total new obligational authority which should be created at this time. This figure represents the highest amount that the testimony shows can be called for, not only during this fiscal year, but between now and 1986.

The testimony before the Appropriations Committee said that not more than $477,000,000 would be called by any or all of these international financial institutions.

If that is the case, Mr. Chairman, it occurs to me the amount of $477 million should be the amount included in House Joint Resolution 748. If necessary to maintain the good faith and credit of the United States when demands in excess of $477 million are made by these international monetary institutions, let the Secretary of the Treasury come before us at that time and request that we make more money available.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Is there any doubt in the gentleman's mind that if they come back with a request for supplemental funds and can show they are needed the Appropriations Committee would appropriate the money?

Mr. FLYNT. If the $477 million is used up and the Secretary of the Treasury comes back and says, "Mr. Chairman, we need more money to be appropriated, to be made available to these international monetary institutions," I have every reason to believe the Committee on Appropriations and the Congress would be as generous as the situation demanded.

If they ask for $12 million, I do not believe it is necessary for us to create new obligational authority of $2,203 million. For the fiscal year the testimony is that only $12 million will be required; and the testimony is further that between now and 1986 the maximum drawdown on this new obligational authority would be $477 million.

Therefore, I believe the House in its wisdom would be following the course of prudence and certainly the course of financial responsibility to appropriate the amount of $477 million, with the understanding that if they need more they can come back and the House will probably exercise its usual generosity in appropriating what is needed.

Mr. LONG of Maryland. As pointed out by the chairman, only $12 million, or one-half of 1 percent of this, would go into the national debt, because that is all that would be paid out this year.

Is it not true that if we pass this we are giving the five international institutions the power, any time they want to, to increase our national debt by over $2 billion?

Mr. FLYNT. Absolutely. The passage of this resolution and its final enactment, after passage by the Senate and signature by the President, would give to the international monetary institutions listed in the measure the authority to increase the national debt of this country by over $2 billion, by $2,203 million to be exact.

Frankly, I feel that responsibility should be the responsibility of the Congress and not of one or more of these international monetary institutions.

Mr. LONG of Maryland. Does the gentleman have any question that the Congress and the Committee on Appropriations will be meeting again sometime between now and 1986 and could pass on a supplemental request?

Mr. FLYNT. We shall meet at least three times, certainly more than that but at least three times between now and sine de adjournment of this session; and, further, that we will probably meet no less than 100 times between now and 1986.

In this connection, Mr. Chairman, the argument is made that the money will not be used. One could make the same argument, Mr. Chairman, on every appropriation bill the House passes. An appropriation bill does not create expenditures. It only creates new obligational authority. This is true of every appropriations bill.

I do not know that I will be around when 1986 comes, but I predict that the total drawdown on this new obligational authority of $2,203 million will be nearer the total amount of $2,203 million than the $477 million which the proponents of the measure say is all that would be required.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. FLYNT was allowed to proceed for 1 additional minute.)

Mr. FLYNT. Mr. Chairman, that argument for full funding could be made on every single appropriation bill the House passes, but we all know that most departments and agencies come back for more supplemental and additional appropriations than they return to the Treasury.

Mr. Chairman, I believe that this might be the very case with this money that is being appropriated here today. I think it is time that somebody began to pay a little attention to the well-being of the American taxpayer instead of these or any other international monetary institutions.

I urge the adoption of my admendment.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will admit that this legislation is a bit confusing.

The four multilateral organizations involved are the Inter-American Development Bank, the Asian Development Bank, the International Development Association, and the World Bank. I want to make it abundantly clear that the most money, in all probability, that will ever be expended against this $2,203,000,000 will be the $477 million in paid-in capital.

The other part of the appropriation falls in a guarantee category. Let us discuss briefly the question of this dormant reserve. During the period that these callable capital funds have been in existence, there has never been a dime withdrawn from this category, and in all probability there never will be. But by having this dormant reserve or callable capital, the multilateral organizations can go out in the private sector and borrow money.

Now, I might say that in the past, there have been over 200 similar devaluations involving 60 countries where they have, in every case, fulfilled their maintenance of value obligations. The amount involved has exceeded $10 billion.

Mr. Chairman, this obligation was authorized by authorizing legislation which passed the House on May 29, 1973, by a vote of 281 to 36. The authorization directed the Secretary of the Treasury to maintain the value of the holding of U.S. dollars in these institutions.

Now, I wish to repeat that there has never been a dime withdrawn from this dormant reserve, callable capital, and I doubt if there ever will be. But by having this reserve, we enable these multilateral organizations to go out and sell bonds in the private sector. If they default, and only then, will the United States be called upon to put up a portion of this money needed to cover the default, and then not all of it.

We are completely obligated by the vote of this House in May, and I do not think we have any alternative other than to approve this legislation, unless we are going to violate our contract. I am wondering what the other nations would think if we were to say that we are going to renege on the agreements we entered into in the past.

I certainly hope that the Members understand that every year we are appropriating new money for the multilateral organizations. That is where we should make reductions. We should cut the appropriation requests. But after we make the appropriation, we turn it over to the multilateral organizations, and then we subsequently devalue the dollar. In that case, we have no alternative other than to make our word good and fulfill our obligation.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I understood the gentleman to say that where we should cut is when the appropriation is before us, because if we go ahead and make it then, we cannot do it.

Is that not an argument that we should not make this appropriation now?

Mr. PASSMAN. No; Mr. Chairman, I am talking about the appropriation request originally when we first fund the multilateral organization. Every dollar that we cut down on the original requests would simply mean that we have to appropriate less in case of a later devaluation.

However, we have already made the appropriations.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, as you know, the Smithsonian monetary conference was hailed, at the time, as one of the great monetary moments in history but after the subsequent devaluation, the plan collapsed and it was apparently necessary to have a second dollar devaluation. Very little progress has been made toward strengthening and retaining the value of the dollar in our international monetary agreements. I cannot be a party to further erosion of the dollar. Mr. Chairman, does the gentleman agree that this monetary reform is, as Secretary Connally declared, "the world's greatest monetary reform" to pick up a tab of $2½ billion for the world and create a monetary fund?

Mr. PASSMAN. Well, of course, this is Mr. Connally's label. I cannot talk to the correctness of it.

Will the Members please take into account the fact that we have entered into agreements already and have directed the Secretary of the Treasury to maintain the value of the U.S. dollar holdings in these institutions.

Now, keep in mind that 60 nations have devalued their currencies and, in every case, their maintenance of value obligations have been fulfilled.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. PASSMAN was allowed to proceed for 1 additional minute.)

Mr. MILFORD. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. MILFORD. I thank the gentleman for yielding.

The gentleman's argument makes good sense. I have one question concerning it. Is the money we are appropriating for the bond guarantee, so to speak?

Mr. PASSMAN. Yes.

Mr. MILFORD. I am wondering what percentage of the guarantees the United States is making as compared to these other 49 nations.

Mr. PASSMAN. So far as the other nations are concerned, and I think it would be about right, we make about one-third of the contribution to the multilateral accounts. Some of the other nations may make a contribution of 2 or 3 percent. They are only obligated to the percentage of their original commitment.

Mr. MILFORD. In view of the differences in money valuation, I am wondering if the other countries—France, Germany—can come up with a greater guarantee and, if we deny this appropriation, would that not encourage them to come up with a greater percentage of the guarantee?

Mr. PASSMAN. These percentages have been fixed in years past. Let us take, for instance, the International Development Association.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. PASSMAN was allowed to proceed for 1 additional minute.)

Mr. PASSMAN. We make a 40-percent contribution to IDA. The United Kingdom makes about 12 percent and France about 6 percent. So they reached this formula years ago.

Now, we devalued our dollars, so we must appropriate funds so that the purchasing power of the dollar will be maintained as provided in those agreements.

Mr. MILFORD. Will the gentleman yield further?

Mr. PASSMAN. I yield.

Mr. MILFORD. That is exactly my point. Twenty years ago there was a vast difference between the United States, France, Germany, and Japan. I am wondering if we do not need to take another look at who should guarantee how much in these international organizations.

Mr. PASSMAN. I certainly agree with the gentleman. I might say our delegation has just returned from a meeting out in Kenya, a meeting which, among other things, included discussions on the International Development Association. We have been putting up 40 percent of the contributions heretofore, and because the other nations are more prosperous we have discussed the reduction of our contribution down to one-third. That does not mean they will get what they asked for in appropriations, but the formula has been reworked.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think members of the committee ought to know this amendment was debated very thoroughly in the full Committee on Appropriations.

We are dealing here with a very complicated subject, and I would suggest all Members read the report, if they have not, and also the hearings.

When the vote was taken in the full committee, I believe there were 10 members who were in favor of this amendment, and 38 opposed which is a clear indication, as I see it, that we believe it is important that we live up to the law that we agreed to.

Now, let me tell you what we have done.

Devaluation is a good thing for the United States. It was very helpful to the balance of payments. It has made the possibility of exports greater than it has ever been before. Look at the record of the balance of payments since those actions have taken place and compare them with what has happened before.

Public Law 92–268 authorizes and directs that the Secretary maintain the value in terms of gold of the holdings of U.S. dollars in the International Monetary Fund and the international development lending institutions, namely, the International Bank for Reconstruction and Development, the World Bank, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank, all we are doing is living up to the agreements we made when we voted to devalue. We are doing nothing more than all the other countries who are members of these organizations have done this time and have done many, many more times, and we have to live up to our agreements.

At this point I would like to cite a section of our report, and several of our maintenance of value agreements:

> The Par Value Modification Act, as amended by Public Law 93–110 of September 21, 1973, provides basic authority for the appropriation contained in the accompanying res-

olution. It reads in pertinent part as follows:

"SEC. 2. The Secretary of the Treasury is hereby authorized to take the steps necessary to establish a new par value of the dollar of $1 equals 0.828948 Special Drawing Rights, or the equivalent in terms of gold of forty-two and two-ninths dollars per fine troy ounce of gold. When established, such par value shall be the legal standard for defining the relationship of the dollar to gold for the purpose of issuing gold certificates pursuant to section 14(c) of the Gold Reserve Act of 1934 (31 U.S.C. 405b).

"SEC. 3. The Secretary of the Treasury is authorized and directed to maintain the value in terms of gold of the holdings of United States dollars of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank to the extent provided in the articles of agreement of such institutions. There is hereby authorized to be appropriated, to remain available until expended, such amounts as may be necessary to provide for such maintenance of value.

"SEC. 4. The increase in the value of the gold held by the United States (including the gold held as security for gold certificates) resulting from the change in the par value of the dollar authorized by section 2 of this Act shall be covered into the Treasury as a miscellaneous receipt."

MAINTENANCE OF VALUE REQUIREMENTS CONTAINED IN ARTICLES OF AGREEMENT FOR VARIOUS INTERNATIONAL FINANCIAL INSTITUTIONS

INTERNATIONAL MONETARY FUND

Section 8. Maintenance of Gold Value of the Fund's Assets.

(a) The gold value of the Fund's assets shall be maintained notwithstanding changes in the par or foreign exchange value of the currency of any member.

(b) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Fund, depreciated to a significant extent within that member's territories, the member shall pay to the Fund within a reasonable time an amount of its own currency equal to the reduction in the gold value of its currency held by the Fund.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)

Section 9. Maintenance of value of certain currency holdings of the Bank.

(a) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent within that member's territories, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient to maintain the value, as of the time of initial subscription, of the amount of the currency of such member which is held by the Bank and derived from currency originally paid in to the Bank by the member under Article II, Section 7(i), from currency referred to in Article IV, Section 2(b), or from any additional currency furnished under the provisions of the present paragraph, and which has not been repurchased by the member for gold or for the currency of any member which is acceptable to the Bank.

INTER-AMERICAN DEVELOPMENT BANK

Section 3. Maintenance of Value of the Currency Holdings of the Bank.

(a) Whenever the par value in the International Monetary Fund of a member's currency is reduced or the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient to maintain the value of all the currency of the member held by the Bank in its ordinary capital resources, or in the resources of the Fund, excepting currency derived from borrowings by the Bank. The standard of value for this purpose shall be the United States dollar of the weight and fineness in effect on January 1, 1959.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Section 2. Maintenance of Value of Currency Holdings.

(a) Whenever the par value of a member's currency is reduced or the foreign exchange value of a member's currency has, in the opinion of the Association, depreciated to a significant extent within that member's territories, the member shall pay to the Association within a reasonable time an additional amount of its own currency sufficient to maintain the value, as of the time of subscription, of the amount of the currency of such member paid in to the Association by the member under Article II, Section 2(d), and currency furnished under the provisions of the present paragraph, whether or not such currency is held in the form of notes accepted pursuant to Article II, Section 2(e), provided, however, that the foregoing shall apply only so long as and to the extent that such currency shall not have been initially disbursed or exchanged for the currency of another member.

ASIAN DEVELOPMENT BANK

Article 25. Maintenance of value of the currency holdings of the Bank.

1. Whenever (a) the par value in the International Monetary Fund of the currency of a member is reduced in terms of the dollar defined in Article 4 of this Agreement, or (b) in the opinion of the Bank, after consultation with the International Monetary Fund, the foreign exchange value of a member's currency has depreciated to a significant extent, that member shall pay to the Bank within a reasonable time an additional amount of its currency required to maintain the value of all such currency held by the Bank, excepting (a) currency derived by the Bank from its borrowings, and (b) unless otherwise provided in the agreement establishing such Funds, Special Funds resources accepted by the Bank under paragraph 1 (ii).

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield further, I understood our colleague on the committee, the gentleman from Louisiana (Mr. PASSMAN) to make the statement that our representatives were just back with an agreement which changed the U.S. contribution from 40 to 33⅓ percent. If I understood the gentleman correctly, if that is the action they took on these matters that are prearranged, then does not the gentleman think that this money should be withheld, at least until this matter can be completely reviewed and our share placed at the level that is most appropriate?

Mr. CEDERBERG. It would have absolutely no impact on the requirement of the United States in making its commitment as the other nations have done.

As far as I know about what happened in Nairobi, I do not think any action was taken along this line at all. I do not know of any.

Mr. WHITTEN. I understood the gentleman from Louisiana (Mr. PASSMAN) said there was.

Mr. CEDERBERG. There may have been some discussion.

Mr. PASSMAN. If the gentleman will yield.

Heretofore our contribution had been 40 percent to the International Development Association. Now, some of the other nations are more prosperous and there was discussion of reducing our participation down to one-third for IDA. Of course, this does not mean we are going to have to put up the full amount of the money requested, we can, at the point when we mark up the bill, cut the requested amount down. But once we appropriate the money and make it available, then we are committed to maintain the value of those dollars as directed by the authorizing regulations and the articles of agreement.

Mr. CEDERBERG. The gentleman from Louisiana has stated the situation correctly. This is taking into account past actions. A reduction in the amount that the United States contributes will not be reflected in this kind of legislation, but under the appropriations, under the control of the gentleman from Louisiana.

Mr. PASSMAN. The gentleman is correct. We have no other alternative in the measure before us but to live up to our agreements and pass this legislation.

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield further, those of us who are objecting to this are not saying that we should not live up to our obligations, of course not. We are merely wondering why it is necessary to have this $2.2 billion when the requirement of what is needed now is about one-half of 1 percent.

Mr. CEDERBERG. We are directed to bring it back to the value to what it would have been if we had not devalued, just as every other nation has done. We are the only one that has not done so.

Mr. WHITTEN. But the law does not say when.

Mr. CONTE. Mr. Chairman, if the gentleman will yield, the question of the new formula adopted in Nairobi, Kenya has to do with the replenishment of the Fund. What we are dealing with here are commitments that have already been made.

Mr. CEDERBERG. That is correct.

Mr. CONTE. The gentleman mentioned, I believe, that there was a vote in the Committee on Appropriations on this measure. What was that vote?

Mr. CEDERBERG. I really do not know.

Mr. CONTE. I believe it was 38 opposed, and 10 for.

Mr. CEDERBERG. I believe that is correct.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have a relatively simple problem before us this afternoon with regard to the amendment which has been offered. This bill and this amendment should not be confused with foreign aid. This is not a foreign aid bill.

Over a period of years the Congress has authorized and approved our participation in these international financial institutions, and we have, from year to year, appropriated money to these institutions. There have been arguments as to whether or not we should have done it, as to whether we have appropriated too much, and as to whether our share has been too great and we agreed to bear too much of the burden. But that is in the past and the money has already been provided by the Congress. However our Government in our agreements—and I have copies of these agreements in my possession—with these other nations, gave our solemn word that we, along with them, would maintain the value of our currency and if we devalued our currency then we would put up additional funds to bring our contribution up to value of what it was originally. Whether it was right or wrong to make these contributions and sign these agreements is another question but at this moment we are a party to these agreements and must meet our commitments.

We will have an opportunity in the future to refuse to make further contributions. We have the authority to do that, and we may do it at a later time when we have certain legislation before us. But the point is that we are for the most part maintaining the value of the U.S. dollar on past actions of the Congress and not on what funding might be authorized in the future. It is just that simple. We passed the legislation requiring the Secretary of the Treasury to maintain the value of the dollar holdings in these institutions by an overwhelming vote. The legislation states that the Secretary of the Treasury is authorized and directed—and this has been read several times here today—to maintain the value in terms of gold of the holdings of the U.S. dollars of these various organizations.

So it is just a question of whether or not we want to maintain the good faith and honor of the U.S. Government. I do not see that we can repudiate these agreements now. We do not have to authorize funds in the future for these organizations, but we cannot repudiate what we have already agreed to in the past.

The issue is that simple.

Earlier today I quoted from a letter dated today from the Under Secretary of the Treasury for Monetary Affairs, Mr. Paul Volcker, one of the most able men in the Government. In part, the letter reads as follows:

> This obligation falls due at the time the par value of the dollar is changed. To meet this obligation, the funds requested through the appropriation process must be available in full—

The maintenance of value payment cannot be made in part, but must be made in full. I continue to read:

> This is so despite the substantial reduction in the real financial cost to the United States resulting from the fact that a very large part of the obligation—$1.7 billion—is not expected to result in expenditures, and the rest—$477 million—will only result in expenditures over a period of about ten years. However, unless the full appropriation is **available, we will not have the legal** authority to enter into these international financial commitments that flow from devaluations.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 3 additional minutes.)

Mr. MAHON. Without exception, the other nations, both small and big, have complied with their maintenance of value agreements. Shall the great United States of America welsh on its agreements and violate its word? To me it is unthinkable.

Again let me read in part what the Under Secretary of the Treasury for Monetary Affairs said in his letter to me:

> However, unless the full appropriation is available we will not have the legal authority to enter into these international financial commitments that flow from devaluation.

So the question is not whether one is a liberal or a conservative or whether he is for saving money or not for saving money.

But the question is, Shall we live up to the solemn word of the U.S. Government as enacted into law by this Congress and provide these funds? I cannot see much room for contrary opinion. The Appropriations Committee voted down this issue 38 to 10.

I would hope that the House would vote down this amendment and maintain the legal and financial integrity of the word of our country in its relationships with the other nations of the world.

Mr. RHODES. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I thank my chairman for yielding.

Is it not a fact that we are not being asked to do anything which is not in accordance with the laws and treaties previously approved by the Congress, and is it not a fact also we are not being asked to do anything which other nations which have devalued their currencies have not done also?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, we have heard a great deal about commitments and agreements in the last few minutes. It is my understanding from the gentleman from Louisiana (Mr. PASSMAN) that an agreement had been made recently in Nairobi. Is that correct?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. On the question of making future contributions to the International Development Association, our country took the position in Nairobi that we would not favor, in the future, making a contribution to IDA at the same percentage level of the total contributions pledged as we have in the past, but that does not change the past situation.

As a matter of fact, Secretary of the Treasury Shultz visited with me in the Capitol early in September with respect to the replenishment problem that would be encountered at Nairobi and on September 11 I wrote him a letter from which I now quote one paragraph:

> In my judgment our Government should approach with a great deal of caution the proposition of making commitments which in fact represent an increased drain on future financial resources at a time when we are struggling to gain an improved fiscal position and grapple with many complex economic problems.

Mr. GROSS. All right. All I wanted was confirmation of the fact that there was an agreement.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, our officials made it clear that any agreement reached would be based entirely on a subsequent appropriation. I am talking about future contributions.

Mr. GROSS. I am pleased to have the confirmation of the gentleman from Louisiana.

Let me read from the hearing record of the Appropriations Committee held on September 14, which was not very long ago. This is a colloquy between the gentleman from Louisiana (Mr. PASSMAN) and Mr. Volcker, who is the Under Secretary of the Treasury for Monetary Affairs:

> Mr. PASSMAN. Do you have a specific authorization from the Banking and Currency Committee to go over there and enter into this agreement by law?
>
> Mr. VOLCKER. No.
>
> Mr. PASSMAN. Have you had any implied commitments from the members on the Committee on Appropriations for you to enter into these agreements?
>
> Mr. VOLCKER. No, and we will not make illegal commitments.
>
> Mr. PASSMAN. So then subsequently, if in our wisdom we decide to make adjustments, we have that right?
>
> Mr. VOLCKER. There is no question, whatever we say in Nairobi, we will be committed to nothing.

He is saying that we will do a lot of talking over there but we will not make any commitments.

What was the gentleman talking about?

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield, the discussions on an IDA replenishment were predicated on a subsequent appropriation by the Congress and that was the subject of that colloquy. This was only on the condition if the Congress appropriated the money.

Mr. GROSS. Let me proceed for a minute. Yes, the House voted for the par value authorization bill. I voted against it, but that is neither here nor there. We can abrogate that commitment just as well as we can abrogate any other commitment. Let me cite to the Members another commitment as an example. A commitment was made by this Government in 1947 that we would have 5 years of foreign aid at $5 billion a year, or $25 billion worth of foreign aid, and it would be out and over. That was a solemn commitment. Now, 26 years and $253 billion later we are still putting out foreign aid, and this is a $2.2 billion addition to it.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. As I understand it, the passage quoted from our hearings by the gentleman concerned the discussions to be held in Nairobi, and I was not there.

Mr. GROSS. Only the big game hunters went over there.

Mr. MAHON. Our delegation took the position we would demand certain reductions in our contribution in the future to the International Development Association, and the Congress certainly is not committed by anything that happened in Nairobi to do something in the future.

Mr. GROSS. Please do not try to sell me on the idea that this is not going to cost $2.2 billion, because for the first Nixon devaluation of 8 percent, Congress appropriated $1.6 billion and $1.5 billion of that amount has been spent, so do not try to tell me that this is going to be any different.

Mr. MAHON. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Yes.

Mr. MAHON. The $1.6 billion appropriated for the first devaluation has not all been expended. Only $28 million of the $1.6 billion is estimated to be expended through fiscal year 1974. It is true, however, that over $1.5 billion of this amount has been obligated.

Mr. GROSS. The gentleman's own hearing record—I cannot put my finger on it at this moment—shows that $1.5 billion was spent on the previous devaluation with the money going to the same international lending outfits that will get this $2.2 billion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. FLYNT) to the committee amendment.

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 129, noes 237, not voting 68, as follows:

[Roll No. 499]

AYES—129

Abdnor
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bowen
Bray
Brinkley
Brown, Ohio
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Byron
Camp
Carney, Ohio
Clancy
Clawson, Del
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, S.C.
de la Garza
Denholm
Dent
Devine
Dickinson
Downing
Duncan
Evins, Tenn.
Flowers
Flynt
Ford, William D.
Fountain
Frey
Froehlich
Fuqua
Gaydos
Ginn
Goodling
Green, Oreg.
Gross
Gunter
Haley
Hammerschmidt
Harsha
Hays
Henderson
Holt
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Keating
Kemp
Ketchum
King
Landgrebe
Landrum
Lehman
Litton
Long, La.
Long, Md.
Lott
Lujan
McSpadden
Madigan
Mann
Mathis, Ga.
Mazzoli
Melcher
Miller
Mizell
Montgomery
Moorhead, Calif.
Murphy, Ill.
Nedzi
Price, Ill.
Price, Tex.
Randall
Rarick
Rooney, Pa.
Roush
Ryan
Satterfield
Saylor
Scherle
Schroeder
Shuster
Slack
Snyder
Spence
Steelman
Steiger, Ariz.
Stratton
Stubblefield
Stuckey
Symms
Taylor, Mo.
Thornton
Towell, Nev.
Vander Jagt
Waggonner
Wampler
Whitten
Wilson, Charles, Tex.
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zion

NOES—237

Abzug
Adams
Addabbo
Anderson, Calif.
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Burke, Calif.
Burlison, Mo.
Burton
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Cleveland
Cohen
Conable
Conte
Corman
Coughlin
Cronin
Culver
Danielson
Davis, Wis.
Delaney
Dellenback
Dellums
Dennis
Donohue
Dorn
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Fisher
Flood
Foley
Ford, Gerald R.
Forsythe
Fraser
Frelinghuysen
Frenzel
Gettys
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Green, Pa.
Griffiths
Grover
Gubser
Guyer
Hamilton
Hanley
Hansen, Idaho
Harvey
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holtzman
Horton
Howard
Jarman
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kuykendall
Latta
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Mahon
Mailliard
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mezvinsky
Milford
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Myers
Natcher
Nichols
Nix
Obey
O'Hara
O'Neill
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Pritchard
Quie
Quillen
Rees
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rostenkowski
Roy
Ruppe
St Germain
Sarasin
Sarbanes
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Wis.
Stephens
Studds
Sullivan
Talcott
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Treen
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waldie
Walsh
Ware
Whalen
Whitehurst
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Ga.
Zablocki
Zwach

NOT VOTING—68

Alexander
Anderson, Ill.
Arends
Armstrong
Breaux
Broyhill, Va.
Buchanan
Butler
Carey, N.Y.
Clay
Conyers
Cotter
Crane
Davis, Ga.
Derwinski
Diggs
Dingell
Erlenborn
Findley
Fulton
Grasso
Gray
Gude
Hanna
Hanrahan
Hansen, Wash.
Harrington
Hébert
Johnson, Colo.
Jones, Ala.
Kluczynski
Kyros
Leggett
Lent
McClory
Maraziti
Meeds
Metcalfe
Michel
Mills, Ark.
Murphy, N.Y.
Nelsen
O'Brien
Owens
Patman
Powell, Ohio
Railsback
Rangel
Riegle
Robison, N.Y.
Rooney, N.Y.
Rose
Rosenthal
Rousselot
Roybal
Runnels
Ruth
Sandman
Sisk
Skubitz
Staggers
Stark
Stokes
Symington
Taylor, N.C.
White
Wilson, Bob
Young, Ill.

So the amendment to the committee amendment was rejected.

The result of the vote was announced as above recorded.

The committee amendment was agreed to.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. BRADEMAS, chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the joint resolution (H.J. Res. 748) making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes, had directed him to report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution, and on the amendment, to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

RECORDED VOTE

Mr. DELLENBACK. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 274, noes 90, not voting 70, as follows:

[Roll No. 500]

AYES—274

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
Badillo
Baker
Barrett
Bell
Bergland
Bevill

Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Fla.
Burlison, Mo.
Burton
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Corman
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Wis.
Delaney
Dellenback
Dellums
Dennis
Diggs
Donohue
Dorn
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Gonzalez
Green, Oreg.
Green, Pa.
Grover
Gubser
Gunter
Guyer
Hamilton
Hammerschmidt

Hanley
Hansen, Idaho
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holtzman
Horton
Hosmer
Howard
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
King
Koch
Kuykendall
Lehman
Litton
Long, La.
Lott
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mailliard
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell

Preyer
Price, Ill.
Pritchard
Quie
Quillen
Rees
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Roy
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waldie
Walsh
Ware
Whalen
Whitehurst
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Ga.
Young, Tex.
Zablocki
Zwach

NOES—90

Andrews, N.C.
Ashbrook
Bafalis
Bauman
Beard
Bennett
Bray
Brinkley
Brown, Ohio
Broyhill, N.C.
Burgener
Burleson, Tex.
Byron
Camp

Carney, Ohio
Clancy
Clawson, Del
Collier
Collins, Tex.
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
de la Garza
Denholm
Dent
Devine

Dickinson
Downing
Evins, Tenn.
Flowers
Flynt
Fountain
Gaydos
Ginn
Goldwater
Goodling
Gross
Haley
Harsha
Henderson

Holt
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jones, Tenn.
Ketchum
Landgrebe
Landrum
Latta
Long, Md.
Lujan
Madigan
Mann
Mathis, Ga.

Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nichols
Price, Tex.
Randall
Rarick
Riegle
Roncalio, Wyo.
Roush
Ryan
Satterfield
Scherle

Schroeder
Shuster
Snyder
Spence
Steiger, Ariz.
Symms
Taylor, Mo.
Towell, Nev.
Waggonner
Whitten
Wilson, Charles, Tex.
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Zion

NOT VOTING—70

Alexander
Anderson, Ill.
Arends
Armstrong
Blatnik
Breaux
Broyhill, Va.
Buchanan
Burke, Mass.
Butler
Carey, N.Y.
Clay
Conyers
Cotter
Crane
Davis, Ga.
Derwinski
Dingell
Erlenborn
Findley
Fulton
Grasso
Gray
Griffiths

Gude
Hanna
Hanrahan
Hansen, Wash.
Harrington
Hébert
Johnson, Colo.
Jones, Ala.
Kluczynski
Kyros
Leggett
Lent
McClory
Maraziti
Meeds
Metcalfe
Michel
Mills, Ark.
Murphy, N.Y.
Nelsen
O'Brien
Owens
Patman
Powell, Ohio

Railsback
Rangel
Robison, N.Y.
Rooney, N.Y.
Rose
Rosenthal
Rousselot
Roybal
Runnels
Ruth
Skubitz
Staggers
Stark
Stokes
Symington
Taylor, N.C.
Teague, Tex.
Wampler
White
Wilson, Bob
Wright
Young, Ill.

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Robison of New York for, with Mr. Crane against.

Mr. Burke of Massachusetts for, with Mr. Taylor of North Carolina against.

Mr. Railsback for, with Mr. Rousselot against.

Mr. Gray for, with Mr. Hébert against.

Until further notice:

Mr. Staggers with Mr. Arends.

Mr. Teague of Texas with Mr. Buchanan.

Mr. Carey of New York with Mr. Conyers.

Mr. Rooney of New York with Mr. Young of Illinois.

Mr. Hanna with Mr. Ruth.

Mr. Blatnik with Mr. Anderson of Illinois.

Mr. Kluczynski with Mr. Rosenthal.

Mr. Kyros with Mr. Maraziti.

Mr. Leggett with Mr. Clay.

Mr. Rangel with Mr. Harrington.

Mr. Cotter with Mr. Lent.

Mr. Davis of Georgia with Mr. Butler.

Mr. Dingell with Mr. Skubitz.

Mr. Fulton with Mr. Broyhill of Virginia.

Mrs. Griffiths with Mr. Erlenborn.

Mrs. Hansen of Washington with Mr. O'Brien.

Mr. Alexander with Mr. Derwinski.

Mr. Meeds with Mr. McClory.

Mr. Metcalfe with Mr. Rose.

Mr. Murphy of New York with Mr. Wampler.

Mr. Stokes with Mr. Roybal.

Mr. Symington with Mr. Nelsen.

Mr. Breaux with Mr. Findley.

Mrs. Grasso with Mr. Hanrahan.

Mr. Jones of Alabama with Mr. Powell of Ohio.

Mr. Mills of Arkansas with Mr. Gude.

Mr. Patman with Mr. Michel.

Mr. Wright with Mr. Bob Wilson.

Mr. White with Mr. Stark.

Mr. Owens with Mr. Runnels.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed; and that I, as chairman of the Committee on Appropriations, have permission to include extraneous and tabular material relating to the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that Mr. COLLIER and all Members may have 5 legislative days in which to extend their remarks on the life and service of the late Tom Vail, chief counsel of the Senate Committee on Finance.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TOM VAIL

Mr. COLLIER. Mr. Speaker, I join my colleagues in expressing my sorrow and sense of loss at the passing of Tom Vail, a truly dedicated and professional public servant.

During his 22 years of service to the Congress as a staff member of the Joint Committee on Internal Revenue Taxation, and most recently as chief counsel of the Senate Finance Committee, Mr. Vail's advice and counsel did much to improve the tax, trade, medicare, social security, and welfare laws of our Nation. His professional competence and ability to distill and present complex and technical details of complicated legislation in a calm and effective manner were of immeasurable importance to the committees he served.

Tom Vail's talents and expertise will be sorely missed by the Congress, but all of us are indeed fortunate to have known and worked with this fine man.

I wish to extend my deepest sympathy to Tom's loved ones.

A RIGHT TO LIVE

(Mr. BRINKLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRINKLEY. Mr. Speaker, today I am introducing what I consider to be the single most important piece of legislation I have ever authored during my service in this body—the National Cancer Research Act of 1973. Because of its magnitude in the terms of life which could be saved and the suffering which could be prevented by its enactment, I am inserting at this point the text of my remarks which were presented this morning at a news conference at which time I announced the introduction of this bill, and expressed my own feelings as to its potential importance not only to the American people but to people around the world.

The statement reads:

STATEMENT OF U.S. REPRESENTATIVE JACK BRINKLEY

About 53 million Americans now living will eventually have cancer—or about one out of every four persons. This year alone about 350 thousand will die of the disease. Since 1970 more than one million Americans have died of cancer. By the end of this decade an estimated 3.5 million cancer deaths will have occurred and some 10 million people will be under medical care for cancer.

These figures reflect just how devastating to human life cancer is. In a very real sense, this disease has declared war on the human race, and as in any war, the deaths reflect only a small portion of the actual suffering which the combatants must endure.

Today I will introduce in Congress the National Cancer Research Act of 1973. Let me emphasize that this legislation has but one goal: finding a cure for cancer within five years. To finance this massive scientific undertaking we have incorporated into this bill a two percent cancer eradication tax surcharge on the taxable income of every individual and corporation in the United States for a period of five years. We estimate that such a tax would result in at least $15 billion to be used exclusively for finding a cancer cure.

In announcing the introduction of this legislation, I fully realize that it follows enactment of the National Cancer Act of 1971 and the issuance of the National Cancer Plan by the White House in August of this year. As many of you probably know, the National Cancer Plan is a five year plan which calls for the ultimate elimination of all forms of cancer but does not set any specific deadlines to reach this goal.

It is the intention of this bill to provide a sufficient supply of funds so that every feasible and sound approach directly related to finding a cancer cure can be explored to the fullest possible extent. Let me say that this bill is not intended by any means to be a "slap" at any present cancer research now taking place or the manner in which our government and our scientists are attempting to find a cancer cure. Rather, it is designed to supplement these efforts—to throw cancer research into high gear, to supply the manpower and money needed to do everything humanly possible to find a cure for cancer at the earliest possible date. While I applaud the work of such outstanding organizations as the National Cancer Institute and the American Cancer Society, it is my strong personal belief that if a major breakthrough in cancer research is to take place within a time certain, then we must dramatically increase our present efforts. Every minute in which we live without a cancer cure or preventative means the loss of human life. I feel that under no circumstances should we allow another person to die of cancer simply because the money was not there to fund the research project which might have been only an eyelash away from a cure discovery.

Of course, winning the war against cancer will not be easy and it will not be inexpensive. It will require sacrifice by every American just as surely as it will benefit every American. However, our people are generous, and they will neither shrink from a great challenge nor allow an opportunity to accomplish a great good to pass them by.

Let us have another great commitment for the Seventies—the right of man to live, in his battle against cancer. The American spirit and steadfastness of purpose gives us every right to expect that we can do exactly what we set out to do. If we honestly want to conquer cancer—and if this want is more than an intellectual wish, we can do it if we are willing to pay the price, a price guaranteed not to be diverted for other purposes.

As for myself, I believe a cure for cancer can be found, and found within five years. I believe this bill can be the vehicle which will enable us to find that cure. I ask for the help and support of the American people in making cancer a disease of the past.

CANCER BILL SYNOPSIS

If it is our wish to develop a cancer vaccine, and if that wish is more than an intellectual desire, if its importance can be translated into a willingness of the American people to sacrifice mere treasure, then a principle of "a right to live" will have been established. To achieve this, I have structured major legislation, the National Cancer Research Administration, NCRA, after the National Association of Science and Astronautics which conquered the moon within a time certain—within the decade of the sixties. The time specified in my bill for the conquest of cancer is 5 years; a 2% cancer tax is incorporated which will automatically expire after an identical 5 year term. The money is to be held in a trust fund with the absolute guarantee that it be used *only* in the crusade against cancer. No giveaways; it asks rather than gives!

The NCRA is charged to control and coordinate all cancer activities—to chart the road map, to develop the game plan and to carry it out.

The statistics: $15 billion funding over the 5 years, more than 5 times as much as has been appropriated altogether for the past 35 years.

The stakes: 960 lives a day—one out of every four Americans, during their lives; this year 350 thousand; this decade 3.5 million; 10 million under treatment.

There will be a thousand reasons given why this won't work; but there are more than 200 million reasons "walking around" that say we must make it work.

I am prepared to ask the American people to make this sacrifice. Human life is precious, and the American people have never yet failed to rally in behalf of a noble cause.

INTRODUCTION OF RESOLUTION ON SHIFT OF SAN DIEGO PADRES TO WASHINGTON, D.C.

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. KETCHUM. Mr. Speaker, I rise to indicate that while I am much in favor of seeing a major league baseball team come to Washington, D.C., I question the advisability of acting in great haste to effect the transfer of the San Diego Padres to this city. I have in my hand and now place in the RECORD a resolution proposal by the Armory Board to the owners of the Padres. I believe it leaves unanswered many questions.

Is the Board offering a better deal than other cities might offer? Are the American taxpayers going to foot the bill by subsidizing this or any other team just to get them to come to the District of Columbia?

If so, why? I ask, Mr. Speaker, that the District of Columbia Committee investigate this situation and provide answers. In so doing, I cast no aspersions on any individual or group of individuals. I simply feel we need to know.

Mr. Speaker, the resolution is as follows:

DISTRICT OF COLUMBIA ARMORY BOARD: RESOLUTION

It is hereby resolved by the District of Columbia Armory Board (hereinafter "Board") that a lease agreement for the use of the Robert F. Kennedy Stadium (hereinafter "Stadium"), between the Board and the potential owners of a National League Baseball Team associated with Mr. Joseph B. Danzansky (hereinafter "Owners") shall be entered into within 60 days from the date of this resolution which agreement shall include, but not be limited to, the following provisions:

1. *Rent*. The Owners shall pay rental to the Board as follows: ten cents (10¢) for each paid admission exceeding the ticket price of seventy-five cents (75¢) up to one million paid attendance, thirty cents (30¢) for each paid admission exceeding the ticket price of seventy-five cents (75¢) above the total paid attendance of one million, which attendance figure shall not include the number of paid admissions of seventy-five cents (75¢) or less.

2. *Concessions*.

A. *Management and Control*. Food, Beverage and Tobacco concessions within the Stadium shall be under the management and control of the Owners during 12 months of every year. Sales of all items other than Food, Beverage and Tobacco shall be exclusively within the management and control of the Owners during the Official Baseball Season only. (As used herein, "Official Baseball Season" shall mean Owners' baseball games only.)

B. *Revenue*. Income from the sale of Food, Beverage and Tobacco during the Official Baseball Season shall belong exclusively to the Owners. Income derived from the sale of all items other than Food, Beverage and Tobacco during the Official Baseball Season shall likewise belong to the Owners. The Owners shall pay to the Board 33% of gross income derived from the sale of Food and Beverage and 10% of the gross income derived from the sale of Tobacco products at times other than during the Official Baseball Season.

C. *Contribution to Costs*. It is expressly provided that the Owners shall contribute $6,500 annually to the Board as compensation for electricity utilized by Food and Beverage concessions during the Official Baseball Season. In addition, commencing during the second and subsequent years of the lease agreement, if there is any increase in rates for electricity above the rates charged during the initial year of this lease, the Owners shall pay a sum representing any increase in the cost of electricity computed as follows: the annual percentage increase in rates charged by the utility for electricity multiplied by $6,500.

3. *Parking*.

A. *Management and Control*. All parking shall remain under the management and control of the Board, provided, however, that the daily unreserved parking rate of $1.25 per day during the Official Baseball Season shall not be increased or decreased by more than 20% by the Board without prior approval of the Owners; further provided that such appeal shall not be unreasonably withheld.

B. *Revenue*. The first $112,000 of net proceeds derived from parking revenues during the Official Baseball Season shall be paid to the Owners. Net proceeds above $112,000 but less than $262,000 shall be retained by the Board. Above $262,000 the next $50,000 of net proceeds shall be paid to the Owners provided that the Board first determines such payments will not cause a deficit in Stadium operation during the Official Baseball Season, which determination shall be subject to an audit by the Owners.

4. *Advertising*.

A. *Management and Control*. Advertising within the Stadium during the Official Baseball Season shall be under the management and control of the Owners, subject to the approval of any advertising material or content by the Board, which approval of shall not be unreasonably withheld.

B. *Revenue*. The Owners shall receive a percentage of net advertising revenues derived from all advertising (12 months of every year) computed as follows: the net revenue from all advertising within the stadium over a twelve month period divided by a fraction, the numerator of which shall be the total paid admissions during the Official Baseball Season in excess of seventy-five cents (75¢) per admission, and the denominator of which shall be the total paid attendance for all events held in the stadium throughout the twelve month period.

5. *Owners expenses.* The Owners shall be obligated at their sole cost and expense to provide Liability Insurance, Game Day Personnel (ushers and ticket takers), Security Personnel within the Stadium, and the cost of maintaining the Playing Field on each day of an Official Baseball Game. The Owners shall agree to save harmless and indemnify the Board, the District of Columbia, the United States of America, including the Department of the Interior and the officers, agents and employees of each and all of them from liability of every nature, in connection with the Owners' activities or those of any opposing team relating to the use and occupancy of the Stadium.

6. *Board expenses.* The Board shall be obligated at its sole cost and expense, to pay all other stadium expenses including General Stadium Maintenance, Sound System Maintenance, Utility Costs (including all water service and all electric power) and Stadium Clean-Up expenses, and any Taxes imposed upon any property owned or controlled by the Board which it is required by law to pay.

7. *Term.* The agreement shall be for a term of 12 years commencing upon the beginning of the 1974 Official Baseball Season, subject to an increase in the rental payment as provided for in item one (1) after 6 years; such rental increase shall be computed as follows: the percentage increase in the cost of living index for the Washington Metropolitan Area as determined by the United States Department of Labor between the date of commencement of the term of the lease agreement and the date 6 years subsequent thereto.

It is expressly understood that the above seven (7) provisions are not to be considered by either the Board or the Owners as the sole provisions of the intended lease agreement. Such intended agreement shall be consummated no later than sixty (60) days; otherwise this resolution shall be of no further force or effect.

Whereas on May 14, 1973, the Armory Board resolved that a lease agreement between the Board and the potential owners of a National League Baseball team, associated with Mr. Joseph B. Danzansky, for the use of the Robert F. Kennedy Memorial Stadium be entered into within sixty days from that date; and

Whereas since that date unforeseen circumstances have precluded the potential owners of a National League Baseball team, associated with Mr. Joseph B. Danzansky, from entering into said agreement with the Armory Board,

Now, therefore: The Armory Board hereby resolves to extend for a ninety-day period the termination date specified in the May 14th resolution.

J. C. TURNER, *Chairman.*

July 11, 1973.

DISTRICT OF COLUMBIA
ARMORY BOARD,
Washington, D.C., September 17, 1973.

MR. JOSEPH B. DANZANSKY,
DANZANSKY AND DICKEY,
Washington, D.C.

DEAR MR. DANZANSKY: This is to inform you that the official minutes of the District of Columbia Armory Board for the meeting held September 14, 1973, reflect the following unanimous action taken by the Board:

"The resolution dated May 14, 1973, relating to a lease agreement for the use of Robert F. Kennedy Memorial Stadium, is hereby amended by adding at the end of Provision No. 7, relating to the term of the lease agreement, the following new language:

"'In the event the total paid attendance for baseball at the Stadium for any three (3) consecutive baseball seasons (commencing with the 1976 baseball season) amounts to less than $2,700,000, the Owners shall have the option to terminate the lease agreement. Should the Owners exercise such option they shall reimburse the Board for the depreciated value of any improvements made to the Stadium and parking lots for baseball and the amount of such reimbursement, if in dispute, shall be determined by referral to the American Arbitration Association, whose decision shall be final and binding upon the parties; no such improvements shall be made by the Board without first obtaining approval of the Owners. If the Owners exercise such option to terminate the lease agreement, they, their heirs, successors, and assigns, shall not relocate any baseball franchise within a 75-mile radius from the zero milestone in the District of Columbia.'."

The Armory Board has authorized me to submit this letter to you reflecting its official action.

Very truly yours,
ROBERT H. SIGHOLTZ, *Manager.*

PADRE MOVE MEANS LARGE CITY DEFICIT

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, my California colleague, Mr. KETCHUM, has performed a distinct public service.

The inquiry he seeks should include all circumstances surrounding a very strange sequence of events.

The document Mr. KETCHUM has placed in the RECORD bears an original date of May 14, 1973. It was renewed on July 11. Yet the San Diego city attorney's office was unable to obtain information about it less than 1 month ago.

A city attorney's deputy says he was told no such document existed—indeed, that no formal negotiations had taken place between the Armory Board and the prospective District of Columbia baseball owners, for use of RFK Stadium.

Apparently, he was lied to.

A copy of this same tentative contract was turned up yesterday during deposition proceedings involving the National League president, Chub Feeney.

What we see here, Mr. Speaker, is a plot combining public officials and private businessmen, to take a baseball team from another American city—whose citizenry will thereby lose more than a half-million dollars in annual stadium revenues.

We see a sweetheart contract for use of RFK Stadium, which is underwritten by all the taxpayers of America.

It is time to get this transaction out of the dark corners, and find out who has been abusing the public trust.

I place in the RECORD a pertinent news story from this morning's San Diego Union:

PADRE MOVE MEANS LARGE CITY DEFICIT

(By Robert P. Laurence)

If San Diego loses the Padres, it will also lose $504,000 a year in operating revenue at San Diego Stadium, city Property Director William L. MacFarlane said yesterday.

When the team, which has been conditionally sold to a Washington, D.C. combine, played baseball here, stadium operations were in the black by $276,000 a year. MacFarlane told reporters at a meeting of the Stadium Authority Board of Governors.

Without the team, operations will fall into the red by $228,000, he predicted. The fall from a $276,000 surplus to a $228,000 deficit will add up to a total loss of $504,000, MacFarlane said.

"That's our real loss," he said.

It takes $1.5 million a year to keep up payments on the $27 million facility, MacFarlane said, and with the Padres playing, $200,000 from stadium operations went toward the total.

Now, the city will have to pay the entire $1.5 million, he said.

On another issue, the board directed MacFarlane to study a proposal to build permanent bleachers at the open east end of the stadium, where temporary bleachers are now rented by the stadium authority for $18,000 a year.

$300,000 COST

It would cost $300,000 to build 6,140 seats, he said, and the project could pay for itself in 15 years.

There are already 400 permanent seats in the area, plus the 5,000 rented seats.

Meanwhile, board member Albert Harutunian reported that fire department safety experts were studying ways of improving egress from the playing field area so the stadium can be used for concerts, camper shows and other events that would bring spectators to the field area.

MacFarlane released a "San Diego Stadium Revenue Report" which showed that gross revenue at the stadium in the fiscal year which ended last June 30 was $1.4 million.

REVENUE UP

The revenue included $272,000 from the Chargers, $177,000 from the Padres, $38,092 from the San Diego State University Aztecs, $383,700 from Servomation, supplier of food and drinks in stadium concession stands, $455,000 in parking revenue, and $67,321 in miscellaneous income.

The revenue total for fiscal 1972–73 was up from the $1.27 million of 1971–72.

The Chargers and Padres have each paid the city eight per cent of their gross receipts, while the Azetcs have paid 10 per cent or $2,500, whichever is greater.

THE LATE HONORABLE J. VAUGHAN GARY

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from Virginia, Mr. SATTERFIELD, is recognized for 60 minutes.

Mr. SATTERFIELD. Mr. Speaker, it was with deep sadness that I announced the death of former Congressman J. Vaughan Gary of Virginia, who passed away September 6th after a long illness.

Vaughan Gary ably represented the Third Congressional District of Virginia in the House for nearly 20 years, beginning in the 79th Congress.

Educated in the Richmond public schools, he was graduated from what is now the University of Richmond, and the T. C. Williams School of Law in 1915 Following this, while practicing law, he joined the Army during World War I and served honorably until his discharge following the end of that conflict. He returned to Richmond and resumed the practice of law.

Vaughan Gary devoted his life to service in his community. When he was not occupied with elective office, he was devoting his energy to civic affairs in his community. He served as vice president of the Richmond Community Council, president of the Richmond Bar Association, master of the Masonic Lodge, president of the State chamber of commerce, member of the committee on Federal taxation of the eastern region of the National Association of State Chambers of Commerce, member of the board of trustees of the University of Richmond, member of the board of trustees of Fork Union Military Academy, and a member of the board of directors of the Virginia Cooperative Education Association.

Mr. Gary was an experienced legislator when he came to Congress, for he served in the Virginia General Assembly from 1926 until 1934. His keen interest in legislative affairs continued with his service as chairman of the Virginia Advisory Legislative Council committee on child welfare, and as chairman of the mayor's committee to study aspects of the Richmond court system. He was an advocate of the elimination of slums and worked diligently in bringing about greater understanding and cooperation between State and Federal governments in efforts to deal with slums and substandard living conditions. He was a strong advocate of penal reform and exhibited pride in his contribution to the formulation of penal reform legislation—the creation of a State farm for misdemeanants and a State farm for women.

In 1945, Vaughan Gary ran for Congress in a special election, pledging himself to no individual or group other than the people of the Third Congressional District. The 79th Congress, to which he was elected, and succeeding Congresses, observed the validity of that pledge, for it has been said that he was never a compromiser, fighting to the last ditch for what he considered the right and proper thing.

If Vaughan Gary's career can be said to have centered in one area of governmental concern, it was his untiring activity in the field of fiscal affairs, especially taxation. In 1915, while engaged in the practice of law, he served as assistant to the Virginia State Tax Board and as a member of the War Industries Board. While serving in the General Assembly of Virginia in 1927, he was appointed to a three-member State commission created by the State legislature to revise, simplify, and codify the tax laws of Virginia. This commission then compiled the Virginia Tax Code which still serves as the basis of today's State Tax Code.

He served as executive secretary of the National Committee on Inheritance Taxation and in 1940 appeared before the cognizant congressional committees to express his views on tax-related matters. In Congress he served on the Appropriations Committee from the second session of the 79th Congress through the 88th Congress. During that time, he served on the State, Justice, Commerce, Judiciary Subcommittee and the District of Columbia Subcommittee. He served as chairman of the Foreign Aid Subcommittee, and chairman of two agencies under that subcommittee—the Economic Cooperation Administration and Mutual Security.

He later resigned from these posts to become chairman of the Subcommittee on the Treasury-Post Office—now the Treasury-Postal Service. In 1949, chairing the five-man Foreign Aid Subcommittee, Vaughan Gary played a key role in the establishment of the Marshall Plan. Subsequently, he led debate in the House on the annual Treasury-Post Office appropriations bills, expressing pride in the economies they embraced.

As a member of the Appropriations Committee, Congressman Gary served temporary assignments on the following working groups: The legislative-judiciary group; the group to investigate effectiveness of the Anti-Deficiency Act; the group to consider proposals regarding balancing the budget; and the group on administration plan to improve congressional control of the budget. He also was a member of a Special Subcommittee to Study the Use of Foreign Currency, and a member of a Special Subcommittee to Confer With the Senate Concerning Conferences Between Two Bodies.

On December 23, 1964, Congressman Gary's continued interest in fiscal and foreign affairs brought him the Distinguished Service Award of the Treasury Department for "recognition of distinguished public service." This was the first time such an award had been given to a Member of Congress and it was presented by Secretary of the Treasury Douglas Dillon, who called Congressman Gary, "one of the truly outstanding Members of Congress."

Throughout his tenure in the United States House of Representatives, he worked to preserve the free enterprise system, to seek a balanced budget and to maintain his Nation's military strength.

At the age of 72, in what he called his "most difficult decision," Congressman J. Vaughan Gary elected to retire at the close of the 88th Congress. Throughout his career in public service, which covered more than a half century, he served his Nation, State, and district with honor and distinction. His unselfish devotion to his constituents and his untiring efforts in their behalf, his knowledge, ability, and integrity were in keeping with the highest traditions of his native State. I know I speak for all of the people of my district in expressing a deep feeling of loss at his passing and in extending to his wife and family a sincere expression of sympathy.

Mr. NATCHER. Mr. Speaker, our former colleague, J. Vaughan Gary, who represented Virginia's Third Congressional District from 1945 until 1965, passed away on September 6 of this year.

Vaughan Gary was a friend of mine. I respected him for his outstanding abilities as a lawmaker, and admired him for his dedication as the chosen Representative of his people. As a member of the Committee on Appropriations in the House, his contributions were many, and in his role as chairman of the Subcommittee on Treasury and Post Office, his devotion to duty and his adherence to the principles of sound government were always present. Vaughan Gary was known throughout the Commonwealth of Virginia as a leader of men and a man of public spirit. His many accomplishments in the Congress, fine as they were, will not eclipse the personality and character of the man himself. He was a busy man—a humble man—and a good man.

Mr. Speaker, I was sorry to hear of the death of my friend, J. Vaughan Gary, and I extend my sincerest sympathies and condolences to the members of his family.

Mr. RHODES. Mr. Speaker, our Nation has suffered a great loss in the passing of our former colleague, J. Vaughan Gary, on September 6 of this year. Vaughan Gary served his country with diligence and dedication for a period of 20 years in the House of Representatives, and during that time he was instrumental in the enactment of sound legislation which will continue to benefit his fellow Americans for generations to come.

Vaughan Gary enjoyed a host of friends on both sides of the aisle during his lengthy tenure of office, and I am sure my sense of personal loss is shared by many.

My sense of loss is particularly great because of my personal friendship with him. As members of the Appropriations Committee we had occasion to work together and travel together from time to time. He was not only a capable, distinguished legislator, but he was also a delightful companion and friend.

My sincere sympathy is extended to Mrs. Gary and his family in their bereavement.

Mr. CONTE. Mr. Speaker, throughout the two decades which followed World War II, a turbulent period in the history of the United States, this distinguished body was fortunate to count as one of its members a talented and dedicated Congressman from the Third District of Virginia—the late Honorable J. Vaughan Gary.

In his 20 years in Congress, from 1945 to 1965, Vaughan Gary provided his constituents with the best possible representation, as well as serving his Nation with ability and distinction. He was a man whose concerns and efforts were truly national in scope, and yet he never failed to perceive the human element in issues in terms of their impact on people.

As a member of the Appropriations Committee, Mr. Gary brought to that committee a strong concern for fiscal economy. But, at the same time, this enlightened public servant recognized the great necessity in the late 1940's for this Nation to lend a helping hand to the war-ravaged lands across the seas.

Vaughan Gary demonstrated his outstanding ability for leadership as chairman of the Treasury-Post Office Appropriation Subcommittee, and I had the great honor of serving with him on that body for 6 years. He earned the deep admiration and respect of every member of that subcommittee for his boundless capacity for hard work.

His years of service on the Hill were studded with achievements. One of these, with which I am most familiar, was his concern for the U.S. Coast Guard. At that time, the Coast Guard budget was under the jurisdiction of the Treasury-

Post Office Subcommittee, and Vaughan Gary had a deep appreciation of this great service. I accompanied him on numerous inspection trips to Coast Guard installations and he knew where every penny we appropriated went; he knew the Coast Guard's needs; and he worked endlessly to see that those needs were met.

His work on Coast Guard affairs is only one example of the dedication, ability and perseverance he brought to his job. He provided this House and this country with an example of leadership which is hard to match.

Mr. Speaker, J. Vaughan Gary was an inspiring example of what a congressman should be. I join all my colleagues in mourning the passing of a good man and an outstanding public servant.

Mr. ADDABBO. Mr. Speaker, I rise to participate in this special order to eulogize the passing of a former Member of this body, the Honorable J. Vaughan Gary. Congressman Gary served as the U.S. Representative from Virginia's Third Congressional District for 20 years and his passing on September 6 of this year marked the end of an illustrious career of public service.

Former Congressman Gary practiced law in Richmond, Va., and following his Army service during World War I, he served as counsel and executive assistant of the Virginia Tax Board from 1919 through 1924. He was elected to the Virginia State House of Delegates in 1926 where he continued his public service until 1933. Other highlights of his career included his tenure as a member of the board of trustees of the University of Richmond. I was privileged to know and work with Congressman Gary during my first few years in the House until his retirement from Congress in 1965.

The Nation has lost a dedicated public servant and I join my colleagues in the House in mourning the loss of our former colleague, Congressman Gary and extending my personal sympathies to his family.

Mr. FUQUA. Mr. Speaker, the passing of former Congressman J. Vaughn Gary is deeply felt by all those who had the privilege of serving with this truly outstanding man and legislator.

It was my misfortune to only be able to serve with Congressman Gary for one Congress, my first term, and in that 2-year period, I came to know and respect him as a man of ability and integrity. He was on the Appropriations Committee at the time and served as chairman of the Subcommittee for the Post Office and Treasury.

Mr. Gary served his fellow man well in every position in which he served. From 1919–24 he served in the Virginia House of Delegates and was later elected to the 79th Congress to fill the vacancy caused by the resignation of his predecessor.

From March 6, 1945, Congressman Gary was to make his mark until his retirement on January 3, 1965. He had served honorably and had the respect of his colleagues on both sides of the aisle.

In the years since, he has been home in Richmond, Va., where his counsel and guidance were highly valued and where he continued to merit the respect of those with whom he came in contact.

Congressman Gary is another in that link of men who not only served in this body, but who served well. He represented his people well, he had the courage of his convictions, and he had a quality that made his colleagues know that this was indeed one of our finest.

I join in extending my sincere regrets at the passing of a friend I shall miss.

Mr. SIKES. Mr. Speaker, it is with deep and personal regret that I have noted the death on September 6 of a man whom I came to know well and to respect very much during his tenure in Congress.

Vaughan Gary represented Virginia's Third District from 1945–65. During each day of these 20 years he served his district, his State, and his Nation with honor and distinction. I was proud to share his friendship.

It is of interest that he succeeded David Satterfield, Jr., when that able representative voluntarily left this body. Mr. Gary in turn was succeeded by DAVID SATTERFIELD III. He has also served with great ability and given distinguished representation in the Congress.

Mr. Gary served on the Appropriations Committee of the House and became chairman of the Subcommittee on Foreign Aid. There he played a key role in the implementation and operation of the Marshall plan to rebuild Europe after the war. He saw the wisdom of a strong, free Europe as a butress against Communist aims and he was a leader in Congress in the work to assure strength and freedom for Europe and the Western world.

During all the years that I knew him, I respected in the highest degree his keen mind, his foresightedness, and his dedication to the cause of freedom and justice.

Many men have served in the Congress for longer periods than did J. Vaughan Gary, but few have left a more distinguished record. When he decided not to seek reelection in 1964, those of us who knew him realized we were losing a good friend and a fine and able Congressman.

Now that he has been taken from us we realize even more how great a part he played in world history and how much his valuable counsel has been missed.

My earnest sympathy is extended to all the members of his family.

Mr. MAILLIARD. Mr. Speaker, I want to join in paying tribute to our departed colleague J. Vaughan Gary. Others have given the details of his long and most distinguished public career. I heartedly endorse their praise of his personal and professional accomplishments. I can well attest to Vaughan's effectiveness as a Congressman; in particular, Vaughan's efforts to build a strong Coast Guard will be long remembered and well appreciated by his colleagues and country-at-large. My wife and I offer our sincere condolences to the family of our departed colleague.

GENERAL LEAVE

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the life, character, and service of the late Hon. J. Vaughan Gary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

HUMANE SLAUGHTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GUNTER) is recognized for 5 minutes.

Mr. GUNTER. Mr. Speaker, since the introduction of my bill, H.R. 8055, to prohibit the importation of meat or meat products from livestock slaughtered or handled by other than humane methods, I have received a large volume of mail, all of it strongly in favor of the bill.

Although I was somewhat surprised by this reaction to the bill's introduction, before many elements of the public have had an opportunity to become acquainted with the issue, it really is no wonder that this worthwhile measure has received such marked approval. Very few pieces of legislation are offered which have adverse affect on special interest groups, yet appeal both to the practical good sense and compassion of our millions of livestock producers, to the ideological concern for animal welfare of humane groups, and to the natural wish of millions of meat consumers to not eat meat produced at the cost of pain and suffering. My bill would accomplish this objective without hurting in the slightest any group of citizens of this country.

Methods of slaughter and handling before slaughter used in some foreign meat processing plants are as humane as those now used in most U.S. packing plants. But in many other foreign plants, these methods are crude and cruel. There is just no way that the average consumer can distinguish between such inhumanely slaughtered imported meat and that from plants in this country which abide by our Federal and State humane slaughter laws.

My bill, which I am reintroducing today with 15 cosponsors, would require all plants processing meat for export to the United States to use humane methods. Enforcement would be relatively simple, since we already require the use of sanitary methods, and U.S. Department of Agriculture inspectors visit these plants regularly.

Mr. Speaker, I represent a State and district where large numbers of both livestock producers and animal lovers reside. Florida has had a humane slaughter law for 13 years. About 25 other States have similar laws, in addition to the Federal act passed by the Congress in 1958. It is time to stand up and be counted as among those opposed to a continuance of inhumane slaughter in any meat packing plant producing meat for export to the United States.

MILLS-VANIK AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, in the past week, I have made several statements with regard to the importance of the Mills-Vanik amendment being made part of the 1973 trade bill. Many of us feel encouraged by the action of the House Ways and Means Committee in adopting the amendment and will continue to work for retention of the amendment in the final version of the bill that is signed into law.

The Soviet Union's reprehensible treatment of Soviet Jews certainly speaks most forcibly for enactment of the Mills-Vanik amendment. At this point in the Record, however, I would like to bring to the attention of my colleagues two other situations which seem to me to have a bearing as well on the question of most-favored-nation status for the Soviet Union. Recently, I received a letter from a constituent, Mr. Edwin S. Marks, with regard to the matter of the Russian dollar bond debt; the text of Mr. Marks' letter to me follows:

Carl Marks & Co. Inc.,
New York, N.Y., September 26, 1973.

Re Trade Reform Act of 1973.

Hon. Lester L. Wolff,
The House of Representatives,
Washington, D.C.

Dear Congressman Wolff: With reference to my statement given to the Committee on Ways and Means on June 1, 1973, I herewith enclose a letter from the Russian Embassy, which clearly demonstrates the Soviet disregard for property rights. If the Russian Dollar Bond debt can be arbitrarily "abolished by decree" in violation of international law, what will prevent the Soviet Union from repudiating new commitments in the future?

In this context, it is difficult for us to understand how our government can even consider those proposed sections of the "Trade Reform Act of 1973" which enable "Most Favored Nation" treatment to be granted to the Soviet Union and repeal the Johnson Debt Default Act.

Officials of our government have acknowledged the legitimacy of the Imperial Russian Government Dollar Bond debt and claim to be awaiting the proper time to discuss it with the Soviets. We believe the time is *now*, before further concessions are made by us.

Respectfully,
Edwin S. Marks, *President*.

As Mr. Marks notes, our own Government has recognized the legitimacy of the Imperial Russian Government dollar bond debt, yet the Soviet Union views this debt as virtually nonexistent. I would also like to include in the Record a copy of the letter Mr. Marks received from the Russian Embassy, which very succinctly states "that prerevolution bonds were abolished by decree of the Soviet Government;" the text of this letter follows:

Embassy of the Union
of Soviet Socialist Republics,
Washington, D.C., September 5, 1973.

Karl Marx & Co.,
New York, N.Y.

Dear Edvin Marx: In responce to your letter concerning bonds of 1916 please be informed, that pre-revolution bonds were abolished by Decree of the Soviet Government of January 21, 1918.

So, Bonds of the Imperial Russian Government has no value now.

Sincerely yours,
V. Uspensky, *Vice Consul*.

Like my constituent, I have difficulty foreseeing the Soviet Union honoring future commitments in light of such flagrant violations of international laws as the Russian dollar bond debt matter. Certainly our Government should consider and attempt to resolve such matters before granting the Soviet Union most-favored-nation treatment.

The other matter I would like to bring up concerns the nearly 600 U.S. emigrants in the Soviet Union—those who have applied to emigrate to the United States either on grounds of American citizenship or to join American relatives. The New York Times reported on this disturbing situation on September 26; a text of the article follows:

Soviets Unyielding on U.S. Emigrants

(By Hedrick Smith)

Moscow, September 26.—American officials are disturbed by the meager progress made recently in clearing a backlog of nearly 600 people here who have applied for emigration to the United States either on grounds of American citizenship or to join American relatives.

Most of the cases are longstanding and one dates back 25 years.

This issue has been over-shadowed by the controversy over the emigration of Soviet Jews to Israel, largely because the State Department and the American Embassy here have preferred to deal with the Soviet authorities quietly. But the deadlock on Soviet emigration to the United States is becoming apparent as Congress moves toward active consideration of the Administration's trade bill.

Each case is different but there are familiar patterns. In almost all cases, the Soviet applicant has an American sponsor, and in a number of cases Congressmen have intervened. Even Lyndon B. Johnson intervened as a Senator. But the Soviet authorities have been unmoved by such Congressional interventions.

MANY ARE ETHNIC CASES

The bulk of the cases come from the minority nationality republics—roughly 250 names on the last list were from the Ukraine, about half of which were Jewish, judging by the family names; about 140 were from Armenia, and about 50 each were from Latvia, Lithuania and the Russian Republic.

In Armenia and the Baltic republics, the lists include applicants whose parents brought them here from the United States around the time of World War II. The parents have died and the children, now grown, want to return to the land of their birth.

"Some of these people sound as American as your or I," one consular official remarked. "One guy called me up the other day to ask me how Hank Aaron was doing. But he can't get to the same country where you and he and I were born."

LONGEST-TERM APPLICANT

The longest-term applicant is a Brooklyn-born woman, brought to then-independent Lithuania in the nineteen-twenties, when she was 7 years old. She was caught up in the Soviet take-over of Lithuania and for 25 years has been blocked in her efforts to rejoin a brother living in Ozone Park, Queens. He returned to the United States in 1936.

Another category of cases is that of couples separated by World War II—the husband pushed to the west, the wife left in the east, or vice versa, and unable to reunite.

One woman, now about 60, has reportedly been trying for 17 years to rejoin a husband who was captured by Nazi forces during the war, then released to a camp for displaced persons after the war, and who finally made his way to the West. He lives in Cleveland. She has repeatedly been refused permission to leave the Soviet Union.

MOSCOW'S INACTION SURPRISING

American officials have been surprised that the Soviet authorities have not moved quickly on this issue, rather than let it get caught up in debate over the proposed amendment to the trade bill that would withhold concessions from Moscow unless it allowed free emigration.

Washington had hoped that the euphoria that accompanied the visit of the Soviet leader, Leonid I. Brezhnev, to the United States in June would insure progress on this problem. But officials now report less success this year than in past years.

A list of 660 applicants for exit visas to the United States was presented in Washington on June 8 to the Soviet Ambassador, Anatoly F. Dobrynin, following up an earlier approach made in Moscow by Adolph Dubs, the American chargé d'affaires, to a deputy foreign minister.

90 ALLOWED TO LEAVE

In more than three months, about 90 people on the list given to Mr. Dobrynin were permitted to leave. The other cases remain blocked.

A new appeal was made yesterday by two aides to Senator Vance Hartke, Democrat of Indiana, who presented the list to Andrei Vernin, head of the Soviet Office of Visas and Registration. Senator Hartke has taken an interest in Soviet-American trade and emigration matters, and his aides were here to look into both areas.

Most of the time, Soviet officials offer no explanation for rejecting a visa applicant. But Mrs. Anastasia P. Petrushevicience, who was born in Elizabeth, N.J., in 1914, was reportedly told that she could not leave her daughter in the Soviet Union. The daughter is 36, married and with no desire to emigrate.

American officials assert that the flow of emigrants to the United States is far less than the 31,000 Jews allowed to leave for Israel last year, or even the 3,300 ethnic Germans permitted to rejoin relatives in West Germany.

As the Times notes, these applications have been pending for a considerable length of time. Many of the individuals involved were actually born in the United States and merely wish to return to their homeland. The Soviet authorities continue to drag their feet on processing these applications, and at present, it is doubtful whether many of these Americans will ever see their place of birth again.

Mr. Speaker, our Government has more than sufficient valid reason for denying most-favored-nation status to the Soviet Union at this time. I hope the Congress will weigh very carefully the many factors that demand enactment of the Mills-Vanik amendment and see that it is retained in the 1973 trade bill.

MANDATORY FUEL OIL ALLOCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Addabbo) is recognized for 20 minutes.

Mr. ADDABBO. Mr. Speaker, I am gratified that President Nixon this week, at long last, announced imposition of mandatory fuel oil allocation. It would have been preferable that the action had been taken much earlier, for there seems to be some doubt that mandatory allocation or not, that there will be sufficient fuel supplies in the Atlantic Northeastern States.

It is not very comforting to realize you cannot promise your family that their home will be warm this winter. It is not comforting to wonder whether the elderly, the poor or the ill will suffer from cold this winter.

But while we in the Congress must support the President in every effort to see that enough fuel exists throughout the winter months for those who need it, we must—at the same time—point out that the present crisis exists because the Nixon administration has vacilated for almost 5 years on the question of the energy crisis.

We have the right to say that because of the record of the administration, and it is not merely partisan bickering to do so. An energy crisis is a national rather than a partisan issue. Republicans get as cold as Democrats and if there is not enough fuel for this winter, all of us will suffer.

But when a President has been in office for 5 years and has had ample warning of an impending crisis and has not responded to it, he can only blame himself.

Year after year, congressional committees have urged the administration to act. Year after year we have been told there is no crisis, that the administration was on top of the problem and that we who were crying wolf really did not understand this complicated problem.

Well, it is clear now that we understood it all too well. We are faced with only weeks before snow begins to fall, and we do not know if we shall survive this winter or not.

But heat, important as it is to each of us, is only part of a more serious picture. Our very existence as a nation depends on energy, and we find ourselves very likely at the mercy of other nations. David, by withholding his oil, can bring Goliath to his knees.

And what of the farmer who requires propane to dry his soybean crop? What of the worker at the steel plant when there is no natural gas? What of the electrical producers who cannot get the heating oil to run their powerplants?

For most of this year, those questions have been posed time and time again, and yet, it was only this week, after months of indecision, that the President acted. All of us as Americans have a right to believe that our interests have been shortchanged by this administration.

The Nixon administration has been acting in ostrich-like fashion hiding its head in the ground and offering no meaningful solutions with far too little regard for tomorrow from which there is no retreat. The President did not characterize the energy situation as a crisis. Instead, he merely said:

> I would simply say that, in the short-term we face a problem, a problem with regard to energy, hearing, for example . . .

The President and his administration were told of the problem long ago, and he did little, if anything. In fact, over 3 years ago, President Nixon was alerted to the serious situation.

Three years ago, in October 1970, the Permanent Select Committee on Small Business of the House of Representatives, of which I serve as a member and a chairman of one of its subcommittees, conducted an investigation and held hearings on "The Impact of the Energy and Fuel Crisis." Among the many witnesses heard was Mayor John V. Lindsay of New York City. At that time—October 1970—he was asked about the crisis. In crystal clear language he testified as follows:

> So it really comes down to the Federal Government. And only the Federal Government can make those key decisions that will produce an adequate supply of fuel, which includes fuel for New York City.
>
> Federal inaction at this time can result in the kind of a crisis that I spoke of—heatless homes and stores, threats of air pollution, increased costs, personal inconvenience, sickness, and the rest.
>
> He was then asked: "I take it therefore that you feel that this needs a long-range solution, and that this involves some Federal agency making some definite plans for the future?
>
> "Mayor LINDSAY. Yes, sir; that is absolutely right, Mr. Chairman."

The New York Times, on October 2, 1970, rightly called this a "Manmade Fuel Crisis" and editorially commented:

> The Administration's instinctive response to this many-sided problem was to let it drift. Dr. Paul W. McCracken, the President's chief economic adviser, said several weeks ago: "I think the most helpful solution from what very little I have been able to see of this problem at the moment would be to pray for a benign weatherman this winter."
>
> With the seriousness of the problem becoming more apparent every day, however, the White House has now announced some small measures. They seem more designed to take the political heat off the Administration than to provide real heat to anyone else.

Fuel and energy shortages are now again of critical concern not only to New York, but also in most regions of the country. The shortage of fuel oil threatens schools, hospitals, and other public accommodations and, of course, also threatens private homes. The situation is not new, and has been lingering on the horizon for several years. Fuel rationing is a necessity today but what plans have we for next year? The answer is none.

As I pointed out 3 years ago in my subcommittee's hearings, and as I have said time and again, we are tired of having to go through each winter not knowing whether there is sufficient fuel, and waiting each summer for that inevitable power failure.

There is a crisis, and it is not simply limited to fuel or power shortages. The crisis is whether the Government is willing to take the steps necessary to assure that its citizens, no matter from what section of the country, are supplied with the basic necessities of life. Simply stating that the Federal Government is going to allow economic conditions to provide the impetus for securing necessary fossil-fuel products is not sufficient, in my opinion. As far as I am concerned, it is simply a living example of the three monkeys who hear, speak, and see no evil.

The President and his advisers are simply ignoring the realities of this situation. Action must be taken immediately, and it must be more than stopgap in nature.

The Nixon administration, however, ignored the problem until this week. A plan for mandatory allocation of home heating oil—and as well, perhaps, of diesel fuel, propane, and other fuels—is a reality, but I have serious reservations about details of this plan. The time for merely temporary measures came to an end long ago, and the energy crisis must be dealt with in a comprehensive program which gives prime emphasis to conservation of energy.

At the hearings of the subcommittee on which I serve Gen. George A. Lincoln, the Director of the Office of Emergency Preparedness, emphasized 3 years ago that No. 2 heating oil supply will be adequate. Today, we find that Dr. Kenneth Lay, Deputy Under Secretary of the Interior for Energy, in a speech on September 20, 1973, before the New Jersey Gas Association, admitted that the Nation must not be lulled into thinking that mandatory allocations of petroleum will solve the energy problem. He said that although mandatory allocations may be required to insure an equitable sharing of the shortages, it cannot eliminate these shortages.

Estimates of the shortage of home heating oil next winter range from 7 percent to 30 percent.

Certain other high officials in the administration maintained that "there is no crisis—no problem." Reasonable men can and will differ about the information available. Even the members of the Cabinet Task Force, which were appointed by the President in March 1969, in submitting their report a year later did not reach unanimous agreement on a set of recommendations. The conclusions of the then Secretary of Commerce and the Secretary of the Interior differed sharply from those reached by the remaining members of the Task Force.

Federal Power Commission Chairman John N. Nassikas, who some years ago was a witness before our House Subcommittee, declared in August 1973 that the survival of the United States as the world's leading nation is dependent upon "an early solution of our pervasive energy problem."

The temporary and merely palliative nature of the President's recommendations can be gathered from the fact that he called for a temporary relaxation of air quality standards in an effort to avoid a fuel shortage this winter. Although the White House can administratively relax Federal clean air standards, it has no authority to override State standards. Most of President Nixon's proposals relate to somehow providing more fuel to feed the vehicles, generators, furnaces and air conditioners of an America bent on consuming all the energy it wants with too little regard for tomorrow.

It is appalling that the President's recent energy message fails to include any actions or recommendations that would increase exploration and development of additional U.S. oil and gas supplies in the continental 48 States—a source which can be made available for the short term during the next 10 years.

Proposals for long-range research, reorganization of Government agencies and conservation in the use of energy do not take care of the root problem of oil and gas shortages in the 1970's.

Oil and gas now supply 75 percent of the total energy requirements, and there are few possible alternative forms of energy for the balance of the decade. The best answer for U.S. consumers lies in increasing domestic supplies of oil and gas.

Over the years, the oil imports problem has become increasingly serious. A number of committees of both the House of Representatives and the Senate held hearings regarding oil imports, and a subcommittee of the House Select Committee on Small Business held hearings respecting this matter several years ago.

In the light of the present situation, and only as a temporary measure, I favor a certain relaxation regarding limitations on foreign oil imports. We do, in fact, need more oil from other countries, and I suggest that Western Hemisphere nations be given preference.

It is also clear that there exists a direct relationship between the Nation's security and adequate and available sources of energy. Oil and gas consumed in this country account for a large part of that employed for defense purposes. The United States cannot and must not become dependent upon uncertain available foreign oil.

I am firmly convinced that the first priority of the United States is to limit its increasing reliance on imported sources of crude oil, particularly from the Middle East. The 11 member nations of the OPEC—Organization of Petroleum Exporting Countries—are now calling for further increases in the price of petroleum, thus further causing and aggravating the existing energy crisis. With Libya's nationalization of foreign oil companies, the Arab oil squeeze began in earnest.

These developments underscore the urgency and immediate necessity for the construction of the oil pipelines from Alaska. The President called it a "first legislative goal." I deem it an emergency matter, and I strongly urge and recommend that it be completed with all deliberate speed, not only for U,S. security, but for the safety of the Free World.

Years ago, the Congress gave the Executive the warnings and the tools to prevent the present energy crisis. Investigations were conducted, congressional hearings were held, House and Senate official reports were filed; yet, the Nixon administration did too little and too late in the face of the crisis. I repeat, "Too little and too late."

THE TRADE BILL AND TRADE NEGOTIATIONS AS VIEWED BY DEPUTY ASSISTANT SECRETARY OF COMMERCE STANLEY NEHMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. Fulton) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, 2 weeks from today the House will take up what well may be the most controversial legislation of this session or of the entire 93d Congress, the Trade Reform Act.

The bill will come to the floor after weeks and weeks of hearings and extensive executive sessions. While I have serious reservations about the content of this legislation I believe it should be brought to the floor for consideration.

Many of us in the Committee on Ways and Means were disappointed in the bill, not so much for what it does, but for what it does not do for American workers and manufacturers injured and threatened by foreign imports, many of which are subsidized by foreign governments.

Recently I had the opportunity to read a speech by former Deputy Assistant Secretary of Commerce and Director, Bureau of Resources and Trade Assistance, Stanley Nehmer which touched on some of these problems. At present Mr. Nehmer is continuing his interest in the field of international trade as director of Economic Consulting Services for the national accounting firm of Wolf & Co. His remarks, "The Trade Bill and the Trade Negotiations: A Status Report," were delivered September 13 before the Overseas Automotive Club at New York City.

Mr. Speaker, I insert Mr. Nehmer's remarks in the body of the Record at this point and commend them to the attention of my colleagues:

The Trade Bill and the Trade Negotiations: A Status Report

(By Stanley Nehmer)

Fifty years of service in promoting American exports is an enviable record which few organizations can match. I add my congratulations to the many which the Overseas Automotive Club and its members have received during this Golden Anniversary Year. I was still in the Executive Branch when Secretary of Commerce Dent extended congratulations to you on behalf of President Nixon.

Our discussion today is very timely. In Washington, the Ways and Means Committee of the House of Representatives is wrestling with the Administration's trade bill, referred to as the Trade Reform Act of 1973. In Tokyo, a three-day Ministerial Meeting of the General Agreement on Tariffs and Trade (GATT) is underway to launch new multilateral trade negotiations. The two events are inextricably linked, for trade legislation is necessary to provide the authority for the U.S. to participate in the trade negotiations. Without the participation of the U.S., there will be no negotiations.

My remarks today will attempt to give you a status report on the trade bill and on the trade negotiations.

I

The Ways and Means Committee has been seized with the Administration's trade bill since it began public hearings on May 9, 1973. Fifteen volumes of testimony were heard from 18 Administration witnesses and 342 public witnesses including spokesmen for 62 industries from aluminum to zinc.

Since public hearings were concluded on June 15, the Ways and Means Committee has been engaged in the "markup" of the bill. Original predictions that the bill would be voted on by the House of Representatives before it took its month-long summer recess on August 3, gave way to predictions that it would at least be reported out of Committee by the August 3 recess. That target also proved to be unattainable. The latest predictions by the Committee are that it will complete its work on the bill by the end of September and the House will act on the bill some time in October.

It may be that the Committee will meet its latest target. If so, the odds are that the trade bill will be scaled down from the bill proposed by the Administration. Realistically, however, I would not predict final Congressional passage of the trade bill in 1973.

What has happened to make the progress of the trade bill so much slower than expected, or, at least, predicted?

The most widely-heard view in Washington is that the illness, and resulting frequent absence, of the distinguished Chairman of the Ways and Means Committee, Wilbur Mills, has left the Committee without effective leadership. I believe that this is only part of the reason. A much more fundamental reason lies in the fact that there does not appear to exist a sufficiently strong body of opinion that feels that a trade bill is necessary or urgent while at the same time varying degrees of opposition to the trade bill as proposed by the Administration exist.

II

A large part of the attitude of the American businessman today is summed up in a far-reaching article by Charles Bluhdorn, Chairman of Gulf and Western Industries, in the September 1 issue of *Business Week*. Bluhdorn's article is entitled "A Case for American Nationalism". His thesis is that "in these times of international crisis, the U.S. must first and foremost look out for its own interests." He is sharply critical of Americans for being "spendthrifts at home as well as philanthropists abroad," and of the Nixon Administration for its 1973 economic stabilization programs and its second dollar devaluation which, he says, made wheat cheaper for the Russians and oil more expensive for the U.S. Ultimately, he feels, "the answer to all our present problems is that we must find ways to restore faltering confidence in our economic system, in our government, in our leadership."

It is against this kind of attitude, which my conversations with businessmen indicate is not unique with Mr. Bluhdorn, that the trade bill is finding tough going.

Let us look at some specifics.

The Administration's trade bill is designed to provide new authority to the Executive Branch to undertake a new round of trade negotiations. The last such negotiations in the Kennedy Round saw U.S. tariff duties reduced an average of 35%.

But many feel, correctly or not, that the U.S. did not receive reciprocity in the Kennedy Round, that tariff concessions granted to the U.S. have been negated by other countries' nontariff barriers, and that the tariff reductions made by the U.S. in the Kennedy Round were a major cause of the trade deficit of recent vintage.

The Administration's trade bill would permit unlimited increases or reductions in tariff rates through negotiated agreements. President Nixon has said "We are going to ask Congress for the right for our negotiators to go up or down. Only by going up can one get them (foreign governments) to go down with some of the restrictions they have." The Ways and Means Committee is reported to have decided to limit increases to 50 percent above statutory rates, but has retained the Administration's request for unlimited authority to reduce tariffs.

This "even-handed" approach to tariff rate adjustments is not meaningful. These adjustments must be in the context of trade negotiations. I have difficulty in seeing situations arise where our trading partners would agree in negotiations that the U.S. may raise tariffs.

The Administration's trade bill would provide the Executive Branch with advance authority to implement agreements to do away with certain non-tariff barriers. There are more than 800 of such restrictions used by countries throughout the world. The Ways and Means Committee is reported to have refused to grant such advance authority to the Administration.

But what about the little-noticed provision in the trade bill that would permit nontariff barriers to be converted into fixed duties at equivalent or higher levels and then be phased down in five installments? Will this provision be used to remove the import quotas which the U.S. maintains on such agricultural products as raw cotton, wheat and wheat flour, sugar and dairy products, or as a replacement for the limitations on steel exports to the U.S. under the Voluntary Restraint Arrangement?

The Administration's trade bill would provide a less restrictive test than at present for invoking the "escape clause" when industries are seriously injured by imports. President Nixon said in his message to Congress on April 10 that "... damaging import surges, whatever their cause, should be a matter of great concern to our people and our government. I believe we should have effective instruments readily available to help avoid serious injury from imports and give American industries and workers time to adjust to increased imports in an orderly way."

In my judgment the promise of relief which the Administration holds out for American industries injured or disrupted by imports through its proposed bill is much greater than what can realistically be expected. The Administration's record in dealing with import problems does not instill confidence in the businessman that he can expect prompt or more effective relief under the proposed legislation than he was able to receive under the existing legislation, the Trade Expansion Act of 1962. Changing the name of the basic legislation from "Trade Expansion" to "Trade Reform" does nothing if the intentions do not exist, notwithstanding the rhetoric to take action when injury occurs or is threatened.

The present legislation on the books since 1962, for example, would permit the Administration to provide import relief for the nonrubber footwear industry. Over two and a half years ago, the Tariff Commission submitted to the President a split decision in an "escape clause" case on nonrubber footwear which President Nixon had initiated, the only President to have initiated such an investigation. There has been no action taken on this decision by the President, affirmatively or negatively, since he received the Commission's report. Yet this industry is steadily "going down the drain" because of inaction on its import problem by the Administration.

In the first half of 1973, the penetration of the domestic market by imported nonrubber footwear rose to 41%. It had been 30% in 1970 when the Tariff Commission made its investigation.

Imports in the first half of 1973 rose by 9% largely as a result of burgeoning imports from the developing countries, such as Argentina, Brazil, Mexico, Taiwan, Korea, Greece and Turkey. In the first half of 1972, nonrubber footwear imports from Argentina were only 60,000 pairs. A year later these imports totaled 1,600,000 pairs. Our devaluation actions have not affected imports from the developing countries which have generally devalued with the U.S.

Production of nonrubber footwear fell by 6.4% at a time when American industry in general is enjoying its greatest peace-time boom. It is anticipated that 1973 production will be the lowest in more than 20 years, perhaps as low as 500 million pairs. Accompanying the decline in output has been a closing of factories (almost 200 net closings since 1968) and a substantial loss of capacity (well in excess of 100 million pairs).

Employment fell by 3% in a year, or about 7,000 jobs, reducing the number of people directly employed by this industry to less than 200,000.

The industry has petitioned, it has entreated, it has literally begged for relief. It has followed the procedures in the law—not only the "escape clause" but also the countervailing duty statute. In two countervailing duty petitions, it has produced evidence that the governments of Spain, Argentina and Brazil are subsidizing their nonrubber footwear industries. But to date, the domestic industry has received no relief of any kind from the Administration.

It is little wonder that those businessmen familiar with the nonrubber footwear situation, and perhaps with similar problems faced by other industries, are skeptical about the Administration's intentions in providing import relief.

The Administration's trade bill revises some of the countervailing duty provisions. One proposed change would set a time limit of one year when the Secretary of the Treasury must make a determination as to whether a foreign subsidy exists.

But the one-year limit would begin when the matter is presented to him by his staff! The Treasury Department staff has been agonizing over a complaint brought by Magnavox against allegedly subsidized TV sets from Japan since at least May 1972. In the Spanish nonrubber footwear countervailing case filed with Treasury in February 1973, Treasury has yet to announce that it is investigating the complaint.

The Administration's trade bill provides authority to retaliate against unfair trade practices of foreign countries. The President said in his April 10 message that he was asking "for a revision and extension of his authority to raise barriers against countries which unreasonably or unjustifiably restrict U.S. exports. * * * I will consider using it whenever it becomes clear that our trading partners are unwilling to remove unreasonable or unjustifiable restrictions against our exports."

But present legislation permits the imposition of import restrictions as a retaliation against unfair practices on agricultural products. Action limited to withdrawal of tariff concessions is permitted under present legislation for non-agricultural products. The Administration has been concerned over the import quotas on agricultural products maintained by Japan which are inconsistent with GATT and over the common agricultural policy of the European Community which has affected our exports. Yet the existing legislation has been invoked only twice in its eleven-year history, both times on agricultural products, but never against Japan's import quotas or the European Community's common agricultural policy. It has never been invoked on non-agricultural products.

There are other provisions in the Administration's trade bill which have evoked concern and opposition. The proposal to extend most-favored-nation treatment to the Soviet Union has generated opposition because of criticism of the Soviet Union's emigration policies. The proposal to permit duty-free entry of industrial products from the developing countries has received opposition from industries which are concerned that these countries with their low labor costs and government programs to assist exports are the ones which create the most disruption in the U.S. market. The AFL–CIO reiterated its opposition to the bill on August 2, 1973, saying that it "provides no specific machinery to regulate the flood of imports. It does not deal at all with the export of U.S. technology and capital to other parts of the world where corporations can maximize profits and minimize costs at the expense of U.S. production and jobs. It does nothing to close the lucrative tax loopholes for American-based multinational corporations which make it more profitable for them to locate and produce abroad."

It is against this background that the trade bill is wending its way through Congress.

III

It has been more than six years since the Kennedy Round was concluded. Since then we have seen many significant developments affecting the world economy: the expansion of the European Community from six to nine member states; the development of trade deficits by the United States; a series of monetary crises leading to two devaluations by this country and revaluations by Germany and Japan; the latter's emergence as a world economic power; growing energy crises faced by most industrialized countries; the imposition of an import surcharge by the U.S. in 1971 and of export controls on some basic agricultural commodities in 1973; and substantial increases in the export earnings of the developing countries through their exports of raw materials needed so badly elsewhere in the world.

Underway today in Tokyo is a Ministerial Meeting of GATT attended by some 80 nations. The purpose of this meeting is to launch a new round of multilateral trade negotiations. It is expected that a declaration of principles will emerge from the Tokyo meeting to guide the future GATT trade negotiations.

The so-called Tokyo Declaration will deal with further reductions or elimination of tariffs; the lowering or removal of nontariff trade barriers; the need to assist further the development of the developing nations; the elevation of living standards and welfare of the peoples of the world; the institution of safeguards to deal with situations of market disruption arising out of import competition; and the establishment of a Trade Negotiations Committee as the principal negotiating body for the multilateral trade negotiations.

One issue undoubtedly being debated in Tokyo is the interrelation between trade and monetary matters. The multilateral trade negotiations will be taking place concurrently with negotiations to reform the international monetary system, and the question arises as to the harmonization of the two negotiations. The U.S. has been of the opinion that a successful monetary system depends upon governments adopting measures to reduce trade barriers and liberalize trade. The European Common Market has taken the position that there should be no action on trade until decisions have been reached on monetary matters.

There is no question that the Tokyo Declaration will be agreed to by the conclusion of the conference tomorrow after differences have been papered over. The trade negotiations will be launched. They have already been referred to by some as the Nixon Round. A goal of 1975 for conclusion of the negotiations has been recommended by the GATT Preparatory Committee.

The problems ahead for the U.S. in the multilateral trade negotiations will be many and formidable. The benefits which will accrue to the U.S. will depend to a large extent on the philosophy which the U.S. adopts for these negotiations. We may, perhaps, have a clue in the historic speech made by Henry Kissinger in April 1973 in which he spoke of a new Atlantic Charter establishing a new relationship of harmony and cooperation between the U.S., Canada, Western Europe, and Japan. He said that "it is the responsibility of national leaders to insure that economic negotiations serve larger political purposes. They must recognize that economic rivalry, if carried on without restraint will in the end damage other relationships." In referring to the forthcoming trade negotiations, Kissinger said that "the United States intends to adopt a broad political approach that does justice to our overriding political interest in an open and balanced trading order with both Europe and Japan. * * * We see these (trade) negotiations not as a test of strength, but as a test of joint statesmanship."

These are certainly lofty hopes, innovative and challenging. But for the U.S. to enter comprehensive trade negotiations with an approach which says that international political objectives will transcend economic objectives, can only result in the U.S. again assuming the role of *demandeur*, the role of taking the initiative, of responsibility for a successful outcome, a role which the U.S. has played before in every post-war round of trade negotiations. As commendable as this role might be in terms of international statesmanship, it is also a liability at the negotiating table. The result in the past has been the failure of the U.S. to receive full reciprocity, something which the U.S. was willing to accept because of its desire for foreign policy reasons to see each round of trade negotiations successfully concluded and because of our confidence in our competitive strength and economic well-being.

The time for the U.S. assuming the role of leader in trade negotiations is past. The events of the last half-dozen years should certainly confirm for us today that we are no longer "top dog" in the world economy as we were in the twenty five years after World War II. The United States has displayed considerable initiative in getting the multilateral trade negotiations launched. But if we continue as leader, as *demandeur*, in the months ahead as the negotiations progress, instead of allowing others to play the key role, we will again come out of these negotiations without full reciprocity.

I should add that I am not sanguine that we will let others fill our traditional role. There is concern that no one else cares as much about these negotiations to put itself in the position of leadership that the U.S. occupied in previous trade negotiations. Furthermore, the desire of the Administration before it leaves office to have some major achievements in the international arena along the lines of the initiatives of the Kissinger speech can only lead to a revival of the role which the U.S. previously played. Then we are bound to get a reprise of the tunes of yesteryear.

In this atmosphere it is essential that the business community convey its views to the Congress and the Administration on the shape of the trade bill and the course of the trade negotiations. The public hearings of the House Ways and Means Committee, and later of the Senate Finance Committee, are helpful, but not definitive. I am sure that members of these committees and of the two bodies themselves always welcome receiving views on various aspects of the legislation.

When trade negotiations commence it is important that the government negotiators receive advice at the policy and technical levels from industry. There must be a two-day flow of information, a full opportunity to exchange views and to develop a consensus, and a means to draw upon all national sources for information and expertise. The Chamber of Commerce of the United States has recommended a three-tier system to be part of the trade bill which would provide for the flow of information necessary for sound policy decisions, the participation of qualified people, and a mutuality of responsibility and functions. The Chamber's proposals are highly constructive and, if implemented, should go a long way to improving the chances of a successful negotiation for the U.S.

IV

Thus, the weeks and months ahead as Congress shapes the new trade legislation will have much bearing on the shape of the trade negotiations in the months and years ahead. There is a role for new trade legislation and new trade negotiations. Let us hope that what the American people will receive in Washington and in Geneva will strengthen our country and its economy.

IMMIGRATION LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, I am today introducing eight bills of concern to immigrant Americans in general and of particular importance to Chinese Americans.

The Organization of Chinese Americans, Inc., to which I belong, was formed to bring about strong national input and improved opportunities for Chinese Americans. Its sponsors are aiming to promote active participation in civic and national life and secure justice and equal opportunities for persons of Chinese ancestry.

The purposes of these bills is to repeal two laws that are now obsolete and can be viewed as racially insulting; to make it easier to unite Chinese American families by changing immigration laws, and erase anomalies that have arisen.

Specifically, the eight bills would:

Repeal the "coolie trade" laws, which were originally enacted to correct the exploitive practice of bringing Chinese and Japanese to the United States to be sold or transferred as servants and apprentices in the 19th century. The need for the laws has passed and the word "coolie" carries a demeaning connotation.

Repeal the Bertillon system of identification, which was part of the Chinese exclusion laws. All have been repealed except this section. The system was used at ports of entry to determine race by physical measurements.

Equalize the visa treatment of persons born in either the Eastern and Western Hemispheres.

Make parents of resident aliens eligible for second preference visas.

Make sons and daughters of citizens and resident aliens, as well as spouses and parents, eligible for a waiver of exclusion.

Make sons and daughters of citizens and resident aliens, as well as spouses and parents, eligible for a waiver of deportation.

Enable persons over 50 years of age to take naturalization tests in his own language and waive the literacy test for persons over 60 years of age and who have resided in the United States for at least 20 years.

Permit law-abiding citizens who have resided in the United States continuously since October 3, 1965, to make a record of lawful entry.

Mr. Speaker, the continuation of this legislation is a continual demeaning of very fine, talented, and dignified persons of oriental ancestry.

Senator FONG has introduced a similar series of legislation in the other body. It is my hope that we can pass these bills in both Houses and remove the stigma they carry.

TREATMENT OF SOVIET JEWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, I would like to add my voice to those who are supporting the Mills-Vanik amendment. The importance of passing this legislation has in no way diminished since it was authored many months ago.

Few of my colleagues object to the concept of free and increased trade with the Soviet Union. We do not question the advisability of normalizing relations with this great power. However we do not want this trade carried out at the expense of very basic human rights and freedoms. We cannot turn a deaf ear to two of the greatest champions of human liberty, Andre Sakharov and Alexander Solzhenitsyn. They have warned us that it would be a betrayal of all human rights to grant the Soviet Union credit and investment guarantees and most-favored-nation status. Freedom of emigration is a prerequisite that we must not abandon without extracting a commitment to end the repression now so widely practiced.

Treatment of Soviet Jews has visibly worsened since Mr. Brezhnev's recent visit to Washington. Fewer exit visas are granted. There are more reports of show trials and psychiatric ward sentences. Jews and other "dissidents" are not only forbidden to emigrate, but are harassed and punished inhumanely. This must not be condoned with American dollars. These practices are diametrically opposed to the foundations of our society.

A number of my constituents have been participating in a program of regular telephone calls to Jewish activists in the Soviet Union. The underlying message in every conversation has been:

> Our only hope for freedom lies in the passage of the Mills-Vanik legislation.

During one call the Soviet Jew said:

> If Mills-Vanik does not pass, you may never hear from us again. There will be a repression more severe than that taking place in Chile.

The East Bay Jewish community recently received a letter from a young Jewish activist in Leningrad, Mrs. Elena Oliker. Her story is a dramatic and tragic example of the denial of human rights in the Soviet Union.

She says that the authorities refused her family the necessary emigration papers:

> Claiming that my emigration from the Soviet Union as well as the emigration of my husband and my three-year-old daughter can diminish the power of the Soviet Union. The reason for the refusal is the fact of my work in the Science and Research Institute which terminated more than three years ago. I began to work in the Institute immediately after being graduated from the University being a specialist in the field of pure mathematics, and worked there less than a year and a half until the birth of my child. Also, the last five months which I worked there were five months of a very difficult pregnancy, a time that I practically could not work at all.
>
> And thus, today, I, a 28-year old woman, a mother of a 3-year old child, a mathematician, a person who cannot comprehend technology even on the level of household

appliances, pose a threat to the power and the might of the Soviet Government.

A great many of my husband's and my relatives perished on the front and in the Ghetto during the Great Patriotic War (WWII). The relatives who survived now live in Israel and the inability to live together with them causes great suffering and anxiety. We get up every day and we pray with our thoughts that the next day will be a lucky one and will bring us relief. And every time we alternate between hope and despair when we are called to the OVIR in order for them to inform us that we have again been refused visas. In this one year we have aged ten years. We have lost our knowledge, our competence as specialists, and the constant uncertainty in which we live is destroying us.

Surely we can demand that the Soviet authorities, if they are to obtain special trade benefits from the United States, will adhere to their own signature on the Universal Declaration of Human Rights.

REACTION OF CITIES TO THE PRESIDENT'S HOUSING PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Barrett) is recognized for 10 minutes.

Mr. BARRETT. Mr. Speaker, earlier this week the U.S. Conference of Mayors testified before the Senate Subcommittee on Housing on pending housing and community development legislation. The principal spokesmen for the conference were Mayor Roy Martin of Norfolk, president of the conference, and Mayor Norman Mineta, the outstanding young mayor of San Jose.

Mayors Martin and Mineta, together with several members of the conference's Legislative Action Committee—Mayors John Lindsay of New York City, Moon Landrieu of New Orleans, Lee Alexander of Syracuse, Stanley Cmich of Canton, Patricia Sheehan of New Brunswick, Tom Bradley of Los Angeles, and Frank Burke of Louisville—met with our Housing Subcommittee after their appearance before the Senate in order to discuss pending legislation in the House. Our discussion with the mayors was a most constructive one. They urged us to act expeditiously on housing and community development legislation so that their cities will be able to continue providing housing and to rebuild and revitalize their communities.

I include Mayor Martin's remarks to us and Mayor Mineta's testimony before the Senate Subcommittee on Housing in the Record at the end of my remarks, and urge all Members to give them careful consideration:

Opening Remarks of Mayor Roy Martin, President of the U.S. Conference of Mayors, to Members of the House Housing Subcommittee, October 3, 1973

Mr. Chairman and members of the Subcommittee. On behalf of the Legislative Action Committee for the United States Conference of Mayors, I want to thank you for meeting with us for a moment during what we know is another very busy day for you. We don't want to keep you very long because we know that the Urban Mass Transit legislation is on the floor of the House this afternoon and we most certainly do not want to keep you from that important action.

As you know, we have just finished appearing before your counterpart Committee on the Senate side. Our urgent message to the Senate Committee and our urgent message to you here is that Congress must move as quickly as possible on the pending housing and community development legislation. The cities represented here today, along with many other cities around the country, have suffered through a number of years of delays and impoundments. The various programs which your Committee has designed over the years have made it possible for us to do some important things locally. In the process, of course, we have built up a capacity to plan and manage these programs.

Unfortunately, the uncertainty and frustration created by the current situation is making it nearly impossible for us to hold this local capacity together. We very badly need to know—as quickly as possible—where the national government intends to go on these programs.

So, message number one is that we urge you to move ahead as fast as you can on legislative schedule. As you know, we are in very strong support of your community development block grant bill. Enactment of that bill will make it possible for us to pick up momentum again with our local efforts. We stand ready to help you in any way we can to get that bill passed.

On housing, I am sure you share our disappointment with the lack of firm direction coming out of the Administration's bill. The important point now is to get going with something all parties can accept. We have looked at the Barrett/Ashley bill in some detail by now and we think it presents a number of exciting improvements in the system, particularly as regards our attempts locally to pull together comprehensive, unified housing and community development activities. We would like to give you whatever help we can in moving that proposal forward as well.

The other members of our Legislative Action Committee present will each want to say a word or two. Let me conclude by reemphasizing how critical we feel it is that your Committee act as speedily as possible on these two important measures for housing and community development.

Statement of Norman Mineta, San Jose, Calif., Cochairman, U.S. Conference of Mayors Community Development Committee, Before the Senate Subcommittee on Housing

COMMUNITY DEVELOPMENT BLOCK GRANT

Gentlemen: As Chairman of the U.S. Conference of Mayors Community Development Committee, I can tell you that for the past three years the number one priority of that Committee has been the development of a Community Development Block Grant.

As Mayor and as the Committee Chairman, I can assure you that we cannot afford any additional delay in the development of such a consolidated grant program.

Programmatically we are ready for the advent of the community development block grant.

The need for the activities which such a program supports is approaching desperation in many communities.

Further, in our judgment, the obstacles blocking obtaining another year's funding for the existing programs seem insurmountable.

We are dependent upon this Committee to act now. As the Committee knows, we prefer, on many of the key points, the Congressional as opposed to the Administration versions of the Community Development bills.

HOUSING

In the area of housing, the U.S. Conference of Mayors supported the Senate bill last year. It was a good reform measure for the existing housing programs. We would sustain and support a similar effort again this year. However, this year we would urge the Committee to consider including in such an omnibus housing bill two items:

1. Programmatic linkages which operate both at the national and local levels between the local housing programs and the local community development programs.
2. Provisions which would permit DHUD to allocate housing units to local governments based on local needs as set forth in locally developed multi-year housing plans.

Mr. Chairman, your bill, S. 2182, would be a great step forward toward providing the local flexibility which we need in this area.

REACTION TO THE ADMINISTRATION'S HOUSING LEGISLATION

Let me capitalize my reaction to the President's housing message and S. 2507 by saying that I am discouraged that, after so much study and so long a delay, so little came forth. We had expected on September 7 to see a specific set of proposals. None came forth.

After looking at the legislation we are disturbed that the President is proposing that Congress acknowledge as a matter of national policy that the housing programs have failed; that he is asking the Congress to adopt in advance a housing allowance program the details of which we have not even seen; and furthermore, that he proposes abandoning the national housing goals.

The substance of the President's message and the legislation do not warrant taking more of this Committee's time. However, I have appended a separate statement on my reaction.

Mr. Chairman, in conclusion let me say that today you have before you a group of anxious, concerned and frustrated city officials who are extremely worried that they may be caught in the middle of a power struggle between the Congress and the Administration—a struggle which may ultimately produce nothing in terms of legislation but which will most certainly damage our capacity to deliver services.

Appendix to Statement of Norman Mineta, Mayor, San Jose, Calif., October 3, 1973

THE ADMINISTRATION'S HOUSING INITIATIVES

The inadequacies of the President's September 19, 1973 housing message as it relates to the national need for subsidized housing have been widely reported.

The limitation of new approvals of needed subsidized housing to 200,000 units ignores the human needs presently existing in cities.

We are asked to accept the promise of further program development—a promise offered on the heels of a production hiatus and a comprehensive study designed to develop a specific set of housing proposals which did not come forth. It is hard for responsible local officials to take such a promise seriously.

The bantering about of the notion of a modest demonstration aimed at the development of a national housing allowance program is a poor substitute for the housing which is needed now. Though I am personally very much in favor of seriously exploring such income maintenance efforts, I have to look with skepticism at such a suggestion when proposed by an Administration which backed away from its own Family Assistance Plan for welfare reform, and when the President in the very text of his housing message hedges his support for the final development of a housing allowance program.

However, the epitomy of the continued foolishness of the Administration's housing efforts has been in its continued use of "failure rhetoric." It has tried to convince the American public that all of the housing programs have been failures. They most certainly have not.

For example, when the Administration suspended the housing programs last January, it claimed it was because "the programs were failures" and attempted to contrive data to support its contentions.

The fact, as any "informed source" knows, is that the decision to suspend the housing programs nine months ago was based on budgetary considerations, not programmatic ones.

Let me say that no one knows the ravages of inflation better than a mayor who has to try and reconcile skyrocketing street surfacing and public works construction costs with a basically unresponsive, inelastic tax base. We are as concerned with inflation as anyone. But why is it necessary to cloud a budgetary issue with inaccurate and demeaning rhetoric about the nation's community development and housing programs?

Budget cutting is a decision on priorities. Surely our nation—the Administration and Congress—is sophisticated enough to be able to debate the priorities between the need for subsidized housing and the need for the Trident missile system without the Administration resorting to innuendo and inaccuracy regarding the merits of our past national housing efforts to win its point.

The current chapter in the Administration's effort to demean the housing programs is to be found in the "findings and purposes" section of S. 2507, which was introduced on Monday, October 1, 1973 by Senator Tower.

It asks the Congress to ratify as national policy the conclusions that:

(1) the Federal subsidized housing programs *have not* made an adequate contribution towards attaining "a decent home in a suitable living environment for every American family" since that goal was established 25 years ago;

(2) current Federal housing subsidy programs are wasteful and inequitable because they concentrate on the construction of new housing for an arbitrarily selected, very small percentage of families who need assistance;

(3) current Federal housing subsidy programs often ignore the potential of utilizing available safe and sanitary existing housing; and

(4) current programs tend to produce a concentration of families living in substandard housing and to deprive them of the enjoyment of the benefits of federal housing assistance in units of their own choosing.

These conclusions completely miss the point that, contrary to the current popular belief in the White House and OMB, the housing and community development programs that have been made available to cities by the Federal government have been appropriate for the jobs they were designed to perform. Given the fragmented objectives and limited funding of some of these programs, they have indeed achieved monumental success. That is not to say there have not been individual abuses and problems. There have. But it is in error to declare a program a failure for not housing everyone if its funding is inadequate to do so, or to cry "worthless" if a single-purpose program does not solve all of America's multi-faceted housing and community development needs. What is needed is to reform our housing programs to make them more comprehensive.

The Administration bill further would require the Congress to go on record in advance in favor of housing allowances prior to seeing any experiments or demonstrations. It is doubtful that the Congress would be willing to do so.

The Administration's bill states in the preamble that "the most promising way to enable all families to obtain decent housing at acceptable costs appears to be direct cash assistance." While I agree with the housing allowance concept, I cannot overlook the pressing demand for adequate housing in our cities. As responsible municipal officials we cannot afford to sacrifice the immediate housing needs in our communities to a vaguely defined concept to which the President has already failed to give his unqualified endorsement.

Finally, the preamble of the Administration's bill eliminates the ten year housing goal contained in the 1968 Housing Act. Given the delays, impoundments and frustrations created by the Administration's actions in recent years, I acknowledge that reaching the 1968 goals will be difficult. However, I would hope that the Congress will keep the 1968 National Housing Goals intact so that we might be able to use the originally achieyable goals as a yard stick against which we can measure the value of the alleged improvements which the Administration is proposing or hopes to propose.

If significant improvements in providing housing are developed, then perhaps the hiatus in housing production which we are being asked to endure will be worth it. But let us keep the formerly achievable goals intact so that we can have an objective comparison against which we can measure the value of the Administration's current efforts.

The Administration's housing efforts, however, *have* produced something of considerable potential value. I am referring to the Task Force studies which have been conducted by HUD over the past several months.

Given the considerable talent that HUD staff possesses, I find it impossible to believe that the products of their many months of study regarding the need to make improvements in the current housing programs are represented by the President's message and S. 2507. Instead I suggest that the products of their efforts constitute an untapped source of salient data and findings which a positively motivated Congress could apply with great national benefit to the task of developing the reforms which are needed in the housing area.

Accordingly, I respectfully suggest that the appropriate Senate and House Committees, utilizing the provisions of the Freedom of Information Act if necessary, obtain the original unexpurgated task force reports and findings and apply them to the task of designing house programs which will in fact meet our contemporary housing needs.

COMPUTERIZED CARPOOL SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 10 minutes.

Mr. TIERNAN. Mr. Speaker, yesterday I introduced legislation to authorize the General Services Administration to implement and coordinate on a national level a computerized carpool service. This bill would authorize the GSA to disseminate information to all employees working within concentrated areas concerning the benefits of a computerized carpool program. The GSA branch offices would then collect and process the data of those who desire to be matched with a carpool and would then send out lists of 8 to 10 individuals with addresses and telephone numbers. Each list would be composed of commuters who have the same departure and arrival times and the same grid area of home and work. The actual arrangements are then left to the individual once the computerized matching service has been offered to them.

The General Services Administration owns computers or has access to computers and personnel in every major city in the Nation thus making this agency the ideal coordinator and administrator of a commuter matching service. The problem in getting people to commute by carpool is not that they do not want to, but that there is no convenient way to help these commuters get together. People by themselves have not taken the initiative, so we as their elected officials must use the agencies at our disposal to aid the millions of commuters in helping themselves solve the problems of energy, pollution, and transportation—at a very minimal cost.

Some would push off this much needed change on the local governments. Such a narrow and irresponsible view refuses to recognize the economic ramifications of the inefficient and needless practice of a single passenger occupancy rate in commuter vehicles. A study team from the Highway Users Federation found that in major metropolitan areas the average automobile occupancy for work trips to downtown is now 1.6 persons per vehicle. If automobile occupancy could be increased from the present average of 1.6 persons per vehicle to 2 per vehicle, 20 percent of the motor vehicles would be removed from rush hour traffic. If vehicle occupancy were increased to an average of 3.2 passengers per automobile there would be a 50-percent reduction in the number of vehicles on the highways.

Such an increase in the number of passengers per vehicle would result in tremendous gasoline savings and a reduction in the pollution levels of our cities. Positive results have been proven feasible by the National Aeronautics and Space Administration here in the District of Columbia. Through its computerized carpool program NASA has increased car occupancy among employees to an average 3.85 persons per car.

Private industry has also shown concern with the commuter dilemma: in St. Louis, McDonnell Douglas Corp. promoted carpooling for the firm's 47,000 employees when parking became critical. This program has increased car occupancy among workers to an average of 2.8 persons, double the former rate.

In my own district an innovative firm, Textron, Inc. has initiated a program to cut down the number of automobiles on the highway and thus help to meet Clean Air Act emission standards, conserve gasoline supplies, help solve traffic congestion, and reduce the amount of city land area allocated unproductively to parking facilities. Textron's program purchases bus tokens and offers them half price to their employees in an attempt to offer an incentive to use mass transit. Textron's plan is one example of the positive action taken by responsible American businesses in realizing the need for the participation of the citizenry in mass transit and carpool programs.

In dealing with a program of carpooling the recurring ingredient to success is incentives. My bill stipulates that the GSA Administrator may cooperate only with an applicant when it has been shown that "the applicant is attempting to encourage carpooling by the use of incentives such as special parking privileges."

The mayor of Providence, Joseph A. Doorley, has offered the use of municipal parking lots for carpools of three or more passengers at a very minimal cost.

Mayor Doorley's initiative has not been an easy decision as he has met some stiff opposition from commuters who have no way of finding carpooling passengers. The mayor's incentive program relies solely on chance. Through my legislation we could offer Mayor Doorley and the mayors throughout the Nation the proven method and means of offering computer matching information to the commuters who voluntarily request this service.

Unfortunately there are only a few isolated private projects. Yet these projects illustrate the dramatic results that are possible once the commuter has been given the initiative. The Federal Government through the extensive facilities of the General Services Administration has the potential to effect remarkable cures to a variety of current problems through a very simple program if we as legislators authorize my projects.

The benefits of this program are that:

First. A carpool program requires virtually no capital investment;

Second. There are no major legal or institutional barriers to overcome;

Third. The impact of a successful program can be immediate and dramatic;

Fourth. A successful area wide carpool program can reduce the need for construction of new transportation facilities;

Fifth. Our cities' land use problems would greatly benefit from the considerable reductions of commuter automobiles. The need for unsightly and nonproductive parking facilities on extremely valuable land areas would be minimized;

Sixth. Fuel savings will lessen the impact of the energy crisis. A recent study by an energy consultant for the Treasury Department has found that increasing carpools for job commuting from 1.3 to 2.3 persons per car would save 200,000 barrels of gasoline a day. Assuming a price of $5 per barrel this would save $1 million per day on our balance of payments schedule;

Seventh. The Clean Air Act emissions standard deadlines within our cities can be met by a concerted effort of cooperation between government services and concerned citizens;

Eighth. The ingredient of incentives is a built-in component to the program in this time of inflationary belt-tightening as the cost of a 10-mile commuter trip for one passenger of $2.64 can be cut to 66 cents with 4-passenger occupancy and 44 cents with a car occupancy of six; and

Ninth. A well organized computerized carpool program would offer a positive action on the part of government in suggesting to people what they can do to alleviate the problems of environment, energy shortage, traffic congestion, and limited urban parking facilities instead of the steady stream of repressive mandates of what the citizens cannot do.

The benefits of a nationally organized computerized carpool service are immense. A multiplicity of our urban problems can be affected through the implementation of this one program of concerted cooperation between our Nation's Government and commuting citizens.

It is my hope that each and every Member of this body join me in cosponsoring this legislation.

EPA DISTRIBUTES POLLUTION CONSTRUCTION MONEY INEQUITABLY AND ILLEGALLY, RESOLUTION WOULD RECTIFY ERROR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 15 minutes.

Mr. MATSUNAGA. Mr. Speaker, in 1972 Congress appropriated $1.9 billion to reimburse States partially for the costs of constructing sewage-treatment plants where construction began between mid-1966 and mid-1972.

The total amount for which the Federal Government would be liable under the Water Pollution Control Act Amendments of 1972 is about $2.4 billion. Section 206(d) of the new amendments provided that, in such cases, available funds were to be divided proportionally among all States with certified need. In the current year, therefore, States had reason to expect they would receive about 80 percent of their entitlement for the Federal share of 1966–72 construction.

Disregarding this mandate, the Environmental Protection Agency has established its own different, skewed set of priorities, ignoring the expressed intent of Congress. On June 26 EPA issued regulations that would give to 24 States, including my own State of Hawaii, exactly 0 percent of their established needs. Instead of the $217 million those States expected, EPA seeks to give them nothing. Another 14 States would receive considerably less than the 80 percent guaranteed them under the law.

In total, therefore, 38 States would be forced to bear an unexpected financial burden imposed upon them as the result of a misinterpretation of the law by the agency charged with the responsibility of helping them meet their environmental needs.

On Tuesday, therefore, I introduced a joint resolution to compel EPA to adhere to the clear intent of Congress. My resolution would explicitly require a pro rata distribution of the available funds for projects begun during the period prescribed in section 206(a) of the act. This would permit States which initiated qualified water pollution control projects during the period from mid-1966 through mid-1972 to receive 80 percent of their eligible costs as called for in the act. EPA would be required to come up with new regulations within 30 days of the measure's enactment, and those regulations would be subject to disapproval by either Public Works Committee of Congress. The deadline for filing a list of requested projects by the States would be extended commensurately.

This measure is identical to a resolution introduced last week by Senator JENNINGS RANDOLPH and cosponsored by 34 Senators.

It is truly unfortunate, Mr. Speaker, that the administration could have confused and obfuscated such plain language and such unmistakable intent. It is doubly unfortunate that 38 States which answered the call of Congress to clean up our polluted waters must suffer the uncertainty and doubt which this misinterpretation of law has visited on them. It is clear, however, that Congress must now act to eradicate the unnecessary confusion, so that our communities and States can continue with more reliable Federal support to clean up our waterways and shorelines.

I include the text of the resolution, along with a list of States adversely affected by EPA's proposed regulations, in the RECORD at this point:

HOUSE JOINT RESOLUTION 750

Joint Resolution to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended

Whereas section 206 of the Federal Water Pollution Act, as amended, requires the reimbursement of not less than 50 per centum of the project cost of any publicly owned treatment works on which construction was initiated after June 30, 1966, but before July 1, 1972, or the amount necessary to raise Federal financial assistance to 50 per centum of the cost of such project in the case of any project which had received Federal financial assistance at the time of construction (or 55 per centum if such project was a part of a metropolitan plan);

Whereas section 206 of the Federal Water Pollution Control Act, as amended by Public Law 92–500, was intended to provide equitable funding for all publicly owned sewage treatment works constructed during the period from June 30, 1966, through July 1, 1972, regardless of whether such works received any Federal assistance at the time of construction, were eligible for Federal incentive grants, or were supported in whole or in part by State matching grant or loan program; and

Whereas regulations published by the Environmental Protection Agency pursuant to section 206 are illegal in that they discriminate among projects constructed during this period by failing to allocate appropriated funds equally to each qualified project in the ratio that the unpaid balance of the reimbursement due such project bears to the total unpaid balance to all such projects, as required by subsection (d) of section 206, thereby preventing many States from receiving any of the funds to which they are entitled under this section: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That any regulations published or promulgated by the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended, prior to the date of enactment of this joint resolution are hereby set aside and are declared to be of no legal effect and no moneys appropriated for section 206 shall be distributed in accordance with such regulations.

SEC. 2. The Administrator of the Environmental Protection Agency within thirty days after enactment of this joint resolution shall publish and submit to the Congress regulations implementing section 206 so as to effect an equitable allocation of appropriated funds among all qualified projects on which construction was initiated after June 20, 1966, but before July 1, 1972, as provided in subsections (a) and (d) of section 206.

SEC. 3. Within thirty days of congressional session following the receipt of such regulations, the Committee on Public Works of either House may report a resolution of disapproval of such regulations. If such resolution is adopted by either House, such regulations are disapproved. If not so disapproved, such regulations shall become effective upon the expiration of the said thirty-day period.

SEC. 4. The Administrator of the Environmental Protection Agency, at the time such regulations are submitted to the Congress, shall notify each State. Within thirty days after such notice each State shall submit to the Administrator a complete list of projects within such State which qualify for reimbursement pursuant to subsection (a) of section 206. Any responses of the States to such notification shall be submitted to the Congress.

SEC. 5. Notwithstanding the requirements of subsection (c) of section 206 of the Federal Water Pollution Control Act, as amended (Public Law 92-500, 86 Stat. 838), applications for assistance under section 206 may be filed with the Administrator of the Environmental Protection Agency until November 18, 1973, and after the effective date of the regulations required under section 2 of this resolution, payments may be made in accordance with section 206 in connection with any application filed by November 18, 1973.

HOW EPA THWARTS CONGRESSIONAL INTENT

	Proposed EPA distribution (estimated)	Proposed distribution under Water Pollution Control Act (estimated)	Difference
Total	$1,912.5	$2,461.1	$548.6
Alabama		13.4	13.4
Arizona		6.0	6.0
Arkansas		7.6	7.6
California		44.6	44.6
Colorado		9.4	9.4
District of Columbia	1.9	59.4	57.5
Florida	10.5	53.8	43.3
Georgia	3.4	62.5	59.1
Hawaii		2.2	2.2
Idaho		1.4	1.4
Indiana	.8	8.5	7.7
Iowa		8.7	8.7
Kansas		8.0	8.0
Kentucky	.5	8.3	7.8
Louisiana		6.6	6.6
Minnesota	12.6	22.5	9.9
Mississippi	.9	5.7	4.8
Missouri		30.7	30.7
Montana		1.8	1.8
Nebraska		2.7	2.7
Nevada		2.7	2.7
New Hampshire	10.8	14.6	3.8
New Mexico		2.3	2.3
North Carolina		21.8	21.8
North Dakota		1.2	1.2
Ohio	55.8	77.9	22.1
Oklahoma		7.5	7.5
Pennsylvania	34.5	67.2	32.7
Rhode Island	.1	.2	.1
South Carolina	.7	17.8	17.1
South Dakota		1.9	1.9
Texas		29.4	29.4
Utah		2.8	2.8
Vermont		.9	.9
Virginia	3.1	20.2	17.1
Washington	.3	21.4	21.1
West Virginia		3.6	3.6
Wyoming		.5	.5

AMERICAN-EGYPTIAN RELATIONS SHOULD IMPROVE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there is significance in the fact that an American construction company has been selected by Egypt to build an oil pipeline bypassing the Suez Canal. The importance of the pipeline to Egypt is obvious. Traversing the area from the Persian Gulf to Alexandria, it will bypass the blocked Suez Canal. For years Egypt relied heavily upon funds obtained from operation of the canal. Inability to use the canal caused oil companies to build supertankers for the long trip around the tip of Africa. The presence of a pipeline will again shorten the haul for oil shipments and it will be welcomed by all shippers.

The Suez may continue to be blocked for an indefinite period and even if opened for traffic it must be restored, and it will be unusable for supertankers unless widened and deepened. This would be a time-consuming project, probably more costly than the pipeline.

The pipeline provides a ready answer to oil distribution problems of the area and lessens the economic importance of the Suez which even if opened could be blocked again by future Arab-Israeli conflicts.

Of major significance to the Western world is the fact that an American firm will build the pipeline. This indicates a potential lessening of tension between Egypt and the United States. It shows also the more conservative influence of King Faisel of Saudi Arabia is being felt by the Egyptian Government above the radical leadership that Libya's al-Qaddafi seeks to exercise in the area. The project was vigorously sought by a European combine headed by the French. Bechtel, an American company based in San Francisco and a specialist in oil installation construction, was selected instead.

This provides a new opportunity to warm up relations between Egypt and the United States which should be followed carefully and promptly. A similar opportunity was offered when the Egyptians expelled the Russians but the United States sat on its hands and did nothing. It is to be hoped the State Department will realize opportunity is beckoning and we should seek to reduce the tension which exists between our countries.

CHANGES IN ALLOWANCES FOR MEMBERS

(Mr. THOMPSON of New Jersey asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 457, 92d Congress, provided the Committee on House Administration the authority to fix and adjust from time to time various allowances of Members of the House of Representatives. Pursuant to this authority the committee has issued orders No. 7, 8, and 9, all of which are effective October 1, 1973.

COMMITTEE ORDER NO. 7

Resolved, that effective October 1, 1973, until otherwise provided by Order of the Committee on House Administration the quarterly allowance for official telephone service outside the District of Columbia for Members, Delegates, and the Resident Commissioner from Puerto Rico is increased from $450 quarterly to $600 quarterly.

COMMITTEE ORDER NO. 8

Resolved, that effective October 1, 1973, until otherwise provided by Order of the Committee on House Administration the quarterly allowance for official office expenses incurred outside the District of Columbia by Members, Delegates, and the Resident Commissioner from Puerto Rico has been increased from $300 quarterly to $500 quarterly.

COMMITTEE ORDER NO. 9

Resolved, that effective October 1, 1973, until otherwise provided by Order of the Committee on House Administration the number of units provided for official telephone calls, telegrams, cablegrams, and radiograms made or sent by, on or behalf of a Member, Delegate, or the Resident Commissioner of Puerto Rico has been increased from 80,000 units to 100,000 units for each regular session of Congress. Such units shall accumulate and be available for use until the aggregate number of such units in the close of each session is not more than 200,000. Unused units in excess of 200,000 at the close of a session may not be carried forward for use in a succeeding session.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. O'Neill of Massachusetts requests leave of absence for Mrs. Hansen of Washington, for today, on account of illness.

Mr. O'Neill of Massachusetts requests leave of absence for Mr. Kyros of Maine, for today, on account of official business.

Mr. O'Neill of Massachusetts requests leave of absence for Mr. Rangel of New York, for today, on account of official business.

Mrs. Sullivan requests leave of absence for 3 days beginning October 10 on account of committee business in San Francisco.

Mr. Henderson of North Carolina requests leave of absence for Mr. Taylor of North Carolina, for today, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Ginn) to revise and extend their remarks and include extraneous material:)

Mr. Gunter, for 5 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Addabbo, for 20 minutes, today.

Mr. Fulton, for 5 minutes, today.

Mr. Meeds, for 5 minutes, today.

Mr. Stark, for 5 minutes, today.

Mr. Barrett, for 10 minutes, today.

Mr. Tiernan, for 10 minutes, today.

Mr. Matsunaga, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Whitten to revise and extend

his remarks and include excerpts from hearings and other extraneous matter in connection with House Joint Resolution 748.

Mr. ZABLOCKI following submission of conference report on War Powers Act.

(The following Members (at the request of Mr. REGULA), and to include extraneous matter:)

Mr. COLLIER.
Mr. WYMAN in two instances.
Mr. CONTE.
Mr. SHUSTER.
Mr. BURKE of Florida.
Mr. FORSYTHE.
Mr. MCKINNEY.
Mr. ZWACH.
Mr. GILMAN.
Mr. HUDNUT.
Mr. DERWINSKI in two instances.
Mr. SMITH of New York.
Mr. DUNCAN.
Mr. CRANE in five instances.
Mr. WALSH.
Mr. FREY.

(The following Members (at the request of Mr. GINN) and to include extraneous material:)

Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. SARBANES in five instances.
Mr. PATTEN.
Mr. LITTON.
Mr. DULSKI in six instances.
Mr. FUQUA.
Mr. STARK.
Mr. RODINO.
Mr. STUDDS in two instances.
Mr. WALDIE in two instances.
Mr. EDWARDS of California.
Mr. ANDERSON of California in two instances.
Mr. DE LUGO.
Mr. HARRINGTON in three instances.
Mr. ST GERMAIN.
Mr. EVINS of Tennessee.
Mr. PREYER.
Mr. ROGERS in five instances.
Mr. O'NEILL.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 753. Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval a joint resolution of the House of the following title:

H.J. Res. 753. Making further continuing appropriations for the fiscal year 1974, and for other purposes.

ADJOURNMENT

Mr. SATTERFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. In accordance with House Concurrent Resolution 321, 93d Congress, the Chair declares the House adjourned until 12 o'clock noon on Tuesday, October 9, 1973.

Thereupon (at 3 o'clock and 12 minutes p.m.), pursuant to House Concurrent Resolution 321, the House adjourned until Tuesday, October 9, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1425. A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' Home for fiscal year 1972 and the report of the annual general inspection of the home for 1973, pursuant to 24 U.S.C. 59 and 60; to the Committee on Armed Services.

1426. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for amendment of the Jury Selection and Service Act of 1968, as amended, adding further definitions relating to jury selection by electronic data processing; to the Committee on the Judiciary.

1427. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for civil penalty and injunctive relief in the event of a discharge or threatened discharge of an employee for the reason of such employee's Federal jury service; to the Committee on the Judiciary.

1428. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to extend the period for administrative review of certain Customs protests; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 581. Resolution providing for the consideration of H.R. 9682. A bill to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes (Rept. No. 93–546). Referred to the House Calendar.

Mr. ZABLOCKI: Committee on Foreign Affairs. Conference report to accompany House Joint Resolution 542; with amendment (Rept. No. 93–547). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DANIELSON: Committee on the Judiciary. H.R. 6119. A bill for the relief of Arturo Robles with amendment (Rept. No. 93–545). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 6979. A bill for the relief of Monroe A. Lucah (Rept. No. 93–542). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 9276. A bill for the relief of Luther V. Winstead: with amendment (Rept. No. 93–543). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 9276. A bill for the relief of Luther V. Winstead; with amendment (Rept. No. 93–544). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself and Mr. CULVER):

H.R. 10737. A bill to prohibit discrimination on the basis of sex or marital status in the granting of credit; to the Committee on Banking and Currency.

H.R. 10738. A bill to provide a comprehensive child development program in the Department of Health, Education, and Welfare; to the Committee on Education and Labor.

By Ms. ABZUG (for herself and Ms. HOLTZMAN):

H.R. 10739. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ARCHER:

H.R. 10740. A bill to amend various laws relating to housing and urban development so as to repeal the provisions which presently require compliance with the Davis-Bacon Act in the conduct of federally financed activities thereunder; to the Committee on Banking and Currency.

H.R. 10741. A bill to repeal the Davis-Bacon Act; to the Committee on Education and Labor.

H.R. 10742. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

H.R. 10743. A bill to amend title 38 of the United States Code to require the Veterans' Administration to provide hospital and medical care to any veteran, and under certain circumstances to the spouse or child of any veteran, for drug dependency; to the Committee on Veterans' Affairs.

By Mr. ASHLEY (for himself, Mr. DANIELSON, Mr. FRASER, Mr. HECHLER of West Virginia, Mr. MITCHELL of Maryland, and Mr. SEIBERLING):

H.R. 10744. A bill to regulate commerce and conserve gasoline by improving motor vehicle fuel economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWEN:

H.R. 10745. A bill to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. BRINKLEY:

H.R. 10746. A bill to provide for a comprehensive, coordinated 5-year research program to determine the causes of and cure for cancer, to develop cancer preventative vaccines or other preventatives, and for other purposes; to the Committee on Ways and Means.

By Mr. BROWN of Ohio:

H.R. 10747. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. COCHRAN:

H.R. 10748. A bill to provide for the addition of certain lands to the Natchez Trace Parkway in Mississippi, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOWNING:

H.R. 10749. A bill to amend title 38 of the United States Code in order to exclude certain social security payments in determining annual income for purposes of paying nonservice-connected disability pension to veterans; to the Committee on Veterans' Affairs.

H.R. 10750. A bill to amend section 228 of the Social Security Act to provide that an uninsured individual who is permanently and totally disabled (and has attained age 72) may become entitled to monthly benefits thereunder at any time, without regard to coverage and without any reduction for governmental pensions; to the Committee on Ways and Means.

By Mr. EILBERG:

H.R. 10751. A bill to amend the Higher Education Act of 1965 to remove the needs provision for families with incomes less than $15,000 a year from the student loan subsidy provision of that act; to the Committee on Education and Labor.

H.R. 10752. A bill to treat certain service by Federal employees in international organizations as leave without pay; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, Mr. Diggs, and Mr. O'Brien):

H.R. 10753. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

By Mrs. GRIFFITHS (for herself, Mr. Corman, and Mr. Lehman):

H.R. 10754. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. GUNTER (for himself, Mr. Bafalis, Mr. Bergland, Mr. Brown of California, Mr. Conte, Mr. Conyers, Mr. Davis of Georgia, Ms. Green of Oregon, Mr. Hansen of Idaho, Mr. Mathis of Georgia, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Riegle, Mr. Rose, Mr. Sarbanes, and Mr. Seiberling):

H.R. 10755. A bill to prohibit the importation into the United States of meat or meat products from livestock slaughtered or handled in connection with slaughter by other than humane methods; to the Committee on Agriculture.

By Mr. HANSEN of Idaho:

H.R. 10756. A bill to amend the Internal Revenue Code of 1954 with respect to the amount deductible in the case of casualty losses of timber; to the Committee on Ways and Means.

By Mr. JOHNSON of Pennsylvania:

H.R. 10757. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates prescribed by that act, to expand employment opportunities for youths, and for other purposes; to the Committee on Education and Labor.

By Mr. LITTON:

H.R. 10758. A bill to amend the Economic Stabilization Act of 1970 to exempt stabilization of the price of fertilizer from its provisions; to the Committee on Banking and Currency.

By Mr. MEEDS:

H.R. 10759. A bill to repeal the "cooly trade" laws; to the Committee on the Judiciary.

H.R. 10760. A bill to amend the Immigration and Nationality Act to remove the distinction between Eastern and Western Hemisphere immigrants, to establish an immigration ceiling, and for other purposes; to the Committee on the Judiciary.

H.R. 10761. A bill to amend the Immigration and Nationality Act to provide that parents of permanent residents be eligible to file for the second preference category; to the Committee on the Judiciary.

H.R. 10762. A bill to repeal the Bertillon System of Identification; to the Committee on the Judiciary.

H.R. 10763. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to waiving the exclusion from the United States for fraud; to the Committee on the Judiciary.

H.R. 10764. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provisions relating to exclusion from deportation of aliens excludable for fraud; to the Committee on the Judiciary.

H.R. 10765. A bill to amend section 312 of the Immigration and Nationality Act with respect to certain tests for naturalization; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 10766. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. MIZELL (for himself, Mr. Bafalis, Mr. Baker, Mrs. Burke of California, Mr. Don H. Clausen, Mr. Cochran, Mr. Ginn, Mr. Hammerschmidt, Mr. Milford, Mr. Roe, Mr. Taylor of Missouri, and Mr. Zion):

H.R. 10767. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. MIZELL (for himself, Mr. Burgener, Mr. Brown of California, Mr. Brinkley, Mr. Camp, Mr. Collins of Texas, Mr. Danielson, Mr. Devine, Mr. Duncan, Mr. Frey, Mr. Froehlich, Mr. Goldwater, Mr. Guyer, Mr. Helstoski, Mr. Hillis, Mr. Hungate, Mr. Hunt, Mr. Ichord, Mr. Keating, Mr. Ketchum, Mr. Latta, Mr. Lott, Mr. Mathias of California, Mr. Miller, and Mr. Montgomery):

H.R. 10768. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. MIZELL (for himself, Mr. Myers, Mr. Price of Texas, Mr. Sikes, Mr. Spence, Mrs. Sullivan, Mr. Teague of California, Mr. Thone, Mr. Veysey, Mr. Wylie, Mr. Young of Florida, and Mr. Young of South Carolina):

H.R. 10769. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. PICKLE:

H.R. 10770. A bill to provide for the establishment of an American Folk Life Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. QUILLEN:

H.R. 10771. A bill to amend the Wild and Scenic Rivers Act by designating the Nolichuckey River in Tennessee and North Carolina for study as a potential addition to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself and Mr. Davis of Georgia):

H.R. 10772. A bill to establish a loan program to assist industry and business in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SMITH of Iowa (for himself, Mr. Pickle, Mr. Eckhardt, and Mr. Roy):

H.R. 10773. A bill to authorize the Secretary of Transportation to provide mass transportation assistance essential for the movement of basic commodities and energy resources to and from production areas and major distribution and processing centers; to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER:

H.R. 10774. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates prescribed by that act, to expand employment opportunities for youths, and for other purposes; to the Committee on Education and Labor.

By Mr. STEIGER of Wisconsin:

H.R. 10775. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes; to the Committee on Education and Labor.

By Mr. STEELE:

H.R. 10776. A bill to amend title 10, United States Code, to restore the systems of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. WALDIE:

H.R. 10777. A bill to amend section 312 of the Immigration and Nationality Act with respect to certain tests for naturalization; to the Committee on the Judiciary.

H.R. 10778. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to exclusion from deportation of aliens excludable for fraud; to the Committee on the Judiciary.

H.R. 10779. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to waiving the exclusion from the United States for fraud; to the Committee on the Judiciary.

H.R. 10780. A bill to amend the Immigration and Nationality Act to provide for recording of admission for permanent residence in the case of certain aliens who entered the United States prior to October 3, 1965; to the Committee on the Judiciary.

By Mr. WYATT (for himself, Mr Cederberg, Mr. Veysey, Mr. Don H. Clausen, Mr. Hinshaw, Mr. Pettis, and Mr. Rousselot):

H.R. 10781. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. WYMAN:

H.R. 10782. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products; to the Committee on Banking and Currency.

By Mr. YOUNG of Illinois:

H.R. 10783. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10784. A bill to amend the Securities Exchange Act of 1934, and for other purposes; to the Commitee on Interstate and Foreign Commerce.

By Mr. YOUNG of Alaska (for himself, Mr. Towell of Nevada, Mr. Froehlich, Mr. Bob Wilson, and Mr. Bauman):

H.R. 10785. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. ZWACH:

H.R. 10786. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for the use of excess property by certain grantees; to the Committee on Government Operations.

By Mr. ROONEY of Pennsylvania:

H.R. 10787. A bill to create a National Landlord and Tenant Commission, to establish housing courts, and to define or to provide therefor, the rights, obligations and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on the Judiciary.

By Mr. EILBERG:

H.J. Res. 754. Joint resolution establishing an independent commission to conduct a study of the Executive Office of the President and to make recommendations for reforms to increase cooperation between that Office and the Congress, to restore a balance of power between the executive and legislative branches of the Government, and to increase the accountability of the Executive Office of the President to the Congress and the public; to the Committee on Government Operations.

By Mr. FISH:

H. Con. Res. 331. Concurrent resolution calling for action by the United States with regard to the Schoenau processing center in Austria; to the Committee on Foreign Affairs.

By Mr. HUBER (for himself and Mr. Cleveland):

H. Con. Res. 332. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. BIESTER:

H. Res. 579. A resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the 1973 pricing policies and profit margins of the major oil companies; to the Committee on Rules.

By Mr. ZION:

H. Res. 580. A resolution directing the Committee on the Judiciary to conduct an investigation into certain charges against Spiro T. Agnew; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Illinois introduced a bill (H.R. 10788) for the relief of Walma T. Thompson, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

307. The SPEAKER presented a petition of Atico A. Querijero, Baler, Quezon, Philippines, relative to redress of grievances; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

CONGRESSIONAL BUDGET REFORM OPPORTUNITIES AND PITFALLS

HON. FRANK E. MOSS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Thursday, October 4, 1973

Mr. MOSS. Mr. President, this week the Government Operations Committee is beginning consideration of S. 1541, the Federal Act To Control Expenditures and Establish National Priorities, with the intention of bringing legislation to the floor this month.

This is, therefore, an appropriate time for each of us to be expressing our concern over the need for improving the congressional budget process and over the pitfalls that could spell either an abortive attempt at reform or a system that is worse than the one that afflicts us today.

The distinguished Senator from Florida (Mr. Chiles), who has been an active participant in budget reform, recently spelled out his views in a speech before the Southern Governors' Conference. I believe his remarks are a valuable stimulus for thinking as this momentous legislation moves forward. I ask unanimous consent that his speech be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Address by Senators Lawton Chiles of Florida Before the 39th Annual Meeting of the Southern Governors' Conference

I think that most would agree that today we are going through a period of accelerated transition in every facet of our lives. One of the surest signals of that transition in government is the current movement to reform the federal budgeting process. The administration, through its attitudes and actions, has forced a mirror in front of the Congress, and we can not help but take a hard look at ourselves and reassess our ability to hold up our end of the constitutional bargain. There are those who are quick to mention that in other times the Congress has looked away, not wanting to confront its own image or suffer the agonizing self-appraisal of its most dearly held traditions and procedures.

But these are not other times.

These are not other situations.

Not since the budgeting and accounting act of 1921 has there been so serious a movement to reconstitute federal budgeting. And nothing less will do because our out-dated budget habits are causing deadly serious repercussions.

First, they're building a burden of inflation that's breaking the back of every taxpaying citizen in this country. Every dollar of the $70 billion deficit run up over the last 3 years is coming back to haunt us at the supermarket and hardware store.

Second, the current budget process has created the most serious strains in balance of constitutional powers that any of us has ever seen. As a means to the end of combatting inflation, one man has sought to dictate which public needs are met, what monies are spent and which congressional appropriations are "inoperative."

And third—the subject that concerns us here today—the federal budget process is wreaking havoc with planning and programs—at the federal level, at the state level and at the local level.

Before discussing the status of Federal budget reform, I'd like to spend a moment to give you my impression of just how serious an impact Federal budgeting defects are having on the States.

Federal aid accounts for about one dollar in every five spent by State and local governments. As each State commits itself to plans and programs, hires people and lets contracts, however, 20% of the needed resources remain an unknown quantity. When financing will be available, for what programs and in what amounts have become unanswerable questions until well into the fiscal year. From the outset, States (and the Congress, too I might add) have no access to the formulation of the budget as it's orchestrated by the Office of Management and Budget. And after the budget is delivered to the Hill, Congress tries to digest the budget through a ponderous series of authorizations and appropriations that still do nothing to clarify what the States can expect until well into the fiscal year. The delays leave the States between a hell of anxiety and a high water of frustration, not knowing how much will be forth-coming or when for highway construction, pollution control, health care, social services, and the gamut of categorical grant programs.

Nowhere is the damage more painful than in education. Last month, the Comptroller General reported that nearly 60% of the money authorized or planned to be spent under revenue sharing was to be directed toward education. And although I would have supported further general and special revenue sharing, Congress never had the chance to deal with any concrete proposals so that revenue sharing is a dying proposition. What we've got is all talk and no funding for 18 months. Meanwhile, Congress takes late action on impact aid, OMB holds up money, State plans for school construction and audio-visual equipment are left hanging and we're a month into the school year.

To sum up the situation as it now stands—in simple terms—the States of the Union are being discriminated against. Not only must they take a back seat in the Federal budget bus, but the bus is always late and you don't know where you're going until it's on its way. Each State has a vital vested interest in seeing effective budget reform enacted.

Enough on the problems. We all know them too well. What has to engage our energy now is *solving* them, taking inventory of how far we've progressed to date, and the prospects. In an overview sense, this is the way the reform efforts stand: today:

No fewer than 67 Senators have either authored or co-sponsored budget reform legislation, some of which has been included in Senate bill 1541, the "Federal act to control expenditures and establish national priorities." The Senate government operations committee will begin hearing next month on this bill as well as those that have not yet been incorporated.

In the House, the rules committee has already begun hearings on H.R. 7130, the budget control act of 1973. This bill is largely a derivative of the report of the joint study committee on budget control issued just last

February. Both committees intend to report out reform legislation this year. This is an impressive track record by Congressional standards but there are several key issues that remain to be resolved:

(1) First: how will we cope with the power to be placed in new budget committees and which Members of Congress will exercise it.

(2) Second: how rigid and enforceable can Congressional spending ceilings be.

(3) Third: how do we carve up the budget to give a clear picture of national priorities, and

(4) How can long-term planning and program control be effected.

Because the Congress needs to replace a fragmented view of the budget with a centralized control of the total, all reforms embody the creation of a new budget committee in each House. Once and for all, the Congress would have one place to reconcile expenditures and revenues and to come to grips with a root source of inflation.

The new budget committees would be empowered to gain ascendency over the Appropriations, Ways and Means, and Finance Committees, the key bodies which determine spending and revenues today, although independently. The Budget Committee would set limits not only to make total spending conform with revenues but also establish sublimits for each committee with jurisdiction to authorize expenditures.

You don't have to be a political scientist to know that these budget committees spell power—concentrated power—derived largely from the independent strength of other committees and their chairmen. To deter expected opposition, the early legislative proposals were for the budget committees to be dominated by members drawn from existing Appropriations, Ways and Means and Finance Committee membership.

But this arrangement causes concern:

(1) First there's the problem of liberals versus conservatives. Looking at the dominant conservative figures who might then move into Budget Committee power, there's some fear that perhaps social and domestic programs would fare better in the Nation's priorities if we just continued to let the White House exercise arbitrary impoundment.

(2) Second, there's the problem of young versus old Senators. If the seniority system that rewards longevity is compounded by still greater collected power on the Budget Committee, then younger Representatives could feel more frustrated in their hopes to affect the system.

(3) And third, there's the problem of the committee chairmen on the other legislative-authorizing committees. If their hands are going to be tied by how big a piece of pie the Budget Committee gives them then they're certainly going to want to be there and voting when it's carved up.

I believe the Senate, at least, has an opportunity to reach an acceptable compromise by permitting the party caucuses to determine who will serve on the new budget committees. When they are established, this scheme for composing the membership should be more advantageous to state interests by perhaps opening the Budget Committee to a more broadly-based set of sympathies and political ideologies.

The second controversial open issue concerns the rigidity of the spending limits imposed by the budget committee. At one extreme, the budget committee would only provide spending guide-lines. At the other extreme, budget committee totals and allocations would be voted into a concurrent resolution and subject to change only if off-setting adjustments were made in other spending and/or taxes were changed. On top of this the amendment would then have to gain as much as a two-thirds vote in the full house.

The legislation as it now stands tries to strike a delicate balance between the extremes so that budget limits are more than window dressing but not totally immune to necessary adjustments in the course of congressional review.

The budget committee resolution that sizes up the budget at the start would also have a "reserve fund" included. After all the committees review their programs and funding needs, a second resolution would be reported out to revise the first and allocate the general reserve. Floor amendments to raise funding could come on the second resolution but would have to include off-setting cuts or additional sources of revenue. Hopefully, the limits established by the first resolution plus the general reserve fund flexibility would prevent any major conflicts at the second go around.

As far as state financing is concerned, a system of budget limitations could actually increase opportunities for challenge, change and uncertainty, all of which could delay timely financing of state and local programs. In fact, the 57-page bill now in the Senate is largely devoted to a complex set of procedures to accommodate changes within and between the two Houses, changing committee allocations and making off-setting adjustments.

To my mind, this second issue—rigid budget allocations—is really moot unless the third is resolved: How to set budget categories. This is one that concerns me personally.

If the Congress and, through Congress, the people are to have a chance to control national priorities then how subcategories are defined is crucial.

Priorities are not controlled by pouring money into one congressional committee or another. Their jurisdictions overlap and several oversee programs devoted to identical public needs in the same State.

Nor do we control priorities by pouring money into one agency's account or another, especially when the President's budget as presented "force-fits" programs and agencies into arbitrary categories.

Let me give you some figures to demonstrate the confusion over who's doing what with which funds. The average standing committee in the Senate has full or partial jurisdiction over more than three executive departments or independent agencies based only on those agencies that were mentioned in the proposed 1970 reorganization plan. (I tried to match committee jurisdiction against each and every agency but was informed by the congressional experts that this had never been done and would probably take ten man-years to do.) At any rate, you might be able to keep in mind that a budget allocation going to one committee was in fact for three separate agencies. But then the agencies' programs are uncoordinated. Based on the President's budget submission, seven separate agencies have programs to support national needs for community development and housing: twelve have programs for natural resources and environment; and twenty-one separate and independent agencies are funded to carry out programs to meet education and manpower needs.

Unless and until the Federal Government's programs are collected into sensible groupings and budget limits applied to these, we may gain some control over much we're *spending* but no control over what we're *buying*.

Finally, forward-looking long-term planning is a prerequisite. State and Federal programs don't spring full-blown in a single fiscal year. They require years of care and feeding if they are to be effective and progress through planning, testing, and operation. The front-end planning stage is crucially important because this is where the future funding requirement—where the "turkeys"—are born. Only 5% of the total program cost may be involved, and may seem harmless enough but the fact is the foot is in the door.

One of the symptoms of Federal budget gluttony is starting more programs than we can reasonably expect to finish within limited resources. Later, State and local recipients of Federal aid find themselves left out in the cold and each of us is taken to task for the inexcusable gap between promise and performance. These last two issues—controlling outlays on the basis of a clear pattern of national needs and controlling programs throughout their long-term life-cycle—are essential ingredients if reform is to be effective at State and Federal levels. I originally set them down in S. 1414, a bill which I introduced earlier this year and which I am hopeful will become a part of the Senate budget package.

As you can surmise from this brief account of only four outstanding issues, it's impossible to predict exactly when the Federal budget process will be overhauled or exactly what form it will ultimately take. At this stage, Jimmy the Greek could probably provide as much insight as anyone. But because reform is still in a formative period, *now* is the time for the States to make their views known, to push for the specific provisions I've mentioned in order to make the process accessible and compatible with your needs.

The stakes are high. We have the opportunity to abolish a system that says, in effect, the taxpayer be damned: He either bleeds through taxes to finance uncontrolled Federal spending or, without higher taxes, he bleeds more through inflation. It really doesn't matter whether the "budget busters" are down town at the White House or up on Capitol Hill. Self-serving accusations don't help control inflation or get money to State programs in a timely fashion.

We have the opportunity to create a system that both illuminates and straightens the dark labyrinth of the Federal budget process, to create a system that gives everyone a clear picture of where their money is going—for what needs—and who wants it spent where.

Congressional reform—self initiated and serious—is proceeding not just in the budget process but also in campaign financing, the tax system and other equally fundamental areas. This discernable movement represents one of the most hopeful and refreshing signs that the system remains a dynamic, living, breathing body capable of responding to the needs of the American people.

But this is no miracle. Americans will not long abide with a feeling of malaise and paralysis. They would sooner turn their backs on politics and politicians in general. I know that; you know that; and every Member of Congress knows that. And that's exactly why the system is responding.

Crisis is and always has been a catalyst for democracy. Make no mistake, Watergate and all it symbolizes represents a crisis of enduring proportions. But far from wallowing in Watergate, we are capitalizing on it.

I ran across a statement that I thought would be an appropriate conclusion, in part because it was made by one of Governor Holton's predecessors, a former Governor of Virginia. He said:

"I am not an advocate for frequent and untried changes in laws and constitutions . . . but I know also that . . . as new discoveries are made, new truths disclosed . . ., institutions must advance also, and keep pace with the time."

The speaker was Thomas Jefferson. The country has had a full dose of newly disclosed truths—many unpleasant—that won't be soon forgotten. But the business we're all into right now is making our institutions keep pace with the times.

PUBLIC OPINION QUESTIONNAIRES

HON. DAVID TOWELL

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. TOWELL of Nevada. Mr. Speaker, every year more and more Members of the House are making use of public opinion questionnaires mailed to every mail box in their districts. Little, however, has been done to coordinate this effort or to prepare joint tables of the responses for the guidance of all concerned.

As a step forward in this regard, I call attention to a joint opinion poll report prepared by Dr. W. P. Cortelyou, a public opinion consultant, during the August recess. Dr. Cortelyou is well known in my office and in many other congressional offices for his expertise in the computerized analysis of opinion results.

He is not new to this field. His first recommendations in congressional polling were inserted in the CONGRESSIONAL RECORD on June 26, 1942, by Representative Charles Halleck, who will long be remembered for his leadership of the Republican Party.

This report summarizes the findings of nearly 50 Congressmen with reference to the 20 most popular questions used in recent questionnaires. This means that some 15-million adults were given the opportunity to respond to two or more of these questions. More than 1.2-million people did respond.

Dr. Cortelyou is president of Epoch—Everyman's Public Opinion Clearing House—a new, nonprofit, tax-exempt corporation. One of its purposes is to improve congressional opinion polling and to urge the use of similar techniques by many kinds of citizen groups. Participation is limited to congressional staff members.

TWENTY POPULAR QUESTIONS

To save space and simplify the comparisons, only the "Yes" percentages are included in this table. The topics are listed in alphabetical order in succeeding columns. After each topic is a representative wording of the question. The actual wording was a bit different in most cases. This seemed to have only a small effect, but some published responses to similar questions were not included in the table because it appeared that the Congressman was trying to generate a response in agreement with his own views or he was asking a legitimate question, but one that appeared to measure something quite different from that measured by the question listed in the table.

Each question is followed by a data line which gives: First, the mean of the "Yes" percentages, second, their standard deviation—SD—and third, their interquartile range—IQR. A small SD or IQR means high agreement across the country.

Then we find an entry for each office reporting responses to the question. Each entry gives: First, the "Yes" percentage, second, the Congressman's party, third, the principal city, county or area, fourth, the State, and fifth, the district number. The entries are listed in the order of increasing "Yes" percentages. The median—middle—value—or the average of the two middle values—is included between the two solid lines. The IQR data—middle half of the values—are included between two dotted lines. The IQR is the difference between the highest and lowest of these values. For instance, under abortion we see that IQR=65—41=24.

The five districts that appear within the IQR most often are marked thus: MI*8, TX*10, CA*41, PA*8, and NY*25. These five districts are apparently more typical of the whole Nation than the others are.

The tables follow:

Abortion: Agree with the Supreme Court decision?

Mean=54 SD=14 IQR=24

31	R	Grand Rapids	MI	15
37	R	Appleton	WI	8
40	R	Western	SD	2
41	R	Bethesda	MD	8
47	R	Winston Salem	NC	8
52	D	Chicago, S. Side	IL	2
55		(Median)		
59	R	Bucks County	PA*	8
64	D	El Paso	TX	16
65	R	All of	NV	
67	R	Eastern	NJ	6
71	R	Moline	IL	19
73	R	Columbus	OH	15

Abortion: Prohibit. Amend the Constitution if necessary?

Mean=23 SD=12 IQR=10

11	R	Bethesda	MD	8
14	R	Bucks County	PA*	8
20	R	Columbus	OH	15
22		(Median)		
24	R	Eastern	NJ	6
29	R	Nassau County	NY	4
45	R	Grand Rapids	MI	15

Amnesty: Grant unconditional amnesty to those who evaded the draft?

Mean=16 SD=7 IQR=7

6	R	El Paso	TX	16
8	R	Atlanta	GA	4
8	R	Dallas	TX	3
9	R	Memphis	TN	8
10	R	Grand Rapids	MI	15
10	R	Dallas	TX	5
12	R	Montgomery	AL	2
12	D	San Diego	CA*	41
12	R	Bucks County	PA*	8
12	R	Poughkeepsie	NY*	25
13	R	Riverside	IL	3
15	R	Houston	TX	7
16	R	Waukegan	IL	13
17	D	Western	NC	11
17	R	Portland	OR	1
18	R	Winston Salem	NC	5
18	R	Columbus	OH	12
19	R	Nassau County	NY	4
19	D	Los Angeles	CA	30
20	R	Manchester	NH	1
21	R	Northwest	CA	1
26	R	Columbus	OH	15
29	R	Kokomo	IN	5
29	R	Boulder	CO	2
31	R	Western	SD	2

Amnesty: Grant amnesty to the draft evaders if they render equivalent public service?

Mean=32 SD=11 IQR=10

15	R	Chattanooga	TN	3
17	D	El Paso	TX	16
20	R	Lenoir	NC	10
23	R	Dallas	TX	3
27	R	Memphis	TN	8
28	R	All of	NV	
28	R	Portland	OR	1
31	D	Los Angeles	CA	30
31	D	San Diego	CA*	41
32		(Median)		
33	R	Atlanta	GA	4
33	R	Saginaw	MI*	8
37	R	Grand Rapids	MI	80
37	R	Poughkeepsie	NY*	25
37	R	Northwest	CO	4
39	R	Appleton	WI	8
44	R	Bucks County	PA*	8
47	D	Chicago, S. Side	IL	2
58	R	Columbus	OH	15

Auto insurance: Establish nationwide no-fault auto insurance?

Mean=66 SD=5 IQR=4

60	R	Moline	IL	19
62	D	Austin	TX	10
63	D	Los Angeles	CA	30
64		(Median)		
66	R	Joliet	IL	17
70	R	Lenoir	NC	10
76	R	Riverside	IL	3

Busing: Amend Constitution. Prohibit busing for racial balance?

Mean=77 SD=5 IQR=2

74	R	Waukegan	IL	13
75	R	All of	NV	
76	R	Northwestern	CA	1
76	R	Joliet	IL	17
77		(Median)		
78	R	Charlotte	NC	9
78	D	Columbus	IN	9
80	D	El Paso	TX	16
90	R	Jeffersontown	KY	4

Day Care Centers: Continue federal funds for them?

Mean=46 SD=11 IQR=17

31	R	Saginaw	MI*	8
34	R	Joliet	IL	17
39	D	El Paso	TX	16
45	D	Austin	TX	10
56	R	Bethesda	MD	8
60	R	Princeton	NJ	5
60	R	Salisbury	NC	8

Death penalty: Restore it for the worst crimes?

Mean=83 SD=10 IQR=7

53	R	Grand Rapids	MI	15
67	R	Kokomo	IL	5
70	R	Boulder	CO	2
72	R	Manchester	NH	1
72	R	Princeton	NJ	5
80	R	Waukegan	IL	13
82	R	Bucks County	PA*	8
83	R	Moline	IL	19
83	R	Houston	TX	7
84	R	St. Joe.	MI	4
84	R	Saginaw	MI*	8
85	R	Columbus	OH	12
86	R	Salisbury	NC	8
86	R	Chattanooga	TN	3
88	R	Joliet	IL	17
88	R	Northwestern	AK	3

89	R	Winston Salem	NC	5
89	R	Lenoir	NC	10
89	D	Western	NC	11
90	R	Montgomery	AL	2
91	R	Jeffersontown	KY	4
91	R	Dallas	TX	5
98	R	Dallas	TX	3

Food stamps: Make them available to strikers?

Mean=18 SD=7 IQR=3

5	R	Atlanta	GA	4
14	R	Northwestern	CO	4
16	R	Western	SD	2
18	R	Princeton	NJ	5
18		(Median)		
19	R	Chattanooga	TN	3
19	R	Saginaw	MI*	8
26	R	All of	NV	
29	R	Appleton	WI	8

Guns: Control the "Saturday Night Specials"?

Mean=58 SD=18 IQ8=20

29	R	Dallas	TX	5
31	R	Atlanta	GA	4
47	R	Moline	IL	19
52	R	All of	NV	
65	R	Montgomery	AL	2
67	R	Appleton	WI	8
67	R	Northwestern	AK	3
80	D	Chicago, S. Side	IL	2
83	R	Saratoga Springs	NY	29

Health insurance: Establish some sort of federal program?

Mean=51 SD=9 IQR=11

39	R	Portland	OR	1
43	R	Columbus	OH	15
44	R	Western	SD	2
47	R	Manchester	NH	1
47	R	Saginaw	MI*	8
49	D	Austin	TX*	10
51	R	Appleton	WI	8
52	R	Northwestern	CO	4
54	R	Memphis	TN	8
58	D	Chicago, S. Side	IL	2
60	R	All of	NV	
64	D	Los Angeles	CA	30
65	R	Boulder	CO	2

Highway fund: Use some of it to develop mass transit?

Mean=52 SD=14 IQR=17

16	D	El Paso	TX	16
29	R	St. Joe.	MI	4
38	R	Moline	IL	19
43	D	Columbus	IN	9
44	R	Appleton	WI	8
46	D	Western	NC	11
48	R	Waukegan	IL	13
49	R	Jeffersontown	KY	4
50	R	Memphis	TN	8
50	R	Dallas	TX	5
53	R	All of	NV	
56	R	Lenoir	NC	10
58	R	Poughkeepsie	NY*	25
59	D	San Diego	CA*	41
60	R	Kokomo	IN	5
61	R	Saratoga Springs	NY	29
63	D	Chicago, S. Side	IL	2
64	R	Rochester	NY	35
65	R	Niagara Falls	NY	36
69	R	Columbus	OH	15
73	R	Princeton	NJ	5
74	R	Riverside	IL	3
75	R	Bethesda	MD	8

OEO: Continue federal funds for it?

Mean=31 SD=7 IQR=11

20	R	Atlanta	GA	4
20	R	Dallas	TX	3
25	R	Saginaw	MI*	8
31	R	Rochester	NY	35
32	R	Columbus	OH	15
33	R	Oyster Bay	NY	3
36	R	Northwestern	AK	3
37	R	All of	NV	
43	D	Chicago, S. Side	IL	2

Postal Service: Return it to the control of Congress?

Mean=50 IQR=14

42	R	Princeton	NJ	5
43	R	Houston	TX	7
50		(Median)		
57	R	Saratoga Springs	NY	29
60	D	El Paso	TX	16

Parachial schools: Give parents income tax credit for part of tuition?

Mean=43 SD=11 IQR=14

32	D	El Paso	TX	16
36	R	Winston Salem	NC	5
36	R	Atlanta	GA	4
38	R	Oyster Bay	NY	3
38	R	Austin	TX*	10
39	R	Saratoga Springs	NY	29
39	D	San Diego	CA*	41
42	D	Los Angeles	CA	30
42		(Median)		
43	D	Western	NC	11
48	R	Poughkeepsie	NY*	25
48	R	Grand Rapids	MI	15
52	R	Columbus	OH	12
55	D	Chicago, S. Side	IL	2
57	R	Salisbury	NC	8
67	R	Memphis	TN	8
69	R	Montgomery	AL	2

Press: Guarantee to reporters the right to confidential sources?

Mean=57 SD=10 IQR=11

36	R	Manchester	NH	1
42	R	Lenoir	NC	10
46	R	Charlotte	NC	9
48	R	Memphis	TN	8
50	R	Riverside	IL	3
50	R	Western	SD	2
51	R	Columbus	OH	12
52	R	Niagara Falls	NY	36
52	R	Montgomery	AL	2
53	R	Nassau County	NY	4
55	R	Grand Rapids	MI	15
57	R	Princeton	NJ	5
58	R	Boulder	CO	2
60	D	Chicago, S. Side	IL	2
61	R	Saginaw	MI*	8
61	D	San Diego	CA*	41
64	R	Portland	OR	1
67	R	All of	NV	
68	R	Kokomo	IN	5
70	D	Los Angeles	CA	30
71	D	Dallas	TX	3
76	D	Western	NC	11

President: Forbid him to impound funds appropriated by Congress?

Mean=47 SD=14 IQR=25

23	R	Winston Salem	NC	5
28	R	Montgomery	AL	2
29	R	Eastern	NJ	6
31	R	Rochester	NY	35
33	R	Bucks County	PA*	8
33	R	Saginaw	MI*	8
35	R	Appleton	WI	8
43	D	Columbus	IN	9
49	R	Lenoir	NC	10
50	R	Poughkeepsie	NY*	25
50		(Median)		
50	R	Joliet	IL	17
52	R	Princeton	NJ	5
56	D	Austin	TX	10
57	R	Salisbury	NC	8
58	R	Portland	OR	1
60	D	San Diego	CA*	41
63	D	Chicago, S. Side	IL	2
63	D	El Paso	TX	16
63	D	Los Angeles	CA	30
66	R	Bethesda	MD	8

President: Reduce his war-making powers?

Mean=71 SD=10 IQR=7

51	D	El Paso	TX	16
59	R	Portland	OR	1
66	R	Saratoga Springs	NY	29
69	R	Poughkeepsie	NY*	25
72	R	Bucks County	PA*	8
72	R	Lenoir	NC	10
72		(Median)		
72	R	Boulder	CO	2
74	D	Los Angeles	CA	30
76	R	Saginaw	MI*	8
76	R	Moline	IL	19
76	R	Northwestern	CO	4
92	D	Western	NC	11

Vietnam, North: Help them rebuild?

Mean=11 SD=5 IQR=5

3	R	Dallas	TX	5
3	D	El Paso	TX	16
6	D	Western	NC	11
6	R	Chattanooga	TN	3
7	D	Chicago, S. Side	IL	2
7	R	All of	NV	
7	R	St. Joe.	MI	4
8	R	Saginaw	MI*	8
8	R	Atlanta	GA	4
8	R	Northwest	CO	4
9	R	Dallas	TX	3
9	R	Eastern	NJ	6
10	R	Montgomery	AL	2
10	R	Boulder	CO	4
11	R	Northwestern	CA	1
11	R	Riverside	IL	3
11	R	Winston Salem	NC	5
11	D	San Diego	CA*	41
12	R	Memphis	TN	8
13	R	Oyster Bay	NY	3
13	R	Saratoga Springs	NY	29
14	R	Joliet	IL	17
15	R	Waukegan	IL	13
18	R	Poughkeepsie	NY*	25
19	R	Kokomo	IN	5
21	D	Columbus	IN	9
22	R	Nassau County	NY	4

Vietnam, South: Help them rebuild?

Mean=24 SD=11 IQR=12

12	R	All of	NV	
16	D	Chicago, S. Side	IL	2
22	D	San Diego	CA*	41
28	R	Eastern	NJ	6
42	R	Riverside	IL	3

IT IS REALLY STRANGE

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. ZWACH. Mr. Speaker, for the first time in over 20 years producers do not have their price structures threatened by huge Government grain surpluses which could be manipulated to hold prices down.

Those Government surpluses disappeared as a result of our grain deal with Russia, but a lot of people, rather than applauding that transaction that resulted in higher prices for our producers, are complaining, because we no longer have a price-busting surplus.

Mr. Speaker, with your permission, I would like to insert into the CONGRESSIONAL RECORD, for the information of my colleagues, a recent newspaper column by Margery Burns on this subject.

Mrs. Burns, a rural housewife, writes a widely read column which appears in many of our Sixth Congressional District newspapers.

The article follows:

IT IS REALLY STRANGE

A strange and unbelievable phenomenon has hit too many farmers and rural businessmen these last few months.

Can you imagine these good folks groaning because, for the first time in 20 years, they are getting good prices for what they sell? Can you imagine them moaning because they might keep on getting good prices? Can you imagine them grousing because they have a chance to sell more of their merchandise and machinery than they have for years? Can you imagine them weeping because they will be having a better living in the next years?

Here we are, with farm prices the highest they've been for over 20 years, and some farmers and small businessmen are having a fit. They actually are jumping all over the government for selling all that grain to Russia. Now, it is true that the farmers didn't make a killing off that sale, but they stand to make a good living this year because of that sale to Russia.

Do you remember back in the 1960's when we had so much grain it was coming out of our ears? And you remember, during those years, whenever the price of corn started to go up even a few cents, the government dumped millions of bushels of corn on the market and kept the price down at a neat, low figure!

So, now what happens? We don't have those millions of bushels of grain hanging over our heads to depress the market, and for the first time in years, the price of grain is at a reasonable level.

But do you hear all the farmers shouting with happiness? Do you hear every farm machinery dealer singing with glee? Do you hear all the merchants in the rural towns clapping their hands in delight?

Now, when there's a real chance for farmers to make a few dollars which in turn will help every rural town in the country, you still hear that strange griping about getting rid of all the surplus grain that's been hanging over our heads for too many years. And you even hear talk from politicians about building up another big surplus of grain, and you know what that will do to farm prices again.

What will happen to farmers and small towns if the price of farm products is forced down again while farm expenses stay sky high? You can guess . . . millions more farmers will have to leave their farms and the small towns will suffer. And who will run the farms then? The big conglomerates who will insist on high farm prices and who won't care about the people in the rural towns.

So, can you imagine any farmer or small businessman complaining even once about the lack of a big surplus of grain and about the reasonable prices for farm products? And yet that's what's happening.

It's a strange and unbelievable phenomenon.

REAFFIRMATION OF SOUNDNESS OF FINANCIAL SECTIONS OF H.R. 9682

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DIGGS. Mr. Speaker, recently you received a letter from a citizen of the District of Columbia, Mr. C. N. Mason, criticizing some of the financial aspects of H.R. 9682, the D.C. Self-Government and Governmental Reorganization Act. Unfortunately, Mr. Mason's letter, copies of which went to every Member, was inaccurate as to the effect of some important provisions in this bill. I am, therefore, submitting for your review a copy of my reply to Mr. Mason responding to and correcting many of his concerns. I trust this will reinforce in the minds of many Members the extensive work, thought, and effort that went into making the financial sections of H.R. 9682 sound and acceptable provisions:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., October 4, 1973.

Mr. C. N. MASON,
Washington, D.C.

DEAR MR. MASON: Thank you for forwarding to our attention your recent letter to Speaker of the House, The Honorable Carl Albert, regarding the financial provisions of H.R. 9682, the D.C. Self-Government and Governmental Reorganization Act. We appreciate the scrutiny which you, as a citizen of the District, have given to this important legislation affecting all citizens of this city. It is unfortunate, however, that you have confused and incorrectly assessed a number of the financial provisions of the bill.

First, I would like to stress that each of the financial sections of this bill have been worked out in close consultation with the General Accounting Office, the Executive Office of Management and Budget, and the Assistant to the Mayor for Financial Management. The provisions in H.R. 9682 will result in improved procedures and in timely, accurate financial information available to the Mayor, the Council, the Congress and the general public.

Second, to respond to your particular concern about the basis of the District budget and the use of an obligation or expenditure accounting process, let me indicate that the wording of Sections 442 through 446 and Section 603 provide that the District of Columbia will operate on a program budgeting basis using both obligations and outlays. This is the system currently in use in many Federal agencies and we believe is consistent with the combined state-county-municipal functions of the District of Columbia. Both obligation and outlay data is utilized currently in the city's budget, prepared and submitted to the Congressional Appropriations Committees, and would be continued.

Contrary to your statement in your letter to the Speaker, the bill clearly recognizes the two separate budget functions of financing expenditures and controlling the incurring of obligations. For this very reason, Section 448 specifically sets forth the responsibilities of the Mayor for financing the budget, while Section 450 sets forth the specific responsibilities of the Mayor for controlling the incurring of obligations and liabilities. We would concur with your concern over the use of the word "expenditures" in Section 446 and have already prepared an amendment to correct this.

Third, you have unfortunately failed to understand the important procedures provided for handling the Federal payment in Sections 501 and 503. To help clarify your understanding of these provisions, the Executive Branch would not be required to act on the Federal payment prior to receiving relevant budget information. Quite the contrary, the OMB would, per the explicit language of Section 502, receive full and complete information to assess the city's Federal payment request. Currently, OMB receives the city's Federal payment request in late October while the city does not release its budget until mid-January. Under H.R. 9682, the payment would go to OMB by December 1, in time for inclusion in the President's budget request to Congress and at the same time as the city is finalizing its budget for mid-January. Thus, the process of revising the payment and the budget will be conducted simultaneously. The "other elements" to be used by the Mayor and Congress in determining the payment level should, in the judgment of this Committee, be determined by the Mayor and members of the Appropriations Committees directly. The Congress, in reviewing the Federal payment, may continue to use whatever materials it deems necessary, including but not limited to materials used by the Council. We have further been advised that the language of Sections 502 and 503 are sufficient to authorize supplemental requests.

Fourth, in response to some of your general concerns, we have conferred with GAO staff who believe the language of the bill does permit GAO access to all D.C. Auditor reports. The titles of Sections 449 and 603 do not, in any way, affect their legal interpretation.

Let me conclude by reaffirming that over nine months of intensive work has been devoted to this legislation, including numerous hearings, working sessions and markups with ample opportunity provided for public input. For over 100 years the citizens of the District of Columbia have waited for self-determination. It is now the time to provide this basic democratic principle.

Sincerely,

CHARLES C. DIGGS, Jr.,
Chairman, Committee on the District of Columbia.

INCREASE IN SOCIAL SECURITY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BIAGGI. Mr. Speaker, on September 11, the Senate passed and sent to the House a bill, S. 1866, with an amendment providing for the recently enacted 5.6 percent social security increase to take effect in the month of enactment of the bill, rather than June of 1974 as originally intended. It has now been 3 weeks, and the House has yet to even consider this vital legislation.

The plight of our older Americans who must depend largely on social security for daily income, remains one of the great tragedies of our time. With the steady bombardment of unfavorable economic statistics from the Cost of Living Council and others, the daily economic survival of these Americans becomes precarious. We in Congress have before us legislation which can at least provide some relief for these beleaguered individuals, yet it sits dormant.

The House has shown its ability to assist other groups in their attempts to combat the rising cost of living. An example are the Federal retirees, who received a 6-percent increase in pension payments automatically last July, and will receive another increase, in excess of that, in January.

Mr. Speaker, these older Americans on social security are not looking for handouts. They have worked many long hours and contributed faithfully to insure that their elderly years would be comfortable. Yet now, many of these same individuals are at the brink of poverty because of an inability to keep pace with inflation. Let us in Congress demonstrate to these Americans that their welfare is our foremost concern. We can begin to show this by taking immediate action on S. 1866. Every day we delay will only mean further suffering for our older citizens.

I sincerely hope this increase in social security payments will be advanced to immediate payment thereby easing the economic squeeze our older citizens find themselves. If it is right for June, it is more humane to pay it now.

COLUMBUS DAY

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BURKE of Florida. Mr. Speaker, under the Monday holiday law presently in effect only three men are singled out for holidays in their honor—George Washington, Abraham Lincoln, and Christopher Columbus.

Both George Washington and Abraham Lincoln were wartime Presidents of the United States and national heroes. However, Christopher Columbus is more than a national hero, he is an international hero. His deeds and courage are celebrated not only by the United States, but by all countries in the Western Hemisphere, and by many countries in Europe—notably Italy and Spain—and, indeed, by all citizens of the world.

George Washington and Abraham Lincoln changed the course of the United States, but Christopher Columbus changed the course of the world.

It is hard to imagine the courage and daring of this man who chose to test conventional wisdom against his own beliefs. His quest for truth and knowledge stands out as the turning point in Western history and, indeed, in world history.

What does Christopher Columbus mean to men of the 20th century?

He is a man who fought tenaciously and suffered terribly, because he wanted to find the truth and make it triumph.

His audacious ideas and great enterprise corrected a wrong conception of the structure of the universe for all mankind.

He roused the world. He stirred it up, and he launched it toward a new destiny.

Columbus is a great example to us today. A great light that permits us to understand our world better, and our people wrought by doubts, toiling to seek the truth, who are supported and consoled by faith in fundamental human values.

As we face new worlds of space, new worlds of scientific discovery, and new worlds of human relationships, his example will give us heart to look further into the unknown.

SOCIAL SECURITY TAXES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. WALDIE. Mr. Speaker, I have noted recently that the Nixon administration is considering a program to lower social security taxes for the working poor as part of its welfare reform program.

This is just another example of how the adage applies—"Give them time but sooner or later we can drag the Republican Party into the 20th century."

It would seem wise to me for the Department of Health, Education, and Welfare to draw this program out of the consideration category and give it some honest priority treatment.

The administration "considers" such programs on the basis of how they will affect line items in a budget. The working poor paying the tax "consider" it on a more frequent interval—every time they are paid.

The views of HEW Secretary Caspar Weinberger on the subject were contained in a Washington Post article of October 3. I offer it for your perusal at this time.

HEW SUGGESTS LOWER TAX ON SOCIAL SECURITY FOR POOR

(By Peter Milius)

Health, Education and Welfare Secretary Caspar W. Weinberger has suggested a lowering of Social Security taxes for the working poor as one possible means of achieving "welfare reform."

The suggestion was made in virtually unnoticed testimony a week ago before the Senate Finance Committee.

President Nixon has asked Weinberger to come up with some fresh approaches to welfare reform. The administration made one reform proposal in 1969. It remained an issue before the Congress for most of Mr. Nixon's first term, but no bill was ever passed.

Weinberger told the Finance Committee last week that the Social Security tax is "a significant payment for low-wage earners." The tax has gone up sharply in recent years—most recently last January—and Weinberger said that this year, for the first time, "more than half the nation's taxpayers will pay more Social Security tax than federal income tax."

The Social Security tax is now the same for all wage-earners—5.85 per cent on the first $12,600 of income.

Critics point out that it takes a larger percentage of a poor man's income than of a rich man's. Some would like to see it made progressive, the rate rising with income as the income tax rates do.

Weinberger's testimony was on a "work bonus" idea before the committee that would also have the effect of lowering net tax burdens on the working poor.

"We see alternative techniques which may be preferable," he said. "In general terms, an alternative might be to reduce or eliminate withholding of the (Social Security) tax for a family with an income below" some agreed-upon level. "As income rises above this level, withholding would gradually phase in."

He was no more specific in his testimony, and aides said yesterday that this was only one of many approaches being explored.

One of the problems in welfare reform is that so many existing federal programs are intended to aid the poor—tax reductions, direct federal payouts, special subsidies for food and housing. Some authorities favor consolidating as many of these as possible into a single program, a kind of merger of the tax and welfare systems. Weinberger's suggestion leans in that direction.

HERMAN STRAHL—WHY AMERICA NEEDS IMMIGRANTS

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. SHUSTER. Mr. Speaker, much has been said recently, pro and con, about tying our trade policy with Russia to the Soviet's immigration policy. A good case can be made for keeping our trade policy separate from our human values. After all, it can be argued, we should not impose our values relating to human freedom on foreign countries.

We should trade with foreign countries based on our economic self-interest. If Russia wants to buy products we have to sell, the transaction should be based on an economic decision. But in a larger sense, I believe an even better case can be made for basing such decisions on a higher value. That is, a human value based on freedom. In the abstract, I believe it can be said that the American destiny demands that we place human values above economic values. Indeed, that we use economic values to promote human values. And conversely, that we not sacrifice human values to promote economic values.

This abstraction takes on more meaning if we see it in specific human terms.

Let me share with you an example which, I believe, can be multiplied with minor variation, hundreds of times over in America.

Shortly after the turn of the century, the czarist Russians drove many Jewish families out of Russia. One little boy, who came to be known eventually as Herman Strahl, walked across Europe with his father and embarked in steerage for America. Eventually the rest of the family joined them and they settled in the ghetto section of Pittsburgh, Pa. The young boy literally fought with his fists to maintain his newspaper stand on the streets of Pittsburgh; he quit school to work as an office boy for the P. & L. E. Railroad because his family needed the money, and he later went to night school so he could make something of himself.

This Jewish immigrant from Russia, this boy who owned nothing more than the promise of opportunity in a free land did indeed make something of himself. As the years went by, he rose through the ranks of the P. & L. E. Railroad to eventually become the auditor of revenue—a top accounting job—in an industry which then had no room for Jews, let alone Jewish immigrants. Herman Strahl, and hundreds of others like him, have made America a better land to live in.

If we, today, do not use our economic strength to encourage free immigration of citizens from Russia and all foreign lands, to the countries of their choice, we will be choking off one of the sources of vitality and renewal for our country, and other lands as well.

Mr. Speaker, I want this Congress to see that the Herman Strahls of this century have given much more to America than they have received, or even expected to receive. I want this Congress to see that it is in our own enlightened self-interest to work toward a more open immigration policy throughout this world.

I urge this Congress to vote for an international trade policy with Russia, and other nations, which clearly says that human values are even more important than economic values to the people of America today.

EXEMPTION FERTILIZER STABILIZATION ACT

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. LITTON. Mr. Speaker, today I introduced a bill which would exempt fertilizer from the Economic Stabilization Act. Under phase IV fertilizer prices are frozen well below the world market price. Because of this we are exporting unprecedented quantities of fertilizer to countries throughout the world, including Red China, while thousands of American farmers cannot buy fertilizer at any price.

This irresponsible action from an inflexible Cost of Living Council who knows little about farming is going to create unnecessary food shortages in this country next year which will be translated into higher food prices to the consumer.

The Cost of Living Council is creating another Russian wheat deal situation of greater magnitude than that which involved the sale of about 12 million tons of wheat to Russia last year. Conservative USDA data already forecasts a shortage of about 4 million tons of fertilizer material which represents a loss of about 20 million tons of grain next year, or nearly twice as much as was sold to Russia in the wheat deal last year.

On September 7, I called on President Nixon to lift the freeze on fertilizer prices and urged the House Agriculture Committee to conduct hearings on the matter. The Department Operations Subcommittee is now in the midst of the second week of these hearings. Because of the apparent lack of concern for expediency by the Cost of Living Council as exhibited by their testimony at the hearings and because of their past track record, I felt obliged to offer this bill. We were promised that a mandatory allocation program for propane and heating oil would be announced in just a few days for 4 months and it took a bill from Congress to get the administration to announce such a program. Maybe the bill I have offered will have the same effect.

When I urged President Nixon on September 7 to lift fertilizer from phase IV, I pointed out that if the grain that will not be produced in America next year because of the fertilizer shortage were all wheat, it would represent nearly 50 billion loaves of bread, which is almost a 5-year supply of bread for the entire population of the United States. I understand Secretary of Agriculture Butz on September 19 also came out in favor of lifting the freeze on fertilizer prices.

The 4 million tons of fertilizer represented in the shortage will cost American farmers about $500 million at the world market price and this will produce an extra 20 million tons of grain worth approximately $2 billion.

It is poor arithmetic to say that lifting the freeze on fertilizer is inflationary in that the fertilizer would cause considerably more grain to be produced which would substantially lower the price of food to the consumer thus working to lower, not increase, the rate of inflation.

Due to the inelastic demand for food, a 1 percent decrease in supply of food generally results in a 3 to 4 percent increase in price to the consumer. Again both producers and consumers are being hurt. Producers are being denied profits they should receive from the production their land is capable of producing, and consumers are being forced to pay considerably more for their food because of artificially created food shortages.

The grain that would not be produced in this country next year because of the fertilizer we do not have, due to the fertilizer sold abroad, will translate into sizable increases in food prices to the consumer. It is time we act now as to avert another food crisis. The farmers of America want to produce, but they have to have the fertilizer to do it.

I realize the administration is interested in encouraging exports to reverse the balance of trade, but it is shortsighted to encourage the export of fertilizer by artificially holding domestic fertilizer prices substantially below the world market price. The food this fertilizer would produce would represent far more export dollar sales and do far more in the long run to reverse our balance of trade deficit.

The Department of Agriculture tells us 25 million more acres of farmland are being put into production. Yet because of the artificially created fertilizer shortage caused by phase IV, farmers of America are not going to have much more fertilizer this fall and next spring than they did the previous year. I say the consumers of this country are being hoodwinked by being told, on the one hand by the USDA, that 25 million more acres of farmland are being put into production, while on the other hand establishing a freeze on domestic fertilizer prices, forcing fertilizer material abroad, and creating shortages in America which means fertilizer would not be available for the extra 25 million acres.

Does the administration want more food produced or not? I know Congress does, and they can show it by supporting my bill. By lifting the freeze on fertilizer prices it will allow the price of fertilizer in America to be competitive with the world market price, and in that kind of free enterprise competitive situation I know the American farmer will be willing to outbid his foreign competitors.

JINOTTI CONSTANT BLOOD INFUSER DISCOVERY CALLED "MOST FANTASTIC IN WORLD"

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. PATTEN. Mr. Speaker, Middlesex County, N.J., contains many talented persons and one of the most versatile and notable is Walter Jinotti, a technologist in Middlesex General Hospital, New Brunswick, N.J.

Mr. Jinotti, who calls himself an "inveterate tinker," gained renown last year when he created a new method of measuring the pollen count—a system adopted by the New York and New Jersey Air Resources Council.

However, Mr. Jinotti's most recent discovery is one that has attracted national acclaim—the Jinotti Constant Blood Infuser Discovery. This device, called by Dr. Herbert Brody, Middlesex General Hospital chief urologist as "undoubtedly the most fantastic unit of its kind in the world," will probably help save thousands of lives. The Jinotti discovery will be especially valuable in open heart surgery, bleeding ulcers, and other conditions.

Mr. Speaker, I'm proud of this fine discovery by one of my constituents, Walter Jinotti, on his distinguished discovery. The Home News of New Brunswick, N.J., in its September 15, 1973, edition, published an excellent article called, "City Man's Life-Saving Device Called Most Fantastic in World." I insert it in the CONGRESSIONAL RECORD with deep pride and satisfaction with the knowledge that Walter Jinotti will discover other devices that help mankind:

CITY MAN'S LIFE-SAVING DEVICE CALLED MOST FANTASTIC IN WORLD

(By Robert Marino)

NEW BRUNSWICK.—Walter Jinotti's rapid, life-saving blood transfusion device yesterday was declared "ready for the world" by its inventor for the second time in three years.

This time the pressure infuser has been modified using lighter plastic instead of aluminum, and it contains a heating device which can pump closely packed cells without damaging them.

The occasion for the second unveiling was the announcement that Taylor Instrument of Arden, N.C., the largest manufacturer of blood pressure measuring devices, will manufacture the infuser.

Jinotti, 47, is chief technologist of the vascular and research laboratory at Middlesex General Hospital, and is best known for his pioneer work in pollen counts as a measure of discomfort for hay fever sufferers.

In May of 1970 he announced that Baxter Laboratories of Chicago, Ill., bought his device and would market it worldwide.

"They (Taylor Instruments) shelved the thing (pressure infuser) at the time and tried to hold me up on it. I could see they didn't want it, and it would never get off the ground," the city resident told The Home News.

Jinotti said the firm manufactures a nylon infusion device that most hospitals use.

Three months after signing the contract, Jinotti arranged to have it broken, he said, and began modifying it again. About 1½ years ago, he contacted Taylor Instrument and a new bond was formed, according to Taylor's vice president of engineering, C. Forster Aldridge.

At yesterday's unveiling of the Tycos Pressure Infuser (Jinotti type) were several Middlesex General Hospital physicians who had used Jinotti's prototypes successfully in emergency situations requiring rapid transfusions, Democratic gubernatorial candidate Brendan Byrne, Mayor Patricia Q. Sheehan and other hospital representatives and guests.

The problem with the old-style infuser, Jinotti demonstrated, was the time needed to load it, pump it up to pressure and the constant need to man the pressure bulb.

While Jinotti's assistant loaded a plastic blood bladder into the older flexible bag, secured the openings so it would be airtight, and pumped it up—which took slightly more than a minute—Jinotti slipped a blood bag into the open end of his hard plastic infuser, turned a crank several times and was ready in 15 seconds.

His is a shoebox-shaped device, spring-loaded to maintain almost constant pressure while a pint of blood is fed into a person's veins.

In contrast, the air pressure bag in the nylon bag has to be pumped up 20 to 25 times while the bag is emptying.

Although the pressure in the Jinotti device is not constant as the blood bag empties, the degree to which pressure is lost is negligible. Aldridge said the device falls within the pressure standards set for military procurement, while the nylon bag does not.

The one disadvantage, he acknowledged, is that the nylon infuser can be rolled up and carried compactly on the battlefield, while the larger Tycos infuser's shape cannot be changed.

Sometimes surgeons want their patients to receive warm blood, Jinotti said. This is accomplished by slipping a heating element into the cavity alongside the blood bag.

With the addition of spacers in the cavity, the pump can handle blood in which some of the liquid has been removed. These closely packed blood cells can be damaged under high pressure, but Aldridge said the pressure in the Tycos infuser is correct.

"That's what took us so damn long to get right. We designed that spring for seven months," he said.

Aldridge said his company plans to produce 4,000 units of the $45 device, and already has orders from hospitals in Washington, D.C., Atlanta, Ga., and Pittsburgh, Pa., where it was field tested.

It was not field tested at Middlesex because of the "pride-of-ownership" effect, he said, but several staff physicians were on hand to endorse the infuser, as some did three years ago.

Dr. Herbert Brody, Middlesex General chief urologist, praised it as "undoubtedly the most fantastic unit of its kind in the world." He told of an elderly patient with prostatic bleeding who survived because Jinotti's device was able to pump two pints into him in 15 minutes.

Dr. Maxwell Borow, a general and thoracic surgeon, said he used it at least four times during emergencies, particularly when gunshot wound victims needed rapid transfusions.

The ability of the pump to rapidly infuse cancer drugs into localized areas of the body may help to control, although not cure, the disease, according to Dr. Robert Zullo, chief of the medical oncology section.

Massive bleeding of the gastrointestinal system can cause shock and irreversible damage to other organs, a condition that can be avoided by rapid blood infusion, according to Dr. Jack Rubin, chief of gastroenterology.

Dr. Norman Rosenberg, chairman of the surgery department, praised Jinotti's resourcefulness and called his invention "an old-fashioned demonstration of energy and enterprise."

Jinotti has been working on the principle of constant pressure infusion for five years. He said he has sunk about $45,000 into the project and will get royalties when the units are sold.

Taylor Instruments will manufacture them under his patent.

Jinotti presented the first units to some of the physicians who aided him in the development, to St. Peter's General and Middlesex General hospitals, and to Byrne, whom he invited.

"In the field I'm in, where there is a great deal of bloodletting, I appreciate this more than any of you," Byrne said wryly.

Asked what he plans to do with it, he replied he has a lot of doctors in his family.

NATIONAL EDUCATION ASSOCIATION SUPPORTS DISTRICT OF COLUMBIA HOME RULE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. STUDDS. Mr. Speaker, there is broad support all across the country for granting the citizens of the District of Columbia the basic right to govern themselves.

The irony of more than 800,000 people in the District of Columbia being denied the basic democratic right to an elected local government is a perplexing concept to millions of schoolchildren in America.

The National Education Association, with 1.2 million members in all parts of the United States, supports the home rule bill soon to be voted on in the House. I want to draw the attention of my colleagues to their statement on this subject:

STATEMENT OF THE NATIONAL EDUCATION ASSOCIATION

The 1.2 million members of the National Education Association are appreciative of this opportunity to submit testimony again in favor of self-government for the citizens of the District of Columbia.

Significant first steps have already been taken. The Association applauded the legislation which provided for a popularly-elected School Board for the District. Now further steps are before you.

The Association believes that three basic elements essential to the establishment of a true and workable form of self-government are: first, locally elected officials, including a mayor and city council; second, control by elected District officials over the District of Columbia's budget; and third, automatic payment of federal funds to compensate for the heavy concentration of nontaxable federal and international buildings within the District.

We have noted with interest the testimony presented by Mr. Sterling Tucker and others, representing the Metropolitan Coalition for Self-Determination for the District of Columbia before this Subcommittee on April 3, 1973. Although the National Education Association has taken no specific actions which would dictate support or lack of support for any of the details offered in the testimony, we believe that adoption of the suggestions made by the Metropolitan Coalition would satisfy the three basic elements above which we consider essential for meaningful self-government.

The Association has long been on record in favor of complete Home Rule for the District of Columbia. Educators across the country, who daily teach the history and development of representative government in the United States, the most durable democracy yet created, consider it ironic that 800,000 people in the nation's Capital City are denied the basic democratic right to a local government responsible to them at the polls.

The Declaration of Independence says it well—that in order to secure the rights to life, liberty, and the pursuit of happiness, "governments are instituted among men, deriving their just powers from the consent of the governed . . ." For the last hundred years residents of the District of Columbia have been governed by powers not derived from their consent, but from the consent of the citizens of the several states. It is basic to the principles set down by Jefferson and the other brave men meeting in Philadelphia that governments at all levels should be elected by, and therefore answerable to, the citizens governed. Only in the District of Columbia is this principle violated, and we urge a speedy and effective remedy.

An elected mayor and city council, and indeed an elected school board also, have in fact no powers unless they are able to make decisions concerning the financial affairs of the District. It would be an exercise in futility for a governing body to legislate authority to hire more policemen, for example, or to mandate an innovative reading program in the schools, unless that same body could also legislate the financial means to implement the legislation. Therefore we urge that the District of Columbia's budget be controlled by the elected District officials.

And finally, we urge adequate and automatic federal payments to the District government to offset the severe shortage of taxable property within the boundaries of the District caused by the heavy concentration of nontaxable federal and international buildings.

We join with other members of the National Coalition for Self-Determination for D.C. in urging that this Committee take quick and positive action toward granting full rights of citizenship to the residents of our Capital City.

THREE MEN ACHIEVE HIGHEST GOAL OF SCOUTING

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DUNCAN. Mr. Speaker, I would like to take this opportunity to recognize before my colleagues three fine young men from Athens, Tenn., who recently achieved the rank of Eagle Scout. In reaching the highest goal of the scouting program, these young people displayed the courage and leadership which will prepare them to take on the responsibility of guiding our great Nation in the future. My own sons were in scouting, and I personally know of the great value of this organization to young men. I have listed their names below.

Roger Barnett, son of Mr. and Mrs. Robert Barnett.

Jeff Ferguson, son of Mrs. Maggie Ferguson.

Wesley Curtis, son of Mr. and Mrs. Lewis Curtis.

LOW CHOLESTEROL DIET AND HEART DISEASE

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. FREY. Mr. Speaker, a medical research program which recently came to my attention demonstrates a new approach to medical research.

The program, conducted by the National Heart and Lung Institute, seeks to determine once and for all whether lowering cholesterol will stop, retard or reverse the progression of heart disease in patients with premature heart disease.

It is estimated that Americans spend more than $500 million annually on cholesterol lowering medications and on low cholesterol foods.

Researchers believe 30,000 deaths of persons under the age of 65 could be prevented each year if cholesterol lowering is found to be effective in preventing heart disease and Americans switch to a low cholesterol diet.

In addition to finding the answer to the possible relationship between cholesterol and heart disease, the program is evaluating a new technique for detecting early heart disease in patients before they develop chest pains or have heart attacks.

The detection system is cheap, easy, harmless and quick and can be made readily available for screening large populations for heart disease.

Cost of this program at the National Heart and Lung Institute is relatively low when compared to many other Government sponsored research programs but the benefits are many.

The Institute is working through physicians in the Washington, D.C. area to identify persons who may qualify for the research program.

Additionally, thousands of Government employees are having their cholesterol levels checked in an effort to find others who may qualify for the research program.

Still other screening programs are being conducted by suburban heart associations.

A person entering the national heart and lung research program is not only helping his fellow man by aiding researchers attempting to find a possible link between cholesterol levels and heart disease but is afforded free medical diagnosis, therapy and evaluation.

Researchers have already discovered more than 250 medical abnormalities in persons referred to the program because of the in-depth examinations and evaluation.

Programs of this nature, through their upgrading of individual medical care as well as the general increase in medical care and knowledge in the community more than justifies their expenses and are among the best buys for taxpayers.

It is also refreshing to know this program was built around quality patient care and service and to realize that in this period of cutbacks in Government expenditures there is no sacrifice in personal patient care.

All too often we find medical research projects are isolated from the community and the general population does not derive any immediate benefits from the testing and research.

In this case, however, the more than 250 persons ultimately selected for the 2-year project and the thousands of persons screened are receiving needed medical advice, advice which will in many cases help them to prolong their lives through proper medication and diet.

We, in Congress, should encourage others in the field of medical research to follow the example set by the National Heart and Lung Institute in its effort to determine any relationship between cholesterol levels and heart disease.

I commend Dr. Theodore Cooper, Director of the Institute, and Dr. Donald Frederickson, Scientific Director, for their foresight to shift personnel and moneys into this program, keeping overall costs low while at the same time maintaining a high level of quality patient care.

Dr. Robert Levy and Dr. Stephen Epstein, codirectors of the project, should also be commended for their efforts to administer the project and keep area physicians abreast of their findings.

There are three other dedicated doctors, John Brensike, Gene Passamani and John Richardson, who also deserve commendation for their many hours of dealing with the hundreds of persons screened thus far in the program and for their hours of counseling and examining those persons who are targets for one of America's top killers—heart disease.

MAGAZINE FOOD EDITOR SUPPORTS PURE FISH BILL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BINGHAM. Mr. Speaker, on September 11, I introduced the Pure Fish and Fishery Products Act of 1973, which would improve the poor hygienic conditions currently prevalent in the fish industry by establishing a mandatory program of inspection and licensing.

The bill has been well received by concerned consumers and professionals. The letter printed below sent to me by the food editor of Redbook magazine, is but one indication of this growing support, and reveals the need for public hearings. The letter follows:

REDBOOK,
New York, N.Y., September 26, 1973.

Congressman JONATHAN BINGHAM,
New York, N.Y.

DEAR CONGRESSMAN BINGHAM: I applaud your efforts to improve the quality of seafood by introducing legislation.

I often buy frozen fish in the supermarket. Occasionally it tastes horribly of diesel oil as though it has been sloshing around the bottom of a boat. When this happens of course I return it to the supermarket. But it should not happen.

I think if the quality of the fish available in supermarkets (which is the only place many people can buy fish) were improved, sales of fish would rise considerably. I am sure the seafood industry loses customers each time someone buys aged and smelly fish in the supermarket. (Often if fish is not sold by the end of Saturday it is refrozen and then brought out again the following week).

A practice that leads to poor quality fish is the practice of freezing fish in blocks on board ship. The supermarket then has to thaw the fish before it can be packed in retail sizes—with subsequent loss of quality. The fish is then labeled "Thawed for your convenience" which is so much nonsense. It would be better to sell the fish frozen (it thaws in just a few minutes).

As you may gather, the quality of fish is something I feel strongly about and I am glad someone is finally taking steps to improve the situation.

Yours sincerely,

ELIZABETH ALSTON,
Food Editor.

WINNING BACK THE PEOPLE'S RESPECT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. GAYDOS. Mr. Speaker, the all-volunteer Armed Forces program, now almost a year in operation, is not living up to the expectations of its original proponents or others in Congress who supported the idea. Last month, for example, the enlistment rate dropped to 89 percent, according to the Defense Department.

However, I agree fully with Senator JOHN C. STENNIS, chairman of the Senate's Armed Services Committee, that the plan should have a "full test and fair trial." He wants it tried for 2 more years at least before any consideration is given to restoring the draft.

The 2 years could be time enough to permit the Pentagon to get the all-volunteer story across to the Nation's youth, the story of the multiplicity of educational and vocational opportunities which the program provides enlistees, both male and female, and which are unequalled anywhere.

But success in the numbers recruited is not enough. The volunteer services again must be made accepted and honored parts of American life. We still are in an age of antimilitarism which resulted mostly from our frustrations over the war in Vietnam. Millions of our people and especially the young, have been turned off on the subject of military power in any form.

And still, rational judgment shows any of us that this Nation has to maintain a military posture with forces unsurpassed in strength in a world that continues dangerous. General MacArthur once said that wars are caused mainly by unguarded riches. I feel this theory still has validity and that our country has much to guard and cannot relax as long as others hold the means of attacking our points of vital interest.

Thus, the volunteer Armed Forces must in the coming years fulfill the national need of having men and women in uniform. These people, I am sure, can be attracted in required numbers once the opportunities for individual self-improvement are demonstrated along with the possibilities for exciting adventures. But these young people also must be placed in situations whereby they can bring total public respect back to the Military Establishment and win again for it the gratitude which a nation owes its Armed Forces in peace as well as in war.

This is a big order. It is one which demands the best thinking and planning which the Pentagon can muster. It, too, bears heavily upon us here in Congress. How can we make the all-volunteer services concept work both as a military matter and as an institution meriting the popular faith in it? We can begin by agreeing now to give it the full test and the fair trial called for by Senator STENNIS for as many years as may be necessary.

TRANSPORTATION FOR SMALL CITIES

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. CULVER. Mr. Speaker, the Urban Mass Transportation Act may appear at first glance to be designed primarily for the benefit of large cities. While it would certainly aid them with their transit systems and the related problems of pollution, congestion, and parking, there is at least an equal benefit to be derived by medium and small cities such as we have in Iowa.

It is true that in its origins mass transit assistance legislation had as its pivot the problems of large cities. Subsequently, however, the 1970 act recognized that medium and small cities had major transportation stresses as well, and Congress encouraged their participation in the program.

In the words of the committee's report accompanying this bill:

> The real crisis in urban transportation today is the almost total breakdown of private bus companies in small cities.

Many small cities, which have had bus companies in the past, have no bus operations at all today, or they are threatened with losing their remaining service because of severe operating deficits.

Small local governments, in most cases, do not have the financial and taxing ability to purchase and run a bus company or to subsidize the operating deficits of private systems. This bill would authorize grants to States and local governments to remedy this situation. With fares and local funds providing from 80 to 85 percent of the operating costs, and with the size of the grants based in part on the number of passengers, it seems fair to assume that the Federal assistance would be used wisely.

The need for these subsidies in Iowa is immediate. For example, two cities in my district, Dubuque and Clinton, were informed this year that the private company providing bus service would discontinue operations because of continuing operating deficits. The cities were given the option of buying the company's capital equipment at nominal cost, but there is still the harsh prospect of offsetting the operational deficit anticipated in the next few years. This bill would provide much needed help.

All of us share to a certain degree the need for public transportation. We are seeking at least a partial alternative to the automobile with its accompanying pollution, relatively high energy consumption, congestion, and the requirements imposed for roads and parking spaces.

But the need is even greater for those who cannot afford a car and yet must still get to work. And there are those who cannot drive and depend on public transportation for their mobility—the elderly, the handicapped, and others. Without some form of public transportation, these people will be prisoners in their homes.

Mr. Speaker, I support this bill, and I urge all who are concerned about the needs of the Nation's small cities to join me in this support.

TRAGIC PLIGHT OF THE SOVIET JEWS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BIAGGI. Mr. Speaker, the support for the Mills-Vanik amendment continues to grow across the United States as more and more Americans become aware of the tragic plight of the Soviet Jew. The Young Americans for Freedom at the conclusion of their seventh annual convention adopted a resolution entitled "The Right to Leave" which indicated their support of this important measure. I am hopeful that the full House will follow the example of the Ways and Means Committee, and adopt this amendment to once again show the Soviet Union that the concern in the United States for the Soviet Jew remains strong and unified.

Mr. Speaker, I insert in the RECORD the full text of the YAF resolution.

The resolution follows:

THE RIGHT TO LEAVE

There are numerous nations throughout the world that labor under tyrannical governments which deny their citizens many basic individual rights, including the right to worship, freedom of speech, press, assembly, and property. In a good number of these nations, the citizens are forbidden to make the ultimate decision to emigrate. This has been most notably true of the Soviet Union and Eastern European bloc countries where Jews and Christians, various ethnic minorities, dissident students, scientists, writers, artists, and intellectuals suffer severe persecution. This tragedy also exists in Cuba. East Germany and Communist China have made it official policy to kill those attempting to leave.

Unfortunately, the United States government has frequently disregarded the despicable treatment accorded to human beings entrapped in such circumstances. In fact, in most cases, the United States has extended diplomatic recognition and opened trade with such nations.

In order to cope with this tragedy, the Young Americans for Freedom resolve to support the Right of Emigration Bill proposed by Senator Henry Jackson and Representative Wilbur Mills which would deny "most favored nation" treatment and participation in credit guarantees to any such nation unless that nation allows its citizens to emigrate. Young Americans for Freedom further resolves that the Jackson-Mills proposal is an important first step in the exercise of the responsibility of the United States in promoting the cause of freedom throughout the world.

THE GREAT PROTEIN ROBBERY: NO. 4

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. STUDDS. Mr. Speaker, the serious depletion of our marine resources caused by massive foreign fishing fleets operating in the waters off New England has been of great concern for some time to many people in my home State of Massachusetts. They have recognized that existing international agreements have proven ineffective in preserving our valuable marine resources from depletion.

In an attempt to prod Washington into action, and as a symbolic gesture of defiance, the Massachusetts Legislature in 1971 passed legislation, signed into law by the Governor, extending the territorial rights of the Commonwealth of Massachusetts to the edge of the Continental Shelf. The legislature and the Governor have taken other independent actions in behalf of the threatened marine resources in New England coastal waters. I believe it is time now for Washington to act to protect those same marine resources—resources that are an invaluable food supply and source of protein for all the people of the world.

Accordingly, I have introduced legislation, H.R. 8665, to extend U.S. fisheries jurisdiction out to 200 miles from our coast. This action would allow us to protect our marine resources and stop the great protein robbery by huge foreign fishing fleets occurring right now off our shores.

On September 25, 1973, Gov. Francis W. Sargent of Massachusetts delivered a speech in Gloucester, Mass., before representatives of the New England commercial fishing industry. I would like to insert a copy of this speech into the RECORD at this time:

SPEECH BY GOV. FRANCIS W. SARGENT

I am delighted to be in Gloucester today—a city where fishing is not simply a tradition, but a way of life . . . and, most importantly where the battle for the survival of the fishing industry is centered.

Most of you understand this battle better than I. For day in and day out you live under the threat that soon there may be no more fish to take.

I shall not mince words with you today. What the industry confronts here in Gloucester . . . and in all of Massachusetts . . . is the eventual disappearance of cod . . . of haddock . . . and of lobster.

This danger exists because we in this nation have permitted the reckless and irresponsible depletion of these marine resources by foreign vessels.

The threat to these species originates not in Boston or Gloucester or New Bedford, but in Poland, Russia and Japan.

Two years ago I advised a New England fisheries luncheon in Boston that time was drawing short for the fisheries. To the continuing problem of foreign competition had come a new danger—the very depletion of the basic fishing resource.

Two years ago it became crystal clear that the international regulatory machinery was not working. There were no strong sanctions. There was little enforcement.

In fact, the indifference of other nations to the plight of the basic resource had assumed the proportions of an international scandal.

Two years have passed and that scandal continues.

During that period, Massachusetts has not tamely accepted the fate being arranged for its fisheries.

In 1971, I signed into law, legislation extending the territorial rights of the Commonwealth to the edge of the Continental Shelf. This action has raised grave constitutional questions, and in fact, this law is currently being challenged in the courts by the federal government.

When I signed the legislation, I knew full well the risks involved. Yet, the federal government was doing nothing to save our marine resources. I was convinced we had to act on our own.

More recently, for these same reasons, I moved to protect the lobster.

Again we faced persistent federal inaction.

For months Massachusetts fishermen have been pleading with the bureaucrats in Washington to declare the lobster a creature of the Shelf, and thereby protect it. They refused.

Consequently, I encouraged my Director of Marine Fisheries to hold hearings on draft regulations on the taking of lobsters within two hundred miles of our coast.

Now again, these actions presented constitutional problems. Yet I felt we had no choice but to try to accomplish at the state level what should have been done at the federal level.

Moreover, through these actions, I hoped to force officials in Washington to see that their course of action was bringing disaster to the New England fisherman.

To emphasize the danger and to make our commitment clear, I sent three top state officials, including the Secretary of Environmental Affairs, to Copenhagen, Denmark to attend the annual meeting of ICNAF. This is the international body which regulates fishing in our region. And this is the organization which has refused to act.

For the first time—we saw a ray of hope—our pleas for action were heard at the Copenhagen Conference.

For the first time, the United States' government took a hard line.

The American Ambassador stated in strong terms that unless ICNAF acted to protect our resources . . . that unless it stopped ignoring the depletion of our fishing stocks . . . the United States would withdraw from the organization. Yet despite the words of our Ambassador . . . despite his warnings, the Copenhagen Conference ended in a stalemate.

Nonetheless the battle continues.

Next month in Ottawa, there will be an emergency session of ICNAF to consider regulations for New England. This session is crucial, for unless there is agreement at this time, our fisheries will be unregulated next year and the depletion of resources will seriously worsen.

Therefore, at this time, I renew my request that the federal government stand by its newly voiced commitment to the New England fisheries.

The United States must go to the Ottawa meeting prepared to resign from ICNAF—if ICNAF will not act.

I will do all in my power to encourage such a position—and to this end—I will send several state officials to Ottawa.

In recent months additional initiatives have been taken which may prove highly significant. First, the State Department has negotiated new bilateral agreements with Japan, Poland and the Soviet Union.

Second, and most encouraging, Congress has shown a willingness to protect our fishing resources.

Legislation has been introduced by Senator Warren Magnuson, of Washington, long a leader in this field and by our own Congressman Gerry Studds. Their proposals are similar to existing state legislation to extend national fisheries jurisdiction two hundred miles from our coast. This limit will remain until effective international treaties on fishing are signed and enforced.

The Magnuson-Studds legislation comes at a critical period. For it will provide the regulatory authority necessary if the United States does withdraw from ICNAF.

I strongly urge all of you to join with me in endorsing this legislation.

I have already written Senator Magnuson and Representative Studds urging that hearings be held on this legislation in New England, and, further, that these hearings be held as soon as possible. Additionally, I am writing the Governors of each of the coastal states asking them to join with me in endorsing this legislation.

It has taken two years and extraordinary action by this state to move the Federal Government off ground zero.

Finally, however, Washington is moving. And so, I will hold off any further unilateral actions on our part until the beginning of next year. For us alone to act when we finally are getting the type of national policy we need would harm, not help our cause.

Nonetheless, we shall not stand still during this period. There remain two very important areas that we can move in at the state level to directly affect the fishing industry.

First, as you may know, I recently established an Emergency Commission on Food. This Commission will spend seven months examining the food system in Massachusetts, including marine and aqua products.

To insure the necessary expertise I have asked Dr. George Matthiessen, the President of Marine Research, Inc., to serve as a member of that Commission.

Secondly, I have placed before my staff and my Secretaries the task of quickly developing a Coastal Zone Plan—For we must decide soon how we shall use both our coastline, and our marine resources.

These then are the actions that this state is taking across a broad front to preserve its fishing industry.

This will not be an easy battle to win. You who have fought long know that quite well.

But it is a battle we must fight to the end. Because at stake is a heritage of the sea stretching for more than three centuries.

It is a heritage we cannot afford to lose.

JEWISH IMMIGRATION

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. WALDIE. Mr. Speaker, incidents which have transpired over recent days in Austria have, unfortunately, added one more tragic footnote in the long and troubled history of the Jewish community in the Soviet Union.

Despite pleas from the highest places in the Governments of Israel and the United States, the Government of Austria has declared firm its intention to close the Schoenau Castle transit camp in Vienna.

Certainly there was a deep concern expressed by Austrian authorities over the safety of hostages held by Arab terrorists in the Schoenau incident. I think, however, that the concern expressed and the Austrian Government action which followed failed to take into account the always slow, perennially bitter struggle Soviet Jews have endured to acquire the human right to emigrate.

The frustration of persecution and setback is not a new experience for the Jewish people attempting to leave the Soviet Union for migration to Israel. But the conduct of Austrian officials, in light of a previous record of understanding and cooperation with the immigrants, is difficult to comprehend at this time.

The struggle for freedom is never an easy task and no people know the day-to-day facts better than the colony of Soviet Jews attempting a return to their native soil. It is unfortunate that lessons of history, even in the short span of time from World War II, are so quickly forgotten.

Chancellor Kreisky has steadfastly refused to alter his hasty decision despite the protests of this Government and the Secretary-General of the United Nations. His statement that "I shall not cancel my government's decision even if anyone from the President of the United States on down should demand it" is perhaps the comment one would expect from a politician more bent on politics than reality.

The President of the United States has shown his intentions in this matter and I call upon Members of the House and Senate to indicate their will and sentiment as well. I do not consider my support for maintenance of this immigration transit camp as an idle act—as perhaps Chancellor Kreisky may be interpreting the words of anyone in this Nation who vouches for the open travel privileges for Jews between the Soviet Union and Israel. I strongly urge all members of the House to think likewise and inform Chancellor Kreisky of their intentions.

Sovereignty and the protection of individual rights within any form of government must be a guarantee provided to all citizens. There is in my belief, however, a sense of sovereignty for human dignity which trandscends all political borders. The Government of Israel has understood that throughout the years of its struggle for survival. I believe all Members of this House should extend, in their own ways, the same sentiment to Chancellor Kriesky.

TIMBER CUTTING ON THE PUBLIC LANDS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. REUSS. Mr. Speaker, despite the directives of the Multiple Use-Sustained Yield Act of 1960, the Government has become preoccupied with timber harvesting in the national forests to the detriment of wildlife and recreation. The following editorial from the September 28, 1973, Louisville Courier-Journal tells the story:

PUBLIC FORESTS: ARE NOT THEY THE PEOPLE'S BUSINESS, TOO?

The Federal government is in the timber business—make no mistake about that. Among them, the U.S. Forest Service, the Bureau of Land Management and the Bureau of Indian Affairs manage 121 million acres of commercial forest land, containing 40 per cent of the nation's commercial timber. Yet the Nixon administration continues to act as though publicly controlled timber resources are not the *people's* business.

The latest in a long series of administration actions which support this conclusion is President Nixon's endorsement of "substantial" expansion of timbering on public lands—by as much as 50 to 100 per cent in the virgin forests of the Western United States.

This came little more than a month after the General Accounting Office charged that the government is letting timber contractors clear-cut large areas in national forests, then wastefully leave many felled trees behind, thus creating unnecessary fire hazards and hampering forest regeneration. And the GAO report, in turn, followed by only a few weeks the release of a White House budget manual directing the Forest Service to concentrate on getting trees sold and cut, even if it means postponing or canceling programs to help hikers and others use national forests.

Whose interests are being served here? The President calls for more trees to be cut down on public land, in order to meet present and future lumber needs. But what does he say about the Forest Service study showing that an amount of lumber equivalent to one-fifth of the entire harvest on federal lands was left behind on the ground to rot during 1969, on acreage in the Pacific Coast states? What does he recommend concerning the billions of board feet being floated off to Japan each year, thus placing an extra burden on productivity on America's domestic forest resources—a problem which even his advisory panel recognized, in urging negotiation of a reduction in timber exports to Japan?

THE INDUSTRY'S ARGUMENTS

The latter is a complicated question, involving the desperate Japanese need for wood—particularly hemlock and other whitewoods. Japanese imports from the United States totaled about 2.5 billion board feet in 1972, and the timber industry fears not only the loss of that market, but a diversion to Japan of more lumber from British Columbia, thereby bidding up prices in a province that provides one-third of all the lumber used in American homebuilding.

The industry also argues (1) that exports have provided the dollar incentive for it to reduce wastage, by bringing sales stability to a volatile market; (2) that sharply reduced exports would be disastrous for Washington State, which accounts for 82 per cent of all U.S. softwood exports and which could lose an estimated 8,000 jobs directly and 16,000 jobs indirectly; and (3) that the United States would jeopardize the current $500 million annual contribution made by timber exports to the right side of the balance of payments ledger.

This is a formidable list of caution flags. It suggests that export curbs must be applied gradually, to give the Japanese and their American suppliers time to adjust. But it does not suggest that producers—whether for export or the domestic market—should be allowed to jeopardize public forests.

The national forests are supposed to be operated under terms of the Multiple Use-Sustained Yield Act of 1960, with balanced attention given to various uses (timber, water, wildlife, grazing, recreation, mining). In reality, timbering is the eager preoccupation of those who make the policy for such lands. President Nixon, for example, has boldly ignored the sentiments expressed in congressional action, by arbitrarily boosting the allowable cut in the national forests.

SQUANDERING A LEGACY

This concession to administration friends in the timber-company boardrooms has had destructive consequences, not the least of them an encouragement to ignore good forestry practices in the interest of maximum production. Under normal circumstances it's hard enough to do a good job of clearcutting (removal of all trees in a given area, as opposed to selective cutting of individual trees) without destroying the forest environment. But with both government and industry ranting about the need to speed up and increase the timber cut, careless application of clearcutting is all the more likely.

The results of such a breakdown in proper management could be ruinous, considering the fact that clearcutting is practiced on 60 per cent of the one million acres which private timber concerns are now harvesting in the national forests.

One of the major purposes of our federal government is to provide the American people with ways to protect themselves against the excesses of private interests. The Nixon administration, in encouraging the timbermen as it has encouraged those who strip coal, seems to be trying to repudiate that version of the government's role in American life. Publicly owned forest land is one of the greatest of the many natural legacies inherited by the American people. It's surely a legacy to be protected rather than squandered.

NATIONAL EMPLOY THE HANDICAPPED WEEK

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BRADEMAS. Mr. Speaker, I want to call to my colleagues' attention to the fact that next week, the week of October 7, has been designated "National Employ the Handicapped Week, 1973."

Said President Nixon in signing the proclamation:

Perhaps the greatest difficulty a handicapped person faces is not his own disability, but rather the attitudes of society concerning that disability. Yet, handicapped people are able to perform a wide range of jobs with great skill and efficiency. The employer who hires the handicapped is not only helping them; he is also helping himself and his country.

Mr. Speaker, happily we will be observing National Employ the Handicapped Week in the context of the President's finally having recently signed, after two successive vetoes, the Rehabilitation Act of 1973.

So that my colleagues can understand the significance of this week to the 7 millions of handicapped citizens of our land, I insert the proclamation at this point in the RECORD:

PROCLAMATION 4245—NATIONAL EMPLOY THE HANDICAPPED WEEK, 1973

A PROCLAMATION

This country was founded upon a promise made to all of its people: that our government would work to assure every citizen a fair and equal start in the race of life. Implicit in this promise is the concept that a person has a right to compete for any job he is able to perform.

This promise has been kept for a great many of our people, but not for all. Too many handicapped persons—particularly young disabled veterans—are unable to find work.

Perhaps the greatest difficulty a handicapped person faces is not his own disability, but rather the attitudes of society concerning that disability. Yet handicapped people are able to perform a wide range of jobs with great skill and efficiency. The employer who hires the handicapped is not only helping them; he is also helping himself and his country.

Let us all work therefore to make good on the promise America has always held out to its people—allowing each person who is willing to work and who is qualified to work a fair chance to work.

Now, therefore, I, Richard Nixon, President of the United States of America, in accordance with a joint resolution of the Congress approved August 11, 1945, as amended (36 U.S.C. 155), do hereby proclaim the week of October 7, 1973, as National Employ the Handicapped Week.

I urge the Nation's Governors, mayors, and all other public officials, as well as leaders in every area of American life, to join with the handicapped themselves in making this observance a time of new awakening in our country to the value and the importance of employing handicapped men and women.

In witness whereof, I have hereunto set my hand this eighteenth day of September, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-eighth.

RICHARD NIXON.

MIA'S—THE FORGOTTEN ONES

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. ASHBROOK. Mr. Speaker, not getting much attention except by those who are missing a loved one is the fate of 1,243 American men missing in action in Vietnam, Cambodia, and Laos. The return of American POW's was met, as it should be, with great rejoicing. There was no rejoicing nor even news for the families of these other 1,243 men.

The North Vietnamese are obligated by the January 27, 1973, Paris Agreements on Vietnam. Article 8, paragraph (b) states:

> The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

The responsibility of the North Vietnamese to aid American efforts in this regard is clear. In the supplemental agreements of June 13, 1973, article 8, paragraph (b) was reemphasized.

The U.S. Government has established the joint casualty resolution center—JCRC—at Nakhon Phanom, Thailand, to determine the status and investigate reports about American MIA's. On May 11 and May 18, 1973, members of the JCRC, as part of the four-party military team, were allowed to go to Hanoi. In Hanoi they were shown the alleged burial sites of U.S. servicemen. The North Vietnamese Communists would not allow the exhumation of the bodies. No determination could be made if Americans were actually buried there and if they were Americans, who they were.

The North Vietnamese Communists have not allowed the JCRC back into North Vietnam. The Vietcong and North Vietnamese Communists in South Vietnam have refused searches in territory they hold.

In the original Paris agreements the United States agreed to and did pull out its troops, restrict the amount of supplies sent to the free South Vietnamese, and gave a number of other concessions. The North Vietnamese and Vietcong agreed to release American POW's, to help locate American MIA's and the bodies of American men killed in action, and to restrict their activities in South Vietnam.

Eighty-three Americans have been identified in either pictures or by those POW's who returned home as having been held prisoner by the North Vietnamese. The North Vietnamese have released no information on these men. While the likelihood of these 83 still being alive is slight, there is no military reason for the North Vietnamese being as cruel and inhuman as they are being in this matter.

The Paris agreements are clear. Hanoi made pledges which it has broken. Once again the Communists have broken an agreement that they have signed.

I urge all Americans to demand an accounting of our more than 1,200 MIA's. This is no time to consider initiating any type of political, cultural, economic, or diplomatic relations with the North Vietnamese. Also, we should discourage our allies from giving any aid to North Vietnam. The North Vietnamese have expressed their contempt for the accords that they signed by their actions in South Vietnam and by their complete unwillingness to provide information on our MIA's.

QUESTIONNAIRE RESULTS OF THE 11TH DISTRICT OF INDIANA

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. HUDNUT. Mr. Speaker, I would like to insert in the CONGRESSIONAL RECORD the tabulation of my questionnaire, so that my colleagues in the Congress may know what the people in the 11th District of Indiana are thinking.

The questionnaire follows:

WASHINGTON, D.C., *October 5, 1973.*

Earlier this year you received a series of questions from my office dealing with governmental issues of current interest. Over 15,000 replies to those questions have now been received and tabulated. In this newsletter I wish to report the results of that survey and comment on the issues presented. If you wish more detailed answers relating to a particular question, please feel free to write me. My staff stands ready to serve you, so don't hesitate to contact them if the need arises. With best wishes, I am,

Sincerely yours,

WILLIAM H. HUDNUT III,
Member of Congress.

[In percent]

Age	Male		Female	
	Yes	No	Yes	No
1. Do you think Congress should place a ceiling on annual spending as a means of combating inflationary Federal spending?				
18 to 27	84	16	88	12
28 to 41	86	14	90	10
42 to 57	95	5	93	7
Over 57	96	4	96	4
Total	90	10	92	8
If budget limits and spending ceilings are set and respected, it will help us hold the line on Federal spending and thus be a deterrent to continuing inflation. I have introduced a bill to require a balanced Federal budget except in times of emergency.				
2. The proposed budget for fiscal year 1974 calls for expenditures of some $268,000,000,000. Would you favor a tax increase to fund additional programs beyond that amount?				
18 to 27	8	92	6	94
28 to 41	10	90	6	94
42 to 57	4	96	4	96
Over 57	5	95	3	97
Total	7	92	5	95
No. The American people are burdened with enough taxes now. I promised to vote to hold the line on Government spending and resist any tax increase and will continue to fulfill that pledge.				
3. Do you favor giving aid to North Vietnam after there has been an accounting of our MIA's?				
18 to 27	12	88	18	82
28 to 41	11	89	12	88
42 to 57	11	89	11	89
Over 57	6	94	9	91
Total	10	90	13	87
The Communists are still fighting us, we won no clear-cut victory as in 1945, and we have more rebuilding than we can handle on the homefront as it is. I feel first priorities should go to rebuilding America.				
4. Should Federal employees be allowed to strike?				
18 to 27	53	47	45	55
28 to 41	36	64	40	60
42 to 57	22	78	24	76
Over 57	25	75	20	80
Total	35	65	33	67
I prefer emphasizing collective bargaining and binding arbitration in cases where Federal employees differ from existing policies.				
5. Should strikers be eligible to receive food stamps?				
18 to 27	21	79	18	82
28 to 41	36	64	17	83
42 to 57	8	92	9	91
Over 57	11	89	9	91
Total	15	85	14	86
We certainly don't want anyone in America to go hungry, but I can see no reason why voluntary strikers should be subsidized by the government.				
6. Do you favor increased Federal spending to curb pollution if it means higher taxes?				
18 to 27	44	56	48	52
28 to 41	35	65	35	65
42 to 57	23	77	21	79
Over 57	22	78	22	78
Total	32	68	31	69
(a) Are you satisfied with the progress that is being made to clean up the environment?				
18 to 27	30	70	31	69
28 to 41	45	55	39	61
42 to 57	61	39	56	44
Over 57	62	38	51	49
Total	48	52	44	56
(b) Would you be willing to pay more for products and services if their manufacture and use could be made virtually pollution-free?				
18 to 27	71	29	80	20
28 to 41	65	35	65	35
42 to 57	53	47	53	47
Over 57	43	57	49	51
Total	60	40	62	38
Pollution must be curbed, and it's going to take a lot of money over the next few years, but I would prefer reallocation of existing tax dollars rather than a tax increase.				

[In percent]

Age	Male Yes	Male No	Female Yes	Female No
7. Do you feel that a national health insurance program is needed? If yes, which do you prefer?				
18 to 27	57	43	60	40
28 to 41	46	54	44	56
42 to 57	37	63	37	63
Over 57	54	46	54	46
Total	48	52	48	52

	Overall response	Male response	Female response
(a) A program financed and operated by the Federal Government	29	31	27
(b) A program financed and operated by the Federal Government for welfare dependents and a private insurance program for working people	32	33	32
(c) Legislation limited to meeting only catastrophic health expenses	39	36	41

I favor a health insurance program that includes both the public and private sectors in partnership, and offers the greatest assistance where it is needed most, which is among the indigent, and those struck by catastrophic illness.

Age	Male and female response A[1]	B[2]	C[3]	D[4]
8. For those young men who left the country rather than register for the draft or submit to induction, would you:				
18 to 27	16.4	21.0	45.6	17.0
28 to 41	8.6	27.0	34.2	30.2
42 to 57	6.2	36.2	28.0	29.6
Over 57	2.6	45.0	28.4	24.0
Total	8.5	32.1	34.1	25.3

For draft dodgers and military deserters who desire to reenter the country, I feel strongly that they should appear before the appropriate tribunal for disposition of their case.

	Age group (male and female) 18 to 27	28 to 41	42 to 57	Over 57	Total	Rank of priority
9. Which of the following issues do you consider the three most important?						
(a) Crime	16.6	22.3	29.7	46.1	28.1	1
(b) Economy	28.9	26.6	26.6	18.5	25.4	2
(c) Education	8.5	6.2	3.6	2.0	5.2	5
(d) Welfare reform	5.5	7.9	9.3	7.9	7.7	4
(e) Housing	0	.2	0	.2	.1	10
(f) Inflation	11.3	6.4	1.9	.2	5.1	6
(g) Drug rehabilitation	1.9	1.1	2.1	1.0	1.5	7
(h) Mass transit	2.6	.2	.4	1.5	1.1	8
(i) Honesty in Government	23.8	28.1	26.4	22.4	25.3	3
(j) Financial aid for cities	.9	.9	0	.2	.5	9

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[1] Grant complete ammesty.

[2] Be opposed to amnesty.

[3] Grant conditional amnesty based on service in the Armed Forces or some other public agency.

[4] Have them prosecuted.

I know you found that ranking issues in priority fashion is terribly difficult, because they are all important. Right now, however, I believe the three top ones are inflation, integrity in government, and equal opportunity in education, employment, and housing for all Americans.

In conclusion, may I say that I hope this tabulation of our questionnaire, together with my brief statements of my own views, has been of some interest to you. I have inserted the report in the CONGRESSIONAL RECORD, too, so that my colleagues in the Congress may know what the people in the Eleventh District of Indiana are thinking. We are facing many difficult and in some cases very controversial issues in our nation and in our District right now. I think we must never forget, as we state our views on these matters, that there are truths and principles with regard to which men of good conscience and character may differ; and if we remember that, and respect each other's right to his or her own opinion, we will be true to ideals at the heart of American democracy and protectors of the freedom indispensable thereto.

ANNOUNCEMENT OF HEARINGS ON H.R. 188 AND H.R. 9783

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. EDWARDS of California. Mr. Speaker, I would like to announce that the Subcommittee on Civil Rights and Constitutional Rights of the House Committee on the Judiciary will continue hearings on H.R. 188, to amend title 28 of the United States Code to provide for the dissemination and use of criminal arrest records in a manner that insures their security and privacy, and H.R. 9783, to regulate the collection, storage, and dissemination of information by criminal data banks established or supported by the United States.

The hearing will begin on Thursday, October 11, 1973, at 10 a.m. in room 2226, Rayburn House Office Building. The subcommittee will hear testimony from Mr. Allen Sill, chief of police, West Covina, Calif.

Those wishing to testify or to submit statements for the record should address their requests to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

UNINTENDED SUBSIDY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DERWINSKI. Mr. Speaker, an issue which has produced some clear-cut votes in the Congress with the determination apparently having been made this year not to correct the abuse is that of strikers qualifying for food stamps.

The Members may be interested to know that in a recent poll of my constituents, only 17 percent of those responding favored making food stamps available to strikers, while 71 percent opposed it, with 12 percent not sure.

The Press Publications, an independent weekly serving western Cook County and DuPage County, Ill., in a very succinct editorial on September 29, very properly discussed the subject of food stamps for strikers. The editorial follows:

UNINTENDED SUBSIDY

Too often, just about the time construction projects begin to roll again, a strike in the construction industry brings everything to a halt. Instead of getting their jobs done, construction workers spend the summer months carting picket signs around building sites to assure that no work gets accomplished.

When seasonal work combines with strike action, it is sometimes difficult to see how the people involved manage to make enough to live on. The answer, of course, is welfare, strike benefits, various forms of unemployment insurance and, last but not least, food stamps.

One of the problems is that food stamps issued to striking workers have become one of the major props to strike action, resulting in prolonged disruption of business and industrial activity. It is a taxpayer supported subsidy encouraging the destruction of effective collective bargaining between labor and management. To say the least, this was not the purpose of the program.

This and other abuses of the food stamp program should be corrected by legislative action.

BLUE ISLAND, ILL.: EXCELLENT FIRE AND POLICE PROTECTION

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. HANRAHAN. Mr. Speaker, the city of Blue Island, in the Third Congressional District of Illinois, has for many years provided excellent fire and police protection. Credit for these achievements are due to many people, including the men in various departments. However, it is good leadership within the department which provides the incentive for the remarkable records that have been achieved in Blue Island.

Two of the men who have served Blue Island well, are the fire chief, William J. Barzycki, and the police chief, Harry J. Harczak, Sr. Both of these distinguished men are retiring after years of dedicated service to their community. Chief Barzycki has served the citizens of Blue Island for 28 years and Chief Harczak for 22.

I would like to join with the residents of Blue Island in honoring these fine men for their contribution to the Third Congressional District. Their achievements will long be remembered by the community of Blue Island.

THE FEDERAL BUREAU OF PRISONS' BEHAVIOR MODIFICATION PROGRAM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. RANGEL. Mr. Speaker, in order to provide my colleagues with further information regarding the Federal Bureau of Prisons' behavioral modification program, I am placing in the CONGRESSIONAL RECORD, two articles by the well-known columnist, Mr. Tom Wicker, concerning the new Federal Center for Correctional Research at Camp Butner, N.C.

I was deeply impressed by Mr. Wicker's articles and believe that he raises important questions concerning the Bureau of Prisons' involvement in this area. I feel sure that my colleagues will benefit from reading these articles.

The articles follow:

PRISONERS, NOT GUINEA PIGS

(By Tom Wicker)

DURHAM, N.C.—Dr. Martin Groder is a young psychiatrist for the Federal Bureau of Prisons. Contrary to much contemporary thought, he believes in the possibility of rehabilitating prisoners because, he says, "I've done it."

That was at the Federal prison in Marion, Ill., where Dr. Groder (33, and a graduate of both Columbia Medical School and the Langley Porter Neuropsychiatric Institute at the University of California) claims to have had some success with programs "in which the prisoners get interested and invest themselves." He says he relies primarily on "transactional analysis"—about which many people read in Eric Berne's "Games People Play." His ideas also are heavily influenced by two years' work with the Synanon Institute in California, which has been successful in rehabilitating some drug addicts.

Dr. Groder is developing and will be the director of the new Federal Center for Correctional Research, now being built at a cost of $13.5 million at Camp Butner, an old Army post near here. It is scheduled to open in 1974 with a staff of 211, with 140 psychiatric beds for short-term treatment of severely disturbed Federal prisoners, and places for 200 other selected prisoners in four "research units."

These plans run counter to at least two main lines of thought among modern penologists and organizations interested in corrections. One such line is that prisons themselves are the real correctional problem—that no rehabilitation program can overcome the bad effect of the institution itself on the prisoner. The National Council on Crime and Delinquency, for example, is critical of the Bureau of Prisons' $60-million construction program, of which the Federal Center at Butner is a part. The council advocates instead "community correction programs that deal with the offender in his own community."

Prison-run "behavior research" is in bad odor, moreover, among those who have studied its workings at such state institutions as Vacaville in California and Patuxent in Maryland. This is because, under the guise of mental treatment of patients, such institutions have done things to prisoners—electroshock, psychosurgery, massive drugging, and the like—to which no court would sentence them; and because some of these institutions have seized on indeterminate sentencing procedures to keep prisoners under such treatment long past the time they might have served in an ordinary prison. Generally, most prison "rehabilitation" programs have been charged with trying mainly to produce docile prisoners, rather than stable citizens.

Martin Groder is cheerfully aware, therefore, that the new Federal Center he will head is suspect in some circles—not least among Federal prisoners, who are not anxious to be "guinea pigs" in behavior research. He is nevertheless pressing ahead in the belief that a major contribution to corrections problems can be made at Butner. He argues that the new center is already an improvement on the original Bureau of Prisons plan to use the Butner site for a big combined prison and mental hospital—what Dr. Groder says would have been a "psychiatric warehouse" for disturbed prisoners.

As for the evils of "behavioral research" in other prisons, both Dr. Groder, in an interview at his office in Durham, and his superiors in Washington firmly deny that the Federal Center at Camp Butner will employ such "treatment." Among the 200 prisoners to be assigned to the research units from other Federal prisons, there will be none with indeterminate sentences, for one thing, so the center will have no power to hold them past their scheduled release dates.

Dr. Groder argues, on a professional basis, that "repressive methods that push people around" don't work. He has no plans, he pledges, for "rehabilitating" prisoners by surgery, drug therapy or "aversive treatment"—the sort of thing moviegoers saw in "A Clockwork Orange," when a young offender was made to feel severe pain in connection with thoughts of criminal acts.

Electroshock, if used at all, Dr. Groder says, will be limited to supervised treatment of mental patients, as in a civilian hospital, and will not be part of the research program. Nor will the rehabilitation experiments offer the kind of "rewards" that consist of putting a prisoner in painful or degrading circumstances, then gradually improving his environment as he becomes more docile and responsive to the authorities.

But if all that is true, and if the abuses alleged to have occurred at Vacaville, Patuxent and elsewhere are to be avoided at Butner, the question still remains whether Dr. Groder and the staff he is beginning to put together can really rehabilitate offenders in programs carried out within a prison institution—a task many students of the corrections system have come to consider impossible. The answer is by no means certain, but as will be seen in another article, Martin Groder thinks it's well worth a try.

PRISONS: CAN THEY BE REMADE?

(By Tom Wicker)

DURHAM, N.C.—Dr. Martin Groder, the young director of the new Federal Center for Correctional Research at Camp Butner, near here, looks on the traditional American prison system as a sort of last-ditch "welfare system" for young, healthy males—men who are ineligible for most regular welfare programs but who don't have the skills or the opportunity to earn a living.

"A guy like that who holds up a bank," Dr. Groder said in an interview, "knows one of three things can happen. He can make a score. He can get killed. Or he can be taken care of for awhile."

But not very well "taken care of"; Dr. Groder agrees with the conclusion of most students of American prisons that they do the prisoner no real good, and serve no purpose but his detention—and that at an average annual cost of about $6,000 per prisoner. Dr. Groder sees no valid reason why all that should be the case.

"A significant percentage" of persons trapped into crime, and therefore in the dubious "welfare system" of prison, the psychiatrist argues, "don't like being trapped and are willing to confront the fact that they are trapped. But when they turn to the larger society it does not contain a method for them to get untrapped."

It is his contention, however, that the trend toward "community corrections" now gaining currency is, as yet, not the answer. He does not believe enough is known about rehabilitation to permit any large-scale return of incarcerated men to community programs. "If we can get a top-notch rehabilitation program within the institution," he says, "a prisoner will be better off in it than wandering around the streets."

That seems to be the root idea of the Federal Center for Correctional Research, a campus-like facility now under construction at a cost of $13.5-million, and designed to house 140 short-term mental patient-prisoners, and 200 others who will be in units carrying out experimental rehabilitation programs.

The mission of these units will be "to research particular programs and correctional hypotheses to provide usable rehabilitation models for other correctional institutions, and to train a new generation of correctional professionals." Many of the latter, if Dr. Groder's theories bear fruit, may be former prisoners; one of those with whom he worked at the Marion, Ill., Federal prison, for instance, is now head of a drug treatment program for the Georgia Correctional Department.

Other than to pledge that the new center will not use psychosurgery, massive drug dosages, electroshock and other dehumanizing practices, Dr. Groder is not precise about the "models" he hopes to work out. Some of the experiments will be directed toward developing useful institutional programs (which are practically non-existent now); others will be aimed at finding ways to follow released prisoners into the outside community and to help them adjust to it.

It is generally believed, for example, that if a released or paroled prisoner is "transplanted" to some community other than his own, he will have a harder time adjusting; Dr. Groder hopes to find out by experiment whether this would necessarily be true if there were good follow-up programs to assist the transplanted prisoner.

He hopes also that if promising institutional programs can be developed, they can give judges an alternative to "traditional incarceration." For some prisoners, he believes, the "college dormitory model" without overt psychiatric programs might prove beneficial; others might profit more from occupational therapy and training.

All of this is speculative and controversial, but Martin Groder is convinced it's necessary. "I could write you right now some of the papers you're going to be reading in the 1980's on the failure of community correctional programs unless there's more study, planning and evaluation," he said in the interview.

That may be a minority view. David Fogel, the progressive commissioner of corrections in Minnesota, told a group of foundation representatives recently that it was hopeless for them to invest their money in "improving" the institutional prison. Milton Rector of the National Council on Crime and Delinquency suggests that such programs as that planned for Camp Butner only further uproot and concentrate prisoners who ought to be treated in their own communities, under federally funded programs.

John Irwin, an ex-inmate now in the sociology department at San Francisco State College, fears that the Butner center may be primarily a response to "politically oriented troublemakers" and an effort to restore "tranquillity in the prisons" by isolating such prisoners in an institution that will look good to the public.

The proof, of course, will be in the pudding; and a lot of eyes will be on the Federal Center for Correctional Research when it opens in early 1974.

NASA TESTING HYDROGEN IN "GAS" TO CUT AUTO FUMES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. TEAGUE of Texas. Mr. Speaker, as this body well knows, this country is choking its citizens and fouling the air with poisonous auto-engine emissions. That fact stands out so vividly that Congress passed legislation that attempts to control auto-engine emissions.

Recently NASA has been testing a process that could sharply curtail those poisonous emissions, which was pointed out in a recent article in the New York Times, September 17, 1973, by Richard Witkin. I am reminded that this country's successes have been and will be achieved through scientific and technological research. I hope this distinguished body will join with me in commending NASA for their efforts. I recommend Mr. Witkin's article to my fellow Members of Congress and the general public.

The article follows:

NASA TESTING HYDROGEN IN "GAS" TO CUT AUTO FUMES

(By Richard Witkin)

A radical system aimed at meeting the legal limitation on auto-engine emissions is being developed by the National Aeronautics and Space Administration.

The concept involves the use of hydrogen as an additive to gasoline in modified versions of standard internal combustion engines. It has shown "promising" results in laboratory tests but will not help power an auto for another two months.

The development is being carried out in Pasadena, Calif. by the space agency's Jet Propulsion Laboratory, whose Ranger and Surveyor vehicles scouted the moon as a prelude to manned landings.

Engineers at the laboratory stressed that the work was in its early stages, with numerous difficult technical details to be worked out.

"It is too soon to talk about whether we really have a handle on being able to meet the Federal standards," said Henry Cotrill, project manager, in a telephone interview. "We're quite excited by the results so far, but we have a long way to go."

Starting today, representatives of the nation's major auto manufacturers will visit the laboratory for demonstrations of what has been accomplished.

Dr. William H. Pickering, the laboratory's director, said the companies had been invited "to assess the utility of this system with a view to the possibility that they might wish to work cooperatively with us."

The space agency has allocated $600,000 for the first six months of the effort. Dr. Pickering estimated that it might take a total of $4-million to $5-million to meet the emissions standards now mandated for 1976 and 1977 under the Federal Clean Air Act.

A key component of the laboratory's system, based largely on research by an engineer named Jack Rupe, is a hydrogen generator that would be carried aboard the car. Mr. Cotrill predicted that a fully developed research vehicle able to meet the emissions standards could be running about two years from now.

"But, after that," he said, "it would have to be engineered for mass production. It wouldn't be ready yet for the little old lady from Pasadena."

The laboratory has bought two Chevrolet Impalas to be used as the research vehicles. The concept would be applicable to piston-engine airplanes as well as cars.

A prime advantage of the laboratory's approach, its proponents contend, is that it would meet auto-pollution requirements without the need for attaching catalytic devices to engine exhausts, as major Detroit companies are planning to do.

The auto capital's concentration on such catalytic devices has been viewed with reservations by technical authorities because of the devices' cost and because of doubts about their durability. Also, strong preferences for more innovative and efficient solutions have been expressed.

At least two other advantages are claimed for the laboratory's method. It would improve fuel consumption, and it could operate with low-grade petroleum or synthetics, not simply with conventional gasoline. The fuel shortages that threaten the nation underscore how important such advantages could be.

READY AVAILABILITY

Over the years, there has been much speculation and some work on the idea of using hydrogen, with its enormous power and ready availability, to power autos. In fact, hydrogen has been increasingly looked upon as the most promising long-term answer to the world's power needs as fossil fuels become exhausted.

The hydrogen-powered car, however, has several obvious drawbacks.

For one thing, hydrogen can be very dangerous because of its extreme volatility. It takes up a great amount of space in gaseous form. And in much more compact liquid form, it must be kept at minus 423 degrees Fahrenheit. This requires expensive tankage that would have a big impact on auto design and on service stations.

The laboratory's concept aims to circumvent these complications in two ways: by perfecting an on-board generator to produce hydrogen as needed, and by using hydrogen not as the main auto fuel but simply as an additive.

How would the hydrogen be generated? First, regular gasoline and air would be ignited in the generator. The mix would burn constantly, much like the mixture in the combustor of a jet engine. Next, a carefully measured amount of water and more gasoline would be injected. The reaction, under the extreme heat from the burner, would produce hydrogen, carbon monoxide, and some inert products.

Why would the use of this hydrogen as an additive cut down on exhaust pollutants? The answer has to do with the fact that hydrogen will burn at much leaner mixtures than will gasoline. A lean mixture is one in which the ratio of fuel to oxidizing air is relatively small.

WATER VAPOR

The combustion of lean mixtures produces lower temperature. That in turn cuts the production of oxides of nitrogen, the most difficult of the three main auto pollutants to curtail (the others are hydrocarbons and carbon monoxide). Tests show that the hydrogen fuel burns so completely that its exhaust products are nearly all water vapor and other inert components.

When idling, the auto engine would be run entirely on the output of the hydrogen generator. In city-street driving, where comparatively little engine power is needed, the proportion of hydrogen to regular gas would be relatively high.

Why not use the hydrogen gas all by itself? "Hydrogen is not that easy to generate," says Mr. Cotrill. Of the products put out by the hydrogen generator, only 20 to 22 percent will be hydrogen. Furthermore hydrogen has a habit of causing engine knocks at high power levels.

CUBAN EXILES IN SPAIN

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. YOUNG of Florida. Mr. Speaker, since the Justice Department is currently considering the situation surrounding those Cuban exiles in Spain who are awaiting their turn to enter the United States, I think it relevant that my colleagues become aware of the position taken by the Florida House of Representatives on this issue. I am, therefore, inserting the full text of House Memorial 95 which asks for the relief of those Cuban exiles in Spain.

The memorial follows:

MEMORIAL

HM 95—A memorial to the congress of the United States to provide for the giving of credit to the Cuban citizens in Spain who have applied for entry into the United States to compensate for the initial waiting period in Cuba.

Whereas, the country of Cuba was taken over through communist tyranny and many Cuban citizens believing in democracy and the free enterprise system, left their properties and the fruits of their life's work and came to the United States, following in the footsteps of the ancestors of millions of Americans who came to this country because of religious and political injustices;

Whereas, many Cuban-American citizens have loved ones in Cuba who formally made known to an unfriendly Cuban government their wishes to come to the United States;

Whereas, as a result those Cubans suffered the loss of substantially all of their property and have been required to wait in a destitute condition for more than two (2) years in order to leave Cuba;

Whereas, many Cubans who have waited in Cuba without the benefit of their property for periods in excess of two (2) years for the right to leave the country and have gone to Spain where they are again required to wait for a period of over two (2) years before being permitted to come to the United States to rejoin their loved ones;

Whereas, there are now more than 30,000 Cuban citizens in Spain awaiting their turn to come to the United States and more than 15,000 are encountering overwhelming difficulties in obtaining adequate food, clothing and shelter, being without property in a foreign country;

Whereas, the Cuban people in the United States have been contributing money, clothing, etc. from private sources to the Cubans in Spain;

Whereas, the total wait time, including the waiting period in Cuba and the additional period in Spain, far exceeds that of other people desiring to come to the United States, which is compounded by the requirement of the Cuban government that they give up substantially all of the property at the very beginning of this prolonged waiting period, has caused an overwhelming burden upon these people;

Now, therefore, *Be It Resolved by the Legislature of the State of Florida:*

That the Congress of the United States is hereby requested to provide for the giving of credit to the Cubans in Spain who have applied for entry into the United States to compensate for the initial waiting period in Cuba, so that these people are not penalized by a longer waiting period than the applicants of other countries seeking entry into the United States.

Be it further resolved that copies of this memorial be dispatched to the president of the United States, to the president of the

United States Senate, to the Speaker of the United States House of Representatives, and to each of the Florida delegation to the United States Congress.

PRESIDENT CONTINUES CONTROL OF NATIONAL GUARD UNDER HOME RULE

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DIGGS. Mr. Speaker, the commanding general of the D.C. National Guard has now given written assurance that the President will continue his ability to use the local guard in controlling civil disturbance after passage of H.R. 9682, the D.C. self-government bill. The commanding general is at present appointed by the President, and will continue to be appointed by the President under H.R. 9682, section 602(b).

ERRONEOUS ASSUMPTION IN MINORITY VIEWS, SAYS GENERAL

Gen. Charles L. Southward states that:

> The concern expressed by the dissenting members of the Committee is more apparent than real . . . it is based on (an) erroneous assumption.

As the general explains,

> The method of utilizing the D.C. National Guard that has been followed in all instances where the Guard has been employed to assist D.C. civil authorities is to order the D.C. Guard to perform duty under the provisions of Section 39-602, D.C. Code.

The commanding general issues the order by authority of the Under Secretary of the Army and hence under the President.

The minority in the committee report erroneously assume that the only way the guard could be used by the President is after a request by the Mayor under section 39-603, D.C. Code.

General Southward said:

> This procedure has not been utilized in any of the instances where the D.C. National Guard has been employed in support of the local civil authorities, commencing with "the March on Washington" in 1963.

MAYOR'S REQUEST NOT NEEDED

As General Southward states:

> The Mayor's request for assistance is not now needed prior to the President's use of the National Guard within the District in militia status, and will not be required after passage of H.R. 9682.

This is another example of the careful way in which the bill has been drafted to protect the Federal interest and maintain the integrity, safety and security of the national Government in the Nation's capital. The texts of the general's letter and memorandum follow.

DISTRICT OF COLUMBIA NATIONAL GUARD,
Washington, D.C., October 4, 1973.

Hon. BROCK ADAMS,
House of Representatives,
Washington, D.C.

DEAR MR. ADAMS: This letter and the accompanying legal memorandum is submitted pursuant to the request from Miss Anne Darneille of your staff to Colonel James C. Hise, of my Headquarters, that we provide the House Committee on the District of Columbia with our opinion as to the effect which passage of H.R. 9682 would have on the ability of the President to utilize the District of Columbia National Guard in controlling civil disturbance activities within the District absent an express request from the Mayor for such assistance.

I am of the opinion that passage of H.R. 9682 would have no limiting effect on the capability of the D.C. National Guard to respond to the call or order of the President for civil disturbance control duty within the District of Columbia. As indicated in the attached memorandum, and for the reasons set forth therein, the D.C. National Guard has not been ordered to duty under Section 39-603 on any of the occasions subsequent to 1963 where it has been utilized to assist the civil authorities of the District of Columbia in controlling civil disturbances.

I trust that this submission will be of assistance to the Committee in its consideration of H.R. 9682.

Sincerely,

CHARLES L. SOUTHWARD,
Major General, ARNG,
Commanding General.

DISTRICT OF COLUMBIA NATIONAL GUARD,
Washington, D.C., Oct. 4, 1973.

Memorandum for: Commanding General, District of Columbia National Guard

1. This memorandum is submitted pursuant to a request from Miss Anne Darneille of Congressman Brock Adams' staff to me that we furnish the Committee on the District of Columbia with our opinion concerning the effect which passage of H.R. 9682 would have on the availability of the D.C. National Guard for duty in support of the civil authorities of the District of Columbia in the absence of an express request from the Mayor for such assistance.

2. I am aware of the dissenting views expressed at page 126 of the House Report on H.R. 9682 to the effect that should this bill be passed by the Congress "* * * the President *could not respond* to the need for militia support of local government without the express request of the locally elected Mayor." Section 39-603 of the D.C. Code is cited as the authority for this statement. I believe that the concern expressed by the dissenting members of the Committee is more apparent than real, and that it is based on the erroneous assumption that the prior use of the D.C. National Guard in such instances has been pursuant to Section 39-603, D.C. Code.

3. In order to fully appreciate the question involved, one must first understand the development of the Supervision and Control of the National Guard of the District of Columbia, which is based on existing law as affected by Presidential Executive Orders and Secretary of Defense Memoranda, and other regulatory type directives. Under existing law, the President is the Commander-in-Chief of the D.C. National Guard (39-112, D.C. Code) and as such is responsible for the administration of the D.C. National Guard affairs. The President, alone, has the authority to appoint the Commanding General of the District of Columbia National Guard (39-201, D.C. Code).

4. The President has, since 1949, delegated the administration of the D.C. National Guard affairs to the Department of Defense by Executive Order, the most recent and currently applicable one being Executive Order No. 11485, dated October 1, 1969 (copy attached). Under authority of para. 4 of this Executive Order, the Secretary of Defense has further delegated to the Secretary of the Army to act for him in matters pertaining to the Army National Guard and to the Secretary of the Air Force to act for him in matters pertaining to the Air National Guard.

5. As an exception to the above delegations the Secretary of Defense has delegated to the Secretary of the Army authority to command, through the Commanding General of the National Guard, all operations of the Army and Air National Guard elements of the D.C. National Guard when it is used in militia status to aid civil authorities. The Secretary of the Army, after consultation with the Secretary of Defense and subject to the direction of the President as Commander-in-Chief, may order out the National Guard under title 39 of the District of Columbia Code to aid the civil authorities of the District of Columbia. This latter authority has been further delegated to the Under Secretary of the Army.

6. The Executive Order creates a military chain of command running from the President as Commander-in-Chief of the D.C. National Guard, through the Secretary of Defense and his designees within the Department of Defense to the Commanding General of the D.C. National Guard. The Commanding General of the D.C. National Guard is authorized direct access to the Under Secretary of the Army; and the Secretary of the Army and Under Secretary of the Army, subject to the supervision of the Secretary of Defense, have controlled the assembly and employment of the Guard in civil disturbance missions.

7. With this background as to the legal basis for the supervision and control of the D.C. National Guard we can now turn to the various methods of utilizing the National Guard. There are three possibile methods of utilizing the D.C. National Guard in the type of situation with which we are concerned in this memorandum:

a. The President can call the Army and Air National Guard into active Federal service pursuant to sections 3500 and 8500, title 10, U.S. Code, whenever there is a rebellion or danger of a rebellion against the authority of the Government of the United States or whenever the President is unable with the regular forces to execute the laws of the United States. The President may also call the National Guard into Federal active service pursuant to chapter 15, title 10, U.S. Code. This is the means employed to bring the D.C. National Guard into Federal active service during the riots which followed the death of Dr. King in April, 1968. (See attached copy of E.O. 11403, dtd April 9, 1968). This is the only instance, going back to the original "March on Washington" in 1963, where the D.C. National Guard was utilized in a Federal active duty status in connection with civil disturbance control.

b. Another method of utilizing the D.C. National Guard is in its militia status under Section 39-603, D.C. Code. This procedure has not been utilized in any of the instances where the D.C. National Guard has been employed in support of the local civil authorities, commencing with the "March on Washington" in 1963. There are several reasons why this Section has not been used:

(1) There has never been any funds in the District of Columbia budget to pay for the Guard on duty under this section;

(2) If employed under this section enlisted Guardsmen receive two days pay for each day of duty (See Section 39-801, D.C. Code).

(3) No provision in D.C. Code for benefits to Guardsmen or dependents in event of Guardsman injury or death on duty.

(4) Requires "tumult, riot, mob," which would be too late to alert and mobilize the Guard for effective service.

c. The third method of utilizing the D.C. National Guard and the one that has been followed in all instances where the Guard has been employed to assist D.C. civil authorities is to order the D.C. Guard to perform duty under the provision of Section 39-602, D.C. Code, which gives the Commanding General the authority to "* * * prescribe such stated drills and parades as he may deem necessary for the instruction of the National Guard, and may order out any portion of the National Guard for such drills, inspections, parades, escort, or *other duties*, as he may deem proper." [emphasis added]. Action under this Section, as a matter of law, requires only the order of the Commanding General. As a practical matter the Commanding General would consult with the Chief of Police and Mayor, and would be governed by instructions of the Under Secretary of the Army. This is the fastest and least complicated means of assembling and using the National Guard. Since no provision is made in the D.C. Code for payment of Guardsmen for this type of duty, the Commanding General also designates the duty as a unit training period under provisions of Section 502 of title 32, U.S. Code. This results in Federal pay to the Guardsmen at the rate of two drills per day of duty. Other advantages of using this procedure is that the individual Guardsmen are entitled to Federal benefits if injured or killed while in drill status under 32 U.S.C. 502.

8. As can be seen from the above discussion, it is difficult to see how H.R. 9682 could affect the utilization of the National Guard by the President in situations where the Mayor refuses to make a request, since we have not utilized Section 36-603, D.C. Code in the recent past, and in view of the language of Title VI of H.R. 9682 which at Section 602 (b) specifies that nothing in the bill shall be construed as vesting in the District Government any greater authority over the National Guard of the District of Columbia than was vested in the Commissioner prior to the effective date of Title VI of the bill. The Mayor's request for assistance is not now needed prior to the President's use of the National Guard within the District in militia status, and will not be required after passage of H.R. 9682.

9. I should also like to point out that even should it be decided to use Section 39-603, D.C. Code, and the locally elected Mayor refuses to cooperate with the President (a possibility suggested in the dissenting report) the President will still have an appointed official within the District—the United States Marshal who also is authorized to request the Commander-in-Chief to order out the National Guard.

JAMES C. HISE,
Colonel, DCANG, Staff Judge Advocate.

EXECUTIVE ORDERS—No. 11485

[October 3, 1969, 34 F.R. 15411; October 4, 1969, 34 F.R. 15443]

SUPERVISION AND CONTROL OF THE NATIONAL GUARD OF THE DISTRICT OF COLUMBIA

By virtue of the authority vested in me as President of the United States and Commander-in-Chief of the Armed Forces of the United States and the National Guard of the District of Columbia under the Constitution and laws of the United States, including section 6 of the Act of March 1, 1889, 25 Stat. 773 (District of Columbia Code, sec. 39-112), and section 110 of title 32 [66] and section 301 of title 3 [67] of the United States Code, it is hereby ordered as follows:

Section 1. The Secretary of Defense, except as provided in section 3, is authorized and directed to supervise, administer and control the Army National Guard and the Air National Guard of the District of Columbia (hereinafter "National Guard") while in militia status. The Commanding General of the National Guard shall report to the Secretary of Defense or to an official of the Department of Defense designated by the Secretary on all matters pertaining to the National Guard. Through the Commanding General, the Secretary of Defense shall command the military operations, including training, parades and other duty, of the National Guard while in militia status. Subject to the direction of the President as Commander-in-Chief, the Secretary may order out the National Guard under title 39 of the District of Columbia Code to aid the civil authorities of the District of Columbia.

SEC. 2. The Attorney General is responsible for: (1) advising the President with respect to the alternatives available pursuant to law for the use of the National Guard to aid the civil authorities of the District of Columbia; and (2) for establishing after consultation with the Secretary of Defense law enforcement policies to be observed by the military forces in the event the National Guard is used in its militia status to aid civil authorities of the District of Columbia.

SEC. 3. The Commanding General and the Adjutant General of the National Guard will be appointed by the President. The Secretary of Defense, after consultation with the Attorney General, shall at such times as may be appropriate submit to the President recommendations with respect to such appointments.

SEC. 4. The Secretary of Defense and the Attorney General are authorized to delegate to subordinate officials of their respective Departments any of the authority conferred upon them by this order.

SEC. 5. Executive Order No. 10030 of January 26, 1949,[68] is hereby superseded.

RICHARD NIXON.
THE WHITE HOUSE, *October 1, 1969.*

EXECUTIVE ORDERS—No. 11403

[April 9, 1968, 33 F.R. 5501]

PROVIDING FOR THE RESTORATION OF LAW AND ORDER IN THE WASHINGTON METROPOLITAN AREA

Whereas I have today issued Proclamation No. 3840, calling upon persons engaged in acts of violence and disorder in the Washington metropolitan area to cease and desist therefrom and to disperse and retire peaceably forthwith; and

Whereas the conditions of domestic violence and disorder described therein continue, and the persons engaging in such acts of violence have not dispersed:

Now, therefore, by virtue of the authority vested in me as President of the United States and Commander in Chief of the Armed Forces under the Constitution and laws of the United States, including Chapter 15 of Title 10 of the United States Codes [8] and Section 301 of Title 3 of the United States Code,[9] and by virtue of the authority vested in me as commander-in-chief of the militia of the District of Columbia by the Act of March 1, 1889, as amended (D.C. Code, Title 39), it is hereby ordered as follows:

Section 1. The Secretary of Defense is authorized and directed to take all appropriate steps to disperse all persons engaged in the acts of violence described in the proclamation, to restore law and order, and to see that the property, personnel and functions of the Federal Government, of embassies of foreign governments, and of international organizations in the Washington metropolitan area are protected against violence or other interference.

Sec. 2. In carrying out the provisions of Section 1, the Secretary of Defense is authorized to use such of the Armed Forces of the United States as he may deem necessary.

Sec. 3. (a) The Secretary of Defense is hereby authorized and directed to call into the active military service of the United States, as he may deem appropriate to carry out the purposes of this order, units or members of the Army National Guard and of the Air National Guard to serve in the active military service of the United States for an indefinite period and until relieved by appropriate orders. Units or members may be relieved subject to recall at the discretion of the Secretary of Defense. In carrying out the provisions of Section 1, the Secretary of Defense is authorized to use units and members called or recalled into the active military service of the United States pursuant to this section.

(b) In addition, in carrying out the provisions of Section 1, the Secretary of Defense is authorized to exercise any of the powers vested in me by law as commander-in-chief of the militia of the District of Columbia during such time as any units or members of the Army National Guard or Air National Guard of the District shall not have been called into the active military service of the United States.

Sec. 4. The Secretary of Defense is authorized to delegate to one or more of the Secretaries of the military Departments any of the authority conferred upon him by this order.

LYNDON B. JOHNSON.
The WHITE HOUSE, *April 5, 1968.*

THE 4-H CLUB SKILLS

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mrs. GRASSO. Mr. Speaker, across the Nation young people are gaining knowledge, understanding and practical skills through activities of the 4-H Clubs.

Over 4 million youngsters, ranging in age from 9 to 19, participate in the clubs' various projects. These can be traditional 4-H activities such as raising a prize steer or raising blue-ribbon squash. They may also include the building of a park or the restoration of a historical building.

We commemorate National 4-H Week from October 1-7 in recognition of the contributions of 4-H clubs in community service and in providing positive, constructive experiences for so many young men and women.

The 4-H idea began in rural America in the early 1900's with agricultural clubs for farm youth. In 1914 Congress created the Cooperative Extension Service which included a "learn by doing" program to channel the practical knowledge from land-grant colleges into surrounding communities.

The 4-H Club, with its H's representing Head, Heart, Hand, and Health, has always emphasized youth leadership, competition, and achievement. Today, clubs are adapting their programs to the problems and lifestyles of the suburbs and innercity as well as to the farm. Each 4-H member selects one or more projects which vary according to the geographical region. In rural areas members become involved in conservation, forestry, farm management, or livestock. City and suburban projects include environmental concerns, community service, or electric and automotive projects.

In addition to its programs in the United States, the 4-H offers rich opportunities for international understanding. The Farm Youth Exchange, which sends Ameircan students abroad and brings many foreign students to this country, has already involved over 5,000 students. The organization also trains youth who want to use their special technical talents to aid developing countries.

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[66] 32 U.S.C.A. § 110.

[67] 3 U.S.C.A. § 301.

[68] 1949 U.S. Code Cong. Service p. 2651.

The 4-H clubs have continued to meet the changing needs of the youth of this Nation with programs designed to broaden their outlook and experience. The practical knowledge that is gained will be helpful in their personal development and future careers.

During 4-H Week, I would like to commend 4-H members and the 400,000 volunteer adult members who assist the youngsters in accomplishing meaningful club projects. It is my hope that 4-H clubs will continue to provide constructive guidance to our youth in the years ahead.

BACKGROUND PAPER ON FAMILY WELFARE PROGRAM

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. REID. Mr. Speaker, on Friday, September 28, a staff briefing was held on the new social service regulations issued September 10 by the Department of Health, Education, and Welfare. As a followup to this meeting, I would like to submit a background paper on the family welfare program and social services, prepared by Mr. William G. Lunsford, Washington Office Director of the Child Welfare League of America. I hope that this paper will serve to clarify many of the questions raised by this complex but vitally important issue:

Background Information on the Family Welfare Program and Social Services

(By William G. Lunsford)

Public assistance programs, more commonly known as welfare, for which the Federal government makes a financial contribution, are provided for by the Social Security Act. Titles I, IV, VI, X, XIV, XVI and XIX of the Social Security Act contain the public assistance provisions for the various categories. The following shows the category covered by each title:

Title I—Old Age Assistance (OAA) and Medical Assistance for the Aged (Medicare).

Title IV—Aid to Families with Dependent Children (AFDC).

Title VI—Services to the Aged, Blind and Disabled.

Title X—Aid to the Blind (AB).

Title XIV—Aid to the Permanent and Totally Disabled (APTD).

Title XVI—Supplementary Security Income for the Aged, Blind and Disabled (SSI).

Title XIX—Medical Assistance (Medicaid).

All of the above programs are a combination of Federal and State, or Federal, State and local funding with the exception of the SSI program. As of January 1, 1974, the SSI program (Title XVI) will replace the AB, APTD, and OAA programs, with the exception of Medicare under Title I. The SSI program will be 100% federally funded. Title VI will replace service programs for the aged, blind, and disabled, and will be on a 75–25 matching basis.

This background paper will concentrate on the AFDC program (Title IV). For additional information on the other programs contact any of the following sources of information:

All welfare programs: American Public Welfare Association, 1660 L Street, N.W., Washington, D.C. 20036.

National Governors Conference, 150 Seventeenth Street, N.W., Washington, D.C. 20036.

National Association of Social Workers, 600 Southern Building, 15th and H Streets N.W., Washington, D.C. 20005.

Programs for the aged: National Council on the Aging, 1828 L Street, N.W., Washington, D.C. 20036.

Programs for the handicapped: National Association for Retarded Children, R.D. #1, Box 303A, Hampton, New Jersey 08827.

Title IV of the Social Security Act is subdivided into three parts:

Part A—Aid to Families with Dependent Children (AFDC).

Part B—Child Welfare Services (CWS).

Part C—Work Incentive Program (WIN).

The cash assistance and social services provisions for families are contained in Part A.

The AFDC program is a combination of Federal-State, and Federal-State and local funding. Overall administrative responsibility for the program rests with the Social Rehabilitation Service (SRS) within the Department of Health, Education and Welfare. The actual administration at the State and local level rests with the State welfare department. In many instances the local program is administered by the County Welfare Board.

In order to receive a Federal financial contribution for public assistance programs the State must file and have approved by HEW a plan for the administration of the program. The State plan must provide for 1) statewide application of the plan; 2) designation of a single agency for administration; 3) fair hearings for those persons denied assistance; 4) uniform procedures for determining eligibility; 5) the delivery of family services to maintain and strengthen family life, attain and retain capability for self-support and care, and to foster child development; 6) family planning, foster care, and protective services for neglected and abused children; 7) collection of child support, and determination of paternity; and 8) mandatory registration of all eligible adults for jobs or job training.

AFDC cash assistance is made to a family with one or more needy children under age eighteen (age twenty-one if attending school) who has been deprived of paternal support or care by reason of the death, continued absence from the home, or physical or mental incapacity of a parent. The typical AFDC family consists of a mother and three children. The definition of the child on whose behalf AFDC payments are made means a family does not qualify if both parents are in the home. In twenty-four States a separate program AFDC–U (Aid to Families with Dependent Children with Unemployed Fathers) does provide cash assistance, if the father is in the home and unemployed.

In determining eligibility the State disregards the earned income of any students, and the first $30 of earned income and ⅓ of the remaining income for all adult applicants. Although the amount of income to be disregarded in determining eligibility is standardized for all States, each State determines its own standard of need. The standard of need is the amount of income beneath which families are considered to be eligible for public assistance. The standard of need ranges from $2208 per year (184/month) for a family of four in North Carolina to $4800 per year ($400/month) for a family of four in Alaska (the typical AFDC family consists of four persons, a mother and three children). States are not required to pay 100% of their standard of need. July 1972 statistics from HEW indicated thirty-two States paid 100% while other States ranged down to a low percentage of 22% of need paid in Mississippi. The Social Security Act requires the States to revise their standard of need annually to account for changes in the cost of living.

Once eligibility for public assistance is determined the net income (after deducting the disregards) is subtracted from the payment standard to determine the actual payment to be received. In thirty-one States the payment standard is the same as the standard of need. In nineteen States the payment standard is the same as the maximum payment which a family may receive. In Wyoming the standard of need, the payment standard, and the maximum payment level are all different (see attached chart).

In addition to the cash assistance offered to AFDC recipients, the Social Security Act also mandates the States to provide social services to current, past, and potential AFDC recipients to attain and retain capability for self-support and care, and in order to maintain and strengthen family life and to foster child development. In addition to the mandatory services to be provided to AFDC recipients (family planning, foster care, protective services for neglected and abused children, and day care in order to allow an adult recipient to work or take job training), the Secretary of HEW through regulations is allowed to specify other mandatory services to be offered recipients, and optional services which may be offered to past and potential recipients. The Secretary is authorized to set time limited definitions for past and potential recipients.

In addition to the four mandated services provided for in the Social Security Act itself, the current regulations for Title IV–A social services also requires the States to provide a number of additional services. The State at its option, may provide any of the mandatory services to past and potential AFDC recipients, as well as other services listed as optional, which may be offered to current, past, and potential recipients. The regulations currently in effect for Title IV–A defines a past recipient as a person who has received AFDC cash assistance within the preceding two years, and a potential recipient as a person likely to become a recipient of AFDC cash assistance within the next five years.

The Social Security Act stipulates that the Federal government will pay 75% of the cost of services offered under Title IV–A. Until October 18, 1972 when a ceiling of $2.5 billion was placed on social services spending, the Federal government provided three dollars for every one dollar which the State spent on social services, without limitation on the number of dollars the Federal government would match. The amendment to the General Revenue Sharing Act which included the $2.5 billion ceiling, also stipulated 90% of the funds spent on social services had to be spent on services to current AFDC recipients, with the exemption of funds spent for family planning, foster care, and child care (the 90–10 provision). This provision meant that past and potential recipients would no longer be eligible to receive many of the services they had received prior to the limitation.

Pursuant to the passage of the ceiling and the 90–10 limitation, HEW issued new regulations for Title IV–A programs on February 16, 1973. The proposed regulations which were to take effect on May 1st were so restrictive they would have made it impossible for the States to spend any more than $1.8 billion of the $2.5 billion which was allocated to them. Reacting to the opposition of thousands of citizens, State and local government officials, and members of Congress, HEW withdrew its regulations, and sought to revise them.

A new set of regulations were issued on

May 1, 1973, slated to become effective July 1, 1973. The May 1st regulations did not prove to be any less restrictive than the February 16th regulations. The States still would have been permitted to only spend an estimated $1.8 billion of the $2.5 billion allocated for social service programs. The effect of the February 16th and May 1st regulations was to increase tremendously the possibility that large numbers of persons who were not AFDC recipients would be forced onto the welfare rolls due to the withdrawal of services which prevented their dependency.

The Senate Finance Committee held hearings on the effect of the regulations early in May and the legislative machinery to block the effective date of the May 1st regulations was put into motion. The Finance Committee approved an amendment to the Debt Ceiling Limitation to delay the effective date of the regulations for six months until January 1, 1974. The House-Senate Conference Committee on the Debt Ceiling Bill approved a four month delay in the effective date of regulations until November 1, 1973. A vote in the House declared the delaying amendment not germane to the Debt Ceiling Bill, so the delaying amendment was attached to the Renegotiation Act and passed by the Congress on June 30th. The amendment delayed the effective date of the social services regulations until November 1st, and stipulated HEW could issue and implement new regulations prior to that date if a majority of the members of the House Ways and Means Committee and the Senate Finance Committee approved the revised regulations.

On September 10, 1973 HEW published new regulations which sought to meet the objections raised by the members of Congress. The September 10th revisions are still extremely rigid in their eligibility requirements (in some respects more so than the February 16th and May 1st regulations). The HEW estimate is that States still would only be able to spend $1.8 billion of the $2.5 billion allocated. The regulations are slated to become effective on November 1st.

HEW's social services regulations, as revised on September 10th contain the following provisions:

1. To be eligible for services, other than day care, family income must be less than 150% of the State payment standard for AFDC, after $60 income is disregarded. To be eligible for day care services family income must be less than 250% of the State payment standard for AFDC, and within the income limits provided for in a State fee schedule.

2. Past recipients are defined as those persons who have received cash assistance in the past three months, and potential recipients are those persons who have a problem, if not ameliorated by the provision of services will lead to dependency upon AFDC cash assistance within six months.

3. Services may be provided in order to achieve the following goals: self-support and self-sufficiency, and in the case of services provided to AFDC recipients to "strengthen family life" where a child may be neglected or abused.

4. The mandatory services for AFDC recipients are those required by the Social Security Act: foster care, family planning; protective services for neglected and abused children, and day care to allow a parent to work or receive job training.

5. The list of optional services has been greatly narrowed.

The effect of the social services regulations on services to children is as follows:

1. The income eligibility level for services, other than day care is so low only those persons who actually qualify for AFDC cash assistance will qualify for services.

2. There are no guidelines for the fee schedule which States could set for day care services. The fee schedules may be set so high as to make the receipt of day care services impossible for low income families.

3. The standards to be applied to day care are vague. Reference to the 1968 Federal Interagency Day Care Requirements has been eliminated. The requirement in the current regulation in effect which requires that State standards for in-home day care and group home day care should be in reasonable compliance with the standards of national day care standard setting organizations has been eliminated.

4. Potential recipients may not be able to receive foster care and protective services for neglected and abused children due to the fact the need for foster care and protective services are not problems which would lead to dependency within six months.

5. The regulations currently in effect make it possible for adoption services to be provided under the foster care provisions. HEW's regulations have no such provision.

Since it is clear after two sets of revisions that HEW is not going to issue a set of regulations to correct the problems created by their regulations, new legislation will provide the only remedy. Additionally the 90–10 provision needs to be revised to add protective services for neglected and abused children to the list of services exempt from the requirement, since child neglect and abuse is a problem not limited to children in the AFDC category.

A broad coalition of national organizations is seeking the passage of legislation which would provide the States with the needed flexibility in determining eligibility for services, and the services to be offered, in order that the full $2.5 billion may be spent for social services programs. The prime sponsor of the legislation is Senator Walter F. Mondale along with 34 other Senators. The legislation was introduced today, October 3, 1973, and will be given active consideration during the Senate Finance Committee's work on the House passed bill H.R. 3315, "The Technical and Conforming Amendments to H.R. 1."

For more detailed information on the social services regulations and their impact see the following source material:

Social Services Regulations, Hearings before the Senate Finance Committee, May 8, 15, 16, 17, 1973, Part 1 of 2 Parts, Senate Finance Committee.

Testimony of the Child Welfare League of America before the Senate Finance Committee and CWLA Comments on September Revision of HEW's Social Services Regulations, both available from the Child Welfare League of America, Washington Office, 1145–19th Street, N.W., Washington, D.C. 20036.

Memoranda relating to HEW's social services regulations, Washington Research Project, 1763 R Street, N.W., Washington, D.C. 20009.

National Journal Reports, August 4, 1973, Vol. 5, No. 31, pages 1132–1137.

October 3, 1973.

TABLE 2.—FULL STANDARD, PAYMENT STANDARD, PAYMENT LEVEL—AFDC FAMILY OF 4; ELIGIBILITY LEVEL FOR DAY CARE SERVICES

Totals	Full standard* (monthly)	Payment standard (monthly)	Maximum payment (monthly)	150 percent of payment standard** (annually)	233⅓ percent of payment standard (annually)
1. Alabama	230	97	97	1,746	2,716
2. Alaska	400	400	375	7,200	11,200
3. Arizona	282	282	184	5,070	7,896
4. Arkansas	229	229	111	4,122	6,412
5. California	314	314	280	5,682	8,792
6. Colorado	242	242	242	4,356	6,776
7. Connecticut	338	338	338	6,084	9,464
8. Delaware	287	287	152	5,167	8,039
9. District of Columbia	318	239	239	4,382	6,692
10. Florida	223	223	144	4,014	6,244
11. Georgia	227	227	149	4,086	6,356
12. Hawaii	334	334	334	6,012	9,352
13. Idaho	314	282	282	5,076	7,896
14. Illinois	272	272	272	4,896	7,616
15. Indiana	363	363	205	6,534	10,164
16. Iowa	300	300	243	5,400	8,400
17. Kansas	343	322	322	5,796	9,016
18. Kentucky	234	234	171	4,212	6,552
19. Louisiana	193	108	108	1,944	3,024
20. Maine	349	349	168	6,282	9,772
21. Maryland	311	200	200	3,600	5,600
22. Massachusetts	349	349	349	6,262	9,772
23. Michigan	361	361	361	6,498	10,108
24. Minnesota	339	339	339	6,102	9,492
25. Mississippi	277	277	60	4,986	7,756
26. Missouri	303	303	130	5,454	8,484
27. Montana	225	206	206	3,708	5,768
28. Nebraska	307	307	226	5,526	8,596
29. Nevada	320	176	176	3,168	4,928
30. New Hampshire	294	294	294	5,292	8,232
31. New Jersey	324	324	324	5,832	9,072
32. New Mexico	203	203	179	3,654	5,684
33. New York	336	336	313	6,048	9,408
34. North Carolina	184	159	159	2,859	4,447
35. North Dakota	300	300	300	5,400	8,400
36. Ohio	258	200	200	3,600	5,600
37. Oklahoma	222	189	189	3,402	5,292
38. Oregon	333	267	267	4,806	7,476
39. Pennsylvania	313	313	313	5,634	8,764
40. Rhode Island	263	263	263	4,734	7,364
41. South Carolina	208	208	104	3,744	5,824
42. South Dakota	300	285	285	5,130	7,980
43. Tennessee	217	217	132	3,906	6,076
44. Texas	197	148	148	2,664	4,144
45. Utah	322	235	235	4,230	6,580
46. Vermont	335	335	335	6,030	9,380
47. Virginia	279	261	261	4,698	7,308
48. Washington	306	294	294	5,292	8,232
49. West Virginia	265	138	138	2,484	5,796
50. Wisconsin	312	302	302	5,436	8,456
51. Wyoming	283	260	227	4,680	7,279
52. American Samoa					
53. Guam					
54. Puerto Rico					
55. Trust Territory					
56. Virgin Islands					

*Standard of need.

**Add $720 for income eligibility under Sept. 10 regulations.

Source: Child Welfare League of America, Inc.

FDA'S EIGHT RATS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. CRANE. Mr. Speaker, it is becoming clear to more and more Americans concerned with the level of medical care and the introduction of new drugs that the Food and Drug Administration is hindering, and not helping, the health of the American people.

There is an increasing tendency for government agencies to say "No" to the introduction of a new drug if they have any doubts at all, whether or not such doubts are well founded on a scientific basis.

Dr. Wylie Gibbs, executive director of the Australian Pharmaceutical Manufacturers Association, said this in an address to new graduates of the Victorian College of Pharmacy:

> There is everywhere a trend for Government to assume the responsibilities for deciding which new drug is to be accepted for use and which one is to be rejected. Over every person who is required to participate in this decision making there hangs the shadow of another possible thalidomide disaster. The consequence of this is that there is an increasing tendency for government agencies to say "No."

Turning to the situation in the United States, Dr. Gibbs stated that,

> I was recently informed that in America research into a new and promising substance, which had survived all the many hurdles which attend therapeutic trials, was stopped even though it showed great promise. The reason for this was that the FDA required extensive intravenous studies to be carried out on newborn rats. . . . Such a request, of course, exceeded the technical capacity of the company—at least to carry out the request at a cost which would not bankrupt it. The company is one of the most highly sophisticated and developed in the world.

Now we learn that cyclamates may have been withdrawn from the market for no valid reason.

The Wall Street Journal noted that,

> Those eight rats who developed bladder cancer after feeding on high dosages of cyclamate artificial sweetener would have been pleased to read . . . the other day that cyclamates may have had nothing to do with their demise.

A German scientist, Dr. Dieter Schmahl, fed even higher doses of cyclamates to 832 rats over a much longer period of time. He found bladder cancer in only one of them, one that had received the lowest dosage, and concluded that the tumor was produced by an unrelated bladder condition.

The Journal cautions that readers should not:

> Expect to find cyclamates back on the supermarket shelves right away, however. The FDA has those eight rats on its hands.

The folly of bureaucratic control of new drugs is becoming greater as examples such as this arise.

I wish to share with my colleagues the editorial, "FDA's Eight Rats," which appeared in the Wall Street Journal of July 16, 1973, and insert it into the Record at this time.

FDA's Eight Rats

Those eight rats who developed bladder cancer after feeding on high dosages of cyclamate artificial sweeteners would have been pleased to read on our front page the other day that cyclamates may have had nothing to do with their demise. The $300 million diet soft-drink industry should also be gratified that it probably was not contributing to the debilitation of the soft-drinking population before 1969, the year the rats died and the Food and Drug Administration banned the sweetener.

The eight who died were among 80 given stiff shots of cyclamates by a private U.S. research organization. Now it seems a German scientist, Dr. Dieter Schmahl of the Cancer Research Center at Heidelberg University, fed even higher doses of cyclamates to 832 rats over a much longer period of time. He found bladder cancer in only one of them, one that had received the lowest dosage, and concluded that the tumor was produced by an unrelated bladder condition. Researchers in Cambridge, Mass., and at the University of Nebraska have been pumping enormous amounts of the stuff into rats, golden hamsters and such, and find nothing unusual.

Don't expect to find cyclamates back on the supermarket shelves right away, however. The FDA has those eight rats on its hands. If they didn't develop bladder cancers after consuming the human equivalent of 200 bottles of diet cola a day for several weeks—the German rats drank the equivalent of 400 bottles a day for two years—what did cause the tumors? Was it because the U.S. researcher kept his portable radio tuned to acid rock during the experiment while Dr. Schmahl listened to Strauss? Were the American rats treated permissively while Dr. Schmahl kept his rodents regimented? Does this mean that cyclamate soft drinks are dangerous when consumed at small parties of 20, but are okay at affairs of more than 800 people? It will take time to sort things out.

COPERNICUS ANNIVERSARY BRINGS NEW COOPERATION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. PICKLE. Mr. Speaker, five centuries ago a new citizen of Poland who was to change the thoughts of the world was born. The theories of Nicholas Copernicus have since been altered and improved—but they still stand as a brave breakthrough in man's search to understand himself and his world.

In commemoration of the insights and leadership of this great scientist, the State of Texas is sponsoring a fellowship for the advanced study of astronomy by a distinguished Polish astronomer. The astronomer will come to the University of Texas MacDonald Observatory where he will be joined by our own top astronomers.

Texas has been a leader in astronomical studies for many years. This new international venture symbolic of the efforts they have fostered to advance the knowledge of all mankind in this vital scientific field.

The new effort comes with full support of the State and its Governor. I am pleased to include in the Record a statement by Texas Governor Dolph Briscoe on this matter:

State of Texas,
Office of the Governor,
Austin, Tex., August 24, 1973.

The year 1973 is the Five Hundredth Anniversary of the birth of Nicholas Copernicus, the immortal Polish astronomer who revealed to the human race the true picture of the solar system, and this important anniversary is being celebrated by state, national and international meetings and activities. In February of this year, I issued an Official Memorandum designating February 19, 1973, as Mikolaj Kopernik Day in Texas, in recognition of the birth of this great scholar and astronomer.

Texas is one of the leading centers in the world for modern research in astronomy and the Sixty-third Legislature of the State of Texas has appropriated funds to The University of Texas at Austin to support a fellowship for the advanced study of astronomy by a distinguished Polish astronomer in Texas.

Dr. Harlan J. Smith, Director of the University of Texas McDonald Observatory, will attend the meeting of the International Astronomical Union in Poland and will make the availability of this fellowship known to appropriate Polish officials.

As Governor of the State of Texas, I do hereby support the efforts of Dr. Smith to implement the fellowship.

Sincerely

Dolph Briscoe.

REPRESENTATIVE PEPPER EULOGIZES FLORIDA STATESMAN: GOV. FULLER WARREN

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. FUQUA. Mr. Speaker, Fuller Warren has returned to his home for the last time. The former Governor of Florida who captured the imagination of the people of our State with his brilliant oratory, keen wit, and boundless enthusiasm passed away last week in Miami.

As was his wish, he came back to Calhoun County in north Florida, the county where I too was raised, for that final peace which must come to all—the great and the small.

In the case of Governor Warren, it was the former.

Men from time on will speak of his accomplishments and history will record him as one of our greatest Governors.

It was fitting that another man whose place in Florida's history is already assured should deliver his eulogy—our colleague, the Honorable Claude Pepper. I guess it could truly be said that the greatest orators our State has ever produced would have to be Governor Warren and Congressman Pepper.

As one of the final tributes to Governor Warren, might I ask that his eulogy by Congressman Pepper be reprinted in these pages. It is brilliant and moving—a worthy tribute by one great statesman about another.

The Reverend Samuel Lee of the Blountstown, Fla. Baptist Church presented Congressman Pepper, who presented the following brilliant eulogy:

Representative Pepper Eulogizes Florida's Statesman: Gov. Fuller Warren

As his loving friend for a third of a century and speaking for my wife and family who shared my affection for him and particularly for the members of the Florida Delegation in the Congress who were prevented from coming here today on account of pressing business in Washington, I proudly but sadly join family and friends on this solemn occasion in paying tribute to this rare man, this great and good man, Fuller Warren.

Robert G. Ingersoll, speaking at the funeral of his brother, said: "This brave and tender man in times of strife and storm was oak and rock, but in sunshine he was vine and flower." It is the oak and rock, the vine and flower that was Fuller Warren which we, so much from our hearts, honor today. Shakespeare said: "Tis a common truth that lowliness is young ambition's ladder, upon which the weary climber upward wends his way, but when he once the utmost rung attains, he unto the ladder turns his back, looking out into the clouds scorns the base degrees by which he did ascend." Not Fuller Warren. Like Winston Churchill, who might have been buried in the splendor of Westminster Abbey, with England's famous dead, but preferred to return to a simple cemetery near where he was born to lie in final rest with his family, Fuller Warren who could have been buried in a marble mausoleum in Miami or Jacksonville gave instructions before he passed away, that when his time should come, when he should return from the long voyage of life, he wanted to rest here in this cemetery with his beloved family in this sacred soil that he loved so much and amongst the people of this area who were always so close to his heart.

Fuller Warren was one of those rare men who had so many aspects of genius and nobility. We know what his record was, it is a matter of public knowledge. Born in this area of sturdy and loving parents, working as a boy at a sawmill, picking cotton for 75 cents a week, delivering papers, working as a clerk, employing himself busily as he always did wherever he could, at 13 years of age, Fuller Warren manifested that dream that moved in his heart to reach higher goals in life and sought to become a Page in the Florida Legislature. Many of you here have heard Fuller tell the story of how Judge Amos Lewis, then a member of the Legislature, impressed by this lad, said: "Listen son, go back to school, prepare yourself, maybe some day you will be the Governor of this State." That was thereafter the burning ambition, the unquenchable flame in the heart of Fuller Warren.

And then he went to college at the University of Florida. He was elected President of the Sophomore Class. He waited on tables; he wrote for the college paper, again he did whatever chore would help him to earn his way through college. And then while he was a Junior at the University of Florida, he came back here to his beloved people in Calhoun county (and I have good reason to know the quality and of the loyalty and friendship there is in this great county of Calhoun and the city of Blountstown) and he was elected to the Legislature in 1927 and he served with honor, attracting the attention of all who observed the coming young men of Florida in that Legislature. And then he went to Cumberland University and graduated in law. He settled for the practice of law in Jacksonville. In 1939 he came again to the House of Representatives in the Florida Legislature, that time from Duval county and he was mounting up the rungs of the ladder toward the Governship of his beloved State. Then he went into the service he was a gunnery officer on a naval vessel and 20 times crossed the Atlantic during the war.

When he returned from honorable and patriotic service, he was three times City Commissioner of the city of Jacksonville. In 1940, we all remember that he ran for Governor for the first time in a campaign where there were many outstanding and able candidates; two of the leading of which were Francis Whitehair and Spessard Holland. He was the third man in that race, but ran a close third, and people knew that Fuller Warren was on the way up, was destined to reach that goal which he had cherished so long.

Finally, his happy success and victory came in 1948. I am proud that I was privileged to lend whatever aid I could to Fuller Warren in that campaign, because I knew the heart of Fuller Warren. I knew it was a pure heart and an honest one. I knew there was a passion in Fuller Warren's heart to serve the people, not to aggrandize himself in public office, not to enjoy the spoils that it might afford to the scoundrel, but to leave a monument in the hearts of people that he had sought to serve them, to lighten the burdens that they should bear, to help them to walk on higher ground.

And that is the kind of Governor Fuller Warren was. And in those four years it is now admitted by many of those who were his unfriendly critics in those years, that Fuller Warren was one of the great Governors that this State had ever had. I have here a recent article in the Miami Herald, not always a friendly commentator upon Fuller Warren and the headline is, "Fuller Warren master of rhetoric, who led Florida to progress." And here is a summary of Fuller Warren's administration also from the Miami Herald and this is what they say:

"Some of Governor Warren's accomplishments during his tenure included a new citrus code that revitalized the citrus industry, getting the State's modern highway system underway, forming a Board of Parks and Historic Memorials, a state-level industrial development and a tourist promotion program. He had tourist welcome stations built at every main highway entrance to Florida, initiated the Florida Flood Control Program, had two additional major tuberculosis sanitariums built and left the state, after paying off a debt of $50 million with $50 million in the treasury." Such is that brief summary of some of the accomplishments of the administration of Fuller Warren.

I shall always remember, as you will, the glow and exaltation of victory that he experienced when the final and favorable returns came in, the thrill of seeing a man realize the ambition of a life time. I remember as I am sure most of you here do, the day he was sworn in on the grounds of the Capitol, his handsome figure, that moving, booming voice of his, reaching out over the great crowd, the thousands gathered there to express their pride in his success, and to attest to him their loyalty and support.

And all of us knew him, too, in the travail and the crisis and the struggle of those eventful years. But Fuller Warren was guiding a State in transition from an old era to a new era, and only the eloquence of Fuller Warren, only his fortitude and courage, could have made possible some of the great accomplishments which will ever be the memorials and the monuments of his distinguished administration. Finally came the end of that time, but not before the name Fuller Warren was known all over America. The great movie producer Cecil B. DeMille said Fuller Warren was the greatest salesman of Florida there was. The well-known columnist of Hollywood, Louella Parsons, said Fuller Warren had the most charming personality of any man she ever met. All over America people knew Fuller Warren. Since his death was announced, member after member of the House of Representatives from states all over America have walked up to me and said, I see your great Governor down there, Fuller Warren, has passed away, I am sorry, I liked him. And so did people all over the country. I remember going with him right after his election in 1948 down to Key West to see President Truman who was there, and I noted the warmth with which President Truman greeted him and the esteem that he had for him in the later years. Then came the time of retirement.

Fuller Warren left the office of Governor of Florida with less means, in my opinion, than any man who ever served in that exalted office. I disparage no other, for they have all been most honorable men. But Fuller Warren was pure of heart and clear of conscience and high of motive. During those intervening years from the time he left the exalted office of Governor until finally he was found fallen in his apartment in Miami, Fuller Warren had to struggle to make a living. Fuller Warren saw hard times after being Governor as he had so many times seen hard times in trying to get to be Governor. And let it be a part of the record of Fuller Warren that no man lives who can point justly the accusing finger at Fuller Warren and say that he profited by the spoils of office or that he was motivated by anything other than a deep desire and a burning passion to try to help and to serve all of the people; particularly, the lowly people of this great State of Florida.

Fuller was a politician and he was proud of it. And how he was adapted to that role of the artist—the man who appeals to the public for its support—that dashing, handsome figure that he presented, that mellow, golden voice of his; that exceptional memory for names and faces; that remarkable mastery of words which he possessed; the ability to describe most uniquely all the things that others had so much difficulty defining. May I just bring back one vivid memory of those words of Fuller Warren's and his genius for uttering them. This occurred in the Miami News, but when it pleased Governor Warren he could write and I quote: "In Morris McLemore of the Miami News we witness the marvelous confugation of a magical pen with the velvet splendor of a mellow talent. In his column a magnificent genius gives off a veritable exalation of equatic epigram." How like Fuller; how eloquent, how beautiful, when he spoke all who heard him stood thrilled and charmed in his presence. Fuller was, therefore, best known, perhaps, as a great orator, a man who for hours could entertain and delight an audience. A man who loved to communicate with people because those words not only came out of his lips and from his tongue, they came out of his heart. And he loved the romance of public life and communication with people. But Fuller was also an author. He wrote three books on politics and public speaking—well received and well recognized for the volumes they were.

But Fuller Warren will best be remembered by those who knew him, not for what he did in the Legislature, not for the accomplishments of his administration as Governor, not for what he did as a national Democratic political leader, but for the man that Fuller Warren was; but for the warmth of his heart, the compassion that he felt for other people; particularly, the unfortunate, those who needed help the most. Another quotation from Robert Ingersoll I think aptly applied to Fuller Warren and his attitude toward people. Ingersoll said of his brother: "He added to the sum of human joy. If everyone to whom he did some loving service could bring a blossom to his grave, he would sleep tonight beneath a wilderness of flowers." How apt that is of Fuller Warren. If all over Florida and many parts of America all those to whom Fuller Warren rendered some loving service could come here to bring their one blossom, there would veritably be a wilderness of flowers that would cover this beloved soil in which he will sleep.

So that was Fuller Warren. Fuller Warren, the man; Fuller Warren, the individual; Fuller Warren, who loved people; Fuller Warren who sought to help people wherever he could. And so we say Farewell to Fuller. He knew before he passed away, he knew when he asked his brother Julian that his service might be here in this beautiful spot, that there would be here today the friends of his boyhood. And I've talked to three of them here today; Mrs. John Fugua, Mr. Justice Roberts, and the Sheriff, who have told me about the times when they knew Fuller as a fellow student as a boy, and the Sheriff said everybody agreed in those days that there was but one Fuller Warren. He was what we lawyers call, sui generis (in a class by himself). He was what they call in the prizefighter arena, a man of class, quality; he had that rare mystic facility somehow to stir the hearts of other people. It is that Fuller Warren that we remember and who will always be cherished.

In the records and the annals of the State of Florida his accomplishments will always be recorded and preserved, but a far greater monument will rest in the indefinable memories of those who knew him with warm remembrance in their hearts as Fuller Warren, friend; Fuller Warren, man; Fuller Warren, human being. We know that for generations yet to come in this and other States, not only will they be writing and talking about Fuller Warren, but fathers will be telling their sons and mothers, their daughters, of Fuller Warren. They will say: " 'Son', daughter's I wish you could have known him. I wish you could have heard him, I wish you could have seen him, there was never another like Fuller Warren."

Gathered here are hundreds of loving friends of Fuller. How proud he would be if he could look upon this scene and see so many of you who have come from remote parts of Florida to join in this solemn tribute today; men who worked with him as Governor; men who shared his troubles and tribulations, his joys and his glories. You all have come here to let him know in that mysterious way that he may understand that you have not forgotten. He knew it would be this sort of a scene. His two brothers are here, his lovely sister, and other members of his family. All of us have come because we loved Fuller. We ask God to rest his soul and to bless his memory.

After the battle of Philippi, Anthony who was the conqueror, came upon the tent of his former foe, Brutus, and there Brutus lay dead. Anthony paused over the body of his foe, and as he looked down upon him, no animosity then, no triumphant utterance but encomium. As Anthony looked into that face, he said, "His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, this was a man." And we can say of Fuller Warren, "His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, this was a man"—a good man, a great man.

GILMAN OPPOSES CLOSING OF SCHOENAU CASTLE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. GILMAN. Mr. Speaker, the Austrian Government's improvident decision closing Schoenau Castle, which has been a transit camp for Soviet Jews in their flight from oppression in the Soviet Union, is distressing to those of us who are concerned about freedom of all peoples.

Our President's praiseworthy statements seeking Austria's reconsideration of the closing of Schoenau and urging other governments to stand up in opposition to international blackmail by terrorist groups, have apparently fallen on deaf ears. Chancellor Kreisky's refusal to reverse his decision is a regrettable display of weakness.

The world must face up to the fact that surrender to this type of blackmail can only lead to increased terrorist threats and violence.

Humanitarian governments have a moral obligation to help those fleeing from oppression. Austria, in giving in to the terrorists has turned its back on freedom—on those Soviet Jews seeking a life free from religious persecution.

I am today joining Congressman Hamilton Fish and several of my colleagues in introducing a resolution calling upon our Nation to utilize every possible means to bring about a recision of the order closing down Schoenau Castle.

This is not the time for complacency. It is a time for humanitarian governments throughout the world to live up to the principles of freedom and justice and to steadfastly refuse to capitulate to the demands by any terrorist.

THE PUBLIC IS NOT IMPRESSED

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Ms. ABZUG. Mr. Speaker, the administration would like us to believe that the Watergate revelations are fading from people's minds. On the contrary, two polls released today demonstrate that the President is not regaining the Nation's confidence, and the sentiment for impeachment is growing.

It would be sad if it were otherwise; if the Nation were to accept apathetically an administration that has shown such flagrant disregard for elementary ethical principles.

An editorial in today's New York Times points out the danger of moral "slippage." By contrast it is heartening to read the polls and discover that the American people are not being deceived.

I would like to insert the polls and the editorial into the Record:

[From the Washington Post, Oct. 4, 1973]

The Gallup Poll—Nixon Failing To Recover Popularity

(By George Gallup)

Princeton, N.J.—President Nixon is having difficulty in regaining the confidence of the American people. Only 32 per cent in the latest survey express approval of his performance as chief executive, one percentage point above his low point recorded in early August.

Concern over the economy is having an adverse effect on the President's popularity, as it has had on the popularity of previous Presidents.

At the present time, inflation far overshadows all other worries of the American people, with 9 persons in every 10 naming it as one of the top problems facing the nation. The percentage naming inflation is the highest recorded in the history of the Gallup Poll, dating back to 1935.

In addition, Mr. Nixon is making little headway in terms of public confidence regarding Watergate. Despite his recent press conferences—in which he dealt with Watergate—as many American as before (3 in 4 in the latest survey) think he was involved in Watergate at least to some extent.

This is the question which has been asked about the incumbent President since the Roosevelt years to measure presidential popularity:

Do you approve or disapprove of the way Nixon is handling his job as President?

The table below shows the latest national findings:

	(In percent)
Approve	32
Disapprove	59
No opinion	9

The latest findings reported today are based on a national survey of 1,505 adults, 18 and older. Interviewing was conducted in person in more than 300 scientifically selected localities during the period Sept. 21–24.

[From the Washington Post, Oct. 4, 1973]

The Harris Survey—Impeachment Gains Support On Tape Issue

(By Louis Harris)

By 51 to 34 per cent, a majority of the American people feels that "Congress would be justified to begin impeachment proceedings against President Nixon" if he refused a court order directing him to turn over Watergate tape recordings to a panel of judges.

The conclusion of a special, in-depth Harris Survey, conducted between Sept. 23 and 25 among 1,475 households nationwide, is that with the passage of time President Nixon is in deeper trouble over Watergate, rather than the issue receding in importance. The public, previously reluctanct to contemplate impeachment of the President, now is actively considering this a real prospect.

Here are other highlights from the survey:

By 47 to 39 per cent, a plurality of the public now believes that "if the U.S. Senate Watergate committee decides that President Nixon was involved in the Watergate cover-up," then "Congress should impeach him." A month earlier the public rejected impeachment even in the face of such charges by the Watergate committee, by 50 to 39 per cent. The latest results therefore indicate a sharp turnaround by the public on the impeachment issue.

The American people simply do not buy Mr. Nixon's argument that executive privilege and separation of powers between the executive and other branches of the federal government justify his withholding the tapes. By a substantial 56 to 29 per cent, a majority thinks the President was "wrong to appeal the decision of Judge Sirica that he allow the Judge to hear the tapes on Watergate." Although the normal judicial processes give Mr. Nixon every right to appeal a District Court decision, nonetheless the net effect in the case of the President and the tapes has been to sow in deeper the impression that he is using legal maneuvers to conceal the contents of the tapes.

A further indication of the worsening of Mr. Nixon's position is evident in the results of yet another question in the latest survey, in which, by 50 to 39 per cent, the public expresses the view that "if it is proven that President Nixon knew about the cover-up of White House involvement in Watergate, he should resign." In August, an identical question yielded a 49-to-44 per cent plurality which thought he should not resign, even if such proof were forthcoming.

By 60 to 24 per cent, a majority of the American people has reached the conclusion that the President "did know about the attempt to cover up White House involvement in Watergate while it was going on." However, when asked "in view of what has happened in the Watergate affair, should President Nixon resign or not?" by 56 to 31 per cent a majority still believes he should not resign.

The public wants to be fair and is reluctant to think of resignation or impeachment until the link has been made between an official charge or finding by the Senate Watergate committee, or a court, that Mr. Nixon was involved in the cover-up, or until the President actually refuses a court order to turn over the tapes in camera to a panel of judges. However, the number who believe Mr. Nixon should resign has gone up steadily from 14 to 31 per cent since last May.

[From the New York Times, Oct. 4, 1973]

QUESTION OF SLIPPAGE

"It's a question of slippage," said Jeb Stuart Magruder in a discussion of Watergate in Harper's Magazine. "I sort of slipped into it."

Mr. Magruder has diagnosed not just his but the nation's ethical decline. Slippage has created a public climate and a governmental condition that made possible Watergate, the plumbers, the wiretapping, the break-ins, the shredding and forging of documents, the Cambodian bombing, the mass-arrest without warrants. . . .

Slippage is responsible for the improbable situation that finds the President's real estate and tax dealings subject to ethical, if not legal, questions; the Vice President facing investigations concerning alleged financial improprieties; a former Attorney General and a former Commerce Secretary under indictment; another Attorney General departed because of his personal relationships with persons suspected of wrongdoing; the President's personal lawyer implicated in the handling of hush-money; major corporations found guilty of large, illegal political campaign contributions; high-ranking Central Intelligence Agency officials subsidizing illegal domestic espionage; senior Presidential aides dismissed after public charges of extensive abuse of their powers. . . .

In Mr. Magruder's terms, the nation has been "slipping into it" for a long time. Through all the decades, for example, during which Presidents and Attorneys General looked the other way when J. Edgar Hoover allowed the F.B.I. to overstep the bounds of legality in the use of unauthorized wiretaps, Americans slipped imperceptibly into acceptance of such violations—always presumably for extraordinarily good reasons.

The American people thus were being conditioned to accept the "no-knock" legislation, which, of course, was only to be used against the bad guys to protect law and order. As soon as the laws were on the books, careless, incompetent or corrupt policemen staged no-knock narcotics raids into innocent homes. It then was only natural to slip into the harassment of the victims to frighten them into silence.

Vietnam was, of course, the most awesome example of slippage, gathering irreversible momentum until each deception needed to be kept hidden by greater deception until the secret bombing of neutral Cambodia.

Dwight Eisenhower showed a shrewd understanding of the danger of slippage when he forced Sherman Adams to resign. The indiscretion the Presidential adviser had committed seems absurdly inconsequential when measured against the current scene, but President Eisenhower apparently sensed the ultimate danger of slippage once unethical behavior were to be implicitly condoned in high places. Regrettably, Mr. Eisenhower was either less perceptive or less resistant to political pressures when he chose to come to terms in the matter of the Nixon campaign fund. The stretching of political ethics at that historic point allowed Mr. Nixon to turn a shoddy episode into a sentimental triumph of the Checkers speech.

The theory of slippage has been used by the Nixon Administration's apologists as an excuse for the White House horrors. The refrain of their song of moral whitewash is "they've all been doing it," implying that thus there is no cause for alarm or harsh corrective measures.

This is clearly an immoral and, from the point of view of the nation's future, a fatal conclusion. A more appropriate assessment is that the Nixon Administration, cynically exploiting the gradual slippage into moral and ethical confusion, has taken the country on an unprecedented downhill slide.

As long as slippage remained a matter of slow decline in standards, there was hope that relatively routine reforms could reverse the trend. Now, the rescue from the pit requires a different effort. Just a little polishing of campaign practices is no longer enough. Neither is a gentle Congressional pull on the leash of Presidential warmaking powers.

The integrity of the United States Government cannot be reestablished without the application of tough standards to the personal and fiscal integrity of its top officials. Most important, the civil liberties of all Americans will not be secure until the doctrine of the President's inherent power to suspend them, in person or through his surrogates, is publicly disowned and its apparatus dismantled.

UNICEF WOULD CHANNEL AID TO NORTH VIETNAM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. ASHBROOK. Mr. Speaker, UNICEF, a United Nations agency heavily dependent on American financial contributions, is on the verge of giving aid to both North Vietnam and Communist-controlled areas in South Vietnam. UNICEF's executive board has already authorized extending aid to North Vietnam and to the Communists in the South as part of a $300 million program for Indochina in 1973–74. Recent reports indicate that Hanoi is now negotiating with UNICEF officials in order to obtain this assistance.

Analysis of the 1972 UNICEF budget shows the great extent to which the agency is dependent on American private and governmental contributions. Last year the U.S. Government contributed $15 million to UNICEF. This constituted 30.4 percent of the total Government contributions received by that agency. The share contributed by the U.S.S.R.—including the Ukraine and Byelorussia—totaled less than 2 percent.

The U.S. share of contributions from nongovernmental sources is even greater. American citizens donated approximately $5.9 million, over 50 percent of all money received by UNICEF from nongovernmental sources. Nothing was received from the U.S.S.R.—including the Ukraine and Byelorussia.

The U.S. share of UNICEF greeting card sales and related operations also is a very high percentage. During the 1971–72 sales campaign, Americans bought over 41 percent of the cards purchased and were responsible for two-fifths of the total sales revenues. The share of cards purchased in the U.S.S.R—including the Ukraine and Byelorussia—was negligible.

Since well over one-third of the total revenue received by UNICEF comes from the United States, I am unalterably opposed to UNICEF's proposed contributions. Whether or not the aid has been specifically raised in the United States, the contributions are actually made possible by the fact that the United States is financing such a large share of UNICEF operations. These contributions can only strengthen Hanoi's position in North Vietnam and in the territory it now occupies in South Vietnam. Why should the United States be donating such large sums of money to an organization that is working against our own best interests? It is also extremely doubtful whether distribution of the aid can be adequately supervised so as to assure its proper and intended use in either North Vietnam or Communist-controlled areas in the South.

THE ROLE OF THE CHURCH IN BLACK AMERICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. RANGEL. Mr. Speaker, Rev. Lawrence E. Lucas, pastor of Harlem's Resurrection Church, has been an outstanding leader in my community for many years. His dedicated concern for the people of Harlem is well known. Further, Reverend Lucas has been a leader in the area of religion and is well versed on the role that the church plays in the lives of black Americans today.

I am inserting in the RECORD, an article which Reverend Lucas recently wrote for the Amsterdam News regarding the present state of religion. I found this article to be most perceptive and am sure that it will be of great interest to my colleagues.

The article follows:

THE CHURCH IS REGRESSING

(By Rev. Lawrence E. Lucas)

Basically, I believe that in spite of a new rhetoric in some places, the church and "religion" is regressing, though there are certainly exceptions. Worse, the backward plunge is being done so sophistically, it may look like forging ahead.

The following, in sketchy form, are some of the reasons for my conclusion.

1. The church or religion still functions as a haven away from the world rather than enlightenment and empowerment to confront the world. Much of it boils down to providing a day—Sunday and Saturday still predominate—to escape and to sing one's care away.

Preachment, "worship", song are tonics to help us cope with, and even be happy, in the white man's world. His world it must remain. Our reward is in the world to come.

2. Survival is the great goal. In Scripture, on the contrary, survival apart from the manner of survival is not a Christ goal. Survival in an oppressive society in which one has no power, no self-respect, no people he calls his own can be accomplished only by selling oneself to that society.

Such a one, such a group will hardly be engaged in destroying that kind of society to create something new. That true Christianity must be so engaged is why Christ promised his real followers only persecution and death in this life.

Future rewards are contingent upon our Engagement in the struggle, not sitting on our backsides waiting on the messiah to do it all while we sing "We shall overcome" on Sundays and B.S. and entertain from Monday to Saturday.

"LOVING THE ENEMY"

3. Most still believe the essence of Christianity is "loving the enemy" and "turning the other cheek". Unfortunately, "loving the

enemy" is interpreted as letting him continue to oppress and brutalize you and "turning the other cheek" is exclusive to the oppressed.

Some non-Christian religious groups, while denying this in their rhetoric, economically, socially, morally are still aping the white man's systems, thus proving again the tragic truth that the oppressed invariably inernalizes the image of the oppressor and adopts his guidelines. The oppressor becomes for the oppressed their model of manhood and the ways of the formers become the goals of the latter.

4. The church still encourages the belief that entering into middle America-white America that is—is a worthwhile goal for Black people. Few questions are asked concerning what is white America about.

Moreover, the "Christian" way of entering middle America is, adjusting to whites, bootlicking the white lords of the system and using only the tools whites give us—tools made for our suppression. Those organizations and individuals who make "tremendous gains for Blacks" in this way are the "Christian ideals".

5. Most still internalize Jesus a white liberal rather than a strong, Black, true revolutionary.

6. Most Black church folk still think it's possible to love others (meaning white folks) without first respecting and loving themselves individually and collectively. Further, they think love between Black and white is possible under present conditions.

7. Because of these beliefs long-taught them by white "Christians" and their yet faithful Negro trainees (and in other ways by non-Christian hustlers), the church's (Black and white) dealing with Blacks is still mostly by way of "white generosity".

This means always protective of and subservient to the white system. This "charity" constrains the fearful and subdued to extend their trembling and grateful hands. An unjust social order is the permanent fount of this "generosity."

In order to have the continued opportunity to express their "generosity", the oppressor much perpetuate injustice as well. Brainwashed Black religion goes along with this program.

Black religion, the Black church if it is to be authentic and salvific must begin to deal with this plethora of garbage imposed on Black minds in the name of Christianity.

It must be willing to teach its adherents that, unless one is going to continue to call Blacks' servile service of whites "love", that love can't begin to exist between Black and white in the slave slave-master context that is America.

It must begin to teach forcefully that the Christian mission is not talking and singing about love but fighting and struggling and dying to create a society in which real love is possible.

The chuch must help people to recognize that freedom is a prerequisite for love and that, therefore, the fact of white domination and exploitation must be dealt with critically and powerfully.

It must start to build in the minds of Blacks a new image of what man is, a new idea of what society can be. That being a man is not becoming like the oppressor. That transforming society is not putting more Blacks in the white system.

Not only in word but in action, the church will have to face the problem of freedom and love in the milieu of American society. Rather than talking about "integration" in the present context, a real priority towards Blacks and non-whites as proportionately America's poor, oppressed, imprisoned, exploited must be lived.

The church cannot talk love and at the same time flee its responsibility of confronting the tremendous obstacle of love, white America and its systems and institutions.

THE PEOPLE'S CHURCH

Finally, two signs (not exclusive) will indicate when the "church" will really start becoming the Church. First, the church will understand that the oppressor cannot liberate himself or the oppressed.

Only the oppressed enlightened and motivated to liberate himself can liberate both himself and the oppressor, thus the church (the church as people, not just ministers and priests) will start becoming poor.

It will begin to empty its portfolios of stocks of some of America's largest, most ruthless and exploitative corporations. It will cease relying on the oppressor to fund and approve its programs and actions (unless it means "white charity and generosity" type programs).

Second, the church will be designated criminal, subversive and all the other names used by those in power. It boils down to this: The church or religion will continue to be regressive until it begins to be a movement totally subversive of America, its real way of life and all its systems and institutions.

The reason is that America's systems and institutions are ungodly, oppressive, unjust, unchristian, racist and dehumanizing not only of its non-white oppressed but its white oppressors (though it dehumanizes both in different ways and not with the same effects).

Thus, the real sign will be the church's becoming an object of persecution. This is the Cross involved in confronting the forces of oppression and in trying to deal with your oppressed own who have been conditioned to survive in oppression and to be terrified by the thought and prospects of their own freedom.

AUSTRIA SHOULD CHANGE ITS MIND AND AID EMIGRATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BINGHAM. Mr. Speaker, on September 29, immediately upon learning of the Austrian Government's capitulation to terrorist demands, I issued the following statement:

I fervently hope the Austrian Government will continue or promptly resume its longstanding humanitarian policy of facilitating the emigration of Soviet Jews to Israel.

I simply cannot believe that a proud sovereign nation with great traditions would reverse an important national policy because of criminal threats by two terrorists.

In April 1972, I witnessed the arrival of Soviet Jews by train in Vienna and their departure by air to Israel. I visited the transit center at Schonau. What I saw was utterly moving. The Austrian Government has witnessed these same sights day after day for two years. It would be unbelievingly cruel for that government now to slam the gates and crush the hopes of tens of thousands who are waiting in the Soviet Union for a chance to emigrate to freedom.

It would be difficult if not impossible for the Jewish Agency to arrange for these people to transit to Israel by way of some other country.

Especially tragic would be the precedent set if the Austrian Government in fact gives way to these terrorists' demand. The Palestinian terrorists would then be encouraged to continue their banditry to pressure other governments to give way to their political blackmail.

On October 3, the Washington Post expressed very much the same view, as follows:

AUSTRIA CAVES IN TO BLACKMAIL

Somehow—how could it happen without Soviet knowledge?—two Palestinians carrying machine guns and grenades last Friday boarded a train carrying Soviet Jewish emigrants to Austria. Once inside Austria, the pair grabbed three of the Jews and an Austrian customs official and demanded to leave the country with their captives. Astonishingly, the Austrian government apparently *volunteered,* in return for the hostages' release, to shut down the processing facility near Vienna through which some 70,000 Soviet Jews have passed to Israel in the past three years. This was an offer going far beyond the Palestinians' own aim, which apparently was only to dramatize their opposition to emigration to Israel.

What is at stake is not so much the emigration itself, since alternate routes and procedures can probably be found, but the concept of a state's sovereign responsibility for people staying lawfully and peacefully on its soil. Instead of protecting such people, Austria has yielded its authority to two wayward criminals. Israel's Prime Minister tried yesterday, without apparent success, to persuade Chancellor Kreisky to revoke his decision. It is not merely a propaganda victory for the Palestinians and an encouragement to further acts of terrorism, it is a heavy blow to the very purpose of government.

Whatever changes may be made in the emigration flow, one can only be appalled at the example of Austria's groveling. Mr. Kreisky says he does not wish neutral Austria to become "a secondary theater of the Middle East conflict," as though any unfolding on that scale could actually happen. He seems unconcerned that overnight his country should suffer the loss of the most meaningful element of its international position, its status as a humanitarian refuge. Reacting to home and foreign criticism, the Chancellor says stiffly that "the worst thing in this matter would be to put pressure on us." But to take offense at pressure applied for a cause of conscience, while bowing to the pressure of terrorism, is a bald inconsistency. He says that persons with individual visas will still be allowed free transit through Austria; the Russians release Jews only in groups and do not give them individual visas. He claims to have acted to ensure the safety of emigrants at the 420-acre Schonau Castle facility but emigrants have been processed safely there and their safety will obviously be more difficult to guarantee if they are forced into public facilities in Vienna itself.

We trust Austria will find the dignity to set Mr. Kreisky's decision aside.

So far Chancellor Kreisky has insisted that his decision is final. I trust that this will not be his last word.

I do not believe there is any way that the United States can force Chancellor Kreisky to change his mind, especially in view of the fact that Austria's record up to now has been so outstandingly good in regard to sheltering refugees. But hopefully he will feel the impact of public opinion in America and elsewhere.

A SALUTE TO LOUIS FREEMAN

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DELLUMS. Mr. Speaker, on October 1, many citizens of the bay area will gather to honor one of its most distinguished professionals and community leaders, Mr. Louis Freeman.

Louis Freeman has been employed for the past 13 years by radio station KDIA, which is the only radio station in the bay area that is programed for a predominantly black audience. Prior to going to KDIA, and throughout his tenure there, Lou Freeman has been a trail blazer and pathfinder for blacks in general, and for blacks in the media in particular. He was the first full-time black news director in the bay area. Not satisfied with being the first or the only, he used his prodigious energy, his vast intelligence, and his extraordinary personal skills to assist large numbers of blacks to obtain opportunities in the media. There are few minorities in the broadcasting media in our area who do not owe their present opportunities to Lou Freeman, either because they were under his personal guidance and tutelage, or because of his influence upon and respect among those who control the media in this area.

Lou Freeman is also a resourceful and creative professional. He has a genuine commitment to raising the spirit and educational level of his people. His interests are all encompassing, ranging from gospel music to events of national and international importance. He pioneered in developing public affairs programs and providing political coverage that would convey these great events and experiences to the households of his listeners. His programs are generally regarded as being without parallel or precedent in this area, and those he did personally were always done with immaculateness, with grace, and with penetrating intelligence.

I have been informed that Lou Freeman has resigned from his job as a result of a long, and to date inconclusive, battle with migraine headaches. On October 7, his friends will not only honor Lou Freeman the man and the professional; in addition, they will raise money that will be used to establish an information and research foundation to study the illness that he has suffered over the years. I would take this opportunity to inform my colleagues in the Congress of this noble man, and of his worthy effort. Lou Freeman has been a personal friend, but he is more; he is a symbol of the best that we are capable of as human beings, manifesting the spirit, the compassion, the dedication to public service, and the fidelity to high principle that the exercise of which has made this world a better place for his having lived. I join my friends in the bay area in their salute to Lou Freeman, and in this additional effort for which his vision is largely responsible.

THE FERTILIZER SITUATION

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. CULVER. Mr. Speaker, the impending shortage in fertilizer supplies is one of the most serious problems now facing the Nation's farmers. A critical shortage of fertilizer threatens the increased agricultural production now being encouraged to help stabilize food prices for the American consumer.

A House Agriculture Subcommittee has been conducting hearings on the fertilizer situation. Since this is a matter which will be receiving increasing congressional attention, I insert the testimony I submitted on this subject during the hearings held today.

STATEMENT OF HON. JOHN C. CULVER

I welcome this opportunity to express my intense concern over the fertilizer situation and the distressing consequences in Iowa as well as in other parts of the nation of a critical fertilizer shortage.

During the last year, most Americans have become acutely aware of the close correlation and interplay between U.S. agricultural productivity and the stability of food prices at the supermarket. As a result, there is now an energetic effort, reinforced by the new agricultural legislation adopted by the Congress, to encourage agricultural producers to expand their production of food and fiber during the next year. The looming threat of a shortage in fertilizer supplies poses one of the greatest threats to the success of this effort.

A potential shortage of one million tons of nitrogen has been predicted for fiscal 1974. This shortage could result in significantly lower crop yields because of the reduction in nitrogen application rates. The consequences of this situation are obvious. Our efforts to increase the crop acreage under production may be counterbalanced by a reduction in the potential crop output per acre. Furthermore, many farmers who face favorable market prospects this year will be denied an essential tool in bringing about a successful harvest. The most serious and widespread impact will occur during spring planting next year.

The expected shortage in fertilizer supplies is largely the result of both increased domestic and increased foreign demand. Most proposals advanced so far hinge on the removal of controls on domestic prices or on the placing of controls on exports. Either policy could have undesirable side effects and neither may offer a reliable long-term solution.

In my judgment, imposing export controls would offer, at the very best, a solution of dubious merit. My principal objections to this action can be briefly summarized as follows:

1. Exports do not consume a very large portion of our production of fertilizer—as a result, export controls will not substantially increase available supplies;

2. The United States is both an exporter and an importer of fertilizer, so that export restrictions by this country could produce similar action by the nations from which we import fertilizer;

3. Blocking the trade in fertilizer would reduce the available supplies for the world market, further increasing foreign prices, and this would adversely affect the long-term situation;

4. Export controls will damage the U.S. efforts to reduce agricultural trade barriers in the coming trade talks;

5. Placing embargoes on agricultural products would set an ill-advised precedent at a time when we are seeking to expand trade of many other agricultural products.

One step which could be taken at this time, short of export controls, is for the Secretary of the Treasury to discontinue the use of the Domestic International Sales Corporation by exporters of fertilizers. In a time of domestic scarcity, the government should not be granting financial incentives for the export of a product needed at home.

A significant factor contributing to the short supply of fertilizer for domestic consumption is the price ceiling imposed on fertilizer by the Cost of Living Council. The present price differential between domestic and foreign prices, in some cases as much as $30 a ton, encourages exportation. Such a situation also discourages investment for needed expansion of domestic refining capacity.

One solution to the current situation, therefore, would be to remove the existing controls on the price of fertilizer. While this would result in a higher fertilizer price to farmers, the projected 1974 crop prices and expected crop demand will make this additional expenditure financially justifiable. It has been suggested, however, that removing controls would probably not make much more fertilizer available for farmers during the coming season because a substantial portion of fertilizer export sales are already contracted. But the estimates on the extent to which supplies are tied up in export contracts vary widely. I would urge this committee and the Administration to fully investigate and consider this aspect of the problem before acting to remove the price controls.

If it can be demonstrated that removing price controls would assure a significant increase in the domestic supply of fertilizer, this action ought to be taken as soon as possible.

It must be recognized, however, that the long-term solution to the fertilizer situation is more complex than the temporary relief which may be provided by removing controls on prices. There are many other factors contributing to the current situation. The shortage of nitrogen, for example, derives not just from increased foreign sales due to higher foreign prices, but also from the jump in acreage under cultivation and the limited supply of natural gas. The shortage of natural gas limits production of anhydrous ammonia, the basic nitrogen product.

While the first serious effect of the fertilizer shortage will be seen next spring, some experts believe a shortage will prevail during most of this decade. It is essential, therefore, that a long-range plan be developed now to meet this impending crisis. Because of the complexity of the problem and the wide range effects of general policies dealing with the situation, it may be necessary to establish a high-level, interagency task force to deal with the fertilizer situation. I am not suggesting another ineffective study commission, but rather a decision-making group with the power to take decisive action and set policies in this area which are responsive to the public interest.

The following are a few examples of some of the matters such a task force might consider:

The necessity, if any, of allocating fertilizer supplies in areas where a shortage is particularly acute. About 25 percent of nitrogen, for example, is now used in nonfarm activities, and a system of priority for use may become necessary in some areas of the country;

The governmental action, if any, which may be needed to assure that independent fertilizer retailers are not forced out of business because major producers will not supply them, as has happened to some independent petroleum dealers during the fuel shortage;

The policies which ought to be considered to encourage needed expansion and construction of nitrogen refining plants in this country (e.g. tax write-offs or other financial incentives) or possible construction of new plants in foreign areas, such as the Middle East, which could supply our market;

The action which may be taken to alleviate the shortage of natural gas needed to refine nitrogen or to establish a high-priority of natural gas use for ammonia producers;

The action government can take to encourage more importation of natural gas, such as international agreements like the one recently announced to import more natural gas into this country from the oil producing Arab nations;

Any other proposal which will help to ensure an adequate supply of fertilizer at a reasonable price in the years ahead.

Therefore, while removal of the price controls on domestic fertilizer products and of the DISC incentive on fertilizer exports may help to provide a short term solution to the fertilizer situation, it is imperative that intensive study be given to determine what action will be most effective in alleviating the fertilizer shortage in the coming years. The seriousness and the urgency of the situation must be recognized. The shortage will be most severe during next spring's planting and it could lead to higher food prices for consumers and lower income for farmers. The government must act before the full force of a crisis is upon us.

DENNIS McGARRY, AN OUTSTANDING AMERICAN FROM CHEEKTOWAGA, N.Y.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. KEMP. Mr. Speaker, since we gained our independence nearly 200 years ago, the pages of U.S. history are full of accounts of Americans helping the people of other nations, collectively and individually.

Today, that traditional spirit of international neighborliness is as vital as any time and is epitomized by the some 7,600 Peace Corps volunteers extending a person-to-person helping hand in 61 developing nations around the world.

Among these selfless and dedicated Americans is Dennis J. McGarry, a native of Erie County, N.Y., which I have the privilege to represent.

As his older brother, Thomas Daniel McGarry, who served as a Peace Corps volunteer in India, Dennis is giving his talents and energy to showing frontier farmers in Ecuador that opportunities and skills are basic rights of every human being and that the grasping of these produce undreamed rewards, including greater freedom of the human spirit.

The son of Mr. and Mrs. Thomas D. McGarry of 537 Huth Road, Cheektowaga, N.Y., Dennis is prepared mentally, physically and spiritually for his current rigorous tasks.

At St. Mary's High School, in Lancaster, N.Y., Dennis was a rugged right tackle, an "up front guy" spearheading the path of ball carriers. He want on to play semiprofessional football with the Lockport Travelers and pursue his studies at the State University of New York at Buffalo, where he obtained his degree with a major in history in 1970.

When he joined the Peace Corps, he pursued additional training in animal husbandry and agriculture. Now, after extending his voluntary service a year, he is considering a career in the veterinary field.

He hopes to demonstrate, he says:

> That U.S. citizens are real people, too.

Mr. Speaker, Dennis McGarry represents the finest among our young citizens. He is the kind of competitive, dedicated American who promises a better tomorrow for the people of our Nation and our world neighbors.

At this point, I include an account of his activities in Ecuador which was published by ACTION, the Federal agency administering the Peace Corps and other volunteer programs.

BUFFALO AREA MAN SERVING WITH PEACE CORPS HELPS ECUADOR FARMERS IMPROVE LIVESTOCK

Peace Corps volunteer Dennis J. McGarry of Cheektowaga, N.Y. was not exactly welcomed with open arms when he arrived in Santo Domingo de Los Colorados in Ecuador two years ago to work as an animal husbandry extension agent.

"Slowly and cautiously I had to gain the confidence of these tough, frontier-like farmers, first learning how things were done on their respective farms and providing technical aids applicable with little or no cost to the farmers," he recalled.

Eventually, after repeated visits to each farm and countless chats with the farmers over the local brew, McGarry's suggestions on improved breeding practices, health programs and better management caught on. Now, with his work well in progress, McGarry has extended his Peace Corps service for an extra year to continue working with a Peace Corps heifer project under the Ecuadorian ministry of agriculture.

The son of Mr. and Mrs. Thomas D. McGarry of 537 Huth Road, Cheektowaga, McGarry, 26, actually is entering his fourth year of Peace Corps service. He served for a year in Guatemala before going to Ecuador and, he acknowledges, "I still carry a warm spot in my heart for the Guatemaltecos."

It was in Guatemala, he said, "where I received the majority of my newly adopted technical experience in cattle extension work as well as the ability to learn to laugh, cry and single with fellow Americans south of the Rio Grande and the borders of America as I had known it for some 22 years."

The heifer project with which McGarry is serving in Ecuador loans purebred stock to low-income farmers, who in turn loan some of the offspring of the original stock to other farmers. Its purpose is to help raise the income of small farmers and improve the quality of livestock and nutrition in the country. Its effects, McGarry said, cannot be measured immediately.

"The cattle business is a long-range operation," he pointed out. "Improvements applied now may not be notable in five to ten years. In this aspect, anxiety has to be conquered by both the volunteer and his counterpart, the small farmer."

The project's cattle demonstration ranch offers monthly half-day courses for area cattlemen. When McGarry first arrived, he invited 15 farmers to attend a session—and not one showed up. But things have changed. For one recent session, McGarry personally invited eight farmers to attend. The word got around and, to his amazement, 13 farmers came to the course.

Better understanding between Americans and Ecuadorians is another of McGarry's goals as a Peace Corps volunteer.

"The people here tend to outdo the climate in warmth," he said. "The culture is truly noble. I hope to demonstrate by living and enjoying the Latin culture and life—a pleasure—that U.S. citizens are real people too and don't only drive big pick-up trucks building oil wells and pipelines.

"I've been able to look at the United States through the eyes of a foreigner and hope that my experiences, when I return home, may be shared by my friends and fellow countrymen."

McGarry is a 1970 graduate of the State University of New York at Buffalo, where he majored in history.

He is one of about 200 Peace Corps volunteers serving in Ecuador in a variety of agriculture, rural development, professional services and other programs. Around the world, about 7,600 Peace Corps volunteers are serving in 61 developing nations.

The Peace Corps is part of ACTION, the federal agency established by President Nixon in July, 1971 to administer volunteer programs at home and overseas. Mike Balzano is director of ACTION.

ACTION's domestic programs are Volunteers in Service to America (VISTA), Foster Grandparents Program, Service Corps of Retired Executives (SCORE), Active Corps of Executives (ACE), Retired Senior Volunteer Program (RSVP) and University Year for ACTION.

CONSTITUTIONALITY OF CONGRESSIONAL DELEGATION OF LEGISLATIVE AUTHORITY

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. SMITH of New York. Mr. Speaker, one of our colleagues has raised a point with respect to the constitutionality of the delegation of legislative powers contained in H.R. 9682, the District of Columbia Self-Government and Governmental Reorganization Act.

This question has been subject to extensive legal research in the past. In 1959, Mr. Reuss of Wisconsin provided the Congress with an excellent study of this important question, and it appears in the Congressional Record of August 20, 1959, at page 16614. I urge interested Members to refer to this study and statement. Mr. Reuss' conclusion that Congress may delegate legislative power to a local government has been supported and upheld time and time again.

The Firemen's Insurance Company against Washington, decided in July of this year, is the most recent case holding that the power of Congress to delegate legislative authority to the District of Columbia is beyond question. The opinion provides that—

> Congress, in legislating for the District, has all the powers of a state legislature, and Congress may delegate to the District government that "full legislative authority, subject, of course, to Constitutional limitations to which all lawmaking is subservient and subject also to the power of Congress to any time to revise, alter, or revoke the authority granted."

The court continued that—

> When Congress delegates its police power to the local government, that entity's powers become as broad as those of Congress, limited only by the Constitution or specific Congressional enactment.

H.R. 9682 provides that—

> Except as provided in sections 601, 602, and 603 (having to do with retention of congressional authority, specific limitations, and limitations on borrowing and spending) the legislative power of the District shall extend to all rightful subjects of legislation within the District consistent with the Constitution of the United States and the provisions of the Act, subject to all restrictions and limitations imposed upon the States by the tenth section of the first article of the Constitution of the United States.

H.R. 9682 also specifies that Congress retains ultimate legislative authority over the District and that it may initiate legislation at any time dealing with District matters. It may also pass a bill overriding council action and either House may veto any charter changes. Thus it is clear that under H.R. 9682, consistent with the long line of legal precedents, the most recent of which is the Firemen's Insurance case, the Congress retains ultimate legislative authority over the District of Columbia as required by the Constitution.

BETTER HOME & GARDENS SPOTLIGHTS PITTSBURGH

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the September issue of Better Home & Gardens magazine carried a delightful and quite flattering article on my city of Pittsburgh.

The story captured the vibrancy and charm of Pittsburgh with its championship sports teams, new stadium, contemporary architecture and historical buildings, night spots, and ethnic diversity.

It has taken Pittsburgh a long time to shake the "Smoky City" label. The image hung on many years after the smoke was gone. But Pittsburgh is there for all to see. And I wish my colleagues and their constituents all would do just that, come to Pittsburgh.

I would like to include the magazine article in the RECORD at this time.

PRODIGIOUS PITTSBURGH

The gleam on Pittsburgh's face today is no accident. It is the second richest city in the country in terms of its "invested capital," as good a yardstick as any. (New York tops the list.) That kind of wealth was a very important factor when, some 30 years ago, the city fathers and influential citizens decided to launch a full-scale, city-wide renaissance—the chances of a good renaissance being better if there's someone to pay the bills.

The result is a city architecturally transformed and a city wherein cultural pursuits and recreation facilities are pretty much industry and industry-foundation underwritten and available to the public free, or for nominal admission charges. Big money has brought architectural excellence and harmony for Pittsburgh's downtown. It has razed commercial slums to build a park. It has restored, renovated, and polished away the grime in old sections and from buildings of merit. It has built new museums, theaters, civic centers, and recreation and cultural complexes. There are many, many events: fairs, festivals, concerts, plays, art shows, craft demonstrations, science shows, films, and fashion shows. There are parks, museums, and memorials. And reaching for your wallet at the entrance is often unnecessary.

But if you *want* to spend money in this hilly city, divided by rivers and laced together by bridges, you won't have any trouble finding things to spend it on. Today's Pittsburgh is a very cosmopolitan city with elegant stores, restaurants, theaters, and art galleries.

The Golden Triangle, focal point of Pittsburgh's rejuvenation, and headquarters for 23 of the world's largest corporations, starts from the point of land formed by the confluence of the Monongahela, Allegheny, and Ohio Rivers. Formerly a commercial slum, the area has been transformed into lovely 36-acre Point State Park, which sits like a spacious front lawn for the cluster of new skyscrapers that have so dramatically changed the city's skyline.

Adjacent to Point State Park is Gateway Center, a high-rise complex of six dramatic skyscrapers, the Hilton Hotal, plazas, fountains, shrubs, flowers, trees, and underground parking facilities. Gateway Center is also the host-area for the annual springtime Three Rivers Arts Festival.

Held the last week in May, the festival, sponsored by the Carnegie Institute, is perhaps the prime example of what you get for free in Pittsburgh. It is a ten-day cultural extravaganza—performing arts and arts and crafts—with something for everybody.

Most of the city's major new office buildings lie within a mile of Point State Park. So do the major department stores—Kaufmann's and Gimbel's on Smithfield Street, Joseph Horne's on Stanwix Street. Along the main downtown avenues, you'll find shops ranging in style and substance from Sak's Fifth Avenue to very hip boutiques.

A visit to Market Square is a must to see the colorful outdoor food markets where stands overflow with products from staple to exotic. On a good day, there are thousands of customers. Market Square is also the city's night life center. You can eat and drink to good jazz at Buddie's, sing along at the piano bar at Gallagher's Pub, find continuous entertainment at the Cheshire Cat, and tap your feet to the music at Walt Harper's Attic.

Heinz Hall, a theater for the performing arts, is a good example of Pittsburgh's respect for the past. The home of the Pittsburgh Opera, Ballet, Civic Light Opera, Youth Symphony, and Symphony Orchestra, the theater was redesigned two years ago around the heart of a magnificent movie palace of Hollywood's Golden Era.

Shadyside, another renaissance creation, is Pittsburgh's Greenwich Village. There you'll find all sorts of boutiques, galleries, craft shops, zippy restaurants, and pubs with entertainment and music.

Just across the Allegheny River, on Pittsburgh's near North Side, is the Three Rivers Stadium, the glistening bowl in which the 1972 National League division champion Pirates play to packed houses. In the fall, the Steelers, last season's sleeper football squad, have their home games there too.

Once a prime candidate for the wreckers' ball, the old Allegheny Post Office, a few blocks from the stadium, has been restored and refurbished and is now home for the Pittsburgh History & Landmarks Museum & Cultural Center. On display are many artifacts of the city's 200-year history.

You'll want to wander through the close-by Mexican War Streets—Buena Vista, Resaca, Palo Alto—historical, residential avenues lined with charmingly restored Victorian homes.

From the number of excellent eating emporiums with outstanding vistas of the city, you get the feeling that Pittsburghers really like looking at their town now that it's all spruced up. Besides having a lofty view of the Highland Park Lock and Dam, particularly lovely in the early evening. The Crow's Nest serves up seafood specialities with flair. The Top of the Triangle, perched at the summit of the new 64-story U.S. Steel Building, provides two spectacular city-scapes, depending upon where you sit. It's open for lunch and dinner and has nightly entertainment in the cocktail lounge.

No visit to Pittsburgh would be complete without a ride up the Monongahela Incline (25 cents each way) to the top of Mount Washington for *the* Golden Triangle panorama. Just across the Monongahela River the incline's two-minute run brings you to a lofty observation deck. From this vantage point, the Golden Triangle skyline juts up against a backdrop of soft wooded hills, and the three rivers make their shining way under a series of graceful bridges to meet directly below. It's an incredibly romantic sight at night.

Mount Washington itself has had the benefit of an extensive face-lift, with shops and apartment buildings multiplying like dandelions. Some of Pittsburgh's best restaurants are on the hilltop, and while menus vary, a profusion of windows is standard decor. At Le Mont, the menu is French. Point View serves American and Italian dishes. The Tin Angel serves dinner by reservation only, and then it's always six courses. The Edge is a five-story spatial odyssey with tables stowed on various levels and half floors connected by ramps.

HOME RULE IN THE DISTRICT OF COLUMBIA

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. LANDGREBE. Mr. Speaker, I maintain that there has been a lot of talk in the past few months over the issue of home rule in the abstract, while many of us have failed to come to grips with the essential constitutional questions that face the Congress in any consideration of delegation of legislative authority to the District of Columbia government.

Mr. Hayden S. Garber, a former committee counsel of the District of Columbia Committee under Chairman McMillan, has prepared an excellent analysis of the congressional responsibility in the area of legislating for the District of Columbia. He concludes that H.R. 9682 would enact an unconstitutional form of government for the District in that the Congress does not have the authority under the Constitution to delegate such broad legislative authority to a locally elected government.

I commend Mr. Garber's memorandum to the attention of all my colleagues as they prepare for the floor debate on the so-called home rule bill on October 9 and 10:

A MEMORANDUM ON HOME RULE IN THE DISTRICT OF COLUMBIA BY HAYDEN S. GARBER

1. The District of Columbia is exclusively a Federal jurisdiction.

2. Any legislative authority exercised over federal or local matters in the District of Columbia is derived solely from the Constitution.

3. The Constitution provides that in the District of Columbia the legislative authority of the Congress shall be "exclusive—in all cases whatsoever . . ."

4. The Constitution makes no provision for the delegation of general legislative authority by the Congress to other branches of the Federal government, to subordinate legislative bodies, to Departments, Commissions, or Agencies of the Federal government nor to any state or local government body.

5. General legislative powers have always been exercised by the Congress, both for the District and for the nation. Courts, including the Supreme Court, have held that the delegation of general legislative power by the Congress exceeded its authority under the Constitution.

6. The legislative authority of the Congress includes the power to issue rules, regulations, and ordinances necessary to make effective enactments of Congress or to dele-

gate such minor legislative power to the executive or judicial branches, to departments, commissions, and agencies of the Federal government or to the local government of the District of Columbia.

7. Since the beginnings of the Federal government under the Constitution, the "minor" legislative authority has been exercised by other than the Congress and to the extent that the Congress permitted. (viz. Code of Federal Regulations.)

8. Since the establishment of the District of Columbia in 1800, the local government has likewise exercised "minor" legislative authority to the extent permitted by the Congress.

9. Article I, Section 8 of the Constitution states the general legislative authority of the Congress. The Article has no language providing for the delegation of any of the general legislative powers given to the Congress by the people. The delegated power and the limitation on that power applies equally to each of the 18 clauses in the Section. No greater power of delegation is provided in the case of the District of Columbia than is provided for levying taxes, coining money, borrowing money, regulating commerce, or declaring war. Any power of delegation applicable—to any one clause is thus equally applicable to any other clause.

10. The pending Home Rule bill proposes that general legislative authority be delegated to the District of Columbia government, except for several specific matters. If this can be done, there is equal validity for proposals to delegate general legislative authority to Federal officials, such as authorizing the Department of Defense or the Cabinet to declare war; the Collector of Internal Revenue to set tax rates; or the Secretary of the Treasury to set the limit on the national debt. If such delegations of general legislative authority are permitted, the Constitution could become a shambles.

LEGAL SUPPORT FOR HOME RULE RESTS MAINLY ON A FEW CONTENTIONS

A. That the Supreme Court has determined that Congress could delegate general legislative authority to the District of Columbia government in its decision in the case of District of Columbia v. Thompson, 346 U.S. 100 (1952).

This conclusion is unwarraned. No such determination was made by the Court. The actual findings of law in the case were only—

1. That the District of Columbia local legislature of 1873 had the legislative authority to enact the local regulation prohibiting discrimination in restaurants; and

2. That the regulation of 1873 had survived the changes in government and the revision of the D.C. Code and was valid and effective in 1952.

The Court of Appeals in the Thompson case held that the local legislative enactment was "general" legislation and not within the authority of the District of Columbia legislature. The Supreme Court over ruled the Appellate Court. The Supreme Court explained that for the purposes of municipal government, the Congress could delegate to the District of Columbia government "full legislative power, subject of course to constitutional limitations . . ." The Court carefully avoided any suggestion that Congress could delegate "general" legislative power to the District of Columbia or to any other government body or official.

Proponents rely on court dicta and analogies to tease the Thompson case into the appearance of support for their contentions. The substance of the opinion is that the Congress can delegate to the District of Columbia such legislative powers as are commonly exercised by municipalties to the extent permitted by the Constitution. The Court used guarded words such as "On the analogy" (if you accept it or if it is a proper one) "it would seem" that such and such a conclusion might be reached if they are not inconsistent with the Constitution.

The inference, that the term "exclusive" relating to the seat of the national government as provided in the Constitution means only that no state shall exercise any authority, is a conclusion contrary to the history of the clause and to the purpose for which it was devised. The purpose was to assure that the Congress would not be compelled to rely on any other governmental power for its security. The Philadelphia incident in 1783 demonstrated that the federal government could depend on neither a state or local government for protections needed to execute the nation's business.

A delegation of general legislative authority to the District of Columbia government would place the federal establishment in essentially the same predicament that it faced in Philadelphia. Nowhere in the history of the clause or since is there any determination that the intent was that no trust could be placed in the citizens of any state but a complete and unfaltering trust could be placed in the local residents at the seat of the national government. The intent was to permit no element of doubt of federal control.

Home Rule proponents have inflated the applicability of the Courts analogy between the seat of the federal government clause in Article I and the territorial legislative authority in Article IV of the Constitution. They assert that the provisions in Article IV are fully applicable to the District of Columbia. To reach such a conclusion, the established rules of Constitutional construction must be abandoned. Duplication and redundancy is not imputed to the drafters of the Constitution. The analogy is an interesting one. It is not a precise one. The seat of the national government is a *part of the territory* of the United States. But it *is not a territory* of the United States. It is the capital of the nation. The provisions of Article IV, Section 3, give the District of Columbia the same importance as Guam, Puerto Rico or the Virgin Islands.

But the Court explicitly states that in finality, the terms of the Constitution are determinative of the legislative authority of any District of Columbia government. When the rules of construction are applied, Clause 17 of Article I, Section 8, must be given its full meaning and provisions in Article IV cannot modify the full meaning and application of the clause establishing the seat of the national government.

B. That the District of Columbia is capable of exercising "general" legislative power if such power can be delegated by the Congress.

The pending bill asks that the Congress delegate to the District of Columbia government a power which the Congress does not possess. This is a legal impossibility.

The District of Columbia is exclusively a federal jurisdiction. In enacting general legislation for the District, the Congress must take a majority vote from the House and Senate before sending the bill to the President. The Congress cannot delegate to the District legislature the authority to take a majority vote for it on a general bill. Since the Congress cannot achieve enactment into law of general legislation without a majority vote in both Houses, it cannot delegate power to secure lawful enactments without such a vote by the Congress. In any event, it may be noted that the Constitution makes no provision for the President to receive any legislative bills from any legislative body other than the Congress.

C. That Home Rule for the District of Columbia is the same as Home Rule in any community in any of the states. District residents should be given the same privilege.

This over simplified contention ignores several important and significant facts. The impact of Home Rule in a community of any of the states is essentially limited to the local citizens. The impact of Home Rule in the District of Columbia would be felt by more than 200 million people in the states of the Union.

The conduct of local government is of importance to every citizen of every state. Every taxpayer throughout the nation contributes taxes for the operation of the District government. No other home rule government can extract funds from the people of the nation as does the District of Columbia. The District of Columbia receives the highest per capita federal payments in grants and assistance compared to all other states of the nation. (Example follows)

District of Columbia	$745
Illinois	158
Indiana	108
Iowa	115
New York	207
Ohio	102
Pennsylvania	137
Virginia	136

(Calculated from "Federal Aid to States, Fiscal 1972—Annual report of Treasury Department, Fiscal Division. Refer—pg. 132 Committee Report on H.R. 9682).

CONCLUSION

In government, the sovereign is that one who possesses supreme authority and may exercise absolute control, subject to none. In the United States, the sovereign is not found in the power of the states, in the national government, in the Constitution or under it—but it is the power which gives substance to it. The sovereign is the people of the United States. The supreme authority is vested in them.

The people of the Confederated States directed their representatives to draft a Constitution for them. This sovereign, in its own name and for its own benefit, defined and delegated powers, and reserved in the absolute the power to amend or repeal any part of the Constitution. Any act, be it by the legislative branch, by the executive branch, or by the judicial branch, so defined and reposited with authority, which changes the duty to or alters the powers reserved to the sovereign, is an act of usurpation.

The Constitution provides the means by which the District of Columbia may secure statehood, general legislative authority, and full authority for local government apart from the federal establishment. Or the local government may continue with its local municipal powers, as an arm of the national government, with its officials selected in such manner as the Congress may approve.

MORE HONORS FOR MICHAEL A. SWEENEY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. VANIK. Mr. Speaker, on this Saturday, October 6, John Carroll University of my congressional district will be honoring one of Cleveland's finest public servants—who has also been one of its best athletes: Michael A. Sweeney.

In 1946, as a John Carroll University varsity boxer, Mike was a semifinalist light heavyweight in the national collegiate boxing championships. In commemoration of his athletic prowess and ability, Mike is being inducted into the John Carroll University Athletic Hall of Fame during this Saturday's homecoming ceremonies.

It has been my privilege and honor to have Mike as a friend. He has been in the public "ring," fighting the good fight, for years and years. He has practiced law for 21 years and had a distinguished career of service in the Ohio House of Representatives from 1957 through 1966.

I am pleased to join with all of Mike's many Cleveland friends in congratulating him on this new honor.

WBZ AIDS BOSTON'S COMMUTERS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. O'NEILL. Mr. Speaker, yesterday, we passed the Urban Mass Transportation Act and during the debate there was a great deal of discussion concerning commuting to and from our Nation's large cities. All our cities are faced with air pollution and traffic congestion; now WBZ radio station of Boston has initiated a great service to its city to help alleviate these commuter problems.

Thomas Ehrich explains and describes this creative service in a recent article in the Wall Street Journal. This service established by WBZ in Boston could also prove to be advantageous to our other cities faced with these same problems:

Here Is a Terrific Idea for Beating Traffic: Try Forming Car Pool—Boston Radio Station Updates an Old Concept, Matching Commuters With Computers

(By Thomas Ehrich)

Boston.—Mary Parker's workdays begin and end in a brutal 58-mile, four-lane, bumper-to-bumper mad rush along Route 128.

So the secretary signed up fast when radio station WBZ told her she could join a "commuter computer clubcar" to share the driving, save money and even have fun on her drive between her home in Plymouth and the Chevron oil office in Waltham where she works. "Maybe I won't be talking to myself all the time," says Mrs. Parker.

WBZ figures there are many, many traffic-weary Mary Parkers among the 300,000 commuters who clog the highways around Boston every rush hour—nearly all of them driving alone. So the station dusted off an old idea, the car pool, jazzed it up a bit and came up with a public-service promotion whose success so far has startled even WBZ and its parent, Westinghouse Broadcasting Co.

Some 20,000 motorists have picked up "clubcar" applications at tunnel toll booths in the four weeks since WBZ announcers overcame their initial inability to say "commuter computer clubcar" quickly and began plugging it at least twice an hour. Another 5,800 commuters have written to the station for applications. Stores, restaurants and offices have begun handing out applications, and by mid-October, WBZ expects to have over a million applications in the hands of motorists.

LIKE COMPUTER DATING

The clubcar system works sort of like a computerized dating service. Those who fill out applications will be matched with other commuters who live nearby and work similar hours. Each applicant will receive up to 10 names of others making similar commutes, and it will be up to them to get together and form their own car pools.

Just how many people actually will pool their rush-hour tedium when the match-ups start going into the mail later this month is anyone's guess. But WBZ and its partner in the scheme, the regional ALA Auto & Travel Club (formerly the Automobile Legal Association) have high hopes—as do state and federal pollution agencies.

"We think car pools will become a basic mode of transportation" in the Boston area until planned mass-transit improvements are completed around 1978, says John McGlennon, who heads the regional Environmental Protection Agency office. The federal agency and the Massachusetts Department of Transportation have been toiling for months on a master plan to reduce auto traffic and cut pollution, and they had considered such drastic measures as banning cars from the city one day a week and closing some downtown parking lots. Just this month, Gov. Francis Sargent unveiled a broad transit plan that relies heavily on car pools and may eventually include such inducements as special expressway lanes reserved for cars with more than one occupant.

The EPA figures that if just 55,000 Boston commuters formed car pools, the average rush-hour ridership would rise to 1.5 persons a car from 1.1 currently. That alone would enable Boston to meet the federal pollution rules due to go into effect in 1977. "We wouldn't have a need for any further transportation strategy," Mr. McGlennon asserts.

"We were there at the right time with the right idea," says Jerry Wishnow, WBZ's 29-year-old "director of creative services." We decided transportation was the issue this year." Last year WBZ's public-affairs promotion was a "Shape Up Boston" campaign for dieting, exercise and nutrition.

SYMBOL: A 1938 PONTIAC

Getting commuters into car pools won't be easy, as even the ebullient Mr. Wishnow concedes. "Car pools seem pedestrian," he says. Hence the name clubcar, which WBZ plugs as a "special place for friends to gather on the long ride to work. . . . Part of a forgotten era."

The clubcar symbol is a 1938 Pontiac touring car with a relaxed driver and with six passengers sipping coffee and chatting in the back. "It's a whole new way to get to work," promises a two-page ad in the regional edition of Time magazine. And on the air, personalities ranging from weatherman Don Kent to kiddie show host Rex Trailer hammer away at the theme "the best way to keep up with the Joneses is to ride in the same car."

The clubcar sponsors are working on other inducements, besides the $500 a year they estimate the average motorist can save by riding in a car pool of four persons. WBZ has visions of ultimately arranging free downtown shuttle-bus service, reduced parking rates and even cut-rate shopping and free coffee for clubcar riders, plus a free phone service to give them how-to-get-around Boston advice anytime of the day or night.

THE 365TH ANNIVERSARY OF POLISH IMMIGRATION

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 3, 1973

Mrs. GRIFFITHS. Mr. Speaker, when most people think of Polish immigration to America, they remember the waves of immigrants from eastern and central Europe during the early part of this century. However, Poles were among the first Europeans to seek a future in the new world. On October 1, 1608, a small band of Polish craftsmen landed in Jamestown, Va. These men had been hired by the Virginia Colony to instruct the colonists in the manufacture of glass, tar, and other products to be exported to England. They built the first factory in the United States, as well as the first saw-mill, and taught the Jamestown settlers to make soap and building materials. Through their efforts, they helped insure the survival of the first English settlement in North America.

In the past 365 years, Poles and Polish Americans have made a continuing contribution to the Nation. They have fought in all our wars and have made achievements in government, industry, the arts and sciences, and education. It is fitting that we commemorate the arrival of our first Polish citizens, as we reflect on the efforts of those who followed them.

ALFRED HUGHES—A SELF-TAUGHT MAN

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. de LUGO. Mr. Speaker, I have here an interesting story about a man whose desire for knowledge has not been impeded by his lack of formal education. I think my colleagues will be interested in the story of Alfred Hughes, "Nazo," as he is known in the Virgin Islands.

He is a man who loves to learn, but grew up when formal education was hard to come by in the Virgin Islands. He has a natural talent for veterinary medicine, and had served the island community from the 1920's until the first licensed veterinarian, Miss Rikki Von Decken Leurs, came to St. Thomas in the 1940's.

He has never charged anyone for his services, and has taught himself all he knew, including the technique of writing prescriptions.

But that is not all, this man's desire for knowledge has led him to several careers during his 63 years. He learned electrical work and made it his occupation until 1964. He learned plumbing and offered his services during the same time to many members of the community. He was also a captain for a small marine vessel operating out of St. Thomas, and in his free time he was a jockey, a boxer, a long-distance swimmer, and a tennis player.

His full life and his experiences as described in the following news article could make us wish we had his advantages:

Nazo's First Love—Horses

(By Jackie Petrillo)

A man never forgets his first love, but Alfred Hughes ("Nazarene") has not only remembered his, but has been faithful for a lifetime. The affection and gratitude he receives in return are unwavering. You say this eternal kind of love doesn't exist in our day and age? It does in the case of "Nazarene" and his first love—horses.

"Nazo", St. Thomas' self-taught veterinarian has loved horses and all animals ever since he was a young boy. Born in 1910, he was hoping to be a jockey by the 1920's. But he wanted to be able to take good care of the horses he rode and studied everything he could get his hands on to learn how. When the time came that his ambition to be a jockey was fulfilled and he rode horses at the Sugar Estate racetrack, for trainers, he could cure them of diseases and treat their injuries.

In the past 15 years he's achieved another goal—to work in a salaried job doing the thing he loves best, treating sick animals. "Nazo", now 63, has been classified a a technician for the past 15 years, assisting veterinary doctors as they go about their rounds treating all kinds of sick animals, first out of the veterinary office at the old hospital and, for the past year, at the new veterinary center at the Agriculture Station, in Dorothea. He's often taken over when the doctors have been away.

"NAZO" PROVED HIMSELF

Before 1958, he worked at any and all jobs to earn money and studied veterinary medicine on his own, treating any animal in need of help whenever he was consulted, without payment. He says that since he was too poor to go to college, he had to prove his worth by the results he achieved. This was the method he'd used since childhood, for establishing a reputation on the island.

Nazo came from a poor family and his father died when he was nine years old. By the age of 14, he had to quit school, to help his mother care for four younger sisters. He had gone only as far as eighth grade. To help out at home, he would work as an errand boy, or wash dishes and serve table for $2 a month. "It was rough," he remembers. We were so glad when we got a dime to keep. We would happily sit on the corner eating peanuts. I had to give my whole salary to my mother "

Whenever he got a chance, Alfred (the nickname came later) would go to the slaughter house to learn more about the anatomy of animals. He had a few dogs of his own and would read animal care books to learn how to cure them of any ailments. Friends noticed how good he was at treating his own puppies and would ask his advice. "I had to prove my worth to them," he says. Gradually, word spread that Alfred, though he was only a boy, was one person to consult if your animal was sick. "People were skeptical," he explains. "It was hard, but I did the best I could."

NO VETS IN THOSE DAYS

In the 1920's there were no vets on the island. A few individuals had earned a reputation for knowledge about treatment methods for animals, but they learned on their own. Wilfred Monsanto, who managed Tutu estate, learned from Dr. Viggo Christensen, a medical doctor who lived on the estate. John Lindqvist learned on his own by treating the animals on his St. John plantations. But other than these few people, animal owners were at a loss for what to do to cure sick animals. Only an occasional visiting veterinarian was otherwise available.

Alfred would go to the pharmacy and beg the pharmacists to give him medicine, although he had no "doctor's certificate."

Gradually, they too realized the young man knew what he was doing. He would write the "prescription" by consulting medical books. By the time the first resident veterinarian, Miss Rikki von Decken Leurs came to St. Thomas in the late 1940's, Alfred had been practicing veterinary medicine, without asking for any payment, for more than 20 years.

HOW HE GOT NICKNAME

It was through a horse he rode, logically enough, that "Nazo" got his nickname. He rode one horse in races at Sugar Estate called "Nazarene". Gerard Berne, one of "Nazo's" old friends says, "People would shout "Nazarene! Nazarene! Come een! Come Eeen!, but he didn't." The horse wasn't a winner, but his name was and it stuck to him, later to be shortened to "Nazo."

JACK OF ALL TRADES

As the years went by, "Nazo" learned many trades and became an all round athlete, but still preferred jockeying and treating animals. "I did anything for a living, but I loved animals," he remembers.

He learned electrical work under apprenticeship to Excelman ("Selly") DeLagarde and then went on to be a jack of all trades for Emile Berne's ice company from 1938–1964.

Gerald Berne, Emile's son, still in his father's business, says '"You had to have your finger in every pie in those days to make a dollar," and the company not only manufactured ice, but was agent for several shipping lines, ran a charter fishing boat and trained racehorses too.

"Nazo" fit neatly into all aspects of the business. Starting out at a $8 a week salary in 1938, he was an apt pupil. He learned plumbing in order to repair plant equipment, mechanics, to repair broken down delivery trucks and of course refrigeration.

"I loved that place," says Nazo. "It was a regular training school. I learned everything there." Since the company operated a fishing boat, who should become its captain but "Nazo." He also ran the motor boat that towed loaded barges. Once, during the meat shortage of 1945, caused by the war, he transported 2,000 pounds of meat from St. Croix to St. Thomas.

COMPANY JOCKEY

In addition, in his "spare time" Nazo was the company jockey and treated the horses they trained. He stayed with the company for 26 years, before he was able to get a full time paid job as a veterinarian's assistant. And he was their jockey until he put on too much weight to ride anymore.

In his free time, not only was he a jockey, on his own horses, but a boxer, long-distance swimmer and tennis player, at the Altona club.

GROWING INTEREST

Now, although his athletic participation has ebbed, his interest in learning about veterinary medicine has increased, if anything. "The trouble is that animals can't talk," says Nazo. "You've got to use a lot of brain to find out what's wrong with them."

Working in the government veterinary service, part-time in 1958 under Luther Fahlund up to his present full-time job under Dr. Charles Saunders, Nazo has continued to develop his brain. "Now is when you have to study," he states. "If you don't keep up, you cant' make it."

Naturally, it isn't only one job he does. On weekends he operates "Alfred Hughes' Clinic for Bathing and Clipping," a licensed dog grooming salon, from his Soto town home. The most frequent customers are French poodles.

I LIKE EVERYTHING MODERN

How does he feel about all of the changes, not only in veterinary medicine, but in the way of life in St. Thomas? "I like everything modern." he says. "We've got to forget the good old days. They're gone. We had only the wind-up phonograph then and now we can see things nearly the same time as they happen all over the world, on television."

He's prepared to cope with the modern world without losing his devotion to all that was good in the past. "They still call me any time of the night if an animal has an accident," he says. "I do whatever I can to help."

DR. JAMES W. HOLT, JR., WINS TRAVEL WRITERS AWARD

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. ST GERMAIN. Mr. Speaker, in September, during its 18th annual meeting in Rapid City, S. Dak., the Society of American Travel Writers announced that its "Connie" Award will be given to six winners who have made "outstanding contributions to a quality travel environment through conservation and preservation," and I am proud to say that one of the six is my constituent, Dr. James W. Holt, Jr., of Tiverton, R.I.

The story behind Dr. Holt's contribution is remarkable and, since I feel sure my colleagues will agree that it warrants telling, I take pleasure in inserting some of the interesting facts that the Society of American Travel Writers included in a citation accompanying the "Connie" Award:

Fort Barton, in Tiverton, Rhode Island, has been restored to its historic appearance as a key Continental defense station against British-held Newport during the American Revolution. In addition to presenting once again its former architectural and aesthetic appeal, the fort is now an important tourist attraction, wildlife preserve, and recreational area.

In the 1930's, Fort Barton was overgrown and neglected. It was owned by the Newport Historical Society, but no funds were available to permit its preservation. The deterioration of the fort continued. During World War II, an air spotters' tower was erected atop the bluffs which constitute the principal overlook area of the fort. But, after it was no longer needed, the tower also fell into disrepair and the site continued to decline.

Before the fort passed the point of no return, a champion appeared in the person of Dr. James W. Holt, Jr., a dentist from Tiverton. Dr. Holt recognized the feeling among the people of Tiverton that the fort should be preserved, and because he was aware that no leader was willing to assume the monumental chore that would undoubtedly be required to insure a successful effort, he singlehandedly took on this task himself. Quietly, and with the characteristic determination of a New Englander, Dr. Holt began to develop a plan to interest local, state and national officials in Fort Barton.

Perhaps the most trying phase involved attraction of public funds, which necessitated working through various bureaus governing state and national programs. Only constant tracking of this proposal through each office along the way could have brought success, and Dr. Holt devoted daytime hours as well as many nights to this purpose. Often he adjusted his professional schedule and dental appointments to allow meeting with officials to further the project. He developed a synchronized slide and narration program that helped immensely, but increased the demands upon his time because of the growing popularity of the program.

Finally, funds were made available to the project and Dr. Holt's campaign was won. Fort Barton is now recognized by the State of Rhode Island as one of its major scenic and historic attractions, and credit for this project will always stand as a monument to the dedicated leadership of the Tiverton dentist, Dr. James W. Holt, Jr.

Mr. Leonard J. Panaggio, chief of the Tourist Promotion Division of the Rhode

Island Development Council, and a member of the Society of American Travel Writers, submitted Dr. Holt's work for the consideration of the Conservation Committee of the society, and the award will be presented to Dr. Holt in an appropriate local ceremony in the near future.

The society's president, Mr. Alfred S. Borcover, who is associate travel editor of the Chicago Tribune, has expressed the hope that the awards will "stimulate other organizations and individuals to help protect the world's areas of natural beauty, the wildernesses, the unspoiled beaches, the historic sites, and the old world treasures that travelers travel to see."

In March 1973, Fort Barton was entered in the National Register of Historic Places, and for this Americans will always be indebted to Dr. Holt.

JOSEPH L. MUSCARELLE AND CHARLES MARCIANTE HONORED

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. RODINO. Mr. Speaker, on Sunday, October 7, the annual New Jersey Columbian Foundation dinner will pay tribute to two outstanding individuals, men whom I have known and with whom I have worked closely for many years—Charles H. Marciante, president of the New Jersey AFL–CIO, and Joseph L. Muscarelle, president of Joseph L. Muscarelle, Inc.

The Columbian Foundation is a nonprofit charitable organization founded in 1941 by business and professional men in the metropolitan area of Newark and the surrounding counties of New Jersey. The objectives of the foundation are dedicated to improve the cultural, educational, economic, and social welfare of our region.

It is indeed fitting that both these men are to be honored at the Columbian Foundation's "Columbus Day Award Dinner." We remember Columbus as a man who fought tenaciously, because he wanted to find the truth and make it triumph. We regard him as a great pioneer personifying the spirit of discovery and embodying the will to overcome insurmountable odds. Particularly at a time in our history when we are confronted by challenges from all sides, at a time when the very principles of justice, trust, and honor upon which our Nation was founded are tested ever so strongly, a resurgence of the Columbian spirit which stirred that Genoese navigator ever onward in his quest for a new world is a most vital need.

The contributions of Charles H. Marciante to the economic and social welfare of our State, the strength, courage, and leadership he has brought to the labor movement, truly have left their imprint on the progressive development of equality and fair labor standards for all our people. Joseph Muscarelle's commitment to assuring that every man and woman be given the basic right to health, happiness, and personal fulfillment have been demonstrated time and again through his generosity, sensitivity, and understanding. The Columbian spirit truly has not diminished since Columbus' fleet found port on our shores; the spirit, instead has grown and rekindled and taken particular renaissance at this moment in our history. I am indeed proud that Messrs. Muscarelle and Marciante have given so very much of themselves to the people of New Jersey. May their good works continue for many years to come.

WALL STREET JOURNAL REVIEWS PROPOSALS BY SELECT COMMITTEE ON COMMITTEES

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, John Pierson, writing in Wednesday's Wall Street Journal, has produced an excellent article on the work of our colleague DICK BOLLING and the Select Committee on Committees.

Whatever the final decision, there is one fact that I know we all agree on, and that was the choice of DICK BOLLING to head the effort.

An author of two excellent books on the House and its idyosyncrasies, DICK BOLLING and his committee have undertaken a herculean task for which there will be little thanks.

I for one would like to salute each member of that special unit for their work to date.

At this time I also would like to put John Pierson's article in the RECORD for the information of my colleagues.

[From the Wall Street Journal, Oct. 3, 1973]

DOES THE HOUSE NEED MAJOR SURGERY?

(By John Pierson)

WASHINGTON.—Dick Bolling and nine of his brother Congressmen are trying to decide whether to tear up the whole pea patch or just rearrange a few rows.

The pea patch is the House of Representatives. Rep. Bolling's license to mess around with it is House Resolution 132, which created a committee to study committees.

Sounds harmless. But it isn't.

That's because most of Congress' work—spotting problems and drafting bills to deal with them—is done in committees. The floor debates and votes are just the mustard on the hotdog.

Mess with committees and you're messing with power—lean, raw, power. Dick Bolling knows that (he's been around Congress since 1949), but he cares enough about the House to think it worth a try.

H.R. 132 called for a "thorough and complete" study of a lot of things: How many committees should there be? How many members should sit on each committee? How many subcommittees should a committee have? What rules, procedures, press coverage, staffing, space and equipment are right for committees?

But the "meanest" area of all, as the Missouri Democrat sees it, is jurisdiction; Which committee should deal with which problem? Who gets what turf?

For some House members, notably the chairmen of the House's 21 standing committees, the only thing wrong with the way the turf is arranged now is that they don't have enough of it. But for a lot of other less fortunate members the turf has grown ragged.

Hearings before Rep. Bolling's Select Committee on Committees have turned up two main complaints about jurisdiction. One, some committees are overworked, while others have little to do. The Education and Labor Committee handled 542 separate bills in the past Congress; the Internal Security Committee handled only eight.

Two, some urgent problems—the environment, energy, transportation—are split up among several committees and so are never dealt with as a whole. For example, at least five House committees have a piece of transportation. Public Works has jurisdiction over highways, Commerce over airlines and intercity railroads, Banking and Currency over mass transit, Merchant Marine and Fisheries over waterway transportation, and Ways and Means over trust funds that pay for certain transportation programs.

The solution, say the critics, is clear: rearrange the work load in a way that gives one Congressman as much to do as another and that permits a more organized attack on the nation's ills.

FROM TRANSFUSION TO TRACHEOTOMY

Specific proposals range from the bold to the timid. Chairman Bolling, for example, has given his nine brethren copies of "An Exercise in Planning the House of Representatives" that calls for collapsing the present 21 standing committees into eight; budget, economics, human resources, natural resources and environment, national policy planning, internal affairs and defense, intergovernmental and legislative branch policy and manageemnt.

But this kind of radical surgery would upset not only 21 committee chairmen but also 21 ranking Republican members (would-be chairmen all) 128 subcommittee chairmen and their 128 opposite Republican members. It would scare every agency of the Executive Branch that's developed a cozy relationship with a House committee and every vested interest group with a committee in its pocket.

"It would make," acknowledged Rep. Bolling, "damn near everybody insecure." Abolish all committees and alter all jurisdictions?" muses Rep. Robert Stephens of Georgia, the committee's number-two Democrat, "you might as well throw the proposal out in the street and let the rain wash it down the drain."

A more practical solution would be to inject enough jurisdictional change to do some good but not so much as to stir up all the House's anti-bodies. The committee has not begun to reach a practical consensus, but some of the members have their pet ideas.

Chairman Bolling, for one, would like to split the Education and Labor Committee in two, lodge the energy problem in a single panel, and move the foreign trade issue from Ways and Means to Foreign Affairs.

Breaking up the busy Education and Labor Committee has been proposed before. But in the past, the idea has always run aground on the shoals of organized labor.

Until this year, the committee's second-ranking Democrat was Oregons' Edith Green, no friend of labor. Since Rep. Green stood to chair a separate labor committee, the AFL–CIO opposed the split. Now that Mrs. Green has moved to the Appropriations Committee, Frank Thompson of New Jersey has first dibs at the chairmanship of a separate labor panel. And labor likes Rep. Thompson.

But not every member of the Committee on Committees agrees with Chairman Bolling that divorcing education from labor is a good idea. William Steiger, a Wisconsin Republican, says it would go against nature to separate, for example, vocational education from manpower training.

Since Chairman Bolling will want to confront the House with a unanimous report, Rep. Steiger's opposition could undo the unseaming of Education and Labor.

Lack of unanimity could also kill Rep. Bolling's idea of taking foreign trade away from Ways and Means and giving it to the Foreign Affairs Committee. Several witnesses argued that with trade, taxes, Social Security and other responsibilities, Ways and Means has too much to do. Its overwork problem is aggravated, they said, by Chairman Wilbur Mills' refusal to divide his committee into subcommittees, one of which could study taxes while another studied trade and a third looked at Social Security.

Since the tariff is no longer the government's main source of revenue and since trade affects this country's relations with other countries, it makes sense to give trade to the Committee on Foreign Affairs.

But not, apparently, to Chairman Mills. He didn't even respond to Chairman Bolling's invitation to testify on committee reform. And if the Arkansas Democrat's back mends and he elects to stay in Congress, he could be expected to put up a real fight to hold onto his empire. Dave Martin, the Nebraska Republican who's vice chairman of the Bolling Committee, indulges in a bit of understatement when he says: "I can't see Wilbur Mills giving up any piece of his jurisdiction, at least not voluntarily."

If Rep. Mills retires, the dismemberment of Ways and Means might be easier to accomplish. (The same goes for any of the House's aging chairmen—men like Wright Patman of Banking and Currency, Chet Holifield of Government Operations and Ray Madden of Rules. One chairman, William Jennings Bryan Dorn, of the Veterans' Affairs Committee, may quit to run for governor of South Carolina.)

Chairman Bolling offers a sweetener of sorts for Ways and Means: Give up trade and we'll give you food stamps and other income-maintenance programs to go with Social Security.

But talk of sweeteners and trade-offs may be empty unless Rep. Bolling can convince the other nine members of his committee that trading away the trade bill from Ways and Means makes sense. Rep. Stephens, for one, thinks it doesn't. For him, the tariff is still a revenue-raiser and thus a matter for the Revenue Committee. Rep. Steiger thinks Ways and Means has done "an excellent job" with trade legislation.

Then there's Rep. Bolling's proposal for laying the energy crisis on one committee. The idea is logical and neat. But anyway you do it, it spells trouble.

A brand new energy committee would open up new chairmanships and avoid the seniority hassels that occur when jurisdictions are moved between existing committees. But a new committee that really wanted to come to grips with the energy problem would have to steal big hunks of jealously-guarded jurisdiction from Interior, Commerce, Public Works, Atomic Energy, Science and Astronautics, and even Ways and Means.

What's more, environmentalists might join oilmen, coal miners and other power people in opting for the chaotic status quo, on the theory that a divided energy lobby is more often beatable than a united one.

When all is said and done, then, it may well be that the Committee on Committees won't be able to come up with any workable plan for changing jurisdictions. Some face could be saved, however, by another pet Bolling idea: a mechanism for taking a fresh look at jurisdictions and other committee matters every two years.

THE 1946 OPERATION

The most recent major overhaul of jurisdictions was in 1946, when the House collapsed 48 standing committees (including the Committee on Invalid Pensions) into 19. The reform was more apparent than real, though, since it led to a proliferation of subcommittees.

"We all figured out ways of being called 'Mr. Chairman' anyway," say Chairman Bolling.

Changing jurisdictions more often than once every quarter century could make the change less drastic and less painful. Rep. Bolling thinks the Joint Senate-House Committee on Congressional Operations might take the responsibility of making recommendations every other year.

Changes in procedure may be easier for the House to swallow than jurisdictional change. Procedural changes the Bolling Committee might recommend include early organization of a new Congress, right after the election, to give the lawmakers a running start in January; an end to proxy voting in committee, which can give a member a good attendance record but a poor grasp of the issues; limiting each member to one committee and three or four subcommittees to make him more expert; and joint hearings by two or more committees where jurisdictions overlap.

But will the House accept any change? The committee's effort has the support of Speaker Carl Albert, who'd like to cut down the power of barons like Rep. Mills. It has the support of Minority Leader Gerald Ford, who likes the fact that membership and staff of the Bolling Committee are divided equally between Republicans and Democrats, an unusual arrangement.

But whether the leadership can carry the day against the barons and the normal inertia of the House remains to be seen. For one thing the House has done a lot of reforming of late. Committee chairmen, whose seniority used to assure them of their jobs, are now subject to confirmation by the Democratic Caucus. Formerly closed meetings are now open. Subcommittee chairmen have received more authority to act independently of their committee chairman.

And now the House is wrestling with reform of its budget procedures and election reform. By the time Rep. Bolling brings his proposals to the floor next spring, the members may have grown sick of trying to better themselves.

And then there's always the appeal of doing nothing. One proponent of leaving things alone is Rep. Joe Waggonner, a Louisiana Democrat, a member of Ways and Means and head of a group of conservative House members called the Democratic Research Organization.

"I don't think what we're doing is as bad as some people think," declares Rep. Waggonner. "I've spent my time in the House trying to learn this system and then using it. If other members would do the same, they might not be so anxious to tear it up."

YOUNG ADULTS HAVE FAITH IN GOVERNMENT OFFICIALS

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. WALSH. Mr. Speaker, every once in a while in the life of a public official, he receives a communication that makes all the trials and tribulations he sometimes experiences seem all worthwhile. Such an event occurred last week when I received a letter from a group of young people associated with the Owasco Reformed Church in Owasco, N.Y., in which they expressed faith and confidence in our governmental representatives during these troubled times.

I feel this unique occurrence is sufficiently worthy to call to the attention of all my colleagues. I know it will offer the same sense of comfort to you that it has to me as we continue to face the great responsibilities that lie ahead.

The communication follows:

OWASCO, N.Y., *September 20, 1973.*

Representative WILLIAM F. WALSH,
Syracuse, N.Y.

DEAR SIR: We are a group of Christians from the Owasco Reformed Church in America in Owasco, New York. For the past few weeks our "Young Adult and Teen" Class has been discussing current issues in regard to our governmental policies. Even among ourselves we are not in agreement on issues such as Vietnam, the bombing of Cambodia, and Watergate.

We are not proposing any solutions to these or any of the other problems. Our purpose of this letter is to express confidence in our governmental representatives during these "troubled times". We would like you to know we are *for* our government officials.

"Remind your people to obey the government and its officers, and always to be obedient and ready for any honest work."—Titus 3:1 The Living New Testament.

Sincerely,

(Signed by Lois Webster and 22 other signatures.)

PROTECTION OF PEACE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. FORSYTHE. Mr. Speaker, the Hon. Jerry W. Friedheim, Assistant Secretary of Defense for Public Affairs, on September 17 presented a speech in which he discusses the administration's concern for the maintenance of an effective defense during this sensitive era of negotiation.

Since Mr. Friedheim's remarks were presented at Cherry Hill, N.J., which is located within the district that I represent, and since they clearly illustrate DOD's concern in this area, I thought it would be appropriate to share them with my colleagues.

Mr. Friedheim's remarks follow:

U.S. NATIONAL SECURITY POLICY BEYOND VIETNAM: THE PROMOTION AND PROTECTION OF PEACE

It's a pleasure for me to be here tonight. This first visit of mine with you here in this forum comes at a time when our nation also is for the first time in many years free from the painful challenge of overseas war.

Our nation now has, as the President has said: "the magnificent opportunity to play the leading role in bringing down the walls of hostility which divide the people of the world."

In fact, we can now look forward to being engaged not in war but in the greater task of building a stable world peace.

As you know, the last four years have been years of transition: from war to peace; from a wartime economy to a peacetime economy; from a federal budget dominated by defense expenditures to one dominated by human resource expenditures; from arms competition to arms limitation; and from a draft-dominated military force toward an all-volunteer force.

Now, this transition period is just about over, and we are moving further away from an era of confrontation and further into an era of negotiation. So now our national task is to marshal our resources and to help guarantee that world stability and peace—once achieved—can be maintained.

President Nixon has emphasized that the post-World War II period of international relations is over.

He has made it the task of his Administration to shape a modern foreign policy addressed to the challenges and requirements of a new era—an era of peace, achieved and preserved through the application of U.S. strength, partnership, and a willingness to negotiate.

U.S. combat involvement in the long and difficult war in Indochina is over.

A quarter-century of mutual isolation and distrust between the U.S. and the Peoples Republic of China is ending.

In the past four years, more significant agreements have been reached with the Soviet Union than in all previous years—including initial arms limitation agreements.

In company with our overseas friends and allies—with whom we share strong convictions about the proper relationships of governments and of men—we are now pursuing the goal of a lasting peace.

We are not abandoning our treaty commitments. But, the meeting of our commitments does not require the United States to play the role of world policeman.

Instead, it requires that we have the capacity and the will to contribute to and help sustain an international structure of security, stability, partnership and cooperation.

The United States will do everything reasonable to help achieve lasting peace, utilizing our own strength as necessary and exercising our Security Assistance Program to help others help themselves. But our hopes and desires for peace cannot be allowed to obscure our view of a real world that is almost incredibly complex.

It's true that many changes have occurred in the Communist world in recent decades. Its monolithic structure has changed, and nationalism has gained strength.

It is quite correct that we take these changes into account in formulating our national security policies. It also is both correct and essential that, in planning our military forces, we have before us a careful, clear calculation of the capabilities of those in this world who may not always wish us well. And, at present, the major nuclear threat still is from the Soviet Union.

Our relations with the USSR do appear promising, and—if we keep our eyes open and our wits about us—the odds are fair that we and they can avoid slipping back into the intense hostility which made the last two decades so dangerous. The Soviets' conclusion of the SALT I agreements confirm that they are at least somewhat interested in considering arms control. Further and more lasting limitations on both U.S. and Soviet strategic, offensive armament may be achieved through SALT II talks this fall.

But, at the same time, the Soviets have made very significant gains in missile and naval power and are continuing to build up their overall military strength. For instance, they are building four new types of multiple-warhead intercontinental missiles and two aircraft carriers.

While this does not mean that an imminent danger to the United States necessarily is being created, the need for prudence and for attention to real Soviet capabilities is obvious.

The adversary aspects of U.S.-Soviet relations still are very real and can have serious security dimensions.

For example, in some areas of the world, the Soviets are undertaking diplomatic and economic penetration efforts of major proportions. Their purposes probably include attempts to enhance their great-power status, to acquire political influence, to gain improved access to raw materials, and in the longer run, to complement their maritime expansion through base and port access overseas.

Furthermore, the Soviets demonstrate few compunctions about creating or capitalizing on international instability when they can do so at low cost and low risk.

So, the physical defense of our nation and our allies must remain of high priority, because destruction or domination would render any of our other values and goals meaningless; and we must also secure the way we live from coercion and from undue, unwanted influence by others.

So my friends, the purpose of our defense forces in the last quarter of the 20th century is more than just the prevention of war: it is the promotion and protection of peace. And the best way to promote peace is to keep our guard up even as we outstretch the hand of cooperation and friendship.

The goal of U.S. foreign policy—supported by the U.S. defense policy—is to build a framework of peace for the United States and the world.

We are not involved in the world because we have overseas interests; rather, we have overseas interests because we are involved in the world.

We couldn't be uninvolved even if we wanted to. Neo-isolationism is not simply a mistake. It is an impossibility.

It is beyond reality to think that the United States could withdraw from the world, live in isolation, and live in peace. For one thing, the United States is no longer, as it once was, self-sufficient in energy.

During the present decade, the world will consume more oil than it has in all previous centuries, and here in the United States alone, we consume over 15 million barrels of oil a day in satisfying only half of our consumer demands for energy.

Two-thirds of this 15-million-barrel daily requirement now is produced domestically, and one-third is imported, primarily from Canada and South America. It is estimated that in only a dozen years, U.S. oil requirements will expand from today's 15 to about 26 million barrels a day; and we will need to import at least half of it.

Even the oil discoveries in Alaska are insufficient to allow us to keep pace with our demand.

While we may learn to practice some conservation measures in coming years, it still is likely that the only countries which can produce sufficient oil to meet Free World demands in 1985 are the countries of the Middle East and North Africa, where we find 70 percent of the world's known petroleum reserves.

Even today, Western Europe is dependent upon Arabian oil for more than 50 percent of its needs in meeting energy requirements. Japan is at least 90 percent dependent on that same source.

These figures highlight only one facet of the world's energy problem, but the strategic, political, economic, and military implications of world petroleum supply and demand are enough—all alone—to indicate that nations are inter-dependently involved in the areas of the world where vital interests are at stake.

By the year 2000, more than half of the raw materials we need will have to come from abroad. How then, can this nation—so dependent on worldwide resources for its economic vitality and strength—disclaim worldwide interests?

The answer is, we cannot.

So the Nixon Doctrine foreign policy and our supporting defense policies are not ways to retreat into isolation. Instead, they are ways we can continue to participate in and to influence world affairs in the 1970s and 1980s without doing all the jobs and paying all the bills and making all the decisions ourselves.

But, let us always remember that the ability of our nation to pursue a generation of peace—through the process of negotiation—depends upon our maintaining strong armed forces.

We are today the strongest nation in the world; but, even now it is a world in which we cannot have absolute security. We must live indefinitely with risk. And so the peace we seek is based on the realities of the world.

Our national security and foreign policies seek to establish for the United States an international role that encourages an environment in which negotiation really can become the overwhelmingly dominant means of resolving conflicts.

Especially for a strong nation, willingness to negotiate stems from a conviction that peace is in the best interest of all nations and that the less strong have legitimate rights and claims in the international arena just as do the very powerful. The United States has accepted those kinds of responsibilities. We enter an era of negotiation not expecting that violence has been eradicated, but hoping that conditions can be created where negotiated adjustment of differences will offer more useful solutions than war.

Clearly, we cannot negotiate a significant reduction of world tensions in the United States by any unilateral disarmament creates vacuums in the international structure of security—vacuums that lead to disequilibrium, to a temptation for adversaries to exploit a perceived advantage—vacuums that could lead ultimately to the self-defeat of American objectives.

And so, the free world maintains defense forces to assure that the scales of international ambition are balanced for peaceful competition.

The principle is a simple, human one—as applicable on the schoolyard as in the world arena: unbalanced strength is destabilizing. It tempts conflict, and invites intimidation. Balanced strength leaves talk and negotiation the only viable option toward resolving differences.

If the United States expects in our negotiations to be taken seriously by our adversaries and our allies, then we must have strength as we bargain.

If we should try to settle differences with other countries under circumstances of military inferiority, we would experience great pressure to reach agreements more favorable to our adversary than to us. It is only by maintaining a strong defense posture that we ensure our interests and objectives will be adequately respected and that we can negotiate by choice, not from coercion.

This military strength of ours must be adequate not only in fact, but it must be perceived as such by friends, neutrals, and potential enemies.

Other nations base their policies toward the U.S., at least in part, on their evaluation of our military capabilities. Therefore, we must exhibit continual determination to maintain a sufficient level of modern, capable armed forces.

The question really is: How do you go about promoting peace from where we are now? And, the approach of the United States is that you do it through patient, piece-by-piece negotiations—negotiations for which we are well prepared, knowing where we might compromise and where we dare not compromise.

These careful negotiations involve two goals: an attempt to reduce situations of world tension as in Berlin or the Middle East; and an attempt to limit arms as in the SALT talks and the coming talks on possible force reductions in Europe.

And when we are thinking about how you get there from here, it should be clear that we are dealing in a very tough negotiating situation. Just think for a minute about who the people are who head the governments with which we are negotiating.

There is Brezhnev and the members of the Soviet Presidium; there is Mao and Chou En-Lai and the other aging leaders of the Peoples Republic of China whose memory, whose active experience, goes back to the Long

March. These are people who will not give us anything, for nothing. They will not bargain with us unless we have something to bargain with.

Sometimes these days we think wishfully about how much the peoples of the world have in common—human aspirations, human problems, human satisfactions.

And we feel that there surely is goodwill of peoples toward each other.

There may be such goodwill and, if relations between nations really were relations between peoples, then perhaps we already would have worldwide peace.

But the fact is that this is not the way in which relations between nations are conducted. They are relations between governments.

So when we bargain with the Soviet Union or the Peoples Republic of China, we are not dealing with 250 million Russians or 800 million Chinese. We are dealing with the handful of very tough-minded individuals who, over a long history, have fought their way to the top of these Communist governmental systems.

You just cannot achieve agreements with such leaders unless you are in a position where you are worth bargaining with. That's what is meant by negotiating from strength. And that is where the role of the U.S. Armed Forces comes in in the pursuit of a generation of peace.

The past year's activities and accomplishments with the Soviet Unicn and China would not have been possible or sensible if the tough-minded leaders of those nations had perceived the United States as lacking in will or as militarily weak.

Nor will our initial agreements stand up any longer than those foreign leaders continue to view our military capability with respect.

The successes thus far achieved through negotiations can be attributed, of course, to a willingness of the negotiating parties to accommodate conflicting interests.

But let there be no mistake, such willingness is directly related to the relative barbaining power of the parties concerned. And in those negotiations related to military arms, bargaining strength is synonymous with military strength.

If we expect ongoing arms-limitation and force-reduction talks to be productive, we must maintain our military strength—in combination with our allies where appropriate. We must at all costs avoid unilateral disarmament actions. We must recall that things given as gifts cannot be negotiated. And as President Nixon said last week: "What one side is willing to give up for free, the other side will not bargain for."

In this regard, Americans need to remember that our armed forces now are smaller and have less purchasing power in their budgets than at any time for a quarter century.

The reordering of our national priorities has placed defense spending below human-resource spending and at the lowest portion of the Gross National Product in 24 years. At the same time that we have achieved these purchasing-power lows, our nation has moved ahead with its desire to try an all-volunteer force of well-paid men and women. We have ended the draft. Military pay and other people costs now take up some 57 percent of the defense budget.

And, we have cut out hundreds of ships and closed or reduced hundreds of bases.

Not since Harry Truman was President and Louis Johnson was Secretary of Defense has American defense been so austere.

As you know, our President is making a determined effort to reduce federal spending and to hold the federal budget within reasonable and prudent limits. To do this, he has had to take a fresh look at some of the outworn and nonproductive programs that have grown up over the years and to place a ceiling on overall federal spending.

We in the Department of Defense have contributed to this effort by holding level the purchasing power of the defense budget so that domestic priorities can have a majority share of federal funding. But, we agree fully with the Commander-in-Chief that it would be unsafe for our people to allow further drastic cuts in the defense budget at a time when we are trying hard in many forums to negotiate with potential adversaries from a position of strength.

The point, of course, is that those who clamor to cut billions more dollars from the defense budget, yet who also want the nation to achieve further progress in negotiations, cannot have it both ways. U.S. budget priorities already have been reordered to the domestic side. Further major cuts in defense forces would cut into bone and muscle needed to backup negotiating strength—and needed to assure our nation's security and our peoples' safety if negotiations fail and aggression or international blackmail occur.

The Department of Defense does not underestimate the task before us in maintaining credible, effective forces as we move into a new world era.

We understand the difficulties deriving from Vietnam, but we intend to keep our eye not on the past, but on America's Bicentennial and third hundred years.

We know most Americans want a strong country, but we know they also demand and deserve reasons why defense is essential in time of peace—reasons why detente without defense is delusion. We believe that a national concensus on the importance of peacetime deterrent forces is obtainable.

And, we will do our part to be worthy of public confidence and respect and to vigorously respond to the need and desire of all our citizens to know about our Defense activities, programs, and plans.

Because, we cannot achieve a volunteer armed force, and we cannot meet the demands of developing detente, unless the American people know, understand, and support our national security policies and—even more important—know, understand, and support the men and women of the Army, Navy, Air Force and Marines.

It's all about strength, and it's all about peace, and it's all about liberty. Because, as Emerson once wrote:

"For what avail the plough or sail,
Or land, or life
If freedom fail."

FIRST 100 YEARS

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. PREYER. Mr. Speaker, the history of this country is written in the biographies of its people and its communities. Our story as a nation is the story of farms and villages, towns and cities, and the people who live in them.

It is in the simple strength of a good life in a good community that the true splendor of our people is best reflected.

In my district this weekend a town and its people are joining together to celebrate their 100 years as a community.

Reidsville, N.C., is a community of good people living a good life. It is in such a place that our problems and our opportunities are put in their best perspective. It is among such people that we will find the best answers as to how to make this Nation realize again what it can mean to us and to the rest of the world.

Reidsville is a city of textiles and tobacco and flourishing new industries among these traditional strengths of our North Carolina economy.

It is a city located in the midst of a country that has produced six of my State's Governors.

Best of all, it is a place that will pause for only a brief reflection on the first 100 years; then strike out to make the second 100 even more successful.

NELSEN SUBSTITUTE MEANS DIVIDED GOVERNMENT—A WEAK MAYOR, WEAK COUNCIL SYSTEM

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DIGGS. Mr. Speaker, it is clear that the Nelsen substitute would mean weak, ineffective local government for Washington, D.C.

DIVIDED GOVERNMENT NOT EFFECTIVE

H.R. 10692 would establish a divided local government that is neither fully elected or fully appointed. The bill calls for an elected city council but a Presidentially appointed Commissioner, or Mayor. I fail to comprehend how this arrangement will enhance the effectiveness of local government in the District of Columbia. The Commissioner would be hand picked by the Presidential incumbent while the eight-member Council would be elected, one member from each of the eight election wards. The Commissioner and Council members would serve 4-year terms. Council members would choose a chairman and vice chairman.

INCOMPLETE CONSOLIDATION

The reorganization provisions of title I stop short of giving local government full control over the functions to be reorganized. The bill calls for transfer of NCHA to the District government as an agency but unlike H.R. 9682, the city government would have to obtain NCPC approval of all public housing projects. H.R. 10692 would authorize the Commissioner to operate a public employment service but the service would remain under the supervision of the Labor Department; H.R. 9682 would transfer the manpower agency to the city government. H.R. 10692, like H.R. 9682, would transfer RLA to the city government but would not retain RLA eligibility to participate in the small business administration procurement program.

NATIONAL CAPITAL PLANNING COMMISSION GIVEN CONTROL

Title II of H.R. 10692 on planning incorporates a bill introduced earlier by Congressman Nelsen as H.R. 9215 to amend the National Capital Planning Act of 1952. Under title II the predominant role of NCPC in the District of Columbia would be strengthened. The membership of NCPC would be reconstituted by designating different Federal agency representatives, adding the Architect of the Capitol and District of Columbia council chairman, adding one more citizen member and requiring that one of the six citizen representatives be from the

Maryland environs and one be from the Virginia environs.

NCPC is designated as the central planning agency for the Federal Government in the national capital region and as the agency to adopt a comprehensive plan for the National Capital. The bill's creation of a municipal planning office for the District of Columbia government, with the District of Columbia Commissioner and Council responsible for preparing, approving, and submitting a plan to NCPC for approval, is designed to establish the control of NCPC over all planning, including urban renewal major thoroughfare, and mass transit plans, and zoning matters in the District of Columbia.

Under title II NCPC would not be limited, as in H.R. 9682, to review of local plans with respect only to the adverse impact on the Federal interests and functions. NCPC would have 60 days to veto any plan in any respect. The city and Federal Governments would also be required to submit all preliminary and successive plans for property acquisition or lease to NCPC for a determination of conformity with the comprehensive plan.

H.R. 9682 on the other hand provides zoning with the power of judicial intervention if the District of Columbia Zoning Commission should step outside the bounds of the comprehensive plan but retains the leeway necessary for local initiative on purely local matters.

H.R. 10692, the Nelsen bill, would thus increase Federal control for making the ultimate decisions but assign only the burdens of planning development and clearance to the local government.

DIVIDED AUTHORITY FOR BUDGETING IN NELSEN BILL

Title III of H.R. 10692 would transfer to the District of Columbia Council certain taxing and fee-setting authority and licensing authority for occupations, professions, and businesses, trades, or callings heretofore regulated by act of Congress. H.R. 9682 would also provide for the transfer of such revenue raising and regulatory authority to the District government, but would do so in the general context of self-government for the District of Columbia, importantly including authority to enact appropriations for the city government.

Thus, H.R. 9682 would provide the elected city government with both expenditure and revenue-raising authority, which should reside in the same governmental unit. H.R. 10692, on the other hand, would separate authority over these two essential government functions, retaining in the Congress not just control of the Federal payment but the final authority for deciding how much money will be spent by the District and placing on the city council the responsibility for imposing taxes to finance the congressionally approved budget. Such a division of authority and responsibility would hamper effective financial management and limit the establishment of responsible government in the District of Columbia.

LICENSING

The transfer of authority to the council over licensing of professions, businesses, and occupations is identical to the "District of Columbia Licensing Procedures Act" proposed by the District of Columbia government to the 93d and earlier Congresses. While this is a desirable addition to the city's authority it makes no improvement in the structure of government. It is fully compatible with the present form of government created under Reorganization Plan No. 3 of 1967 and would perpetuate the piecemeal approach to local self-determination in effect under this plan.

FEDERAL PAYMENT BUT NO AUTHORIZATION

Title IV of H.R. 10692 would not essentially change existing procedures for the authorization and appropriation by the Congress of the annual Federal Payment to the District of Columbia.

H.R. 9682 is better, however, because while preserving the ultimate authority of the Congress in the appropriation of the Federal payment, it would broaden the roles of the elected mayor and city council in recommending the amount to be appropriated. It would also provide an open-authorization for four fiscal years beginning with the fiscal year ending June 30, 1976. This authorization, which is not provided by H.R. 10692, would facilitate the annual appropriation process and would thus aid in the financial management of the District of Columbia government.

MUNICIPAL BONDS PROVISION LEFT OUT

H.R. 10692 does not include authorization for the District of Columbia to issue general obligations bonds to finance its various capital projects. This authority is included in H.R. 9682, which would thus permit the District of Columbia to finance its capital improvements program in the same way as other municipalities. Necessary safeguards for ensuring proper financial management of the bond program are contained in H.R. 9682.

NELSEN SUBSTITUTE HAS MINI-ENCLAVE

H.R. 10692 would establish a national Capital Service Area to include the Federal monuments, the White House, the Capitol Building, the Federal executive, legislative, and judicial office buildings adjacent to the Mall and Capitol Building. The office of the NCSA would be located in the Office of the President who would appoint the director of NCSA at a level IV executive schedule salary level. The NCSA would be responsible for providing adequate police and fire protection, maintenance of streets and highways, and sanitation services for the service area. Within 1 year the President is to report to Congress on the feasibility of combining the Federal Executive Protective Service, U.S. Park Police, and the U.S. Capitol Police in the Office of the NCSA.

I hope this analysis will assist in evaluating the Nelsen substitute which has been offered as an alternative to the committee bill. Clearly it is not a real alternative.

The Nelsen substitute fails to eliminate the present fragmentation in local government in the District. The committee bill on the other hand gives locally elected officials the authority and the tools and the streamlined structure necessary to meet the challenge of local government in a large urban area.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—NO. 29

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. HARRINGTON. Mr. Speaker, anyone who thinks that MacArthur Walls is grateful for our country's lenient gun control laws probably does not know that he was shot to death last month.

I have heard the argument:

> If our gun laws were more relaxed, he could have had his own gun to protect himself with.

And then, there might have been two deaths instead of one. These advocates claim that stringent gun laws would not save any lives and would mainly infringe on our constitutional rights. The yearly tallies of handgun deaths easily refute the first point, and an editorial on station WBZ severely questions the factuality of the second point.

The second amendment, when carefully read, only refers to the State militia's rights to bear arms—without Federal interference—not the individual's prerogative. When the Constitution was written, owning a gun was as common as owning a radio is today; there was no need to legislate on it. But today, a handgun is a menace to society. Our only protection is gun control—now.

The WBZ editorial and the Washington Post article follow:

SUSPECT CHARGED IN NORTHEAST DEATH

Metropolitan police arrested a man early yesterday in the shooting death of MacArthur Walls, 24, of 1633 28th St. SE, whose body was found Saturday night in the Rosedale playground in Northeast.

Freddie Meck Davis Jr., 27, of 1638 F St. NE, was arrested by homicide detectives at his home about 2:30 a.m. and charged with murder, police said.

Walls was discovered suffering from multiple gunshot wounds in a corner of the playground at 17th and I Streets NE by a nearby resident about midnight Saturday, police said. He was pronounced dead on the scene.

ANOTHER ROUND ON GUN CONTROL, NO. 4

(By Lamont L. Thompson)

There's one thing about doing an editorial series urging tight gun controls. You don't lack for mail and phone calls. Over the past two years we've had more comment and criticism on this issue than on almost any other series we've done. We've talked to callers and answered the mail when people will give us an address to write to.

But we'd like to respond publicly to one point that keeps popping up. Many people feel that firearms controls and restrictions are unconstitutional because of the second amendment, part of our Bill of Rights. That does say in part that the right of the people to keep and bear arms shall not be infringed. But that's only the second half of the sentence. The first part of the amendment ties that right to the operation of a state militia.

The Courts have consistently interpreted the second amendment as a prohibition against interference with the state militia, not a guarantee of the individual's right to bear arms. So the federal government can regulate firearms as long as it doesn't interfere with state military personnel in performing official duties. States can also control firearms as long as they don't interfere with the exercise of federal powers such as the equipment of the army.

Massachusetts has enacted a fairly comprehensive system of firearms controls, which are perfectly legal. If our laws and regulations were in fact made a national standard and then really enforced, we'd be a long way down the road to a sensible firearms policy. And there would be no conflict with the constitution and its guarantees.

SISTERS OF CHARITY HOSPITAL IN BUFFALO: AGE, 125

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DULSKI. Mr. Speaker, since 1848—a span of 125 years—the city of Buffalo, N.Y., has benefited from the devoted care of members of the Sisters of Charity.

It was in that year that three nuns, Sisters Ursula Mattingly, Hyeronimo, and Ann Sebastian, arrived in the city from the Emmitsburg, Md., mother house to open a hospital. Buffalo then had no hospital, despite valiant efforts by leading citizens.

Most Reverend John Timon, CM, who was named Buffalo's first Roman Catholic bishop the previous year, had prevailed upon the Sisters of Charity to open not only a hospital, but also an orphanage.

The record of achievement over the past 125 years is enviable, highlighted by one "first" after another. The only hospital to serve as teaching hospital for two medical schools; residency students since 1849 and resident graduates since 1889; pioneer in modern-day departmentalized operation; first Grey Ladies; first intensive care unit; first methadone clinic; first medical director; to mention a few.

Mr. Speaker, I have had the honor of being very close to the activities of Sisters of Charity Hospital for many years. Its contributions to our community welfare are beyond measure. For the Sisters it is a mission in life. For the people of the Buffalo area, present and preceding generations, it is and has been a vital stimulant to the lifeblood of our people.

I extend my sincere anniversary congratulations to Sisters Hospital, its president, Sister Mary Charles, its management, and its staff.

The trials and tribulations of the Sisters of Charity, particularly in their early days in Buffalo, have been recited in most sympathetic and dramatic fashion by Mildred Spencer, retired nationally recognized medical writer. I include her two articles with my remarks:

[From Buffalo Evening News, Sept. 29, 1973]

THE SISTERS OF CHARITY: FOR 125 YEARS THEY HAVE BEEN BUFFALO'S "SISTER SERVANTS"

(By Mildred Spencer)

Their names were Sisters Ursula Mattingly, Hyeronimo and Ann Sebastian, and they had come to Buffalo, in their black widows' caps and long black dresses, to open a hospital.

As they stepped from the train at the Exchange St. Station on June 3, 1848, they saw a bustling city, a major shipping point for manufactured goods moving west and the products of farm and forest moving east.

North St. was the city line. Beyond that stretched an area of farming land referred to as "Buffalo Plains." The streets were unpaved and several were maintained by private owners and had toll gates. There were no sewers.

The city had a population of 30,000, one-fifth of whom were foreign born. Many were desperately poor, but they worked hard and managed to get along unless stricken by serious illness. Then, all too often, the only anwer was the Erie County Almshouse on Porter Ave.

There the well, the sick, the mentally retarded, "lunatics," and newborn babies were crowded together in small wards.

Dr. Austin Flint, who had come to Buffalo in 1836, had been trying, for more than ten years, to convince the citizens of Erie County of the need for "new and more efficient means of medical relief" for the sick poor.

In 1846 there had been an attempt by a group of community leaders to set up such a hospital, but it had failed, partly because of lack of money.

BISHOP TIMON TAKES ACTION

Lack of money didn't deter the Rt. Rev. John Timon, CM, when Pope Gregory XVI named him first bishop of Western New York in 1847. Bishop Timon listened to Dr. Flint—and to his personal physician, Dr. James Plat White—and decided to do something about the situation.

In his need, Bishop Timon turned to the sister order of his own priestly order of Vincentians—the Daughters of Charity of St. Vincent de Paul—the Sisters of Charity.

In March, 1848, he visited their mother house in Emmitsburg, Md. He returned to Buffalo with the promise of two communities of sisters, one to open a hospital, the other an orphanage.

When the three sisters arrived June 3, with three others to start an orphanage, there was housing for the orphanage group but none for Sisters Ursula, Hyeronimo and Ann Sebastian. Nor was there any hospital building.

The Rev. Francis Guth, pastor of St. Louis Church, gave up his own house to the sisters and went to live with a family in the parish.

Within three weeks the hospital problem was solved. On June 21 Bishop Timon bought from the Buffalo Orphan Asylum its 3½-story brick building near the new building then being constructed for the two-year-old University of Buffalo Medical School at Main and Virginia Sts.

But the Buffalo Orphan Asylum, unsuccessful in finding another, more suitable building for its own needs, failed to vacate the property. On July 5, an impatient Bishop Timon went to the director.

CARING FOR ORPHANS

He made a suggestion. If the orphanage would move out, he said, the sisters would care for the girl orphans in their cottage and he would take the boy orphans into his own home until a new building was found.

The move began the next day and was completed on July 8. The sisters immediately began putting the brick building in shape for a hospital. It sadly wanted repairs, the first general report, published Nov. 27, 1850, noted.

Sister Ursula had been designated the administrator of the hospital and the sister superior of the little group. She called herself, however, the "sister servant."

The services of the sisters were freely given, but patients had to have food and medicine and there was laundry and some heavy cleaning that the sisters could not do.

To meet these additional expenses, the sisters set up a fee schedule for those who could afford to pay.

They charged $1.50 a week for persons referred by other charitable agencies (usually paid by the agency): $2.50 for ward patients who could afford to pay; and $4 for patients in private who had their own physicians.

There was a special rate for county charges. Concerned about the deplorable conditions at the Almshouse, the sisters offered to take patients from there for just what the county was spending on their care—60 cents a week.

Thirty-three of Buffalo's estimated 80 physicians, only half of whom were "regular" medical doctors, applied for appointment to the staff of the new hospital. They agreed to care for all ward patients without fees.

PHYSICIANS FLOCK TO AID

The first medical board consisted of three founders of the UB Medical School—Dr. Flint, Dr. Frank Hastings Hamilton and Dr. White—and Dr. Josiah Trowbridge, a past president of the Erie County Medical Society and past mayor of Buffalo.

Because Bishop Timon appreciated the importance of bedside teaching in the preparation of young doctors, the Sisters of Charity Hospital was a teaching hospital from the beginning.

An arrangement was made by which students attending the medical school would be admitted "under proper regulations" to the wards of the hospital for clinical instruction by Drs. Flint and Hamilton.

The hospital formally opened Oct. 1, 1848, but the first patients had been admitted in August. One of these was a 20-year-old "mariner," taken ill on board his vessel and transported to the hospital when the boat docked in Buffalo Aug. 23. His treatment for typhus was described by Dr. Flint in the first of many reports of hospital patients published in the Buffalo Medical Journal, which he edited.

Typhus, transmitted by lice and fleas, was common in those days, as was typhoid fever and tuberculosis more commonly called consumption. And, in 1849, the year after the hospital opened, there was cholera.

With death carts rumbling through the streets, the sisters offered the City Council the use of the hospital for cholera patients. Of the 134 they cared for, 82 survived—as compared with 115 of the 243 treated in the cholera hospital subsequently established by the city.

"The results of the Charity Hospital as declared by the rate of mortality certainly affords grounds for much satisfaction," Dr. Flint wrote in the Buffalo Medical Journal. He praised the sisters' "scrupulous exactness in the execution of all medical directions and fidelity in the administration of remedies."

NONDENOMINATIONAL AT OUTSET

Bishop Timon had decided, in the beginning, that the hospital, although founded and maintained by the Catholic Church would admit patients without question of creed. If a non-Catholic patient wished "spiritual help from his own religion," his own clergyman would be invited to attend him. There was to be no effort to convert patients to Catholicism.

Older children whose parents died in the hospital were sent to one of two orphanages established by the church in 1849—St. Vincent's Female Orphan Asylum, operated by the second group of sisters who came in 1848, and St. Joseph's Boys' Orphan Asylum.

Neither orphanage was equipped to care for children under six. Orphaned babies, and those born out of wedlock whose mothers did not take them, were housed in a wing of the hospital. As their numbers grew, the sisters were forced to spend more and more time caring for them and this limited their attendance on the sick.

Again Bishop Timon turned to the mother house of the Sisters of Charity at Emmitsburg. More sisters were sent north. Three cottages from the hospital site were moved to land on Edward St. which had been donated to the church by the heirs of Louis

S. LeCourtelx, who had earlier given the land for the Buffalo Orphan Asylum.

Fifteen babies were moved there to live until a new brick building could be constructed. Funds for the building were raised by public subscription and grants from the state, county and city.

READY FOR EPIDEMIC

When another epidemic of cholera struck in 1854, the new building was ready. Bishop Timon himself carried some of the newly-orphaned babies from the hospital to their new home, St. Mary's Infant Asylum and Maternity Hospital.

The "sister servant" of St. Mary's was Sister Rosaline Brown, one of the new group of sisters to come from Emmitsburg.

With other sisters she canvassed the city and surrounding villages to get funds and provisions for her charges. Often the sisters picked fruit and vegetables, even dug potatoes.

On one such foraging expendition Sister Rosaline stopped at the Almshouse. Although the Sisters of Charity Hospital had relieved the county institution of the care of the acutely ill, there was still no suitable place for the mentally ill.

She went to Bishop Timon who advanced $6630 with which the sisters bought the farm of Dr. Flint (who had left Buffalo) at Main St. and Kensington Ave. in the Buffalo Plains. There they erected a brick building which was completed in 1860. Initially named the Providence Lunatic Asylum it subsequently became Providence Retreat.

In the beginning, Providence Retreat took in only the mentally ill, charging $2.50 a week for room, food and medical care. Later it admitted alcoholics and drug addicts as well.

Meanwhile the original hospital, which had added still another wing, was rapidly outgrowing its old building, whose capacity had grown from 100 to 200 in the first 25 years.

In 1876 it moved to a new building at Delavan Ave. and Main St. which had a capacity of 334.

ESTABLISH TWO OTHER HOSPITALS

Subsequently the sisters established the Good Samaritan Dispensary and Eye and Ear Infirmary (1882) and Emergency Hospital (1884), the city's first hospital for accident and emergency patients in an area becoming highly industrialized.

Eventually the special functions of all of the separate institutions were to be combined in an enlarged and modernized Sisters Hospital on the site of what had been Providence Retreat.

The Retreat was closed in 1940, and the maternity division of the hospital at Main and Delavan, with that of St. Mary's on Edward St., moved there. The new unit was named the Louise de Marillac Hospital.

The buildings at Main and Delavan were closed in 1956 and the other divisions of the hospital followed maternity to the Main and Kensington site. Emergency Hospital was taken over by the Diocese four years later.

The old Providence Retreat was torn down and new buildings were erected.

NOW, STAFF OF 1,300

The new hospital is a far cry, physically and scientifically, from the first one on St. Louis Place. The patients who occupy its 444 beds and 72 bassinets get the latest and best of medical and surgical care from a medical staff of 350. Much of the work once done by the sisters is now carried out by more than 1300 full-time employees.

The Sisters, however, are still the spirit of the hospital. There are 14 of them—eight in administrative and professional posts and six who work on part-time assignments, visiting the patients, and making them comfortable.

The sturdy brick buildings that housed the hospital during its early years still stand at St. Louis Pl. and Virginia St. and are now marked by a plaque.

There is no record of what happened to Sister Ursula after 1863 when she was succeeded as "sister servant" by Sister Ann Louise. Sister Hyeronimo went to Rochester in 1857 to start St. Mary's Hospital there. Sister Ann Sebastian spent 17 years in Buffalo.

At the time of the hospital's 50th anniversary in 1898, Sister Ann Sebastian was the only one of the three still living. From Mt. Hope Retreat, Baltimore, she wrote:

"I look back with pleasure to my dear Buffalo Mission, where we had such a hard beginning and labored so hard. Thanks to our dear Lord, who has blessed our labors. I look with pleasure on the 17 years that I spent in Buffalo Mission; it is a dear mission to me, and I pray daily for its continuance."

An Honored Tradition of Being First

Sisters of Charity Hospital is the only hospital in Buffalo to have served as the primary teaching hospital for two medical schools.

From 1848 to 1858, when Buffalo General Hospital was opened, it was the only teaching hospital for the University of Buffalo. After that the two hospitals shared teaching responsibilities.

The Buffalo Medical Journal commented in 1858 that the availability of teaching facilities at Sisters Hospital during its early years "placed the University of Buffalo on a par with the colleges of larger cities" and gave it "a position it never could have attained without the advantage of bedside instruction."

When Niagara University established a medical school in Buffalo in 1883, Sisters became its teaching hospital, and continued to be until the school merged with UB in 1893.

The hospital had a resident medical student, or "extern" in today's terms, as early as 1849. In 1852 such a program was made official.

In 1855 the hospital set up a program of "residency" for graduates of the Medical School and in 1889 a school of nursing. Even earlier the case histories of patients treated there, published in the Buffalo Journal, were contributing to the postgraduate education of practicing physicians throughout the United States, Ohio, Pennsylvania and in nearby Canada.

Before the turn of the century, the forward-looking Sisters of Charity and their medical staff recognized that medicine was changing. In 1898 they reorganized the staff and established hospital departments as they exist today, under the direction of trained specialists.

SAW NEEDS AND MET THEM

They saw the community's needs and met them, one after another—first the hospital itself; then the infant asylum and maternity hospital, with a special ward for unwed mothers; then an institution to treat the mentally ill, alcoholics and drug addicts; then a hospital for accident and injury cases.

In all of these they were first in Buffalo and they have continued to make history up to the present day.

The Marillac Guild, organized in 1935 to "solace and comfort" patients, prevailed upon the Red Cross to train some of its members as Buffalo's first Grey Ladies.

Sisters Hospital had the first modern intensive care unit in the city and the first electronically monitored coronary heart unit. The Buffalo Fire Department's rescue squads transmit electrocardiograms taken throughout the city to the heart unit by radio for rapid diagnosis.

The hospital sponsored the first methadone clinic in Buffalo.

It was the first hospital to utilize closed circuit television for the regular education of patients and staff—and for "visiting" by patients with children too young to be allowed in their rooms.

Sisters was the first hospital to employ a corporate group of experienced, fully-licensed physicians to staff its emergency room and one of the first two in the city to have a full-time director of medical education, named in 1961.

The hospital will be the first in the area to have its own medical office building, scheduled to open in 1974. And its extended care facility, now under construction, will be one of the first in Erie County to be erected as part of a hospital.

REMOVAL OF WAGE AND PRICE CONTROLS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DERWINSKI. Mr. Speaker, the Chicago Association of Commerce and Industry is one of the largest and most active groups of its kind.

Its governmental affairs division is headed by Preston E. Peden, who once served in this body as a Representative from Oklahoma.

At a recent meeting of the Chicago Association of Commerce and Industry, a policy statement was adopted calling for immediate removal of wage and price controls. I am in fundamental agreement with the points made in this statement.

I insert the full statement in the Record, trusting that it will not only be studied by my colleagues, but that officials in the executive branch of Government, and even the President himself, will look at this very timely and forthright statement.

Chicago Association of Commerce and Industry Recommends the Removal of Wage and Price Controls

The Chicago Association of Commerce and Industry urges the immediate removal of wage and price controls.

The Association is concerned and disturbed with the drift of current U.S. economic policy. The controls have not stabilized wages and prices or checked inflation. Instead, they have contributed to shortages, black markets, misallocations, production cut-backs and waste of resources. The controls obscure the transmission of price and demand signals to producers. They upset business confidence and business planning. They encourage quality deterioration and the elimination of low priced and low profit items. They discourage capital spending needed for increased output of scarce commodities. Controls have increased government's role in business decision making.

At best the controls prolong the period of price adjustments but do not avoid eventual price increases. They divert attention of policy makers from monetary and fiscal management which would work if tried. Beyond the short run, or unaccompanied by patriotic fervor, price or wage controls have never succeeded in history. The experience of Office of Price Stabilization is a recent reminder of their failure to control prices during the Korean War.

Price controls have created unsettled conditions in the meat industry with record stocks being withheld or diverted from their natural domestic market, processing plants being shut down and great uncertainty developing regarding future beef supply. Other commodity shortages have also developed.

The Association is fully aware that 1973 price increases stemmed from many causes. World wide shortages and an increasing world population intensified the demand for food. Devaluation of the dollar promoted the export of scarce food and feed commodities. Adverse crop weather reduced harvests, food supplies and grain surpluses at home and abroad. Environmental controls of diverse governmental units have artificially reduced the supply of available fuels throughout the country. The resultant demand for unrestricted fuels has elevated their prices and created severe shortages. Price increases suppressed by Phase II caught up during Phase III. There were some price hikes anticipatory of another freeze. As the economy approached full employment, production labor costs rose and pushed against prices.

The Association is cognizant of appropriate and laudatory, if tardy, measures to encourage full production of scarce commodities. Increased production will retard price increases and promote price decreases. Administration efforts to increase farm production and release commodity stockpiles are commendable. The Presidential instruction to the Secretary of the Interior to triple continental shelf land available for oil exploration clearly intends to ameliorate shortages of these products. Much tighter fiscal control of federal deficits as an anti-inflationary measure deserves our loud applause. Measures of Federal monetary agencies to restrain credit expansion are the logical consequence of an expansionary monetary policy pursued for many years. Nevertheless they are appropriate at this moment in the development of the economy. These measures tightened monetary and fiscal policies and a curb upon credit expansion will control inflation even with controls removed.

The Association recognizes that immediate termination of wage and price controls, which it recommends, could result in some short run price increases. It feels that American consumers will be better served by bearing short term price increases in exchange for long term price stability and plentiful supplies. Without controls volatile food prices will stabilize and even come down with two good harvests and expanded food production.

The United States has passed through a decade of failure to discipline money management, federal spending and the regulation of farm and petroleum production. Both the legislative and executive branches of the U.S. Government and the U.S. monetary authorities have ignored the warnings of economists, analysts and business leaders to effect these disciplines. Controls are the culmination of this neglect.

Price and wage controls have created shortages which will worsen as long as they remain. They could lead to more extensive control. They impede a return to price stability. They have increased business' burdens and costs. They have reduced production and inspired waste of resources. They have diminished the voluntary and uncoerced exchange of labor, goods and capital. They have suppressed investment and production planning for higher quality and lower cost goods. They have fostered a climate of immorality and uncertainty characterized by evasion of regulations, destruction of commodities, and excessive job hopping.

The Chicago Association of Commerce and Industry reaffirms its faith in a market oriented economy with price flexibility which is currently threatened by government decree. If there was temporary support from business for the freeze two years ago, the Association feels at this time that there is a strong consensus of business opinion in opposition to the controls. It urges the immediate cessation of the controls.

DISTRICT OF COLUMBIA OPTOMETRIC CENTER COMMENDED FOR EFFORTS AT VISION CARE

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. FAUNTROY. Mr. Speaker, as the representative from the District of Columbia, it is my privilege to commend the successful efforts of the Optometric Center of the National Capital.

During this last year, more than 60 doctors of optometry freely served at the clinic operated by the center in downtown Washington. Some 400 persons were given care and glasses if needed. For the last several years, District of Columbia schools have sent their students for vision care to the center through a contractual arrangement with the Department of Human Resources. Last year, the center sponsored and conducted vision screening projects, utilizing volunteer optometrists and their spouses at various schools in the area.

Participating optometrists are members of the Optometric Council of the National Capital Region, which includes the District of Columbia, central Maryland and northern Virginia. In addition to the optometric members supporting this service, New Eyes for the Needy, a public service organization, and the Washington Society for the Blind have given valuable financial assistance.

The president of the center, Dr. Barry Ephriam, has expressed special interest concerning proper vision care. This involves the need for people to receive professional vision care for correction of vision problems and as a preventive measure against blindness. The center gives the following guides so patients may know what they have a right to expect from the practitioner in vision care:

EYE CARE GUIDES

1. Take a health history to ascertain whether one has any kind of ailments, allergies or diseases, or are taking drugs that may affect ones vision;

2. Inspect the eyes and lids carefully for any signs of lesions or irritations in or near the eye;

3. Examine the interior of the eye for conditions such as diabetes and cataract;

4. Test ocular reflexes, eye movements and side vision;

5. Check the hardness of the eye as a test for glaucoma;

6. Use a series of visual tests to check visual acuity, astigmatism, eye coordination and muscle function;

7. Ask questions about visual habits on the job, while driving and while enjoying hobbies;

8. Fully inform one of the nature of his visual problem, if any, and what needs to be done to improve the visual performance;

9. If glasses are needed, he will assist in the selection of frames to determine the exact position at which the frame will hold the lenses before the eyes, the proper fit, appropriateness of the frame in your line of work, and the appearance of the frame in relation to facial features;

10. Follow up to see how well the eyes have adapted to the glasses; and

11. If care is needed beyond what he is able to provide, he will refer one to the proper specialist for care.

Another service provided by the center is with its lost and found telephone number. Persons either losing glasses or finding glasses—including contact lenses—may utilize this service. The number in the District of Columbia is 347–1622.

The continued operation and expansion of services of the Optometric Center is important to this community. I compliment its members for this public service and encourage their continued success.

CENTENNIAL ANNIVERSARY FOR HOOSAC TUNNEL IN MASSACHUSETTS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. CONTE. Mr. Speaker, this year marks the 100th anniversary of the completion of the Hoosac Tunnel in North Adams, Mass.

It is particularly fitting that we pause to reflect on the history of this rail passageway at this time. For today, Mr. Speaker, our northeast railroads are in desperate trouble.

At the time this tunnel was planned and construction began in the mid-1880's, that, of course, was not the case.

You all know the familiar line about an irresistible force meeting an immovable object. In the mid-1880's our railroads were undeniably an "irresistible force" in this country. They provided the only viable means of cross-country transit. In western Massachusetts this "irresistible force" met its "immovable" match in the form of the Hoosac Mountain.

My First Congressional District is well known for its beautiful rolling hills. While they make for great beauty, they do not make for great railroading. But, travel through these hills provided a direct route from Boston to the west. In order to conquer the obstacle provided by the Hoosac Mountain, work started in 1851 on the construction of a tunnel through it.

More than 800 men labored to build the tunnel. The work was agonizingly slow. Two men, one serving merely to hold a chisel, could struggle for hours putting only a dent in the surface of the rock.

I know it was back-breaking work. It was the work my father told me about when I was young, for he was a member of the force that carried on the work of that original crew. If I may be allowed one further personal note, it was through his work at the tunnel that my father met my mother, whose mother, Angela Lora, ran a boarding house, providing a warm home for the men who worked long hours in the tunnel shaft.

It took 24 years to complete the initial tunneling. It cost $15 million and exacted an even dearer cost in lives lost in the process of construction, a total of 195.

However, the tunnel stands as a "classic" of American know-how and that famed "Yankee ingenuity."

The tunnel served as a practical "proving ground" for new techniques in excavation. A narrative history of the tunnel, prepared by the Hoosac Tunnel Centennial Committee reports that operation of a drill used in the tunnel, the Burleigh drill, "depended upon construction of air compressor machines." Thus, the report concludes, "the American compressed air industry which was to lead the world in mine construction tools grew out of the Hoosac Tunnel project."

The tunnel process also saw the first practical use of tri-nitroglycerine. The chemical, approximately 1 million pounds of it, was manufactured right at the site. It was discovered, through the project, that the substance will not explode in its solid, frozen, state.

Another "first," the use of blasting caps to detonate the explosive charges, was also recorded at the tunnel.

The project was one characterized by numerous delays, in fact, the eminent Oliver Wendell Holmes was doubtful it would ever see completion. He expressed these doubts in a poem entitled, "The Great Bore":

"When publishers no longer steal,
And pay for what they stole before,
When the first locomotive's wheel,
Rolls through the Hoosac Tunnel's bore;
'Till then let Cummings blaze away,
And Miller's saints blow up the globe;
But when you see that blessed day,
Then order your ascension robe!"

But the doomsayers were proved wrong and the tunnel was completed, the headings joined, in late 1873.

The first train passed through the tunnel in 1875 and that same year, the first passenger train used the tunnel.

The last passenger train used the tunnel in 1958 when the regular scheduled passenger service was terminated.

This weekend, an excursion trip has been planned through the tunnel by the Hoosac Tunnel Centennial Committee. I understand that it is a "sold out" event and that eight cars will be making the trip. The cars going through the tunnel on their way from Boston to North Adams will be carrying railroad buffs, historians, descendants of the men who risked and gave their lives in the construction of the tunnel, and just plain adventuresome citizens. Undoubtedly on this sentimental journey, they will reflect on the good old days of railroading. We cannot, of course, bring those days back. But we can work to keep our Northeast railroads strong.

Today, Mr. Speaker, I salute all of those who have planned and are taking part in this 100th anniversary celebration, and I salute those men and women who, long ago, worked to build the Hoosac Tunnel. They have given me, and I hope they will give you, inspiration for the task ahead of us. That task is to bend every effort to see that our Northeast railroads continue to be a strong segment of this country's transportation system.

HEADSTART—SUCCESS OR FAILURE

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BRADEMAS. Mr. Speaker, in May of this year, Dr. Edward Zigler, former Director of the Office of Child Development within the Department of Health, Education, and Welfare, and presently director of the child development program at Yale University, published an article assessing the Headstart program in the journal, Learning.

Because Dr. Zigler was one of the men who helped to plan Headstart, and was, indeed, in charge of the program for 2 years, and because of his extraordinary devotion to the cause of quality child care services, I urge my colleagues to study his assessment with the greatest care.

For the central point of Dr. Zigler's article can be accurately applied to many of the other human services programs which we are currently, and painfully, trying to evaluate.

The theme is that if we are to evaluate the success of programs such as Headstart, we must, if we are to be intellectually honest, evaluate these programs in terms of their success in attaining their actual objectives—and not the objectives arbitrarily assigned to them by others.

Says Dr. Zigler:

It is my belief that a realistic and proper assessment of Head Start demonstrates that it has been a success. Furthermore, I believe that what we have learned from Head Start to date can give clear direction to future compensatory efforts.

Because I believe Dr. Zigler's perceptive comments deserve wide consideration, Mr. Speaker, I include this article at this point in the RECORD:

PROJECT HEADSTART: SUCCESS OR FAILURE?

(By Edward Zigler)

(The depth, breadth and consequence of poverty in America have seeped deeply into the public consciousness, and conscience, in the last decade. In the midst of the shock and rhetoric surrounding that process, educators came to some conclusions of particular significance and poignancy to them. Among them was the conviction that on the day they first walk through kindergarten doors, children from poverty families are already far and perhaps hopelessly behind youngsters from better-off families. Poor nutrition, limited learning opportunities at home, little or no understanding of what the public school system will expect and demand of them—all these and more have taken too great a toll on such five-year-olds.

It was this dawning recognition that brought Head Start into being on June 30, 1965, at the heyday of the New Frontier. Since then, the federal government has spent approximately $2.5 billion in an effort to give 4.5 million children from poor families a better chance at the education starting line. Exact statistics are hard to get, but perhaps one child in every ten now in U.S. elementary schools is a Head Start graduate.

The social experiments of the New Frontier are under severe attack in Washington today, but Nixon budget reductions do not seem likely to reach Head Start. The administration has proposed $407.4 million for Head Start in fiscal 1974, a $28.2 million increase over expenditures the year before. The number of children to be covered by the program stands at 379,000.

In the article that follows, the man who helped plan Head Start and ran it for two of its most turbulent years takes a look back over that experience, and another look at what might lie ahead. He is Dr. Edward Zigler, former director of the Office of Child Development and chief of the Children's Bureau of HEW and now profesor and director of the Child Development Program in the psychology department at Yale and head of the psychology section of the Yale Child Study Center.

His conclusion is that if unrealistic expectations are stripped from the Head Start record, it is an extremely worthwhile program.

Many of Learning's readers have taught and will continue to teach Head Start children. We invite them to read Dr. Zigler's report and, from their vantage points on the firing line, to let us hear their own judgments.)

THE GOAL OF HEAD START: SOCIAL COMPETENCE

Whether Head Start is seen as a success or a failure is determined by the factors one chooses to weigh in making such an assessment. Thus, if Head Start is appraised in terms of its success in universally raising the IQs of poor children, and maintaining these IQs over time, it is easy to write off Head Start as an abject failure. On the other hand, if one assesses Head Start in terms of the improved health of the tens of thousands of poor children who have been screened, diagnosed and treated, Head Start is clearly a resounding success.

The problem appears to be that, as a nation, we are not clear as to either the exact nature of the Head Start program or its goals. It is my belief that a realistic and proper assessment of Head Start demonstrates that it has been a success. Furthermore, I believe that what we have learned from Head Start to date can give clear direction to future compensatory efforts.

A basic requirement of any social program should be that its goals be explicitly stated and widely recognized throughout the life of the program. This has not been the case with Head Start, and its image has suffered as a result. While those who conceptualized the program already know this, it may come as a surprise to others that this preschool program was not mounted in hopes of dramatically raising IQ scores, nor of guaranteeing that all Head Start graduates would be reading at their age level at grade five.

Rather, the creators of Head Start hoped to bring about greater *social competence* in disadvantaged children. By social competence, we meant an individual's everyday effectiveness in dealing with his environment. A child's social competence may be described as his ability to master appropriate formal concepts, to perform well in school, to stay out of trouble with the law and to relate well to adults and other children.

We have sought to achieve this broad goal by working with the child directly, with his family and with the community in which he lives. The Head Start approach to helping children directly involves services to improve his health, intellectual ability, and social-emotional development, all of which are components of social competence.

HEALTH

With respect to health, it is recognized that social competence is fundamentally dependent upon a child's physical well-being. A child who is ill or hungry cannot learn from or enjoy his experiences and relationships with those around him.

More than one third of Head Start children have been found to suffer from illnesses or physical handicaps. Of these children, 75 percent have been treated. While we can be satisfied only with 100 percent effectiveness, there can be no question that the health of the nation's poor children has been bettered by Head Start, and to the extent that they are healthy, their opportunities for cognitive and emotional growth are enhanced.

INTELLECTUAL ABILITY

With respect to formal cognitive abilities, most Head Start programs have mounted efforts directed toward improving the children's linguistic, numerical, spatial, abstraction and memory functions. Many studies have indicated that at the end of the Head Start experience and prior to entering school, Head Start children have higher scores than comparable non-Head Start children on specific measures of these abilities and on IQ tests. Head Start has also been directed toward developing those achievements, commonly labeled "intellectual," which are more often influenced by a child's particular experiences than by the quality of his formal cognitive functioning. (Thus, the child who cannot define the word "gown" may have a perfectly adequate cognitive storage and retrieval system, but simply has never heard the word.)

While experts may argue over the degree to which a compensatory education program can increase the child's span of memory, there is no question that particular experiences highly influence the specific bits of information stored in the child's memory bank. The failure to draw a distinction between a cognitive process (memory) and the products of that process (the ability to know what particular words mean) has frequently led to a simplistic assessment of compensatory education programs as well as a total misreading of what actually hinders the economically disadvantaged child in his school achievement.

This point can perhaps best be clarified by examining the performance with respect to a particular achievement of children residing in San Francisco and New York. Many more five-year-olds in San Francisco than in New York would know what a cable car was, not because they were cognitively superior to New York children but because they have much greater contact with cable cars.

Unfortunately, when economically disadvantaged children cannot produce achievements of this sort, we are all too ready to conclude that they are less bright or that their cognitive systems are less adequate, rather than attributing differences in performance to differences in experience. This error, which invariably leads to an underassessment of the cognitive abilities of poor children, is compounded when the school fails to credit them with those achievements in which they outdistance children from more affluent homes. In school, we rarely give the child from the ghetto any credit (nor do we fault the non-ghetto child) when we discover that the ghetto child knows that "threads" means clothes and the non-ghetto child does not. Nevertheless, so long as our schools, whose values reflect those of society at large, prefer certain school achievements over others, helping poor children succeed in school and in life must involve providing them early in their lives with those experiences that make these expected achievements possible.

Head Start does exactly this. Head Start children are repeatedly found to do better on preschool achievement tests, such as the Caldwell Preschool Inventory, than do poor children who have not had the Head Start experience.

SOCIAL AND EMOTIONAL DEVELOPMENT

The other aspects of the child that Head Start seeks to influence are those social, motivational and emotional attributes that are known to enhance a child's general social competence. These less appreciated factors include an adequate aspiration level, a healthy self-image, expectancy of success, mastery motivation, curiosity and independence.

In the few studies of Head Start in which an effort was made to assess the impact of the program on socioemotional variables, Head Start children have usually been found to be superior to non-Head Start children at the end of the Head Start year. These attributes are almost totally shaped by the environment and are probably much more plastic than the child's formal cognitive development. Certainly they are extremely decisive in determining how a child will function both in school and later in life. It is the rare person who does not possess the cognitive wherewithal to learn to read, to master the general subject matter of our schools and eventually to learn occupational skills that will allow him to contribute to society and reap its rewards.

This nation can live comfortably with the variations that we find in cognitive ability, independent of race and social class, if we will only realize that all children—with the possible exception of the severely retarded—have the cognitive potential to play productive roles in society. Why then, one might ask, are we confronted with so many young people who do not meet society's minimal expectations—school dropouts, juvenile delinquents and those who have opted for the drug culture?

The answer, I submit, is not that the cognitive ability needed to function adequately in this society is widely lacking. Rather, the failure to function adequately can usually be directely traced to a negative self-image, to a "can't do" philosophy and to a wariness and/or hostility that in all too many cases has been honestly come by. This is why our early-childhood intervention programs must be just as concerned with the social, motivational and emotional factors in development as they are with cognitive development. Ten more points of IQ make little difference with respect to the malaise that afflicts so many of our young people.

Even if we limit our discussion to lack of achievement in school, we can immediately see why affective development is such an important part of any early-childhood intervention program. It is interesting that when children from affluent homes fail in school, they are usually labeled "underachievers." Implicit in that phrase is a recognition that the children's school achievements result from some combination of cognitive factors, which determine the upper limit of performance, and motivational-emotional factors, which influence the match between actual performance and potential.

On the other hand, when we assess the performance of the economically disadvantaged child, we are all to ready to attribute his failures solely to poor cognitive ability. It should be noted that for all children only half of the variance on school achievement tests can be attributed to difference in IQs. The other 50 percent variation offers the ideal ground for intervention efforts, provided such efforts are explicity directed toward influencing those motivational factors that have so much to do with both school and later life achievements.

FAMILY AND COMMUNITY INVOLVEMENT

As noted earlier, Head Start's efforts go far beyond those directed at the child in the center. Central to the Head Start philosophy is the view that child development is a continuous process influenced by every event experienced by the child. Intervention efforts that ignore the parents or the child's home life will certainly have limited impact. Thus parental involvement has been a cornerstone of the Head Start program from its inception.

From the outset a goal was to provide families with both information and services to help them improve their economic status and provide a better developmental environment for their children. The escape from poverty for many American families can be directly traced to the outreach and training efforts of the Head Start program and direct involvement of parents in policy-making roles.

A child's development is also influenced by the quality of the social institutions in his community. The 1970 Kirschner Report on the community impact of Head Start has made it abundantly clear that, throughout the nation, Head Start has served as a catalyst for communities to improve their educational, health and social services to the poor.

OUR GOALS BECOME DISTORTED

Since it can be easily demonstrated that the social competence of disadvantaged children has been enhanced by Head Start, we must ask why so many people have become critical of the program. The answer, I believe, involves the pendulumlike nature of our thinking about the developing child, as well as the tendency of educational decision makers to board theoretical bandwagons.

The environmental mystique

When Head Start began, the favored theoretical position was what I have termed the "environmental mystique." Essentially, this position held that young chilren are so malleable that rather minimal interventions in the early years will have major and lasting impact. The theorists whose work gave rise to this mystique were themselves rebelling against an earlier view of child development emphasizing hereditary factors, a maturationally determined sequence of development, a relatively non-malleable child and a fixed IQ. In the mid 1960s, the pendulum had swung to the extreme environmentalist position, and as a result we became immersed in pleas and promises that emphasized the cognitive system's openness to change, and therefore the ease with which intellectual development could be enhanced.

The environmental mystique captured the nation's thinking. We were bombarded with books for laymen, magazine articles and stories in the daily press, all indicating that with the right kind of intervention each and every child would eventually function at an elevated intellectual level. Newspaper stories reported compensatory programs that yielded a point of IQ increase for every month a child spends in the program. (One immediately wonders why all parents would not avail themselves of 30 or 40 months of such treatment for their children.) In one instance, the early and still tentative results of cognitive stimulation of infants by a distinguished group of researchers were reported as though the secret of accelerated cognitive development had been uncovered. Books poured forth informing parents how to give their children superior minds and how to teach them to read at the age of two.

When this environmental bandwagon with all its excesses really got rolling, educators and the producers of educational materials were quick to hop aboard. Professional conventions were inundated with salesmen hawking the latest in educational equipment. This hardware was promoted as being consistent with the "environmental mystique" and at the same time appealed to the very strong attachment to technology that characterizes the American ethos. Some of these educational materials were constructed on the basis of sound psychological and pedagogical theorizing and research, but many of them were pure junk. School administrators were soon pushed into a keeping up with the Joneses. No school could afford to be the last to have that latest piece of equipment that would guarantee educational success.

Parents of young children, inundated with material about how malleable their children's minds were, were quickly seen as a ready market for educational toys. Where once mothers and fathers went to toy stores in the hope of obtaining an object that their child would enjoy, they were now more interested in "toys that teach."

Throughout this period, there were, of course, those persons who had the good sense to insist that almost any toy could teach if the parents took the trouble to use it to arouse the child's curiosity and interest and as an occasion for social interaction between parent and child. Some specialists even had the temerity to state, wisely in my opinion, that the cognitive development of the very young child has less to do with formal learning intervention than with the natural exchange between the child and his environment. If his parent is interacting with him, the young child can learn more by playing with pots and pans than with the expensive toys parents buy in hopes of raising their child's IQ.

Be that as it may, since the environmental mystique represented the dominant position in the theoretical literature, permeated the popular press and became established in the minds of parents, it is easy to see why the preschool programs of the 1960s had such a strong cognitive orientation. If the mind of the child was so plastic, and environmental intervention appeared so promising, it would be criminal not to direct our efforts toward enhancing cognitive development. The fact that, with the exception of a few highly experimental programs that are still in need of considerable assessment, we have almost nowhere produced the degree of cognitive improvement in poor children that we had hoped for has been a most sobering experience. We had clearly overpromised, and the great danger now is that the undue optimism of the '60s may give way to undue pessimism in the '70s.

We *can* improve cognitive development of children, but for most children this improvement will be more limited than we had thought. Moreover, to achieve and sustain this improved cognitive functioning will require much longer and more intensive efforts than can be provided by an eight-week or even one-year intervention program.

The post-Sputnik reaction

Another element that led to our preoccupation with cognitive aspects of development was the post-Sputnik panic that swept the nation at about the same time that preschool compensatory programs were getting underway. That some nation could be slightly ahead of America in even one realm of technology seemed intolerable, if not to the American people, certainly to our decision makers. The nation clearly needed a fall guy to explain this loss of face, and, as is so often the case, the fall guy turned out to be the American school.

Admirals who had access to the public arena became pedagogical experts overnight. Thus, virtues of Soviet education, with its emphasis on those skills that lead to engineering accomplishments, were contrasted with American schools and their tender-minded, Dewey-eyed concern with personal adjustment. In short order, educators were extolling the virtue of teaching reading, writing and arithmetic and turning away from the view that the school had some responsibility in producing a whole person who could take his place in society. Unfortunately, many educators capitulated to this one-sided view, and in too many places, preschools became rather awesome settings in which the rigors of the elementary schools were simply introduced to children at an earlier age.

The "whole child" approach, with its commitment to the view that a child's emotional and motivational development are just as important as his cognitive development, continues to be suspect. The critics of this approach range from those who consider it tender-minded to those who see in it some pinko plot to undermine the nation. But the criticism does not change the fact that children are much more than cognitive automatons. The child is a whole person whose physical, cognitive and emotional-motivational dimensions interact in a complex fashion. Those who insist on approaching the developing child as some sort of disembodied cognitive system strike me as being simple-minded, not tough-minded.

The "discovery" of cognitive development

Other factors played a role in the overly cognitive evaluation of Head Start and other remedial programs. One such factor was that, 15 or so years ago, American child-development specialists discovered the work of Jean Piaget and his classic efforts in charting cognitive development in children. Here again, the pendulumlike nature of so much of American thought concerning children manifested itself with investigators moving from too little emphasis to too much.

Until the mid 1950s, American behaviorism held sway, and thought was considered by many to be unworthy of investigation. Indeed, it was considered bad form and too subjective even to ask a child why he was doing what he was doing. This uniquely American behavioristic approach caused the cognitive emphasis of such European thinkers as Piaget, Werner and Vygotsky to be almost totally ignored. As behavioristic enthusiasm waned, American researchers decided that thought and cognition were phenomena worthy of investigation, and Piaget in particular was discovered with a vengeance. One must, of course, applaud this belated discovery and be thankful for the contributions that have been made to our understanding of cognitive development by American psychologists such as Jerome Bruner. What I cannot applaud is the fact that cognitive development has now so captured our interest that far too small an effort is being expended in illuminating the nature of emotional and motivational development.

Measurement problems

Head Start's influence on emotional and motivational growth was underestimated for another reason: the difficulty of measuring those factors. With the many standardized tests available, it is easy to see why so many investigators focused on intelligence and cognitive development. There is nothing in the socio-emotional realm akin to standardized IQ measures. What must be emphasized is that this reflects nothing more than the state of refinement of socioemotional theory and measurement and does not indicate that cognitive variables are "more real" than socio-emotional variables.

If I am correct in my suspicion that compensatory programs have a larger impact on motivational and emotional factors than on cognitive factors, we will never assess the magnitude of this impact by continuing to overemphasize cognitive measures in our evaluations of compensatory efforts. Justifying the use of cognitive measures because of their easy availability reminds me of the old joke about the individual who lost a quarter in the middle of the block one night, but decided to look for it up at the corner since the light was better there.

Difficulties of evaluation

Several monographs and more than a hundred papers have now been published evaluating the effectiveness of Head Start and other preschool compensatory education programs. It would be impossible for me to discuss this work here, just as it would be unrealistic for social policy planners to expect this work to generate a simple conclusion. The studies themselves are a conglomerate of evaluations of a wide variety of treatments or programs which produced different outcomes. Indeed we have already reached the point at which conclusions about the studies can be predicted by identifying the theoretical allegiance of the authors.

As one who is deeply involved in both research and social policy, I can appreciate the difficulty in detecting a clear signal in the midst of all this noise. But I do think that on the basis of the evidence, a number of reasonable statements can be made, and at this particular point in time, these statements can be used to help determine our social-action efforts.

What we have learned from the evidence is what we could have predicted at the outset—namely, that intellectual gains discovered at the end of a summer or one-year compensatory program are likely to dissipate unless: (a) parents extend the remedial program to the home through their own efforts; and (b) the preschool program is followed by a further special educational effort once the child reaches elementary school. The social-action implications of these findings are obvious: More direct assistance to parents in child rearing, as in the OCD Home Start program, should be made available; and preschool programs should invariably be followed by school enrichment efforts, such as those authorized by Title I of the Elementary and Secondary Education Act.

However, even if one recognizes that Head Start results in some unquestioned immediate gains and some less clearly identifiable long-term gains, the problem in evaluating the program still exists. We will always have deserving social-welfare programs competing for scarce resources, and we have little way of knowing whether the accomplishment and dollar costs of a program signal its continuation or suggest instead that the money be spent for other social purposes. While some technocrats believe that "scientific" evaluations will lead inexorably to cost-effectiveness data upon which errorless social policy can be built, I believe that it makes more sense to admit honestly that we do not have totally objective means of assessing the dollar value of gains brought about by Head Start.

So when we consider the broad goals of Head Start and realistically examine its real effectiveness against these goals, the program cannot be dismissed as a failure. Neither should this rather fragile effort during one year of a child's life be viewed overoptimistically. It obviously is not the ultimate solution to poverty, illiteracy, underachievement, racism, delinquency and failure in later life. We must respect the complexity and continuity of human development.

The Head Start year in the child's life is important; the first five years are important. So are the next five, and the five after that. Intellectual achievement is important, but so are physical and emotional health and motivation if our goal is to enable the nation's children to take advantage of our efforts to expand the range of opportunities available to them.

SENATE—*Monday, October 8, 1973*

The Senate met at 10 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who maketh wars to cease unto the ends of the Earth, who breaketh the bow and cutteth the spear in sunder, and burneth the chariot in the fire, have mercy upon humanity, created for brotherhood, but broken by war. Help us amid tension and crisis to "be still and know that Thou art God." Grant to the President, to us, and to leaders of all nations the stillness that leads to humility, wisdom, and peacemaking. Save us from hasty judgments, from irrational prejudice, from uncontrolled emotion, and from any disposition to accept the wrong way which is easy against the hard way which is right. Receive our morning dedication and grant us the mature wisdom to act as servants of a nation under the God and Father of our Lord Jesus Christ.

We pray in His holy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 8, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, October 4, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STRIP MINING

Mr. MANSFIELD. Mr. President, in Colorado Business under date of October 1, 1973, a very interesting article is published entitled "King Coal—New Coronation," under the byline of "Energy."

This applies to the coal deposits in the Dakotas and the Fort Union bases of Montana and North Dakota and the Powder River Basin of Montana and northern Wyoming.

Evidently great things are expected to happen in Montana by the coal companies.

I would suggest to my colleagues in this body that they look at all legislation affecting strip mining, and its results, with great care.

Let me read in part from the article:

DISSENT

That kind of mining plan has some Montanans deeply disturbed. There are still blue skies and clear streams in Montana, and residents want to keep it that way. They object to tearing up the West in search of the low-sulphur fuels needed to meet the new clean air laws of the East.

Old-time tunneling techniques have given way to surface-rending strip mining, and even stringent reclamation laws aren't going to leave the land looking the way it is now.

Wally McCrea, for example, may see his Rocker 6 Ranch strip-mined and he can't stop it because he owns only the surface. Under century-old mining laws, the man who owns the coal can tear up the other man's surface to get it. McCrea doesn't doubt strip mining would ruin his ranch: "You can't run a bunch of cows around a bunch of steam shovels and blasting and Caterpillars and drill rigs and people. There's just no way you can do it," he said in a recent CBS television interview.

But McCrea's fellow Montanan, George O'Connor, sees the problem differently. O'Connor, who is president of Montana Power, sees the coal leading to a prosperous future, replete with payrolls and profits. "My personal opinion is that this is the greatest promise that Montana's had in a lot of years. One of the things we've suffered through all the years is that we've never had enough tax base to support the institutions, the government services, and the jobs we need to keep our young people in the state."

SUNSET

Conservationists look at the plans for coal development and see nothing but skyscrapers and smokestacks in the sunset. They point to Four Corners, where the states of Colorado, New Mexico, Arizona and Utah meet. There, the world's biggest power plant used to be one of the worst air polluters. It has been cleaned up enough to meet present-day standards, but its gasses still pollute the Southwestern sky.

Fighting an upstream battle against the tide of coal development are men like Robert Wallick, operator of a 13,000-acre cattle ranch near the Montana-Wyoming border. Says the 52-year-old rancher, who thinks mine reclamation law is too weak to protect the land:

"I'm appalled they're not spending money on alternative energy sources in the amounts they did on sending a man to the Moon. What about energy sources like the Moon and the Sun?"

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENERGY: KING COAL—A NEW CORONATION

Old King Coal—once the undisputed monarch of the U.S. energy kingdom—is about to re-ascend the throne from a new power base in the West, the comeback financed by billions of dollars.

Utility and energy companies beset by pollution problems are turning to the low-sulphur coal deposits of the Western states—some planning to burn the fuel directly and others drawing plans for coal gasification plants to convert the black diamonds to clean-burning natural gas.

Within the last few months, no less than 25 huge supply agreements have been signed for delivery of approximately 3.7 billion tons of coal between now and the year 2000. All of the figures aren't in yet, but informed estimates show the coal and the cost of shipping it to the electric generating plants will bring $24 billion and half a million new jobs to the West.

In addition, plans for six major coal gasification plants have been announced in the Rocky Mountain area, and that price tag isn't little, either. Carter Oil Co. of Cheyenne, the latest to announce plans, is talking about a $400–$500 million plant in Northeast Wyoming.

The sudden interest in Western coal is an example of what happens to a great resource when the timing is right. For years everyone has known of an estimated 50 billion tons of recoverable coal, just beneath the surfaces of Montana, Wyoming, Utah, New Mexico, Arizona and the western portion of the Dakotas.

Huge increases in coal production in the West is no pipe dream. Production has already risen from about 30 million tons in 1970 to more than 50 million tons last year. Projections are that production could increase to 300 million tons by 1990.

TIMING

It's all in the timing. Today's soaring demand for fuel from the nation's electric power plants, coupled with bans on the use of high-sulphur Appalachian coal, enactment of new, stiff underground mining safety laws, and the growing shortage of oil and natural gas—all at the same time—is opening up the Western coal fields. Up to now they have been too far from the nation's population centers to warrant the costs of shipping. Unit trains, averaging 110 cars, each car capable of hauling 100 tons at a time, shuttle coal continuously from mine mouth to power plants. Commonwealth Edison's plant at Joliet, Ill., for example, takes delivery of eight trains a day from Montana—a total of 88,000 tons every 24 hours.

The energy giants—some of whom had never before been interested in coal—sensed these trends in the 1960's and began to buy up mining rights very quietly. Joining the traditional coal mining giants. Amax and Peabody, are newcomers—giants of the oil industry—like Atlantic Richfield, El Paso Natural Gas, Kerr-McGee, and Exxon through its subsidiary, Carter Oil Co. of Cheyenne.

By far the richest reserve coal formations in the world are buried just under the surface of the Powder River region of Southern Montana and Northern Wyoming and in the adjacent Fort Union region of Eastern Montana and the Dakotas. In many cases the coal lies in seams 20 to 60 feet thick—easy, economical pickings with strip-mining tools such as draglines, shovels and bulldozers.

Other rich formations are in the San Juan River region of New Mexico and Southern

Colorado; the Green River region of Western Wyoming and Eastern Utah, and the Uinta region in Eastern Utah and Western Colorado. There is also a sizable deposit that stretches northward from Colorado Springs into the Greeley, Colo., area, underlying most of metropolitan Denver.

HUNGER

The hunger of an energy-starved nation may bring an end to the life Wyoming and Montana people know in the Powder River and Fort Union Basins. But there appears no way to stop it.

The Powder River Basin, for example, has 40 per cent of the nation's remaining coal reserves, with 35 billion tons readily recoverable by strip mining. Although mining has already taken place, the massive development, anticipated by most residents and feared by others, is still somewhere down the road.

Reynolds Metals has the biggest plan for a $2.2 billion uranium enrichment plant near Buffalo, Wyo. It would mine and burn the coal for power.

William Holland, 64-year-old Buffalo attorney and state legislator, speaks the mind of the local inhabitants when he says, "A major portion of the people in Johnson County are opposed to it. They feel the great influx of population would be detrimental to their way of life in the community, and that it would bring far greater problems than it would benefit."

Tom Bell, one of Wyoming's most outspoken environmentalists, said the area may become not only people polluted, but also the sooty, gritty Ruhr Valley of the nation.

Typical of the kind of operation the coal men dream of is the lease Westmoreland Resources hopes to start mining next year on Crow Indian land at Sarpy Creek near Hardin, Mont. Westmoreland has an investment to date of about $35 million, and construction is nearly completed.

But there is a chance the government and the courts may not let the huge dragline take its first bite.

Westmoreland made its first application for a strip mining permit Oct. 16, 1972, enclosing an environmental impact study that met 1972 standards. Then came a new reclamation bill along with subsequent hearings on new regulations. The company has twice this year submitted amendments to its environmental impact plan, but there won't be any state decision on the mining permit until December.

An even bigger headache is a suit filed by the Sierra Club to halt mining on U.S. land in the Fort Union Basin until a basin-wide environmental impact plan can be drawn up. Westmoreland and Peabody Coal have intervened in that suit.

Kewanee Oil Co. and Penn-Virginia Corp., both of Pennsylvania, are associated with Westmoreland and Morrison-Knudsen in the Sarpy Creek venture. Westmoreland has sold 77 million tons of the as-yet-unmined coal to four midwestern power companies. The contracts call for initial deliveries of three million tons a year at first, increasing to four million tons a year at a later date.

Ralph Moore, Westmoreland's general manager, detailed the investment-to-date on the Sarpy Creek project. A railroad, including an 8,500-foot mine loop, accounts for $10 million of the $35 million investment. The cleaning and loading plant cost $12 million, and the mining equipment, including the dragline, comes to another $13 million.

But to the company, the total investment is not important as long as there is potential for quick return—and there is. Four layers of coal lie under the dragline, which will scoop up 75 cubic yards at a gulp.

The first coal layer lies 10 to 60 feet beneath the surface, and is three feet thick. Four to five feet below that first thin seam are two formations, virtually touching, which together form a single 30-foot wall of coal. Beneath another four or five feet of underburden is another three-foot seam, and 55 feet below that is another 20-foot wall of coal. Westmoreland will mine it all—more than a billion tons—if and when it gets its go-ahead.

DISSENT

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"I'm appalled they're not spending money on alternative energy sources in the amounts they did on sending a man to the Moon. What about energy sources like the Moon and the Sun?"

COMMITTEE MEETINGS DURING SENATE SESSION TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, is it so ordered.

MANUELA C. BONITO

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 278.

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 278) for the relief of Manuela C. Bonito, which were to strike out all after the enacting clause, and insert:

That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Manuela Bonito Martin shall be held and considered to be the natural-born alien daughter of Richard Allen Martin, a citizen of the United States: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

And to amend the title so as to read: "An Act for the relief of Manuela Bonito Martin."

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate go into executive session to consider the nominations on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first nomination.

DEPARTMENT OF DEFENSE

The assistant legislative clerk read the nomination of Herman R. Staudt, of Florida, to be Under Secretary of the Army.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The assistant legislative clerk read the nomination of Frank A. Shrontz, of Washington, to be an Assistant Secretary of the Air Force.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The assistant legislative clerk proceeded to read sundry nominations in the Marine Corps.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be notified of the nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the Calendar, beginning with order No. 396.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first bill.

GOVERNMENT PRINTING OFFICE IMMUNITY

The bill (S. 2399) to amend title 44, United States Code, to provide immunity for the Government Printing Office, the Public Printer, and other officers and employees of the Office, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 501 of title 44, United States Code, is amended—

(1) by inserting at the end of section caption a semicolon and the following: "immunity";

(2) by inserting the designation "(a)" immediately before the beginning of the text thereof; and

(3) by striking out the last sentence thereof and inserting in lieu thereof the following:

"(b) Printing, binding, or distribution may be done at the Government Printing Office only when required by law or ordered in accordance with law. Neither the Government Printing Office, the Public Printer, nor any officer or employee of the Government Printing Office shall be subject to any civil or criminal liability for such printing, binding, or distribution.".

(b) Item 501 in the analysis of chapter 5 of such title is amended by inserting immediately before the period at the end thereof a semicolon and the following: "immunity".

AMENDMENT OF YOUTH CONSERVATION CORPS ACT OF 1972

The Senate proceeded to consider the bill (S. 1871) to amend the Youth Conservation Corps Act of 1972 (Public Law 92-597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 7, in line 19, after the word "exceed," strike out "$150,000,000" and insert "$100,000,000"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 27, 1972 (86 Stat. 1319) is amended to read as follows:

"POLICY AND PURPOSE

"SECTION 1. The Congress finds that the Youth Conservation Corps has demonstrated a high degree of success as a pilot program wherein American youth, representing all segments of society have benefited by gainful employment in the healthful outdoor atmosphere of the national park system, the national forest system, and other public land and water areas of the United States, and by their employment have developed, enhanced, and maintained the natural resources of the United States, and whereas in so doing the youth have gained an understanding and appreciation of the Nation's environment and heritage equal to one full academic year of study, it is accordingly the purpose of this Act to expand and make permanent the Youth Conservation Corps and thereby further the development and maintenance of the natural resources by America's youth, and in so doing to prepare them for the ultimate responsibility of maintaining and managing these resources for the American people.

"YOUTH CONSERVATION CORPS

"SEC. 2. (a) To carry out the purposes of this Act, there is established in the Department of the Interior and the Department of Agriculture a Youth Conservation Corps (hereinafter referred to as the 'Corps'). The Corps shall consist of young men and women who are permanent residents of the United States, its territories, possessions, or trust territories, who have attained age fifteen but have not attained age nineteen, and whom the Secretary of the Interior or the Secretary of Agriculture may employ without regard to the civil service or classification laws, rules or regulations, for the purpose of developing, preserving, or maintaining the lands and waters of the United States.

"(b) The Corps shall be open to youth of both sexes and youth of all social, economic, and racial classifications with all Corps members receiving compensation consistent with work accomplished, and with no person being employed as a member of the Corps for a term in excess of ninety days during any single year.

"SECRETARIAL DUTIES AND FUNCTIONS

"SEC. 3. (a) In carrying out this Act, the Secretary of the Interior and the Secretary of Agriculture shall—

"(1) determine the areas under their administrative jurisdictions which are appropriate for carrying out programs using employees of the Corps;

"(2) determine, with other Federal agencies, the areas under the administrative jurisdiction of these agencies which are appropriate for carrying out programs using members of the Corps, and determine and select appropriate work and education programs and projects for participation by members of the Corps;

"(3) determine the rates of pay, hours, and other conditions of employment in the Corps, except that all members of the Corps shall not be deemed to be Federal employees other than for the purposes of chapter 171 of title 28, United States Code, and chapter 81 of title 5, United States Code;

"(4) provide for such transportation, lodging, subsistence, and other services and equipment as they may deem necessary or appropriate for the needs of members of the Corps in their duties;

"(5) promulgate regulations to insure the safety, health, and welfare of the Corps members; and

"(6) provide to the extent possible, that permanent or semipermanent facilities used as Corps camps be made available to local schools, school districts, State junior colleges and universities, and other education institutions for use as environmental/ecological education camps during periods of nonuse by the Corps program. Costs for operations, maintenance, and staffing of Corps camp facilities during periods of use by non-Corps programs as well as any liability for persnoal injury or property damage stemming from such use shall be the responsibility of the entity or organization using the facility and shall not be a responsibility of the Secretaries or the Corps.

"(b) Whenever economically feasible, existing but unoccupied Federal facilities and surplus or unused equipment (or both), of all types, including military facilities and equipment, shall be utilized for the purposes of the Corps, where appropriate and with the approval of the Federal agency involved. To minimize transportation costs, Corps members shall be employed on conservation projects as near to their places of residence as is feasible.

"(c) The Secretary of the Interior and the Secretary of Agriculture may contract with any public agency or organization or any private nonprofit agency or organization which has been in existence for at least five years for the operation of any Youth Conservation Corps project.

"GRANT PROGRAM FOR STATE PROJECTS

"SEC. 4. (a) The Secretary of the Interior and the Secretary of Agriculture shall jointly establish a program under which grants shall be made to States to assist them in meeting the cost of projects for the employment of young men and women to develop, preserve, and maintain non-Federal public lands and waters within the States. For purposes of this section, the term 'States' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa.

"(b)(1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary of the Interior and the Secretary of Agriculture. Such application shall be in such form, and submitted in such manner, as the Secretaries shall jointly by regulation prescribe, and shall contain—

"(A) assurances satisfactory to the Secretaries that individuals employed under the project for which the application is submitted shall (i) have attained the age of fifteen but not attained the age of nineteen, (ii) be permanent residents of the United States or its territories, possessions, or the Trust Territory of the Pacific Islands, (iii) be employed without regard to the personnel laws, rules, and regulations applicable to full-time employees of the applicant, (iv) be employed for a period of not more than ninety days in any calendar year, and (v) be employed without regard to their sex or social, economic, or racial classification; and

"(B) such other information as the Secretaries may jointly by regulation prescribe.

"(2) The Secretaries may approve applications which they determine (A) meet the requirements of paragraph (1), and (B) are for projects which will further the development, preservation, or maintenance of non-Federal public lands or waters within the jurisdiction of the applicant.

"(c)(1) The amount of any grant under this section shall be determined jointly by the Secretaries, except that no grant for any project may exceed 80 per centum of the cost (as determined by the Secretaries) of such project.

"(2) Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretaries find necessary.

"(d) Thirty per centum of the sums appropriated under section 6 for any fiscal year shall be made available for making grants under this section for such fiscal year.

"SECRETARIAL REPORTS

"SEC. 5. The Secretary of the Interior and Secretary of Agriculture shall annually prepare a joint report detailing the activities carried out under this Act and providing recommendations. Each report for the preceding program year shall be submitted concurrently to the President and the Congress not later than April 1 of each year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 6. There are authorized to be appropriated, and made available to the Secretary of the Interior and the Secretary of Agriculture to carry out the purposes of this Act, amounts not to exceed $100,000,000 for each fiscal year. Notwithstanding any other provision of law, funds appropriated for any fiscal year to carry out this Act shall remain available for obligation and expenditure until the end of the fiscal year following the fiscal year for which appropriated.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FILLING OF VACANCIES IN LEGISLATURE OF VIRGIN ISLANDS

The bill (H.R. 7699) to provide for the filling of vacancies in the Legislature of the Virgin Islands, was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2013) to amend the act of June 14, 1926 (43 United States Code 869), pertaining to the sale of public lands to States and their political subdivisions was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2470) to amend the Consolidated Farm and Rural Development Act, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be passed over.

JORGE MARIO BELL

The bill (S. 205) for the relief of Jorge Mario Bell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Jorge Mario Bell may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed in his behalf by James Francis Bell III, a citizen of the United States, pursuant to section 204 of such Act. The natural brothers and sisters of the said Jorge Mario Bell shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

MAHMOOD SHAREEF SULEIMAN

The bill (S. 912) for the relief of Mahmood Shareef Suleiman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the periods of time Mahmood Shareef Suleiman has resided in the United States and any State since his lawful admission for permanent residence in February 1957, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act. In this case the petition for naturalization may be filed with any court having naturalization jurisdiction.

IMRE PALLO

The bill (S. 1075) for the relief of Imre Pallo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the periods of time Imre Pallo has resided in the United States and any State since his lawful admission for permanent residence on July 25, 1969, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act. In this case the petition for naturalization may be filed with any court having naturalization jurisdiction.

INCREASED BENEFITS PROVIDED TO AMERICAN CIVILIAN INTERNEES IN SOUTHEAST ASA

The bill (S. 1728) to increase benefits provided to American civilian internees in Southeast Asia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(1)(3) of the War Claims Act of 1948 (40 App. U.S.C. 2004(1)(3)) is amended to substitute "$150" for "$60".

JAY ALEXIS CALIGDONG SIAOTONG

The bill (H.R. 1322) for the relief of Jay Alexis Caligdong Siaotong was considered, ordered to a third reading, read the third time, and passed.

JUAN MARCOS CORDOVA-CAMPOS

The bill (H.R. 1366) for the relief of Juan Marcos Cordova-Campos was considered, ordered to a third reading, read the third time, and passed.

MICHAEL JOSEPH WENDT

The bill (H.R. 1377) for the relief of Michael Joseph Wendt was considered, ordered to a third reading, read the third time, and passed.

JEAN ALBERTHA SERVICE GORDON

The bill (H.R. 1716) for the relief of Jean Albertha Service Gordon was considered, ordered to a third reading, read the third time, and passed.

MRS. NGUYEN THI LE FINTLAND AND SUSAN FINTLAND

The bill (H.R. 2212) for the relief of Mrs. Nguyen Thi Le Fintland and Susan Fintland was considered, ordered to a third reading, read the third time, and passed.

MRS. PURITA PANINGBATAN BOHANNON

The bill (H.R. 2215) for the relief of Mrs. Purita Paningbatan Bohannon was considered, ordered to a third reading, read the third time, and passed.

GEORGINA HENRIETTA HARRIS

The Senate proceeded to consider the bill (S. 1852) for the relief of Georgina Henrietta Harris, which has been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Georgina Henrietta Harris, the adopted daughter of Mrs. Esthyr Harris, a United States citizen, shall be held and considered to have met the residence and physical presence requirements of section 323 of such Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. DONINGA PETTIT

The Senate proceeded to consider the bill (H.R. 1321) for the relief of Mrs. Doninga Pettit, which had been reported from the Committee on the Judiciary with an amendment.

The amendment was agreed to.

The amendment were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Dominga Pettit".

FLORA DATILES TABAYO

The Senate proceeded to consider the bill (H.R. 5106) for the relief of Flora Datiles Tabayo which had been reported from the Committee on Judiciary with amendments. On page 1, line 7, after the name "Lee", strike out "a citizen of the United States and a lawfully resident alien" and insert "citizens of the United States"; and, in line 9, after the word "that", strike out "natural parents or" and insert "the".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

THEODORE BARR

The bill (H.R. 1965) for the relief of Theodore Barr was considered, ordered to a third reading, read the third time, and passed.

JESSE McCARVER, GEORGIA VILLA McCARVER, KATHY McCARVER, AND EDITH McCARVER

The bill (H.R. 1315) for the relief of Jesse McCarver, Georgia Villa McCarver, Kathy McCarver, and Edith McCarver was considered, ordered to a third reading, read the third time, and passed.

JAMES E. BASHLINE

The bill (H.R. 1378) for the relief of James E. Bashline was considered, ordered to a third reading, read the third time, and passed.

JOHN R. POE

The bill (H.R. 1462) for the relief of John R. Poe was considered, ordered to a third reading, read the third time, and passed.

SURFACE MINING RECLAMATION ACT OF 1973

Mr. HUGH SCOTT. Mr. President, I invite the attention of the Senate to an amendment to the bill which I understand will be the next pending business, the Surface Mining Reclamation Act of 1973.

Amendment No. 607 will be proposed by the Senator from Tennessee (Mr. BAKER) and myself to S. 4425, to insert at the appropriate place provisions that such regulations shall not be promulgated as final regulations until the Secretary has first obtained the written concurrence of the Administrator of the Environmental Protection Agency, and elsewhere in the bill to insert a provision that certain matters shall obtain the written concurrence of the Administrator of the Environmental Protection Agency.

I think these are desirable precautions for those who fear that in some way loopholes may evolve in the Strip Mining Act. The best way to protect us against loopholes that are dangerous to the environment and the ecology is to have these protective clauses inserted in the bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. MANSFIELD. I hope we pass the strictest possible strip mining control bill, because even now the coal companies are in my State, spending millions of dollars, and are doing so under the aegis of the present Federal law. We have a good State law in Montana, but it does not cover Federal holdings.

I would hope, also, that in enacting this law, we would give the fullest possible protection to the ranchers who have lived on their spreads for many decades and who, if not protected, stand to lose, because of mineral development—coal, in this instance—the surface rights which are theirs, because such activity will not be compatible with the cattle industry, with the wheat industry, or with any other commodity for which these people have sacrificed so long and have built up at such great cost, and have done so for the benefit of the Nation as a whole.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

We have one of the strictest laws on strip mining in Pennsylvania, and I would like to be sure that the law we enact here will follow the recommendations of those who know strip mining best. The members of the committee have done an excellent job. I think that such amendments as are offered will be offered for the purpose of helping the bill.

THE OUTBREAK OF WAR IN THE MIDDLE EAST

Mr. HUGH SCOTT. Mr. President, all of us grievously deplore the outbreak of war in the Middle East. I have great confidence in Secretary of State Kissinger, and I am sure that he will do everything possible to normalize the situation in the Middle East so far as bringing to bear the great influence of the United States upon world opinion is concerned.

I want to be understood as in full support of the Secretary of State and all his efforts now and continuing toward a peaceful solution.

ORDER TO NOTIFY THE PRESIDENT OF NOMINATIONS CONFIRMED ON THURSDAY

Mr. MANSFIELD. Mr. President, as in executive session, with respect to the nominations which were confirmed by the Senate on Thursday but with respect to which it was not requested that the President be notified, I ask unanimous consent that the President be notified of the action of the Senate in confirming the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS SIGNED

The following enrolled bills, signed by the Speaker of the House of Representatives on October 3, 1973, were signed today by the Acting President pro tempore (Mr. METCALF):

S. 84. An act for the relief of Mrs. Naoyo Campbell;

S. 89. An act for the relief of Kuay Ten Chang (Kuay Hong Chang);

S. 396. An act for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.;

S. 1914. An act to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes; and

S. 2419. An act to correct typographical and clerical errors in Public Law 93–86.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INMATE FURLOUGHS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 393.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7352) to amend section 4082 (c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader and myself, I send to the desk an amendment covering compensation for the victims of violent crime.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, this amendment has been adopted by the Senate four times. It is based also on House bill H.R. 8777, sponsored by the able chairman of the House Committee on the Judiciary, Mr. PETER W. RODINO, JR. I ask unanimous consent that further reading of the amendment be dispensed with. There is no change in the wording of the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill, it is proposed to add the following:

COMPENSATION FOR VICTIMS OF VIOLENT CRIME

DECLARATION OF PURPOSE

SEC. 101. It is the declared purpose of Congress in this Act to promote the public welfare by establishing a means of meeting the financial needs of the innocent victims of violent crime or their surviving dependents and intervenors acting to prevent the commission of crime or to assist in the apprehension of suspected criminals.

PART A—FEDERAL COMPENSATION PROGRAM

SEC. 102. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by—

(1) redesignating sections 451 through 455, respectively, as sections 421 through 425;

(2) redesignating sections 501 through 522, respectively, as sections 550 through 571;

(3) redesignating parts F, G, H, and I of title I, respectively, as parts I, J, K, and L of title I; and

(4) adding at the end of part E of title I, as amended by this Act, the following new part:

"PART F—FEDERAL COMPENSATION FOR VICTIMS OF VIOLENT CRIME

"DEFINITIONS

"SEC. 450. As used in this part—

"(1) 'Board' means the Violent Crimes Compensation Board established by this part;

"(2) 'Chairman' means the Chairman of the Violent Crimes Compensation Board established by this part;

"(3) 'child' includes a stepchild, an adopted child, and an illegitimate child;

"(4) 'claim' means a written request to the Board for compensation made by or on behalf of an intervenor, a victim, or the surviving dependent or dependents of either of them;

"(5) 'claimant' means an intervenor, victim, or the surviving dependent or dependents of either of them;

"(6) 'compensation' means payment by the Board for net losses or pecuniary losses to or on behalf of an intervenor, a victim, or the surviving dependent or dependents of either of them;

"(7) 'dependent' means—

"(A) a surviving spouse;

"(B) an individual who is a dependent of the deceased victim or intervenor within the meaning of section 152 of the Internal Revenue Code of 1954 (26 U.S.C. 152); or

"(C) a posthumous child of the deceased intervenor or victim;

"(8) 'financial stress' means the undue financial strain experienced by a victim or his surviving dependent or dependents as the result of pecuniary loss from an act, omission, or possession giving rise to a claim under this part, disregarding ownership of—

"(A) a residence;

"(B) normal household items and personal effects;

"(C) an automobile;

"(D) such tools as are necessary to maintain gainful employment; and

"(E) all other liquid assets not in excess of one year's gross income or $10,000 in value, whichever is less;

"(9) 'gross losses' means all damages, including pain and suffering and including property losses, incurred by an intervenor or victim, or surviving dependent or dependents of either of them, for which the proximate cause is an act, omission, or possession enumerated in section 456 of this part, or set forth in paragraph (B) of subsection (18) of this section;

"(10) 'guardian' means a person who is entitled by common law or legal appointment to care for and manage the person or property, or both, of a minor or incompetent intervenor or victim, or surviving dependent or dependents of either of them;

"(11) 'intervenor' means a person who goes to the aid of another and is killed or injured while acting not recklessly to prevent the commission or reasonably suspected commission of a crime enumerated in section 456 of this part, or while acting not recklessly to apprehend a person reasonably suspected of having committed such a crime;

"(12) 'liquid assets' includes cash on hand, savings accounts, checking accounts, certificates of deposit, stocks, bonds, and all other personal property that may be readily converted into cash;

"(13) 'member' means a member of the Violent Crimes Compensation Board established by this part;

"(14) 'minor' means an unmarried person who is under eighteen years of age;

"(15) 'net losses' means gross losses, excluding pain and suffering, that are not otherwise recovered or recoverable—

"(A) under insurance programs mandated by law;

"(B) from the United States, a State, or unit of general local government for a personal injury or death otherwise compensable under this part;

"(C) under contract or insurance wherein the claimant is the insured or beneficiary; or

"(D) by other public or private means;

"(16) 'pecuniary losses' means net losses which cover—

"(A) for personal injury—

"(1) all appropriate and reasonable expenses necessarily incurred for medical, hospital, surgical, professional, nursing, dental, ambulance, and prosthetic services relating to physical or psychiatric care;

"(2) all appropriate and reasonable expenses necessarily incurred for physical and occupational therapy and rehabilitation;

"(3) actual loss of past earnings and anticipated loss of future earnings because of a disability resulting from the personal injury of a disability resulting from the personal injury at a rate not to exceed $150 per week; and

"(4) all appropriate and reasonable expenses necessarily incurred for the care of minor children enabling a victim or his or her spouse, but not both of them, to continue gainful employment at a rate not to exceed $30 per child per week, up to a maximum of $75 per week for any number of children;

"(B) for death—

"(1) all appropriate and reasonable expenses necessarily incurred for funeral and burial expenses;

"(2) loss of support to a dependent or dependents of a victim, not otherwise compensated for as a pecuniary loss for personal injury, for such period of time as the dependency would have existed but for the death of the victim, at a rate not to exceed a total of $150 per week for all dependents; and

"(3) all appropriate and reasonable expenses, not otherwise compensated for as a pecuniary loss for personal injury, which are incurred for the care of minor children, enabling the surviving spouse of a victim to engage in gainful employment, at a rate not to exceed $30 per week per child, up to a maximum of $75 per week for any number of children;

"(17) 'personal injury' means actual bodily harm and includes pregnancy, mental distress, and nervous shock; and

"(18) 'victim' means a person who is killed or who suffers personal injury where the proximate cause of such death or personal injury is—

"(A) a crime enumerated in section 456 of this part; or

"(B) the not reckless actions of an intervenor in attempting to prevent the commission or reasonably suspected commission of a crime enumerated in section 456 of this part or in attempting to apprehend a person reasonably suspected of having committed such a crime.

"BOARD

"SEC. 451. (a) There is hereby established a Board within the Department of Justice to be known as the Violent Crimes Compensation Board. The Board shall be composed of three members, each of whom shall have been members of the bar of the highest court of State for at least eight years, to be appointed by the President, by and with the advice and consent of the Senate. The President shall designate one of the members of the Board to serve as Chairman.

"(b) No member of the Board shall engage in any other business, vocation, or employment.

"(c) The Board shall have an official seal.

"(d) The term of office of each member of the Board shall be eight years, except that (1) the terms of office of the members first taking office shall expire as designated by the President at the time of appointment, one at the end of four years, one at the end of six years, and one at the end of eight years and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(e) Each member of the Board shall be eligible for reappointment.

"(f) Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. the board or any duly authorized represent- be in or near the District of Columbia, but the Board or any duly authorized repreesentative may exercise any or all of its powers in any place.

"ADMINISTRATION

"SEC. 452. The Board is authorized in carrying out its functions under this part to—

"(1) appoint and fix the compensation of an Executive Director and a General Counsel and such other personnel as the Board deems necessary in accordance with the provisions of title 5 of the United States Code;

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed $100 a day for individuals;

"(3) promulgate such rules and regulations as may be required to carry out the provisions of this part;

"(4) designate representatives to serve or assist on such advisory committees as the Board may determine to be necessary to maintain effective liaison with Federal agencies and with State and local agencies developing or carrying out policies or programs related to the provisions of this part;

"(5) request and use the services, personnel, facilities, and information (including suggestions, estimates, and statistics) of Federal agencies and those of State and local public agencies and private institutions, with or without reimbursement therefor;

"(6) enter into and perform, without regard to section 529 of title 31 of the United States Code, such contracts, leases, cooperative agreements, or other transactions as may be necesary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, or educational institution, and make grants to any public agency or private nonprofit organization;

"(7) request and use such information, data, and reports from any Federal agency as the Board may from time to time require and as may be produced consistent with other law;

"(8) arrange with the heads of other Federal agencies for the performance of any of its functions under this part with or without reimbursement and, with the approval of the President, delegate and authorize the redelegation of any of its powers under this part;

"(9) request each Federal agency to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent to the Board in the performance of its functions;

"(10) pay all expenses of the Board, including all necessary travel and subsistence expenses of the Board outside the District of Columbia incurred by the members or empoyees of the Board under its orders on the presentation of itemized vouchers therefor approved by the Chairman or his designate; and

"(11) establish a program to assure extensive and continuing publicity for the provisions relating to compensation under this part, including information on the right to file a claim, the scope of coverage, and procedures to be utilized incident thereto.

"COMPENSATION

"SEC. 453. (a) The Board shall order the payment of compensation—

"(1) in the case of the personal injury of an intervenor or victim, to or on behalf of that person; or

"(2) in the case of the death of the intervenor or victim, to or on behalf of the surviving dependent or dependents of either of them.

"(b) The Board shall determine the amount of compensation under this part—

"(1) in the case of a claim by an intervenor or his surviving dependent or dependents, by computing the net losses of the claimant; and

"(2) in the case of a claim by a victim or his surviving dependent or dependents, by computing the pecuniary losses of the claimant.

"(c) The Board may order the payment of compensation under this part to the extent it is based upon anticipated loss of future earnings or loss of support of the victim for ninety days or more, or child care payments, in the form of periodic payments during the protracted period of such loss of earnings, support of payments, or ten years, whichever is less.

"(d) The Board may order the payment of compensation under this part to a victim or his surviving dependent or dependents held in obeyance until such time as the victim or his surviving dependent or dependents has exhausted his liquid assets.

"(e)(1) Whenever the Board determines prior to taking final action upon a claim, that such claim is one with respect to which an order of compensation will probably be made, the Board may order emergency compensation not to exceed $1,500 pending final action on the claim.

"(2) The amount of any emergency compensation ordered under paragraph (1) of this subsection shall be deducted from the amount of any final order for compensation.

"(3) Where the amount of any emergency compensation ordered under paragraph (1) of this subsection exceeds the amount of the final order for compensation, or if there is no order for compensation made, the recipient of any such emergency compensation shall be liable for the repayment of such compensation. The Board may waive all or part of such repayment.

"(f) No order for compensation under this part shall be subject to execution or attachment.

"(g) The availability or payment of compensation under this part shall not affect the right of any person to recover damages from any other person by a civil action for the injury or death, subject to the limitations of this part—

"(1) in the event an intervenor, a victim, or the surviving dependent or dependents of either of them who has a right to file a claim under this part should first recover damages from any other source based upon an act, omission, or possession giving rise to a claim under this part, such damages shall be first used to offset gross losses that do not qualify as net or pecuniary losses; and

"(2) in the event an intervenor, victim, or the surviving dependent or dependents of either of them receives compensation under this part and subsequently recovers damage from any other source based upon an act, omission, or possession that gave rise to compensation under this part, the Board shall be reimbursed for compensation previously paid to the same extent compensation would have been reduced had recovery preceded compensation under paragraph (1) of this subsection.

"(h) The Board may reconsider a claim at any time and modify or rescind previous orders for compensation based upon a change in financial circumstances of a victim or one or more of his surviving dependents that eliminates financial stress.

"LIMITATIONS

"SEC. 454. (a) No order for compensation under this part shall be allowed to or on behalf of a victim or his surviving dependent or dependents unless the Board finds that such a claimant will suffer financial stress from pecuniary losses for which the act, omission, or possession giving rise to the claim was the proximate cause.

"(b) No order for compensation under this part shall be made unless the claim has been made within one year after the date of the act, omission, or possession resulting in the injury or death, unless the Board finds that the failure to file was justified by good cause.

"(c) No order for compensation under this part shall be made to or on behaf of an intervenor, victim, or the surviving dependent or dependents of either of them unless a minimum pecuniary or net loss of $100 or an amount equal to a week's earnings or support, whichever is less, has been incurred.

"(d) No order for compensation under this part shall be made unless the act, omission, or possession giving rise to a claim under this part, was reported to the law enforcement officials within seventy-two hours after its occurrence, unless the Board finds that the failure to report was justified by good cause.

"(e) No order for compensation under this act to or on behalf of a victim, his surviving dependent or dependents, as the result of any one act, omission, or possession, or related series of such acts, omissions, or possessions, giving rise to a claim, shall be in excess of $50,000, including lump-sum and periodic payments.

"(f) The Board, upon finding that any claimant has not substantially cooperated with all law enforcement agencies incident to the act, omission, or possession that gave rise to the claim, may proportionately reduce, deny, or withdraw any order for compensation under this part.

"(g) The Board, in determining whether to order compensation or the amount of the compensation, shall consider the behavior of the claimant and whether, because of provocation or otherwise, he bears any share of responsibility for the act, omission, or possession that gave rise to the claim for compensation and—

"(1) the Board shall reduce the amount of compensation to the claimant in accordance with its assessment of the degree of such responsibility attributable to the claimant, or

"(2) in the event the claimant's behavior was a substantial contributing factor to the act, omission, or possession giving rise to a claim under this part, he shall be denied compensation.

"(h) No order for compensation under this part shall be made to or on behalf of a person engaging in the act, omission, or possession giving rise to the claim for compensation, to or on behalf of his accomplice, a member of any person maintaining continuing unlawful sexual relations with either of them.

"PROCEDURES

"SEC. 455. (a) The Board is authorized to receive claims for compensation under this part filed by an intervenor, a victim, or the surviving dependent or dependents of either of them, or a guardian acting on behalf of such a person.

"(b) The Board—

"(1) may subpena and require production of documents in the manner of the Securities and Exchange Commission as provided in subsection (c) of section (18) of the Act of August 26, 1935, except that such subpena shall only be issued under the signature of the Chairman, and application to any court for aid in enforcing such subpena shall be made only by the Chairman, but a subpena may be served by any person designated by the Chairman;

"(2) may administer oaths, or affirmations to witnesses appearing before the Board, receive in evidence any statement, document, information, or matter that may, in the opinion of the Chairman, contribute to its functions under this part, whether or not such statement, document, information, or matter would be admissible in a court of law, provided it is relevant and not privileged;

"(3) shall, if hearings are held, conduct such hearings open to the public, unless in a particular case the Chairman determines that the hearing, or a portion thereof, should be held in private, having regard to the fact that a criminal suspect may not yet have been apprehended or convicted, or to the interest of the claimant; and

"(4) may, at the discretion of the Chairman, appoint an impartial licensed physician to examine any claimant under this part and order the payment of reasonable fees for such examination.

"(c) The Board shall be an 'agency of the United States' under subsection (1) of section 6001 of title 18 of the United States Code for the purpose of granting immunity to witnesses.

"(d) The provisions of chapter 5 of title 5 of the United States Code shall not apply to adjudicatory procedures to be utilized before the Board.

"(e)(1) A claim for compensation under this part may be acted upon by a member designated by the Chairman to act on behalf of the Board.

"(2) In the event the disposition by a member as authorized by paragraph (1) of this subsection is unsatisfactory to the claimant, the claimant shall be entitled to a de novo hearing of record on his claim by the full Board.

"(f)(1) Decisions of the full Board shall be in accord with the will of a majortiy of the members and shall be based upon a preponderance of the evidence.

"(2) All questions as to the relevancy or privileged nature of evidence as such times as the full Board shall sit shall be decided by the Chairman.

"(3) A claimant at such times as the full Board shall sit shall have the right to produce evidence and to cross-examine such witnesses as may appear.

"(g)(1) The Board shall publish regulations providing that an attorney may, at the conclusion of proceedings under this part, file with the Board an appropriate statement for a fee in connection with services rendered in such proceedings.

"(2) After the fee statement is filed by an attorney under paragraph (1) of this subsection, the Board shall award a fee to such attorney on substantially similar terms and conditions as is provided for the payment of representation under section 3006A of title 18 of the United States Code.

"(3) Any attorney who charges or collects for services rendered in connection with any proceedings under this part any fee in any amount in excess of that allowed under this subsection shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(h) The United States Court of Appeals for the District of Columbia shall have jurisdiction to review all final orders of the Board. No finding of fact supported by substantial evidence shall be set aside.

"CRIMES

"SEC. 456. (a) The Board is authorized to order compensation under this part in any case in which an intervenor, victim, or the surviving dependent or dependents of either of them files a claim when the act, omission, or possession giving rise to the claim for compensation occurs—

"(1) within the 'special maritime and territorial jurisdiction of the United States' within the meaning of section 7 of title 18 of the United States Code;

"(2) within the District of Columbia; or

"(3) within 'Indian country' within the meaning of section 1151 of title 18 of the United States Code.

"(b) This part applies to the following acts, omissions, or possessions:

"(1) aggravated assault;
"(2) arson;
"(3) assault;
"(4) burglary;
"(5) forcible sodomy;
"(6) kidnaping;
"(7) manslaughter;
"(8) mayhem;
"(9) murder;
"(10) negligent homicide;
"(11) rape;
"(12) robbery;
"(13) riot;
"(14) unlawful sale or exchange of drugs;
"(15) unlawful use of explosives;
'(16) unlawful use of firearms;
"(17) any other crime, including poisoning, which poses a substantial threat of personal injury; or
"(18) attempts to commit any of the foregoing.

"(c) For the purposes of this part, the operation of a motor vehicle, boat, or aircraft that results in an injury or death shall not constitute a crime unless the injuries were intentionally inflicted through the use of such vehicle, boat, or aircraft or unless such vehicle, boat, or aircraft is an implement of a crime to which this part applies.

"(d) For the purposes of this part, a crime may be considered to have been committed notwithstanding that by reason of age, insanity, drunkenness, or otherwise, the person engaging in the act, omission, or possession was legally incapable of committing a crime.

"SUBROGATION

"SEC. 457. (a) Whenever an order for compensation under this part has been made for loss resulting from an act, omission, or possession of a person, the Attorney General may, within three years from the date on which the order for compensation was made, institute an action against such person for the recovery of the whole or any specified part of such compensation in the district court of the United States for any judicial district in which such person resides or is found. Such court shall have jurisdiction to hear, determine, and render judgment in any such action. Any amounts recovered under this subsection shall be deposited in the Criminal Victim Indemnity Fund established by section 458 of this part.

"(b) The Board shall provide to the Attorney General such information, data, and reports as the Attorney General may require to prosecute actions in accordance with this section.

"INDEMNITY FUND

"SEC. 458. (a) There is hereby created on the books of the Treasury of the United States a fund known as the Criminal Victim Indemnity Fund (hereinafter referred to as the 'Fund'). Except as otherwise specifically provided, the Fund shall be the repository of (1) criminal fines paid in the various courts of the United States, (2) additional amounts that may be appropriated to the Fund as provided by law, and (3) such other sums as may be contributed to the Fund by public or private agencies, organizations, or persons.

"(b) The Fund shall be utilized only for the purposes of this part.

"ADVISORY COUNCIL

"SEC. 459. (a) There is hereby established an Advisory Council on the Victims of Crime (hereinafter referred to as the 'Council') consisting of the members of the Board and one representative from each of the various State crime victims compensation programs referred to in paragraph (10) of subsection (b) of section 301 of this title, each of whom shall serve without additional compensation.

"(b) The Chairman of the Board shall also serve as the Chairman of the Council.

"(c) The Council shall meet not less than once a year, or more frequently at the call of the Chairman, and shall review the administration of this part and programs under paragraph (10) of subsection (b) of section 301 of this title and advise the Administration on matters of policy relating to their activities thereunder.

"(d) The Council is authorized to appoint an advisory committee to carry out the provisions of this section.

"(e) Each member of the advisory committee, other than a member of the Board, appointed pursuant to subsection (d) of this section shall receive $100 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of the committee. Each member of the Council or advisory committee shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

"REPORTS

"SEC. 460. The Board shall transmit to the Congress an annual report of its activities under this part. In its third annual report, the Board upon investigation and study shall include its findings and recommendations with respect to the operation of the overall limit on compensation under section 454(e) of part F of this title with respect to the adequacy of State programs receiving assistance under paragraph (10) of subsection (b) of section 301 of part C of this title."

COMPENSATION OF BOARD MEMBERS

SEC. 103. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(58) Chairman, Violent Crimes Compensation Board."

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(95) Members, Violent Crimes Compensation Board."

CRIMINAL VICTIM INDEMNITY FUND FINES

SEC. 104. (a) Chapter 227 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 3579. Fine imposed for Criminal Victim Indemnity Fund

"In any court of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, upon conviction of a person of an offense resulting in personal injury, property loss, or death, the court shall take into consideration the financial condition of such person, and may, in addition to any other penalty, order such person to pay a fine in an amount of not more than $10,000 and such fine shall be deposited into the Criminal Victim Indemnity Fund of the United States."

(b) The analysis of chapter 227 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"3579. Fine imposed for Criminal Victim Indemnity Fund.".

Part B—Federal Grant Program

SEC. 105. Subsection (b) of section 301 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968, is amended by adding at the end thereof the following new paragraph:

"(10) The cost of administration and that portion of the costs of State programs, other than in the District of Columbia, to compensate victims of violent crime which are substantially comparable in coverage and limitations to part F of this title."

SEC. 106. Paragraph (a) of section 601 of part G (redesignated part K by this Act) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking "and" the second time it appears, striking "or" the sixth time it appears, striking the period, and inserting the following: ", or programs for the compensation of victims of violent crimes."

SEC. 107. Section 501 of part F (redesignated as part I by this Act) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "501" and adding at the end thereof the following new subsection:

"(b) In addition to the rules, regulations, and procedures under subsection (a) of this section, the Administration shall, after consultation with the Violent Crimes Compensation Board, establish by rule or regulation criteria to be applied under paragraph (10) of subsection (b) of section 301 of this title. In addition to other matters, such criteria shall include standards for—

"(1) the persons who shall be eligible for compensation;

"(2) the categories of crimes for which compensation may be ordered;

"(3) the losses for which compensation may be ordered; and

"(4) such other terms and conditons for the payment of such compensation as the Administration deems necessary and appropriate."

Part C—Miscellaneous Provisions

SEC. 108. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated for the fiscal year ending June 30, 1973, $5,000,000 for the purposes of part F."

SEC. 109. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement invalid, the provisions of the other parts and their application snall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 110. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any persons or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 111. This Act shall become effective upon the date of enactment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUGH SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. WILLIAM L. SCOTT) is recognized for not to exceed 15 minutes.

(The remarks that Senator WILLIAM L. SCOTT made at this point on the introduction of S. 2539, the Clean Air Act, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia is recognized now for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I yield myself 1 minute out of the time of the distinguished Senator from West Virginia, with his approval, and I will retain the rest for further use.

U.S. TROOP CUTBACKS IN EUROPE

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have incorporated at this point in the RECORD a story covering the position of the American populace on the question of U.S. troops in Europe conducted by Mr. George Gallup, of Princeton, N.J., and entitled "Most Favor U.S. Troop Cutbacks," and "Public Favors Cutting U.S. Troops in Europe," plus a letter published in the Saturday Review-World under date of October 9, 1973, covering military figures as they apply to the stationing of our troops in Europe, a letter by Mr. John Marshall Goldsmith, of Radford, Va., and an answer to that letter by Edward L. King, who has done much research in this particular area.

There being no objection, the material

was ordered to be printed in the RECORD, as follows:

THE GALLUP POLL: MOST FAVOR U.S. TROOP CUTBACKS

PRINCETON, N.J.—Nearly 6 in 10 of those who have followed the recent discussion about the reduction of United States North Atlantic Treaty Organization forces in Europe are in favor of it.

Two key factors in the thinking of those who favor a reduction in U.S. forces in Europe are:

1. The cost of maintaining U.S. forces abroad.

2. The belief that if there is a third world war it will not be fought in the same manner as World War II with large armies employing conventional weapons.

Of persons in the current survey who favor a reduction in U.S. troops in Europe 59 per cent say, in response to another question in the same survey, that "too much" is being spent for defense. In contrast, only 9 per cent of this group say "too little" is being spent.

The U.S. currently has approximately 500,000 troops abroad, just over 300,000 of whom are in Europe. Manpower costs of U.S. troops in this country and abroad now account for more than half of the present proposed $80 billion defense budget. The direct cost of maintaining U.S. troops in Europe is approximately $4 billion a year.

Earlier surveys have shown that a large majority of Americans are opposed to U.S. participation in another "police action" war, such as the Korean and Vietnam wars. In the event of another world war, the public believes that such a conflict will not be confined to conventional weapons and to conventional military strategies. In fact, the current survey shows opinion 3-to-1 on the side that nuclear bombs and weapons likely would be used.

THE GALLUP POLL: PUBLIC FAVORS CUTTING U.S. TROOPS IN EUROPE

(By George Gallup)

PRINCETON, N.J.—Nearly 6 in 10 of those who have followed the recent discussion about the reduction of U.S. NATO forces in Europe are in favor of it.

Here are the findings, based on those who are aware of the issue, whether U.S. troops in Europe should be reduced:

[In percent]

	Yes	No	No opinion
Total "Aware" group	57	33	10
College	63	31	6
High school	56	34	10
Grade school	48	35	17
East	60	32	8
Midwest	57	34	9
South	54	32	14
West	58	33	9
Under 30	58	33	9
30 to 49	54	39	7
50 and over	60	28	12
Republicans	54	36	10
Democrats	61	31	8
Independents	56	34	10
Too much is being spent on defense	77	15	8
Too little is being spent	31	62	7

Persons who said the number of U.S. troops in Europe should not be reduced were asked if they would favor a reduction if Russia were also to cut back its forces. Here is the question:

Suppose Russia agrees to reduce its forces in Europe, should the United States then reduce the forces there, or not?

The results show a close division of opinion among aware persons who oppose a reduction:

	Percent
Yes	9
No	13
No opinion	11

All persons in the survey were then asked this question:

If another world war were to break out, do you think nuclear bombs and weapons are likely to be used, or not?

Little difference is found on the basis of age or education, party affiliation or region of the country. The national findings:

	Percent
Yes	68
No	23
No opinion	9

The results of this two-part series are based on interviews with a total of 1,505 persons, 18 and older, who were interviewed in person by trained Gallup interviewers working in more than 300 scientifically selected localities across the nation. Interviewing was conducted Sept. 21–24.

LETTERS FROM READERS

MILITARY FIGURES

Please explain or justify the figures given on maintaining troops in Europe. Richard C. Longworth ("The Troubled Atlantic Alliance," August 14) states that European troops cost "$7 billion . . . each year." Edward L. King ("American Troops in Europe: Threat or Safeguard?" August 14) states the cost "has been climbing steadily—to $17 billion in fiscal 1973." Mr. King relates the cost to "maintaining them, together with armed-service personnel based in the United States but oriented to missions in Europe." Is there a more definitive estimate of the total, comprehensive cost? As I want the United States troops out of Europe now, I would like more accurate figures upon which to argue my position.

JOHN MARSHALL GOLDSMITH.

RADFORD, VA.

Edward L. King replies:

I, too, want to see U.S. conventional forces in Europe reduced. And I want to see the question argued on its true merits rather than in cold war rhetoric. Accordingly, I'd like to clarify your confusion on the cost figures given by the Nixon Administration.

Richard Longworth is talking about the cost of keeping 313,000 U.S. military personnel based in Europe. The cost given by the Pentagon for these U.S. military personnel in Europe is $1 billion each year (using 1973 as the data year).

I refer to the total cost of maintaining 313,000 U.S. military personnel in Europe and roughly another 250,000 in the United States with European missions, plus the cost of depots, etc., that support the European mission. This cost—maintaining troops and bases in Europe plus those in the United States oriented to Europe—has climbed to $17 billion in fiscal year 1973.

These figures are administration-cited costs for U.S. troops in Europe. For the sake of argument you can quote the $17 billion figure as the total cost to the United States of our present conventional force committed to NATO. The direct cost of the 313,000 in Europe is $7 billion, but that figure does not include the $1.5 billion balance of payments deficit that those 313,000 troops cost. The balance of payments loss is figured separately by the Pentagon. The most recent statement of these figures can be found in the testimony of the Honorable Kenneth Rush before the House Foreign Affairs Committee.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of routine morning business for 15 minutes with statements therein limited to 3 minutes.

POCKET VETOES AND SHORT-SIGHTEDNESS

Mr. MOSS. Mr. President, the inconsistencies of the executive branch these days boggle my mind.

I received in my office yesterday from the Acting Director of MESA a belated response to inquiries from me concerned with a program to fund a way to train entry-level workers and upgrade employees for mining occupations while integrating health and safety with job performance.

I am advised by the Acting Administrator that this program is not to be continued and that the College of Eastern Utah, which has been conducting the program since 1969, training needed personnel for deep coal mines, must dismantle an ongoing operation.

Believe me, I do not think MESA has heard the President call for coal development. Believe me, I do not think the message from the left hand of the administration about any energy crisis and deep-mined coal for essential clean energy has reached the right hand. What is even more frustrating—I do not believe there ever will be communication among the executive's many branches. Just last week Russell Train said:

> The underground reserves are by all odds the predominant sources that we have. We're going to have to get at this in any event.
>
> The sooner we can make underground (mining) more economically attractive, more technologically feasible and more socially acceptable as a way of life, way of employment, the better off we're going to be.

All of which causes me to look at another, but similar situation lost in the executive's deepening morass.

A year ago the President vetoed a bill which was intended to establish badly needed research and training for mines and minerals. That bill included a provision to establish in various colleges within participating and qualifying States programs for training mining engineers and mining technicians. If enacted that bill would have had us a year closer to solving supply and demand problems of various minerals—a year closer to understanding and coping with problems of conservation of available supplies of minerals, and a year closer to improved methods of exploration, extraction and production, and ways to minimize adverse effects upon the environment.

That this bill was vetoed still baffles me. Penny-wise and pound-foolish, and lack of comprehensive system planning have placed us in an almost intolerable energy dilemma. We have for too long failed to make the assessment of second and third order consequences of our societal actions. I believe an amendment to the surface mining bill which I shall offer is a step in the right direction for long-range planning in surface mining requirements.

Mr. President, I yield the floor.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, Monday, October 8, 1973, he presented to the President of the United States the following enrolled bills:

S. 84. An act for the relief of Mrs. Naoyo Campbell;

S. 89. An act for the relief of Kuay Ten Chang (Kuay Hong Chang);

S. 396. An act for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.;

S. 1914. An act to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes; and

S. 2419. An act to correct typographical and clerical errors in Public Law 93-86.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ET CETERA

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate the following letters, which were referred as indicated:

REPORT ON THE U.S. SOLDIERS' HOME

A letter from the Secretary of the Army transmitting, pursuant to law, the annual report of the U.S. Soldiers' Home for fiscal 1972 and a report of the annual general inspection of the home, 1973, by the Inspector General of the Army (with accompanying reports). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE JUDICIAL CONFERENCE

letter from the Director of the Administrative Office of the U.S. Courts transmitting a draft of proposed legislation providing for the protection of a juror's employment (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE JUDICIAL CONFERENCE

A letter from the Director of the Administrative Office of the U.S. Courts transmitting a draft of proposed legislation providing for certain definitions with respect to the selection and summoning of jurors for Federal jury service (with accompanying papers). Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MANSFIELD (for Mr. CANNON), from the Committee on Armed Services, without amendment:

S. 2413. A bill to authorize the disposal of aluminum from the National Stockpile and for other purposes (Rept. No. 93-448).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments:

H.R. 7446. A bill to establish the American Revolution Bicentennial Administration and for other purposes (Rept. No. 93-449).

REPORT ENTITLED "CONSTITUTIONAL AMENDMENTS"—REPORT OF A COMMITTEE—(S. REPT. NO. 93-450)

Mr. BAYH, from the Committee on the Judiciary, submitted a report entitled "Constitutional Amendments," pursuant to Senate Resolution 256, section 5, 92d Congress, 2d session, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. WILLIAM L. SCOTT:

S. 2539. A bill to amend the Clean Air Act to establish a limitation on certain air quality standards established pursuant to such act and to authorize postponement of certain transportation reductions or controls and standards relating to motor vehicle emissions. Referred to the Committee on Public Works.

By Mr. MOSS:

S. 2540. A bill to require the Secretary of Housing and Urban Development to prescribe an energy saving code applicable to federally assisted building construction, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BAKER:

S. 2541. A bill to amend the Federal Coal Mine Health and Safety Act of 1969. Referred to the Committee on Labor and Public Welfare.

By Mr. BAYH:

S. 2542. A bill to protect the constitutional right of privacy of those individuals concerning whom certain records are maintained, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2543. A bill to amend section 552 of title 5, United States Code, commonly known as the Freedom of Information Act. Referred to the Committee on the Judiciary.

By Mr. HRUSKA (for himself, Mr. BAYH, Mr. COOK, Mr. GURNEY, Mr. HUGH SCOTT, Mr. THURMOND, and Mr. TUNNEY):

S. 2544. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 and other laws to discharge obligations under the Convention on Psychotrophic Substances relating to regulatory controls on the manufacture, distribution, importation, and exportation of psychotropic substances. Referred to the Committee on the Judiciary.

By Mr. HRUSKA (for himself and Mr. MCCLELLAN):

S. 2545. A bill to amend sections 656, 657, and 2113 of title 18, United States Code. Referred to the Committee on the Judiciary.

By Mr. MONDALE:

S. 2546. A bill for the relief of Mgam Chin Lee. Referred to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 2547. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Miss Keku*, owned by Clarence Jackson, of Juneau, Alaska, to be documented as a vessel of the United States with coastwise privileges. Referred to the Committee on Commerce.

By Mr. FONG:

S. 2548. A bill to amend title 5, United States Code, to provide for additional positions in grades GS-16, GS-17, and GS-18. Referred to the Committee on Post Office and Civil Service.

S. 2549. A bill to confer jurisdiction on the U.S. District Court for the District of Hawaii to hear and determine and to render judgment on the claims of Mrs. Agnes J. Wong and Dr. Samuel J. Wong, Jr., against the United States. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 2550. A bill for the relief of Il Kwong Yang. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAM L. SCOTT:

S. 2539. A bill to amend the Clean Air Act to establish a limitation on certain air quality standards established pursuant to such act and to authorize postponement of certain transportation reductions or controls and standards relating to motor vehicle emissions. Referred to the Committee on Public Works.

CLEAN AIR ACT AMENDMENTS OF 1973

Mr. WILLIAM L. SCOTT. Mr. President, there has been considerable action in the field of pollution control over the past several years. Much legislation has been passed; some as a result of general public concern and some may have been the result of pressure from lobbyist groups. All of us, of course, have a concern for a clean environment; not only for ourselves, but for our descendants.

Before coming to the Senate, I generally supported measures reported by committees of the House intended to improve the condition of our environment. This was on the assumption that proper hearings had been held and proper consideration had been given to each measure coming before the House of Representatives. I was not a member of any committee directly involved with environmental problems. Now, however, as a member of our Senate Public Works Committee, I have become aware that we have enacted numerous laws involving many governmental agencies which may need a general review to determine if the Congress has acted too hastily in the environmental field. In improving our environment, we still want to maintain our high standard of living, make reasonable use of our natural resources and not unduly restrict the activities of the individual, or private industry or the operations of the various departments and agencies of our local, State, or Federal Government.

Today, more specific concern relates to the Clean Air Act of 1970, and I introduce a bill to amend the Clean Air Act. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2539

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Clean Air Act Amendments of 1973".

LIMITATION ON AMBIENT AIR QUALITY STANDARDS

SEC. 2. Section 101(b)(1) of the Clean Air Act (42 U.S.C. 1857(b)(1)) is amended to read as follows:

"(1) to protect and enhance the quality of the Nation's air resources by establishing, achieving, and maintaining national ambient air quality standards, standards of performance for new stationary sources and national emission standards for hazardous air pollutants so as to promote the public health and welfare and the productive capacity of the Nation, but nothing in this Act is intended to require or provide for the establishment of standards more stringent than primary and secondary ambient air quality standards;"

POSTPONEMENT OF CERTAIN TRANSPORTATION REDUCTIONS OR CONTROLS

SEC. 3. Section 110 of the Clean Air Act (42 U.S.C. 1857c–5) is amended by adding a new subsection (g) as follows:

"(g) In any case where the Administrator requires any type of transportation reduction or control in a State or portion thereof as part of a plan pursuant to this section, the Administrator shall, at the request, made at any time prior to the effective date of such reduction or control, of the Governor of such State based upon his determination of the serious detrimental social, economic, and other effects on the public resulting from such reduction or control, postpone the effective date of such reduction or control for such period, not exceeding two years, as is requested by such Governor."

POSTPONEMENT OF EFFECTIVE DATE OF CERTAIN STANDARDS RELATING TO MOTOR VEHICLE EMISSIONS

SEC. 4. Section 202(b) of the Clean Air Act (42 U.S.C. 1857f–1(b)) is amended—

(1) in paragraph (1)(A) by striking out "1975" and inserting in lieu thereof "1977";

(2) in paragraph (1)(B) by striking out "1976" and inserting in lieu thereof "1978";

(3) in paragraph (5)(A) by striking out "1975" and inserting in lieu thereof "1977"; and

(4) in paragraph (5)(B) by striking out "1976" and inserting in lieu thereof "1978".

Mr. WILLIAM L. SCOTT. It will be noted, Mr. President, that this bill has three parts. The first proposing an amendment to the general air quality standards was brought about in part by a recent court decision, Sierra Club against Ruckelshaus, decided initially by a District of Columbia court and affirmed by a 4-to-4 decision of the Supreme Court which held that a Clean Air Act of 1970 is based on an important part of a policy of nondegradation of existing clean air. This is a somewhat technical matter, Mr. President, but as I understand it, the Administrator of the Environmental Protection Agency is given the authority in the Clean Air Act to prescribe a national primary ambient air quality standard and a national secondary ambient air quality standard for each air pollutant for which air quality criteria has been issued. In other words, these standards under the act would be national in scope but the Court has added a new feature which would—

> Not permit any significant deterioration of existing air quality in any portion of any State where the existing air quality is better than one or more of the secondary standards promulgated by the Administrator.

In other words, Mr. President, if it happens as, of course, is the case in many instances that a particular area of one of our States had no manufacturing industry, no factory, or no human element that in any way polluted the air, it could not construct and operate any type of industry in the future that would significantly deteriorate the air quality. I think of one county in Virginia for example, Mr. President, where the present industry is tree farming. Now, if the people of that county want to construct a factory which might change the quality of air somewhat from its natural state, but the air might still remain at a higher quality than an adjoining county or city, this decision could well prevent the industrial expansion of that county. I believe, Mr. President, that if this country is going to continue to expand its economic resources and its industrial capacity as we must do to continue to improve our standard of living, we cannot say that local or State officials cannot approve a permit for construction of a particular building or industry within that State or community. In my opinion, the Congress should clarify its proposals so that the intent will not be misunderstood or misinterpreted by the courts in the future.

To accomplish this, the first section of my bill reaffirms the policy of the Congress to protect and enhance the quality of the Nation's air, recognizes the right of the Administrator to set air quality standards so as to promote the public health and welfare but adds that—

> Nothing in this Act is intended to require or provide for the establishment of standards more stringent than primary and secondary ambient air quality standards.

All of us want air quality standards high enough to protect the health and well-being of all of our citizens but I do not believe that this Congress ever intended to enact a Federal law which said that the quality of the air must continue to remain higher in one locality than in another. It seems reasonable and proper for the Federal Government to establish air quality standards nationwide sufficiently high to protect the public health but it seems unreasonable to me for the Federal Government through its legislative, executive, and judicial branches to say that a given community which already more than meets the high national standard cannot construct any type of enterprise which would degrade the air. Or that a substantially rural area, by Federal law, would have to always remain a substantially rural area. Such an interpretation might prevent the procurement of oil from Alaska, the construction of new fossil fuel plants, the production of synthetic natural gas or petroleum from the coal reserves of the Nation. It could well hamper the meeting of the Nation's energy crisis at a time when some of the Middle East nations threaten to withhold oil for political reasons. It seems essential to me, Mr. President, that this first section of the bill be speedily enacted into law in the national interest.

The second portion of the bill would amend the Clean Air Act to give greater control to the Governors of our respective States. For example, Mr. President, the city of Los Angeles may have the most acute smog problem of any city or region in the country. Certainly it is different from the problems of many of our political subdivisions. It seems unreasonable for a Federal official to require a metropolitan area such as Los Angeles to reduce vehicular traffic by 60 percent by 1977, the social and economic results upon the inhabitants of that city would be drastic and it would seem much more reasonable for the chief executive of the State, an elected official, to play a greater role in a proposal that could bring activities within the largest city in his State to a virtual halt. What is true in Los Angeles, of course, is true to perhaps a lesser extent in all of the major cities of the country.

My proposal provides that upon request of the Governor to the Administrator of the Environmental Protection Agency, based upon the Governor's determination of serious detrimental social, economic, and other affects on the public. The effective date of any type of transportation reduction or control within a State or a portion thereof, be postponed for a period of not exceeding 2 years.

The essential thrust of this amendment, Mr. President, is that Congress should set a policy determining that any proposed plans to reduce automobile use in an urban area should be subject to a delay of up to 2 years upon the request of the Governor of the affected State and a determination by him that failure to grant a delay would have serious adverse affects upon the citizens of his State. This ties in, Mr. President, with what I believe is a popular concept enunciated by the President for a return of decisionmaking. Insofar as possible, to the States and the localities and the feeling I have that it is impossible for any Federal official to make a better decision regarding a local transportation area that can be made by the chief executive of the affected State.

The third major division of my proposal, Mr. President, relates to the postponement of the effective dates of standards for motor vehicle emissions. The major pollutants are carbon monoxide, hydrocarbons, and oxides of nitrogen. This section of the bill would extend the dates for compliance by the automobile manufacturers set by the 1970 act for a 2-year period. Of course, Mr. President, few Members of the Senate are technical experts on what must be done to reduce the major pollutants of our air from autumobile emissions. Even the major automobile manufacturers have differences of opinion. As I understand it, General Motors Corp. is already committed to meeting the interim standards set for 1975 by using a catalytic converter which is said to reduce the effectiveness of the gasoline engine, reduce the number of miles per gallon of gas for the automobile and adversely affect its performance and driveability. However, I understand that the Chrysler Corp. is urging the Congress to freeze the 1974 level of emissions permitted until more scientific studies can be completed to determine air quality health requirements and cost benefit effectiveness. Frankly, I do not know whether the automobile industry is doing everything that it can do, as fast as it can, to reduce pollution by the gasoline motor; however, I am advised that the industry has spent more than $1 billion in the past few years in an effort to reduce air pollution by the automobile. The Wall Street Journal of September 28, 1973, contained an interesting editorial entitled, "The Scientific Method" which suggested that emotions may have played a major part in the deadlines set by the Congress and suggested that we might benefit by scientific analysis. I ask unanimous consent, Mr. President, that this editorial be printed at this point in the RECORD.

There being no objection, the editorial

was ordered to be printed in the RECORD, as follows:

THE SCIENTIFIC METHOD

It's now almost a total certainty that Congress erred in setting the stringent auto emission standards of the 1970 Clean Air Act. And unless it amends the law this session, consumers will have to pay for the mistake for more than a decade.

There's no need for this, as testimony before the House subcommittee on public health and environment revealed last week. Perhaps the only completely independent and objective source that has studied the issue told the panel that the federal emission standards are tougher than necessary. Representing the National Academy of Sciences' Committee on Motor Vehicle Emissions, Prof. Arthur Stern of the University of North Carolina's School of Public Health testified:

"An emission limit of CO [carbon monoxide] approximately three times as high as that promulgated by EPA for 1975 vehicles would give assurance of not exceeding the 8-hour air-quality standard of 9 parts per million CO more than one a year."

And: "President federal emission requirements of 0.41 grams per mile HC [hydrocarbons] and 0.4 g/mi NOX [oxides of nitrogen] seem more restrictive than need be by a factor of about three. . . . These conclusions suggest that the 90% reduction of CO and NOX specified in Sec. 202 of the Clean Air Act may be more than is required to meet the present national air quality standards for CO, and NOX and oxidants."

These conclusions are hardly surprising. Congress picked those numbers without benefit of hearings and voted the act in the hectic closing days of 1970; the only remote scientific justification for the numbers rested on assumptions that have since been proven erroneous. From the first, California scientists and pollution experts who had set that state's emission standards argued that the federal standards represent an overkill.

Only a fraction easing of these standards would permit Detroit to avoid the costly and unproven catalyst approach, which involves fitting cannisters that either oxidize or reduce the three pollutants within the exhaust system instead of cleaning the emissions within the engine by more efficient burning of the fuel. By now, competition with Japan and each other is forcing the U.S. manufacturers into alternate systems that are cleaner and more efficient, systems that may quickly make catalysts obsolete. But unless the standards are eased now, before Detroit is locked into contracts and designs for the next year's autos, catalysts will be installed on the 1975 models that go on sale in California late next summer as well as on selected models that are sold nationally.

Even if Congress next year recognized that the National Academy is correct about the numbers, it will by then be extraordinarily expensive to pull back from catalysts. The auto manufacturers and catalyst makers will already have invested hundreds of millions of dollars in the catalyst approach. The petroleum refiners will have spent large sums converting a portion of their capacity to unleaded fuel, because catalysts are destroyed by leaded gasoline. And 70% of the nation's service stations will have had to add pumps to supply unleaded gas if they don't already. At the very least, a midstream switch by Congress would leave the nation with hundreds of thousands of "orphan" autos, for which catalysts maintenance and unleaded gas will have to be supplied as long as they are on the road.

What is really at issue now is whether Congress, having been supplied with reliable analysis from the prestigious National Academy, can act on that information. The chief barrier is that Congress adopted the federal standards as an emotional commitment to the environment. Although they now have no scientific justification at all, they have achieved a symbolic life of their own; to adjust them to reality would be taken as a defeat by the environmentalists.

Senator Muskie is unhappy with catalysts, especially if car owners have to replace them every 25,000 miles at up to $150 a unit. But as author of the Clean Air Act he refuses to believe his numbers are unsupportable. He does his own scientific research by looking out the window. "As I returned from Maine to the Senate," he said recently, "I saw this dirty air mass covering the land, urban and rural areas alike, and darkening the sun."

Congress, though, can't make multibillion-dollar decisions by looking out the window. How will it explain the haze after every auto has a catalyst? Washington now has enough scientific assurance to feel safe in freezing the 1974 standards for a few years, at least until the National Academy can conduct a rigorous analysis of exactly what the air quality standards should be. Otherwise, it's likely the political scientists on Capitol Hill will have fathered an orphan technology and the American consumer will be stuck with the bill.

Mr. WILLIAM L. SCOTT. Mr. President, at the request of the chairman of the Public Works Committee, the senior Senator from West Virginia (Mr. RANDOLPH), the Senate authorized an independent study of the health benefits and economic implications of automobile emission standards by the National Academy of Science. This study should clarify the amount of pollutants which can be tolerated by the individual and the minimum health standards which can be permitted. In my opinion, a 2-year extension is reasonable.

Mr. President, the Clean Air Act vitally affects every citizen of our country; it gives vast powers to a Federal Administrator; it affects the day-to-day activities of the individual citizen. If we have acted in haste, in an emotional manner, my proposals give us time for more serious reflection and the opportunity to enact better legislation in this important field. Be assured, Mr. President, that I have no desire to impede or to block progress in cleaning up the Nation's air. I would hope that the business community would recognize these proposals as an effort on the part of the Congress to be reasonable and that they would increase their efforts to reduce pollution of our air. We have serious energy problems; even now there is talk of rationing gasoline, prices are being increased, proposals for reducing pollution results in less efficient motors and greater consumption per mile of gasoline. The overall American economy is vitally affected by the automobile industry. I would hope that the administration will support these proposals or suggest better ones, that the Public Works Committee will hold prompt hearings, and that we can go back to the drawing board, as suggested in the September 3 issue of Barron's financial weekly.

By Mr. MOSS:

S. 2540. A bill to require the Secretary of Housing and Urban Development to prescribe an energy saving code applicable to federally assisted building construction, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MOSS. Mr. President, easy availability of power can no longer be taken for granted. Energy conservation must be taken more seriously. Properly insulating a building during construction is an obvious and easy way of preventing waste and saving fuel. Obvious and easy methods of saving fuel need to be implemented now.

Accordingly, I am introducing a bill to require that buildings constructed under Federal funding, Federal loan guarantees or grants comply with an energy saving code. This bill is simple in its requirements. It sets forth the maximum allowable rate of heat loss of buildings falling within its authority. It requires that heat losses due to windows, skylights and other discontinuities in the structure be considered in arriving at required building insulation. It will probably tend to discourage the use of large numbers of windows in Federal buildings unless special insulating techniques are used.

The impact on the architecture of large Federal buildings may be considerable, and we may be called upon to sacrifice slightly by working in buildings with fewer windows. However, these buildings will probably cost less to heat and cool, and we may save some of our people problems associated with fuel shortages. There is an extremely thoughtful article illustrating the point of this bill in the October issue of Smithsonian entitled "There Are Ways To Help Buildings Conserve Energy" by Jane Stein. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THERE ARE WAYS TO HELP BUILDINGS CONSERVE ENERGY

(By Jane Stein)

A man—say he is a city official—sits in his office, the late afternoon sun beaming through the glass wall and flooding his desk with light. Electric bulbs burn overhead and cool air whispers from a metal duct as the man worries about fuel shortages, brownouts and the energy crisis. He might do better to contemplate the state of American architecture.

For architecture and the construction industry have a vast influence on energy use. Constructing and operating buildings consumes 7.5 and 50 percent, respectively, of all the electricity produced in the United States. To practice energy conservation in this sector, we do not need to return to caves and candlelight, nor do we need new technologies.

The main problem is that the simple and technologically available ideas for saving energy are meeting tremendous indifference, if not actual resistance. Certainly it is a profound indifference to energy conservation that fosters the construction of buildings such as the 110-story World Trade Center in lower Manhattan with its fantastic array of electrical requirements, the most astounding of which is that the center will require as much electricity per year as the entire city of Schenectady, New York, which is home for 100,000 persons.

How much energy a building needs for heating, cooling and lighting depends upon its site, its shape and the materials used. All of us could learn something about the wise use of natural energy by studying the cave dwellings of Mesa Verde in Colorado (above). In the winter when the sun is low in the sky, it shines directly on the adobe brick walls which store the heat during the day and release it during the night. In the summer the sun strikes at the horizontal surfaces—the roofs of wood and grasses act as insulation.

Never more than one-quarter of the cave's inner surfaces are lit in summer; only one-quarter remains shadowed through the winter day. "Buildings today can be organized in much the same way, generating their form from the way the sun moves," says Ralph Knowles, professor of architecture and urban design at the University of Southern California.

If you design with the sun in mind, you can even put an all-glass building in the desert without paying too much of a penalty in energy costs. In Temple, Arizona, the striking new municipal building (opposite) has glass walls, slanted at a 45-degree angle to reduce the amount of solar heat that can enter the building.

In a less dramatic vein, it is axiomatic that the broad surfaces of the common, slablike high-rise building should face north and south. Fred Dublin, a New York engineer, has calculated that a building uses 29 percent less energy for cooling if the broad sides face north and south. Why is it, asks Dublin, that all sides of a building are often treated as if they were the same? Why not have no windows on the west side, and fewer in the corners? His point is simply that energy use must be factored into building design, and that means starting at the beginning.

"From the very outset of the architectural process energy is used wastefully," says Richard Stein (no relation of the author), a New York architect and a leading advocate of energy conservation. "Our basic structural sciences are in reality based more on practical experience than on a scientific analysis of how materials should be used."

For example, according to the National Building Code, the concrete beams for the standard classroom are designed to carry three times as much weight as they are likely to need for normal use. While a safety factor of three might not seem excessive, Stein points out that design computations use a value for the strength of concrete only about one-third of its actual strength, so that there really is a safety factor of at least nine. There are additional safety margins: Concrete gains strength for years after hardening. In cement production alone, modified design standards could result in energy savings of about 20,000 million kilowatt-hours a year—enough to provide the electric power for three million families for a year.

Aluminum is gaining in popularity as a building material. It has a pleasant sheen, upkeep is simple, and it takes less aluminum to make the skin of an office building than it does to use stainless steel. But aluminum is very expensive to make in terms of energy. The energy savings for just one typical high-rise office building—if steel were used instead of aluminum—would be 1.3 million kilowatt-hours.

It is not just a matter of using energy-expensive materials; how a building material is used has much to do with energy waste. Dense concrete can get as cold as a stone. Lightweight concrete, with air bubbles blown into the mixture, acts as insulation.

Since Level House (page 32) was built on Manhattan's Park Avenue in 1952, glass-clad buildings have sprung up all across the nation. Most are energy hogs because glass is a notoriously poor insulator. Heat loss could have been cut by half had double-glazing been used (that it, two panes of glass hermetically sealed with an air space between them which acts as an insulator). Heat *gain* can be reduced by using the new reflective metallic glass, which substantially blocks solar heat and light.

What is true for an office or apartment building is true of a home. A Rand Corporation study says that better insulation in new housing would cut heating and cooling requirements by 40 to 50 percent. Extra construction costs, the report continues, could be recaptured in four to seven years through reduced fuel and utility bills. Over the last two years the Federal Housing Authority (FHA) revised its insulation standards for single and multifamily housing units, with the stated objective of reducing air pollution and fuel consumption. The FHA standards are merely guidelines to assist appraisers in determining the salable value of a housing unit. Since they are used by appraisers of conventional loan organizations as well as the FHA, they do exert considerable influence on the residential construction industry.

In addition to energy-rich materials and poor insulation, air conditioning and ventilation are extremely important components of wastefulness-through-design. The President's Office of Emergency Preparedness has estimated that, by making fairly simple and obvious changes in the design, 11 percent of the forecasted energy use in 1980 could be saved. Take air conditioning. Richard Stein claims that an average office building is occupied 3,100 hours annually with 500 hours in the temperature range where untreated outdoor air could be used. Simply opening the windows would bring about a 19 percent reduction in the use of energy for handling air—but how many office buildings have windows that can be opened?

Another part of the artificial world which architects have designed for the office worker is perhaps a superabundance of light. In a high-rise building 54 percent of the electrical energy consumed goes into lighting; in a low building this rises to 62 percent.

Consider the high-rise office buildings twinkling through the night with a full array of lights (p. 35) for the cleaning personnel and handful of late-working executives. Selective lighting—lighting up only those rooms or parts of rooms in which someone is at work—would make a less striking skyline but it would save considerably on lighting. Separate switches could be installed so that lights around the perimeters of glass-walled buildings could be used only when natural light is insufficient. Other electrical savings include lower-voltage lighting in less occupied areas—hallways, storage areas—or more use of fluorescent lighting, which uses one-quarter as much as ordinary filament bulbs. The overall average lighting levels, many buildings specialists feel, could be cut in half.

Much extravagant illumination is the fault of lighting standards (used by building codes, boards of education, industries and commercial developers), which have risen sharply and more than doubled in many cases over the past 15 years. Yet there is considerable disagreement as to whether such high illumination at such uniform intensity is necessary or even desirable.

While developing a new building system for school construction in California, architect Ezra Ehrenkrantz sought to develop, among other requirements, low-brightness lighting. Each bidder was required to state the wattage required to perform the job. Bids ranged from 3.3 watts to 6.3 watts per square foot of space to meet the same performance specification. (The system using the least energy, as it turned out, was also the lowest cost.) Ehrenkrantz tallied up some numbers and figured out that a saving in energy for the average California high school of one watt per square foot was equivalent to a teacher's annual salary. "The public," he says, "is not aware of how many teachers are burned up annually with the flick of a switch."

In addition to wasting electricity, lighting produces waste heat which, in most buildings, is then dissipated into the atmosphere. A few architects are now trying to catch this "heat of light" and pass it through conventional ducts and vents to help heat a building.

Making use of wastes, in fact, is the basis of what are now called "total energy systems," in which a building (or a group of buildings) contains its own generating system—usually small gas turbines or fuel cells. Waste heat is not released but reused by converting it into usable heat at little or no additional expenditure of energy. Such systems are costly, however; they require fairly constant demand for waste heat and are still far from perfected.

The resistance to energy-saving stems, in part, from financial institutions. The traditional way of financing buildings is based on first costs—what it actually costs the owner at the time the building is completed. Bank loans are made on the basis of first costs. Low first costs usually mean high energy consumption.

For savings in money and energy, building designs as well as bank loans should be calculated in terms of life costs: what it will cost to build and operate the building over its lifetime. Charles Berg, deputy director of the Engineering Institute for Applied Technology at the National Bureau of Standards, says that "energy conservation methods will obviously come at extra expense, but over the normal expected lifetime of the building, substantial savings in upkeep and energy use could be made."

An example of how these economics can work is seen in the work of Ehrenkrantz. He recently took bids for an air-conditioning system for student housing units, which he based on annual costs over 20 years. He gave the bidders energy requirements based on efficiency factors for the equipment. The cost of additional energy—if the bidders needed it—was to be added to the overall 20-year maintenance costs. The results: better equipment at lower life costs.

The federal government, seeking to break down the first-cost mentality, plans to use life-cost accounting on federal and federally assisted buildings. It is hardly a bandwagon, but interest is catching on. Owens-Corning Fiberglas Corporation has an energy conservation award competition for architects and engineers. Currently, the American Institute of Architects is circulating an exhibition, organized by the design firm of Arnold Saks, showing in photographs "The Architect and the Energy Crisis."

Easy availability of power can no longer be taken for granted and, as energy costs go up, energy conservation will be taken more seriously. Legislators are now predicting that builders will have to inform power companies in detail of their intended energy requirements. Legislation to control the amount of energy per unit of volume may well be with us within a decade. Building codes could be amended to raise insulation standards or to include new provisions for use of glass, ventilation and building orientation to reduce energy requirements. Kilowatt-hours could be taxed, annual kilowatts per building could be rationed.

Such restrictions might inspire architects, engineers and builders to come up with some energy-saving solutions. Energy conservation—if widely practiced—will also stretch our limited resources so that the benefits of energy will be available to more people.

Mr. MOSS. Mr. President, this is a single but positive step toward reduction of the projected gap between energy demand and supply. It is an important step because it recognizes the need to take long term, effective measures to reduce energy consumption in this country. Recognizing conservation as a positive virtue is the surest way out of our current energy problems.

By Mr. BAKER:

S. 2541. A bill to amend the Federal Coal Mine Health and Safety Act of 1969.

Referred to the Committee on Labor and Public Welfare.

Mr. BAKER. Mr. President, today the Senate turns to consideration of S. 425, a bill which provides for stringent regulation of surface mining of coal. I frequently have indicated my support for strong strip mining legislation and anticipate the passage of a bill which will assure that necessary environmental and aesthetic concerns are not neglected in our continuing search for sources of energy.

As I previously have articulated my views regarding surface mining, I will defer further discussion of that matter until we turn to consideration of S. 425. I do believe it imperative, however, that while we must insure that irresponsible surface mining does not continue unabated, we must make adequate provision for the recovery of our coal deposits, our most abundant energy resource. Moreover, since it has been widely estimated that at least 95 percent of our Nation's recoverable coal reserves can only be obtained through deep mining, I think it incumbent upon Congress to consider the impact which the Federal Coal Mine Health and Safety Act of 1969 has exerted upon the underground mining of coal.

During the last Congress, I was privileged to join with Senator COOPER in sponsoring S. 4125, a bill to amend the Federal Coal Mine Health and Safety Act of 1969. Regrettably, this bill was introduced just prior to final adjournment and, therefore, was not subjected to intensive consideration. Believing that surface mining legislation and reform of the 1969 act form a logical connection. I am introducing today a bill similar to S. 4125 containing a series of amendments to the Federal Coal Mine Health and Safety Act. These amendments can be categorized under four major headings.

First, I am proposing amendments to provide for improved administrative practices by clarifying the procedures whereby the Bureau of Mines promulgates mandatory health and safety standards. These amendments will insure that all interested parties will receive adequate notice of proposed standards, hearings, and final regulations. Furthermore, the amendments will assure proper and extensive consultation and consideration of several points of view before improved health and safety standards can become effective. These alterations should eliminate the arbitrary and premature manner in which some standards have been promulgated.

Second, I am proposing to strike the mandatory civil penalties section 109(a)(1) of the present act, which provision requires the mandatory assessment of civil penalties by the Secretary of the Interior against an operator for each and every violation of a health and safety standard. The assessment of substantial fines under the authority vested in mine inspectors by this section has developed into a situation of regulatory overkill. In addition, it should be pointed out that appeals from these fines are limited to the size of the fine and not the merits of the alleged violation. In short, as administered by the Bureau of Mines, the mandatory assessment of civil fines raises serious due-process questions and appears rather unnecessary in light of the additional sanctions for violations imposed by the act. These sanctions encompass criminal penalties, including imprisonment, and the authority to order closure of the mine.

Third, I am proposing amendments to effect certain changes in the law relating to operating efficiency and the utilization of certain types of equipment as well as improvements in safety training programs.

Finally, this bill contains amendments which would restore the gassy and nongassy classifications in effect prior to the 1960 act, by relieving those mines located above the water table that have been tested and found free from methane gas, from the "permissible" equipment provisions of the act that were originally designed for the large "gassy" mines. These amendments would exempt the operators of nongassy mines from having to purchase expensive and unnecessary equipment designed for large gassy mines.

In summation, our brief experience with the administration of the provisions of the Federal Coal Mine and Safety Act by the Bureau of Mines indicates the need for Congress to consider clarifying and, in some instances, modifying amendments. Some of the act's provisions are neither workable nor effective, and a few, rather than contributing to safety, arguably have increased the hazards of working in underground coal mines. This is not to say that the act has not been effective, for commendable progress has been made. Similarly, these proposed amendments are not designed to lessen the protection afforded the health and safety of the miners, but are intended to restore economic vigor to the deep mining industry by eliminating statutory and regulatory excesses. Miners, as well as operators, should benefit from both the procedural and administrative reforms which I have proposed as well as the restoration to profitability of many deep mining operations now rendered marginal under the act.

Finally, it is clear that the coal industry must improve its capability to recover underground coal reserves. The elimination of unnecessary and burdensome requirements, while simultaneously not reducing the protection afforded miners, will significantly enhance the productivity of deep mining operations and thereby accrue to the benefit of all concerned.

Mr. President, I ask unanimous consent that the text of the amendments I introduce today be printed in the RECORD together with a memorandum explaining their provisions in greater detail.

There being no objection, the bill and memorandum were ordered to be printed in the RECORD, as follows:

S. 2541

Be it enacted by the Senate and House of Representatives of the United States of America in congress assembled, That the Federal Coal Mine Health and Safety Act of 1969 is amended as follows:

(1) Subsection (b) of section 101 of such Act is amended by adding at the end thereof the following new sentence: "Such standards (including revisions thereof) shall not become effective until proven by suitable testing and experience that they will improve or contribute to the health or safety of the miner."

(2) Subsection (e) of section 101 of such Act is amended by adding at the end thereof the following new sentence: "In connection with the publication of proposed mandatory health or safety standards, the Secretary of Health, Education, and Welfare, in the case of health standards, and the Secretary, in the case of safety standards, shall provide supporting information or data to justify the adoption of such standards."

(3) Subsection (g) of section 101 of such Act is amended by inserting immediately before the period at the end of the second sentence thereof a comma and the following: "and he shall reply specifically to any relevant objections to the proposed standards raised in such hearing.".

(4) Subsection (h) of section 101 of such Act is amended by inserting immediately after the word "section," a comma and the following: "after compliance with subsection (e), (f), and (g) of this section,".

(5) Subsection (j) of section 101 of such Act is amended by adding at the end thereof the following: "The Secretary shall, as soon as practicable following the effective date of this Act, but in no event later than March 31, 1974, make a comparison of the effectiveness of health and safety standards and regulations in effect immediately prior to the effective date of this Act, with the effectiveness of health and safety standards and regulations provided by or pursuant to the provisions of this Act. In making such comparison, the Secretary shall analyze the effectiveness of such standards and regulations in advancing the health and safety of miners and shall report, as soon as practicable, his findings and conclusions to Congress. The Secretary also shall, as soon as practicable following the effective date of this Act, but in no event later than March 31, 1974, make an analysis of the effect of this Act and the standards and regulations promulgated thereunder upon the gross productivity of mining coal in underground coal mines. In making such analysis, the Secretary shall develop recommendations for modifications of this Act which could be implemented without impairing the health and safety of miners, and shall report, as soon as practicable, his findings and conclusions to Congress.".

(6) Subsection (k) of section 101 of such Act is amended (i) by inserting immediately after the words "Federal Register" the following: "and notice of every public hearing concerning a proposed standard or regulation"; and (ii) by inserting at the end of the subsection the following new sentence: "The Secretary shall send by certified mail a copy of every final standard or regulation at the time of publication in the Federal Register to the operator of each coal mine and the representative of the miners at such mine and such copy shall be immediately posted on the bulletin board of the mine by the operator or his agent. Notwithstanding the foregoing provisions of this subsection, the failure of the Secretary to notify by certified mail any operator of any final standard or regulation as prescribed by this subsection shall excuse such operator from any penalty or fine in connection with a violation of any such final standard or regulation with respect to which he was not so notified, except that the provisions of this sentence shall apply only in the case that such violation was an initial violation and where such violation did not involve an imminent danger as defined in section 3(j) of the Act.".

(7) Subsection (a)(2) of section 102 of such Act is amended by adding at the end thereof the following new sentence: "No funds appropriated pursuant to this Act shall be expended to carry out any such

research, make any such grant or enter into any such contract unless, with respect thereto, the Secretary has consulted with, and considered the recommendations of, such Committee.".

(8) Subsection (g) of section 103 of such Act is amended by adding immediately after the second sentence thereof, the following new sentence: "Immediately upon receiving such notice of an alleged violation, the Secretary shall notify the affected operator of the nature of such alleged violation and shall state that such notice was received from a representative of the miners employed by such operator.".

(9) Subsection (a) of section 104 of such Act is amended (i) by inserting immediately after the words "finds that an imminent danger" a comma and the following: "as defined in section 3(j) of this Act,"; and (ii) by inserting at the end of the subsection the following new sentence: "Immediately following the inspection of a coal mine where an imminent danger is found to exist, the authorized agent of the Secretary making such inspection shall issue notice, as set forth in subsections (e) and (f) of this section, to the operator or his agent.".

(10) Section (b) of section 104 of such Act is amended by inserting immediately after "operator or his agent" the following: "specifying the particular health or safety standard violated and".

(11) (A) Subsection (a)(1) of section 109 of such Act is repealed.

(B) Subsections (a)(2), (a)(3), and (a)(4) of section 109 of such Act are hereby renumbered as subsections (a)(1), (a)(2), and (a)(3) respectively.

(C) Subsection (a)(1), as renumbered hereinabove, of section 109 of such Act is amended by deleting "(3)" and inserting in lieu thereof "(2)".

(D) Subsection (b) of section 109 of such Act is amended by deleting "subsection (a) of this section or".

(E) Subsection (c) of section 109 of such Act is amended (i) by deleting "subsection (a) of this section or"; (ii) by deleting "civil penalties, fines, and" and inserting in lieu thereof "fines and"; and (iii) by deleting "subsections (a) and (b) and inserting in lieu thereof "subsection (a)".

(12) The second sentence of subsection (h) of section 202 of such Act is amended by inserting immediately before the period at the end thereof a comma and the following: "except that the use of approved respirators shall be permitted on a temporary basis where it is impossible or impractical to reduce the level of respirable dust to the standard required by law for the purpose of correcting the situation creating such hazard.".

(13) Section 302 of such Act is amended by adding at the end thereof the following new subsection:

"(g) The Secretary shall provide adequate training programs for each individual underground miner in the proper method of testing roof, rib, and face for dangerous conditions and the proper method of preventing accidents from the fall of roof, rib, and face.".

(14) Subsection (l) of section 303 of such Act is amended by deleting the words "The Secretary" where they first appear therein and inserting in lieu thereof "In mines located below the water table or in which methane has been detected as prescribed in subsection (h) of this section, the Secretary".

(15) Subsection (a) of section 304 of such Act is amended to read as follows: "(a) Coal dust, including float coal dust deposited on rock-dusted surfaces, loose coal, and other combustible materials, shall not be permitted to accumulate in active workings. Electric equipment shall be cleaned at such intervals as are necessary to protect health and safety."

(16) Subsection (b) of section 304 of such Act is amended by inserting immediately before the period at the end of the second sentence a coma and the following: "if necessary for health and safety.".

(17) Section 305 of such Act is amended by adding at the end thereof the following new subsection:

"(s) Paragraphs (1), (2), (3), and (12) of subsection (a), and subsection (d), of this section shall be applicable only with respect to mines located below the water table or in which methane has been detected as prescribed in section 303 (h).".

ANALYSIS OF PROPOSED AMENDMENTS TO THE FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969

AMENDMENT (1)

Section 101(b) of the Coal Mine Health and Safety Act requires that in no instance shall improved mandatory health and safety standards promulgated under the Act reduce the protection afforded miners below that provided by existing standards. There apparently have been instances, however, where the Secretary of Interior prematurely prescribed improved standards for equipment which merely created additional expense for the mine operators while failing to provide any additional protection for the miners.

For example, in 1970, the Bureau of Mines prescribed by regulation certain fire suppression devices as required equipment. Many operators purchased these devices at considerable expense only to be advised 8 months after the regulation had been put into effect that the Secretary would no longer require this equipment on the grounds that it was not effective for the purposes specified. In proposing additional equipment or procedures to improve health and safety, the Secretary should have the burden of demonstrating by testing or prior experience that such equipment or procedures would in fact improve safety.

In support of the requirement for testing, it should be noted that Section 101(c) requires that the "devlopment and revision of mandatory safety standards shall be based upon research, demonstrations, experiments, and such other information as may be appropriate." Section 101(d) requires similar testing and experimentation by the Secretary of HEW with respect to proposed changes in mandatory health standards.

AMENDMENT (2)

Section 101(e) of the Act requires the Secretary of Interior to publish proposed mandatory health and safety standards in the Federal Register and to afford interested parties an opportunity to submit comments in relation thereto. The Secretary is not required, however, to provide supporting data or findings regarding the anticipated effectiveness of the proposed standards. The result has been that the operators frequently do not have adequate knowledge of the assumptions or bases upon which the Secretary formulated the proposed standards and, therefore, are unable to offer responsive and informed objections and commentary.

The proposed amendment would require the submission of data and information justifying the adoption of such standards.

AMENDMENT (3)

Although under the Act, interested parties can request public hearings on proposed mandatory health and safety standards, and although the Secretary of Interior, in the case of safety standards, and the Secretary of Health, Education and Welfare in the case of health standards, are required to make findings of fact within 60 days after completion of the hearings, the respective Secretary conducting such hearings does not have to respond directly to objections raised during a hearing. By requiring that the findings of fact include specific replies to relevant objections, this amendment would ensure at least cursory consideration of all points of view and would provide additional due process safeguards.

AMENDMENT (4)

Under Section 101(b), a mandatory health or safety standard becomes effective upon publication in the Federal Register unless the Secretary specifies a later date, even though there is no compliance with the requirement for public hearings as provided in Section 101 (f) and (g). This amendment clarifies what clearly was the original intent of Congress, i.e., that new mandatory health and safety standards shall become effective only after adherence to the procedural requirements for allowing interested persons the opportunity to make comments and to request a public hearing and findings of fact.

AMENDMENT (5)

This provision would require the Secretary to undertake a comparison of the respective effectiveness of the health and safety standards pre-existing the Coal Mine Health and Safety Act and those standards adopted in or promulgated under the Act. The Secretary further would be directed to make a study of the impact of the Act upon the underground mining of coal and to make recommendations for statutory modifications related thereto.

A review of the Act's effectiveness and impact will allow Congress to ascertain whether further legislation is necessary in this area and to guage the validity of miner and operator criticism regarding the operation of the Act.

AMENDMENT (6)

Under Section 101(k) operators are assumed to have received notices of new regulations and, on many occassions, Federal inspectors upon entering a mine will charge them for violations of such regulations when the operator has not received notice of nor had prior knowledge of such regulations. This amendment would strengthen the notice requirements of the Act in two ways: (1) by providing that notice of public hearings on proposed standards is to be issued to each mine operator and miner representative, and (2) that copies of all final standards or regulations are to be sent by certified mail to each miner representative and mine operator. Moreover, in the case where the Secretary fails to notify an operator of final standards or regulations by certified mail, the operator would be exempt from fines and penalties, but not compliance, imposed in connection with violations of that standard. This exemption would apply only if the violation was an initial one and if the violation did not involve a danger which could reasonably be expected to cause death or physical harm.

AMENDMENT (7)

Section 102 authorizes the Secretary of Interior to appoint an Advisory Committee on Coal Mine Safety Research, and requires the Committee to "consult with, and make recommendations to, the Secretary on matters involving or relating to coal mine safety research."

Complaints have been made that the Advisory Committee has not been consulted with respect to Interior Department decisions relating to coal mine safety research projects nor has the Department solicited Committee suggestions and recommendations for future projects. This amendment would withhold funding for research efforts until this consultation contemplated by Congress occurs.

AMENDMENT (8)

Section 103(g) presently provides that where a union representative has reasonable grounds to believe that a violation of mandatory health or safety standards or a situation involving "imminent danger" exists, he then "shall have a right to obtain an immediate inspection by giving a notice to the Secretary or his authorized representative of such violation or danger." Although the operator is entitled to a copy of the notice of alleged violation no later than the time of inspection, there is no provision in Section 103(g) requiring that the operator be immediately informed that notice of an alleged violation has been filed nor is there a requirement that the operator be apprised of the nature of the alleged violation until the time of inspection. This lack of notice often prevents the initiation of corrective action, and therefore possible dangers to the health and safety of the miners continue unabated until the time of inspection. While some deficiencies might be susceptible to complete elimination prior to the time of inspection, this proposed amendment, requiring immediate notification to the operator of the nature of an alleged violation, both protects the anonymity of the union representative alleging such violation and protects the operator from irresponsible allegations. Moreover, any operator who willfully violates a health or safety standard, irrespective of when abatement is effected, is subject to stringent criminal liability under Section 109 of the Act.

AMENDMENT (9)

Section 104(a) authorizes a Federal inspector to issue an order closing the mine where the inspector finds that an imminent danger exists. Closure orders have been issued, however, for violations of standards which do not immediately expose men in the particular mine to physical harm or injury and which should not be characterized by the inspector as involving conditions of "imminent danger" as defined in the Act. Moreover, there have been complaints by operators who have been cited for a condition of "imminent danger" and have been issued a withdrawal order without being advised by the inspector of the nature of the "imminent danger" or the particular condition or conditions constituting such "imminent danger."

This amendment, which is virtually technical in nature, clarifies that the statutory definition of "imminent danger" is the standard upon which closure orders are to be based, and further insures that the operator will receive prompt, specific notice of the conditions or practices which cause and constitute imminent danger necessitating closure of the mine.

AMENDMENT (10)

Section 104(b) requires a Federal inspector who has found "a violation of any mandatory health or safety standard but the violation has not created an imminent danger" to issue notice to the operator fixing a reasonable time for the abatement of the violation. Under existing inspection practices, however, the notice provided operators by inspectors often lack sufficient specificity as to the particular health or safety standard violated. This amendment would require that notice issued under Section 104(b) shall contain a description of the particular health or safety standard violated.

AMENDMENT (11)

This amendment would alleviate grevious due-process deficiencies in the current method of enforcing mandatory health and safety standards. In addition to possessing the authority to impose substantial criminal penalties of "imprisonment up to one year and a fine of as much as $25,000 for a first conviction" and to order closure of the mine, under Section 109 (a) (1) the Secretary is required to assess a civil penalty for each and every violation of the health and safety standards. Pursuant to this section, fines are now assessed almost automatically in flat amounts without consideration for the criteria set forth in Section 109(a)(1). These criteria require the Secretary of Interior to take into account the operator's previous violations, the appropriateness of the penalty vis-a-vis the size of the business of the operator charged, whether the operator was negligent, the effect of the fine upon the operator's ability to continue in business, the gravity of the violation and the demonstrated good faith of the operator to achieve compliance after being notified of the violation. Furthermore, appeals from these fines are limited to the size of the fine and do not go to the merits of the charge of the alleged violation. The notice of assessment procedures deter operators from making appeals, for if they appeal a particular fine they are subject to the risk of having such fine increased to a maximum of $10,000.

This arbitrary assessment and collection of fines by the Bureau of Mines has not only caused confusion and economic hardship among the operators but has tended to focus a great deal of the time and attention of operators and Bureau officials on these procedures rather than on matters directly related to furthering the safety of the nation's coal miners, which is the chief purpose for the enactment of this legislation. And, as noted above, the assessment of these fines represents enforcement overkill, for operators are also subject to having their mines closed and to not insubstantial criminal liability.

This proposed amendment would delete Section 109(a)(1) in its entirety, but does not affect other provisions of Section 109 which prescribe criminal penalties of fines or imprisonment for any operator who willfully violates the health or safety standards of the Act.

AMENDMENT (12)

Section 202(h) presently requires that respirators are not to be substituted for environmental control measures in active mine workings. Under ordinary circumstances, this prohibition of respirators is both necessary and appropriate. In instances where excessive dust results from changes in ventilation, roof falls, accidents, or unusual climatic conditions, however, it is sometimes impossible to reduce the dust to an acceptable level without first utilizing respirators to eliminate the primary hazard. This amendment would allow the use of approved respirators on a temporary basis for the purpose of correcting hazardous situations where it is impossible or impractical to reduce the level of dust to the standard required by law.

AMENDMENT (13)

Section 302(a) requires each operator to carry out on a continuing basis programs to improve the roof-control system of each mine. Experience has indicated that many of the small operators are either not in a position or do not have proper facilities to provide adequate training programs for their men with respect to roof-control.

This proposed amendment directs the Secretary of Interior to provide standardized training programs for miners as to proper methods of mine roof-control.

AMENDMENT (14)

This amendment would restore the gassy and non-gassy classifications in effect prior to the 1969 passage of the Act, by relieving those mines located above the water table, that have been tested and found free from methane gas, from the requirement that additional methane monitors be installed on electric face cutting equipment, continuous miners, long wall face equipment, and loading machines. These monitors are a necessary precaution in large gassy mines, but constitute a substantial and unnecessary financial burden for the operators of the relatively smaller non-gassy mines located above the water table. The elimination of these monitors in non-gassy mines will not reduce the protection afforded miners, because the operators of both gassy and non-gassy mines would still be required to make examinations for methane at prescribed intervals with approved primary monitoring equipment. Furthermore, once a non-gassy mine became gassy, these additional methane monitors would be required for electrical equipment.

AMENDMENT (15)

Section 304 (a), which reads that coal dust shall "not be permitted to accumulate in active workings or on electric equipment therein," has been interpreted arbitrarily by Federal inspectors as requiring that electric equipment shall be kept continuously clean. This amendment would restore the standard mandated throughout the Act, i.e., that electric equipment is to be kept sufficiently clean so as to insure that the health and safety of the miners is adequately protected.

AMENDMENT (16)

Section 304 (b) provides for the watering and wetting of areas around the face for the purpose of reducing the level of coal dust. In certain climatic situations and with certain types of coal, the watering required by Section 304 (b) is not only unnecessary but creates a health problem of pneumonia and a safety problem of slippery floors and possible electric shock. This amendment would provide that watering is required when necessary for health and safety.

AMENDMENT (17)

As was commented in regard to Proposed Amendment (14), the classification of all mines as gassy when in fact many are free of methane will require unnecessarily the purchase of expensive equipment that is not needed in mines located above the water table in which methane has not been detected. Section 305 presently itemizes the "permissible" equipment formally required only in the large gassy mines that next year will be required in all mines regardless of the existence of methane. This amendment would exempt non-gassy mines from having to purchase this "permissible" equipment, which includes the above-mentioned expensive methane monitors, so as to alleviate the burden imposed on frequently already marginal non-gassy mine operators. Non-gassy operators will not be exempt, however, from the expensive and substantial requirements for adequate maintenance, testing, and installation of electric equipment. This amendment, coupled with amendment 14, merely would eliminate the expensive necessity of having to maintain "permissible" equipment possessing little utility in non-gassy operations.

By Mr. BAYH:

S. 2542. A bill to protect the constitutional right of privacy of those individuals concerning whom certain records are maintained, and for other purposes. Referred to the Committee on the Judiciary.

Mr. BAYH. Mr. President, during the 92d Congress, I introduced along with Congressman EDWARD I. KOCH, of New York, broad-based legislation designed to protect the average citizen's right to be free from the unreasonable invasion of his privacy by the Federal Government. In the intervening 2 years, we have learned of shocking violations of the privacy of individuals which have been undertaken by various officials of the executive branch. The strengthening of our citizens' protections in this regard is long overdue. Today I introduce a somewhat modified version of my earlier bill with the hope that the 93d Congress will take quick and effective action. Congressman KOCH has likewise resubmitted similar legislation in the House.

In the field of privacy, reasonable expectations play a very important role. For no matter how carefully and completely we try to analyze the problem, it all boils down to one thing: Americans have—and ought to have—certain broad, general understandings about what part of their personal and business life is public, and what part is private—none of the Government's business, none of anyone else's business.

But expectations of privacy have been shattered in recent years. Recent technological developments have narrowed the sphere of actual privacy by allowing intrusions—by bugging and so forth—into previously protected areas. And the development of the computer has for the first time made it practical to collect, analyze and instantly retrieve vast amounts of information, however gathered. For the first time it is now possible to maintain a dossier on the activities of great numbers of people. These dossiers may be used—or intended—to stifle legitimate political dissent. And even where the actual use of such information is benign, the very existence of it poses a threat to individual liberty.

I believe we must survey the whole area of privacy, the right of the individual not to have certain kinds of information about him gathered at all, or to limit the means by which that information is collected. Who should be permitted to gather information about American citizens? What information is within their legitimate interest? By what means is it appropriate to obtain such information?

And we must also explore the question of confidentiality, the use of information once it has been gathered. Who should have access to it? Should we allow exchanges of information, for example, among Government agencies? What sort of review of information is necessary to make sure that outdated material is removed from the files? And most important, should the individual citizen have a right to review the contents of these files for accuracy and relevancy?

Three years ago we took a great step forward in allowing individuals to have access to financial information about them on file in credit bureaus. Subject to the legitimate—and expressly drawn—demands of law enforcement and national security. I believe we should grant the same rights of access in this area as well.

I believe that we must restore confidence in the American citizen's legitimate expectations of privacy. It is now clear beyond peradventure that we urgently need Federal legislation in this area. I would hope that legislation would be designed to accomplish two objectives.

First, we must define more precisely the nature of each individual's right to a sphere of privacy, a sphere in which he can be free from unwanted intrusion. Any such law should put specific limits on those who would gather and use this information. In short, everyone would know the ground rules and could act accordingly.

Second, a right without an effective remedy is useless. We must provide meaningful tools for enforcing these rights.

That is the kind of legislation which I believe we need. And I believe that we will be able to fashion such legislation.

In the hope of advancing us toward this goal, I am today introducing the Citizen's Privacy Act, legislation designed to meet one of the most serious needs we face in this area. This bill is designed to guarantee any individual about whom the Federal Government keeps records, the right to know that such a record exists; the right to prevent the disclosure of such information outside the agency, or, where such disclosure is expressly required by law, to know when and to whom such disclosure is made; and—most important—the right to see his own file, to make a complete copy of it, and to supplement his record where he believes it is appropriate.

Finally, this bill contains a new provision specifically designed to end an abuse which has recently received wide public attention—the tape recording of telephone conversations by one party without notifying the party to whom he is speaking that such a recording is being made. For some years this has, in theory, been illegal as a violation of the communications tariffs of the FCC, but it has never been enforced.

I believe that all of us have the right to expect that our telephone conversations, whether with the President of the United States or anyone else, are private and should be secure not only from being overheard by others, but also from being recorded, unless both parties consent to such a recording. Section 3 of this bill, therefore, would amend the Federal criminal code to impose serious penalties on those who use recording devices surreptitiously.

I do not propose this bill with the thought that it will be the end of the legislative process. Indeed, I would expect it to be refined and improved. Moreover, I recognize that this bill deals with only a portion of the ground we need to cover. But I hope it will help us as we structure a solution and spur us to move promptly when we complete our gathering of information and our deliberation.

We are quick to rejoice in the freedom we have won. We must be just as diligent to protect and preserve them. As the late Adlai Stevenson once said:

> Freedom demands infinitely more care and devotion than any other political system.

That is the kind of effort we must undertake.

Mr. President, I ask unanimous consent that the complete text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Subchapter II of chapter 5 of title 5, United States Code, is amended by adding immediately after section 552 thereof the following new section:

"§ 552a. Individual records

"(a) Each agency that shall maintain records concerning any individual which may be retrieved by reference to, or are indexed under, the individual's name and which contain any information obtained from any source other than such individual shall, with respect to such records—

"(1) notify such individual by mail at his last known address that the agency maintains or is about to maintain a record concerning said individual;

"(2) refrain from disclosing the record or any information contained therein to any other agency or to any person not employed by the agency maintaining such record, except with permission of the individual concerned or, in the event said individual cannot be located or communicated with after reasonable effort, with permission from members of the individual's immediate family or guardian, or, only in the event that such individual, members of the individual's immediate family and guardian cannot be located or communicated with after reasonable effort, upon good cause for such disclosure: *Provided, however,* That if disclosure of said record is required under section 552 of this chapter or by any other provision of law, the individual concerned shall be notified by mail at his last known address of any such required disclosure;

"(3) maintain an accurate record of the names and positions of all persons inspecting such records and the purposes for which such inspections were made;

"(4) permit any individual to inspect his own record and have copies thereof made at his expense;

"(5) permit any individual to supplement the information contained in his record by the addition of any document or writing containing information such individual deems pertinent to his record, and

"(6) remove erroneous information of any kind.

"(b) Each agency may establish published rules stating the time, place, fees to the extent authorized, and procedure to be followed with respect to making records promptly available to an individual, and otherwise to implement the provisions of this section.

"(c) This section shall not apply to records that are—

"(1) specifically required by Executive order to be kept secret in the interest of the national security;

"(2) investigatory files compiled for law enforcement purposes, except to the extent that such records have been maintained for a longer period than reasonably necessary to commence prosecution or other action or to the extent available by law to a party other than an agency; and

"(3) interagency or intragency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency.

"(d) The President shall report to Congress before January 30 of each year on an agency-by-agency basis the number of records and the number of investigatory files which were exempted from the application of this section by reason of clauses (1) and (2) of subsection (d) during the immediately preceding calendar year.

"(e) This section shall not be held or considered to permit the disclosure of the identity of any person who has furnished information contained in any record subject to this section.

"(f) If any provision of this section or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of this section and the applicability of such provision to other persons or circumstances shall not be affected thereby."

(b) The table of sections of subchapter II of chapter 5 of title 5, United States Code, is amended by inserting:

"552a. Individual records."

immediately below:

"552. Public information; agency rules; opinions, orders, records and proproceedings.".

SEC. 2. (a) There is established a Board to be known as the Federal Privacy Board (hereinafter referred to as the "Board").

(b) The Board shall consider complaints

from any individual that one or more of the requirements of section 552(a) of title 5, United States Code, have not been met, with respect to the records specified in such section, by the responsible agency. The Board upon finding that one or more of the requirements have not been met, shall issue a final order directing the agency to comply with such requirement or requirements, and this order shall be binding on the parties to such a dispute.

(c) The Board shall consist of seven members, each serving for a term of two years, four of whom shall constitute a quorum. Three members shall be appointed by the Speaker of the House, three by the President pro tempore of the Senate, and one by the President. No more than two of the members appointed by the Speaker of the House shall be of the same political party. No more than two of the members appointed by the President pro tempore of the Senate shall be of the same political party. The member appointed by the President shall be from the public at large. Any vacancy in the Board shall be filled in the same manner the original appointment was made.

(d) Members of the Board shall be entitled to receive $100 each day during which they are engaged in the performance of the business of the Board, including traveltime, but members who are full-time officers or employees of the United States shall receive no additional compensation on account of their services as members.

(e) The Chairman of the Board shall be elected by the Board every year, and the Board shall meet not less frequently than bimonthly.

(f) The Board shall appoint and fix the compensation of such personnel as are necessary to the carrying out of its duties.

(g) The Board shall hold hearings in order to make findings upon each complaint, unless there are reasonable grounds to believe that the complaint is frivolous or irrelevant. The Board may examine such evidence as it deems useful, and shall establish such rules and procedures as it determines are most apt to the purposes of this section, including rules insuring the exhaustion of administrative remedies in the appropriate agency.

Sec. 3. (a) Section 2511(2) of title 18, United States Code, is amended—

(1) by striking out in paragraph (c) "(c) It" and inserting in lieu thereof "(c) (i) Subject to the provisions of clause (iii), it"; and

(2) by striking out in paragraph (d) "(d) It" and inserting in lieu thereof "(ii) Subject to the provisions of clause (iii), it".

(b) Section 2511(2)(c) of such title 18 is further amended by adding at the end thereof the following new clause:

"(iii) It shall not be unlawful under this chapter for a person to intercept a telephone conversation by means of a recording device where such person is a party to the conversation, has given adequate notice to all parties to the conversation that the conversation is being recorded, and uses an automatic tone warning device which automatically produces an audible distant signal that is repeated at regular intervals during the course of the telephone conversation when the recording device is in use. The Federal Communications Commission shall prescribe by regulation the characteristics of an automatic tone warning device that may be used in connection with the authorized interception of telephone conversations."

Sec. 4. The amendments made by this Act shall become effective on the ninetieth day following the date of enactment of this Act.

By Mr. KENNEDY:

S. 2543. A bill to amend section 552 of title 5, United States Code, commonly known as the Freedom of Information Act. Referred to the Committee on the Judiciary.

FREEDOM OF INFORMATION ACT AMENDMENTS

Mr. KENNEDY. Mr. President, over half a century ago President Woodrow Wilson expressed the hope for a new era of international diplomacy in which agreements among nations would be "open covenants, openly arrived at." President Wilson believed that an end to secrecy in international relations would help to ensure that agreements among nations would in fact be agreements that served the interests of the people of those nations, and not only the interests of their governments.

The principle for which President Wilson stood may still be considered by many to be impractical in the field of international relations. But the principle that government should be conducted publicly, in the public interest, is not only practical in the field of domestic affairs—it is, as recent events in this country have demonstrated, necessary to preserve a vital democracy and government for the people.

We should keep in mind that it does not take marching armies to end republics. Superior firepower may preserve tyrannies, but it is not necessary to create them. If the people of a democratic nation do not know what decisions their government is making, do not know the basis on which those decisions are being made, then their rights as a free people may gradually slip away, silently stolen when decisions which affect their lives are made under the cover of secrecy. Secret government too easily advances narrow interests at the expense of the public interest. We have seen this with respect to military cost overruns, Watergate, the Russian wheat deal, and secret political contributions. Public government is the best insurance we have that government is being conducted in the public interest.

The first amendment recognizes this principle. That amendment is premised on the public's right to information as being basic to maintaining our popular form of government. The Freedom of Information Act recognized this principle too. Enacted on July 4, 1966, the Act was intended to open the processes of government to public inspection and to ensure that the actions of bureaucracies were easily subject to public scrutiny.

The Freedom of Information Act—FOIA—was designed to reverse earlier law practice under which government officials had considered themselves free to withhold information from the public under any subjective standard that could be articulated for the occasion. The FOIA not only established the general rule that all information in Government files must be made public, with narrowly defined exceptions limiting what may be withheld from public disclosure; for the first time it also provided a remedy against the unlawful withholding of information: The person improperly refused information by the Government could take his case to court.

Although this act was hailed by President Johnson in 1966 as springing from the essential principle that "a democracy works best when the people have all the information that the security of the Nation permits," many observers recognized at the time the difficulties in administering and interpreting the new law. Courts have recognized deficiencies in the legislation, and testimony this year before the Senate Subcommittee on Administrative Practice and Procedure on various proposals to amend the Freedom of Information Act pointed out clearly many areas that require congressional action to insure agency compliance with the law. Witnesses suggested "that the act has become a 'Freedom from Information' law, and that the curtains of secrecy still remain tightly drawn around the business of our Government."

While the problems with administering the provisions of the Fredom of Information Act have long been recognized, recent discussion has centered around the appropriate remedial action by Congress. Last winter, Senator Muskie introduced S. 1142, which proposed a number of procedural and substantive changes in the law. This bill was a companion bill to H.R. 5425, introduced by Congressman Moorhead, who had developed legislation after extensive hearings by his House subcommittee.

During this past spring three Senate subcommittees joined together to take an intensive look at various aspects of Government secrecy; hearings focused on executive privilege and the classification system as well as freedom of information. Of the 11 days of joint hearings, 5 were devoted almost exclusively to Freedom of Information Act issues. Witnesses representing the media, public interest groups, and Government agencies joined lawyers and congressional witnesses in analyzing the shortcomings of the present law and in proposing varying solutions. The bill that I am introducing today reflects the results of our public hearings and staff analysis of the agency practices and the reported decisions under the Freedom of Information Act. Let me describe in some detail the provisions of this bill.

Section 1 contains various procedural reforms to facilitate citizen access to Government records and to inhibit bureaucratic noncompliance with the mandates of the FOIA.

AMENDMENT TO SUBSECTION (a)(1) OF THE FOIA

PUBLICATION OF INDICES

Subsection 1(b) is designed to provide greater accessibility to each agency's index, which provides identifying information for the public as to matters issued, adopted or promulgated by the agency. I do not believe that this requirement will be either overly burdensome or expensive, but it will provide the public—especially through institutions and libraries—with more readily available access to what its Government is doing. Some agencies, like the Federal Communications Commission, are already in compliance with this requirement and have experienced no apparent problems in this regard.

Because of possible problems with interpreting a requirement that such indices be "currently" published, the new publication requirement would require only a "quarterly or more frequently" publication of these indices—a modification adopted from a suggestion to the subcommittee by the Federal Power

Commission. Publication by a commercial service, like the Commerce Clearing House or the Bureau of National Affairs, would fulfill the requirements of this section. Duplicative publication would serve no useful purpose and is certainly not intended by the provision, but in instances where agencies rely on commercial services, those agencies would be expected to maintain those commercial services at its offices and to make them available for public inspection.

AMENDMENTS TO SUBSECTION (a) (3)

Subsection 1(b) of the proposed bill contains a number of amendments to subsection (a) (3) of the FOIA—5 United States Code, section 553(a) (3). In the course of amending this subsection, I have divided (a) (3) into two parts, with the elements of each place in separate subparts. I have done this not only for clarity, but to reflect what I believe was the original intent of Congress in enacting (a) (3)—that the judicial review provisions apply to requests for information under (a) (1) and (a) (2) of section 552, as well as under subsection (b). On occasion the Department of Justice has argued that judicial review of a denial of information requested under subsections (a) (1) and (a) (2) was not available under the FOIA. Courts have uniformly rejected this argument, and the redrafting of subsection (a) (3) should lay this issue to rest.

IDENTIFIABLE RECORDS

Presently the provisions of the FOIA are predicated upon a "request for identifiable records." This would be changed to refer simply to a "request for records which reasonably describes such records." This change again generally reflects what I believe to be the intention of the original drafters of the Freedom of Information Act. The Senate report, in explaining the term "identifiable," said:

> Records must be identifiable by the person requesting them, i.e., a reasonable description enabling the government employees to locate the requested records.

Although many agencies view this as the presently operative interpretation of the "identifiable" requirement, nonetheless cases continued to arise where courts feel called upon to chide the Government for attempting to use the requirement as an excuse for withholding documents. This proposal in effect incorporates the liberal standard for identification that Congress intended and that courts have adopted when dealing with this issue, and thus would create no new problems of interpretation.

SEARCH AND COPY FEES

The Director of the Office of Management and Budget would be required under these amendments to promulgate regulations setting a uniform schedule of fees applicable to all agencies. Public witnesses at our hearings discussed a number of problems with present use and abuse of charges for access on an agency by agency basis and recommended a uniform approach.

The Administrative Conference of the United States, in a formal recommendation relating to the FOIA, proposed that a fair and equitable fee schedule be established by each agency, and the Office of Management and Budget was prompted by this recommendation to initiate a study of the possibility of uniform charges under the Freedom of Information Act. This study was dropped before completion and no further action on this matter has been undertaken, even though the Administrative Conference study found that copying charges ran from 5 cents a page at USDA to $1 a page at the Selective Service System, while clerical search charges varied from $3 an hour at the Veterans' Administration to $7 an hour at the Renegotiation Board. Little wonder OMB backed down after an initial attempt to make order out of this chaos.

This amendment proposes that the fee schedule to be set by OMB shall not "exceed the average actual direct cost for all agencies of duplication or search." This should avoid the problem of agencies using fees as bariers to the disclosure of information which otherwise should be available. While it is recognized that on some occasions and with some agencies a uniform standard will result in the charging of fees lees than the total cost of search or sanitization or copying allocable to a specific request, a member of the public should not suffer merely because he deals with an agency that is unusually inefficient, that overly commingles exempt with nonexempt materials, that uses higher-salaried personnel for searching or copying, or that has a higher general overhead allocated to its information-disseminating functions.

Finally, borrowing from regulations in effect at the Departments of Transportation and Justice, the amendment allows documents to be furnished without charge or at a reduced charge where the public interest is best served thereby. In addition to setting the general rules, the section sets forth certain specific criteria for determining when the charge should be waived or reduced.

VENUE

Two technical amendments to the present FOIA provisions would establish jurisdiction—concurrent with that already set out in the statute "in the district in which the complainant resides, or has his principle place of business, or in which the agency records are situated"—in the District of Columbia, and would provide for expedition of cases on appeal as well as in the trial court. As to this first provision, a number of present Federal statutes authorize venue in suits against Federal agencies to be in the District of Columbia. Since, in FOIA cases as in other areas of administrative law, the D.C. Federal courts have built up substantial expertise, a complainant should be able to utilize this forum. There would only be added convenience for, and not added burdens to, the Government with such cases brought in D.C. As to expedition on appeal, the FOIA presently provides that proceedings brought under the act in the district court shall "take precedence on the docket" and "be expedited in every way." While the District of Columbia Court of Appeals has extrapolated this mandate and given appeals of FOIA cases precedence, other circuits have not yet followed suit. This amendment would make this practice uniform throughout the Federal Courts of Appeals.

IN CAMERA INSPECTION AND DE NOVO REVIEW

Presently when most FOIA cases reach the Federal district courts, the judges have authority to examine the requested documents in order to ascertain the propriety of agency withholding. This procedure has not, however, been held to apply to records withheld under the first exemption of the act—section 552(b) (1). In Environmental Protection Agency against Mink, involving Congresswoman PATSY MINK's attempt to obtain from EPA documents relating to the projected effect of the underground atomic test at Amchitka, the Supreme Court ruled that in all cases except where the documents are claimed to be specifically required Executive order to be kept secret in the interest of national security and foreign policy, de novo review by the district court—provided for in the FOIA—allows an in camera inspection of the records requested. In that inspection the court is to determine whether claimed exemptions apply in fact, and whether nonexempt materials can be severed from exempt materials and be released. The proposed amendment would write this standard into the act for all situations where withholding of documents is challenged in court. I will discuss below in greater detail the requirements and implications of judicial review where the Government relies on exemption (b) (1) for withholding documents—one of the issues addressed by the Supreme Court in Mink. But the Government in at least two cases has also taken the position that the seventh exemption—subsection (b) (7) relating to disclosure of "investigatory files"—represents a blanket exemption where in camera inspection is unwarranted and inappropriate.

S. 1142 had provided that in camera examination of disputed records be mandatory in every case. Clearly there are instances where a judge can rule without such examination, and I would therefore leave to the court the discretion when to require submission of records for in camera inspection.

Some of our witnesses this spring pointed out the inherent disadvantage to one party to a lawsuit where the court is examining in camera materials submitted by the other party.

This past summer the Court of Appeals of the District of Columbia observed that in cases where in camera examination is warranted—

> It is anomalous but obviously inevitable that the party with the greatest interest in obtaining disclosure is at a loss to argue with desirable legal precision for the revelation of the concealed information. Obviously the party seeking disclosure cannot know the precise contents of the documents sought. . . . In a very real sense, only one side to the controversy (the side opposing disclosure) is in a position confidently to make statements categorizing information. . . .

Thus, said the court:

> The present method of resolving FOIA disputes actually encourages the Government to contend that large masses of information

> are exempt, when in fact part of the information should be disclosed.

The court then ordered that, in those situations calling for in camera inspection, the Government must provide a detailed analysis of the withheld documents and the justifications for withholding them, and should formulate a system of itemizing and indexing those documents that would correlate statements made in the Government's refusal justification with the actual portions of each document. This approach, with use of a special master where voluminous material is involved, is intended by the court to "sharply stimulate what must be, in the final analysis the simplest and most effective solution—for agencies voluntarily to disclose as much information as possible and to create internal procedures that will assure that disclosable information can be easily separated from that which is exempt."

While this bill does not detail procedures to be used to facilitate in camera inspection, those established in the case just discussed are in keeping with the FOIA's legislative framework and should be applied in appropriate cases in the future.

ATTORNEYS' FEES AND COSTS

My proposal to amend the FOIA contains the provision that courts may assess reasonable attorneys' fees and other litigation costs against the United States in cases where the complainant has substantially prevailed. This was seen by many witnesses as crucial to effectuating the original congressional intent that judicial review be available to reverse agency refusals to adhere strictly to the act's mandates. Too often the barriers that court costs and attorneys' fees present to the average requester of information are insurmountable, allowing the Government to escape completely compliance with the law.

Hearings currently underway by another subcommittee of the Judiciary Committee have been clearly pointing up the extent to which attorneys' fees can be barriers to implementation of national policies expressed clearly by Congress in legislation. This amendment would allow appropriate room for judicial discretion to determine the reasonableness of the fees requested. Courts would continue to use the same criteria presently applied in determining attorneys' fees awards under present judicial standards. And of course, attorneys' fees and costs could be recovered only where the plaintiff substantially prevails in his litigation against the Government.

CIVIL PENALTY FOR VIOLATION

There are numerous provisions in Federal law containing sanctions against unauthorized disclosure of certain kinds of information to the public. For example, 18 United States Code section 1905 makes it a Federal crime for Government employees to reveal trade secrets. Numerous other laws and regulations prohibit disclosure of financial or medical information, tax returns and various applications for Government assistance.

But nowhere in the law are there sanctions for Government employees who violate the law by withholding information. My bill includes provisions for a procedure for judicial determination whether the Federal employee responsible for wrongfully withholding information from the public has acted without a reasonable basis in law. If the court so determines, it is authorized to assess a civil monetary fine against the individual or individuals found responsible for the withholding. Provisions are included elsewhere in the bill for identifying those individuals involved in the decisionmaking process on FOIA denials. A number of States have adopted similar sanctions in their public information statutes, although many State laws make violations of freedom of information provisions a misdemeanor.

One witness before our subcommittee with broad experience on Freedom of Information Act issues put it thusly:

> One major reason the bureaucratic attitude "when in doubt, withhold" is so entrenched is that it is rooted in legal self-protection. An official is held individually accountable under criminal statutes for releasing trade secrets or other confidential commercial information but faces no sanction at all if he illegally witholds information from the public.

In one case brought to the subcommittee's attention by another witness, an OEO employee was suspended because he had released allegedly confidential information. Later OEO released that same information when sued under the Freedom of Information Act. But it still refused to lift its suspension of the employee.

Finally, proposed Criminal Code revisions would render a Federal employee criminally liable if "in violation of his obligation as a public servant under a statute or rule, regulation or other such statute, he knowingly discloses any information which he has acquired as a public servant." I personally am opposed to such a broad prohibition, and my amendment would indicate clearly the commitment to openness, not secrecy, on the part of every officer and employee in the Federal Government.

ANSWER TIME IN COURT

One proposed amendment would give the Government 20 days to answer a complaint in court challenging the withholding of information contrary to the FOIA. The act initially recognized the importance of time to many members of the public seeking information, and established a priority place on court dockets, requiring that FOIA litigation take precedence before the courts and be expedited in every way. In normal litigation in the Federal courts, the defendant is given 20 days to answer to the complaint. As reflected in the hearing record, many of the answers in FOIA suits are peremptory. Yet often the Government obtains extensions beyond the present 60-day period.

Before any FOIA case reaches court, the agency from whom the records were first requested already would have been given time—both from the initial request and on appeal—to determine the legal and practical implications of its withholding. Furthermore, under an order presently in effect by Attorney General Richardson, the Justice Department will be consulted before any final denial of a request for information is issued by any agency. Thus the 20 day requirement should not be an undue burden on the government. In special circumstances, the court can direct, for good cause, an extension of time beyond 20 days for the Government's answer.

ADMINISTRATIVE DEADLINES

The legislation I am proposing today would establish time deadlines for the administrative handling of requests for information under the FOIA. It would require the agency to determine within 15 days after the receipt of any request whether to comply with that request, and would give the agency an additional 15 days to respond to an appeal of its initial denial. With each notification of denial to the requester, the agency must clearly outline the subsequent steps that may be taken to challenge that denial.

The administrative conference study, testimony by government witnesses, and the pattern set by present agency regulations suggest flexibility, even where specific time deadlines are set, for responding to requests for information. Statements were made in the hearings, in fact, that this matter be left entirely to each agency's regulations, so that it could determine the flexibility and discretion it needed to deal with requests.

Witnesses from the public sector, however, uniformly decried delays in agency responses to requests as being of epidemic proportion, often tending under the circumstances to be tantamount to refusal of the information. Media representatives especially urged stiff deadlines on agency responses; agencies realized too often that a delay in responding to a request for records by the press can often moot the story being investigated and will ultimately blunt a reporter's desire to utilize the act at all.

As to the argument that agencies can by regulation best govern their own performance in this area, one example should suffice. On August 2, 1972, a request was made to the Department of Justice for certain business review letters issued by the Antitrust Division. The initial denial was dated November 24, 1973—3 months after the initial request—from which an appeal was taken to the Attorney General on December 6. Although the requestor filed suit February 21, 1973, the final agency response was not forthcoming until April 19. That response denied access to the documents under longstanding departmental policy. Thus, a period of over 4 months elapsed before the administrative appeal was decided. And the irony of this case was that in the interim the Department proposed regulations effective March 1 under which the responsible agency official will respond to any initial request for information in 10 days, and under which the "Attorney General will act upon the appeal within 20 working days." Obviously, in advocating that the problems of FOIA delays be resolved by agency regulation rather than statute, the Justice Department has said "watch only what we say, not what we do."

It should be obvious that most persons requesting information from the Government are not going to court if their request is not answered within the short time provided in this statute if the agency in a timely manner sets forth reasonable grounds for delaying its response; for example where the records sought are in various locations, where voluminous materials are sought, where some sanitization of files is necessary before release, or where the agency cannot locate the requested materials. In these cases the requestor will inevitably bear with the agency until the records are located, compiled, and a decision is reached as to their release. On the other hand, an agency with records in hand should not be able to use interminable delays to avoid embarrassment, to delay the impact of disclosure, or to wear down and discourage the requestor. Therefore, the time limits set in section 1(c) will mark the exhaustion of administrative remedies allowing lawsuits after a specified period of time, even if the agency has not yet made up its mind.

THE EXEMPTIONS GENERALLY

Many witnesses and earlier proposals to amend the Administrative Procedure Act would make numerous changes in the language of the exceptions contained in section 552(b) of the act. In some cases, agencies would have the language broadened, allowing the withholding of categories of information determined under present law to fall outside the language of the exemptions. Some witnesses suggested the elimination of certain exemptions completely. In a majority of cases, the course proposed involved amending the exemptions to adopt current enlightened judicial interpretation of those exemptions.

One proposal, for example, would adopt the distinction made in a number of cases between portions of internal memoranda relating to advice and opinion and those reflecting factual matter. Another would adopt the judicially accepted distinction between investigatory files relating to pending investigations and those relating only to cases closed long ago. The difficulty with fashioning precise language that would lessen rather than increase confusion in interpretation, and the increasing acceptance by courts of public-disclosure oriented interpretations of the exemptions originally intended by Congress, strongly supported my decision not to propose wholesale amendments to the language in the exemptions of the FOIA.

The first extensive commentary on the FOIA by Prof. Kenneth Davis recognized the number of possible ambiguities and inconsistencies within the language of the act and its legislative history. Courts have referred to the lack of clarity of the wording of various exemptions, and one observer has suggested that the House and Senate reports on the Act are so confusing that the act itself must be looked to for congressional intent. Nevertheless, 6 years and some 200 court cases later a full body of case law interpreting the scope and application of the exemptions is available. Furthermore, my own review of that case law has convinced me that courts have by and large settled upon interpretations consistent not only with the spirit of disclosure encompassed by the FOIA, but also with the specific intent of the Congress in enacting that law in 1966. The complexities and difficulties Congress faced in designing the act in 1966 are no less today, and I am satisfied that the results obtained then, as given substance by the judiciary, should stand for now.

EXEMPTION (b) (1)

One single change in the exemption language is proposed, however, which has primarily procedural implications: Subsection (b) (1) is to be changed to except from the application of the disclosure provisions matters that not only are on their face "specifically required by an Executive order—or statute—to be kept secret in the interest of national defense or foreign policy," but also that are in fact found to be within such order or statute. This change responds to the invitation of the Supreme Court in the Mink case for Congress clearly to state its intentions concerning judicial review and in camera inspection of records claimed exempt by virtue of statute or Executive order under section 552(b) (1). I believe that the Court in Mink may have misinterpreted legislative intent, and I would propose to make this intent clear on the act's face.

Before January 23, 1973, it was generally believed that the de novo review required in section 552(a) (3) applied to documents withheld under all nine exemptions of the Freedom of Information Act; that is, documents withheld under any exemption could be examined by a court in camera in an FOI case. But on that day the Supreme Court, in Environmental Protection Agency against Mink, ruled 6 to 3 that any classified information withheld under section 552(b) (1) is exempt from disclosure whether or not it is properly or necessarily classified, and the Court further held that courts are not entitled to review the propriety of the agency decision to classify. Given the tremendous abuses of the classification system that have come to light in recent years, the courts should in the least be vested with authority to review security classifications where an agency acted without reasonable grounds in assigning the classification to a particular document. The amendment proposed to section 552(b) (1) is designed to give the courts that authority by examining the documents in light of the Executive order or statute cited to justify withholding.

The Supreme Court indicated that exemption 1 does not permit in camera inspection of withheld documents even to sift out "nonsecret components." The Court then observed:

> Obviously this test was not the only alternative available. But Congress chose to follow the Executive's determination in these matters and that choice must be honored.

Congress should now act to make clear its change of mind on this isue.

Some proposals to amend subsection (b) (1) would require the court to analyze whether the document withheld would, if disclosed, endanger national defense or interfere with foreign policy. Under this approach, any classification of the document under Executive order or statute would be irrelevant. Congress certainly could leave ultimate classification decisions to the courts under only a national defense or foreign policy standard, but I believe it preferable to rely on de novo judicial review of standards set out in Executive orders or statutes.

Under my amendment, a court would make a two-stage determination. First, it would determine whether the withheld document on its face fell within the criteria established by the relevant statute or Executive order. This it would do under Mink. Of course, any document failing this initial test would be disclosable, second, the court would determine—by in camera examination of the document if it deemed such appropriate—whether the material withheld was in fact within the class of material directed to be classified and kept secret under the order or statute. The Government would have to provide adequate evidence and argument to justify to the court the reasonableness of its assertion. But the court would—unlike under present interpretations of the law—be able to overturn unreasonable, arbitrary or capricious classification and order release of the document or nonexempt portions thereof.

REMOVAL OF BASIS FOR WITHHOLDING

A new section is proposed to be added to section 552(b), the thrust of which is congressional insistence on the principle that where one of the reasons for nondisclosure under exemptions (1) and (7) does not apply to a specific case, the information must be disclosed in that specific case.

Let me suggest an example where this provision would apply. Suppose a member of the public requested a file that had been opened in the course of an investigation that had long since been closed. Suppose further that in this file was the name of an informer who provided the Government with a great deal of information on the alleged violator. The proposed amendment would emphasize what is presently understood by courts but unheeded by agencies: it would not be enough for the Government to refuse disclosure of the file merely because it contained the name of an informer. Since in most cases deletion of the informer's name or other identifying characteristic would afford full protection for the informer, there would be no possibility that disclosure of the file could inhibit future informers from providing the Government with information. Thus, under this amendment, the Government could not refuse to disclose the requested records merely because it finds in those records the name of the source of information.

Often agencies may refuse to disclose information not because any current reason exists for withholding that specific information, but because the agency fears that a precedent may thereby be established for a disclosing of similar information where the agency believes that the similar material should not be disclosed. The spirit of this new amendment should also be applied to that situation, so that each case is determined by the agency on its own merits and without fear of implications in future hypothetical cases.

REPORTING REQUIREMENTS; AGENCY DEFINED

Section 3 contains certain reporting provisions designed to facilitate congressional oversight of administration of the Freedom of Information Act, and a new definition of agency for the purposes of that act.

A number of witnesses at our hearings indicated that a primary problem with agency compliance with the FOIA is the absence of significant continuing pressures toward liberal disclosure of information, while the tendency for bureaucratic self-preservation continues strongly to support over-secrecy. Almost all witnesses suggested the importance of congressional oversight in keeping agencies in compliance with the directions of the FOIA. Periodically, but irregularly over the past 6 years the Subcommittee on Administrative Practice and Procedure has asked for reports by agencies on denials of information under the FOIA, and we believe that the mere receipt of an analysis of these reports, providing the occasion for the subcommittee to identify recalcitrant agencies and recurring misinterpretation of the act's mandates, can go a long way toward encouraging adherence to the congressional policies that the FOIA reflects. This reporting thus should be regularized. The reporting requirement also suggests a specific role that the Justice Department should play in encouraging agency compliance with the FOIA. A breakdown of cases arising under the act is also required.

Finally, section 3 expands on the definition of agency provided in section 551 (1) of title 5, to assure FOIA application to the Postal Service and the Postal Rate Commission—which indicated to the subcommittee that because of reorganization it did not believe that it would be covered by amendments to the Freedom of Information Act—and also to include publicly funded corporations established under the authority of the United States, like the Public Broadcasting Corporation.

Mr. President, I certainly recognize that these proposed amendments I am offering today will not remedy overnight the numerous abuses occurring under the Freedom of Information Act and the misuses of the withholding provisions in that act. They should, however, facilitate quicker and freer public access to Government information, encourage more faithful compliance with the terms and the spirit of the Freedom of Information Act, and strengthen the citizen's remedy against agencies and officials who violate the act.

When citizens use nursing homes they need to know if they are fire traps. When citizens eat meat they need to know if it was processed under filthy and unsanitary conditions. When citizens buy automobiles they need to know if they have safety defects. When citizens purchase drugs they need to have full and complete information as to their effectiveness and safety. Yet in the past, the Freedom of Information Act has not worked efficiently to bring these kinds of information to public light. The Administrative Practice and Procedure Subcommittee has heard testimony which makes it clear that such basic information as nursing home reports, packing plant warning letters, correspondence regarding automobile defects, and drug safety reports is not being made public. Where information is being disclosed, it is usually only after the person requesting it has gone through lengthy and burdensome bureaucratic procedures and often through protracted litigation. That is why the bill I am introducing is designed to simplify and streamline the procedures of the Freedom of Information Act, so that all Americans can have ready and complete access to information that is supposed to be made public. For the cost of continuing secrecy is not only possible loss of health or life, but can ultimately amount to loss of control of their Government by the American people.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the fourth sentence of section 552(a)(2) of title 5, United States Code, is amended by inserting after "copying" the following: "and shall publish quarterly or more frequently, and distribute (by sale or otherwise) copies of".

(b)(1) Section 552(a)(3) of title 5, United States Code, is amended to read as follows:

"(3) Except with respect to the records made available under paragraphs (1) and (2) of this subsection, each agency, upon any request for records which reasonably describes such records and which is made in accordance with published rules stating the time, place, fees, and procedures to be followed, shall make the records promptly available to any person.".

(2) Section 552(a) of such title 5 is amended by redesignating paragraph (4) as paragraph (5) and by inserting immediately after paragraph (3) the following new paragraph:

"(4)(A) In order to carry out the provisions of this section, the Director of the Office of Management and Budget shall promulgate regulations, pursuant to notice and receipt of public comment, specifying a uniform schedule of fees applicable to all agencies. Such fees shall not exceed the average actual direct cost for all agencies of duplication or search. Documents may be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public. But such fees shall ordinarily not be charged whenever—

"(i) the person requesting the records is an indigent individual;

"(ii) such fees would amount, in the aggregate, for a request or series of related requests, to less than $3;

"(iii) the records requested are not found; or

"(iv) the records located are determined by the agency to be exempt from disclosure under subsection (b).

"(B) On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, or in the District of Columbia, has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant. In such a case the court shall consider the case de novo, with such in camera examination of the requested records as it finds appropriate to determine whether such records or any part thereof may be withheld under any of the exemptions set forth in subsection (b) of this section, and the burden is on the agency to sustain its action.

"(C) Notwithstanding any other provision of law, the defendant shall serve an answer or otherwise plead to any complaint made under this subsection within twenty days after the service upon the United States attorney of the pleading in which such complaint is made, unless the court otherwise directs for good cause shown.

"(D) Except as to causes the court considers of greater importance, proceedings before the district court, as authorized by this subsection, and appeals therefrom, take precedence on the docket over all causes and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(E) The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this section in which the complainant has substantially prevailed.

"(F) Whenever records are ordered by the court to be available under this section, the court shall on motion by the complainant decide whether the act of withholding such records was without reasonable basis in law. If the court so decides, the court shall assess a fine of not less than $100 and not to exceed $5,000 against any employee within any agency, or member in the case of a uniformed service, whom the court deems responsible for the withholding of such records.

"(G) In the event of noncompliance with the order of the court, the district court may punish for contempt the responsible employee, and in the case of a uniformed service, the responsible member.".

(c) Section 552(a) of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6) Each agency, upon any request for records made under paragraph (1), (2), or (3), of this subsection, shall——

"(A) determine within fifteen days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of any such request whether to comply with such request and shall immediately notify the person making such request of such determination and the reasons therefor, and of the right of such person to appeal to the head of the agency any adverse determination; and

"(B) make a determination with respect to such appeal within fifteen days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of such appeal. If on appeal the denial of the request for records is in whole or part upheld, the agency shall notify the person making such request of the provisions for judicial review of that determination under paragraph (3) of this subsection.

Any person making a request to any agency for records under paragraph (1), (2), or (3) of this subsection shall be deemed to have exhausted his administrative remedies with respect to such request if the agency fails to comply with subparagraph (A) or subparagraph (B) of this paragraph. Upon any determination by an agency to comply with a request for records, the records shall be made promptly available to such person making such request. Any notification of denial of any request for records under this subsection shall set forth the names and titles or positions of every officer or employee of any agency who participated substantively in the agency's decision to deny such request.".

SEC. 2. (a) Section 552(b)(1) of title 5, United States Code, is amended to read as follows:

"(1) specifically required by an Executive order or statute to be kept secret in the interest of national defense or foreign policy and are in fact covered by such order or statute;".

(b) Section 552(b) of title 5, United States Code, is amended by adding at the end the following: "If the deletion of names or other identifying characteristics of individuals would prevent an inhibition of informers, agents, or other sources of investigatory or intelligence information, then records otherwise exempt under clause (1) and (7) of this subsection, unless exempt for some other reason under this subsection, shall be made available with such deletions.".

SEC. 3. Section 552 of title 5, United States Code, is amended by adding at the end thereof the following new subsections:

"(d) On or before March 1 of each calendar year, each agency shall submit a report covering the preceding calendar year to the Committee on the Judiciary of the Senate and the Committee on Government Operations of the House of Representatives, which shall include—

"(1) the number of determinations made by such agency not to comply with requests for records made to such agency under subsection (a) and the reasons for each such determination;

"(2) the number of appeals made by persons under subsection (a)(5), the result of such appeals, and the reason for the action upon each appeal that results in a denial of information;

"(3) the names of officers and employees of the agency who participated in denials of records requested under this section, and the number of instances of participation for each;

"(4) a copy of every rule made by such agency regarding this section;

"(5) the total amount of fees collected by the agency for making records available under this section; and

"(6) such other information as indicates efforts to administer fully this section.

The Attorney General shall submit an annual report on or before March 1 of each calendar year which shall include for the prior calendar year a listing of the number of cases arising under this section, the exemption involved in each case, the disposition of such case, and the cost, fees, and penalties assessed under subsections (a)(3) (F) and (G). Such report shall also include a description of the efforts undertaken by the Department of Justice to encourage agency compliance with this section.

"(e) For purposes of this section, the term 'agency' means any agency defined in section 551(1) of this title, and in addition includes the United States Postal Service, the Postal Rate Commission, and any other authority of the Government of the United States which is a corporation and which receives any appropriated funds.".

SEC. 4. The amendments made by this Act shall take effect on the ninetieth day beginning after the date of enactment of this Act.

By Mr. HRUSKA (for himself, Mr. BAYH, Mr. COOK, Mr. GURNEY, Mr. HUGH SCOTT, Mr. THURMOND, and Mr. TUNNEY):

S. 2544. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 and other laws to discharge obligations under the Convention on Psychotropic Substances relating to regulatory controls on the manufacture, distribution, importation, and exportation of psychotropic substances. Referred to the Committee on the Judiciary.

PSYCHOTROPIC SUBSTANCES ACT OF 1973

Mr. HRUSKA. Mr. President, today, I am introducing a bill for myself and my distinguished colleagues Messrs. BAYH, COOK, GURNEY, HUGH SCOTT, THURMOND, and TUNNEY to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970. This bill would implement the terms of the Convention on Psychotropic Substances which was negotiated in Vienna at an international conference in 1971.

The purpose of this convention is to improve the international control of substances that are not included under any of the existing multilateral drug treaties covering opium and other narcotics. It is designed to govern the so-called psychotropic or mind-altering substances, such as hallucinogens, amphetamines, barbiturates and tranquilizers, and limit the manufacture, distribution and use of these substances to medical and scientific purposes.

Because psychotropic substances are relatively new to both licit and illicit channels, they have never been subjected to similar treaties and regulations. This is an oversight which the United States, in the exercise of its international leadership, sought to cure in the negotiation of the present convention.

President Nixon has asked the Senate to ratify the Convention on Psychotropic Substances. It has been referred to the Senate Committee on Foreign Relations. It is in order that before it receives further consideration there implementing legislation such as contained in this bill should be passed.

The extent of drug abuse throughout the world at the present time is of critical proportion. Hundreds of pounds of deadly drugs are being illegally diverted from international commerce and ending up for sale in the streets of major cities around the globe. Recent reports from the Bureau of Narcotics and Dangerous Drugs and its successor agency, the Drug Enforcement Administration, have made us increasingly aware that the mind-altering drugs present a danger to our society which may equal, or even exceed, that of heroin. It is time, therefore, for the community of nations, including the United States, to remedy this serious problem.

Our Government has long been in a position of leadership in the fight against drug abuse. For example, we have recently proposed to other nations that even stronger measures be taken with regard to the international control of opium and other narcotics. Most of the countries which produce these items are the less-developed nations which do not produce the so-called psychotropic drugs. These psychotropic substances are, however, manufactured in the United States and Europe. It is possible, therefore, that the failure to adequately regulate domestic activity in such drugs will embarrass our efforts to place tighter controls over the production of narcotic crops in these other countries. This is a diplomatic problem which we should not allow to develop.

I shall now describe briefly what the bill itself will do; and of equal importance to many, some things that it will not do.

Nearly all of the requirements which membership in this international convention would impose on the United States are already met by existing laws. Therefore, although the impact of this bill I am introducing today is highly important for international drug control, it will require little change in Federal law.

Under the convention, a special United Nations Commission could place new drugs under international control after receiving scientific and medical advice from the World Health Organization. To implement this, it would be necessary for the United States to impose some minimum controls over the designated drug. This bill would provide mechanisms to insure that the views of the Secretary of Health, Education, and Welfare would be represented in the international body and that only minimum controls would be applied to the drug under our law unless both the Secretary and the Attorney General were to agree to more stringent requirements.

These controls would be limited almost exclusively to international commerce in these substances. For example, in some cases, import and export permits might be required and certain annual reports of production would have to be forwarded to the Federal Government by manufacturers. However, no restrictions would be placed on the actual manufacture or legitimate distribution of such drugs unless our own Government felt that action to be necessary.

Other provisions of the bill make it clear that there is no intention by the Congress to accept international restraints on our own sovereign power to determine specific punishment for various drug offenses, or to impose any other restrictions on research, marketing, and advertising in connection with such drugs.

This bill holds the promise of a great gain in our international drug suppression at a small price. Therefore, I am hopeful that we may have early action on both the convention, now before the Foreign Affairs Committee, and this proposal to enact implementing legislation.

I ask unanimous consent that the bill and the letter of transmittal from the Attorney General be printed in the RECORD at this point.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 2544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Psychotropic Substances Act of 1973".

SEC. 2. The Congress makes the following findings and declarations:

(1) The Congress has long recognized the danger involved in the manufacture, distribution, and use of certain psychotropic substances for non-scientific and non-medical purposes, and has provided strong and effective legislation to control illicit trafficking and to regulate legitimate uses of psychotropic substances in this country. Abuse of psychotropic substances has become a phenomenon common to many countries, however, and is not confined to national borders.

It is, therefore, essential that the United States cooperate with other nations in establishing effective controls over international traffic in such substances as well.

(2) The United States has joined with other countries in executing an international treaty entitled the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971, which is designed to establish suitable controls over manufacture, distribution, transfer, and use of certain psychotropic substances. The Convention is not self-executing, and the obligations of the United States thereunder must be performed pursuant to appropriate legislation. It is the intent of Congress that the provisions of this Act will satisfy all obligations of the United States under the Convention not already met by existing law and that no further legislation is necessary.

(3) In implementing the Convention on Psychotropic Substances, the Congress is desirous that control of psychotropic substances in the United States should be accomplished within the framework of the procedures and criteria for classification of substances provided in the Comprehensive Drug Abuse Prevention and Control Act of 1970, or when appropriate, in accordance with the provisions for new drugs pursuant to the Federal Food, Drug, and Cosmetic Act, consistent with the obligations of the United States under the Convention. This will ensure that (a) availability of psychotropic substances to manufacturers, distributors, dispensers, and researchers for useful and legitimate medical and scientific purposes shall not be unduly restricted; (b) nothing in the Convention shall interfere with bona fide research activities; and (c) nothing in the Convention shall interfere with ethical medical practice in this country, based on the consensus of the American medical and scientific community as reflected in recommendations of the Secretary of Health, Education, and Welfare.

Sec. 3. Subsection (d) of section 201 of the Controlled Substances Act (21 U.S.C. 811 (d)) is amended by adding "(1)" after "(d)" and inserting the following new paragraphs at the end thereof:

"(2) Whenever the Secretary of State receives notification from the Secretary-General of the United Nations that information has been transmitted by or to the World Health Organization, pursuant to article 2 of the Convention on Psychotropic Substances, which may justify adding a drug or other substance to one of the schedules of the Convention, transferring a drug or substance from one schedule to another, or deleting it from the schedules, the Secretary of State shall immediately transmit the notice to the Secretary. The Secretary shall prepare for transmission through the Secretary of State to the World Health Organization such medical and scientific evaluations as may be appropriate regarding the possible action that could be proposed by the World Health Organization.

"(3) Whenever the Secretary of State receives notification pursuant to article 2 of the Convention on Psychotropic Substances that the Commission on Narcotic Drugs of the United Nations is to decide whether to add a drug or other substance to one of the schedules of the Convention, transfer a drug or substance from one schedule to another, or delete it from the schedules, the Secretary of State shall transmit timely notice to the Secretary. The Secretary shall evaluate the proposal and furnish a recommendation to the Secretary of State, which shall be binding on the representative of the United States in discussions and negotiations relating to the action.

"(4) (A) When the United States receives notification of a scheduling decision pursuant to article 2 of the Convention on Psychotropic Substances that a drug or other substance has been added or transferred to a schedule specified in the notification, the Secretary, after consultation with the Attorney General, shall first determine whether existing legal controls under this title or under the Federal Food, Drug, and Cosmetic Act applicable to the drug or substance meet the requirements of the schedule specified in the notification.

"(1) If such requirements are met by existing controls but the Secretary nonetheless believes that more stringent controls should be instituted, the Secretary shall recommend to the Attorney General that he initiate proceedings for scheduling the drug or substance pursuant to subsections (a) and (b) of this section.

"(2) If such requirements are not met by existing controls and the Secretary concurs in the scheduling decision transmitted by the notification, the Secretary shall recommend to the Attorney General that he initiate proceedings for scheduling the drug or substance under the appropriate schedule pursuant to subsections (a) and (b) of this section.

"(3) If such requirements are not met by existing controls and the Secretary does not concur in the scheduling decision transmitted by the notification, the Secretary shall:

"(a) (i) Apply the controls applicable to new drugs, pursuant to section 505 of the Federal Food, Drug, and Cosmetic Act, or

"(ii) If he deems that additional controls are necessary to protect the public health and safety, recommend to the Attorney General that he initiate proceedings for scheduling the drug or substance pursuant to subsections (a) and (b) of this section;

"(b) Request the Secretary of State to transmit a notice of qualified acceptance, within the period specified in the Convention, pursuant to paragraph 7 of article 2 of the Convention, to the Secretary-General of the United Nations; and

"(c) Request the Secretary of State to ask for a review of the scheduling decision by the Economic and Social Council of the United Nations, in accordance with paragraph 8 of article 2 of the Convention.

"(B) If the Attorney General determines, after consultation with the Secretary, that proceedings initiated under subparagraphs (A) (2) or (A) (3) (a) (ii) of this paragraph (4) will not be completed within the time period required by paragraph 7 of article 2 of the Convention, the Attorney General after consultation with the Secretary shall, unless the drug or substance is already controlled under this title, issue a temporary order controlling the drug or substance under schedule IV or V, whichever is most appropriate to carry out the minimum United States obligations under article 2, paragraph 7, of the Convention. As a part of such order, the Attorney General shall by regulation, after consultation with the Secretary, except such drug or substance from the application of any provisions of part C of this title which he finds is not required to carry out the United States obligations under article 2, paragraph 7, of the Convention. In the case of proceedings initiated under subparagraph (A) (2) of this paragraph (4), the Attorney General concurrently with the issuance of such order shall request the Secretary of State to transmit a notice of qualified acceptance to the Secretary-General of the United Nations, pursuant to paragraph 7 of article 2 of the Convention.

"(C) If the review requested pursuant to subparagraph (A) (3) (c) of this paragraph (4) results in reversal of the scheduling decision in question and acceptance of the Secretary's recommendations, the Attorney General shall issue a final order scheduling the drug or substance or removing it from controls, as appropriate, in accordance with such recommendations: *Provided, however,* that in the case of a drug or substance which has been subjected to control under subparagraph (A) (3) (a) (i), the Secretary shall take such action as necessary consistent with the outcome of such review. If the scheduling decision in question is affirmed upon such review, the Attorney General shall, after consultation with the Secretary and subject to the provisions of the second sentence of subparagraph (B) of this paragraph (4), issue a final order controlling the drug or substance under schedule IV or V, whichever is most appropriate to carry out the minimum United States obligations under article 2, paragraph 7, of the Convention (unless the drug or substance is already controlled under this title or under the Federal Food, Drug, and Cosmetic Act).

"(D) Nothing in the Psychotropic Substances Act of 1973 or the regulations promulgated thereunder shall be construed to preclude requests by the Secretary or the Attorney General through the Secretary of State, pursuant to article 2 or other applicable provisions of the Convention on Psychotropic Substances, for review of scheduling decisions under such Convention, based on new or additional information."

SEC. 4. Subsection (d) of section 202 of the Controlled Substances Act (21 U.S.C. 812 (d)) is amended by adding the following before the period at the end thereof: ", and (3) such exception does not conflict with United States obligations under the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971".

SEC. 5. Subsection (d) of section 307 of the Controlled Substances Act (21 U.S.C. 827 (d)) is amended by adding "(1)" after "(d)" the first time it appears, and adding the following new paragraph at the end of the subsection:

"(2) Every manufacturer registered under section 303 shall, at such time or times and in such form as the Attorney General may require, make periodic reports to the Attorney General with respect to nonnarcotic controlled substances which are psychotropic substances subject to the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971. These reports shall consist of the information required by article 16, paragraph 4, of the Convention."

SEC. 6. Section 1002(b) of the Controlled Substances Import and Export Act (21 U.S.C. 952(b)) is amended by inserting immediately before the period at the end of paragraph (2) the following: ", except that if a nonnarcotic controlled substance in schedule III, IV, or V is also listed in schedule I or II of the Convention on Psychotropic Substances it shall be imported pursuant to such import permit requirements, prescribed by regulation of the Attorney General, as are required by the Convention".

SEC. 7. Subsection (e) of section 1003 of the Controlled Substances Import and Export Act (21 U.S.C. 953(e)) is amended—

(a) by striking out ", and" at the end of paragraph (2) and inserting in lieu thereof ";";

(b) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(c) by adding the following new paragraph:

"(4) in any case when a nonnarcotic controlled substance in schedule III, IV, or V is also listed in schedule I or II of the Convention on Psychotropic Substances, it is exported pursuant to such export permit requirements prescribed by regulation of the Attorney General as are required by the Convention, instead of the invoice required by paragraphs (2) and (3) above."

SEC. 8. (a) Part D of the Controlled Substances Act (21 U.S.C. 841 et seq.) is amended by adding at the end thereof the following new section:

"APPLICATION OF INTERNATIONAL TREATIES OR AGREEMENTS

"SEC. 412. Nothing in the Single Convention on Narcotic Drugs, the Convention on Psychotropic Substances, or other treaties or international agreements shall be construed to require a specific punishment for offenses involving narcotic drugs or psychotropic substances or to limit the provision of such treatment, education, aftercare, rehabilitation, and social reintegration as alternatives to conviction or punishment for such offenses as may be authorized by any Act of Congress."

(b) The table of contents of the comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by inserting—

"SEC. 412. Application of International treaties or agreements."

immediately after

"SEC. 411. Proceedings to establish previous convictions."

SEC. 9. (a) Section 502 of the Controlled Substances Act (21 U.S.C. 872) is amended by redesignating subsection (d) as subsection (e), and by adding after subsection (c) the following new subsection:

"(d) Nothing in the Single Convention on Narcotic Drugs, the Convention on Psychotropic Substances, or other international treaties or agreements shall be construed to limit, modify, or prevent the protection of the confidentiality of patient records or of the names and other identifying characteristics of research subjects as provided by any Federal, State or local enactment or regulation."

(b) Section 303 of the Public Health Service Act (42 U.S.C. 242 a) is amended by redesignating subsection (b) as subsection (c), and by adding after subsection (a) the following new subsection:

"(b) Nothing in the Single Convention on Narcotic Drugs, the Convention on Psychotropic Substances, or other international treaties or agreements shall be construed to limit, modify, or prevent the protection of the confidentiality of patient records or of the names and other identifying characteristics of research subjects as provided by any Federal, State, or local enactment or regulation."

"SEC. 10. Subsection (f) of section 303 of the Controlled Substances Act (21 U.S.C. 823(f)) is amended by adding the following sentence at the end of the subsection: "Article 7 of the Convention on Psychotropic Substances shall not be construed to prohibit, or impose additional restrictions upon, research involving drugs or other substances scheduled under the Convention which is conducted in conformity with this subsection and other applicable provisions of this title."

SEC. 11. Subsection (c) of section 307 of the Controlled Substances Act (21 U.S.C. 827 (c)) is amended by adding the following after and below paragraph (3): "Nothing in the Convention on Psychotropic Substances shall be construed as in any way affecting, modifying, repealing, or superseding the provisions of paragraphs (1) (B), (2), or (3) of this subsection."

SEC. 12. Subsection (n) of section 502 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 352(n)), is amended by adding the following new sentence at the end thereof: "Nothing in the Convention on Psychotropic Substances, signed at Vienna, February 21, 1971, shall be construed to prevent drug price communications to consumers."

SEC. 13. This Act shall become effective on the date the Convention on Psychotropic Substances enters into force in respect to the United States.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., September 19, 1973.

The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970, (84 Stat. 1242, 21 U.S.C. 801) and other laws, to permit the United States Government to comply with the provisions of the Convention on Psychotropic Substances signed at Vienna on February 21, 1971.

On June 29, 1971, the President transmitted to the Senate, for its advice and consent to ratification, the Convention of Psychotropic Substances. This Convention has as its purpose the international control of substances that are not included under any of the existing multilateral opium and other narcotic drug treaties. The Convention governs the so-called psychotropic (or mind-altering) substances: the hallucinogens (such as LSD and mescaline), the amphetamines, the barbiturates, and the tranquilizers. The Convention will come into force 90 days after 40 countries have ratified it.

The aim of the Convention is to limit to medical and scientific purposes the manufacture, distribution and use of psychotropic substances. The structure of the Convention is similar to that of the Comprehensive Drug Abuse Prevention and Control Act of 1970. It lists 32 substances in four schedules depending on the extent of their abuse, their potential for abuse and their therapeutic usefulness. The Convention contains a procedure for adding new substances to schedules, moving substances among schedules and deleting substances from the schedules. Like the Comprehensive Drug Abuse Prevention and Control Act, the Convention provides gradation of controls, with the most stringent controls applied to Schedule I substances (such as LSD, mescaline and the tetrahydrocannabinols) and lesser restrictions on substances in Schedules II, III, and IV. Most of the control provisions are similar to the control of narcotic drugs by other treaties, such as the Single Convention on Narcotic Drugs, 1961.

The specific control measures which the Convention requires each Party to implement are largely satisfied by the provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and the Federal Food, Drug, and Cosmetic Act. For example, under the Convention, each Party must license manufacturers and distributors of psychotropic substances; sections 301 and 304 of the 1970 Act provided for registration of these persons. Each Party must restrict the use of Schedule I (hallucinogenic) substances to scientific and very limited medical purposes; section 303 of the Controlled Substances Act (Title II of the Comprehensive Act) limits access to such substances to qualified researchers. Psychotropic substances generally must be dispensed only upon a physician's prescription; this Convention requirement is satisfied by prescription requirements under the Federal Food, Drug, and Cosmetic Act. Each Party must require all handlers of psychotropic substances to keep records of all these substances manufactured, distributed or dispensed; section 307 of the Controlled Substances Act already imposes such recordkeeping requirements. Importation and exportation of psychotropic substances must be controlled in a manner similar to the requirements imposed by the Controlled Substances Import and Export Act which is Title III of the Comprehensive Drug Abuse Prevention and Control Act of 1970.

In addition to controlling domestic commercial and medical activity. Parties must make certain reports to the International Narcotic Control Board, take actions against illicit traffic and apply penal provisions, and, where possible, establish programs of drug abuse prevention, treatment, and rehabilitation.

Although the Controlled Substances Act and the Controlled Substances Import and Export Act provide most of the mechanisms to fulfill United States obligations under the Convention on Psychotropic Substances, new legislation will be required to satisfy all commitments under the Convention. For this purpose, the enclosed legislative proposal is submitted.

Section 1 specifies that the Act may be cited as the "Psychotropic Substances Act of 1973."

Section 2 of the bill contains findings and declarations by Congress that (1) there is a need for international collaboration to effectively control psychotropic substances; (2) there is a need for legislation to implement United States obligations under the Convention; and (3) implementation must be accomplished within the framework of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (P.L. 91-513), or the new drug provisions of the Federal Food, Drug, and Cosmetic Act.

The Convention procedure for bringing a new substance under control or moving substances among schedules requires certain medical and scientific findings by the World Health Organization, additional findings and a decision to control by the Commission on Narcotic Drugs, and notification of the Parties by the Secretary-General of the United Nations. Upon such notification, each Party is required to impose national control mechanisms on the substance within 180 days. The United States delegation sought and obtained the right of each Party to utilize its own procedures for imposing national controls, such as are provided in the Controlled Substances Act, on the condition that certain minimum controls be imposed regardless of the outcome of the nation's internal efforts to require control. Thus, in the event that a substance cannot, within the 180-day period, be included in any schedule of the Controlled Substances Act through the normal procedures set forth in section 201 (because of delays in administrative hearings or court proceedings provided for in the law), the United States will still have to require such controls as registration of manufacturers and wholesalers, import and export restrictions and recordkeeping requirements.

In the Comprehensive Drug Abuse Prevention and Control Act of 1970, Congress carefully established a procedure for future determinations as to drugs and substances to be subject to the controls of the Act. So far as possible, the proposed bill will retain a balance between the extent to which control decisions should be based upon law enforcement criteria, and the extent to which such decisions should be based on medical and scientific determinations. The proposed bill provides that all scientific and medical determinations shall be made by the Secretary of Health, Education, and Welfare, and that these determinations shall be binding on the Attorney General and the Secretary of State during all international discussions and negotiations in regard to scheduling a drug or substance for control under the Convention.

Section 3 of the proposed bill would amend section 201 of the Controlled Substances Act (21 U.S.C. 811) to authorize and direct the Attorney General and the Secretary of Health, Education, and Welfare to take steps relative to international controls proposed under the Convention and to prescribe applicable controls on psychotropic substances which are required by United States obligations under the Convention.

Paragraph (2) of section 3 provides that whenever notice is received that the World Health Organization is considering a drug or substance for control under the Convention, the Secretary of Health, Education, and Welfare shall be authorized to comment on the matter to the World Health Organization.

Paragraph (3) of section 3 specifies that in all matters relating to a decision to control a drug or substance by the United Nations Commission on Narcotic Drugs, the recommendations of the Secretary of Health, Education, and Welfare shall be binding on the United States representative, and if the Secretary recommends that a drug or substance should not be controlled in the manner proposed, the United States representative shall vote against such control.

Paragraph (4) (A) of section 3 requires that when notice is received from the Secretary-General of the United Nations that a substance has been designated for control under the Convention, the Secretary of Health, Education, and Welfare shall decide in consultation with the Attorney General whether existing controls under the Controlled Substances Act or the Federal Food, Drug, and Cosmetic Act in the United States are adequate to meet the treaty obligations. Even if existing controls adequately meet the requirements of the Convention, the Secretary may recommend to the Attorney General that he initiate proceedings in the usual way in accordance with subsections (a) and (b) of section 201 of the Controlled Substances Act (21 U.S.C. 811).

If existing controls in the United States do not meet the obligations of the Convention, and if the Secretary agrees with the scheduling decision of the international organization, the Secretary shall recommend to the Attorney General that he initiate proceedings under subsections (a) and (b) of section 201 of the Controlled Substances Act of (21 U.S.C. 811).

If existing controls in the United States do not meet the obligations of the Convention, and if the Secretary does not concur in the scheduling decision of the international organization, he shall (1) apply the controls applicable to new drugs, pursuant to section 505 of the Federal Food, Drug, and Cosmetic Act, or (2) if these controls are not adequate to protect the public health and safety, recommend to the Attorney General that he initiate proceedings under subsections (a) and (b) of section 201 of the Controlled Substances Act (21 U.S.C. 811).

Also, whenever the Secretary of Health, Education, and Welfare does not concur in the scheduling decision of the international organization, the Secretary shall request the Secretary of State to transmit to the Secretary-General of the United Nations a notice of qualified acceptance; and request the Secretary of State to ask for a review of the decision by the Economic and Social Council of the United Nations.

Paragraph (4) (B) of section 3 provides that if the regular control procedures of subsections (a) and (b) of section 201 (21 U.S.C. 811) will not be completed within the time limit of 180 days specified in the Convention, the Attorney General after consultation with the Secretary of Health, Education, and Welfare, shall, unless the substance is already controlled under the Controlled Substances Act, issue a temporary order controlling the substance under either schedule IV or V, whichever is most appropriate to carry out minimum United States obligations under the Convention. Also, the Attorney General after consultation with the Secretary, shall except the substance from such controls of the Controlled Substances Act as he finds are not necessary to carry out those United States obligations.

Paragraph (4) (C) of section 3 provides that if the Economic and Social Council reverses the scheduling decision of the international organization, the Attorney General shall vacate the temporary control order. If the decision is affirmed, the Attorney General after consultation with the Secretary, shall, unless subsequent action has been taken to control the substance, issue a final order controlling the substance under schedule IV or V.

Paragraph (4) (D) allows both the Attorney General and the Secretary of Health, Education, and Welfare to request through the Secretary of State a review by the international organization of any scheduling decision based on new or additional information.

Section 4 of the proposed legislation would amend section 202(d) of the Controlled Substances Act (21 U.S.C. 812(d)) to create a third condition to be satisfied before a nonnarcotic substance contained in a combination product could be excepted from regulatory control. Article 3 of the Convention on Psychotropic Substances imposes restrictions on any Party's right to grant exceptions from control for combination products, and the statute should specify that the exemptions granted under section 202(d) shall not be in conflict with the obligations under the Convention.

Section 5 of the proposal adds new authority to the Attorney General to gather information by amending section 307(d) of the Controlled Substances Act (21 U.S.C. 827(d)). Each Party to the Convention is required under Article 16 to submit certain statistical data on psychotropic drugs regarding inventories, quantities manufactured, quantities imported and exported, and quantities used in manufacture of other substances. The Attorney General can acquire much of this information directly through existing authority under the Act; he cannot, however, directly obtain data on quantities manufactured or on inventories. Manufacturing data is currently submitted to the Food and Drug Administration on psychotropic (and other) drugs having a new drug application on file with that agency; this information is not in a form readily usable by the Attorney General, however, and does not cover certain psychotropic drugs not subject to new drug application requirements. Section 5 will make certain that the Attorney General can obtain all data necessary to prepare the United States reports to the Commission on Narcotic Drugs and the International Narcotic Control Board under the Convention.

Section 6 and 7 of the proposed legislation would amend the Controlled Substances Import and Export Act to permit full compliance with any possible obligation under Articles 12 and 13 of the Convention on Psychotropic Substances. The Convention obligates each Party to require prior government authorization for importation or exportation of any substance listed in schedules I or II of the Convention; the existing United States law requires such authorization before importing or exporting a nonnarcotic substance listed in schedules I or II of the Act. Therefore, the possibility exists that a substance listed in schedules I or II under the Convention could be listed in schedules III, IV or V of the Act, thereby preventing imposition of the prior authorization system. Section 6 is an amendment to section 1002 of the Controlled Substances Import and Export Act (21 U.S.C. 952) and Section 7 proposed to amend section 1003 of that Act (21 U.S.C. 953). The effect of these suggested changes would be to permit the Attorney General to impose the schedule II import and export controls on any schedules III, IV and V substances without rescheduling the substance and thereby subjecting it to other unnecessary controls.

A number of questions can be raised as to the interpretation to be placed on certain features of the Convention. In order to provide guidance for the future, sections 8, 9, 10, 11, and 12 of the proposed bill include the following features. Section 8 makes certain that the Convention is not construed to require a particular punishment or limit or forbid the provision of treatment alternatives to criminal prosecution and punishment for offenses related to psychotropic substances, if such alternatives are permitted in existing law. Section 9 ensures that no provision of the Convention can be construed to preempt any existing legislative or regulatory protection of confidentiality of patient records or the identities of research subjects. Section 10 clarifies issues raised by the research community and specifies that Article 7 of the Convention shall not be construed as imposing any prohibitions or further restrictions on research involving psychotropic substances, which complies with the registration and other applicable requirements now provided in the Controlled Substances Act. Section II provides that the Convention shall not be used as a basis of imposing any recordkeeping requirements on practitioners, researchers and establishments in addition to those provided in section 307 of the Controlled Substances Act (21 U.S.C. 827). Section 12 amends the Federal Food, Drug, and Cosmetic Act and provides that nothing in the Convention shall be interpreted to prevent drug price communications to consumers.

Section 13 of the bill establishes the effective date of the legislation as the date on which the Convention comes into force in respect to the United States.

We urge the early consideration of this legislation and the Convention so that we may become Parties to this international effort in the near future.

The Office of Management and Budget has advised that the submission of this recommendation is consistent with the Administration's objectives.

Sincerely,

——— ———,
Attorney General.

Mr. HUGH SCOTT. Mr. President, I believe it is essential that Congress adopt, as expeditiously as possible, legislation to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970. In essence, this bill introduced by the Senator from Nebraska (Mr. HRUSKA), will restrict the manufacture, distribution, and use of mind-altering drugs to legitimate medical and scientific purposes.

I am pleased to join as a cosponsor of this legislation which will enable the United States to become a member of the International Convention on Psychotropic Substances and will impose controls on the international movement of psychotropic drugs, with the ultimate end of eliminating their diversion into illicit channels. The need for such a bill is obvious and I am delighted that the Senator from Nebraska (Mr. HRUSKA) has introduced legislation which I feel will aid U.S. enforcement as well as diplomatic initiatives in curbing the traffic in drugs diverted from international commerce.

It is essential that the United States assert its proper authority into the area of international agreements in the control of narcotics. This legislation, by enabling the United States to become a member of the International Convention on Psychotropic Substances, is the proper vehicle for such action.

Mr. BAYH. Mr. President, I am pleased to join the distinguished Senator from Nebraska (Mr. HRUSKA) and my other colleagues on the Judiciary Committee as a sponsor of the Psychotropic Substances Act of 1973. This measure is very similar to legislation—S. 1646—which I introduced on April 18, 1973. These bills are designed to permit the United States to comply with the provisions of the Convention on Psychotropic Substances signed at Vienna on February 21, 1971, which is now pending before the Senate Foreign Relations Committee.

The Convention on Psychotropic Substances was transmitted on June 29, 1971, to the Senate, for its advice and consent to ratification. This Convention has as its purpose the international control of substances that are not included under any of the existing multilateral opium and other narcotic drug treaties. The Convention governs the so-called psychotropic—or mind-altering—substances: The hallucinogens—such as LSD and mescaline—the amphetamines, the barbiturates, and the tranquilizers. The Convention will come into force 90 days after 40 countries have ratified it.

The aim of the Convention is to limit to medical and scientific purposes the manufacture, distribution, and use of psychotropic substances. The structure of the Convention is similar to that of the Comprehensive Drug Abuse Prevention and Control Act of 1970. It lists 32 substances in 4 schedules depending on the extent of their abuse, their potential for abuse, and their therapeutic usefulness. The Convention contains a procedure for adding new substances to schedules, moving them among schedules, and deleting them from the schedules. Like the Comprehensive Drug Abuse Prevention and Control Act, the Convention provides gradation of controls, with the most stringent controls applied to schedule I substances—such as LSD, mescaline, and tetrahydrocannabinols—and lesser restrictions on substances in schedules II, III, and IV. Most of the control provisions are similar to the control of narcotic drugs by other treaties, such as the Single Convention on Narcotic Drugs, 1961.

The specific control measures which the Convention requires each party to implement are largely satisfied by the provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and the Food, Drug, and Cosmetic Act. For example, under the Convention, each party must license manufacturers and distributors of psychotropic substances; sections 301 and 304 of the 1970 act provide for registration of these persons. Each party must restrict the use of schedule I—hallucinogenic—substances to scientific and very limited medical purposes; section 303 of the Controlled Substances Act—title II of the Comprehensive Act—limits access to such substances to qualified researchers. Psychotropic substances must be dispensed only upon upon a physician's prescription; all are subject to prescription requirements under the Federal Food, Drug, and Cosmetic Act. Each party must require all handlers of psychotropic substances to keep records of all drugs manufactured, distributed, or dispensed; section 307 of the act already imposes such recordkeeping requirements. Importation and exportation of psychotropic substances must be controlled in a manner similar to the requirements imposed by the Controlled Substances Import and Export Act, which is title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970.

Although the Controlled Substances Act and the Controlled Substances Import and Export Act provide most of the mechanisms to fulfill United States obligations under the Convention on Psychotropic Substances, new legislation, such as S. 1646 or that which we are introducing today, will be required to satisfy all commitments under the Convention.

In the 92d Congress legislation, S. 3118, was introduced on behalf of the administration to accomplish similar purposes. That bill, however, was the subject of considerable controversy. Representatives of the Committee on Effective Drug Abuse Legislation, the American College of Neuro-Psychopharmacology, the American Psychiatric Association, the American Medical Association, and our distinguished colleague from Iowa, Senator HUGHES, expressed concern that the legislation failed to adequately protect the confidentiality of patient records; that it failed to adequately protect a private practitioner's right to carry on research with psychotropic substances; that it failed to designate who would determine the application of phrases—in the Convention—like "sound medical practice" and "very limited medical and scientific purposes," but most importantly that it failed to provide an affirmative policymaking role for health and scientific professionals to balance any restrictions on their role imposed by the Convention.

Both the Psychotropic Substances Act and S. 1646 address these important concerns. I believe that, in areas which the Convention leaves to national discretion and in areas where the Convention language is ambiguous and thus subjected to interpretation, they provide adequate clarification to ensure a significant role in these matters for the medical and scientific communities and to allay fears regarding restrictions on researchers or breaches of the confidentiality accorded medical records.

Additional efforts are necessary to deal with the problems of international narcotic traffic. But even if the war on heroin should result in total victory, the epidemic of drug abuse which plagues American society would not be vanquished; for the source of supply for growing legions of addicts is a legitimate one.

During my 3 years as chairman of the Subcommittee to Investigate Juvenile Delinquency, I have conducted an intensive investigation into the diversion and abuse of legitimately produced narcotic and non-narcotic dangerous drugs.

We have been able to obtain a drastic, but necessary, reduction in the production and diversion of amphetamines and amphetamine-like substances; more appropriate controls on the production and distribution of methaqualone—"sopors" and "quaaludes"—and hopefully will soon achieve similar controls on the production and distribution of the widely abused short-acting barbiturates. These are all important steps in limiting the diversion of legitimately manufactured drugs to illicit purposes.

But regardless of the success of our efforts to impose domestic controls on these and other psychotropic substances, the absence of international cooperation and regulation could result in a failure to reduce the availability of dangerous psychotropic substances.

As a result of our study of the diversion of legitimate pharmaceutical drugs to illegal markets, I introduced the Dangerous Drug Identification Act, S. 3538, and the Dangerous Drug Tracer and Law Enforcement Information Act, S. 3819, in the 92d Congress. Both of these measures were designed to assist law enforcement agencies in the identification of seized controlled substances. The identification bill, reintroduced this Congress as S. 984, would require manufacturers to place identifying marks or symbols on their capsules and tablets. The tracer bill, reintroduced as S. 985, would require manufacturers to incorporate an inert tracer ingredient in all schedule II and schedule III stimulants and depressants and thus whether seized in bulk form or in the form of illicitly manufactured or illicitly capsulized pills, officials could determine the manufacturers, if domestic in origin.

These measures, however, will not assist law enforcement agencies efforts to curb diversion of psychotropic substances which are not domestic products. Last May, Mr. John Ingersoll, Director of the Bureau of Narcotics and Dangerous Drugs, reported to the subcommittee that a substantial portion of the so-called Mexican Reds—capsules containing legitimately produced barbituarates, but illicitly repackaged—contained barbiturates of European origin.

Likewise, during our March 28, 29, and April 6, 1973, hearings on methaqualone, several witnesses indicated that legitimately produced foreign methaqualone was being illegally imported into the United States for sale in the black market and that counterfeit methaqualone was being produced in Canada and Mexico for illicit sale in the United States.

These are but several examples of many which underscore the need for some international controls on psychotropic substances.

I am hopeful that the concerns reflected in S. 1646 and the measure we are introducing today will satisfy those in the medical and scientific communities who expressed concern about the enabling legislation introduced in the 92d Congress. The subcommittee, however, will hold hearings which will provide ample opportunity for further comment and recommendations regarding the legislation.

The diversion and abuse of legitimately produced dangerous drugs into channels other than legitimate medical, scientific, and industrial channels should be a primary concern for all citizens. These measures are not a panacea, but it is my belief that they will not only help us solve our problem here at home, but will also be of assistance to other nations, whose legitimate production when diverted to illicit markets can reap havoc in their countries as well as ours.

By Mr. HRUSKA (for himself and Mr. McClellan):

S. 2545. A bill to amend sections 656, 657, and 2113 of title 18, United States Code. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, on behalf of myself and Senator McClellan, I introduce a bill to make two amendments to title 18: the Federal Criminal Code.

Federal law currently prohibits a person from knowingly receiving the proceeds of a bank robbery. But, if a bank's deposits were embezzled rather than robbed, an anomaly of current law is that the receiver of such proceeds has committed no specific Federal crime. That is the law; nothing in the existing Federal Criminal Code specifically prohibits the receipt of property embezzled from a federally insured bank or lending institution.

I should remind anyone who may wish to take advantage of this loophole that existing Federal statutes do prohibit the aiding and abetting of a Federal crime, the interstate transportation of stolen property, and conspiracies. But, the fact remains that Federal prosecutors are handicapped by the lack of a specific prohibition against the commission of what everyone recognizes should be a specific crime. My bill would amend sections 656 and 657 of title 18 to prohibit the knowing receipt of embezzled property and close this loophole in current law.

My bill would make one other much-needed amendment to title 18. Subsection 2113(c) of that title was designed to prohibit the knowing receipt of property unlawfully taken from a bank, credit union, or savings and loan association. The operative language of that subsection reads as follows:

> Whoever receives . . . any property . . . knowing the same to have been taken from a bank . . . in violation of subsection (b) of this section shall be subject to the punishment provided by said subsection (b) for the taker.

Now that language, while sounding innocent enough, places an incredible burden of proof on the Government.

Obviously, the Federal prosecutor should have to show that the receiver of stolen property knew that the property was actually stolen from a bank, credit union, or savings and loan association. But, should the Government have to prove in addition that the property was taken in violation of a preceding subsection of the statute? The U.S. Court of Appeals for the Second Circuit in *United States* v. *Fistel*, 460 F. 2d 157 (1972), declared that under the existing statute an indictment omitting "the essential element of intent to steal or purloin" was "clearly defective" and that a pretrial motion to dismiss such an indictment would be successful.

I submit that in enacting subsection 2113(c) the Congress intended that proof of knowledge that the received property was stolen from a protected financial institution was sufficient. My proposal would amend subsection 2113(c) to eliminate the ridiculous requirement that a Federal prosecutor prove that the receiver had knowledge that the property was not only stolen but stolen in violation of a specific subsection of the Federal Criminal Code.

Mr. President, I ask unanimous consent that the text of this bill and the Attorney General's letter of transmittal be printed at this point in the Record.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2545

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 656 and 657 of title 18, United States Code, are amended by designating each section as subsection (a) of the respective section and adding at the end of each such section a new subsection as follows:

"(b) Whoever receives, possesses, conceals, stores, barters, sells, or disposes of, any moneys, funds, credits, assets or securities knowing the same to have been embezzled, abstracted, purloined or willfully misapplied, shall be subject to the punishment provided by subsection (a) for the person who embezzled, abstracted, purloined or willfully misapplied such moneys, funds, credits, assets or securities."

(2) Subsection (c) of section 2113 of title 18, United States Code, is amended to read as follows:

"(c) Whoever receives, possesses, conceals, stores, barters, sells, or disposes of, any property or money or other thing of value which has been taken from a bank, credit union, or a savings and loan association, knowing that such property, money or thing has been stolen, shall be subject to the punishment provided by subsection (b) for the taker."

Office of the Attorney General,
Washington, D.C.

The Vice President,
U.S. Senate,
Washington, D.C.

Dear Mr. Vice President: Enclosed for your consideration and appropriate reference is a legislative proposal to amend sections 656, 657 and 2113 of title 18, United States Code.

Section (1) of the draft bill would amend 18 U.S.C. §§ 656 and 657 to make unlawful the receipt of property taken in violation of those sections. Although the receipt of the proceeds of a robbery of a federally-protected bank or savings and loan association is prohibited by 18 U.S.C. § 2113(c), no similar prohibition applies to the receipt of funds or credits embezzled from such institutions. The lack of such a provision has made it difficult, and in some cases impossible, to prosecute persons who receive or serve as conduits for embezzlement proceeds. Other title 18 provisions, such as 18 U.S.C. § 2 (aiding and abetting), 18 U.S.C. § 2314 (interstate transportation of stolen property) or 18 U.S.C. § 371 (conspiracy), are inadequate because of the limited applicable fact situations. Moreover the use of these provisions often puts the Government at a disadvantage either because a charge on a substantive count is lacking or because persons involved in the same embezzlement scheme must be tried in different judicial districts.

Section (2) would amend subsection (c) of 18 U.S.C. § 2113 to delete a requirement that the Government prove that the receiver of stolen property knew that it was taken in violation of subsection (b). This construction, paralleling existing provisions of title 18 prohibiting the possession of stolen mail (§ 1708) and thefts from interstate shipments (§ 659), would require the Government to prove knowledge that the property was stolen, but would protect the Government from being forced to prove specific, but irrelevant details, of the actual theft.

Because enactment of this legislative proposal would be a significant step towards achieving the Department's goal of more effective law enforcement, I urge its early enactment.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation from the standpoint of the program of the President.

Sincerely,

——— ———,
Attorney General.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1388

At the request of Mr. Allen, the Senator from Ohio (Mr. Saxbe) was added as a cosponsor of S. 1388, a bill to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

S. 1769

At the request of Mr. Magnuson, the Senator from Alaska (Mr. Stevens) and the Senator from Maryland (Mr. Mathias) were added as cosponsors of S. 1769, a bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of Government, and for other purposes.

S. 2238

At the request of Mr. Mondale, the Senator from Vermont (Mr. Stafford) was added as a cosponsor of S. 2238, a bill to amend the Internal Revenue Code of 1954 to increase the maximum credit and deduction allowable with respect to contributions to candidates for public office, to make certain changes in subtitle II of such code with respect to the financing of Presidential election campaigns, and for other purposes.

S. 2338

At the request of Mr. Stevens, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 2338, a bill to provide for the conservation of the U.S. coastal and anadromous fish.

S. 2387 AND S. 2388

At the request of Mr. Stevens, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of S. 2387, a bill to amend subchapter D of chapter 36 of the Internal Revenue Code of 1954 and S. 2388, a bill to amend subchapter E of chapter 36 of the Internal Revenue Code of 1954.

S. 2411

At the request of Mr. Stevenson, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of S. 2411, a bill to regulate exporting agricultural commodities.

S. 2422

At the request of Mr. Mathias, the Senator from Alaska (Mr. Gravel), the Senator from Florida (Mr. Chiles), and the Senator from Iowa (Mr. Hughes) were added as cosponsors of S. 2422, a bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape.

S. 2513

At the request of Mr. Ribicoff, the Senator from Florida (Mr. Chiles) and the Senator from North Dakota (Mr. Young) were added as cosponsors of S. 2513, the Catastrophic Health Insurance and Medical Assistance Reform Act of 1973.

S. 2528

At the request of Mr. Mondale, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 2528, the Social Services Amendments of 1973.

SENATE RESOLUTION 178—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Referred to the Committee on Rules and Administration.)

Mr. JACKSON, from the Committee on Interior and Insular Affairs, reported the following resolution:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $25,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946, and in Senate Resolution 96, agreed to May 10, 1973, and Senate Resolution 137, agreed to July 20, 1973.

SENATE RESOLUTION 179—SUBMISSION OF A RESOLUTION DEPLORING THE OUTBREAK OF HOSTILITIES IN THE MIDDLE EAST

(Considered and agreed to.)

Mr. MANSFIELD (for himself, Mr. Hugh Scott, Mr. Case, Mr. Baker, Mr. Dole, Mr. Huddleston, Mr. Allen, Mr. Javits, Mr. Bayh, Mr. McClellan, Mr. Randolph, Mr. Pastore, Mr. Aiken, Mr. Cook, Mr. Talmadge, Mr. Griffin, Mr. Bentsen, Mr. Roth, Mr. Beall, Mr. Moss, Mr. Brock, Mr. Ervin, Mr. Robert C. Byrd, Mr. Pell, Mr. Helms, Mr. Bible, Mr. Muskie, Mr. McGovern, Mr. Inouye, Mr. Stevenson, Mr. Tunney, Mr. Fong, Mr. Fulbright, Mr. Proxmire, Mr. Mathias, Mr. Gravel, Mr. Cannon, Mr. Biden, Mr. Taft, and Mr. Haskell) submitted a resolution (S. Res. 179) deploring the outbreak of hostilities in the Middle East.

(The text of the resolution and the statement by Senator Mansfield when he submitted it, as well as the ensuing discussion, are printed later in the Record.)

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 38

At the request of Mr. Stevens, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of Senate Resolution 38, relative to Select Committee on Small Business.

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 50

At the request of Mr. Javits, the Senator from Oregon (Mr. Packwood) was added as a cosponsor of Senate Concurrent Resolution 50, expressing the sense of the Congress favoring a world food conference and U.S. participation therein.

VETERANS' PREFERENCE LEGISLATION—AMENDMENT

AMENDMENT NO. 608

(Ordered to be printed and referred to the Committee on Post Office and Civil Service.)

Mr. STEVENS. Mr. President, on January 4, I introduced S. 189 to give veterans preference in hiring for certain Federal positions. Today I submit a technical amendment to that bill to include Federal protective officers along with the positions covered.

However, before I introduce that amendment, I would like to indicate that I have recently received from the Veterans of Foreign Wars of the United States a strong endorsement of the bill. In a letter to me dated September 12, the VFW indicates it "strongly supports" my proposal, "which carries out a VFW mandate which was unanimously approved by the delegates to our recently concluded national convention, which was held in New Orleans, August 17–24, 1973." The letter continues that the VFW will continue to urge the Senate to take up and consider this legislation "with the hope that it is promptly approved and enacted into law." The letter states that the legislation "will eliminate an alarming trend in Federal agencies, which trend, if it continues, will wipe out hundreds of jobs expressly reserved for veterans, as provided in 5, United States Code 3111." The letter is signed by Mr. Francis W. Stover, director, National Legislative Service of the VFW.

That letter enclosed with it several resolutions passed by the VFW at its recent convention. Resolution No. 606, calls upon Congress to extend the Veterans Preference Act. Resolution No. 626, urges that the Federal Government refrain from contracting out Federal jobs normally performed by Federal employees. Resolution No. 699, opposes any regulations of any Federal agency that would employ individuals without regard to preference for veterans.

I ask unanimous consent that these three resolutions be printed in the Record at this point.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Washington, D.C.
September 12, 1973.

Hon. Ted Stevens,
U.S. Senate
Washington, D.C.

Dear Senator Stevens: Thank you for your letter of August 16 with a copy of S. 189 "To amend title 5, United States Code, to restrict contracts for services relating to the positions of guards, elevator operators, messengers, and custodians," which you have introduced in the Senate and is pending further action.

As per copy of enclosed letter to Senator McGee, Chairman of the Senate Committee on Post Office and Civil Service, the Veterans of Foreign Wars strongly supports your proposal, which carries out a V.F.W. mandate which was unanimously approved by the delegates to our recently concluded National Convention, which was held in New Orleans August 17-24, 1973.

The Veterans of Foreign Wars will be continuing to urge your Post Office and Civil Service Committee to take up and consider this legislation, with the hope that it is promptly approved and enacted into law.

You have the highest commendation of the Veterans of Foreign Wars for introducing this legislation, which will eliminate an alarming trend in Federal agencies, which trend, if it continues, will wipe out hundreds of jobs expressly reserved for veterans, as provided in 5, United States Code, 3111.

With kind personal regards, I am
Sincerely,

Francis W. Stover,
Director, National Legislative Service.

Resolution No. 699—Support Veterans Preference Act

Whereas, the Civil Service Commission from time to time has authorized federal agencies to employ individuals without regard to providing preference to veterans, as provided by law; and

Whereas, the Civil Service Commission has authorized agencies to set up various programs of hiring-training individuals, as well as groups, without regard to providing maximum preference to veterans as provided by law; and

Whereas, in establishing some of the special programs to employ low-skilled employees, veterans have been denied or have been evaluated to such an extent they are disqualified or placed at the bottom of the register; and

Whereas, currently, the Civil Service Commission has called upon federal agencies to beef up their programs for hiring and training low-skilled employees, especially in the G–1, WJ–1 and the PS–1, 2 and 3 positions in federal government, including the post office, thereby permitting recommendation of low-skilled employees without regard to the Veterans Preference Act; now, therefore

Be it resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that we go on record vigorously opposing the Civil Service Commission authorizing any federal agency to set up rules and regulations to employ any individual without preference to veterans as provided by law; and

Be it further resolved, that education, training or skills acquired by the veteran shall not cause his down grading or preclude him from employment; and

Be it further resolved, that veterans, especially disabled veterans, shall be provided preference to all federal jobs, regardless of the grade as provided by law.

Adopted at the 74th National Convention of the Veterans of Foreign Wars of the United States held in New Orleans, Louisiana, August 17 through 24, 1973.

RESOLUTION NO. 606: LEGISLATION TO PRESERVE AND EXTEND VETERANS PREFERENCE

Whereas, the Veterans Preference Act in Federal Civil Service is one of the oldest Veterans rights; and

Whereas, the Veterans Preference Act has been a deterrent to unjust agency action and guarantees our Nation's defenders a full and fair hearing should arbitrary and capricious action be taken; and

Whereas, the Veterans Preference Act has furnished war veterans with justifiable preference and protection in Federal Civil Service employment; and

Whereas, the basic rights under the Veterans Preference Act have been proved to be so fair and just that many of the provisions of the Veterans Preference Act have been given, by Executive Order, to non-veterans; and

Whereas, the continuing intent of Congress is clearly seen in the extensions of Veterans Preference to Cold War and Vietnam veterans and all who follow after them; and

Whereas, Veterans Preference is a "right in the man" which goes with the veteran wherever he may be employed by the Federal Government and is applicable regardless of the Federal agency in which such veteran may be employed; and

Whereas, no agency of the Federal Government should be exempt from the beneficial provisions of the Veterans Preference Act; and

Whereas, there are lawsuits pending before Federal Courts attacking the constitutional validity of the Veterans Preference Act, as amended; now, therefore

Be it resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that we call upon the Congress of the United States to reject any and all requests by any and all Federal Departments, Agencies, Boards and commissions to be exempted from applying the Veterans Preference Act of 1944, as amended, or any other proposals which will weaken the Veterans Preference Act; and

Be it further resolved, that any and all legislative proposals in the Congress which would weaken or diminish rights guaranteed by the Veterans Preference Act of 1944, as amended, be vigorously opposed and defeated; and

Be it further resolved, that the Congress and the Executive Branch act to extend the Veterans Preference Act to those agencies presently exempt or excluded from its provisions and the Civil Service Commission use its full resources to defend, as a friend of the court and in behalf of the veteran and his dependents who are entitled to Veterans Preference, any and all law suits which attack the constitutionality and validity of the Veterans Preference Act.

Adopted at the 74th National Convention of the Veterans of Foreign Wars of the United States held in New Orleans, Louisiana, August 17 through 24, 1973.

RESOLUTION NO. 626: END PRACTICE OF CONTRACTING FEDERAL JOBS

Whereas, 1.8 million Veterans of Foreign Wars banded together in an attempt to obtain and/or protect the benefits and rights afforded Veterans by enactments of Congress; and

Whereas, the Office of Management and Budget is jeopardizing these rights and benefits by violating certain portions of the "Veterans Preference Act;" and

Whereas, there is no legislative and/or judicial control over the appointee to the Directorship of OMB; now, therefore

Be it resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that we petition the present administration to refrain from contracting out federal jobs to private contractors which are normally performed by federal employees for the assumed purpose of saving taxpayers money.

Adopted at the 74th National Convention of the Veterans of Foreign Wars of the United States held in New Orleans, Louisiana, August 17 through 24, 1973.

SURFACE MINING RECLAMATION ACT OF 1973—AMENDMENTS

AMENDMENTS NOS. 609, 610, AND 611

(Ordered to be printed and to lie on the table.)

Mr. BAKER submitted three amendments intended to be proposed by him to the bill (S. 425) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines.

AMENDMENT NO. 612

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to the bill (S. 425), supra.

AMENDMENT NO. 613

(Ordered to be printed and to lie on the table.)

Mr. METCALF (for Mr. JACKSON) submitted an amendment intended to be proposed to the bill (S. 425), supra.

Mr. JACKSON. Mr. President, with regard to surface mining operations on steep slopes, S. 425, as reported, requires backfilling of the mined area to approximate original contour, and prohibits disposition of spoil from surface mining operations on the natural downslope from the operation.

As expressed in the committee report, the intent of the committee was not to preclude such reclamation options as the creation of reservoirs and creation of usable flat land by mountain top mining. However, there was some ambiguity in the bill as written with regard to this latter need.

There is no doubt that in certain mountainous areas of Appalachia, creation of plateaus on formerly peaked mountain tops creates usable flat land away from the flood plain. Responsible surface mining operators have demonstrated that such mountain top mining operations can be carried out in a self-contained area with little damage to the surrounding environment. In order to clearly permit the beneficial creation of level or gently rolling land in an environmentally acceptable manner, section 213(c) was drafted as a clarifying amendment to S. 425.

Section 213 is carefully limited to require planning, advance review, and approval by the regulatory agency, a circumscribed variance procedure rather than a general rule, specific standards in addition to those required by the act, and other appropriate safeguards.

The amendment, which does permit variances from certain reclamation standards, is not intended to provide a loophole, and does not permit the casting of spoil on any natural downslope, or to allow the retention of highwalls. The amendment prescribes prudent restrictions on the granting of such variances, to make the granting of such variances the exception rather than the rule.

Mr. President, I ask unanimous consent that the amendment and a section-by-section analysis of its provisions be printed at this point in the RECORD.

There being no objection, the amendment and analysis were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 613

On page 96, line 21, insert the following:

(c)(1) Each State Program may and each Federal Program shall include procedures pursuant to which the regulatory authority may permit variances for the purposes set forth in this subsection.

(2) Where the applicant meets the requirements of subsection (c) (4) and (5), a variance from the requirement to restore to approximate original contour set forth in subsection 213(b)(2) of this section may be granted for the surface mining of coal where the mining operation will remove an entire coal seam running through the upper fraction of a mountain, ridge or hill (except as provided in subsection (c)(5)(A) hereof) by removing all of the overburden and creating a level plateau or a gently rolling contour with no highwalls remaining, and capable of supporting post mining uses in accord with the requirements of this subsection.

(3) Where the regulatory authority determines that more usable land would be created and better reclamation would be achieved, a variance granted pursuant to this subsection may also include a variance, if necessary, to permit the transfer of overburden to designated spoil storage areas within the permit area. Provided: That such transfer does not disturb areas which, at the end of the surface mining and reclamation operation, would otherwise be undisturbed. Such spoil storage areas:

(A) may not be designated on any area where the base of the spoil storage area has an average slope of more than 10 degrees;

(B) shall be prepared with sound engineering and reclamation practices to insure stability;

(C) shall be deemed in all respects to be a part of the lands affected by surface mining operations; and

(D) shall be subject to all of the requirements of this Act.

(4) The regulatory authority may grant a variance for a surface mining operation of the nature described in subsections (c)(2) and (3) where:

(A) the applicant has established that the proposed use of the land as reclaimed pursuant to the variance will be a use:

(i) the need for which is greater than the need for that use which would be served by returning to the approximate original contour; and

(ii) which will serve an equivalent or higher socially beneficial purpose.

(B) the applicant presents specific plans for the proposed post-mining land use and appropriate assurances that such use will be achieved as specified in the reclamation plan;

(C) the proposed use would be consistent with adjacent land uses, and existing State and local use plans and programs;

(D) the regulatory authority provides the governing body of the unit of general purpose government in which the land is located and any State or Federal agency which the regulatory agency, in its discretion, determines to have an interest in the proposed use, an opportunity of not more than 60 days to review and comment on the proposed use;

(E) a public hearing is held in the locality of the proposed surface mining operation prior to the grant of any permit including a variance; and

(F) all other requirements of this Act will be met.

(5) In granting any variance pursuant to

this subsection the regulatory authority shall require that:

(A) for a variance granted pursuant to subsection (c)(2), the toe of the coal seam and the overburden associated with it are retained in place as a barrier to slides and erosion;

(B) the reclaimed area is stable;

(C) the resulting plateau or rolling contour drains inward from the outslopes;

(D) no damage will be done to natural watercourses; and

(E) all other requirements of this Act will be met.

(6) The regulatory authority shall promulgate specific regulations to govern the granting of variances in accord with the provisions of this subsection 213(c).

SECTION-BY-SECTION ANALYSIS

213(c)(1) This section permits each state program, and requires each Federal program, to include procedures for granting variances to certain specified reclamation standards.

213(c)(2) This section allows the regulatory authority to grant a variance from the requirement in Section 213(b)(2) to restore to approximate original contour, for those surface mining operations which are considered mountain top mining operations. Mountain top mining is defined as an operation where the entire coal seam (except for the toe) is removed from the upper portion of a mountain, creating a plateau with no highwall remaining. The variance allows creation of flat or gently rolling contour instead of restoration to an original steeper, contour.

213(c)(3) This section allows an additional variance to be granted to the variance allowed under 213(c)(2). This additional variance would permit the transfer of spoil and overburden to designated spoil storage areas within the permit area, even if such designated spoil areas are on the natural downslope from the mountain top mining operation. Such a variance can only be granted, however, if (1) in the opinion of the regulatory authority it will result in more usable land and better reclamation; and (2) where such a transfer of spoil would not disturb other sections of the intervening permit area which would not otherwise be disturbed as part of the mining and reclamation plan. This latter provision means that any spoil must be transported by truck or other vehicle, and that any spoil cannot be simply pushed by dozer to the permanent spoil disposal storage area across an area that would otherwise not be disturbed.

Subsection (3)(A) further limits the restriction of such spoil storage areas to areas where the base of the storage pit is less than 10 degrees.

Subsection (3)(B) requires that such spoil storage be done according to sound engineering and reclamation practices.

Subsection (3)(C) specifically designates such spoil storage areas as part of the lands affected by surface mining operations.

Subsection (3)(D) makes such spoil storage areas subject to all requirement of the Act.

Subsection 213(c)(4) delimits the circumstances under which the regulatory authority may allow variances described in Subsections (2) and (3) of this section.

Subsection (4)(A) requires that there be a greater need for the land as reclaimed according to the variance, and that reclamation according to the variance serve a higher socially beneficial purpose, than if no variance were granted.

Subsection (4)(B) requires that specific plans for the proposed post mining use requiring the variance be included in the reclamation plan submitted as part of the permit application. This subsection also requires that appropriate assurances of achieving these plans be submitted with the permit application.

Subsection (4)(C) requires that the proposed post mining use requiring the variance be consistent with adjacent land uses, and existing State and local land use plans and programs.

Subsection (4)(D) requires that the local general purpose government, where the land is located, be afforded 60 days to review and comment on the proposed use for which the variance is required.

Subsection (4)(E) requires a public hearing be held before any permit including a variance is granted.

Subsection (4)(F) requires that all other provision of the act be met.

Subsection 213(c)(5) places further requirements on any permit including a variance.

Subsection (5)(A) provides that any permit including a variance from the requirement to restore to approximate original contour, must require the retention in place of the toe of the coal seam and the accompanying overburden, as a barrier to slides and erosion.

Subsection (5)(B) requires that, for any permit with any variance, the reclaimed area is stable.

Subsection (5)(C) requires that the resulting plateau or rolling contour must drain inward from the outer edges to control erosion.

Subsection (5)(D) requires that no damage be done to natural watercourses, and

Subsection (5)(E) provides that all other requirements of the Act must be met.

Subsection 213(c)(6) requires that the regulatory authority promulgate specific regulations to govern the granting of variances as described in this subsection 213(c).

AMENDMENT NO. 614

(Ordered to be printed and to lie on the table.)

Mr. McCLURE submitted an amendment intended to be proposed by him to the bill (S. 425), supra.

AMENDMENT NO. 615

(Ordered to be printed and to lie on the table.)

Mr. BAKER submitted an amendment intended to be proposed by him to the bill (S. 425), supra.

AMENDMENT NO. 616

(Ordered to be printed and to lie on the table.)

Mr. COOK proposed an amendment to the bill (S. 425), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 542

At the request of Mr. RIBICOFF, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of amendment No. 542, intended to be proposed to the bill (H.R. 3153) to amend to Social Security Act to make certain technical and conforming changes.

AMENDMENT NO. 565

At the request of Senator TUNNEY, the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Massachusetts (Mr. BROOKE), the Senator from Ohio (Mr. SAXBE), the Senator from California (Mr. CRANSTON), the Senator from Kansas (Mr. DOLE), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New York (Mr. JAVITS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN) the Senator from New Hampshire (Mr. MCINTYRE), the Senator from New Mexico (Mr. MONTOYA), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Illinois (Mr. PERCY), the Senator from New Mexico (Mr. DOMENICI), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MONDALE), and the Senator from Utah (Mr. MOSS), were added as cosponsors to amendment No. 565, intended to be proposed to S. 1724, a bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes.

ADDITIONAL STATEMENTS

THE ISRAEL-ARAB CONFLICT

Mr. PELL. Mr. President, I deplore the crossing of the Suez Canal by Egyptian Armed Forces, plunging the Middle East once again into bloodshed and turmoil. The fact that this crossing, coupled with the battle occurring on the Golan Heights, took place on Yom Kippur, the most sacred day of the Jewish year, adds immeasurably to the tragedy and to an awareness that we are witnessing an attack calculated to surprise and to disrupt efforts to bring about a peaceful solution. Only when both sides agree in good faith to full-fledged negotiations, can we hope for peace. The actions taken by Egypt and Syria, in particular, have grievously undermined such hopes at this time.

Crystal clear is the imperative to end hostilities immediately. In an age of nuclear weapons, the human race walks the razor's edge of survival or extinction. The specter of nuclear holocaust lurks wherever shots fired in anger breach international peace.

The speedy restoration of a cease-fire, therefore, is a matter of vital, urgent concern to every nation on this planet. Primary responsibility rests upon the warring parties as those in the only position to give the orders to stop firing; just as the responsibility for a final settlement rests upon their face-to-face efforts.

GENOCIDE CONVENTION

Mr. HUGH SCOTT. Mr. President, before the close of the 92d Congress last year, the majority leader announced that the Genocide Convention would be brought before the Senate this year for a vote on consent to ratification.

Opponents of ratification have made much of the fact that the American Bar Association has never officially expressed a position of support for ratification. In fact, the House of Delegates, as recently as 1970, failed, by four votes, to endorse the convention. What is little noted in this debate, however, that every single one of the substantive committees of the ABA to which the convention was referred endorsed its ratification.

At my request, Mr. Jerome J. Shestack, a prominent Philadelphia attorney who was, in 1970, chairman of the American

Bar Association Section of Individual Rights and Responsibilities, prepared a short history of the action of the association, its sections and committees with regard to the Genocide Convention. I believe this document sheds light on the views of many prominent members of the bar and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SCHNADER, HARRISON, SEGAL & LEWIS,
Philadelphia, Pa., September 17, 1973.
Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: I am pleased to comply with your request of September 5, 1973 for the history of the action of the American Bar Association, its Sections and Committees with reference to the Genocide Convention. I had the honor of serving as Chairman of the American Bar Association Section of Individual Rights and Responsibilities when the Genocide Convention last came before the Association's House of Delegates and, accordingly, am quite familiar with its history.

Twenty-five years ago the question of support for ratification of the Genocide Convention came before the House of Delegates of the American Bar Association, and the House voted against such support. This was in 1949, a time when the Convention was new, and legal and constitutional questions were raised which had not been fully explored.

In 1970, the Genocide Convention again came before the House of Delegates of the American Bar Association. By this time, there had been considerable legal scholarship applied to the Genocide Convention, and it had become clear that there were no valid constitutional objections to the Convention. This opinion was expressed by leading constitutional scholars and by Attorneys General of the United States serving under Presidents Eisenhower, Kennedy, Johnson and Nixon. Moreover, during that period, some 75 nations had ratified the Genocide Convention, and the United States itself had entered into some 4000 international agreements, including human rights treaties.

The Genocide Convention came before the American Bar Association in 1970 as a result of a recommendation of the Section of Individual Rights and Responsibilities.

That Section's Committee on International Aspects of Individual Rights and Responsibilities had prepared a comprehensive report recommending ratification of the Convention. The Committee Chairman was Ambassador Rita E. Hauser, who was then serving as President Nixon's appointee as United States Representative to the United Nations Commission on Human Rights. Vice Chairman of the Committee was Professor Frank C. Newman, former Dean of the University of California Law School and past Chairman of the American Bar Association Section on Administrative Law. Among the members of the Committee were Francis T. P. Plimpton, past President of the Association of the Bar of New York; Morris B. Abram, past President of Brandeis University; Judge John Minor Wisdom of the United States Court of Appeals for the Fifth Circuit; John Carey, the then President of the International League for the Rights of Man; Ambassador Clyde Ferguson; Professor Richard N. Gardner of Columbia; Professor Andreas F. Lowenfeld of New York University Law School; Bruno V. Bitker of Milwaukee, Wisconsin; and other distinguished lawyers and scholars.

The Committee's Report was considered by the Council of the Section of Individual Rights and Responsibilities which adopted a Resolution recommending ratification of the Genocide Convention. This Resolution was proposed for adoption by the House of Delegates of the American Bar Association at its midyear meeting in February 1970. Members of the Council of the Section recommending ratification of the Genocide Convention included such distinguished lawyers as Whitney North Seymour, past President of the American Bar Association; Dr. Jefferson B. Fordham, then Dean of the University of Pennsylvania Law School; Louis H. Pollak, then Dean of Yale Law School; Professor Paul Freund of Harvard Law School; Judge Charles W. Joiner of Detroit; Judge Joseph Harrison of Newark; Judge Orrin G. Judd of New York; former Deputy Attorney General of the United States Warren M. Christopher of Los Angeles; William T. Coleman, Jr. of Philadelphia; Albert E. Jenner of Chicago; Cecil F. Poole of San Francisco; Carole K. Bellows of Chicago; Rufus King of New York, Samuel R. Pierce of New York; Robert C. Richardson of Atlanta; and McNeill Smith of Greensboro, North Carolina.

The recommendation of the Section of Individual Rights and Responsibilities supporting ratification of the Genocide Convention was then circulated to the various Sections and Committees of the American Bar Association which had expertise on the subject matter of the Genocide Convention.

Every such Section and Committee voted to support ratification of the Genocide Convention. These included:

The Section of International and Comparative Law of the American Bar Association;

The Section of Criminal Law of the American Bar Association;

The Section of Judicial Administration of the American Bar Association;

The Section of Family Law of the American Bar Association; and

The Standing Committee on World Order Under Law.

Some of the nation's most distinguished lawyers and experts in constitutional and international law were on the Councils of the Sections which recommended support of the Genocide Convention.

In short, it may be stated that *every American Bar Association Section and Committee having any specialized knowledge, interest or expertise on this subject supported ratification of the Genocide Convention.*

At the mid-year meeting of the House of Delegates of the American Bar Association, the Convention was debated before the House. Among the leaders of the ABA who publicly supported ratification of the Genocide Convention were the following:

Bernard G. Segal, then President of the ABA.

William D. Gossett, then immediate past President of the ABA.

Charles S. Rhyne, past President of the ABA.

Whitney North Seymour, past President of the ABA.

Robert G. Storey, past President of the ABA.

Lawrence E. Walsh, then Chairman of the ABA Standing Committee on the Federal Judiciary.

William P. Rogers then Secretary of State of the United States.

Erwin N. Griswold, then Solicitor General of the United States.

Robert W. Meserve, now the immediate past President of the ABA.

Chesterfield Smith, then a delegate from Florida, and now President of the ABA.

The opposition was led largely by some older, influential members of the ABA who had opposed support of the Genocide Convention in 1949.

The endorsement of the Convention failed by the narrow margin of 130 to 126. I was advised by Bernard G. Segal, then President of the ABA, that a number of the delegates favorable to the Convention had left before the vote, believing that the Convention would be endorsed. Be that as it may, it was clear from the debate that the American Bar Association no longer had any decisive or overwhelming constitutional objection to ratification (see CONGRESSIONAL RECORD, vol. 116, pt. 14, p. 19111).

Although the vote recommending endorsement of the Convention failed by four votes, no one proposed the negative, that is, no one proposed that the ABA oppose ratification. In the absence of such an opposing Resolution, no one was authorized by the House of Delegates to testify on behalf of the ABA and to express either support or opposition to the Genocide Convention.

In 1970, two members of the ABA, Mr. Eberhard P. Deutsch and Mr. Alfred J. Schweppe, both of whom had been opposed to the Convention, testified against the Convention before the Senate Foreign Relations Committee, and their arguments were rejected by the Senate Foreign Relations Committee as being of "no substantial merit." My understanding is that they did not represent the House of Delegates of the ABA, which has never authorized them to appear on behalf of the ABA. The only *official* positions that could be given to the Senate Committee with respect to the ABA were the recommendations of the various Sections and Committees of the ABA and the vote of the House of Delegates which I have set forth.

In summary, I think it fair to say that although the House of Delegates of the ABA, which is not an expert body on the subject of the Genocide Convention, failed to recommend ratification by the narrow margin of four votes, every American Bar Association Section or Committee which does have specialized knowledge, interest or expertise on this subject—including the Section of Individual Rights and Responsibilities, the Section of International and Comparative Law, the Section of Criminal Law, the Section of Judicial Administration, the Section of Family Law, and the ABA Standing Committee on World Order Under Law—have all supported ratification of the Genocide Convention.

With warm personal regards,
Sincerely yours,
JEROME J. SHESTACK.

OUTBREAK OF HOSTILITIES IN THE MIDDLE EAST

Mr. BAYH. Mr. President, as I speak Israel is fighting valiantly to defend herself against the attack of two of her neighbors, Syria and Egypt.

I am confident that Israel will succeed in repelling this iniquitous attack, although not without enormous cost.

Neutral United Nations observers have reported that hostilities were opened by the two Arab nations. What motivated this surprise attack on Yom Kippur remains unclear. It may be that Egyptians saw a military thrust across the Suez Canal and in the Golan Heights as an effective means of improving the Arab negotiating position in the Middle East. It may be that internal political pressures dictated to President Sadat the initiation of military action against Israel. It may be that the Arab leaders viewed renewed military action as a means to draw the United States and the Soviet Union into a more direct role leading to a dictated settlement. I do not know the motivation for the attack. But I do know that the uneasy peace in that tortured part of the world has been shattered and that the task of achieving a lasting peace through negotiation has been severely retarded rather than advanced by the events of the past few days.

I believe the course of the United States at this time should be one of extreme caution. There does not appear to be any likelihood of a direct confrontation between the United States and the Soviet Union.

While we deplore this latest renewal of fighting and the human tragedy it brings, we must recognize that any attempt to impose a ceasefire or a settlement now would be both futile and unwise. When this latest spasm of war has passed we may be able to assist in the construction of a lasting peace. Let us pray that it will pass quickly and that having seen the futility of a military settlement, those who seek such a resolution will be ready at least to reach a just accommodation which will lead to the lasting peace that only a negotiated settlement between the parties involved can bring.

AEC ACCUSES NUCLEAR POWER INDUSTRY OF POOR QUALITY CONTROL

Mr. GRAVEL. Mr. President, the prevention of nuclear power catastrophes and gradual nuclear pollution both depend on near-perfection in the people who design, manufacture, construct, operate, and maintain nuclear powerplants, and who transport, process, and store their radioactive poisons.

In addition, it depends on all elements of the nuclear power industry constantly rejecting the temptation to cut safety corners in pursuit of bigger profits.

Since our own safety is becoming so closely tied to the attitude and performance of everyone in the nuclear power industry, people should be terrified to learn that the industry is scoffing at many AEC safety regulations.

In July 1973, the AEC's Division of Regulation accused the industry of giving primarily lip-service to quality control.

Mr. President, I ask unanimous consent that the article "AEC's Big Crackdown of Nuclear Plants" from the July 21, 1973, San Francisco Chronicle be printed at the end of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

NOT A TEMPORARY PROBLEM

Mr. GRAVEL. Mr. President, the July news is all the more disturbing because it is a repetition of the same accusation we heard from the AEC in early 1970 and every year subsequently.

On March 11, 1970, the AEC's Director of Reactor Technology and Development told the Joint Committee on Atomic Energy:

> There continues to be increasing recognition throughout the nuclear power industry of the urgent needs for development and adoption of engineering standards and other disciplined quality assurance practices . . . In spite of progress, the actions and accomplishments fall far short of what is needed . . . In some places the progress has been unsatisfactory and in others not sufficiently uniform to insure the necessary results.

A year and a half later, we heard the same accusation when AEC Chairman James Schlesinger addressed the Atomic Industrial Forum on October 20, 1971. After referring to the importance of piping of the highest quality, pumps which work, values which operate reliably, and welding which has been done in accordance with specifications, Schlesinger said that the industry has "reason to blush regarding some of these aspects of quality assurance." He warned the industry not to be surprised "if the Commission lays stress on disciplined engineering and on quality assurance."

Almost 2 years after Schlesinger announced his crackdown, the Director of Regulation has to announce another crackdown, because in mid-1973, "We continue to see too many examples of a gap between verbal commitment and the implemented programs."

THE RECORD FOR NUCLEAR SUBMARINES

In a reference to quality assurance in the civilian nuclear power program, Adm. Hyman Rickover warned the Joint Committee in March 1970 as follows:

> There is need for the utmost care in design, manufacture, installation, and operation of complex systems and equipment inherent in this technology. No carelessness can be tolerated anywhere in the entire chain or the results may prove disastrous. Unfortunately, there are many who are not aware of the necessity of this approach.

Rickover, who is "the father of the nuclear submarine," has been able to attend to quality control in his own naval program without regard for profits. Nevertheless, his success-rate is not at all reassuring if applied to the civilian nuclear program. Two of his 125 nuclear submarines failed completely, for classified reasons, and have lain at the bottom of the ocean since 1963 and 1968 respectively. In 1969, one sank at dockside during construction. And in 1972, one collided with a freighter off the coast of Carolina.

In August 1973, we discover from Rear Adm. Levering Smith that 58 percent of the Poseidon missiles on nuclear submarines have failed their operational tests, and that "essentially all of the missiles" will have to be recalled and disassembled to find the trouble.

Exhibit 1 follows:

EXHIBIT 1

[From the San Francisco Chronicle, July 21, 1973]

AEC's BIG CRACKDOWN ON NUCLEAR PLANTS

(By David Perlman)

Top officials of the Atomic Energy Commission accused the nation's utility companies and reactor builders yesterday of failing to control defective designs and substandard parts for nuclear power plants.

Because the companies have proved so laggard in up-grading their own quality controls, the AEC officials said, the Federal agency is now going to crack down hard:

Utilities for the first time will have to prove they are enforcing realistic, tough quality assurance programs every step of the way before the AEC will even start looking at applications for permits to build new nuclear plants.

AEC inspectors will follow the process step by step more rigorously than ever—examining designs and plans and every construction stage at reactor sites and in the shops of contractors and parts suppliers.

This warning was brought here yesterday by the AEC's director of regulation, L. Manning Muntzing, in a day long, no-nonsense conference with nuclear power executives from eight western states.

The conference cast the AEC in a role far different from past years, when its policies were aimed more at all-out promotion of nuclear development than all-out regulation of nuclear industry.

PLANTS

The public has always assumed that if anything in America is tightly regulated, it must be the design of nuclear power plants—where every element can be critical in assuring the safety of thousands.

But Muntzing's warning made it clear he feels regulation hasn't been nearly hard-nosed enough. It's true that no one has ever been killed in a commercial power reactor, but Muntzing noted yesterday that time after time AEC inspectors have uncovered serious flaws in reactor designs and components.

A year ago, he said, he met with the presidents of the nation's major utility companies and they all pledged a serious new effort at implementing quality assurance programs.

The effort never happened, Muntzing charged.

PROGRAMS

Top management failed to get involved. Quality programs still lag. "We continue to see too many examples of a gap between verbal commitment and the implemented programs," Muntzing told the industry leaders yesterday.

Robert H. Engelken, who directs AEC regulatory activities on the West Coast, read a long and alarming bill of particulars about recent faults in reactor design, and named the companies involved during an interview outside the conference.

He said, for example, that Pacific Gas and Electric Co. recently discovered inadequacies in its own design of the intake system for ocean cooling water at its Diablo Canyon nuclear reactor. The system could not have coped adequately with heavy tidal surges during tsunamis, Engelken said.

CONCRETE

A PG&E spokesman confirmed this instance, and said the intake structure was later reinforced with extra concrete to toughen it.

At San Onofre, near President Nixon's Western White House, Southern California, Edison Co. recently failed to meet 11 out of 19 AEC criteria for quality assurance, Engelken said.

At a Nebraska reactor, he recalled, trays designed to hold electrical cables failed to meet earthquake safety standards, while a sensing system designed to shut down the reactor in case of danger turned out to be connected to the wrong activating devices.

These "mistakes and failures," Engelken said, are directly attributable to lack of aggressive quality control policies by top management, and so the AEC's own inspectors are going to start their own examination of designs and reactor components much earlier than they have in the past.

AEC

Engelken is a veteran of more than 25 years with the AEC, and he said yesterday that the agency's new get-tough attitude toward the atomic energy industry marks a "dramatic change" in policy.

Muntzing, who has held his job for only a year and a half, enunciated this policy yesterday. The nuclear industry, he said, will no longer be permitted to work under a "fix-it-if-it-is-wrong" philosophy.

"Make certain that it is right in the first place," he ordered the utility executives.

COST OF LIVING COUNCIL GUIDELINES MADE PUBLIC

Mr. MATHIAS. Mr. President, I am today glad to advise the Senate of the release of the internal guidelines that are used by the Cost of Living Council to administer the wage-price program. These guidelines are in the form of an instructional manual issued for the Internal Revenue Service, which controls and guides the Internal Revenue Service in making decisions in individual cases of wage-price control.

Mr. President, I am making these guidelines available in connection with the hearings which will be held by the Subcommittee on Separation of Powers of the Committee on the Judiciary, hearings which will be convened next Tuesday and Wednesday, October 9 and 10. The guidelines will be printed and discussed in the record of these hearings.

The purpose of these hearings is to look into the procedures which are employed by the Cost of Living Council in implementing the Economic Stabilization Act, and in looking into those procedures with a view to ascertaining their adequacy, with a view to ascertaining whether they are reasonably accessible to ordinary citizens, whether they be consumers or whether they be sellers or manufacturers.

The release of this previously unavailable information upon which decisions of the Cost of Living Council are based is an important first step in opening up the whole wage-price program.

The action which the Senate took last week in dealing with the continuing resolution for the Departments of Labor and HEW and in amending that resolution to deal with the specific problems of the petroleum industry I think were illustrative of the fact that Congress does have a continuing interest and a continuing responsibility in this area. That is only one of many instances.

So I am very pleased that the Cost of Living Council has agreed to the release of this material for the first time, but I think that the general guidelines that are now offered for the record point up the need for an even greater clarification of the way in which the Cost of Living Council attempts to carry out the very broad mandate which has been given to it by the Congress.

The ability of individuals and of corporations to know both the nature and the extent of their obligations under the law and to effectively state their case and to have a feeling that the equities which they assert are being recognized is of paramount importance, because I think it seems clear that no program will long retain or long deserve popular support if its decisions are not arrived at by a process which appears to be open, fair, consistent, thorough, rational, enforcible, and above all necessary.

It is difficult to say exactly what the hearings will disclose with respect to wage-price procedures. I think it is possible that the manual which is being released today does not constitute the total body of internal standards and guidelines which are in use by the council or by the Internal Revenue Service as an agent of the council. I am hopeful, however, that all additional material of this nature will be made available, so that the public, those who have specific cases and those in the professions who attempt to advise the public of its rights, either as consumer, seller, or manufacturer, will be able to know with some certainty what the rules of the game are, so that many of the questions which ar just not answered today and which seem to be unanswerable can be answered. I believe this is a step in that direction.

SUCCESS FOR SENATOR EAGLETON

Mr. HUGHES. Mr. President, one of the few successful efforts to reduce the defense budget this year was the amendment by the distinguished Senator from Missouri (Mr. EAGLETON) on the airborne warning and control system (AWACS).

Through his diligent efforts and timely pragmatism, Senator EAGLETON obtained approval of legislation to require the Pentagon to submit all the facts on AWACS so that the General Accounting Office and utlimately the Congress can make a sound and considered judgment on this program.

The New Republic recently described these efforts and rightly described them as "a step toward firmer civilian control of the military." I ask unanimous consent that this article, "Practical Politics," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRACTICAL POLITICS

Congressional debate on the $20.4 billion military research and procurement bill began on September 20. Some 30 written amendments have already been introduced and more are anticipated. Eager for an October recess, the Democratic leadership is unnerved by the prospect of lengthy deliberation. Throughout the debate Majority Whip Robert Byrd (D, W. Va.) has been restlessly pacing the aisles, conferring on the floor and in the cloakroom with amendment sponsors and securing "unanimous-consent resolutions" to limit discussion on each amendment.

Badly outnumbered in past efforts to cut big chunks out of the military budget, Senate pruners have been more practical this year. Although it has meant narrowing their targets, the effect has been to attract support from the Senate's large, more or less bipartisan center. With the Vietnam war behind it the Senate has gradually become less polarized, more willing to seek compromise. While the results so far have not been spectacular, this tendency toward accommodation has occasionally wreaked havoc on the Pentagon's strategy of divide and conquer.

No one better exemplifies the practical approach than Senator Thomas Eagleton (D, Mo.). Although he is not a member of the Armed Services Committee, Eagleton has developed an interest in military affairs and in recent years has zeroed in on several of the Pentagon's ill-begotten weapons and been the principal cause of their demise. The army's Cheyenne attack helicopter and main battle tank are two casualties to his credit. This year Eagleton focused his attention on an air force boondoggle: the $2.6 billion airborne warning and control system.

AWACS is a classic case of a weapon in search of a mission. Originally conceived as an airborne defense against low-flying Soviet bombers, events have since compelled serious rethinking. The Soviet Union has about 140 long-range bombers and shows no sign of expanding its fleet; thus the so-called "threat" against which AWACS would defend is small and shrinking. Moreover, the anti-ballistic missile treaty signed by the United States and the Soviet Union last year leaves each nation defenseless to the other's missiles. "If we are willing to limit anti-missile defense to two sites," reasons Eagleton, "then we would be equally justified in remaining open to the less likely threat of a bomber attack."

Prodded by Eagleton's challenge the Pentagon has switched signals. "This week the Secretary of Defense decided that AWACS would no longer be a part of the Air Defense Command," said Eagleton on September 22. "It would instead be assigned to the General Purpose Forces Command. It was a cryptic decision, apparently the result of a fundamental policy change." In other words the air force is now scratching hard for a new rationalization for AWACS but has yet to find one. Most likely the service will try to sell AWACS to Congress as a flying tactical command post similar to those that directed air attacks against Laos and North Vietnam.

The proximate cause of the Pentagon's apparent change of mind was an Eagleton amendment that would have drastically reduced research and procurement funds for AWACS. In preparation for the battle eight defense contractors with AWACS contracts took out a 17-page advertisement in Aviation Week & Space Technology, an aerospace journal, to bolster public support for AWACS in the military-industrial community; the air force responded by mobilizing its allies on Capitol Hill. When it became evident he did not have enough votes to take a big bite out of AWACS, Eagleton modified his amendment so it held up the $12 million in production money but retained $156 million for research. Before production can be authorized the air force must submit all data on AWACS to the comptroller general for an independent assessment. (The service has apparently withheld much information from Congress.) If the comptroller general certifies that he was denied "data sufficient to enable him to make an adequate review," no production funds would be allowed for AWACS. If on the other hand the data are supplied and a General Accounting Office study is made, the air force would still have to get special legislation in 1974 before production money can be authorized. Although the air force chief of staff first told Eagleton the service would oppose him, the air force reluctantly backed down in the face of growing support for the amendment and did not oppose it. When Eagleton took his amendment to the floor it was passed 20 minutes later by voice vote.

While the amount at stake was small, the principle at issue was not. The Constitution empowers Congress "to raise and support armies" and "to provide and maintain a navy." Since World War II Presidents have so encroached upon this congressional prerogative that the Pentagon has arrogated to itself the right to determine what information Congress may or may not have. The Eagleton amendment reasserts the legislatures' constitutional authority over the military by compelling it to supply an agency of Congress, the General Accounting Office, with *all* data on AWACS. That may seem like a modest accomplishment, but it is a step toward firmer civilian control of the military.

NEBRASKA AMERICAN REVOLUTION BICENTENNIAL COMMISSION

Mr. HUGH SCOTT. Mr. President, as one of the Senators from Pennsylvania, the Keystone State, I have a special interest in the celebration of the Nation's Bicentennial in 1976. From my seat on the Judiciary Committee, I have been fortunate to observe the efforts of Senator ROMAN HRUSKA, chairman of the Subcommittee on Federal Charters, Holidays, and Celebrations, which is responsible for the legislation for the Bicentennial.

It has come to my attention that Senator HRUSKA recently prepared an address for the Nebraska Bicentennial Commission and County Bicentennial Chairmen. Because of our labors on the Senate floor last Friday, Senator HRUSKA was unable to keep the speaking engagement. However, my colleague considered the subject of such importance, that it was delivered for him in its entirety by Mr. Don Searcy, the executive director of the Nebraska Bicentennial Commission.

The address deserves to be brought to the attention of every Member of this body. While Senator HRUSKA necessarily singles out bicentennial preparations in Nebraska and the surrounding Midwest area, he also injects a basic spirit and theme which I believe is highly important to the Nation's preparations for 1976. As other Members of Congress are called to comment on Bicentennial preparation in their respective States they may find inspiration in our colleague's words.

I believe this speech deserves the attention of every Member of this body, so I ask unanimous consent to have Senator HRUSKA's speech printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF SENATOR HRUSKA

It is good to be here to share your concerns as we prepare to celebrate the 200th anniversary of the birth of our great nation.

My bicentennial labors have been mainly in Washington as chairman of the Senate subcommittee responsible for the legislation which established the American revolution bicentennial commission. You have been generally aware of the Washington developments, and I have been keeping track of your work.

This is a good time to start bringing our separate efforts closer together. With slightly more than two years to go, bicentennial preparations are beginning to enjoy the priority they deserve. In the months ahead let us forge a working partnership which will make Nebraska a model of how the nation can express what this great land is and will become.

We have a strong Nebraska state bicentennial commission. You have enjoyed good leadership. Wayne Ziebarth did a fine job as the first chairman in launching the state's preparation. Howard Stalnaker, your current chairman, brings great energies and exceptional communications talents to the work ahead.

It is fitting that leaders from both the western and eastern sides of the state have occupied the chairmanship. In executive director Don Searcy and assistant director Eleanor Crosier you have capable and imaginative day to day direction. The presence tonight of so many county chairmen is a good sign. The whole bicentennial effort relies on strong grass roots participation and support.

After today's sessions you should have no doubt that we face a hard job. It is comparatively easy in public business to agree on how to dam rivers and develop reclamation districts, or to decide where to put roads and airports. Unlike most public ventures, however, the bicentennial doesn't deal with problems to be solved and a few specific interests to be satisfied. In preparing for the bicentennial we must come to grips with who we are, where we came from, and the kind of future we seek. All of our memories, concerns and hopes are on the table. We must be honest with ourselves about what we think is important. It would be folly to expect unanimous agreement.

I am reminded of the work of political party platform committees. Many of you in this room probably have had a try at platform drafting. Recall how hard it is for a major political party to agree within itself on goals and values for just long enough to nominate and run a candidate. Then you can appreciate better how hard it is, with two years to go, to establish clear communications and get agreements on 1976 themes and projects among the national bicentennial commission, the 50 state commissions, and their county and local counterparts.

Congress has followed a rather winding path in legislating for bicentennial preparations. For several years, some have searched for goals and organizations which would efficiently produce a national program of activities capturing the essence of 200 years of the American experience. This effort has not succeeded. I don't think it can. Many who have advocated a tidy national program are beginning to discover what they should have perceived at the start: our unity as a nation lies very much in our thirst for and generous tolerance of diversity.

America means many different things. What each person considers important on the 200th anniversary of the republic will depend very much on:

Where his ancestors came from.
Where his family has settled.
Where and how he was educated.
His work.
His religion.
His favored forms of recreation.
And his hopes for himself and his children.

This does not mean that we lack a sense of common history and destiny. Only that we have and respect a lot of uncommon experiences and values too.

Perhaps the real lesson of the bicentennial will be that *E Pluribus Unum*—out of many one—is not a hollow motto, but the essential quality of the American people.

I am confident that you will soon see in national bicentennial preparations increasing attention to those dimensions of our national past and future which are valued by most Americans, wherever they live. At the same time, each of the States is clearly on the way to a consensus about where to place *its* bicentennial emphasis. And, I am encouraged to see that Nebraska is participating in regional bicentennial planning.

This is not an especially tidy process. Serious public business in America rarely is. Many views must be heard, weighed and reconciled. This is true for the Nation as a whole, and especially for the often beleaguered American Revolution Bicentennial Commission. It is true here in Nebraska as you patiently listen to proposals for State bicentennial projects.

As many of you know, the Senate should soon act on the bill to restructure the American Revolution Bicentennial Commission. The House, much to its credit, passed a bill last June after public hearings and extensive deliberations. The House bill is receiving careful Senate scrutiny. Under its provisions an American Revolution Bicentennial Administration would replace the current commission. The key point here is the shift in status up from a commission to a *"line-agency"* bicentennial administration. Perhaps, Nebraska may some day want to consider a similar organizational change. In any case, the congressional aim is to provide both for more authority and for greater directness in its exercise to meet Federal bicentennial responsibilities.

Some thorny bicentennial legislation issues must be resolved in the Senate in the weeks ahead. Particularly crucial is defining the relationship which should exist between the administrator of the proposed bicentennial administration and the 11-member policymaking board. One view, which I favor, would have the bicentennial administrator also serve as board chairman. Others would prefer to keep these roles separate.

As a close observer of the difficulties experienced so far in bringing bicentennial policy-making and executive decision-making together, I think that combining the two roles is essential as we approach 1976.

Another key Senate issue is whether the annual planning grants of $45,000 for each state should continue. In my judgment, the use of appropriated funds for this purpose will aid state bicentennial planning.

The new bicentennial administration would continue the commission's efforts to provide useful planning guidance to state and local bicentennial groups. In the national bicentennial information network, or BINET, you will soon have access to information projects being planned throughout the Nation.

You have an immediate interest, of course, in the prospects for Federal grants to bicentennial projects in Nebraska and the midlands.

First, there appears to be general agreement in the Congress that sales of commemorative items, particularly medals, by the proposed bicentennial administration should be a major source of grant-in-aid funds to the states. Current estimates of revenues available from commemorative sales range from $3½ million to $4 million annually.

Second, there appears to be general congressional agreement that the national bicentennial administration should not dispense large amounts of appropriated funds. A major exception would be the funds which may be appropriated for the $45,000 state planning grants I mentioned earlier. On the other hand, the bicentennial administration would attempt to coordinate the funding of bicentennial projects by the permanent Federal agencies. Your new bicentennial regional office in Kansas City should play an important role here.

A number of Federal agencies are requesting appropriations for bicentennial projects and services. Of particular interest at this time are the requests of the National Park Service and the National Endowments for the Arts and Humanities. As a member of the Senate Interior Appropriations Subcommittee, I have participated in reviewing these requests.

The Park Service expects a major influx of visitors into the National Parks, recreation areas and historic sites under its jurisdiction. The agency obviously will need extra help. Also, the bicentennial has stimulated some speeding up of National Park Service projects already under construction or on the drawing boards.

You would be wise to keep in close touch with the National Park Service regional office in Omaha and the Bureau of Outdoor Recreation Regional Office in Denver. Don't think only of Nebraskans. Think also of the many visitors who will be traveling through our state enroute to the Great National Parks and historic sites to the West.

The National Endowment for the Arts promises to be an important source of support for high quality bicentennial artistic and cultural projects. Several million dollars for bicentennial activities have been appropriated to the endowment for the current fiscal year. Furthermore, the endowment has stimulated opera companies, symphonies and museums around the nation to highlight bicentennial themes. Special support will be available for touring to small communities by professional non-profit theater and dance companies. These efforts aim not just at 1976 but well beyond.

Our own University of Nebraska president, President Varner, has played a key role in bringing the resources of the national endowment to the service of Nebraska and its communities. He envisions programs involving the entire midlands, but he has wisely stressed intensive preparations in his own state as a base to build upon. The way is clear for the Nebraska Bicentennial Commission to work in close cooperation with the Nebraska Arts Council and the many fine organizations linked to it in Nebraska and the midlands.

You should not hesitate to approach the endowment for the arts for possible support of significant artistic and cultural bicentennial projects. But expect to find firmly maintained high standards. You will find, also, that the Congress is pledged to keep them high.

So much for the national picture. Let me speak now more as a fellow Nebraskan than a U.S. Senator.

You are familiar with the three bicentennial themes of "Heritage," "Festival" and "Horizons." My remarks will center mainly on "Heritage" and "Horizon." First, though, I want to make a plea for careful attention to the "Festival" theme.

Two hundred years of continuous self-government is no mean feat. America is truly number one in that game on the broad field of human history. We should pause and take genuine pride and happiness in commemorating the event.

These are times of both great troubles and great accomplishments in our national life. Perhaps this is just the normal condition of American society. Too often, however, we let pre-occupation with our troubles suppress the youthful buoyancy and optimism, the joy in simple pleasures, which older but less stable nations have envied or admired.

Let us keep in mind as we develop the "festival" theme that about half of our national population in 1976 will be 25 years old or younger. We do have a good many senior citizens in Nebraska, and I am scarcely suggesting a Woodstock on the plains. But many older Nebraskans have children and grandchildren scattered throughout the 50 States. Let us try to draw them back to visit Nebraska during the bicentennial. One way to attract them is to offer lots of good clean fun.

Your plans for a statewide ethnic festival point in this direction and also blend well with the "heritage" theme. Each ethnic group which has taken root in this land, beginning with the plains Indians, has a tradition of hard work and hard play. We need to keep alive that sense of play. Perhaps we can transmit to the new generations the old awareness that the best fun is what people generate among themselves and not what is packaged in New York or California for passive viewing.

You should push ahead quickly on plans and commitments for the ethnic festival. The peoples who settled Nebraska also populated other areas around the nation. Many Nebraskans of scandinavian descent are likely to be attracted to bicentennial events in Wisconsin and Minnesota. The Czechs and Slovaks may have bicentennial programs in Chicago and other great lakes cities. The Germans, Irish, Polish, Italian and other national and ethnic communities also are widely distributed throughout the Midwest and Plains States. Our Nebraska Indians are likely to be in strong demand for many events in the West and elsewhere.

The National and Regional Offices of the National Bicentennial Commission should be of considerable help in coordinating ethnic festival schedules.

Your plans for the "heritage" theme show real promise. The lives and works of Willa Cather, John Neihardt, and Mari Sandoz are important to the Nation as well as to Nebraska.

The 1876 farm at the Stuhr Museum in Grand Island captures and preserves the flavor of a decisive period in American Agricultural History.

I am aware, too, of the many efforts around the State to restore and open to visitors, buildings representative of early life in Nebraska.

What seems missing, though, in the "heritage" theme are some dimensions which Nebraska cannot fill alone. We can exercise some leadership and contribute our share in the region, perhaps. The National Bicentennial commission should be able to help. Let me suggest some specifics:

The eras of western exploration and early settlement link us to the period of Spanish and French colonization and to the adventures of the early trappers and traders. It would seem appropriate for the Louisiana purchase states to cooperate in highlighting the history, restorations and monuments which relate the great adventures in these parts during the 17th, 18th and early 19th centuries. There have been stirrings in this direction. I hope we can see real movement.

Another dimension which spills well beyond Nebraska's borders is the course of early westward migration. Nebraska was then a land to be passed through—and quickly at that. The old trails are well marked. Many communities still emphasize their ties to this truly heroic area. It would help greatly, I think, if the States along the main westward trails cooperated in giving visibility and perspective to that period. For example, tourists should be able to obtain a consistent rendition of the history and impact of the Oregon Trail as their travels bring them in and out of its vicinity.

A similar point can be made about the various national and ethnic groups who later populated Nebraska and the other Plains States. Most of our people who came during the homesteading and early railroad days were part of a continuous flow from Europe in a few eastern seaboard cities. From there they fanned out westward and settled along the canals, rivers, roads and later the railroads. Nebraska was only one of many settlement choices available. Where you settled depended on the year you landed, where you stopped, the season of the year, the state of the crops, the land offered and accessible, the number of people in your family or party and the opportunities for work. We should reaffirm to ourselves and to our bicentennial visitors those common bonds from the great immigration period that we share with many of our neighbors to the east and west. We need to keep alive an awareness that many of us are the descendants of often desperate peoples who did not seek specifically Illinois or Iowa or Nebraska or points west, but simply land, work and freedom in the heartland of America.

I would not suggest an undue stress upon "heritage" much less any indulgence in nostalgia. Opening up the west was hard, dangerous and sometimes brutal. There are facets of our history that no man would want to see repeated. But there is much more in terms of perseverance and fortitude, reliance upon family and neighbor, religious conviction and solid patriotism, to be affirmed and passed on to the new generations.

The "horizon" theme offers many opportunities for a forward-looking affirmation. I share your chairman's conviction that anticipating Nebraska's future should enjoy the highest priority in our bicentennial planning. We cannot sit back and assume that a vision of the future will be handed to us.

The next 100 years certainly should demand less physical hardship and less struggling with the elements than the past century. But the minds and hearts of Nebraskans will be severely challenged.

Three great trends are converging in our region. Our people and our land are engaged in new processes of physical, social and economic transformation which should be no less sweeping in their impact than the great decades of settlement.

First, Nebraska—long symbolic of rural life—is becoming urban. This fact is clear in the census data and in the vision of anyone who visits the towns along the interstate. Fortunately, we are not becoming urban in the fashion of the eastern and western seaboards, or the regions along the great lakes. Still, within two decades, more than half of all Nebraskans will be living in cities of over 25,000 population. The challenge is there to sustain in these towns and cities and our two metropolitan areas such long cherished rural values as self-reliance, respect for your neighbor's privacy, love of open space, and concern for family life. This will not happen unless we have citizens who are alert to where the tides of history are carrying us, who are willing to cooperate in building a decent future, and who understand the need for many new skills which must come into play—city planning, transportation system building, public administration and economic development, to name a few.

In my home city of Omaha and in the surrounding communities, we have launched a riverfront development program in close cooperation with our Iowa neighbors. All of the governments in the area, the chambers of commerce, the major business firms, and citizens from all walks of life, are engaged in exploring the social, economic and cultural possibilities for the area many years into the future.

Our Nebraska towns and cities have a variety of development schemes in progress. Many of our county governments have joined together in new cooperative ventures to meet changing conditions in the State.

More Nebraskans than you would expect are wrapped up in building the future of their communities. Their dreams and plans should be given high visibility during the bicentennial. Many of these new developments should greatly interest outside visitors. In any case, we must not lose the opportunity to extend to our own people a vision of community life in Nebraska's future.

The Nebraska Community Improvement program spearheaded jointly by the State Department of Economic Development and the General Extension Division of the University of Nebraska has done much to stimulate fresh approaches to community development and renewal. Perhaps this excellent program could tie in with the bicentennial themes as we approach 1976.

A most imaginative step in this direction is the proposal to create outdoor sculpture projects at the rest stops along Interstate 80 with the artists involved sharing in the life of nearby communities. This proposal should be called to the attention of all 50 States. It responds to the recognized need to balance the openness of natural beauty in the Interstate system with exposure to artistic expression. For the surrounding communities it means coming to accept art and the artist as integral with daily living and not as luxuries to be experienced in brief escapes from the demands of physical and economic survival.

Our forebears had to exercise a great deal of imagination to fuel their hopes that someday the plains would be rich with the signs of civilization. The sculpture and artist in residence proposal reflects and reinforces that imaginative spirit. I commend those who conceived it.

In addition to urbanizing, another great stirring in Nebraska and the Plains is taking place, as we all know, in agriculture. How strange it is that Nebraska should be experiencing both urban and agricultural growth at the same time.

The underlying forces of change have been working for generations in rural America and in the many nations who again are looking to us as the world's breadbasket. The term "agricultural industry" has not always been popular with us. It has tended to convey values contrary to the traditional family farm.

We have indeed been undergoing several generations of difficult social and economic transition in agriculture. I think we have now reached the stage where we can take more balanced views. Strong demand for farm products and high prices certainly help.

The suddenness of this prosperity, and of the new hopes for a vigorous agricultural future in both domestic and international markets, leave us little time to prepare for bicentennial expressions. Agriculture, after serving for many years as a perennial problem and whipping boy for social planners and economists, is suddenly restored to its historic role as a dominant American industry and a bulwark of our foreign trade.

For many years agricultural exports have been a distant second to machinery exports. Now agriculture is quickly catching up. In the 1973 fiscal year, agricultural exports were valued at $12.9 billion. This is within less than $2 billion of machinery exports. Agriculture has a good chance of soon closing the gap and ranking first. A good many Americans should have more than a casual interest in learning about agriculture and its future during the bicentennial. We have a lot to show them in Nebraska and our neighbor States.

Close cooperation among the agricultural States is clearly in order as we approach the bicentennial. That you are already cooperating with other midwestern States to highlight the future of agriculture is good news indeed. If enough sound grass roots planning takes hold, we may be able to give a boost from the national level to interstate efforts. Such an opportunity would strongly appeal, I believe, to congressional delegations from the farm States.

The third great trend we can discern in our future is warp and woof with urban and agricultural growth. The Nation is on the verge of vast extractions of coal and gas reserves in Wyoming, Montana and South Dakota. For Nebraska this means an abundance of new energy sources and opportunities, perhaps, for chemical processing industries. At the very least we lie astride main transportation routes to and from the coal fields. Implicit in these natural resource developments are complex region-wide problems of land-use, conservation, reclamation and environmental protection. These problems will impact on the already difficult environmental protection issues we are grappling with in agriculture.

Some of your preliminary planning reflects these concerns. The National Bicentennial Commission recently approved matching funds for the Climatological Atlas to be published by the University of Nebraska. The "Trees for Nebraska" project will carry into the future Nebraska's traditional devotion to tree cultivation and preservation. Conservation and environmental projects also prevent opportunities to cooperate with neighboring States, and I urge you to seize them.

There are many other worthy projects which the State commission has under consideration. But I think you have the drift of my feelings about the bicentennial and Nebraska's role.

May I direct a few words to the vital role of the county chairmen. Much of the planning and publicity about Nebraska's bicentennial celebration will necessarily center on Lincoln, Kansas City and Washington. But, you county chairmen stand where the real bicentennial action will happen. Unless we can take all of the bicentennial proposals and plans out of the air and get many people engaged at the local level in making the best ones real, we will have achieved nothing but an exercise in advertising. I cannot think of a sadder commentary on our propensity for often confusing the illusory with the real. The burden of making the bicentennial real falls squarely on you. You have the best sense of what should interest your own people and the visitors to your area.

Don't sit back and wait for the State and national commission to map out a work program. Advance your own proposals and take the initiative in stimulating bicentennial interest in your own areas. Don't hesitate to criticize national and State proposals or decisions which go against the best judgment of you and your neighbors. On the other hand, if you see good features in State and national proposals, speak up. Anything less than two-way candor would be inconsistent with our healthy tradition of local government.

Do try to view the bicentennial as more than just a one-shot affair in 1976. It is indeed a good occasion to complete much unfinished business of preserving our heritage. That is important. Looking to the future, however, we have a chance to stimulate in a year of heightened national concern a strong awareness of the great opportunities ahead for Nebraska and the Nation. Such an awareness should really help us to focus our energies when we start the third century of this great experiment.

Finally, let's not take ourselves too seriously. We are very lucky people. First, we are Americans, then we are Nebraskans, and finally we have a role in planning the celebration of 200 years of great trials and adventures on this continent. Look down the roster of names present and reflect on the providence which brought us together and on the many sacrifices of those who made it possible.

Like many of you, I am the son of an immigrant. My father came to America as a babe in arms exactly 100 years after the signing of the Declaration of Independence. My family has gained much from this land. We have tried to give much back. I am mighty proud to have come, almost by accident as it were, into the position of helping to guide the U.S. Senate's response to the bicentennial celebration. I hope that you feel the same good fortune and pride in your selection.

Let us all rejoice that we live in a land where we truly want to celebrate our Nation's past and future.

THE ARAB ATTACK ON ISRAEL

Mr. RIBICOFF. Mr. President, the world is again witnessing a great tragedy. Instead of choosing the path of negotiation and peace, the Arab States have chosen war and destruction.

Revulsion against the violence initiated by Egypt and Syria goes along with the shock and anger felt by so many Americans at the treacherous Arab attack on Israel on the holiest day of the Jewish year. Surely for many Americans it has brought back memories of Pearl Harbor. But there is one great difference here. Israel refrained from seizing the advantage by attacking when it knew for certain that there would be massive crossings of the cease-fire lines by both Egypt and Syria. It did so—and not without cost—so that there would not be a shred of doubt as to who began this war.

Israel's restraint also demonstrated that with the 1967 cease-fire lines as its borders, Israel had the flexibility of exhausting all possible means to avert these hostilities before being attacked. The Arabs, by their recklessness, and the Israelis by their restraint, have provided the strongest support to Israel's arguments for secure and defensible borders.

The combined assault by hundreds of thousands of men, thousands of tanks and hundreds of aircraft on two fronts was a carefully planned and premeditated breach of the U.S.-initiated cease-fire of 1970.

The ferocity of this attack is not only a severe blow to the hope of peace, but clearly shows that the Arabs are not yet interested in a peaceful settlement of their differences with Israel.

Now that Israel has contained the Arab blows, the United States must insist that Arab aggression is not rewarded by actions in the United Nations or elsewhere that would limit Israel's ability to defend itself.

For more than 6 years, following Israel's victory in the June 1967 war, Israel has persistently sought to sit down at the negotiation table with its neighbors. But all the Arab States have refused to even consider negotiating without preconditions. What does this refusal to negotiate mean? It means that the Arab leadership is still unwilling to accept the fact of Israel's national existence.

But the responsibility for this conflict must also be shared by other parties. It must be shared by the Soviet Union which has lavished its most modern weapons on the Arab countries.

The blame must also be shared by the United Nations whose succession of one-sided resolutions condemning Israel, and Israel only, are insults to the truth and to fairness.

It must be shared by those Western European nations who encourage Arab terrorism and violence against Israel by releasing convicted terrorists at the slightest pretext, and where airlines pay millions in protection money to Arab terrorist organizations.

Is it possible that by now the nations of the world have not yet learned the bitter lessons of appeasement of aggression?

Israel must be given the diplomatic support it needs at the U.N. to prevent this latest Arab aggression to go unpunished. Israel, in its lone struggle against overwhelming numbers, does not ask us to fight its battles. Israel only asks to be permitted to defeat the invaders, and by doing so convince the Arabs once and for all that war does not pay. Only then can there be any hope that the Arab nations will finally come to their senses and realize that peace is better than war. Surely the pursuit of peace will profit them far more than the pursuit of military victories.

NEW MIDDLE EAST AGGRESSION

Mr. SCHWEIKER. Mr. President, as a U.S. Senator, I strongly deplore the sudden strike by Egypt and Syria on Israeli-held territory. Once again these two nations have chosen the path of violent war to settle their differences with Israel. Once again, they have rejected the path of direct negotiations that Israel has been urging for all 25 years of its statehood.

Egypt and Syria broke the reverent calm in the Holy Land on Yom Kippur, the holiest day in the Jewish calendar. They also shattered the historic cease-fire worked out in 1970 by the effective diplomacy of our own administration and State Department.

I am encouraged by reports that Israel's population centers are not in danger and that, in the skies and along the frontiers, Israel's defense forces have proven equal to this challenge. Israel's military strength is a tribute to the capabilities and spirit of Israel's people. It also flows from the partnership of military aid between our Government and Israel—a partnership I have always strongly advocated, and which now is proving its worth both to us and to Israel.

In 1971, I was in Israel and visited those frontiers that are now under attack, the Golan Heights and the Sinai. I could readily see with my own eyes how necessary these territories are to giving Israel borders it can defend effectively.

The events of the past 2 days underscore this fact. In the hours ahead, Israel needs our full diplomatic support so that the war can be brought to a satisfactory conclusion, in the interest both of short-range and long-range peace in the area. I intend to work in the Senate for adoption of a resolution making this the "sense of the Senate" as a clear direction to our administration.

THE ARAB-ISRAEL HOSTILITIES

Mr. McGOVERN. Mr. President, I deplore the senseless attack against Israel this weekend by Egyptian and Syrian forces.

The evidence of aggression, as verified by United Nations observers, is already conclusive. The extensive preparations, the timing, the coordination, and the nature of the attack all demonstrate beyond doubt that Egypt and Syria have launched still another military challenge to the existence of Israel. And it is also clear that Israel, despite prior indications that an attack was coming, showed remarkable restraint, entailing the risk of greater casualties, in order to continue observing the 1970 cease-fire.

Along with their efforts to quiet the immediate crisis, I hope American policymakers will affirm our diplomatic support, in the United Nations and elsewhere, for a peace agreement based on secure, recognized, and defensible Israel borders. We should also reiterate our commitment to provide Israel with military supplies in the full amounts required to deter further aggression.

It is still more obvious now that any prospect for a peaceful settlement in the Middle East depends upon convincing the Arab countries that the use of force will always be futile.

PENN CENTRAL

Mr. HUGH SCOTT. Mr. President, a timely and thorough editorial in today's Philadelphia Inquirer states accurately and succinctly the Interstate Commerce Commission's proposals regarding the Penn Central. I ask unanimous consent that this editorial, entitled "How Not To Save the Railroads," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW NOT TO SAVE THE RAILROADS

In its report to Federal Judge John P. Fullam on what to do about the Penn Central, the Interstate Commerce Commission reaches at least two conclusions that are hard to dispute. The first is that the trustees should not be permitted to go ahead with proposals to begin liquidating the railroad at the end of this month. As we have said repeatedly, the economic disruption that it would cause are so far-reaching that it is an unthinkable option.

The second is that a Penn Central reorganization must be considered in conjunction with the several other bankrupt railroads in the Northeast. "Given external assistance," the ICC says, "the restructuring of the entire railroad system of the Northern quadrant of the country can be achieved."

Beyond that, however, the ICC report is not very helpful. The commission's attempt to minimize the problem by suggesting that the Penn Central might even be able to keep operating through 1974 under the status quo ignores both the financial realities and the obligations to the railroad's creditors and stockholders.

The ICC proposal that it hold still another series of hearings as a "preliminary" to its own reorganization plan similarly reflects the lack of any sense of urgency—and holds little hope for a constructive solution.

This comes as no great surprise. "In all the multi-layered Federal bureaucracy," the New York Times points out, "no agency has a more depressing capacity for infinite delay than the Interstate Commerce Commission. For 10 years it has been struggling to develop a viable plan for restructuring railroad service in the West—with no final decision yet made."

After three years of bankruptcy, the Penn Central doesn't have the time for the leisurely way the ICC operates. Nor do the other bankrupt lines.

What the Northeastern railroads need now, as Rep. Brock Adams (D., Wash.) commented, "is Congressional action, not study."

Fortunately, Congress now has several proposals under active consideration, and it is possible that action in the House may come as early as this week. Clearly it is there—not in the musty chambers of the slow-moving ICC—that relief must be sought.

HIRING OUR HANDICAPPED

Mr. DOLE. Mr. President, today I would like to address for a few moments the plight of our handicapped. As you may know, the second week in October has been designated by the President as "National Employ the Handicapped Week," so I cannot think of a better time to express my thoughts on this subject.

Estimates of the numbers of handicapped persons in the United States range from 20 to 30 million—and above. This means that at least 10 percent of our total population experience some measure of difficulty, varying in individual cases, in trying to live what the rest of us take for granted as a "normal" life. Every handicapped person has a unique path to tread, according to his particular circumstance, and the path is rarely, if ever, easy. Depending on one's disability, daily habits and chores can be well nigh impossible, and such activities as going up a flight of stairs or picking up a parcel can be insurmountable obstacles. Getting an education presents more than the normal problems of tough courses, teachers who do not understand, and the possible shroud of prejudice from one's classmates.

Likewise, getting and holding a job requires overcoming barriers that are impenetrable to all but the most determined, such as seeking adequate training with no special facilities, suitable transportation, and the overhanging prejudices of employers toward the handicapped.

It is also tragically true that our populace in general is ignorant of the capabilities of the handicapped. Often, too, employers are leery of hiring them. If people knew how much harder handicapped persons had to work to achieve and maintain their responsibilities in various jobs, there would be fewer misconceptions as to their talent for exceptional performance and their outstanding characteristics as employees. Many thousands of handicapped workers have merited this description and justified these claims. Handicapped employees have lower absentee rates than other employees, and their safety record is enviable. Insurance surveys bear these findings out.

Countless handicapped individuals have proven themselves in other ways that the average citizen cannot even fathom. Think of Beethoven's Ninth Symphony, which he composed when he was deaf. Sarah Bernhardt, the great actress, was an amputee—and the list goes on and on. I say, just give these people a chance; who knows what greatness they will bless us with?

It is only natural that disabled persons should seek a role of contributing to the progress of society. Just as other people derive satisfaction from taking a productive part in society, so do our handicapped citizens. In view of the efforts made to provide employment for able-bodied people, so should the same opportunity be accorded to disabled men and women, knowing that their desire to more fully participate in our social framework is as strong, if not more intense than for others. As previous examples show, this can benefit not only the handicapped, but the whole society.

In this vein, I would like to mention the recent enactment of the 1973 amendments to the Vocational Rehabilitation Act. Signed by the President in September, the legislation establishes far-reaching programs to aid our handicapped. These programs will encourage the development and implementation of comprehensive and continuing State plans for meeting the handicapped's current and future needs through vocational rehabilitation services. In addition, under the act various studies relating to the handicapped will be conducted. These will concern current methods of rehabilitation as well as rehabilitation potential. The act will also promote and expand employment opportunities in the public and private sectors for handicapped individuals.

The Vocational Rehabilitation Act, and others like it, will help to open the public's eyes to the worth and potential of our handicapped persons. We all want to move forward in the name of progress, and we must not waste the contributions of any individual. This includes the handicapped who have an extra strike or two against them to begin with. By hiring our handicapped, we are not only giving them a well-deserved chance to prove themselves, but are giving our whole Nation a boost with the time and enthusiastic energy these people will donate to better our society.

SCIENTISTS CITE "GRAVE AND JUSTIFIED MISGIVINGS" ABOUT NUCLEAR POWER

Mr. GRAVEL. Mr. President, a brief and chilling warning to mankind about the hazards of nuclear powerplants has been issued by the recent Pugwash Conference of 100 to scientists, including about 20 each from the United States and U.S.S.R.

Many of the conference participants are nuclear physicists who have been hopeful of finding a peaceful use for the split atom.

For that reason their unanimous conclusion is all the more significant:

> The as yet unsolved problem of waste management and the possibly unsolvable (in an absolute sense) problems of catastrophic releases of radioactivity and diversion of bomb-grade material, combine to create grave and justified misgivings about the vast increase in the use of nuclear power that has been widely predicted. The wisdom of such an increase must at the present time be seriously questioned.

The Pugwash statement was brought to me by one of the conference participants and its president, Dr. Hannes Olof Alfven. Dr. Alfven, who won the 1970 Nobel Prize for Physics, is now at the University of California at La Jolla. The main office of the Pugwash group is in London; its American home is at the Academy of Arts and Sciences in Boston.

TURNING TO ALTERNATIVES

The Pugwash Conferences are unofficial meetings, always limited to about 100 participants who speak in private sessions with great freedom. The press is invited only to the opening and closing sessions.

Usually, just one statement is released, which has been approved by all the participants. This is called the "Statement from the Continuing Committee."

This year, the full group unanimously decided in addition to release the report of its Working Group Five on Radioactive Pollution, because of its importance and its support from the full group.

The Working Group's report states as follows:

> The Working Group was in complete agreement that greatly expanded research programmes on the potential alternatives to fission—and especially the apparently "clean" and thermally advantageous solar and geothermal possibilities—are urgently needed and fully justified.

Mr. President, I ask unanimous consent that excerpts from the Statement of the Continuing Committee of the 23d Pugwash Conference on Science and World Affairs, and from the report of its Working Group Five on Radioactive Pollution, be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT FROM THE CONTINUING COMMITTEE ON THE 23D PUGWASH CONFERENCE, HELD IN AULANKO, FINLAND, AUGUST 30–SEPTEMBER 4, 1973

The Twenty-third Pugwash Conference on Science and World Affairs, organized by the Finnish Pugwash Group, was held in Aulanko, Finland from the 30th August to the 4th September 1973. It was attended by 108 participants from 29 countries and 6 international organizations . . . Our hosts provided us with a most congenial and efficiently operating atmosphere for our work.

Pugwash is an International Movement of Scientists that has met regularly since 1957 in Annual Conferences, topical Symposia, regional meetings and other appropriate forums, to discuss the traditional problems relating to Disarmament and Arms Control; Peace Keeping and Security; as well as Environment and Resources; Population; Development; Scientific Collaboration and Education; the Social Responsibility of Scientists.

Coming together as individuals, these gatherings, which include many of the world's most distinguished scientists, endeavor to apply their collective technical competence and experience to the solution of many of the world's most pressing problems.

Although entirely unofficial in character, the results and conclusions of these Conferences are widely disseminated among appropriate governmental and international bodies and throughout the scientific community...

5. RADIOACTIVE POLLUTION OF THE ENVIRONMENT IN THE CONTEXT OF THE ENERGY PROBLEM

Need for fission

The future needs for fission power depend on the growth of energy consumption worldwide, the distribution of that growth between rich and poor countries, the size of electricity's role in the total energy budget, and the magnitude and time-scale for development of alternative energy sources.

Growth of energy-use is most badly needed in the poor countries, where nuclear power is at a disadvantage because of the small-scale and dispersed character of present needs.

Fusion, solar energy and geothermal are major sources potentially achievable and able to reduce reliance on fission on a time scale of 20 to 50 years, while cleaner technologies for burning fossil fuels have some promise for the interim.

Energy potential of fission and need for reactors

Continued reliance on non-breeder fission reactors for the next 30 to 50 years would require the use of expensive low-grade uranium ores [1] if fission grows as its promoters have projected. However, the cost of nuclear-generated electricity is so insensitive to the price of uranium, even in non-breeder reactors, that no drastic increase in electricity cost would result from the use of the expensive and abundant ores [2] in light water reactors or gas cooled reactors.

Available data indicate that it is not necessary, on grounds of worldwide uranium shortage, to deploy breeder reactors in the next 30 to 50 years. (It must be noted that this conclusion was not unanimous.)

Routine emissions

It is technically possible and desirable to reduce routine emissions of radioactivity from nuclear reactors and fuel re-processing plants to levels such that the radiation exposure to members of the public from all such sources is less than one per cent of the average "natural background".

The greatest technical and regulatory vigilance will be required to assure that the technical potential for such low emissions is achieved in practice, everywhere in the world. Establishment of a worldwide network of radioactivity monitoring stations is recommended.

Radioactive wastes

No general solution for the isolation of long-lived radioactive wastes from the biosphere, for the necessary many thousands of years, is yet in hand; that is, despite a wide variety of proposals, "experts" still disagree on whether any of them will suffice. Disposal in deep salt beds is perhaps the most thoroughly investigated possibility, but the viability of this approach depends on the geological details of the particular salt deposit. New and larger research programmes should be initiated in search of a solution.

It is impossible to be complacent about expansion in the use of nuclear power without having a solution in hand.

Major releases

Catastrophic releases of radioactivity from nuclear reactors and fuel re-processing plants (and to a lesser degree waste shipments) are possible in principle, as a result of accident, natural disaster, sabotage, or act of war. This requires that reactors and re-processing plants should not be sited in earthquake or tsunami zones.

Estimates of reactor accident probabilities ranging from one-in-ten-thousand to one-in-a-trillion per reactor-year have been published by competent authorities; in the absence of proof or agreement, prudence requires operating on the assumption that the higher (less safe) figure is possible. For this reason, siting reactors near population centres is to be avoided. The potential of siting reactors 100 metres or more underground should be investigated.

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[1] \$35/kg U_3O_8 in 2000 and perhaps \$100/kg in 2020 versus \$15/kg in 1973.

[2] About 0.5 mills/kWhe increase in 2000 and 1.5 to 3 mills/kWhe in 2020. These cost increases compare to an average delivered cost of electricity of 20 mills/kWhe in the U.S.A. in 1970.

The effects of sabotage and acts of war are outside the normal probability calculations and justify grave concern. Nuclear facilities should be more closely guarded and perhaps clustered to facilitate this and to minimize shipments, but it is difficult to believe that such measures can be 100 per cent effective.

Diversion of fissionable materials

All fission reactor-types involve the use of fissionable materials in forms usable for the manufacture of fission weapons, without further isotopic separation. The high Pu-240 contamination in plutonium from light water reactors would perhaps prevent an unsophisticated group from producing a weapon with this material, but could not stop a more sophisticated effort.

The two prinicpal threats are: (1) proliferation of weapons by means of material diverted from a country's non-nuclear fuel cycle or from that of another country; (2) theft of material by subnational groups bent on manufacturing a weapon for terrorism or blackmail.

The existing safeguards against proliferation, enforced by the IAEA under the Non-Proliferation Treaty, are extensive and conscientiously enforced. There is some disagreement as to whether these safeguards were completely sufficient or capable of improvement.

A major improvement in the present safeguards situation, which is urgently advocated, would be that *all* countries sign and ratify the Non-Proliferation Treaty. The possibility of strengthening the safeguards and the IAEA's implementation capability, within the framework of the NPT, should be thoroughly examined. The question of uniform standards for control of fissionable material in the reactor programmes of weapons states needs special attention.

Technical means for deterring subnational groups from diversion and weapons-manufacture should be thoroughly researched; although no method yet proposed could stop all such attempts, it is certainly worth trying to alter the probabilities so as to diminish the risk of diversion.

Implications of problems related to fission

The as yet unsolved problem of waste management and the possibly unsolvable (in an absolute sense) problems of catastrophic releases of radioactivity and diversion of bomb-grade material, combine to create grave and justified misgivings about the vast increase in the use of nuclear power that has been widely predicted. The wisdom of such an increase must at the present time be seriously questioned.

It is evidently impossible to abandon fission altogether in the near future, but every effort should be made to develop alternatives by greatly accelerating research on potentially cleaner energy-sources, and by re-examining the relation between genuine, sustainable needs for energy, on the one hand, and projected demands on the other.

In the meantime, every effort should be made to minimize by technical and regulatory means the hazards of fission, as described above. Since none of the problems described here are significantly diminished by breeder reactors, and problems of safety and plutonium-diversion are significantly aggravated, and since available data indicate (in the view of the majority of the Working Group) that breeder reactors are not needed in the next 30 to 50 years on grounds of worldwide uranium availability, their large-scale deployment should be dependent on a thorough re-examination of the questions of safety and diversion.

International Energy Institute

A Pugwash Symposium to review the efforts of major existing institutions in the energy field has been announced for 1974. Ultimately, on the basis of the Symposium results and further discussions at the 1974 Baden meeting, Pugwash may wish to recommend (and contribute to) the strengthening and expansion of an existing institution already dealing with international energy problems, or the broadening of some other international group (such as Stockholm International Peace Research Institute (SIPRI)) to include such problems, or the formation of an entirely new International Energy Institute (perhaps along the lines of CERN). Alternatively, it may become apparent that existing activities and institutions concerned with international energy problems are adequate as they are.

TWENTY-THIRD PUGWASH CONFERENCE ON SCIENCE AND WORLD AFFAIRS—REPORT OF WORKING GROUP 5—RADIOACTIVE POLLUTION OF THE ENVIRONMENT IN THE CONTEXT OF THE ENERGY PROBLEM

1. PREAMBLE

The following topics were suggested as the agenda of the Working Group:

(a) assessment of current regulations and practices on release of radioactive materials into the biosphere;

(b) dangers arising from a power economy based on plutonium breeding (health hazards and possibility of clandestine diversion).

However, there was a general feeling that these important and immediate questions cannot be considered in isolation, but must be placed in the broad context of the energy problem as a whole. The broader context includes consideration of depletion of resources, alternative sources of energy and the time scale for their achievement, the distinction between "demand" for energy and the "need" for it, and the weighing of costs versus benefits for specific technologies and for energy growth itself.

The principal elements of the present energy dilemma are:

(1) there is an urgent need to increase energy production in most countries, especially the developing ones;

(2) in the long run this need cannot be met by using the finite and non-renewable fossil fuels, and even in the short run perhaps should not be met in this way, owing both to environmental effects and to the need for reserving some part of these materials for other necessary purposes (e.g. chemical synthesis, proteins, scarce elements);

(3) however, the dangers of radioactive pollution and of diversion of fissile materials for weaponry increase rapidly with the growing number and size of fission power plants, which are presently the principal alternative to fossil fuels.

2. FISSION ENERGY PROBLEMS AND ALTERNATIVES

2.1 Need for fission energy and assessment of its ultimate potential

A variety of factors influence the degree of the world's need for fission as an energy source and the ultimate potential of this technology. These factors include future growth rates of energy consumption, the forms in which energy will be needed, desires for national self-sufficiency in energy, and the characteristics of technological alternatives to fission: potential magnitude, economic and technical feasibility, environmental consequences in comparison to those of fission, and the time horizon on which they can be made available.

2.1.1 Growth rates

In recent years, energy use in both rich countries and poor countries has been growing at an average rate of about 5 per cent per year (doubling time 14 years). Electricity, now accounting for about 25 per cent of all energy consumption, has been growing much faster: 7 to 10 per cent per year in much of the world (doubling time 10 to 7 years). Continuation of these rates would give a 4-fold increase in world energy consumption by the year 2000 and an 8- to 16-fold increase in electricity generation. Projections provided by the IAEA indicate about 1000 electrical Gigawatts of nuclear capacity world wide by 1990 and 3000 Gwe by 2000. The actual expansion, however, will depend in part on how energy growth is distributed. The average rate of consumption of energy in all forms in the USA is 11 kwt (thermal kilowatts) per person, that in India about 50 times lower, and the world average is 2 kwt per person. Growth of energy use is evidently much more badly needed in poor countries than in rich ones, and a more sensible goal than equally rapid growth in all countries would be distributing growth with the ultimate goal of achieving a roughly uniform level of per capita consumption in all countries. A figure of 5 to 10 kwt per person was mentioned, but some group members thought that the genuine needs are not so high. It was also noted that limits on investment capital, other resources, and social development rates are likely to prevent attainment of such figures in much of the world in the foreseeable future. These very important questions could not be thoroughly addressed by the present Working Group. In any case, if it is conceded that the most urgent needs for energy growth are in the poor countries, nuclear fission is at a disadvantage because large nuclear plants are not well suited to the presently small and dispersed needs in these countries.

2.1.2 Energy potential of fission

The potential of nuclear fission as an energy source will not be limited in magnitude in the foreseeable future by shortage of fuel, even in the event that breeder reactors are not deployed. The cost of electricity generated in light-water reactors and gas reactors is already so insensitive to the cost of raw uranium that very abundant low grade ores could be utilized without increasing the price of electricity drastically, if all else were equal, breeder reactors would be preferable because they exploit 30 to 60 times more of the potential energy contained in the uranium, but the impact of the breeder on the safety question and on the issue of plutonium diversion should be very carefully assessed before their large-scale deployment can be supported, and the world uranium supply situation over at least the next 50 years is such that from this point of view haste is unnecessary.

2.1.3 Environment

How soon the use of fission energy or other forms will be limited by environmental factors is not clear. Climate on a hemispheric or global scale could conceivably be appreciably influenced by CO_2 and particulate matter from fossil fuel combustion early in the next century, and the heat from energy consumption in all forms could influence climate over regions of 10's to 100's of thousands of square kilometres by the year 2000. Understanding of global meteorological processes is inadequate to permit prediction of the level of energy use at which climatic disruption could become drastic, although some scientists have suggested that an increase of energy use by a factor of 50 might be too much. Use of solar energy, which already takes part in the global energy balance in its natural form, could alleviate the thermal limit to some degree.

2.1.4 *Alternate energy sources*

Wide differences of opinion exist on the potential of alternatives to nuclear fission, principally fusion, solar energy, geothermal energy, and cleaner use of fossil fuels.

On the one hand, there is no obvious barrier to development of fusion, large-scale solar energy, or geothermal energy on a time scale of 20 to 50 years, and these sources evidently have many environmental advantages. On the other hand, the full difficulties and environmental liabilities of these approaches may remain to be discovered, while those of fission are already well known.

The Working Group was in complete agreement that greatly expanded research programmes on the potential alternatives to fission—and especially the apparently "clean" and thermally advantageous solar and geothermal possibilities—are urgently needed and fully justified.

2.2 *Current regulations and practices governing the release of radioactivity*

A distinction must be made between routine releases of radioactivity in the everyday operations related to commercial nuclear power, on the one hand, and the much larger, unplanned and uncontrolled releases that could result from accidents, natural disaster, sabotage, or acts of war, on the other.

2.2.1 *Routine emissions*

First, with respect to routine emissions at nuclear installations other than waste repositories (which are discussed below), it was agreed that it is technically feasible and desirable to hold the radiation exposure to members of the public below levels of one per cent or less of the average "natural background" radiation.

Although some long-term genetic damage and induction of cancer presumably will be caused even at these low doses, the available data appear to justify the conclusion that the expected number of deaths from these routine emissions is significantly smaller than the expected number of deaths resulting from air pollution from fossil fuel plants generating the same amount of electricity.

Such a comparison of risks of course entails the implicit assumption that the benefits of additional power generation by one means or another justify the costs. This assumption deserves separate examination (see Sec. 2.1 above), as does the issue of alternative energy sources cleaner than present fossil fuel technology or fission.

Two further points must be emphasized: first, better data for comparing the health effects of fission and fossil fuels ought to be obtained, especially on the fossil fuel side—comparisons should be continually updated as new data become available; second, great technical and regulatory vigilance will be required to see that the theoretical potential for routine emissions far below one per cent of the natural background is actually achieved in practice around the world.

2.2.2 *Radioactive wastes*

With respect to the management of long-lived radioactive wastes, strong uncertainties still exist. The principal difficulty is that the material remains highly toxic for periods measured in thousands of years; even over shorter spans, predictions about the stability and continuity of human society are impossible, and over the longer term significant geological change is possible in some circumstances.

It is not surprising that even the "experts" cannot yet agree on what methods can guarantee the isolation of wastes over such periods, in spite of the existence of a variety of proposals (ranging from disposal in the earth's core to sending the wastes into space). Disposal in deep salt beds appears attractive, and is already being practiced in the Federal German Republic, but the viability of the method depends on the geological details of the particular salt deposit.

Much more money could be spent on nuclear waste management than has yet been contemplated, without greatly increasing the price of nuclear generated electricity, but money alone does not guarantee a solution. It is impossible to be complacent about expansion of the use of the nuclear power without having a solution actually in hand.

2.2.3 *Major releases*

The possibility of a major release of radioactivity from a reactor or a fuel reprocessing plant, which theoretically could result from an accident, a natural disaster (e.g. earthquake, tsunami), sabotage, or an act of war, has justifiably created deep concern.

A major release could conceivably involve thousands of millions of curies of radioactivity, hundreds of thousands to millions of casualties if it occurred near a population centre, and many thousands of millions of dollars in property damage.

In theory the probability of such an event is quite small, but perhaps not small enough. This means that reactors should not be sited in earthquake or tsunami zones. Experts have published estimates of the probability of a major reactor accident (excluding sabotage and war, and perhaps some kinds of natural disasters) ranging from one chance in 10,000 to one chance in a trillion per reactor-year.

If the latter number is true, we can be reassured, but if the former is true we cannot—faced with projections of 1,000 large reactors operating in 1990 and 3,000 in the year 2000. Better estimates of accident probability would be desirable.

In the absence of agreement or proof, it is only prudent to assume the worst (the highest probability). Siting near large centres of population should be avoided. It is possible, although disputed, that siting reactors 100 metres or more underground in solid rock may provide further insurance against the consequences of major accidents. This possibility should be vigorously researched.

It is possible that fuel reprocessing plants may be more vulnerable to accidents than reactors. They are safer than reactors in that the potential for internal energy release is much smaller, but more dangerous in that some of the reactor's barriers against release (fuel element cladding, reactor vessel) and in that the fuel reprocessing plan necessarily covers a much larger area.

The question of sabotage of nuclear reactors, waste shipments, or reprocessing plants generates especially grave concerns, because this possibility renders all the theoretical failure probabilities meaningless. This may be an additional reason to place reactors and reprocessing plans deep underground, if research confirms any real accident-containment advantages for this approach. Other measures against sabotage discussed by the Working Group included very careful guarding of the installations themselves, perhaps facilitated by clustering the various facilities at one location.

Unfortunately, it is difficult to believe that even these measures can be 100 percent effective.

2.3 *Diversion of fissionable materials*

The use of nuclear reactors to generate electricity necessarily involves the production and handling of fissionable materials of a character suitable for the manufacture of nuclear weapons.

Light-water and heavy-water reactors yield 200 to 400 grams of plutonium per Mwe-yr (electrical megawatt-year), net. Breeder reactors yield between 300 and 700 grams of plutonium per Mwe-yr, net. High temperature gas-cooled reactors of US design employ fuel fully enriched in the fissile uranium isotope, U–235, and yield in the order of 50 g of fissile U–233 net per Mwe-yr.

In each case mentioned, the materials require at most chemical separation (as opposed to more difficult and expensive isotopic separation) to be rendered usable for the production of weapons.

It is to be emphasized that the high Pu–240 content of plutonium produced in LWRs does not make bomb manufacture impossible, as is often supposed, but only complicates the design and makes the yield both smaller and less predictable.

There are two principal classes of possibilities for the misuse of the fissionable material from the nuclear fuel cycle: first, a government without nuclear weapons may divert material from its own non-military nuclear programme in order to produce weapons; second, material may be stolen from the nuclear power programmes of either weapons or non-weapons nations by individuals or groups with a variety of motives—the production of a weapon for sabotage, terrorism or blackmail, or the sale of the material to another group or even a nation intent on weapons production.

Relevant to the first class of possibilities is the Non-Proliferation Treaty and the corresponding set of safeguards enforced by the International Atomic Energy Agency. Although the Working Group was in unanimous agreement that the IAEA is doing an excellent job of implementing safeguards within the limits imposed by the provisions of the NPT, there was some difference of opinion concerning the adequacy of those provisions and the possibility of improving them.

Part of the group felt that a nation wishing to divert material from its own reactor programme might do so without detection by the safeguards permitted under the present NPT; these individuals felt that the NPT is primarily a formal expression of good intentions, and it is on these that we must rely.

The majority felt that an attempt to further strengthen safeguards against governmental diversion should be made within the framework of the present NPT, and that the IAEA and its safeguard activities should be strengthened and supported as it is useful to reduce the *probability* of undetected diversion even if this cannot be made impossible. A serious gap in the NPT, of course, is that not all nations have signed and ratified it.

The possibility that material stolen from the reactor programme of a weapons-state could find its way into the hands of non-weapons governments represents a potential form of proliferation that seems not to be adequately deterred by the specific provisions of the NPT in its present form (although such proliferation is of course a direct violation of the intent and spirit of the treaty).

The largest commercial reactor programmes are not subject under the NPT to the same strict accounting procedures and safeguards as are non-weapons states. One would like to assume that considerations of internal security and sound economic and environmental practice have led the weapons states to establish strict control over their own reactor-related fissionable materials.

Some members of the Working Group felt that this assumption is open to question, especially inasmuch as even a very small fractional loss of the fissionable material in the reactor programme of, say, the USA or the USSR, represents enough for several bombs.

The Working Group was unable to reach agreement as to whether or not the NPT should ultimately be modified, or other measures instituted to provide the international community with assurance of strict national control of fissionable material in the reactor programmes of weapons states.

The problem of theft of nuclear material by internal groups or individuals intent on sabotage, terrorism or blackmail was agreed to be a very serious one, although there was some sentiment expressed that the possibility of such activity was much smaller in the socialist states. In any case, the problem cannot be avoided simply by abandoning the breeder reactor, because, as noted above, all other reactor types also involve the uses of materials available for weapons manufacture.

It is difficult to see how the theft of such material can be made impossible in a world characterized by human failings, but measures to make such theft more difficult should be carefully studied and the best ones implemented as soon as possible.

For example, relatively unsophisticated clandestine weapons manufacture might be deterred by maximizing the Pu-240 content of reactor plutonium, adulterating material to be shipped with other neutron emitters or neutron poisons, or adulteration with hard gamma emitter to aid detection. (These measures could not stop determined and sophisticated groups.)

Another possibility is to minimize shipments by concentrating enrichment, fuel fabrication and fuel reprocessing facilities at single sites together with several reactors, and guarding the entire area with a degree of elaborateness and thoroughness hitherto reserved for strategic weapons.

The general view of the Working Group regarding radiological terrorism using plutonium stolen from reactor programmes is that this problem is definitely of secondary importance to that of clandestine nuclear weapons, in part because a variety of other extremely toxic substances could be obtained by terrorists with less difficulty.

The as yet unsolved problem of radioactive waste management, and the possibly unsolvable problems of catastrophic releases of radioactivity or diversion of bomb-grade material, combine to create grave misgivings in the Working Group about the vast increase in the use of nuclear power that has been widely forecast.

Although it is evidently imposible to abandon nuclear fission altogether in the near future, we believe that every effort must be made to minimize reliance on fission by investigating and developing alternative, cleaner energy sources. In the meantime, of course, every effort must be made to minimize by technical and regulatory means the considerable hazards of fission.

2.4 Breeder reactors

None of the problems described in the foregoing sections are significantly diminished in the case of breeder reactors, most especially the liquid-metal cooled fast breeder now favoured by all countries, and some are significantly aggravated.

The relatively low fraction of Pu-240 in plutonium produced by breeder reactors, in contrast to that from light water reactors, worsens the problem of theft and diversion, as does the greater quantity of plutonium produced by the usual breeder cycle.

Additionally, some aspects of the reactor safety problem would appear to be compounded in the case of the breeder. On the basis of accessible data, most group members felt that the breeder is *not* necessary in the next 50 years on grounds of uranium supply (see Sec. 2.1 above), and therefore there is no need to consider large scale deployment of such reactors unless and until the questions of diversion and safety are fully resolved. Some members, however, disagreed with this view.

3. INTERNATIONAL ENERGY INSTITUTE SYMPOSIUM AND BADEN MEETING

3.1 Institute and symposium

Consistent with the recommendation of the Oxford meeting, it is appropriate that Pugwash investigate the possible need for a new International Energy Institute in addition to existing organizations already active in this field. More generally, the extent and character of the future involvement of Pugwash itself in the energy issue deserves careful examination, with attention to the scope and quality of the work of other bodies. Pugwash should not squander its efforts on the many aspects of energy problems that are being adequately treated elsewhere, or on those better suited to investigation by others, but should identify and pursue those aspects where the particular characteristics and competence of Pugwash may make a difference.

The new International Institute for Applied Systems Analysis (IIASA) near Vienna has selected energy problems as a major focus of its activities, and more than a dozen other international or internationally focussed organizations have also undertaken major energy studies. An obvious approach to the evaluation of existing work and additional needs in the international energy field is to convene a Pugwash-sponsored Symposium on the subject, to be attended by representatives of the most prominent groups and institutions active in the field. If such a Symposium were convened in the next six months, the results could serve as a major input to the deliberations of the working group on energy at the 1974 Pugwash meeting in Baden, Austria.

Ultimately, on the basis of the symposium results and the discussions at Baden, Pugwash may wish to recommend (and contribute to) the strengthening and expansion of an existing institution already dealing with international energy problems, or the broadening of some other international group (such as SIPRI) to include such problems, or the formation of an entirely new International Energy Institute (perhaps along the lines of CERN). Alternatively, it may become apparent that existing activities and institutions concerned with international energy problems are adequate as they are.

3.2 Baden meeting

In addition to the results of the symposium reviewing existing activites in the international energy field, the agenda of the Working Group on energy at the Baden meeting might appropriately contain two specific issues already identified by the present Working Group as particularly appropriate to the interests of Pugwash. The first is international ramifications of national energy demands, including international environmental effects, economic problems associated with international energy flows, and especially the potential for the generation of political tensions and even armed conflict over access to energy supplies. The second subject is the relation between energy use and well-being, including the potential for energy conservation without loss of well-being in the rich countries and the possibilities for extracting the maximum well-being from increases in energy consumption in the poor ones.

SUMMARY OF RECOMMENDATIONS

1. Owing to potentially grave and as yet unresolved problems related to waste management, diversion of fissionable material, and major radioactivity releases arising from accidents, natural disasters, sabotage, or acts of war, the wisdom of a commitment to nuclear fission as a principal energy source for mankind must be seriously questioned at the present time.

2. Accordingly, research and development on alternative energy sources—particularly solar, geothermal and fusion energy, and cleaner technologies for fossil fuels—should be greatly accelerated.

3. Broadly based studies aimed at the assessment of the relation between genuine and sustainable energy needs, as opposed to projected demands, are required.

4. The hazards of fission should in the meantime be minimized by every means available, specifically:

a. the greatest technical and regulatory vigilance to achieve the lowest feasible routine emissions at all stages of the fuel cycle, everywhere in the world, including the establishment of a worldwide network of radioactivity monitoring stations;

b. accelerated efforts to find technical solutions for the management of long-lived radioactive wastes;

c. thorough investigation of the potential of placing underground or clustering nuclear facilities as a means of reducing the probability and/or consequences of disruptions and accidents;

d. tightening of surveillance of nuclear facilities;

e. exclusion of reactors and reprocessing plants from zones of high seismic activity;

f. avoidance of siting reactors and reprocessing plants in densely populated regions;

g. the safeguards authorities of the IAEA should be strengthened and supported within the context of the present NPT; further studies should include research and development in order to raise the effectiveness of national and international safeguards to the highest possible level, and examination whether the codification of uniform standards for national control of reactor-related fissile material in the weapons states would be useful;

h. research on technical means to render more difficult the use of reactor-related fissile materials for the construction of bombs;

i. all nations should sign and ratify the Non-Proliferation Treaty.

5. Taking into account the fact that some problems associated with the breeder reactor are far from clear, large scale deployment of breeder reactors should depend on the results of a thorough re-examination of these problems.

6. Pugwash should examine the need for an International Energy Institute, or, alternatively, the need for changes in the scope and structure of existing international organizations, by reviewing the major efforts now under way in the energy field. We note with satisfaction that a Pugwash sponsored symposium is to be convened for this purpose in the near future.

7. The Working Group on energy at the 1974 Pugwash meeting at Baden, Austria, in 1974 should have on its agenda, in addition to the report of the symposium suggested above, the two topics:

(a) international consequences of national energy demands;

(b) energy use and well-being.

VIRGINIA NEWSPAPER URGES NUCLEAR POWER MORATORIUM

Mr. GRAVEL. Mr. President, an editorial entitled "Needed: A Nuclear Plant Moratorium" appeared in the Charlottesville, Va., Daily Progress July 12, 1973.

At that time, the North Anna Environmental Coalition had not yet discovered that the Virginia Electric Power Co. had failed to inform the Atomic Energy Commission about an earthquake fault directly through the site of its four North Anna nuclear powerplants.

Therefore, the emphasis of the editorial is on verified Vepco deceptions and safety violations at its two Surry nuclear powerplants, for which the AEC fined the utility $38,000 in May 1973.

Vepco is the same utility whose contractor was allowed to fire welding engineer Carl Houston in 1970 after he raised a fuss about welding deficiencies at the Surry plants; in 1971, the AEC confirmed the existence of welding defects and some remedial work was done. Flawless welding, of course, is crucial to nuclear powerplant safety; the cooling system, for instance, is only as strong as its weakest link.

The warnings from Virginia cannot be safely ignored in Congress or elsewhere.

Mr. President, I ask unanimous consent that the editorial "Needed: A Nuclear Plant Moratorium" be printed here in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Charlottesville (Va.) Daily Progress, July 12, 1973]

Needed—A Nuclear Plant Moratorium

A massive array of evidence now available to governing bodies and the scientific community clearly indicates that the time has come to call a precautionary halt to the proliferation of nuclear power plants planned or under construction across the country.

Power companies, in their understandable rush to find an energy substitute for our dwindling supply of exhaustible fossil fuels, have settled on nuclear power as a readily available and technologically feasible alternative.

Vast expenditures in research and construction have already been made to harness the atom for household use. It is natural that these investors are reluctant to see their venture capital hazarded by the delay or cancellation of construction contracts.

In spite of this, for all of its early promise of cheap and virtually inexhaustible power, continuing research and experience with nuclear generators have turned up an ominous body of findings that flash unmistakable warning signals.

Item: A dramatic increase in cancer-related deaths in areas down stream from the Shipping Port Nuclear Power Station on the Ohio River in Beaver County, Pennsylvania, has been linked to the plant. The situation is considered so grave that Pennsylvania Gov. Milton Shapp has called for public hearings to be held at Aliquippa, Pa. on July 31. Across the border in Ohio, Mayor Theodore Berry of Cincinnati, noting a similar rise in cancer deaths along the Ohio River, has called for a statewide investigation.

Item: In 1966, a runaway reactor at the Enrico Fermi Plant at Lagona Beach, Mich. raised serious speculation as to the advisability of evacuating Detroit.

Item: According to investigations conducted by consumer advocate Ralph Nader, the possibility of a recurrence of such a mishap still exists. Emergency core cooling systems have been found to be unacceptably unpredictable, and because of this some plants have had their power reduced on orders of the Atomic Energy Commission. If such a "big accident" as a reactor core meltdown should occur near a large population center, acute radioactive poisoning could result in the loss of thousands of lives.

Item: At its present "state of the art", there is no known way to permanently dispose of "hot" radioactive waste, which will produce potential lethal levels of radiation for thousands of years.

Item: The effects of the low level radiation associated with plant operation is not precisely known or understood. As recently as July 4, the AEC reduced by an incredible 97 per cent its estimate of the number of millirems of radioactive iodine that might be damaging to the thyroid of a two year old child. The iodine is discharged into the air by the plant, and reaches the child by an air-to-grass-to-cow-to-milk-to-child process.

Locally, a controversy is in process over the proposed construction of two additional nuclear reactors at its North Anna power station in Louisa County by the Virginia Electric and Power Co.

Immediate opposition to the increase in reactors from two to four is based on the findings that the reactors would raise the temperature of the water in Lake Anna to such an extent that it would damage—or perhaps destroy—the ecology of the lake.

In addition to the danger to the fish, however, all of the other hazards associated with the operation of a nuclear power facility are present.

Although we are assured by VEPCO that the levels of radiation danger and environmental damage have been reduced to acceptable levels, we must confess that we entertain at least a few reservations about the credibility of the power company's reassurances.

In May, VEPCO was fined $38,000 for a variety of procedural violations at its Surry, Va. plant. These include the following:

Failure (since granting of license) to check potential safety hazards through review of operations

Failure to check nuclear instrumentation with reference to operability before start-up

Failure to check for leakages and to perform sampling tests

Failure to have adequate detailed written procedures, or even to develop same for emergency conditions like flooding or hurricanes

Failure to report unusual safety-related events to the AEC

Failure to make adequate review and prevention recommendations after such an abnormal occurence as the January 28, 1973 over-pressurization of the primary system and "inadverent release of radioactive gases into the environs"

Failure to perform safety evaluations of facility instrumentation changes

Failure to report personnel changes to the AEC

Failure to have proper boron concentration and water level during operation

Failure of review by the Nuclear Safety and Operating Committee of departures from technical specifications

Failure to develop effective quality assurance program for operation

A VEPCO letter of Dec. 14, 1972 reported 100 circuit breakers checked or verified

AEC inspection revealed only 5 checked.

A VEPCO letter of March 2, 1973 reported a status log regarding administrative control of radioactive gaseous vent system in operation

AEC inspection found no administrative system set up

A VEPCO letter of Dec. 12, 1973 reported certain valves checked and verified operable

AEC inspection found fewer valves checked than reported, and some inoperable

A VEPCO letter of Dec. 15, 1972 declared a specific engineering study under way

AEC inspection revealed that the study had not been initiated

VEPCO letters of March 1 and 16 of 1973 assured that certain actions regarding steam generator valves, spray pumps, tank outlet valves, and daily evaluations had been taken

AEC inspection found misrepresentation in all four instances.

In view of the foregoing, we feel that more substantive guarantees than presently exist of the safety of the North Anna power plant are required.

Pending further research and major technological advances in both operations and safety, we favor a general moratorium on nuclear power plant construction and we specifically oppose any expansion of the North Anna facility.

Hopefully, at some future time, technology will make this source of cheap and abundant energy safe for human use for the benefit of all mankind.

In our view, however, in 1973 that time has not yet arrived.

BROAD IMPLICATIONS OF MIDEAST WAR

Mr. DOLE. Mr. President, the outbreak of war in the Middle East is filled with peril for the world's hopes for a just and lasting peace.

News blackouts and conflicting statements by the Governments of Syria, Egypt, and Israel make it difficult to determine the precise state of the hostilities at this moment. But there is little question that full-scale conflict is once again underway.

As Americans, we must view this new war with the utmost apprehension and concern. Israel's survival as an independent, sovereign state is once again threatened. The lives of thousands of civilians—both Arabs and Jews—are jeopardized. And as always when conflict develops in this vital area of the world, the possibility arises that it might spread and expand to global scope.

If there were ever a time for the United Nations to exert its influence as a peacemaker, that time is now. So I would hope that the U.S. initiative in calling for an emergency Security Council session today will be successful as a first step toward ending the fighting.

ENERGY ASPECTS

Serious though the armed conflict itself may be, there is another aspect of the current situation which gives even more vivid prominence to a concern long held by many in this country over our future energy supplies.

The Arab countries of the Middle East and Africa control more than 3½ trillion barrels of crude oil reserves. In times of dramatically increasing energy requirements throughout the world, these petroleum reserves have taken on unprecedented importance. As country after industrialized country loses its self-sufficiency in energy, foreign sources must be relied upon, and this Arab oil is virtually the only source to which other countries can turn. Put quite simply, the Arab countries find themselves in a seller's market. They already have more than they can reasonably spend and they have recognized the potential for turning their oil into a diplomatic and political weapon of great force.

In the United States we are squarely involved in this situation as the satisfaction of our growing energy requirements leads inevitably toward reliance on Arab oil. Of course, there are other sources of foreign oil for the United States. Canada and Venezuela have traditionally been major suppliers, but their reserves are small in comparison to our demand. And the size of this increased U.S. demand in the coming years will mean that the Middle East will be relied upon more and more with every passing month.

DANGERS OF DEPENDENCE

For many years, I have been concerned with the implications of such dependency. It creates immense problems with our international balance-of-payments amounts—possibly a deficit item as great as $30 billion annually by 1985. It, thereby, creates strong pressures on the rest of our economy and the strength of the dollar as a pillar of the international monetary system. In addition this dependency poses the most serious diplomatic and strategic perils for the United States as our vulnerability to oil-based pressure increases.

Just today, the papers carry word that Iraq has seized two U.S. oil companies in response to the latest outbreak of hostilities between Israel and the Arabs. Libya's leader, Colonel Kaddaffi has said it would be foolish to expect that their oil would not be used to pressure the United States.

It is impossible to predict the timing or the source of the next example of oil-based pressure against our country. But one thing is certain: It will come. And as our reliance on this oil increases the pressure will become harder and harder to resist.

IMPORTANCE OF DOMESTIC PRODUCTION

Now, I certainly take a realistic view of our growing energy needs, and I do not harbor any illusions that dependence on foreign supplies can be eliminated in the near midterm period before our vast coal, nuclear, and other energy supplies can be effectively tapped. But I am also aware that the United States has significant domestic reserves which can be developed. And if they are developed, every barrel we produce ourselves will mean just so much less red ink in our balance-of-payments ledger; just so much more strength for our domestic economy and the dollar; and just that much less vulnerability to the pressures of war and hatred in the Middle East and elsewhere. But we must recognize the facts of economic life, for these energy supplies will not be developed if the incentives to do so are not present.

Decades of foolish governmental policy and political opportunism in America have placed us in a dangerously weak domestic energy position. Our crude oil and natural gas supplies have not been developed as they should have been, and rising energy consumption has overtaken and surpassed our ability to produce them. At a time when exploration and development should have been increasing it declined substantially. At a time when national policy should have encouraged greater activity in this field, it has retarded it. The results have been felt across the board in short supplies, greater imports and growing alarm over the energy crisis.

One estimate suggested that one legislative measure alone—the Tax Reform Act of 1969—cost the country a billion barrels of domestic oil and 5 trillion cubic-feet of natural gas in the first 30 months after it became law. And every bit of this oil and gas had to be offset by imports.

So, Mr. President, I would suggest that the new war in the Middle East gives us cause for sober reflection. Not only are we concerned for the cause of peace in that area and elsewhere in the world. Not only are we concerned for the survival of Israel and her people. But we also must be deeply concerned with our own position as a major industrialized Nation and our own interests in having sufficient and secure energy supplies.

Continuing extension of our vulnerability over oil and gas and petroleum products will serve no interest of this Nation. It will weaken us as we deal with other countries and seek to exercise leadership in the world. It will threaten our commitment to the survival of Israel. And it will undermine the vitality of our domestic economy.

Every step should be taken to expand the utilization of our domestic energy supplies. This is no time for unrealistic quests for cheap energy; we must have secure and sufficient energy. This is no time for political posturing and publicity seeking; we must direct our national efforts toward solutions which are bigger than politics and more enduring than a newspaper headline.

I am hopeful that these lessons of the latest hostilities in the Middle East will not be lost on America. If they are, our country and all it stands for at home and abroad will face the most grave consequences.

GENOCIDE REMAINS A MODERN THREAT TO THE WORLD COMMUNITY

Mr. PROXMIRE. Mr. President, this year is the 25th anniversary of the Genocide Convention. In the intervening years since this landmark human rights document was first drafted, 76 national legislatures have ratified it. It seems incongruous that the United States, which led the efforts to draft this treaty, has yet to ratify it.

It has been suggested in some quarters that this document is no longer relevant to international events. The facts tell a different story. In the spring of this year, a series of tragic events occurred in the African State of Burundi. Following an attempted coup, the ruling minority, the Tutsi, embarked upon the elimination of every member of the majority Hutu tribe, who had occupied a responsible position within the society. Our Chargé d'Affaires described the events as "selective genocide." As a report by the Carnegie Endocument was first drafted, 76 national our response to this tragic incident could most charitably be termed "ineffectual."

I wonder, Mr. President, whether our behind-the-scene efforts to terminate the killings might have been more forceful had the United States ratified the Genocide Treaty. I cannot help but suspect that nations which we approach on issues of this nature detect an element of hypocrisy in our actions. Is it not time to obviate this hypocrisy and place ourselves firmly behind this treaty?

Mr. President, this Nation has established itself as a champion of human rights. I hope that we can act on genocide during this session.

WAR IN THE MIDDLE EAST

Mr. TUNNEY. Mr. President, all of us in the Senate have been deeply shocked at the news of renewed warfare in the Middle East. This is the fourth large-scale outbreak of fighting between Israel and Arab nations since the establishment of the Israeli State in 1948. If nothing else, this tragic history of warfare has proven the futility and wastefulness of military action in solving the underlying disputes between Israel and the Arab States.

It is clear to me that this latest aggression by the Egyptian and Syrian forces is an attempt by Egypt's Sadat to regain political stature and to force Israel to make concessions on any future peace agreement. In truth, Israel always has been willing to engage in peace talks. It has been the Arabs who have rejected such talks, and stalled movement toward fruitful negotiations. Their frustration, which has led to this new warfare, is a product of their own political failures in refusing to acknowledge the necessity of peace talks.

The Egyptian strategy is doomed to failure. Israel cannot and will not be forced, militarily, to make concessions from what Israel considers to be its overriding national interests. Moreover, it now appears that the current Arab military action will, like the 1967 war, result in total victory for Israel.

I have spoken this afternoon with the Israeli Ambassador, and he told me that Israeli forces are on the offensive on both the Suez Canal and Golan Heights fronts.

I sincerely hope there may be some useful results from this latest fighting, despite the terrible effects which war always has. Perhaps this time the Arabs will realize that negotiations among the parties are the only realistic way toward a settlement of this dispute. And of course, the Israelis, I am sure will not pursue their counteroffensives beyond 1967 cease-fire lines. Such restraint will help set the stage for a lasting peace in the Middle East.

Big-power involvement in this fighting is, of course, unthinkable. American policy has been directed solely at ending the tragedy of war and bloodshed. I fully support Secretary of State Kissinger's efforts in the United Nations and elsewhere. It is, of course, too soon to know what the longer range American reactions to this outbreak will be. I hope that our constructive efforts to start peace talks will continue. At the same time, however, I believe our support of Israel's military security and territorial sovereignty must continue, as a bulwark of stability in that area. We must be prepared to provide economic support for Israel against Arab attempts, like this one, to "bleed" Israel dry.

INDIAN HEALTH SERVICES

Mr. STEVENS. Mr. President, one of the negative effects of the elimination of the draft has been the reduction in the number of Indian Health Service doctors. The Indian Health Service is part of the Public Health Service which relied on the draft for a significant percentage—15 percent—of their doctors.

To retain Indian health care on reservations and in Alaska Native villages and towns, it will be necessary for the Public Health Service to take other steps to attract the members of the medical profession.

On June 29, I introduced S. 2115 and S. 2116. The former bill will assist in the establishment of adequate housing for medical personnel in the Public Health Service. S. 2116 will permit additional compensation up to 15 percent of a doctor's pay if he serves in a remote facility.

Recently, a letter appeared in the New York Times setting forth the difficulties besetting the Indian Health Service. These difficulties were the reason I introduced these two bills. I request unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WHY DOCTORS VANISH FROM THE RESERVATIONS

To the EDITOR:

One of the negative side effects, perhaps the only one, of the elimination of the military draft law is the reduction of health care for the American Indian. While the compulsory military service was in effect, physicians had the choice of serving in the Indian Health Service instead of the armed forces.

Since 75 percent of the physicians who served with the I.H.S. were provided through this draft option, the delivery of health care for the Indians is now in serious jeopardy.

A recent I.H.S. report shows that the exodus of medical manpower has already begun in the Indan areas, most notably in the area of Aberdeen, S.D., where there is a shortage of sixteen doctors.

Historically, the United States Government has provided medical care to the Indians on reservations. It is incumbent on the Government to improve the compensation program for doctors in the I.H.S. in order to attract more volunteer medical talent. It should also assist Indian and other rural communities in establishing programs to attract physicians.

The neglect of health care for our Indian brethren and other rural inhabitants is anachronistic and a sad commentary on our way of life.

In an era when national attention has been focused on the plight and needs of the American Indian, health care should head the list of our debts. Such a priority can show that we have learned our history lesson.

ROBERT P. CORSON,
RALPH HERZ, Jr., M.D.

NEW YORK, *August 22, 1973.*

NUCLEAR POWER: NADER'S PREDICTION

Mr. GRAVEL. Mr. President, when Ralph Nader spoke last month to the Western Governors Conference, he tried to warn the Governors that nuclear power is becoming a political liability for its supporters. He said:

> Let me make a prediction here. I don't think that there will be another nuclear plant built in this country in nuclear fission after five years. I think there is going to be the biggest, environmental, legal, legislative, executive branch, citizen, consumer battle in the history of the country. And what happened to the SST will be a spring picnic compared to the struggles that are going to come forward on nuclear fission power.
>
> It is utter folly for utilities and the energy industry in general to replace a significant portion of our electricity resources and supply from nuclear fission plants . . . There are too many generational hazards, and there are too many alternatives which we could take advantage of if we simply started to reallocate the research budget at the federal level into non-nuclear-fission regions.
>
> Indeed, to put all our energy eggs in one fragile nuclear basket may well go down in history as the most prominent act of technological suicide that a country has ever advocated. And to engage in the promotion of these nuclear fission plants overseas, to try to sell them to countries like India and Brazil and African nations whose technical infrastructure of care is orders of magnitude below ours, is also an act of folly.
>
> All of this would not have occurred, I submit, if we had open disclosure of information, if we had standing of citizens to challenge, if we had technical representatives at the state level, if we had a state jurisdictional input, if we had an R&D budget working on alternatives such as solar, geothermal, liquefaction, and so forth.

INFORMATION ASKED ON RUPTURE OF NUCLEAR REACTORS

At the Governors Conference, AEC Commissioner Doub argued that people who do not believe in the idea of safe nuclear power are "confused." Mr. Doub is a lawyer, as is Mr. Nader.

In addition, Commissioner Doub offered to make available any AEC paper on the peaceful atom which Nader may want to study. This offer could be important if it changes the AEC's longtime practice of suppressing inconvenient information. Right away, the AEC received a request for a previously withheld report on reactor pressure-vessel integrity. Nuclear powerplants have no emergency system designed to protect the public if a reactor pressure-vessel ever ruptures.

Mr. President, I ask unanimous consent that the story "AEC Meets To Discuss Doub's Offer" from the Weekly Energy Report of October 1, 1973, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Weekly Energy Report, Oct. 1, 1973]

AEC MEETS TO DISCUSS DOUB'S OFFER TO NADER; PROBLEMS FEARED

Atomic Energy Commissioner William O. Doub last week dramatically offered to make available to consumer advocate Ralph Nader: "Any paper on any subject, any background information within the AEC, that you may request that does not affect the weapons program on a continuing basis." Doub's statement was a tense climax to a confrontation with Nader at the Western Governors Conference in Gleneden, Oregon last Tuesday. The widely reported confrontation and Doub's challenge causes some alarm in the AEC, and the Commission last Friday scheduled a meeting to discuss how to deal with the matter. Commission staff are concerned that it may destroy all privacy in the institution and lead intervenors to demand proprietary information and internal memoranda. By the end of the week Nadar had not been heard from, but Chicago environmental attorney Myron Cherry had taken Doub up seeking materials with regard to reactor vessel integrity that the Commission has denied to him in the past.

Cherry wrote to Doub: "I am delighted, if you are correctly quoted, that the Commission's policies are to give the public access to all documents that do not touch upon the weapons program. Unfortunately, in dealing with some of your employees in seeking information for my clients, I have been led to believe that other standards and criteria have been applied in denying documents. As an example, I enclose five pieces of correspondence . . . which deal with a refusal by the Atomic Energy Commission to release documents that have nothing to do with the weapons program. Indeed, one of the documents refused to be produced was a report to the ACRS (Advisory Commission on Reactor Safeguards) on light water reactor pressure vessel integrity, a subject of immense concern to those involved in nuclear safety today." Cherry said that the purpose of the letter was to ask for Doub's assistance in securing documents and to implement the Commission's "statement of policy" as evidenced by Doub's remarks.

Cherry's letter added: "I would be delighted to make whatever payment is necessary for the production of these documents. In addition, I hereby offer my services to you and the commission to assist in outlining whatever changes are necessary so that there is a free access of documents to the public and so that your statement of policy of releasing all documents not touching the weapons program can be fully and immediately implemented. In this connection, I would urge you to review the Federal Register's notices of ACRS meetings. Just about every time a sensitive safety matter is going to be discussed by the ACRS, the notices announced that the meeting would be closed to the public. As you know, the ACRS does not deal with matters of weapons in connection with such meetings."

Doub, who has been trying to set up a meeting with Nader for several months, also challenged the latter to sit down and discuss the issues. Doub said: "Now I hope, Mr. Nader, that this brief formal contact that we have had today will be extended, that we will be able to continue this discussion on a person-to-person basis after this conference ends. And, as you know, sir, I have offered to meet with you in the past, and for one reason or another, you have declined my offers. I admire many of the things that you have said in the past. I admire some of the things that you have done in the past. And that holds for what you've said today. But very frankly the cavalier way in which you dismiss the idea of safe nuclear power both here this morning and around the country has led me to the inevitable conclusion and convinced me that you, with regard to both your facts and your opinions, are confused. Now if you are interested in facts, and I assume that you are, and I know that I am, then oughtn't we to sit down and examine those facts and why don't we?" Nader did not respond immediately to Doub's offer, but he is reported to have said later that he would meet with the Commissioner before the end of October.

UAW ENDORSES PUBLIC FINANCING OF CAMPAIGNS

Mr. MONDALE. Mr. President, United Auto Workers president Leonard Woodcock has put the UAW solidly on record in favor of public financing of political campaigns.

In an eloquent and constructive statement before the Subcommittee on Privileges and Elections of the Senate Rules Committee on September 21, Mr. Woodcock said that—

> The UAW International Executive Board has unanimously voted to support public financing of federal elections.

With both the UAW and the AFL–CIO joining in support of public financing, the labor movement in the United States represents one of the most powerful and effective forces behind this vital reform. I hope that the business community and others who have been heavily involved in financing campaigns will follow their lead so that we can end, once and for all, the present sordid system of financing campaigns.

Mr. President, I ask unanimous consent that the full text of Mr. Woodcock's excellent testimony be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF LEONARD WOODCOCK

We have heard the year 1973 described as "the year of Europe". I suggest that 1973 must be the year of the American people—the year in which we insure, for all time, the immunity of our political system from the twin diseases of corruption and malfeasance. The only way to do that is to opt for direct public financing of federal elections.

Recent revelations of the misuse of campaign funds and the corruption of the federal election process have shocked the conscience of the American people.

We need not detail the full panoply of disclosures which indicate the breadth and scope of the crisis in the American political system. As examples, we are appalled by the following:

1. Major political contributors, such as Vesco, the Milk Lobby, ITT, and others, were heavily involved in lobbying administration officials on matters of ugly self-interest when they made their huge political gifts.
2. There were secret funds, large transfers of cash, and the attempted "laundering" of money by transmission through foreign countries.
3. Campaign funds were used for the cynical manipulation of public opinion and the rigging of polls.
4. There was massive destruction of campaign finance records.
5. There was political sabotage and espionage on an unprecedented and intolerable scale.
6. Existing campaign spending laws were openly violated and the Justice Department has shown a great reluctance to prosecute.
7. There were massive violations, in letter and spirit, of the tax laws, the election laws, the criminal laws, and the civil rights laws by not only underlings, but also by those in the highest offices in the land.
8. Camapign funds were used for bugging, burglary, forgery, and other fraud.
9. Even federal funds were used for partisan politics and other illegal activities.
10. Conspiracy was rampant and, worst of all, there has been massive obstruction of justice by those in high places.

These are only typical examples of what we already know went on the last election. Doubtless, more will come to light. The problem, in a nutshell, was too much private, secret money. There is no question but that the 1971 Campaign Reform law is insufficient protection.

It is not enough to convict the guilty and clean house. The American people must make sure that none of this ever happens again. We cannot merely criticize and accuse, we turn these revelations to positive purposes for the public good. It is time now to make the American promise of political democracy a full reality.

In effect, the press has already "held hearings" on campaign conduct and financing. The UAW believes that the American public is convinced that the time has come to revise the federal laws regulating the conduct and financing of campaigns. Indeed, the public mood may present a once-in-a-lifetime chance really to reform the financing and conduct of federal campaigns.

The alternative to sweeping, overall reform of federal elections, which must include adequate public financing, is simply to permit the rich, the super rich and the special interests to run the business of American politics. Whatever the cost to prevent such a turnover, it is a cost the American people must pay.

Under the present system of private financing of Presidential and Congressional elections, the people really pay the bill—in increased prices, in unfair tax loopholes and tax favors, and in favorable rulings by governmental bodies won by the big givers as the payoff for their support.

The present system, moreover, gives contributors more influence than voters, encourages chicanery and secrecy and it breeds contempt and cynicism for the political process.

Senator Russell Long said it well in 1966 when he said, ". . . I sometimes gain the impression that when you are talking in terms of large campaign contributions—I do not mean the $100 type. I mean the big ones, $5,000 and above—the distinction between a campaign contribution and a bribe is almost a hair's line difference. You can hardly tell one from the other."

The time is right for public financing of elections. The Gallup Poll in June of this year found that 57% of the American people support the idea of public financing, with only 29% opposed and 13% having no opinion. "The Advocates" television program found 76% of its viewers favored public financing of elections. As we have said, in effect, the press had "held hearings" on the conduct of federal elections. The people want and need public financing of all federal elections. The UAW International Executive Board has unanimously voted to support public financing of federal elections.

The cost would not be prohibitive. A 1971 proposal which called for an expenditure of about 93 million a year would have cost every American of voting age only about 69 cents. A direct subsidy by taxpayers would save those taxpayers millions of dollars because when they pay through the "middle men"—the big contributors—they pay much more in hidden, indirect ways.

The only answer is direct public financing of primaries and general elections accompanied by a strong and independent federal election commission with its own enforcement powers, strict, limits on the amount individuals, groups, and candidates may spend in primaries and elections and the creation of a matching program for small contributions to enable candidates and parties to meet their real needs and to give those who wish a direct feeling of participation.

We in the UAW believe that the people cannot afford the present system. We urge this Congress to give the American people the present of a shield to protect their democracy. If this year we can take down the "For Sale to the Highest Bidder" signs from our great institutions, we truly will make this year—1973—the year of the American people.

THE THREAT TO POTENTIALLY ZONE-LOCKED NATIONS

Mr. STEVENS. Mr. President, preparatory work for the 1974 Conference on the Law of the Sea is directed toward achievement of international agreements in two fundamental categories of ocean use. One pertains to ocean resources use, fishing and mining. The other pertains to nonresources use, navigation, overflight, scientific research, and marine environmental protection.

The U.S. delegation has supported acceptance of expanded jurisdiction of a coastal nation over its ocean resources while preserving freedom of passage and other nonresource uses. In a statement submitted to the U.N. Seabed Committee August 13, 1973, at Geneva, Switzerland, John Norton Moore, vice chairman of the U.S. delegation, addressed the potential problem of "Zone-Locked States."

Mr. President, I ask unanimous consent that Professor Moore's statement be printed in the RECORD. It clearly illustrates the necessity of distinguishing between economic and noneconomic issues in the negotiation of ocean-use treaties.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY JOHN NORTON MOORE

Mr. Chairman: There has long been broad agreement in the Seabed Committee that if a new law of the sea treaty is to achieve general acceptance of expanded coastal state economic jurisdiction it must also protect freedom of navigation and other non-resource uses. On previous occasions my delegation has stated that we are prepared to accept broad coastal state economic jurisdiction in adjacent waters and seabed areas beyond the territorial sea as part of a satisfactory overall law of the sea settlement. Our proposals on fisheries and the coastal seabed economic area have also indicated the importance of protecting navigational and other non-resource uses as we extend this economic jurisdiction. In this regard my delegation has been pleased to note that the importance of protecting navigation and overflight is explicitly recognized in the principal draft proposals concerning expanded economic jurisdiction which have been introduced in Subcommittee II. It is important, however, that we not compromise free access to the oceans and other navigational rights by jurisdiction which, though not explicitly aimed at those rights, could have the effect of unnecessarily restricting them. The discussion in Subcommittee III has indicated that if coastal state jurisdiction over pollution were to include general jurisdiction over vessel-source pollution, the community interest in rights of navigation could be seriously damaged without offering satisfactory protection to the marine environment.

Mr. Chairman, all states need free access to the oceans. Coastal states usually take this access for granted and think of it as a problem only for landlocked states. But this basic problem of access could be shared by a majority of coastal states if we are not careful to separate the forms of economic jurisdiction from jurisdiction affecting navigational rights and other non-resource uses. Thus a study of the access of coastal states to the oceans shows a surprising potential problem. Under a regime recognizing some form of economic jurisdiction in an area as far seaward as 200 nautical miles, approximately 61 coastal states would have no access beyond their own area of jurisdiction to any ocean on which they face except through the economic area of one or more neighboring states. These 61 coastal states, comprising a majority of all coastal states, would be totally "zone-locked". An additional five coastal states would be "partially zone-locked" in that they would be completely cut off from access to one of the oceans on which they face except through the economic area of one or more neighboring states. And at least six land-locked states would, in addition to their present access problems become partially zone-locked in that the state or states on which they are dependent for normal maritime access would themselves be zone-locked.

Potentially zone-locked states include a substantial number of states from all geographic regions. There are approximately six in the Americas, 11 in Asia and Oceania, 17 in Europe, and 27 in the Near East and Africa. They are particularly concentrated among continental Southeast Asian states, African states with short coastlines, states bordering on the Caribbean, states bordering on semi-enclosed seas which do not also have a direct ocean coastline, shelf-locked states, the Baltic Sea states, Northwest European states and the Red Sea and Persian Gulf states. Perhaps as a more immediate indicator of the potential seriousness of the problem, of the 90 members of the Seabed Committee, more than half are potentially zone-locked. However, the United States, as well as Australia, Brazil, Canada, France, Japan, Peru, and the United Kingdom, among other coastal states participating in the work of this Committee, are not potentially zone-locked. Attached as an appendix to this statement is a list of these potentially zone-locked states.

The problem of the zone-locked state illustrates in its most acute form the danger to the common interest—and particularly to coastal states—if an expansion of economic jurisdiction were to be accompanied by an expansion of jurisdiction capable of affecting navigation. If, for example, jurisdiction for the protection of the marine environment were to extend generally to vessel-source pollution, all seaborne commerce and other maritime traffic to and from zone-locked states could, in effect, be subject to the control of another state. Whether or not the judgments of these neighboring states were always related to environmental concerns, their judgments would not necessarily reflect the interests of the zone-locked state. Nor would such jurisdiction permit the zone-locked state to participate in the decisions effecting its ocean lifeline. For zone-locked states, this loss of control would extend to all ocean shipping and other maritime transit to or from their countries, not just to their flag vessels or vessels owned by their nationals. And as the access problems of land-locked states have illustrated, reliance on bilateral solutions would be a frail reed for so important an interest.

National jurisdiction extending to vessel-source pollution in a 200 mile pollution zone could result in restrictions on navigation which would apply in over one-third of the total area of the world's oceans. Jurisdiction over such pollution zones would, to be effective, need to include authority to promulgate detailed regulations concerning vessel construction and operation. Such regulations might include detailed requirements with respect to, among other things, hull, fuel tank, machinery and equipment construction, electronic and navigational equipment, the nature of propulsion and fittings for steering and stabilizing, the manning of the ship including the number and qualification of personnel, the maximum quantity and method of stowage of cargo, loadline requirements, the quantities of fuel, water and supplies, and the kinds of maps, charts and other documents to be carried. Such regulations might even include detailed enforcement regimes permitting forfeiture of ship and cargo under certain circumstances. For zone-locked states, such far reaching regulations would be potentially applicable to all their maritime access.

Mr. Chairman, the threat to zone-locked states is only the most acute manifestation of the importance of fully protecting navigational freedoms in an overall law of the sea agreement. Whereas zone-locked states would have no direct access to an ocean which they face without passing through an economic area of one or more neighboring states, all states, coastal as well as land-locked, would be affected by expanded unilateral jurisdiction capable of affecting navigational freedoms. The major routes of the world pass within 200 miles of many different coastal states. Thus, on a typical voyage, it would not be uncommon to pass through the zones of ten or fifteen states if such zones were permitted. Moreover, since many vessels are designed for a wide variety of shipping routes, during their productive lives they would be potentially subject to the jurisdiction of as many as 120 coastal states.

The costs of an effective international system for the control of vessel-source pollution are not burdensome. The unnecessary costs, however, which would result from a welter of conflicting national measures might well be great. It should be emphasized that exporting and importing nations as well as maritime states would bear these unnecessary costs. Such costs would be largely passed on in the form of increases in the cost of shipping. These costs may also be reflected in reduced international trade or in slower growth in trade as increased shipping costs displace marginal products or materials and encourage substitution of more expensive alternatives. My country has a clear interest in avoiding these unnecessary costs as do all exporting and importing countries. The impact on developing countries heavily dependent on exports, however, could be particularly severe.

We must, of course, make certain that a new law of the sea agreement will protect the environmental and other needs of coastal states as well as of the international community as a whole. If the real choice were between effective environmental protection and coastal state pollution jurisdiction capable of impeding the oceans access of a majority of coastal states, the world community would face a difficult choice. Fortunately, environmental as well as navigational considerations support international as opposed to piecemeal solutions to the problem of vessel-source pollution. Vessels, unlike land-based or seabed sources of pollution, move throughout all parts of the marine environment and their discharges are widely dispersed by winds and currents which know no international boundaries. A piecemeal approach is therefore not appropriate to the nature of the problem and would not provide an effective solution. Environmental considerations must play a major role in shaping a new law of the sea agreement. Our environment decisions, however, should meaningfully protect the ocean environment rather than merely serve an abstract concept.

Mr. Chairman, the threat to the common interest, including particularly the threat to zone-locked states, suggests the importance of fully preserving freedom of navigation and other non-resource uses in any extensions of coastal state economic jurisdiction. By maintaining a clear distinction between these economic issues on the one hand, and navigational and other non-resource issues on the other, we will enhance the chances for a widely accepted law of the sea treaty. That, Mr. Chairman, is an objective shared by all nations.

PARTIAL AND APPROXIMATE LIST OF POTENTIALLY ZONE-LOCKED STATES

For purposes of this illustrative list, a potentially "zone-locked" state is defined as a state which does not have direct access to an ocean on which it faces except through an area within 200 nautical miles of one or more other states. This list bears a heavy caveat since any boundaries between any forms of jurisdiction extending as far as 200 nautical miles have, of course, not been determined.

I. TOTALLY ZONE-LOCKED COASTAL STATES—BY REGION

The Americas

1. Cuba.
2. Honduras.
3. Jamaica.
4. Nicargua.
5. Panama.
6. Trinidad and Tobago.

Europe

1. Albania.
2. Belgium.
3. Bulgaria.
4. Denmark.
5. Federal Republic of Germany.
6. Finland.
7. German Democratic Republic.
8. Greece.
9. Italy.
10. Malta.
11. Monaco.
12. Netherlands.
13. Norway.
14. Poland.
15. Romania.
16. Sweden.
17. Yugoslavia.

The Near East and Africa

1. Algeria.
2. Bahrain.
3. Cameroon.
4. Congo.
5. Cyprus.
6. Egypt.
7. Equatorial Guinea.
8. Ethiopia.
9. Gambia.
10. Iran.
11. Iraq.
12. Israel.
13. Jordan.
14. Kuwait.
15. Lebanon.
16. Libyan Arab Republic.
17. Mauritania.
18. Qatar.
19. Saudi Arabia.
20. Sudan.
21. Syria.
22. Togo.
23. Tunisia.
24. Turkey.

25. United Arab Emirates.
26. Yemen.
27. Zaire.

Asia—except Near East—and Oceania

1. Cambodia.
2. Democratic Republic of Vietnam.
3. Democratic Peoples Republic of Korea.
4. Fiji.
5. Malaysia.
6. Nauru.
7. Republic of Korea.
8. Republic of Vietnam.
9. Singapore.
10. Thailand.
11. Western Samoa.

II. PARTIALLY ZONE-LOCKED COASTAL STATES—THAT IS COASTAL STATES ZONE-LOCKED ON ONLY ONE OF TWO OCEANS ON WHICH THEY FACE

1. Costa Rica (Atlantic only).
2. Colombia (Atlantic only, although opening to Pacific would be only a narrow corridor to the south).
3. Guatemala (Atlantic only).
4. Mexico (Atlantic only).
5. Union of Soviet Socialist Republics (Atlantic only).

III. ILLUSTRATIVE LAND-LOCKED STATES ALSO PARTIALLY ZONE-LOCKED—THAT IS LAND-LOCKED STATES DEPENDENT FOR THEIR NORMAL TRAFFIC ROUTING ON A TOTALLY ZONE-LOCKED STATE OR STATES

1. Austria.
2. Czechoslovakia.
3. Hungary.
4. Laos.
5. Luxembourg.
6. Switzerland.

MRS. JENNY MOORE

Mr. MONDALE. Mr. President, it is with a deep feeling of sorrow and loss that I call to the attention of the Senate the recent death of Mrs. Jenny Moore. Mrs. Moore, the late wife of my close friend, the Right Reverend Paul Moore, Jr., was in my judgment among the most courageous and gifted individuals I have ever been privileged to know.

As a wife, mother, community activist, and a talented writer, Mrs. Moore for many, many years devoted her energies and her remarkable spirit to the search for human dignity, peace, and social justice.

Several years ago Mrs. Moore wrote "The People on Second Street," which eloquently describes the sorrows, the joys, and ultimately the frustration of the Moore's life in Jersey City. She wrote:

> We didn't begin to change the system except to smooth some of its edges, and those impermanently. The people on Second Street—are still politically powerless, groggy from television's half-truths, patronized by handouts from grossly inefficient welfare system. We changed none of that. But we did live there as a family; we were part of the community.

I know that many of my colleagues in the Senate share my sadness upon the passing of Jenny Moore. Her life and her tremendous dedication will nevertheless be a continuing source of inspiration to all of us who were fortunate to know her.

Mr. President, I ask unanimous consent to have a New York Times article regarding Jenny Moore printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JENNY MOORE, AUTHOR, 50, DIES; WROTE OF MINISTRY AMONG POOR

WASHINGTON, October 3.—Jenny Moore, an author, social activist and wife of the Right Rev. Paul Moore Jr., Episcopal Bishop of New York, died today of cancer at Washington Hospital Center. She was 50 years old.

Brought up in an affluent Boston family, Mrs. Moore worked alongside her husband for eight years in Jersey City in one of the country's first inner-city ministries among the poor.

During the nineteen-sixties, while her husband was Suffragan Bishop of Washington, she took part in numerous civil rights, peace and antipoverty efforts and frequently turned her home into a headquarters for out-of-town demonstrators.

She was also active in politics, working for Senator Eugene J. McCarthy during his 1968 Presidential bid.

IDENTITY OF HER OWN

In recent years Mrs. Moore, the mother of nine children, embarked on a literary career. Friends said that after years of being identified primarily as the wife of a prominent and sometimes controverial husband, she was interested in seeking an identity of her own.

In 1968 she published "The People on Second Street," a description of the sorrows, joys and, above all, the ultimate frustration of the couple's life and ministry in Jersey City.

"We didn't begin to change the system except to smooth some of its edges, and those impermanently," she wrote. "The people on Second Street . . . are still politically powerless, groggy from television's half-truths, patronized by handouts from a grossly inefficient welfare system. We changed none of that. But we did live there as a family; we were part of the community."

In 1971, at the age of 48, she enrolled in writing courses at George Washington University. "I was called by my first name, and my last was both unknown and unimportant," she said.

Last March, Mrs. Moore was told that she suffered from inoperable cancer of the liver. While trying various nutritional attempts at curing the illness, she wrote regularly of how it felt to be facing death, and she continued her studies.

Her recent writings, most of them still unpublished, include articles, a novel and a play about internal politics among editors of a Washington newspaper.

Several weeks ago she dictated a funeral service that includes an "agape feast," a simple fellowship meal modeled on early Christian practice. She asked that the music be performed by a string quartet with flute or oboe and that Senator McCarthy read "The Pilgrim Soul" by William Butler Yeats. She also left instructions that her gravestone bear the inscription "The loneliness and hilarity of survival."

Mrs. Moore was the daughter of the late Quincy Adams Shaw McKean, a prominent Boston horseman known for introducing Afghan hounds into this country, and Margarett Sargent McKean, a painter and sculptor. Their summer home in Pride's crossing, Mass., built in 1650, was a gathering place for artists.

GRADUATE OF BARNARD

Educated privately in her early years, Mrs. Moore attended the Madeira School in Washington and Vassar College for one year. She graduated in 1946 from Barnard College, where she was elected to Phi Beta Kappa.

She is survived by her husband to whom she was married in 1944; her mother, and her children: Honor, Paul III, Adelia (Mrs. Thomas Gerety), Rosemary, George, Marian, Daniel, Susanna and Patience. Other survivors include a sister, two brothers and four half-brothers.

The funeral service will be held Friday at 2 p.m. at the Washington Cathedral. A memorial service will take place Oct. 15 at 11 a.m. at the Cathedral Church of St. John the Divine in New York.

DOUG MORRISON

Mr. FANNIN. Mr. President, the U.S. Forest Service and the conservationists, sportsmen, and citizens of Arizona have lost a good friend and dedicated public servant with the passing of Mr. Doug Morrison of Cottonwood, Ariz.

Mr. Morrison died September 30 and his funeral was held on October 3.

Mr. Ben Avery, outdoors editor of the Arizona Republic and a friend of Mr. Morrison, paid tribute to him in a column published on October 4.

Mr. President, I ask unanimous consent that Mr. Avery's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE ACCOMPLISHED MUCH

(By Ben Avery)

Doug Morrison wasn't a big man. I never heard him raise his voice. He turned down opportunities for promotion to stay in the field and do the work he liked, but his influence in Arizona and Southwest conservation circles had more impact for good than any of the regional foresters I've known.

Doug was a U.S. Forest Service man from the heart out, and from one of the best trained minds in the business down to a pair of feet that were willing to carry him wherever the job required.

Doug died Sunday in Cottonwood and his funeral was held Wednesday afternoon. The last few years of his life he fought for every breath, and finally had to harness himself to an oxygen tank just to stay alive. But he never stopped fighting for those things he believed in, and I was on the receiving end of many of his letters that provided expert professional guidance to me in a field where I am untrained.

We did not always agree, but Doug Morrison was always completely and professionally honest. I wasn't the only one in the Southwest who held him in such respect. I don't know of anyone who did not.

Doug was only 52. I've known him well more than 20 years, since that winter of 1952 when a 30-inch snowfall trapped 1,000 elk hunters along the Mogollon Rim when Doug was the district ranger at Chevelon.

His wife, Mary, was expecting any day, but Doug spent that whole week out in the woods, up to his hip pockets in snow, leading crews of state and county highway workers, and game and fish rangers plus volunteers. In seven days I don't think anyone got seven hours sleep, but only five hunters died in that storm. The toll could easily have been 50.

Because of his honesty, his quiet manner, and a courage to speak up even when it meant disagreeing with a superior or a high public official, Doug brought about many changes of great benefit to Arizona, and to wildlife in forest management policy. And many of these changes will be lasting because they have been written into the management manuals.

He was successful in getting a management formula adopted for control of juniper that has stopped most of the destructive, wholesale chaining and bulldozing of these trees. Both ranchers and wildlife people would listen to him, and he helped ranchers on the Coconino develop some outstanding range management plans.

Today's cooperative wildlife management plans between the Forest Service and Arizona Game and Fish Department are just about 100 per cent due to Doug's efforts and his rare ability to get people to sit down together and work out their problems.

He was awarded a special citation two years ago by the Governor's Advisory Committee on the Environment for his work in effecting better reproduction of aspen, and in protecting the beauty of the national forests.

And during his life, he headed the state professional societies but his first love was the state's wildlife. He was recognized as one of the most knowledgeable also in the field of identifying forbs, grasses and woody plants of the Southwest.

We will miss Doug Morrison, but we will benefit from his work for many years.

EXCELLENT TESTIMONY OF GEORGE C. MARTIN, PRESIDENT OF THE NATIONAL ASSOCIATION OF HOME BUILDERS

Mr. PROXMIRE. Mr. President, last Thursday the president of the National Association of Home Builders, Mr. George C. Martin testified before the Senate Banking, Housing and Urban Affairs Committee of the Senate.

His testimony was among the very best we have received and showed an understanding of what is happening to the housing programs that has not yet been realized by citizens throughout the country.

PUBLIC FROZEN OUT

The reality is that at least 60 percent and probably 70 percent of the American people are now priced out of the house buying market. With interest rates at 9 percent and land and construction costs up, the ordinary family cannot afford to buy a house.

In this context the administration has put a freeze or moratorium on existing programs to help those of both low incomes and middle incomes.

NO NEW PROGRAM NOW

Further, and this is the most important point, not only does this freeze continue essentially in effect—there are a few crumbs from the table, but it essentially continues—there is no specific program from the administration as a substitute.

We have heard a great deal of talk lately about whether we should substitute housing allowances for the existing programs. One can argue that. I think it will not work.

But the reality of the situation is that the administration is not proposing that. They are proposing nothing.

So, the present programs are stopped. No new program is proposed as a substitute. And meantime the bulk of the American people are frozen out of housing by the high interest rates.

CRUEL SITUATION

This is a cruel, brutal, bad program, or lack of program. It abandons our historic housing program. And yet few know it.

Mr. Martin knows what is happening and has said so.

I ask unanimous consent that his excellent testimony, along with his exhibits, appear in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of the National Association of Home Builders

Mr. Chairman and members of the Subcommittee:

My name is George C. Martin. I am a home builder from Louisville, Kentucky. I also serve as the President of the National Association of Home Builders which is the trade association of the home building industry. NAHB's membership totals more than 71,000 throughout the 50 states and Puerto Rico. Appearing with me today are Lewis Cenker, our First Vice President, and Nathaniel H. Rogg, our Executive Vice President.

We appreciate this opportunity to appear here today and present our views on the Administration's housing proposals as embodied in the President's message of September 19 and the legislative proposals forwarded to the Congress this week. I must say, however, that, while we appreciate the opportunity to appear, we regret that what is before the Subcommittee today does little to meet the housing needs of the American people, especially those of low and moderate income.

In my appearance before you on July 23 I spoke at some length on the housing situation then confronting us as a result of escalating mortgage interest rates and the tight availability of mortgage money at any price. I also presented our views on the major bills then pending before the Subcommittee, including S. 2182, which would consolidate and simplify the various HUD housing programs, and S. 1743 and S. 1744, different approaches to consolidating and simplifying the various HUD urban development programs.

I would like to reiterate our support for most of the provisions of S. 2182 and S. 1744. These two bills basically embrace the provisions of S. 3248, passed by the Senate in March, 1972, which we thought was a very good bill and regret never became law. We urge the Subcommittee to move quickly to approve legislation along the basic lines of last year's Senate-approved bill.

If anything, the housing situation is worse than it was on July 23. Mortgage money has become considerably tighter and even more expensive. Housing starts in August were at their lowest level since October, 1971, and building permits for August were at their lowest level since February, 1971. Both have been on a downward trend since the first of the year and seem headed down even farther for the next several months to come.

This deterioration was not unexpected but it is, nevertheless, unwelcome and we believe unnecessary. The principal cause has been the Administration's and the Federal Reserve Board's principal reliance on monetary policy to stem inflation. Housing, of course, is hardest hit when such heavy reliance is placed on high interest rates and tight money to slow down general inflationary patterns. With the prime rate at 10% at most banks, mortgage interest rates, according to a survey made by us in the early part of September, have reached a median level of 9.2%. All indications are that these rates have even gone higher since that survey. The results of this survey and other information pulled together by our Economics Department on the present housing situation are set out in our Housing Starts Bulletin of September 19, 1973, a copy of which is attached.

We had hoped, of course, that the President's message would recognize the seriousness of the present housing situation and propose significant tools to deal with it. Unfortunately it fell far short. The $2.5 billion in forward commitments to be made available to S & Ls by the Home Loan Bank System and the reinstitution of the GNMA Tandem Plan for new unsubsidized FHA and VA mortgages are, of course, welcome. However, the $2.5 billion in advance commitments will only make money available at rates in excess of 9½% to the ultimate borrower and, if the Tandem Plan had not been originally suspended in June, it probably would have been operating at a $3 billion annual level at this time anyway. There was no indication of any effort to bring down the cost of mortgage money, the real culprit in today's slowed-down housing market.

With respect to housing the low and moderate income, the President's proposals are little short of disastrous. After suspending the present subsidy programs, the Administration promised that a full-scale review has been completed and it seems to have done little other than to justify the preconceptions articulated by Administration spokesmen at the time of the suspension in January. At the expense of millions of taxpayers' dollars, all that the low and moderate income have to console them is the hope that two or three years in the future some type of housing allowance program may be initiated on a gradual basis to help them obtain decent housing. In the interim they are to be consoled with 200,000 units, while the National Housing Goals call for an annual production in excess of 600,000 units a year.

Before I get into some of the particulars of the President's message and the bill he has sent to the Congress, I would like to touch on two areas of immediate concern. The first of these is the necessity to take early action to relieve the present mortgage money crisis. Secretary Lynn, in his statement two days ago, called for early action on legislation to increase the FHA mortgage limits and to adjust the downpayment requirements for FHA mortgages. We fully agree.

The FHA mortgage limits have not been raised in almost three years, during which we have experienced a severe inflation throughout our economy. With interest rates at levels in excess of 9%, there is absolutely no mortgage money available in those states with 8% and similar usury limits. Since most of these states, however, do exempt from their usury limit FHA and VA mortgages, it is important that the FHA mortgage limits reflect today's cost levels.

We also believe it would be helpful if adjustments were made in the maximum mortgage limits for the FNMA and Federal Home Loan Mortgage Corporation conventional, secondary markets. These two important institutions have been circumscribed in their ability to assist effectively the conventional mortgage market because of outmoded mortgage limits. Legislation making these important adjustments should be acted on expeditiously by the Congress.

Beyond these relatively technical adjustments, however, we believe that it is crucial that the Congress pay early attention to the need to alleviate the present mortgage crisis and provide, through legislation, the mechanisms that will help prevent the recurrence of future crises. There is no single way of dealing with these crises, but we believe that, through a combination of legislative and administrative actions, it is possible to prevent them from recurring in the future.

At our Board of Directors' Meeting in New Orleans, Louisiana, last week, our Board adopted two resolutions dealing with the present situation. The first of these sets out a many-faceted program which we believe should be put into effect. The second reaffirmed the housing goals adopted by the Congress in 1968 and called upon the Federal government to act quickly to deal with the present problems. Copies of these resolutions are attached to my statement.

I commend to you the program set out in these resolutions. There is no question that, if the past is any indication of the future, we will ultimately come out of the present crisis, but the toll will be great in lost efficiency in the housing industry and increased costs to the housing consumer. We cannot allow such a basic need as housing our people to be subject to the vicissitudes of a boom-or-bust housing policy.

Secondly, it is important that we get on with the job of providing decent housing for the nation's low and moderate income families. For nine months now this effort has been on the shelf while present programs have been studied. This study has now been completed, and we find a further study proposed. We also find, to our dismay, that the Administration has asked the Congress to find and declare that the present Federal subsidized housing programs have not made an adequate contribution toward meeting the nation's housing goals; that they are wasteful and inequitable; and that they have otherwise been useless. It is then proposed that the Congress find that a yet untried and still to be studied method is a better approach and that in the meantime we are to abandon any approach.

This is disgraceful. Despite the approximately 2 million families who have obtained decent housing under these programs over the past four to five years, the nation is now asked to abandon any effort in place of possibility. The Congress is further asked to revert to what has not worked in the past—maximum reliance on the existing housing stock and the disciplines and economies of the free housing market. It is further asked to abandon the ten-year housing goal enacted in 1968, as well as the goal of eliminating all substandard housing. It is even asked to authorize HUD to spend money to determine "the definition of safe and sanitary housing."

If HUD at this time does not know what safe and sanitary housing is, the nation indeed is in a sorry state. If the government is now to abandon its efforts to provide good housing for those who cannot otherwise afford it, as well as its efforts to eliminate substandard housing, then we are in even a sorrier state.

While there may be better and more efficient ways of meeting the housing needs of the low and moderate income than those presently available, it is important that we proceed full speed with the programs now at hand until those better and more efficient programs are developed and fully funded. This is especially true today when the highest mortgage interest rates in our history have priced such a large segment of our population out of the housing market.

Therefore, as our Board of Directors in another resolution adopted in New Orleans stated, we reaffirm our support of these programs, urge HUD to release all impounded funds, and urge the Congress to provide sufficient additional funds to keep these programs operating at a level consistent with the national housing goals until such better programs are in being. I have attached a copy of that resolution to my statement.

I would like to turn now to the basic premise behind the Administration's proposal to abandon the present housing subsidy programs, that the present major emphasis on production of housing for the low and moderate income is wrong and wasteful and that we should instead rely on the existing housing stock. If we should abandon our present production orientation for low and moderate income, we would be the only nation in the Western world without a significant production element in its program to help house those who can not afford adequate housing on their own.

Beyond that, however, we would be placing our reliance on an illusory foundation. There just is not enough standard housing in this country today to meet the needs of all who need adequate housing. In fact, at the present time we are experiencing one of the tightest housing situations in recent decades. For the last three years our vacancy rate in housing available for sale has been slightly under one percent. This compares with a rate of 1.5 percent in the mid-sixties. The rental vacancy rate in the second quarter of this year was 5.8 percent, slightly higher than it has been for the last couple of years, but still low when compared to the over 8 percent rate during the first part of the decade of the sixties.

Experience has demonstrated that we need a vacancy factor in sales housing of about 1.5 percent and a rental vacancy factor of about 7 percent in order to maintain population mobility. Further, the Census Bureau figures show that much of this vacant housing is located in older structures and only has one or two bedrooms. In other words it is the least desirable housing and often inadequate for family needs.

Yet, in the face of this situation, it is proposed that principal reliance be placed on so called cash assistance (previously known as housing allowances) to meet the needs of those who are now inadequately housed. The housing just isn't there to do this, and there is no indication that it will be there at any time in the near future without significant production. The Administration itself has some doubts as to the efficacy of the housing allowance approach, since it proposes an 18-month further study on top of the one authorized three years ago but only initiated in the last year. Some of the things that they believe need further study we full agree with and we support further study of the housing allowance approach.

There is no question that, in a housing market area with an abundant supply of vacant housing, a housing allowance may well be useful. Unfortunately, there are not too many areas like that in this country. But until the study demonstrates that the vacancies are there and that housing allowances will truly enable the low and moderate income to find a decent place in which to live, we must proceed with our present programs, not abandon them.

In his message, the President bases his decision to make permanent the suspension of the present housing subsidy programs on the alleged failure of these programs. HUD Secretary Lynn, in his appearance before this Subcommittee two days ago, elaborated on the so-called defects.

First, I believe it is important to recognize that we are talking about several programs with disparate objectives and goals, not a single monolithic program. For instance, the public housing and rent supplement programs were aimed at providing decent housing for the very low income, those generally at or below the poverty level. On the other hand, the 235 and 236 programs were aimed at a somewhat higher income level, albeit those still with inadequate resources to obtain decent housing on their own. Therefore, when it is said that 235 and 236 have not served the very poor, that is not a defect in the programs, it is really nothing more than a statement that they have done what they were designed to do.

What these programs have not done, is unduly concentrate the poor in economic and social ghettos. This may have been true of some public housing projects of the past, but not for most of the housing built since 1968. In fact the 235 program especially, and to some extent the 236 program, have enabled many lower income families to break out of past ghetto patterns and to move out and live among the rest of the population. Ironically, the limted experiences to date with housing allowances has demonstrated that they tend to reinforce present living patterns rather than breaking them.

It is alleged that the programs are inordinately costly. They are projected to cost between $65 and $85 billion, as a result of commitments made to date. At the same time it is stated that they serve primarily those with incomes well above the low-income level of $4,275. To prove this, the median income levels of those moving into 235 and 236 housing in 1972 is cited. However, HUD's own figures show that the estimated contractual payments under the 235 and 236 programs, pursuant to commitments made through fiscal year 1973, will only total $14.6 billion. Although this is certainly a lot of money, it also will provide housing initially for 1,075,000 families. Beyond that, tens of thousands of other families over the expected subsidy life of the 236 projects will also benefit.

You might be asking where is this $65 to $85 billion estimate coming from? Well, the great bulk of it comes from the cost of providing housing for the very low income under the public housing and rent supplement programs.

The total cost estimated for these two programs according to HUD is $50.3 billion. This cost will support about 1.5 million units, but many, many more families than that will benefit, since these are rental programs which, like all rental projects, have a substantial turnover.

I have given you these figures because I believe that it is important that the true cost of the programs be known to you in relation to whom is being served by each of the programs. Otherwise, you might be left with the impression that we are spending disproportionate percentages of our housing subsidy funds for those somewhat above the lowest income levels.

We are told that over the next decade 19 percent of all section 235 mortgages will be foreclosed and 20 percent of all 236 projects. We are not told however on what basis these estimates are made, nor are we told how these estimates compare with actual experience under unsubsidized FHA programs. We do know, however, from figures prepared by HUD and supplied to this Subcommittee by us in our appearance before you last April, that as of December 31, 1971, the foreclosure experience under the 235 program, based on the age of the mortgage at the time of foreclosure, had up to that time been better than under FHA's basic unsubsidized 203(b) program.

We are told that the government must pay up to 15 to 40 percent more for housing under these programs than would have been paid, if those assisted had acquired comparable housing on the private market. While we realize that HUD red tape and unrealistic wage determinations do often unnecessarily drive up the cost of 236 housing, we have yet to see any data indicating any significant increase in the cost of housing produced under the 236 program.

We are told that many 236 projects simply do not work because the rents that tenants can afford to pay are not adequate to meet the required debt service and operating costs. We are not told, however, that this problem frequently flows from unrealistic income limits and no provision to handle the substantial increases in operating costs caused in recent years by runaway inflation. The cost of operating all rental projects has risen substantially in recent years, not just those under the 236 program. Does the Administration really believe there would have been no need to increase a monthly housing allowance over the past four years to reflect increases in the cost of operating apartments occupied by those receiving such an allowance?

We are told that, if everyone theoretically eligible under the present programs were assisted, it would cost $34 billion a year, whereas it would cost only $8 to $11 billion under a housing allowance approach. We are not told how these figures are derived. However, I would like to emphasize the word "theoretical" because it presumes that all families at a certain income level need or would seek assistance, a presumption erroneous on its face.

We are told that under present approaches there are long waiting lists to get into subsidized housing. Who is responsible for much of the length of these waiting lists? Could it be that the failure to carry out the mandate of Congress to move on with working programs has contributed to much of the length of these lists? Will suspending any effort at all for 2½ or 3 or 4 years contribute to reducing the length of these lists? I'll let you draw your own conclusions.

After this long recitation of alleged ills and problems of the present programs, it is then proposed that 200,000 additional units be made available during this fiscal year before their final termination. If the programs are so awful and unworkable, this seems somewhat contradictory. But let's presume that they are not that bad, then why limit the interim efforts to 200,000? We are told that this is all that can be handled with "quality processing". Would not perhaps this inability to handle more units be partly attributable to the fact that HUD has drastically cut its staff and refused to use the funds appropriated by Congress to adequately staff up to do its job.

The attack on the present housing subsidy programs is carried through in the Administration's proposed Housing Act of 1973, S. 2507. This bill, similar in many ways to the consolidation and simplification proposals submitted in 1970 and 1971, is also vastly different in philosophy. It would do away completely with the present 235 and 236 programs, and it would terminate any new assistance for public housing as of December 31, 1975.

Suffice it to say that we believe that 235 and 236 should be continued. We also believe that the public housing program should be continued beyond 1975. We therefore urge the Subcommittee to do so in any revisions of the National Housing Act and the U.S. Housing Act of 1937 that it should report out.

Only having a couple of days to review S. 2507, we have not had an opportunity to study it thoroughly and prepare detailed comments on it. I would like to ask the Subcommittee's indulgence to supply such detailed comments within the next week and to just touch upon some of the major features of S. 2507 at this time.

We question why the Congress and those who use the FHA and public housing programs are confronted for the third time in less than four years with a new proposed revision of the basic FHA and public housing statutes. It seems so wasteful to go through once again the process of considering basic technical revisions in these statutes, when it all has been considered and acted upon before.

Probably the most basic change in the housing programs proposed to be retained is in the public housing leasing program. The Administration has proposed that a new leasing program be adopted which would provide direct subsidies from the Federal government to the project owner for 20 percent of the units in a new or rehabilitated project. The local housing authority would be by-passed.

This apparently is designed as a replacement to the present 236 and rent supplement programs. We see many potential problems. First, limiting the number of assisted units to 20 percent could seriously limit its attractiveness to private builders who would have to attract mortgage money in the conventional market without any assistance from the government, since even use of FHA would be forbidden. It is contended that this method would result in less expensive projects. Yet, the principal factor in driving up the cost of projects under the present programs, the prevailing wage requirement under Davis-Bacon, would be retained.

Another disturbing feature is that the rents on which the subsidy would be based could not exceed a fair market rental determination for the housing market area by HUD. If it were necessary, because of the economics of the particular project, to charge a rent in excess of a HUD determination, tenants would be called upon to pay more than the stautory percentage of their income and thus we would be back where we are now in some of the 236 projects. It would be even more serious, because a family would be required to pay 25 percent of its gross income, with no deductions for minors as now permitted and presumably including all income of minors. This would be a retrogression to the discredited methods of calculating income for rent payment purposes of the past.

We see little of benefit from this proposed major modification of the public housing leasing program and much of detriment. We believe it would be much simpler to retain the present programs than to try to structure an entirely new one with all the problems attendant thereto.

In conclusion I would like to say that we are greatly disturbed about the apparent willingness on the part of the Administration to throw out the lessons of the past and to attempt to abandon the nation's present commitment to the early realization of the goal of a decent home and a suitable living environment for every American. The past taught us that reliance on existing housing and the market place would not meet the housing needs of the low and moderate income. In 1949 this recognition was embodied in that year's Housing Act, better known as the Taft-Ellender-Wagner Act. The sponsors of that act realized that production was needed if we were ever to meet this nation's housing needs. This week you have been asked to abandon that precept. We urge you not to.

[From the Housing Starts Bulletin,
Sept. 19, 1973]

Economic News Notes for the Building Industry

SEASONALLY ADJUSTED STARTS CONTINUE TO DECLINE

The seasonally adjusted annual rate of housing starts declined 6% in August to 2,045,000 units from a 2,176,000 unit rate in July. The rate was 15.6% below the 2,424,000 units registered for the same month in 1972.

The rate of single family starts declined 9% between July and August to 1,126,000 units from 1,238,000 units. The multifamily rate declined 2% to 919,000 units from 938,000 units.

Regionally, the Northeast had a 22.6% jump to 277,000 units from 226,000 units; the North Central declined 2.7% to 476,000 units from 489,000 units; the South plunged by 22.8% to 818,000 units from 1,060,000 units; and the West had an 18.2% increase in the rate of starts to 474,000 units from 401,000 units.

DROP IN ACTUAL STARTS

Actual starts declined 3% to 195,700 units from 201,700 units. August starts saw a 15.2% drop compared to the 230,900 units in the same month last year.

Starts in the single family sector declined 6.2% to 106,800 units from 113,800 units. Multifamily starts decreased 1.1% to 86,300 units from 87,300 units.

Regionally, actual starts increased 3% in the Northeast to 27,100 units from 26,300 units; the North Central Region rose 10.7% to 50,700 units from 45,800 units; the South dropped by 19.8% to 75,200 units from 93,800 units; and the West increased 13.9% to 40,100 units from 35,200 units.

Actual starts for August include 2,600 public housing units.

PERMITS CONTINUE DOWN

The seasonally adjusted annual rate of building permits issued declined 4.2% to 1,706,000 units from 1,780,000 units. The August rate was 25.2% under the 2,281,000 units in the same month last year.

The single family permit rate declined 11% to 805,000 units from 904,000 units, while multifamily permits increased 2.9% to 901,000 units from 876,000 units.

Regionally, the building permit rate declined in all but the Northeast where it increased 5.9% to 270,000 units from 255,000 units. The North Central Region fell 10.7% to 333,000 units from 373,000 units; the South dipped 3.3% to 698,000 units from 722,000 units; and the West dropped 5.8% to 405,000 units from 430,000 units.

Actual permits issued increased 1% in August to 154,000 units from 153,400 units. However, permits issued last month were down 25% compared to the 206,400 units issued in the same month last year.

Single family permits were down 5.7% to 76,600 units from 81,200 units. Multifamily permits rose 8.4% to 78,300 units from 72,200 units.

Regionally, permits in the Northeast jumped 14.5% from July to August, to 26,800 units from 23,400 units; the North Central declined 5.6% to 32,100 units from 34,000 units; the South dropped 0.2% to 59,200 units from 59,300 units; and the West increased 0.3% to 36,800 units from 36,700 units.

MOBILE HOME SHIPMENTS DECLINE

Manufacturers' shipments of mobile homes dropped 12.2% in July to 50,300 units from 57,300 units in June. However, shipments increased 3.7% over the 48,500 units in July 1972.

The seasonally adjusted rate of shipments declined 7.6% to 569,000 units from 616,000 units. The July rate was 1.8% over the 559,000 units in the same month last year.

IN SUMMARY

In the eight months since January, the seasonally adjusted annual rate of housing starts has dropped by 452,000 units, or 18.1%. In these eight months, six have shown a decline from the previous month. Even more important, the August annual rate of building permits issued is down 671,000 units, or 28.2%, since the peak in December 1972.

The immediate future for housing starts is rather grim. The building permit rate of 1.7 million units in August will support housing starts of less than 2 million in the immediate future. The deterioration in the mortgage market will have a much longer term effect on starts, the resale housing market and the ability of people to buy or rent.

In mid-September, the outlook for housing was somewhat better and somewhat worse than a month ago. The positive side of the story—if there really is one—is in the Administration's attempt to ease the mortgage crisis.

The FHLBB's authorization to provide forward commitments covering some $2.5 billion in mortgage loans will help. The price of this money, however, will be high—over 9%—and the response from home buyers is not yet clear.

The GNMA Tandem plan support of $3 billion is a very positive step but again will depend on the price.

Other proposals must go through Congress and their future is unknown at this time.

On the negative side the outflow of savings from thrift institutions continues. Also, indications point toward a loss of consumer savings at commercial banks.

Since mid-August our survey (see page 4) shows that interest rates on permanent mortgages increased from 8.9% to 9.2%, with no improvement in the availability of forward commitments (only 13% of respondents indicated all money was available).

More important, the basic problem of fast economic growth still remains and the prospect of a high level of capital spending is on the horizon.

In this climate monetary policies probably will not be eased in the near future. Nor will the short term rates start a downward trend for the next few months. Under these conditions one should not expect the revival of savings into thrift institutions to begin much before next Spring. This will put the bottoming of the housing cycle at sometime in mid-1974. In short, the housing starts decline will continue for quite awhile.

NAHB EMERGENCY MORTGAGE RATES SURVEY

(*August 31–September 14, 1973*)

This survey was conducted in order to continue monitoring mortgage funds and interest rates. Post cards were sent to 600 members of NAHB. The results of the survey are based on 285 responses. All information was mailed to NAHB before the prime rate increased to 10% on September 13, 1973.

AVAILABILITY OF FORWARD MORTGAGE COMMITMENTS

Nationally, the availability of forward mortgage commitments is quite similar to the situation in early August (see *Economic News Notes*, September 1973). In the most recent survey, 33% of the respondents reported nonexistence of forward mortgage commitments, and 13% reported full availability.

Regionally, the South has the least available funds (43%) and only 9% full availability. In the Northeast 37% reported nonexistent funds and 10% full availability. The North Central and West reported 24% and 20%, respectively, for nonexistence of funds and 16% and 28% for all needed available.

INTEREST RATES—PERMANENT MORTGAGES

Interest rates have risen since the early August survey. Nationally, the median rate for permanent mortgages increased from 8.9% to 9.2%.

Median interest rates for all the regions have increased: the Northeast, from 8.3% to 8.7%; North Central, from 8.6% to 9.2%; South, 9.1% to 9.3%; and the West from 9.1% to 9.4%.

INTEREST RATES—CONSTRUCTION FINANCING

The national median rate for construction financing increased from 9.4% to 9.7% between the two surveys.

Regionally, median construction financing interest rates show the following changes: the Northeast from 9.7% to 10.1% in the latest survey; North Central, from 8.9% to 9.3%; South, 9.3% to 9.9%; West, 9.6% to 9.8%.

EFFECT ON CONSTRUCTION EMPLOYMENT

Construction employment is also expected to decline further by a national median of 44% compared to 37% in the early August survey.

Regional tabulations on construction employment reveal that the median drop in the Northeast is expected to change from 39% to 47%; the North Central from 28% to 37%; the South, 40% to 45%; and the West 31% to 38%.

EFFECT ON HOUSING PRODUCTION

Nationally, housing production is anticipated to decline by a median of 51%, compared to an expected 45% drop reported in the early August survey.

Regionally, the projected declines in housing production are also greater than those in the previous survey. Respondents in the Northeast anticipate a median decline of 56% compared to 46%; the North Central foresees a 44% drop in comparison to 38% in early August; the South 54% vs. 48%; and the West, 49% vs. 43%.

SUMMARY

Nationally, the availability of mortgage funds appears to have remained almost constant, although interest rates have increased, and the drops in starts and construction employment are expected to be larger than in the previous survey.

The Northeast low median mortgage interest rate is offset by the largest anticipated drops in starts and construction employment, a decrease in availability or mortgage funds, and the highest construction financing rate in all the regions.

The North Central Region still appears to be the least pressed except for the availability of mortgage funds. However, rates are up, and the expected drops in starts and construction employment have grown.

The South still has the least available mortgage funds, in addition to increasing interest rates and nearly the highest expected drops in starts and construction employment.

The West reports more mortgage funds available than in the previous survey. However, interest rates have risen there, and so have the anticipated drops in starts and construction employment.

MEDIAN INTEREST RATES, PERMANENT MORTGAGE AND CONSTRUCTION FINANCING

[In percent]

Median interest rate	Northeast	North-central	South	West	National
Permanent mortgage	8.7	9.2	9.3	9.4	9.2
Construction financing	10.1	9.3	9.9	9.8	9.7

Source: NAHB, mortgage rates survey, Aug. 31 to Sept. 14, 1973.

AVAILABILITY OF FORWARD MORTGAGE COMMITMENTS

[Percent of respondents]

	Northeast	North-central	South	West	National
Nonexistent	37	24	43	20	33
Only 25 percent available	32	24	31	16	23
Only 50 percent available	10	21	16	20	17
Only 75 percent available	12	16	10	16	13
All needed available	10	16	9	28	13

Note: Totals may not add to 100 percent because of rounding.

Source: NAHB, mortgage rates survey, Aug. 31, to Sept. 14, 1973.

EFFECT OF MORTGAGE FUNDS SHORTAGE ON HOUSING STARTS

[Percent of respondents]

	Northeast	North-central	South	West	National
No effect	19	12	11	7	12
Drop in starts	81	88	89	93	88
How much drop?					
20 percent and under	0	12	9	11	9
21 to 40 percent	14	28	14	26	20
41 to 60 percent	33	22	32	22	28
61 to 80 percent	19	17	14	15	16
81 to 100 percent	14	6	17	19	13
Median and drop	56	44	54	49	51

Note: Components may not add to totals because of rounding.

Source: NAHB mortgage rates survey, Aug. 31 to Sept. 14, 1973.

MONTHLY COMPARISON OF ACTUAL HOUSING STARTS, 1964–73—NEW HOUSING ACTIVITY

[In thousands of units]

Aug. 1964–73	Total private and public housing starts	Total private housing starts	Private 1-family housing starts	Private multi-family housing starts	Government programs: FHA home units started [1]	FHA project units started [2]	FmHA housing units started [3]	VA housing units started	Public housing units started [4]	Seasonally adjusted annual rate: Total private housing starts	Total building permitd issues
1973	195.7	193.1	106.8	86.3	NA	NA	NA	8.8	3.3	2,045	1,706
1972	231.0	228.6	131.3	97.4	19.6	14.1	8.5	9.9	3.3	2,424	2,281
1971	205.9	204.5	111.7	92.8	29.3	16.5	7.1	9.4	3.4	2,219	2,046
1970	131.5	128.7	77.3	51.4	20.8	13.0	7.1	5.6	6.7	1,041	1,394
1969	127.5	124.9	69.5	55.4	12.6	9.3	5.8	4.2	5.5	1,358	1,317
1968	141.0	136.6	82.5	54.0	13.6	6.9		4.8		1,495	1,357
1967	130.2	127.4	83.7	43.7	13.9	3.4		5.6		1,407	1,229
1966	130.7	101.8	69.4	32.4	11.5	2.1		3.3		1,119	877
1965	131.6	128.3	88.8	39.5	14.5	3.1		4.4		1,432	1,249
1964	141.3	138.3	92.0	46.3	13.4	4.5		5.1		1,569	1,306

[1] FHA home starts include rehabilitated units.

[2] FHA project starts exclude rehabilitated units after 1967.

[3] Farmers Home Administration starts for the last month reported have been revised downward 25 percent by the NAHB Economics Department to adjust for rehabilitated units and existing unit purchases. All other figures reflect actual starts.

[4] Public Housing as defined by the Department of Housing and Urban Development includes conventional, public, leased and turnkey. Effective January 1971 ,units are shown by month reported, not month stated.

Source: U.S. Department of Commerce, B. D. C., "Construction Review," January 1972, table B–7 Bureau of Census, C–20 Construction Reports. Bureau of the Census, U.S. Department of Commerce, "Housing Starts 1959–71," C–20 Supplement; Census, "Housing Starts", series C–20, November 1972; Census C–20 monthly news release; Federal Housing Administration, Farmers Home Administration, Veterans' Administration.

NEW HOUSING ACTIVITY, 1960–72

[In thousands of units]

Year	Total private and public housing starts	Total private housing starts	Private one-family housing starts	Private multi-family housing starts	Total building permits issued	FHA home units started	FHA project units started	VA units started	FmHA units started
1972	2,378.5	2,356.6	1,309.2	1,047.3	2,130.4	198.5	192.1	104.0	91.4
1971	2,084.5	2,052.2	1,151.0	901.2	1,924.6	300.9	233.1	94.3	74.7
1970	1,469.0	1,433.6	812.9	620.7	1,351.5	233.5	182.0	61.0	57.7
1969	1,499.6	1,466.8	810.6	656.2	1,323.7	153.6	79.7	52.2	43.6
1968	1,545.5	1,507.7	899.5	608.2	1,353.4	147.8	79.4	56.1	43.0
1967	1,321.9	1,291.6	843.9	447.7	1,141.0	141.9	37.8	52.5	38.3
1966	1,195.9	1,165.0	778.5	386.5	971.9	129.1	29.3	36.8	25.2
1965	1,509.6	1,472.9	963.8	509.1	1,239.8	159.9	36.7	49.4	12.5
1964	1,561.0	1,528.8	970.5	558.3	1,285.8	154.0	50.7	59.2	11.4
1963	1,642.0	1,610.3	1,020.7	589.6	1,334.7	166.2	54.9	71.0	15.8
1962	1,492.4	1,462.7	991.3	471.4	1,186.6	197.3	62.2	77.8	9.0
1961	1,365.0	1,313.0	974.6	338.4	1,064.2	198.8	44.9	83.3	7.0
1960	1,296.0	1,252.1	994.7	257.4	998.0	225.7	35.2	74.6	4.2

MANUFACTURER'S SHIPMENT OF MOBILE HOMES MONTHLY, 1963–73

[Actual shipments in thousands of units]

Month	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1972
January	8.5	10.9	12.8	11.6	12.2	19.0	27.1	23.9	24.7	33.5	40.7
February	10.2	12.8	14.2	14.3	14.4	21.2	29.4	24.1	28.7	40.0	42.9
March	11.7	16.1	18.7	20.1	18.4	24.0	37.5	29.5	36.0	49.1	57.0
April	13.6	16.7	17.9	19.6	19.4	27.1	36.0	40.0	43.3	53.7	61.6
May	14.7	17.8	18.9	20.2	21.9	27.6	34.6	32.9	41.3	51.8	57.3
June	13.7	18.9	21.0	21.7	22.6	26.5	36.4	35.7	47.8	55.0	57.3
July	13.1	16.9	17.7	18.0	19.5	27.2	35.2	37.1	45.6	48.5	50.3
August	13.7	17.9	21.1	22.4	24.7	30.5	38.1	38.4	50.0	52.1	
September	14.2	19.0	21.4	20.0	24.2	29.9	40.1	41.4	54.0	49.1	
October	15.6	18.2	20.5	19.3	24.3	33.5	43.3	40.8	50.8	54.4	
November	11.8	14.3	17.9	17.4	21.0	27.6	32.7	30.5	39.9	50.7	
December	10.0	11.6	13.8	29.9	17.9	24.0	27.2	27.0	34.4	38.0	
Total	150.8	191.3	216.5	217.3	240.4	318.0	421.7	401.2	496.6	575.9	

Source: U.S. Department of Commerce, B.D.C., "Construction Review," January 1972, table B–7. Bureau of Census, C–20 Construction Reports. Bureau of Census, U.S. Department of Commerce, "Housing Starts 1959–71," C–20 Supplement; Census, "Housing Starts," series C–20, November 1972; Census C–20 monthly news release; Federal Housing Administration, Farmers Home Administration, Veterans' Administration.

NEW HOUSING ACTIVITY, 1969–73

[In thousands of units]

Year	Total private and public housing starts	Total private housing starts	Private 1-family housing starts	Private multifamily housing starts	Actual starts, Government programs					Seasonally adjusted annual rate	
					FHA home units started[1]	FHA project units started[2]	FmHA housing units started[3]	VA housing units started	Public housing units started[4]	Total private housing starts	Total building permits issued
1973:[6]											
January	147.3	146.6	77.1	69.5	6.3	5.7	7.2	6.6	2.4	2,497	2,218
February	139.5	138.0	73.6	64.4	7.2	6.5	4.2	6.8	2.0	2,456	2,191
March	201.1	200.0	105.1	94.9	7.9	10.9	5.7	8.3	2.4	2,260	2,071
April	205.4	205.0	120.5	84.6	6.8	11.2	6.3	8.6	2.7	2,123	1,834
May	233.9	233.8	131.6	102.3	7.7	10.6	5.5	10.5	2.4	2,417	1,804
June	203.4	202.6	114.8	87.8	7.1	12.2	9.9	8.1	2.6	2,128	2,030
July	201.7	201.1	113.8	87.3	6.9	5.4	(5)	8.0	1.0	2,176	1,780
August	195.7	193.1	106.8	86.3	(5)	(5)	(5)	8.8	3.3	2,045	1,706
1972:											
January	150.9	149.1	76.2	72.9	24.1	12.0	6.1	7.5	2.5	2,439	2,204
February	153.6	152.2	76.3	75.9	19.5	9.3	5.8	8.0	2.6	2,540	2,056
March	250.8	203.9	111.4	92.5	23.6	14.4	7.9	10.5	7.7	2,313	2,007
April	213.2	211.6	119.8	91.8	19.2	10.4	7.3	8.5	2.1	2,204	1,991
May	227.9	225.8	135.2	90.7	18.8	13.4	8.6	9.4	3.6	2,318	1,955
June	226.3	223.1	131.9	91.2	17.1	15.0	11.9	9.6	10.9	2,315	2,121
July	207.5	206.5	119.1	87.4	14.5	12.4	6.2	9.4	.5	2,244	2,108
August	231.0	228.6	131.3	97.4	16.9	14.1	8.5	9.9	3.3	2,424	2,237
September	204.4	203.0	120.5	82.5	14.1	14.5	7.7	8.9	3.3	2,426	2,265
October	218.2	216.5	117.0	99.5	12.8	11.7	7.8	8.5	1.7	2,446	2,216
November	187.1	185.7	97.4	88.4	10.3	11.2	8.0	8.0	1.4	2,395	2,139
December	152.7	150.5	73.2	77.3	7.6	34.0	5.7	5.8	1.4	2,369	2,377
1971:											
January	114.8	110.6	54.9	55.7	23.7	9.1	4.1	4.6	10.9	1,810	1,668
February	104.6	102.2	58.3	43.9	18.5	9.2	4.3	4.7	8.6	1,794	1,572
March	169.3	167.9	91.6	76.3	23.9	10.3	6.0	6.9	5.2	1,938	1,722
April	203.6	201.1	116.0	85.0	27.1	17.5	6.1	8.4	3.7	1,951	1,721
May	203.5	198.5	115.6	82.9	24.5	16.2	6.5	8.3	8.2	2,046	1,971
June	196.8	193.8	116.9	76.9	28.0	18.2	13.3	9.0	10.0	2,008	1,913
July	197.0	194.3	107.7	86.6	25.4	17.5	1.6	9.2	2.8	2,091	2,079
August	205.9	204.5	111.7	92.8	29.3	16.5	7.1	9.4	3.4	2,219	2,046
September	175.6	173.8	102.1	71.7	25.1	23.2	7.3	8.7	5.5	2,029	1,987
October	181.7	179.7	102.9	76.9	24.6	13.9	6.6	8.1	2.4	2,038	2,027
November	176.4	173.7	92.9	80.9	24.1	23.2	7.0	9.1	6.9	2,228	2,092
December	155.3	152.1	80.4	71.8	27.1	58.3	4.8	7.4	7.5	2,457	2,191
1970:											
January	69.2	66.4	33.4	33.0	10.3	5.9	2.0	3.4	7.1	1,108	1,062
February	77.2	74.3	41.4	32.9	12.1	5.3	2.4	3.9	3.8	1,322	1,118
March	117.8	114.7	61.9	52.8	15.9	9.4	3.8	4.8	5.9	1,364	1,132
April	130.6	128.4	73.8	54.6	20.2	11.7	4.9	5.4	8.0	1,230	1,224
May	127.3	125.0	74.8	50.2	18.8	17.8	5.2	5.2	6.0	1,280	1,328
June	141.9	135.2	83.0	52.2	21.1	18.9	5.0	5.1	7.9	1,396	1,322
July	143.5	140.8	75.5	65.3	22.6	20.1	3.1	5.2	5.7	1,506	1,324
August	131.5	128.7	77.3	51.4	20.8	13.0	7.1	5.6	6.7	1,401	1,394
September	133.8	130.9	76.0	54.9	21.2	13.2	5.8	5.3	8.6	1,531	1,426
October	143.8	140.9	79.4	61.5	23.9	16.5	7.0	5.8	6.3	1,589	1,564
November	128.3	126.9	67.4	59.5	21.2	12.4	5.5	5.5	5.5	1,621	1,502
December	124.1	121.4	69.0	52.4	25.3	37.8	5.0	5.7	5.6	1,944	1,767

Footnotes at end of table.

					Actual starts, Government programs					Seasonally adjusted annual rate	
Year	Total private and public housing starts	Total private housing starts	Private 1-family housing starts	Private multifamily housing starts	FHA home units started [1]	FHA project units started [2]	FmHA housing units started [3]	VA housing units started	Public housing units started [4]	Total private housing starts	Total building permits issued
1969:											
January	105.8	101.5	51.3	50.2	8.8	4.4	4.8	3.8	4.8	1,769	1,459
February	94.6	90.1	47.9	42.1	9.2	3.5	2.5	3.5	3.3	1,705	1,495
March	135.6	131.9	71.9	59.9	12.7	5.9	1.4	3.9	3.8	1,561	1,438
April	159.9	159.9	85.0	74.0	16.0	6.7	3.3	4.4	2.6	1,524	1,441
May	157.7	155.5	91.3	64.3	13.4	7.3	4.0	4.3	3.1	1,583	1,328
June	150.5	147.3	82.7	64.6	13.9	7.2	1.5	4.6	5.8	1,528	1,349
July	126.5	125.2	73.5	51.7	13.1	7.2	1.1	4.7	4.9	1,368	1,278
August	127.5	124.9	69.5	55.4	12.6	9.3	5.8	4.2	5.5	1,358	1,317
September	132.9	129.3	71.5	57.9	13.1	4.9	6.1	4.8	5.8	1,507	1,263
October	125.8	123.4	68.0	55.3	15.1	9.3	4.4	5.0	6.1	1,381	1,216
November	97.4	94.6	55.1	39.5	12.2	5.8	3.1	3.9	8.1	1,229	1,191
December	85.3	84.1	42.8	41.3	13.4	8.3	2.7	4.2	6.9	1,327	1,155

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[1] FHA home starts include rehabilitated units.

[2] FHA project starts exclude rehabilitated units after 1967.

[3] Farmers Home Administration starts for the last month reported have been revised downward 25 percent by the NAHB Economics Department to adjust for rehabilitated units and existing unit purchases. All other figures reflect actual starts.

[4] Public housing as defined by the Department of Housing and Urban Development includes conventional, public, leased and turnkey. Effective January 1971, units are shown by month reported, not month started.

[5] Not available.

[6] Figures for September, October, November, and December will be taken up in monthly progression.

Source: U.S. Department of Commerce, B.D.C., "Construction Review," January 1972, table B-7. Bureau of Census, C-20 Construction Reports. Bureau of the Census, U.S. Department of Commerce, "Housing Starts 1959-1971," C-20 Supplement; Census, "Housing Starts," series C-20, November 1972; Census C-20 monthly news release; Federal Housing Administration, Farmers Home Administration, Veterans' Administration.

[Sept. 22, 1973, New Orleans, La.]

NAHB Resolution—Proposals To Alleviate Mortgage Crisis

Whereas, the President's Housing Message, of September 19, failed to come to grips with the basic credit crisis confronting home-seeking American families or to provide plans to meet the Nation's housing needs, and

Whereas, the President's Message deprecates current housing assistance programs for low and moderate income families which have worked so successfully for more than four years and holds out only the phantom hope of an undeveloped and uncertain program for these families some years hence, and

Whereas, the National Association of Home Builders adopted on July 30, a positive 12 point program designed to lower interest rates, relieve the shortage of loanable funds, and increase the supply of housing for all families (program attached),

Now, therefore, be it resolved, that the NAHB Board of Directors reaffirms that 12 point program and calls again for immediate action on its proposals by the Administration and the Congress, and

Be it further resolved, that, in view of the continuing worsening conditions since adoption of the program, with mortgage interest rates soaring even higher to a level of 10 percent and beyond, the NAHB further calls upon the Administration and Congress to:

(1) Extend immediately the insuring authorities of FHA and the Farmers Home Administration in order to avoid any interruption of operations and further dislocation of the credit market;

(2) Open the Federal Reserve Board discount window to thrift institutions;

(3) Enact legislation requiring pension funds to invest a substantial portion of their assets in residential mortgages;

(4) Raise the maximum deposit insurance limits of the FSLIC and the FDIC to $50,000;

(5) Provide full insurance for public funds deposited in thrift institutions;

(6) Cease selling mortgages from the GNMA portfolio in this time of mortgage money shortness; and

(7) Make a firm and unmistakable recommitment to meeting the Nation's housing needs as expressed in the National Housing Goals.

[Resolution Adopted by the Executive Committee of The National Association of Home Builders on July 15, 1973]

A Policy To Meet the Housing Crisis

Whereas, the Administration has placed undue reliance on monetary policy to restrain inflation, and

Whereas, we are experiencing the highest interest rates in the Nation's history coupled with a tremendous shortage of loanable funds for mortgages at affordable rates and terms, and

Whereas, this will result in serious reduction in the supply of new housing at a time of strong demand, resulting in widespread unemployment in the building trades and related industries, and deny needed housing for American families.

Now, therefore, be it resolved:

(1) That an anti-inflation economic policy which relies so heavily on high interest rates to control inflation is self-defeating and inflationary in itself.

(2) To control inflation effectively:

A. The NAHB urges budget cutbacks in sectors of the economy hitherto considered inviolate, such as military and space spending, and the development of a budget balanced so as to establish proper and equitable priorities for domestic needs.

B. We urge imposition of selective credit controls to reduce the alarming rate of growth in short-term consumer installment credit and to curtail unrestrained business borrowing, thereby spreading the burden of containing inflation more evenly throughout the economy.

C. We urge adoption of a temporary personal and corporate income tax surcharge.

D. We urge that the business investment tax credit be applied in the manner suggested by Chairman Arthur Burns, of the Federal Reserve Board, vis: that the President be authorized to reduce or suspend it, subject to Congressional veto, in times of credit stringency such as this, and raise or reinstate it when needed to stimulate the economy.

E. We urge recision of the interest rate actions of July 5, which encouraged commercial banks to raise their interest rates, forced savings and loan associations and mutual savings banks to raise their interest rate, lessened the "spread" between interest paid by banks and that paid by S & L's and mutual savings banks, and introduced the "wild card" certificate, a dangerous new element with an unlimited interest rate. This has resulted in widespread disintermediation from thrift institutions. The small benefits these bring the average saver are far outweighed by the resulting increased cost of living burden on the consumer.

(3) To provide for the housing needs of American families and relieve inequitable burdens on housing:

A. We urge the enactment of legislation permitting the Federal Reserve Board to establish reserve requirements for commercial banks on classes of assets with lower reserve requirements on assets invested in residential mortgages.

B. We urge exemption from Federal income taxation of the first $750 interest earned annually by consumers on savings accounts.

C. We urge the enactment of legislation permitting the Federal Home Loan Bank System to advance funds to S & Ls at rates low enough to permit S & Ls to make mortgage loans to middle income families. Any difference between the cost of funds and the advance rate charged S & Ls should be covered by appropriations.

D. We urge that FNMA fully carry out its overriding public purpose obligations in harmony with the philosophy for which it was created and vigorously support the mortgage market to the extent of accepting a temporary reduction in profits.

E. NAHB urges that the HUD Secretary immediately reinstate all the Tandem Plan Programs suspended on July 1, 1973, at the same support prices then in effect. We further urge that the Congress authorize these programs at higher mortgage amounts that recognize the current housing costs.

F. We urge that the Secretary of HUD immediately take the lead in developing effective solutions to the problems of providing a stable flow of mortgage money at reasonable rates. Even before it can legally go into force, the proposed FHA interest rate increase has been clearly demonstrated—as it was also demonstrated in 1970—as an ineffective way either of providing an adequate supply of mortgage funds or of reducing escalating discount points; we urge the Secretary of HUD to administer his authority over interest rates, utilizing devices such as the Tandem Plan or other appropriate measures, in a manner designed both to provide for an adequate supply of mortgage money at reasonable rates and to reduce increasing discount points.

G. We urge immediate revival of the housing subsidy programs for low and moderate income families to serve their pressing needs.

[Sept. 22, 1973, New Orleans, La.]

NAHB Resolution—Reaffirmation of the Nation's Housing Goals

Whereas, since the present Administration took office, both conventional and FHA/VA mortgage interest rates have risen sharply to all-time highs, and

Whereas, the recent partial abdication of Regulation Q has resulted in increased interest rates paid on savings and time deposits, and

Whereas, the Federal Reserve Board's actions to control inflation by inhibiting credit availability have resulted in record high interest rates, and

Whereas, the above actions together have created enormous outflows of funds from thrift institutions gravely injuring the housing industry and the American public hoping to buy or rent a new home, and

Whereas, increases in the FHA/VA mortgage interest rates have never been accompanied by any lasting reduction in points, and

Whereas, Administration proposals for changes in the structure of the U.S. financial system would only result in a further decrease in the supply of mortgage funds while permitting enormous windfall profits in tax abatement to lending institutions instead of giving a tax credit to the consumer as NAHB has proposed, and

Whereas, the combination of these actions has created complete chaos in the mortgage market, driven mortgage interest rates to historical highs, prevented and will prevent many thousands of American families from obtaining decent housing, and will inevitably have the effect of causing unemployment and higher costs in the housing industry, and

Whereas, we do not believe that this Administration had originally intended to produce this chaos but believe that unqualified administrators and mistaken policy has led us to this edge of disaster in contravention of the President's own statement to the effect that—"The housing of our people is and must be a top national priority", and

Whereas, this industry recognizes the urgent need for a balanced budget and a halt to inflation and expects to bear its share of the concomitant burdens, but it does not intend to be sacrificed quietly on the altar of bureaucratic ineptitude, and

Whereas, we believe that nothing less than immediate action will retrieve the situation and the failure to act *now* will result in money shortages and housing shortages for the American people for many years to come; and

Whereas, we are at a watershed in housing policy and the Congress and the Executive *must* act,

Now, therefore, be it resolved, that NAHB gives a vote of no confidence in this Administration's Housing Policy and in the actions of those charged with administering this policy, and

Be it further resolved, that NAHB urges the President of the United States to personally address himself to the gravity of the current housing crisis, and

Be it further resolved, that NAHB urges the Congress of the United States to preserve the ability of the Nation's thrift institutions to provide an adequate level of mortgage funds.

[*Sept. 22, 1973, New Orleans, La.*]

NAHB Resolution—Opportunities for Low Income Families

Whereas, the President, in his recommendations for housing submitted to the Congress on September 19, 1973, proposed a system of direct cash payments to remedy the housing needs of America's low and moderate-income families, and

Whereas, the President has not made a practical recommendation for a homeownership program designed to meet the housing requirements of low and moderate-income families, and

Whereas, the date for implementation of this proposal is not until 1975 or later and cannot adequately answer the Nation's current, unmet housing needs,

Now, therefore, be it resolved, that the Administration be requested to release sufficient 235 funds to provide the Nation's low and moderate-income families with the opportunity to purchase homes of their own until a workable alternative is adopted and implemented, and

Be it further resolved, that the NAHB reaffirms its support for all the Federal housing subsidy programs, urges HUD to release all impounded housing and community development funds, and urges the Congress to provide sufficient additional funds to keep these programs operating at a level consistent with the National Housing Goals until amendatory or new programs are enacted which are capable of meeting the housing needs of the Nation's low and moderate-income families.

KNEESE URGES THE PHASEOUT OF NUCLEAR FISSION

Mr. GRAVEL. Mr. President, another endorsement for stopping the operation of nuclear powerplants appears in an article entitled "The Faustian Bargain" in the September 1973 issue of Resources, which is available from Resources for the Future, Inc., 1755 Massachusetts Avenue NW., Washington, D.C. 20036.

The article is significant because it represents the thinking of Allen V. Kneese, a cost-benefit analyst and RFF's director of studies in the quality of the environment. He concludes as follows:

> A strategy that I feel merits sober, if not prayerful, consideration is to phase out the present set of fission reactors, put large amounts of resources into dealing with the environmental problems of fossil fuels, and price energy at its full social cost, which will help to limit demand growth . . .
>
> At the same time, the vast scientific resources that have developed around our fission program could be turned to work on fusion, deep geothermal, solar, and other large energy supply-sources while continuing research on various types of breeders. It seems quite possible that this program would result in the displacement of fission as the preferred technology for electricity-production within a few decades.

It is important to recognize that Allen Kneese's opinion does not necessarily represent the position of RFF, or the Ford Foundation which helps support RFF, or RFF's board of directors which includes Charles F. Luce of Consolidated Edison and Robert O. Anderson of Atlantic Richfield, or its board of honorary directors which includes Laurence S. Rockefeller.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE FAUSTIAN BARGAIN

(By Allen V. Kneese)

I am submitting this statement as a longtime student and practitioner of benefit-cost analysis, not as a specialist in nuclear energy. It is my belief that benefit-cost analysis cannot answer the most important policy questions associated with the desirability of developing a large-scale, fission-based economy. To expect it to do so is to ask it to bear a burden it cannot sustain. This is so because these questions are of a deep *ethical* character. Benefit-cost analyses certainly cannot solve such questions and may well obscure them.

These questions have to do with whether society should strike the Faustian bargain with atomic scientists and engineers, described by Alvin M. Weinberg in *Science*. If so unforgiving a technology as large-scale nuclear fission energy production is adopted, it will impose a burden of continuous monitoring and sophisticated management of a dangerous material, essentially forever. The penalty of not bearing this burden may be unparalleled disaster. This irreversible burden would be imposed even if nuclear fission were to be used only for a few decades, a mere instant in the pertinent time scales . . .

. . . Here we are speaking of hazards that may affect humanity many generations hence and equity questions that can neither be neglected as inconsequential nor evaluated on any known theoretical or empirical basis. This means that technical people, be they physicists or economists, cannot legitimately make the decision to generate such hazards.

Our society confronts a moral problem of a great profundity; in my opinion, it is one of the most consequential that has ever faced mankind. In a democratic society the only legitimate means for making such a choice is through the mechanisms of representative government.

RESPONSIBILITY OF CONGRESS

For this reason, during the short interval ahead while dependence on fission energy could still be kept within some bounds, I believe the Congress should make an open and explicit decision about this Faustian bargain. This would best be done after full national discussion at a level of seriousness and detail, that the nature of the issue demands.

An appropriate starting point could be hearings before a committee of Congress with a broad national policy responsibility. Technically oriented or specialized committees would not be suitable to this task. The Joint Economic Committee might be appropriate.

Another possibility would be for the Congress to appoint a select committee to consider this and other large ethical questions associated with developing technology. The newly established Office of Technology Assessment could be very useful to such a committee. . . .

HUMAN ERROR

. . . In his excellent article referred to above, Weinberg emphasized that part of *the* Faustian bargain is that to use fission technology safety, society must exercise great vigilance and the highest levels of quality control, continuously and *indefinitely*.

As the fission energy economy grows, many plants will be built and operated in countries with comparatively low levels of technological competence and a greater propensity to take risks. A much larger amount of transportation of hazardous materials will probably occur, and safety will become the province of the sea captain as well as the scientist.

Moreover, even in countries with higher levels of technological competence, continued success can lead to reduced vigilance. We should recall that we managed to incinerate three astronauts in a very straightforward accident in an extremely high technology operation where the utmost precautions were allegedly being taken.

NOT A DIKE, NOT A PYRAMID

Deeper moral questions also surround the storage of high-level radioactive wastes. Estimates of how long these waste materials must be isolated from the biosphere apparently contain major elements of uncertainty, but current ones seem to agree on "at least two hundred thousand years.". . .

. . . Sometimes, analogies are used to suggest that the burden placed upon future generations by the "immortal" wastes is really nothing so very unusual. The Pyramids are cited as an instance where a very long-term commitment was made to the future and the dikes of Holland as one where continuous monitoring and maintenance are required indefinitely. These examples do not seem at all apt. They do not have the same quality of irreversibility as the problem at hand and no major portions of humanity are dependent on them for their very existence. With sufficient effort the Pyramids could have been dismantled and the Pharaohs cremated if a changed doctrine so demanded. It is also worth recalling that most of the tombs were looted already in ancient times. In the 1950s the Dutch dikes were in fact breached by the North Sea. Tragic property losses, but no destruction of human life, ensued. Perhaps a more apt example of the scale of the Faustian bargain would be the irrigation system of ancient Persia. When Tamerlane destroyed it in the 14th century, a civilization ended.

None of these historical examples tell us much about the time scales pertinent here. One speaks of two hundred thousand years. Only a little more than one-hundredth of that time span has passed since the Parthenon was built. We know of no government whose life was more than an instant by comparison with the half life of plutonium.

UNSCHEDULED EVENTS

It seems clear that there are many factors here which a benefit-cost analysis can never capture in quantitative, commensurable terms.

It also seems unrealistic to claim that the nuclear fuel cycle will not sometime, somewhere experience major unscheduled events. These could range in magnitude from local events, like the fire at the Rocky Mountain Arsenal, to an extreme disaster affecting most of mankind.

Whether these hazards are worth incurring in view of the benefits achieved is what Alvin Weinberg has referred to as a trans-scientific question. As professional specialists we can try to provide pertinent information, but we cannot legitimately make the decision, and it should not be left in our hands.

One question I have not yet addressed is whether it is in fact not already too late. Have we already accumulated such a store of high-level waste that further additions would only increase the risks marginally? While the present waste (primarily from the military program plus the plutonium and highly enriched uranium contained in bombs and military stockpiles) is by no means insignificant, the answer to the question appears to be no.

I am informed that the projected high-level waste to be accumulated from the civilian nuclear power program will contain more radioactivity than the military waste by 1980 or shortly thereafter. By 2020 the radioactivity in the military waste would represent only a small percentage of the total. Nevertheless, we are already faced with a substantial long-term waste storage problem. Development of a full-scale fission energy economy would add overwhelmingly to it. In any case, it is never too late to make a decision, only later. . . .

A RECOMMENDATION

. . . A strategy that I feel merits sober, if not prayerful, consideration is to phase out the present set of fission reactors, put large amounts of resources into dealing with the environmental problems of fossil fuels, and price energy at its full social cost, which will help to limit demand growth.

Possibly it would also turn out to be desirable to use a limited number of fission reactors to burn the present stocks of plutonium and thereby transform them into less hazardous substances.

At the same time, the vast scientific resources that have developed around our fission program could be turned to work on fusion, deep geothermal, solar, and other large energy supply—sources while continuing research on various types of breeders. It seems quite possible that this program would result in the displacement of fission as the preferred technology for electricity production within a few decades.

Despite the extra costs we might have incurred, we would then have reduced the possibility of large-scale energy-associated nuclear disaster in our time and would be leaving a much smaller legacy of "permanent" hazard. On the other hand, we would probably have to suffer the presence of more short-lived undesirable substances in the environment in the near term.

This strategy might fail to turn up an abundant clean source of energy in the long term. In that event, we would still have fission at hand as a developed technological standby, and the ethical validity of using it would then perhaps appear in quite a different light.

We are concerned with issues of great moment. Benefit-cost analysis can supply useful inputs to the polictical process for making policy decisions, but it cannot begin to provide a complete answer, especially to questions with such far-reaching implications for society.

The issues should be aired fully and completely before a committee of Congress having broad policy responsibilities. An explicit decision should then be made by the entire Congress as to whether the risks are worth the benefits.

WHITE HOUSE MILITARY PROMOTIONS: TOO MANY UNANSWERED QUESTIONS

Mr. PROXMIRE. Mr. President, on September 22, 1973, I discussed the subject of Presidential promotions for military men. As had been reported in the press, at least two recent promotions came as a result of direct White House intervention into the official promotion schedule. Military selection boards were overruled. Men were promoted over the objections of their own selection boards.

In the course of this speech I noted that according to one press report, the Marine Corps Commandant and his deputy opposed the promotion of Marine Corps Maj. John V. Brennan.

Since that time I have been informed by Gen. E. E. Anderson, Acting Commandant of the Marine Corps, that neither the Commandant nor he opposed the promotion.

This statement, however, does not dispell the cloud that surrounds this unusual promotion. Therefore, I have requested that General Anderson shed some light on this problem by answering a number of questions.

ANSWERS TO QUESTIONS REQUESTED

First, we should know who sat on the promotion board handling Major Brennan's case.

Second, the decision of that board should be made known, particularly if it was a decision not to promote.

Third, I have asked the Marine Corps how many times the President has exercised his powers of nomination when Marine boards have refused to nominate.

Fourth, I have inquired about Major Brennan's duties in the White House and the number of other Marine officers detailed to the President or White House.

Fifth, it would be interesting to know over how many other officers Major Brennan was promoted.

Sixth, I have requested a copy of the written statement attributed to the Commandant regarding his argreement with the nomination of Major Brennan.

Seventh, General Anderson has been asked to supply the official decision of the Marine Corps promotion board—the written documents involved.

Eighth, I have asked if it is true that the Marine Corps has attempted to secure Major Brennan's release from the White House and return him to duty with the Corps.

Ninth, I have asked if it is true that Brig. Gen. Brent Scowcroft actively pushed for the nomination of Major Brennan.

Tenth, under what normal circumstances would have Major Brennan reached the selection zone for lieutenant colonels?

Eleventh, and highly important, I have asked General Anderson to reply to the question does he think it is prudent to have military officers work continuously and closely with political figures, regardless of the administration, and thereby enhance their careers with early promotions?

And last, I have inquired about the effect of this unusual promotion on Marine Corps morale.

Mr. President, I ask unanimous consent that my original speech, the Washington Post articles, and the Marine Corps letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE DEPARTMENT ABUSES POWER IN MILITARY PROMOTIONS

Mr. PROXMIRE. Mr. President, political pressures are playing an even more important part of military life. The latest example involves the use of White House authority to overrule military promotion boards and promote officers that have not received a favorable selection.

I am greatly concerned that young officers will perceive the road to a successful career lies along a path of politics. This would run counter to military tradition but there is evidence that this is beginning to happen.

Earlier this year it was discovered that Army Lt. Col. Dana G. Mead was promoted one rank on White House orders even though the official Army selection board had failed to make that recommendation. Colonel Mead's particular responsibilities in the White House involve domestic affairs, in particular District of Columbia matters.

He was promoted not by his peers but by the political power of the White House.

Another example recently came before the Senate. Maj. John V. Brennan of the Marine Corps has been promoted by the President over the objections of the Marine Corps selection board. Major Brennan has served the President as an aide since 1968. He is responsible for arranging travel and communications at the White House.

Because the White House intervened in his case, Major Brennan has been promoted over the heads of 1,100 more senior officers. According to one press report, the Marine selection boards were bypassed by Presidential direction. The Marine Corps Commandant opposed the promotion as did the Deputy Commandant.

Mr. President, this should not be allowed to go on. We all know the President is entitled to the best staff assistance possible and as Commander in Chief has the power to promote these military men around him.

But it should also be recognized that this is bad for morale in the military service and gives the appearance of favoritism.

I do not deny that Major Brennan is a capable officer. But I do object to the President going over the heads of the selection board established to provide a fair promotion schedule.

I wish to emphasize that I did not give my vote of consent on this promotion list carrying Major Brennan's name. Although I had notified the leadership of my intent, there was a small breakdown in communications, to no one's fault, and the promotion list received unanimous consent in my absence.

In my opinion it would have been better to have returned Major Brennan's name to the Armed Services Committee for investigation into the manner in which he was promoted.

Marines Upset at Nixon Move To Promote His Military Aide

(By Michael Getler)

A presidential nomination to promote an active duty Marine Corps officer working for the White House was strongly opposed by the top Marine generals and has caused widespread resentment among hundreds of Marine majors and lieutenant colonels.

The action—involving Maj. John V. Brennan, a military aide to the President—marks the second time this year that the President has exercised his legal authority as commander-in-chief to order such promotions even though they were opposed within the armed forces.

On Monday, it was disclosed that Army Lt. Col. Dana G. Mead, who works on domestic affairs for the White House, was promoted on White House orders that overruled an Army selection board which had failed to advance Mead in rank.

The President's nomination of Brennan to the rank of lieutenant colonel was sent on July 27 to the Senate Armed Services Committee, where it still must be approved.

Once approved, Marine Corps spokesmen say, Brennan will jump over about 1,100 more senior officers.

The bitterness over the Brennan and Mead promotions reflects two major problems confronting the military promotion system these days.

With the military ranks shrinking rapidly in size, competition for available promotion slots is fierce and officers strongly resent any outside tampering with the rulings of the military men in charge of the promotion boards.

There is also considerable concern over the expanded use by the Nixon administration of military men in jobs outside the armed forces, working not only for the White House but for other agencies as well and frequently in civilian-type jobs.

The White House can order bright and efficient military men into these jobs, thus easing their own personnel problems. But the military complains that this siphons off some of their best men and makes them less experienced at their main military chores when they come back to their services.

In the Mead and Brennan cases, both the Army and Marines resisted White House pressure to promote these men. One result is that while White House duty may seem a prize to some officers, it can wind up hurting the officer involved unless the President himself steps in and promotes him. This in turn, throws a cloud over the officer once back in service

Brennan, 36, has spent five years as an aide to Mr. Nixon, joining the President shortly after the 1968 elections. The Marines have tried unsuccessfully to get him back. Brennan actually serves within the office of the military assistant to the President. Until just recently, that office was filled by Air Force Brig. Gen. Brent Scowcroft, who has since become a deputy to presidential aide Dr. Henry A. Kissinger.

Marine Corps officials say privately that Gen. Scowcroft pushed for the promotion for Brennan.

Brennan's chores as a military aide include frequent travel with the President and such things as arranging communications and transportation needs.

Unlike the Army, where the President can order the service directly to promote a man, those statutory authorities do not apply to the naval service, of which the Marines are a part. Thus, the nomination goes directly to the Senate.

Officially, the Marines say the "nomination [of Brennan] was made outside the Marine Corps," meaning there was no formal contact with the Marines and that the President simply acted.

Officers familiar with the situation say the Marines have been leaned on informally by the White House since last year to promote Brennan.

"Every general I know," said one officer, "including [Marine Corps Commandant Robert E.] Cushman, [deputy commandant Earl] Anderson and the rest opposed it. We were leaned on and then by-passed," he explained, after selection boards in August, 1972, and March, 1973, declined to promote Brennan.

Under the Marine selection process there is a narrow "selection zone" or relatively few officers with most of the credentials for promotion. But there is also a much broader "zone of consideration," in which men outside the selection zone are also eligible if the board chooses them.

Brennan was in this zone of consideration—though he had not yet advanced to the smaller, primary selection zone—during both the August and March promotion board reviews. His record was reviewed, but he was not promoted although some out of the selection zone were advanced.

Under normal circumstances, Brennan would not enter the selection zone for lieutenant colonel until 1976, a Marine spokesman said. Thus, one Marine explained, once approved by the Senate the major will jump over some 670 more senior majors still eligible for advancement; other senior majors who have been passed over for promotion, and even 185 men selected for lieutenant colonel but who have not yet been officially promoted.

The Marines say there is a precedent for such action. In 1968, former President Lyndon B. Johnson promoted his Marine aide, Haywood R. Smith. "That also caused hate and discontent," says one officer, "and there are still a lot of guys around who remember it."

Army Told To Promote Nixon Aide

(By Michael Getler)

For the past three years, Army Lt. Col. Dana G. Mead has been going to work every day at the White House as a specialist in domestic programs and, most recently, as the top White House "coordinator" for District of Columbia affairs.

It is a highly unlikely—and some Army men say inappropriate—job for an active-duty military officer. But Mead is not a typical lieutenant colonel.

At 35, the West Point graduate has moved rapidly through the ranks even though about his 10-year military career has been spent in such nonmilitary pursuits as getting a doctorate degree in political science from the Massachusetts Institute of Technology and working for the White House, much of the time for chief domestic adviser John D. Ehrlichman, who resigned April 30.

Last December, however, Mead was not among 330 lieutenant colonels who an Army promotion board had selected for advancement to full colonel.

Sometime this spring, after word that Mead was not on the list reached the White House, President Nixon ordered that the officer be added to that list under his authority as commander-in-chief.

Though legal, the White House action has touched off concern, controversy and some bitterness among a number of officers and Army civilian officials who know of the situation.

An Army spokesman says that the service is aware of only one other instance in the last 15 years where the actions and otherwise secret deliberations of Army promotion, boards have been overruled.

Plans to add Mead to the original list were challenged, the Army says, by Maj. Gen. DeWitt C. Smith, the chief of the promotion panel of eight generals and one colonel that reviewed all eligible candidates.

The wisdom of such a move was also challenged by the former Secretary of the Army, Robert F. Froehlke.

In general, criticism is not being directed at Mead personally, though some senior officials say privately that he should not accept a promotion made outside the Army's traditional procedures.

Mead, in a telephone interview, said he preferred not to discuss the situation. He did say he didn't have "any prior knowledge" of plans to add his name to the first list, that he eventually became aware that he would be added but "had no idea why it happened."

The promotion has touched a number of sensitive nerves at a particularly sensitive time for the military.

With the Army shrinking rapidly in size, yet still stuffed with middle-level officers, the battle for promotion spots is fierce. The list Mead was placed on was the "smallest one in years," say Army officials.

There is concern over feelings that one of the service's most closely held institutions—the promotion process—is being subjected to political tampering from the outside.

The Army acknowledges after the promotion board had made its final recommendations and adjourned on Dec. 6, 1972, Mead's name was added "upon the direction of the then Secretary of the Army Robert F. Froehlke."

Defense Department spokesmen also acknowledge that Froehlke "received directions" to do this from former Secretary of Defense Elliot L. Richardson and that Richardson "was directed to do so by the Commander-in-Chief."

Asked if Mr. Ehrlichman or his office had made the President aware that Mead had not been promoted and initiated the recommendation to the President that such action be taken, White House spokesman Gerald L. Warren said "it was fair to say" at least that the recommendation "came through his (Ehrlichman's) office."

In a telephone interview, ex-Army Secretary Froehlke confirmed that Gen. Smith had challenged the move to add Mead to the list. Froehlke also acknowledged that he (Froehlke) had written to Richardson indicating that he was aware of pressure to put Mead on and that he would not do so unless ordered by Richardson or by the President.

"I questioned the advisability of it," Froehlke said, "but not the right of Elliot (Richardson) or the President to order me. I wouldn't do it myself.

"General Smith," he said, "is an outstanding officer. I put him in as president (of the promotion board), and when the guy I put in says it's a bad move, I listen long and hard to him."

Froehlke, who returned to the insurance business in Wisconsin in May after two years as the Army's top civilian official, said he had "assumed all along" that the initial idea to add Mead to the list came from Mr. Ehrlichman's office. He added that he could not prove that and never actually spoke to anyone in the White House about it. "It just makes all kinds of sense," he said, however.

White House officials say it is perfectly legitimate for senior officials there to try to gain recognition for their staff workers and that the President was no doubt personally aware of Mead's work as an assistant and then associate director of the Domestic Council.

But it is the feeling within Army circles that the idea for promoting Mead sprang from other than the President himself that troubles many officers.

"It's damn rare, but legal. But is it ethical," asks one officer.

"No one challenges the right of the President to do this," said a senior general. "But Mr. Ehrlichman is not the President and where does this stop?" he asked.

Froehlke agreed that was the main issue.

Again stressing that he was not clear about the exact origins of the promotion, he said: "There are a lot of important people in this country who think various people ought to be promoted. If you listen to them, then they will become your promotion board rather than the tried and true" Army system.

"Once you look at the total group that's eligible and say I want this crony or that crony, you've reduced the credibility of the whole process. I did not want to tamper with that process. If you do this to the Army, you are going to destroy that process and the good young guys are going to say they want no part of it," he added.

"One of the most terrible aspects of this situation," Froehlke said, "is that Dana Mead is a helluva good officer and the so-called beneficiary of this really loses because his whole promotion is under question among his associates."

Though eligible for promotion by Gen. Smith's board, Mead was about the most junior lieutenant colonel in the Army to be considered. He was part of the so-called "secondary," rather than "primary," promotion zone. Froehlke said he thought it was certain that Mead would have been selected through normal channels the next time around.

The dealing over changing the original list was also responsible, in small part says the Army, for a lengthy delay—that angered and worried a number of would-be colonels—in getting a revised list printed and approved. The promotion list of the Dec. 6, 1972, board finally appeared on May 1, 1973.

The Mead case, at least to some experienced officers in the Army and other services, also reflects another broad problem that seems to confront the services more frequently these days. It concerns the passage back and forth of officers—some for long periods between military and civilian-style jobs.

Mead, despite the fact that he has had limited experience commanding troops, remains a combat officer as far as the Army is concerned.

OCTOBER 4, 1973.

Gen. E. E. ANDERSON,
Acting Commandant of the Marine Corps,
Washington, D.C.

DEAR GENERAL ANDERSON: I appreciate hearing from you regarding my statement about the promotion of Lt. Col. John V. Brennan.

You make the point that neither you or the Commandant opposed the promotion of Lt. Col. John V. Brennan. My comments to the contrary were based on the enclosed press article which quotes a Marine officer to that effect. You will note that the prior sentence in my speech indicated that this was "according to one press report."

Nonetheless, I will be happy to make your answer a part of the Record.

In order to clarify exactly what went on in this case would you please answer the following questions?

1. Who set on the promotion board handling the case of Lt. Col. Brennan?

2. What was the decision of the promotion board with regard to Lt. Col. Brennan? How many times was his case reviewed and with what results? What time periods are involved?

3. How many times has the President exercised his powers of nomination when Marine promotion boards have refused to nominate? Please cite numbers, personnel involved and dates.

4. What are Lt. Col. Brennan's duties in the White House? Under what authority is he employed in the White House? How many other Marine officers are detailed to or employed by the White House?

5. Over how many other officers was Lt. Col. Brennan promoted? Why?

6. Would you please supply a copy of the written statement you attribute to the Commandent regarding his agreement with the nomination?

7. Would you please supply the official decisions of the Marine promotion board with regard to Lt. Col. Brennan?

8. Is it true that the Corps has tried to return of Lt. Col. Brennan to active military duty out of the White House? Would you supply any documentation to this effect?

9. Is it true that Brig. General Brent Scowcroft actively pushed for the nomination of Lt. Col. Brennan?

10. Under normal circumstances when would have Lt. Col. Brennan reached the selection zone for Lt. Colonels?

11. Do you think it is prudent to have military officers work continuously and closely with political figures, regardless of the Administration, and thereby enhance their careers with early promotions?

12. What effect did Lt. Col. Brennan's promotion have on other officers in the Corps in terms of morale?

I appreciate your interest in this matter and I will look forward to your early reply.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senate.

SEPTEMBER 28, 1973.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: I have just had called to my attention your remarks, as they appear in the Congressional Record of September 22, 1973, at page 30968, concerning the nomination of Major John V. Brennan, U.S. Marine Corps, for promotion to the grade of lieutenant colonel.

In those remarks you state that "the Marine Corps Commandant opposed the promotion as did the Deputy Commandant." I am authorized by the Commandant, who is absent from the city on duty, to advise you that your statement is in error as to him and, as the apparent "Deputy Commandant" referred to in your comments, I can state that you have similarly erred with regard to me. As a matter of fact, the Commandant stated in writing that he was "in agreement with this nomination."

The President's constitutional authority under Article II, Section 2 of the Constitution to submit a nomination for the promotion of an officer of the Armed Forces is clear and unequivocal. The determination to exercise this authority to nominate is reserved to the President alone. It is difficult to conceive of circumstances under which it would occur to either the Commandant of the Marine Corps or any officer of his staff to express a judgment or position on such a lawful Preisdential action.

In the interests of fairness and accuracy I am confident you will want to correct this misstatement in the Record.

Sincerely,

——, ——.

COSTLY AND INCREASING IMPORTS VERSUS AMERICAN JOBS

Mr. HARTKE. Mr. President, Secretary of the Treasury George Shultz has equated 72,000 American jobs to every billion dollars the United States generates in exports. He has failed to tell the American public that there are two sides to the coin. That if the above is true, it is very likely that 72,000 American jobs are related to every billion dollars of imports which have been flowing into this country with increasing rapidity.

The result: American workers lose their jobs, the economy loses part of its industrial base, the Federal Government loses revenue, and the American taxpayer pays the freight.

The argument is made that imports are cheaper for Americans to buy. But, unfortunately, many imports have destroyed American production and there is no competition in our own market for foreign made products.

Take the electronic industry for example. Show me a television or radio, tape recorder or stereo set that is manufactured in the United States. In May of this year alone, the Commerce Department reported that compared to the same month in 1972, imports of home radios and audio tape equipment are up by a drastic amount. Radio imports of nearly 3.2 million were up 15.5 percent while imports of 1.78 million audio recorders and players were up 5.7 percent. Video recorders posted a 20.2-percent gain.

Coupled with the rising tide of imports is the hard fact that as inflation eats away at our prosperity and production, these imports carry an ever higher price tag. Imports are not cheap for several reasons. First, once imported products dominate or have a monopoly in the American market—which is the case for footwear, for instance—importers raise their prices with impunity.

Second, the devaluations in the American dollar have caused a substantial increase in the cost of imports.

Third, inflation abroad is generally much higher than our own—as hard as this might be to believe—and their products cost more.

Yet, imports continue to increase. Imports in the first half of this year were 22.6 percent higher than in the same period of 1972. And the price of these imports increased by 25 percent over this period.

Why do they continue to increase? Imports have so penetrated the American market that in many cases the U.S. buyer has no choice but to buy an imported product. There are no alternative American-made products to turn to. The result is that the American consumer suffers.

The Hartke-Burke bill would solve this problem. It would set up a "sliding door" limitation on most imports, except those which are not produced here or are in short supply. These limitations would be related to the level of American production, annual import quotas, based on the number of items imported in the United States in 1965–69, as a percentage of U.S. output. In that way, imports would be guaranteed a share of the American market and would be permitted to increase as U.S. production rises.

The Hartke approach to international trade is designed to put our industry on an even footing with foreign competition and make domestic investment just as attractive as investment abroad. By controlling predatory trade practices the Hartke-Burke bill will put America back on the path to a world of free and fair trade.

USED CARS

Mr. HARTKE. Mr. President, many people buy used cars because they cannot afford new ones. At today's new car prices, the young, the poor, and those with moderate incomes go to used car lots in search of transportation. What they find are three types of cars: One, those of very recent vintage in top condition; two, those of older vintage but in reasonably good condition; and three, those cars in poor condition. Naturally, the price for the first category is higher than for the third category.

Often it is not easy to tell what category a particular car falls into. Even if a buyer knows that he is not buying a top-quality used car, he may not know precisely what condition that car is in. Buyers may also think they are getting a guarantee against defects when in fact that guarantee is meaningless.

It was to meet these consumer needs that I introduced the Used Car Warranty Act (S. 1881). That legislation puts the purchaser on a more even footing with the dealer, and it gives the purchaser rights he deserves to have.

Mr. President, I ask unanimous consent that an editorial from the August 11, 1973, edition of the Eugene, Oreg., Register-Guard in support of S. 1881 be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

USED CAR WARRANTIES

Senator Vance Hartke (D-Ind.) is sponsoring federal legislation to give used car buyers basic information on "cream-puffs" and less showy vehicles offered them.

Particularly appealing in provisions of his proposed Used Car Warranty Act are requirements that dealers show prospective buyers authentic information about previous damage that may have been done to the cars or trucks they are interested in purchasing.

Almost equally important—maybe more so—are Senator Hartke's proposals that dealers inform used car buyers the extent to which they will warrant the condition of brakes, steering mechanisms, tires, wheel assemblies and other vital mechanical parts.

The Senator from Indiana also would require dealers not posting warranty stickers on particular vehicles to affix windshield messages reading: "If this automobile breaks down or needs repairs, the buyer will have to pay the entire costs of servicing or repair."

Reputable dealers should have no quarrel with these ideas. They know as well, or better, than anyone else that there are too many "clunkers" on U.S. highways—too many of them being driven by people who haven't more than a modicum of knowledge about such vital parts as steering rods, shock absorbers and wheel bearings. Many dealers of repute already warrant used cars they sell.

Passage of Hartke's bill would at least make fly-by-night dealers think twice before they assumed legal liabilities that selling junkers to unsuspecting customers could involve.

PEACE

Mr. HARTKE. Mr. President, I note here the tragedy that again has fallen upon the land of our brothers and sisters in the Middle Eastern area of the world. I ask unanimous consent that an editorial appearing in the October 8, 1973, issue of the Washington Post be printed in the Record following my remarks.

While peace, at best, seemed elusive, it prevailed for over 6 years. The world community of mankind will now take up the debate on the armaments, weapons, materiel, personnel, strategy, tactics, logistics, and effect of one nation or another as the culprit for causing war, or not bringing peace.

Mr. President, I have before this distinguished body, a bill which would establish a Department of Peace, a Joint Committee on Peace and International Cooperation, and an International Peace Academy. Whether any one of the three institutions could have prevented the war that now rages is lost to conjecture; but, the very least that all three bodies could have contributed was a meaningful understanding of the situation, problems, and frictions that existed in the area. From that posture, a certainty may have prevailed which would have lessened the likelihood of war. Now, Congress must grope in the dark for all the particulars leading to the open conflict.

Mr. President, I ask unanimous consent that my bill, S. 1024, along with the accompanying statement of February 27, 1973, be printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARTKE. Mr. President, I call upon my colleagues to renew their affirmation in a world of peace. The President of the United States, Mr. Nixon, has called forth the slogan of his administration to be a "generation of peace," yet peace does not prevail now nor during the time that President Nixon has been in office. I call upon President Nixon to support my bill if he sincerely believes in the generation of peace throughout the world.

Mr. President, I ask unanimous consent that my statement and article on peace, appearing in the Record at page 31960, be reprinted in the Record following my remarks today. It is the very least that I can do to bring to the attention of my colleagues what can be done if one has a dream, while most see things as they are and shake their heads in dismay.

Let me return to the conflict which rages in the Middle East, while we in the Senate continue with the business of strip mining. In this cynical and abrasive era in the history of mankind, we have lessened the desire for the discussion of peace, by concentrating our energies upon the bankrupt philosophy that strength is synonymous with numbers of personnel and armaments. While Socrates endeavored to broaden the minds of his day into an open and honest discussion of the derivation of the passions and logic of man, we endeavor to shorten man's insight into his very existence. The immediate discussion is on who started the conflict when all the discussion should be on how to stop the killing. While Israel maintained the lands which she occupied from her conquest in the war of 1967, she was always willing to discuss the return of those areas which would not confer a strategic advantage on the Arabic countries.

Mr. President, this country must take the initiative in an open and honest forum for discussion of peace, not as it relates to the United States alone, but as it relates to the world community of peoples. The expression, "no man is an island," best describes the posture of the United States in the world arena of war and peace. We must grasp the opportunity of bringing all nations to the conference table as a method of ending those differences which run so deep as to cause open hostility between brothers and sisters.

Mr. President, a thorn begat a wound, a wound begat an irritation, an irritation begat a headache, a headache begat tension, tension begat abrasiveness, abrasiveness begat violence and violence begat war.

[From the Washington Post, Oct. 8, 1973]

THE BATTLE IN THE MIDEAST

The new Mideast fighting appears to be intense, but far from the scale of an all-out war. Egypt sent only a few thousand men over the Suez Canal, Syria sent even fewer into the Golan Heights. Predictably, Egypt—with the attacker's advantage—found it fairly easy to penetrate the thin line which Israel maintains on Suez. But Israel claims air supremacy—the Egyptian force apparently can neither be resupplied nor withdrawn; Israel also has its formidable quick-mobilization capacity. Jordan gives all signs of sitting this one out. The other Arab states are, as usual, letting Egypt go it alone.

Why did Egypt attack? One cannot rule out an Israeli provocation designed to lure Egyptian forces into an area where, tactically and politically, Israel could more easily fight them. But the scale of Egyptian preparations, the coordination with Syria, the surprise timing on Yom Kippur and—most important—the decision to try to secure a Sinai lodgement all argue that this was entirely an Egyptian initiative. Did President Anwar Sadat mean to improve Egypt's bargaining position in the Mideast diplomacy, which is expected to unfold shortly, by demonstrating that Cairo does indeed have a military option? Was Mr. Sadat under pressure from his generals to let them have a go before the diplomacy begins, or did he yield to them—even in anticipation of defeat—to discredit them and to demonstrate to the Egyptian people that Egypt indeed does *not* have a military option? No doubt there are other theories. We reserve judgment.

Prime Minister Golda Meir says that Israel acquainted "friendly political elements in good time" with evidence of the Egyptian-Syrian intent to attack. Evidently this warning followed Foreign Minister Abba Eban's meeting last Thursday in New York with U.S. Secretary of State Henry Kissinger. Dr.

Kissinger contacted Mr. Eban and his Egyptian counterpart in New York a few hours before the fighting broke out in an effort to forestall an outbreak. The effort failed. Once the fighting began, the United States acted in a way evidently designed to give the Israelis the necessary time to cope militarily by themselves. The United States apparently felt sure that the fighting could be contained, that Americans near the battle area were safe, that neither the Americans nor the Soviets would be drawn in, and that there was no possibility either of Soviet-American military confrontation or of overly difficult Soviet-American political complications. This is the explanation for the delayed call the administration issued late yesterday, not for a cease-fire, but for a U.N. Security Council meeting.

Both diplomatically and politically, it will be hard for Egypt to ask the United Nations for a cease-fire when it claims to be liberating its own territory. On its part, Israel would not want to have the United Nations either demand or impose a cease-fire whose effect would be to give Egypt by diplomacy a Sinai lodgement which Egypt perhaps cannot maintain by its own force. Having denied itself this time the option of a preemptive strike, Israel is in a good political position—if it moves quickly and successfully—to restore the pre-Saturday military status quo.

The effects on future prospects for a Mideast settlement are harder to assess. Would a defeat lower the last Egyptian political and psychological barrier to a negotiation, or would it be received as yet another humiliation requiring vengeance? For Israel, the first reaction to these new events may well reinforce the judgment that Arabs are untrustworthy and that a territorial buffer is essential. Yet we think Israelis can see their own broader interest in a settlement. Occupation of the whole Sinai keeps alive Egypt's territorial grievance. That grievance forces upon Israel the choice between maintaining a totally unacceptable degree of mobilization or tempting battles such as the one now under way. This battle offers another powerful inducement, as though any were needed, for a settlement. The alternative is protracted tension, always with the potential for war, and further frustration of Israel's desire to be accepted as a legitimate neighbor by its present foes.

EXHIBIT 1

[Excerpt From the CONGRESSIONAL RECORD, Feb. 27, 1973]

THE PEACE ACT

Mr. **HARTKE**. Mr. President, today Senator **RANDOLPH** and I are introducing a bill to establish a Department of Peace as an executive department of the Government. Identical legislation is being offered in the House of Representatives by Congressman **MATSUNAGA**.

This proposal represents a call to a new idealism, an idealism which holds that future wars can be avoided only if we care enough to try.

The Department of Peace proposal has been offered previously but many Congressmen and Senators have felt that acceptance of such a proposal was inappropriate because of our involvement in Southeast Asia. I did not agree with that proposition then nor do I agree now. Suffice it to say that those who saw our involvement in Vietnam as an obstacle to the establishment of a Department of Peace no longer have that excuse for failing to support our bill. Furthermore, recent action by the executive branch indicates that the time is propitious for a Department of Peace bill. The President has informed the Congress of the need for a reorganization of executive departments. Thus it would seem highly desirable, before any reorganization is complete, serious consideration be given to the need for a Department of Peace. It is in this spirit of change that I call upon the Congress and the President to rethink our policies for bringing about world peace and call upon the Congress to take up the mantle in providing the direction for a truly "peacemaking" policy throughout the world.

It would be the purpose of the new Department to develop long-range policies for peacekeeping; for presently there is no institutional advocate for peace in our Government, while those agencies and departments which view the application of force as the most efficient way to settle international disputes abound.

The bill has three titles: Title I establishes a Department of Peace, specifies what present agencies will be transferred to it, outlines the duties and structure of the Department, and sets forth the administrative provisions under which the Department will operate. Title II creates an International Peace Academy which would have the responsibility of training individuals in the science of peacekeeping. A new joint committee of Congress, with seven members drawn from both the Senate and the House, is established by title III, to be called the Joint Committee on Peace and International Cooperation.

Five specific responsibilities are assigned the new Department; they are:

First, The Department is to develop and recommend to the President appropriate plans, policies, and programs designed to foster peace.

Up to the present time, there has been no such broad assignment given to any Federal agency. It is true that we have not been without peace plans, peace policies, and peace programs. But they arise in various quarters under a variety of circumstances and they exist without the close coordination a single department will give. Nor has there been authority located in a specific position to do what the second mandate asks.

Second. The Department will exercise leadership in coordinating all activities of the U.S. Government affecting the preservation or promotion of peace. To exercise such leadership, of course, will require the close cooperation of the Department of Peace with the other departments, which in most cases have activities falling within the description.

Third. The Department will cooperate with the governments of the other nations in research and planning for the peaceful resolution of international conflict, and encourage similar action by private institutions. Here there are two significant elements, neither of which is presently a statutory responsibility of any agency—peace research, and the encouragement of attention to this area by private institutions.

The fourth mandate brings under the Department of Peace responsibility for aiding the interchange of ideas and persons between private institutions and groups in the United States and those in other countries.

The fifth is similar—to encourage the work of private institutions and groups aimed at the resolution of international conflict.

Agencies whose functions would be transferred to the new Department include: the Agency for International Development, the Peace Corps, the Arms Control and Disarmament Agency, and the functions of the International Agricultural Development Service, now in the Department of Agriculture. The President may also transfer additional responsibilities to the new Department, if he determines that the functions of any other office or agency are pertinent to the objectives of the Peace Department.

It has rightfully been said that "wars occur because people prepare for conflict, rather than for peace." It is time that this country set itself to the hard task of keeping the peace. It should not be the fate of every generation of Americans to endure wars which we are told are necessary to our national security, or to save face or to maintain our role as a world leader.

On February 7, 1969, I introduced similar legislation. This bill differs from that prior effort in a number of ways, chief among which is the elimination of language which could have posed a conflict between the new Department and the legitimate functions of the Department of State.

Mr. President, the tragedy of Vietnam highlights the need for a new approach to the resolution of international conflicts. Let us not be lulled by the possibility of achieving peace in Southeast Asia into thinking that we have no need for a permanent peacekeeping agency. Our proposal recognizes past failures and presents a reasoned alternative to what some would view as the inevitability of war.

I ask unanimous consent that a copy of the bill, establishing a Department of Peace, be printed in the RECORD immediately following my remarks.

S. 1024

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Peace Act".

DECLARATION OF PURPOSE

SEC. 2. The Congress declares that the United States has an urgent and continuing responsibility to seek international peace and has undertaken obligations to seek international peace under the Kellogg-Briand Pact of 1929, the Nuremberg Charter of 1945, and article I, paragraph I and article II, paragraphs 3 and 4, of the United Nations Charter. It is the purpose of this Act to meet these responsibilities and obligations and to provide the means to seek and achieve the peaceful resolution of international conflict.

TITLE I—DEPARTMENT OF PEACE

ESTABLISHMENT OF DEPARTMENT

SEC. 101. There is hereby established at the seat of government, as an executive department of the United States Government, the Department of Peace (hereafter referred to in this Act as the "Department").

FUNCTIONS OF THE DEPARTMENT

SEC. 102. (a) The Department shall be responsible for carrying out the purposes of this Act. In achieving such purposes, the Department shall—

(1) develop and recommend to the President appropriate plans, policies, and programs designed to foster peace;

(2) exercise leadership in coordinating all activities of the United States Government affecting the preservation or promotion of peace;

(3) cooperate with the governments of other nations in research and planning for the peaceful resolution of international conflict, and encourage similar action by private institutions, a research division shall be established for this purpose;

(4) encourage and assist the interchange of ideas and persons between private institutions and groups in the United States and those in other countries, a cultural exchange division shall be established for this purpose; and

(5) encourage the work of private institutions and groups aimed at the resolution of international conflict.

PERSONNEL OF THE DEPARTMENT

SEC. 103. (a) There shall be at the head of the Department a Secretary of Peace (hereafter referred to in this Act as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) There shall be in the Department an Under Secretary of Peace, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary of Peace (or, during the absence or disability of the Under Secretary, or in the event of a vacancy in the office of the Under Secretary of Peace, an Assistant Secretary of Peace or the General Counsel, determined according to such order as the Secretary shall prescribe) shall act for, and exercise the powers of the Secretary, during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary. The Under Secretary of Peace shall perform such functions as the Secretary shall prescribe from time to time.

(c) There shall be in the Department four Assistant Secretaries of Peace and a General Counsel, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions as the Secretary shall prescribe from time to time.

(d) The Secretary is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the purposes and functions of this Act.

(e) The Secretary may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

TRANSFER OF FUNCTIONS TO DEPARTMENT

SEC. 104. (a) There are hereby transferred to the Secretary all functions which were carried out immediately before the effective date of this title—

(1) by each of the following agencies or offices:

(A) the Agency for International Development;

(B) the Arms Control and Disarmament Agency; or

(C) the Peace Corps;

(2) by any components of such agencies or offices; or

(3) by the Secretary of State insofar as such functions from an agency, office, or component referred to in paragraph (1) or (2).

(b) There are hereby transferred to the Secretary all functions which were carried out immediately before the effective date of this title—

(1) by the International Agricultural Development Service, Department of Agriculture; or

(2) by the Secretary of Agriculture, insofar as the function relates to functions transferred under this subsection from such Service.

(c) Section 2 of the United Nations Participation Act of 1945 (22 U.S.C. 287) is amended by inserting at the end thereof the following new subsection:

"(h) The Secretary of Peace shall advise the President with respect to the appointment of any person to represent the United States in the United Nations, or in any of its organs, commissions, specialized agencies, or other bodies."

(d) The functions, powers, and duties of the Secretary of State, and the other offices and officers of the Department of State, relating to specialized agencies as defined in article 57 of the United Nations Charter, are transferred to the Secretary of Peace.

(e) Within one hundred and eighty days after the effective date of this title, the President may transfer to the Secretary any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to functions transferred to the Secretary by the preceding subsections of this section.

TRANSFER OF AGENCIES AND OFFICES

SEC. 105. (a) All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Bureau of the Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 104 are transferred to the Secretary. Except as provided in subsection (b), personnel engaged in functions transferred under this title shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(b) The transfer of personnel pursuant to subsection (a) shall be without reduction in classification or compensation for one year after such transfer.

(c) In any case where all of the functions of any agency or office are transferred pursuant to this title, such agency or office shall lapse.

ADMINISTRATIVE PROVISIONS

SEC. 106. (a) The Secretary may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to the Secretary by this title, delegate any of his functions to such officers and employees of the Department as he may designate, may authorize such successive redelegations of such functions as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions.

(b) The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space, central services for document reproduction, and for graphics and visual aids; and a central library service. The capital of the fund shall consist of any appropriations made for the purpose of providing capital (which appropriations are hereby authorized) and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. Such fund shall be reimbursed in advance from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus found in the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain such fund.

(c) The Secretary may approve a seal of office for the Department, and judicial notice shall be taken of such seal.

(d) In addition to the authority which is transferred to and vested in the Secretary by section 104, as necessary, and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote facilities;

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) messing facilities;

(4) motion picture equipment and film for recreation and training; and

(5) living and working quarters and facilities.

The furnishing of medical treatment under clause (1) and the furnishing of services and supplies under clauses (2) and (3) of this subsection shall be at prices reflecting reasonable value as determined by the Secretary and the proceeds therefrom shall be credited to the appropriation from which the expenditure was made.

(e)(1) The Secretary is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury of the United States in a separate fund and shall be disbursed upon order of the Secretary.

(2) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities, and from any other property held by the Secretary pursuant to paragraph (1), shall be deposited to the credit of the fund, and shall be disbursed upon order of the Secretary.

(f) The Secretary is authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, such advisory committees as may be appropriate for the purpose of consultation with and advice to the Department in the performance of its functions. Members of such committees, other than those regularly employed by the United States Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under section 103(e), and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(g)(1) The Secretary is authorized to enter into contracts with educational institutions, public or private agencies or organizations, or individuals for the conduct of research into any aspect of the problems related to the programs of the Department which are authorized by statute.

(2) The Secretary may from time to time disseminate in the form of reports or publications to public or private agencies or organizations or individuals such information as he deems pertinent on the research carried out pursuant to this subsection.

(3) Nothing contained in this subsection is intended to amend, modify, or repeal any provisions of law administered by the Department which authorize the making of contracts for research.

TECHNICAL AMENDMENTS

SEC. 107. (a) Section 10(d)(1) of title 3, United States Code, is hereby amended by inserting before the period at the end thereof a comma and the following: "Secretary of Peace".

(b) Section 101 of title 5, United States Code, is amended by inserting at the end thereof the following:

"The Department of Peace."

(c) Subchapter II of chapter 53 of ttile 5, United States Code (relating to executive schedule pay rates), is amended as follows:

(1) Section 5312 is amended by adding at the end thereof the following:

"(13) Secretary of Peace."

(2) Section 5314 is amended by adding at the end thereof the following:

"(54) Under Secretary of Peace."

(3) Section 5315 is amended by adding at the end thereof the following:

"(92) General Counsel, Department of Peace.

"(93) Assistant Secretaries of Peace (4)."

(4) Section 5317 is amended by striking out "34" and inserting in lieu thereof "36".

ANNUAL REPORT

SEC. 108. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

SAVING PROVISIONS

SEC. 109. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this title, by (A) any agency or office, or part thereof, any functions of which are transferred by this title, or (B) any court of competent jurisdiction, and

(2) which are in effect at the time this title takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this title shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this title; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this title shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this title had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this title, shall abate by reason of the enactment of this title. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this title, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this title. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this title takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this title—

(A) such agency or office, or any part thereof, is transferred to the Secretary, or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secretary, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this title).

(d) With respect to any function transferred by this title and exercised after the effective date of this title, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the department or officer in which such function is vested pursuant to this title.

(e) Orders and actions of the Secretary in the exercise of functions transferred under this title shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this title shall apply to the exercise of such function by the Secretary.

(f) In the exercise of the functions transferred under this title, the Secretary shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

CODIFICATION

SEC. 110. The Secretary is directed to submit to the Congress within two years from the effective date of this title a proposed codification of all laws which contain functions transferred to the Secretary by this title.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 111. (a) This title, other than this section, shall take effect ninety days after the enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a), any of the officers provided for in subsections (a), (b), and (c) of section 103 may be appointed in the manner provided for in this title, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this title. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Department pursuant to this tile.

TITLE II—INTERNATIONAL PEACE ACADEMY

ESTABLISHMENT OF ACADEMY

SEC. 201. There is hereby established within the Department the International Peace Academy (hereafter referred to in this Act as the "Academy"). The Academy shall furnish training and instruction to prepare citizens of the United States for service in positions or programs relating to the field of promoting international understanding and peace.

OFFICERS, STAFF, AND INSTRUCTORS

SEC. 202. (a) The Secretary may appoint or assign, on a full- or part-time basis, such officers, staff, and instructors as the needs of the Academy require.

(b) the Secretary may assign or detail, on a full- or part-time basis and with the consent of the head of the United States Government department or agency concerned, any officer or employee of the executive branch of the United States Government to serve on the faculty or staff of the Academy. During the period of his assignment or detail, such officer or employee shall be considered as remaining in the position from which assigned or detailed.

SUPERVISION OF ACADEMY

SEC. 203. The supervision and charge of the Academy shall be under such officer or officers as the Secretary may appoint for or assign to that duty, and under such regulations as the Secretary may prescribe.

BOARD OF TRUSTEES

SEC. 204. (a) There is hereby established within the Academy a board of trustees (hereafter referred to in this Act as the "board") which shall advise the Secretary on the operation of the Academy. The board shall be composed of—

(1) the Secretary (ex officio);

(2) two officers of the Department designated by the Secretary;

(3) two Members of the Senate, of different political parties, appointed by the President of the Senate;

(4) two Members of the House of Representatives, of different political parties, appointed by the Speaker of the House of Representatives;

(5) the Chairman of the Atomic Energy Commission, or his designee;

(6) the Chairman of the Federal Council on the Arts and the Humanities, or his designee;

(7) one member of the National Academy of Sciences, to be appointed by the President after consultation with the President of the Academy.

(8) two educators of prominence appointed by the President;

(9) two prominent persons associated with the advancement of world peace, appointed by the Secretary; and

(10) the United States Ambassador to the United Nations.

(b) Members of the board shall be appointed for two-year terms and shall be eligible for reappointment.

(c) The board shall visit the Academy annually. With the approval of the Secretary, the board or its members may make other visits to the Academy in connection with the duties of the board.

(d) The board shall inquire into the morale and discipline, the curriculum, instruction, physical equipment, fiscal affairs, academic methods, and other matters relating to the Academy that the board decides to consider.

(e) Within sixty days after its annual visit, the board shall submit a written report to the President of its action, and of its views and recommendations pertaining to the Academy. Any report of a visit, other than the annual visit, shall, if approved by a majority of the members of the board, be submitted to the President within sixty days after the approval.

(f) Each member of the board may be allowed travel expenses, including per diem in lieu of subsistence, in accordance with the provisions of section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

ADMISSION OF STUDENTS

SEC. 205. (a) The authorized number of students at the Academy shall be one hundred and fifty.

(b) The Academy shall operate as a coeducational institution and students shall be selected for admission to the Academy on the basis of merit, as determined by a competitive examination to be given annually in each State, the District of Columbia, and the Commonwealth of Puerto Rico, at such time, in such manner and covering such subject matter as the Secretary may prescribe.

(c) No individual shall be eligible for admission to the Academy unless he is a citizen of the United States who has been awarded a bachelor's degree upon graduation from a college or university located in the United States or a degree which the Secretary determines is generally recognized as the equivalent of a bachelor's degree upon graduation from a college or university located in a foreign country.

STIPENDS AND TRAVEL AND TRANSPORTATION ALLOWANCES

SEC. 206. Each student of the Academy shall be entitled to receive—

(1) a stipend in an amount determined by the Secretary to be within the range of stipends of fellowships payable under other Government programs providing for the education or training of graduate students; and

(2) reasonable travel and transportation allowances, including transportation for his immediate family, household goods, and personal effects, under regulations prescribed by the Secretary, but such allowances shall not exceed the allowances payable under section 5723 of title 5, United States Code.

COURSE OF INSTRUCTION AND TRAINING

SEC. 207. (a) The course of instruction and training for students at the Academy shall be prescribed by the Secretary, shall be for a period of one year, and shall, insofar as consistent with the purposes of this title, be acceptable for credit toward a graduate degree at accredited colleges and universities. In prescribing such course of instruction and training, the Secretary shall provide that special emphasis be placed on such studies as will best prepare students for leadership in the nonviolent resolution of international conflicts and in the promotion of international understanding and peace. Upon satisfactory completion of the prescribed course of instruction and training, students shall be awarded a Federal certificate of participation.

(b) The course of instruction and training at the Academy shall, during each year of its operation, be organized as prescribed by the Secretary, except that one month of each such year shall be devoted to annual leave for all students.

AGREEMENTS BY STUDENTS

SEC. 208. Each student selected for admission to the Academy shall sign an agreement that, unless sooner separated, he will—

(1) complete the course of instruction at the Academy; and

(2) accept, if offered, an appointment as an officer or employee of the United States or, in the discretion of the Secretary, employment with an international organization or private agency or foundation determined by the Secretary to be engaged in activities relating to the promoting or achieving of international understanding and peace, in any position for which such student is qualified by reason of his special training at the Academy, for at least the one-year period immediately following the awarding of his certificate from the Academy or the completion by him of any period of full-time graduate study approved by the Secretary.

AUTHORIZATION; ACQUISITION OF PROPERTY

SEC. 209. (a) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

(b) The Academy shall have power to acquire and hold real and personal property and may receive and accept gifts, donations, and trusts.

TITLE III—JOINT COMMITTEE ON PEACE AND INTERNATIONAL COOPERATION

ESTABLISHMENT OF JOINT COMMITTEE

SEC. 301. There is hereby established a joint congressional committee to be known as the Joint Committee on Peace and International Cooperation (hereinafter referred to as the "joint committee"). The joint committee shall be composed of seven Members of the Senate, to be appointed by the President of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The party representation on the joint committee shall as nearly as may be feasible reflect the relative membership of the majority and minority parties in the Senate and the House of Representatives, respectively.

FUNCTIONS

SEC. 302. It shall be the function of the joint committee—

(1) to make a continuing study of matters relating to the Department of Peace;

(2) to study means of coordinating programs in order to further the purpose of this Act; and

(3) as a guide to the several committees of the Congress dealing with legislation relating to the Department of Peace, to file a report not later than May 1 of each year (beginning with the calendar year 1971) with the Senate and the House of Representatives containing its findings and recommendations with respect to the Department of Peace, and from time to time to make such other reports and recommendations to the Senate and House of Representatives as it deems advisable.

VACANCIES; SELECTION OF CHAIRMAN

SEC. 303. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. The joint committee shall select a chairman and a vice chairman from among its members.

HEARINGS; STAFF; ASSISTANCE

SEC. 304. (a) In carrying out its duties under this title, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places; to appoint and fix the compensation of such experts, consultants, technicians, and staff personnel; to procure such printing and binding; and to make such expenditures as it deems advisable.

(b) With the prior consent of the department or agency concerned, the joint committee is authorized to utilize the services, information, and facilities of the departments and establishments of the United States Government and private research agencies.

AUTHORIZATION; EXPENSES

SEC. 305. (a) The expenses of the joint committee, which shall not exceed $200,000 for each fiscal year, shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers signed by the chairman of the joint committee or by any member of the joint committee duly authorized by the chairman.

(b) Members of the joint committee, and its employees and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses provided an itemized statement of such expenses is attached to the voucher.

PEACE—ONE CITY, ONE NATION, ONE WORLD

Mr. HARTKE. Mr. President, in 1798, Dr. Benjamin Rush, a signer of the Declaration of Independence, and later Treasurer of the United States, proposed that a Department of Peace, be established at the cabinet level of the new government.

Since then, the proposal has been introduced in nearly every Congress. I, along with the distinguished Senator from West Virginia (Mr. RANDOLPH) introduced S. 1024 in the 93d Congress.

Mr. President, perennially elusive peace throughout the world deserves more than the silent treatment. Now, that the United States is no longer involved in a conflict of violence the concept of "World Peace" has left our mind, only to be restored if we again engage in hostilities.

Under my proposal, peace would be as important a concept of discussion as defense. Let me remind my colleagues of the time and energy that we are now expending on the floor of the Senate to determine how much money shall be spent or how many weapons shall be produced—weapons that only kill.

Mr. President, I would like my colleagues to consider the expenditure of $633 million for an airplane, the F–14, that the Navy neither needs nor is sure will be functional and the exepnditure of $1.147 billion for an airplane, F–15, for the Air Force which is not close to perfection in the design stage. The Congress is going to spend nearly $2 billion for weapons that are not perfected while they are unable to see the utility of an expenditure for the establishment of a Department of Peace.

If the questionable expenditure of vast sums to carry-on war is plausible, then, I ask my fellow Senators, is not the establishment of an academy to further peace as worthy an expenditure of the taxpayers' dollars.

Mr. President, peace may not come to the world in our generation, or our children's generation, but unless man begins to think in terms of peace, instead of violence and weapons, we will never have peace.

I ask unanimous consent that an article by Nachman M. Gerber appearing in the February 1973, issue of Current magazine, be printed in the RECORD.

[From Current magazine, February 1973]

TOWARD A CITY OF PEACE

(By Nachman M. Gerber)

(NOTE.—Mr. Gerber, a Baltimore, Maryland business man and president of the foundation, Peacefully Yours, Inc., offers suggestions for raising our consciousness about peace through educational efforts, new institution building and creating a wholly new Peace City in the United States. Adapted from "Peace in the Twentieth Century," an address by Nachman M. Gerber to the International Convocation 1972, Education for Peace, Manhattan College, Bronx, N.Y., Oct. 14, 1972.)

In this troubled time, when peace is so sought after, why is it so elusive? To sum up an answer in a few words, the peoples of the world accept historical values which revolve around a philosophy of war and all its derivatives. This covers almost every aspect of living, including relations among nations, our economic systems and production of munitions for war, and keeping a large percentage of the world's population poor, hungry and illiterate.

As a result of the perpetuation of such philosophies, the world's people elect or accept men and women for leaders of their governments who also believe these philosophies and in their leadereship keep some part of the world at war at all times.

ON CHANGING VALUE SYSTEMS

How can this seemingly all-persuasive system of values be reevaluated and redirected? Obviously no easy or quick answers are available. But as President Dwight Eisenhower said in 1955 to the British Prime Minister Harold Macmillan: "One day the peoples of the world will want peace so badly, the governments better get out of the way and give it to them."

Embedded in these words which, on the surface, appear all too simplistic, is a deep understanding that value systems centuries old can change and be supplanted by philosophies and modes of living which will demand a peaceful arena in international affairs.

And the time now seems ripe for setting in motion certain measures which can lead to reevaluation and redirection of man's dream for peace. Such measures must inevitably bring forth new institutions dedicated to peaceful endeavor. They must also lead to new systems of education and reeducation for peace. And such beginnings must provide for an appropriate symbolism of peace to replace the overriding militaristic thoughtways and veneration of war we still endure.

Perhaps the latter is of prime importance of all the steps we could now take. I discuss it last, however, in suggesting the creation and building of Peace City, because such an endeavor would be not only novel but all-embracing and thus a fitting and unifying symbol for peace. The new institutions and educational steps we should undertake are more straightforward to sketch in outline.

NEW PEACE INSTITUTIONS

On the institutional side, I suggest we create forthwith three new governmental agencies. First, the President and Congress should create a Department of Peace as a cabinet level institution. Second, our government and all governments where possible should set up Peace Research Institutes. And third, that a Peace Academy be established, comparable to the Army's Academy at West Point, the Naval Academy at Annapolis, and the Air Force Academy at Colorado Springs.

The Department of Peace should have regular cabinet status, and oversee at least the initial establishment of a United States Peace Research Institute. For reasons of adequate funding such an institute should probably be maintained as an official government agency. What autonomy it should have from the Department of Peace is only one of many organizational problems involved in setting up these new institutions. Obviously prolonged analysis and decision-making would be involved in creating the new cabinet department. What functions would the present Secretary of State and the State Department continue to fulfill?

Such questions need debate, but they raise the fundamental issue of what purpose a new Department of Peace should fulfill. Of highest importance again, it seems to me, is the fact that by its very existence a Peace Department would symbolize our government's serious concern for the problems effecting peace. A Secretary of Peace could be expected continuously to bring to cabinet level attention the problems of peace and solutions to them that are now often considered only in traditional national state versus national state terms or in military perspective.

If such a Peace Department would raise to the highest level a constant and overt dedication to peace, so too a Peace Research Institute, adequately funded, could undertake significant and broadbased research on problems of peace that are now only fitfully under study in private peace organizations or through private scholarly research. Such Peace Research Institutes should be established in many other countries.

THE ROLE OF A PEACE ACADEMY

In suggesting the establishment of a Peace Academy, comparable to our present military service academies (and also a four-year academy), I have in mind not only a training center for personnel of a Department of Peace; the State Department, our diplomatic and consular services, but also personnel destined for careers in the various United Nations agencies and private or public agencies like the Peace Corps. True, many of our universities now function as training grounds for such personnel. But I have no doubt that future needs in this area will provide a significant place for such an academy. Such an academy should also be duplicated in other countries.

Moreover, I would hope that the Peace Academy (and its counterparts in other countries) could perform an additional and wholly new service. It should be required, through legislation, that every leader of each government take course work at the Peace Academy of his or her nation, and if no such academy exists, then such leaders should attend an academy of another country. This training should be required of high administrative officials, members of Congress or comparable bodies, and also members of state and local governments where a need for peace orientation is indicated.

Such an effort in leadership education for peace orientation is but the capstone of a vast system of education and reeducation for peace that is needed throughout the world and from elementary through college and graduate educational levels. Certainly one of the first tasks that could be undertaken by the Peace Research Institutes would be the designing of curricula for all such educational levels.

In short space it is not necessary to detail what educational areas need attention. Some new thinking about peace education has in recent years begun to appear in the work of social scientists. Much more is needed if the tradition-bound ideas associated with different peoples, different cultures, nationalism, economic rivalry and the like are to be redirected toward peaceful cooperation.

New educational programs on a far vaster scale than are now available should also be founded. For example, I suggest a Peace Central be established as a worldwide organization to promote contact between and among millions of youngsters through correspondence and visits with their peers.

Fundamentally, all of the above suggestions have one common denominator—the effort to raise our consciousness about peace, through childhood and adult education and a new education for leadership, but also through new institution building for peaceful orientation.

A VIABLE PEACE CITY

Last, I suggest the creation of Peace City to be located not far from Washington, D.C. (In due course such cities could hopefully be built in other countries as well.)

Such a city should become the symbol of peace for all citizens. It should rival and surpass in beauty and meaning the countless symbols we have raised to wars and war heroes. It should certainly include a Peace Hall of Fame where a beginning can be made to laud the efforts for peace. Great religious figures, Nobel Peace Prize winners and others from all cultures and times who have contributed to peace could be enshrined in such a Hall of Fame.

But Peace City should be a viable, functioning city in which the dominant activities relate to peaceful pursuits—the study and research about peace, the training of students and leaders in peace orientation and executive, administrative and other legal activities related to peace. As such Peace City should provide the site for the Department of Peace, the U.S. Peace Research Institute, the Peace Academy and Peace Central, all mentioned above.

As a viable city, it can take its place as one of the new cities America must build in any case in the next decade or two for reasons of population growth. For similar reasons, the building of viable Peace Cities in many other countries would appear to be quite practicable.

But above all Peace City, and the vital peace activities it would encompass, would raise to a level never heretofore accomplished a symbol of peace which would alone aid mightily in redirecting our thoughts and modes of living towards peace and away from the time-honored subjugation to war.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS

Mr. MANSFIELD. I move that the Senate stand in recess until 10 minutes to 12.

The motion was agreed to, and, at 10:54 a.m., the Senate took a recess until 11:50 a.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. ALLEN).

DISTRIBUTION OF FUNDS IN SATISFACTION OF INDIAN CLAIMS COMMISSION JUDGMENTS

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1016.

The PRESIDING OFFICER (Mr. HUDDLESTON) laid before the Senate the amendment of the House of Representatives to the bill (S. 1016) to provide a more democratic and effective method for the distribution of funds appropriated by the Congress to pay certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes, which were to strike out all after the enacting clause, and insert:

That, notwithstanding any other law, all use or distribution of funds appropriated in satisfaction of a judgment of the Indian Claims Commission or the Court of Claims in favor of any Indian tribe, band, group, pueblo, or community (hereinafter referred to as "Indian tribe"), together with any interest earned thereon, after payment of attorney fees and litigation expenses, shall be made pursuant to the provisions of this Act.

SEC. 2. (a) Within one hundred and eighty days after the appropriation of funds to pay a judgment of the Indian Claims Commission or the Court of Claims to any Indian tribe, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall prepare and submit to the Congress a plan for the use or distribution of such funds: *Provided, however,* That with respect to judgments for which funds have been appropriated and for which legislation authorizing use or distribution has not been enacted prior to enactment of this Act, the one hundred and eighty-day period shall begin upon the date of enactment of this Act. In any case where the Secretary determines that the circumstances do not permit the preparation and submission of a plan as provided in this Act, he shall submit, within such one hundred and eighty-day period, proposed legislation as provided in section 5(b).

(b) An extension of the one hundred and eighty-day period, not to exceed ninety days, may be requested by the Secretary or by the affected Indian tribe submitting such request to the committees through the Secretary, and any such request will be subject to the approval of both the Senate and House of Representatives Committees on Interior and Insular Affairs.

(c) The Secretary shall notify the affected Indian tribe on the date of submission of such plan and provide it with a copy thereof.

SEC. 3. (a) The Secretary shall prepare a plan which shall best serve the interests of all those entities and individuals entitled to receive funds of each Indian judgment. Prior to the final preparation of the plan, the Secretary shall—

(1) receive and consider any resolution or communication, together with any suggested use or distribution plan, which any affected Indian tribe may wish to submit to him; and

(2) hold a hearing of record, after appropriate public notice, to obtain the testi-

mony of leaders and members of the Indian tribe which may receive any portion, or be affected by the use or distribution, of such funds, in the area in which such Indian tribe is located and at a time which shall best serve the convenience of the eligible members thereof.

(b) In preparing a plan for the use or distribution of the funds of each Indian judgment, the Secretary shall, among other things, be assured that—

(1) legal, financial, and other expertise of the Department of the Interior has been made fully available in an advisory capacity to the Indian tribe which is entitled to such funds to assist it to develop and communicate to the Secretary pursuant to clause (1) of subsection (a) of this section its own suggested plan for the distribution and use of such funds;

(2) the needs and desires of any groups or individuals who are in a minority position, but who are also entitled to receive such funds, have been fully ascertained and considered;

(3) the interests of minors and other legally incompetent persons who are entitled to receive any portion of such funds as are subsequently distributed to them are and will be protected and preserved;

(4) any provision, including enrollment provisions, of the constitution, bylaws, rules, and procedures of such tribe which may affect the distribution or other use of such funds are in full accord with the principles of fairness and equity;

(5) a significant portion of such funds shall be set aside and programed to serve common tribal needs, educational requirements, and such other purposes as the circumstances of the affected Indian tribe may justify, except not less than 20 per centum of such funds shall be so set aside and programed unless the Secretary determines that the particular circumstances of the pertinent Indian tribe clearly warrant otherwise; and

(6) methods exist and will be employed to insure the proper performance of the plan once it becomes effective under section 5 of this act.

Sec. 4. When submitting the plan as provided in section 2, the Secretary shall also submit to the Congress with such plan—

(1) copies of the transcripts of hearings held by him concerning the Indian judgment pursuant to clause (2) of section 3(a) and all other papers and documents considered by him in the preparation of such plan, including any resolution, communication, or suggested use or distribution plan of the pertinent Indian tribe submitted pursuant to clause (1) of section 3(a); and

(2) a statement of the extent to which such plan reflects the desires of the Indian tribe or individuals who are entitled to such funds, which statement shall specify the alternatives, if any, proposed by such Indian tribe or individuals in lieu of such plan, together with an indication of the degree of support among the interested parties for each such alternative.

Sec. 5. (a) The plan prepared by the Secretary shall become effective, and he shall take immediate action to implement the plan for the use or distribution of such judgment funds, at the end of the sixty-day period (excluding days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) beginning on the day such plan is submitted to the Congress, unless during such sixty-day period either House adopts a resolution disapproving such plans.

(b) Within thirty calendar days after the date of adoption of a resolution disapproving a plan, the Secretary shall submit to the Congress proposed legislation, together with a report thereon, authorizing use or distribution of such funds.

Sec. 6. (a) The Secretary shall promulgate rules and regulations to implement this Act no later than the end of the one hundred and eighty-day period beginning on the date of enactment of this Act. Among other things, such rules and regulations shall provide for adequate notice to all entities and persons who may receive funds under any Indian judgment of all relevant procedures pursuant to this Act concerning any such judgment.

(b) No later than sixty days prior to the promulgation of such rules and regulations the Secretary shall publish the proposed rules and regulations in the Federal Register.

(c) No later than thirty days prior to the promulgation of such rules and regulations, the Secretary shall provide, with adequate public notice, the opportunity for hearings on the proposed rules and regulations, once published, to all interested parties.

Sec. 7. None of the funds distributed per capita or held in trust under the provisions of this Act shall be subject to Federal or State income taxes, and the per capita payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act.

Amend the title so as to read: "An Act to provide for the use or distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes."

Mr. JACKSON. Mr. President, on February 26, 1973. I introduced S. 1016, the "Indian Judgment Funds Distribution Act of 1973." My purpose in introducing this measure was to provide an alternative method for the processing of numerous judgment awards made to Indian tribal groups by the Indian Claims Commission or the U.S. Court of Claims.

Under current congressional policy, a tribal group receiving a judgment award is required to obtain authorizing legislation from Congress to specifically permit the distribution of the judgment funds to their duly enrolled members and to expend a portion of the funds for purposes which will benefit the membership as a whole—education, community development, and so forth. During the 92d Congress, the processing of specific judgment bills accounted for 50 percent of the committee's legislative workload on Indian related matters.

While this procedure might have served a useful purpose in the past, because of the volume of routine bills, the procedure is time consuming and limits the committee's capacity to address its energies and resources to the more substantive issues related to the Indians' historical relationship with the Federal Government.

The new approach outlined by S. 1016 provides a method of oversight by the committee, yet relieves it of the necessity of having to legislate on all but the most complicated judgment awards.

At the time this measure was considered before the full committee, all of the Department's clarifying amendments were approved and the committee amended the bill further to provide that per capita payments made to individuals from the Indian judgment awards would be exempt from Federal and State income taxes and that per capita payments less than $1,000 shall not be considered as income or financial resources when determining the extent of eligibility for assistance under the Social Security Act S. 1016 was ordered unanimously reported by the full committee and subsequently approved by the Senate.

On October 1, 1973, the House of Representatives passed S. 1016 with further amendments. All but two of the amendments were technical or clarifying in nature. The two substantive amendments provided:

First. That none of the funds distributed per capita or held in trust under the provisions of this act shall be subject to Federal or State income taxes. Similar language has been interpreted by the Internal Revenue Service to mean that interest earned on such shares is exempt from Federal and State income tax; and

Second. That none of the funds distributed per capita under the provisions of this act shall be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act. The Senate amendment to S. 1016 provided that per capita shares less than $1,000 shall not be considered as a resource in determining Indian eligibility under the Social Security Act. The House amendment to S. 1016 on the same subject provides a total exemption for per capita payments in determining eligibility for assistance under the Social Security Act.

Mr. President, I have reviewed the technical and clarifying amendments added to S. 1016 by the House of Representatives, as well as the two substantive amendments discussed in this statement with the ranking minority member of the Senate Interior and Insular Affairs Committee, Mr. Fannin. We consider them acceptable amendments and do recommend their approval by the Senate.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it so ordered.

Mr. JACKSON. Mr. President, I move that the Senate concur in the amendments of the House to S. 1016.

The motion was agreed to.

RESOLUTION ON OUTBREAK OF HOSTILITIES IN THE MIDDLE EAST

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader and myself, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The assistant legislative clerk read the resolution (S. Res. 179) as follows:

Resolution Deploring the Outbreak of Hostilities in the Middle East

Resolved, That it is the sense of the Senate that we deplore the outbreak of the tragic hostilities in the Middle East and that we support the use of the good offices of the United States by the President and the Secretary of State to urge the participants to bring about a cease-fire and a return of the parties involved to lines and positions occupied by them prior to the outbreak of current hostilities, and, further, that the Senate expresses its hope for a more stable condition leading to peace in that region.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. Yes, indeed.

Mr. HUGH SCOTT. I support and have discussed and joined in the drafting of the resolution with the distinguished majority leader. It is an expression of confidence in what the administration is doing through the President and the Secretary of State. It deplores the situation which exists and urges a cease-fire and a return to the original lines occupied by the belligerents prior to the outbreak of these current hostilities. I believe the resolution is unexceptional; at the same time it puts the United States on the same side it has always been on—the mobilization of world opinion for a peaceful solution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the resolution remain at the desk for the remainder of the day to give all Senators who wish to cosponsor it an opportunity to do so.

Mr. HUGH SCOTT. Mr. President, I would like to join in that request and urge that Senators who agree with the resolution will cosponsor it in order that we may all go on record as favoring an end to the hostilities without any gain by any aggressor of territory presently occupied by another country.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that I may be added as a cosponsor of the resolution which has been offered by the distinguished majority and minority leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS subsequently said: Mr. President, the Senate agreed to a resolution this morning, and I ask, if the majority leader has no objection, that my name may be added as a cosponsor of that resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Now, more than 6 years after the conclusion of the 1967 6-day war, Egypt and Syria seem to have felt sufficiently strong to thrust aside the cease-fire agreement, strike across the agreed upon cease-fire lines, and resume open warfare against Israel on the most solemn Jewish holy day of Yom Kippur. That other Arab States have not already joined in the invasion is indicative that not all Arab leaders see warfare as the solution to their differences with Israel.

In a transparent effort to mislead world opinion and with regard for the coming United Nations debates, Syria and Egypt sought to label Israel as the aggressor even before the Israelis had time to mobilize their armies and on the Israeli's prime religious holiday—defying all reason. United Nations decisions since the 1967 war have been so one sided in favor of the Arab side in the Arab-Israel conflict as to embolden them to feel that they could pursue this canard successfully. It is good to see that no one has bought it.

The situation presents a great challenge—and with it a great opportunity—for U.S. diplomacy which is now entering a new phase with Dr. Henry Kissinger as Secretary of State. No longer carrying the burden of Vietnam, the United States can now more effectively move to bring about peace in the Middle East.

Mr. President, the one thing that I would like to state now in respect of that matter is that I think we have a new Secretary of State who has had a chance to perform in a crisis. I have been very close to that performance in terms of its having occurred at the U.N. in New York, and I would like to advise the Senate I think it was most appropriately, properly, indeed very splendidly, handled by the new Secretary of State.

The course of the United States, very properly incurred in the resolution, is to return the parties involved to the lines and positions they held prior to the outbreak of current hostilities.

Latest news reports now indicate that the Israelis have the military situation in hand. Even Egyptian Foreign Minister Muhammed Hassan el-Zayyat has indicated he is not certain that his country can win the war. Then, one must wonder—as I am sure the families of thousands of Egyptian soldiers are wondering—why this incursion was undertaken in the first place at such a cost in lives and in national treasure. Surely, Egyptian national honor would be far more enhanced by peace than by risking another debacle on the field of battle.

The resolution introduced by Senators MANSFIELD and HUGH SCOTT, in which I have now joined as a sponsor, highlights two aspects of this issue. First, it expresses U.S. support for an end to the conflict and for a withdrawal to the previous positions of the parties—a true ceasefire. And the resolution, on balance, would restrain Israel to the same positions, not an inconsiderable factor in light of the fact that Israeli forces might well penetrate otherwise into Egyptian and Syrian territory in pursuit of the invading forces thereby complicating the situation even further.

Secondly, the resolution by seeking stability in the area calls upon the Arab States and Israel to negotiate an end to their conflict. One would hope that the Arab belligerents might give a try to direct negotiations, all other means, including war and terrorism, having failed. Indeed, they may find it easier at the conference table to move Israel from the cease-fire lines than they seemingly can find it on the battlefield.

This recurrent warfare in the Middle East serves no purpose. It drains and weakens both the winners and the losers. It diverts the resources of their friends. It endangers the peace of the world, because of the danger of the spread of the conflict and because it gives rise to a cynicism and disregard for international morality and international efforts at peace which also adversely affects the hopes for East-West détente.

In that connection, I should point out that the rather biased, one-sided resolutions of the United Nations on this Arab-Israel conflict have now borne their fruit. It is to be hoped that the very Arab nations who are responsible for the resolutions may have another "think" and realize the mischief in a one-sided course of conduct like the United Nations engaged in.

So, Mr. President, the United States under a new Secretary of State, who has started in this outbreak of hostilities most ostensibly and under the direction of a President who is similarly to be commended, has taken a very sensible and proper means of action which I hope will be pursued and will be very much aided by this resolution.

SURFACE MINING RECLAMATION ACT OF 1973

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY). Under the previous order, the Senate will now resume the consideration of the unfinished business, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 425) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes.

Mr. JACKSON. Mr. President, I ask unanimous consent that during the Senate consideration of and voting on S. 425, the Surface Mining and Reclamation Act of 1973, that Jerry Verkler, Bill Van Ness, Lucille Langlois, Mike Harvey, and Forrest Gerard, members of the staff of the Committee on Interior and Insular Affairs, and Mr. John Heritage of Senator NELSON's staff, be accorded the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that during the consideration of S. 425 Mrs. Mary Jane Due be accorded the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I ask unanimous consent that Ray Dockstader, of my staff, be permitted to remain on the floor during the consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, today the Senate considers S. 425, the Surface Mining Reclamation Act of 1973.

PURPOSE

The purpose of S. 425 is to establish an environmentally strong and administratively realistic program for the regulation of coal surface mining activities and the reclamation of coal mined lands. More specifically, the purposes of S. 425 as reported by the committee, are to assure that coal surface mining operations—including exploration activities and the surface effects of underground mining—are conducted so as to prevent degradation to the environment, and that such coal surface mining operations are not conducted where reclamation is not feasible according to the terms and conditions of the act. In addition, S. 425 would protect the rights of persons with a legal interest in land affected by coal surface mining operations.

Federal legislation regulating coal surface mining is needed now. While a number of States do have surface mining reclamation programs, regulation of coal surface mining is not uniform, and in many instances is inadequate. S. 425 as reported by the committee would provide minimum Federal standards for coal surface mining and reclamation activities to be administered and enforced by the States, and by the Secretary of the Interior on public lands. S. 425 would provide assistance to the States to improve their regulatory and enforcement programs and authorizes funding to the States for that purpose. In the event that a State fails to comply with the Act, the bill provides for Federal enforcement of the State program, or for establishment of a Federal program under the authority of the Secretary of the Interior.

NEED

In recent years the coal industry has experienced a significant shift in technology from predominantly underground mining. Although strip mining first started before World War II, it did not become a significant technology for mining coal until the early 1960's when, for the first time, over 30 percent of the country's coal was produced in surface mines. In 1972, over half of the coal produced came from surface mines.

Each week over 1,000 acres of land are disturbed by the surface mining of coal. As of January 1, 1972, there were 4 million acres of land disturbed by surface mining, of which 1.7 million acres—43 percent—were disturbed by surface mining for coal, 1.3 million of these acres in the eastern coalfields. Only about half these lands have been reclaimed.

ADMINISTRATION POSITION

On September 10, 1973—the day the committee reported this bill—President Nixon in his message to Congress termed passage of such legislation a matter of "highest urgency" explaining further that:

> Our most abundant domestic source of energy is coal. We must learn to use more of it, and we must learn to do so in a manner which does not damage the land we inhabit or the air we breathe.
>
> Surface mining is both the most economical and the most environmentally destructive method of extracting coal. The damage caused by surface mining, however, can be repaired and the land restored. I believe it is the responsibility of the mining industry to undertake such restorative action and I believe it must be required of them.

ENVIRONMENTAL PROBLEMS

Coal surface mining has imposed large social and environmental costs on the public at large in many areas of the country in the form of unreclaimed lands, water pollution, erosion, floods, slope failures, loss of fish and wildlife resources, and a decline in natural beauty. Uncontrolled surface coal mining in many regions has effected a stark, unjustifiable, and intolerable degradation in the quality of life in local communities.

Unreclaimed or improperly reclaimed surface coal mines pose a continuing threat to the environment, and at times are a danger to public health and safety, public or private property. Similar hazards also occur from the surface effects of underground coal mining, including the dumping of coal waste piles, subsidence, and mine fires.

Erosion and siltation of streams occur as a result of surface mining. In the eastern coalfields, where spoil is pushed downslope of mountain mines, landslides, erosion, sedimentation, and flooding are common hazards of mountain surface mining. Unstable highwalls are a hazard to life and property. Highwalls that crumble and erode from weathering, ruin drainage patterns and significantly add to water pollution. Erosion increases dramatically when the protective vegetative cover is removed and the soil is not stabilized.

In the western coalfields, many of which are in arid or semiarid areas, the environmental problems associated with surface mining are somewhat different. Erosion rates on western range lands are among the highest in the United States for upland areas not under cultivation. The arid climate does not provide sufficient moisture for a protective vegetal cover. Once this fragile vegetative cover has been disturbed by mining, erosion increases dramatically. More important, in areas with little rainfall, restoration of vegetative cover is virtually impossible without irrigation. Furthermore, in most of the western coalfields the coal beds that lie close to the surface are also aquifers. Removal of the coal by surface minings operations would intersect such aquifers that are the source of water for many wells. Flow patterns in such aquifers would be changed and some parts undoubtedly would be dewatered, resulting in reduced availability of water for other uses.

Because mining conditions, climate, and terrain vary so greatly among the different coalfields, administration of a coal surface mining regulation and reclamation program is more properly done by the States. For example, a program geared to insure proper mining and reclamation in the mountains of Appalachia must understandably be different from one suited to regulating these activities in the arid and semiarid areas of the West. Similarly, these regional differences must be reflected in Federal standards promulgated for surface mining and reclamation on Federal lands.

STATE ROLE

While many States already do have laws regulating surface mining operations for coal and other minerals, in many instances these laws are inadequate, or are not fully enforced. Most existing State laws and Federal regulations for surface mining and reclamation are inadequate, in that they are tailored to suit ongoing mining practices, rather than requiring modification of mining practices to meet prior environmental standards. It is the purpose of this act to effect changes in those mining practices which result in unacceptable or permanent environmental damage, and to eliminate those mining operations which cannot be properly reclaimed.

Regardless of the adequacy of a State's mining and reclamation laws, and assuming good faith on the part of the regulatory agency, problems of enforcing such laws frequently stem from a lack of funding and manpower to adequately insure compliance. As a result, violations of the law and regulations are frequent.

Uniform minimum Federal standards are, therefore, needed to establish minimum criteria for regulating surface mining and reclamation activities throughout the country, on both public and private lands, and to assure adequate environmental protection from the environmental impacts of surface mining in all States.

In order to assure appropriate local administration of these Federal requirements by the various States, adequate funding and manpower in the State regulatory agencies are essential. For this reason, financial assistance and guidelines are needed for the design and enforcement of State surface mining and reclamation programs in conformance with Federal criteria. It is the purpose of the bill to provide this necessary assistance.

The committee recognizes that there is an urgent need to balance our growing demand for energy resources with the increasing stress we place on the environment in satisfying that demand.

Coal, the most abundant of our domestic fuel resources, epitomizes in many ways this energy-environment dilemma. By all estimates our physical coal reserves are sufficient to meet our needs, even at greatly increased rates of consumption, for hundreds of years. Yet the contribution of coal has not kept pace with increasing overall energy demands, particularly for electricity generation, and, indeed, its propositional share of energy supply has been steadily declining.

Although coal represents more than three-quarters of our domestic energy resource base, it supplies barely 20 percent of our total energy needs.

The essential requirement for an adequate supply of domestic energy resources to support the Nation's social and economic well-being is being increasingly recognized as a major national issue. It is clear, particularly in the case of coal, that we have ample reserves. We are experiencing short- to mid-term logistical difficulties in fuel production and distribution—a kind of liquidity crisis in energy. In coping with this crisis it is difficult to escape the conclusion that coal is a key element. We have an abundance of coal in the ground. Simply stated, the crux of the problem is how to get it out of the ground and use it in environmentally acceptable ways and on an economically competitive basis.

SURFACE MINING LEGISLATION ESSENTIAL

Federal legislation to regulate coal surface mining and reclamation is a crucial measure to insure an adequate energy supply while preserving and maintaining a satisfactory level of environmental quality.

The purpose of this bill is to effect the internalization of mining and reclamation costs, which are now being borne by society in the form of ravaged land, polluted water, and other adverse effects, of coal surface mining. The committee recognizes that in some instances, compliance with the provisions of this act may result in increased production costs for some mine operators. The cost of the environmental controls and reclamation requirements provided for under the act are properly borne by the mine operators, although any resultant increases in mining costs will almost certainly be passed on to coal consumers. While numerous estimates of reclamation costs have been made, no precise figure will be valid for all mines. The range of cost estimates available to the committee indicates that the cost of complete reclamation—including backfilling to original contour—usually will not exceed 60 cents per ton more than the cost of mining with no environmental controls during mining or any reclamation whatsoever. Since virtually all States now require some measure of environmental protection for mining operations, and some degree of reclamation, incremental costs per ton for surface mining and reclamation under this act will, therefore, be somewhat less than 60 cents per ton for most mining operations. This cost increase must be reviewed in the proper context.

EFFECT ON COST OF ELECTRICITY

Over 60 percent of all coal is consumed by the electric utilities. Using conservative figures of 10,000 British thermal unit-pound coal and a conversion rate of 10,000 British thermal unit per kilowatt-hour the rise of 60 cents per ton in the price of coal results in an increase of only 0.03 mills per kilowatt-hour of electricity. In addition, the cost of competing fuels is also rising rapidly. Most oil is already more costly than coal on a per-British-thermal-unit basis, and the price of natural gas is expected to rise significantly in the next few years. Accordingly, it does not appear that compliance with the provisions of this act will adversely affect the competitive position of coal as an energy source, nor that its role as an even greater contributor to domestic energy supply cannot be fulfilled.

VAST BULK OF COAL UNDERGROUND

This expectation is further reinforced by the fact that strippable coal reserves are a very small percentage both of the Nation's total coal resources, and of the low sulfur coal reserves. Strippable reserves are defined as those reserves under a specified maximum depth of overburden that are economically recoverable with the strip mining technology and equipment presently available or that may be available in the foreseeable future. Economic recovery in strip mining is generally determined by the ratio of overburden to coal, called the stripping ratio. Strippable reserves in many instances can also be recovered by deep mining. Thus, to define reserves as strippable does not mean they can only be recovered by surface mining techniques.

Although surface mining accounts for half of current coal production, most of the Nation's coal resources will have to be deep mined if they are to be exploited. Only 45 billion tons of the total 1,552 billion tons of mapped resources, less than 3 percent can now be classified as strippable reserves. Almost 70 percent of the strippable reserves are in the West, including Alaska. Only 13 percent are in Appalachia.

As indicated by Russell Train, Administrator of the Environmental Protection Agency—

> The sooner we can make underground (mining) more economically attractive, more technologically feasible and more socially acceptable as a way of life, way of employment, the better off we're going to be.

COMMITTEE CONSIDERATION

S. 425 is a reasonable, carefully considered measure. It is the product of many days of hearings and committee markup sessions beginning in the 90th Congress. In September 1972, the committee reported a bill to the Senate. The 92d Congress adjourned before the Senate considered either that bill or the measure passed by the House of Representatives.

This year the full committee held hearings on bills then before it on March 13, 14, 15, and 16. On April 30 the Subcommittee on Minerals, Materials, and Fuels held a hearing on the report prepared by the Council on Environmental Quality entitled "Coal Surface Mining and Reclamation—An Environmental and Economic Assessment of Alternatives."

In addition, as part of the study of national fuels and energy policy, the full committee and ex officio members held 3 days of hearings on coal policy issues, which included discussion of the potential impact of Federal surface mining legislation on coal development.

The committee met in public markup session for 10 days to consider amendments to S. 425. Many amendments were considered and many were adopted. The bill now before the Senate was approved by unanimous vote of all 14 members of the Interior Committee.

Mr. President, the distinguished junior Senator from Montana (Mr. METCALF) played a very important role in connection with the hearings. He presided over virtually all the markup sessions. I wish to pay special tribute to the junior Senator from Montana for his outstanding contribution and assistance in connection with the hearings, markup, and reporting of the legislation.

The Surface Mining Reclamation Act is long and complex. Its provisions are closely interrelated. This is the result of a careful effort by the committee to encourage the States to assume the task of regulation of coal surface mining. It also reflects the committee's efforts to insure maximum coordination between Federal and State governments and not to impinge on or conflict with the provisions of existing Federal laws on planning and environmental protection.

The committee is aware that some industry spokesmen believe that its requirements are too stringent. We are also aware that some environmentalists regard the bill as too weak. The committee feels strongly that the bill reported unanimously strikes a balance between strong environmental protection and the need for coal as an energy source. We do not intend to accept any amendments which could upset this careful balance.

Mr. President, I ask unanimous consent that a brief review of the major provisions of S. 425 be printed in the RECORD at this point, together with copies of correspondence I have received about it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXTRACTS FROM THE REPORT OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS ON S. 425—SURFACE MINING RECLAMATION ACT OF 1973 (S. REPT. 93-402)

I. PURPOSE

The purpose of S. 425, the "Surface Mining Reclamation Act of 1973", is to establish an environmentally strong and administratively realistic program for the regulation of coal surface mining activities and the reclamation of coal mined lands. More specifically, the purposes of S. 425 as reported by the Committee, are to assure that surface coal mining operations—including exploration activities and the surface effects of underground mining—are conducted so as to prevent degradation to the environment, and that such surface coal mining operations are not conducted where reclamation is not feasible according to the terms and conditions of the Act. In addition, S. 425 would protect the rights of persons with a legal interest in land affected by coal surface mining operations.

Federal legislation regulating surface mining—and particularly surface mining for coal—is needed at this time. While a number of States do have surface mining reclamation programs, regulation of surface coal mining is not uniform, and in many instances is inadequate. S. 425 as reported by the Committee would provide minimum Federal standards for coal surface mining and reclamation activities to be administered and enforced by the States, and by the Secretary of the Interior on public lands. S. 425 would provide assistance to the States to improve their regulatory and enforcement programs and authorizes funding to the States for that purpose. In the event that a State fails to comply with the Act, the bill provides for Federal enforcement of the State Program, or for establishment of a Federal Program under the authority of the Secretary of the Interior.

II. NEED

In recent years the coal industry has experienced a significant shift in technology from predominantly underground mining. Although strip mining first started before World War II, it did not become a significant technology for mining coal until the early 1960's when, for the first time, over 30 percent of the country's coal was produced in surface mines. In 1973, over half of the coal produced came from surface mines.

Each week some 1,000 acres of land are disturbed by the surface mining for coal. As of January 1, 1972, there were 4 million acres of land disturbed by surface mining, of which 1.7 million acres (43 percent) were disturbed by surface mining for coal, 1.3 million of these acres in the Eastern coalfields. Only about half these lands have been reclaimed.

Federal legislation is needed now to regulate surface mining and reclamation, because surface mining has become a national issue and its regulation a national priority.

The Committee has been most concerned for some time with the problems associated with coal surface mining. The Committee requested and printed a study on "Coal Surface Mining and Reclamation" (Serial No. 93-8) done by the Council on Environmental Quality. The Committee also conducted a study of its own on "Factors Affecting the Use of Coal in Present and Future Energy Markets" (Serial 93–9). In addition to extensive hearings on the regulation of surface mining, the Committee also held hearings on the CEQ study in April 1973 and on "Coal Policy Issues" in June 1973.

On September 10, 1973—the date the Committee reported this bill—President Nixon in his message to Congress termed passage of such legislation a matter of "highest urgency" explaining further that:

Our most abundant domestic source of energy is coal. We must learn to use more of it, and we must learn to do so in a manner which does not damage the land we inhabit or the air we breathe.

Surface mining is both the most economical and the most environmentally destructive method of extracting coal. The damage caused by surface mining, however, can be repaired and the land restored. I believe it is the responsibility of the mining industry to undertake such restorative action and I believe it must be required of them.

Coal surface mining activities, in particular, have imposed large social and environmental costs on the public at large in many areas of the country in the form of unreclaimed lands, water pollution, erosion, floods, slope failures, loss of fish and wildlife resources, and a decline in natural beauty. Uncontrolled surface coal mining in many regions has effected a stark, unjustifiable, and intolerable degradation in the quality of file in local communities.

If surface mining and reclamation are not done carefully, significant environmental damage can result. In addition, unreclaimed or improperly reclaimed surface coal mines pose a continuing threat to the environment, and at times are a danger to public health and safety, public or private property. Similar hazards also occur from the surface effects of underground coal mining, including the dumping of coal waste piles, subsidence and mine fires.

Erosion and siltation of streams occur as a result of surface mining. In the Eastern coalfields, where spoil is pushed downslope of mountain mines, landslides, erosion, sedimentation and flooding are common hazards of mountain surface mining. Unstable highwalls are a hazard to life and property. Highwalls that crumble and erode from weathering, ruin drainage patterns and significantly add to water pollution. Material falling off the highwall can retard surface water flow. Erosion increases dramatically when the protective vegetation cover is removed and the soil is not stabilized. Suspended sediment concentration in small Appalachian streams draining strip mined areas can be increased 100 times over that in forest lands. Over 7,000 miles of streams have been affected by surface runoff from coal stripping operations.

In the Western coalfields, many of which are in arid or semi-arid areas, the environmental problems associated with surface mining are somewhat different. Erosion rates on Western range lands are among the highest in the United States for upland areas not under cultivation. The arid climate does not provide sufficient moisture for a protective vegetal cover. Once this fragile vegetative cover has been disturbed by mining, erosion increases dramatically. More important, in areas with little rainfall, restoration of vegetative cover is virtually impossible without irrigation. Furthermore, in most of the Western coalfields the coal beds that lie close to the surface are also aquifers. (For example, the strippable coal seams in the Gillette, Wyo., area serve as an aquifer.) Removal of the coal by surface mining operations would intersect such aquifers that are the source of water for many wells. Flow patterns in such aquifers would be changed and some parts undoubtedly would be dewatered, resulting in reduced availability of water for other uses.

There are also areas which may be totally unsuitable for surface mining such as wilderness areas, areas of historical importance, parks, and wildlife refuges. It may be desirable to prohibit surface mining in such areas, recognizing that it would be incompatible with existing or planned land use patterns. Of course, under the provisions of the Act, no surface mining may take place in an area which cannot be properly reclaimed.

Because mining conditions, climate, and terrain vary so greatly among the different coalfields, administration of a coal surface mining regulation and reclamation program is more properly done by the States. For example, a program geared to insure proper mining and reclamation in the mountains of Appalachia must understandably be different from one suited to regulating these activities in the arid and semi-arid areas of the West. (Similarly, these regional differences must be reflected in Federal standards promulgated for surface mining and reclamation on Federal lands.)

While many States already do have laws regulating surface mining operations for coal and other minerals, in many instances these laws are inadequate, or are not fully enforced. Most existing State laws and Federal regulations for surface mining and reclamation are inadequate in that they are tailored to suit ongoing mining practices, rather than requiring modification of mining practices to meet prior environmental standards. It is the purpose of this Act to effect changes in those mining practices which result in unacceptable or permanent environmental damage, and to eliminate those mining operations which cannot be properly reclaimed.

Regardless of the adequacy of a State's mining and reclamation laws, and assuming good faith on the part of the regulatory agency, problems of enforcing such laws frequently stem from a lack of funding and manpower to adequately insure compliance. As a result, violations of the law and regulations are frequent.

Uniform minimum Federal standards are therefore needed to establish minimum criteria for regulating surface mining and reclamation activities throughout the country, on both public and private lands, and to assure adequate environmental protection from the environmental impacts of surface mining in all States.

In order to assure appropriate local administration of these Federal requirements by the various States, adequate funding and manpower in the State regulatory agencies are essential. For this reason, financial assistance and guidelines are needed for the design and enforcement of State surface mining and reclamation programs in conformance with Federal criteria. It is the purpose of the bill to provide this necessary assistance.

The Committee recognizes that there is an urgent need to balance our growing demand for energy resources with the increasing stress we place on the environment in satisfying that demand.

Coal, the most abundant of our domestic fuel resources, epitomizes in many ways this energy-environment dilemma. By all estimates our physical coal reserves are sufficient to meet our needs, even at greatly increased rates of consumption, for hundreds of years. Yet the contribution of coal has not kept pace with increasing overall energy demands, particularly for electricity generation, and indeed its proportional share of energy supply has been steadily declining.

Now, although coal represents more than three-quarters of our domestic energy resources base, it supplies barely 20 percent of our total energy needs.

The essential requirement for an adequate supply of domestic energy resources to support the Nation's social and economic well-being is being increasingly recognized as a major national issue. It is clear, particularly in the case of coal, that we have ample reserves. We are experiencing short- to mid-term logistical difficulties in fuel production and distribution—a kind of liquidity crisis in energy. In coping with this crisis it is difficult to escape the conclusion that coal is a key element. We have an abundance of coal in the ground. Simply stated, the crux of the problem is how to get it out of the ground and use it in environmentally acceptable ways and on an economically competitive basis.

Federal legislation to regulate coal surface mining and reclamation is a crucial measure to insure an adequate energy supply while preserving and maintaining a satisfactory level of environmental quality.

The purpose of this bill is to effect the internalization of mining and reclamation costs, which are now being borne by society in the form of ravaged land, polluted water, and other adverse effects, of coal service mining. The Committee recognizes that in some instances, compliance with the provisions of this Act may result in increased production costs for some mine operators. The cost of the environmental controls and reclamation requirements provided for under the Act are properly borne by the mine operators, although any resultant increases in mining costs will almost certainly be passed on to coal consumers. While numerous estimates of reclamation costs have been made, no precise figure will be valid for all mines. The range of cost estimates available to the Committee indicates that the cost of complete reclamation (including backfilling to original contour) usually will not exceed 60¢/ton more than the cost of mining with no environmental controls during mining or any reclamation whatsoever. Since all States now require some measure of environmental protection for mining operations, and some degree of reclamation, incremental costs per ton for surface mining and reclamation under this Act will therefore be somewhat less than 60¢/ton for most mining operations. Further, this cost increase must be reviewed in the proper context.

About 60 percent of all coal is consumed by electric utilities. Using conservative figures of 10,000 Btu/lb. coal and a conversion rate of 10,000 Btu/kwhr the rise of 60¢/ton in the price of coal results in an increase of only 0.03 mils per kwhr of electricity. In addition, the cost of competing fuels is also rising rapidly. Most oil is already more costly than coal on a per Btu basis, and the price of natural gas is expected to rise significantly in the next few years. Accordingly, it does not appear that compliance with the provisions of this Act will adversely affect the competitive position of coal as an energy source, nor that its role as an even greater contributor to domestic energy supply cannot be fulfilled.

This expectation is further reinforced by the fact that strippable coal reserves are a very small percentage both of the Nation's total coal resources, and of the low sulfur coal reserves. Strippable reserves are defined as those reserves under a specified maximum depth of overburden that are economically recoverable with the strip mining technology and equipment presently available or that may be available in the foreseeable future. Economic recovery in strip mining is generally determined by the ratio of overburden to coal, called the stripping ratio. Strippable reserves in many instances can also be recovered by deep mining. Thus, to define reserves as strippable does not mean they can only be recovered by surface mining techniques.

Although surface mining accounts for half of current coal production, most of the Nation's coal resources will have to be deep mined if they are to be exploited. Only 45 billion tons of the total 1,552 billion tons of mapped resources, less than 3 percent can now be classified as strippable reserves. Almost 70 percent of the strippable reserves are in the West, including Alaska. Only 13 percent are in Appalachia.

The total coal resources of the United States amount to more than three trillion tons, divided into several ranks of coal and distributed in several fields. Of these total coal resources, some 50 percent, or 1.5 trillion tons of bituminous coal and lignite, are considered to be recoverable reserves (i.e., minable under current economic conditions and with present technology, or technology that may be available in the foreseeable future.) From a practical standpoint, for the near and medium term, we need only be concerned with recoverable reserves, rather than with resources, since these reserves clearly constitute an ample supply for the foreseeable future.

The principal coal fields of the contiguous United States can be roughly divided into four groups: the anthracite region of eastern Pennsylvania, the Appalachian bituminous fields, the central bituminous fields (Illinois, Indiana, western Kentucky, and Kansas) and the western fields, which contain bituminous and sub-bituminous coal and lignite.

The bulk of our recoverable reserves lie in the western coal fields. Almost half (667,518 million tons) are in Montana, North Dakota, and Wyoming. About 45 billion tons—mostly in the western and central fields—are considered to be strippable reserves. More than ⅓ of our reserves are low sulfur coal (less than one percent sulfur), concentrated largely in the West (Montana, New Mexico, and Wyoming), with only West Virginia and eastern Kentucky in the East having any sizable low sulfur deposits. Most coal in the central fields (Illinois, West Kentucky, Missouri, and Ohio) is high sulfur coal (more than 2.0 percent). Relatively little high sulfur coal is found in the West, while the central fields have very little low or medium sulfur coal; the Appalachian coals are mixed. About 3% of our low sulfur coal reserves are strippable.

The following table represents a more detailed description of United States coal reserves, by State, sulfur content and method of recovery.

U.S. COAL RESERVES, BY STATE

[Million tons]

	Total coal resources	Reserves by sulfur content (Jan. 1, 1966)					Stripping reserves by sulfur content (Jan. 1, 1969)		
	(excluding anthracite) 0–3,000′ overburden, as of Jan. 1, 1967	Recoverable reserves 1971 (assuming 50 percent recovery)	Low (1 percent or less)	Medium (1.1 to 2 percent)	High (2.1 percent or more)	Recoverable strippable reserves Jan. 1, 1968	Low (1 percent or less)	Medium (1.1 to 2 percent)	High (2.1 percent or more)
Alabama	33, 538	16, 711	2, 078	10, 625	914	134	33	74	
Alaska	260, 089	130, 043	92, 503			4, 411	4, 411		
Arizona						387	387		
Arkansas	5, 990	2, 995	350	1, 421	194	174	28	118	28
California						25	25		
Colorado	226, 637	113, 299	80, 645			500	476	24	
Connecticut									
Delaware									
District of Columbia									
Florida									
Georgia	78	39	76						
Hawaii									
Idaho									
Illinois	239, 756	119, 675	574	7, 557	127, 758	3, 247		80	3, 167
Indiana	56, 779	28, 337	371	8, 094	26, 577	1, 096		293	803
Iowa	20, 519	10, 257		1, 040	6, 523	180			180
Kansas	22, 686	11, 340			19, 699	375			375
Kentucky	117, 952	58, 600	22, 132	5, 428	38, 950	1, 785	532	189	1, 037
Louisiana									
Maine									
Maryland	1, 572	782		125	1, 055	21		8	13
Massachusetts									
Michigan	705	352			205	1			1
Minnesota									
Mississippi									
Missouri	23, 359	11, 670			78, 760	1, 160			1, 160
Montana	378, 701	189, 347	215, 438	4, 550	1, 166	6, 897	6, 133	764	
Nebraska									
Nevada									
New Hampshire									
New Jersey									
New Mexico	88, 475	44, 235	61, 421			2, 474	2, 474		
New York									
North Carolina	130	65	110						
North Dakota	530, 680	265, 328				2, 075	1, 678	397	
Ohio	43, 864	21, 779	611	2, 488	38, 933	1, 033		126	907
Oklahoma	23, 299	11, 645	1, 022	1, 193	1, 087	111	10	44	57
Oregon	432	216	188						
Pennsylvania	67, 553	33, 495	1, 198	20, 048	36, 705	752		225	527
Rhode Island									
South Carolina									
South Dakota	3, 031	1, 515	2, 031			160	160		
Tennessee	4, 652	2, 299	164	975	702	74	5	43	26
Texas	26, 926	13, 463		6, 902	7, 978	1, 309	625	684	
Utah	80, 250	40, 107	22, 135	1, 675	3, 998	150	6	136	8
Vermont									
Virginia	12, 710	6, 217	8, 060			258	154	99	5
Washington	36, 178	18, 089	5, 881	1, 637	4, 122	135	135		
West Virginia	102, 034	50, 455	41, 472	3, 511	20, 057	2, 118	1, 138	669	311
Wisconsin									
Wyoming	445, 710	222, 843	120, 715		10	13, 971	13, 377	65	529
Other States	5, 721	2, 861	4, 705						
Total	2, 872, 955	1, 429, 010	1, 008, 885	140, 060	412, 035	44, 986	31, 787	4, 038	9, 161

III. MAJOR PROVISIONS

1. Coverage of S. 425

S. 425 applies to coal surface mining on Federal and non-Federal lands. This includes all aspects of coal surface mining operations, all surface effects of underground coal mining operations, exploration activities for coal, and the disposal of coal mine and processing wastes.

Regulation of coal surface mining activities is the most pressing national need. Of all land disturbed by all types of surface mining, 43 percent has been disturbed as a result of surface mining for coal. During the last 5 years coal surface mining has accounted for over 50 percent of all surface disturbance.

Open pit mines and surface mining for minerals other than coal are not subject to this bill. Coal surface mining on Indian lands is also excluded. The Committee is fully cognizant of the adverse impacts of these mining operations and intends that these mining operations should be regulated as soon as possible. Of particular concern to the Committee is the need to regulate sand and gravel operations, which account for 25 percent of the acreage disturbed by surface mining, and open pit mining. However, in the case of open pit mining and mining for minerals other than coal, the Committee felt that it did not have sufficient information or understanding of the available mining and reclamation technologies for such operations to legislate their regulation in the best possible manner.

In order to assure that appropriate regulations for all surface mining can be developed, appropriate information must be gathered concerning mining operations not now covered by S. 425. The bill therefore provides for two studies to be undertaken by the Council on Environmental Quality in conjunction with the National Academy of Sciences-National Academy of Engineering. The first study covers mining and reclamation technologies for minerals other than coal and for open pit mining. The study report on sand and gravel is due 1 year after enactment. That part of the study dealing with all other minerals is due in 18 months.

The second study will examine developing resource recovery and reclamation technologies including recycling to maximize resource recovery with minimal environmental impacts. It is due in 3 years.

In the case of mining operations on Indian lands, the Committee was requested by representatives of a number of affected tribes, to postpone Federal regulation of mining on Indian lands until greater consultation could be sought from the tribes, giving them an opportunity to design mining and reclamation programs for their own lands. The bill therefore also provides for a study by the Secretary of the Interior, to examine the question of applying the provisions of the Act to Indian lands. This study is due no later than January 1, 1975.

As the results of these studies are made available to the Congress, the Committee intends to design appropriate legislation, based on these and other findings, for the regulation of surface mining for all minerals on all lands.

2. State and Federal jurisdiction

Because of the diversity of climate, terrain, mining conditions, and land use patterns in the different areas where coal is mined, the Committee believes that the States, as the governmental entity closest to the problem, are best able to design and enforce coal surface mining and reclamation programs on non-Federal lands within their jurisdiction.

However, the Federal Government has a responsibility to protect Federal lands from the adverse effects of coal surface mining and to assure a uniform minimum standard of environmental protection for all persons affected by coal surface mining operations. In the past, the Congress has reconciled similar jurisdictional responsibilities by promulgating Federal standards to be used as a minimum base for State-administered programs, as under the Federal Water Pollution Control Act and the Clean Air Act. This approach largely precludes the possibility of "industrial blackmail," whereby industries threaten to move from one State proposing stringent protection standards, to one with more lenient standards.

Similarly, with respect to coal surface mining and regulation, the Committee has chosen to provide Federal initiative, approval and oversight for a State-administered program. In order to provide assurances that the minimum Federal requirements will be satisfied in all cases, the Committee has provided the Secretary of the Interior with the authority to monitor State enforcement by inspection, and to enforce the requirements of the Act in the event of failure of a State to administer or enforce an approved State program, or any part thereof. Should Federal enforcement of a State program occur, the bill prevents any confusion arising from overlapping or dual Federal-State jurisdictions, by carefully defining the extent of the regulatory power of both the Federal and the State authorities.

The bill facilitates coordination of coal surface mining and reclamation programs on Federal lands with State programs in two ways. First, it requires the program for Federal lands in any State to include at a minimum the requirements of the State's approved program. Second, it provides for limited delegation of authority between the Federal Government and the States, particularly to allow coordinated regulation of mining and reclamation operations on checkerboard lands.

3. Timing of implementation

S. 425 provides that within 6 months after passage of the Act, the Secretary of the Interior shall promulgate final regulations both for the development of State programs to meet the requirements of the Act, and for the regulation of coal surface mining activities on all Federal lands. Within 1 year from such promulgation (18 months after enactment) all States must have submitted to the Secretary for approval a State program for the regulation of coal surface mining and reclamation activities to the requirements of the Act. The Secretary then has 4 months to approve or disapprove the State plans. Twenty-two months after the date of enactment, all States should be administering approved State plans.

From the date of enactment until 22 months after the Act is passed, no new coal surface mining operations may be opened without an interim permit from the appropriate regulatory authority. Similarly, no existing operation can expand so as to affect an area greater than 15 percent of the area affected by its activities in the preceding 12 months, unless an interim permit is obtained from the appropriate regulatory authority. Any surface mines operating under such an interim permit are subject to the full provisions of this Act. Federal inspections of all such operations are authorized in this interim period to determine compliance with the Act's provisions. During this interim period, all other existing operations continue to be regulated by existing regulatory programs. The Committee fully expects, however, that such operations will be conducted in so far as possible to meet the purposes of this Act.

After 22 months from the date of enactment, no person may mine without a permit issued under an approved program, unless an application for a permit has been filed, but not yet acted upon, or unless a State is prevented by injunction from enforcing its State program. This latter exception is limited to 1 year. The Committee anticipates, however, that both mine operators and the States will work expeditiously and in good faith to effect full implementation of the provisions of the Act, and that exceptions will be kept to a minimum.

The Committee also recognizes that it is possible a hiatus might occur between the expiration of the interim 22-month period and the initiation of a State program, which could result in the cessation of coal surface mining operations in certain States. The Committee expects, however, that with due diligence on the part of both Federal and State regulatory agencies, such a hiatus will not occur. The mere existence of the possibility is in itself an incentive for rapid and timely administration of the requirements of the act.

4. Provisions for reclamation

There is general agreement among all those concerned that surface mining, measured by any criterion, is a drastic environmental change effected by man's technology. Such complete changes in environmental conditions make total restoration of the original ecosystem impossible. Rehabilitation can be accomplished only when planning prior to the actual mining includes the establishment of desirable and attainable objectives for the use of the land after mining. Rehabilitation objectives are achieved through careful management including monitoring of mining and reclamation techniques, reshaping the spoils, prompt revegetation, control of erosion, and prevention of damage to hydrologic systems. The rehabilitation of a specific site will depend on the physical characteristics of the site and the post-mining land use objectives.

The selection of the mining technique is most commonly made on the basis of economics. When rehabilitation is considered part of the mining operation, extraction techniques may well be expected to change to those which most economically facilitate rehabilitation.

Reclamation Plans

The Committee believes that submission of a detailed reclamation plan is an essential element of effective regulation.

No surface mining for coal should be permitted on either public or private lands without the prior development of reclamation plans designed to minimize environmental impacts, to meet on- and off-site air and water pollution regulations, and to define a timetable for reclamation concurrent with the mining operation. The preplanning should be part of an original environmental impact analysis and should clearly indicate the basis on which conditions at the proposed mine site are evaluated. It is important that adequate provision for public participation be a part of the review of the preplans.

Reclamation Criteria

The bill reported by the Committee contains reclamation criteria designed to assure that coal surface mining and reclamation operations are conducted so as to prevent adverse short- and long-term environmental impacts and be consistent with State and local land use plans and programs.

Two of the most important of these criteria deal with restoration of surface mined lands to their original contour (213(b)(2)), and the prohibition against dumping of spoil on the down slope when mining on steep slopes (213(b)(6)).

Original contour

This provides that reclamation will include the backfilling, compacting (where necessary) and regrading of all disturbed areas to restore the land to approximate original contour, and eliminate all highwalls, spoil piles, and depressions, except where there is insufficient overburden produced throughout the mining operation to do so.

The Committee believes that this requirement will significantly increase the range of possible post-mining land uses for surface mined areas. It will eliminate the long useless ribbons of benches in mountainous areas which may be as much as 200 feet wide and run for miles along mountain sides. In both area and contour mining, the retention of highwalls results in the isolation of land—usually land above the mining operation and not otherwise affected by mining. Such isolated land, surrounded by a highwall of 30 to 200 feet, is preempted from any future land use, and is inaccessible to wildlife as well as to man. In heavily surface mined areas, such isolation has caused severe problems not only by precluding use of the land, but also by denying access in case of fire. There have been instances in which forest fires have burned unchecked because the forest was surrounded by highwalls and could not be reached by firefighters.

The Committee does not intend to preclude such current practices as creation of a reservoir for recreational purposes, or the creation of flat land by "mountain-top" mining. Under the definition of "back-filling to approximate original contour," the regulatory agency has the discretionary authority to permit retention of water for creation of a reservoir or recreation area. "Mountain-top" mining is surface mining on steep slopes in which the entire top of a mountain is removed in a process similar to area mining. This can result in the creation of flat land, which can be used, for example, for airports. Housing developments or industrial parks can also be built on such land if the necessary services (electricity, water, gas, and so forth) can be provided to these more remote areas. Since this mining method does not leave highwalls, no backfilling is needed. Further, in such instances there is usually sufficient overburden to restore the approximate original contour of the mountain top if flat land is not needed for the planned post-mining use of the land.

Recognizing these problems, States which have experienced heavy surface mining have taken steps to eliminate the highwalls. Ohio, Pennsylvania, and West Virginia have legislatively and administratively limited the retention of highwalls. Ohio and Pennsylvania usually require complete backfilling of all highwalls. West Virginia limits the permissible height of highwalls left after mining. However, restricting the height of highwalls, while it does significantly reduce the adverse esthetic impacts of surface mining, does not deal adequately with the problem of isolation. The Committee therefore feels strongly that backfilling to original contour as required in this bill is essential to good reclamation.

This practice is not new to the mining industry. In recent years, the industry trade journals have reported mining operations in West Virginia, Pennsylvania, and Tennessee that have completely eliminated the highwall using a number of different mining and reclamation techniques. Since the passage of the 1971 West Virginia surface mining law, a number of mining companies in that State have voluntarily adopted the policy of placing no spoil on outslopes, and totally eliminating highwalls.

Although costs vary according to mining technique, many operators who do restore to original contour report that overall costs are not much different from those incurred for lower levels of restoration. In cases where mining techniques were altered to minimize the handling of overburden, total mining costs have been reported to decline.

It has been suggested that in adopting this provision, the Committee is applying nationwide a standard used by the State of Pennsylvania and which, for reasons of geology and terrain, is not applicable beyond that State. There are a number of errors in this assumption.

First, while inclusion of this provision in this bill was supported by the Pennsylvania Department of Environment Resources and by both Senator Schweiker and Senator Scott of Pennsylvania, the language adopted is not identical to the Pennsylvania law.

Second, although there are some variations in the geology of different coal seams and fields, there are also certain geological constants: sandstone, slate, and shale are found wherever there is coal. This same basic geology of sandstone and slate overburden is common not only to Pennsylvania and West Virginia, but also in the West.

Third, the degree of slope on which a mine is located is immaterial to the feasibility of backfilling to original contour. In West Virginia complete backfilling is required now on all slopes up to 30 degrees. As reported in the trade journals of that State at least two large West Virginia mining companies have adopted a policy of restoring the mined land to approximate original contour *regardless of slope*. Surface mine operators in Pennsylvania have adopted similar policies to meet that State's requirement that all highwalls be backfilled to approximate original contour.

Finally, and most important, implicit in these arguments is the assumption that the requirement of "regarding to approximate original contour" is a requirement to use a particular mining technique widely used in Pennsylvania called the modified block-cut. This is not the case. The Committee is prescribing performance standards to achieve a certain degree of reclamation—the Committee has no intention of dictating how these standards are achieved. In fact, surface miners in West Virginia and Tennessee are reclaiming to approximate original contour, backfilling all highwalls, *not* using the modified block cut, but retrieving overburden from the spoil pile on the downslope. Obviously, this technique requires more handling of the spoil, and may be more costly than the block-cut technique, but it is being done.

The Committee does not intend to place undue hardship on surface mine operators by this requirement. For this reason they have included a provision that where overburden produced is insufficient, even allowing for volumetric expansion, backfilling to aproximate original contour will not be required.

Spoil on downslopes

This standard provides that, when mining on steep slopes, no soil, spoil, debris, or other waste material be placed on the natural downslope below the bench or mining cut, except that the spoil from the initial cut may be placed in a limited and specified area of the downslope if the permittee can demonstrate that it will not slide, and that the other environmental requirements of the bill can still be met.

This provision is crucial to assuring that the environmental impacts of mining are minimized, and confined to the permit area. Most of the damage that occurs as a result of surface mining on steeper slopes, such as landslides, erosion, sedimentation, and flooding, results from placing spoil on the downslope. In areas with both steep slopes and significant rainfall, these problems are further aggravated. The least environmental damage usually results when the deposition of overburden on otherwise undisturbed outslopes is minimized.

Recognizing the importance of spoil management to environmental protection, most Appalachian States do restrict spoil placement on the downslope and prohibit fill benches on the steepest slopes (over 30 degrees in West Virginia; over 33 degrees in Maryland; and over 28 degrees in both Kentucky and Tennessee). Most contour surface mining in the Appalachian States occurs on steep slopes between 14 and 33 degrees. West Virginia has recently adopted administrative regulations that require total spoil management. The Committee did not attempt to specify the precise definition of "steep slopes" in terms of degrees. The Committee intends that the Federal regulations promulgated by the Secretary will define the term so as to make this provision applicable to any slope on which spoil cannot be easily controlled.

Under the requirements of S. 425, the only spoil that may be placed on the downslope of the mining operation is that from the initial cut. In adopting this provision, it was the clear understanding of the Committee that this initial cut consisted only of that original excavation made to gain first access to and first expose the coal. In most instances this initial cut should be less than 100 feet along the contour of the slope—enough room simply to install the first set of equipment and remove the first cut of coal. The Committee does not intend or expect that "initial cut" could be construed to mean the entire first contour cut into a seam.

The purpose of the Committee in adopting this measure was to assure that spoil would only be deposited on already mined and disturbed areas, and not on otherwise undisturbed land. The exception allowing for spoil placement from the initial cut in a specified spoil disposal area is a recognition of the fact that at the outset of a new mining operation, there is no undisturbed land except for the access road, which would not likely be suitable for spoil disposal.

It must be understood a mine operator need not necessarily use the downslope for spoil disposition if, for example, the permit area includes flat land which may be used, if approved by the regulatory authority, as a spoil pit for the spoil from the initial cut. Particularly in areas where slides on steep slopes mining operations have been common occurrences, the operator must demonstrate what different practices he will use to prevent such slides and erosion in the new operation.

Other Criteria

In addition to the two criteria described above, the Act also requires that the affected land be returned to a nonhazardous and useful condition. Further, all disturbed terrain must be stabilized, protected from erosion and revegetated.

All offsite areas are to be protected from the adverse impacts of the mining operations. No surface waters may be disturbed by mining operations unless their relocation has been previously approved by the regulatory authority; and all such waters must be protected from acid drainage, siltation, and other adverse impacts of water runoff from the areas disturbed by coal surface mining operations. In addition, all shafts, voids, and tunnels from underground coal mines are to be sealed. All waste from underground coal mining and from coal processing operations must be carefully disposed of underground; or, if this is not feasible, in a safe and stable and environmentally acceptable manner compatible with the surrounding terrain. Any disposal of such wastes in contact with surface waters, or use of such wastes as water retention facilities, must be done in compliance with State and Federal water quality requirements, and, so as not to endanger public health and safety, with the requirements for safe impoundment construction set forth under Public Law 566.

5. Prohibition of mining under certain conditions

It is the express intent of the Committee that coal surface mining operations should not be conducted where reclamation (as required by this Act) is not feasible. The mining and reclamation requirements in S. 425 have been designed to accomplish this purpose.

In addition to this general standard, the bill provides a vehicle for designating certain lands unsuitable for mining, under both Federal and State jurisdiction. Under this program States are authorized to designate as unsuitable for mining areas: (1) which economically or technologically cannot be reclaimed according to the requirements of the Act; (2) where coal surface mining would be incompatible with existing land uses, plans, or programs; and (3) which are of critical environmental concern. A similar designation is directed for Federal lands.

This provision does not require that States designate any land at all as unsuitable for mining. It does require each State to review the lands within its boundaries to determine if any should be designated unsuitable. It would allow a State to declare all land within its jurisdiction as unsuitable for surface mining, should it so choose.

The bill does explicitly define certain areas as unsuitable for mining. These include national parks, national wildlife refuges, the National System of Trails, the National Wilderness Preservation System, the Wild and Scenic Rivers System, National Recreation areas, and any area which will adversely affect a publicly owned park, unless approved by both the regulatory agency and the agency having jurisdiction over the park.

6. Protection of surface owner rights

When the surface estate and the mineral estate are separate, primacy has frequently been accorded to the rights of the mineral owner over those of the surface owner. But given the adverse nature of the impacts of coal surface mining it is the intent of the Committee that the rights of the surface owner be protected as well. To this end, in cases where the mineral rights are owned separately from the surface rights, the bill provides that no coal surface mining may take place without the express written consent of the surface owner to allow surface mining, unless a bond separate from the reclamation bond has been posted to pay for all damages suffered by the surface owner(s) as a result of the coal surface mining operation. This provision applies to all cases involving separate estates, whether mineral rights are held by the Federal Government or whether the mineral and the surface rights are both privately owned. It follows the rule used for many years where the Federal Government owns the minerals.

Harrisburg, Pa.,
September 20, 1973.

Hon. Henry M. Jackson,
Chairman, Committee on Urban and Insular Affairs, Old Senate Office Building, Washington, D.C.

Dear Scoop: I was very pleased to learn that your committee has voted out a proposed federal surface mining act which would, in effect, prohibit the retention of highwalls after completion of surface coal mining.

I recently had the opportunity to tour the western portion of our state to observe the many operations where reclamation is so advanced that after completion of mining the fact that mining had been undertaken is hardly discernible.

We require that all coal stripping eliminate highwalls, carefully control spoil handling, and save topsoil to enhance revegetation. These tough provisions have removed most of the public objection to the strip mining method of mining.

It seems to me that if we are to efficiently utilize both our coal and surface land resources, it is imperative that this type of reclamation become universal throughout the country.

I understand from mining engineers that the technology now exists to reclaim all surface mines to approximate original contour without retention of highwalls regardless of the slope of the ground. I can understand the exceptions in those few cases in western coal mining where there is insufficient overburden to accomplish approximate original contour after the thick seams have been removed. Nevertheless, these areas can be leveled and revegetated with grasses or other native plants.

I know you are under considerable pressure to write equivocating legislation to provide a loophole for retention of highwalls. I think it is important for the good of both the coal industry and the public that this important matter be settled with a clear federal mandate so that the companies can go on with their business of removing this valuable energy resource while simultaneously protecting the rights of all our citizens not to have their environment destroyed.

It can be done and economically. Pennsylvania's coal strippers estimate the reclamation costs to meet our tough standards are only $400 to $500 per acre—less than 1½% the cost of the sales price of their coal. With the other sources of coal in other areas of the nation, this percentage would be still lower as the ground in these areas contains more tons of coal per acre than in Pennsylvania.

It is extremely important for Congress not to enact toothless strip mining laws as an excuse to meet the energy crisis. Tough Federal strip mining laws will be as beneficial, nationally as Pennsylvania's laws are to the Commonwealth.

Sincerely,

Milton J. Shapp,
Governor.

Commonwealth of Pennsylvania,
September 28, 1973.

Senator Henry M. Jackson,
Chairman, Interior and Insular Affairs Committee, U.S. Senate, Washington, D.C.

Dear Senator Jackson: A number of questions and misunderstandings apparently have arisen concerning the Pennsylvania surface mining law's relationship with pending federal legislation. These particularly involve the use of terrace backfilling in Pennsylvania and the extensiveness of modified block cut mining.

While it is true that the Pennsylvania law does permit terracing, the development of mining on steep slopes without casting overburden over the bench onto the downslope has generated a rapid transition away from terracing toward the modified block cut method on steep slopes.

Since the Pennsylvania surface mining law was amended in 1971, our Department and our surface mining operators have recognized that technology now exists to mine on steep slopes, where terracing had traditionally been the method employed, which enables avoidance of placing spoil on the downslope from the mining cut, and achievement of backfilling to approximate original contour with all highwalls eliminated. This method of mining, which as you know is called the modified block cut, is proving in most cases to be less expensive than terracing on steep slopes. It also results in less acreage affected and still enables production to continue even on our steepest slopes.

Contrary to some widely circulated erroneous reports, the number of modified block cut operations in Pennsylvania now number thirty-seven on slopes up to 37 degrees. Furthermore, numerous other permit applications are now pending which incorporate this new mining method. In our view, therefore, Section 213 (b) (2) and (6) is reasonable and consistent with respect to Pennsylvania law, since approximate original contour backfilling, which has been part of our law since 1964, is now clearly the prevailing reclamation standard in Pennsylvania.

Sincerely yours,

Walter N. Heine, P.E.,
Associate Deputy Secretary for Mines and Land Protection.

Commonwealth of Pennsylvania,
October 8, 1973.

Senator Henry M. Jackson,
Chairman, Interior and Insular Affairs Committee, U.S. Senate, Washington, D.C.

Dear Senator Jackson: This is a follow-up to my letter of September 27, 1973, concerning highwall elimination requirements in the Pennsylvania law. We have also studied our records to determine the distribution by degree of slope of our active coal surface mines.

Highwalls have been required to be eliminated since 1964. Our law defines contouring as:

"Reclamation achieved by beginning at or beyond the top of the highwall and sloped to a toe of the spoil bank at a maximum angle not to exceed the approximate original contour of the land . . ."

The law provides for terracing in some cases, but, it is now defined to mean:

"Grading where the steepest contour of the highwall shall not be greater than 35 degrees from the horizonal, with the table portion of the restored area a flat terrace without depressions to hold water and with adequate provision for drainage . . ."

The allowable 35 degrees was reduced from 45 degrees in the 1971 amendments. Since 1964, therefore, the vertical or near vertical highwalls have not been permitted. In practice, the terrace highwalls and downslope spoil must be bulldozer machined to facilitate compacting and blending prior to revegetating. These "rolled" terraces are quite dissimilar from those "terraces" with near vertical highwalls, so common elsewhere in Appalachia. Incidentally, the "Alternate Plan" provision to contouring or terracing of our "all minerals" law applies only to minerals other than coal.

The distribution of our active operations by slope of original contour prior to mining is approximately as follows:

Degree of original slope	Operations	Percent
Less than 12 degrees	150	25
12 to 20	350	58
Over 20	100	17
Total	600	

All operations on slopes less than 12 degrees will be restored to approximate original contour. Of the remaining 450 operations, about 315 will be restored to approximate original contour and the remaining 135 operations, or about 30 percent of the total, will be terraced as defined in our law.

It is important to note that very few applications, approximately one out of every ten, are now requesting approval of terracing since modified block cut mining is quickly becoming the predominant mining method on slopes greater than 12 degrees. An update on the figures in my last letter indicates that there are 40 modified block cut operations active and 20 completed.

This major advancement in mining technology has shown our Department and the industry that approximate original contour backfilling is now a reasonable and economically attainable goal.

Sincerely yours,

Walter N. Heine,
Associate Deputy Secretary for Mines and Land Protection.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FANNIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, the Senator from Montana (Mr. Metcalf) who is the chairman of the Minerals, Materials, and Fuels Subcommittee of the Interior and Insular Affairs Committee, is to be commended for his leadership, his judgment, and his perseverance in guiding S. 425, the Surface Mining Reclamation Act, through the lengthy and rigorous markups. I applaud his attention to detail and his commitment to resolve the many conflicts which arose during consideration of this important legislation. Senator Metcalf set a sterling example by his demeanor and his unswerving fairness to all sides. We on the committee are indebted to him.

We want him to know of our desire to give full cooperation in seeing that we have early passage of this legislation.

The bill as reported is generally acceptable. Let us recall that the Congress has never passed a reclamation law and so we need to remember that fact in the context of this floor action. We are attempting now to strike that delicate balance between the Nation's need for coal as an essential energy source while at the same time protecting our land resource by strict reclamation guidelines.

Day in and day out we are forced to focus on one of the most serious dilemmas that has ever faced our Nation. Our demand for energy in all forms just cannot keep pace with available supplies. We must assess our situation and weigh the alternatives now while we still have a slim chance to avoid economic and social disaster. We know that by 1974 our country will be importing about 42 percent of its oil needs and that by 1978—only 5 years from now—imports are projected to represent 59 percent of requirements. We know what ramifications this will have on our balance of payments. We know that current domestic production is at the 100-percent level and that those days when we could call upon spare domestic crude production to ease short-term or emergency requirements are no longer here. We know that coal is the Nation's most abundant fuel resource, estimated at over 2,500 years' supply at current coal consumption rates. We know that in the past 20 years, the energy demand doubled and is projected to double again in as little as 15 years. We know that for national security and balance-of-payments problems our domestic minerals industry must remain viable and active. And finally, we know that hasty, inflexible, and unattainable environmental controls have had to be relaxed when those deadlines for enforcement arrived.

We want to and we must clean up our air, our water, and our total environment. The hard question is the timetable within which we can achieve these goals and at the same time keep our economy viable in the world marketplace.

Before we establish national reclamation standards via S. 425, let us look very carefully at whether we have reached that balance point of attainable reclamation that also allows the industry to survive and supply the energy we need. If these standards are not workable—if they force the major and marginal operators out of business with the result that our energy needs are not met then we will have succeeded in doing what no other nation could do by military or other might—we will have committed economic suicide.

It is my hope that S. 425 can strike that balance, but let me point out an area that I believe has great potential for being the mechanism that prods national suicide. Section 216 deals with the designation of land areas as unsuitable for surface mining operations. As part of the State plan, the States must develop a planning process capable of locating land areas in the State that are "unsuitable for all or certain types of surface mining operations." The very dangerous aspect of this process is the criteria by which the States must make this decision. There are now three criteria—first, if reclamation pursuant to the requirements of the act is not physically or economically possible; second, if surface mining operations in a particular area would be incompatible with land use plans and programs; and finally, if the area is an area of critical environmental concern. So what we have in effect is a potentially dangerous situation where environmental considerations will totally prevent surface mining from occurring even if the area could be reclaimed. The Senate Interior Committee has decided as a policy matter that potential mineral resources—in this case coal—must not be captured no matter how great the domestic need, if they are in an area so designated.

One must examine the definition of "areas of critical environmental concern" to sense the breadth and scope of this policy. Listen to the specific examples encompassed by this term:

"Fragile or historic lands" where uncontrolled or incompatible development could result in irreversible damage to important historic, cultural, scientific, or esthetic values or natural systems which are of more than local significance, such lands to include shorelands of rivers, lakes, and streams; rare or valuable ecosystems and geological formations; significant wildlife habitats; and unique scenic or historic areas;

"Natural hazard lands" where uncontrolled or incompatible development could unreasonably endanger life and property, such lands to include flood plains and areas frequently subject to weather disasters, areas of unstable geological, ice, or snow formations, and areas with high seismic or volcanic activity; and

"Renewable resource lands" where uncontrolled or incompatible development, which results in the loss or reduction of continued long-range productivity, could endanger future water, food, and fiber requirements of more than local concern, such lands to include watershed lands, aquifers and aquifer recharge areas, significant agricultural and grazing lands, and forest lands.

Think of your own States—what land areas would not fall into one of those categories? The potential for harm to our economy and Nation is staggering to contemplate. In my opinion, there ought to be only one criteria for excluding surface mining from any area; that simply is whether it is physically or economically capable of being reclaimed. Is not that what the whole ball game is about?

Such a provision will strangle us by allowing that balance between environmental concern and our need for domestic energy to slip out of kilter in favor of the environmental side. We must come to our senses before it is too late—before we lose sight of reality and destroy the greatest nation the world has ever known. Democratic ideals of individual liberty and fundamental fairplay will plunge into oblivion if this Nation cannot survive in the marketplace of nations—if our human needs for food, clothing, and shelter cannot be met, because of artificial restraints.

I am hopeful that we can modify section 216 to limit it to the first two categories. We just cannot afford to manacle our potential short-term source of energy by allowing lands to be set aside and restricted from mining. Let me hasten to remind my colleagues that there are some areas where mining is incompatible with competing uses for the land, and I have cosponsored legislation to ban mining in certain recreation areas, for example—but, before we take any such action we must assess whether there is any mineral resource located in those areas so that if circumstances change then we know the choice we must make to extract them or not. Blanket setting aside of land, even before we know its mineral potential, just does not make sense.

Mr. President, I ask unanimous consent for the following staff members to have the privilege of the floor during debate and voting on S. 425: Harrison Loesch, Fred Craft, and Maureen Finnerty of the minority staff of the Interior Committee; Joe Jenckes and Margaret Lane of my staff; and Brent Kunz of Senator HANSEN's staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, mining in the United States has resulted in the ravaging of the countryside, destruction of the grasslands and the woodlands, pollution of the lakes and streams, erosion of the soil, and devastation of any opportunity for quality of life.

In the past the very quantity of available resources encouraged waste and despoilation. All over the United States are scars of mining operations. Some have resulted in wasted forests, slag dumps, poisoned streams, that still after a half century are a blight on the area.

As I travel my native State of Montana and other areas of the West, I am appalled at the rockpiles and the slides and the erosion left by the dredges and the strip miners a half century ago. I wonder with Omar Khayyam what it was that was recovered that was as valuable as that which was destroyed.

Today we have a dual problem, with dwindling land and forest resources we cannot afford the luxury and extravagance of such wanton exploitation. Nor do we need to. Modern technology for reclamation can restore land that has been strip mined, by stock piling of the top soil, regeneration of the ground cover, sealing of the acid flows.

But we also need the coal that is under these grounds for one of our energy sources. There are thousands of acres of land that can never be reclaimed. There are many people who point to these acres to contend that strip mining should be eliminated. But there are areas that can be reclaimed under strict regulations and controls. It is in these areas that we wish to permit surface mining. These areas at the present time comprise thousands of acres in the United States and the coal thereunder is adequate to meet the energy shortage for the foreseeable future. If the coal is needed at some future time, here is a splendid reserve until such need is demonstrated.

In the first place, S. 425 is a national bill; for the regulation and control of surface mining in all of the 50 States. It recognizes the geographical differences that distinguish our great Nation. Therefore, it applies itself to minimum standards that must be applied to all land in the United States. The basic premise is that this legislation will be a floor under State activity and that the several States may make such special deviations from those standards as are needed. Here we have followed the legislative technique adopted in the Federal Water Pollution Control Act and the Clean Air Act. It must be emphasized that the basic standards in S. 425 are mandatory but the Federal Government does not preempt the whole legislative field. Individual States may and should enact such additional more stringent standards as the geography, the extent and location of the coal deposits, the climate, the transportation facilities and the like demand.

S. 425 rejects the thesis that all surface mining should be abolished. At the same time it rejects destruction of the surface without restoration or reclamation. Surface destruction that will result in long term environmental degradation or destruction of other essential land values is prohibited.

The principal coal fields of the United States can be roughly divided into four groups: First, the anthracite region of eastern Pennsylvania; second, the Appalachian bituminous fields; third, the bituminous fields of the central United States; and fourth, the vast western fields of bituminous, sub-bituminous and lignite deposits of the West. S. 425 is a bill for regulation and control of all these fields.

Fundamentally the Federal regulations would require anyone who sought to engage in surface mining to have a State permit issued by a State regulatory authority. In order to qualify for the delegation of responsibility of managing the regulation of surface mining, a State authority must meet the six prerequisites set forth in section 204.

Such State is then eligible for the financial assistance from the Federal Government to help it in the installation of its licensing, regulating, and enforcement program.

Section 205 of the bill provides the procedure for Federal control of such States as have been unable to enact the necessary regulatory legislation.

But ideally the State regulatory authority would be the agency granting the permit, therefore under the bill the prospective miner would apply for such permit in accordance with the State regulations.

Minimum requirements for a surface mining permit in any State are threefold; First, administrative information describing the area to be mined; information about the applicant, et cetera; second, satisfaction of liability requirements; and third and most important, the applicant must file in advance a reclamation plan. The contents of such reclamation plan are contained in section 213 of the bill. They are varied and comprehensive. During the course of this debate probably a good deal of the discussion will be about the reclamation requirements of section 213.

No permit may be granted without public notice and public hearing. Any person aggrieved or adversely affected by the decision is given a right of court review in language adopted from the recent U.S. Supreme Court decision in *Sierra Club* v. *Morton*, 405 U.S. 727 (1972).

The bill provides for Federal monitoring of State inspections, enforcement of provisions of the reclamation plan and evidence of violation of State laws or regulations. In addition, section 219 provides for citizen participation by private citizens or interested citizen organizations for enforcement or failure of the regulatory authority to carry out prescribed duties imposed by statute or regulation.

Two other provisions should be noted. One is that Federal land is subject to all the provisions in this act. Where there is an approved State program then mining on Federal lands within such State must be in accordance with the more stringent requirements of the State law. If State law prohibits surface mining then there will be no surface mining on Federal lands.

The second provision is that in section 216 for the designation of land areas as unsuitable for surface mining and therefore ineligible for exploration or application for a mining permit. The section is permissive upon both the State and Federal Governments, but it will allow certain areas to be designated and set aside.

Therefore, basically the heart of S. 425 provides that surface mining is a mining technique that will be permitted under strictly controlled conditions that will prevent erosion, land degradation, permanent environmental damage, undue interference with fish and wildlife habitat, preservation of surface streams and underground aquifers, and prevention of acid pollution of the surface and underground waters.

Some areas will be impossible to reclaim, it is contemplated they will be set aside, other areas present such costly problems that it will be uneconomic to restore them; parks and refuges, of course, will be closed. But after all these are added up the testimony is that there is in the United States thousands of acres of land covering billions of tons of recoverable coal that can be mined and the surface reclaimed for uses as good or better than before. The main target of this legislation is to permit surface mining on such lands under conditions that will require their reclamation and will prohibit and prevent ruining our land that cannot be reclaimed.

The bill does not attempt to regulate open pit mining for minerals other than coal. This is a problem that will be met in separate legislation. Sand and gravel pits are not regulated by this legislation. These open pits are a source of concern and should be regulated. I hope that the Committee on Interior and Internal Affairs will be able to hold hearings soon and recommend legislation for their control.

This bill was reported unanimously. That does not mean that the provisions of the bill were agreed to unanimously. Many amendments were vehemently argued and modified and voted down or approved. This is a consensus bill. But as such it is not a weak one. It is as strong as any State bill I know. It is hoped that the States will adopt more stringent regulations in special areas affecting the geography, the climate, and the location of the coal deposits of such States than we have provided in S. 425.

Senator BUCKLEY, Senator HANSEN, and I, as members of the committee have insisted on the provision of State's right to regulate above and beyond the minimum standards established by S. 425. The two Senators from Idaho Senator CHURCH and SENATOR MCCLURE, have made substantial contributions to this legislation, even though there is no coal strip mining in their State. They are both knowledgeable about mining and mining techniques. Senator HASKELL has made an outstanding contribution to the discussion and analysis of every section of the legislation. Senator BARTLETT'S knowledge of the problems and the concerns of the four corners region helped us work out this national legislation. But mostly this bill is due to the leadership of Senator JACKSON and his desire for this legislation and in his companion land-use legislation to establish a land-use policy in our country that we could defend in this generation and in the generations to come. In this program he was supported by Senator FANNIN, the ranking minority member of the committee who cooperated completely in the hearings and in the writing of the bill.

Finally, let me also commend the Secretary of the Interior, Mr. Rogers Morton, who has refrained from any leasing of public lands for strip mining until Congress has had an opportunity to pass a control bill.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. MOSS. Mr. President, I wish to commend the Senator from Montana for the great work he has done on the bill. During the time I served on the Interior and Insular Affairs Committee, I spent considerable time working on this general problem.

The Senator from Montana was a very valuable committee member and did a great deal of work back in those days when he took over essentially the entire burden of shaping this bill that will be before the Senate today. Indeed, it is a valuable bill. However, amendments will be offered, and I intend to offer an amendment.

The main purpose and thrust of the bill is one that we must have at this time because we are in what we have come to call the energy crisis, meaning that we have a shortage of energy as compared with the demands at this time and that we must turn more and more to fossil fuels or coal in order to make up this deficit because of our inability to produce enough oil and gas to meet our needs.

We have this great pressure brought to bear upon us. At the same time we have come to recognize in the past few years more than ever before the absolute necessity of preserving our environment, our land, water, and air, from pollution.

This bill provides that we continue to obtain the energy we need from our coal fields provided we proceed in an orderly and clean fashion so that we will not damage our environment, but will make sure that the ground is replaced, reseeded, and put back in its original shape so that our water sources are not polluted in the course of mining coal.

This is one of the most important pieces of legislation to come before Congress this year because of the time frame. We must have energy, and we must do this without insulting our environment and degrading it to an unacceptable degree. I think that the legislation which the Senator has been explaining in broad terms does this extremely well.

I commend the Senator from Montana and the members of the Committee on Interior and Insular Affairs because they have worked long and hard and many hours on hearings and marking up the bill as it now reads.

I assure the Senator that I intend to support the bill as fully as I can. I have an amendment. However, it does not in any way take away from the main purposes and structures of the bill. In fact, I think it adds to the bill. I will offer my amendment at an appropriate time.

Mr. President, I thank the Senator from Montana for yielding.

Mr. METCALF. Mr. President, no other Member of the Senate of the United States knows more about surface mining than the Senator from Utah. In the last Congress, he was chairman of the Subcommittee on Minerals, Materials, and Fuels. He conducted long hearings and worked out a bill that was a parent bill to the pending legislation today. That legislation was introduced and reported out. However, it died in the last days of the last Congress. Prior to that time we had had other surface mining bills. However, at this time the energy crisis that the Senator talks about may be a crisis of oil and natural gas. There is certainly a shortage in those areas. However, we have an almost inexhaustible supply of coal.

The bill recognizes that we have an inexhaustible supply of coal. It recognizes that there are areas where we will not mine any coal in strip mines or in deep mines. It recognizes that there are other areas where we will have surface mines.

It recognizes that we have so much coal in this country that we do not have to pollute the air and poison America by the mining of coal. There are millions of tons of coal in America that can be mined by modern techniques and pursuant to the requirements set forth in this legislation. And the land can be restored either to the kind of use it had before or to any even better use.

So, this is not a surface mining bill. This is a bill to prohibit surface mining in certain areas and to permit surface mining in other areas under strictly controlled conditions.

This is a State's right bill, a bill to encourage all States to pass their own special regulations in conformity with their geography, their climate, and the coal distribution in those States so that they can conform to the Federal regulations.

There will be considerable debate on the requirements as to permits and reclamation. I will allow those to go forward. However, I again point out that this is a strict, stringent regulatory bill to encourage all States to enact and establish more strict and stringent regulatory provisions.

Mr. CASE. Mr. President, I ask unanimous consent that Jack Vandenberg, of my staff, be granted the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr COOK. Mr. President, I ask unanimous consent that Mr. Joseph O'Leary, of my staff, have the privilege of the floor during the consideration of and voting on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the understanding that I keep my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask unanimous consent that my two staff chiefs in this area, Jim Burridge, and Bob Bullock, be permitted to be present on the floor during the consideration of this question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that two staff members, Mr. Harris and Mr. Culverhouse, be permitted on the floor during debate and roll call.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, few things are more certain than that the United States will face an energy fuels crisis of substantial proportions during the next few years. This situation has evolved in part as a result of errors in our regulatory policies concerning fuels, our miscalculation of the demand for increasing electrical energy, and our failure to evolve well-defined and effective policies toward development of domestic fuel resources and new fuel technologies.

It is clear in view of the emerging problem and in view of the unavailability of alternatives to fossil fueled power in the near future that coal must play a greatly expanded role in energy production through at least the next decade.

This is a prospect, which, frankly, causes me great concern.

Over the past several years the coal mining industry has undergone a conversion from underground mining to surface mining and a large portion of this stripmined production has come from the steep slopes of the Appalachian mountains. This metamorphosis has not been in response to the fuels shortage situation—for by far the preponderance of recoverable coal reserves are accessible only by underground mining.

The growth of coal surface mining is a tribute to another list of errors: The lack of a sound policy toward development of domestic fuel resources, our appetite for cheap electricity, and a callous disregard for the environmental misery of isolated, remote coal-mining communities.

We have tolerated reclamation laws which provide little or no protection for the environment or geography and which have too often been loosely enforced. We have subsidized the cost of coal production by sacrificing the ecology of an entire region of this country. Sadly, we have allowed the poorest, most economically depressed communities to bear the burden of our voracious appetite for electricity.

Now as we increase our reliance upon coal as an energy source, and as we watch the development of new fields in the West, we must decide whether the price has been too high. I am sure that any compassionate person who has seen the devastation in the mountains of Appalachia or the meadows and fields of western Kentucky, Indiana, Illinois, or Ohio will agree that not only has the price been too high, it has been a tragically unnecessary cost.

There are those who have argued long and with much conviction that we must ban coal surface mining, at least in the mountains. While I understand and sympathize with their cause, I feel that the impact upon the economy and the electric power industry warrants that we take a more rational approach by undertaking to analyze the environmental impacts of surface mining and then drafting strong protective measures to control and prevent those problems.

To the great credit of the Senate Interior Committee, that is what I feel they have done in S. 425.

In the weeks since the reporting of this bill I have heard criticisms of its standards from many sectors. While these comments have concerned several provisions of the bill, no section has drawn more attention than section 213(b), especially those provisions in (b)(2) and (b)(6) which require that reclamation restore the site approximately to its original contour with all highwalls and spoil piles eliminated, and except for a limited cut on new sites that no spoil material be permanently placed upon the outslope.

It is my understanding that in Pennsylvania reclamation to this standard has been required for several years and that surface mining on contours to 30 degrees and more has continued. In my own State of Tennessee recently an operation was undertaken which demonstrated that reclamation in the steep sandstone mountains of southern Appalachia can conform to this standard. While there is some confusion regarding the costs of this particular reclamation project and while certainly the technique employed is subject to further evolution, the project reinforces my faith in the ingenuity and resourcefulness of American industry. I am convinced that those who do not feel that the industry can meet high standards of reclamation have underestimated its imagination and initiative in meeting technological challenges.

Mr. President, in 1969 Congress enacted a program to increase the safety standards in underground mines, the Federal Coal Mine Health and Safety Act. That measure, while it was certainly directed at a laudable goal, seriously exacerbated the competitive disadvantage of deep mining by vastly increasing redtape, by setting arbitrary safety standards, by requiring excessive monitoring, and by setting excessive and unnecessarily expensive equipment standards.

It is my hope that the expanding role which coal will play in providing energy will spur a resurgence of the deep-mining industry. In that regard I have today introduced a bill containing several amendments to the Federal Coal Mine Health and Safety Act. The amendments eliminate from the act unnecessarily burdensome equipment standards which have not increased mine safety, arbitrary civil penalties procedures which are of questionable constitutionality, and increase notification requirements so that violations can be more quickly and efficiently corrected.

I am encouraged that S. 425, the Federal Surface Mining Reclamation Act, addresses the environmental problems of coal surface mining with stringent standards, but with care to establish reasonable and workable controls. While I intend to offer several amendments to the bill—hopefully improving it—I support its basic provisions and standards and feel that it will lead us toward a reasonable and environmentally sound approach to coal production.

Insofar as the bill internalizes the environmental costs of coal production, it may result in increases in the cost of coal and thus electricity. Insofar as it ends the "environmental subsidy" of surface mined coal, it will reduce the competitive advantage of strip mining over underground mining.

I feel that these are worthy goals, well worth the cost, and commend the members of the Senate Interior Committee for adopting this course.

Mr. HANSEN. Mr. President, I welcome this opportunity to comment on the importance of this legislation that is pending before the Senate today. The events in the Middle East dramatize the need for the United States to develop our coal reserves to meet our energy demands. Iraq has announced that it has nationalized the interests of two American oil companies because "aggressions in the Arab world necessitated directing a blow at American interests in the Arab nation."

Our dependence upon foreign sources of oil invites political blackmail. The Arab countries recognize this leverage and will not hesitate to use it. It behooves us to develop our domestic supplies of energy. Coal offers the greatest potential.

There is a need for legislation which will protect our environment and still allow us to recover our natural resources. We owe it to ourselves and our posterity to preserve our environment. Likewise, the social and economic well-being of our Nation is dependent upon the continued recovery of coal by surface mining. The goals are compatible and, in light of our modern technology, can be attained if reasonable legislation is enacted.

I favor the enactment of comprehensive Federal legislation which would place the primary responsibility for implementation and enforcement with the States. If the States' laws do not meet the minimum standard, the Federal Government should have authority to force compliance. However, such legislation should be flexible enough to allow States latitude in adopting legislation that is suited to the diverse climatic and topographic variations of our Nation. For example, requirements that would be appropriate for the Western States might not be appropriate for the Appalachian States.

Throughout the consideration of this legislation in the markup sessions. I joined with the able Senator from Montana (Mr. LEE METCALF) in supporting amendments that would allow the States to require reclamation standards more stringent than the minimum required by Federal law. While the purpose of the bill is to assure that no mining of lands occur unless reclamation can be accomplished, I want to assure that the environment in the West is adequately protected. As I have said before, while tougher State environmental standards might increase the cost of the energy that the energy consuming states receive from the producing States, if consuming States want the energy, they should be willing to share in the cost of protecting the environment.

Despite my concern for the environment, I will not support unreasonable reclamation standards. In the committee's deliberations, we tried to spell out the costs of reclamation. Let no one doubt who will pay for it: the man who flips the light switch. The consumer should realize that the price reflects the costs involved in the reclamation of mined land.

The plight of the consumer is fraught with high prices and inflation. There is no need to add to this burden by imposing controls in the name of environmental protection that do nothing but inflate the cost of energy. We need to get the reclamation job done without enacting excessive controls.

In days that are past, land has been mined which has not been reclaimed. The scars of this rape of the land have emoted into a highly controversial issue. Many advocate the abolition or phasing out of strip mining. The United States cannot afford such drastic measures. Surface mined coal constitutes approximately 50 percent of the Nation's total annual coal production. One-third of our electric power is generated from coal produced by surface mining methods. Surface mined coal is the lowest-cost quantitatively available source of energy in our Nation. It is essential that this source of energy not be terminated.

Proponents for the abolition of surface mining contend that 97 percent of our coal reserves must be deep mined. This overlooks the fact that strippable reserves would meet the present coal needs of the electric utilities for more than 100 years. Surface mining permits almost total recovery of the coal deposit. It is important to note that mining will not be conducted if the land cannot be reclaimed. Although there are deep reserves of coal, present underground technology does not exist because of the deep depth or thickness of the seams. Our need for coal cannot await the development of underground technology. Existing power plants and those which have been planned are dependent upon surface mined coal.

In recent days much has been said about a report that is in the process of being prepared by the National Academy of Sciences and the National Academy of Engineering on the potential of rehabilitating Western coal lands which have been surfaced mined. Despite the fact that the report has not been approved or distributed, copies of it have been in circulation. I do not condone this surrepetitious circulation of the report. However, it has been useful in evaluating the problems associated with surface mining. The pending legislation establishes realistic Federal guidelines and gives the States authority to exceed the minimum standards to meet the peculiar needs of the individual States.

Despite my general support of the bill, I have the same reservations that Senator FANNIN expressed about section 216 of the bill which would designate certain areas as unsuitable for surface mining. I have no objection to designating an area as unsuitable for mining if it cannot be reclaimed or if the surface mining operation would be incompatible with existing land use plans or programs. However, I do object to the blanket designation of areas of critical environmental concern as being unsuitable for mining.

The term "areas of critical environmental concern" and the definition thereof, as contained in subsection 216 (a)(3), was borrowed, verbatim, from S. 268, the Land Use Policy and Planning Assistance Act, which passed the Senate on June 21, but has not yet passed the House. That measure is much broader in scope, in that it relates to all forms of land use, and purportedly will create mechanisms for decisionmaking "* * * as a means of weighing and balancing competing environmental, economic and social requirements and values." The report on S. 268 states (page 44):

> If we are to avoid shaping the Nation's future by incremental, ad hoc decisionmaking, the uses to which land resources are to be dedicated should be guided by wise planning and management at all levels of government.

The inclusion of this provision in the surface mining legislation flies in the face of the policy of the land use legislation, since no provision is made for balancing competing requirements and the decisions will, indeed, be made on an ad hoc basis.

The use of the criteria from the land use measure is inappropriate in a surface mining bill. A different criterion is appropriate. In this case the criteria are applied to the designation of areas unsuitable for surface mining. And, as the report reflects, under these criteria a State could designate its entire land area as unsuitable for surface mining, and ". . . could prohibit all or some forms of surface mining entirely." This could be done without consideration of the consequences to the Nation—its economic and social well-being, the energy crisis, or national defense.

Such a result would amount to prohibition in the name of regulation, and the consequences of a prohibitory bill were never contemplated by the committee, nor did the committee address itself to the proposition that this bill could result in prohibition of surface mining. The guiding principle of committee deliberation was—"If you cannot reclaim, you cannot surface mine." This prohibitory result is, therefore, in direct contravention of that guiding principle and should be revised.

If prohibition is a possible result of the language of section 216, which is based upon language contained in the land use legislation, Senators should reflect upon what other prohibitions may be imposed by the terms of the land use legislation or other legislation which may also incorporate these same provisions. If a State land use agency is to classify lands and its classification is binding upon the surface mining regulatory agency, thereby prohibiting surface mining on any or all parts of a State, what will be the impact of such designations with respect to other potential land uses? For example, will a State land use agency designate areas unsuitable for highway construction, for urban development, for industrial development, for agriculture, for grazing, for airports, and so forth? Will legislation be proposed in each of the above categories to require a similar review by the agency of jurisdiction over such categories? In short, following this course will negate and nullify the policy of the land use legislation, that is, to provide "a means of weighing and balancing competing environmental, economic, and social requirements and values."

I am hopeful that this body will correct the deficiencies in this bill. We need balanced legislation which will allow us to utilize coal as a means to increase our domestic energy supplies, decrease our reliance on foreign energy sources, and stabilize the economic and social welfare of our Nation.

Mr. President, in conclusion I want to express my thanks and admiration to Senator METCALF for the excellent job he did in chairing the markup sessions on the surface mining legislation. If it were not for his leadership and dedication, it is doubtful that this important piece of legislation would be before the Senate at this time.

Mr. HASKELL. Mr. President, the American Mining Congress and the National Coal Association have circulated a letter to the Members of the Senate which characterizes this bill as one which has many serious deficiencies which could cause significant if not irreparable damage to the coal industry.

I challenge that assertion. The legislation reported from the Interior Committee represents a responsible compromise of competing interests. It is a sensible, reasonable approach to the problem of regulating surface mining operations.

All of us are far too familiar with the devastation which has taken place in Appalachia—devastation which is largely the result of a hungry nation's search for coal. That search has been unregulated and has left destruction in its wake. We have enough unreclaimed surface-mined land in these United States to form a path a mile wide from New York to Los Angeles.

I, for one, do not want to repeat the spectacle of destruction in the western reaches of our Nation where that hungry industry is now turning for its fuel.

I agree with the assumption that the rich bounty of coal which lies just below the surface of our land must be mined. We are all aware of the complex reasons which represent the need for that source of energy: A dangerous reliance upon foreign oil with all its political and economic implications; depleted domestic reserves of natural gas; the need for immediate goal gasification programs; and, perhaps ironically, environmental standards which demand low-sulfur coal for the generation of much of our electrical power.

The bill's opponents won't get much of an argument from me against mining those reserves. It's when we begin talking about methods and controls that we may find ourselves with divergent points of view.

Strippable coal deposits account for less than 10 percent of our total coal reserves. There are estimates which put that amount even lower. The economics of the coal industry have made deep mining of coal much more costly than strip mining. But while I readily acknowledge the industry's right to benefit from the economies of strip mining, I want a guarantee—not merely a reasonable assurance—that every acre of land laid open will be reclaimed. That requires tough strip mining legislation—legislation such as we have before us today.

This bill asks nothing which is beyond the industry's ability to perform. Coal may cost us all more as the industry's costs of providing for adequate reclamation are passed on to the American consumer. But we simply must pay that price. The alternative is further destruction and devastation of even more of our land.

Theodore Roosevelt expressed the need beautifully around the turn of the century:

> There must be a look ahead, there must be a realization of the fact that to waste, to destroy, our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed.

There are complaints about S. 425 in its present form. Some believe it is too harsh and too strong. If anything I believe it errs on the side of permissiveness. But I am willing to work with the industry to see that its goals are met.

Some have complained about the philosophy of the legislation. That philosophy is embodied within a single paragraph in the section which sets forth the purpose of the legislation. Section 102 states,

> It is the long-term goal of Congress to prevent the adverse effect to society and the environment resulting from surface mining operations. Toward that end, it is the purpose of this Act to . . . assure that coal surface mining operations are not conducted where reclamation as required by this Act is not feasible.

If the land cannot be reclaimed then it must not be mined. Our land is too precious to risk its permanent destruction. We must realize that there are mineral-laden lands which cannot be reclaimed and that resource will be lost to the present generation.

A recent report by a study committee of the National Academy of Sciences on the "Rehabilitation Potential of Western Coal Lands" emphasizes the need to ban surface mining from lands which cannot be reclaimed. The report indicates that certain areas of our country—where the precipitation is less than 10 inches annually—simply cannot be reclaimed. It calls the "potential for rehabilitation of any surface mined area in the West * * * critically site specific."

Because reclamation is "critically site specific" we must resist the urge to mine now and reclaim later. We must plan for reclamation and mine only when that planning is done, only when we have the assurance declamation can, in fact, be accomplished.

There are other sections of the legislation which will be open to criticism during the coming debate. I believe the legislation represents a fair and responsible compromise among competing interests. I commend my colleague, Mr. METCALF, for his long and careful guidance of this legislation through the Interior Committee. It is largely due to his efforts that we have come this far.

Mr. President, I ask unanimous consent to insert in the RECORD certain portions of the report from the National Academy of Sciences/National Academy of Engineering on the "Rehabilitation Potential of Western Coal Lands."

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REHABILITATION POTENTIAL OF WESTERN COAL LANDS

(A Report to the Energy Policy Project of the Ford Foundation by the Study Committee on the Potential for Rehabilitating Lands Surface Mined for Coal in the Western United States, Environmental Studies Board, National Academy of Science/National Academy of Engineering)

STUDY COMMITTEE ON THE POTENTIAL FOR REHABILITATING LANDS SURFACE MINED FOR COAL IN THE WESTERN UNITED STATES

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C. Wayne Cook, Colorado State University, Fort Collier, Colorado.

Richard S. Davidson, Battelle Memorial Institute, Columbus, Ohio.

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Roger Bay, U.S. Forest Service, U.S. Department of Agriculture, Washington, D.C.

John Moon, Bureau of Land Management, U.S. Department of the Interior, Washington, D.C.

Mark Levine, Ford Foundation.

CHAPTER 1: FINDINGS AND RECOMMENDATIONS

The nation's demand for energy is increasing at an alarming rate. Even when we consider the most conservative estimates of future requirements among the many published projections, meeting those requirements will require efficient utilization of fossil fuels and an objective evaluation of the trade-offs between energy production, consumption of resources, and environmental quality. Public concern over unheated schools, oil-soaked cormorants, belching smoke stacks, vanishing blackfooted ferrets, and the prospect of gasoline rationing have caught policy makers between conflicting demands for more and cheaper energy and a cleaner, more livable environment.

No issue associated with the current energy debate is more in the center of this conflict between demand and conservation than is the surface mining of coal. Our most abundant domestic fossil fuel is coal and much of it occurs at depths where it can be mined by surface methods. Surface mining destroys the existing natural communities completely and dramatically. Indeed, restoration of a landscape disturbed by the surface mining, in the sense of recreating the former conditions, is not possible. Nevertheless, rising energy consumption coupled with increasing difficulty in securing adequate supplies of natural gas and low sulfur crude oil is focusing attention on coal.

The controversy over surface mining has been centered mainly in the eastern United States, but now it is shifting to the American West. Unfortunately, the methods of rehabilitating mined areas in Appalachia, Europe, and other humid environments are not directly transferable to the arid and semiarid West. By rehabilitation we mean returning the land to a form and productivity in conformity with a prior land use plan including a stable ecological state that does not contribute substantially to environmental deterioration and is consistent with surrounding aesthetic values. It must be clearly understood that while we individually held views regarding the wisdom of surface mining coal in the arid West, building large energy conversion facilities, and modifying the natural flow of water, our charge was to consider whether the land, if surface mined, could be rehabilitated on the basis of what is currently known and if so, which parts and how. We recognize that there are very substantial related issues that we did not consider, but which must be considered in making decisions regarding the use of western coal.

The Committee's principal findings and recommendations are given in the following sections. Additional recommendations and suggestions for action are included at appropriate places within the report.

FINDINGS

1. Of the nearly 128 million acres (52 million hectares) in the western United States that are underlain by coal, approximately 1.5 million acres (600,000 hectares) could be surface mined using current methods. Of these lands, about 92,000 acres (37,000 hectares), or 140 square miles, would be disturbed by 1990 in order to meet current projections of coal production. By the year 2000 projections indicate disturbance of about 300 square miles. By comparison, approximately 1.3 million acres (520,000 hectares), nearly 2000 square miles, have been disturbed to date by surface mining in the eastern coal fields. Approximately 57% of our remaining coal reserves lie in the West, about one-quarter of which can be mined by current surface methods. That quarter, nearly 27 billion tons, represents about a 45-year supply if all current national production were from that source. The year 2000 projections cited do not include production that might be associated with proposed gasification projects.

2. We believe that those areas receiving 10 inches (250 mm) or more of annual rainfall can usually be rehabilitated provided that evapotranspiration is not excessive, if the landscapes are properly shaped, and if techniques that have been demonstrated successful in rehabilitating disturbed rangeland are applied. However, we must emphasize that this belief is not based on long-term, extensive, controlled experiments in shaping and revegetating western lands that have been surface mined. Few such studies have been made, and those in progress have only a few years data to report. Nevertheless, much research has been done on revegetating western ranges, disturbed roadways, and other denuded areas in arid lands. We believe that the techniques developed in these studies can and should be adapted to the higher rainfall areas of the West. The drier areas, those receiving less than 10 inches (250 mm) of annual rainfall or with high evapotranspiration rates, pose a more difficult problem. Revegetation of these areas can probably be accomplished only with major, sustained inputs of water, fertilizer, and management. Range seeding experiments have had only limited success in the drier areas. Rehabilitation of the drier sites may occur naturally on a time scale that is unacceptable to society, because it may take decades, or even centuries, for natural succession to reach stable conditions.

3. Rehabilitation of mined lands, however, requires more than achieving a stable growth of plants. If environmental degradation is to be avoided, the plants themselves should be a mixture of species capable of sustaining the former native animals. Suitably sheltered habitats for the wildlife can be formed by attempting to model the land in its former image. Such shaping may also help to satisfy aesthetic perceptions and may assist the control of erosion. Environmental protection also requires finding means to avoid the impact of surface mining on surface water and ground water. In these aspects—wildlife, aesthetics, erosion control, and water quality—pertinent data for rehabilitating mined land are virtually nonexistent. The necessary research has barely begun.

4. The potential for rehabilitation of any surface mined area in the West is critically site specific. Nevertheless, some broad principles apply to all sites. The rehabilitation of a specific site will depend on the detailed ecological and physical conditions at that site, the projected land use for the site after mining, the available technology that is applied to the site, and the skill in applying that technology. Rehabilitation objectives may range from no treatment at all through the gamut of reshaping and revegetation, to complete redesign of the landscape.

5. Because natural ecosystems correlate well with climates and soils, plant communities can serve to identify the regional potential for natural or induced revegetation. The coal regions of the West support four major vegetation types: desert shrub, foothill shrub, Ponderosa pine and associated mountain brush, and prairie mixed grasses. Desert shrub areas are not easily revegetated and natural plant succession is extremely slow. In the foothill shrub areas, even the best methods may be subject to failure during drought years. The mixed grass prairies and the areas of pine and mountain brush, on the other hand, have a high potential for successful revegetation.

6. Although technology is currently available for rehabilitating most of the land that has been surface mined in the United States, little of it has yet been properly applied. In the West the proper application of proven technologies is particularly crucial if rehabilitation efforts are to be successful. The addition of each recommended item increases the probability of success and decreases the probability of failure. The absence of a climatic "safety factor" means that even supplying all the requirements will not guarantee success. Instead, successful rehabilitation requires a commitment to the proper application of proven techniques at all the critical times. Competent people trained in rehabilitation techniques and trained in techniques for monitoring the results of their efforts are needed.

7. Present knowledge permits a partial assessment of the local and regional effects of mining and the potential for rehabilitation prior to commencement of operations. Information is currently available or is being developed to allow cognizant officials to coordinate programs for surface mining and rehabilitation in some areas in ways that could reduce irreversible environmental impacts. Unfortunately, the variability of institutional arrangements, particularly the uneven provisions and enforcement of existing state laws, may inhibit rehabilitation efforts.

8. Most state laws governing surface mining and rehabilitation in the West do not provide for adequate planning, monitoring, enforcement, and financing of rehabilitation. State agencies charged with enforcement are generally understaffed and underfinanced, impairing implementation of the intent of the law.

9. Water requirements for surface mining operations and rehabilitation practices are not large and should not seriously deplete aquifiers or compete with existing uses. However, disruption of natural drainage networks at mine sites may interfere with downstream water rights, and groundwater aquifiers that are intercepted by mining operations may be drained or subject to change in flow patterns causing problems for established users.

10. Because water requirements are a major problem in western areas, water consumption and related on- and off-site environmental impacts that would result from conversion of coal by gasification, liquefaction, or its use for electricity generation could far exceed the impact from coal mining alone. Therefore, a broad range of alternatives must be considered in evaluating the environmental impacts of such operations.

RECOMMENDATIONS

The following recommendations on the potential for rehabilitating western lands surface mined for coal are based on three meetings of the full Study Committee, field trips to mine sites, our professional experience, extensive discussions with a wide variety of other interested people, and a survey of existing literature. Support for each recommendation can be found in the body of the report. In formulating these recommendations the potential for rehabilitation was the Study Committee's central concern and we are convinced that such a concern must be equally important in plans for coal resource development. This concern would require a very serious consideration of all the options in the extraction of the coal.

1. We recommend that surface mining for coal should not be permitted on either public or private lands without the prior development of rehabilitation plans designed to minimize environmental impacts, to meet on- and off-site air and water pollution regulations, and to define a timetable for rehabilitation concurrent with the mining operation. The preplanning should be part of an original environmental impact analysis for the region and should clearly indicate the basis on which conditions at the proposed mine sites are evaluated. It is important that adequate provision for public participation be a part of the review of the preplans.

2. We recommend that minimum regulations governing the surface mining of coal be promptly established by Federal statute to provide for preplanning, monitoring, enforcement and financing of rehabilitation, and that the costs of these activities be financed by mining operations. We also recommend that rehabilitation management plans be made and enforced for a period sufficiently long to assure vegetative stability. We recognize that state and local governments may wish to impose further rehabilitation requirements to meet additional goals. The sharing of the responsibilities for regulating surface mining and rehabilitation in this way should be encouraged. Methods for public participation at these several levels of government should be improved.

3. Rehabilitation of surface mines on public lands should set the example of the best available planning and the most rigorous application of rehabilitation techniques. Administrative regulations of the Federal land management agencies should go well beyond what is demanded by statute, if technology is available. Permits and leases for mining coal on Federal lands should be so written as to demand the application of the most advanced rehabiliation technology.

4. Improvement of rehabilitation techniques and the reduction of environmental impacts depend critically upon monitoring and evaluation. Therefore, we recommend establishment of a comprehensive, non-industry program to monitor and evaluate the rehabilitation of all current and future coal surface mining operations. Through such experience, performance standards for rehabilitation can be based on technical knowledge. The evidence must include a complete baseline inventory of the existing ecology, geology, and hydrology prior to granting a permit and the establishment of a set of continuing observations to monitor the on-site and off-site effects of mining and rehabilitation. Such studies must also include the determination of the chemical properties of the soils and overburden and the hydrologic effects of surface mining on groundwater, surface drainage and water quality as affected both on-site and off-site. These data will be a necessary measure of what has been accomplished and serve as an essential guide for on-going and future operations. The observations should be verified by agencies independent of the mining operation because many years of objective observations are required and organizational continuity is essential.

5. Since mining and rehabilitation involve many diverse economic, ecologic, engineering, hydrologic and social factors in complex interactions and feedback loops, we recommend that Federal research and development programs for coal include studies on total system approaches to energy resource mining, mined land rehabilitation, and energy conversion. Because rehabilitation depends upon qualified people, we recommend that the responsible governmental agencies develop interdisciplinary teams to assess the potential for rehabilitation of proposed mine sites and to conduct the research for rehabilitation.

6. Certain features of the landscape cannot be restored at any price. If irreplaceable historic, scenic, or archeological sites or endangered species occur in an area proposed for mineral exploration or surface mining or if such values in a neighboring area would be irreparably damaged by such activity, no mining should take place without an extensive review of the consequences. In some cases artifiacts may be salvaged or moved with minimal loss of their value to society. In those instances the salvage operation should be considered part of the cost of rehabilitation and charged against the mining operation. If such irreplaceable artifacts cannot be moved or protected, or if the landscape and associated biota cannot be rehabilitated for social purposes, surface mining should be prohibited.

7. Modern technology provides opportunities for changed uses and design of new landscapes in mined areas. Overburden is a resource for these activities, not a waste material. We recommend that regional planning for subsequent land uses, such as rangeland parks, recreational areas, and urban disposal centers, take advantage of these opportunities.

8. The shortage of water is a major factor in planning for future development of coal reserves in the American West. Although we conclude that enough water is available for mining and rehabilitation at most sites, not enough water exists for large scale conversion of coal to other energy forms (e.g., gasification or steam electric power). The potential environmental and social impacts of the use of this water for large scale energy conversion projects would exceed by far the anticipated impact of mining alone. We recommend that alternate locations be considered for energy conversion facilities and that adequate evaluations be made of the options (including rehabilitation) for the various local uses of the available water.

Mr. MANSFIELD. Mr. President, I want to say that I am glad that my distinguished colleague from Montana (Mr. METCALF), after many months of work in this session, has been able at long last to bring to the floor of the Senate S. 425, which is now the pending business.

I rise to speak not only about the coal situation in general, but also about a minority of the population in the State which I have the honor and the privilege to represent, a minority also in the Dakotas and in the State of Wyoming, a minority which usually votes Republican, a minority which is entitled to consideration, and a minority which, in many respects, comprises the last of the rugged individualists in this country.

I refer to the ranchers, the cattlemen, the wheat growers, and others who homesteaded land in eastern Montana, the Dakotas, and Wyoming, who were there before the railroads, with the railroads, and after the railroads, who have raised families for many decades on this land, and who have an investment which should not be applied just to the surface soil, but which should be protected as far as the subsurface minerals are concerned.

It is for those people that I intend to speak this afternoon, because they are entitled to representation, and they will get it. Even though they may be few in numbers, they have done a great deal to build this Nation, to build and develop the West, and to make our part of the country what it is today. They want the big sky to remain. They want the fresh air to remain. They want to have a say about whether the subsurface rights on the land which they occupied and developed is or is not going to be subject to some outside force outside the families which developed this land.

Mr. President, the pending business before the Senate, S. 425, is in my estimation one of the most important pieces of legislation to come before the 93d Congress. It is my hope that before adjournment both Houses of Congress can pass a strong workable surface coal mining reclamation bill and send the measure to the President for his consideration. S. 425 as reported by the Senate Committee on Interior and Insular Affairs is a good bill and hits the issue head on. With a few strengthening amendments, the Federal Government can become an effective partner in the effort underway in several States to require orderly, planned, and reasonable development of the coal resources in the Nation.

Coal has suddenly become the instant solution to the so-called energy crisis. As I have said on numerous occasions, I strongly disagree with this premise. This single solution is shortsighted and gives no consideration to other areas—expanded research and development of new sources of energy such as MHD, the sun, perfected nuclear power, expansion of existing power generation facilities—all too little is being done in these areas. I get the distinct impression that many believe the quickest way to meet the energy crisis is to go out West and strip mine vast acreages of low-sulfur coal that lie under the surface of the plains and prairie lands. This can easily be done by stripping of the coal deposits, requiring a minimum of technology, some large equipment, and a mode of transporting coal.

Very little thought and effort has been given to the consequences. What is left after 20 or 30 years? What is being done about reclaiming the land; can it be restored to productivity? What about the dislocated surface owner, the man who occupies, the family who occupies much of the land in the Fort Union basin in eastern Montana and in the two Dakotas, especially North Dakota, and the tremendous coal deposits in the Powder River basin comprising southeastern Montana and northern Wyoming? The only way we are going to get solutions to some of these questions is to get the answers before the surface mining proceeds any further.

The State of Montana, I am pleased to say, has adopted some very strong reclamation requirements, and I believe the State should be supported in its efforts by the Federal Government.

The National Academy of Sciences and the National Academy of Engineering Committee has just released the preliminary report on their study of the potential for rehabilitating lands surface mined for coal in the Western United States. This report shares many of my concerns and makes some excellent recommendations and guidelines.

The Academy recommends—

> That surface mining for coal should *not* be permitted on either public or private lands without the prior development of rehabilitation plans designed to minimize environmental impacts, to meet on- and off-site air and water pollution regulations, and to define a timetable for rehabilitation concurrent with the mining operation. The preplanning should be part of an original environmental impact analysis for the region and should clearly indicate the basis on which conditions at the proposed mine sites are evaluated. It is important that adequate provision for public participation be a part of the review of the preplans.

The report also recommends that minimum regulations governing the surface mining of coal be promptly established by Federal statute to provide for preplanning, monitoring, enforcement, and financing of rehabilitation, and that the costs of these activities be financed by mining operations. They also recommend that rehabilitation management plans be made and enforced for a period sufficiently long to assure vegetative stability. It is my hope that when the Congress adjourns this fall that we will have fulfilled our responsibility and sent such surface-mining legislation to the President.

The Academy also addresses itself to another area of major concern to westerners—the shortage of water. And do not underestimate this factor because it is tremendously important. Those of us who come from the West certainly need no education or should need no education as to what water means to our part of the country, especially in States like Wyoming, Montana, and the two Dakotas, where the average yearly rainfall is between 12 and 13 inches a year. In other words, water is our life blood. If we do not have it, we do not live, because we cannot produce. This is a major factor in planning for future development of coal reserves in the West—that is, the shortage of water. The study concludes that enough water is available for mining and rehabilitation at most sites, but not enough water exists for large-scale conversion of coal to other energy forms and the prospect of many large gasification or steam electric powerplants in eastern Montana.

That is where the Yellowstone River comes in, one of the vital tributaries of the Missouri and one of the most important rivers in our State. The potential environmental and social impacts of the use of this water for large scale energy conversion projects would exceed by far the anticipated impact of mining alone, according to these experts.

Water is a—water is "the" most treasured resource in Montana, and we must give detailed consideration to the effect that strip mining and energy conversion facilities will have on the future availability of water in Montana. This is one area in which I am confident that the State of Montana will take some additional action.

Before proceeding to discuss an amendment I have offered to S. 425, I would like to discuss with my able colleague from Montana and chairman of the Senate Subcommittee on Minerals, Metals, and Fuels, several items that I would like to have clarified for the benefit of the people of our State. Many of my questions have been answered, may I say, in your excellent opening statement, but there are several items I would like to discuss further.

S. 425 addresses itself to the problem of designating areas unsuitable for surface mining because of its fragile or historic significance. Is it the basic responsibility of the State to determine these areas incompatible to surface mining, or is this an area in which the Federal Government should exercise its leadership?

Mr. METCALF. Mr. President, of course the Senator from Montana heard the opening statements of the Senator from Arizona and the Senator from Wyoming who raised the question about this specific provision. It is section 216 of the bill. In section 216 of the bill, we provide that we can set aside and designate areas which we have in mind where, by Federal regulation, the Secretary of the Interior can set them aside, or we can set aside areas by State regulation.

Let me go back to some of the comments the Senator made earlier about the bill the State of Montana and its legislature passed. I am not sure that it is stronger than this bill. I am not sure that it is more stringent than this bill. But if it is stronger and more stringent, then the provisions of the State bill apply.

Under the provisions of this bill, the State of Montana, for example, could say that we will have no surface mining in the State of Montana, or that we will have no surface mining in certain areas, or that we will have no surface mining in certain designated areas. So the problem of designating areas is up to both the Federal Government and the State government, and it gives an opportunity to both of them to designate these special areas.

However, if the State of Montana wants to designate certain areas, then, under the provisions of S. 425, we adhere and comply with the desires of the State of Montana.

Mr. MANSFIELD. I thank the Senator.

As the Senator and I know, the State of Montana has enacted a very strong surface mining reclamation program; and without making a detailed comparison, I would venture to say that it is stronger, perhaps, than what is proposed in this bill. However, that is a matter which will have to be determined in time.

In this instance, can the stronger reclamation laws of the State of Montana, if they are stronger, be applied to Federal leases or is it likely that we will end up with two different sets of regulations? I would certainly support the application of the strong law in all areas of the State.

Mr. METCALF. This is an area in which Senator HANSEN, Senator BUCKLEY, and I have insisted all along that this should be a bill for States rights and State regulation. We are setting only minimum standards that we believe can apply to every geographical area of the United States, whether it is a mountainous area of mining in the Appalachians or the flatlands of eastern Montana.

If the State of Montana has enacted a stronger surface mining bill—which I doubt—then it is the provision of this bill that any provision of law of any State law more stringent shall be applicable and shall be enforced, not only on the lands within the State but on the Federal lands within the State as well, so that the national forest lands and the Bureau of Land Management lands that we manage ourselves through the Federal Government also will be subject to the provisions of the State law, the more stringent State law.

This is in section 501, where we provide that where the State laws are more stringent, they are applicable. Where Federal lands in a State with an approved State program are involved, the Federal land program shall, at a minimum, include the requirements of the approved State program. So even our BLM lands and our national forest lands are subject to the more stringent State law.

Mr. MANSFIELD. I appreciate that comment, because I was trying to emphasize what I understood the distinguished Senator to say in his opening remarks today.

Mr. METCALF. I thank the Senator.

This is a basic premise that Senator HANSEN, Senator BUCKLEY, and I have insisted on throughout the markups of this bill. It became a matter of amusement for a while; because time after time, the Buckley-Hansen-Metcalf position was reinforced.

Mr. MANSFIELD. Several of our constituents have suggested that the Environmental Protection Agency be given some input into the surface mining reclamation program. Did this subject come up in the deliberation of the subcommittee and what is the general consensus as to giving EPA some responsibility in this area?

Mr. METCALF. Of course, the subject came up; and under the general law, the EPA has responsibility in the area, and there must be an Environmental Protection Agency report. We felt that some of the areas were such that after the decision and the report of the Environmental Protection Agency, the decision should be up to the Secretary of the Interior under the other criteria and under the needs for energy that are developed in the bill. We did not give the veto power to the EPA, but we provided that there should be a report, there should be consideration of a report, there should be a hearing, and there should be a citizens' suit or citizens' input into such a hearing; so that we feel that the environmental position is well taken care of.

Mr. MANSFIELD. I agree.

S. 425 does an excellent job of requiring acceptable plans for reclamation and rehabilitation on any new Federal leases before they are executed. I believe that is absolutely essential if there is to be surface mining.

I now turn to a matter of major concern—the rights of the surface owner as opposed to those of individuals who hold the rights to the subsurface or mineral rights. In the Great Plains, it will be found that, in the majority of instances, the subsurface and surface rights are held by two different parties. The U.S. Government is a very large landholder. In Montana alone, the Bureau of Land Management administers mineral resources on approximately 38 million acres of land. Twelve million acres of private surface have underlying mineral resources administered by the Bureau of Land Management. Statistics show that there are approximately 3.1 million acres of strippable coal reserves in eastern Montana, according to the Bureau of Land Management. 1.7 million acres of this coal reserve is owned by the Federal Government. Approximately 88 percent of the surface rights on these 1.7 million acres are privately held. This gives us some idea of the problem we face with split ownership.

Mr. President, in an effort to give the surface owners some additional protection, I will send to the desk shortly an amendment to section 511 of S. 425. The amendment would add a new subsection providing that all coal deposits in those Federal lands where the United States is not the surface owner are withdrawn from all forms of surface mining operations and open pit mining, except surface operations incident to an underground coal mine.

The new subsection prevents coal surface mining on Federal lands where the United States does not own the surface but has only the reserved mineral interests. These Federal coal deposits would still be available for underground mining. In fact, the overwhelming majority of such deposits are not considered "strippable."

In my estimation, the adoption of this amendment would not preclude the right of an existing lessee of Federal minerals to proceed to deep mine coal under his valid lease. Montana is rich with mineral deposits of many kinds, but, historically, most of the minerals developed were hard rock and were developed through the deep mine, or the shaft, process. There was a minimum of disruption to the surface. Surface mining as we know it to be in eastern Montana means the destruction and loss of use of thousands of acres of surface, with only limited hope of restoration after several generations.

I am firmly convinced that if a third or fourth generation rancher in southeastern Montana, in the Powder River Basin in southeastern Montana and northern Wyoming, or in the Fort Union Basin up in northeastern Montana and western Dakota, is sincere in his desire to continue to conduct his ranching operations, I see no reason why he should not be permitted to do so as long as he holds title to the surface. There are those who are not interested in monetary temptation, and I oppose Federal action which condones disruption of their livelihood for 20, 30, or 40 years. This applies to the farmer and even to the residents of a small town which might find itself in the midst of a deep, rich vein of strippable coal.

Soon after S. 425 was reported, I did give thought to the introduction of an amendment which would direct itself primarily to the interests of the surface owners. Recognizing some legislative problems, I decided to alter my proposal so that it would be designed to limit coal surface mining on Federal lands. This amendment would do so and, at the same time, protect the rights of the surface owner who would not like to have his land stripped. In addition, I am not encouraging the holders of surface rights to hold up mining companies for an exorbitant price for acquiring their surface. I am convinced that this is an equitable arrangement which is in conformity with the Administrator of the Environmental Protection Agency, Russell E. Train, who recently made some very interesting observations which are applicable to Montana. The Administrator suggested that we can make far better use of our coal resources by digging deep in the ground for it rather than concentrating on strip mining. I could not agree more.

According to the EPA Administrator, only 3 percent of the Nation's total coal supply lies near the surface where it can be stripped. In Montana, we have reserves of 132.1 billion tons of low sulfur coal. I believe that of all the States in the Union, on the basis of recent findings, Montana is the largest storehouse of low sulfur content coal, and that is where most of the damage would take place so far as the environment is concerned and the people who own the surface rights.

Almost all of this can be developed through deep mining with only 3.1 billion tons of low sulphur coal considered strip mine reserves or 40 to 1 in deep low sulfur coal to strippable low sulfur coal.

The easiest way is not always the best. I strongly recommend that the Nation heed Mr. Train's advice:

> The sooner we can make underground (mining) more economically attractive, more technologically feasible and more social acceptable as a way of life, way of employment, the better off we're going to be.

So, Mr. President, what I am doing here today on the basis of the amendment which I will send to the desk shortly, is to make a plea for a minority part of the population of my State, northern Wyoming, and the Dakotas; for the people who have ranched and farmed for generations and who ought to have the right to continue in the future as they have in the past, people who live north of Roundup and in the Glendive area in eastern Montana, and who are part of the Fork Union Basin; the people who live down in the Powder River Basin in the southeastern part of Montana and northern Wyoming. These people do not number a great deal but they live on the land and they do not want to be pushed off. We should give those people every protection we possibly can.

Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 133, line 25, strike out "In those" and insert in lieu thereof the following: "(a) Except as provided in subsection (b) of this section, in those".

On page 134, line 4, strike out "(a)" and insert "(1)".

On page 134, line 8, strike out "(b)" and insert "(2)".

On page 134, between lines 17 and 18, insert the following:

"(b) All coal deposits, title to which is in the United States, in lands with respect to which the United States is not the surface owner thereof are hereby withdrawn from all forms of surface mining operations and open pit mining, except surface operations incident to an underground coal mine.".

Mr. FANNIN. Mr. President, I wish to commend the distinguished Senator from Montana the majority leader, for his desire to protect the lands of his State and the lands in many other parts of the Nation. I agree with him in wanting to do exactly that. But I do feel that under section 216 the lands should not be desecrated, as he has explained; I simply have great concern regarding the justice of what would take place if we suddenly decided that all Federal lands in this category were to be mined by underground mining alone.

I do feel that very ample protection must be given to make certain that the land can be reclaimed. I do not have the fears that the Senator has, so far as the citizens of his own State are concerned, that civilians in the Nation would be adversely affected because the land was not protected in such a case. I am more worried about what would actually take place.

We are proposing to change our basic law, as far as getting consent is concerned. The existing law protects the surface only. Each State has responded to that problem by passing its own laws. If we pass national legislation, we, in fact, abrogate all those State laws. I understand that we are talking about Federal laws, so we are talking about placing the Federal lands in this category.

Federal lands are owned by all the people; they are not owned merely by the people in a State. If we pass this bill, we will cause a reversal of the ownership of property. We have been discussing only Federal lands, but we are talking also about the surface rights that are involved. In many States the surface rights are far more valuable if the land is mined by surface mining than if mined underground. The subsurface owner can compensate the surface owner for any damage that is incurred. What we are talking about is giving the surface owner a windfall. We are giving him a veto power never intended by law or equity. I do not consider this wise.

We are talking about the surface mining of Federal land. This proposal is not equitable. When we talk about international conflicts, we realize that our source of oil is in even more jeopardy. We cannot tie our hands in the development of our domestic fuel resource—coal. We would be changing property rights without providing adequate compensation in accordance with the Constitution.

I am vitally concerned with this problem. Certainly I do not want to disagree with the majority leader, because I know he wants to protect the landowners of his State and the people of the Nation, so far as their surface rights are concerned. So do I. But I think we have adequate protection in the bill. Our national policy has been to give priority to the surface owner because he cannot extract coal without disturbing the surface. He must have the right of ingress and egress even with deep mining.

So we are proposing to reverse the historical policy and give to the surface owner the power to lock up minerals, a policy which I think would be very poor to adopt at this time.

I realize that we have to think about where the coal is located, not just exactly how much is there. We hear that only 3 percent of the coal is going to be surface mined. I have heard that statement many times. But we are also talking about much of the coal that cannot be mined at all with the present process.

We realize that technology will improve and that much coal can be mined in later years that cannot be mined properly today, but we all know that situations vary in different areas of the country. I give my State of Arizona as an example. Of course, it is not Federal land; it is Indian land, which is under the control of the Federal Government. I do not know how the distinguished Senator would want that to apply, but I know that would just eliminate the generation of power for a vast area of our country. Here we have the principal power-producing areas of any area that is surface mined. That is the only way it can be mined; the only practical and economic way it can be mined.

So I wonder if the Senator intends to carry his pending amendment to that area. The result of the amendment would be far reaching.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. MANSFIELD. I do not agree with the picture which the distinguished Senator from Arizona has drawn on what this amendment attempts to do. What it seeks to do is protect a small part of the population in the States concerned. I daresay the distinguished Senator from Wyoming (Mr. HANSEN) has received a number of telegrams and letters from the folks in the southern part of the Powder River area, Casper, Sheridan, an area which is so closely alined to Montana. These people are entitled to some protection. This is one way to be sure that they get that protection.

I do not want to see any portion of the population, no matter how small, or how Republican—and these are mostly Republicans—deprived of their rights. They should be allowed to maintain the lands they have developed, and on which they have lived for generations. This is fairplay for them. They are not going to be able, unless this protection is provided, to stand up against the big—and I mean big—coal companies which are moving into that part of the Union.

Mr. FANNIN. I thank the Senator, but I fear we are talking about a basic subject. We are talking about lands that belong to all the people of this Nation, and we are talking about taking away from those lands a right. I can visualize that it would be more far reaching than what the Senator has explained. I can visualize States that are 60 or 70 percent federally owned, the vast areas the Senator is referring to, that would be affected by his amendment.

Mr. MANSFIELD. Will the Senator yield?

Mr. FANNIN. I yield.

Mr. MANSFIELD. Does the Senator mean to say that the subsurface deposits, which belong to the people of the United States—I think those are his words—should be given to those coal companies who come in? That is not in the interest of the people of the United States, or to the citizens who have lived on the land, who have developed it, who have lived there since the time of Custer, and even before, whose families have grown up there, who have contributed to the welfare of this country. They are the last of the rugged individualists of this Nation. Are we going to knock them down? I should think the distinguished Senator from Arizona would be in the vanguard of this effort to protect these people, because he belongs to the same strain.

Mr. FANNIN. I am in favor of protecting the people. This bill protects them and goes beyond the needs of their protection. When we talk about protection, if the Senator will read section 216—and I am sure he has—there is adequate protection for them. If he is referring to what is to be done so far as the lands are concerned, this bill provides that the land must be reclaimed. I cannot understand why the Senator would be so disturbed as to think the land would not be reclaimed.

Mr. MANSFIELD. If the Senator will yield, they do not think so and I do not think so, and what has happened in the Sarpee Creek area indicates it is not to be expected. What is wrong with protecting their rights through legislation?

Mr. FANNIN. Why have this legislation, then? It provides for their protection.

Mr. MANSFIELD. It does not go far enough.

Mr. FANNIN. It does in my estimation. Evidently it does not in the Senator's estimation. But in my estimation it more than adequately provides for their protection. If he says it does not protect them, then I do not know why we are even considering this legislation, S. 425 is designed to protect any land area of this country. I do think we are making a mistake if we start closing off areas so that they cannot be developed under the tremendous need we have for coal, realizing that in some of the areas we are talking about surface mining as the only way we are going to have adequate supplies. I think the Senator recognizes that. It is not the idea of how much coal we have; it is, where is the coal, can it be produced, can it be produced economically, can it be produced safely? They are the factors involved.

I am thinking of the cave-ins which could take place in some of these areas if they tried to go underground in their mining. It would not only be prohibitive in cost, but tremendously hazardous to the people working in those mines.

So, I feel this amendment could be very damaging to the future of our mining industry and to the assurance we will have for dependence on coal to produce the energy resources that we need to have.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. I ask that the vote occur at the hour of 3 o'clock.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. METCALF. Mr. President, when I went into the hearings on this matter, I thought that this problem of divided land, land where the surface ownership was in different parties, was an area peculiar to the West. However, during the course of the hearings, we had testimony from several witnesses, among whom was Mr. Ernest D. Preate, Jr., an attorney from Scranton, Pa., who said that all over the East they have divided ownership where one individual owns the surface rights and another individual, by patent, or otherwise, owns the subsurface lands. However, it is a special problem in the West. For example, at the turn of the century there were so many questions about the homestead rights and so many protests concerning people who had filed for homesteads in order to get the mineral rights to the land that the Federal Government provided in the Federal law a provision that provided that only the Federal Government would retain the mineral rights for the benefit of the people.

However, then there was a restriction in the case of Montana and other States providing that the old 68 provision was not applicable and that therefore we could have a grazing homestead on a full section of land, and the individual would not get the mineral rights to that land. The Federal Government would retain the mineral rights and give the individual the surface rights to that land.

In the years that have elapsed, in the half a century or three generations during which the distinguished senior Senator from Montana has suggested that this land has changed ownership, people have been granted mineral rights and surface rights and so forth.

However, in vast areas of the land in Wyoming, Montana, and North and South Dakota, the Federal Government does have the subsurface rights. Ranchers who have been on this land for a long period of time have the surface rights.

The amendment of the Senator from Montana would provide that these subsurface rights for land owned by the Federal Government would be withdrawn. I had grave reservations about the amendment when the Senator from Montana was first suggesting that we would provide that it would apply to all land, and land where one individual owned the surface rights and another owned the subsurface rights. It did seem to me to be an unconstitutional provision that would take away one person's land without compensation and give it to another.

I have grave reservations about a provision that would say that this would only be mining land where the Federal Government owns the subsurface rights without the written consent of the surface landowner. That would give a sort of blackmail provision to the landowner to which he was not entitled. However, this said that we would withdraw that land and not mine it at all. It would be in the area of a national coal reserve.

The Federal Government will continue to own the subsurface rights. It is our land, our coal, our oil. And we will not mine it at all.

I think that is a pretty good proposition. We must remember that there is so much coal and so many thousands of acres and so many billions of tons of coal that can be mined under the provisions of this bill that it is a pretty good idea that the Federal Government reserve some of the coal for future activity. And if we need this coal in another decade or in another two decades or so, there it is. It is not under the control of that rancher or that landowner that acquired surface rights in a grazing homestead a half a century ago. It is still under the control of Congress.

So, I am inclined to agree with the amendment of the Senator from Montana that would provide that we would withdraw this land that is under dual ownership. It is only 10 percent of the land in the United States that is in coal ownership. And we must remember that there are thousands of acres and billions of tons of coal that can be recovered under all the provisions of this bill.

Mr. McCLURE. Mr. President, would the distinguished Senator from Montana yield?

Mr. METCALF. I yield.

Mr. McCLURE. Mr. President, during the markup sessions and during our hearings, we had a question concerning the division between surface and subsurface rights. As I recall, there was some discussion about the complexity of dealing with the question because of the varying laws in the various States.

Can the Senator from Montana advise me as to whether or not the Federal Government is now bound by State laws, as the other subsurface owners would be bound by State laws?

Mr. METCALF. Today?

Mr. McCLURE. Today.

Mr. METCALF. I would hope—and I was going into this——that this is a prospective amendment. It only applies to provisions of the leases and so forth that will be issued by the Federal Government in the future or leases that at least have not been surface mined and are not being surface mined at the present time. However, under the provisions of this bill and under our discussion, I will say to the Senator from Idaho that I think the Federal Government and the Congress—and we are the people who dispose of the Federal land—can do anything we want with the land despite the State laws until we pass a piece of legislation such as this and remove the preemption.

Mr. McCLURE. Mr. President, I agree, of course, that we have the legal competence to affect the rights of the Federal Government. I was more concerned, however, about where we stand today with respect to the Federal Government as an owner of property being bound as other owners of property are bound by State law.

I assume that it is probably correct that the Federal Government has not yet conceded that it is bound by State law and proceeds under the assumption that its rights are governed by the terms of the patents that were issued and the leasehold rights of land under leases with the coal companies are in Federal courts and under Federal law, rather than in State courts and under State laws.

Mr. METCALF. I understand. Under the present law, as the Senator from Arizona has pointed out, where Federal land is involved and there is a lease issued by the Secretary of the Interior or by someone else, there is an entry permitted, and then damages or surface damages are permitted under the provisions of State law.

Mr. McCLURE. Mr. President, could the Senator from Montana indicate to me what the State law is in the State of Montana with respect to the rights of the surface and subsurface owners?

What I am getting at is this. I will inform the Senator in advance to answering that question that I would like to know whether we would accomplish the same results insofar as surface owners are concerned in the State of Montana by making a provision that requires that the Federal Government rights be subject to the provisions of State law just as the rights of other property owners would be subject to State law.

Mr. METCALF. Mr. President, I doubt it. Under the present State law which is consistent, as I remember it, with the general mining laws throughout our whole Western States, the subsurface owner has the prior right. He has the right to go in and develop the subsurface. He also has the responsibility to pay to the surface owner any damages, the cost of restoration, or any severance damages or anything else that may result.

I think that is the law from Florida's phosphate mines up to Alaska's gold mines. But we in the Federal Government have a right to say that our land may be managed in any way that Congress decides, and the Mansfield amendment says that we are going to withdraw this subsurface land from any mining activity whatsoever except deep mining, and we are not going to permit surface mining on any of this land where we had these grazing homestead rights that occurred back at the turn of the century.

Mr. McCLURE. Will the Senator yield further?

Mr. METCALF. I yield.

Mr. McCLURE. It seems to me, if I recall correctly, that it is not just in the case of grazing homesteads where subsurface rights are reserved to the Federal Government. As I recall, starting about 1894, there was a reservation of mineral rights in all patents granted following that date, and the result is that the Federal Government does own the mineral rights under vast areas of the Western United States.

Mr. METCALF. No question about it.

Mr. McCLURE. The reason I raise this point is that the rationale for the reservation was that the people of the United States as a whole should benefit from the ownership of the minerals under the lands, and not just those who acquired title from the United States following that date.

I have always resented that provision personally, because it means that those of us who live in the Western United States have a differing situation from all the rest of the States in the United States, which says that our ownership is somewhat less than the ownership that derived from patents from the Government at earlier dates, and, in general, it froze us into a kind of second-class citizenship role with respect to the ownership of property, because at that time most of the areas of the West did proceed from Federal ownership to private ownership; a portion were subject to this reservation and another portion, at earlier times, were not.

But in my State, at least, most of the patents were granted subject to that particular provision, and we have also seen the Federal Government assert the similar and I think totally unjustified reservation of mineral rights in the lands granted to my State under the Idaho Admissions Act. I hope that at some time we will get a resolution of that problem of a completely unjustified and totally unprincipled grab of resources from the State of Idaho that ought to belong to our State.

It seems to me we could at least place the Federal Government with respect to its ownership of reserved minerals in the same position as any other owner of reserved minerals, just as we required, in the Reclamation Act of 1903, that the Federal Government, in proceeding to develop water resources within our State, had to apply for and acquire water rights pursuant to State statutes.

The Senator is exactly correct that we have the right to determine how the Federal lands or Federal interests in land shall be managed. Similarly, and in that same vein, we have the right, if we desire, to require that the Federal Government manage its property in exactly the same relationship to other property owners as any of our citizens is required to do. It would seem to me that that might be a better way of proceeding here than to simply reserve these coal lands from surface mining, to require that the Federal Government manage its rights and own its rights in minerals in exactly the same way, under State law, that any other owner of subsurface rights would be regulated.

I thank the Senator from Montana.

Mr. METCALF. We have that right. There is no question but that the Federal Government has exactly the same right to say that our lands should be managed and administered just the same as the lands between A and B, who have surface and subsurface interests. We have the right to say we will only give the right to use the subsurface lands on the written consent of the surface owner, which seems to me to be quite a giveaway of Federal rights. Or we have the right to say we believe that there is enough land in private ownership or enough land in divided ownership without this Federal subsurface qualification that we can hold this land in reserve, and that is what the Mansfield amendment does.

I think that there is so much land that at this time it might be a good idea to do just exactly what Senator MANSFIELD suggests, that is, to say, "Look, let's hold it around for a while, and it may be worth a whole lot more a little later on; there is a lot of other land that can be developed."

Mr. McCLURE. Would not the Senator agree that the amendment, however, while it may protect the owner of those surface rights where the Federal Government is the owner of the subsurface rights, would increase the exposure of those people who own surface rights and someone other than the Federal Government owns the subsurface rights? It would divert the attention of the mining industry from the public lands with the reserved mineral rights in the hands of the Federal Government to those where the ownership of the subsurface rights is not in the Federal Government, so that, while it may protect one group of surface owners, it will more greatly expose another group of surface owners.

Mr. METCALF. Except that surface owner, owner A, as against subsurface owner B, has the right of negotiation, of course, and contract; whereas, where the Federal Government owns both surface and subsurface, it is open to lease and mining.

It is my contention, and I think it is Senator MANSFIELD's contention, that where there is so much land available, so many billions of tons of coal available, it might be a good idea to open that up to those people who are dealing at arm's length, instead of taking that land away from the ranchers.

Mr. McCLURE. I understand the Senator's point. I do not necessarily agree with the point that there are massive areas which are subject to that kind of operation.

My question would be, it seems to me that what we have sought to do in this legislation, the entire rationale of the legislation, has been at all points to treat everyone exactly alike. It is also averred to be the thrust of this legislation to require the Federal Government to operate in conformity with State law as far as reclamation plans are concerned.

We even went so far, as we have the right to do, and I think it is correct, as to require that the Federal land managing agencies conform to the State reclamation plans. I applaud that also; I think it is entirely correct.

But I think if we want to be entirely consistent with both of those fundamental philosophies within the statutes, we should say that the States should have the right to pass the laws that govern the relationship between surface and subsurface owners, regardless of who that subsurface owner is, and we should also say there should not be a difference, so far as the rights of the surface owner are concerned, as to whether it is a private party or the Federal Government that owns the subsurface rights.

It would seem to me, under those circumstances, that to be consistent, rather than withdrawing Federal public lands from surface mining, we ought to instead make a provision here that the Federal Government's right to mine is subject to the same kind of regulations as any other subsurface owner's right to mine, and restricted thereby to a substantial equity to all parties that are involved, not just those who happen to have the advantageous position of having the Federal Government still the owner of the subsurface rights, rather than having them already transferred to some third party.

Mr. METCALF. Mr. President, of course we have no authority to change those rights of private individuals. The bill opens up the opportunity for full fee rights of the Federal Government for mining. The only thing the amendment of my colleague (Mr. MANSFIELD) says is that we will withdraw some of the area from mining. It should be understood, as I read the amendment, that it is a prospective amendment. If someone is surface mining at the present time, the amendment does not apply to that. I think that under existing law we could not change that. But if they are not surface mining at the present time, then the Federal Government can say that this land will be withdrawn.

Mr. President, I would now like to yield the floor and let the Senator from Wyoming (Mr. HANSEN) proceed.

Mr. MOSS. Mr. President, will the Senator from Montana yield for a question first?

Mr. METCALF. I should be delighted to yield, but I wanted the Senator from Wyoming to have the opportunity——

Mr. MANSFIELD. Mr. President, if my colleague will yield, I want to agree with what he has just said. So far as this particular amendment is concerned, it does not apply to leases already under development but applies to the undeveloped leases and those which may exist in the future, effective the beginning of this year, 1973.

Mr. MOSS. Mr. President, if the Senator from Montana (Mr. METCALF) will yield for a question——

Mr. METCALF. I am delighted to yield.

Mr. MOSS. That was essentially what I intended to ask about its applicability, where we have a divided ownership of surface and minerals and if, at the present, there is a lease in the mineral rights, the United States could not withhold without being in breach either of its lease or the taking, whichever it is, by withholding and withdrawing the right to the coal. That would be a valid, existing right.

Mr. METCALF. I am not so sure. If there is a present lease on mineral rights and a person is not doing surface mining, I am not so sure but what this amendment would apply to such a lease. If he is presently engaged in surface mining, I think this amendment would not apply.

Mr. MOSS. The lessee in that instance, then, if suddenly coal is withdrawn, has some right of action, because he has been damaged if that is the case.

Mr. METCALF. I am not sure he has been damaged. He can mine it by underground methods, but I do not know what the terms of the lease are. He has the right to go to court under the existing statutes, the same as anyone else. But I would think that would be the intent of my colleague (Mr. MANSFIELD) in his amendment. Certainly, as I understand the amendment, it is prospective in its application. But anyone who is not surface mining at the present time is bound by this law and by this amendment.

Mr. MOSS. One other question I wanted to raise is that this, of course, assumes the surface owner would never want to have his land opened up and mined for surface mining; but suppose the surface owner wanted to waive that, that for some reason he would be glad that the coal was mined, that his land will be protected and will all be put back according to a mining plan, and he was not going to do any grazing for 5 years or something; would he have the right to waive it?

Mr. METCALF. No. That is the purpose of the Mansfield amendment. It is not to permit a surface owner to engage in any legal blackmail or any bargaining, or say, "Well, you go and get a permit from the Secretary of the Interior and then for whatever you pay me for my written consent you can mine the people's coal." We will say that we are withdrawing the whole thing, that it cannot be mined until we have some future legislation. It seems to me to be a pretty good idea to protect our rights, our people's rights, in that coal resource by saying, "We do not know. The whole thing may be in the future. It is necessary to mine it." We recognize in this critical situation that individuals who own a surface right, a fee right, and so forth, may want to benefit from this crisis and may want to lease their land for the surface development of coal but we also recognize that it is a pretty good idea for the Federal Government to say, "Well, we will withdraw it. It may be of such value in the future that it is necessary to mine it, but the danger of degradation and devastation of the area is such that we will leave it the way it is."

That is what the Mansfield amendment says, that the surface owner continues and the Federal Government withdraws in this right to the subsurface coal.

Mr. MOSS. I understand the reserve idea. It is a good enough idea. I do not have any real problem with that. But what I am trying to do is to protect the rights of the people directly involved, not only the surface owner but also the lessee, the owner who has paid his fee and under the law has certain rights that came to him by reason of his lease, and now suddenly they are cut off. If they are suddenly cut off, do they have any recourse?

Mr. METCALF. The surface owner has no right to permit surface mining. He has not any right at all.

Mr. MOSS. Let us go to the minerals——

Mr. METCALF. He has not any right on the minerals, either. We are talking about coal. But the surface owner today has no right whatsoever——

Mr. MOSS. Agreed.

Mr. METCALF [continuing]. To permit the surface mining of coal.

Mr. MOSS. But when the lessee has been to the Department of the Interior and has followed all the statutes, and says, "I have got a lease on a given area to mine the coal," and now suddenly, having made all compliance with the law, the coal is withdrawn, what recourse would he have?

Mr. METCALF. I do not know. I doubt there are many people in that situation. As I understand it, however, if one is a lessee and is sitting there in a hiatus situation, in limbo, so to speak, and he has not started to mine, if this amendment is adopted the only way he can exercise that lease and mine that coal is by underground mining.

Mr. MOSS. Unless I hurried out and got a shovel and scooped it up before the bill passed?

Mr. METCALF. That is right.

Mr. MOSS. I thank the Senator from Montana very much.

Mr. HANSEN. Mr. President, will the Senator from Montana yield?

Mr. METCALF. I think that the Senator from Wyoming is going to make an important statement and I am delighted to yield to him. Does he want to make the statement on his own time?

Mr. HANSEN. I thank my good friend from Montana. What I would like to do would be to ask some questions in order that I might better understand.

Mr. METCALF. I am delighted to yield to the Senator from Wyoming.

Mr. HANSEN. I appreciate the colloquy which has just taken place between the Senator from Utah (Mr. MOSS) and the Senator from Montana (Mr. METCALF) because one of the questions, I believe the last question raised by the Senator from Utah, does have applicability in Wyoming. I can state specifically that the grandson of a very distinguished former Member of this body, John B. Kendrick, happens to be in that position. They own some rather substantial acreage in both Wyoming and in Montana, I believe. My understanding is that they would like to develop the coal that lies below the surface on those lands, to which they own the surface. By surface mining, I assume, I would say to my good friend the senior Senator from Montana (Mr. MANSFIELD), he is quite right that we have received letters and telegrams from people, they have the same anxieties and concerns that have been expressed to him.

These are the people, by and large, who own the surface of the land and who are greatly disturbed and greatly exercised over the prospect that their lands will be strip mined and laid to waste. So I agree with the Senator from Montana (Mr. MANSFIELD) that we have had many expressions along that line. I understand his concern and I share his interest in seeing what might be done to meet this problem. But I point again to the fact that there are many surface owners with a substantial amount of acreage who would like to see the minerals owned by the Federal Government developed. So there is relevance to the question asked by the Senator from Utah: What happens in this case?

Earlier, a proposal was made—I think it was presented by the senior Senator from Montana, but it was embraced by a good many people—that we put a nationwide ban on strip mining, that we stop it for a couple of years. Perhaps I am wrong in crediting the senior Senator from Montana with having introduced it. At least, it was talked about. It was modified to apply only to the State of Montana. I do not believe there has been any action on it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

Mr. MANSFIELD. What we tried to do last year was to have the Secretary of the Interior impose a moratorium on strip mining in the State of Montana. That bill was passed unanimously by the Senate.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

Mr. METCALF. However, in all due deference to the Secretary of the Interior, he has not issued any leases for strip mining since the close of the last session, largely because there is no environmental protection report. But we have had a moratorium.

Mr. HANSEN. Mr. President, I share the concern of the Senators from Montana in seeing that all reasonable steps are taken to protect the rights of surface owners. Unless I can better understand the ramifications of this amendment, I say now that I shall probably vote against it, because in my opinion there are too many unknown factors.

I am well aware that the head of EPA recently made the statement that only 3 percent of the Nation's coal could be recovered by surface mining. He pointed out that 97 percent can be recovered by underground mining. I think that my good friend, the Administrator of EPA, should look at his facts a little more closely. I do not believe the statement he made is totally accurate. Among other things, he said that each week we strip 4,650 acres of land for coal. I say to this body that that statement is not correct. The fact is, according to the information made available to the Interior and Insular Affairs Committee that the number of acres stripped each week is more in the magnitude of 1,000. The 4,650 acres represents all the land that has been disturbed by strip mining for all minerals. The fact is that coal accounts for only 43 percent of those minerals. I point that out because I want to talk further about what the Administrator of EPA has said.

The second point is that when Mr. Train talks about 97 percent of the coal being recoverable by underground mining, he includes all coal seams, even those that are depths down to 3,000 feet and in seams as thin as 14 inches.

Such a comparison includes the 45 billion tons of coal which can be economically mined with present stripping technology to the 1 to 5 trillion tons of coal mapped and explored.

The fact is that when we talk about how much coal can be recovered by underground mining, the figures that were used by Chairman Train indicate that practically all the coal reserves can be so recovered.

In Wyoming and in Montana, as the floor manager of the bill knows, we have deposits of coal that run from slightly under 100 feet in thickness to as much as 200 feet or more in thickness. These seams do not have very much overburden above them.

To presume, as Chairman Train does, that that coal could be recovered by underground mining flies in the face of the facts. The fact is that you cannot, by present technology, take out that amount of coal and leave the necessary pillars that will support what little piece of overburden may be above it without the whole thing collapsing.

I know a little about subsidence. I am amazed that my good friend Russell Train has not contemplated the impact of the damage which will result from subsidence in underground mining. We have had bills before this body to provide some treatment for subsidence in my State of Wyoming, in the Rock Springs area, where a town has been built on an area that was underground mined. When foundations start to collapse, when the walls of houses start to buckle and collapse, when water pipes break, when gas mains are severed, and when sewer lines fall apart, we can begin to get some measure of the magnitude of damage caused by subsidence.

If we were to try to mine all the coal in Wyoming and Montana by underground mining, we could begin to focus on the problem. It is true enough that we would not disturb the surface initially. But when you take 100 or 200 feet of coal from the ground and do not immediately begin a backfill operation to replace that coal with something else, the roof is going to collapse. It does not matter what the layer of rock may be. In fact, in many places, there is no layer of rock at all. No matter what sort of condition you are operating in, eventually, so long as the law of gravity applies, the roof is going to come tumbling down, and that means that you have real problems.

Environmentally speaking, if you are going to mine the coal, it is more sound to strip the overburden and sort it out, for reclamation purposes, as we require by Wyoming law, and as I suspect is required by Montana law. If you are going to take the coal out—I preface my observation with that stipulation—it makes far better sense to recognize that you cannot indefinitely support a void underground. Eventually, the roof will come tumbling down.

So let us do it properly. Let us do it in a fashion that will assure that future generations will not one morning find that what they thought was the surface of the ground has suddenly dropped 100 or 200 feet into the ground. That is the real problem.

We are spending a great deal of money not only in Rock Springs, Wyo., but also in Scranton, Pa., and other parts of this country to correct subsidence problems where we have had underground mining. This can be extremely expensive. Underground mining is environmentally unsound. There is no reason to think that we would want to compound this sort of injury and damage to people by repeating the errors of the past. I am not saying that we do not need underground mining. But, Mr. President, when you are talking about the situations we have in the West, where the Federal Government owns the minerals, you fail to recognize there is a real problem if you are thinking you can underground mine and not have the roof cave in. I ask my good friend, the Senator from Montana, if he would disagree with that statement.

Mr. METCALF. Mr. President, I wish to say to the distinguished Senator from Wyoming that he has described some of our situations which are unique. I am hopeful that in the course of this debate there will be proposals for research for underground mining which will permit other techniques of development that we do not now know about.

What I am talking about on the Mansfield amendment is that whether or not we mine this divided ownership, there is in our State and in the Senator's State, and North Dakota and South Dakota, the four corners of the Middle

West, so much land, so much coal, that we are susceptible to coal mining, and we do not have the answer to the question.

The day when pipes freeze because we do not have energy is the day that Congress can say with deliberate speed that we will mine this area, this is what we keep in reserve, and this is what belongs to the Federal Government, and this is why we manage it.

So I do not think we are doing a great disservice to the mines or the energy industry in the United States by saying we are going to reserve some of these areas.

Mr. HANSEN. Without debating that point, does the Senator believe we can underground mine the kind of deposits we have in the Powder River Basin, without making certain there will not be serious later consequences when the roof comes tumbling down?

Mr. METCALF. I do not believe we can do it with the technology we have today. That is why I welcome the amendments of the Senator from New Jersey and the Senator from Utah to provide for additional studies of underground mining technology, so hopefully we will devise some means to take care of that.

Under the testimony submitted to our committee, and the Senator from Wyoming was in faithful attendance and heard it just as I, there is nothing to take care of these things under present technology.

Mr. HANSEN. I thank the Senator from Montana.

Mr. President, I put out further that the day when the pipes freeze may have been last week. Our good friend from Oregon (Mr. HATFIELD) tells me that in Bend, Oreg., there were homes without heat last week. That comes about because the Northwest had its driest period in 95 years. The major water impoundments on the Snake River and other streams that contribute to the mighty Columbia are at their lowest in 95 years. There is not enough water to generate power.

What we are talking about may not be a question of how rich we are going to let the mining companies become, as the question, Do we want to keep warm this winter? Do we want the electric lights to burn when we flip the switch?

As I understand it, the President and others knowledgeable in the energy field say there is no way, if we have an average winter, to meet all of our energy requirements without coal. The President called for a suspension of the implementation of air quality emission standards for power generating stations because he knows we do not have the natural gas we once had, thanks to the Federal Power Commission which was smart enough to say we are going to keep the price down to take care of all the people. We have stopped the exploration that could have found new wells, and we have made it unprofitable for people to go out and drill because the Federal Power Commission would permit a gas producer to receive about 20 to 25 percent less than the cost to find new gas reserves. So by our ineptitude we have automatically discarded things we should have been doing a long time ago to make the energy we need available.

It is not a question that may be as remote as I wish it were. I have great respect and profound admiration for the Senators from Montana. The manager of the bill and I agree that the States should have the right to write the kind of legislation that will best do the job to preserve the environment in the respective States.

I assure Senators on behalf of the Senator from Montana and me, that if Wyoming and Montana have their way, there is no doubt in my mind but what we will have State laws that in some respects will be tougher than Federal law.

I get a little weary of some eastern environmentalists who say, "We do not want any powerplants sited in New York. We may be short on power, but do not build any powerplants in New York." That is what they have been saying for 6 years.

I am not too happy with groups in the Northeast who say, "We need oil," and "we want a mandatory allocation program that will make certain we get our share of oil from the Gulf States and other oil-producing States." However, they do nothing to help out.

Those same States say, "We do not want offshore drilling. We want to keep our coasts clean, but it is all right to go ahead and drill in the Gulf States areas and off the coast of California; but do not mess up our clean coastlines." That is what they are saying.

They say, despite the fact they are becoming more and more dependent on imported oil and fuel, "We do not want any refineries sited on the east coast. They desecrate our landscape and there might be an oil spill."

The matter of deepwater ports comes up and it would make sense that we have deepwater ports, and where we need to have some of them, I am sure my good friend would agree, is on the east coast, but they say, "We do not want any deepwater ports."

This attitude that some have about telling the rest of the United States what should be done about the environment is one thing, but it is another when these same people on the Atlantic seaboard turn around and in displaying the dog-in-the-manger attitude tell us what we can do and what they will do with regard to the gas, oil, and coal that will meet our Nation's needs.

There is no more appropriate time than today, right now, to reflect on what is in the offing for the United States. Yesterday Iraq nationalized the posts that were owned by Exxon and Mobil. Tomorrow it may be another Arab country taking over another American holding.

A few years ago there were plenty of people in this country who knew the facts, who were trying to alert Americans of the great risk to our security that was posed by increasing dependence on foreign sources of supply. These people were telling it like it was.

They were abused and reviled and criticized and had fun poked at them because everybody knew that you could buy oil and gas abroad for about one-third of what it was costing in this country. It was silly to let these oil companies have all these profits. They were rich enough as it was, and there was no reason to listen to what they were trying to say about the need to discover additional domestic resources.

I did get a little afield, but I did want to say what I did because I suspect before the winter is over, a few of the so-called experts here—and I am one of them—will be asking what happened. They were being told 6 years ago what might happen, and they chose not to listen. But when the pipes freeze up and when the switch does not turn on the juice, and when one is cold and in the dark, we will realize that we have a problem. It is difficult to do anything when you are groping around in the dark and it is cold.

I want to point out that not everybody was oblivious to America's position if we were dependent on foreign sources of supply.

I spoke about subsidence because I think we have to face the issue. I say this: Perhaps we do not need that coal. If we do not need it, that is one thing. But if we do need it, it is not practical to say we can mine it by underground mining methods. I know that because I know the roof is going to come down and cave in.

Despite my great concern for the thrust and purpose of the amendment offered by the senior Senator from Montana, I would like to know more about it than I do now before I can support it. It is my deep concern for the people that makes me want to know what I am doing.

I would like to have some facts on how much coal there is that can be underground mined by underground methods, how quickly we can do it, and what the investment will be. I am told by those who are knowledgeable in the industry that to replace 50 percent of our coal supply that now comes from surface mine operations with underground operations would require an investment of literally billions of dollars in equipment. It would also mean training a whole new army of men who, first of all, must be willing to work underground.

That brings up the question of black lung and other diseases. I put in a few bills and talked for my miners in Wyoming who are suffering the effects of illness and disease that was contracted working underground. I cheered and applauded when we could get them above ground so they could see the sunrise and the sunset and they could feel the differences in temperatures when spring, summer, autumn, and winter arrived, an experience they did not have when they were 3,000 feet underground.

But I want to know how much coal we can get, what it is going to cost, and how soon it will be available. I would like to have some statistics, in light of present needs and projections, on how the use of coal will escalate.

I happen to be a person with a respiratory problem. I am an asthmatic. I know a little about the importance of clean air. There are a number of such persons in this town. About 1 out of 10 has a problem similar to mine. But if it comes down to a case of having power or not having it, my guess is that we are going to have to hold in abeyance these higher clean air standards, until we can get some kind of fuel that will do the job.

I think I have covered the point that my friend from Montana has generated.

Mr. METCALF. May I respond by saying that in the State of Montana the Federal surface and subsurface ownership is about 30 percent—29.6 percent. We are fortunate, or unfortunate—whichever position one takes—that Montana is a Western State that has probably the least Federal ownership in the State. Federal surface ownership in Montana is about 30 percent. The Mansfield amendment would apply to that.

Federal mineral ownership is 42 percent. So the Mansfield amendment would apply to about 12 percent of the Federal ownership in Montana.

In Wyoming, the Federal lands are about 48 percent, or 30 million acres. The Federal reserve acres are 12.3 percent additional. So again the Mansfield amendment would apply in Wyoming to 12.3 percent additional acres. In other words, 30 million acres of Wyoming would not be affected by the Mansfield amendment, and 27 million acres of Montana would not be affected by the Mansfield amendment. Certainly that number of acres and that amount of coal ought to take care of us in the foreseeable future.

Mr. HANSEN. Mr. President, I do not challenge the figures. I do not know what the activities are. The Department of the Interior has not issued—to my knowledge—any coal leases for a period of about 36 months. They are required to file environmental impact statements. I understand it takes from a year to 18 months, on the average, and they never come close to the average. I just hope we will not run out of leases before we run out of paper on which to write the environmental impact statements. But I think we need to know—or at least I need to know—more precisely than I now do what the pattern of development is.

There may be those who do not know that Wyoming supplies coal to four powerplants. If one has ever gone into Kansas City and noticed the initials "KCPL" on the coal cars, he might wonder where the coal comes from. All that coal comes from Wyoming.

The Senator from Texas (Mr. TOWER) told me recently that a large electric generation plant is to be built in his State of Texas. Texas is not getting energy from the west Texas oil and gas fields; it is coming from Wyoming coal.

The power company in Chicago fires its generators—or will be firing them—with Wyoming coal. There will be other plants using coal, and those plants will cost in the range of about $800 million. I do not want to break the confidence of a very dear friend of mine in this body, but an announcement will be made before too long that a power company in his State has negotiated a contract to use Wyoming coal. Within 2 or 3 years, 6 major power companies in the United States will be getting coal by unit trains from Wyoming.

I should also emphasize that there is a very complicated land ownership pattern in Wyoming and other public land States. Along the Union Pacific we have checkerboards, with one section owned by the railroads because it was railroad grant land, and another owned by the Federal Government.

It may be that the pending amendment would pose a very real problem for such a land ownership pattern. For example, Kansas City Power & Light gets its coal at the present time from an operation which transcends Federal, State, and private lands. It is not feasible to mine up to a section line and have to stop right there. That is part of the consideration that prompts me to want to know more about the effect this amendment would have.

I would have objected to the agreement to vote at 3 o'clock. However, I do not want to be accused of delaying a vote on this matter.

I understand the Senator's concern and admire him for representing the people from his area. He certainly represents many Wyoming people equally well, because some of them share the feeling of some of the people in Montana that there should be no surface mining at all. However, because of my previously stated reasons, I must say that I shall feel obligated to vote against the Mansfield amendment.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Wyoming talked about black lung and the men who go into the mines and do not see much winter, summer, spring, or fall.

May I say that I spent 9 years working in the mines in Butte. They were just as tough as any coal mine. They did not get black lung. However, a lot of the miners died between the ages of 40 and 50. And they breathed copper dust, creating respiratory problems.

When it comes to mining, I think I know as much or more as any other Member of this body or any Member of the other body because I can speak from experience.

Mr. HANSEN. Mr. President, there is no doubt in my mind that the distinguished Senator from Montana knows far more about that matter. He certainly has had a lot more experience at underground mining than I have had.

Mr. MANSFIELD. Mr. President, I will not be so modest this time. I will agree with the Senator, because in addition to my mining experience, I also worked as a mine engineer not only there, but also in Mullan, Idaho. And if there is anyone here from Arizona, I will tell him that I also worked there. So, I have had a little experience.

The distinguished Senator mentioned the coal that goes from Wyoming to Kansas City, which may eventually go to Texas also, I assume.

A recent issue of Colorado Business—and this magazine is an excellent publication and covers Montana, Wyoming, Colorado, and New Mexico—has some interesting pictures. One shows the Gillette's Belle Aye Mine, where great big shovels take out 75 cubic yards at a gulp.

There is also an interesting picture of the Decker Coal Mine loading Montana coal for the lights of Chicago.

It is interesting to note that at the present time unit trains, averaging 110 cars, each car capable of hauling 100 tons at a time, shuttle coal continuously from mine mouth to powerplants. Commonwealth Edison's plant at Joliet, Ill., for example, takes delivery of eight trains a day from Montana—they take 88,000 tons every 24 hours.

Then, of course, as the distinguished Senator knows, there are people in Wyoming who have pretty strong views on their rights to the land and the right to prevent exploitation.

Before the distinguished Senator from Wyoming came on the floor this morning, at the opening of the session, before the bill was laid before the Senate, I did read excerpts from this article which has been printed in the RECORD. One of those concerned a man whom the distinguished Senator from Wyoming may know, Bob Wallick, an operator of a cattle ranch near the Montana-Wyoming border.

Mr. HANSEN. What was the man's name?

Mr. MANSFIELD. His name is Bob Wallick.

Mr. Wallick said:

> I'm appalled they're not spending money on alternative energy sources in the amounts they did on sending a man to the Moon. What about energy sources like the Moon and the Sun?

The distinguished Senator raised questions about what may be deep mined and what may be stripped.

As far as Montana is concerned—again I have to fall back on the Environmental Protection Agency which I think is headed by one of the outstanding environmentalists in this country, a man who is not too far out in one direction or the other, a man who recognizes that there must be a proper balance. And I refer to Judge Russell Train, a man who gave up a seat on the bench in order to undertake an assignment having to do with the environment at the request of President Nixon earlier this year.

According to the EPA Administrator, Montana has only 3 percent of the Nation's total coal reserve that lies near the surface where it can be stripped. However, in Montana, I repeat that we have reserves of 132.1 billion tons of low sulfur coal. And most all of this can be developed with deep mining, with a strip mining reserve of 40 to 1 of the low sulfur coal to strip.

Furthermore, may I say that if we practiced what we preached—and I am not referring to the distinguished Senator but am talking about myself as well as anyone else—anyone would know that with the conservation of energy facing us these days—a matter which the Senator from Wyoming has pictured for us in the months and years ahead because of the declining energy supply—I would point out that when I come to work I see in this city many street lamps running full blast in the middle of the day. I look at Government buildings, including our own in this complex, with lights turned on during the day all over the buildings.

I think we could set a good example here. And while we may have laughed at Lyndon Johnson when he was being accused of being a penny-pincher and turning off the lights at the White House, I think that is one way to get started if we want to do things.

We waste too much energy in this

country. I would hazard a guess that we waste at least one-third of the total energy expended in this country. Let us tighten our belts. Let us put into practice what we preach. Let us take care of these small ranchers in the Fort Union region of eastern Montana and North Dakota and in the Powder River region of southeastern Montana and northern Wyoming. They are entitled to some consideration.

This amendment at least will give them a little protection. This applies to all over where we have large acreages of the Federal domain.

Mr. METCALF. Mr. President, is there any further debate on the pending amendment?

Mr. McCLURE. Mr. President, I do not want to belabor the point that has been made. However, two things have perhaps been said in this debate that I think we could put into proper perspective.

We have heard a lot said about the ratio of deep mines and surface mines and the fact that the coal which is near the surface that might be stripped is 3 percent of all of the coal reserves of the United States.

I think if the statistics can tell anything, before we buy that statistic without question, we should look at whether or not we are talking about full reserves or recoverable reserves. If we are talking about the mines, then the ratio becomes quite different, and while certainly the coal which lies at depths which could be mined by underground technology rather than surface techniques, certainly there are many, many times as many tons of coal that can be mined deep as compared to those that can be mined by shallow mines, by strip-mining methods. But I think one of the statements we hear often is that we can solve an energy problem by conservation, and while I am very much in favor of turning off unused lights and reducing unneeded consumption of energy, I think we must be careful, and that if we assume that by that means alone we can solve the energy problem, we are deluding ourselves.

The hunting season in Idaho has just started. We have an energy shortage in Idaho, as the Senator from Wyoming mentioned a moment ago, and we are very much concerned about consumption of unneeded energy. We have had a gasoline shortage there all summer, one of the worst in the entire country. We are very much concerned about enabling our farmers to have sufficient fuel to provide adequate production, so that the people of our country may have adequate food at reasonable cost.

This week we have hundreds of men and women out in the hills, hunting deer and elk. Is that a reasonable or an unreasonable use of energy? I suspect people in other parts of the country would say, "You do not have to go hunting this year; you can postpone that for another year or 2, or 3 or 4 or 5."

I would suggest to Senators that we would have a minor revolution out in my State if the Federal Government moved to interfere with what to them is a very precious right, the right to go hunting if they desire to do so. While that might prove to some in the eastern part of the United States to be an unreasonable use of energy or a waste of energy, it certainly is not felt to be that in my part of the country.

My point is that when we start to cut down, we are going to find we have an awful lot of differing opinions as to what is or is not a reasonable use of energy.

A statistical study of our home will reveal that a great portion of the energy used in the home is used in the kitchen. If we start telling the housewife she cannot have that freezer or frost-free refrigerator or double oven in her kitchen, we will really have a revolution, and it will not just be in the western parts of the country, as the housewives tell us, "Mind your own cotton-picking business; we will run the house."

I think before we delude ourselves that we can solve our problem by energy conservation, we had better take a close look at the facts. I am sure there will be some people who will say that because I make that statement I am opposed to energy conservation, and that is certainly not true. I have made proposals over the last 2 years dealing with energy conservation, and I think if we had taken some of these steps I have been advocating for 2 years, we would not have a problem of the depth we have today. But we are not going to solve the entire problem that way.

Let us stop and think for a moment. As the senior Senator from Montana stated so eloquently a moment ago, one of his constituents had said, "If we can put a man on the moon, why can't we solve our energy problem?"

I would point out that perhaps we could, but it took 8 years to put a man on the moon, and we cannot wait 8 years to find alternatives in energy. If we think we can wait 8 years, let us just stop and think for a moment what would happen if indeed we cut off our present sources of energy supply while we wait for alternatives to be developed, as the economy of the country slows down and stops, unemployment rises, and the amenities of life which we have grown accustomed to having so freely and inexpensively disappear. There is no possible way that this Government, resting as it does on the will of the people, could maintain that kind of posture at all, and all we would have done is make a problem worse rather than better as we were pursuing a will-o'-the-wisp; which means, fine, we do have a problem here which we must address, and those of us who have been trying for years to point to the problem of the energy crisis grow a little sick when someone rises to say, "How did this problem develop so quickly? Someone must have manipulated the facts in order to surprise us with an energy shortage."

There have been several of us who, for several years, have been pointing to what were very clear signs of an emerging energy problem, and we cannot solve that problem by sweeping it under the rug. We cannot solve that problem by failing to recognize that we face some tough choices.

I do not like strip mining, frankly. I support this legislation because I think it is a minimum step toward the rehabilitation of the lands that are disturbed by strip mining. But it is an absolute necessity to keep this mining going, or our economy will collapse.

We have seen, in the last 2 days, the breaking out of war in the Middle East again, and if you think we have problems now, think what our problems will be if the flow of oil from the Middle East is interrupted, by war or otherwise. We in the United States are fortunate; we could probably survive, but it would not be easy. It would be extremely difficult, and would change our way of life drastically to get by in this country without the Middle East oil. We could do it, but the European economy and the Japanese economy would utterly collapse.

That is the kind of serious problem we have with respect to energy supplies in this country, and we are going to have to accept some decisions that we do not totally like if we are going to survive over the next 2 to 5 years. We will solve no problems within 10 years if we succeed in deluding ourselves that we can run away from hard choices in this field. Some of those hard choices indicate to me, at least, that we have to do some things that we would rather not have to do.

Mr. METCALF. Mr. President, may I address an inquiry to the Senator from Kentucky?

Mr. COOK. Mr. President, will the Senator yield me about 3 minutes?

Mr. METCALF. Then, do I correctly understand that under the unanimous-consent agreement provision, we will have a vote?

The PRESIDING OFFICER. Under the unanimous-consent agreement, the vote will occur at 3 o'clock.

Mr. COOK. Mr. President, what bothers me about the amendment of the Senator from Montana is that, if I understand what he is proposing correctly, it is that that right which the Federal Government owns in the subsurface minerals will henceforth be withdrawn except for deep hole operations, where the surface is owned by people who farm and ranch. The unfortunate part about this is that its application, in this instance, is only to the part of the country from which the Senator comes.

I face a problem in the Commonwealth of Kentucky relative to what our court of appeals has continued to uphold, and that is the upholding of what we refer to as the "platform rights."

What the Senator is saying is that in effect he wishes the United States to withdraw its property rights from the subsurface, and thereby protect the surface owners. Yet we find in other parts of the coalfields throughout the United States that the right of ownership of the subsurface prevails over that of the surface owner. It is a property right, a property right of the Federal Government as well as a property right in the individual who owns the subsurface rights in many parts of my own State.

I would only say that this Senator feels that if this amendment passes, we ought to seriously consider, if we wish to do equity, the language on page 134 under subsection (b), as to whether that same right should prevail as to individuals who own the surface and private corporations or individuals who own the subsurface, because in essence what we are saying is that we are proposing to extend a benefit or a right to those people who happen to be in the fortunate situation of falling within the framework of the Senators' amendment—that is, where the subsurface belongs to the Federal Government—but saying in other instances, where the subsurface does not belong to the Federal Government, where it belongs to an individual or a corporation, that that right of utilization of the subsurface still prevails.

So I can only say to the Senator from Montana that he may be solving a problem in the Powder River area or somewhere else, but the equity applies only to those people. It does not apply to the people in other parts of the country, that part in the category not owning subsurface rights but having those rights on behalf of an individual or a corporation.

The PRESIDING OFFICER (Mr. Helms). The hour of 3 p.m. having arrived, under the previous order, the question is on agreeing to the amendment of the Senator from Montana (Mr. Mansfield).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Dakota (Mr. Burdick), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Minnesota (Mr. Humphrey), the Senator from New Mexico (Mr. Montoya), the Senator from Wisconsin (Mr. Nelson), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from Arizona (Mr. Goldwater), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Illinois (Mr. Percy) is absent on official business.

I also announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The result was announced—yeas 53, nays 33, as follows:

[No. 462 Leg.]

YEAS—53

Abourezk
Aiken
Allen
Bayh
Bentsen
Biden
Brooke
Byrd, Robert C.
Case
Chiles
Clark
Cook
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Muskie
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevenson
Symington
Tunney
Williams
Young

NAYS—33

Baker
Bartlett
Beall
Bellmon
Bible
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Curtis
Dole
Domenici
Dominick
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
Long
McClellan
McClure
Moss
Pearson
Saxbe
Scott, William L.
Stevens
Taft
Talmadge
Thurmond
Tower

NOT VOTING—14

Bennett
Burdick
Church
Cotton
Cranston
Eagleton
Eastland
Goldwater
Humphrey
Montoya
Nelson
Percy
Stennis
Weicker

So Mr. Mansfield's amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SCHWEIKER. Mr. President, I would like to commend Senator Jackson and the Interior Committee for their efforts on S. 425, the Strip Mining Reclamation Act of 1973. Although I do not serve on this committee, I have had the opportunity to be closely involved with the committee work on this bill, and I know both the committee and its staff have worked long and hard to come to grips with the complicated and controversial problems of strip mining.

Certainly there are differences of opinion regarding the national course we should steer on strip mining—and I think these are honest differences. But the Interior Committee has attempted to resolve these differences in a nonpartisan fashion, and the absence of minority views in the committee report suggests that to a large extent they have succeeded.

The ravages of strip mining are well known. The vast areas of our country which have been stripped and scarred, bounded by naked high walls and barren spoil piles, are a national disgrace. Indeed, the excesses of strip mining have gone so far they have finally become something like sin: everyone is against them.

The sportsmen and nature lovers and environmentalists are against these practices—and always have been. My individual constituents are strongly opposed to the ravages of strip mining—one lady told me she would rather live without electricity if the price of energy is the eroding barren moonscape produced by strip mining. And even the industry is against these practices—their representatives have told me they do not want to scalp the mountaintops and fill the valleys with spoil any more, they only want a reasonable bill they can live with.

S. 425 as reported is a reasonable bill. And the industry has lived with comparable requirements in Pennsylvania for years. Senator Jackson has a letter from Walter Heine, the Pennsylvania official in charge of strip mining standards, to the effect that S. 425 will make the Federal standard equivalent to present Pennsylvania practice.

I know S. 425 does not embody the verbatim language of the Pennsylvania statute. The committee report recognizes this, and I recognize this. But in Pennsylvania we have three things—the law, and the regulations, and the administrative practice—and I have been informed that since the development of the modified block cut method, the administrative practice has required a standard very close to what is required by S. 425.

Furthermore, Pennsylvania's Gov. Milton Shapp has informed me that the average cost of restoration in Pennsylvania is $400 to $500 per acre, or approximately 1½ percent of the value of the coal.

So two of the basic arguments against this bill must be rejected out of hand. First, the restoration required by S. 425 can be done—the modified block cut technology makes this possible, and it is being done in Pennsylvania, even on steep slopes. And second, the cost of doing this is not prohibitive—it is about 1½ percent of the value of the coal.

But opponents of the bill will argue that even if it can be done, and even if the cost is reasonable, the kind of restoration required by S. 425 should not be imposed by law, because it is an unreasonably rigid standard.

Let us examine that. The amendment which I proposed, which Senator Nelson successfully offered in committee, requires that strip-mined land be restored to "approximate original contour," which is a term defined in the bill. No one has yet explained to me what is unreasonable about requiring someone who extracts a valuable mineral from land to leave that land approximately as he found it.

This is not some alien concept. The principle of restoration is firmly established in our Anglo-Saxon legal tradition, and that is all we are talking about here. If the bulldozer working in my yard tears up my neighbor's lawn, the law says I must repair the damage.

The mountains and woodlands containing our coal reserves are a national resource. Even though actual legal title to these areas may be held by an individual, or by a company or a local government, in a larger sense all Americans have an interest in the preservation of these areas. Irresponsible strip mining has an impact on wildlife, on drainage and water resources, and on the overall ecological balance which will be felt far beyond the legal boundaries of the property being mined. The mere fact that a mining operator acquires mineral rights to extract valuable coal should not exempt him from the restoration—or restitution, if you will—of this land to its preexisting condition. I believe such restoration is the minimum requirement to protect the rights of all Americans in our outdoor resources.

Finally, I would like to answer one other argument against this bill—the argument by those persons who will oppose S. 425 because they believe all strip mining should be absolutely outlawed.

I reject this view. In light of our energy requirements, I think this argument must be rejected. But I firmly believe that in the past, the cost of strip mining on our environment has been too great. I hope the Senate will pass this bill promptly as it was reported out of committee, and I hope the House will also act soon—because if meaningful Federal standards cannot be enacted to regulate strip mining, I predict Congress will receive great pressure to prohibit strip mining. With a strong strip mining law we can preserve the beauty of America while meeting our energy needs.

Mr. MOSS. Mr. President, I send to the desk an amendment together with three conforming amendments.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. MOSS. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with, and I will explain them to the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the Record.

The amendments are as follows:

On page 117, line 4, add a new title IV and change the numbering of the following titles and sections accordingly.

"TITLE IV—ESTABLISHMENT OF MINING AND MINERAL RESEARCH CENTERS

Sec. 401. Environmental Research Institute Funds. (a) There are authorized to be appropriated to the Secretary of the Interior for the fiscal year 1974 and each subsequent year thereafter sums adequate to provide $100,000 to each of the several States in the first year, $150,000 in the second year, $200,000 in the third year, and $250,000 each year thereafter to assist each participating State in establishing and carrying on the work of a competent and qualified mining, minerals, and related environmental research institute, center, or equivalent agency (hereinafter referred to as "institute") at one college or university in that State, which college or university shall be the tax-supported school of mines or shall have a college or school of mines, or a tax-supported college or university which has or hereafter establishes an administrative unit such as a school or department wherein education and research are being carried out in the minerals engineering field: *Provided*, That (1) such moneys when appropriated shall be made available to match, on a dollar-for-dollar basis, non-Federal funds which shall be at least equal to the Federal share to support the institute; (2) if there is more than one such college or university in a State, funds under this Act shall, in the absence of a designation to the contrary by act of the legislature of the State, be paid to the one such college or university designated by the Governor of the State to receive the same subject to the Secretary's determination that such college or university has, or may reasonably be expected to have, the capability of doing effective work under this Act; (3) two or more States may cooperate in the designation of a single interstate or regional institute, in which event the sums assignable to all of the cooperating States shall be paid to such institute; and (4) a designated college or university may, as authorized by appropriate State authority, arrange with other colleges and universities within the State to participate in the work of the institute.

(b) It shall be the duty of each such institute to plan and conduct or arrange for the conduct of competent research, investigations, and experiments of either a basic or practical nature, or both, in relation to mining, mineral, metallurgical, ceramic, fuel, scrap recycling, mined land reclamation, underground reservoir utilization, mineral economics and related environmental research, and to provide for the training of scientists, engineers, and technicians in these fields. Such research, investigations, experiments, and training may include, without being limited to, aspects of the supply and and demand for various minerals; conservation and the best use of available supplies of minerals; health and safety in mining; improved methods of mineral extraction and exploration; mineral and mining economics; improved methods of mineral production, extraction, and exploration which will reduce and minimize adverse effects upon the environment; and legal, social, geographic, ecological, national defense, land use, and other considerations to help assure satisfaction of the national needs and requirements, in both the short and long term, for minerals and their products, having due regard to the avoidance of unnecessary and unproductive duplication of research being of the Federal and State governments or other institutes receiving support under this Act.

Sec. 402. Grants to State Institutes. To assure that any institute established under this Title is adequately equipped to perform mineral resource research and to train individuals in the mineral resource fields, the Secretary of the Interior is authorized to make grants to each institute to pay up to 75 per centum of the cost of purchasing equipment, facilities, and library materials. No portion of any such grant shall be applied to the acquisition by purchase or lease of any land or interests therein or the rental, purchase, construction, preservation, or repair of any building. There are hereby authorized to be appropriated not to exceed $5,000,000 annually, to remain available until expended, to carry out the purpose of this section.

Sec. 403. Payment of Funds. Sums available to the States under the terms of this title shall be paid to their designated institutes at such times and in such amounts during each fiscal year as determined by the Secretary of the Interior, and upon vouchers by him. Each institute shall designate an officer appointed by its governing authority who shall receive and acount for all funds paid under the provisions of this Act and shall make an annual report to the Secretary of the Interior on or before the first day of September of each year, on work accomplished and the status of projects underway, together with a detailed statement of the amounts received under any of the provisions of this Act during the preceding fiscal year, and of its disburement, on schedules prescribed by the Secretary, and the Comptroller General or any of his duly authorized representatives shall have access, for the purpose of review and audit, to the supportive books, records and other pertinent documents maintained by the grantee in the administraton of any grant under this Act. If any of the moneys received by the authorized receiving officer of any institute under the provisions of this Act shall by action or contingency be found by the Secretary to have been improperly diminished, lost or misapplied, it shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to any institute of such State·

Sec. 404. Availability of Research. No research, demonstration, or experiment shall be carried out under this Act by an institute financed by grants under this Act unless all uses, products, processes, patents, and other developments resulting therefrom with such exception or limitation, if any, as the Secretary may find necessary in the public interest, be available promptly to the general public. There are authorized to be appropriated such sums as are necessary for the printing and publishing of the results of activities planning and direction, but such appropriations shall not exceed $1,000,000 in-any fiscal year.

Sec. 405. Responsibility of Secretary of Interior. The Secretary of the Interior is charged with administration of this Act, and shall prescribe such rules and regulations as may be necessary to carry out its provisions. He shall furnish such advice and assistance as will best promote the purposes of this Act, participate in coordinating research initiated under this Act by the institutes, encourage and assist in the establishment and maintenance of cooperation by and between the institutes and between them and other research organizations, the United States Department of the Interior and other Federal establishments, and shall act as a central clearinghouse for the results of research conducted by the institutes.

Sec. 406. Existing Relationships. Nothing in this Act shall be construed to impair or modify the relation existing between any of the colleges or universities under whose direction an institute is established and the government of the State in which it is located, and nothing in this Act shall in any way be construed to authorize Federal control or direction of education or training at any college or university.

Sec. 407. Puerto Rico Included with States. As used in this Act, the term "State" includes the Commonwealth of Puerto Rico.

On page 69, line 9, add a new subsection (3) as follows and change the numbering of the following subsections accordingly:

"(3) administer the grant in aid program for the mining, minerals and related environmental research institutes pursuant to Title IV of this Act."

On page 127, line 17 and 18, insert the following:

Strike the phrase "surface mining and reclamation operations" and substitute therefor the following: "purposes of this Act"

On page 66, line 25, insert the following new subsection: (10) Stimulate, sponsor, provide for and/or supplement present programs for the conduct of research, investigations, experiments, and demonstrations, in the exploration, extraction, processing, development, and production of minerals and the training of mineral engineers and scientists in the fields of mining minerals resources, and technology, and the establishment of an appropriate research and training center in each State.

Mr. BELLMON. Mr. President, will the Senator yield for a question?

Mr. MOSS. I am glad to yield to the Senator from Oklahoma, without losing my right to the floor.

Mr. BELLMON. Mr. President, I should like to direct a question to the distinguished manager of the bill.

In order to know whether or not I have to prepare an amendment, I ask the manager of the bill whether the language on page 116, section 305, entitled "Filling Voids and Sealing Tunnels" is limited to coal mines.

The reason why I ask the question is that in my State of Oklahoma, as well as in the adjoining sections of Kansas, Missouri, and Arkansas, there are a large number of abandoned lead and zinc mines with a great many open tunnels or shafts that are a great hazard to life.

I am curious whether or not those shafts could be filled, under the terms of this bill, by the Secretary of the Interior if the Governors of the States requested such action.

Mr. METCALF. As I recall, when the Senator was a member of the Committee on the Interior, he was concerned about and interested in the problem of filling tunnels and abandoned shafts of lead and zinc mines.

As I read and understand the section, and as I believe the committee understands it, this applies to all voids, open and abandoned tunnels, shafts, and entryways resulting from mining. It does not make any difference whether it results from coal mining or from any other mining activity.

This is not subject to the limitation we put in other provisions in the bill, a specific limitation confined to coal. So this would apply to all mining activities.

Mr. BELLMON. I thank the Senator. This is certainly a great need. I am extremely pleased the committee has seen fit to take care of it in this way.

The PRESIDING OFFICER. The Senate will be in order. Senators will please be seated. Staff members may conduct their conversations in the cloakroom.

The Senator may proceed.

Mr. MOSS. Mr. President, the amendments which are now before the Senate would add a new title to S. 425 and conform other language in the bill accordingly.

There are three conforming amendments. I ask unanimous consent that these amendments all be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, basically this amendment is intended to meet a situation which is becoming more critical every day. The energy crisis which will be with us for years to come, our minerals and fuels balance-of-payments deficit—(which increased from $6 to $7.5 billion from 1971 to 1972—our environmental, land reclamation, and increasing use planning efforts, all these, and more demand that a firm foundation of knowledge, technology development, and manpower be built up in our universities for the current crises and those of the years ahead. In many of our vital mineral technology areas mining, metallurgy, fuel science, petroleum, and natural gas, mineral resource economics—the trends in recent years have been precisely the opposite. Mining engineering departments, for example, have dropped—nationwide—from 26 to 14 in the past 10 years. Federal support has been minimal to absent.

The average U.S. citizen requires the equivalent of 40,000 pounds of mineral materials annually to produce, build, and power the various goods and services used each day. To supply the needed 4 billion tons of mineral products, the Nation's mining industry produced $32 billion worth of mineral raw materials in 1972.

A majority of this production came from surface mines—over half of the coal, 86 percent of the metallic ores, 85 percent of nonmetallic minerals, 98 percent of crushed and dimensional stone, and 100 percent of the sand and gravel.

In spite of this impressive productivity, demand far exceeds domestic supply—resulting in a spiraling dependence upon imports of raw and processed mineral products—resulting in a net trade deficit of $6 billion last year. If this strategirally and economically undesirable dependence is to be minimized, a concerted industry-government-academic consortia must be implemented to resolve growing constraints being imposed on mining, particularly on surface mining which accounts for 94 percent of domestic mine production.

The need to maintain and indeed increase this production and do it with more concern for the environment will require a major national program to strengthen and sustain the development of new knowledge, better technological achievement, and highly skilled manpower in the above-mentioned, and other, disciplines. This amendment would initiate this national program and also greatly improve our capability to achieve and maintain leadership in energy, land reclamation, land use, anti-pollution and related critical areas.

This is a very simple amendment. It appropriates $100,000 on a matching basis for one college or university in each State. It provides training, techniques for better mining methods of extraction, production, environmental and land use protection. The research efforts will then be made available to the general public.

The Senate passed the language of this amendment as a separate bill, S. 625, in the last Congress. The House passed a similar bill. The conference agreed on a final bill and both Houses concurred. However, the final bill was pocket vetoed by the President in October of 1972.

This is a good amendment; it is germane to surface mining legislation and is critically needed. I have modified the language to make this former bill conform fully to the structure of S. 425. It will be an integral title of the main bill, wholly germane to the purposes of mining regulation.

Mr. President, I urge the Senate to adopt the amendment. I think all Senators will recognize this measure which was reported by the Committee on Interior and Insular Affairs last year, passed with practically no opposition in the Senate, and passed overwhelmingly in the House. I think it is of great importance, especially following the debate we just heard on the amendment of the Senator from Montana, indicating that a great deal of our mining must be underground, but even talking about our surface mining there is so much more we need to know. We are having a tremendous decline in research and technology in this field.

On a matching basis, this would establish with colleges and universities a revival of research centers in this country.

Mr. President, I ask unanimous consent that the name of the Senator from Nevada (Mr. BIBLE) and the name of the Senator from Alabama (Mr. ALLEN) may be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MOSS. I am glad to yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I commend the purpose of the amendment as expressed by the able Senator from Utah.

I call attention to the fact that at Pikeville College in Pikeville, Ky., there is already the proven value of what is contemplated by the amendment. The program at Pikeville demonstrates a very valid reason for enactment of this amendment into law.

I was present at the commencement exercises at Pikeville College in late May. The graduating class was supplemented by approximately 40 persons who were graduating in mining technology—a subject matter which is important to deep mining and also surface mining. It is essential that we accelerate the schooling of persons in new techniques, engineering, concepts, and the technologies which must be used in the mining industry. This objective is included in the courses at that institution of higher learning in the bituminous coal producing area of the Appalachian Mountains.

I wish to commend very strongly the effort being made now by the Senator from Utah (Mr. Moss). It is a privilege to support the pending amendment.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that I may be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that the Senator from Wyoming (Mr. HANSEN) and the Senator from Arizona (Mr. FANNIN) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. McCLURE. Mr. President, I wish to comment briefly in support of the amendment. I thank the Senator for bringing the proposal to the floor. I supported a similar measure in the House last year which was subsequently passed as part of other legislation which was vetoed by the President. I support very strongly the necessity for the emphasis upon minerals education which has declined over the past several years.

The Senator from Utah was correct when he said adoption of amendments like the one just adopted a few moments ago focuses additional attention on the need for more education in the techniques of minerals recovery, both surface and subsurface.

As the Senator from Utah knows, one does not just go out and start a mining operation. He has to have trained and capable personnel. He has to be able to build up the capital requirements that are necessary. There is a time lag involved in starting any mining operation. Certainly one of the things we can do to minimize that time lag is to make provisions now to have adequate, trained personnel to move into these operations when they are economically justified and when they are ready to be put into operation. I think this can be a meaningful contribution to preparing to be able to meet the minerals crisis, which is a broader crisis than the energy crisis, but the energy crisis is a part of the minerals crisis. I think this is one of the constructive steps to be taken, and I commend the Senator from Utah.

Mr. MOSS. I thank the Senator.

Mr. President, I ask unanimous consent that the names of the Senator from Wyoming (Mr. McGEE) and the Senator from Alabama (Mr. SPARKMAN) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. BELLMON. Mr. President, I rise to support the amendment. I commend the distinguished Senator from Utah for introducing it. I would like to recall for the information of the Senate the fact that the Senator from Utah and I were privileged, a year or so ago, to visit an area in the Ruhr Valley of Germany, where probably the world's most extensive surface mining operation is underway. The Senator from Utah was able to arrange for a tour of that operation, and I came away with an entirely different idea of what surface mining was and how it could be handled. I am of the opinion that the results of the Senator's amendment would be for new techniques to be developed in this country for an entirely different concept of the overall process of surface mining.

In the Ruhr Valley we were able to see an operation in which a very large opening was made in the surface, where the top soil was preserved and stored, so that when the operation was completed the land was restored to its original condition, where any structure that may have been disturbed was put in exactly the same condition as before, or, if the owner preferred, was replaced by a new one.

My conclusion was that surface mining did not diminish the desirable features of the landscape but, in many cases, enhanced it.

I believe the Senator from Utah would agree with me that there is nothing—at least, I have never seen anything—quite as comprehensive going on in this country, and certainly we could learn a great deal about the way surface mining is carried out.

I ask unanimous consent that my name be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. I thank the Senator.

Mr. President, I also ask unanimous consent that the name of the Senator from Delaware (Mr. BIDEN) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, may I respond very briefly to the Senator from Oklahoma by saying that the vast mining undertaking, called the brown coal operation, is indeed an inspiring thing to see, where there is a mining march across the countryside, where the land is being restored, the surface put back into trees, plans made for recreation facilities, and other uses, all of this going on behind while the mine operates in front. What it leaves behind is a beautifully sculptured countryside made more beautiful than it was before the mine went through.

I say that because I am afraid we have a vision of surface mining that has been poisoned by the old means we had, before we had any kind of regulation or required a restoration, and we visualize leaving behind a moonscape, as it were, of piles of slag and overburden and nothing in order.

Indeed, the bill which is before us, for which I commend the committee for its work in reporting, is one that finally brings us down to the basis of planning what is going to be, so as to include the restoration of the landscape, reforesting it, if that is the purpose for which it had been used; and actually it does not degrade the land in the long run if it is done in sequence. It is not even out of commission very long before it is restored.

I thank the Senator from Oklahoma.

Mr. President, I now have two more requests for cosponsorship.

I ask unanimous consent that the name of the Senator from Tennessee (Mr. BAKER) and the Senator from North Carolina (Mr. HELMS), who is now presiding, be added as additional cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, will the Senator take a third request?

Mr. MOSS. Mr. President, I am happy to include in the request that the Senator from Kansas (Mr. DOLE) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. COOK. I would also like to make the same request of the Senator from Utah.

Mr. MOSS. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, as the Senator well knows, relative to the remarks made by the Senator from West Virginia, we not only have work carried on at Pikeville College, where we fight and fight to keep our head above water, but we also have a facility at Berea College, as the Senator well knows, where we have been working for years to upgrade that facility, which goes into the realm of the mining field, work on pillaring, and so forth. It was suggested about 4 years ago that sufficient funds should be allocated to the institution to build a facility. They have been working out of greenhouses and a couple of garages, and they have been doing the best they can. It is the only facility of its kind in the country.

They have been asked to testify by legislative committees as far away as Washington and Oregon, and, I would suspect, Idaho and several other States. They have really been conducting this operation on a shoe string. I feel it is our duty to alleviate that problem to the point where we cannot only talk about research and safety but do something about it. I would suggest that this is a means by which we can accomplish it. I think the Senator ought to be congratulated for his amendment.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. METCALF. I concur in the statement made by the previous speaker and applaud the Senator from Utah for offering the amendment. The previous debate demonstrated the need for research and also demonstrated the need for research into other mineral mining, the elimination of which resources might be more dangerous and serious than the energy shortage. I think this amendment is consistent with our purpose. While there is a hope of shifting much of the mining to underground mining, it is the hope of the committee to study future mining capacity. The Senator from Utah used to be chairman of the subcommittee, and is certainly as cognizant as anybody in this Congress of the mining needs of the country.

Mr. President, I hope we can have a vote on the amendment and move on.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. FANNIN. I thank the distinguished Senator from Utah. I want to commend him for introducing the amendment, which I think is a stretchout of the efforts which can be made available for this work. I particularly like the provision for the use of funds which reads:

> That such moneys when appropriated shall be made available to match, on a dollar for dollar basis, non-Federal funds which shall be at least equal to the Federal share to support the Institute.

I want to congratulate the distinguished Senator not only for making it possible for this money to be utilized, but also for the way in which it will be handled. I think it is highly commendable, because so many times we are not in a position where we can be sure that these funds are properly utilized to accomplish the objective we have in mind. So, I doubly commend the Senator from Utah because of these provisions and for his foresight in offering the amendment.

Mr. MOSS. I thank the Senator.

Mr. DOMENICI. Mr. President, development of our domestic resources is not keeping pace with our needs. Population growth and increase in per capita mineral demands are placing unprecedented demands on the Nation's natural resources. Recent experience has taught us that dependence on foreign sources tends to encumber our foreign policy and limit our freedom of movement.

It is in the long term national interest that our ability to domestically produce important mineral commodities be improved. The best hope of achieving this objective is through technological advances in methods of finding, mining, and processing available resources. New approaches may be necessary to achieve this and research is the logical path to new technology.

The minerals industry must not only continue to supply the Nation's enormous appetite for mineral commodities, but they must do it without doing permanent violence to the environment and with as little temporary disruption as is possible.

It is my feeling that this amendment will help to improve technology, ingenuity, and help the minerals industry and the Nation to deal effectively with these many problems. I urge that this amendment be adopted by the Senate.

Mr. STEVENS. Mr. President, will the Senator from Utah yield?

Mr. MOSS. I yield.

Mr. STEVENS. I desire to ask a few questions of the Senator from Montana.

Mr. METCALF. Mr. President, could we get a vote on the amendment first?

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc of the Senator from Utah. [Putting the question].

The amendments were agreed to en bloc.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METCALF. Mr. President, if I may get the floor, I wish to respond to a question that the Senator from Alaska wishes to ask.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. METCALF. Mr. President, I yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, if the Mansfield amendment which was just agreed to has the effect of withdrawing from surface mine operations and open pit mines, except surface operations incident to an underground coal mine, the kind of coal deposits which entitles the United States not to serve as owner, I have two questions to ask my good friend, the Senator from Montana (Mr. METCALF).

Would the Senator from Montana tell me if there is any intent in this provision to prevent the State of Alaska or the Alaskan Natives under present Federal and State laws, from having the right to select the lands to which they are entitled? Does the Senator know if it is only the coal lands that are vacant, unreserved, and not appropriated? And I want to make certain that this right does not take away any portion of the rights that the State or Natives could collect under the provisions of present law.

Mr. METCALF. Mr. President, as the Senator knows, I share his concern for the rights of the people and the State of Alaska to make a selection of the lands under Alaskan Native Claims Act.

As I read the amendment and as I understand it, it does not interfere with the rights of the natives to make a selection and to get full title and fee to any unreserved land to which they are entitled.

The key phrase here is "title to which is in the United States." That refers to all coal land, title to which is in the United States. And when we turn this land over to the Alaskan natives, we are turning it over in fee. Is that not correct?

Mr. STEVENS. Or to the State.

Mr. METCALF. The Senator is correct, or to the State. We are turning over Federal land. And title would no longer be in the United States. This would not apply.

Mr. STEVENS. Mr. President, I would read this section as having another subsection which would read something like this:

> The provisions of subsection (b) apply to land so long as the United States retains title to that part.

That means that the United States conveys that to the people, but the provisions of (a) and (b) require written consent.

Then the provisions with regard to the surface owner would come into effect. And if the United States turns over lands to the Natives or to the State of Alaska, there are no different effects to the Native or State ownership because of the Mansfield provision in the bill.

Mr. METCALF. Mr. President, I agree wholeheartedly.

Mr. FANNIN. Mr. President, I interpret it as did the distinguished Senator from Montana. I will go further than the Senator from Montana did. I want to be sure when we are talking about it that the Senator might have reference to similar lands in Alaska, although I understand they are not the trustee in Alaska the way they are in some of the Western States. However, for clarification, I would want it to be clearly understood that this does not apply to the Indian lands which are under a trust. However, in the bill it does differentiate. This is just an ordinary provision, and it should not mandate any other structure insofar as the distinguished Senator is concerned.

Mr. METCALF. Mr. President, the Indian lands—the title to which is in the United States so far as the Indian lands in the lower 48 States are concerned—brings up a very difficult problem. However, it is not our intention in this legislation to bring the Indian lands under the purview of this legislation. Therefore, it is not our intention to say that Indian lands which may be in the title of the United States, because they are trustees for the Indians, would be subject to the amendment.

That is a matter we will have to go into. But so far as the Native Claims Act is concerned, it is not the intention to change any provision of that act. Once the title has been transferred to either the State or the Alaskan Natives, the title is in fee, and the respective parties get surface rights and subsurface rights.

Mr. STEVENS. It was not the purpose or the intention of the authors of the amendment in any way to withdraw the lands of the State of Alaska or the Alaskan Natives?

Mr. METCALF. I did not propose the amendment; I supported it. But I am sure there was never any intention to interfere with the rights of selection by the Alaskan Natives.

Mr. STEVENS. The Senator from Montana does agree that the provisions of subsection (b) apply to coal deposits only so far as title remains in the United States?

Mr. METCALF. That is absolutely correct.

Mr. FANNIN. Mr. President, would the Senator be willing to pursue that a little further? I am aware that the distinguished senior Senator from Montana (Mr. MANSFIELD) is not in the Chamber now, but I think we clarified with our colleagues that this provision would not apply to the Indian lands.

Mr. METCALF. The Senator is correct. The Federal lands in the bill are so defined as to exclude Indians. I understand that an amendment will be offered that provides that Indians may come within the purview of the bill. I really do not know what will happen then, but the Federal lands are not lands owned by the Federal Government as trustees for Indian tribes.

Mr. FANNIN. They are excluded from the Mansfield amendment?

Mr. METCALF. The Senator is correct.

Mr. RANDOLPH obtained the floor.

Mr. CASE. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. CASE. I thank the Senator from West Virginia. He is always courteous and is a thorough gentleman. He is also considerate.

Mr. President, I offer three amendments—Nos. 580, 581, and 582—and ask that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read amendments Nos. 580, 581, and 582.

Mr. CASE. Mr. President, I ask that these amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CASE. Mr. President, I ask unanimous consent that the further reading of the amendments be dispensed with and that they be printed in full in the RECORD. I shall explain them.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 130, line 6, insert the following:

"SEC. 505. RESEARCH AND DEMONSTRATION PROJECTS ON ALTERNATIVE COAL MINING TECHNOLOGIES.—(a) The Secretary is authorized to conduct and promote the coordination and acceleration of research, studies, surveys, experiments, demonstration projects, and training relative to the development and application of coal mining technologies which provide alternatives to surface disturbance and which maximize the recovery of available coal resources, including the improvement of present underground mining methods, for the return of underground mining wastes to the mine void, methods for the underground mining of thick coal seams and very deep coal seams, methods for underground gasification and liquefaction, and such other means of mining as may be recommended in the studies authorized under section 402. In conducting the activities authorized by this section, the Secretary may enter into contracts with and make grants to qualified institutions, agencies, organizations, and persons.

"(b) There are authorized to be appropriated to the Secretary $20,000,000 annually for the purposes of this section.".

And renumber the present sections 505 through 513.

On page 64, strike out lines 8 through 11 and insert in lieu thereof the following:

"(2) coal mining operations presently contribute significantly to the Nation's energy requirements; surface coal mining constitutes one method of extraction of the resource; the overwhelming percentage of the Nation's coal reserves can only be extracted by underground mining methods, and it is, therefore, essential to the national interest to insure the existence of an expanding and economically healthy underground coal mining industry;".

On page 66, line 19, insert the following:

"(8) reduce surface land disturbance and encourage the full utilization of coal resources through the development and application of underground extraction technologies.".

And renumber the present paragraphs (8) and (9).

Mr. CASE. Mr. President, these amendments will merely: Amend the statement of findings in the bill to make it clear that all forms of coal mining, not just surface mining, contribute significantly to the Nation's energy requirements and to recognize that the overwhelming percentage of the Nation's coal reserves can be extracted only by underground mining methods.

Amend the statement of purpose of the bill to include the goal of reducing surface land disturbances and to encourage full utilization of coal resources through development and application of improved underground mining technologies.

Add a new section to the bill to authorize the Secretary of Interior to conduct and promote additional research and demonstration projects aimed at application of improved underground coal mining technologies. This section will authorize appropriation of $20 million annually for this purpose.

It seems obvious to me that the best way to prevent the adverse effects of surface mining is to eliminate the need for it by developing improved methods of extracting coal from deep mines.

And we are fortunate that this is also the best way to improve the utilization of coal to meet our pressing energy requirements.

The President's Council on Environmental Quality released figures in March that showed that only 45 billion tons of the Nation's reserves of 1.55 trillion tons of coal could be strip mined. In other words, only 3 percent of our reserves can be extracted by strip mining. The other 97 percent can be extracted only by deep mining.

As Russell Train, Administrator of the Environmental Protection Agency, put it: The United States can become the Saudi Arabia of coal only by digging deep in the ground for it, rather than concentrating on strip mining.

In an interview with George C. Wilson, printed in the Washington Post on September 27, 1973, Mr. Train said:

> The underground reserves are by all odds the predominant sources that we have. We're going to have to get at this in any event. The sooner we can make underground (mining) more economically attractive, more technologically feasible, and more socially acceptable as a way of life, way of employment, the better off we're going to be.

I believe Mr. Train states the case for my amendments very well.

More than half of the coal in this country is now extracted by strip mining and this proportion is growing year by year. This dependence on strip mining is dangerous in terms of the energy needs of this country in the future.

On September 26, 1973, the Environmental Policy Center, a private environmental group, released a report in which it said strippable coal will soon become marginal in some areas of the country and, in other areas, these resources will be exhausted in the next decade.

The report said:

> There is no governmental policy to prevent this nor any preparations being made for the day when the country will have to return to its coal reserves in the deep mines.

My amendments are designed to make precisely this type of preparations.

The lack of such preparations is demonstrated by Federal spending figures.

In fiscal 1974, plans call for the Office of Coal Research and the Bureau of Mines to spend $34.5 million perfecting techniques for the gasification of strip mined coal. Only $1 million is budgeted for development of in situ gasification that would make deep mining more competitive. There is $36 million budgeted for research related to strip mining of coal and only $6 million for research designed to perfect underground mining and extraction.

The $20 million that will be authorized by my amendments for research on underground mining technologies will help to balance the Federal expenditures devoted to research on strip mining.

In order to meet our growing needs for energy in this country, proposals have been made to drill for oil off the eastern seaboard and to authorize construction of deepwater oil terminals along the Atlantic coast.

The harmful landslide impact these facilities would have in Atlantic Coast States such as my own State of New Jersey has not been denied by proponents of these facilities. Nor, in the case of the deepwater terminals, has there been any denial of the danger of depending on Middle Eastern countries for supplies of the energy this country needs.

Before we commit ourselves to fill our energy needs through increased offshore oil drilling or through construction of deepwater terminals to import oil from the Middle East, I believe we should explore alternative means of meeting our needs in a manner that would provide better protection for our economy, for our environment, and for our international relations.

In situ gasification, longwall underground mining, and the return of mine wastes to the mine void are technologies much further advanced in Europe and the Soviet Union than they are in this country.

My amendments would accelerate research and development on these and other technologies in this country. This research and development is long overdue. The longer it is put off, the larger the ultimate cost will be. I hope the amendments will be accepted.

I would just add, in further explanation, that as has been mentioned a number of times during the debate today, I rely heavily upon the position of Russell Train, our Administrator of Environmental Protection, who has put it this way:

> The United States can become the Saudi Arabia of coal only by digging deep in the ground for it, rather than concentrating on strip mining.

As he pointed out:

> The underground reserves are by all odds the predominant sources that we have. We're going to have to get at this in any event. The sooner we can make underground (mining) more economically attractive, more technologically feasible, and more socially acceptable as a way of life, way of employment, the better off we're going to be.

I think that sums it up in a nutshell, Mr. President. I understand there is no objection to this amendment. Before I offer it, however, I would like to do two things.

In the first place, I would like to amend amendment 580, on page 2—and this is at the suggestion of the Senator from Washington (Mr. JACKSON), which is quite agreeable to me—on lines 4 and 5, by striking from those two lines the words "methods for underground gasification and liquefaction." I so amend my amendment No. 580, by striking those words.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. CASE. Second, I amend my amendment No. 580 with an amendment which has been proposed by my colleague from New Jersey (Mr. WILLIAMS), which I send to the desk, together with a statement of Mr. WILLIAMS in support of his amendment, which is joined in by the Senator from West Virginia (Mr. RANDOLPH).

The PRESIDING OFFICER. Without objection it is so ordered. The amendment will be so modified.

Mr. CASE's amendment—No. 580—as modified, is as follows:

On page 130, line 6, insert the folllowing:

"SEC. 505. RESEARCH AND DEMONSTRATION PROJECTS ON ALTERNATIVE COAL MINING TECHNOLOGIES.—(a) The Secretary is authorized to conduct and promote the coordination and acceleration of research, studies, surveys, experiments, demonstration projects, and training. (1) Relative to the development and application of coal mining technologies which provide alternatives to surface disturbance and which maximize the recovery of available coal resources, including the improvement of present underground mining methods, methods for the return of underground mining wastes to the mine void, methods for the underground mining of thick coal seams and very deep coal seams, and such other means of mining as may be recommended in the studies authorized under section 402, and (2) to safety and health in the application of such technologies, methods, and means. In concducting the activities authorized by this section, the Secretary may enter into contracts with and make grants to qualified institutions, agencies, organizations, and persons.

"(b) There are authorized to be appropriated to the Secretary $20,000,000 annually for the purposes of this section.".

And renumber the present sections 505 through 513.

STATEMENT BY SENATOR WILLIAMS

I would like at this time to offer a perfecting amendment to Amendment number 580. Senator Randolph of West Virginia joins me in support of my perfecting amendment.

My distinguished colleague, the senior Senator from my home state, is certainly to be commended for his far-sightedness in spelling out our national priorities in the development of our coal resources.

We do pay an exacting environmental toll every time we strip away our land's surface to get at the coal that lies immediately beneath it.

This is clearly a situation where we must balance the efficiency of obtaining one resource—coal—against the destruction of another resource—our surface vegetation and wildlife.

In developing a national strategy for obtaining coal through less environmentally destructive means, however, I feel that we must spell out our intention not to sacrifice a third and most fragile resource—the human beings that mine this coal.

Mr. President, the Congress has passed landmark legislation to protect the lives, safety and health of men in our coal mines.

My amendment today would simply make it clear that in the research and development of new deep mining technologies—technologies that might create problems not envisioned by our existing laws—every consideration be given to the health and safety of the miners.

The dangers coal miners face are as diverse as they are deadly.

They range from a sudden explosion to a slow but insidious inhalation of coal dust.

There is no need to recite the entire litany again today, for it is one which this body has dealt with many times.

I know that Senator Case and I are in agreement on this issue.

He has joined me many times in advocating coal mine safety legislation.

I merely wish to make it explicit in the legislation which we are considering today that we have not overlooked the well-being of our miners in setting national coal policy.

I believe our objectives are in accord.

I thank the Senator for his patience, and I hope he will accept this technical amendment.

Mr. FANNIN. Mr. President, before the Senator continues, do I correctly understand he has asked unanimous consent that these amendments be considered en bloc?

Mr. CASE. Yes.

Mr. FANNIN. I would just like to say to the distinguished Senator that two of the amendments seem to be acceptable, but the third amendment—No. 582—does change the intent of the legislation, and I think it goes beyond what I discussed with the distinguished Senator.

I did indicate to him that I would have no objection, but I did not have the exact working of the amendment. I had not examined the wording, which does seem to change the intent of the bill.

This is a reclamation bill, a mining reclamation bill, and this amendment does not indicate that it is in line with the reclamation bill. It says: "reduce surface land disturbance and encourage the full utilization of coal resources through the development and application of underground extraction techniques."

Mr. CASE. Is it the words "reduce surface land disturbance" that are troublesome to the Senator?

Mr. FANNIN. Yes.

Mr. CASE. Because he did, I think, indicate in his discussion with me that he was thoroughly in favor of research into improved methods of deep coal mining.

Mr. FANNIN. Oh, I certainly agree. And we had an amendment that would provide for extensive research in this field. But when we are talking about encouraging the full utilization of coal resources through the development and application of underground extraction technologies, I would say that we need to do both, we need to have extensive technology with respect to surface mining, and we need to have studies made in that respect, and we also need, and I support, studies and research on the underground mining.

Mr. CASE. I wonder if the Senator would feel that his concern was met by eliminating from my amendment No. 582, in the proposed new subsection (8), the first three or four words; because the encouragement of the full utilization of coal resources through the development and application of underground extraction is just an addition to the other purposes already expressed in the bill, and does not take anything away from it.

Mr. FANNIN. Yes; I would. Would the distinguished Senator object to doing that? The intent I agree with, but he is changing the whole purpose of the bill.

Mr. CASE. This does not seem to take anything away from it.

Mr. FANNIN. If the distinguished Senator will make that change, I think it would be better.

Mr. CASE. Mr. President, I shall be happy to change my amendment No. 582 by eliminating from line 2 the words "reduce surface land disturbance and".

Mr. FANNIN. I would appreciate that, because I think the Senator realizes that my objection is that we need to have research on both underground mining and surface mining technology.

Mr. CASE. I am happy to make that change.

The PRESIDING OFFICER. The Senator's amendment will be so modified.

Mr. CASE. I appreciate the Senator's support. I do so modify my Amendment No. 582.

Mr. FANNIN. I agree with the Senator's amendment.

Mr. CASE. I have accepted, as I have indicated, I think, Senator WILLIAMS' and Senator RANDOLPH'S amendment to my amendment No. 580, that amendment being at the desk. I accept that amendment and incorporate it in my amendment No. 580.

The PRESIDING OFFICER. The Senator is correct.

Mr. CASE. I understand that the Senator from West Virginia wanted me to yield briefly to him.

The PRESIDING OFFICER. Will the Senator send his modification of amendment 582 to the desk, please?

Mr. CASE. Of course. I thought I had already done so. I have already done so. It is Senator WILLIAMS' amendment.

The PRESIDING OFFICER. The Chair was referring to amendment 582.

Mr. CASE. Oh, 582. The change was just made orally. On amendment 582, on page 1, line 2, strike the words "reduce surface land disturbance and". I send the modified amendment to the desk.

Mr. CASE'S amendment—No. 582—as modified, is as follows:

On page 66, line 19, insert the following:

"(8) encourage the full utilization of coal resources through the development and application of underground extraction technologies.".

And renumber the present paragraphs (8) and (9).

Mr. McCLURE. Mr. President, will the Senator from New Jersey yield?

Mr. CASE. I yield.

Mr. McCLURE. Did I correctly understand that in the Senator's amendment No. 580, on page 2, he has stricken the words that appear in lines 4 and 5 as follows, "methods for underground gasification and liquefaction"? Were those words stricken from the text of the amendment?

Mr. CASE. Yes; I have already modified my amendment in that regard.

Mr. McCLURE. The reason I asked the question is that while certainly this is the Senator's amendment, and I applaud the direction it takes toward increasing research in underground methods of recovery, one of the promising techniques that some people would like to explore is the methods which might yield the fossil fuels available in liquid or gaseous form, and there is some speculation, at least, that there might be ways in which they could be gasified or liquefied in place, without having first to raise them to the surface.

I wondered if the Senator was intending to indicate by this that we should not be directing some attention toward that technology.

Mr. CASE. I do not intend to do that at all. I am equally strong for research along this line as is the Senator from Idaho. The Senator from New Jersey made this change at the suggestion of the Senator from Washington, because there is pending, as the Senator from Washington indicated, a bill on this research which is going to take care of gasification and liquefaction, and so on, along with many other things. So I thought it would be better not to add that now.

Mr. McCLURE. I thank the Senator for his explanation, because I did not want the record to imply that any opinion on the part of the Senator from New Jersey, if it were not his or mine in support of his amendment, would not indicate that we were not interested in that technology, because it promises and hopefully we can accomplish something along those lines, too.

Mr. CASE. I appreciate those comments very much.

Mr. President, before the vote is taken, I ask unanimous consent that the names of Senators BAKER, MATHIAS, and KENNEDY be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendments of the Senator from New Jersey (Mr. CASE) as modified.

The amendments as modified were agreed to.

Mr. CASE. Mr. President, I move that the vote by which the amendments were agreed to be reconsidered.

Mr. METCALF. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, in considering the provisions of S. 425 my attention has been drawn to the statement of the distinguished Senator from Arizona (Mr. FANNIN) presented to the American Mining Congress on September 12. Being from one of the major mining States in the Nation, I am very much interested in the surface mining legislation which is being debated today in the Senate. It appears to me when we are faced with considering landmark legislation such as the surface mining measure, we should consider the concerns which are expressed by our colleagues very carefully. Therefore, I ask unanimous consent that Senator FANNIN's remark be included in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE MINING INDUSTRY AND FEDERAL LAND USE AND SURFACE MINING POLICY

(Address by Senator FANNIN to the American Mining Congress, Denver, Colo., Sept. 12, 1973)

During the first session of this 93rd Congress the Senate has worked extensively on legislation formulating Federal policies on both land use and coal surface mining.

Land use legislation passed the Senate in the form of S. 268 and the House is currently marking up its own version. Just this Monday, we in the Senate Interior Committee voted out S. 425, the surface mining and Reclamation Act of 1973. In the near future, the House Interior Committee is expected to conclude the markup of its version of a surface mining bill.

The ultimate breadth and scope of land use and surface mining policy cannot be fully contemplated at this time. The Congress has for the first time in our Nation's history taken serious cognizance of the Federal role in what historically has been the domain of State concern. Because I am most familiar with the Senate's activities in these areas I would like to analyze with you my impressions of the actions taken to date by the Senate.

With respect to land use legislation, the Senate passed S. 268 by a margin of 64 to 21. I voted against this bill.

We have agonized for the past four years over the question of what ought to be the Federal policy on land use. I joined with my colleagues in the belief that some legislation bearing on a national policy for land use ought to be enacted, but I differed as to the approach which should be taken. Recall that traditionally the zoning prerogative has been a matter of State or local Government concern, and for good reason. The question simply involves who knows best the problems confronting our cities and towns and who ought to regulate land uses within those jurisdictions.

The Senate has come to the conclusion by its passage of S. 268 that local zoning has proven unable to do the job of resolving the problems of an expanding society. It has decided to separate the planning decisions further and further from the local community—in fact, to rely on the Federal Government to resolve local problems. I believe the Federal Government's role ought to be limited to granting monetary and technical assistance to State and local governments so that they may have the very best tools to resolve land zoning conflicts.

S. 268 is, in my opinion, an ingenious scheme to defraud the States of their right to plan for land uses. The State is "invited" to participate in a very lucrative "program of assistance." S. 268 tells the States they will receive Federal dollars if they will but take advantage of the opportunity to plan according to the provisions of S. 268. Such an invitation seems innocuous, but once that first Federal dollar is accepted, the smooth-talking Dr. Jekyll becomes Mr. Hyde and before the State knows it, it has become the slave of Washington bureaucrats.

Listen to this shrewd method—the Feds will tell the States they must first have a "process" for land use planning. Then within that process the States must include specific things such as "protection of areas of critical environmental concern." But we are not through with that "process"—next the Secretary of the Interior will judge that "process" as to its "adequacy" by looking to see that the State has included a State planning agency that has the authority under the laws of the State to implement all the provisions of the bill.

That same so-called "process" must include a "program" to regulate land sales or development projects which goes so far as to require the State to "determine whether there is a need for the proposed project" and whether it should proceed.

Now the bill finally calls for that State "process" to be implemented according to the methods spelled out in Washington, D.C.

We have only been talking about the State process and nothing else, but we see already that that process is really substantive in nature and not procedural. Does this seem to you that "the procedures for, and nature of, State involvement in land use decisions are left to the determination of the individual States"? I don't think so either. Does that kind of a dictated process and result seem like an "affirmation of States rights"? The proponents of S. 268 make that claim.

To add insult to injury, the States are finally dictated the full terms of what they must include in a State "program" and how they must implement it and how they will be judged on the adequacy of that implementation.

Washington is actually exercising State constitutional rights. The States will be the puppet and Congress will construct the strings which the Secretary of the Interior will pull.

Let me point out perhaps the most revolutionary concept embodied in S. 268. The Senate has created something called "areas of critical environmental concern".

The full measure of Federal preemption is realized in the definition of areas of "critical environmental concern." Here the Government would require the States to designate lands as critical where "uncontrolled or incompatible development could result in serious damage to the environment, life, or property or the long term public interest which is of more than local significance." This definition mandates the inclusion of "fragile or historic lands"; "natural hazard lands"; and "renewable resource lands."

These areas are to be specifically protected and control exercised over their use and development. Use and development must "not substantially impair the historic, cultural, scientific, or esthetic values or natural systems or processes within fragile or historic lands." The State must assure that loss or reduction of long-range continuity and the concomitant endangering of future water, food, and fiber requirements within renewable resource lands are minimized or eliminated.

The State must finally assure that "unreasonable" dangers to life and property within natural hazard lands are minimized or eliminated.

The breadth and scope of such a definition is impossible to accurately calculate. It is not folly to say that in some States every square foot of private and State land could fall within such a limitless definition. Here then lies the seed of the destruction of the American concept and practice of private ownership of land.

Remember this phrase "areas of critical environmental concern", because we shall return to it in just a minute when we discuss surface mining legislation.

One final point in regard to S. 268; it is aimed at the surface use of land and thus acts to restrict exploration for subsurface resources whose existence and extent are now perhaps unknown. A conflict exists between a land use program that is surface oriented, and those activities which are required to tap underground resources.

S. 268 will compound the difficulties of our Nation's current efforts to discover and utilize domestic resources to ease our energy and metals shortages. We must not handcuff domestic potential in this area of grave need.

Let there be no *mistake*—national land use legislation in the form of S. 268 will *restrict* land utility—stifle private ownership of land and render the marketplace ineffective in dictating the highest and best use of land.

Let's now turn our attention to S. 425, the Senate's version of surface mining and reclamation—1973. Here I am a bit more optimistic about the manageability of this legislation. The Senate has restricted this bill to coal only with a study provision for "other minerals". Unlike the land use bill, States *must* participate upon pain of having the Federal Government do the job for them. I think we all realize that in this day and age of diminishing resources we must make serious efforts to conserve and plan the wise use of resources.

Reclamation makes good sense and we must strive for developing new and better techniques of accomplishing this task. Recall that State law has up to now dictated the requirements for reclamation and some States have enacted very strict laws to that end.

We had to grapple with establishing minimum standards which struck a balance between protection of the environment and the Nation's need for coal as an essential source of energy. I think the bill as reported last Monday comes close to meeting that objective.

Structurally, the typical State plan routine is used to force minimum requirements for reclamation in all States while at the same time recognizing the diversity of terrain, climate, biologic, chemical, and other physical conditions in the various States. It, more so than the land use bill, leaves the primary responsibility for developing and enforcing reclamation with the States.

I am concerned, however, about one very important section of S. 425. It is section 216 which deals with the designation of land areas as unsuitable for surface mining operations. As part of the State plans the States must develop a planning process capable of locating land areas in the State that are "unsuitable for all or certain types of surface mining operations." The very dangerous aspect of this process is the criteria by which the States must make this decision.

There are two criteria—first, if reclamation pursuant to the requirements of the act is not physically or economically possible, and second, if the area is an area of critical environmental concern. This is the very same area of critical environmental concern I spoke to you about in conjunction with the land use bill. So what we have in effect is a potentially dangerous situation where environmental considerations will totally prevent surface mining from occurring even if the area could be reclaimed.

The Senate Interior Committee has decided as a policy matter that potential mineral resources—in this case coal—must not be captured no matter how great the domestic need if they are in an area so designated.

One must examine the definition of "areas of critical environmental concern" to sense the breadth and scope of this policy. Recall that definition I gave you when we spoke of the land use bill—It is exactly the same. Listen to the specific examples but this time think of it in the mining context.

(1) "Fragile or historic lands" where uncontrolled or incompatible development could result in irreversible damage to impor-

tant historic, cultural, scientific, or esthetic values or natural systems which are of more than local significance, such lands to include shorelands of rivers, lakes, and streams; rare or valuable ecosystems and geological formations; significant wildlife habitats; and unique scenic or historic areas;

(2) "Natural hazard lands" where uncontrolled or incompatible development could unreasonably endanger life and property, such lands to include flood plains and areas frequently subject to weather disasters, areas of unstable geological, ice, or snow formations, and areas with high seismic or volcanic activity;

(3) "Renewable resource lands" where uncontrolled or incompatible development which results in the loss or reduction of continued long-range productivity could endanger future water, food, and fiber requirements of more than local concern, such lands to include watershed lands, aquifers and aquifer recharge areas, significant agricultural and grazing lands, and forest lands.

Think of your own States—what land areas wouldn't fall into one of those categories? The potential for harm to our economy and Nation is staggering to contemplate. In my opinion there ought to be only one criteria for excluding surface mining from any area and that simply is whether it is physically or economically capable of being reclaimed. Isn't that what the whole ball game is about?

We are slowly strangling ourselves by allowing that balance between environmental concern and our need for domestic energy to slip out of kilter in favor of the environmental side. We must come to our senses before it is too late—before we lose sight of reality and destroy the greatest nation the world has ever known. Democratic ideals of individual liberty and fundamental fair play will plunge into oblivion if this nation cannot survive in the marketplace of nations—if our human needs for food, clothing, and shelter cannot be met because of artificial restraints.

As my good friend and colleague Senator Hansen from Wyoming has so eloquently asked—how far are we going to ride this horse which carries us further and further from those concepts and principles that made us what we are today? What are we doing to private ownership of land which has been the stimulus for man's initiative and incentive—that drive which has made the standard of living in the United States the envy of all the world. Are the fifth and fourteenth amendments to our Constitution meaningless?

Are we to allow government to exercise control over the use and development of lands by a novel concept called areas of critical environmental concern so as to deny compensation?

These are my fears.

I believe that if we can modify the two provisions that I have discussed today, we can achieve that balance that protects the environment and yet allows development of the domestic resources we must have.

Mr. COOK. Mr. President, today, we begin the consideration of S. 425, and by our action we will determine the future of strip mining in the United States. Because many of the decisions we make concerning the operation of existing mines could well terminate permanently such operations and make them uneconomical to reopen, I caution my colleagues to weigh their decisions very carefully.

At the outset there are several points which I submit for your consideration.

First, as more than half of the coal which is presently being used is produced by surface mines, and as this coal is vital in meeting the energy requirements of this Nation, it is impossible for me to support legislation which would prohibit all strip mining.

Second, I submit that while we hear a great deal about the impact on the environment caused by surface mining areas having steep slope, some of the greatest damage has been caused in relatively flat areas where slope was five degrees or less. I take the position that to ban the surface mining of coal on a particular piece of land, because that land meets some textbook criteria concerning slope is absolutely wrong.

Third, I believe that we must prohibit the surface mining of coal in any area—flatland, moderate slope, or steep slope—if that particular piece of land cannot be reclaimed. The key then is reclamation.

Fourth, we must insist upon adequate reclamation, and we must require the States to enforce this regulation. If the States cannot, will not, or prefer not to protect the land, then the Federal Government must take this responsibility.

In summary, Mr. President, I believe that effective regulation of surface mining of coal is long overdue, and I intend to support any reasonable approach which will prohibit wanton and uncontrolled surface operations. On the other hand, coal is important to Kentucky, and it is also important to the Nation as an energy source of fuel, and I intend to see that the rights of the people of Kentucky and those of the Nation are protected.

SENATOR RANDOLPH STRESSES SERIOUSNESS OF ENERGY CRISIS—URGES BALANCED APPROACH ON SURFACE MINING LEGISLATION

Mr. RANDOLPH. Mr. President, the pending measure, S. 425, the Surface Mining and Reclamation Act of 1973, is a most complex legislative document. We face a legislative responsibility to protect the Earth and produce the energy by committing Congress to well reasoned action on the surface mining of coal.

It vitally affects our country's energy competence because, in spite of the title of the bill, it really applies only to coal.

As it has reached the Senate for debate from the committee, it is, in a sense, a Federal dictation to the States—dictation in a narrow sense—of how the States shall regulate the surface mining of coal on their terrain. In this sense, I believe that the measure can and must be broadened with some alternative to the rigid standards for contour and mountaintop mining, which in the bill before us now are dictates of the Federal Government to the States.

In fact, the so-called standards really take the shape of regulations—Federal regulations—rather than Federal minimum standards, under which the States shall regulate the surface mining of coal.

Mr. President, the problems this measure poses in the form of the impact on this country's present and future energy crises will, frankly, complicate the crises.

It is my belief that this bill must be a blend or a balancing of energy and environment before final passage. We must be concerned as we constrain and inhibit the production of much needed domestic energy supplies at a most critical time.

This measure may seem to relate only to surface mining but, Mr. President, this is not so. It affects all coal production and the marketability of all coal, not simply surface mined coal. I wish to emphasize that surface mined coal represents approximately 51 percent of the total bituminous coal production in the United States. Much of this type of mining has supplanted underground mining because the cost of production of today's deep mined coal has skyrocketed due to the stringencies of environmental law and the Coal Mine Health and Safety Act came into being approximately 4 years ago. Unless the cheaper produced surface mined coal can be blended with the costly deep mined fuel, the price of coal in the marketplace will continue to be noncompetitive. The costs of electricity and steel and everything produced from them, including the heat for health and food preparation in our homes, could rise astronomically, if we do not have a well-balanced bill.

Surface mined coal amounts to over one-half the Nation's coal production as I have indicated, and 73 percent of all coal used by the electric utilities. In turn, surface mined coal generates about one-quarter of all the power used in the United States.

National Coal Association President Carl Bagge, in a letter of October 4 to the editor of the Washington Post, stressed that to replace present surface mined production with coal from strictly underground sources, would require 276 new deep mines of 1 million tons annual capacity each, at a total capital cost of $3.3 billion to $5 billion.

Mr. President, we must remember that it requires a minimum of 19 months to construct and open for production a modern underground coal mine. There are those who do not understand this fact, who think that we simply would be able to open a deep mine in a relatively short period of time. The accomplishment of this task would also require another 100,000 underground miners at a time when I say factually that the industry is already short of skilled men to operate these underground mines.

Even if only half of the present surface production is prohibited by the proposed legislation, and only 17,500 surface miners are placed out of work, the task of supplying an alternative supply would be formidable. Moreover, this is occurring when energy self-sufficiency for the United States—as a country, and for our citizens as a whole—is a recognized national priority.

I reemphasize certain facts that I have stated in the Senate on prior occasions. I do so because I think the record we make today and tomorrow, until action on the bill is concluded, must be a record that will indicate that energy self-sufficiency will require unprecedented growth in our coal mining industry. This means, at a minimum, that by 1985, the United States must be capable of producing and using—I underscore this fact—in environmentally acceptable mining, between 1.8 and 2 billion tons of coal. This compares to approximately 700 million tons today. This is a two and a half to threefold increase in production of coal, absolutely necessary in the next 12 years in the United States.

However, should other energy supplies not be able to meet their projected roles, this task for coal could be made more difficult. Coal production might have to reach 2.6 billion tons. This means that by the year 2000, production might have to be as high as 4 billion tons.

Mr. President, I speak earnestly today. I speak with a knowledge of coal mining—deep mining and surface mining. I am a conservationist. I am an environmentalist. My record in this area has been proved by my actions in Congress. I am also a realist. That is why I speak as I do at this time. We face a most difficult challenge for both government and industry. We must recognize that the energy demand will be there tomorrow and increasingly in the tomorrows or years to come. If our economy is not to be affected adversely, the demand must be met by not just one fuel but also by heavy reliance upon coal.

The issue, therefore, is coal's capability for performing a greater role, a vaster role, than previously envisioned in our energy supply systems.

There is the added requirement that this essential energy supply must be produced and used—I have already stated this—in environmentally acceptable ways. I underscore what I said earlier. Our national goal is energy self-sufficiency, which requires a long-term national fuels and energy policy. This, in turn, means a significant increase in the production of coal, beyond those goals previously considered as achievable. Also, we must produce and market more oil and natural gas in this country.

Such an accelerated development of domestic energy supplies would benefit all segments of our society: employment would increase, individual incomes would rise, profit opportunities would improve, government revenues would grow, and the Nation and all the people in all the States of our country would be more secure.

Secure energy supplies surely will involve higher prices—we had best understand that as a fact—for the consumer in the United States. Nevertheless, as a country, we must be prepared to meet these higher costs if we are to achieve the double objective of securing energy supplies, as well as the environmental quality.

In this endeavor the price of the product should not be sacrosanct for it must reflect both environmental impact costs and energy supply economic factors.

Mr. President, I am emphasizing that if the United States is to become energy self-sufficient, we must rely on substantial increases in coal production in environmentally acceptable ways. This will mean substantially increased costs. We must continue surface mining, even where proper reclamation can be and would be performed.

This stringent measure, we must insure, cannot be counter productive to mining as a national policy of energy self-sufficiency at a time when foreign supplies are threatened by possible interruption from Middle East sources, where battles rage today. Later, during debate, I will present several amendments and will be supporting others to be offered.

I believe, Mr. President, that a statement to the press, released yesterday by President Bagge of the National Coal Association, is cogent to this discussion and should be added as a part of it. I request unanimous consent that it be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

[National Coal Association, Washington, D.C.]

SENATE STRIP BILL CAN TURN ENERGY CRISIS TO CATASTROPHE, BAGGE SAYS

WASHINGTON, October 6.—Carl E. Bagge, president of the National Coal Association, said today that unless the Senate modifies the pending surface mining bill, "it can quickly turn the nation's energy crisis to catastrophe."

Bagge said the bill scheduled for Senate debate early this week purports to regulate surface mining but actually encourages states to prohibit this mining method, which accounts for half the nation's coal production.

"The bill also requires rules so needlessly narrow and rigid that they wil make mining extremely difficult, and good reclamation impossible," Bagge said in a press statement.

"Senators should not become so beguiled by simplistic slogans that they prohibit mining the coal America must have to meet the energy crisis. Unless the arbitrary and punitive aspects of this bill can be corrected, the Senate should defeat it," he said.

"Because surface-mined coal generates about one-fourth of all the nation's electricity, it is no light matter to endanger this vital fuel supply needlessly—and the worst features of this bill are needless," Bagge said.

"With our government already allocating two fuels, and with troublesome and even painful shortages facing nearly all others, the Senate must now decide whether to clamp unnecessary restrictions on production of the only fuel we have in true abundance, bituminous coal," he said.

"Surface mining and reclamation should be regulated, but they need not—and must not—be exterminated," Bagge said. "To wipe out this important part of the nation's energy supply, at a time when the coal industry is being asked for vast increases in production, can quickly turn the nation's energy crisis to catastrophe."

Bagge said the coal industry has actively supported legislation to make sure that land is effectively reclaimed after surface mining.

"We have shown that responsible coal companies are doing an effective job of restoring mined land to productive use," he said. "We have asked Congress to help the states make sure that all reclamation is done well by all operators. This is both necessary and possible. But the committee, misled by strident slogans, would wipe out surface coal mining in many places where the land can be restored, and frustrate the best use of the land in other areas."

For example, Bagge said, the bill requires that most mined land be restored to its approximate original contour in order to eliminate highwalls—the vertical banks which remain after mining. This rules out other acceptable—and often better—ways of shaping and replanting the surface to control drainage and treating the highways, he said.

"It makes a ringing slogan so say, 'Put the land back like you found it,' but better use of the land may result from creating lakes, terraces, or removing the highwall entirely by mountaintop mining which creates valuable flat land," Bagge said.

"Individual states, through their legislatures, already have the power to prohibit surface mining for coal in their boundaries, but none has done so," Bagge added. "The bill sent to the Senate floor would require each coal mining State, if it is to qualify for Federal grants, to set up a program by which one appointed official could declare every acre in his State unsuitable for surface mining.

"States would be given—in fact, commanded to take—such wide grounds for ruling out the prospect of surface mining that there is no acre of private land in the United States which could not be arbitrarily ruled out of bounds for the recovery of coal by surface methods," Bagge said. "No matter how well the operator could reclaim the land if he mined it, under this provision he could never apply for a mining permit, nor demonstrate his ability to restore the land."

Bagge said there are other provisions in the bill which interfere with surface mining and good reclamation. For example he said, the bill includes exploration activities in its definition of surface mining operations for which a permit is required. A permit application is lengthy, cumbersome, and require detailed geological data which can only be gained by exploration, he said, so that in effect the applicant cannot get the data he needs.

"The bill does not fully recognize the need to keep the nation supplied with coal while the required regulatory programs are being set up," Bagge continued. "It allows operators to get interim permits for up to 22 months in which federal and State programs are to be developed and approved. But if the Federal and State governments are unable to agree and do not make that deadline, the mine operators, who is not at fault, has no way to continue production under the law."

Mr. COOK. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. COOK. Mr. President, I yield first briefly to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Mr. Stewart Janney, a member of my staff, may be permitted on the floor during the debate on the bill and amendments thereto, including votes.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. COOK. Mr. President, I wish to commend the Senator from West Virginia for the remarks he just made and to say that what, in effect, he was really saying is that somehow or other we think we are solving a problem and the only thing we are doing is creating a larger problem. We are creating a problem of a lack of something we need so badly in the United States.

I did not ask for a rollcall vote on the second amendment of the Senator from New Jersey, but I was amazed that the Senator from New Jersey asks to have taken out of the bill a significant and essential activity, surface mining, which is a significant activity which contributes to the economic, social, and material well-being of the Nation. He wanted to soften that down and he somehow found that offensive. He saw a picture of surface mining and he thinks it is bad. But the people in New Jersey want that coal and every day we sit here and say something is wrong that we are not debating the real problem: What is the energy policy of the United States and what are we going to do about it?

I say in all due deference—and I am sorry the Senator from New Jersey is not here—if there is an underground coal mine or surface mine in New Jersey it violates every zoning regulation in the State, but I will say as bad as some areas in eastern Kentucky are relative to strip mining I would rather live there than in New Jersey today.

But we all say we are solving the problem and the only thing we are doing is increasing a more serious problem. For instance, we had a debate not too long ago, and now the matter has ended up in the Office of Coal Research, to determine how we can take coal and through liquefaction give the American people crude so we can produce gasoline so they can continue to operate their automobiles.

We want to do it to the extent that we are saying one must have a reserve to the capacity of $300 million, that he can have coal to the tune of 150 million tons of coal and produce 12.5 thousand tons of coal every day for that facility.

So what the Senator said is absolutely correct. It is unfortunate that more Senators are not present to hear the debate. We may stop some strip mining but we are digging a grave for ourselves. By the way, there is a secondary source up there, electricity. That is what lights this Chamber. That is a secondary source, and the chances are, knowing the facilities here in the District of Columbia, those lights got here by reason of coal.

Somehow individuals in the United States, when they got rid of the coal bucket and shovel, decided coal was no longer important. It is more important today than ever before when they had the coal bucket and shovel because now they have to reduce the means by which it gets through to the other sources of energy other than coal.

So I hope as we progress in this debate, those who think the picture is offensive, we remember that by reason of that picture, although it may be offensive, and Senators from other States can stand up and complain about it because it is not their State, but that is the reason we could turn our lights on this morning, and that is the reason our houses can be heated the next day and the next day.

And so I say, we do have to correct those things. We very badly need to correct them. But when Senators stand on the floor and say we have so many reserves underground, I would suggest to them that some of the reserves underground that are included as reserves are seams of 14 inches of coal or less. If anybody can tell me how he is going to deep mine a seam 14 inches or less, I can tell him that, because of its thickness, they will never be able to mine it that way.

So we have to look to the factor of coal gasification and coal liquefaction, but they want to take it out of the ground and utilize it. The individual who knows nothing about mining or the great resource of coal still wants to fill his car with gasoline and get his home heated, but he wants to solve all the other problems at the same time.

I think the Senator from West Virginia has put his finger very strongly on it, and that is, that we are going to find it more and more necessary to use the resources possessed in our Nation. If people are fortunate enough not to have it in their back yard, fine and dandy, but for those areas that have it, you want it and you are going to need it because you are going to demand it every day.

As to those who came in with the Coal Mine Health and Safety Act and who want no distinction between gassy and nongassy mines, let me point out they are from the part of the country that wants no brownouts. They are from a part of the country that does not want to turn air conditioners down. They are from a part of the country that wants to demonstrate when a few gasoline stations close. The time has come to say you cannot have everything in the United States exactly as you want it.

For people who say that what comes off the surface is minuscule, let me point out that it is the greatest source of electricity in the United States today. It is the major power facility in the United States today. I refer to coal that is stripped from the hills and flatlands of the central part of the United States. That coal does not go just in carloads; it goes on barges that are loaded with coal, and which can be seen going up and down the river, because of the necessity to use it.

While we are talking about what we have and do not have, do not forget, while we are still producing electricity and are still able to turn on the lights and have heat, they want to take it out now and liquefy it so we can have more fuel for automobiles, so we do not have to have oil from the Middle East. By the way, it is getting a little more touchy there. They want to gasify it so they can turn it into gas so people can have gas to burn for their furnaces and stoves.

We are not looking into a future with less utilization of coal; we are looking into a future in which more and more coal will be utilized, and not less.

So when we listen to the bad things that have happened in the past, let us be honest enough to admit that is true. Let us admit that we want to create a solution of the problems that have occurred in the past. But consider the consequence if you decide, by reason of facing one issue, and one issue alone, in this bill, and that is coal, that you do not want to include in the bill a control of surface mining in relation to many of the great pits seen all over the United States, where they take hard rock and other commodities out of the ground. As a matter of fact, it was said that there were not enough statistics for it, but I can see many quarries all over the United States that are abandoned, and young people drown in them every year, and I do not see anybody from the North, where they take tons and tons out of the earth every day to produce iron, complaining about the bill because it includes coal, and that is all. It includes just one natural resource of the United States.

So I say to you, be very careful what you do, because I would not want the Senate of the United States to look like absolute fools for believing, for a very short period of time, that we can indefinitely continue to have these lights on in this Chamber and we can use all the electricity we want, and will not be told, "Will you please set your thermostat at 50 or 55?" or be told that we have to set them at 55, and tell them that we cannot make liquid fuels out of coal because we need it for other purposes.

So I say the Senator from West Virginia has hit it right on the nose. We want what this country produces ourselves. We are the most spoiled individuals on the face of the Earth today. We have more, and we want more. We will be the first ones to complain when we do not have it when it is curtailed.

But while we are saying this, we are also saying we have a scar on our landscape. We are saying we have to get rid of that scar. But at the same time we say we want to get rid of it, we are doing nothing about utilizing it in other forms.

I commend the Senator from West Virginia, because I think he has hit it right on the nose. I am sorry more Senators were not here to hear him, because the crisis we look forward to in the future is a far greater crisis than embodied in an amendment, whether it will or will not be introduced, that will look after people who will lose jobs.

One has to remember one thing. If we are going to pass bills through the Congress of the United States that are going to call for so many hundreds or so many thousands of people to lose their jobs, and if we admit by introducing amendments that the Federal Government ought to pay these people, then each individual would produce so many tons of coal and, whether it is coal on the surface or under the ground, if so many people are taken out of that work force, then we can count on that many tons of coal being lost, in that equation, and we can calculate the loss of coal to the United States every day. And the call today is to produce more, not less.

I thank the Senator.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. RANDOLPH. Let me comment before yielding to my colleague, the Senator from Idaho, to indicate that there is a valid element of warning in the remarks of the Senator from Kentucky. I know my able colleague (Mr. Cook) speaks very forthrightly from his standpoint on the matter of adequate supplies. I appreciate his remarks.

When he mentions the Coal Mine Health and Safety Act, legislation which I helped bring into being in committee and in the Senate, I would remind my colleagues that this year in the deep mining of coal in our country there have been upward of 95 deaths. This is many times higher than the number of deaths in surface mining.

I relate these facts because 4 years ago when we passed the Coal Mine Health and Safety Act, we began to provide for the health and safety of our miners, and yet there is still a very high incidence of death in deep mining which is not found in surface mining.

I wish also to commend our colleague from Kentucky for saying that we do not condone the misdeeds, if you wish to call them that, of other years. Certainly the desecration of the earth has been very wrong in connection with surface mining.

But by the same token, I find that persons say to me:

> Senator Randolph, why do you call this surface mining? It is strip mining.

That indicates to me that they believe in the very phrase, "strip mining," there is something sinister involved in this type of production in the United States.

Mr. McCLURE. Mr. President, would the Senator yield?

Mr. RANDOLPH. Mr. President, I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the distinguished Senator from West Virginia for yielding.

I join in commending the Senator from West Virginia for pointing out some of the considerations which we must keep in mind as we deal with legislation which affects our ability to recover and utilize our resources in an acceptable manner.

I think it is important for us as we look at this legislation to remember, just as we do under the environmental protection legislation, that we are not seeking to prohibit this, but we are seeking to find a way in which it can be used acceptably.

That is the entire thrust, as the Senator from Arizona has said, of this legislation. It is not to prohibit the mining. It is to find a way in which it can be done acceptably.

I could not help thinking a moment ago that when we were debating the Mansfield amendment, the Senator from Montana mentioned that Commonwealth Edison was prohibited from generating electricity in Illinois. That again underscores what the Senator from West Virginia said a moment ago. We are not just talking about coal in this legislation, because that utility in the central part of the United States shifted some of its production of electricity from coal to the use of petroleum products. They used light oil to manufacture electricity. That one plant of Commonwealth Edison shifted from coal to light oil, and they buy enough of the oil to cultivate 10 percent of the farmland in this country. We are not just talking about coal. We are talking about a lot of things which are interrelated.

The Senator from Kentucky made the same comments. And I think his comments were very eloquent and pointed. I share his feeling that there are not many Senators here to listen to the debate today, because I suspect that they will walk through the door and vote not on the basis of the hard facts which have been pointed out, but on the basis of the emotion in this country that says that the utilization of our resources is bad.

We must also recognize that our failure to utilize our resources has a very bad effect on our country, not just in terms of whether we get Arab oil which is very important to us and not just on the effect that it has on our balance of payments, but also on the effect of our well-being and the standard of living enjoyed by every family in America, not just in this generation, but for generations to come.

Again it should not be on the basis of to mine or not to mine, or to produce or not to produce. The question is: How do we conform our sole sources to produce the most for our country in the most acceptable manner?

I commend the Senator from West Virginia and the Senator from Kentucky for their remarks which I think were very constructive.

Mr. RANDOLPH. Mr. President, I thank the capable Senator from Idaho (Mr. McCLURE) for his comments.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. RANDOLPH. Mr. President, I am glad to yield to the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I hope that the Senate will give full consideration to the warnings issued by the Senator from Kentucky and the Senator from West Virginia as to the importance of coal.

We cannot solve our energy needs, the great needs of this country for energy, by relying on oil and other resources.

We must rely very heavily on coal. I hope that as the debate progresses on this legislation, it will be pointed out how it can be made acceptable and reasonable and accomplish the purpose of trying to conserve our landscape and at the same time not make it impossible for coal to be mined in many areas of the country. We need this coal. It is extremely important and it becomes more important all the time.

I think the Senator from West Virginia has made a strong case and that the Senator from Kentucky has made a strong case for the Senate being certain that the legislation which it finally passes is legislation which will have an adequate balance between acting to preserve our landscape and acting to preserve the opportunity for the American people to equalize this vital source of energy.

Mr. RANDOLPH. Mr. President, I thank the Senator from Virginia who has an understanding of the problems of mining, both deep mining and surface mining in parts of his State. I appreciate his comments.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, I have amendments to call up later. However, at this moment I want to add my remarks to those of the Senator from Kentucky, the Senator from West Virginia, and the Senator from Virginia.

I have been here all day in the Senate Chamber listening to the debate, to the opening statements, and to the debate on the amendments that we have had today.

It is evident from the debate today that not too many in the Chamber think that surface mining per se is a good thing. However, by the same token, I think that not many of us think that our country should put an absolute ban on surface mining.

It seems to me that what we are all striving for, those of us who do not like strip mining—and I am one of those—and those of us who think it is essential, are talking about the same fundamental issue: How do we best provide the needs of this great Nation?

I make no bones about it. If I thought for one moment that we could depend entirely in our country on gas or oil for electricity for our needs, I would say that we should do just that.

I come from an area of the country that has been virtually destroyed. I can see from my house a whole watershed that has been virtually destroyed.

I would like to stop it at this moment—it is an atrocity. However, I have a responsibility to see to it that we do what is best for our country. So I subordinate my dislike for coal mining to the hard reality that we have to continue, I hope only under the most carefully drafted standards.

The key and operative test, it seems to me, is how do we go about internalizing the cost of the environmental impact of surface mining, because for every pound of coal that is moved from the ridges and hills of Appalachia without a concomitant requirement for restoration, it represents a subsidy to the cost of the coal to the rest of the Nation borne by a region of the country that is the poorest and least able to pay for it.

I am tired of Appalachia paying part of the bill for the rest of the Nation. I am tired of seeing the mountains destroyed in order that the cost of electricity might be less than if sound technology were used.

I am tired of seeing poor people pay part of the bill for rich people. However, I cannot bring myself to say that we do not need that coal. We do need the coal. It is not a question of needing coal. It is a question of what it costs and who pays for it.

I believe this bill, S. 425, requires a difficult but desirable degree of reclamation as a price for extracting coal by the strip mine method.

So I support surface mining, not because I like it—I do not—but because I think it is essential and will be more essential to recover our vast coal resources and develop them in the future.

I commend the Senator from West Virginia for his in-depth analysis of the situation. He knows coal mining firsthand, as does the Senator from Kentucky; and so do I. I have worked in a coal mine. I wonder how many others in this Chamber have. I have worked in coal seams that were 22 inches thick, where I stayed for 7 hours unable to stand up. I know what coal mining is about.

But, my friends, I also know what terrible, grievous injury it can bring to a community if it is not properly regulated and controlled. So let us keep it in proper perspective. We need the fuel. We need the energy. Nobody wants to be cold. Nobody wants to deprive us of this resource. But I am tired of seeing the people of Appalachia pay for it.

This bill, in my opinion, with some improvements I hope to engraft onto it by way of amendment, will internalize the cost of the surface mining of coal, and I intend to support it.

Mr. METCALF. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. METCALF. Mr. President, the Senator from Tennessee has made an outstanding important statement about this measure. There is a lot of coal in this country. It can be surface mined, and can participate in solving some of our energy problems. There is no need for us to be afraid that we are going to have to go without the use of our coal resources, if legislation such as this is passed.

This legislation is not founded on the philosophy of the abolition of strip mining. It is not founded on a philosophy of complete prohibition of any surface mining. It is founded on the philosophy that there are areas in America that cannot be strip mined, and those areas will be set aside. There are areas that can and should be mined, and for those areas, it is provided that they have to comply with certain rigid and stringent requirements, and the cost of meeting those requirements is to be paid for by the consumer of the electricity in the area where such electricity is consumed, instead of in the State where the coal is mined.

So I compliment the Senator from Tennessee on a very important statement, bringing back into perspective this most important measure.

Mr. COOK. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to the Senator from Kentucky.

Mr. COOK. I certainly agree with the remarks of the Senator from Tennessee and the Senator from Montana. I am only saying, in collaboration with them, that I hope this entire debate will ring the bell of absolute emergency to this body relative to a sound, logical energy policy for the United States, now and in the future.

I think we have also got to ring the bell relative to its cost. The Senator from Tennessee, the Senator from West Virginia (Mr. ROBERT C. BYRD) and I introduced, a short time ago, a bill to create an energy trust, calling for $2 billion a year from the sale of offshore oil leases, which amount to almost $5 billion a year, to be set aside.

We have got to understand the discipline that this body must exercise when it enacts legislation like this, the discipline it is necessary for us to have to make a determination of a long-term, absolute, funded energy policy for the United States. Because I do not think there is any question about the fact that the words stated by the Senator from Tennessee, that he does not like strip mining, are widely echoed in this body. This Senator goes right along with him.

But there has got to be a way by which, in the very immediate future, if we move in that direction, we can also have the resources and the engineering capability to gasify that coal or to liquefy that coal, to go to onsite utilization through burning and the creation of gases, because we cannot hold back the research and development that is needed in the United States, on an immediate basis, to produce from that source of energy utilizable new and converted forms of energy, so that we do not spoil the countryside.

So I would say, as the Senator from Tennessee has said, I am willing to wait a little while, but I cannot wait too long. I think that is exactly what we are all saying. But when we are moving in the direction of solving an environmental problem, we create problems. I am sure that with the discipline of this body we will come up with a long-term energy policy for the United States and that we will move as fast as we can.

I thank the Senator from West Virginia.

Mr. RANDOLPH. I thank the Senator from Kentucky.

Mr. President, I wish to express appreciation to the diligent Senator from Tennessee (Mr. BAKER) for what he has said here today. I reiterate that no one, certainly, would condone the surface mining processes in many parts of Appalachia and other sections of the country as they have been carried out in the past. I would only say that I am sure the Senator from Tennessee would say that he is against war, but he would vote for the necessary instruments to defend the people of the country. So I think we can have a wide range of our dislikes; but I repeat: We must cope with the problems as they present themselves today.

Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment ordered to be printed in the RECORD is as follows:

On page 135, after line 12, insert the following new section:

"SEC. 514 (a) The President is authorized and directed to make grants to States to provide to any individual unemployed, if such unemployment resulted from the administration and enforcement of this Act and was in no way due to the fault of such individual, such assistance as the President deems appropriate while such individual is unemployed. Such assistance as a State shall provide under such a grant shall be available to individuals not otherwise eligible for unemployment compensation and individuals who have otherwise exhausted their eligibility for such unemployment compensation, and shall continue as long as unemployment in the area caused by such administration and enforcement continues (but not less than six months) or until the individual is reemployed in a suitable position, but not longer than two years after the individual becomes eligible for such assistance. Such assistance shall not exceed the maximum weekly amount under the unemployment compensation program of the State in which the employment loss occurred and shall be reduced by an amount of private income protection insurance compensation available to such individual for such period of unemployment.

"(b) The President is authorized and directed to make grants to States to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by any such unemployment, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or terminatiton of any lease, entered into prior to the employment loss. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

"(c) (1) Whenever the President determines that, as a result of any such employment loss, low-income households are unable to purchase adequate amounts of nutritious food, the President is authorized, under such terms and conditions as it may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964, as amended, and to make surplus commodities available.

"(2) The President, through the Secretary of Agriculture, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the employment loss on the earning power of the households to which assistance is made available under this section.

"(3) Nothing in this subsection shall be constructed as amending or otherwise changing the provisions of the Food Stamp Act of 1964, as amended, except as they relate to the availability of food stamps in such an employment loss.

"(d) The Secretary of Labor is authorized and directed to provide reemployment assistance services under other laws of the United States to any such individual so unemployed. As one element of such reemployment assistance services, such Secretary shall provide to any such unemployed individual who is unable to find reemployment in a suitable position within a reasonable distance from home, assistance to relocate in another area where such employment is available. Such assistance may include reasonable costs of seeking such employment and the cost of moving his family and household to the location of his new employment.

"(e) (1) The President, acting through the Small Business Administration, is authorized and directed to make loans (which for purposes of this subsection shall include participations in loans) to aid in financing any project in the United States for the conduct of activities or the acquisition, construction, or alteration of facilities (including machinery and equipment) required by the administration or enforcement of this Act, for applicants both private and public (including Indian tribes), which have been approved for such assistance by an agency or instrumentality of the State or political subdivision thereof in which the project to be financed is located, and which agency or instrumentality (including units of general purpose local government) is directly concerned with problems of economic development in such State or subdivision, and which have been certified by such agency or instrumentality as requiring the loan successfully to remain in operation or at previous levels of employment.

"(2) Financial assistance under this section shall be on such terms and conditions as the President determines, except that

"(A) no loan shall be made unless it is determined that there is reasonable assurance of repayment;

"(B) no loan, including renewals or extension thereof, may be made hereunder for a period exceeding thirty years;

"(C) loans made shall bear interest at a rate determined by the Secretary of the

Treasury but not more than 3 per centum per annum;

"(D) loans shall not exceed the aggregate cost to the applicant of acquiring, constructing, or altering the facility or project;

"(E) the total of all loans to any single applicant shall not exceed $1,000,000; and

"(F) the facility or project has been certified by the regulatory authority as necessary to comply with the requiremetns of this Act.

"(f) Where the loss, curtailment, removal, or closing of any industrial or commercial facility resulting from the administration and enforcement of this Act causes an unusual and abrupt rise in unemployment in any area, community, or neighborhood, the Small Business Administration in the case of a nonagricultural enterprise and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has the potential to be a major source of employment for a substantial period of time in such area, a loan in such amount as may be necessary to enable such enterprise to assist in restoring the economic viability of such area, community, or neighborhood. Loans authorized by this section shall be made without regard to limitations on the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated thereon.

"(g) The President is authorized to make grants to any local government which, as a result of the administration and enforcement of this Act, has suffered a substantial loss of total revenue (including both real and personal property tax revenue). Grants made under this section may be made for the tax year in which the loss occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all revenues received by the local government during the three-tax-year period immediately preceding the tax year in which such loss occurred and the actual revenue received by the local government for the tax year in which the loss occurred and for each of the two tax years following such loss but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of such loss without reduction, in order to determine the revenues which would have been received by the local government but for such reduction.

"(h) Any owner or operator of a surface coal mine, or employee (or former employee) of a surface coal mine, who would otherwise be eligible for assistance under this section, in lieu of such assistance may utilize the preference accorded in section 512 of this Act in receiving contracts or employment in the conduct of reclamation activities authorized by section 302 of this Act.

"(i) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"(j) The Secretary shall report to the Congress on the implementation of this section not later than 30 months after the enactment of this Act, and annually thereafter. The report required by this subsection shall include an estimate of the funds which would be necessary to implement this section in each of the succeeding three years."

"(k) The Secretary shall report to the Congress not later than July 1, 1976, on the impact of the administration and enforcement of this Act on owners or operators of firms with gross capital values of less than $500,000, together with a recommendation on a program granting relief to such owners or operators for losses in capital value sustained as a consequence of the administration and enforcement of this Act.

Mr. RANDOLPH. Mr. President, I am sure that Senators realize that in presenting the amendment, in which I am joined by my able colleague from West Virginia (Mr. ROBERT C. BYRD), I do so because we must realize that any new and sweeping program of regulation has a serious impact on the industry and individuals subjected to regulation. We cannot, therefore, impose strict restraints on any activity without making provision for the dislocation that is bound to result when what is now a legal activity is legislatively declared illegal.

There is certain to be a transition period following the enactment of this legislation, in which the surface mining industry must adjust to new conditions. This period of adjustment will inevitably cause hardship among the individuals and families who depend on surface mining for their livelihoods, either directly or indirectly. The amendment I offer today will provide the means to alleviate this hardship and to make the transition period as painless as possible in terms of its impact on individuals.

The strict regulation of surface mining will be imposed to achieve beneficial results for the general public. This is a proper function of government, but we should, at the same time, recognize the responsibility of the general public to pay the costs of assuring that people do not suffer needlessly.

Some jobs in surface mining industries will be eliminated by strict controls. The amendment, therefore, authorizes the payment of unemployment compensation to those individuals who lose their jobs as a result of this legislation and who might not be otherwise eligible to receive compensation payments. It permits Federal funds to help mortgage and rent payments. It allows food stamps and surplus commodity distribution to those whose jobs are eliminated. The unemployed could also receive reemployment and relocation services through the provisions of this amendment.

Since whole communities would be severely affected in some areas, this amendment authorizes the Small Business Administration and Farmers Home Administration to make low interest loans to potential new employers in affected areas. Where mining is a substantial producer of tax revenues and where these revenues are greatly diminished by surface mining controls, the Federal Government would be authorized to help compensate for any diminution of the tax base that results from this bill, so that local governments do not bear an undue burden from the strict controls of this bill.

The intention of any surface mining control legislation is to assure its proper conduct and not to indiscriminately and totally destroy the industry. Consequently, those who conscientiously want to abide by the restrictions of this bill and stay in business should be given every opportunity to do so. My amendment authorizes loans to eligible surface mining operators to assist them with compliance. Some small operators conceivably would be unable to comply under any circumstances and would have to go out of business. I believe that we have some obligation to those companies. To meet this obligation, I considered offering an amendment authorizing compensation payments for losses suffered by small surface mining firms because of this bill. Our knowledge of the impact of this legislation is limited, however, so the amendment provides instead that the Secretary study the need for compensation payments and report his findings to the Congress.

This is one of two studies provided for in my amendment. The second calls for a report on the implementation of this section of the bill and an estimate of the 3-year cost of carrying out its provisions.

Mr. President, there is ample precedent for the type of relief I propose in my amendment. In the Highway Beautification Act of 1965 and its amendments, provision is made to compensate the owners of outdoor advertising that will be eliminated. The Economic Disaster Relief Act developed in 1971 by the Committee on Public Works contained provisions similar to that in this amendment, as did the Public Works and Economic Development Act Amendments of 1972, a bill which was pocket-vetoed at the end of the last Congress.

The surface mining industry already is feeling the effects of other controls. Air pollution statutes and State laws regulating surface mining have helped to bring about a reduction in the amount of coal produced by surface mining. The provisions of this amendment, therefore, would alleviate hardship in areas where people are already suffering. This is the type of relief that people need now and will need in the future, regardless of what approach is taken on the issue of surface mining control itself. Whether we abolish surface mining totally or whether we impose strict controls on its conduct, our actions will be felt by many thousands of men, women, and children. We have a strong responsibility to ease their suffering and that is the intent of this amendment.

Mr. METCALF. Mr. President, this bill as written and as discussed by the committee, S. 425, is not intended nor is it contemplated closing down any on-going mining operations, or to work any hardship on surface miners. I do not think that the mines will be closed down under this legislation. We do think that perhaps, as a result of the future impact of the legislation, some areas contemplated in the future to be surface mined and will be mined by other methods but certainly, in all fairness and equity, if this bill does in some marginal or fringe areas operate to deprive a man of his livelihood or his job and does close down a mining operation, I see no reason why we should not accept the concept and indemnify that miner or anyone else who is displaced.

Certainly it is not the contemplation of any of us to deprive anyone of his livelihood or to close down any mining operation.

I accept the amendment.

Mr. COOK. Mr. President, I do not rise to speak against the amendment. We have to understand that the Senator from Montana does not think this will deprive anyone; but the Senator from West Virginia, who lives right in the heart of the coal fields, except for the Commonwealth of Kentucky, may I say to the Senator from West Virginia, it may result in this; and that, therefore, this contingency has to be looked after.

I would only hope, as a result of the acceptance of this, that we do not find two or three things occurring: First, that we lose employment and, conceivably tonnage which the country needs so badly. Second, that we do not find ourselves in a position as a result of the loss, if in fact that occurred, that we will find the production of coal in the United States getting down—because of the cost and the equipment necessary—to complete ownership by only perhaps 4 or 5 or 6 major coal companies in the United States that will be producing all of the coal, and will almost lose its competitive activity in the United States because we have seen what happens when we contemplate this within the sphere of the very few companies that control the market.

So I would hope that we would give serious consideration to what we are doing, that what we are saying is that if there is any loss in employment, that that loss in employment will be indemnified by reason of the action of Congress. Also, that even though such a loss occurs, we will have a subsequent loss of production of coal in the United States, and if we do not have that subsequent loss of coal by reason of loss of employment, then we will say that the only people in the United States that can really afford to mine will be those making the tremendous capital investment or the tremendous pieces of equipment to move dirt, and to replace dirt, and handle the situation either underground or on the surface so that it can meet the requirements of this bill. Then, maybe, a few years from now, we will have a Ralph Nader in the coal fields and maybe public organizations who will say, "You have got to break up this monopoly," because as the Senator from Wyoming knows very well, we now have a multitude of operations and a multitude of individuals or groups of individuals that can go into operation of the mines. But if we are going to say that we will eliminate this, we have to look also at the fact that the Senator from Washington may some day have to chair hearings on whether the coal industry is now monopolized, and whether it is under the control of a very few numbers of companies on a sophisticated or on a large financial and sound basis, so that we will find ourselves in the position that we are back here a few years from now saying, "We created a rather bad situation."

This Senator will vote for the bill but I would hope that we realize the significance of what we do as we go along, and what can be the result of what we do, because there is no doubt that the engineering expertise in the United States will be able to build a piece of equipment to remove that dirt and have nothing going down the slope and be able to bring it back. But we are not talking about the majority of the small companies in eastern Kentucky who are now producing coal, because they do not have that kind of capital investment and they are not going to be able to get that kind of capital investment, so that the people who will lose their jobs will be there in Kentucky, West Virginia, Pennsylvania, or in southern Ohio. Then remember, as we look to western Kentucky, and look at southern Illinois, and then look up at Pennsylvania, and we see the tremendous shovels into which one can put a complete high school band or 4 or 5 automobiles, but do not expect an operator in West Virginia who works under the coal operations as of today to be able to buy one of those large shovels or be able to operate them in eastern Kentucky because the terrain alone would prohibit them from doing it anyway.

So let us see where we are putting all the marbles and let us see where we are putting all the eggs. Let us be concerned. Let us make sure that we keep a good eye on this as we go along, because we would not want a Federal Power Commission or a Federal Trade Commission or someone else to say, a few years from now, "We have got to have a great, big study because we are down to half a dozen coal companies who completely control the industry, control the prices, and control production," and we find ourselves in the position where we have to turn around and break up something that we ourselves created.

Mr. BAKER. I understand from the manager of the bill that the amendment is agreeable and that he will accept it. We all remember the old adage in legislation, to get the bill passed first and then talk about it.

But let me say a word, if I may, and commend the Senator from West Virginia. This is a humane measure, one which certainly applies to the circumstance, and which I fully support and am glad it is acceptable to the bill's managers.

I would only point out that in the heyday of coal in West Virginia, Kentucky, Tennessee, Pennsylvania, and the other States of Appalachia, coal was mined by deep mining. When strip mining started, we found we could produce so much more per man. It was then that King Coal started to be dethroned, because strip mining is more economical from the manpower standpoint than deep mining.

The amendment of the distinguished Senator from West Virginia is a good measure. I am happy to be able to support it. I will vote for the amendment. But I think we can make counter-argument, that if we eliminate the disparity in the cost between surface and deep mining of coal, it may revive the flagging interest in the recovery of coal by underground mining and may enhance rather than diminish employment in Appalachia. That is my hope.

I confess I was a little worried over the point the Senator from Kentucky made about imposing expensive environmental requirements on the surface mining of coal, which might make it impossible for any but the big operators to continue surface mining. I hope that will not be so, but it is a possibility. But we will guard against it. As I said, the Senator from West Virginia is to be commended for taking account of the short-term risk of decreasing employment in surface mines. That is so typical of his compassion and concern. He is the chairman of the Public Works Committee of which I am the ranking member. I would therefore ask, if it is agreeable to the Senator, to add my name as a cosponsor of his amendment.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the able Senator from Tennessee (Mr. BAKER) be added as a cosponsor of my amendment. I am very glad that the Senator feels as I do on this matter. He has expressed his views most cogently.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent to have my name added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I shall be very brief.

I believe this is a sensible amendment; it is an honest amendment. We have talked a great deal about the price one pays for improving the environment. This is the first time, to my knowledge, that Congress has faced up to the question of whether or not we are willing to pay a price for environmental improvement. We do not know what the price will be. I do not believe it is possible to get an estimate.

The Senator's amendment is a prudent one, because it recognizes that there might well be an economic dislocation both to the small operator, as the able Senator from Kentucky has pointed out, and the situation as it pertains to the worker, as the able Senator from Tennessee has pointed out. So this amendment is a sensible one, because it recognizes that we cannot do what we are doing in the bill before us without creating some kind of economic dislocation. We find ourselves in a posture in which we do not know for sure what it will be. The Randolph amendment does recognize that contingency, and I commend the distinguished Senator from West Virginia for anticipating this problem. It is a real problem, and I hope the Senate will adopt his amendment unanimously.

Mr. RANDOLPH. I thank the Senator from Washington. I appreciate the comment that Senator JACKSON, the chairman of the Committee on the Interior has made. He has been closely associated with Senator METCALF and others in drafting the proposed legislation and he has worked effectively in bringing it to the floor.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. McCLURE Mr. President, I commend the Senator for pointing up and responding to a potential difficulty.

I agree with the Senator from Montana, as he has positively stated, that there is no intention in the drafting of this measure to cause any large economic dislocation from one area of the country to the other or from one commodity to the other. The Senator from West Virginia, however, has wisely recognized in his amendment that policies established in legislation may cause unintentioned results; and in anticipation of that possibility, he seeks to shield the people who are affected by it, who had no voice in the adoption of the policy, from the economic consequences of that policy.

The Senator from Tennessee suggests, as others have suggested, that perhaps a shift in environmental costs will revitalize the deep mines and therefore cause a net increase of employment rather than a decrease.

But coal does not operate in a vacuum. Coal is one of several energy sources. I think a strong case can be made that the rising cost of coal was what dethroned king coal, and it was not from one form of coal to another so much as it was from coal into other energy.

It may well be that the artificially low prices of natural gas as they were regulated were a larger contributing factor to the demise of deep coal mining in this country and the reduction of levels than anything that happened within the coal industry itself. That is not to say that I am in any way opposed to this amendment, because I am not. I think it is a humanitarian amendment, one which is very wise, and I commend the Senator from West Virginia.

However, we cannot ignore the fact that the policies we enact may unwittingly have an effect upon people, and we should be guarding ourselves as much as humanly possible against tipping the scales in such a way that large-scale dislocations do occur. We can talk about financial assistance, but there is no way we can really adequately compensate a man whose roots are deep in his community for completely losing his opportunity to have a meaningful employment in that community. There is no way we can adequately compensate a 55-year-old miner for the fact that he might lose his opportunity to live out the remainder of his life in the community in which he was born and in which he hoped to rear his children and to see his grandchildren play. There is no way we can measure in economic terms the human values that may be dislocated, any more than we can measure in solely economic terms the environmental damage that is done.

In this instance, we should seek to minimize economic damage, but let us not assume that because we have responded with dollars, we have no more concern about the lives of the men and women who are involved in these communities.

So I hope the Senator from Montana is correct in saying that there will be no dislocation as a result of this legislation. I honestly believe that there need not be. I think we will have required a better mining method rather than to prohibit mining in these areas.

Mr. METCALF. Mr. President, I should like to respond to the question, and than I will yield to the Senator from Arizona.

Of course, it is impossible for us to say that there will be no economic detriment as a result of the passage of this bill.

My State is similar to the State of the Senator from Tennessee. I can recall when we had only a little strip mining in our State to provide some coal for the Northern Pacific Railroad. We had underground mines in many colorful towns, such as Roundup, and we had enough underground miners in those days to have a district of the United Mine Workers. Now we do not even have a single local of that group in Montana.

I hope that some of the impact of this bill would be that we would have more jobs, more underground mining, more people working in those areas, instead of the huge shovels that can hold a high school band or take over a box car, as has been suggested. This is not the intent of the bill. I am sure this is the way it will work out. However, as the Senator from West Virginia has suggested, there may be times when, as a result of the shift of mining activity, we will perform a detriment to a miner or a mining corporation, and it is certainly our intent to indemnify them.

Mr. RANDOLPH. I thank the Senator from Montana and I am grateful for his cooperation.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. FANNIN. I agree with the remarks of the Senator from Idaho and the Senator from Montana. There may be some dislocations.

The Senator does not say that he anticipates them or just exactly what will happen; but he is taking this precaution, and wisely so, and I commend him for it.

But I do not think we should take the attitude that surface mining of coal is not in the public interest or that it should be discontinued. I do not think the Senator from Montana has that in mind. We hope we can have technology that will make it possible for surface mining to be more advantageous with respect to coal utilization. I do not feel we should take the attitude that coal mining should be by surface mining or by underground mining only. In other words, we are talking about the maximization of our resources.

Let us remember that underground mining is wasteful. It leaves some 50 percent of the coal in the ground. We know, on the other hand, that surface mining wastes only 10 percent. Surface mining of coal is cheaper, a savings passed directly to the public.

In considering all of these different stipulations in the bill, and I certainly think the one we are talking about now is an important one, we must look at the overall result. I feel that is the intent of the distinguished Senator from West Virginia. I think we should consider every aspect of mining. I shall make a more extensive statement tomorrow because I think it is important that we consider every aspect of the problem.

Mr. RANDOLPH. Mr. President, I thank my friend from Arizona. I believe there will be certain dislocations, a period of adjustment, a time of transition, and we must provide the necessary mechanism to take care of those persons who lose employment or otherwise are disadvantaged by the passage of this legislation, if it becomes law.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FANNIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RANDOLPH. Mr. President, I send to the desk another amendment.

The PRESIDING OFFICER. The amendment will be stated.

Mr. RANDOLPH. Mr. President, I am joined in this amendment by other Senators and I wish their names to be read also.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. RANDOLPH) proposes an amendment on behalf of himself and Senators JACKSON, COOK, ROBERT C. BYRD, and HARRY F. BYRD, JR., as follows:

On page 135, after line 12, add the following new section:

"SEC. . Notwithstanding any provision of the Economic Stabilization Act of 1970, as amended, the Cost of Living Council or other appropriate delegate of the President shall grant automatic increases in the allowable price of coal which may be charged to users of coal, which shall reflect on a dollar for dollar basis any increases in the cost of producing coal due in whole or in part to the requirements of this Act."

Mr. RANDOLPH. Mr. President, I shall be brief in my remarks. The legislation before the Senate today would impose strict new controls on the surface mining of coal at a time when the Nation is deeply concerned about our supplies of energy.

Action on this bill is taken with the full awareness that its provisions will increase the cost of producing coal by surface mining.

In any consideration of America's future energy supply, coal occupies a prominent position. It is our most abundant domestic energy source and the one on which we must rely heavily in the years ahead.

Surface mining now provides approximately one-half of our coal. Consequently, new restrictions on surface mining have the potential to affect this output unless provision is made for the additional costs that are sure to result from this bill.

The amendment I offer would direct the Cost of Living Council to grant increases in coal prices to offset whatever additional production costs may result from the implementation of this bill. I have no doubt that these additional costs would justify a price increase, but the purpose of this amendment is to assure that such an increase is awarded without delay.

Mr. President, winter will arrive soon and with it the very real possibility of fuel shortages that can cause hardship and suffering. This is a critical period in our planining to alleviate these shortages as much as possible. While the adoption of controls on surface mining is needed, we must be sure that in no way do they imperil the production of coal at a time when its value is increasingly recognized.

This amendment is part of the assurance that the continuance of essential production and the improvement of the environment are compatible activities. I hope the amendment can be considered favorably by the manager of the bill.

Mr. METCALF. Mr. President, the chairman of the full committee, the Senator from Washington (Mr. JACKSON), is a cosponsor of the amendment. It is contemplated there will be increases in cost and it is hoped they will be shared by the consumer and not be borne entirely by the local or regional facility.

So on behalf of the Senator from Washington (Mr. JACKSON) I am authorized to say he not only cosponsors the amendment but joins in it.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. RANDOLPH. I yield.

Mr. DOMENICI. Will the Senator from West Virginia answer the following question? Does the Senator intend this proposal to apply to increased cost for production of coal where we are already producing coal, and not for a completely new strip mining operation, or does it apply to the latter, and if so, how?

Mr. RANDOLPH. It would apply to both.

Mr. DOMENICI. So as to the new operation, the Senator's amendment would contemplate that we figure out what it would have cost but for this law, and if this law imposes a new and additional reclamation or economic burden the Cost of Living Council would not limit the cost as envisioned through the operation of this bill.

Mr. RANDOLPH. Mr. President, the able Senator correctly addresses himself to the intent of the amendment.

Mr. DOMENICI. Mr. President, I wish to ask one further question. I think we could have an unequitable situation where they are already complying with all reclamation requirements and environmental requirements, including all of those required by this law, and thereby we do not intend they be permitted any adjustment by virtue of the amendment, do we?

Mr. RANDOLPH. I would not think there would be that result. It certainly is not the intent.

Mr. DOMENICI. It is the hope of the Senator that already having made their message to the Cost of Living Council, that is costs to them if they are already operating under it.

Mr. RANDOLPH. That is correct.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER (Mr. HASKELL). The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METCALF. Mr. President, I do not think any more amendments will be offered today.

AMENDMENT NO. 614

Mr. McCLURE. Mr. President, would the Senator yield long enough for me to send an amendment to the desk and ask that it be printed and make a brief statement?

Mr. METCALF. The Senator from Kentucky (Mr. COOK) had an amendment. I promised I would have it read before the Senate for the first order of business tomorrow. But I would welcome having the Senator from Idaho send his amendment to the desk and make a statement so that it would be before us after the Cook amendment is considered tomorrow.

Mr. McCLURE. I thank the Senator.

The PRESIDING OFFICER. The Senator from Idaho may proceed.

Mr. McCLURE. Mr. President, I send to the desk an amendment and ask that it be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. McCLURE. Mr. President, I have sent the amendment to the desk, because I think it is essential that we have an opportunity to look at proposed amendments. This deals with the question of restoration of original contours, which Senators recognize is one of the most difficult questions and most controversial questions in the proposed bill.

I am not certain that the amendment is superior in any way to some of the other amendments which I understand are being discussed or pending before this body. But I think when the Senate is called upon to make a choice of language they should have available to them the various alternatives to determine which should be exercised. My amendment addresses itself to a difficult question, but it is not a complex amendment.

We have just acted on a couple of amendments which might cost the Government of this country and the consumers untold millions of dollars if not billions of dollars.

I think we would have been better served if we had an opportunity to compare that language with alternatives for those proposed in this field before we adopted amendments. For that reason, I sent the amendment to the desk today knowing that, at a later time, we would be acting in that field. I hope by that means that Senators will be able to make informed judgments on alternatives available to them.

Mr. METCALF. I am grateful to the Senator from Idaho for putting in the amendment so it will be before us when we come back into session tomorrow afternoon.

Mr. DOMENICI. Mr. President, will the Senator yield for a question regarding the same subject?

Mr. METCALF. Yes.

Mr. DOMENICI. I direct my questions either to the Senator from Montana as majority manager or to the minority manager of the bill.

I have great concern with section 213 and the words "approximate original contour," and for this reason: I have no objection to the idea, but let me tell Senators what situation exists in the State of New Mexico and ask the managers how this language might be applied there, because I think we have something far better than this, and I do not want to destroy it.

The State of New Mexico, 18 months ago, adopted a surface mining law that has been heralded across the land, including Newsweek, as the most farsighted mining law in the Nation. It was enacted in a unique way. The environmentalists hired an attorney and the people that owned the coal hired an attorney, and for 3 months they publicly ironed out a law which was enacted unanimously in the State legislature. It appoints a commission on surface mining that has four of the State's best professionals, the State water engineer, the environmental protection head, and others.

Basically, it does not have any definitions as stringent as "approximate original contour," but says anyone who is going to surface mine must submit to this group for public hearing the plan that he intends to use for the surface mining and the reclamation. Only after this commission, after studying the environmental and other impact, approves the plan, can that person surface mine.

What concerns me is that they may not want the original contour as the best end product. They might approve of a completely different plan than the original contour and find it in the best interest of the State and the region. I do not want to impose a mandate of what I think is an inferior approach—that is, for example, the original contour of Nevajo rock country rather, than a good plan for reclamation and having natural appearing facilities which are far better.

I ask, so I may know how to conduct myself with respect to amendments, how this provision would affect the State of New Mexico with respect to requiring the "approximate original contour" and how the State and the commission could get around this provision if it becomes law.

Mr. METCALF. Let me say that the Senator from New Mexico is not unique in his concern over this language of the "original contour." It had considerable debate in committee and was the subject of at least three amendments until the final amendment was agreed to. It is going to be the subject of several amendments, I understand, tomorrow, affecting this part of section 203. There will be considerable debate by men who come from areas that are much more affected and who are much more expert than I on this whole problem.

So again let me compliment the Senator from New Mexico for stating his concern at the present time. I know the Senator from Wisconsin (Mr. NELSON), the Senator from Kentucky (Mr. COOK), and the Senator from West Virginia (Mr. RANDOLPH) are all concerned and willl be concerned about the final language that this amendment is in, as it applies to contours, the restoration of high walls, back slopes, and so forth. It is part of section 213, which is a basic part of the legislation, and refers to reclamation provisions and reclamation planning.

Of course, the bill contemplates that any State that has a more stringent requirement than is written into this law will have its law apply.

I am not sure what the answer to the Senator's question should be. Should we say it is rigid and fixed and that the person has to restore it to the original contour, or can we say the law of New Mexico applies, which contemplates its being restored to suitable contour or one that is more valuable to the future use of the land?

I would hope that the fact that the Senator has brought this matter up today will alert my friends, especially the Senator from Wisconsin (Mr. NELSON), to this question and that we will have the answers tomorrow.

Mr. DOMENICI. I would suggest that in this case at least some alternative should be mentioned, and if not in the bill, that we mention it here on the floor, because we ought to say "approximately originally contour or" and then define a situation such as ours, at public hearing, and by public commission, something else is approved, subject to a comprehensive State law. It seems to me we ought to exclude them.

I might say to the Senator and other Senators who are concerned that this New Mexico law, whether or not it applies on Navajo Indian lands, is in serious doubt. Nevertheless, the companies that are preparing for surface mining or carrying out surface mining on Indian lands have seen the law as so good for public debate and for complete disclosure that they are submitting to its jurisdiction unilaterally, even without anyone else joining them, and asking the commission to examine their reclamation plans and to tell them whether they are good.

I think there are so many qualities about it that are better than the stringent provision in the bill, which really tells a State like this that it must have in its planning an approximate original contour as the end product of reclamation.

I might say to the distinguished Senator the exact same argument applies in my State with respect to section 216 on an area of critical environmental concern, because there it obviously is taken into consideration and weighed by virtue of the language that that State drew up. But we define it from Washington. They may conclude that even though there is such an area, other factors outweigh it, but they would do it publicly, through a pubic commission, with professionals and staff employed just for this purpose.

I do not think the Government should say, "We do not want you doing that kind of thing," but what we ought to be saying is, "I share that concern," although it is not as serious as it is with reference to the reclamation plan which requires that it must go to its approximate original contour. The State of New Mexico might prefer not to return it to its approximate original contour, unless it were surface drainage, because it could be restored to far better than the original contour.

I thank the Senator for his words of wisdom, and I will concern myself with that tomorrow to see if we can help by the amending process to make it more reasonably applicable.

Mr. METCALF. Let me say, on the second area of critical environmental concern, that that is purely permissive with the States. The State can designate such an area. If it does not want to designate such an area, it does not have to.

The Federal Government can come in on U.S. Federal land or where it has a concern and designate such an area, but it seems to me that, under the provisions which relate to refuges, national parks, and other areas that already have Federal considerations, most of the time such areas of special environmental concern would be applicable to State land, depending on the hearings and the determination of whether the plan was approved or not approved.

Mr. DOMENICI. Mr. President, with reference to the latter, that is the portion dealing with 216, the area of environmental concern, I am aware that it is permissive. What concerns me is that even though obviously New Mexico is concerned, as we are, they in no way charge this commission with making this kind of determination. They would perhaps make an application.

Mr. METCALF. They can do that, too. Even if they do not set aside an area and a person comes in and makes an application and says this is his reclamation plan and they come in and object, hearings can be held and they can set it aside.

Areas will be established where people will not go in and explore, and they may be prohibited from making application. I would imagine that they would be relatively few.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Montana.

Mr. METCALF. Mr. President, if there is nothing further on the bill today, I ask unanimous consent that the Cook amendment be laid before the Senate.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. METCALF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 134, line 6, insert the following: a period after the word "land" and strike the remainder of the section.

Mr. METCALF. Mr. President, I ask unanimous consent that the Cook amendment be the pending business when the Senate meets tomorrow and that after the disposition of the Cook amendment, the Senate take up, seriatim, the amendments proposed by the Senator from Tennessee (Mr. BAKER).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, during the course of the debate today, from time to time various Senators have asked unanimous consent that members of their staff who are interested and concerned with the unfinished business, S. 425, be given the privilege of the floor. I ask unanimous consent that that permission which has been granted today be granted to the same staff members on tomorrow.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, were the staff members designated by name?

Mr. METCALF. They were designated by name.

Mr. ROBERT C. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF AN ADDITIONAL CONFEREE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina (Mr. HOLLINGS) be added as an additional conferee on House Joint Resolution 727, making further continuing appropriations for fiscal year 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ALLEN, FOR TRANSACTION OF ROUTINE MORNING BUSINESS, AND FOR CONSIDERATION OF UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished junior Senator from Alabama (Mr. ALLEN) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business for not to exceed 15 minutes with statements therein limited to 3 minutes, at the conclusion of which the Senate resume the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ALLEN ON WEDNESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders or their designees have been recognized under the standing order, the distinguished junior Senator from Alabama (Mr. ALLEN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will convene at the hour of 12 noon.

After the two leaders or their designees have been recognized under the standing order, the distinguished junior Senator from Alabama (Mr. ALLEN) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes with the usual 3-minute limitation on statements made therein, at the conclusion of which the Senate will resume the consideration of calendar order No. 378 (S. 425), the surface mining bill.

Amendments thereto will be called up. The pending question at the time the Senate resumes consideration of unfinished business tomorrow will be on the adoption of the Cook amendment.

Yea-and-nay votes will occur on tomorrow.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until the hour of 12 noon tomorrow.

The motion was agreed to; and at 5:46 p.m., the Senate adjourned until tomorrow, Tuesday, October 9, 1973, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 8, 1973:

DEPARTMENT OF DEFENSE

Herman R. Staudt, of Florida, to be Under Secretary of the Army.

Frank A. Shrontz, of Washington, to be an Assistant Secretary of the Air Force.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE MARINE CORPS

Marine Corps nominations beginning Barbara J. Roy, to be lieutenant colonel, and ending Martin J. Zigovsky, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 25, 1973.

EXTENSIONS OF REMARKS

THE DIAMOND ANNIVERSARY OF NORTHEASTERN UNIVERSITY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. MOAKLEY. Mr. Speaker, on Wednesday, October 3, Northeastern University began the celebration of its diamond anniversary. This university has grown rapidly and responsibly to serve Boston, the Commonwealth of Massachusetts, New England, and the Nation. In terms of the total number of students, it is the largest private university in the country. Its 75th anniversary is an important and joyful occasion and yet it is a time to reflect upon the present and future role of Northeastern and other great American universities.

The 75th anniversary convocation address was delivered by Senator EDWARD W. BROOKE. His thoughts on the future role of higher education and the needs of our society are indeed compelling. I know my colleagues will find Senator BROOKE's remarks of great interest.

The remarks follow:

REMARKS OF SENATOR EDWARD W. BROOKE

It is an honor to speak at the Convocation beginning the celebration of Northeastern University's 75th birthday and to commemorate those first YMCA evening classes which marked the beginning of a great university. It is a happy thought to be reminded that there are indeed occasions and events to celebrate and that men do start enterprises that are causes for rejoicing by posterity.

It is not a small accomplishment to begin, to sustain, and to build a great university. Northeastern is now the largest private university in the nation in terms of the total number who study here. Seventy-seven thousand students have received degrees from Northeastern University over the course of its 75 years—tens of thousands more have studied here without obtaining a degree. Undoubtedly, some have attended without studying and possibly a few may have received degrees also without much studying—the last a tribute to the redoubtable ingenuity of students.

It is an especially happy note, particularly for an old personal friend, to acknowledge the presence of the man who perhaps more than any other expanded Northeastern not only in size but also in its vision of itself. I was privileged to attend the inauguration of Asa Knowles 14 years ago. In the short period since he has been President, Northeastern has added four new undergraduate colleges, established new graduate schools in law, arts and sciences, business administration, education, actuarial science, and professional accounting; and has begun 10 new Ph.D. programs. Under his administration, Northeastern has indeed become a total university. And during this rapid expansion, its reputation for academic excellence has not only been maintained but has grown. There are those who might say that the latter is due in great measure to the fact that the number of women students has grown from 300 to over 4,000 during the Knowles Presidency.

America has always placed great value upon education as a good unto itself; as a means by which a person could better his economic lot; and as a necessity for the successful functioning of a democracy. Thomas Jefferson argued that "If a nation expects to be ignorant and free . . . it expects what never was and never will be."

In the last decade and a half, American higher education experienced a remarkable rate of growth. The World War II baby boom came of college age during the 1960's. The belief grew that a college education and increasingly graduate or professional education beyond, was an economic necessity in a modern economy. The federal government escalated its support to universities through huge sums for research and development grants—primarily in the natural but also in the social sciences. Federal funds were made available for the construction of facilities. And millions of students who otherwise would have been economically unable, attended college and gradaute school as the number and size of federal student aid programs increased. Probably more than any other factor, federal aid to students accounts for the drastic rise in the proportion of young people who now go on to higher education. In 1955, prior to the passage of the National Defense Education Act, 27 percent attended college. Today, approximately one-half of all young people go beyond the secondary school level. And this latter statistic marks the United States as the first nation ever to move to mass higher education.

Yet this rate of growth in American higher education has now come to an abrupt and precipitous halt. The bulge in the number of college age students has come to an end. There are now calls for large cutbacks or terminations of federal education programs. Even should such drastic cuts not be made, however, it is doubtful whether the rate of increase in federal aid to higher education in the 1960's could have been sustained in view of our other national needs.

In addition to these serious shocks coming in rapid succession, there has also been a challenge to the economic justification of higher education. We are now told that within a very few years our economy will have more college graduates than it needs, as it already has a surplus of new Ph.D's in many fields.

Now in view of all these facts we must ask ourselves, just what is the future of higher education? What should be the federal role in higher education now that we see how precariously dependent institutions of higher education and students became upon federal funds in the 1960's.

In answering these questions, we must recognize that in a post-industrial society the economic justification of higher education becomes an absolute. A post-industrial society demands a large number of highly trained, skilled, and educated paraprofessionals, scientists, engineers, technicians and managers. It requires substantial investment in research and development. The institutions which provide this training and advanced education essential for our national economic well-being are of crucial and continuing importance.

Universities, academic departments, and specialists requiring long periods of training cannot be created over night or turned on and off at will.

We have attempted to "buy" from our universities space programs, or tens of thousands of engineers, or a massive effort in cancer research with no thought for the institutions themselves. The argument is made that we must support this or that defense contractor during its lean periods because the presence of defense contractors is necessary for the well-being of the nation. Yet the people who make this argument are seldom heard to argue that we must support this or that university because the presence of universities are necessary for the well-being of the nation. Universities presumably are to survive or suffer in a market economy while defense businesses become sacrosanct institutions.

No one argues that inferior colleges or universities be maintained over the decision of student choices. But the government must show awareness that sudden, massive infusions of federal research monies for specific projects can cause disastrous dislocations when it is determined that the national purpose has been served and funds are abruptly withdrawn. And in a similar vein, the forms and amounts of federal student aid and the fluctuations therein can determine whether or not millions of students can attend college, graduate, or professional school.

The government must show more awareness too of the fact that "crash programs" to turn out large numbers of specific kinds of manpower may be the way we have been doing things, but it may not be the wisest or most economical way. And indeed it may not be a feasible way, considering the long periods needed to train highly skilled professionals and paraprofessionals. Universities, for example, may now be producing more scientists and engineers than presently needed, but some projections show that by the mid-1980's the United States may face a shortage of scientists and engineers through the end of this century. We cannot have a large supply of new scientists ready in the 1980's unless we are willing to begin training them in the near future—even though they are not yet needed.

But even though we accept the complexities involved in training the highly skilled manpower needed in a mature industrial society, we still find ourselves asking what we do with these scientists and engineers, for example, until we do need them.

And while we accept the undoubted need for great numbers of highly educated manpower in the future, we still find ourselves asking if the laws of the economy dictate an upper limit to this need.

The answers to both these questions rest in part upon our understanding of the fact that the economy and its manpower needs do not operate according to some remote, unalterable law. The economy reflects our decisions about the kind of nation we want and the quality of life which we desire. This is our first year of peace in many years, the first year our national budget and appropriations bills reflect our peace-time priorities. It is crucial that we realize that we are now making decisions which should be turning points for the nation.

We have, for example, expended huge amounts of federal funds for research and development. In the mid-1960's more than half of all the scientists and engineers involved in research and development were dependent on federal monies. But the great bulk of this research has been in defense, space, and atomic energy. These areas still account for about 80% of federal research funds.

We must now turn adequate research and development efforts to the civilian sector—to health, housing, education, transportation and the environment—not to "make work" for the graduates of higher education but to meet needs—vital and immediate national needs.

Other industrially advanced areas of the world for several years have had more scientists, engineers, and technicians working on research and development in problems in non-defense areas—in industry and in environmental problems—than the United States.

At the present the United States government has virtually no research and development efforts to deal with many of our most pressing social and environmental problems. Despite the immediate energy crisis, for example, the government still proposes little research effort and funds to discover new sources of energy. The Department of Defense spends $7 and $8 billion annually for research and development. In contrast, despite the fact that better housing is one of our most urgent national needs, the Department of Housing and Urban Development spends only about $35 million in research—or ¼ of 1 percent of all federal research and development funds. The list is endless.

I argue the need for greater support for research and development in our civilian sector, not just for those concerned with social problems. I argue the need also with the pragmatic businessman who knows that America's commanding economic position has long depended not only on the abundance of her natural resources, nor on the skill of her work force, but on the existence and discoveries of her scientists and engineers.

I also urge that we move to meet our large, clearly defined, unmet manpower needs in such fields as health care and public services. And I argue for this not only on behalf of our poor but to arrest the deteriorating quality of life for the nation as a whole.

Higher education in turn must realize that reforms within higher education are needed, that there need be no conflict between providing a student with a liberal arts education and at the same time preparing him for a particular job. Northeastern's cooperative plan of education alternating classroom with actual work experiences has long proved that.

There are thus indeed serious economic and social questions about the future of higher education. But there may be more basic challenges in its future.

In the coming years, higher education will have to grope not only with the implications of mass higher education but also with the accelerating amount of information which man is discovering and accumulating at a faster and faster rate.

Today, it is rather comforting to know that the first two editions of the Encyclopedia Britannica could be written entirely by "one or two men who were still able to take the whole of human knowledge for their province." Ten thousand experts and specialists were necessary for the 1967 edition, and one person has estimated that a first-class university research library may contain 200 million books by the year 2040 (which raises the prospect that they who live by the sword of "publish or perish" may die of the accumulations of that injuiction.)

As the amount of our knowledge continues to explode, it will demand more and more specialization. Specialists may cease to have much of a common language among themselves, much less an intelligible language with the ordinary citizen.

This knowledge explosion and specialization will, therefore, place great strains upon the ordinary citizen, who already tends to be awed by the specialists and the "experts." In many instances, the citizen has already allowed the government to decide major policy matters because, supposedly, government alone knows and understands the facts involved and is therefore qualified to make judgments about national policy. What will this continuing explosion of knowledge, this increasing specialization, mean for the future of a democracy? For the self-confidence of a citizen about his ability to make common sense, value judgments about his country's future?

It may be ironic, but we may have to strengthen and preserve the individual against the growth of knowledge.

How do we strengthen him also against the growth of bureaucracy, of big business, of his government? Many citizens already feel powerless to effect any change in government policy as it becomes increasingly difficult to locate the levers of political power. Members of Congress, I might add, are not free of that frustration as we attempt to oversee hunderds of government programs and are confronted by the testimony of frequently conflicting experts.

As some institutions grow seemingly beyond control, while others weaken or become ineffective, what points of reference remain for the individual? The changes dictated by future technology may be so fast that we are cut off not only from the world of our parents but from our own yesterdays.

What counterpoints are there for the individual to the strains, the confusion, and the pains of modern life?

Few students ever stop to realize that their years in college or university provide them with the last long uninterrupted chance to think, to read, to question—largely unencumbered by economic pressures, family responsibilities, and the often irrational, constant, hectic demands of society—until they retire and start receiving Social Security. This is a rather sobering thought.

Thus may I close with a reminder of the non-economic aspects of higher education—with a celebration of its function in preparing citizens rather than serving the government, of answering an individual's spiritual and emotional as well as his economic needs.

Solzhenitsyn has said that by "means of art we are sometimes sent—dimly, briefly—revelations unattainable by reason . . . a realm . . . for which the soul begins to ache . . ." and that science is "needed not only by our intellect but also by our soul. Perhaps it is just as necessary for us to understand the world and mankind as it is to . . . have a conscience."

And as Kurt Vonnegut—required reading for all politicians since 18 years olds were granted the vote—recently said at another institution of higher education in Massachusetts, "I celebrate your having a library because it is the memory of mankind."

With a formidably unknown and unstable future, we may have even more spiritual and psychological need for the memory, the thoughts, the beauty, the poetry and the music of our past.

The future role of higher education will be to strengthen and enrich the individual by contact with these—and to serve not just one age group, but provide continuing education through a person's lifetime, to end the isolation and exclusitivity of university life by becoming a part of the total life of a community.

The most crucial responsibility of Northeastern and other universities in the future may be to educate students not so much as specialists, not only for economic gain, but as citizens who remain firm in their insistence that not government, not the experts, not the machine, nor the definable God we have called progress—but man, the individual, be the measure of all things.

To no better purpose can you dedicate your second 75 years.

U.S. OFFICIALS BYPASS SEAT BELT SYSTEMS

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. BROOMFIELD. Mr. Speaker, a spot check by the Department of Transportation showed that 47 percent, almost half, of the top executives at Transportation have disengaged their seat-belt buzzer and warning light systems.

Evidently the top decisionmakers who have forced the American people to shell out money for a mandatory seat belt system believe the people should do as they say but not as they do.

The 1974 models are rolling off the assembly lines with a complicated and even more expensive seat belt system that cuts off the ignition if the belts are not buckled. This is necessary at least in part, we have been told by the Transportation Department, because too many people were able to defeat the old system.

I cannot help wondering, Mr. Speaker, how many employees at Transportation will succeed in disengaging this latest Government-mandated accessory. Once they do there is no telling what new system they will devise for the 1975 autos.

The article which appeared in the Detroit News, October 3, follows:

U.S. OFFICIALS BYPASS SEAT BELT SYSTEMS

(By Robert W. Irvin)

"Do as we say, not as we do," could be the motto of some federal employees when it comes to wearing seat belts.

A survey shows many top employees of the U.S. Department of Transportation have bypassed those seat belt systems with the warning lights and buzzers on their own personal cars.

The department's National Highway Traffic Safety Administration has required the system on cars in recent years in an effort to push more people into wearing belts.

The buzzer-light system is designed to go off if a person tries to drive without buckling up.

However, it can be easily bypassed and that is why the government has required 1974 models to be equipped with an ignition interlock system which is supposed to keep a person from starting the car before attaching a combined lap-shoulder belt.

The survey on reaction to the buzzer system in recent vintage cars was reported by the safety agency in its in-house newsletter called simply the "Weekly Bulletin."

Another newsletter, "Status Report," of the Insurance Institute For Highway Safety in Washington, told of the agency report The insurance newsletter said:

"Apparently a lot of folks at Department of Transportation headquarters in Washington aren't too happy about the requirement.

"One day recently, the agency checked 93 employes' cars in the department's headquarters garage and found that nearly half—47 percent—had the seat belts circumvented on the driver's side and 43 percent had the front outboard seat circumvented."

The agency may not have detected all of the seat belt warning systems that were defeated on 1972–73 cars they checked because no attempt was made to start the vehicle to determine if the buzzer had been disconnected, the insurance group said.

By contrast, General Motors' Fisher Body Division researchers have found about 40 percent of the people with buzzers in their cars now using the belts, compared with only 13 percent in cars without the buzzers.

One industry observer said "it will be interesting to see what the government employes are going to do with the 1974 interlock system which is harder to defeat."

Meanwhile, a bill was introduced in Congress yesterday to ban the interlock on grounds it is an invasion of privacy.

HOME RULE FOR DISTRICT OF COLUMBIA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. RANGEL. Mr. Speaker, equal rights and full citizenship go hand in hand. The self-determination home rule bill to be voted on in the House next week has an enormous amount of public support.

The Leadership Conference on Civil Rights has voiced its support of this measure and of home rule for the District of Columbia in these words:

STATEMENT OF THE LEADERSHIP CONFERENCE ON CIVIL RIGHTS

For more than twelve years the Leadership Conference on Civil Rights has endorsed Home Rule for the District of Columbia.

The Conference, a coalition of 132 national civil rights, labor, religious and civic groups has long worked to bring equal rights to all persons in the United States. There can be no more flagrant denial of equal rights than the denial of full citizenship to the men and women who live in the Nation's Capital. President Richard M. Nixon himself has called the District of Columbia's lack of self-government a national shame and has given his support to Home Rule.

The 93rd Congress has it in its power to correct this disgrace. This subcommittee can begin the task of making the District of Columbia a full, functioning entity in our democracy, by helping create a workable system of self-government.

On behalf of our participating organizations we respectfully urge this subcommittee to help correct a long standing injustice and restore to the residents of the District their right to elect the persons who govern them and their right to exercise some influence on the affairs of the city in which they live.

"GOVERNOR" LODGE RETURNS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. McKINNEY. Mr. Speaker, recently, the White House announced that the President had accepted the resignation of our Ambassador to Argentina, John Davis Lodge. There are few Americans who have lived in this century to whom the name Lodge would not be familiar. Several members of the family have dedicated themselves to long and distinguished careers of public service to the American people, not the least of which has been Connecticut's own John Davis Lodge.

I would have to say, Mr. Speaker, that the coupling of the words Ambassador and Lodge do not roll off the tongues of his Connecticut friends as easily as the more familiar designation, Governor Lodge. To be sure, his career in foreign service far outspanned his time in Connecticut's executive mansion, but to many of his friends, the title cherished most is that of Governor. I would be remiss if I did not mention that he also served in this Congress and he distinguished himself here as well as the Representative from Connecticut's Fourth District, the seat I am now privileged to hold.

In a recent editorial, the Bridgeport, Conn., Post commented on the Governor's departure from Buenos Aires and at this point in the RECORD, I would like to share those thoughts with my colleagues.

The editorial follows:

MR. LODGE LEAVES

For some months there have been rumors that John D. Lodge would leave his position as ambassador to Argentina. He has now made it official.

For the past four years Mr. Lodge has served as the official envoy to a Latin American nation which most accurately is described as being "politically turbulent."

Most appropriately Mr. Lodge refrained from talking about Argentina's politics in public. His discreetness brought him criticism, which obviously was unfair.

Wisely, he stressed the cultural ties between the United States and Argentina and thus warded off suspicions that his country might entangle itself in the internal affairs of the nation in which he was stationed.

The administrations of Presidents Kennedy and Johnson raised the expectations of Latin America. Congress was not as sympathetic and cut some of the aid programs. The Nixon Administration, while keeping an eye on our neighbors to the South, was nonetheless forced to devote a large amount of its diplomatic activities to other parts of the world.

Thus, it seems Ambassador Lodge, a former Governor of this state and resident of Westport, carried out his assignment in laudable fashion by maintaining a low political profile and making new friends for the United States. Given the circumstances, what more would be asked of him?

I believe that to be a perceptive analysis of the Governor's characteristics for far more often than not, he demonstrated a keen ability to accurately evaluate a political situation and move with compassion and friendship, not confrontation.

At the age of 70 and after more than 30 years in public life, he will return now to his home in Westport, Conn. But I note with great interest, Mr. Speaker, the absence of the word "retirement" in any of the dispatches regarding his departure from Argentina. Most assuredly, the coming years should be filled with relaxation and be without care for him and his lovely wife, Francesca. However deserving, I cannot help but think it will not be that way for it would be out of character for a Lodge not to have an active interest in national and international affairs. I would add that there is little doubt in my mind that if his Nation called again, the Governor would be the first to serve.

As for now, however, Mr. Speaker, I would simply like to speak on behalf of his many friends and say: Welcome home.

JOSEPH GAVRISH—BOY HERO

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. SARASIN. Mr. Speaker, the Fifth District of Connecticut is proud to have among its citizens, Joseph Gavrish, a 14-year-old Beacon Falls resident. This young man distinguished himself in our community when he led his family from their burning home last January. In demonstrating the true meaning of bravery, Joseph was presented the Hartford Junior Fire Marshall Medal for heroism and was honored by Gov. Thomas J. Meskill in a ceremony last week.

I also applaud Joseph's preparation as a result of his participation in school fire prevention and safety education programs. In his actions, Joseph avoided what could have easily been a most tragic occurrence.

Joseph, an able and fine neighbor of mine, received statewide recognition when the account of this presentation appeared in a number of newspapers in Connecticut. I include a fine account of Joseph's recognition from the Waterbury Republican and American in the RECORD:

HONORS BOY HERO

HARTFORD.—Fourteen-year-old Joseph Gavrish may not have been thinking of medals when he led his family from their burning home last January, but he received another award Friday for heroism.

Gov. Thomas J. Meskill presented the Beacon Falls boy with the Hartford Junior Fire Marshal Medal for heroism Friday. Winning the medal makes Joseph a candidate for the nation's top award for juvenile fire heroism, the Hartford Junior Fire Marshal Gold Medal, which will be given Oct 21 by the International Association of Fire Chiefs.

Several months ago, Joseph was also commended by the Naugatuck chapter of the Red Cross.

Joseph Gavrish, son of Mr. and Mrs. William Gavrish, was awakened by his mother as flames spread through the family's second story apartment at 4 on the cold morning of Jan. 5. Finding the only stairway blocked by fire, Joseph leaped from a window to the ground, then caught his nine-year-old brother, Billy, who was dropped by Mrs. Gavrish.

Then Joseph, with the aid of neighbor Mrs. Bobby LaQuay, found a ladder, raised it to the window, and guided his 12-year-old sister, Maryann, his mother and his seriously burned father to safety before the fire completely destroyed the family's four-room apartment at 110 Munson Rd.

The Silver Medal is one of a series of juvenile fire heroism awards given by The Hartford Insurance Group in conjunction with its 27-year-old Junior Fire Marshal public service program of fire safety education.

A student at Long River Middle School in Prospect, Joseph has participated in fire prevention and safety education programs throughout his school years. In the early grades he took part in the Junior Fire Marshal program. More recently he learned to plan and practice a family emergency escape routine, Operation EDITH (Exit Drills in the Home), and the Gavrish family had subsequently devised and practiced their escape plan.

Joseph was nominated for the Silver Medal by James H. Bowen of Beacon Hose Co. No. 1, which responded to the alarm. Bowen, along with General Manager Leslie H. Gibbs and Marketing Manager Richard M. Kropp of the company's Bridgeport regional office, attended the Silver Medal presentation ceremony.

THE LATE HONORABLE J. VAUGHAN GARY

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. FISHER. Mr. Speaker, I share with my colleagues the sadness occasioned by the death of the former Member from the Third Congressional District of Virginia, Vaughan Gary. He served here with great distinction, and was rated as one of the most dedicated and able men who was in this body during the two decades from 1945 to 1965. It will be recalled that he left Congress voluntarily.

Our departed former colleague fought a running battle for American taxpayers during his tenure here. He was a real patriot, devoted to the American heritage, and was a consistent and dependable supporter of an adequate defense posture for our country. This Congress would be a better Congress if we had more Members of Vaughan's caliber. The Third District, the Old Dominion, and the entire Nation can be proud of the extraordinary service performed in the Congress by this great American.

ITALY IS A TRUE FRIEND

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. SIKES. Mr. Speaker, we hear more and more about withdrawing American troops from Europe. In fact, language was added to the military procurement bill by the Senate to require that there be reductions in the numbers of troops overseas. But the fact that we maintain large forces in Europe is criticized most frequently. One of the reasons advanced for this criticism is that our newly prosperous European allies are not pulling their own weight, and if they do not care enough about their own defense to pay for it, why should we?

I have had the benefit of firsthand knowledge about what some of our allies are doing for the defense of the West. I was particularly impressed by what the Italians were doing to hold up their end of the common defense burden. Strangely enough, although the Italians have been a staunch ally, their defense contributions and the story of their warm friendship for the United States are seldom in the news. Naturally each country in NATO Europe presents its own particular circumstances, but the case of Italy is an outstanding demonstration of what one firm ally of the United States has been able to do in spite of its well-known complex political situation and vast economic and budgetary difficulties.

Let me take first the most obvious measure of a nation's contribution to defense: Its defense expenditures. Italy's defense budget for 1973—which supported an armed force of 625,000 men—was in the neighborhood of $3.9 billion. This represented a 20-percent increase over the previous year. Compared to the size of the Italian gross national product, actual defense expenditures last year amounted to 3.5 percent of GNP. While somewhat below the NATO-wide average, there is one extraordinary fact about the Italian budget which I believe will illustrate the difficulties being faced by the Italian Government in appropriating additional moneys for defense. The fact is Italy's enormous budget deficit. The new budget being submitted to the Italian Parliament envisions a deficit of $14.7 billion, which constitutes a third of its total budget. An equivalent deficit for us would be in the neighborhood of $90 billion! And for every dollar in the defense budget there are the same conflicting domestic-social demands as in the United States. Yet, the Italian defense budget has been substantially increased. And let me note in passing that since 1962 Italy has bought over a half a billion dollars of military equipment from us, offsetting a substantial part of the foreign exchange costs of maintaining our forces in Italy.

But there is another aspect to Italy's contribution to the common defense besides the budgetary one. This is the warmth with which the Italians as a government and as a people have welcomed our 14,000 armed forces personnel stationed on Italian soil. This figure includes units of the 6th Fleet homeported in Italian ports. Of note in this connection was Italian Government approval last year of the homeporting of a submarine tender in La Maddalena, Sardinia. This step, which the Italian Government took in the face of political sniping from the far left, has enabled us to increase greatly the efficiency of our Mediterranean fleet without any increase in the number of combatant units. Italian receptiveness to these U.S. forces reflects the traditional bonds of friendship between us as well as the broad acceptance of Italian membership in NATO among the great majority of the Italian people.

I am told that the problems existing in local communities where our Armed Forces are stationed—economic, drug and other problems sometimes associated with foreign stationing—are virtually nonexistent. And the Italian authorities have shown a most cooperative attitude in working with our local military commanders and diplomatic mission in solving the few problems that do arise.

It is of more than passing significance that the Italian armed forces have actively cooperated with U.S. forces in multinational exercises, in the NATO framework as well as on a bilateral or trilateral basis. Of special interest has been Italian Navy participation in exercises in the Mediterranean, which have led to marked improvement in the ability of allied navies to operate together in this vital area of defense.

I am convinced that the Italians are keenly aware that time and the international situation have changed, and that it is necessary for adjustments to be made in sharing the defense burden. They have been pursuing an active role among the Europeans in this regard. They appreciate our budgetary problems related to the stationing of U.S. troops in Europe, and I am confident that they will continue to contribute their fair share of NATO's defense burden despite competing domestic demands and extraordinary economic difficulties.

Above all, exposed as they are on NATO's southern flank, the Italians consider the role of U.S. troops in Europe as crucial to Western defense. I believe they would be shocked and disillusioned by major unilateral U.S. withdrawals unless they were reciprocal, realistic, and factual reductions by the Warsaw Pact.

Let us accept the fact that Italy's friendship for America is tangible and firm. It should be appreciated more.

MEMORY OF J. VAUGHAN GARY

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. QUIE. Mr. Speaker, it was my good fortune to know J. Vaughan Gary while he was a Member of Congress. I noted the tremendous respect that all his colleagues had for him on both sides of the aisle right from my beginning days in Congress. When I came to know Vaughan well, I realized the reason. He was an extremely capable person, diligent in his work, and high in morality and integrity.

I will give him his highest mark on his vision and religious commitment, however, for he is one of those who met in prayer and fellowship with some of his colleagues in a group which finally developed into the Thursday morning prayer breakfast group. That group still continues to meet. During that hour each week, men of all political persuasions in the Congress, as well as all church backgrounds, have met in a bond that enables them to live more in grace with each other as they later differ on the House floor.

The memory of Vaughan Gary continues on because of his outstanding activities in the Congress. I thank the gentleman from Virginia for taking his time to enable those of us who knew this great gentleman to pay their respects.

SUPPORTS DISTRICT OF COLUMBIA HOME RULE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. RANGEL. Mr. Speaker, taxation without representation is the antithesis of a true democracy. The National Committee of the Young Democratic Clubs of America have voiced their support of the bill to give home rule and self-determination to the District of Columbia in the following resolution:

NATIONAL COMMITTEE, YOUNG DEMOCRATIC CLUBS OF AMERICA

Unanimously adopted the following resolution on D.C. Home Rule at March 5th, 1972 at its New Orleans meeting:

Whereas taxation with representation is a fundamental tenant of true democracy; and

Whereas this situation does not exist in the District of Columbia; and

Whereas major leaders of the Democratic Party support Home Rule for the District of Columbia, including Senator Daniel Inouye (Hawaii), Chairman, Senate Appropriations District Subcommittee,

Be it resolved that the Young Democratic Clubs of America fully support the present efforts of the District of Columbia Home Rule Committee led by Mr. Richard Clark of Common Cause.

Sponsored by Mr. Anson Chong, National Committeeman from Hawaii.

SIX CHANGES ACCOMMODATE MAJOR RESERVATIONS OF MEMBERS TO H.R. 9682, THE DISTRICT OF COLUMBIA SELF-GOVERNMENT BILL

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. DIGGS. Mr. Speaker, because of the unusual parliamentary situation, the original committee sponsors will offer an amendment in the nature of a substitute during the floor debate on H.R. 9682, the self-government bill for the District of Columbia.

The substitute contains six important changes which were made after numerous conversations and sessions with Members of Congress and other interested officials and citizens. These changes clarify the intent of H.R. 9682 and accommodate major reservations expressed since the bill was ordered reported last July.

Other than these changes, the committee substitute follows the committee bill, H.R. 9682.

The changes made by the substitute are as follows: First, budgetary process—no change in the congressional appropriation role; second, change election for Mayor and City Council from partisan to nonpartisan; third, authorization of power for the President over the local police in an emergency; fourth, further Federal oversight re the City Council; 30-day layover for effective date of legislative actions of the City Council; Presidential authority to sustain veto by the Mayor.

Fifth. Judiciary: Continued Senate confirmation of judges; automatic reappointment for judges rated "well qualified" or "exceptionally well qualified" by the tenure commission; and

Sixth. Reservation of congressional authority; additional limitations on City Council; Prohibit Council from changing functions or duties of District of Columbia U.S. attorney and District of Columbia U.S. marshal; prohibit changes in statutes under titles 22, 23, 24 of District of Columbia Code—the Criminal Code.

It is agreed by the committee members who have carefully fashioned this bill after months of hearings and weeks of markup sessions that the bill will now carefully balance the local interest and Federal interest in the Nation's Capital. I trust the House will agree and give approval to this bill for an effective new government for Washington, D.C.

THE LATE HONORABLE WESLEY A. D'EWART

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 1973

Mr. FISHER. Mr. Speaker, the late Wesley D'Ewart served in this body for 10 years. The announcement of his recent death aroused much sorrow among his farmer colleagues.

Those of us who served with him knew him as "Wes." Always friendly and affable, he was known for his keen insight into legislative proposals, and particularly that which related to his own State of Montana. I recall his unusual attention given to the sheep industry. In matters relating to wool production his knowledge and leadership were invaluable.

Wes D'Ewart was indeed a great American. He always put the welfare of the country ahead of petty partisan considerations. To me he was a personal friend and a valuable source of aid in the search for better solutions of issues in which we had a common interest. To his survivors I extend my deepest sympathy in their bereavement.